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# **Proposed Operating Budget 2015-2016 Fiscal Year**

December 31, 2014

# Proposed Operating Budget 2015-2016 Fiscal Year

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## 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, NYC Health and Hospitals Corporation and the NYC Courts.

## Budget Headlines for 2015-2016 Proposal

- **Since FY 2009-10, DASNY has reduced spending for employee salaries by 9%, this was accomplished in the face of contractual increases of nearly 20%. DASNY has also decreased non-personnel expenditures by 15% during this period.**
- **In the last five years, DASNY has reduced staffing from 600 FTE's to the current staff of 489, a 19% reduction.**
- **The total 2015-16 proposed internal operating budget decreases by 1.8%** due primarily to a reduction in expenses for retirement contributions. The decrease in retirement contributions is mostly due to a reduction in salary expenses, as well as a reduction in contribution rates by the NYS Employees Retirement System. The decrease in the total proposed operating budget, including pass-through expenses, is limited to .8%, as a result of an anticipated 10% increase in insurance premiums.
- **2014-15 internal operating expenditures are expected to come in \$1.8 million lower than actual 2013-14 results.** This reduction is primarily due to the aforementioned decrease in salary expenses and retirement contributions.
- The total 2015-16 internal operating budget is proposed at a level slightly above current year projections. This is due primarily to anticipated increases in health insurance costs and contractual salary obligations.
- **2014-15 salary expenses are projected to come in \$1 million under budget.** The 2015-16 proposed budget for salary expenses increases by 1.9% compared to 2014-15 projected expenses, as DASNY will fulfill contractual salary obligations and plans to hire several positions that went unfilled for most of 2014-15.
- The 2015-16 proposed M&O budget remains consistent with current year projections and prior year actuals as DASNY continues to keep these expenditures at the level that they've been reduced to over the course of the last several years.
- So far in 2014-15, 13 bond issues have left DASNY's portfolio as clients pursue cost saving options elsewhere. These bond issues were scheduled to pay \$12 million in administrative fees through maturity. In the two previous fiscal years, 54 bond issues left the portfolio, removing future revenues totaling \$31.4 million. These 54 issues had an outstanding par value of \$1.7 billion at the time that they left the portfolio. During that same time period, DASNY only issued \$600 million in new money issues for private institutions.
- In 2011-12, DASNY collected \$12.7 million in administrative fees from private institutions. It is anticipated that DASNY will collect \$8.6 million in administrative fees from these programs in the 2014-15 fiscal year.
- DASNY has continued to see a shift in construction workload, from large capital projects to smaller rehab projects. While the total number of active construction projects has remained consistent, total construction expenditures continue to decrease (see pages 8 & 9 for further details).

# Fee Schedule

(no revisions)

## Upfront Financing Fees

### Private Institutions

- Standard Deals \$75,000
- Complex Program Start-Up Deals \$150,000 (minimum)

### Health Care

- Standard Deals \$100,000
- Complex/Obligated Groups \$150,000 (minimum)

Public Libraries/School District \$75,000 - will be split if a multiple institution financing  
Multiple Issuance Deals Plus \$15,000 each additional issuance

## Administrative Fees

### Private Institutions

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

### Healthcare

- Fixed Rate  
10 Basis points per series on a declining balance for the first three years with a \$100,000 annual cap.  
4 Basis points per series on a declining balance after the first three years with a \$100,000 annual cap.
- Variable Rate  
10 Basis points per series on a declining balance for the first three years with a \$100,000 annual cap.  
6 Basis points per series on a declining balance after the first three years with a \$100,000 annual cap.

Institutional Cap No single institution\* will pay DASNY more than \$250,000 in administrative fees in a given fiscal year.  
\*Institutions with FHA bonds are not subject to the institutional cap.

## Financing Fees

### ***Upfront Financing Fees - Private Institutions***

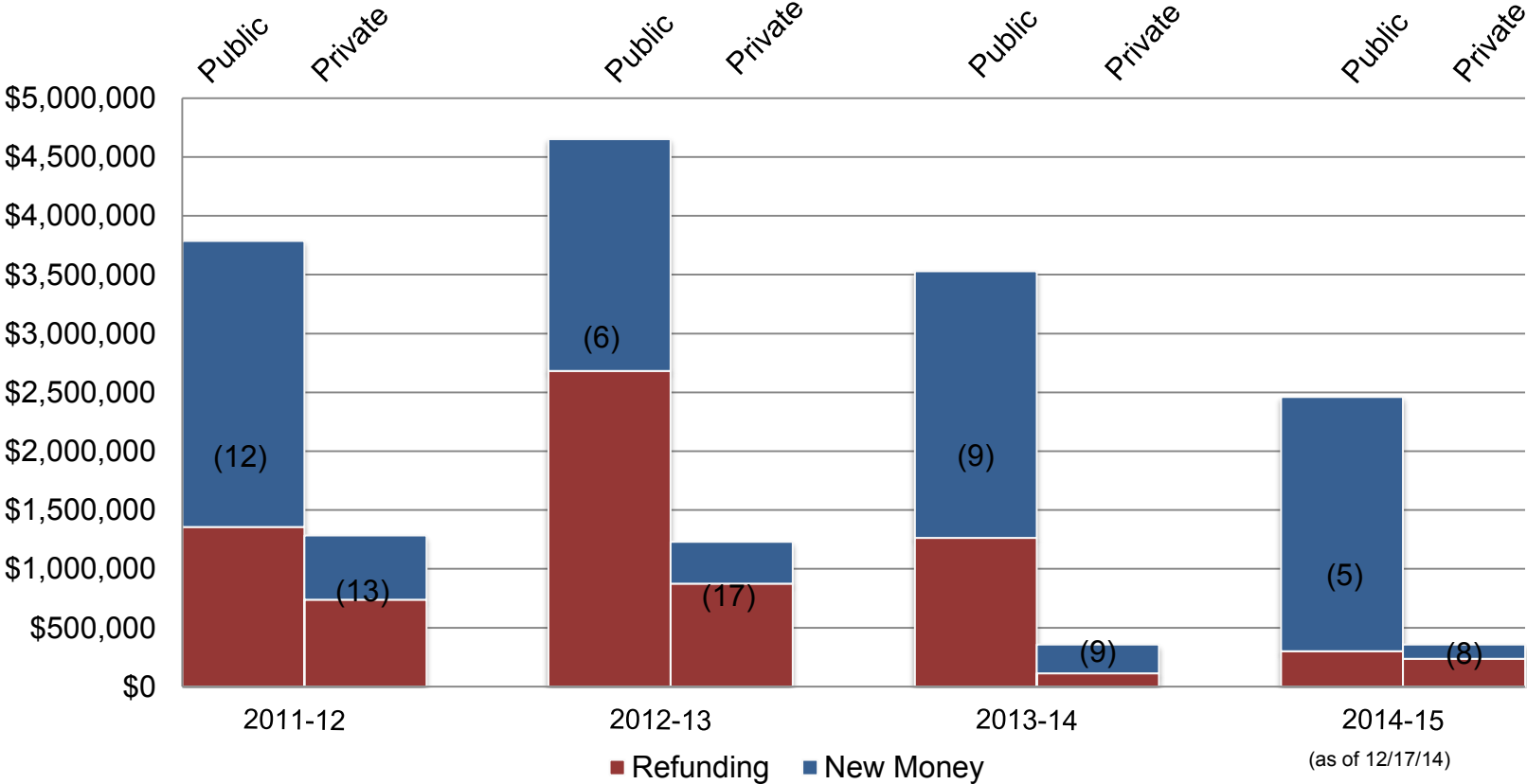
- **Standard Deals – \$75,000.** In fiscal year 2013-2014, there was a deficiency of \$758,851 for 8 closings. As of December 17, 2014, 7 bond deals have closed resulting in a deficiency of \$420,966. It is estimated 4 additional bond deals will close by March 31, 2015.

### ***Upfront Financing Fees – Health Care***

- **Standard Deals – \$100,000.** In fiscal year 2013-2014, there was a deficiency of \$161,925 for 1 closing. As of December 17, 2014, no bond deals closed. It is estimated no additional bond deals will close by March 31, 2015.
- **Complex/Obligated Groups – starting at \$150,000.** (complex financings are those which require new general resolutions, substantial new document development, complex financing structure, and/or complex real estate structure). In fiscal year 2013-2014, there were no complex bond deals. As of December 17, 2014, one bond deal closed resulting in a surplus \$10,945. It is estimated no additional bond deals will close by March 31, 2015.

