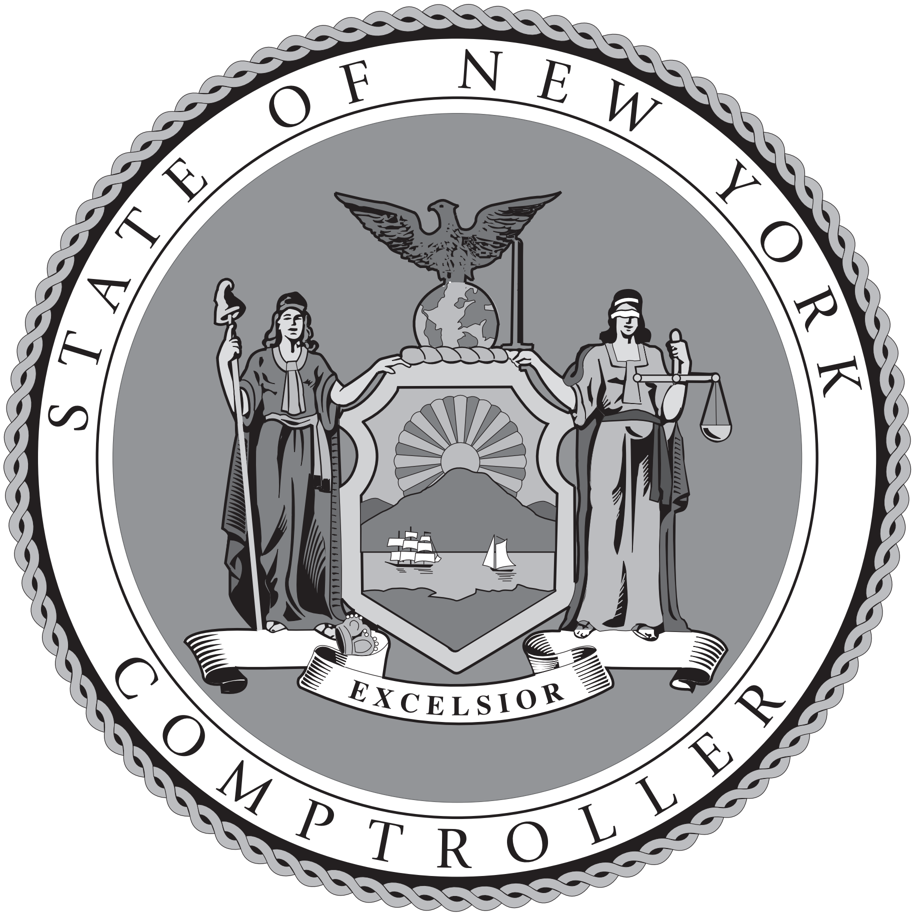
STATE OF NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Fiscal Year Ended March 31, 2016

Office of the New York State Comptroller
Thomas P. DiNapoli, Comptroller



Additional information relating to State Finances is available at the Comptroller's website:
www.osc.state.ny.us

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March 31, 2016

◆

Prepared by the Office of the
New York State Comptroller

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Thomas P. DiNapoli

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THOMAS P. DINAPOLI
State Comptroller

THOMAS P. DINAPOLI
COMPTROLLER

110 STATE STREET
ALBANY, NEW YORK 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

September 1, 2016

To the Citizens, Governor and Members of the Legislature of the State of New York:

I hereby present the Comprehensive Annual Financial Report for the State of New York, for the fiscal year ended March 31, 2016.

Under generally accepted accounting principles, the State's General Fund ended State Fiscal Year (SFY) 2015-16 with a fund balance of $5.1 billion. The net position for the State's governmental activities, a basic indicator of financial condition, declined slightly to $32.5 billion. Another year's timely budget adoption continues to send a signal that the State has moved beyond the recurring fiscal gridlock of recent decades.

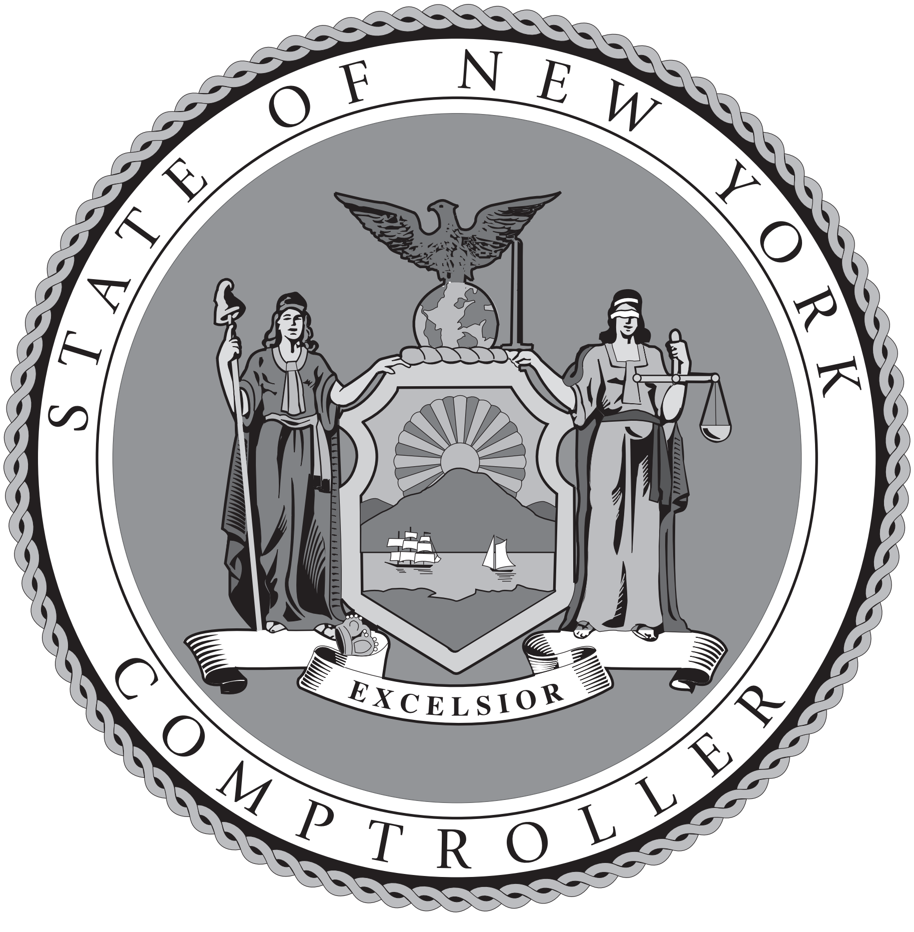
In the seventh year of national economic recovery, New York State's short-term financial condition has benefited from an extraordinary inflow of one-time resources from monetary settlements with a number of financial institutions and other entities—nearly $9 billion from SFY 2014-15 through the first quarter of SFY 2016-17. Still, uncertainty regarding the economic and revenue outlook remains a factor. And, long-term issues including the need to align structural revenues and expenditures require continued attention.

The SFY 2016-17 Enacted Budget includes more than $8.7 billion in new and increased authorizations for State-Supported borrowing—an increase of 7.1 percent from previously authorized levels. At March 31, 2016, the State reported total debt outstanding of $56.7 billion. The substantial increase in authorization to borrow was made despite the influx of unanticipated settlement dollars that could have been used to offset some of this increase and declining debt capacity under the cap established by the Debt Reform Act of 2000. The Division of the Budget now plans to temporarily use settlement dollars in place of additional debt to preserve debt capacity in the short-run. Given the State's shrinking statutory debt capacity and unmet capital needs, it is critical that New York prioritize its use of debt and capital resources to ensure that they are used as effectively as possible.

The Office of the State Comptroller will continue to provide oversight of these important issues in an independent and impartial manner, in an effort to ensure that the public's interest is always protected.

Sincerely,

Thomas P. DiNapoli
State Comptroller



STATE OF NEW YORK COMPTROLLER

FINANCIAL OVERVIEW

This report has been prepared by the Office of the State Comptroller, as required by Chapter 405, Laws of 1981, in accordance with generally accepted accounting principles (GAAP) for governments as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, included within this Comprehensive Annual Financial Report rests with the Office of the State Comptroller.

The basic financial statements contained in this report have been audited by KPMG LLP. Their audit was conducted in accordance with generally accepted government auditing standards (GAGAS) and their auditors' report precedes the basic financial statements. An independent audit provides reasonable assurance that the State's basic financial statements for the year ended March 31, 2016 are free of material misstatement. Independent audit procedures include examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. An audit also includes consideration of internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State's internal controls over financial reporting. Accordingly, the independent auditor expressed no opinion with respect to internal controls over financial reporting. The independent auditor believed that their audit provided a reasonable basis for rendering an unmodified opinion that the State's basic financial statements for the fiscal year ended March 31, 2016 are fairly presented in conformity with GAAP.

The basic financial statements include a narrative introduction, overview, and analysis that is required by GAAP and referred to as Management's Discussion and Analysis (MD&A). This transmittal letter is intended to complement the MD&A and should be read in conjunction with it. The State's MD&A can be found immediately following the independent auditors' report.

Profile of New York State

New York State was one of the original 13 states, ratifying the United States Constitution and entering the Union on July 26, 1788. The State has a total area (land and water) of 54,555 square miles and a park system that is among the largest in the nation (Adirondack Park). Geographically, New York State is divided into 62 counties (five of which are boroughs of New York City). Within these counties are 62 cities (including New York City), 932 towns, 548 villages and 693 school districts. The State's major economic sectors are the industrial-commercial, service, financial and agricultural sectors.

New York's government comprises three branches—executive, legislative and judicial. The executive branch includes the Executive (including 20 authorized State departments), the Department of Audit and Control, and the Department of Law, which are headed respectively by the Governor, Comptroller and Attorney General. The departments of the State report to the Governor; however, the departments of Audit and Control and Law report to their respective elected officials, and the Education Department and the State University of New York report to the Board of Regents. The Board of Regents is elected by the State Legislature. The legislative branch comprises two houses, the Senate with 62 senators and the Assembly with 150 members. Members of the Legislature are elected to two-year terms.

The Chief Judge of the Court of Appeals, which is the highest court of the State, heads the judicial branch. The Governor, with the advice and consent of the State Senate, appoints the Chief Judge and six Associate Judges to 14-year terms. In New York State, the courts of original jurisdiction, or trial courts, hear cases in the first instance and the appellate courts hear appeals from the decisions of other courts.

Economic Condition and Outlook

Overall economic activity, employment and wages all rose in New York State in 2015, but at rates below the nation's. The nation's real Gross Domestic Product grew by 2.4 percent, the same as in 2014. In comparison, New York's real Gross State Product grew at a much slower rate of 1.4 percent. However, this economic growth was marginally stronger than the 1.2 percent gain in 2014.

While job growth at the national level accelerated in 2015, increasing by 2.1 percent compared to 1.9 percent in 2014, New York experienced a slight softening, with employment increasing by 1.7 percent as compared to 1.8 percent in 2014. Total employment in the state increased to over 9.2 million.

Wages at both the national and state levels increased in 2015. Similar to job growth, gains in wages at the national level (4.6 percent) were stronger than those in New York (4.1 percent) in 2015. However, both the nation and the State realized a deceleration in wage growth from 2014 levels.

The Reporting Entity and Its Services

The funds and entities included in this Comprehensive Annual Financial Report are those for which the State is accountable, based on criteria for defining the financial reporting entity prescribed by the GASB. The criteria include: legal standing, fiscal dependency and financial accountability. Based on these criteria, the various funds and entities shown in this report are considered as part of the reporting entity (see Notes 1 and 14 of the Notes to the Basic Financial Statements).

The State provides a range of governmental services in such areas as education, public health, public welfare, public safety, and transportation, among others, and also administers the New York State and Local Retirement System.

Component Units

Component units are discretely presented and reported as public benefit corporations (Corporations), which includes Public Authorities, and are legally separate entities that are not operating departments of the State. Corporations have been established for a variety of purposes such as economic development, capital construction, financing, and public transportation. The powers of the Corporations generally are vested in their governing boards. The Governor, with the approval of the State Senate, appoints a majority of the members of the Board of most major Corporations, and either the Governor or the Board selects the chairperson and chief operating officer. Corporations are not subject to the State constitutional restrictions on the incurrence of debt which apply to the State, and may issue bonds and notes within legislatively authorized amounts.

Corporations submit annual reports on their operations and finances accompanied by an independent auditors' report to the Governor, the Legislature and the State Comptroller. Corporations are generally supported by revenues derived from their activities, although the State has provided financial assistance, in some cases of a recurring nature, to certain Corporations for operating and other expenses, and in fulfillment of its commitments on moral obligation indebtedness. The Corporations have been presented in the accompanying financial statements as component units of the State. The amounts presented in this report were derived from the Corporations' most recent audited financial statements. At year-end these entities reported net position of $33.1 billion. For further information, refer to Note 14 of the Notes to the Basic Financial Statements.

Budgetary and Other Control Systems

The State Constitution requires the Governor to submit a cash basis balanced Executive Budget that contains a complete plan of expenditures for the ensuing fiscal year, and identifies the anticipated revenues sufficient to meet the proposed expenditures. Included in the proposed budget are provisions for spending authority for unanticipated revenues or unforeseen emergencies in accordance with statutory requirements. The Executive Budget also includes both cash basis and GAAP basis financial plans for the ensuing fiscal year, as well as a three-year financial projection for governmental funds and a five-year capital plan. The accounting policies used in developing the GAAP basis financial plans are generally consistent with those used in preparing the annual GAAP financial statements. Generally, the financial plans are updated quarterly. The Legislature enacts appropriation bills and revenue measures embodying those parts of the Executive Budget it has approved. Expenditures are controlled at the major account level (e.g., personal service, grants to local governments) within each program or project of each State agency in accordance with the underlying approved appropriation bills.

In developing the State's accounting system, consideration was given to the adequacy of internal controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits derived. The State's internal accounting controls are periodically tested to ensure adherence to internal control policies and procedures.

In 1987 the Legislature passed the New York State Governmental Accountability, Audit and Internal Control Act, which commits the State to enhancing existing systems of internal controls in all State governmental entities. As a result, there is now a requirement for managers in all branches and components of government to maintain comprehensive internal control systems and to regularly evaluate the effectiveness and adequacy of these systems by internal reviews and external audits. Finally, the legislation promotes accountability by assuring that all external audits are made available to the public.

General Governmental Results

An operating deficit of $978 million is reported in the General Fund for the fiscal year ended March 31, 2016. As a result, the General Fund now has an accumulated fund balance of $5.1 billion. The State completed its fiscal year ended March 31, 2016 with a combined Governmental Funds operating surplus of $408 million as compared to a combined Governmental Funds operating surplus in the preceding fiscal year of $6.5 billion. The combined operating surplus of $408 million for the fiscal year ended March 31, 2016 included an operating deficit in the General Fund of $978 million, an operating surplus in the Federal Special Revenue Fund of $1 million, an operating deficit in the General Debt Service Fund of $310 million and an operating surplus in Other Governmental Funds of $1.695 billion. For further information, refer to the MD&A which immediately follows the independent auditors' report.

The State's financial position as shown in its Governmental Funds Balance Sheet as of March 31, 2016 includes a fund balance of $14.6 billion comprised of $43.7 billion of assets less liabilities of $27 billion and deferred inflows of resources of $2.1 billion. The Governmental Funds fund balance includes a $5.1 billion accumulated General Fund balance.

Certificate of Achievement

The Office of the State Comptroller was honored for the 27th consecutive year to receive the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the State's 2015 Comprehensive Annual Financial Report. This prestigious award represents the highest form of recognition in the area of governmental financial reporting, and reflects a commitment by the Office of the State Comptroller to communicate the State's financial results and position clearly to the taxpayers through public disclosure.

Acknowledgments

This report could not have been prepared without the cooperation of all State agencies, the Legislature, and the Judiciary. I especially appreciate the professionalism and dedication demonstrated by my staff in the preparation of this report.

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

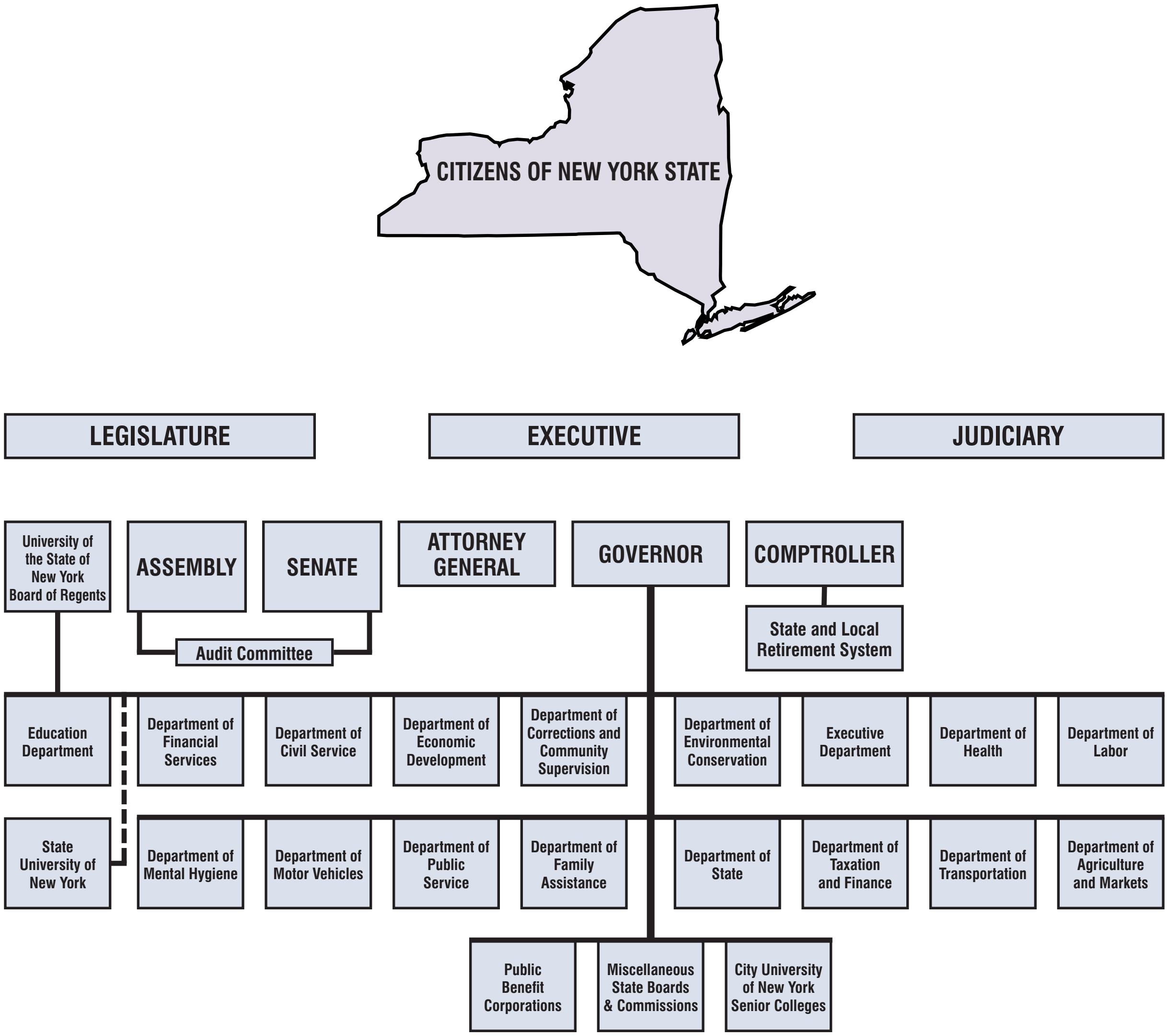
Presented to

State of New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

March 31, 2015

Executive Director/CEO



STATE OF NEW YORK
Selected State Officials

Executive

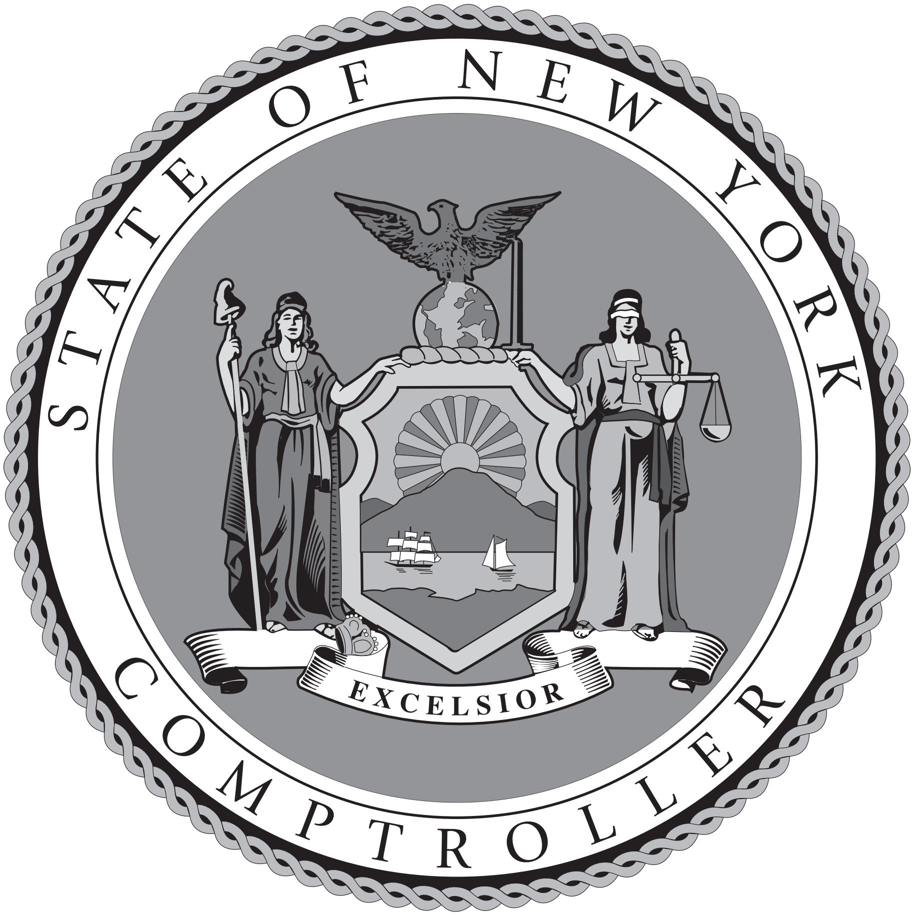
Andrew M. Cuomo, Governor • **Kathleen C. Hochul,** Lieutenant Governor • **Thomas P. DiNapoli,** State Comptroller
Eric T. Schneiderman, Attorney General

Judicial

Janet DiFiore, Chief Judge of the Court of Appeals of New York

Legislative

John J. Flanagan, Senate Republican Conference Leader • **Carl E. Heastie,** Speaker of the Assembly
Andrea Stewart-Cousins, Senate Democratic Conference Leader
Jeffrey D. Klein, Senate Independent Democratic Conference Leader • **Brian M. Kolb,** Assembly Minority Leader


STATE OF NEW YORK
COMPTROLLER
EXCELSIOR

Financial Section

KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Auditors' Report

The Audit Committee
New York State Legislature:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New York (the State) as of and for the year ended March 31, 2016, and the related notes to the basic financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the State's Lottery enterprise fund, the New York Local Government Assistance Corporation, the Tuition Savings Program, and certain of the discretely presented component units as identified in note 14 to the basic financial statements. The State's Lottery enterprise fund represents 100 percent of the assets and revenues of the associated major fund, and 10 percent and 45 percent, respectively, of the assets and revenues of the business-type activities. The New York Local Government Assistance Corporation represents less than 1 percent of the assets of the governmental activities and the aggregate remaining fund information, and less than 1 percent and 1 percent, respectively, of the revenues of the governmental activities and the aggregate remaining fund information. The Tuition Savings Program represents 9 percent and 7 percent, respectively, of the assets and the revenues of the aggregate remaining fund information. The certain discretely presented component units identified in note 14 of the basic financial statements represent 55 percent and 66 percent, respectively, of the assets and the revenues of the aggregate discretely presented component units. The financial statements of these entities were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the State's Lottery enterprise fund, New York Local Government Assistance Corporation, the Tuition Savings Program, and the certain discretely presented component units identified in note 14 of the basic financial statements, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the State's Lottery enterprise fund and of certain discretely presented component units as identified in note 14 of the basic financial statements were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New York as of March 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

As discussed in Note 1(t) to the basic financial statements, as of April 1, 2015, the State adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions,* GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date,* and GASB Statement No. 82, *Pension Issues.* Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis and the information listed under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to this information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The other supplementary information listed in the accompanying table of contents and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2016 on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.

KPMG LLP

July 28, 2016
Albany, New York

MANAGEMENT'S DISCUSSION AND ANALYSIS

(unaudited)

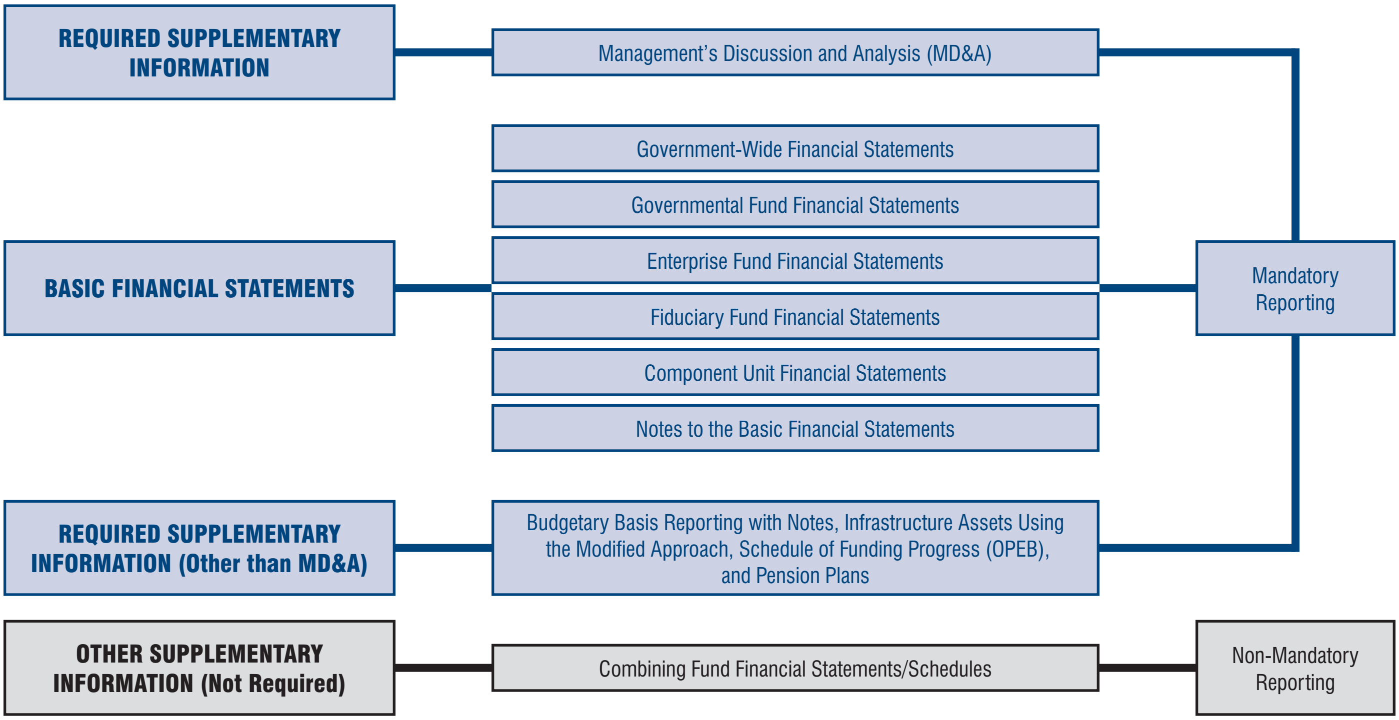
Management's discussion and analysis (MD&A) provides a narrative overview and analysis of the financial activities of the State of New York (State) for the fiscal year ended March 31, 2016. The MD&A is intended to serve as an introduction to the State's basic financial statements, which have the following components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The MD&A is designed to (a) assist the reader in focusing on significant financial matters, (b) provide an overview of the State's financial activities, (c) identify any material changes from the original budget, and (d) highlight individual fund matters. The following presentation is by necessity highly summarized, and in order to gain a thorough understanding of the State's financial condition, the following financial statements, notes and required supplementary information should be reviewed in their entirety.

FINANCIAL HIGHLIGHTS

- New York State reported net position of $32.8 billion, comprised of $157 billion in total assets and $3.1 billion in deferred outflows of resources, less $126.7 billion in total liabilities and $652 million in deferred inflows of resources (Table 1).
- The State's net position increased by $323 million as a result of this year's operations. The net position for governmental activities decreased by $443 million (1.3 percent) and net position for business-type activities increased by $766 million (141.6 percent) (Table 2) due to current year operations.
- The State's beginning net position was reduced by $884 million due to the cumulative effect of the adoption of GASBS No. 68, *Accounting and Financial Reporting for Pensions—An Amendment to GASB Statement No. 27* (GASBS No. 68) and GASBS No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—An Amendment of GASB Statement No. 68* (GASBS No. 71). Beginning net position increased by $428 million for governmental activities and decreased by $1.3 billion for business-type activities.
- The State's governmental activities had total revenues of $148 billion, which exceeded total expenses of $146.3 billion, excluding transfers to business-type activities of $2.4 billion and a special item of $250 million, by $1.7 billion (Table 2).
- The total cost of all the State's programs, which includes $22.8 billion in business-type activities, was $169.1 billion (Table 2).
- The General Fund reported a deficit this year of $978 million, which decreased the accumulated fund balance to $5.1 billion.
- Total debt outstanding at year-end was $56.7 billion, comprised of $42 billion in governmental activities and $14.7 billion in business-type activities (Table 5).

