



**NEW YORK**  
STATE OF  
OPPORTUNITY™

**DASNY**

# **Proposed Operating Budget 2018-2019 Fiscal Year**

December 29, 2017

## Budget Headlines for 2017-2018 Proposal

- **The total 2018-19 proposed operating budget of \$114,954,028 represents an expenditure increase of 1.99% over the projected results for the 2017-18 fiscal year.**
- **The 2018-19 operating results are expected to be breakeven**, improving from the slight projected 2017-18 deficit.
- **Proposed FTEs** of 529 reflects the 13 new positions in the Grants Administration unit that were not anticipated in the 2017-18 budget.
- **Salaries** include the contractual cost-of-living increases of 2% (\$1.0 million) and step/longevity increases (\$0.45 million). An increase of 12 FTEs (\$0.9 million) is partially offset by funding from the Evolution and Health Care Transformation Reserves (\$0.55 million) to facilitate knowledge transfer with some retiring employees.
- **Benefits** reflect a 6% increase in health insurance premiums due to higher rates and participation (\$0.7 million) and higher contributions based on the estimate received from the Employee Retirement System. The proposal also funds higher contributions associated with additional retirees and accounts for benefits for the additional FTEs referred to above.
- **OPEB** expenses reflect a revised allocation of the liability DASNY has for Other Post-Employment Benefit liabilities (OPEB) from private institutions to public programs. The prior allocation to public programs reflected the cumulative share of time DASNY employees have spent supporting public programs since the inception of the liability in 2008 (87.5%). Previously the allocation was calculated based on the current fiscal year's share of time. By using the cumulative calculation, the allocation aligns with the overall level of support provided to the public programs, rather than being focusing on a single year's level of support.
- **Projected Construction workload for 2017-18 has increased 33%** over the prior year's value, while maintaining a steady number of projects in excess of 900 annually
- **Financing Fees** reflect 3 additional private financings for higher education clients.

## 2017-2018 Projected Results Compared to 2018-2019 Proposed Budget

	PROJECTED 2017-2018 EXPENSE	PROPOSED 2018-2019 BUDGET	<u>CHANGE</u>	
<b><u>Personal Services</u></b>				
Salaries	\$ 50,204,591	\$ 51,975,599	\$ 1,771,008	3.53%
Retirement Contributions	6,873,868	7,127,419	253,551	
Social Security	3,603,568	3,681,918	78,349	
Health Insurance	11,550,554	12,243,587	693,033	
Workers Compensation	475,000	484,557	9,557	
Dental & Optical	359,570	360,000	430	
Miscellaneous Benefits	548,757	546,500	(2,257)	
<b>Total Benefits</b>	<b>\$ 23,411,318</b>	<b>\$ 24,443,981</b>	<b>\$ 1,032,664</b>	
<b>Total Personal Services</b>	<b>\$ 73,615,909</b>	<b>\$ 76,419,580</b>	<b>\$ 2,803,671</b>	<b>3.81%</b>
<b><u>Maintenance &amp; Operations</u></b>				
Rent & Utilities	1,751,360	1,871,631	120,271	
Office Supplies & Miscellaneous Expense	895,263	892,844	(2,419)	
Business Travel Expense	751,700	811,150	59,450	
Management & Staff Training	198,259	260,512	62,253	
Publications & Memberships	235,460	250,621	15,161	
Communications	363,863	394,472	30,609	
Corporate Insurance	557,465	499,673	(57,792)	
Non-Capital Equipment & Equipment Leases	214,060	226,950	12,890	
Diversity Training & Coordination	65,000	80,000	15,000	
Legal Fees	500,000	500,000	-	
Professional Services	621,411	643,000	21,589	
Computer Services & Equipment	2,663,590	2,621,467	(42,123)	
Depreciation Expense	818,036	820,000	1,964	
Payment in Lieu of Taxes	125,000	125,000	-	
<b>Total Maintenance &amp; Operations</b>	<b>\$ 9,760,467</b>	<b>\$ 9,997,319</b>	<b>\$ 236,852</b>	<b>2.43%</b>
Contingency	\$ -	\$ -	\$ -	
<b>Total Internal Operating Budget</b>	<b>\$ 83,376,376</b>	<b>\$ 86,416,899</b>	<b>\$ 3,040,524</b>	<b>3.65%</b>
<b><u>Pass Through Expenses</u></b>				
Pass Through Insurance	10,501,176	10,921,223	420,047	
Post Employment Benefits	14,300,701	14,100,701	(200,000)	
NYS Cost Recovery Fees	-	-	-	
Other Program Specific Expenses	4,530,425	3,515,205	(1,015,220)	
<b>Total Pass Through Expenses</b>	<b>\$ 29,332,302</b>	<b>\$ 28,537,129</b>	<b>\$ (795,173)</b>	
<b>Total Operating Budget</b>	<b>\$ 112,708,678</b>	<b>\$ 114,954,028</b>	<b>\$ 2,245,350</b>	<b>1.99%</b>