# Financing Workload - Dollar Value & Number of Issues

(in millions)



## Administrative Fees Projected through Fiscal Year 2021-2022 on Current DASNY Issues

Program	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22
Independents	\$ 3,851,900	\$ 3,784,569	\$ 3,700,760	\$ 3,595,543	\$ 3,502,897	\$ 3,435,808	\$ 3,382,580	\$ 3,312,970
Healthcare	\$ 4,756,411	\$ 4,275,134	\$ 4,145,275	\$ 4,067,048	\$ 3,891,750	\$ 3,751,913	\$ 3,272,454	\$ 3,190,538
MH Basis Points	\$ 3,089,770	\$ 3,089,770	\$ 3,089,770	\$ 3,089,770	\$ 2,976,560	\$ 2,784,640	\$ 2,562,893	\$ 2,341,145
<b>Total</b>	<b>\$ 11,698,081</b>	<b>\$ 11,149,473</b>	<b>\$ 10,935,805</b>	<b>\$ 10,752,361</b>	<b>\$ 10,371,207</b>	<b>\$ 9,972,361</b>	<b>\$ 9,217,927</b>	<b>\$ 8,844,653</b>

Annual Change		\$ (548,608)	\$ (213,668)	\$ (183,444)	\$ (381,154)	\$ (398,846)	\$ (754,434)	\$ (373,274)
Cumulative Change		\$ (548,608)	\$ (762,276)	\$ (945,720)	\$ (1,326,874)	\$ (1,725,720)	\$ (2,480,154)	\$ (2,853,428)

**Annual par value required to offset the projected decrease in annual administrative fee revenues.**

Private Institutions	-	914,346,520	356,112,677	305,740,533	635,257,249	664,742,331	1,257,392,529	622,121,064
Healthcare	-	548,607,912	213,667,606	183,444,320	381,154,350	398,845,399	754,435,517	373,272,638

Prior Year Estimates      \$ 11,175,759    \$ 10,980,064    \$ 10,809,348    \$ 10,656,984    \$ 10,317,950    \$ 9,949,549    \$ 9,369,368



## Independent and Healthcare Institutions - Largest Annual Administrative Fees

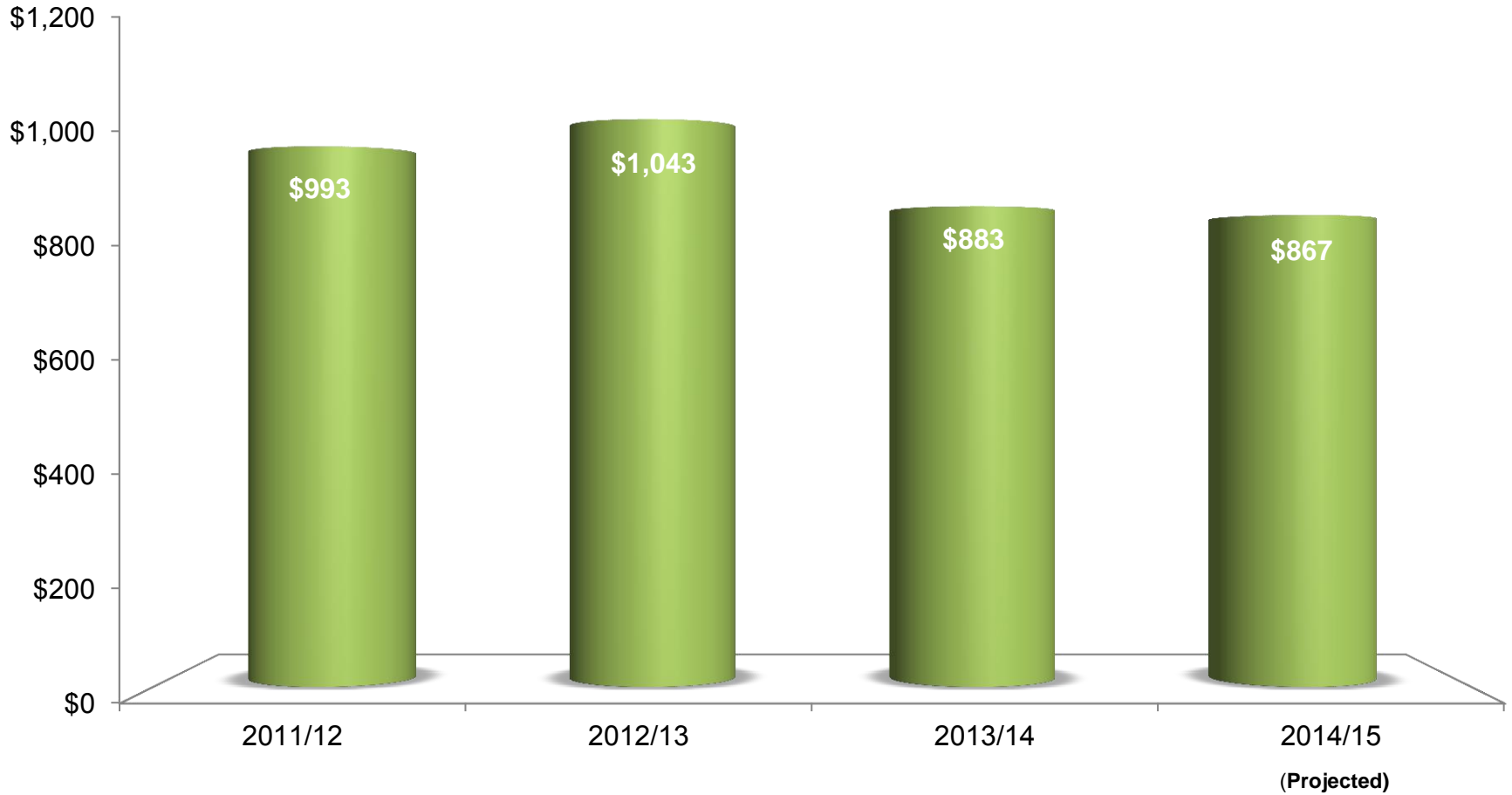
Independent Institutions	2014-15 Administrative Fee
Columbia University	\$250,000
Cornell University	\$250,000
New York University	\$250,000
Rockefeller University	\$250,000
University of Rochester	\$250,000
Mt. Sinai School of Medicine	\$250,000
<b>Total</b>	<b>\$1,500,000</b>

Private Healthcare	2014-15 Administrative Fee
NY & Presbyterian Hospital FHA	\$429,244
*Montefiore Medical Center FHA	\$405,983
North Shore Long Island Jewish Medical Center	\$250,000
Memorial Sloan Kettering Cancer Center	\$250,000
New York University Hospital Center	\$250,000
**St. Luke's Roosevelt Hospital Center FHA	\$202,353
<b>Total</b>	<b>\$1,787,580</b>

\*Montefiore Medical Center is scheduled to defease two issues with annual administrative fees totaling \$218,000.

\*\*St. Luke's Roosevelt Hospital Center FHA defeased in July 2014.