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and supplementary information. The Statement of Net Position and the Statement of Activities (on pages 31 and 32, respectively) provide information about the activities of the State as a whole and present a longer-term view of the State's finances. Fund financial statements start on page 34. For governmental activities, these statements show how services were financed in the short-term, as well as how much may remain for future spending. Fund financial statements also report the State's operations in more detail than the government-wide statements by providing information about the State's most significant funds. The remaining statements provide financial information about activities for which the State acts solely as a trustee for the benefit of those outside the government and about public benefit corporations for which the State is accountable. The layout and relationship of the financial statements and supplementary information is visually illustrated as follows:



Reporting the State as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the State, as a whole, begins on page 22. One of the most important questions asked about the State's finances is: "Is the State, as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the State as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources, using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash was received or paid.

These two statements report the State's net position and changes in it. One can think of the State's net position—the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources—as one way to measure the State's financial health, or financial position. Over time, increases or decreases in the State's net position are one indicator of whether its financial health is improving or deteriorating. One may need to consider other non-financial factors, such as changes in the State's tax structure, population, employment, and the condition of the State's roads, bridges and buildings, in order to assess the overall health of the State.

In the Statement of Net Position and the Statement of Activities, operations of the State are divided into three kinds of activities:

- ***Governmental Activities***—Most of the State's basic services are reported here, including education, public health, public welfare, public safety, transportation, environment and recreation, support and regulation of business, general government, and interest on long-term debt. Federal grants, personal income taxes, consumption and use taxes, business and other taxes, transfer of lottery revenues, and bond proceeds finance most of these activities.

- ***Business-type Activities***—The State charges a fee to customers to help it cover all or part of the cost of certain services it provides. The State's Lottery Fund, Unemployment Insurance Benefit Fund, the State University of New York (SUNY) and the City University of New York (CUNY) Senior Colleges are reported here.
- ***Component Units***—The State includes 42 separate legal entities in its report, as disclosed in Notes 1 and 14 of the Notes to the Basic Financial Statements. Although legally separate, these "component units" are important because the State is financially accountable for them and may be affected by their financial well-being. In addition, the State blends two other component units in the governmental activities because they provide services exclusively to the State.

Reporting the State's Most Significant Funds

Fund Financial Statements

Financial statements prepared at the fund level provide additional details about the State's financial position and activities. By definition, funds are accounting entities with a self-balancing set of accounts created for the purpose of carrying on specific activities or achieving specific goals. Information presented in the fund financial statements differs from the information presented in the government-wide statements because the perspective and basis of accounting used to prepare the fund financial statements are different than the perspective and basis of accounting used to prepare the government-wide statements. The State's governmental and proprietary fund types use different perspectives and accounting bases. The funds presented in the fund financial statements are categorized as either major or non-major funds as required by generally accepted accounting principles (GAAP). The State uses three fund types for operations—governmental, proprietary and fiduciary. The analysis of the State's major funds begins on page 24. The fund financial statements begin on page 34 and provide detailed information about the most significant funds, not the State as a whole.

- ***Governmental Funds***—Most of the State's basic services and expenditures are reported in governmental funds, which focus on how money flows into and out of those funds and the balances remaining at year-end that are available for spending. Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. Assets and liabilities that do not impact current financial resources, such as capital assets and long-term liabilities, are not recognized in the governmental funds statements. The governmental funds statements provide a detailed short-term view of the State's general government operations and the basic services the State provides. Governmental funds information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the State's programs. The relationships (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are presented in the reconciliations following the fund financial statements.
- ***Proprietary Funds***—These funds are utilized when the State charges customers to recover its costs of providing services. Proprietary funds report on business-type activities, which include enterprise type funds and internal service type funds. The State has no internal service type funds on a GAAP basis and, therefore, has only one proprietary fund type—Enterprise. The State's enterprise funds are the same as the business-type activities reported in the government-wide statements. Proprietary Funds statements are prepared using the economic resources measurement focus and the accrual basis of accounting. In addition to a Statement of Net Position and a Statement of Revenues, Expenses and Changes in Fund Net Position, Proprietary Funds are also required to report a Statement of Cash Flows (page 42).

Reporting the State's Fiduciary Responsibilities

The State is the trustee, or fiduciary, for certain of its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All the State's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 44 and 45, respectively. We exclude these activities from the State's government-wide financial statements because the State cannot use these assets to finance its operations. The State is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Component Units of the State

The State has created numerous public benefit corporations—two of which provide services exclusively to the State government itself, the New York Local Government Assistance Corporation (LGAC) and the Tobacco Settlement Financing Corporation (TSFC), and the rest of which provide services directly to citizens. The financial position and activities of the LGAC and the TSFC have been blended within the Statement of Net Position and the Statement of Activities in the governmental activities column and in the governmental funds. The financial position and activities of the public benefit corporations that provide services directly to citizens have been presented in the Statement of Net Position and the Statement of Activities under the component units column and also in more detail in the component units Combining Statement of Net Position and the component units Combining Statement of Activities. These component units have been discretely presented in the State's financial statements because their nature and significance to the State cause them to have an effect on the fiscal condition of the State and the State is accountable for them.

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

Governmental entities are required by GAAP to report on their net position. The Statement of Net Position presents the value of all of New York State's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of changes in a government's financial position. The State reported net position of $32.8 billion, comprised of $71 billion in net investment in capital assets, and $7.2 billion in restricted net position, offset by an unrestricted net position deficit of $45.5 billion.

Net position reported for governmental activities decreased by $15 million, decreasing to $32.5 billion from $32.6 billion from last fiscal year. This decrease is the net result of a $443 million decrease from current year operations and a $428 million increase of beginning net position related to the adoption of Governmental Accounting Standards Board Statement (GASBS) No. 68. Unrestricted net position for governmental activities—the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—had a deficit of $40.9 billion at March 31, 2016. The following table (Table 1) was derived from the current and prior year government-wide Statements of Net Position:

Table 1
Net Position as of March 31, 2016 and 2015

(Amounts in millions)

	Governmental Activities		Business-type Activities**		Total Primary Government	
	2016	**2015***	**2016**	**2015***	**2016**	**2015***
Assets:						
Non-capital assets:						
Cash and investments	$ 17,952	$ 16,970	$ 7,314	$ 6,660	$ 25,266	$ 23,630
Receivables, net	24,093	23,662	4,550	4,975	28,643	28,637
Other	325	209	331	290	656	499
Total non-capital assets	**42,370**	**40,841**	**12,195**	**11,925**	**54,565**	**52,766**
Capital assets	86,521	86,651	15,957	15,185	102,478	101,836
Total assets	**128,891**	**127,492**	**28,152**	**27,110**	**157,043**	**154,602**
Deferred outflows of resources	**2,814**	**679**	**275**	**147**	**3,089**	**826**
Liabilities:						
Liabilities due within one year	31,672	29,923	4,123	5,404	35,795	35,327
Liabilities due in more than one year	67,092	65,139	23,829	21,082	90,921	86,221
Total liabilities	**98,764**	**95,062**	**27,952**	**26,486**	**126,716**	**121,548**
Deferred inflows of resources	**402**	**555**	**250**	**—**	**652**	**555**
Net position:						
Net investment in capital assets	69,394	69,286	1,589	1,323	70,983	70,609
Restricted	4,017	3,085	3,228	2,070	7,245	5,155
Unrestricted deficits	(40,872)	(39,817)	(4,592)	(2,622)	(45,464)	(42,439)
Total net position	**$ 32,539**	**$ 32,554**	**$ 225**	**$ 771**	**$ 32,764**	**$ 33,325**

**Prior year column has not been restated for the effect of the adoption of GASBS No. 68 and GASBS No. 71*

***As of June 30, 2015 and 2014 for SUNY and CUNY activities*

The net position deficit in unrestricted governmental activities, which increased by $1.1 billion in 2016, exists primarily because the State has issued debt for purposes not resulting in a capital asset related to State governmental activities, the obligation related to other postemployment benefits ($15.5 billion) and the net pension liability ($1.4 billion). Such outstanding debt included: securitizing the State's future tobacco settlement receipts ($1.4 billion); eliminating the need for seasonal borrowing by the LGAC ($2.1 billion); and borrowing for local highway and bridge projects ($4 billion), local mass transit projects ($1.6 billion), and a wide variety of grants and other expenditures not resulting in State capital assets ($12.5 billion). This deficit in unrestricted net position of governmental activities can be expected to continue for as long as the State continues to have obligations outstanding for purposes other than the acquisition of State governmental capital assets.

The net position for business-type activities decreased by $546 million (70.8 percent) to $225 million in 2016 as compared to $771 million in 2015. The decrease in net position for business-type activities was due in part to the restatement of net position related to the implementation of GASBS No. 68 and GASBS No. 71 ($1.3 billion) as well as to SUNY expenses exceeding operating revenues and State support ($427 million). This was partially offset by employer contributions and other revenue exceeding unemployment benefit payments for the Unemployment Insurance Fund ($1.1 billion), CUNY Senior College operating revenues and State support exceeding operating expenses ($132 million), and Lottery revenues exceeding expenses, including education aid transfers ($9 million).

The following table (Table 2) was derived from the current and prior year government-wide Statements of Activities:

Table 2
Changes in Net Position for the Fiscal Years Ended March 31, 2016 and 2015

(Amounts in millions)

	Governmental Activities		Business-type Activities**		Total Primary Government	
	2016	**2015***	**2016**	**2015***	**2016**	**2015***
Revenues:						
Program revenues:						
Charges for services	$ 15,171	$ 18,470	$ 14,772	$ 13,898	$ 29,943	$ 32,368
Operating grants and contributions	56,089	48,700	6,160	6,366	62,249	55,066
Capital grants and contributions	1,629	1,432	65	144	1,694	1,576
General revenues:						
Taxes	73,322	72,555	—	—	73,322	72,555
Other	1,795	2,290	617	1,441	2,412	3,731
Total revenues	**148,006**	**143,447**	**21,614**	**21,849**	**169,620**	**165,296**
Expenses:						
Education	35,175	32,672	—	—	35,175	32,672
Public health	63,454	58,442	—	—	63,454	58,442
Public welfare	14,722	14,146	—	—	14,722	14,146
Public safety	7,768	7,662	—	—	7,768	7,662
Transportation	10,344	9,315	—	—	10,344	9,315
Other	14,820	14,750	—	—	14,820	14,750
Lottery	—	—	6,442	6,120	6,442	6,120
Unemployment insurance	—	—	2,403	2,588	2,403	2,588
State University of New York	—	—	10,700	10,353	10,700	10,353
City University of New York	—	—	3,265	3,166	3,265	3,166
Total expenses	**146,283**	**136,987**	**22,810**	**22,227**	**169,093**	**159,214**
Increase (decrease) in net position before transfers and special item	**1,723**	**6,460**	**(1,196)**	**(378)**	**527**	**6,082**
Transfers	(2,416)	(2,744)	1,962	1,990	(454)	(754)
Special item	250	1,000	—	—	250	1,000
Changes in net position	**(443)**	**4,716**	**766**	**1,612**	**323**	**6,328**
Net position, beginning of year	**32,554**	**27,838**	**771**	**(841)**	**33,325**	**26,997**
Cumulative effect of adoption of GASBS No. 68 and GASBS No. 71	**428**	**—**	**(1,312)**	**—**	**(884)**	**—**
Net position, end of year	**$ 32,539**	**$ 32,554**	**$ 225**	**$ 771**	**$ 32,764**	**$ 33,325**

**Prior year column has not been restated for the effect of the adoption of GASBS No. 68 and GASBS No. 71*

***As of June 30, 2015 and 2014 for SUNY and CUNY activities*

Governmental Activities

In fiscal year 2016, the State's total revenues for governmental activities of $148 billion exceeded its total expenses of $146.3 billion by $1.7 billion (Table 2). However, as shown in the Statement of Activities on page 32, the amount that State taxpayers ultimately financed for activities through State taxes and other State revenues was $75.1 billion. Overall, the State's governmental program revenues, including intergovernmental aid, fees for services and capital grants, were $72.9 billion in 2016. The State paid for the remaining "public benefit" portion of governmental activities with $73.3 billion in taxes and $1.8 billion in other revenues, including investment earnings. Additionally, $250 million was available as a special item from the State Insurance Fund (SIF) reserve release.

Table 3 presents the cost of State support for each of the State's five largest programs: education, public health, public welfare, public safety, and transportation, as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial obligation that was placed upon the State's taxpayers by each of these functions.

Table 3
Governmental Activities for the Fiscal Years Ended March 31, 2016 and 2015

(Amounts in millions)

	2016			2015
	Total Cost of Services	Program Revenues	Net Cost of Services	Net Cost of Services
Education	$ 35,175	$ 4,324	$ 30,851	$ 29,020
Public health	63,454	42,884	20,570	20,583
Public welfare	14,722	11,548	3,174	3,026
Public safety	7,768	2,299	5,469	5,083
Transportation	10,344	3,555	6,789	6,012
All others	14,820	8,279	6,541	4,661
Totals	**$ 146,283**	**$ 72,889**	**$ 73,394**	**$ 68,385**

Business-type Activities

The cost of all business-type activities this year was $22.8 billion, an increase of $583 million as compared to $22.2 billion in 2015 (Table 2). Increases in Lottery prizes, commissions and fees and other operating expenses, SUNY educational and general, depreciation and amortization and auxiliary enterprise expenses, and CUNY Senior Colleges educational and general expenses were offset by decreases in unemployment benefit payments for the Unemployment Insurance Fund. As shown in the Statement of Activities on page 32, the amount reported as transfers that governmental activities ultimately financed for business-type activities was $2 billion after activity costs were paid by those directly benefiting from the programs ($14.8 billion), and after grants and contributions ($6.2 billion). The increase in revenues from charges for services ($874 million) was primarily caused by increases in Lottery ticket and video gaming sales, along with increases in SUNY hospitals and clinics revenues and tuition and fees. The decrease in revenues from operating grants and contributions was primarily due to the decrease in employer contributions into the Unemployment Insurance Fund.

THE STATE'S FUNDS

The State uses fund accounting to ensure and demonstrate compliance with legal and finance-related requirements. As the State completed the year, its governmental funds (as presented in the balance sheet on page 34) reported a combined fund balance of $14.6 billion. Included in this year's total change in fund balance is a deficit of $978 million in the State's General Fund, resulting from expenditures exceeding revenues by $12.1 billion, which was offset by other financing sources of $10.9 billion and a special item for the State Insurance Fund (SIF) reserve release of $250 million to the General Fund. The General Fund reported increases in personal income taxes ($51 million), consumption and use taxes ($189 million) and other taxes ($278 million) offset by decreases in business taxes ($743 million) and miscellaneous revenues and the special item ($5 billion). Compared to the prior year, personal income tax revenue increased due to greater income tax withholdings and estimated tax payments. The decrease in business taxes is due to the first year of corporate tax reform effective for tax years on or after January 1, 2015. The corporate tax reform modernizes and simplifies the corporate tax structure, merges the bank tax with the corporate franchise tax and reduces the corporate tax rate on entire net income from 7.1 percent to 6.5 percent. The decrease in miscellaneous revenues and the special item is due to a decrease in revenue sources related to financial settlements with a number of banks and other associated entities for violations of New York banking laws ($4.2 billion) in the prior year and a decrease in the State Insurance Fund reserve release ($750 million). Total General Fund revenues decreased $4.5 billion while expenditures increased $2.1 billion. Local assistance expenditures increased by nearly $1.9 billion, due primarily to the timing of education assistance expenditures, transportation, public health and public welfare expenditures. State operations expenditures increased $205 million due to higher expenditures related to personal service and fringe benefits costs related to the repayments of the deficit reduction withheld from employees in the 2011-12 fiscal year. The State ended the 2015-16 fiscal year with a General Fund accumulated fund balance of $5.1 billion.

The Enterprise Funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail. The change in net position of the Enterprise Funds has already been discussed in the preceding discussion of business-type activities.

General Fund Budgetary Highlights

The State's financial plan, which uses the cash basis of accounting, is updated quarterly throughout the year as required by the State Finance Law. The quarterly updates to the 2015-16 financial plan reflected revisions to the original financial plan based on actual operating results to date and an updated analysis of underlying economic, revenue, and spending trends, as well as other actions and developments. This discussion includes comparisons to estimates from two different financial plan updates in 2015-16: the original financial plan (issued May 13, 2015) and the final financial plan (issued February 16, 2016).

General Fund receipts exceeded disbursements by $1.6 billion in 2015-16. The General Fund ended the fiscal year with a closing cash fund balance of $8.9 billion, which consisted of approximately $1.8 billion in the State's rainy day reserve funds ($1.3 billion in the Tax Stabilization Reserve Account and $540 million in the Rainy Day Reserve Fund), $63 million in the Community Projects Fund, $21 million in the Contingency Reserve Fund, and $7.1 billion in the Refund Reserve Account. Total General Fund receipts for the year (including transfers from other funds) were approximately $69.7 billion. Total General Fund disbursements for the year (including transfers to other funds) were approximately $68.0 billion.

Net operating results were $5.4 billion more favorable than anticipated in the original financial plan, with the original plan projecting a net operating deficit of $3.8 billion. Total receipts and transfers from other funds exceeded original financial plan estimates by $1.4 billion and total disbursements and transfers to other funds were less than original financial plan estimates by $4.0 billion.

The primary factor contributing to higher than projected total receipts was $1.6 billion in unanticipated non-tax collections received as a result of monetary settlements reached by the Department of Financial Services, the Department of Law, and the Manhattan District Attorney's Office with banks, insurance companies, and other financial institutions for violations of New York banking and insurance laws. In addition, actual base tax growth for 2015-16 finished at 5.4 percent, which was higher than the original financial plan estimate of 4.5 percent. Other tax collections were higher than the original plan as a result of extraordinary estate tax collections, while lower collections for business taxes and consumption/use taxes partly offset overall higher receipts.

Lower than projected disbursements occurred primarily as a result of $3.7 billion in planned transfers to the Other Governmental Fund—Dedicated Infrastructure Investment Fund (DIIF) that did not occur by March 31, 2016. Lower than projected disbursements for local assistance and agency operations were partially offset by higher than projected transfers related to the early payment of certain debt service obligations for the 2017 fiscal year.

Net operating results were $3.9 billion more favorable than anticipated in the final financial plan, with the final financial plan projecting a net operating deficit of $2.3 billion. Total receipts and disbursements were lower than the final financial plan estimates (by $618 million and $4.5 billion, respectively). Lower receipts were primarily due to lower than expected business tax collections related to lower audit receipts driven by the corporate franchise tax, and lower personal income tax collections reflecting weaker than projected withholding. Lower than projected total disbursements occurred primarily as a result of lower than planned transfers to the DIIF, as well as lower spending for local assistance and agency operations.

The State's current year General Fund GAAP deficit of $978 million reported on page 36 differs from the General Fund's cash basis operating surplus of $1.6 billion reported in the reconciliation found under Budgetary Basis Reporting on page 116. This variation results from differences in basis of accounting, entity and perspective differences between budgetary reporting versus those established as GAAP and followed in preparation of this financial statement.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of 2016, the State has $102.5 billion invested in a broad range of capital assets, including equipment, buildings, construction in progress, land preparation, and infrastructure, which primarily includes roads and bridges (Table 4). This amount represents a net increase (including additions and deductions) of $642 million over last year.

Table 4
Capital Assets as of March 31, 2016 and 2015

(Net of depreciation, amounts in millions)

	Governmental Activities		Business-type Activities*		Total Primary Government	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**
Land and land improvements	$ 4,218	$ 4,190	$ 970	$ 853	$ 5,188	$ 5,043
Land preparation	3,923	3,863	—	—	3,923	3,863
Buildings	4,322	4,388	9,929	9,453	14,251	13,841
Equipment and library books	272	252	714	734	986	986
Construction in progress	3,085	3,811	3,607	3,487	6,692	7,298
Infrastructure	70,109	69,594	682	604	70,791	70,198
Artwork and historical treasures	—	—	40	38	40	38
Intangible assets	592	553	15	16	607	569
Totals	**$ 86,521**	**$ 86,651**	**$ 15,957**	**$ 15,185**	**$ 102,478**	**$ 101,836**

**As of June 30, 2015 and 2014 for SUNY and CUNY activities*

State-owned roads and bridges that are maintained by the Department of Transportation (DOT) are being reported using the modified approach. As allowed by the reporting provisions in the GASBS No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, infrastructure assets that meet prescribed criteria do not have to be depreciated but must be maintained at levels defined by State policy. The State is responsible for maintaining more than 42,739 lane miles of highway and 7,881 bridges.

Highway condition is rated using a scale of 1 (very poor) to 10 (excellent) based on the prevalence of surface-related pavement distress. For bridges, a rating of 6 to 7 is excellent, which indicates that no repairs are necessary. A rating of 3 to 5 is fair to good, which indicates that minor repairs are required. A rating of 1 to 2 is deficient, which indicates major repairs or replacements are necessary. Refer to the Required Supplementary Information (RSI) for additional information regarding infrastructure assets using the modified approach. Pavement condition rating parameters for the current year are between 6.7 and 7.2, while bridge pavement condition parameters are between 5.3 and 5.6. Capital spending for highway and bridge maintenance and preservation projects was approximately $1.4 billion in 2016.

The State's 2016-17 fiscal year capital budget calls for it to spend $12.7 billion for capital projects, of which $5.2 billion is for transportation projects. To pay for these capital projects, the State plans to use $609 million in general obligation bond proceeds, $6.1 billion in other financing arrangements with public authorities, $1.8 billion in Federal funds, and $4.2 billion in funds on hand or received during the year. More detailed information about the State's capitalization policy for capital assets is presented in Note 1 of the Notes to the Basic Financial Statements.

Debt Administration

The State has obtained long-term financing in the form of voter-approved General Obligation debt (voter-approved debt) and other obligations that are authorized by legislation but not approved by the voters (non-voter-approved debt), including lease purchase and contractual obligations where the State's legal obligation to make payments is subject to and paid from annual appropriations made by the Legislature or from assignment of revenue in the case of Tobacco Settlement Revenue Bonds. Equipment capital leases and mortgage loan commitments, which represent $275 million as of March 31, 2016, do not require legislative or voter approval. Other obligations include certain bonds issued through State public authorities and certificates of participation. The State administers its long-term financing needs as a single portfolio of State-supported debt that includes general obligation bonds and other obligations of both its governmental activities and business-type activities. Most of the debt reported under business-type activities, all of which was issued for capital assets used in those activities, is supported by payments from resources generated by the State's governmental activities—thus it is not expected to be repaid from resources generated by business-type activities. The State Finance Law allows the bonded portion of this single combined debt portfolio, which includes debt reported in both governmental and business-type activities, to include debt instruments which result in a net variable rate exposure in an amount that does not exceed 15 percent of total outstanding State-supported debt, and interest rate exchange agreements (swaps) that do not exceed 15 percent of total outstanding State-supported debt. At March 31, 2016, the State had $182 million in State-supported (net) variable rate bonds outstanding and $1.8 billion in interest rate exchange agreements, in which the State issues variable rate bonds and enters into a swap agreement that effectively converts the rate to a fixed rate. Risks related to these transactions are explained in Note 7.

At March 31, 2016, variable rate bonds, net of those subject to the fixed rate swaps, were equal to 0.4 percent of the State-supported debt portfolio. Variable rate bonds that were converted to a synthetic fixed rate through swap agreements of $1.8 billion were equal to 3.6 percent of the total State-supported debt portfolio.

At March 31, 2016, the State had $56.7 billion in bonds, notes, and other financing agreements outstanding compared with $57.4 billion in the prior year, a decrease of $698 million as shown below in the table.

Table 5
Outstanding Debt as of March 31, 2016 and 2015

(Amounts in millions)

	Governmental Activities		Business-type Activities*		Total Primary Government	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**
State-supported debt as defined by the State Finance Law:						
General obligation bonds (voter-approved)	$ 2,727	$ 3,018	$ —	$ —	$ 2,727	$ 3,018
Other financing arrangements	34,138	35,365	13,480	12,941	47,618	48,306
Tobacco Settlement Financing Corporation bonds	1,378	1,745	—	—	1,378	1,745
MBBA Special Purpose School Aid bonds	234	262	—	—	234	262
Capital lease obligations	7	7	199	225	206	232
Mortgage loan commitments	—	—	69	70	69	70
Unamortized bond premiums (discounts)	3,457	2,950	986	787	4,443	3,737
Accumulated accretion on capital appreciation bonds	17	20	—	—	17	20
Totals	**$ 41,958**	**$ 43,367**	**$ 14,734**	**$ 14,023**	**$ 56,692**	**$ 57,390**

**As of June 30, 2015 and 2014 for SUNY and CUNY activities*

In addition to the debt outlined above, the State reported $838 million for collateralized borrowings ($401 million in governmental activities and $437 million in business-type activities) for which specific revenues have been pledged. In the prior year, the State reported $870 million for collateralized borrowings ($430 million in governmental activities and $440 million in business-type activities).

During the 12 month period reported, the State issued $7.9 billion in bonds, of which $4.5 billion was for refunding and $3.4 billion was for new borrowing. See Note 16 for State debt issued subsequent to the reporting period.

Table 6
New Debt Issued During Prior 12 Month Period

(Amounts in millions)

	Governmental Activities		Business-type Activities*		Total Primary Government	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**
Voter-approved debt:						
General obligation:						
New issues	$ —	$ 148	$ —	$ —	$ —	$ 148
Refunding issues	—	181	—	—	—	181
Total voter-approved debt	**—**	**329**	**—**	**—**	**—**	**329**
Non-voter-approved debt:						
Other financing arrangements:						
New issues	2,219	1,934	1,165	1,160	3,384	3,094
Refunding issues	3,888	1,346	626	268	4,514	1,614
Total non-voter-approved debt	**6,107**	**3,280**	**1,791**	**1,428**	**7,898**	**4,708**
Totals	**$ 6,107**	**$ 3,609**	**$ 1,791**	**$ 1,428**	**$ 7,898**	**$ 5,037**

**As of June 30, 2015 and 2014 for SUNY and CUNY activities*

The State's assigned general obligation bond ratings on March 31, 2016 were as follows: AA+ by Standard & Poor's Investor Services (S&P), Aa1 by Moody's Investor Service, Inc., and AA+ by Fitch Investor Service. The State Constitution, with exceptions for emergencies, limits the amount of general obligation bonds that can be issued to that amount approved by the voters for a single work or purpose in a general election. Currently, the State has $2.7 billion in authorized but unissued bond capacity that can be used to issue bonds for specifically approved purposes. The State may issue short-term debt without voter approval in anticipation of the receipt of taxes and revenues or proceeds from duly authorized but not issued general obligation bonds.

The State Finance Law, through the Debt Reform Act of 2000 (the Act), also imposes phased-in caps on the issuance of new State-supported debt and related debt service costs. The Act also limits the use of debt to capital works and purposes, and establishes a maximum term length for repayment of 30 years. The Act applies to all State-supported debt. The Act does not apply to debt issued prior to April 1, 2000 or to other obligations issued by public authorities where the State is not the direct obligor.

ECONOMIC FACTORS AFFECTING THE STATE

In 2015, the nation's real Gross Domestic Product grew by 2.4 percent, the same as in 2014. In comparison, New York's real Gross State Product grew at a much slower rate of 1.4 percent, ranking its economic growth 32nd among the 50 states. However, this economic growth was marginally stronger than the 1.2 percent gain in 2014. This growth was driven by gains in sectors including business services and information, and educational services, while the finance and insurance sector detracted from overall economic growth.

Employment also rose at both the national and State levels in 2015. However, while job growth at the national level accelerated in 2015, increasing by 2.1 percent compared to 1.9 percent in 2014, New York experienced a slight softening, with employment increasing by 1.7 percent as compared to 1.8 percent in 2014. Total employment in the State increased to over 9.2 million. Most of the job gains were concentrated in the downstate region, with the largest growth occurring in New York City. While most of the upstate region realized job growth, employment declined in the Southern Tier region, including the Binghamton and Elmira metropolitan statistical areas.