## Revenue and Expense Allocation by Program (in thousands)

	ACTUAL 2016-2017		PROJECTED 2017-2018		PROPOSED 2018-19	
<b>REVENUE*</b>						
Private Institutions	\$ 10,373	9.5%	\$ 8,563	7.7%	\$ 8,750	7.6%
Mental Health	29,072	26.6%	26,407	23.6%	27,393	23.9%
Municipal Facilities	3,463	3.2%	2,255	2.0%	1,614	1.4%
Other NYS Initiatives	-	0.0%	-	0.0%	-	0.0%
NYS Agencies	18,258	16.7%	27,311	24.4%	22,170	19.3%
SUNY	15,347	14.1%	14,984	13.4%	17,660	15.4%
CUNY	32,622	29.9%	32,401	28.9%	37,094	32.3%
	<u>\$ 109,135</u>	<u>100.0%</u>	<u>\$ 111,920</u>	<u>100.0%</u>	<u>\$ 114,681</u>	<u>100.0%</u>
Other Non-Operating Revenue	1,522		1,574		1,604	
<b>Total Revenue</b>	<b>\$ 110,657</b>		<b>\$ 113,494</b>		<b>\$ 116,286</b>	
<b>ALLOCATED OPERATING EXPENSES*</b>						
Private Institutions	\$ 8,993	8.4%	\$ 10,104	9.0%	\$ 10,115	8.8%
Mental Health	27,804	26.1%	25,126	22.3%	26,160	22.8%
Municipal Facilities	2,997	2.8%	2,268	2.0%	1,221	1.1%
Other NYS Initiatives	546	0.5%	515	0.5%	534	0.5%
NYS Agencies	18,258	17.1%	27,311	24.2%	22,170	19.3%
SUNY	15,347	14.4%	14,984	13.3%	17,660	15.4%
CUNY	32,622	30.6%	32,401	28.7%	37,094	32.3%
	<u>\$ 106,568</u>	<u>100.0%</u>	<u>\$ 112,709</u>	<u>100.0%</u>	<u>\$ 114,954</u>	<u>100.0%</u>
Other Non-Operating Expenses	2,077		1,252		1,300	
<b>Total Expenses</b>	<b>\$ 108,644</b>		<b>\$ 113,961</b>		<b>\$ 116,254</b>	
<b>EXCESS (DEFICIENCY) BY PROGRAM</b>						
Private Institutions	\$ 1,380		\$ (1,541)		\$ (1,365)	
Mental Health	1,268		1,281		1,234	
Municipal Facilities	466		(14)		393	
Other NYS Initiatives	(546)		(515)		(534)	
NYS Agencies	-		-		-	
SUNY	-		-		-	
CUNY	-		-		-	
	<u>\$ 2,567</u>		<u>\$ (788)</u>		<u>\$ (273)</u>	
Other Non-Operating	(555)		322		304	
<b>Excess (Deficiency) of Revenues over Expenses*</b>	<b>\$ 2,013</b>		<b>\$ (467)</b>		<b>\$ 32</b>	

\* Includes Pass Through Revenue or Expenses, if applicable

**Budget and Financial Plan Summary**  
**April 1, 2016 - March 31, 2022**  
(in thousands)

**Budgeted Revenues, Expenditures and Changes in Net Assets**

	<u>Actual 2016-2017</u>	<u>Projected 2017-2018</u>	<u>Proposed 2018-2019</u>	<u>Proposed 2019-2020</u>	<u>Proposed 2020-2021</u>	<u>Proposed 2021-2022</u>
<b>REVENUE &amp; FINANCIAL SOURCES</b>						
Operating Revenues:						
Fees for services	\$91,159	\$98,113	\$100,443	\$101,632	\$102,820	\$103,073
Rental & financing income	531	553	553	553	553	553
Other operating revenues						
Non-operating Revenues						
Income on investments	991	1,021	1,051	1,083	1,115	1,149
Other non-operating revenues	17,976	13,807	14,238	14,038	13,838	13,638
<b>Total Revenues and Financial Sources</b>	<b>110,657</b>	<b>113,494</b>	<b>116,286</b>	<b>117,306</b>	<b>118,327</b>	<b>118,413</b>
<b>EXPENDITURES</b>						
Operating Expenditures:						
Salaries and wages	\$46,668	\$50,205	\$51,976	\$53,126	\$54,276	\$54,726
Other employee benefits	22,933	23,411	24,444	24,985	25,526	25,737
Office Infrastructure	6,266	7,892	8,150	8,150	8,150	8,150
Legal & Professional services	1,087	1,121	1,143	1,143	1,143	1,143
Other operating expenditures	657	747	705	705	705	705
<b>Total Operating Expenditures</b>	<b>77,611</b>	<b>83,376</b>	<b>86,417</b>	<b>88,108</b>	<b>89,799</b>	<b>90,460</b>
Non-internal operating expenditures	28,957	29,332	28,537	28,337	28,137	27,937
<b>Total Operating Budget</b>	<b>106,568</b>	<b>112,709</b>	<b>114,954</b>	<b>116,445</b>	<b>117,936</b>	<b>118,397</b>
Non-Operating Expenses	2,076	1,252	1,300	1,298	1,297	1,313
<b>Total Expenditures</b>	<b>\$108,644</b>	<b>\$113,961</b>	<b>\$116,254</b>	<b>\$117,743</b>	<b>\$119,233</b>	<b>\$119,710</b>
<b>Excess (Deficit) of revenues over expenditures</b>	<b>\$2,013</b>	<b>-\$467</b>	<b>\$32</b>	<b>-\$437</b>	<b>-\$906</b>	<b>-\$1,298</b>
<b>RESERVE FUNDS &amp; CAPITAL OUTLAYS</b>						
<b>Beginning Reserve Fund Balance</b>	<b>\$50,578</b>	<b>\$61,493</b>	<b>\$56,149</b>	<b>\$48,554</b>	<b>\$44,278</b>	<b>\$42,765</b>
* Transfers to Reserves	\$15,527	\$325	\$824	\$355	-\$114	-\$506
Reserve for Replacement (Capital Outlays)	\$202	\$991	\$3,350	\$650	\$500	\$500
Fiduciary Fund	518	518	518	518	0	0
Healthcare Portfolio Management Fund	3,500	0	0	0	0	0
Other Reserve Funds	347	168	150	150	150	150
*Evolution Reserve Fund	0	1,118	1,400	1,482	0	0
*21 Century Technology Reserve Fund	45	374	1,500	1,081	0	0
*Healthcare Transformation Reserve Fund	0	2,500	1,500	750	750	0
<b>Total Reserve Fund &amp; Capital Outlays</b>	<b>4,612</b>	<b>5,669</b>	<b>8,418</b>	<b>4,631</b>	<b>1,400</b>	<b>650</b>
Ending Reserve Fund Balance	\$61,493	\$56,149	\$48,554	\$44,278	\$42,765	\$41,609