## Construction Workload Expenditures on DASNY Managed Projects (in millions)



# Construction Workload

## Current Projects\* and the Pipeline

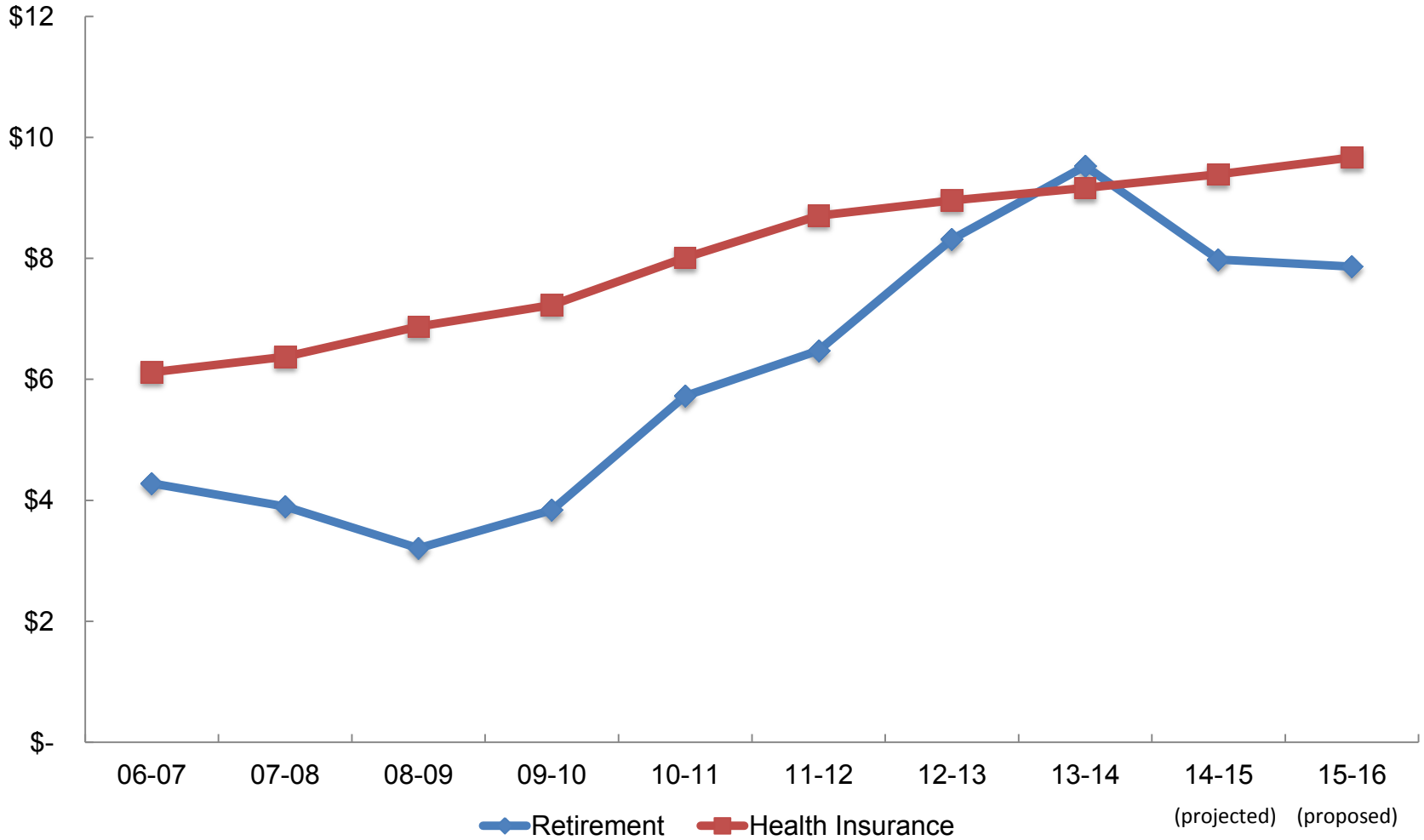
- As of November, 2014, the Authority has a design pipeline and active construction total of 983 projects valued at \$6.2 billion, compared to 975 projects valued at \$6.3 billion as of November, 2013. It is anticipated that four of DASNY's largest active construction projects, valued at \$1.5 billion will be completed in the near term.
- As of November, 2014, DASNY has 297 projects in active construction with a value of \$3.2 billion compared to 194 projects with a value of \$3.5 billion as of November, 2013. This total excludes projects in preliminary design, design or closeout stages.
- There are 410 full and modified service projects, with a value of \$1.95 billion, currently in the design phase. We anticipate that 65 of the active full service projects in pre-design or design, valued at \$553 million, to still be in design in fiscal year 2015-2016.
- For full and modified service programs, with the exception of SUNY Community Colleges, the number of projects in the preliminary and design phases is 616, which is 75% of the number of these projects. The projects total \$2.8 billion, which is 48% of the total value of these projects.
- Projects in the CUNY program that are in the preliminary and design phases total 197 projects valued at \$1.3 billion. This is 79% of the number of active CUNY projects and is 51% of the dollar value of the entire program.
- Projects in the full service SUNY program in the preliminary and design phases total 62 projects valued at \$188 million. This is 77% of the number of active projects and 63% of the dollar value of the entire program.
- There are a significant number of the OMH and OPWDD projects in the preliminary and design phases: 179 projects valued at \$330 million. This is 71% of the number of active projects and is 37% of the dollar value of the entire program.
- Additional projects currently under evaluation as potential work include:
  - Various projects for the NYC Housing Authority (approximately \$25 million)
  - Potential Energy Performance Contract work for the NYC Department of Citywide Administrative Services
  - A new residence hall and parking facility for SUNY Maritime
  - A new residence hall for SUNY Alfred (approximately \$25 million) and
  - The Department of Health Laboratory project (potentially \$600 million).

\*Total workload data includes both full and modified services programs. Total costs for projects in the predesign phase are typically early estimates and may not necessarily reflect the full anticipated cost through the construction phase.

## 2015-2016 Proposed Budget Compared to Prior Year Budget

	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	CHANGE	
<b><u>PERSONAL SERVICE</u></b>				
SALARIES	\$ 45,367,226	\$ 45,167,257	\$ (199,969)	-0.44%
RETIREMENT CONTRIBUTIONS	\$ 9,056,381	\$ 7,864,820	\$ (1,191,561)	
SOCIAL SECURITY	\$ 3,275,514	\$ 3,247,526	\$ (27,988)	
HEALTH INSURANCE	\$ 9,550,000	\$ 9,669,636	\$ 119,636	
WORKERS COMPENSATION	\$ 488,000	\$ 420,000	\$ (68,000)	
DENTAL & OPTICAL	\$ 384,000	\$ 377,500	\$ (6,500)	
MISCELLANEOUS BENEFITS	\$ 530,800	\$ 512,300	\$ (18,500)	
TOTAL BENEFITS	\$ 23,284,695	\$ 22,091,782	\$ (1,192,913)	
TOTAL PERSONAL SERVICE	\$ 68,651,921	\$ 67,259,039	\$ (1,392,882)	-2.03%
<b><u>MAINTENANCE &amp; OPERATIONS</u></b>				
RENT & UTILITIES	\$ 1,635,500	\$ 1,705,000	\$ 69,500	
OFFICE SUPPLIES & MISCELLANEOUS EXPENSE	\$ 861,575	\$ 833,650	\$ (27,925)	
COMMUNICATIONS	\$ 340,300	\$ 315,670	\$ (24,630)	
BUSINESS TRAVEL EXPENSE	\$ 816,962	\$ 838,304	\$ 21,342	
CORPORATE INSURANCE	\$ 450,987	\$ 417,180	\$ (33,807)	
NON-CAPITAL EQUIPMENT & EQUIPMENT LEASES	\$ 199,375	\$ 202,050	\$ 2,675	
MANAGEMENT & STAFF TRAINING	\$ 249,068	\$ 216,543	\$ (32,525)	
DIVERSITY TRAINING & COORDINATION	\$ 81,000	\$ 95,000	\$ 14,000	
PUBLICATIONS & MEMBERSHIPS	\$ 226,803	\$ 241,527	\$ 14,724	
LEGAL FEES	\$ 500,000	\$ 500,000	\$ -	
PROFESSIONAL SERVICES	\$ 535,225	\$ 596,475	\$ 61,250	
COMPUTER SERVICES & EQUIPMENT	\$ 1,897,200	\$ 1,917,100	\$ 19,900	
DEPRECIATION EXPENSE	\$ 871,531	\$ 792,609	\$ (78,922)	
PAYMENT IN LIEU OF TAXES	\$ 125,000	\$ 125,000	\$ -	
TOTAL MAINTENANCE & OPERATIONS	\$ 8,790,526	\$ 8,796,108	\$ 5,582	0.06%
CONTINGENCY	\$ -	\$ -	\$ -	
TOTAL INTERNAL OPERATING BUDGET	\$ 77,442,447	\$ 76,055,147	\$ (1,387,300)	-1.79%
PASS THROUGH INSURANCE	\$ 8,723,101	\$ 9,569,021	\$ 845,920	
POST EMPLOYMENT BENEFITS	\$ 13,928,687	\$ 13,728,687	\$ (200,000)	
NYS COST RECOVERY FEE	\$ 4,086,476	\$ 4,086,476	\$ -	
OTHER PROGRAM SPECIFIC EXPENSES	\$ 3,227,260	\$ 3,167,900	\$ (59,360)	
TOTAL PROPOSED OPERATING BUDGET	\$ 107,407,971	\$ 106,607,231	\$ (800,740)	-0.75%