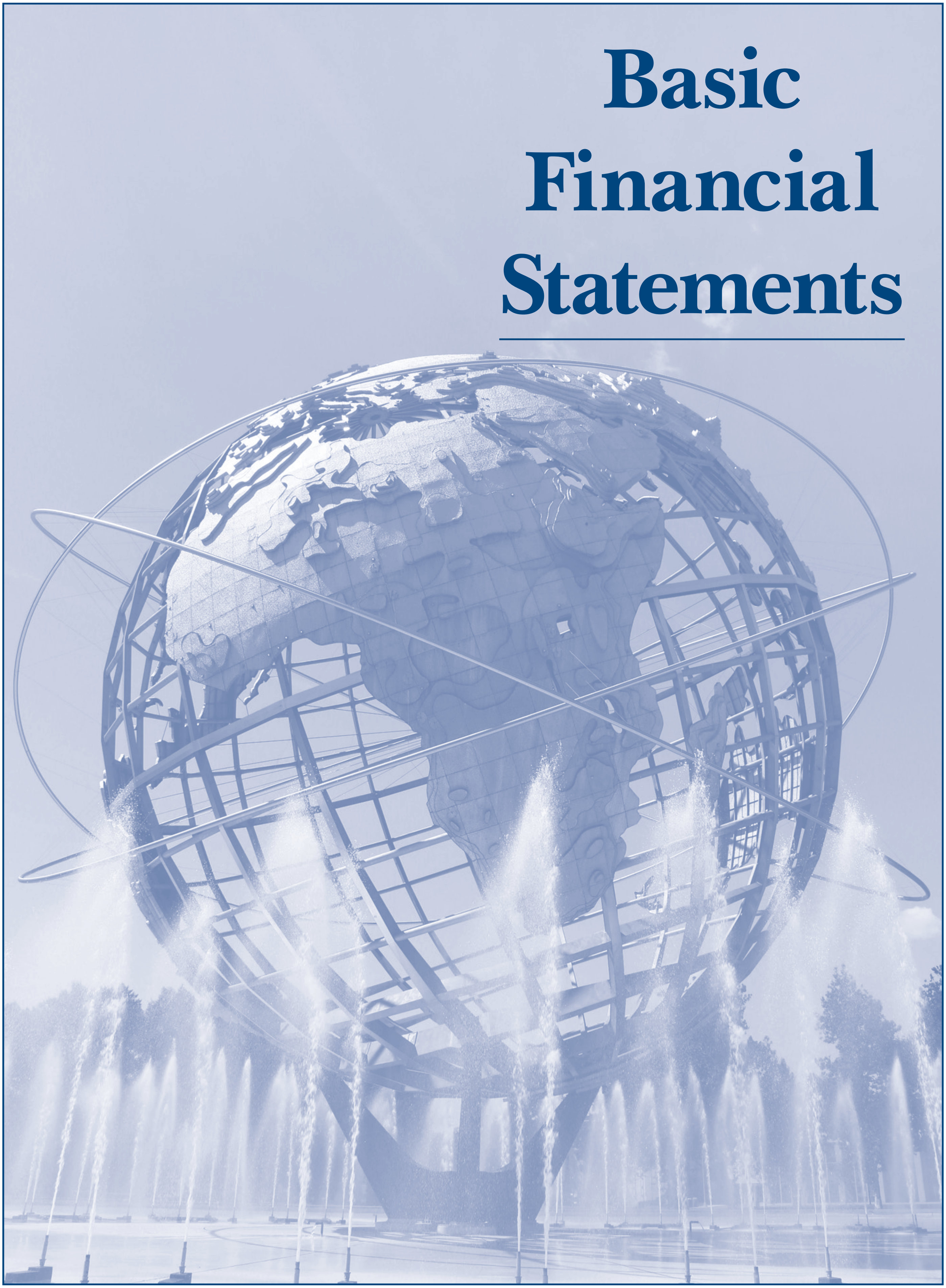
Wages at both the national and State levels increased in 2015. Similar to job growth, gains in wages at the national level (4.6 percent) were stronger than those in New York (4.1 percent) in 2015. However, both the nation and the State realized a deceleration in wage growth from 2014 levels. The industry sector in New York with the highest percentage wage growth was educational services, while State and local government realized the smallest level of wage growth.

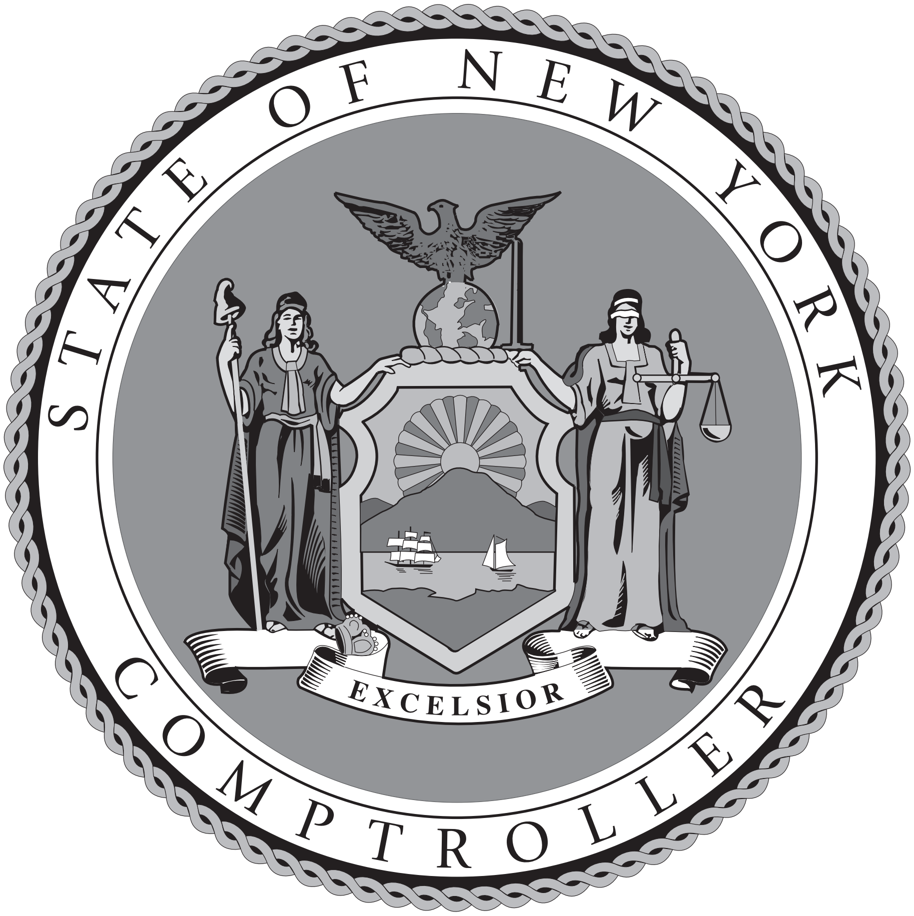
The securities industry in New York City is an important contributor to the State's revenues and has a significant impact on the downstate economy in particular, with typically high-paying jobs and large bonuses. Although industrywide profits were down more than 10 percent in 2015 and the average bonus in the securities industry in New York City declined by 9 percent, industry employment in the City rose in 2015.

CONTACTING THE STATE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the State's finances and to show the State's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the State Comptroller's Communications Office at 110 State Street, 15th Floor, Albany, New York 12236 or visit our website at *www.osc.state.ny.us*.

Basic Financial Statements




STATE OF NEW YORK
EXCELSIOR
COMPTROLLER

Statement of Net Position

March 31, 2016
(Amounts in millions)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS:				
Cash and investments	$ 17,952	$ 7,314	$ 25,266	$ 47,791
Receivables, net of allowances for uncollectibles:				
Taxes	13,889	—	13,889	—
Due from Federal government	7,443	—	7,443	—
Loans, leases and notes	—	—	—	42,082
Other	3,549	3,918	7,467	4,569
Internal balances	(788)	632	(156)	—
Net pension asset	—	80	80	—
Other assets	325	251	576	4,774
Capital assets:				
Land, infrastructure and construction in progress	80,863	4,611	85,474	18,145
Buildings, equipment, land improvements and infrastructure, net of depreciation	5,066	11,331	16,397	67,467
Intangible assets, net of amortization	592	15	607	1,221
Total assets	**128,891**	**28,152**	**157,043**	**186,049**
DEFERRED OUTFLOWS OF RESOURCES	**2,814**	**275**	**3,089**	**2,835**
LIABILITIES:				
Tax refunds payable	10,448	—	10,448	—
Accounts payable	283	764	1,047	515
Accrued liabilities	8,288	1,540	9,828	19,397
Payable to local governments	6,304	—	6,304	—
Due to Federal government	—	12	12	—
Interest payable	305	155	460	—
Pension contributions payable	321	—	321	17
Unearned revenues	950	594	1,544	1,751
Derivative instruments	—	—	—	121
Long-term liabilities:				
Due within one year	4,773	1,058	5,831	7,767
Due in more than one year:				
Tax refunds payable	1,273	—	1,273	—
Accrued liabilities	5,413	1,314	6,727	414
Payable to local governments	253	—	253	—
Due to Federal government	1,000	—	1,000	—
Lottery prizes payable	—	1,227	1,227	—
Pension contributions payable	2,365	213	2,578	4
Net pension liability	1,371	965	2,336	7,812
Other postemployment benefits	15,507	5,486	20,993	15,210
Pollution remediation	932	—	932	85
Collateralized borrowings	379	459	838	—
Obligations under lease/purchase and other financing arrangements	35,767	14,101	49,868	—
Notes payable	—	—	—	167
Bonds payable	2,614	—	2,614	88,965
Other long-term liabilities	—	—	—	10,960
Derivative instruments	218	64	282	888
Total liabilities	**98,764**	**27,952**	**126,716**	**154,073**
DEFERRED INFLOWS OF RESOURCES	**402**	**250**	**652**	**1,725**
NET POSITION:				
Net investment in capital assets	69,394	1,589	70,983	30,778
Restricted for:				
Debt service	3,328	117	3,445	2,115
Higher education, research and patient care	—	985	985	2,698
Environmental projects and energy programs	95	—	95	7,978
Economic development, housing and transportation	229	—	229	1,909
Insurance and administrative requirements	—	—	—	1,923
Future lottery prizes	—	157	157	—
Unemployment benefits	—	1,944	1,944	—
Pensions	—	25	25	—
Other government programs	365	—	365	—
Unrestricted deficits	(40,872)	(4,592)	(45,464)	(14,315)
Total net position	**$ 32,539**	**$ 225**	**$ 32,764**	**$ 33,086**

See accompanying notes to the basic financial statements.

Statement of Activities

For the Year Ended March 31, 2016

(Amounts in millions)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental activities:				
Education	$ 35,175	$ 136	$ 4,188	$ —
Public health	63,454	5,408	37,476	—
Public welfare	14,722	261	11,287	—
Public safety	7,768	207	2,068	24
Transportation	10,344	1,502	465	1,588
Environment and recreation	1,413	265	232	17
Support and regulate business	1,555	2,953	39	—
General government	10,234	4,439	304	—
Interest on long-term debt	1,618	—	30	—
Total governmental activities	**146,283**	**15,171**	**56,089**	**1,629**
Business-type activities:				
Lottery	6,442	9,691	—	—
Unemployment insurance	2,403	—	3,424	—
State University of New York	10,700	4,430	1,819	65
City University of New York	3,265	651	917	—
Total business-type activities	**22,810**	**14,772**	**6,160**	**65**
Total primary government	**$ 169,093**	**$ 29,943**	**$ 62,249**	**$ 1,694**
Total component units	**$ 38,095**	**$ 21,678**	**$ 9,843**	**$ 2,916**

General revenues:
  Taxes:
    Personal income
    Consumption and use
    Business
    Other
  Grants and contributions not restricted to specific programs
  Investment earnings
  Miscellaneous
Total general revenues
Transfers
Special item—State Insurance Fund reserve release
Total general revenues, transfers and special item
Change in net position
Net position—beginning of year, as restated
Net position—end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
$ (30,851)	$ —	$ (30,851)	$ —
(20,570)	—	(20,570)	—
(3,174)	—	(3,174)	—
(5,469)	—	(5,469)	—
(6,789)	—	(6,789)	—
(899)	—	(899)	—
1,437	—	1,437	—
(5,491)	—	(5,491)	—
(1,588)	—	(1,588)	—
(73,394)	**—**	**(73,394)**	**—**
—	3,249	3,249	—
—	1,021	1,021	—
—	(4,386)	(4,386)	—
—	(1,697)	(1,697)	—
—	**(1,813)**	**(1,813)**	**—**
(73,394)	**(1,813)**	**(75,207)**	**—**
			(3,658)
46,104	—	46,104	—
15,742	—	15,742	—
7,458	—	7,458	—
4,018	—	4,018	—
—	—	—	2,485
100	119	219	854
1,695	498	2,193	2,065
75,117	**617**	**75,734**	**5,404**
(2,416)	1,962	(454)	—
250	—	250	—
72,951	**2,579**	**75,530**	**5,404**
(443)	**766**	**323**	**1,746**
32,982	**(541)**	**32,441**	**31,340**
$ 32,539	**$ 225**	**$ 32,764**	**$ 33,086**

Balance Sheet

GOVERNMENTAL FUNDS

March 31, 2016
(Amounts in millions)

	Major Funds					
	General	**Federal Special Revenue**	**General Debt Service**	**Other Governmental Funds**	**Eliminations**	**Total**
ASSETS:						
Cash and investments	$ 9,138	$ 459	$ 1,476	$ 6,879	$ —	**$ 17,952**
Receivables, net of allowances for uncollectibles:						
Taxes	10,378	—	2,947	564	—	**13,889**
Due from Federal government	—	7,008	4	591	—	**7,603**
Other	1,169	569	764	1,047	—	**3,549**
Due from other funds	2,946	3	—	806	(3,400)	**355**
Other assets	113	196	—	16	—	**325**
Total assets	**$ 23,744**	**$ 8,235**	**$ 5,191**	**$ 9,903**	**$ (3,400)**	**$ 43,673**
LIABILITIES:						
Tax refunds payable	$ 8,194	$ —	$ 1,945	$ 309	$ —	**$ 10,448**
Accounts payable	122	16	—	145	—	**283**
Accrued liabilities	2,689	2,532	9	316	—	**5,546**
Payable to local governments	2,765	3,238	150	151	—	**6,304**
Due to other funds	3,311	946	735	1,580	(3,400)	**3,172**
Pension contributions payable	321	—	—	—	—	**321**
Unearned revenues	198	746	—	6	—	**950**
Total liabilities	**17,600**	**7,478**	**2,839**	**2,507**	**(3,400)**	**27,024**
DEFERRED INFLOWS OF RESOURCES	**1,070**	**743**	**111**	**126**	**—**	**2,050**
FUND BALANCES (DEFICITS):						
Restricted	—	14	2,226	1,145	—	**3,385**
Committed	1,072	—	15	3,964	—	**5,051**
Assigned	8,126	—	—	2,837	—	**10,963**
Unassigned	(4,124)	—	—	(676)	—	**(4,800)**
Total fund balances	**5,074**	**14**	**2,241**	**7,270**	**—**	**14,599**
Total liabilities, deferred inflows of resources and fund balances	**$ 23,744**	**$ 8,235**	**$ 5,191**	**$ 9,903**	**$ (3,400)**	**$ 43,673**

See accompanying notes to the basic financial statements.

Reconciliation of the Balance Sheet

GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

March 31, 2016
(Amounts in millions)

Total fund balances—governmental funds	**$**	**14,599**
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		86,521
Deferred inflows of resources related to the State's revenues that will be collected after year-end, but are not available soon enough to pay for the current period's expenditures are deferred in the funds		1,709
Deferred inflows of resources related to deferred gains on refundings of bonds payable and obligations under lease/purchase and other financing arrangements are not reported in the funds		(53)
Medicaid cost recoveries are not available soon enough to reduce current period expenditures that are due to the Federal government		(160)
Deferred outflows of resources related to derivative instruments and deferred losses on refundings of bonds payable and obligations under lease/purchase and other financing arrangements are not reported in the funds		645
Some liabilities (listed below) are not due and payable in the current period and therefore are not reported in the funds:		
Interest payable		(305)
Due to business-type activities		(713)
Long-term liabilities due within one year		(4,773)
Tax refunds payable		(1,273)
Accrued liabilities		(5,413)
Payable to local governments		(253)
Due to Federal government		(1,000)
Pension contributions payable		(2,365)
Net pension liability, net of deferred amounts		790
Other postemployment benefits		(15,507)
Pollution remediation		(932)
Collateralized borrowings		(379)
Obligations under lease/purchase and other financing arrangements		(35,767)
Bonds payable		(2,614)
Derivative instruments		(218)
Total net position—governmental activities	**$**	**32,539**

See accompanying notes to the basic financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

GOVERNMENTAL FUNDS

Year Ended March 31, 2016

(Amounts in millions)

	Major Funds					
	General	**Federal Special Revenue**	**General Debt Service**	**Other Governmental Funds**	**Eliminations**	**Total**
REVENUES:						
Taxes:						
Personal income	$ 30,431	$ —	$ 12,340	$ 3,318	$ —	**$ 46,089**
Consumption and use	6,551	—	3,276	5,914	—	**15,741**
Business	5,348	—	—	2,227	—	**7,575**
Other	1,480	—	—	2,487	—	**3,967**
Federal grants	—	55,541	35	2,205	—	**57,781**
Public health/patient fees	—	—	—	5,213	—	**5,213**
Tobacco settlement	—	—	763	40	—	**803**
Miscellaneous	6,864	90	6	4,822	(777)	**11,005**
Total revenues	**50,674**	**55,631**	**16,420**	**26,226**	**(777)**	**148,174**
EXPENDITURES:						
Local assistance grants:						
Education	24,053	3,926	—	6,616	—	**34,595**
Public health	16,062	34,959	—	5,673	—	**56,694**
Public welfare	2,950	9,796	—	243	—	**12,989**
Public safety	200	2,013	—	169	—	**2,382**
Transportation	109	36	—	5,420	—	**5,565**
Environment and recreation	12	3	—	304	—	**319**
Support and regulate business	212	15	—	577	—	**804**
General government	1,092	46	—	449	—	**1,587**
State operations:						
Personal service	9,116	618	—	213	—	**9,947**
Non-personal service	3,163	1,003	85	2,567	(45)	**6,773**
Pension contributions	1,924	80	—	34	—	**2,038**
Other fringe benefits	3,863	191	—	64	(732)	**3,386**
Capital construction	—	—	—	5,516	—	**5,516**
Debt service, including payments on financing arrangements	—	—	5,079	627	—	**5,706**
Total expenditures	**62,756**	**52,686**	**5,164**	**28,472**	**(777)**	**148,301**
Excess (deficiency) of revenues over expenditures	**(12,082)**	**2,945**	**11,256**	**(2,246)**	**—**	**(127)**

(Continued)

Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (cont'd)

GOVERNMENTAL FUNDS

Year Ended March 31, 2016

(Amounts in millions)

	Major Funds					
	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Eliminations	Total
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	19,683	39	2,963	8,999	(28,349)	**3,335**
Transfers to other funds	(8,829)	(2,983)	(14,562)	(7,632)	28,349	**(5,657)**
Financing arrangements issued	—	—	—	2,219	—	**2,219**
Refunding debt issued	—	—	3,865	23	—	**3,888**
Payments to escrow agents for refundings	—	—	(4,440)	(25)	—	**(4,465)**
Premiums on bonds issued	—	—	608	357	—	**965**
Net other financing sources (uses)	**10,854**	**(2,944)**	**(11,566)**	**3,941**	**—**	**285**
Special item—State Insurance Fund reserve release	**250**	**—**	**—**	**—**	**—**	**250**
Net change in fund balances	**(978)**	**1**	**(310)**	**1,695**	**—**	**408**
Fund balances at April 1, 2015	**6,052**	**13**	**2,551**	**5,575**	**—**	**14,191**
Fund balances at March 31, 2016	**$ 5,074**	**$ 14**	**$ 2,241**	**$ 7,270**	**$ —**	**$ 14,599**

See accompanying notes to the basic financial statements.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended March 31, 2016

(Amounts in millions)

Net change in fund balances—total governmental funds		**$ 408**
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds and the sale of capital assets is recorded as revenue in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Depreciation expense, net of asset disposal	$ (405)	
Disposal of assets	(260)	
Purchase of assets	535	
		(130)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of proceeds and repayments:		
Repayment of principal	$ 4,088	
Long-term debt proceeds	(7,072)	
Payments to escrow agents for refundings	4,465	
		1,481
Increase in revenues in the statement of activities that do not reduce current financial resources and are not reported in the funds		(157)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Local assistance grants	$ 26	
State operations	(3,857)	
Capital construction	1,879	
Transfers to business-type activities	(94)	
Other	1	
		(2,045)
Change in net position of governmental activities		**$ (443)**

See accompanying notes to the basic financial statements.

Statement of Net Position

ENTERPRISE FUNDS

March 31, 2016
(Amounts in millions)

		Unemployment Insurance	June 30, 2015		
	Lottery	Benefit	SUNY	CUNY	Total
ASSETS:					
Current assets:					
Cash and cash equivalents	$ 724	$ 92	$ 1,521	$ 665	**$ 3,002**
Investments	100	—	205	65	**370**
Deposits with trustees and DASNY	—	—	386	241	**627**
Receivables, net of allowance for uncollectibles	456	1,918	1,168	187	**3,729**
Due from other funds	—	—	145	288	**433**
Other assets	10	—	64	5	**79**
Total current assets	**1,290**	**2,010**	**3,489**	**1,451**	**8,240**
Noncurrent assets:					
Restricted cash and cash equivalents	—	—	152	23	**175**
Long-term investments	1,421	—	891	259	**2,571**
Deposits with trustees	—	—	300	269	**569**
Receivables, net of allowance for uncollectibles	—	—	165	24	**189**
Due from other funds	—	—	564	—	**564**
Net pension asset	—	—	80	—	**80**
Capital assets:					
Land, construction in progress and artwork	—	—	2,719	1,892	**4,611**
Buildings and equipment, net of depreciation	—	—	8,528	2,803	**11,331**
Intangible assets, net of amortization	—	—	—	15	**15**
Other assets	—	—	170	2	**172**
Total noncurrent assets	**1,421**	**—**	**13,569**	**5,287**	**20,277**
Total assets	**2,711**	**2,010**	**17,058**	**6,738**	**28,517**
DEFERRED OUTFLOWS OF RESOURCES:					
Pension activities	1	—	41	101	**143**
Derivative activities	—	—	—	64	**64**
Deferred loss on refunding	—	—	23	45	**68**
Total deferred outflows of resources	**1**	**—**	**64**	**210**	**275**
LIABILITIES:					
Current liabilities:					
Accounts payable	8	—	544	212	**764**
Accrued liabilities	584	54	783	379	**1,800**
Due to Federal government	—	12	—	—	**12**
Pension contributions payable	—	—	27	—	**27**
Lottery prizes payable	130	—	—	—	**130**
Due to other funds	346	—	16	—	**362**
Interest payable	—	—	81	74	**155**
Unearned revenues	10	—	426	158	**594**
Collateralized borrowing	—	—	8	—	**8**
Obligations under lease/purchase and other financing arrangements	—	—	394	239	**633**
Total current liabilities	**1,078**	**66**	**2,279**	**1,062**	**4,485**

(Continued)

Statement of Net Position (cont’d)

ENTERPRISE FUNDS

March 31, 2016
(Amounts in millions)

			June 30, 2015		
	Lottery	Unemployment Insurance Benefit	SUNY	CUNY	Total
Noncurrent liabilities:					
Accrued liabilities	—	—	1,231	83	**1,314**
Pension contributions payable	3	—	210	—	**213**
Net pension liability	2	—	188	775	**965**
Other postemployment benefits	—	—	4,871	615	**5,486**
Lottery prizes payable	1,227	—	—	—	**1,227**
Due to other funds	—	—	3	—	**3**
Collateralized borrowing	—	—	459	—	**459**
Obligations under lease/purchase and other financing arrangements	—	—	9,695	4,406	**14,101**
Derivative instruments	—	—	—	64	**64**
Total noncurrent liabilities	**1,232**	**—**	**16,657**	**5,943**	**23,832**
Total liabilities	**2,310**	**66**	**18,936**	**7,005**	**28,317**
DEFERRED INFLOWS OF RESOURCES:					
Pension activities	—	—	72	178	**250**
Total deferred inflows of resources	**—**	**—**	**72**	**178**	**250**
NET POSITION:					
Net investment in capital assets	—	—	1,207	382	**1,589**
Restricted for:					
Nonexpendable purposes:					
Instruction and departmental research	—	—	174	—	**174**
Scholarships, fellowships and general education support	—	—	104	—	**104**
Investments	—	—	—	49	**49**
General operations and other	—	—	130	—	**130**
Expendable purposes:					
Instruction and departmental research	—	—	128	—	**128**
Scholarships, fellowships and general education support	—	—	68	117	**185**
Loans	—	—	—	13	**13**
Debt service	—	—	—	117	**117**
General operations and other	—	—	137	65	**202**
Unemployment benefits	—	1,944	—	—	**1,944**
Future prizes	157	—	—	—	**157**
Pensions	—	—	25	—	**25**
Unrestricted (deficit)	245	—	(3,859)	(978)	**(4,592)**
Total net position	**$ 402**	**$ 1,944**	**$ (1,886)**	**$ (235)**	**$ 225**

See accompanying notes to the basic financial statements.

Statement of Revenues, Expenses and Changes in Fund Net Position

ENTERPRISE FUNDS

Year Ended March 31, 2016

(Amounts in millions)

			June 30, 2015		
	Lottery	Unemployment Insurance Benefit	SUNY	CUNY	Total
OPERATING REVENUES:					
Ticket and video gaming sales	$ 9,691	$ —	$ —	$ —	$ 9,691
Employer contributions	—	3,424	—	—	3,424
Tuition and fees, net	—	—	1,531	645	2,176
Government grants and contracts	—	—	774	791	1,565
Private gifts, grants and contracts	—	—	462	94	556
Hospitals and clinics	—	—	2,251	—	2,251
Auxiliary enterprises	—	—	648	6	654
Other	—	13	205	39	257
Total operating revenues	**9,691**	**3,437**	**5,871**	**1,575**	**20,574**
OPERATING EXPENSES:					
Benefits paid	—	2,403	—	—	2,403
Prizes	4,630	—	—	—	4,630
Commissions and fees	1,574	—	—	—	1,574
Educational and general	—	—	6,327	2,886	9,213
Hospitals and clinics	—	—	2,691	—	2,691
Auxiliary enterprises	—	—	622	3	625
Instant game ticket costs	23	—	—	—	23
Depreciation and amortization	—	—	553	192	745
Other	147	—	27	—	174
Total operating expenses	**6,374**	**2,403**	**10,220**	**3,081**	**22,078**
Operating income (loss)	**3,317**	**1,034**	**(4,349)**	**(1,506)**	**(1,504)**
NONOPERATING REVENUES (EXPENSES):					
Investment earnings	60	7	48	4	119
Other income (expenses), net	2	11	(32)	(20)	(39)
Private gifts, grants, and contracts	—	—	110	17	127
Federal and city appropriations	—	—	17	32	49
Federal and State nonoperating grants	—	—	566	—	566
Net increase (decrease) in the fair value of investments	(10)	—	(5)	(5)	(20)
Plant and equipment write-off	—	—	(16)	—	(16)
Gain on transfer of capital assets	—	—	—	49	49
Interest expense	(58)	—	(427)	(159)	(644)
Total nonoperating revenues (expenses)	**(6)**	**18**	**261**	**(82)**	**191**
Income (loss) before other revenues and transfers	**3,311**	**1,052**	**(4,088)**	**(1,588)**	**(1,313)**
TRANSFERS, CAPITAL CONTRIBUTIONS & ADDITIONS TO PERMANENT ENDOWMENTS:					
State transfers	—	—	3,136	1,190	4,326
Federal and State hospital support transfers	—	—	384	—	384
Education aid transfer	(3,302)	—	—	—	(3,302)
Capital transfers	—	—	24	530	554
Capital gifts and grants	—	—	65	—	65
Additions to permanent endowments	—	—	52	—	52
Increase (decrease) in net position	**9**	**1,052**	**(427)**	**132**	**766**
Net position—beginning of year, as restated	**393**	**892**	**(1,459)**	**(367)**	**(541)**
Net position—end of year	**$ 402**	**$ 1,944**	**$ (1,886)**	**$ (235)**	**$ 225**

See accompanying notes to the basic financial statements.