## 2018-19 Operating Budget – Key Assumptions

### Salary

<u>Fiscal Year</u>	<u>#FTEs</u>
2015-16 (fiscal year-end)	478
2016-17 (fiscal year-end)	503
2017-18 (budget)	515
2017-18 (current)	517
2018-19 (proposed)	529

- As of 12/26/17, DASNY has 517 full-time equivalent positions (2017-18 budget assumed 515). This includes 13 new positions in the Grants Administration unit that were not anticipated in the 2017-18 budget.
- An additional 12 positions have been added to the 2018-19 proposed salary budget to address concerns about knowledge transfer for upcoming retirements.
- The proposed 2018-19 salary budget also includes:
  - \$1M 2% general salary increase per recently settled CBA
  - \$450k Step advances for eligible union staff
  - (\$550k) Allocation of salary expenses to the Evolution and Healthcare Reserves
- 2019-20 and 2020-21 include 2% increases for general salary (\$700k/year) and step advances (\$450k/year). 2021-22 only includes projected increases for step advances (see budget and financial plan summary on page 5).

### Employee Medical Benefits

- The proposed 2018-19 budget for health insurance includes a projected 6% increase over projected 2017-18 expenses to account for anticipated rate increases and increases in plan participation.
- DASNY's two most popular health insurance plans, Empire Plan and CDPHP, are expected to see rate increases of 7.5% and 2.3% in 2018.
- The monthly payment for health insurance totaled \$1.1M, with \$588k paid by DASNY for active employees and \$412k paid for retirees (balance was employee contributions and dental benefit expenses).
- 2017-18 health insurance expenditures are expected to total \$11.5M, with \$6.7 (58%) of the expenses being associated with active employees and the remaining \$4.8 (42%) being associated with retirees.
- Active DASNY employees currently pay 29% of the cost of family and 16% of the cost of individual coverage. Retirees pay 25% of the cost of family and 10% of the cost of individual coverage, but could use any accrued sick leave to cover their contributions (DASNY could pay up to 100% of the employee's contributions in these cases).

### Employee NYS Retirement

- The proposed 2018-19 retirement expense reflects the annual estimate provided by the NYS Employee Retirement System, with a 5% increase to account for an anticipated increase in base salaries (settlement of CBA and M/C increases) used to calculate the amount due.

### Maintenance & Operations

- The proposed 2018-19 Maintenance & Operations budget includes funding for rent/utilities for 3 new field site offices as well as increased funding for auto maintenance and fuel costs.

Bond Administration Fees – Budget Assumptions

- Projected revenue for 2019-20, 2020-21 and 2021-22 include an assumed decrease of \$350k per year due to anticipated defeasance/refunding of private institution bonds (see budget and financial plan summary on page 5).
- In order to generate new administrative fee revenue from private institutions to replace the anticipated \$350k annual reduction in revenue, DASNY would have to issued ~\$800M in new money (assumes 5 basis points on par).

**Cost allocation – Public vs. Private**

Fiscal Year	Public	Private	Comments
2015-16	87.11%	12.89%	Actual
2016-17	89.92%	10.08%	Actual
2017-18 (mid-year)	92.70%	7.30%	Projected based on data as of 10/4/17
2017-18	92.48%	7.52%	Projected based on data as of 11/29/17
2018-19	90.88%	9.12%	Avg. of proj. 17/18 and 18/19 Labor Survey

**Post-Employment Benefits Adjustment**

Fiscal Year	Public	Private
2015-16	(\$1,031,461)	\$1,031,461
2016-17	\$3,112,046	(\$3,112,046)
2017-18	(\$1,696,064)	\$1,696,064
2017-18 (mid-year)	\$3,577,620	(\$3,577,620)
2018-19	\$115,623	(\$115,623)

**Upfront Financing Fees– Private Clients**

**No change from fee structure that was adopted on January 11, 2017**

Private Institutions

- Standard Deals over \$20M \$125,000
- Publicly Offered Deals under \$20M \$100,000

Health Care

- Standard Deals \$150,000
- Complex/Obligated Groups \$150,000 (minimum, additional \$30k added for each borrower for deals with more than 3 borrowers)

Other

- Public Libraries/School District \$20M+ \$125,000 (will be split if a multiple institution financing)
- Multiple Issuance Deals Plus \$15,000 each additional issuance

**Fees – # of deals and total fees collected**

Fiscal Year	Higher Ed	Health Care
2015-16	14 \$1,025,000	4 \$545,000
2016-17	16 \$1,235,000	6 \$675,000
2017-18	12 \$1,615,000	6 \$600,000
2017-18 (mid-year)	12 \$1,615,000	5 \$500,000
2018-19	15 \$1,875,000	4 \$500,000

## **Bond Administration Fees – Private Clients**

**No change from fee structure that was adopted on January 11, 2017**

### Private Institutions

Borrowers will have the option of paying the first ten years of administrative fees at the time of closing.