# Retirement Contributions & Health Insurance (in millions)



## 2013-2014 Actual Results through 2015-2016 Proposed Budget

	ACTUAL 2013-2014 EXPENSE	PROJECTED 2014-2015 EXPENSE	PROPOSED 2015-2016 BUDGET
<b><u>PERSONAL SERVICE</u></b>			
SALARIES	\$ 45,269,666	\$ 44,323,437	\$ 45,167,257
RETIREMENT CONTRIBUTIONS	\$ 9,524,031	\$ 7,979,900	\$ 7,864,820
SOCIAL SECURITY	\$ 3,254,917	\$ 3,186,855	\$ 3,247,526
HEALTH INSURANCE	\$ 9,165,512	\$ 9,387,996	\$ 9,669,636
WORKERS COMPENSATION	\$ 347,003	\$ 416,900	\$ 420,000
DENTAL & OPTICAL	\$ 140,642	\$ 376,515	\$ 377,500
MISCELLANEOUS BENEFITS	\$ 486,506	\$ 504,500	\$ 512,300
TOTAL BENEFITS	\$ 22,918,611	\$ 21,852,667	\$ 22,091,782
TOTAL PERSONAL SERVICE	\$ 68,188,277	\$ 66,176,103	\$ 67,259,039
<b><u>MAINTENANCE &amp; OPERATIONS</u></b>			
RENT & UTILITIES	\$ 1,640,871	\$ 1,658,360	\$ 1,705,000
OFFICE SUPPLIES & MISCELLANEOUS EXPENSE	\$ 864,935	\$ 930,175	\$ 833,650
COMMUNICATIONS	\$ 310,763	\$ 325,000	\$ 315,670
BUSINESS TRAVEL EXPENSE	\$ 851,098	\$ 864,245	\$ 838,304
CORPORATE INSURANCE	\$ 346,698	\$ 417,353	\$ 417,180
NON-CAPITAL EQUIPMENT & EQUIPMENT LEASES	\$ 185,881	\$ 193,935	\$ 202,050
MANAGEMENT & STAFF TRAINING	\$ 155,757	\$ 223,158	\$ 216,543
DIVERSITY TRAINING & COORDINATION	\$ 141,633	\$ 90,000	\$ 95,000
PUBLICATIONS & MEMBERSHIPS	\$ 222,049	\$ 233,418	\$ 241,527
LEGAL FEES	\$ 485,499	\$ 500,000	\$ 500,000
PROFESSIONAL SERVICES	\$ 466,291	\$ 547,995	\$ 596,475
COMPUTER SERVICES & EQUIPMENT	\$ 2,099,518	\$ 1,924,450	\$ 1,917,100
DEPRECIATION EXPENSE	\$ 750,187	\$ 799,040	\$ 792,609
PAYMENT IN LIEU OF TAXES	\$ 125,000	\$ 125,000	\$ 125,000
TOTAL MAINTENANCE & OPERATIONS	\$ 8,647,960	\$ 8,832,128	\$ 8,796,108
CONTINGENCY	\$ -	\$ -	\$ -
TOTAL INTERNAL OPERATING BUDGET	\$ 76,836,238	\$ 75,008,231	\$ 76,055,147
PASS THROUGH INSURANCE	\$ 9,189,400	\$ 9,549,632	\$ 9,569,021
POST EMPLOYMENT BENEFITS	\$ 14,616,102	\$ 13,928,687	\$ 13,728,687
NYS COST RECOVERY FEE	\$ 4,086,000	\$ 4,086,476	\$ 4,086,476
OTHER PROGRAM SPECIFIC EXPENSES	\$ 5,102,325	\$ 4,444,850	\$ 3,167,900
PASS THROUGH EXPENSES	\$ 32,993,826	\$ 32,009,645	\$ 30,552,084
TOTAL OPERATING BUDGET	\$ 109,830,064	\$ 107,017,876	\$ 106,607,231

## 2013-2014 THROUGH 2015-16 VARIANCE ANALYSIS

	CHANGE 2014-2015 PROJECTED TO 2013-2014 ACTUAL	CHANGE 2013-2014 ACTUAL TO 2015-2016 PROPOSED	CHANGE 2014-2015 PROJECTED TO 2015-2016 PROPOSED
<b><u>PERSONAL SERVICE</u></b>			
SALARIES	\$ (946,229)	\$ (102,409)	\$ 843,820
RETIREMENT CONTRIBUTIONS	\$ (1,544,131)	\$ (1,659,211)	\$ (115,080)
SOCIAL SECURITY	\$ (68,062)	\$ (7,392)	\$ 60,671
HEALTH INSURANCE	\$ 222,485	\$ 504,124	\$ 281,640
WORKERS COMPENSATION	\$ 69,897	\$ 72,997	\$ 3,100
DENTAL & OPTICAL	\$ 235,873	\$ 236,858	\$ 985
MISCELLANEOUS BENEFITS	\$ 17,994	\$ 25,794	\$ 7,800
TOTAL BENEFITS	\$ (1,065,944)	\$ (826,829)	\$ (239,116)
TOTAL PERSONAL SERVICE	\$ (2,012,174)	\$ (929,238)	\$ 604,705
<b><u>MAINTENANCE &amp; OPERATIONS</u></b>			
RENT & UTILITIES	\$ 17,489	\$ 64,129	\$ 46,640
OFFICE SUPPLIES & MISCELLANEOUS EXPENSE	\$ 65,240	\$ (31,285)	\$ (96,525)
RECORDS MANAGEMENT	\$ (1,780)	\$ (1,780)	\$ -
COMMUNICATIONS	\$ 14,237	\$ 4,907	\$ (9,330)
BUSINESS TRAVEL EXPENSE	\$ 13,146	\$ (12,794)	\$ (25,941)
CORPORATE INSURANCE	\$ 70,655	\$ 70,482	\$ (173)
NON-CAPITAL EQUIPMENT & EQUIPMENT LEASES	\$ 8,054	\$ 16,169	\$ 8,115
MANAGEMENT & STAFF TRAINING	\$ 67,401	\$ 60,786	\$ (6,615)
DIVERSITY TRAINING & COORDINATION	\$ (51,633)	\$ (46,633)	\$ 5,000
PUBLICATIONS & MEMBERSHIPS	\$ 11,368	\$ 19,478	\$ 8,109
LEGAL FEES	\$ 14,501	\$ 14,501	\$ -
PROFESSIONAL SERVICES	\$ 81,704	\$ 130,184	\$ 48,480
COMPUTER SERVICES & EQUIPMENT	\$ (175,068)	\$ (182,418)	\$ (7,350)
DEPRECIATION EXPENSE	\$ 48,853	\$ 42,421	\$ (6,431)
PAYMENT IN LIEU OF TAXES	\$ -	\$ -	\$ -
TOTAL MAINTENANCE & OPERATIONS	\$ 184,167	\$ 148,147	\$ (36,020)
CONTINGENCY	\$ -	\$ -	\$ -
TOTAL INTERNAL OPERATING BUDGET	\$ (1,828,007)	\$ (781,091)	\$ 568,685
PASS THROUGH INSURANCE	\$ 360,232	\$ 379,621	\$ 19,389
POST EMPLOYMENT BENEFITS	\$ (687,415)	\$ (887,415)	\$ (200,000)
NYS COST RECOVERY FEE	\$ 476	\$ 476	\$ -
OTHER PROGRAM SPECIFIC EXPENSES	\$ (657,475)	\$ (1,934,425)	\$ (1,276,950)
PASS THROUGH EXPENSES	\$ (984,181)	\$ (2,441,743)	\$ (1,457,561)
TOTAL OPERATING BUDGET	\$ (2,812,187)	\$ (3,222,834)	\$ (888,876)