Statement of Cash Flows

ENTERPRISE FUNDS

Year Ended March 31, 2016

(Amounts in millions)

	Lottery	Unemployment Insurance Benefit	June 30, 2015		Total
			SUNY	CUNY	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from:					
Contributions	$ —	$ 3,680	$ —	$ —	**$ 3,680**
Ticket sales	9,729	—	—	—	**9,729**
Tuition and fees	—	—	1,541	636	**2,177**
Government grants and contracts	—	—	737	773	**1,510**
Private grants and contracts	—	—	471	102	**573**
Hospitals and clinics	—	—	1,945	—	**1,945**
Auxiliary enterprises	—	—	645	6	**651**
Other	2	—	168	38	**208**
Payments for:					
Claims	—	(2,462)	—	—	**(2,462)**
Prizes	(4,712)	—	—	—	**(4,712)**
Commissions and fees	(1,617)	—	—	—	**(1,617)**
Operating expenses	(138)	—	(7,069)	(2,620)	**(9,827)**
Other	—	—	(290)	(230)	**(520)**
Net cash provided (used) by operating activities	**3,264**	**1,218**	**(1,852)**	**(1,295)**	**1,335**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfer to education	(3,169)	—	—	—	**(3,169)**
Temporary loan from Federal government	—	106	—	—	**106**
Repayment of temporary loan from Federal government	—	(1,366)	—	—	**(1,366)**
Transfers from governmental activities	—	—	2,272	1,271	**3,543**
Federal and State nonoperating grants	—	—	566	—	**566**
Private gifts and grants	—	—	112	—	**112**
Gifts and grants	—	—	—	17	**17**
Proceeds from short-term loans	—	—	259	—	**259**
Repayment of short-term loans	—	—	(257)	—	**(257)**
Direct loan receipts	—	—	1,149	—	**1,149**
Direct loan disbursements	—	—	(1,149)	—	**(1,149)**
Enterprise fund transactions	—	99	124	(32)	**191**
Net cash provided (used) by noncapital financing activities	**(3,169)**	**(1,161)**	**3,076**	**1,256**	**2**
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:					
Proceeds from capital debt	—	—	1,413	712	**2,125**
Capital transfers	—	—	26	530	**556**
Purchase of capital assets	—	—	(1,179)	(369)	**(1,548)**
Principal payments on capital leases	—	—	(860)	(187)	**(1,047)**
Principal payments on refunded bonds	—	—	—	(279)	**(279)**
Interest payments on capital leases	—	—	(479)	(170)	**(649)**
Capital gifts and grants received	—	—	64	—	**64**
Proceeds from sale of capital assets	—	—	2	—	**2**
Bond issuance cost	—	—	—	(8)	**(8)**
Deposits held by bond trustees and DASNY	—	—	(83)	(127)	**(210)**
Increase in amounts held by DASNY	—	—	—	(18)	**(18)**
Net cash provided (used) by capital financing activities	**—**	**—**	**(1,096)**	**84**	**(1,012)**

(Continued)

Statement of Cash Flows (cont’d)

ENTERPRISE FUNDS

Year Ended March 31, 2016

(Amounts in millions)

			June 30, 2015		
	Lottery	**Unemployment Insurance Benefit**	**SUNY**	**CUNY**	**Total**
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest, dividends and realized gains on investments	26	7	54	5	**92**
Proceeds from sales and maturities of investments	112	—	327	123	**562**
Purchases of investments	—	—	(326)	(171)	**(497)**
Net cash provided (used) by investing activities	**138**	**7**	**55**	**(43)**	**157**
Net increase (decrease) in cash and cash equivalents	**233**	**64**	**183**	**2**	**482**
Cash and cash equivalents—beginning of year	491	28	1,490	686	**2,695**
Cash and cash equivalents—end of year	**$ 724**	**$ 92**	**$ 1,673**	**$ 688**	**$ 3,177**
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	$ 3,317	$ 1,034	$ (4,349)	$ (1,506)	**$ (1,504)**
Adjustments to reconcile operating income (loss) to net cash provided (used) by nonoperating and noncash activities:					
Depreciation and amortization	—	—	553	192	**745**
Bad debt expense	—	—	—	1	**1**
Other nonoperating and noncash items	2	—	1,334	—	**1,336**
Change in assets and liabilities:					
Receivables, net	71	243	(200)	(18)	**96**
Other assets	1	—	15	7	**23**
Lottery prizes payable	(117)	—	—	—	**(117)**
Unclaimed and future prizes	5	—	—	—	**5**
Accrued liabilities	(19)	—	93	(23)	**51**
Pension contributions payable	3	—	—	—	**3**
Net pension liability	2	—	—	(35)	**(33)**
Other postemployment benefits	—	—	700	91	**791**
Unearned revenues	—	—	2	(4)	**(2)**
Other payables	—	(59)	—	—	**(59)**
Deferred outflows	(1)	—	—	—	**(1)**
Net cash provided (used) by operating activities	**$ 3,264**	**$ 1,218**	**$ (1,852)**	**$ (1,295)**	**$ 1,335**
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
New capital leases / debt agreements	$ —	$ —	$ 1,410	$ —	**$ 1,410**
Fringe benefits provided by the State	$ —	$ —	$ 1,306	$ —	**$ 1,306**
Litigation costs provided by the State	$ —	$ —	$ 28	$ —	**$ 28**
Noncash gifts	$ —	$ —	$ 3	$ —	**$ 3**
Unrealized losses on investments	$ (10)	$ —	$ (20)	$ (5)	**$ (35)**
Amortization of investment discount	$ 35	$ —	$ —	$ —	**$ 35**
Gain on transfer of capital assets	$ —	$ —	$ —	$ 49	**$ 49**

See accompanying notes to the basic financial statements.

Statement of Fiduciary Net Position

FIDUCIARY FUNDS

March 31, 2016
(Amounts in millions)

	Pension Trusts	Private Purpose Trusts	Agency Funds
ASSETS:			
Cash and investments	$ —	$ 21,178	$ 7,906
Retirement system investments:			
Short-term investments	5,579	—	—
Domestic equities	61,544	—	—
Global fixed income	44,661	—	—
International equities	29,211	—	—
Private equities	13,961	—	—
Real estate and mortgage loans	13,436	—	—
Absolute return strategy investments	8,029	—	—
Opportunistic funds	1,719	—	—
Real assets	498	—	—
Securities lending collateral, invested	11,733	—	—
Forward foreign exchange contracts	120	—	—
Receivables, net of allowances for uncollectibles:			
Employer contributions	4,221	—	—
Member loans	1,070	—	—
Accrued interest and dividends	403	—	—
Investment sales	283		
Other	199	253	363
Due from other funds	—	2,742	—
Other assets	189	—	115
Total assets	**196,856**	**24,173**	**$ 8,384**
LIABILITIES:			
Securities lending obligations	11,741	—	$ —
Forward foreign exchange contracts	118	—	—
Accounts payable	—	—	127
Accounts payable—investments	893	—	—
Accounts payable—benefits	285	—	—
Other liabilities	179	62	6,542
Payable to local governments	—	—	1,715
Total liabilities	**13,216**	**62**	**$ 8,384**
NET POSITION:			
Restricted for pension benefits and other purposes	**$ 183,640**	**$ 24,111**	

See accompanying notes to the basic financial statements.

Statement of Changes in Fiduciary Net Position

FIDUCIARY FUNDS

Year Ended March 31, 2016
(Amounts in millions)

	Pension Trusts	Private Purpose Trusts
Additions:		
Investment earnings:		
Interest income	$ 1,446	$ 10
Dividend income	1,593	408
Securities lending income	53	—
Other income	1,029	620
Net decrease in the fair value of investments	(3,935)	(496)
Total investment earnings	**186**	**542**
Less:		
Securities lending expenses	(5)	—
Investment expenses	(566)	(48)
Net investment earnings	**(385)**	**494**
Contributions:		
College savings	—	2,545
Employers	5,140	—
Members	307	—
Interest on accounts receivable	144	—
Other	189	—
Total contributions	**5,780**	**2,545**
Total additions	**5,395**	**3,039**
Deductions:		
College aid redemptions	—	1,481
Benefits paid:		
Retirement allowances	10,720	—
Death benefits	188	—
Other benefits	152	—
Administrative expenses	107	—
Claims paid	—	447
Total deductions	**11,167**	**1,928**
Net increase (decrease) in net position	**(5,772)**	**1,111**
Net position restricted for pension benefits and other purposes at April 1, 2015	**189,412**	**23,000**
Net position restricted for pension benefits and other purposes at March 31, 2016	**$ 183,640**	**$ 24,111**

See accompanying notes to the basic financial statements.

Combining Statement of Net Position

DISCRETELY PRESENTED COMPONENT UNITS

March 31, 2016
(Amounts in millions)

	Major Component Units				
	Power Authority	**Housing Finance Agency**	**Thruway Authority**	**Metropolitan Transportation Authority**	**Dormitory Authority**
ASSETS:					
Cash and investments	$ 2,886	$ 2,398	$ 947	$ 6,778	$ 4,307
Receivables, net of allowances for uncollectibles:					
Loans, leases, and notes	258	12,464	—	—	44,382
Other	153	16	254	1,614	660
Other assets	1,460	—	24	761	—
Capital assets:					
Construction in progress	428	—	2,677	14,521	—
Land, buildings and equipment, net of depreciation	4,350	—	4,215	46,867	40
Intangible assets	—	—	—	—	—
Total assets	**9,535**	**14,878**	**8,117**	**70,541**	**49,389**
DEFERRED OUTFLOWS OF RESOURCES:					
Pension activities	30	—	33	1,033	9
Derivative activities	10	29	—	526	—
Deferred loss on refunding	—	—	14	581	—
Total deferred outflows of resources	**40**	**29**	**47**	**2,140**	**9**
LIABILITIES:					
Accounts payable	—	8	—	393	—
Accrued liabilities	363	89	439	2,829	1,224
Pension contributions payable	—	—	—	15	—
Unearned revenues	—	251	85	563	178
Notes payable	654	—	—	—	—
Bonds payable	55	308	125	2,587	3,859
Current portion of other long-term liabilities	20	—	5	35	7
Derivative instruments	4	—	—	43	—
Due in more than one year:					
Accrued liabilities	—	—	—	—	311
Pension contributions payable	—	—	—	—	—
Net pension liability	—	1	21	7,704	5
Other postemployment benefits	—	46	448	13,560	110
Pollution remediation	—	—	—	74	—
Unearned revenues	270	43	—	—	—
Notes payable	26	—	32	—	—
Bonds payable	845	13,445	5,191	34,483	43,427
Other long-term liabilities	2,954	—	10	3,537	66
Derivative instruments	15	29	—	533	—
Total liabilities	**5,206**	**14,220**	**6,356**	**66,356**	**49,187**
DEFERRED INFLOWS OF RESOURCES:					
Pension activities	1	—	—	460	—
Derivative activities	10	—	—	—	—
Deferred gain on refunding	—	1	—	32	—
Other	299	—	—	—	—
Total deferred inflows of resources	**310**	**1**	**—**	**492**	**—**
NET POSITION:					
Net investment in capital assets	2,070	—	1,738	23,788	10
Restricted for:					
Debt service	—	516	249	487	131
Higher education, research and patient care	—	—	—	—	—
Environmental projects and energy programs	23	—	—	—	—
Economic development, housing and transportation	—	—	94	1,051	—
Insurance and administrative requirements	—	—	—	142	—
Unrestricted	1,966	170	(273)	(19,635)	70
Total net position	**$ 4,059**	**$ 686**	**$ 1,808**	**$ 5,833**	**$ 211**

See accompanying notes to the basic financial statements.

Major Component Units							
Long Island Power Authority	**Urban Development Corporation**	**State Insurance Fund**	**SONY Mortgage Agency**	**Environmental Facilities Corporation**	**Non-Major Component Units**	**Eliminations**	**Total**
$ 1,374	$ 3,099	$ 15,069	$ 2,432	$ 2,813	$ 7,956	$ (2,268)	$ 47,791
—	10,816	—	2,644	9,512	709	(38,703)	42,082
662	130	387	32	117	733	(189)	4,569
1,984	281	9	—	—	281	(26)	4,774
296	—	—	—	—	223	—	18,145
7,252	1,919	—	—	—	2,824	—	67,467
1,212	—	—	1	—	8	—	1,221
12,780	**16,245**	**15,465**	**5,109**	**12,442**	**12,734**	**(41,186)**	**186,049**
—	5	—	—	2	73	—	1,185
—	98	—	21	—	27	(29)	682
254	1	—	6	—	112	—	968
254	**104**	**—**	**27**	**2**	**212**	**(29)**	**2,835**
—	—	—	—	—	114	—	515
583	224	12,135	113	185	1,267	(54)	19,397
—	—	—	—	1	1	—	17
—	—	502	—	—	173	(1)	1,751
350	222	—	—	—	3	—	1,229
238	876	—	112	366	133	(2,508)	6,151
191	95	—	—	—	34	—	387
74	—	—	—	—	—	—	121
28	—	—	—	—	75	—	414
—	—	—	—	—	4	—	4
—	3	—	1	—	77	—	7,812
25	34	—	47	23	917	—	15,210
—	10	—	—	—	1	—	85
—	—	—	—	6	737	—	1,056
—	6	—	—	—	103	—	167
7,432	12,260	—	2,500	5,702	2,485	(38,805)	88,965
2,899	243	—	—	—	195	—	9,904
217	—	—	34	—	89	(29)	888
12,037	**13,973**	**12,637**	**2,807**	**6,283**	**6,408**	**(41,397)**	**154,073**
—	—	—	—	—	15	—	476
5	98	—	—	—	—	—	113
—	—	—	—	—	—	(1)	32
511	280	—	—	—	14	—	1,104
516	**378**	**—**	**—**	**—**	**29**	**(1)**	**1,725**
(158)	1,694	—	—	—	1,636	—	30,778
34	—	—	613	—	76	9	2,115
—	—	—	—	—	2,698	—	2,698
108	—	—	—	6,155	1,692	—	7,978
—	304	—	—	—	460	—	1,909
—	—	—	1,735	—	46	—	1,923
497	—	2,828	(19)	6	(99)	174	(14,315)
$ 481	**$ 1,998**	**$ 2,828**	**$ 2,329**	**$ 6,161**	**$ 6,509**	**$ 183**	**$ 33,086**

Combining Statement of Activities

DISCRETELY PRESENTED COMPONENT UNITS

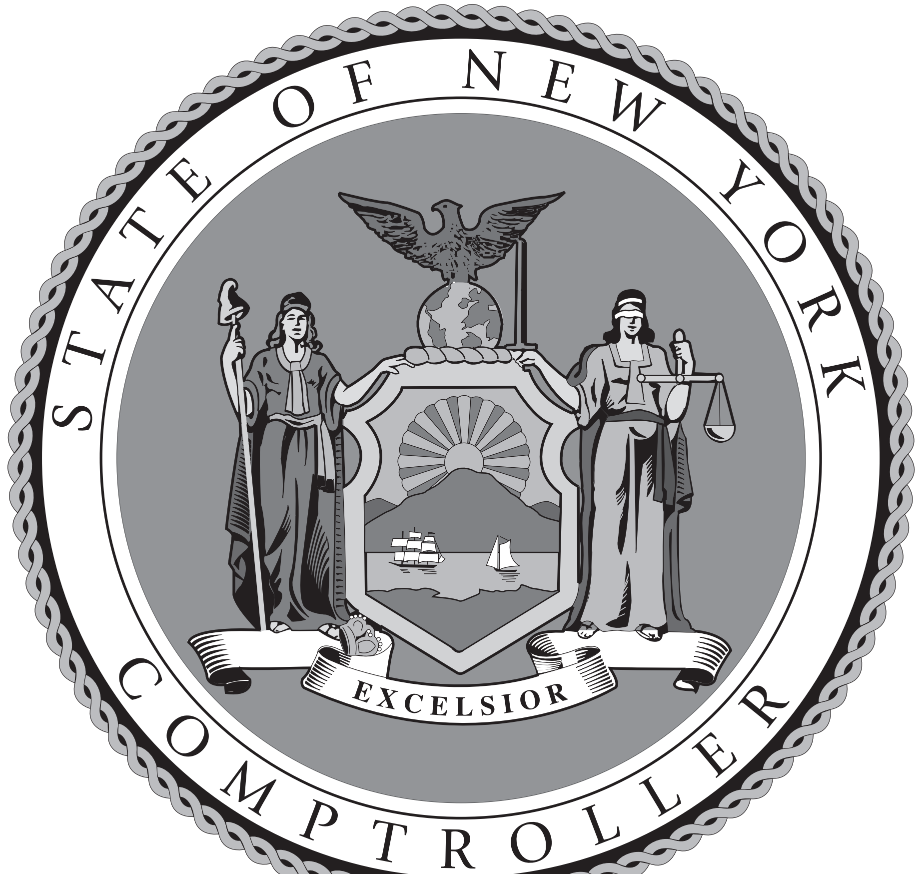
Year Ended March 31, 2016

(Amounts in millions)

	Major Component Units				
	Power Authority	Housing Finance Agency	Thruway Authority	Metropolitan Transportation Authority	Dormitory Authority
EXPENSES:					
Program operations	$ 2,093	$ 60	$ 408	$ 12,900	$ 101
Interest on long-term debt	40	107	145	1,390	2,113
Other interest	116	—	—	—	—
Depreciation and amortization	237	—	395	2,444	—
Other expenses	90	7	—	—	118
Total expenses	**2,576**	**174**	**948**	**16,734**	**2,332**
PROGRAM REVENUES:					
Charges for services	2,625	193	729	7,770	2,197
Operating grants and contributions	—	6	27	4,560	—
Capital grants and contributions	—	—	599	1,979	—
Total program revenues	**2,625**	**199**	**1,355**	**14,309**	**2,197**
Net program revenue (expenses)	**49**	**25**	**407**	**(2,425)**	**(135)**
GENERAL REVENUES:					
Non-State grants and contributions not restricted to specific programs	—	—	—	2,147	—
Investment earnings:					
Restricted	—	4	—	—	12
Unrestricted	14	—	1	—	—
Miscellaneous	11	59	—	648	77
Total general revenues	**25**	**63**	**1**	**2,795**	**89**
Change in net position	**74**	**88**	**408**	**370**	**(46)**
Net position—beginning of year, as restated	**3,985**	**598**	**1,400**	**5,463**	**257**
Net position—end of year	**$ 4,059**	**$ 686**	**$ 1,808**	**$ 5,833**	**$ 211**

See accompanying notes to the basic financial statements.

Major Component Units							
Long Island Power Authority	Urban Development Corporation	State Insurance Fund	SONY Mortgage Agency	Environmental Facilities Corporation	Non-Major Component Units	Eliminations	Total
$ 2,964	$ 915	$ 2,619	$ 47	$ 198	$ 7,967	$ (11)	**$ 30,261**
348	558	—	84	262	66	(1,852)	**3,261**
14	—	—	—	—	10	—	**140**
223	37	—	—	—	172	—	**3,508**
—	59	256	75	—	322	(2)	**925**
3,549	**1,569**	**2,875**	**206**	**460**	**8,537**	**(1,865)**	**38,095**
3,505	10	2,504	133	331	2,991	(1,310)	**21,678**
—	1,457	—	—	7	4,346	(560)	**9,843**
—	—	—	—	222	116	—	**2,916**
3,505	**1,467**	**2,504**	**133**	**560**	**7,453**	**(1,870)**	**34,437**
(44)	**(102)**	**(371)**	**(73)**	**100**	**(1,084)**	**(5)**	**(3,658)**
54	—	—	—	—	284	—	**2,485**
—	—	621	40	75	35	—	**787**
6	3	—	—	—	43	—	**67**
32	144	16	180	—	914	(16)	**2,065**
92	**147**	**637**	**220**	**75**	**1,276**	**(16)**	**5,404**
48	**45**	**266**	**147**	**175**	**192**	**(21)**	**1,746**
433	**1,953**	**2,562**	**2,182**	**5,986**	**6,317**	**204**	**31,340**
$ 481	**$ 1,998**	**$ 2,828**	**$ 2,329**	**$ 6,161**	**$ 6,509**	**$ 183**	**$ 33,086**


STATE OF NEW YORK
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NOTES TO THE BASIC FINANCIAL STATEMENTS—INDEX

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2016

Note 1 Summary of Significant Accounting Policies

The accompanying basic financial statements of the State of New York (State) have been prepared in conformity with generally accepted accounting principles (GAAP) for governments. Such principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the standard-setting body for establishing governmental accounting and financial reporting principles in the United States of America.

The basic financial statements have been prepared primarily from accounts maintained by the State Comptroller. Additional data has been derived from reports prescribed by the State Comptroller and prepared by State departments, agencies, public benefit corporations and other entities based on independent or subsidiary accounting systems maintained by them.

a. Reporting Entity

The basic financial statements include all funds of the primary government, which is the State, as well as the component units and other organizational entities determined to be included in the State's financial reporting entity.

The decision to include a component unit in the State's reporting entity is based on several criteria, including legal standing, fiscal dependency and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the State's reporting entity.

Blended Component Units

The New York Local Government Assistance Corporation (LGAC) was created by Chapter 220 of the Laws of 1990. LGAC is administered by seven directors consisting of the State Comptroller and the Director of the Division of the Budget, serving ex-officio, and five directors appointed by the Governor. LGAC was created to issue long-term debt on behalf of the State to finance certain local assistance aid payments plus amounts necessary to fund a capital reserve fund and other issuance costs. LGAC is legally separate but provides services exclusively to the State, and therefore is reported as part of the primary government as a blended component unit.

The Tobacco Settlement Financing Corporation (TSFC) was created by Part D3 of Chapter 62 of the Laws of 2003. TSFC was created as a subsidiary of the State of New York Municipal Bond Bank Agency (MBBA). The directors of the MBBA are members of TSFC. TSFC is governed by a seven member board, consisting of: the Chairman of the MBBA, the Secretary of State, the Director of the Budget, the State Comptroller or his appointee, and three directors appointed by the Governor. TSFC was created to issue long-term debt on behalf of the State to finance State operations plus amounts necessary to fund a capital reserve fund and other issuance costs. TSFC is legally separate but provides services exclusively to the State, and therefore is reported as part of the primary government as a blended component unit.

Discretely Presented Component Units

The public benefit corporations (Corporations) listed in Note 14 were established by State statute with full corporate powers. The Governor, with the approval of the State Senate, appoints most members of the board of directors of most Corporations and either the Governor or the board of directors selects the chairman and chief executive officer. Corporations generally submit annual reports to the Governor, the Legislature and the State Comptroller on their operations and finances, accompanied by an independent auditors' report thereon. Corporations also submit to the Governor and the Legislature annual budget information on operations and capital construction. The State Comptroller is empowered to conduct financial and management audits of the Corporations. Financial assistance was provided in the fiscal year ended March 31, 2016 to certain Corporations and such assistance is expected to be required in future years. Accordingly, the fiscal condition of the State is related to the fiscal stability of the Corporations. Since the Corporations are legally separate organizations for which the Governor and Legislature are financially accountable, they are discretely presented as component units of the State.

Related Organizations and Joint Ventures

The State's officials are also responsible for appointing the members of the boards of various related organizations (e.g., the Nassau County Interim Finance Authority), but the State's accountability for these organizations does not extend beyond making the appointments. As discussed in more detail in Note 15, the State participates in several joint ventures but only reports on one due to materiality.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity within governmental and business-type activities has been eliminated from these statements. However, balances due and resource flows between governmental and business-type activities have not been eliminated. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been allocated and are reported as direct program expenses of individual functions or programs. Program revenues include: charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; grants and contributions that are restricted to meeting the operational requirements of a particular function or segment; and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not included as program revenues are reported as general revenues, as required.

Separate financial statements are provided for Governmental Funds, Enterprise Funds and Fiduciary Funds, even though the latter are excluded from the government-wide financial statements. Major individual Governmental Funds and major individual Enterprise Funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the Enterprise Funds, Component Units and the Fiduciary Funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year in which they are earned. Grants, entitlements and donations are recognized as revenues as soon as all eligibility requirements have been met.

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collected within the current period or collectible within 12 months of the end of the current fiscal period. Tax revenues are recorded by the State as taxpayers earn income (personal income, general business and other taxes), as sales are made (consumption and use taxes), and as the taxable event occurs (miscellaneous taxes), net of estimated overpayments (refunds). Receivables not expected to be collected within the next 12 months are recorded as deferred inflows of resources. Expenditures and related liabilities are generally recorded in the accounting period the liability is incurred to the extent it is expected to be paid within the next 12 months, with the exception of items covered by GASB Interpretation 6 (GASBI 6), *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*. GASBI 6 modified the recognition criteria of certain expenditures and liabilities. GASBI 6 requires that expenditures and liabilities such as debt service, compensated absences, and claims and judgments be recorded in the governmental fund statements only when they mature or become due for payment within the period. Expenditure-driven grants are recognized as revenues when the qualifying expenditures have been incurred and all other grant requirements have been met and amounts are considered available. Nonexchange grants and subsidies, such as local assistance grants and public benefit corporation subsidies, are recognized as expenditures when all requirements of the grant and/or subsidy have been satisfied.

The State reports the following major and other governmental funds:

General Fund—is the primary operating fund of the State and is used to account for all financial transactions not required to be accounted for in another fund.

Federal Special Revenue Fund—accounts for Federal grants received by the State that are earmarked for specific programs. In order to comply with Federal accounting and reporting requirements, certain Federal grants are accounted for in a number of accounts that are combined and reported as the Federal Special Revenue Fund. Accounts that are combined include the Federal USDA-Food and Nutrition Services Account (Federal USDA-FNS), the Federal Health and Human Services Account (Federal DHHS), the Federal Education Account, the Federal Operating Grants Account, the Unemployment Insurance Administration Account, the Unemployment Insurance Occupational Training Account and the Federal Employment and Training Grants Account.

General Debt Service Fund—accounts for the payment of principal and interest on the State's general debt, the payments on certain lease/purchase or other contractual obligations, and transactions related to the Tobacco Settlement Financing Corporation.

Other Governmental Funds—is a summarization of all the non-major governmental funds.

The governmental fund financial statements include a reconciliation between the fund statements and the government-wide statements. Differences that make a reconciliation necessary include the differences in measurement focus and basis of accounting between the statements. The Statement of Activities reflects the net costs of each major function of State operations, which differs from the presentation of expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds, which matches the State's budgetary (financial plan) presentation.

The State reports the following major Enterprise Funds:

Lottery Fund—accounts for lottery revenues that are earmarked for education assistance to local school districts, lottery administrative costs of the New York State Gaming Commission and payment of lottery prizes.

Unemployment Insurance Benefit Fund—accounts for employer unemployment contributions utilized for the payment of unemployment compensation benefits.

SUNY Fund—accounts for the operation of the State University of New York (SUNY). Information reported in this fund is obtained from the audited financial statements prepared by SUNY for the fiscal year ended June 30, 2015.

CUNY Fund—accounts for the operation of the City University of New York (CUNY) Senior Colleges. Information reported in this fund is obtained from the audited financial statements of the Senior Colleges prepared by CUNY for the fiscal year ended June 30, 2015.

Enterprise Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with an Enterprise Fund's principal ongoing operations. Operating expenses for Enterprise Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. The Fiduciary Fund types of the State consist of the following:

Pension Trust Fund—accounts for the activities of the New York State and Local Retirement System, which accumulates resources for pension benefit payments to qualified public employees.

Private Purpose Trust Funds—are used to account for resources legally held in trust as escheat property and resources held in trust to facilitate savings for higher education expenses, pursuant to the New York State tuition savings program. There is no requirement that any portion of these resources be preserved as capital. Information reported for the tuition savings program is obtained from the audited financial statements prepared by the program for the fiscal year ended December 31, 2015.

Agency Funds—report those resources held by the State in a purely custodial capacity (assets equal liabilities).

Additionally, the State includes discretely presented component units:

Component Units—the public benefit corporations' financial statements, except for the State Insurance Fund and the Aggregate Trust Fund, are prepared using the economic resources measurement focus and are accounted for on the accrual basis of accounting. The State Insurance Fund and the Aggregate Trust Fund prepares financial statements in conformity with accounting practices prescribed or permitted by the New York State Department of Financial Services. The Department of Financial Services recognizes only New York Statutory Accounting Practices for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under New York State Insurance Law. The impact of variances from GAAP is not material to the Corporations in total.

d. Cash and Investments

Cash balances of funds held in the State Treasury are commingled in a general checking account and several special purpose bank accounts. The available cash balance in the general checking account beyond immediate need is pooled for short-term investment purposes. The balances pooled are limited to legally stipulated investments, which are reported at cost, including accrued interest, which approximates fair value. Non-interest-bearing compensating balances of $4.8 billion are included in cash and investments at March 31, 2016. At various times during the year, compensating balances could be substantially higher. Cash balances not held in the State Treasury and controlled by various State officials are generally deposited in interest-bearing accounts or other legally stipulated investments. Additional information about the State's cash and investments is provided in Note 2.

Generally, for purposes of reporting cash flows, cash includes cash and cash equivalents. Cash equivalents are composed of liquid assets with maturities of 90 days or less. The Enterprise Funds Statement of Cash Flows uses the direct method of reporting cash flows.

All investments with a maturity of more than one year are recorded on the Statement of Net Position and the balance sheet at fair value and all investment income, including changes in the fair value of investments, is reported as revenue. Fair values were determined using market values at the applicable entities' year-end. Investments of the short-term investment pool have a maturity of one year or less and are recorded at cost.

e. Receivables

Receivables are stated net of estimated allowances for uncollectible amounts, which are determined based upon past collection experience and current economic conditions. Due from Federal government represents amounts owed to the State to reimburse it for expenditures incurred pursuant to federally funded programs. Other receivables represent amounts owed to the State, including Medicaid drug rebates, financial service settlements, tobacco settlements, patient fees of SUNY and Health Department hospitals and various mental hygiene facilities, student loans and lottery ticket sales. Additional information about receivables is provided in Note 4.

f. Internal Balances

All outstanding balances between funds at the end of the fiscal year are referred to as "due to/from other funds" on the fund financial statements. Generally, the effect of interfund activity within the governmental funds has been removed. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." For the most part, the remaining difference is a result of different year-ends between the State and SUNY and CUNY.

g. Other Assets

Other assets in governmental activities and business-type activities include payments for costs applicable to future accounting periods, and other types of assets not reported on other lines. Inventories reported by the governmental funds are recorded as expenditures when they are purchased. Inventories reported by the Enterprise Funds are valued at cost using the first-in/first-out (FIFO) method.

h. Capital Assets

Capital assets are reported in the Statement of Net Position for government-wide and enterprise funds and further disclosed in Note 5. Capital assets include: land in urban centers, rural areas and forest preserves; land improvements; land preparation-roads; buildings which house State offices, correctional facilities, hospitals and educational facilities; equipment used in construction work, hospitals, offices, etc.; construction in progress; intangible assets (i.e., easements and internally generated software); and infrastructure assets such as roads and bridges. Capital assets are reported at historical cost or estimated historical cost and donated capital assets are valued at their estimated fair market value at the date of donation.

For governmental activities, equipment that has a cost in excess of $40 thousand at the date of acquisition and has an expected useful life of two or more years is capitalized. All initial building costs and building improvements and land and land improvements in excess of $100 thousand are capitalized. Infrastructure assets in excess of $1 million are also capitalized. Software is capitalized when the costs exceed $1 million.

The costs of normal repairs and maintenance that do not add to the value or extend lives of assets materially are not capitalized, but are reported as expenses in the year incurred. All maintenance and preservation costs relating to roads and bridges are expensed in the year incurred and not capitalized. Expenses relating to roads and bridges that add to the capacity and efficiency of the road and bridge networks are capitalized rather than expensed.

Capital assets in business-type activities and Enterprise Funds are from SUNY and CUNY. These capital assets are stated at cost, or in the case of gifts, fair value at the date of receipt. SUNY capitalizes building renovations and additions costing over $100 thousand, equipment items with a unit cost of $5 thousand or more, and intangible assets, including internally generated computer software, costing $1 million or more. CUNY capitalizes renovations and improvements that significantly increase the value or extends the useful lives of the structures and equipment with a cost of more than $5 thousand and useful lives of two or more years.