- Fixed Rate
  - 6 Basis points per series on a declining balance for 3 years with \$100,000 annual cap.
  - 3 Basis points per series on a declining balance after 3 years with \$100,000 annual cap.
- Variable Rate
  - 6 Basis points per series on a declining balance for 3 years with \$100,000 annual cap.
  - 5 Basis points per series on a declining balance after 3 years with \$100,000 annual cap.

### Health Care

Borrowers will have the option of paying the first ten years of administrative fees at the time of closing.

- Fixed Rate
  - 10 Basis points per series on a declining balance for 3 years with \$100,000 annual cap.
  - 4 Basis points per series on a declining balance after 3 years with \$100,000 annual cap.
- Variable Rate
  - 10 Basis points per series on a declining balance for 3 years with \$100,000 annual cap.
  - 6 Basis points per series on a declining balance after 3 years with \$100,000 annual cap.
- Institutional Cap - No single institution will pay DASNY more than \$250,000 in administrative fees in each fiscal year (Institutions with FHA bonds are not subject to the institutional cap).

## **Bond Admin Fees (including TELP and defeasance fees) – Surplus Generating Clients**

*\$million*

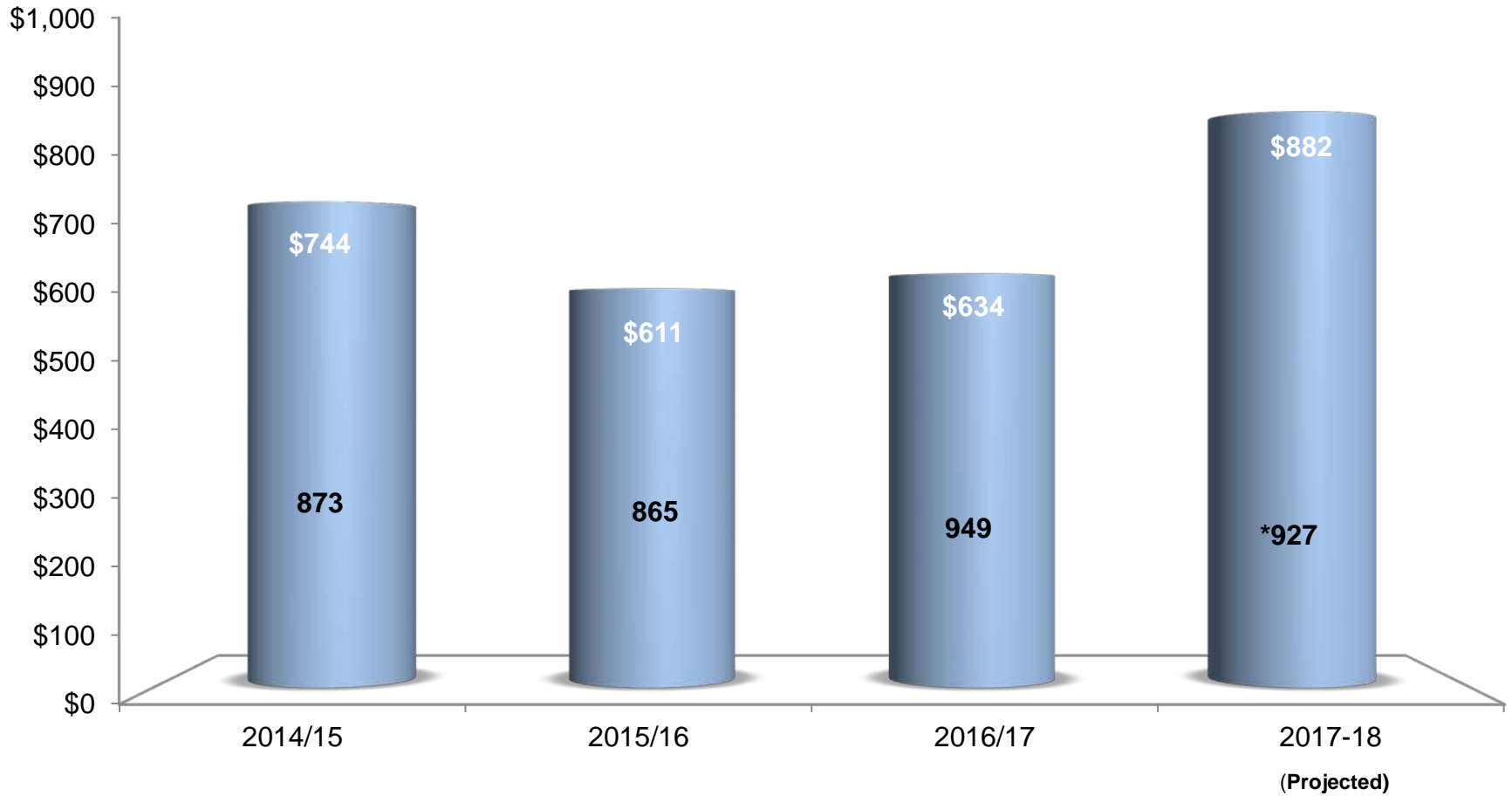
<u>Fiscal Year</u>	<u>Higher Education</u>	<u>Health Care</u>	<u>MH</u>	<u>Schools</u>	<u>Total</u>
2015-16	\$3.76 (38.8%)	\$3.54 (36.5%)	\$2.03 (20.9%)	\$0.37	\$9.70
2016-17	\$3.52 (39.2%)	\$2.93 (32.6%)	\$1.95 (21.7%)	\$0.59	\$9.00
2017-18	\$3.13 (42.0%)	\$2.19 (29.4%)	\$1.76 (23.6%)	\$0.37	\$7.45
2017-18 (mid-year)	\$3.42 (42.3%)	\$2.49 (30.8%)	\$1.81 (22.4%)	\$0.37	\$8.09
2018-19	\$3.06 (41.1%)	\$2.30 (30.9%)	\$1.71 (23.0%)	\$0.37	\$7.44