## 2015-2016 Salaries Budget

2014-2015 BASE SALARY	\$	46,840,906
LESS: ELIMINATE (10) VACANT POSITIONS	\$	(732,736)
PLUS: CONTRACTUAL OBLIGATIONS	\$	<u>442,688</u>
2015 - 2016 BASE SALARY	\$	46,550,858
LOCATION PAY	\$	714,044
EXEMPT POOL	\$	175,000
TEMPORARY PERSONNEL	\$	25,000
OVERTIME ESTIMATE	\$	<u>75,000</u>
SUBTOTAL	\$	47,539,901
SALARY CREDIT		
VACANCY CONTROL	\$	<u>(2,372,644)</u>
TOTAL 2015-2016 BUDGETED PAYROLL	\$	45,167,257



## Proposed Changes in Workforce - # of Employees

	<u>BUDGET</u> <u>2008-2009</u>	<u>BUDGET</u> <u>2009-2010</u>	<u>BUDGET</u> <u>2010-2011</u>	<u>BUDGET</u> <u>2011-2012</u>	<u>BUDGET</u> <u>2012-2013</u>	<u>BUDGET</u> <u>2013-2014</u>	<u>BUDGET</u> <u>2014-2015</u>	<b>PROPOSED</b> <u>BUDGET</u> <u>2015-2016</u>	<u>CHANGE</u> <u>2015-2016</u>
<b>TOTAL # OF POSITIONS LISTED IN BUDGET</b>	<b>647</b>	<b>647</b>	<b>635</b>	<b>610</b>	<b>598</b>	<b>546</b>	<b>536</b>	<b>528</b>	<b>-1.6%</b>
CHANGE	-33	0	-11	-25	-12	-52	-10	-9	
<b># OF FULL-TIME EQUIVALENT FUNDED POSITIONS</b>	<b>629</b>	<b>617</b>	<b>605</b>	<b>574</b>	<b>568</b>	<b>525</b>	<b>505</b>	<b>500</b>	<b>-1.0%</b>
CHANGE	0	-12	-12	-30	-6	-43	-20	-5	
<b>PERMANENT EMPLOYEES ON PAYROLL IN DECEMBER</b>	<b>600</b>	<b>592</b>	<b>587</b>	<b>544</b>	<b>524</b>	<b>497</b>	<b>490</b>		
CHANGE	-3	-7	-5	-43	-20	-27	-7		

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

	ACTUAL 2013-2014		PROJECTED 2014-2015		PROPOSED 2015-2016	
<b>REVENUE (including Revenue for Pass-through Expenses where applicable)</b>						
PRIVATE INSTITUTIONS	\$12,766	11.48%	\$11,989	11.20%	\$11,531	10.80%
SUNY	\$15,237	13.70%	\$13,026	12.17%	\$15,135	14.18%
MENTAL HEALTH	\$31,619	28.43%	\$31,420	29.35%	\$29,982	28.08%
NYS AGENCIES	\$13,194	11.86%	\$14,066	13.14%	\$12,916	12.10%
CUNY	\$29,464	26.49%	\$30,078	28.10%	\$30,291	28.37%
MUNICIPAL FACILITIES	<u>\$8,944</u>	<u>8.04%</u>	<u>6,465</u>	<u>6.04%</u>	<u>6,910</u>	6.47%
	\$111,225	100.00%	\$107,044	100.00%	\$106,765	100.00%
<b>ALLOCATED OPERATING BUDGET (including Pass-through Expenses)</b>						
PRIVATE INSTITUTIONS	\$11,784	10.73%	\$13,389	12.51%	\$12,635	11.85%
SUNY	\$15,237	13.87%	\$13,026	12.17%	\$15,135	14.20%
MENTAL HEALTH	\$29,340	26.70%	\$29,135	27.22%	\$27,735	26.02%
NYS AGENCIES	\$13,194	12.01%	\$14,066	13.14%	\$12,916	12.12%
CUNY	\$29,464	26.84%	\$30,078	28.11%	\$30,291	28.41%
MUNICIPAL FACILITIES	\$8,694	7.92%	\$6,288	5.88%	\$6,657	6.24%
OTHER NYS INITIATIVES	<u>\$2,117</u>	<u>1.93%</u>	<u>\$1,036</u>	<u>0.97%</u>	<u>\$1,239</u>	1.16%
	\$109,830	100.00%	\$107,018	99.99%	\$106,607	100.00%
<b>SURPLUS BY PROGRAM</b>						
PRIVATE INSTITUTIONS	983		(1,399)		(1,104)	
MENTAL HEALTH/MUNICIPAL FACILITIES	2,529		2,461		2,500	
LESS OTHER NYS INITIATIVES	<u>(2,117)</u>		<u>(1,036)</u>		<u>(1,239)</u>	
	1,395		26		157	

**Budget and Financial Plan Summary**  
**April 1, 2013 - March 31, 2019**  
(in thousands)

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

	Actual Budget 2013-2014	Budget Projection 2014-2015	Budget Projection 2015-2016	Budget Projection 2016-2017	Budget Projection 2017-2018	Budget Projection 2018-2019
<b><u>REVENUE &amp; FINANCIAL SOURCES</u></b>						
Operating Revenues:						
Fees for services	\$ 94,756	\$ 92,021	\$ 92,948	\$ 93,225	\$ 93,653	\$ 94,080
Rental & financing income	\$ 509	\$ 522	\$ 549	\$ 549	\$ 549	\$ 549
Other operating revenues						
Non-operating Revenues						
Income on investments	\$ 796	\$ 820	\$ 845	\$ 870	\$ 896	\$ 923
Other non-operating revenues	\$ 15,754	\$ 15,023	\$ 13,817	\$ 13,617	\$ 13,417	\$ 13,217
<b>Total Revenues and Financial Sources</b>	<b>\$ 111,815</b>	<b>\$ 108,387</b>	<b>\$ 108,160</b>	<b>\$ 108,262</b>	<b>\$ 108,516</b>	<b>\$ 108,770</b>
<b><u>*EXPENDITURES</u></b>						
Operating Expenditures:						
Salaries and wages	\$ 45,456	\$ 44,476	\$ 45,324	\$ 45,924	\$ 46,524	\$ 47,124
Other employee benefits	\$ 23,012	\$ 21,939	\$ 22,180	\$ 22,474	\$ 22,768	\$ 23,061
Professional services contracts	\$ 1,391	\$ 1,527	\$ 1,561	\$ 1,561	\$ 1,561	\$ 1,561
Supplies and materials	\$ 647	\$ 704	\$ 604	\$ 604	\$ 604	\$ 604
Other operating expenditures	\$ 6,720	\$ 6,732	\$ 6,761	\$ 6,761	\$ 6,761	\$ 6,761
<b>Total Operating Expenditures</b>	<b>\$ 77,226</b>	<b>\$ 75,377</b>	<b>\$ 76,430</b>	<b>\$ 77,324</b>	<b>\$ 78,218</b>	<b>\$ 79,111</b>
Non-operating Expenditures						
Capital assets outlay	\$ 130	\$ 218	\$ 218	\$ -	\$ -	\$ -
Other non-operating expenditures (pass-through)	\$ 28,819	\$ 28,441	\$ 26,984	\$ 26,784	\$ 26,584	\$ 26,384
Transfers to amounts held for institutions	\$ 714	\$ 735	\$ 757	\$ 780	\$ 804	\$ 828
Transfers to New York State and others	\$ 4,086	\$ 4,086	\$ 4,086	\$ 4,086	\$ 4,086	\$ 4,086
<b>Total Expenditures</b>	<b>\$ 110,975</b>	<b>\$ 108,857</b>	<b>\$ 108,477</b>	<b>\$ 108,974</b>	<b>\$ 109,691</b>	<b>\$ 110,409</b>
Capital Contributions						
Excess (deficiency) of revenues and capital contributions over expenditures	\$ 840	\$ (469)	\$ (317)	\$ (712)	\$ (1,175)	\$ (1,638)

\* Expenditures include NYC rent supplemented from Private Insitutions & 161 Delaware Ave expenses.