Buildings, land improvements, equipment and intangible assets of the primary government are depreciated or amortized using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities (Years)	Business-type Activities (Years)
Buildings and building improvements	12-60	2-50
Equipment and vehicles	4-30	2-50
Land improvements	12-30	2-50
Intangibles—easements	20	2-50
Intangibles—computer software	10-12	2-50

Land preparation reflects the costs of preparing the land for the construction of roads. Since land preparation has an indefinite life, associated costs are not depreciated.

The State has elected to use the modified approach for reporting and accounting for its highways and bridges reported by DOT. The modified approach requires the State to commit to preserving and maintaining these infrastructure assets at levels established by DOT. No depreciation expense is reported for these assets and no amounts are capitalized in connection with improvements that lengthen the lives of such assets, unless the improvements also increase their capacity or efficiency. DOT maintains an inventory of these assets and performs periodic condition assessments to ensure that the predetermined condition level is maintained. The Required Supplementary Information (RSI) contains additional information regarding infrastructure reported using the modified approach.

Capital asset reporting does not include historical artifacts, artwork and collections that are maintained by various State agencies, the State Archives, the State Museum and the State Library with the exception of SUNY and CUNY. These items are protected and preserved, held for public exhibition and educational purposes, and the proceeds from the sale of items are used to acquire new items for the collection. SUNY reports all artwork, historical treasures and library books. CUNY reports intangible assets, artwork, historical treasures and library books with a unit cost of more than $5 thousand.

i. Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows of resources increase net position, similar to assets, and deferred inflows of resources decrease net position, similar to liabilities.

The components of the deferred outflows of resources and deferred inflows of resources related to the primary government at March 31, 2016 are as follows (amounts in millions):

	Governmental Activities	Business-type Activities	Primary Government
Deferred outflows of resources:			
Loss on refunding of debt	$ 518	$ 68	**$ 586**
Derivative activities	127	64	**191**
Pension activities	2,169	143	**2,312**
Total deferred outflows of resources	**$ 2,814**	**$ 275**	**$ 3,089**
Deferred inflows of resources:			
State Insurance Fund assessments (including reserve release)	$ 251	$ —	**$ 251**
Pension activities	8	250	**258**
Gain on refunding of debt	53	—	**53**
Federal grants	90	—	**90**
Total deferred inflows of resources	**$ 402**	**$ 250**	**$ 652**

The components of the deferred inflows of resources related to the governmental funds at March 31, 2016 are as follows (amounts in millions):

	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Total Governmental Funds
Governmental Funds:					
Deferred inflows of resources:					
State Insurance Fund assessments (including reserve release)	$ 251	$ —	$ —	$ —	**$ 251**
Public health/patient fees	—	—	—	6	**6**
Taxes considered unavailable	728	—	111	16	**855**
Medicaid	62	652	—	—	**714**
Oil spill	—	—	—	74	**74**
Miscellaneous agency	29	1	—	23	**53**
Federal grants	—	90	—	—	**90**
ENCON collections	—	—	—	7	**7**
Total	**$ 1,070**	**$ 743**	**$ 111**	**$ 126**	**$ 2,050**

j. Long-Term Obligations

In the government-wide financial statements and Enterprise Funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities' or business-type activities' Statement of Net Position. For governmental activities, bond premiums and discounts are reported as a component of the related bonds payable, and gains and losses on refunding are reported as deferred inflows of resources or deferred outflows of resources. Both are amortized over the life of the bonds using the straight-line method. In business-type activities, SUNY losses on refunding are reported as deferred outflows of resources and amortized over the life of the related debt. CUNY bond premiums and discounts are reported as a component of the related bonds payable, and gains and losses on refunding are reported as deferred inflows of resources or deferred outflows of resources. Both are amortized over the life of the bonds using the straight-line method. Issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as non-personal service expenditures in the period incurred.

k. Compensated Absences

The estimated vacation leave liability for State employees at March 31, 2016 is $877 million and represents an increase of $1 million over the prior year. State employees accrue vacation leave based primarily on the number of years employed up to a maximum rate of 25 days per year, but may accumulate no more than a maximum of 40 days.

SUNY employees accrue vacation leave based primarily on the number of years employed up to a maximum rate of 21 days per year and may accumulate no more than a maximum of 40 days. CUNY employees accrue vacation leave based upon the number of years employed, with the maximum accumulation generally ranging from 45 to 50 days. The liability for vacation leave approximated $263 million and $79 million for SUNY and CUNY, respectively, at June 30, 2015.

CUNY employees may receive payments of up to 50 percent of the value of their accumulated sick leave as of the date of retirement from CUNY. CUNY reported a liability of $23 million for sick leave credits in accrued liabilities.

Lottery's employees, upon termination, may receive vacation pay benefits up to a maximum of 30 days. Lottery recognizes employees' compensated absence benefits when earned. The liability for employees' compensated absences was approximately $1 million as of March 31, 2016.

l. Accounting for Lease/Purchase and Other Financing Arrangements

The construction of certain State office buildings, campus facilities and other public facilities has been financed through bonds and notes issued by public benefit corporations pursuant to lease/purchase and other financing arrangements with the State. The State has also entered into financing arrangements with public benefit corporations that have issued bonds to finance past State budgetary deficits and grants to local governments for both capital and operating purposes (Note 7).

These lease/purchase and other financing arrangements, which the State will repay over the duration of the agreements, constitute long-term liabilities. The amount included in obligations under lease/purchase and other financing arrangements consists of total future principal payments and equals the outstanding balance of the related bonds and notes.

m. State Lottery

The State Lottery is accounted for as an Enterprise Fund. The revenues, administrative costs, aid to education and expenses for amounts allocated to prizes are reported, and uncollected ticket sales at March 31, 2016 are accrued. Prize monies to meet long-term prize payments are invested in United States government-backed obligations, New York City Transitional Finance Authority municipal bonds and Agency for International Development (AID) bonds, and are recorded at fair value. Lottery prize liabilities are recorded at a discounted value equivalent to the related investments. At March 31, 2016, the prize liabilities of approximately $2.1 billion were reported at a discounted value of approximately $1.4 billion (at interest rates ranging from 0.07 percent to 7.78 percent).

n. Net Position

The difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources is "Net Position" on government-wide, enterprise fund, component units and fiduciary fund financial statements.

Net position is reported as restricted when constraints placed on net position use are either:

a. Externally imposed by creditors (such as debt covenants), grantors, contributors, laws or regulations of other governments; or

b. Imposed by law through constitutional provisions or enabling legislation.

Enabling legislation authorizes the State to assess, levy, charge or otherwise mandate payment of resources (from resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. A legally enforceable requirement is one that an outside party (such as citizens, public interest groups or the judiciary) can compel the government to honor. When both restricted and unrestricted resources are available for use, it is the State's policy to use restricted resources first, then unrestricted resources as they are needed.

At March 31, 2016, the Governmental Activities reported restricted net position of $4 billion due to restrictions externally imposed by creditors or enabling legislation. This included $3.3 billion restricted for debt service payments from various capital reserve funds, and $689 million restricted for other purposes (details of fund balance classification are available in Note 1.o.).

The following terms are used in the reporting of net position:

Net Investment in Capital Assets
Net investment in capital assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Debt Service
Net position restricted for the payment of future debt service payments from various capital reserve funds.

Higher Education, Research and Patient Care
Net position restricted for funding of various higher education instruction, research, scholarships, and operations, as well as medical research and patient care.

Environmental Projects and Energy Programs
Net position restricted for funding of various environmental projects and energy programs.

Economic Development, Housing and Transportation
Net position restricted for funding of various economic development, housing-related and transportation-related programs.

Insurance and Administrative Requirements
Net position restricted for funding certain insurance payments and administrative costs.

Unemployment Benefits
Net position restricted for the payment of unemployment benefits.

Future Lottery Prizes
Net position restricted for future lottery prize payments.

Pensions
Net position restricted for pension payments.

Other Government Programs
Net position restricted for the funding of legal and law enforcement programs, various gifts, grants or bequests received by the State, and other legally restricted programs.

Unrestricted
Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position described above.

o. Fund Balance

The difference between fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources is "Fund Balance" on governmental fund financial statements.

Fund Balance Hierarchy
Fund balance for governmental funds is reported in the following classifications which describe the relative strength of the constraints that control how specific amounts in the funds can be spent:

> Nonspendable fund balance includes amounts that cannot be spent because (a) they are either not in spendable form or (b) are legally or contractually required to remain intact.
>
> Restricted fund balances have constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
>
> Committed fund balances can only be used for specific purposes pursuant to constraints imposed by formal action of the State's highest level of decision-making authority, which includes establishment of laws of the State, and by bills passed by the Legislature and approved by the Governor of the State of New York, or any contracts approved by authorized State officials that are known to have their liability satisfied with the current fund balance. Commitments may be changed or lifted only by the State's highest level of decision-making authority taking the same formal action that originally imposed the constraint.
>
> Assigned fund balances are constrained by the intent to use amounts for specific purposes, but are neither restricted nor committed. The Director of the Budget is authorized to assign amounts to a specific purpose through the approval of budget certificates as required by statute.

Unassigned fund balance is the residual classification for the General Fund. Other governmental funds cannot report a positive unassigned fund balance but can report negative unassigned fund balance if expenditures incurred for specific purposes exceed the amounts restricted or committed to those purposes.

For classification of governmental fund balances, the State considers expenditures to be made from restricted resources first, then in the following order: committed, assigned, and unassigned resources.

Reserve Accounts

Tax Stabilization Reserve Account

The authority for establishing the Tax Stabilization Reserve Account is in State Finance Law Section 92. The account was established in 1984.

At the close of each fiscal year, any surplus funds up to 0.2 percent of 1 percent of the "norm" shall be transferred to the Tax Stabilization Reserve Account, up to 2 percent of the "norm". The norm is the aggregate amount disbursed from the State Purposes Account during the fiscal year.

In any given fiscal year, when receipts fall below the norm, funds shall be transferred from the Tax Stabilization Reserve Account to the State Purposes Account, in an amount equal to the difference between the norm and the receipts, to the extent that funds are available in the Tax Stabilization Reserve Account. Money in the Tax Stabilization Reserve Account may be temporarily loaned to the State Purposes Account during the year in anticipation of the receipt of revenues, but these funds must be repaid within the same fiscal year.

The balance in the Tax Stabilization Reserve Account at March 31, 2016 is $1.3 billion, and is included in the unassigned fund balance of the General Fund.

Rainy Day Reserve Account

The authority for establishing the Rainy Day Reserve Account is in State Finance Law Section 92-cc. The account was established in 2007.

Funds deposited to this account are transferred from the State Purposes Account. The maximum balance in this account will not exceed 3 percent of the aggregate amount projected to be disbursed from the State Purposes Account during the fiscal year immediately following the current fiscal year.

The amounts in this account can be spent for two reasons:

a. In the event of an economic downturn, as evidenced by a composite index of business cycle indicators prepared by the Commissioner of Labor. If the index declines for five consecutive months, the Commissioner of Labor shall notify the Governor, the Speaker of the Assembly, the Temporary President of the Senate and the minority leaders of the Assembly and the Senate. Upon such notification, the Director of Budget may authorize the Comptroller to transfer funds from the Rainy Day Reserve Account.

b. A catastrophic event, i.e., the need to repel invasion, suppress insurrection, defend the State in war, or to respond to any other emergency resulting from a disaster, including but not limited to a disaster caused by an act of terrorism.

The balance in the Rainy Day Reserve Account at March 31, 2016 is $540 million, and is included in the committed fund balance of the General Fund.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. These amounts generally will become liabilities in future periods.

Significant encumbrances at March 31, 2016 include (in millions):

Fund Type	Amount
General	$ 791
Federal Special Revenue	1,077
Other Special Revenue	146
Other Capital Projects	7,730

Fund Balances

Fund balances at March 31, 2016 are as follows (amounts in millions):

	Major Funds			
	General Fund	Federal Special Revenue	General Debt Service	Other Governmental Funds
Restricted for:				
Public health	$ —	$ 14	$ —	$ 26
Environment and recreation	—	—	—	20
Transportation	—	—	—	243
General administration	—	—	—	114
Debt service	—	—	2,226	602
Capital purposes	—	—	—	140
Committed to:				
Education	6	—	—	—
Public health	—	—	—	110
Mental hygiene	4	—	—	—
Health care initiatives	—	—	—	742
Environment and recreation	1	—	—	42
Public safety	2	—	—	236
Transportation	—	—	—	451
Economic development	—	—	—	136
General administration	—	—	—	109
Debt service	—	—	15	483
Capital purposes	—	—	—	1,655
Fund reserves	1,059	—	—	—
Assigned to:				
Education	147	—	—	—
Public health	727	—	—	396
Mental hygiene	5	—	—	—
Public welfare	683	—	—	3
Environment and recreation	171	—	—	16
Public safety	658	—	—	—
Transportation	2,566	—	—	—
Economic development	1,935	—	—	—
Employee benefits	718	—	—	—
Workers' Compensation	—	—	—	2,399
General administration	516	—	—	21
Debt service	—	—	—	2
Unassigned	(4,124)	—	—	(676)
Total fund balance	**$ 5,074**	**$ 14**	**$ 2,241**	**$ 7,270**

p. Post-Retirement Benefits

Other postemployment costs are measured and disclosed using the accrual basis of accounting in the government-wide and enterprise funds financial statements (Note 13). In addition to providing pension benefits, the State is statutorily required to provide health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the State's employees may become eligible for these benefits if they reach normal retirement age while working for the State. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the State and the retired employee. The State, including the Lottery, recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the respective fund in the year paid. Additionally, the survivor's benefit program provides for a death benefit to be paid by the State to a retiree's designated beneficiary. During the year, approximately $11.5 million was paid on behalf of 3,818 retirees for this benefit and recorded as an expenditure in the General Fund.

q. Deficit Fund Balances

As of March 31, 2016, fund deficits were reported in the following Capital Projects Funds: the Hazardous Waste Remedial Fund ($133 million), the Housing Program Fund ($144 million), the Mental Hygiene Facilities Capital Improvement Fund ($105 million), and Miscellaneous Capital Project Funds ($74 million). The deficits related to the Capital Projects Funds are the result of differences in cash flow timing relating to the reimbursement of capital project costs and contractual commitments from bond proceeds, and are routinely resolved during subsequent fiscal years. The ENCON Special Revenue Fund also has a fund deficit ($24 million). The deficit is the result of timing differences between the receipt of cash and the transfer of funds to finance operating expenditures.

r. Special Items

Significant transactions or other events within the control of management that are either unusual in nature or infrequent in occurrence are reported as special items in the government-wide and the fund financial statements. In 2016, a special item of $250 million is reported in the governmental activities and the General Fund related to the release of State Insurance Fund reserves to the State. These reserves were originally recorded by the State Insurance Fund for estimated future assessments and other charges payable to the Workers' Compensation Board associated with expected losses on claims. Reforms to Workers' Compensation Law effective January 1, 2014, changed the basis for determining such assessments and charges resulting in the elimination of such reserves. Chapter 57 of the Laws of 2013 requires the amount of the eliminated reserves to be transferred by the State Insurance Fund to the Workers' Compensation Board for distribution to the General Fund in specified amounts over a series of fiscal years. The State Insurance Fund has transferred $1.75 billion to the Workers' Compensation Board. Subsequently $1.5 billion has been released to the General Fund for debt management or fiscal uncertainties in accordance with Chapter 57 of the Laws of 2013, of which $250 million has been released to the General Fund in March 31, 2016. The remaining $250 million will be released in the next fiscal year as specified under Chapter 57 of the Laws of 2013 and, accordingly, has been reported as deferred inflows of resources until time requirements are met.

s. Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the basic financial statements. Estimates also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

t. Adoption of New Accounting Pronouncements and Restatements

During the fiscal year ended March 31, 2016, the State adopted the following new accounting standards issued by the GASB:

GASBS No. 68, *Accounting and Financial Reporting for Pensions—An Amendment to GASB Statement No. 27* (GASBS No. 68) requires governments that provide pensions through pension plans administered as trusts or equivalent arrangements to recognize their long-term obligation for pension benefits as a liability. GASBS No. 68 establishes standards for measuring and recognizing assets, liabilities, deferred outflows of resources, and deferred inflows of resources, and expenses/expenditures related to pensions. In addition, GASBS No. 68 also establishes new note disclosures and required supplementary information related to pension plans.

GASBS No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—An Amendment of GASB Statement No. 68* (GASBS No. 71) addresses amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. GASBS No. 71 requires the government to recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.

The restatements of beginning net position as a result of the adoption of GASBS No. 68 and GASBS No. 71 are as follows (amounts in millions):

	Governmental Activities	Business-type Activities		Component Units
		SUNY	CUNY	
Net position at March 31, 2015	$ 32,554	$ (1,035)	$ 521	$ 39,198
Adoption of GASBS No. 68 and GASBS No. 71	428	(424)	(888)	(7,858)
Net position at April 1, 2015	**$ 32,982**	**$ (1,459)**	**$ (367)**	**$ 31,340**

GASBS No. 82, *Pension Issues—An amendment of GASB Statement Numbers 67, 68, and 73* (GASBS No. 82) addresses issues regarding (1) presentation of payroll-related measures in required supplementary information, (2) the selection of actuarial assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of this Statement did not require substantial modification to the financial statements.

Note 2 Cash and Investments

Governmental Activities, Private Purpose and Agency Funds

Deposits

The State maintains approximately 3,000 bank accounts for various purposes at locations throughout the State. Cash deposits in the State Treasury are under the joint custody of the State Comptroller and the Commissioner of Taxation and Finance. Cash balances not required for immediate use are invested in a short-term investment pool (STIP) administered by the State Comptroller or by the fund custodian to maximize interest earnings. Cash is invested in repurchase agreements involving United States Treasury obligations, United States Treasury bills, commercial paper, government sponsored agencies, and certificates of deposit. Cash deposits not held in the State Treasury are under the sole custody of a specified State official and are generally held in interest-bearing accounts. Both the State Comptroller and the Commissioner of Taxation and Finance are sole custodians of certain accounts.

The custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the State will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

For demand accounts, checking accounts and certificates of deposit, the State requires that its depository banks pledge collateral or provide a surety bond based on actual and average daily available bank balances. All securities pledged as collateral are held by the State's fiscal agent in the name of the State and are valued on a monthly basis. Surety bonds will be accepted only from AAA rated insurance companies. The use of average daily available balances to determine collateral requirements may result in the available balances being under-collateralized at various times during the fiscal year. The State's cash management policy is to invest all major revenues as soon as the monies are available within the banking system, which limits under-collateralization. The State's cash deposits with financial institutions had a book and bank balance of $12.9 billion and were fully collateralized at fiscal year-end. Included in these balances were certificates of deposit held in the STIP with a book and bank balance of $6 billion. Also included are deposits, with a book and bank balance of $352 million, were held by the State's fiscal agent and were fully collateralized except for $349 million in deposits that were exposed to custodial credit risk because they were uninsured and uncollateralized.

For the fiscal year ended March 31, 2016, the average daily balance of the STIP was $15 billion, with an average yield of 0.2 percent and total investment income of $34 million.

Investments

The State holds investments both for its own benefit and as an agent for other parties. Major investment programs conducted for the direct benefit of the State include STIP, which is used for the temporary investment of funds not required for immediate payments, and sole custody funds administered by the Department of Taxation and Finance.

Investments are made in accordance with State Finance Law and vary by fund but generally include: obligations of, or guaranteed by, the United States; obligations of New York State and its political subdivisions; certificates of deposit; savings bank trust company notes; bankers' acceptances; repurchase agreements; corporate bonds; and commercial paper.

As of March 31, 2016 (except for the Tuition Savings Program, which is as of December 31, 2015), the State had the following investments and maturities (amounts in millions):

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less than 1**	**1-5**	**6-10**	**More than 10**
Commercial paper	$ 5,658	$ 5,658	$ —	$ —	$ —
Government sponsored agencies	2,469	2,394	51	24	—
U.S. Treasury notes/bonds	1,402	1,205	197	—	—
U.S. Treasury bills	1,221	1,221	—	—	—
Repurchase agreements	1,061	1,061	—	—	—
Municipal bonds	460	—	386	74	—
U.S. Treasury strips	621	571	50	—	—
Money market funds	104	104	—	—	—
Forward purchase agreements	57	—	—	—	57
Other	9	9	—	—	—
Subtotal	**13,062**	**$ 12,223**	**$ 684**	**$ 98**	**$ 57**
Investments held in an agent or trust capacity	21,057				
Total	**$ 34,119**				

Included in the table are securities which either were not acquired for investment purposes or cannot be classified or categorized, and are being held by the State in an agent or trust capacity. Parents, grandparents and other parties wishing to save for a child's college education may deposit money into the Tuition Savings Program. The State administers the program on behalf of the parents and holds the investment portfolio in a trust. The fair market value of the portfolio was $21.1 billion at December 31, 2015. Employers seeking self-insurer status for workers' compensation purposes may deposit securities specified by Section 235 of the New York State Banking Law with the Chairman of the Workers' Compensation Board. Acting as an agent for the employers, the State holds these securities (carrying amount $221 million, which approximates fair value) only as an agent for the employers. Securities that are unclaimed at financial institutions are transferred periodically to the State and are held temporarily by the State until they can be liquidated. The securities or proceeds can be claimed by the owners under established procedures. These securities had a carrying amount and fair value of $52 million at March 31, 2016. The State holds cash and securities deposited by contractors in lieu of retainage on contract payments (carrying amount and fair value of $6 million).

In addition to the securities held by the Workers' Compensation Board noted above, the State holds $3.1 billion in surety bonds and letters of credit that are not included in the table above.

Credit Risk

State law limits investments in commercial paper, repurchase agreements, government sponsored agencies and municipal bonds to the highest ratings issued by two nationally recognized statistical rating organizations (NRSROs). Investments in commercial paper and repurchase agreements are limited to a rating of A-1 by Standard & Poor's Corporation (S&P) and P-1 by Moody's Investors Service, Inc. (Moody's). Investments in government sponsored agencies and municipal bonds are limited to AAA by S&P and Aaa by Moody's. If an investment in commercial paper drops in rating below the legal requirements during the year, the State investment staff would consult with appropriate advisors to determine what action, if any, should be taken. Repurchase agreements are collateralized with U.S. Treasury obligations.

The portfolios of the Tuition Savings Program, a Private Purpose Trust Fund, have underlying fixed income mutual funds which are not rated by any NRSRO.

Custodial Credit Risk

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government and are held either by: (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name. The risk is that the State will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party if the counterparty fails. The State's policy is to hold all of its investments in the State's name; however, the investments listed below are exposed to custodial credit risk because they are not held by the State but are held by a public benefit corporation in the public benefit corporation's name or administered by a fiscal agent on behalf of New York State. The following table presents the fair value of investments by type (amounts in millions):

Investment Type	Fair Value
U.S. Treasury bills	$ 747
U.S. Treasury notes	822
Government sponsored agencies	2,254
U.S. Treasury strips	26
Money market	104
Repurchase agreements	19
Forward purchase agreements	57
Total	**$ 4,029**

Interest Rate Risk

The fair values of the State's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those instruments. Fair values of interest rate-sensitive instruments may be affected by the creditworthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument and other general market conditions.

The State manages its interest rate risk by limiting the majority of its investments to a maturity structure of one year or less. Additionally, the State holds its investments to maturity, which minimizes the occurrence of a loss on an investment.

The State's investments in mutual funds and equity securities have no stated maturity and have not been allocated to a time period on the preceding table.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the State's investment in a single issuer (five percent or more of total investments). To mitigate this risk, it is the policy of the State to maintain a diversified portfolio among a variety of investment instruments in which it is legally permitted to invest.

Foreign Currency Risk

The State Finance Law, Section 98-a, does not expressly permit investment in foreign currency and there is no formal policy related to foreign currency; however, the Tuition Savings Plan has certain underlying mutual funds which invest in foreign securities. There are certain additional risks involved when investing in foreign securities that are not inherent with investments in domestic securities. These risks may involve foreign currency exchange rate fluctuations, adverse political and economic developments and the possible prevention of currency exchange or other foreign governmental laws or restrictions. In addition, the liquidity of foreign securities may be more limited than that of domestic securities.

Business-type Activities

Deposits

SUNY does not have a formal policy for collateral requirements for cash deposits. At June 30, 2015, SUNY had $1.7 billion in deposits held by the State Treasury, invested in the STIP, and $132 million held by other local depositories. Deposits not held in the State Treasury that are not covered by depository insurance are: uncollateralized ($5 million) and collateralized with securities held by a pledging financial institution ($15 million). SUNY also has $121 million in cash and cash equivalents deposited with trustees, which are registered in SUNY's name and held by an agent or in trust accounts in SUNY's name.

CUNY's cash and cash equivalents were held by depositories and amounted to $698 million, of which $137 million was insured and $561 million was uninsured and uncollateralized, or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in CUNY's name.

Lottery deposits are made in accordance with State Finance Law and State Tax Law. At March 31, 2016, Lottery had $724 million in deposits held by the State Treasury, which were invested in the STIP.

The Unemployment Insurance Benefit Fund has a total of $92 million in a sole custody bank account, which is on deposit with the State Comptroller and invested in the STIP, and is subject to the same collateralization requirements as the State.

Investments

Generally, SUNY and CUNY are allowed to invest in a diverse investment portfolio. Permitted investments include, but are not limited to, obligations of the U.S. Government and its agencies, municipal debt securities, repurchase agreements, corporate bonds, commercial paper, equity securities, mutual funds, asset-backed securities, money market funds and security lending transactions.

The Lottery is authorized by State statute to invest in U.S. Government-backed obligations and New York City Transitional Finance Authority municipal bonds that provide for payment of prizes payable.

As of June 30, 2015 (except for the State Lottery which is as of March 31, 2016), the business-type activities had the following investments and maturities (amounts in millions):

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less than 1**	**1-5**	**6-10**	**More than 10**
U.S. Treasury strips	$ 825	$ 211	$ 164	$ 172	$ 278
Municipal bonds	536	33	134	141	228
AID bonds	332	20	83	87	142
Government sponsored agencies	277	183	94	—	—
U.S. agency mortgage-backed securities	220	220	—	—	—
U.S. Treasury notes/bonds	142	142	—	—	—
U.S. Treasury bills	117	117	—	—	—
Mutual fund non-equities	22	1	2	19	—
Corporate bonds	13	2	11	—	—
Subtotal	**2,484**	**$ 929**	**$ 488**	**$ 419**	**$ 648**
External investment pools	859				
Cash equivalents	237				
Alternate investments	198				
Corporate stocks	122				
Mutual fund equities	60				
Money market funds	26				
International mutual fund equities	11				
Equity securities	6				
International stocks	1				
Other	12				
Total	**$ 4,016**				

Credit Risk

Generally, SUNY individual fixed income investment securities must be of investment grade. SUNY maintains a portfolio that possesses an overall weighted average rating by Moody's and S&P of at least A. Private placement securities must be rated A3 or higher by Moody's or A- or higher by S&P. Parameters exist that allow some limited investments in non-investment grade securities; however, investments rated below B3 by Moody's or B- by S&P are prohibited.

CUNY's investment policy for the CUNY Investment Pool includes specific guidelines for investment managers with a target allocation to fixed income of 20 percent and is invested in commingled funds. The Pool contains securities with an Average Quality Rating of AA to AA2. CUNY'S investment policy does not otherwise place formal limitations on credit risk.

As of June 30, 2015 (except for the State Lottery, which is as of March 31, 2016), the business-type activities had the following investments with ratings (amounts in millions):

Investment Type	**Total**	**AAA**	**AA**	**A**	**BBB**
External investment pool	$ 859	$ —	$ 859	$ —	$ —
Municipal bonds	536	535	1	—	—
AID bonds	332	—	332	—	—
U.S. agency mortgage-backed securities	220	220	—	—	—
Corporate bonds	13	—	2	5	6
Mutual fund non-equities	22	21	—	1	—
Government sponsored agencies	277	274	2	—	1
International stocks	1	—	—	—	1
Total	**$ 2,260**	**$ 1,050**	**$ 1,196**	**$ 6**	**$ 8**

Custodial Credit Risk

At June 30, 2015, SUNY had $687 million in cash and investments held by the Dormitory Authority of the State of New York (DASNY), which represents bond proceeds needed to finance capital projects and to establish required building and equipment replacement and debt service reserves. These cash and investments are registered in SUNY's name and held by an agent or in a trust in SUNY's name. SUNY's investment policy does not formally address custodial credit risk.

At June 30, 2015, CUNY had $510 million in investments held by DASNY or the bond trustee, not in CUNY's name. CUNY's policy for deposits of the CUNY Investment Pool does not allow for participation in programs that have uninsured investments held by counterparties and uses specific monitor initiatives for investments as a means of limiting custodial credit risk. CUNY's investment policy does not formally address custodial credit risk for investments not included in the Investment Pool.

Interest Rate Risk

SUNY has policies in place that limit fixed income investment duration within certain benchmarks, and a highly diversified portfolio is maintained which limits interest rate exposure. SUNY does not formally address any interest rate risk related to its investment pools. CUNY's investment policy for the CUNY Investment Pool specifies that its fixed income investments are made in long-term, non-callable, or call-protected high quality bonds. CUNY's investment policy does not otherwise formally limit investment maturities as a means of managing exposure to fair market value losses arising from increased interest rates. The Lottery's policy for managing interest rate risk is to hold investment securities to maturity, at which time the fair value of the investment is equal to the stated maturity value.