## **Bond Admin Fees – Largest Administrative Fees**

<u>Institution</u>	<u>2016-17</u>	<u>2017-18</u>
Columbia University	\$250,000	\$250,000
Cornell University	\$250,000	\$250,000
Memorial Sloan Kettering	\$250,000	\$250,000
New York University	\$226,978	\$250,000
North Shore LIJ Med Center	\$250,000	\$250,000
Rockefeller University	\$250,000	\$250,000
The New School	\$152,619	\$229,317
Fordham University	\$219,014	\$166,193
Montefiore Medical Center (FHA)	\$196,470	\$196,470
Albany Medical Center	\$189,939	\$ ---
Mount Sinai Hospital Obligated Group	\$148,076	\$147,562
NYU Hospitals Center	\$250,000	\$146,824



## Construction Workload – Dollar value and number of projects (in millions)



\* As of 11/30/17

# Appendices

# Background

The Dormitory Authority of the State of New York (DASNY) was established in 1944 for the purpose of financing and constructing dormitories for the State Teachers' Colleges to accommodate returning WWII veterans. Over the years, new legislation has enabled DASNY to provide financing and construction services to public and private universities, not-for-profit healthcare facilities, courts, libraries and other institutions that serve the public good. DASNY is also a leader in advancing New York State's public policy initiatives in green construction and diversity in public procurement. Today, some of DASNY's largest clients include City University of New York, NYS Department of Mental Hygiene, State University of New York, and the NYC Courts.

## 2018-2019 Budget Timeline

10/05/17	Distribute 2017-2018 budget packages to budget managers for completion.
10/05 - 11/01/17	Review current year activity to date, consult budget managers for their forecasts, research changes in rates and premiums and project total expenditures for 2017-2018.
10/27/17	All budget requests due to Budget office.
11/02/17	Update revenue and expense projections by program for 2017-2018 based on labor allocations to date.
11/09 - 11/20/17	Review budget requests; consult with budget managers for further clarification where needed.
12/11/17	Review preliminary numbers with Executive Management.
12/18/17	2nd review with Executive Management.
12/11 - 12/22/17	Finalize all calculations and reports.
12/22/17	Final review with Executive Management.
12/22/17 - 12/29/17	Finalize budget package
12/29/17	Post proposed budget; mail budget package to DASNY Board and others as required by Public Authorities law.
01/10/18	Present proposed 2018-2019 operating budget to DASNY Board.
01/10 - 3/7/18	Board members review and comment.
02/09/18	Update financial plan.
02/9 - 02/26/18	Review final budget package with Executive Management.
02/26/18	Mail final budget package to the DASNY Board.
03/07/18	Vote by DASNY Board on resolution to adopt 2018-2019 proposed operating budget.

## Glossary of Expense Categories

**Salaries** – Wages paid to DASNY staff.

**Retirement Contributions** – Annual employer contributions to NYS Employee Retirement System for active DASNY employees.

**Social Security** – Employer share of required federal tax payment on wages paid to DASNY staff.

**Health Insurance** – Employer share of health insurance premium expenses for active and retired DASNY staff.

**Workers Compensation** – Premium costs for DASNY's required Workers Compensation insurance coverage and associated claim payments.

**Dental/Optical** – Employer share of dental/optical insurance premium expenses for active DASNY staff.

**Miscellaneous Benefits** – Employer costs for benefits such as parking, commuting expenses/taxes, and tuition benefits.

**Rent & Utilities** – Monthly rent payments for office space at One Penn Plaza and utilities for DASNY's main offices.

**Office Supplies & Miscellaneous Expense** – Various building/office expenses such as copier maintenance, building maintenance, service contracts, field site maintenance expenses and marketing costs.

**Business Travel Expense** – Expenses for employee travel including hotels, train tickets and mileage reimbursement.

**Management & Staff Training** – Departmental and DASNY-wide training expenses.

**Publications & Memberships** – Various publications for Public Finance, Construction and Communications as well as professional memberships for DASNY staff.

**Communications** – Telephone services, postage and express mail services.

**Corporate Insurance** – Premium costs for various DASNY insurance policies including property, general liability, automobile and directors & officers.