## Estimated 2015-2016 Cash Flow DASNY General Operating Fund

<u>April-2015</u>			<u>May-2015</u>			<u>June-2015</u>		
<u>Date</u>	<u>Estimate</u>		<u>Date</u>	<u>Estimate</u>		<u>Date</u>	<u>Estimate</u>	
Beginning Bal., Cash & Invest.	04/01/15	<u>0.00</u>						
<u>Receipts</u>			<u>Receipts</u>			<u>Receipts</u>		
Estimated Overhead transfer		8,000,000.00	Estimated Overhead transfer		6,100,000.00	Estimated Overhead transfer		6,100,000.00
<b>Total Receipts</b>		<u>8,000,000.00</u>	<b>Total Receipts</b>		<u>6,100,000.00</u>	<b>Total Receipts</b>		<u>6,100,000.00</u>
<u>Disbursements:</u>			<u>Disbursements:</u>			<u>Disbursements:</u>		
Payroll	04/08/15	(1,862,107.03)	Payroll	05/06/15	(1,862,107.03)	DAGOF	06/01/15	(405,350.33)
DAGOF	04/16/15	(405,350.33)	DAGOF	05/15/15	(1,242,611.69)	Payroll	06/03/15	(1,862,107.03)
Payroll	04/22/15	(1,862,107.03)	Payroll	05/20/15	(1,862,107.03)	DAGOF	06/15/15	(405,350.33)
DAGOF	04/30/15	(1,242,611.69)	<b>Total Disbursements</b>		<u>(4,966,825.75)</u>	DAGOF	06/17/15	(1,862,107.03)
<b>Total Disbursements</b>		<u>(5,372,176.08)</u>				DAGOF	06/30/15	(1,242,611.69)
						<b>Total Disbursements</b>		<u>(5,777,526.40)</u>
Ending Balance, Cash & Invest.	04/30/15	<u>2,627,823.92</u>	Ending Balance, Cash & Invest.	05/31/15	<u>3,760,998.17</u>	Ending Balance, Cash & Invest.	06/30/15	<u>4,083,471.77</u>
<u>July-2015</u>			<u>August-2015</u>			<u>September-2015</u>		
<u>Date</u>	<u>Estimate</u>		<u>Date</u>	<u>Estimate</u>		<u>Date</u>	<u>Estimate</u>	
<u>Receipts</u>			<u>Receipts</u>			<u>Receipts</u>		
Estimated Overhead transfer		6,300,000.00	Estimated Overhead transfer		6,100,000.00	Estimated Overhead transfer		8,500,000.00
<b>Total Receipts</b>		<u>6,300,000.00</u>	<b>Total Receipts</b>		<u>6,100,000.00</u>	<b>Total Receipts</b>		<u>8,500,000.00</u>
<u>Disbursements:</u>			<u>Disbursements:</u>			<u>Disbursements:</u>		
Payroll	07/01/15	(1,862,107.03)	Payroll	08/12/15	(1,862,107.03)	Payroll	09/09/15	(1,862,107.03)
DAGOF	07/17/15	(405,350.33)	DAGOF	08/14/15	(405,350.33)	DAGOF	09/16/15	(405,350.33)
Payroll	07/15/15	(1,862,107.03)	Payroll	08/26/15	(1,862,107.03)	Payroll	09/23/15	(1,862,107.03)
DAGOF	07/31/15	(1,242,611.69)	DAGOF	08/28/15	(1,242,611.69)	DAGOF	09/30/15	(1,242,611.69)
Payroll	07/29/15	(1,862,107.03)	<b>Total Disbursements</b>		<u>(5,372,176.08)</u>	<b>Total Disbursements</b>		<u>(5,372,176.08)</u>
<b>Total Disbursements</b>		<u>(7,234,283.11)</u>						
Ending Balance, Cash & Invest.	07/31/15	<u>3,149,188.66</u>	Ending Balance, Cash & Invest.	08/31/15	<u>3,877,012.58</u>	Ending Balance, Cash & Invest.	09/30/15	<u>7,004,836.51</u>

## Estimated 2015-2016 Cash Flow DASNY General Operating Fund

<u>October-2015</u>			<u>November-2015</u>			<u>December-2015</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		6,300,000.00	Estimated Overhead transfer		6,100,000.00	Estimated Overhead transfer		12,300,000.00
<b>Total Receipts</b>		<b>6,300,000.00</b>	<b>Total Receipts</b>		<b>6,100,000.00</b>	<b>Total Receipts</b>		<b>12,300,000.00</b>
<u>Disbursements:</u>			<u>Disbursements:</u>			<u>Disbursements:</u>		
Payroll	10/07/15	(1,862,107.03)	Payroll	11/04/15	(1,862,107.03)	Payroll	12/02/15	(1,862,107.03)
DAGOF	10/16/15	(405,350.33)	DAGOF	11/13/15	(405,350.33)	DAGOF	12/15/15	(405,350.33)
Payroll	10/21/15	(1,862,107.03)	Payroll	11/18/15	(1,862,107.03)	RETIREMENT	12/15/15	(7,864,820.00)
DAGOF	10/30/15	(1,242,611.69)	DAGOF	11/30/15	(1,242,611.69)	DAGOF	12/29/15	(1,242,611.69)
<b>Total Disbursements</b>		<b>(5,372,176.08)</b>	<b>Total Disbursements</b>		<b>(5,372,176.08)</b>	<b>Total Disbursements</b>		<b>(15,099,103.11)</b>
<b>Ending Balance, Cash &amp; Invest.</b>	<b>10/31/15</b>	<b>7,932,660.43</b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>11/30/15</b>	<b>8,660,484.35</b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>12/31/15</b>	<b>5,861,381.24</b>
<u>January-2016</u>			<u>February-2016</u>			<u>March-2016</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		6,100,000.00	Estimated Overhead transfer		6,100,000.00	Estimated Overhead transfer		3,000,000.00
<b>Total Receipts</b>		<b>6,100,000.00</b>	<b>Total Receipts</b>		<b>6,100,000.00</b>	<b>Total Receipts</b>		<b>3,000,000.00</b>
<u>Disbursements:</u>			<u>Disbursements:</u>			<u>Disbursements:</u>		
DAGOF	01/15/16	(405,350.33)	Payroll	02/10/16	(1,862,107.03)	Payroll	03/09/16	(1,862,107.03)
Payroll	01/13/16	(1,862,107.03)	DAGOF	02/12/16	(405,350.33)	DAGOF	03/14/16	(405,350.33)
Payroll	01/27/16	(1,862,107.03)	Payroll	02/24/16	(1,862,107.03)	Payroll	03/23/16	(1,862,107.03)
DAGOF	01/29/16	(1,242,611.69)	DAGOF	02/26/16	(1,242,611.69)	DAGOF	03/28/16	(1,242,611.69)
<b>Total Disbursements</b>		<b>(5,372,176.08)</b>	<b>Total Disbursements</b>		<b>(5,372,176.08)</b>	<b>Total Disbursements</b>		<b>(5,372,176.08)</b>
<b>Ending Balance, Cash &amp; Invest.</b>	<b>01/31/16</b>	<b>6,589,205.17</b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>02/29/16</b>	<b>7,317,029.09</b>	<b>Ending Balance, Cash &amp; Invest.</b>	<b>03/31/16</b>	<b>4,944,853.01</b>

## 2015-2016 Capital Projects

- DASNY has continued various capital maintenance and energy enhancements at 515 Broadway during the 2014-15 fiscal year. Projects included the teardown of chillers, replacement of the variable frequency drives in tower fans, the replacement of air conditioning units in the computer and telephone rooms and the replacement of the hot water heater. Some of these projects are expected to continue into 2015-16.
- In the Spring of 2014, DASNY's financial management system was upgraded as the previous version was over 10 years old and is no longer being supported by the software provider. This project was completed in November 2014.
- All projects will be funded from the Reserve for Replacement Fund.
- DASNY has no outstanding debt for its own assets and operations, and will not be incurring any debt to finance the above capital projects.