Investment Pool

SUNY has certain assets included in its financial statements that are attributable to the statutory colleges at Cornell University and are held as a portfolio of investments in external investment pools. The fair value of the investments is primarily based on the unit value of the pools and the number of shares owned in each pool. The unit value of the pools, as well as their fair values (amounts in millions) at June 30, 2015 are presented in the table below:

Pool Type	**Unit Value**	**Fair Value**
Endowments:		
Long-term Investment Pool	$ 57.31	$ 810
Charitable Gift Annuities:		
Master Trust Units	1.49	12
Charitable Trusts:		
Endowment Strategy	57.28	26
Common Trust Fund—Growth	33.94	6
Common Trust Fund—Income	13.16	2
Common Trust Fund—Premier	8.58	1
Pooled Life Income Funds (PLIF):		
PLIF A	1.33	1
PLIF B	2.47	1
Total External Investment Pools		**$ 859**

CUNY has certain assets included with investments in their financial statements, which are pooled on a fair value basis, with each individual fund subscribing to or disposing of units on the basis of the fair value per unit determined quarterly. At June 30, 2015, the investment pool consisted of 264.5 million units with a fair value of $264.5 million.

Retirement System—New York State and Local Retirement System

The financial statements of the New York State and Local Retirement System (System) are prepared using the accrual basis of accounting. Investments are reported at fair value. Stocks traded on a national or international exchange are valued at quoted market value. Investments that do not have an established market are reported at estimated fair value as determined by the general partner or by the investment manager. The System trades in foreign exchange contracts in the normal course of its investing activities in order to manage exposure to market risks. Such contracts, which are generally for a period of less than one year, are used to purchase and sell foreign currency at a guaranteed future price. These contracts are recorded at market value using foreign currency exchange rates. The System is exposed to various investment risks as follows:

Custodial Credit Risk

Equity and fixed income investments owned directly by the System which trade in the United States (U.S.) markets are generally held at the System's custodian, in separate accounts, in the name of the Comptroller of the State of New York in Trust for the Common Retirement Fund. These securities are typically held in electronic form by the Depository Trust Company (DTC) and its subsidiaries, acting as an agent of the System's custodian bank. Securities held directly by the System which trade in markets outside the U.S. are held by a subsidiary of the System's custodian bank in the local market, a bank performing custodial services in the local market acting as an agent for the System's custodian bank, or, in some foreign markets, the securities are held in electronic format by a DTC subsidiary or an organization similar to DTC. Directly held investments include short-term and long-term fixed income, and domestic and international equity separately managed accounts. The aforementioned investments have the lowest custodial risk. Indirectly held fixed income investments are held by third party administrators in trust for the fund. Equity investments held indirectly by the System via limited partnerships, commingled investment funds, joint ventures and other similar vehicles are held in custody by an organization contracted with by the general partner and/or the investment management firm responsible for the management of each investment organization. Title to real property invested in by the System is either held by a real estate holding company or a real estate investment fund. Ownership of mortgage assets is documented by the System's holding of original mortgage and note documents by the Division of Pension Investment and Cash Management in the Office of the State Comptroller.

Credit Risk

New York State statutes and the System's investment policies provide investment guidance on credit risk. Approximately $24 billion or 54.25 percent of the System's $45 billion long-term bond portfolio is rated AAA by Moody's. For the balance of the portfolio: 22.52 percent is rated A or AA, 15.78 percent is rated BA to BAA, 0.44 percent is rated B to BB, 0.20 percent is rated C to CAA and 0.05 percent is not rated. Externally managed funds account for 6.76 percent and are rated in a range from AAA to CAA or not rated.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the System's fixed income securities. The price volatility of the System's fixed income holdings are measured by duration. The System attempts to mitigate price volatility by matching the duration of the assets with the duration of the retired lives liabilities so that any change in the market value of the assets resulting from a change in interest rates will result in a similar change in the value of the liabilities. The average duration of the System's core fixed income portfolio is 5.27 years.

Concentration of Credit Risk

Issuer limits for investments held by the System are established for each investment area by New York State Retirement and Social Security Law (RSSL), Article 2, Section 13 and Article 4A, Sections 176, 177, and 313, and policy guidelines adopted by the Comptroller.

Restrictions are placed on short-term fixed income investments such that any one issuer of commercial paper must have the highest rating by two NRSROs and a maximum of $1 billion of the short-term portfolio can be invested in any one issuer. In addition, simultaneous purchase and sales of U.S. Treasury obligations may be executed with primary government dealers; however, a maximum of $200 million may be invested with any one primary dealer.

Restrictions are placed on fixed income investments with maturities longer than one year such that obligations payable in U.S. dollars of any one department, agency or political subdivision of the U.S. Government or issued by any corporation, company or other issuer of any kind or description created or existing under the laws of the United States, any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico and obligations of Canada or any province or city of Canada, provided each obligation is rated investment grade by two NRSROs and does not exceed 2 percent of the assets of the System or 5 percent of the direct liabilities of the issuer. In addition, the aggregate amount invested in interest-bearing obligations payable in U.S. dollars (which at the time of investment are rated one of the four highest grades by each NRSRO) may not exceed 1 percent of the assets of the System, and bonds issued or guaranteed by the State of Israel, payable in U.S. dollars, may not exceed 5 percent of the assets of the System.

Securities Lending

Section 177-d of the RSSL authorizes the System to enter into security loan agreements with broker/dealers and New York State or national banks. The System has designated its master custodian bank (Custodian) to manage a securities lending program. This program is subject to a written contract between the System and the Custodian, who acts as security lending agent for the System. The Custodian is authorized to lend securities within the borrower limits and guidelines established by the System. Types of collateral received from borrowers for securities loaned are cash, government securities and Federal agency obligations. The Custodian is authorized to invest the cash collateral in short-term investments that are legal for the System. These include domestic corporate and bank notes, U.S. Treasury obligations, obligations of Federal agencies, repurchase agreements and specific asset-backed securities. All rights of ownership to securities pledged as collateral remain with the borrower except in the event of default. The System has not experienced any losses resulting from the default of a borrower or lending agent during the year ended March 31, 2016 or in the history of the program.

The System lends fixed income, domestic equity, and international equity securities to approved broker/dealers. Collateral for securities loaned equals 102 percent of fair market value for domestic securities and 105 percent for international securities. Credit risk associated with the investment of cash collateral pledged by borrowers is mitigated by the maturity restrictions, percentage limitations, and rating requirements for individual asset classes included in the System's reinvestment guidelines. The Custodian acknowledges responsibility to reimburse the System for any losses that might arise from managing the program in a manner inconsistent with the contract. The System manages its market rate risk by recording investments at market value daily and maintaining the value of the collateral held by the System in excess of the value of the securities loaned.

As of March 31, 2016, the fair value of securities on loan was $13.6 billion. The associated collateral was $13.9 billion, of which $11.7 billion was cash collateral and $2.2 billion was securities held as collateral. The fair value of the invested cash collateral, as of March 31, 2016, was $11.7 billion and the securities lending obligations were $11.7 billion. The unrealized loss in invested cash collateral on March 31, 2016 was $8.3 million, which is included in the Statement of Changes in Fiduciary Net Position as part of "Net decrease in fair value of investments."

All open security loans can be terminated on demand by either the System or the borrower. To provide sufficient liquidity, the policy of the System is to maintain a minimum of 10 percent of collateral in overnight investments. While the Securities Lending Investment Guidelines allow investments up to a maximum of three years for U.S. Treasury and Federal agency obligations and one full year for all other investments, the average term of open security loans at March 31, 2016 was 35 days. All loans were open loans. There were no direct matching loans. The collateral pool is valued at market value obtained from independent pricing services.

Foreign Currency Risk

As of March 31, 2016, the System's current position in publicly traded international equity securities, invested directly in and through commingled funds, is approximately $25 billion. The System also has foreign investments held in U.S. dollars of $9 billion, a net forward foreign currency contracts position of $2 million, $8.9 billion in private equities, opportunistic and absolute return strategy funds, $5.4 billion in fixed income investments, and $2.4 billion in real property owned, made, or located outside the United States. The approximate total market value of investments made outside of the United States is $50.8 billion.

Note 3 Taxes Receivable and Tax Refunds Payable

Taxes Receivable

Taxes receivable represent amounts owed by taxpayers for the 2015 calendar year and the first quarter of the 2016 calendar year, including prior year assessments for underpayments, penalties and interest. Taxes receivable are recognized as revenue when they become both measurable and available, based on actual collections or estimates of amounts to be collected during the next 12 months.

Personal income tax (PIT) revenues are reported as income when earned by the taxpayers. The primary components of the PIT receivable are the estimated and withholding payments that relate to the first quarter of the 2016 calendar year, payments with final returns which relate to the 2015 calendar year, and assessments which relate to prior tax periods.

Consumption and use tax revenues are reported in the fiscal period when the sale is made. The principal component of this receivable is sales tax receivables, which include sales tax due through March 31, 2016 and assessments which relate to prior tax periods.

General business tax revenues are reported as businesses earn income. General business tax receivables are comprised of estimated tax payments, payments remitted with final returns, and assessments.

Other taxes receivable are comprised of estate and gift taxes, real property gains taxes, real estate transfer taxes, metropolitan commuter transportation mobility taxes and assessments.

Net taxes receivable at March 31, 2016 for the governmental funds totaled $13.9 billion. The following table summarizes taxes receivable by major tax type for the governmental funds (amounts in millions):

	General	General Debt Service	Other Governmental Funds	Total Governmental Funds
Current taxes receivable:				
Personal income	$ 7,930	$ 2,663	$ —	$ 10,593
Consumption and use	444	199	381	1,024
Business	360	—	81	441
Other	1,013	—	98	1,111
Subtotal	**9,747**	**2,862**	**560**	**13,169**
Long-term taxes receivable:				
Personal income	286	95	—	381
Consumption and use	31	15	16	62
Business	126	—	—	126
Other	286	—	—	286
Subtotal	**729**	**110**	**16**	**855**
Allowance for uncollectibles	(98)	(25)	(12)	(135)
Total	**$ 10,378**	**$ 2,947**	**$ 564**	**$ 13,889**

Tax Refunds Payable

Tax refunds payable primarily represent amounts owed to taxpayers because of overpayments of their 2015 calendar year and first quarter 2016 calendar year tax liabilities. Tax refunds payable, which reduce respective tax revenues, are accrued to the extent they are measurable based on payments and estimates. The amount of PIT refunds payable are comprised of estimates of overpayments of the first calendar quarter (2016) tax liability and payments of 2015 calendar and prior year refunds. The remaining portion of tax refunds payable are comprised of payments made subsequent to the end of the fiscal year and estimates of a remaining refund liability. Tax refunds payable at March 31, 2016 are summarized as follows (amounts in millions):

	Current			Total	
	General	General Debt Service	Other Governmental Funds	Current	Long-term
Governmental Activities:					
Personal income	$ 5,941	$ 1,913	$ —	$ 7,854	$ 447
Consumption and use	65	32	54	151	342
Business	2,122	—	235	2,357	457
Other	66	—	20	86	27
Total	**$ 8,194**	**$ 1,945**	**$ 309**	**$ 10,448**	**$ 1,273**

Note 4 Other Receivables

Other receivables at March 31, 2016 are summarized as follows (amounts in millions):

	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Total Governmental Activities
Governmental Activities:					
Other current receivables:					
Public health/patient fees	$ 4	$ —	$ —	$ 625	$ 629
Medicaid	768	435	—	—	1,203
Financial settlements	23	—	—	—	23
Tobacco settlement	—	—	764	—	764
Miscellaneous agency	123	—	—	14	137
Oil spill	—	—	—	9	9
Youth program	55	—	—	—	55
Public authorities	47	—	—	101	148
Workers' compensation	—	—	—	211	211
Other	105	21	—	44	170
Subtotal	**1,125**	**456**	**764**	**1,004**	**3,349**
Other long-term receivables:					
Public health/patient fees	—	—	—	4	4
Medicaid	62	159	—	—	221
Appropriated loans	11	—	—	201	212
Miscellaneous agency	57	—	—	27	84
Oil spill	—	—	—	135	135
Other	—	—	—	41	41
Subtotal	**130**	**159**	**—**	**408**	**697**
Gross receivables	**1,255**	**615**	**764**	**1,412**	**4,046**
Allowance for uncollectibles	(86)	(46)	—	(365)	(497)
Total other receivables	**$ 1,169**	**$ 569**	**$ 764**	**$ 1,047**	**$ 3,549**

			June 30, 2015		
	Lottery	Unemployment Insurance Benefits	SUNY	CUNY	Total
Enterprise Funds:					
Other current receivables:					
Ticket sales	$ 451	$ —	$ —	$ —	$ 451
Public health/patient fees	—	—	1,088	—	1,088
Student loans	—	—	163	16	179
Contributions	—	2,925	—	—	2,925
Benefit overpayments	—	377	—	—	377
State agencies/municipalities	—	29	—	—	29
Other	6	21	308	249	584
Subtotal	**457**	**3,352**	**1,559**	**265**	**5,633**
Allowance for uncollectibles	(1)	(1,434)	(391)	(78)	(1,904)
Net current receivables	**456**	**1,918**	**1,168**	**187**	**3,729**
Other long-term receivables:					
Accounts, notes and loans	—	—	149	26	175
Contributions	—	—	40	—	40
Other	—	—	—	1	1
Subtotal	**—**	**—**	**189**	**27**	**216**
Allowance for uncollectibles	—	—	(24)	(3)	(27)
Net long-term receivables	**—**	**—**	**165**	**24**	**189**
Total other receivables	**$ 456**	**$ 1,918**	**$ 1,333**	**$ 211**	**$ 3,918**

Note 5 Capital Assets

Capital asset activity for the year ended March 31, 2016 was as follows (amounts in millions):

	Balance April 1, 2015	Additions	Retirements	Balance March 31, 2016
Governmental Activities:				
Depreciable and amortizable assets:				
Buildings and building improvements	$ 11,040	$ 266	$ 47	$ 11,259
Land improvements	619	26	8	637
Infrastructure	323	32	—	355
Equipment	799	73	26	846
Intangible assets—easements	194	—	—	194
Intangible assets—computer software	511	103	—	614
Total depreciable and amortizable assets	**13,486**	**500**	**81**	**13,905**
Less accumulated depreciation and amortization:				
Buildings and building improvements	(6,652)	(315)	(30)	(6,937)
Land improvements	(417)	(19)	(3)	(433)
Infrastructure	(74)	(13)	—	(87)
Equipment	(547)	(68)	(41)	(574)
Intangible assets—easements	(45)	(10)	—	(55)
Intangible assets—computer software	(107)	(54)	—	(161)
Total accumulated depreciation and amortization	**(7,842)**	**(479)**	**(74)**	**(8,247)**
Total depreciable and amortizable assets, net	**5,644**	**21**	**7**	**5,658**
Non-depreciable and non-amortizable assets:				
Land	3,988	29	3	4,014
Land preparation	3,863	60	—	3,923
Construction in progress (buildings)	938	307	208	1,037
Construction in progress (roads and bridges)	2,859	1,003	1,814	2,048
Construction in progress (computer software)	14	—	14	—
Infrastructure (roads and bridges)	69,345	658	162	69,841
Total non-depreciable and non-amortizable assets	**81,007**	**2,057**	**2,201**	**80,863**
Governmental activities, capital assets, net	**$ 86,651**	**$ 2,078**	**$ 2,208**	**$ 86,521**

	Balance July 1, 2014	Additions	Retirements	Balance June 30, 2015
Business-type Activities:				
SUNY:				
Depreciable assets:				
Infrastructure and land improvements	$ 975	$ 132	$ 15	$ 1,092
Buildings	10,521	889	105	11,305
Equipment and library books	2,979	184	65	3,098
Total depreciable assets	**14,475**	**1,205**	**185**	**15,495**
Less accumulated depreciation:				
Infrastructure and land improvements	(455)	(46)	(13)	(488)
Buildings	(3,804)	(316)	(88)	(4,032)
Equipment and library books	(2,320)	(186)	(59)	(2,447)
Total accumulated depreciation	**(6,579)**	**(548)**	**(160)**	**(6,967)**
Total depreciable assets, net	**7,896**	**657**	**25**	**8,528**
Non-depreciable assets:				
Land	615	30	2	643
Construction in progress	2,161	914	1,029	2,046
Artwork	30	—	—	30
Total non-depreciable assets	**2,806**	**944**	**1,031**	**2,719**
SUNY capital assets, net	**10,702**	**1,601**	**1,056**	**11,247**
CUNY:				
Depreciable and amortizable assets:				
Buildings and building improvements	5,161	99	83	5,177
Land improvements	56	—	—	56
Equipment	428	27	30	425
Infrastructure	137	2	1	138
Intangible assets	21	—	—	21
Total depreciable and amortizable assets	**5,803**	**128**	**114**	**5,817**
Less accumulated depreciation and amortization:				
Buildings and building improvements	(2,425)	(147)	(51)	(2,521)
Land improvements	(50)	—	—	(50)
Equipment	(353)	(37)	(28)	(362)
Infrastructure	(53)	(7)	—	(60)
Intangible assets	(5)	(1)	—	(6)
Total accumulated depreciation and amortization	**(2,886)**	**(192)**	**(79)**	**(2,999)**
Total depreciable and amortizable assets, net	**2,917**	**(64)**	**35**	**2,818**
Non-depreciable assets:				
Land	232	107	18	321
Construction in progress	1,326	287	52	1,561
Artwork and historical treasures	8	3	1	10
Total non-depreciable assets	**1,566**	**397**	**71**	**1,892**
CUNY capital assets, net	**4,483**	**333**	**106**	**4,710**
Business-type activities, capital assets, net	**$ 15,185**	**$ 1,934**	**$ 1,162**	**$ 15,957**

For the year ended March 31, 2016, depreciation and amortization expense was charged to the following governmental functions (amounts in millions):

	Governmental Activities
Allocation of depreciation and amortization	
Education	$ 3
Public health	147
Public welfare	19
Public safety	143
Transportation	46
Environment and recreation	26
Support and regulate business	1
General government	94
Total depreciation and amortization expense	**$ 479**

For the year ended June 30, 2015, depreciation and amortization expense was charged to the following business-type functions (amounts in millions):

	Business-type Activities
Allocation of depreciation and amortization:	
SUNY	$ 553
CUNY	192
Total depreciation and amortization expense	**$ 745**

Note 6 Bonds Payable

General obligation bonds are backed by the full faith and credit of the State and constitutionally must be repaid in equal annual principal installments or substantially level or declining debt service payments beginning not more than one year after issuance of such bonds and must mature within 40 years after issuance. The Debt Reform Act of 2000 further limits the maximum term of new State-supported debt issued on and after April 1, 2000, including general obligation bonds, to a maximum term of 30 years. Refer to Note 7 for further discussion of the Debt Reform Act of 2000. Changes for the year in bonds payable were as follows (amounts in millions):

Purpose	**Outstanding April 1, 2015**	**Issued**	**Redeemed**	**Outstanding March 31, 2016**
Accelerated capacity and transportation improvements of the 1990s	$ 151	$ —	$ 44	$ 107
Clean water/clean air	574	—	52	522
Environmental quality (1986):				
Land acquisition, development, restoration, and forests	20	—	5	15
Solid waste management	226	—	47	179
Environmental quality (1972):				
Air	3	—	3	—
Land and wetlands	10	—	3	7
Water	41	—	11	30
Housing:				
Low income	20	—	4	16
Middle income	17	—	3	14
Pure waters	39	—	8	31
Rail preservation	1	—	1	—
Transportation capital facilities:				
Aviation	9	—	3	6
Energy conservation through improved transportation	5	—	2	3
Rebuild New York transportation infrastructure renewal:				
Highways, parkways, and bridges	2	—	1	1
Rapid transit, rail, and aviation	8	—	2	6
Rebuild and Renew New York transportation:				
Highway facilities	856	—	54	802
Canals and waterways	17	—	2	15
Aviation	51	—	2	49
Mass transit—DOT	8	—	2	6
Mass transit—MTA	877	—	39	838
Rail and port	83	—	3	80
Total	**$ 3,018**	**$ —**	**$ 291**	**$ 2,727**

Debt service expenditures (principal and interest) related to the above general obligation bonds during the year were approximately $413 million. Federal subsidies related to the interest payments made during the year on Build America Bonds were $3.6 million.

The total amount of general obligation bonds authorized but not issued at March 31, 2016 was $2.7 billion.

Debt service requirements for general obligation bonds in future years, which are financed by transfers from the General Fund to the General Debt Service Fund, are as follows (amounts in millions):

Fiscal Year	Principal	Interest	Total
2017	$ 265	$ 115	$ 380
2018	230	104	334
2019	187	95	282
2020	167	88	255
2021	149	81	230
2022-2026	628	319	947
2027-2031	528	191	719
2032-2036	306	99	405
2037-2041	235	36	271
2042-2046	32	2	34
Total	**$ 2,727**	**$ 1,130**	**$ 3,857**

Debt service requirements on approximately $82 million in general obligation variable rate bonds were calculated using the variable rates in effect as of March 31, 2016, which ranged between 0.56 percent and 0.57 percent. Debt service requirements for fixed rate issues were calculated based upon actual rates ranging from zero percent to 6.02 percent.

Note 7 Obligations Under Lease/Purchase and Other Financing Arrangements

Governmental Activities Debt

The State has entered into contractual financing arrangements with certain public benefit corporations and other entities for various capital assets, local assistance payments and deficit financing. Under these agreements, generally, construction costs are initially paid by the State from appropriations (reported as capital construction expenditures in the governmental funds). These appropriations are then repaid to the State from the proceeds of bonds issued by the public benefit corporations or other entities (reported as financing arrangements in the governmental funds). The State becomes the tenant of the facility under a lease/purchase agreement, which provides for the payment of rentals sufficient to cover the related bond debt service and for the passage of title to the State after the bonds have been repaid.

The State has also entered into contractual obligation financing arrangements (also referred to as “service contract bonds”) with certain public benefit corporations that have issued bonds to finance past State budgetary deficits, grants to local governments and various special project initiatives undertaken in partnership with private entities, including commercial enterprises, for both capital and operating purposes. The terms of these arrangements require the State to fund the debt service requirements of the specific debt issued by these entities.

Chapter 59 of the Laws of 2000 enacted the Debt Reform Act (Act) which applies to all new State-supported debt issued on and after April 1, 2000. The Act imposes statutory limitations which restrict the issuance of State-supported debt to capital purposes only and establishes a maximum term of 30 years for such debt. The Act also imposes phased-in caps that ultimately limit the amount of new State-supported debt (issued on and after April 1, 2000) to 4 percent of State personal income, and new State-supported debt service (on debt issued on and after April 1, 2000) to 5 percent of total governmental funds receipts. The Act requires the limitations be calculated by October 31st of each year using the new State-supported debt outstanding and new State-supported debt service from the previous fiscal year. For the fiscal year ended March 31, 2015, the cumulative debt outstanding and debt service caps were fully phased in at 4 and 5 percent. There was $40.4 billion of new State-supported debt outstanding applicable to the debt reform cap, which was about $3.6 billion below the statutory debt outstanding limitation. The debt service cost on this new debt was $4 billion, about $3.5 billion below the statutory debt service limitation. The Act does not apply to debt that is not considered State-supported and therefore does not encompass State-guaranteed debt, moral obligation debt, and contingent-contractual obligation financing such as the bonds issued by the Tobacco Settlement Financing Corporation (TSFC).

The State and some of its public authorities which issue debt on behalf of the State have purchased letters of credit and standby purchase agreements from various providers to ensure that the liquidity needs of variable rate demand bonds can be met. As of March 31, 2016, these agreements covered $1.8 billion of variable rate demand bonds outstanding, with costs ranging from 42.5 to 55 basis points of the amount of credit provided and expiration dates ranging from January 9, 2017 to July 16, 2019.

In 2003, the State enacted legislation creating the TSFC to finance a portion of its future revenues expected to be received under the 1998 Master Settlement Agreement (MSA) with the settling cigarette manufacturers. The future MSA revenues are to compensate the State for all claims for past, present, and future health care costs originating from health care expenses incurred by the State from the effects of cigarette smoking by its citizens. In accordance with the legislation, TSFC issued $4.6 billion in bonds to finance a payment of $4.2 billion to the State's General Fund, enabling it to finance a portion of the budget deficits occurring in fiscal years ending March 31, 2003 through March 31, 2005, to establish $449 million in debt service reserves, and to provide $129 million to finance a portion of the first debt service payments due on TSFC bonds. In accordance with the legislation, all future revenues from the 1998 MSA will be used to repay the debt until it is fully retired, after which all funds of TSFC will revert to the State. At March 31, 2016, the remaining amount pledged is approximately $1.7 billion ($1.4 billion principal and $275 million future interest payments) to cover the outstanding debt scheduled to fully mature on June 1, 2022. During the fiscal year, pledged MSA revenues recognized were $763 million and debt service paid was $445 million. The State has agreed to make additional payments for TSFC debt service, subject to annual appropriation, from other sources if the future revenues prove insufficient to meet TSFC debt service requirements of the State. No such payments were required during the fiscal year.

Prior to 1996, certain payments due to the State's local government units in the first quarter of the State's fiscal year exceeded available State funds. To meet these payments in the past, the State issued short-term tax and revenue anticipation notes called the annual "Spring Borrowing." The New York Local Government Assistance Corporation (LGAC) was established in 1990 to issue up to $4.7 billion in long-term debt to finance certain local assistance aid payments plus amounts necessary to fund a capital reserve fund and other issuance costs. Issuance of the entire $4.7 billion bond authorization as of March 31, 1996 eliminated the need for the State's annual Spring Borrowing. Pursuant to the legislation establishing LGAC, the State deposits an amount equal to a 1 percent rate of taxation of the total State sales and use tax collected into Other Governmental Funds (Local Government Assistance Tax Fund) to make payments to LGAC for debt service on its bonds and other expenses of LGAC. Amounts in excess of LGAC's needs are subsequently transferred to the General Fund. Payments to LGAC are subject to annual appropriations by the Legislature. LGAC's bondholders do not have a lien on monies deposited in the Local Government Assistance Tax Fund. Under current State statute, any issuance of bonds by LGAC in the future will be for refunding purposes only.

Chapter 62 and Chapter 63 of the Laws of 2003 enacted, among other provisions, the Municipal Assistance Refinancing Act (Refinancing Act), effective July 1, 2003 and deemed repealed July 1, 2034. The Refinancing Act created an incentive for the State to seek an appropriation to provide $170 million per year, from Other Governmental Funds (Local Government Assistance Tax Fund (Fund)) to the City of New York (City) for each of the City's fiscal years beginning July 1, 2003 and ending June 30, 2034. The Refinancing Act requires LGAC to annually certify $170 million so that the State, subject to annual State appropriation by the Legislature, can provide for a series of payments to the City or the Mayor's assignee in each City fiscal year, beginning July 1, 2003 and ending June 30, 2034, totaling $5.3 billion. Based on current law, until the Legislature enacts an appropriation of $170 million, LGAC certifies the release of the funds, the $170 million State payment is made, and LGAC receives the amount it has certified for its needs, no excess sales tax receipts can be transferred from the Fund to the State's General Fund. During the fiscal year ended March 31, 2016, LGAC certified the release for the State payment of $170 million to the City.

Chapter 56 of the Laws of 1993 authorized the New York State Thruway Authority to issue up to $2.93 billion in bonds for State highway and bridge projects (the amount of authorized bonds has been raised three times, most recently in 2005, up to $16.5 billion). The bonds are secured and funded by a dedication of portions of the State's petroleum business tax, motor fuel tax, highway and fuel use tax, motor vehicle registration fees, auto rental tax, transmission and transportation tax and certain miscellaneous revenues.

In 2001, the State enacted legislation providing for the issuance of State Personal Income Tax Revenue Bonds (PIT) to be issued by several State public benefit corporations. The legislation provides that 25 percent of personal income tax receipts, excluding refunds owed to taxpayers, be deposited to the Revenue Bond Tax Fund which is an account of the General Debt Service Fund. These deposits are used to make debt service payments on PIT bonds, with excess amounts returned to the General Fund. In the event that the State Legislature fails to appropriate amounts required to make debt service payments on the PIT bonds, or if required payments have not been made when due, the legislation requires that deposits continue to be made to the Revenue Bond Tax Fund until amounts on deposit equal the greater of 25 percent of personal income tax receipts or $6 billion. Amounts in excess of that needed for current debt service are subsequently transferred to the General Fund. The first PIT bonds were issued on May 9, 2002 and approximately $31.3 billion issued for both governmental and business-type activities were outstanding as of March 31, 2016.

In 2013, the State enacted legislation providing for the issuance of State Sales Tax Revenue Bonds to be issued by certain State public benefit corporations. The legislation created the Sales Tax Revenue Bond Tax Fund, an account of the General Debt Service Fund, to provide for the debt service payments on these bonds. The bonds are secured by the pledge of payments from this fund, which will receive 25 percent of the State's sales and use tax receipts. Upon the satisfaction of all of the obligations and liabilities of LGAC, this will increase to 50 percent of the State's sales tax receipts. Amounts in excess of that needed for current debt service will be transferred to the General Fund. The first sales tax bonds were issued on October 24, 2013 and approximately $4.3 billion issued for both governmental and business-type activities were outstanding as of March 31, 2016.

Changes in lease/purchase and other financing arrangements for the year were as follows (amounts in millions):

Issuer	Outstanding April 1, 2015	Issued	Redeemed	Outstanding March 31, 2016
Public Benefit Corporations:				
Dormitory Authority	$ 12,074	$ 3,322	$ 1,325	$ 14,071
Environmental Facilities Corporation	577	—	253	324
Housing Finance Agency	566	—	200	366
Local Government Assistance Corporation	2,345	—	287	2,058
Municipal Bond Bank Agency	262	—	28	234
Metropolitan Transportation Authority	252	—	70	182
Tobacco Settlement Financing Corporation	1,745	—	367	1,378
Thruway Authority	8,550	—	3,765	4,785
Urban Development Corporation	11,001	2,785	1,434	12,352
Total	**$ 37,372**	**$ 6,107**	**$ 7,729**	**$ 35,750**

Debt service expenditures (principal and interest) for the aforementioned obligations during the fiscal year were $5.3 billion. These expenditures were financed primarily by the revenues reported in the governmental funds. Federal subsidies related to the interest payments made during the year on Build America Bonds and Qualified School Construction Bonds were $74.6 million ($36.2 million related to governmental activities and $38.4 million for business-type activities related to SUNY and CUNY).