**Non-Capital Equipment & Equipment Leases** – Equipment purchases that do not meet the criteria for capitalization, including DASNY fleet vehicles and miscellaneous office furniture.

**Diversity Training & Coordination** – Consulting costs associated with the delivery of DASNY's MWBE programs.

**Legal Fees** – Outside Counsel for DASNY corporate matters.

**Professional Services** – Consulting costs including the annual audit, payroll services and public work wage investigator services.

**Computer Services & Equipment** – Computer maintenance costs, consulting costs, license fees, software costs, computer equipment, etc.

**Estimated Depreciation** – Depreciation of DASNY's capital assets.

**Payment in Lieu of Tax** – Annual payment for DASNY's Albany office in lieu of property taxes.

**Pass-Through Insurance** – Premium expenses for insurance policies that DASNY procures on behalf of its clients, including property and general liability coverage. Costs are billed directly to clients.

**Post-Employment Benefits** – Expenses for future liability of post-employment health care benefits per Government Accounting Standards Board (GASB) statement 45.

**NYS Cost Recovery Fee** – Fee payable to NYS based on DASNY use of NYS resources.

**Other Program Specific Expenses** – Expenses paid by DASNY on behalf of various clients including specialized consultant costs, legal fees and trustee/custody fees.

## 2017-2018 Revised Adopted Budget vs. Projected Expense

	REVISED ADOPTED 2017-2018 BUDGET	PROJECTED 2017-18 EXPENSE	CHANGE
<b><u>Personal Service</u></b>			
<b>Salaries</b>	<b>\$ 50,844,728</b>	<b>\$ 50,204,591</b>	<b>\$ (640,137) -1.26%</b>
Retirement Contributions	6,855,128	6,873,868	18,740
Social Security	3,640,225	3,603,568	(36,657)
Health Insurance	11,344,597	11,550,554	205,957
Workers Compensation	450,000	475,000	25,000
Dental & Optical	360,000	359,570	(430)
Miscellaneous Benefits	523,400	548,757	25,357
<b>Total Benefits</b>	<b>\$ 23,173,350</b>	<b>\$ 23,411,318</b>	<b>\$ 237,968</b>
<b>Total Personal Services</b>	<b>\$ 74,018,077</b>	<b>\$ 73,615,909</b>	<b>\$ (402,168) -0.54%</b>
<b><u>Maintenance &amp; Operations</u></b>			
Rent & Utilities	1,821,900	1,751,360	(70,540)
Office Supplies & Miscellaneous Expense	882,250	895,263	13,013
Business Travel Expense	845,297	751,700	(93,597)
Management & Staff Training	251,218	198,259	(52,959)
Publications & Memberships	245,525	235,460	(10,065)
Communications	346,233	363,863	17,630
Corporate Insurance	550,450	557,465	7,015
Non-Capital Equipment & Equipment Leases	203,400	214,060	10,660
Diversity Training & Coordination	80,000	65,000	(15,000)
Legal Fees	550,000	500,000	(50,000)
Professional Services	728,057	621,411	(106,646)
Computer Services & Equipment	2,660,057	2,663,590	3,533
Depreciation Expense	823,393	818,036	(5,357)
Payment in Lieu of Taxes	125,000	125,000	-
<b>Total Maintenance &amp; Operations</b>	<b>\$ 10,112,780</b>	<b>\$ 9,760,467</b>	<b>\$ (352,313) -3.48%</b>
Contingency	\$ -	\$ -	\$ -
<b>Total Internal Operating Budget</b>	<b>\$ 84,130,857</b>	<b>\$ 83,376,376</b>	<b>\$ (754,481) -0.90%</b>
<b><u>Pass Through Expenses</u></b>			
Pass Through Insurance	12,572,315	10,501,176	(2,071,139)
Post Employment Benefits	12,693,065	14,300,701	1,607,636
NYS Cost Recovery Fees	-	-	-
Other Program Specific Expenses	3,789,009	4,530,425	741,416
<b>Total Pass Through Expenses</b>	<b>\$ 29,054,389</b>	<b>\$ 29,332,302</b>	<b>\$ 277,913</b>
<b>Total Operating Budget</b>	<b>\$ 113,185,246</b>	<b>\$ 112,708,678</b>	<b>\$ (476,568) -0.42%</b>

