



NEW YORK
STATE OF
OPPORTUNITY™

DASNY

Proposed Operating Budget 2021-2022 Fiscal Year

March 31, 2021

Budget Highlights for 2021-2022 Proposal

- **The total 2021-22 proposed operating budget of \$113,641,245 represents a decrease of 3.1% over the total adopted operating budget for the 2020-21 fiscal year.**
- **The total 2021-22 proposed internal operating budget of \$84,924,884 represents a decrease of 5.2% over the adopted 2020-21 internal operating budget.**
- **The 2021-22 operating results are expected to show a deficit, due primarily to anticipated revenue shortfalls as a result of decreased construction workload and reductions in client's funding.**
- **Proposed 2021-22 FTEs** show a decrease of 15 FTEs from the 2020-21 projected results.
- **Salaries** include the contractual step\longevity increases (\$0.54 million). There are no cost of living increases included as the current collective bargaining agreements end 3/31/21.
- **Health Insurance** expenses are expected to increase by 3% due to higher rates and higher contributions associated with additional retirees.
- **Retirement contributions** are projected to increase slightly based on minimal increases to contribution rates received from the NYS Employees' Retirement System.
- **Maintenance & Operations** expenses have been reduced by 13.4%, as DASNY continues to reduce expenses in discretionary line items such as consulting services and travel.
- **Pass Through Insurance** is projected to increase by 23% in 2021-22, as premiums for property and general liability insurance continue to rise.
- **Post-Employment Benefit (OPEB)** expenses reflects a higher portion of DASNY's work to support its public clients, resulting in a shift in our retiree health care costs from private clients. Since this is an employee benefit, we allocate the cost based on payroll. In order to minimize volatility when our support shifts between our public and private clients, we calculate the allocation using a 5-year rolling average of the amount of employee time that has been spent supporting our public and private clients.
- **Projected Construction disbursements for 2020-21 are 18% lower** than the prior year actuals.
- **Private Client Financings** are expected to decline slightly from 2020-21 totals.

2020-2021 Adopted Budget vs. 2021-22 Proposed Budget

	ADOPTED 2020-2021 BUDGET	PROPOSED 2021-22 BUDGET	CHANGE	
Personal Service				
Salaries	\$ 53,711,505	\$ 49,920,908	\$ (3,790,597)	-7.06%
Retirement Contributions	7,479,922	7,700,661	220,739	
Social Security	3,821,653	3,599,297	(222,356)	
Health Insurance	12,983,391	13,480,308	496,917	
Workers Compensation	452,839	460,000	7,161	
Dental & Optical	337,921	324,476	(13,446)	
Miscellaneous Benefits	568,300	560,000	(8,300)	
Total Benefits	\$ 25,644,027	\$ 26,124,742	\$ 480,715	
Total Personal Services	\$ 79,355,531	\$ 76,045,650	\$ (3,309,882)	-4.17%
Maintenance & Operations				
Rent & Utilities	2,291,196	2,272,548	(18,648)	
Office Supplies & Miscellaneous Expense	955,431	893,826	(61,606)	
Business Travel Expense	708,600	435,035	(273,565)	
Management & Staff Training	284,280	94,850	(189,430)	
Publications & Memberships	290,881	270,367	(20,514)	
Corporate Insurance	524,450	940,691	416,241	
Non-Capital Equipment & Equipment Leases	204,000	10,000	(194,000)	
Diversity Training & Coordination	61,750	-	(61,750)	
Legal Fees	750,000	200,000	(550,000)	
Professional Services	598,616	538,153	(60,463)	
Computer Services & Equipment	2,603,686	2,243,130	(360,556)	
Depreciation Expense	855,635	855,635	-	
Payment in Lieu of Taxes	125,000	125,000	-	
Total Maintenance & Operations	\$ 10,253,525	\$ 8,879,235	\$ (1,374,290)	-13.40%
Total Internal Operating Budget	\$ 89,609,056	\$ 84,924,884	\$ (4,684,172)	-5.23%
Pass Through Expenses				
Pass Through Insurance	11,938,417	14,677,008	2,738,591	
Post Employment Benefits	11,253,482	9,549,027	(1,704,455)	
NYS Cost Recovery Fees	1,000,000	1,000,000	-	
Other Program Specific Expenses	3,414,958	3,490,326	75,368	
Total Pass Through Expenses	\$ 27,606,857	\$ 28,716,361	\$ 1,109,504	
Total Operating Budget	\$ 117,215,913	\$ 113,641,245	\$ (3,574,668)	-3.05%