**Dormitory Authority State of New York**  
**Authority Operating Reserves**  
**as of November 30, 2014**  
(in millions)

	<u>Fiduciary</u>	<u>MCFFA Reserve</u>	<u>Reserve for Replacement</u>	<u>Development</u>	<u>Special Interest</u>	<u>Diversity Train. &amp; Develop.</u>	<u>D&amp;O Liab. Reserve</u>	<u>OPEB Reserve</u>	<u>Surety Bond Reserve</u>	<u>Healthcare Portfolio Mgmt</u>	<u>Healthcare Restructuring</u>
Cash and Investments, April 1, 2014	\$ 4,447	\$ 12,288	\$ 5,293	\$ 4,952	\$ 571	\$ 608	\$ 2,002	\$ 3,851	\$ 3,008	\$ 13,266	\$ 131,837
<b>Receipts:</b>											
Income on Investments	\$ 2	\$ 3	\$ 3	\$ 1			\$ 26	\$ 3	\$ 4	\$ 97	\$ 39
Contract Settlement					\$ 7	\$ 45					
Transfer from Independent Institutions	\$ 22										
Transfer from Private Healthcare	\$ 22										
Transfer To/From SUNY Appr. Rehab Project Reimbursement											\$ 20
Project Interest Payments											\$ 15,390
NYS Deposit											\$ 416
Transfer To/From NYS OPRHP Rehab				\$ 50							\$ 19,600
Transfer To/From HTFC-Comm.				\$ (50)							
Transfer To/From GOF			\$ 747								
<b>Total Receipts</b>	<b>\$ 46</b>	<b>\$ 3</b>	<b>\$ 750</b>	<b>\$ 1</b>	<b>\$ 7</b>	<b>\$ 45</b>	<b>\$ 26</b>	<b>\$ 3</b>	<b>\$ 4</b>	<b>\$ 97</b>	<b>\$ 35,465</b>
<b>Disbursements:</b>											
Project Disbursement						\$ 4					\$ 75,576
Legal Fees											\$ 8
DASNY-Rehab Main Bathrooms			\$ 1								
Other Expenses			\$ 139								
NYC Office	\$ 388										
Refund Principal Wyckoff Hospital											\$ 29
Refund Principal Catskill Regional											\$ 47
Private Healthcare-Brookdale											\$ 123
<b>Total Disbursements</b>	<b>\$ 388</b>	<b>\$ -</b>	<b>\$ 140</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 75,783</b>
Cash and Investments, November 30, 2014	\$ 4,105	\$ 12,291	\$ 5,903	\$ 4,953	\$ 578	\$ 649	\$ 2,028	\$ 3,854	\$ 3,012	\$ 13,363	\$ 91,519
<b>Status of Commitments:</b>											
Budgeted	\$ 6,900	\$ 12,000	\$ 1,315	\$ 550						\$ 8,170	\$ 683,272
Expended	\$ 3,477		\$ 694	\$ 550						\$ 8,170	\$ 634,170
Commitments - November 2014	\$ 43									\$ -	\$ -
Unexpended Balance	\$ 3,380	\$ 12,000	\$ 621	\$ -						\$ -	\$ 49,102
Uncommitted Balance	\$ 725	\$ 291	\$ 5,282	\$ 4,953						\$ 13,363	\$ 42,417

# Appendix A



## 2015-2016 Budget Timeline

09/03/14	Notify budget managers with August budget reports that 2015-2016 M&O request forms will be distributed the first week of October and will be due back by November 7, 2014.
10/07/14	Distribute 2015-2016 M&O budget packages to budget managers for completion.
10/07 - 11/07/14	Review current year activity to date, consult budget managers for their forecasts, research changes in rates and premiums and project total expenditures for 2014-2015.
11/07/14	Update revenue and expense projections by program for 2014-2015 based on labor allocations to date.
11/07/14	All budget requests due to Budget office.
11/10 - 11/21/14	Review budget requests; consult with budget managers for further clarification where needed.
11/18/14	Review preliminary numbers with Vice President.
12/09/14	2nd review with Vice President.
12/09/14	Update fee projection based on bond issues sold to date; consult Finance for estimated number and amount of bond issues to be sold by end of fiscal year.
12/09/14	Allocate proposed 2015-2016 revenue and expense by program based on 2015-2016 labor survey.
12/10 - 12/16/14	Finalize all calculations and reports.
12/16/14	Final review with Vice President before presentation to President.
12/16/14 - 12/26/14	Review budget package with President.
12/31/14	Post proposed budget; mail budget package to DASNY Board and others as required by Public Authorities law.
01/14/15	Present proposed 2015-2016 operating budget to DASNY Board.
01/15 - 02/11/15	Board members review and comment.
02/11/15	Update salary budget and classification plan chart; update financial plan.
02/11 - 02/27/15	Review final budget package with President.
02/27/15	Mail final budget package, including updated salary budget and classification plan chart, to the DASNY Board.
03/11/15	Vote by DASNY Board on resolution to adopt 2015-2016 proposed operating budget.

# Appendix C

**SUPPLEMENTAL BUDGET CATEGORY INFORMATION  
INTERNAL OPERATING BUDGET  
2014-2015 PROJECTED ACTUAL EXPENSE TO 2015-2016 PROPOSED BUDGET**

<u>DESCRIPTION</u>	<u>PROJECTED 2014-2015</u>	<u>PROPOSED 2015-2016</u>	<u>CHANGE</u>
<p><b>SALARIES</b> The proposed 2015-16 Salaries budget represents a 1.9% increase over 2014-15 projected salaries despite a step advancement for eligible employees in 2015-16. As of December 2014, there were 490 permanent employees on the payroll and DASNY plans on funding 500 full time positions for 2015-16.</p>	<b>\$44,323,437</b>	<b>\$45,167,257</b>	<b>\$843,820</b>
<p><b>RETIREMENT CONTRIBUTIONS</b> Contributuion rates decreased in 2014-15, and are expected to decrease slightly in 2015-16 according to the projection DASNY received from NYS.</p>	<b>\$7,979,900</b>	<b>\$7,864,820</b>	<b>(\$115,080)</b>
<p><b>SOCIAL SECURITY</b> DASNY's Social Security assessment historically averages approximately 7.2% of the total gross wages paid during the fiscal year.</p>	<b>\$3,186,855</b>	<b>\$3,247,526</b>	<b>\$60,671</b>
<p><b>HEALTH INSURANCE</b> Premiums increased an average of 2% in December 2013 and a 3% increase over projected 2014-2015 expense is proposed for 2015-16.</p>	<b>\$9,387,996</b>	<b>\$9,669,636</b>	<b>\$281,640</b>
<p><b>WORKERS COMPENSATION</b> Workers Compensation premium is expected to increase 5% in 2015-16.</p>	<b>\$416,900</b>	<b>\$420,000</b>	<b>\$3,100</b>
<p><b>DENTAL/OPTICAL</b> The Authority's dental/optical expense has been very consistent over the years except for a credit received last year for dental dividends. The proposed 2015-16 budget is in line with 2014-15 projections.</p>	<b>\$376,515</b>	<b>\$377,500</b>	<b>\$985</b>

**SUPPLEMENTAL BUDGET CATEGORY INFORMATION  
INTERNAL OPERATING BUDGET  
2014-2015 PROJECTED ACTUAL EXPENSE TO 2015-2016 PROPOSED BUDGET**

<u>DESCRIPTION</u>	<u>PROJECTED 2014-2015</u>	<u>PROPOSED 2015-2016</u>	<u>CHANGE</u>
<p><b>MISCELLANEOUS BENEFITS</b> Flexible Benefits received a forfeiture of \$5k in 2014-15 which is not proposed in 2015-16. Modest increases are expected in a couple other miscellaneous benefit categories.</p>	\$504,500	\$512,300	\$7,800
<p><b>RENT &amp; UTILITIES</b> The 2015-16 budget increase over current year projection is primarily due to the operating expenses (\$17k), real estate taxes (\$21k) and electric (\$8k) at One Penn Plaza.</p>	\$1,658,360	\$1,705,000	\$46,640
<p><b>OFFICE SUPPLIES &amp; MISCELLANEOUS EXPENSE</b> Included in this category are expenses for office supplies, printing, service contracts, meeting expenses and assorted miscellaneous purposes. The 2015-16 proposed budget includes an anticipated decrease in Miscellaneous expenses (\$35k) for Human Resources as the recruiting services will not be retained. The contract on our large copier is up in January 2015, resulting in a decrease (\$31k) for the Copier expense in Building Services. Additional decreases are expected for Printing (\$25k) and Building Maintenance (\$8k) expenses. Modest increases are also anticipated in other accounts.</p>	\$930,175	\$833,650	(\$96,525)
<p><b>RECORDS MANAGEMENT</b> DASNY has plans to advance this initiative using in-house resources.</p>	\$0	\$0	\$0
<p><b>COMMUNICATIONS</b> Included in this category are expenses for all office telephones, portable communication devices, postage and express mail. The proposed 2015-16 budget includes a decrease in Telephone Expense (\$14.7k). A portion of this decrease is offset by increases in Other Communication Expenses (\$5.4).</p>	\$325,000	\$315,670	(\$9,330)