## 2016-17 Actual vs. 2017-18 Projected

	ACTUAL 2016-17 EXPENSE	PROJECTED 2017-18 EXPENSE	CHANGE	
<b>Personal Service</b>				
<b>Salaries</b>	\$ 46,668,245	\$ 50,204,591	\$ 3,536,346	7.04%
Retirement Contributions	6,899,577	6,873,868	(25,709)	
Social Security	3,318,061	3,603,568	285,507	
Health Insurance	10,348,838	11,550,554	1,201,716	
Workers Compensation	310,696	475,000	164,304	
Dental & Optical	337,315	359,570	22,255	
Miscellaneous Benefits	515,547	548,757	33,210	
<b>Total Benefits</b>	<b>\$ 21,730,034</b>	<b>\$ 23,411,318</b>	<b>\$ 1,681,285</b>	
<b>Total Personal Services</b>	<b>\$ 68,398,279</b>	<b>\$ 73,615,909</b>	<b>\$ 5,217,631</b>	<b>7.09%</b>
<b>Maintenance &amp; Operations</b>				
Rent & Utilities	1,741,989	1,751,360	9,371	
Office Supplies & Miscellaneous Expense	893,425	895,263	1,838	
Business Travel Expense	734,553	751,700	17,147	
Management & Staff Training	205,020	198,259	(6,761)	
Publications & Memberships	263,884	235,460	(28,424)	
Communications	308,837	363,863	55,026	
Corporate Insurance	506,921	557,465	50,544	
Non-Capital Equipment & Equipment Leases	174,252	214,060	39,808	
Diversity Training & Coordination	25,524	65,000	39,476	
Legal Fees	444,330	500,000	55,670	
Professional Services	642,841	621,411	(21,430)	
Computer Services & Equipment	2,396,003	2,663,590	267,587	
Depreciation Expense	751,340	818,036	66,696	
Payment in Lieu of Taxes	125,000	125,000	-	
<b>Total Maintenance &amp; Operations</b>	<b>\$ 9,213,919</b>	<b>\$ 9,760,467</b>	<b>\$ 546,548</b>	<b>5.60%</b>
Contingency	\$ -	\$ -	\$ -	
<b>Total Internal Operating Budget</b>	<b>\$ 77,612,198</b>	<b>\$ 83,376,376</b>	<b>\$ 5,764,179</b>	<b>6.91%</b>
<b>Pass Through Expenses</b>				
Pass Through Insurance	10,195,317	10,501,176	305,859	
Post Employment Benefits	13,741,397	14,300,701	559,304	
NYS Cost Recovery Fees	-	-	-	
Other Program Specific Expenses	5,018,988	4,530,425	(488,563)	
<b>Total Pass Through Expenses</b>	<b>\$ 28,955,702</b>	<b>\$ 29,332,302</b>	<b>\$ 376,600</b>	
<b>Total Operating Budget</b>	<b>\$ 106,567,900</b>	<b>\$ 112,708,678</b>	<b>\$ 6,140,780</b>	<b>5.45%</b>

## Estimated 2018-2019 Cash Flow DASNY General Operating Fund

<u>April-2018</u>			<u>May-2018</u>			<u>June-2018</u>		
<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>	<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>	<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>
Beginning Bal., Cash & Invest.	04/01/18	<u>3,250,000.00</u>						
Estimated Overhead transfer		7,000,000.00	Estimated Overhead transfer		7,000,000.00	Estimated Overhead transfer		7,000,000.00
<b>Total Receipts</b>		<u>7,000,000.00</u>	<b>Total Receipts</b>		<u>7,000,000.00</u>	<b>Total Receipts</b>		<u>7,000,000.00</u>
<u>Disbursements:</u>			<u>Disbursements:</u>			<u>Disbursements:</u>		
Payroll	04/04/18	(2,140,673.72)	Payroll	05/02/18	(2,140,673.72)	Payroll	06/13/18	(2,140,673.72)
DAGOF	04/16/18	(459,515.68)	DAGOF	05/15/18	(459,515.68)	DAGOF	06/14/18	(459,515.68)
Payroll	04/18/18	(2,140,673.72)	Payroll	05/16/18	(2,140,673.72)	Payroll	06/27/18	(2,140,673.72)
DAGOF	04/30/18	(1,509,814.63)	DAGOF	05/30/18	(2,140,673.72)	DAGOF	06/14/18	(459,515.68)
<b>Total Disbursements</b>		<u>(6,250,677.74)</u>	<b>Total Disbursements</b>		<u>(8,391,351.46)</u>	<b>Total Disbursements</b>		<u>(4,740,863.11)</u>
<b>Ending Balance, Cash &amp; Invest.</b>	<b>04/30/18</b>	<b><u>3,999,322.26</u></b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>05/31/18</b>	<b><u>2,607,970.80</u></b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>06/30/18</b>	<b><u>4,867,107.69</u></b>
<u>July-2018</u>			<u>August-2018</u>			<u>September-2018</u>		
<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>	<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>	<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>
Estimated Overhead transfer		7,000,000.00	Estimated Overhead transfer		7,000,000.00	Estimated Overhead transfer		7,000,000.00
<b>Total Receipts</b>		<u>7,000,000.00</u>	<b>Total Receipts</b>		<u>7,000,000.00</u>	<b>Total Receipts</b>		<u>7,000,000.00</u>
<u>Disbursements:</u>			<u>Disbursements:</u>			<u>Disbursements:</u>		
DAGOF	07/02/18	(1,509,814.63)	Payroll	08/08/18	(2,140,673.72)	Payroll	09/05/18	(2,140,673.72)
Payroll	07/11/18	(2,140,673.72)	DAGOF	08/14/18	(459,515.68)	DAGOF	09/14/18	(459,515.68)
DAGOF	07/16/18	(459,515.68)	Payroll	08/22/18	(2,140,673.72)	Payroll	09/19/18	(2,140,673.72)
Payroll	07/25/18	(2,140,673.72)	DAGOF	08/28/18	(1,509,814.63)	DAGOF	09/28/18	(1,509,814.63)
DAGOF	07/31/18	(1,509,814.63)	<b>Total Disbursements</b>		<u>(6,250,677.74)</u>	<b>Total Disbursements</b>		<u>(6,250,677.74)</u>
<b>Total Disbursements</b>		<u>(7,760,492.37)</u>						
<b>Ending Balance, Cash &amp; Invest.</b>	<b>07/31/18</b>	<b><u>4,106,615.32</u></b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>08/31/18</b>	<b><u>4,855,937.57</u></b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>09/30/18</b>	<b><u>5,605,259.83</u></b>