Revenue and Expense Allocation by Program

(in thousands)

	ADOPTED 2020-21		PROJECTED 2021-22		CHANGE
REVENUE*					
Private Institutions	\$ 7,634	6.5%	\$ 7,861	7.2%	\$ 227
Mental Health	29,123	24.8%	27,222	25.1%	(1,902)
Municipal Facilities	1,610	1.4%	1,886	1.7%	276
NYS Agencies	23,675	20.1%	23,995	22.1%	320
SUNY	17,232	14.7%	12,911	11.9%	(4,321)
CUNY	38,333	32.6%	34,590	31.9%	(3,743)
	<u>\$ 117,607</u>	<u>100.0%</u>	<u>\$ 108,464</u>	<u>100.0%</u>	<u>\$ (9,143)</u>
Other Non-Operating Revenue	1,990		1,475		(515)
Total Revenue	\$ 119,597		\$ 109,939		\$ (9,658)
ALLOCATED OPERATING EXPENSES*					
Private Institutions	\$ 8,013	6.8%	\$ 8,034	7.1%	\$ 21
Mental Health	28,838	24.6%	27,222	24.0%	(1,616)
Municipal Facilities	1,125	1.0%	1,323	1.2%	199
NYS Agencies	23,675	20.2%	23,995	21.1%	320
SUNY	17,232	14.7%	15,140	13.3%	(2,092)
CUNY	38,333	32.7%	37,926	33.4%	(406)
	<u>\$ 117,216</u>	<u>100.0%</u>	<u>\$ 113,641</u>	<u>100.0%</u>	<u>\$ (3,575)</u>
Other Non-Operating Expenses	1,105		1,105		-
Total Expenses	\$ 118,321		\$ 114,746		\$ (3,575)
EXCESS (DEFICIENCY) BY PROGRAM					
Private Institutions	\$ (379)		\$ (173)		\$ 206
Mental Health	285		(0)		(285)
Municipal Facilities	485		562		77
NYS Agencies	-		-		-
SUNY	-		(2,229)		(2,229)
CUNY	-		(3,336)		(3,336)
	<u>\$ 391</u>		<u>\$ (5,177)</u>		<u>\$ (5,568)</u>
Other Non-Operating	885		370		(515)
Excess (Deficiency) of Revenues over Expenses*	\$ 1,276		\$ (4,807)		\$ (6,083)

* Includes Pass Through Revenue or Expenses, if applicable.

Budget and Financial Plan Summary

April 1, 2019 - March 31, 2025

(in thousands)

Budgeted Revenues, Expenditures and Changes in Net Assets

	<u>Actual 2019-2020</u>	<u>Projected 2020-21</u>	<u>Proposed 2021-22</u>	<u>Proposed 2022-23</u>	<u>Proposed 2023-24</u>	<u>Proposed 2024-25</u>
REVENUE & FINANCIAL SOURCES						
Operating Revenues:						
Fees for services	\$100,621	\$100,411	\$98,016	\$103,622	\$104,422	\$105,222
Rental & financing income	379	475	475	475	475	475
Other operating revenues						
Non-operating Revenues						
Income on investments	2,545	1,000	1,000	1,000	1,000	1,000
Other non-operating revenues	13,465	12,875	10,448	10,248	10,048	9,848
Total Revenues and Financial Sources	117,010	114,761	109,939	115,346	115,946	116,545
EXPENDITURES						
Operating Expenditures:						
Salaries and wages	\$51,904	\$50,885	\$49,921	\$50,446	\$50,971	\$51,496
Other employee benefits	24,844	25,179	26,125	26,399	26,674	26,949
Office Infrastructure	7,560	6,445	6,345	6,345	6,345	6,345
Legal & Professional services	1,609	807	738	738	738	738
Other operating expenditures	705	877	1,796	1,796	1,796	1,796
Total Operating Expenditures	86,621	84,192	84,925	85,725	86,524	87,324
Non-internal operating expenditures	26,722	27,754	28,716	28,516	28,316	28,116
Total Operating Budget	113,343	111,946	113,641	114,241	114,841	115,440
Non-Operating Expenses	1,876	1,105	1,105	1,105	1,105	1,105
Total Expenditures	\$115,219	\$113,051	\$114,746	\$115,346	\$115,946	\$116,545
Excess (Deficit) of revenues over expenditures	\$1,791	\$1,710	-\$4,807	\$0	\$0	\$0