Certain of the underlying bond indentures require the maintenance of various reserves. Such amounts totaled $724 million at March 31, 2016 and are reported as cash and investments in the General Debt Service Fund and appropriate Other Governmental Funds, with a corresponding restriction of fund balance.

Following is a summary of the future minimum rental payments for lease/purchase and contractual obligation financing arrangements, including fixed rate interest at rates ranging from 0.8 percent to 6.8 percent and variable rate interest at rates ranging from 0.4 percent to 1.2 percent (amounts in millions):

Fiscal Year	Principal	Interest	Net Swap Amount	Total
2017	$ 3,045	$ 1,660	$ 41	$ 4,746
2018	3,006	1,526	37	4,569
2019	2,913	1,387	35	4,335
2020	2,629	1,257	32	3,918
2021	3,311	1,123	28	4,462
2022-2026	10,187	3,863	83	14,133
2027-2031	6,533	1,875	32	8,440
2032-2036	2,857	653	3	3,513
2037-2041	986	195	—	1,181
2042-2046	283	27	—	310
Total	**$ 35,750**	**$ 13,566**	**$ 291**	**$ 49,607**

Future debt service is calculated using rates in effect at March 31, 2016 for variable rate bonds. The net swap payment amounts were calculated by subtracting the future variable rate interest payment subject to swap agreements based on rates in effect at March 31, 2016 from the synthetic fixed rate amount intended to be achieved by the swap agreements.

The actual amounts of future interest to be paid are affected by changes in variable interest rates. The actual amounts of future net swap payments are also affected by changes in published indexes—the London Interbank Offered Rate (LIBOR) and the Securities Industry and Financial Markets Association (SIFMA), which are floating rates.

The State is also committed under numerous capital leases for computer network and telecommunications equipment. Debt service expenditures for capital lease obligations during the year were $2 million. Following is a summary of the debt service payments for the remaining lease periods of these capital leases (amounts in millions):

Fiscal Year	Principal	Interest	Total
2017	$ 2	$ —	$ 2
2018	2	—	2
2019	1	—	1
2020	1	—	1
2021	—	—	—
2022-2026	1	—	1
Total	**$ 7**	**$ —**	**$ 7**

Refunding

During the fiscal year ended March 31, 2016, the State, acting through its public authorities, refunded $4.4 billion in existing fixed rate bonds related to lease/purchase and other financing arrangements by issuing refunding bonds in a par amount of $3.9 billion at a $611 million premium and releasing a net amount of $185 million from reserves and debt service accounts. The result will produce an estimated gain of $484 million in future cash flow, with an estimated present value gain of $460 million. The differences between the reacquisition prices and the net carrying values of the refunded bonds generated deferred accounting gains and losses, resulting in deferred inflows and outflows of resources. The deferred accounting gain was $17.9 million, of which $16.3 million will be amortized as an adjustment to interest expense in future years. The deferred accounting loss was $70.8 million, of which $70.7 million will be amortized into interest expense in future years. The impact of the refunding issues is presented in the following table (amounts in millions):

Issue Description	Refunding Amount	Refunded Amount	Cash Flow Gain	Present Value Gain
Dormitory Authority Sales Tax Bond Series 2015A	$ 1,523	$ 1,801	$ 190	$ 181
Dormitory Authority PIT General Purpose Bond Series 2015E	624	659	74	69
Urban Development Corporation PIT General Purpose Bond Series 2015A-1	86	90	6	6
Urban Development Corporation PIT General Purpose Bond Series 2016A	1,655	1,830	214	204
Total	**$ 3,888**	**$ 4,380**	**$ 484**	**$ 460**

In prior years, the State defeased certain of its obligations under lease/purchase and other financing arrangements, whereby proceeds of new obligations were placed in an irrevocable trust to provide for all future debt service payments on the defeased obligations. At March 31, 2016, approximately $2.2 billion of such defeased obligations were outstanding. The assets and liabilities related to these obligations are not reported in the accompanying basic financial statements.

Business-type Activities Debt

The State has issued bonds for educational facilities for SUNY and CUNY Senior Colleges through DASNY. Such debt, totaling $13.1 billion, is funded by payments from the State's General Fund. The remainder of the debt of SUNY and CUNY ($1.6 billion) is funded from student fees and other operating aid provided by the State.

The following represents year-end principal balances (June 30, 2015 for SUNY and CUNY) for lease/purchase and other financing arrangements for business-type activities (amounts in millions):

	Beginning Outstanding	Issued	Redeemed	Ending Outstanding
Dormitory Authority:				
SUNY educational facilities	$ 7,541	$ 1,192	$ 741	$ 7,992
Unamortized premium	501	188	59	630
SUNY dormitory facilities	1,215	—	51	1,164
Unamortized premium	76	—	3	73
CUNY educational facilities	4,082	599	443	4,238
Unamortized premium	210	113	40	283
Total Dormitory Authority	**13,625**	**2,092**	**1,337**	**14,380**
SUNY capital lease commitments	183	30	53	160
SUNY certificates of participation	23	—	7	16
SUNY other State-supported debt	59	—	5	54
CUNY capital lease commitments	42	—	3	39
CUNY mortgage loan commitments	70	—	1	69
CUNY certificates of participation	21	—	5	16
Total (See Note 8)	**$ 14,023**	**$ 2,122**	**$ 1,411**	**$ 14,734**

The following represents a year-end summary at June 30, 2015 of future minimum debt service payments on the bonds issued by DASNY for SUNY, including interest rates ranging from 0.7 percent to 5.875 percent (amounts in millions):

Fiscal Year	Principal	Interest	Total
2016	$ 304	$ 456	$ 760
2017	270	442	712
2018	388	426	814
2019	334	409	743
2020	292	394	686
2021-2025	2,050	1,725	3,775
2026-2030	1,792	1,205	2,997
2031-2035	1,686	766	2,452
2036-2040	1,511	349	1,860
2041-2045	529	51	580
Total	**$ 9,156**	**$ 6,223**	**$ 15,379**

The following represents a year-end summary at June 30, 2015 of future minimum debt service payments on the bonds issued by DASNY for CUNY Senior Colleges, including interest rates ranging from 3 percent to 6.1 percent (amounts in millions):

Fiscal Year	Principal	Interest	Net Swap Amount	Total
2016	$ 193	$ 205	$ 13	$ 411
2017	188	196	13	397
2018	180	187	14	381
2019	178	179	12	369
2020	150	171	11	332
2021-2025	829	730	41	1,600
2026-2030	833	538	14	1,385
2031-2035	835	349	—	1,184
2036-2040	634	148	—	782
2041-2045	218	22	—	240
Total	**$ 4,238**	**$ 2,725**	**$ 118**	**$ 7,081**

Future debt service on the bonds issued by DASNY for CUNY Senior Colleges, together with the net swap amount, is calculated assuming current interest rates remain the same. The actual amounts of future interest to be paid are affected by changes in variable interest rates. The actual amounts of future net swap payments are also affected by changes in published indexes—LIBOR and SIFMA floating rates.

The following represents a year-end summary at June 30, 2015 for SUNY and CUNY of future minimum debt service payments on capital lease commitments, mortgage loans payable, certificates of participation and other State-supported debt for business-type activities (amounts in millions):

	SUNY		CUNY		Total	
Fiscal Year	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2016	$ 55	$ 3	$ 6	$ 1	$ 61	$ 4
2017	42	3	4	1	46	4
2018	33	3	4	1	37	4
2019	30	2	3	2	33	4
2020	21	2	3	1	24	3
2021-2025	42	3	65	8	107	11
2026-2030	6	1	1	13	7	14
2031-2035	1	—	7	11	8	11
2036-2040	—	—	18	5	18	5
2041-2045	—	—	13	1	13	1
Total	**$ 230**	**$ 17**	**$ 124**	**$ 44**	**$ 354**	**$ 61**

The liabilities for lease/purchase debt, certificates of participation, mortgage loans, capital leases and other State-supported debt are reported as obligations under lease/purchase and other financing arrangements in the Enterprise Funds.

Debt service expenditures (principal and interest) for all of the aforementioned obligations during the year ended June 30, 2015 totaled $1.2 billion.

During SUNY's fiscal year ending June 30, 2015, Sales Tax Revenue Bonds were issued with a par amount of $127.5 million at a premium of $24.3 million for the purpose of financing capital construction and major rehabilitation of educational facilities. PIT Bonds were issued with a par amount of $672.3 million at a premium of $88.9 million for the purpose of financing capital construction and major rehabilitation of educational facilities. PIT bonds were also issued with a par amount of $391.6 million at a premium of $75.1 million in order to refund $432.7 million of existing educational facilities obligations. The result will produce an estimated savings of $95.7 million in future cash flow, with an estimated present value gain of $75.2 million. PIT Bonds were also issued with a par amount of $704.1 million at a premium of $88 million for the purpose of financing capital construction and major rehabilitation of educational facilities. Also, PIT bonds were issued with a par amount of $21 million in order to refund $19.4 million of existing educational facilities obligations.

In prior years, SUNY defeased various obligations, whereby proceeds of new obligations were placed in an irrevocable trust to provide for all future debt service payments on the defeased obligations. Accordingly, the trust account assets and liabilities for the defeased obligations are not included in SUNY's financial statements. As of March 31, 2015, $284.5 million of outstanding educational facility obligations were considered defeased.

During CUNY's fiscal year ending June 30, 2015, DASNY issued bonds for new construction with a par value of $364.4 million and original issue premium of $65.5 million, and issued refunding bonds with a par value of $234.2 million and original issue premium of $48.1 million on behalf of CUNY Senior Colleges. Bond proceeds of $279.0 million were used to defease $260.8 million of existing debt. Under the terms of the resolutions for the defeased bonds, bond proceeds were paid directly to the bondholders of the defeased bonds. As a result, the refunded debt is considered defeased. The economic gain related to the defeased bonds amounted to $28.9 million. The excess of the bond proceeds over the amount of debt defeased of $18.2 million and the remaining unamortized premium and discount of $18.0 million are deferred and amortized in a systematic and rational manner over the remaining life of the old debt or new debt, whichever is shorter. There were no remaining unamortized bond issue costs, underwriter discounts, or any other related costs affiliated with the refunded debt.

At June 30, 2015, $195.5 million of CUNY's bonds outstanding were considered defeased for CUNY Senior Colleges.

Interest Rate Exchange Agreements (Swaps)

Article 5-D of the State Finance Law authorized the use of a limited amount of swaps equal to 15 percent of statutorily defined State-supported debt. Starting in November 2002, the State began to enter into swap agreements to "synthetically" change the interest cost associated with bonds it issued from either variable rate to fixed rate or from fixed rate to variable rate. The intention of each of the swaps was to lower the cost of borrowing to the State below what could have been achieved on bonds without the use of the associated swap agreements and to reduce the risks associated with the variability of cash flows or fair values of the underlying debt.

The statutory authorization for the use of swaps also requires that each of the swaps entered into meet the following requirements:

- Counterparties have a credit rating from at least one NRSRO that is within the two highest investment grade categories;
- An independent financial advisor certifies that the terms and conditions of all swaps reflect a fair value;
- A standardized interest rate exchange agreement is utilized;
- Monthly reports are issued by the public benefit corporations to provide monitoring and swap performance assessment; and
- Compliance with uniform interest rate exchange guidelines.

The State manages the swaps as a single portfolio, although they relate to debt reported under both governmental activities and business-type activities.

Swap Activity and Terms

The State has approximately $1.8 billion notional amount of swaps outstanding ($1.4 billion of which related to governmental activities and $416 million related to business-type activities) that were issued to synthetically create fixed rate debt from variable rate debt. The $1.8 billion portfolio includes 36 separate pay-fixed, receive-variable interest rate swap agreements with seven counterparties. The maturity of the synthetic fixed rate swaps are coterminous with the underlying debt.

The table below summarizes fair value balances and notional amounts of derivative instruments outstanding on March 31, 2016 for governmental activities and on June 30, 2015 for business-type activities, and the changes in fair value of those derivatives for the years then ended as reported in the State's 2016 financial statements (amounts in millions):

		Changes in Fair Value		Fair Value	
Issuer/Type	**Notional**	**Classification**	**Amount**	**Classification**	**Amount**
Governmental Activities:					
Cash Flow Hedges:					
Dormitory Authority Pay-fixed interest rate swaps	$ 187	Deferred Outflow	$ —	Derivative Instruments	$ (27)
Urban Development Corporation Pay-fixed interest rate swaps	424	Deferred Outflow	(3)	Derivative Instruments	(97)
Housing Finance Agency Pay-fixed interest rate swaps	116	Deferred Outflow	3	Derivative Instruments	(10)
Local Government Assistance Corporation Pay-fixed interest rate swaps	573	Deferred Outflow	7	Derivative Instruments	(64)
Subtotal	**1,300**		**7**		**(198)**
Investment Derivatives:					
Housing Finance Agency Pay-fixed interest rate swaps	80	Investment Earnings	(1)	Derivative Instruments	(20)
Subtotal	**1,380**		**6**		**(218)**
Business-type Activities (as of June 30, 2015):					
Cash Flow Hedges:					
Dormitory Authority—CUNY Pay-fixed interest rate swaps	416	Deferred Outflow	2	Derivative Instruments	(64)
Total	**$ 1,796**		**$ 8**		**$ (282)**

The fair values were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted back using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps. The fair value, which fluctuates based on market conditions, is monitored closely by the Division of the Budget (DOB) and the public benefit corporations that issue swaps on behalf of the State. DOB reviews the actual mark-to-market (fair value) of outstanding swaps on a monthly basis.

The table below summarizes the terms of the State's derivative instruments outstanding at March 31, 2016 for governmental activities and at June 30, 2015 for business-type activities (amounts in millions):

Issuer/Type	Underlying Debt	Notional Amount	Effective Date	Final Maturity Date	Terms
Governmental Activities:					
Dormitory Authority:					
Pay-fixed interest rate swaps	CUNY 5th Res Series 2008C, D Bonds	$ 23	4/10/2003	1/1/2025-7/1/2031	Pay 3.36%; Receive 65% LIBOR
Pay-fixed interest rate swaps	Mental Health Series 2003D-2 Bonds	164	7/15/2003	2/15/2031	Pay 3.044%; Receive 65% LIBOR
Urban Development Corporation:					
Pay-fixed interest rate swaps	Correctional/ Youth Series 2008A Bonds	200	11/26/2002	1/1/2030	Pay 3.578%; Receive 65% LIBOR
Pay-fixed interest rate swaps	PIT (State Fac & Equip) Series 2004A-3 Bonds	224	12/22/2004	3/15/2033	Pay 3.49%; Receive 65% LIBOR
Housing Finance Agency:					
Pay-fixed interest rate swaps	Service Contract Revenue Series 2003L, M Bonds	116	8/28/2003	9/15/2021	Pay 3.66%; Receive 65% LIBOR
Pay-fixed interest rate swaps	PIT (Eco Dev & Housing) Series 2005C Bonds	80	3/10/2005	3/15/2033	Pay 3.336%; Receive 65% LIBOR
Local Government Assistance Corporation:					
Pay-fixed interest rate swaps	Series 2003A, 2008B Bonds	471	2/20/2003	4/1/2022-4/1/2024	Pay 3.15% to 3.26%; Receive 65% LIBOR
Pay-fixed interest rate swaps	Series 2008B Bonds	102	2/26/2004	4/1/2021	Pay 3.194%; Receive 65% LIBOR
Subtotal		**1,380**			
Business-type Activities (as of June 30, 2015):					
Dormitory Authority—CUNY:					
Pay-fixed interest rate swaps	CUNY 5th Res Series 2008C, D Bonds	416	4/10/2003	1/1/2025-7/1/2031	Pay 3.36%; Receive 65% LIBOR
Total		**$ 1,796**			

Risks

Credit Risk

The State is exposed to credit risk on interest rate swap agreements in asset positions (positive fair values). To minimize its exposure to loss related to credit risk, it is the State's policy to require each counterparty to have credit ratings from at least one NRSRO within the two highest investment grade categories and ratings from any other NRSRO within the three highest investment grade categories, or the counterparty's payment obligations shall be unconditionally guaranteed by an entity with such credit ratings. The swap agreements and Article 5-D of the State Finance Law also require that should the credit rating of a counterparty or an entity unconditionally guaranteeing the counterparty's payment obligations, if so secured, fall below the rating required, that the obligations of such counterparty shall be fully and continuously collateralized by direct obligations of, or obligations the principal and interest on which are guaranteed by, the United States of America, with a net market value of at least 102 percent of the net market value of the contract to the issuer and such collateral shall be deposited with the issuer or its agent. The following table presents the counterparty credit ratings as of March 31, 2016 (amounts in millions):

Counterparty	Notional Amount	Credit Ratings Moody's	S&P	Fitch
Citibank	$ 353	A1	A	A+
Goldman	313	Aa2	AA+	—
JP Morgan	337	Aa3	A+	AA–
Merrill Lynch	118	Baa1	BBB+	A
Morgan Stanley	294	A3	BBB+	A
Societe Generale	94	A2	A	A
UBS	287	A1	A	A
Total	**$ 1,796**			

Certain of the State's swap agreements contain set-off provisions. Under the terms of the agreements, should an agreement terminate, close-out set-off provisions permit all outstanding transactions with the related counterparty to terminate and net the transaction's fair values so that a single sum will be owed by, or owed to, the State.

There were no interest rate swap agreements in asset positions; therefore, the State was not exposed to credit risk and no collateral was required to be posted by counterparties at March 31, 2016. However, should interest rates change and the fair values of interest rate swap agreements become positive, the State would be exposed to credit risk in the amount of those swaps' fair value.

Basis Risk

The State is exposed to basis risk on its pay-fixed interest rate swaps, which is the possibility that the variable rate payments received by the State in the swap are less than the variable rate payments made by the State on the underlying bonds issued. Because the swaps are based on a percentage of LIBOR there is a possibility that this floating rate will not match the actual interest rates set in the tax-exempt market on the underlying bonds. Times when the mismatch may be out of favor to the State are in very low interest rate environments or if major changes in the tax code were to be enacted causing tax-exempt floating-rate bonds to trade less favorably in comparison to taxable floating rate bonds. Should the relationship between LIBOR and the actual variable rate payments converge, the expected cost savings may not materialize.

Termination Risk

The swap contracts use the International Swap Dealers Association Master Agreement (Master Agreement), which includes standard termination events, such as failure to pay and bankruptcy. The schedule to the Master Agreement includes "additional termination events," providing that the swaps may be terminated if either the State or a counterparty's credit quality rating falls below certain levels. The State or the counterparties may terminate the swap agreements if the other party fails to perform under the terms of the contract. The State may also terminate the swaps at its option. If a swap agreement is terminated, the synthetically created fixed or variable interest rate will cease to exist and the State's interest payment will be based solely upon the rate required by the related bonds as issued. When a termination occurs, a mark-to-market (or fair market value) calculation is performed to determine whether the State is owed money or must pay money to close out a swap position. A negative fair market value means the State would incur a loss and need to make a termination payment to settle the swap position. A positive fair market value means the State would realize a gain and receive a termination payment to settle the swap position.

Rollover Risk

The State is exposed to rollover risk on interest rate swap agreements that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these swap agreements terminate, or in the case of a termination option, when the option is exercised, the State will be re-exposed to the risks being hedged by the swap agreement. Currently, the maturity dates of the State's interest rate swap agreements and hedged debt are coterminous.

Operating Leases

The State is also committed under numerous operating leases covering real property and equipment. Rental expenditures, reported for the year ended March 31, 2016 under such operating leases, totaled $257 million and were financed primarily from the General Fund.

The following is a summary of future minimum rental commitments under real property and equipment leases with terms exceeding one year (amounts in millions):

Fiscal Year	Governmental Activities
2017	$ 236
2018	208
2019	169
2020	144
2021	124
2022-2026	403
2027-2031	124
2032-2036	8
2037-2041	8
2042-2046	9
2047-2051	10
2052-2056	11
2057-2061	4
2062-2066	1
Total	**$ 1,459**

Business-type activities reported rental expenditures of $154 million and the following future minimum rental commitments under real property and equipment leases with terms exceeding one year at year-end (June 30, 2015 for SUNY and CUNY and March 31, 2016 for Lottery) (amounts in millions):

Fiscal Year	Business-type Activities
2016	$ 142
2017	137
2018	131
2019	128
2020	123
2021-2025	376
2026-2030	272
2031-2035	169
2036-2040	53
2041-2045	45
Total	**$ 1,576**

Governmental Activities Collateralized Borrowings

In December 2010, $102 million of Pledged Assessment Revenue Bonds, Series 2010A, were issued by DASNY. These bonds are special revenue obligations of DASNY. Principal and interest on the Series 2010A Bonds are payable from the pledged assessments to be assessed and collected by the Chair of the Workers' Compensation Board. At March 31, 2016, principal and interest outstanding were $46 million and $7 million, respectively. Annual principal and interest payments will be continuing through December 1, 2020.

In December 2013, $370 million of Employer Assessment Revenue Bonds, Series 2013A, were issued by DASNY. These bonds are special revenue obligations of DASNY. Principal and interest on the Series 2013A Bonds are payable from employer assessments to be assessed and collected by the Chair of the Workers' Compensation Board. At March 31, 2016, principal and interest outstanding were $355 million and $175 million, respectively. Annual principal and interest payments will continue through December 1, 2035.

The State determined that these transactions meet the criteria for collateralized borrowings under GASBS No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, since the pledged revenues are formally committed to directly collateralize or secure debt of a component unit. These Pledged and Employer Assessment Revenue Bonds are reported as collateralized borrowings in the State's financial statements (amounts in millions):

Fiscal Year	Principal	Interest	Total
2017	$ 22	$ 16	$ 38
2018	23	16	39
2019	24	15	39
2020	24	14	38
2021	24	13	37
2022-2026	83	57	140
2027-2031	101	39	140
2032-2036	100	12	112
Total	**$ 401**	**$ 182**	**$ 583**

Business-type Activities Collateralized Borrowings

In March 2013, the State enacted legislation that authorized SUNY to assign all its rights, title and interest in dormitory facilities revenues of certain dormitory facilities to DASNY, and authorized DASNY to issue SUNY Dormitory Facilities Revenue Bonds payable from and secured by the dormitory facilities revenues assigned to it by SUNY. The legislation also created a special fund to be held by the State's Commissioner of Taxation and Finance on behalf of DASNY. All dormitory facilities revenues collected by SUNY are required to be deposited in this special fund.

The outstanding obligations under these bonds are reported as a collateralized borrowing since these bonds are not payable from any money of SUNY or the State and neither SUNY nor the State has any obligation to make any payments with respect to the debt service on the bonds. The pledged revenues recognized during SUNY's fiscal year ended June 30, 2015 amounted to $527.5 million. At June 30, 2015, total principal and interest outstanding on the bonds were $437.2 million and $248.6 million, respectively. Annual principal and interest payments will continue through July 1, 2043 (amounts in millions):

Fiscal Year	Principal	Interest	Total
2016	$ 7	$ 22	$ 29
2017	10	21	31
2018	14	21	35
2019	21	20	41
2020	18	19	37
2021-2025	127	77	204
2026-2030	143	42	185
2031-2035	52	16	68
2036-2040	23	9	32
2041-2045	22	2	24
Total	**$ 437**	**$ 249**	**$ 686**

In May 2015, SUNY Dormitory Facilities Revenue Bonds were issued by DASNY with a par amount of $268.8 million at a premium of $38.3 million to refinance $295.8 million of existing SUNY dormitory facilities bonds. These bonds are special obligations of DASNY payable solely from the dormitory facilities revenues collected by SUNY as agent for DASNY.

Note 8 Liabilities

Changes in Long-Term Liabilities

The following table summarizes changes in long-term liabilities for both governmental activities and business-type activities (amounts in millions):

CHANGES IN LONG-TERM LIABILITIES—GOVERNMENTAL ACTIVITIES

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Tax refunds payable	**$ 1,152**	**$ 121**	**$ —**	**$ 1,273**	**$ —**
Accrued liabilities:					
Payroll and fringe benefits	$ 286	$ —	$ 109	$ 177	—
Compensated absences	876	53	52	877	39
Medicaid	856	—	74	782	196
Health insurance	192	—	—	192	—
Litigation	171	124	95	200	196
Workers' compensation reserve	3,125	1,112	457	3,780	499
Arbitrage rebate	11	2	—	13	3
Secured hospitals	97	—	36	61	10
Due to component unit	300	—	21	279	21
Miscellaneous	20	18	21	17	1
Total	**$ 5,934**	**$ 1,309**	**$ 865**	**$ 6,378**	**965**
Payable to local governments:					
Education aid	$ 229	$ 6	$ —	$ 235	—
Miscellaneous	12	16	10	18	—
Total	**$ 241**	**$ 22**	**$ 10**	**$ 253**	**—**
Due to Federal government	**$ 1,100**	**$ —**	**$ —**	**$ 1,100**	**100**
Pension contribution payable	**$ 2,499**	**$ 338**	**$ 472**	**$ 2,365**	**—**
Net pension liability	**$ 1,843**	**$ —**	**$ 472**	**$ 1,371**	**—**
Other postemployment benefits	**$ 13,602**	**$ 3,245**	**$ 1,340**	**$ 15,507**	**—**
Pollution remediation	**$ 961**	**$ 196**	**$ 116**	**$ 1,041**	**109**
Collateralized borrowings	**$ 430**	**$ —**	**$ 29**	**$ 401**	**22**
General obligation bonds payable:					
General obligation bonds payable	$ 3,018	$ —	$ 291	$ 2,727	265
Deferred amounts:					
Unamortized premiums	171	—	11	160	8
Total	**$ 3,189**	**$ —**	**$ 302**	**$ 2,887**	**273**
Other financing arrangements:					
Capital leases	$ 7	$ 2	$ 2	$ 7	2
Other financing arrangements	37,372	6,107	7,729	35,750	3,045
Deferred amounts:					
Unamortized premiums	2,785	965	447	3,303	258
Unamortized discounts	(6)	—	—	(6)	(1)
Accreted discount on bonds	20	2	5	17	—
Total	**$ 40,178**	**$ 7,076**	**$ 8,183**	**$ 39,071**	**3,304**
Derivative instruments	**$ 224**	**$ 5**	**$ 11**	**$ 218**	**—**
Total due within one year					**$ 4,773**

CHANGES IN LONG-TERM LIABILITIES—BUSINESS-TYPE ACTIVITIES

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Accrued liabilities:					
Compensated absences	$ 354	$ 153	$ 141	$ 366	$ 227
Litigation	543	65	15	593	30
Miscellaneous	554	67	6	615	3
Total	**$ 1,451**	**$ 285**	**$ 162**	**$ 1,574**	**260**
Lottery prizes payable	**$ 1,415**	**$ 74**	**$ 132**	**$ 1,357**	**130**
Pension contributions payable:					
SUNY (June 30, 2015)	$ 188	$ 66	$ 17	$ 237	27
Lottery	—	3	—	3	—
Total	**$ 188**	**$ 69**	**$ 17**	**$ 240**	**27**
Net pension liability:					
SUNY (June 30, 2015)	$ 250	$ 181	$ 243	$ 188	—
CUNY (June 30, 2015)	653	244	122	775	—
Lottery	—	2	—	2	—
Total	**$ 903**	**$ 427**	**$ 365**	**$ 965**	**—**
Other postemployment benefits:					
SUNY (June 30, 2015)	$ 4,171	$ 985	$ 285	$ 4,871	—
CUNY (June 30, 2015)	523	121	29	615	—
Total	**$ 4,694**	**$ 1,106**	**$ 314**	**$ 5,486**	**—**
Collateralized borrowings:					
SUNY (June 30, 2015)	$ 440	$ —	$ 3	$ 437	7
Plus unamortized premiums	31	—	1	30	1
Total	**$ 471**	**$ —**	**$ 4**	**$ 467**	**8**
Other financing arrangements:					
SUNY (June 30, 2015)	$ 9,021	$ 1,222	$ 857	$ 9,386	359
CUNY (June 30, 2015)	4,215	599	452	4,362	199
Plus unamortized premiums:					
SUNY (June 30, 2015)	577	188	62	703	35
CUNY (June 30, 2015)	210	113	40	283	40
Total	**$ 14,023**	**$ 2,122**	**$ 1,411**	**$ 14,734**	**633**
Derivative instruments	**$ 66**	**$ —**	**$ 2**	**$ 64**	**—**
Total due within one year					**$ 1,058**

Litigation and workers' compensation liabilities will be liquidated by the General Fund. Medicaid accrued liabilities and payable to local governments will be liquidated by the General Fund and the Federal Special Revenue Fund. Payroll and related fringe benefits, compensated absences, health insurance, pension contributions, other postemployment benefits, pollution remediation, secured hospitals and miscellaneous accrued liabilities will be liquidated by the General Fund, Federal Special Revenue Fund, General Debt Service Fund and Other Governmental Funds.