**SUPPLEMENTAL BUDGET CATEGORY INFORMATION**  
**INTERNAL OPERATING BUDGET**  
**2014-2015 PROJECTED ACTUAL EXPENSE TO 2015-2016 PROPOSED BUDGET**

<u>DESCRIPTION</u>	<u>PROJECTED 2014-2015</u>	<u>PROPOSED 2015-2016</u>	<u>CHANGE</u>
<p><b>BUSINESS TRAVEL EXPENSE</b></p> <p>This account funds the use of hotels, trains, automobiles, air travel and reimbursements to employees for expenses incurred while traveling on DASNY business. The proposed 2015-16 budget includes a decrease in department travel (\$18k) for Upstate Construction as the field representative coverage for the New Paltz projects will reduce. Other decreases (7.9k) are expected in various other departments.</p>	<b>\$864,245</b>	<b>\$838,304</b>	<b>(\$25,941)</b>
<p><b>CORPORATE INSURANCE</b></p> <p>Included in this category are premiums for various insurance policies, such as blanket crime, auto and directors &amp; officers (D&amp;O) liability. The 2015-16 proposed budget includes an anticipated decrease in Construction Site Safety (\$13k) as DASNY had to make two extra payments in 2014-15 to bring the account current. Travel Accident (\$7.8) is a three year pre-paid policy and we incurred this expense in 2014-15. A majority of these decreases are offset by increases in Directors and Officers (\$12.6k), Automobile (\$3.5k), Property (\$2.5k) and Auto Physical Damage (\$2k).</p>	<b>\$417,353</b>	<b>\$417,180</b>	<b>(\$173)</b>
<p><b>NON-CAPITAL EQUIPMENT &amp; LEASES</b></p> <p>Included in this category are replacement vehicles and office equipment for the corporate and field offices. The 2015-16 proposed budget includes an increase in Telephone Equipment expense (\$7.5k) for Video Conference equipment in the Albany Board Room. Modest increases are also expected across multiple departments for General Equipment.</p>	<b>\$193,935</b>	<b>\$202,050</b>	<b>\$8,115</b>
<p><b>MANAGEMENT &amp; STAFF TRAINING</b></p> <p>This category includes funding for various training courses for DASNY staff. The proposed 2015-16 budget anticipates a decrease in Management Training (\$20k). A portion of this decrease will be offset by increases in department training (\$13.4k).</p>	<b>\$223,158</b>	<b>\$216,543</b>	<b>(\$6,615)</b>
<p><b>DIVERSITY TRAINING &amp; COORDINATION</b></p> <p>DASNY engages professional consultants to aid in the delivery of MWBE programs. The proposed 2015-16 budget anticipates an increase for MCT Miscellaneous expense (\$5k).</p>	<b>\$90,000</b>	<b>\$95,000</b>	<b>\$5,000</b>

**SUPPLEMENTAL BUDGET CATEGORY INFORMATION**  
**INTERNAL OPERATING BUDGET**  
**2014-2015 PROJECTED ACTUAL EXPENSE TO 2015-2016 PROPOSED BUDGET**

<u>DESCRIPTION</u>	<u>PROJECTED 2014-2015</u>	<u>PROPOSED 2015-2016</u>	<u>CHANGE</u>
<p><b>PUBLICATIONS &amp; MEMBERSHIPS</b></p> <p>This budget category includes subscriptions for various publications and services such as the Wall Street Journal, The Bond Buyer, Thomson Financial and West Group, as well as, memberships in various professional associations. A majority of the increases in the 2015-16 proposed budget is in Communications (\$2k), Executive Initiatives (\$1.5k) and Downstate Design (\$1k). There are modest increases across various other departments.</p>	<b>\$233,418</b>	<b>\$241,527</b>	<b>\$8,109</b>
<p><b>LEGAL FEES</b></p> <p>The expenses associated with this category are incurred when DASNY retains outside counsel for operating purposes. The budget must be sufficient to cover other types of legal expenses that cannot be predicted at this time, but that might arise in the course of doing business. Examples of these types of expenses include those related to Human Resource matters, general liability claims and federal tax compliance issues. Counsel anticipates Insolvencies, Labor/Employment issues, Collective Bargaining Negotiations and various Construction Matters as their legal fees for 2015-16.</p>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$0</b>
<p><b>PROFESSIONAL SERVICES</b></p> <p>In addition to the annual audit, this account provides funds for trustee/custody fees, payroll services, a contract with NYS Department of Labor for prevailing wage investigations and an agreement with Dunn &amp; Bradstreet for use of their databank in conducting contractor responsibility reviews. The proposed 2015-16 budget includes a \$48k increase for Audit Fees by Financial Management as a new engagement is required for 2014-15 through 2016-17.</p>	<b>\$547,995</b>	<b>\$596,475</b>	<b>\$48,480</b>
<p><b>COMPUTER SERVICES AND EQUIPMENT</b></p> <p>The computer services budget generally includes estimates for various equipment, software, maintenance services, licenses, application upgrades and consulting. The proposed 2015-16 budget includes decreases for Desktop Software (\$18k) and Computer Communications (\$9k). A portion of these decreases are offset by increases in Computer Maintenance (\$7.8k), Computer Services (\$7.5k) and Computer Miscellaneous Expenses (\$5k).</p>	<b>\$1,924,450</b>	<b>\$1,917,100</b>	<b>(\$7,350)</b>
<p><b>PAYMENT IN LIEU OF TAXES</b></p> <p>At the time of land acquisition, DASNY agreed to make an annual PILOT on the corporate headquarters. This item was a term of the purchase agreement for the land.</p>	<b>\$125,000</b>	<b>\$125,000</b>	<b>\$0</b>

**SUPPLEMENTAL BUDGET CATEGORY INFORMATION**  
**INTERNAL OPERATING BUDGET**  
**2014-2015 PROJECTED ACTUAL EXPENSE TO 2015-2016 PROPOSED BUDGET**

<u>DESCRIPTION</u>	<u>PROJECTED 2014-2015</u>	<u>PROPOSED 2015-2016</u>	<u>CHANGE</u>
<p><b>PASS THROUGH INSURANCE</b></p> <p>This category accounts for the cost of insurance procured by DASNY to protect the DASNY's interest in assets held for clients. The SUNY Dorm program and CUNY are the major clients insured in this program. The largest component of this category is Property insurance. Estimates also include broker fees, taxes, and other fees, as well as premiums for Builders' Risk, Boiler &amp; Machinery, and property-related terrorism. For 2015-16, the largest increases that DASNY is projecting are for SUNY (\$397k), DOH GOF (\$79k) and Syracuse Garage (\$43k) . Other increases are anticipated across multiple programs. A majority of these increases is offset by a decrease of \$542k for CUNY.</p>	<b>\$9,549,632</b>	<b>\$9,569,021</b>	<b>\$19,389</b>
<p><b>POST EMPLOYMENT BENEFITS</b></p> <p>As of fiscal year 2008-09, DASNY was required under Government Accounting Standards Board (GASB) Statement No. 45 to record an expense for the future liability of post employment health care benefits. Future liability is based on active employees. The annual amortized cost for the future liability will decrease as DASNY makes contributions to health insurance programs for its retirees.</p>	<b>\$13,928,687</b>	<b>\$13,728,687</b>	<b>(\$200,000)</b>
<p><b>NYS COST RECOVERY FEE</b></p> <p>The cost recovery fee has historically been a fee payable to the State based on the DASNY's use of State resources. The 2014-15 assessment for DASNY didn't change from 2013-14 and is anticipated to stay flat going forward.</p>	<b>\$4,086,476</b>	<b>\$4,086,476</b>	<b>\$0</b>
<p><b>OTHER PROGRAM SPECIFIC EXPENSES</b></p> <p>This category includes an estimate of the other program operating fund expenses paid by DASNY on behalf of various clients as a pass-through expense. Such expenses include trustee/custody fees, payments on behalf of clients for specialized consultants, mortgage servicing, certain mortgage insurance payments, program specific legal needs and transactions associated with the Mental Health Income fund. The NYS Agencies Program is anticipated to decrease by \$1.18M for forensic accounting services related to claims associated with Hurricane Sandy.</p>	<b>\$4,444,850</b>	<b>\$3,167,900</b>	<b>(\$1,276,950)</b>