## Estimated 2018-2019 Cash Flow DASNY General Operating Fund

<u>October-2018</u>			<u>November-2018</u>			<u>December-2018</u>		
<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>	<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>	<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>
Estimated Overhead transfer		7,000,000.00	Estimated Overhead transfer		7,000,000.00	Estimated Overhead transfer		11,000,000.00
<b>Total Receipts</b>		<b>7,000,000.00</b>	<b>Total Receipts</b>		<b>7,000,000.00</b>	<b>Total Receipts</b>		<b>11,000,000.00</b>
<u>Disbursements:</u>			<u>Disbursements:</u>			<u>Disbursements:</u>		
Payroll	10/03/18	(2,140,673.72)	DAGOF	11/13/18	(459,515.68)	Payroll	12/12/18	(2,140,673.72)
DAGOF	10/15/18	(459,515.68)	Payroll	11/14/18	(2,140,673.72)	DAGOF	12/13/18	(459,515.68)
Payroll	10/17/18	(2,140,673.72)	DAGOF	11/27/18	(1,509,814.63)	RETIREMENT	12/15/18	(7,127,419.09)
DAGOF	10/30/18	(1,509,814.63)	Payroll	11/28/18	(2,140,673.72)	Payroll	12/26/18	(2,140,673.72)
Payroll	10/31/18	(2,140,673.72)	<b>Total Disbursements</b>		<b>(6,250,677.74)</b>	DAGOF	12/27/18	(1,509,814.63)
<b>Total Disbursements</b>		<b>(8,391,351.46)</b>				<b>Total Disbursements</b>		<b>(13,378,096.83)</b>
<b>Ending Balance, Cash &amp; Invest.</b>	<b>10/31/18</b>	<b>4,213,908.37</b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>11/30/18</b>	<b>4,963,230.63</b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>12/31/18</b>	<b>2,585,133.80</b>
<u>January-2019</u>			<u>February-2019</u>			<u>March-2019</u>		
<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>	<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>	<u>Receipts</u>	<u>Date</u>	<u>Estimate</u>
Estimated Overhead transfer		7,000,000.00	Estimated Overhead transfer		7,000,000.00	Estimated Overhead transfer		7,000,000.00
<b>Total Receipts</b>		<b>7,000,000.00</b>	<b>Total Receipts</b>		<b>7,000,000.00</b>	<b>Total Receipts</b>		<b>7,000,000.00</b>
<u>Disbursements:</u>			<u>Disbursements:</u>			<u>Disbursements:</u>		
Payroll	01/09/19	(2,140,673.72)	Payroll	02/06/19	(2,140,673.72)	Payroll	03/06/19	(2,140,673.72)
DAGOF	01/14/19	(459,515.68)	DAGOF	02/12/19	(459,515.68)	DAGOF	03/14/19	(459,515.68)
Payroll	01/23/19	(2,140,673.72)	Payroll	02/20/19	(2,140,673.72)	Payroll	03/20/19	(2,140,673.72)
DAGOF	01/29/19	(1,509,814.63)	DAGOF	02/27/19	(1,509,814.63)	DAGOF	03/29/19	(1,509,814.63)
<b>Total Disbursements</b>		<b>(6,250,677.74)</b>	<b>Total Disbursements</b>		<b>(6,250,677.74)</b>	<b>Total Disbursements</b>		<b>(6,250,677.74)</b>
<b>Ending Balance, Cash &amp; Invest.</b>	<b>01/31/19</b>	<b>3,334,456.06</b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>02/28/19</b>	<b>4,083,778.32</b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>03/31/19</b>	<b>4,833,100.57</b>

# 2018-2019 Capital Projects/Reserve Funds

## **Reserve for Replacement:**

- Projects completed in the 2017-18 fiscal year will begin depreciating in that fiscal year.
- DASNY has continued various capital maintenance and energy enhancements at 515 Broadway during the 2017-18 fiscal year. Projects included replacement of fire security and sound systems and critical maintenance/repair on elevators. Some of these projects are expected to continue into 2018-19.
- In addition to the ongoing maintenance enhancements at 515 Broadway, DASNY expects to begin projects to refurbish the roof, replace the solar panels on the roof and replace the exterior caulking on the building.
- DASNY also established several capital projects related to Information Technology upgrades during the 2017-18 fiscal year. These projects include:
  - Updates to Hardware, network and infrastructure applications to provide a more secure environment for DASNY's software applications and data.
  - Replacement of DASNY's main construction management software (Contract Manager).
  - Additional software and hardware upgrades to make DASNY more efficient in delivering services to its clients.

## **Additional Reserve Fund Projects:**

- Several projects were implemented for the DASNY Evolution Reserve Fund, including a plan to invest in additional human capital with a focus on furthering knowledge transfer and the review of business processes within the Construction and Public Finance Divisions.
- The Healthcare Transformation Reserve Fund will be utilized to help further DASNY's efforts in monitoring the credit of troubled healthcare clients in DASNY's portfolio.
- DASNY established the 21<sup>st</sup> Century Technology Reserve Fund in order to effectively implement the evolutionary change of DASNY's technology platform. Several technology projects have been funded from this reserve.

DASNY has no outstanding debt for its own assets and operations, and will not be incurring any debt to finance the above capital projects. Additional details on planned project spending can be found in the Budget & Financial Plan Summary.