Accrued Liabilities—Governmental Activities

The following table summarizes accrued liabilities at March 31, 2016 for governmental activities (amounts in millions):

Description	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Total Governmental Activities
Payroll	$ 523	$ 50	$ —	$ 78	$ 651
Fringe benefits	104	11	—	18	133
Medicaid	1,490	2,468	—	—	3,958
Health programs	11	—	—	—	11
Miscellaneous	561	3	9	220	793
Total governmental funds	**$ 2,689**	**$ 2,532**	**$ 9**	**$ 316**	**5,546**
Payable to fiduciary funds					2,742
Total					**$ 8,288**

Payable to Local Governments— Governmental Funds

The following table summarizes amounts payable to local governments at March 31, 2016 for governmental funds (amounts in millions):

Description	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Total
Education programs	$ 1,568	$ 194	$ —	$ 54	$ 1,816
Temporary and disability assistance	419	1,325	—	—	1,744
Local health programs	391	335	—	20	746
Mental hygiene programs	45	2	—	—	47
Criminal justice programs	34	—	—	—	34
Children and family services programs	220	—	—	—	220
Local share of tax revenues	—	—	150	—	150
Public safety	—	6	—	—	6
Emergency management	—	1,371	—	—	1,371
Miscellaneous	88	5	—	77	170
Total	**$ 2,765**	**$ 3,238**	**$ 150**	**$ 151**	**$ 6,304**

Accrued Liabilities—Business-type Activities

The following table summarizes current accrued liabilities at March 31, 2016 for business-type activities (June 30, 2015 for SUNY and CUNY) (amounts in millions):

Description	Lottery	Unemployment Insurance Benefit	SUNY	CUNY	Total
Payroll	$ —	$ —	$ 335	$ 116	$ 451
Fringe benefits	—	—	115	95	210
Employer overpayments	—	39	—	—	39
Benefits due claimants	—	10	—	—	10
Unclaimed and future prizes	583	—	—	—	583
Miscellaneous	—	5	149	93	247
Total	**$ 583**	**$ 54**	**$ 599**	**$ 304**	**1,540**
Long-term accrued liabilities—due within one year					260
Total					**$ 1,800**

Note 9 Interfund Transactions and Other Transfers

Interfund Transfers

Interfund transfers for the year ended March 31, 2016 consisted of the following (amounts in millions):

	Transfers To								
Transfers From	**General**	**Federal Special Revenue**	**General Debt Service**	**Other Governmental**	**Elimination**	**Total Governmental Funds**	**SUNY**	**CUNY**	**Total**
General	$ —	$ 39	$ 1,230	$ 3,333	$ —	**$ 4,602**	$ 3,027	$ 1,200	**$ 8,829**
Federal Special Revenue	230	—	—	2,309	—	**2,539**	444	—	**2,983**
General Debt Service	13,650	—	—	—	—	**13,650**	520	392	**14,562**
Other Governmental	5,771	—	1,732	55	—	**7,558**	74	—	**7,632**
Elimination	—	—	—	—	(28,349)	**(28,349)**	—	—	**(28,349)**
Total Governmental Funds	**19,651**	**39**	**2,962**	**5,697**	**(28,349)**	**—**	**4,065**	**1,592**	**5,657**
SUNY	32	—	1	—	—	**33**	—	—	**33**
Lottery	—	—	—	3,302	—	**3,302**	—	—	**3,302**
Non-current	—	—	—	—	—	**—**	94	—	**94**
Total	**$ 19,683**	**$ 39**	**$ 2,963**	**$ 8,999**	**$ (28,349)**	**$ 3,335**	**$ 4,159**	**$ 1,592**	**$ 9,086**

Transfers constitute the transfer of resources from the fund that receives the resources to the fund that utilizes them. Significant transfers include transfers to the General Fund from other funds representing excess revenues not needed in those funds. Transfers to the General Fund from the General Debt Service Fund for excess funds not needed for debt service on revenue bonds backed by personal income and sales tax revenues totaled $12.9 billion. Transfers to the General Fund from Other Governmental Funds are primarily due to: mental health patient fees in excess of debt service and rental reserve requirements of $1.2 billion; excess sales tax receipts not needed for LGAC debt service requirements of $2.6 billion; and excess real property transfer tax receipts from clean water and clean air programs of $972 million. Transfers from the General Fund to the General Debt Service Fund and Other Governmental Funds include State debt service payments ($1.2 billion) and State capital projects ($1.1 billion). Transfers from the General Fund to the Enterprise Funds are State support to the SUNY and CUNY Funds ($4.2 billion). Transfers from the Federal Special Revenue Fund and Other Governmental Funds comprise the Federal share of Medicaid payments for a variety of purposes, including transfers to the Mental Health Services Fund for recipients residing in State-operated facilities ($2.2 billion). Transfers from the Lottery to Other Governmental Funds represent Lottery support for school aid payments ($3.3 billion). The eliminations of $28.3 billion represent transfers made between the governmental funds.

Transfers from the governmental funds to the SUNY and CUNY Funds are reported as transfers to other funds by the governmental funds and as State appropriations by the SUNY and CUNY Funds. As explained in Note 1, the amounts reported for the SUNY and CUNY Funds are derived from their annual financial statements for the fiscal year ended June 30, 2015. Therefore, because of the different fiscal year-end for the SUNY and CUNY Funds, total transfers to other funds exceed total transfers from other funds by $454 million. The following is a reconciliation of transfers resulting from different year-ends (amounts in millions):

Governmental Activities transfers:	
SUNY	$ (4,126)
CUNY	(1,592)
Lottery (Education aid)	3,302
Total Governmental Activities transfers	(2,416)
Business-type Activities transfers:	
State	4,326
Federal and State hospital support transfers	384
Education aid	(3,302)
Capital	554
Total Business-type Activities transfers	1,962
Total transfers	**$ (454)**

Due To/From Other Funds

The following is a summary of the amounts due to other funds and due from other funds at March 31, 2016 (amounts in millions):

	Due To Other Funds								
Due From Other Funds	**General**	**Federal Special Revenue**	**General Debt Service**	**Other Governmental**	**Elimination**	**Total Governmental Funds**	**Business-type Activities**	**Non-current**	**Total**
General	$ —	$ 686	$ 735	$ 1,518	$ —	**$ 2,939**	$ 7	$ —	**$ 2,946**
Federal Special Revenue	1	—	—	2	—	**3**	—	—	**3**
Other Governmental	198	260	—	—	—	**458**	348	—	**806**
Elimination	—	—	—	—	(3,400)	**(3,400)**	—	—	**(3,400)**
Total Governmental Funds	**199**	**946**	**735**	**1,520**	**(3,400)**	**—**	**355**	**—**	**355**
Business-type Activities	370	—	—	60	—	**430**	—	715	**1,145**
Fiduciary	2,742	—	—	—	—	**2,742**	—	—	**2,742**
Total	**$ 3,311**	**$ 946**	**$ 735**	**$ 1,580**	**$ (3,400)**	**$ 3,172**	**$ 355**	**$ 715**	**$ 4,242**

The more significant balances due to/from other funds includes $1.5 billion due to the General Fund to cover cash overdrafts in the short-term investment pool. These temporary interfund loans includes $338.9 million to the Federal Special Revenue Fund and $1.2 billion to Other Governmental Funds. Due from the General Fund to the Fiduciary Funds related to escheat property that is estimated to be reclaimed and paid to claimants is $2.7 billion. Due to other funds in the General Debt Service Fund includes $735 million for amounts owed to the General Fund for excess personal income revenues. Due from Non-current to Business-type Activities includes $656 million related to SUNY litigation for incurred but not reported claims and $57 million for accrued interest for SUNY related debt.

As explained in Note 1, the amounts reported for the SUNY and CUNY Funds are derived from their annual financial statements for the fiscal year ended June 30, 2015. Therefore, because the fiscal year-end of the SUNY and CUNY Funds differs from the State's fiscal year-end, the total amount reported as due to other funds exceeds the total amount reported as due from other funds by $156 million.

Note 10 Commitments and Contingencies

The State receives significant financial assistance from the Federal government in the form of grants and entitlements. Receipt of grants is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable Federal regulations, including the expenditure of resources for eligible purposes. Substantially all Federal grants are either subject to the Federal Single Audit Act or to financial and compliance audits by grantor agencies of the Federal government or their designees. Disallowances by Federal program officials as a result of these audits may become liabilities of the State.

Pursuant to legislation enacted in 1985, the State entered into service contracts establishing a contingent-contractual obligation with respect to financings related to the DASNY Secured Hospital Program for the purpose of enabling certain financially distressed not-for-profit hospitals to gain access to the capital markets. The State service contracts obligate the State to pay debt service, subject to annual appropriations, on bonds in the event of shortfalls in hospital resources. As of March 31, 2016, there are $257 million of outstanding bonds in the program with a scheduled annual debt service requirement of $49 million. Authorization to issue bonds under this program expired on March 1, 1998.

The financial condition of most of the hospitals in the program continues to deteriorate. During the fiscal year, the State paid $19 million resulting in cumulative payments under the obligation of $55 million since fiscal year 2014 when the State's contingent contractual obligation was first invoked. The State has recognized a liability under the guarantee of approximately $61 million based on the present value of expected debt service payments required through fiscal year 2028, net of the present value of anticipated revenues from a lease agreement on one of the properties and the estimated market value of other properties assumed by affiliates of DASNY through bankruptcy proceedings that will be used to offset the debt service payments. This amount would cover the debt service costs for one hospital that currently is not meeting the terms of its agreement and a second hospital whose debt service obligation was discharged in bankruptcy, as well as the debt service costs of a third hospital that is now closed. The State has estimated additional exposure of $24 million annually, if all hospitals fail to meet their terms and available reserve funds are depleted.

The New York State Constitution provides that the State may guarantee repayment of certain borrowings of the Job Development Authority (JDA) to carry out designated projects. The State has never been called upon to make any direct payments pursuant to such guarantees. However, in 1996, the State entered into an agreement with JDA and the New York State Urban Development Corporation (UDC) whereby UDC would provide funding needed by JDA to meet its debt service obligations. JDA required no financial assistance to meet debt service obligations during the State fiscal year ended March 31, 2016. As of March 31, 2016, JDA had $6 million of State-guaranteed bonds and notes outstanding (with an additional $708 million authorized but not issued).

In order to provide additional inducement to investors to purchase the obligations of certain public benefit corporations, the legislation creating these corporations authorizes the State to make up any deficiencies in their debt service reserve funds, subject to legislative appropriation (effectively, a “moral obligation” debt to back the corporations’ credit). Such “moral obligation” debt does not constitute full faith and credit obligations of the State. As of March 31, 2016, approximately $2 million in moral obligation bonds were outstanding. During the year, the State was not called on to make any payments.

Health care providers have a right to appeal Medicaid reimbursement rates. Based on an analysis of appeals, a liability of $757 million has been recognized in the government-wide Statement of Net Position. Settlements were reached between the State and the majority of nursing home providers with rate appeals pending in 2016 for $850 million. The settlement will be paid in five annual payments of $170 million with the first payment in fiscal year 2016. Accordingly, the State has reported the remaining liability of $680 million which is reflected in the $757 million amount noted above.

The Centers for Medicare and Medicaid Services (CMS) disallowed Medicaid claims for prior year services provided by the New York State Office for Persons with Developmental Disabilities. The State and CMS reached a settlement agreement on March 20, 2015 on this matter, whereby the State agreed to pay a total of $1.95 billion to CMS. The State will adjust the Federal and State shares of future Medicaid costs to reimburse the Federal government $100 million annually for each of the next 11 years beginning in State fiscal year 2017. Accordingly, the State has reported the remaining liabilities of $1.1 billion, in the governmental activities.

In 1977-78, the State required that reserve funds held by insurance companies that underwrite the State employee health insurance programs be paid to the General Fund. The State is liable to replenish these reserve funds if needed to pay insured benefits or if the contracts with the insurance companies are terminated. Accordingly, based on actuarial calculations, the State has recorded a liability of $192 million, which is reported as accrued liabilities due in more than one year on the government-wide Statement of Net Position.

Generally, the State does not insure its buildings, contents or related risks and does not insure its State-owned automobiles for bodily injury and property damages, but the State does have fidelity insurance on State employees. A liability is estimated for unpaid automobile claims based on an analysis of property loss and claim settlement trends. Routine uninsured losses are recorded as expenditures in the General Fund as paid, while significant uninsured losses usually are the result of litigation that is discussed further in Note 11. Insured losses incurred by the State did not exceed coverage for any of the three preceding fiscal years. Litigation losses are estimated based on an assessment of pending cases conducted by the Office of the Attorney General.

Workers’ compensation is provided with the State Insurance Fund acting as the State’s administrator and claims processing agent. Under an agreement with the State Insurance Fund, the State pays only what is necessary to fund claims. Based on actuarial calculations, discounted at 0.833 percent as of March 31, 2016, the State is liable for unfunded claims and incurred but not reported claims totaling $3.8 billion, which are reported as accrued liabilities in the government-wide Statement of Net Position.

Changes in the State’s liability relating to workers’ compensation claims, litigation and incurred but not reported loss estimates related to medical malpractice claims (Note 11), and auto claims in fiscal years 2015 and 2016 were (amounts in millions):

Fiscal Year	Claim Liability Beginning of Year	Increase in Liability Estimate	Payments and Decrease in Liability Estimate	Claim Liability End of Year
2014-2015	$ 2,975	$ 1,313	$ 455	$ 3,833
2015-2016	$ 3,833	$ 1,372	$ 568	$ 4,637

The State Finance Law requires the Abandoned Property Fund (Fund), a Private Purpose Trust Fund, to have a maximum cash balance of $750 thousand at fiscal year-end. All Abandoned Property receipts are recorded in the General Fund and receipts recorded in the Abandoned Property Fund are for payment upon approval of a claim. At March 31, 2016, the Abandoned Property Fund included $52 million of securities not yet liquidated and not subject to the State Finance Law's cash provisions. Net collections from inception (1942) to March 31, 2016 of approximately $14.5 billion, excluding interest, represent a contingent liability to the State since the owners of such property may file claims for refunds.

Restricted net position, representing the probable amount of escheat property that will be reclaimed and paid to claimants, is reported in the Fund. To the extent that assets in the Fund are less than the claimant liability, a receivable (due from other funds) is reported in that Fund and an equal liability (due to other funds) is reported in the General Fund. At March 31, 2016, the amount reported in the Fund for claimant liability is $3 billion and the amount reported in the General Fund as due to the Fund is $2.7 billion. Since receipts in the Fund are expected to be adequate to pay current claims, it is not expected that General Fund support for that purpose will be required. Claims paid from the Fund during the year totaled $447 million.

The State is liable for costs relating to the closure and post-closure of landfills totaling $16 million, which is recorded in accrued liabilities. Closure and post-closure requirements are generally governed by Title 6, Part 360 of the New York Code of Rules and Regulations. Since most landfills are inactive, the liability reflects the total estimated closure and post-closure cost at year-end. Liability estimates are based on engineering studies or on estimates by agency officials that are updated annually.

GASBS No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, provides guidance for state and local governments in estimating and reporting the potential costs of pollution remediation. While GASBS 49 does not require the State to search for pollution, it does require the State to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

- Pollution poses an imminent danger to the public and the State is compelled to take action;
- The State is in violation of a pollution-related permit or license;
- The State is named or has evidence that it will be named as responsible party by a regulator;
- The State is named or has evidence that it will be named in a lawsuit to enforce a cleanup; or
- The State commences or legally obligates itself to conduct remediation activities.

Site investigation, planning and design, cleanup and site monitoring are typical remediation activities underway across the State. Several State agencies have dedicated programs, rules and regulations that routinely deal with remediation-related issues; others become aware of pollution conditions in the fulfillment of their missions. The State has the knowledge and expertise to estimate the remediation obligations presented herein based upon prior experience in identifying and funding similar remediation activities. The standard requires the State to calculate pollution remediation liabilities using the expected cash flow technique. Where the State cannot reasonably estimate a pollution remediation obligation, it does not report a liability; however, the State has not identified any such situation.

The remediation obligation estimates that appear in this report are subject to change over time. Cost may vary due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, changes to statutes or regulations and other factors that could result in revisions to these estimates. Prospective recoveries from responsible parties may reduce the State's obligation. Capital assets may be created when pollution remediation outlays are made under specific circumstances.

During the fiscal year, the State recognized estimated additional liabilities of $196 million, spent $109 million in pollution remediation obligation-related activities and recognized adjustments decreasing the liability by $7 million. The State recovered $21 million from other responsible parties. At March 31, 2016, the State had an outstanding pollution remediation liability of $1 billion, with an estimated potential recovery of $90 million from other responsible parties.

The State and the New York State Energy Research and Development Authority (NYSERDA) have been engaged in a dispute with the Federal government over both the responsibility of the Federal government for site cleanup at West Valley, as well as which government is liable for perpetual care of any remaining wastes after decontamination activities are complete. In August 2010, the U.S. District Court approved and entered a Consent Decree that formalized a settlement agreement that covered a number of the State's claims. The Decree identifies a specific cost share for each government for specified facilities and known areas of contamination, and sets forth a process for determining cost shares for contamination that may be identified in the future. The agreement does not affect in any way the cleanup alternatives that are being or may be developed in the ongoing Environmental Impact Statement process. No active litigation remains. NYSERDA and the United States agreed to toll NYSERDA's natural resource damage claim until a later date. NYSERDA will continue to advocate for disposal of high level waste at the U.S. Department of Energy's expense, but further litigation or negotiation at this time is unripe until there is a federal repository available.

Legislation enacted in 2003 authorized the State to securitize all of its tobacco settlement payments to the Tobacco Settlement Financing Corporation through an asset-backed securitization transaction. To lower costs, the legislation authorized the State to enter into contingency contracts obligating the State to pay debt service, subject to annual appropriations, on the TSFC bonds in the event that tobacco receipts and bond reserves are insufficient. To ensure that State contractual payments will not be required and that tobacco receipts and bond reserves are sufficient to pay debt service, the TSFC bonds were structured to meet or exceed all rating agency tobacco bonds stress tests. The bonds carry a final nominal maturity of 19 years and an expected final maturity of 13 years, based on optional redemptions. The expected final maturity may deviate due to the optional nature of the redemptions and adjustments to tobacco settlement payments due from Participating Manufacturers. A lawsuit was filed in 2006 by the Attorney General of New York to recover the settlement payments that were withheld from the State. In addition, Participating Manufacturers brought a nationwide arbitration against the settling states, including New York, asserting that those states failed to diligently enforce their respective escrow statutes in 2003 as required to maintain the base settlement payments per the Master Settlement Agreement. This was settled in 2003. On September 11, 2013, New York was found to have diligently enforced its qualifying statue in 2003 and, thus, is not subject to the adjustment for 2003. The same claim for the 2004-2012 years has been raised but none of those years is yet in arbitration. The Participating Manufacturers had indicated their intent to bring a nationwide NPM Adjustment Arbitration for sales year 2004 against New York and the other states that rejected the term sheet. On October 20, 2015, New York and the Participating Manufacturers announced a settlement of all outstanding disputes between them concerning non-participating manufacturers adjustments and related disputed payment account deposits relating to all prior sales years under the Master Settlement Agreement (MSA). The settlement releases to New York 90 percent of the funds currently held in the deposit payment account for past adjustment claims. Future MSA annual payments will be discounted based on a fixed amount per pack but modified based on overall volume. Beyond the stipulated discount, New York will not be at risk of losing any of its future annual payments as a result of extended arbitration proceedings. Under the settlement, there will be no future non-participating manufacturer adjustment arbitrations involving New York and New York will no longer risk losing its entire annual MSA payment.

Several unions have not reached labor settlement agreements with the State at this time. Settlements may result in added costs to the State. The Enacted Budget assumes spending related to these settlements, but the actual settlements could exceed the amounts in the budget.

Note 11 Litigation

The State is a defendant in numerous legal proceedings pertaining to matters incidental to the performance of routine governmental operations. Such litigation includes, but is not limited to, claims asserted against the State arising from alleged torts, alleged breaches of contracts, condemnation proceedings, and other alleged violations of State and Federal laws.

Included in the State's outstanding litigation are a number of cases challenging the legality or the adequacy of a variety of significant social welfare programs, primarily involving the State's Medicaid and mental health programs. Adverse judgments in these matters generally could result in injunctive relief coupled with prospective changes in patient care that could require substantial increased financing of the litigated programs in the future.

With respect to pending and threatened litigation, the State has reported, in the governmental activities, liabilities of $856 million, of which $656 million pertains to SUNY, for awarded claims, anticipated unfavorable judgments, and incurred but not reported loss estimates related to medical malpractice claims. In addition, the State is party to other claims and litigation that its legal counsel has advised may result in possible adverse court decisions with estimated potential losses of approximately $211 million.

Note 12 Retirement Systems

New York State and Local Retirement System

The Office of the New York State Comptroller administers the following plans: the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS), which are collectively referred to as the New York State and Local Retirement System (the System). The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. ERS and PFRS are cost-sharing, multiple-employer, defined benefit pension plans. The Public Employees' Group Life Insurance Plan (GLIP) provides death benefits in the form of life insurance. For financial reporting purposes, GLIP amounts are apportioned to and included as part of either ERS or PFRS.

The System issues a publicly available financial report that includes financial statements, expanded disclosures, and required supplementary information for the System. The report may be obtained by writing to the New York State and Local Retirement System, Office of the State Comptroller, 110 State Street, Albany, New York, 12244-0001 or at www.osc.state.ny.us/pension/cafr.htm.

Plan Benefits

The System provides retirement benefits as well as death and disability benefits. Retirement benefits are established by the RSSL and are dependent upon the point in time at which the employees last joined the System. The RSSL has established distinct classes of membership. The System uses a tier concept within ERS and PFRS to distinguish these groups, as follows:

ERS

Tier 1	Those persons who last became members before July 1, 1973.
Tier 2	Those persons who last became members on or after July 1, 1973, but before July 27, 1976.
Tier 3	Generally, those persons who are State correction officers who last became members on or after July 27, 1976, but before January 1, 2010, and all others who last became members on or after July 27, 1976, but before September 1, 1983.
Tier 4	Generally, except for correction officers, those persons who last became members on or after September 1, 1983, but before January 1, 2010.
Tier 5	Those persons who last became members on or after January 1, 2010, but before April 1, 2012.
Tier 6	Those persons who first became members on or after April 1, 2012.

PFRS

Tier 1	Those persons who last became members before July 31, 1973.
Tier 2	Those persons who last became members on or after July 31, 1973, but before July 1, 2009.
Tier 3	Those persons who last became members on or after July 1, 2009, but before January 9, 2010.
Tier 4	N/A
Tier 5	Those persons who last became members on or after January 9, 2010, but before April 1, 2012, or who were previously PFRS Tier 3 members who elected to become Tier 5.
Tier 6	Those persons who first became members on or after April 1, 2012.

Generally, members of ERS and PFRS may retire at age 55; however, members of Tiers 2, 3 and 4 will receive a reduced benefit if they retire before age 62 with less than 30 years of service. Tier 5 members must be 62 years of age with at least 10 years of service credit to retire with full benefits. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members. Tier 6 members with 10 years of service or more can retire as early as age 55 with reduced benefits. A member with less than five years of service may withdraw and obtain a refund, including interest, of the accumulated employee contributions. Members who joined the System prior to January 1, 2010 generally need five years of service to be 100 percent vested. Members who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) need 10 years of service credit to be 100 percent vested.

Typically, the benefit for members in all Tiers within ERS and PFRS is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a Tier 1 or 2 member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. If a Tier 3, 4 or 5 member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a Tier 3, 4 or 5 member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Final average salary for Tiers 1 through 5 is the average of the wages earned in the three highest consecutive years of employment. Each year used in the final average salary calculation is limited to no more than 20 percent of the previous year (Tier 1) or no more than 20 percent of the average of the previous two years (Tier 2). For Tier 3, 4 and 5 members, each year used in the final average salary calculation is limited to no more than 10 percent of the average of the previous two years. The benefit for Tier 6 members who retire with 20 years of service is 1.75 percent of final average salary for each year of service. If a Tier 6 member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied to each year of service over 20 years. The final average salary for a Tier 6 member is computed as the average of the wages earned in the five highest consecutive years. Each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

An automatic post-employment benefit is provided annually to pensioners who have attained age 62 and have been retired for five years; to pensioners who have attained age 55 and have been retired for 10 years; to all disability pensioners, regardless of age, who have been retired for five years; to ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years; and the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed $18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or greater than 3 percent.

Contributions

Employee contribution requirements depend upon the point in time at which an employee last joined the System. Most Tier 1 and Tier 2 members of ERS, and most members of PFRS are not required to make employee contributions. Employees in Tiers 3, 4 and 5 are required to contribute 3 percent of their salary however, as a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees who have ten or more years of membership or credited service within the System are not required to contribute. The Tier 6 contribution rate varies from 3 percent to 6 percent depending on salary. Tiers 5 and 6 members are required to contribute for all years of service. Members cannot be required to begin contributing or to make increased contributions beyond what was required when their memberships began. The State's contributions for the year ended March 31, 2016 were $1.5 billion for ERS and $124 million for PFRS.

Participating employers are required under the RSSL to contribute to the System at an actuarially determined rate adopted annually by the Comptroller. The average contribution rate for ERS for the fiscal year ended March 31, 2016 was approximately 18.2 percent of payroll. The average contribution rate for PFRS for the fiscal year ended March 31, 2016 was approximately 24.7 percent of payroll.

RSSL Chapter 260 of the Laws of 2004 authorized local employers to amortize over ten years, at 5 percent interest, the portion of their annual bill for fiscal year ended 2007 that exceeded 10.5 percent of payroll. The amortized amount receivable due to the System as of March 31, 2016 from participating employers is $2.7 million.

RSSL Chapter 57 of the Laws of 2010 authorized the State and local employers to amortize over ten years, at 5 percent interest, the portion of their annual bill for fiscal year ended 2011 that exceeded 9.5 percent of payroll for ERS and 17.5 percent of payroll for PFRS. The amortized amount receivable due to the System as of March 31, 2016 from the State is $136.4 million and from participating employers is $23.1 million. The thresholds for the fiscal year ended 2012 were 10.5 percent of payroll for ERS and 18.5 percent for PFRS. The interest rate was 3.75 percent. The amortized amount receivable due to the System as of March 31, 2016 from the State is $354.9 million and from participating employers is $131.1 million. The thresholds for the fiscal year ended 2013 were 11.5 percent of payroll for ERS and 19.5 percent for PFRS. The interest rate was 3 percent. The amortized amount receivable due to the System as of March 31, 2016 from the State is $562.9 million and from participating employers is $264.3 million. The thresholds for the fiscal year ended 2014 were 12.5 percent of payroll for ERS and 20.5 percent for PFRS. The interest rate was 3.67 percent. The amortized amount receivable due to the System as of March 31, 2016 from the State is $777.9 million and from participating employers is $177.7 million. The thresholds for the fiscal year ended 2015 were 13.5 percent of payroll for ERS and 21.5 percent for PFRS. The interest rate was 3.15 percent. The amortized amount receivable due to the System as of March 31, 2016 from the State is $653.1 million and from participating employers is $134 million. The thresholds for the fiscal year ended 2016 were 14.5 percent of payroll for ERS and 22.5 percent for PFRS. The interest rate was 3.21 percent. The amortized amount receivable due to the System as of March 31, 2016 from the State is $357.1 million and from participating employers is $67.1 million. Amounts owed by the State under these programs have been allocated among the governmental activities, and the SUNY and Lottery Enterprise Funds.

The fiscal year 2014 Enacted Budget included an alternate contribution program (the Alternate Contribution Stabilization Program) that provided certain participating employers with a one-time election to amortize slightly more of their required contributions than would be available for amortization under the 2010 legislation. In addition, the maximum payment period was increased from ten years to twelve years.

The election was available to counties, cities, towns, villages, BOCES, school districts and the four public health care centers operated in the counties of Nassau, Westchester and Erie. The State was not eligible to participate in the Alternate Contribution Stabilization Program. The thresholds for the fiscal year ended 2014 were 12 percent of payroll for ERS and 20 percent for PFRS. The interest rate was 3.8 percent. The amortized amount receivable due to the System as of March 31, 2016 from participating employers is $215.7 million. The thresholds for the fiscal year ended 2015 were 12 percent of payroll for ERS and 20 percent for PFRS. The interest rate was 3.5 percent. The amortized amount receivable due to the System as of March 31, 2016 from participating employers is $182.8 million. For the annual bill for the fiscal year ended 2016, the alternative amortization threshold is 12.5 percent of payroll for ERS and 20.5 percent for PFRS. The interest rate was 3.3 percent. The amortized amount receivable due to the System from participating employers is $134.1 million.

Net Pension Liabilities and Other Pension-Related Amounts

For purposes of determining net pension liability and other pension-related amounts, information about the fiduciary net position of ERS and PFRS and additions to and deductions from the ERS and PFRS fiduciary net position have been determined on the same basis reported by the System. Benefits are recognized when due and payable. Investments are recorded at fair value as further described in Note 2.

The State's proportionate share of the collective net pension liability for ERS and PFRS reported at March 31, 2016, was measured as of March 31, 2015, and was determined using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the total pension liability to March 31, 2015. The State's proportion of the ERS and PFRS net pension liability measured at March 31, 2015, was 41.9 percent for ERS and 19 percent for PFRS, which was consistent with the proportions allocated to the State at March 31, 2014. The State's proportions related to each plan were determined consistently with the manner in which contributions to the pension plan are determined. The State's total projected long-term contribution effort to ERS and PFRS was compared to the total projected long-term contribution effort from all employers to ERS and PFRS in order to determine the State's proportion of the respective plan's net pension liability.

State employees related to governmental activities, as well as the SUNY and Lottery enterprise funds are members of ERS. The Statewide proportion of the ERS collective net pension liability measured at March 31, 2015 of 41.9 percent was allocated 39.1 percent to governmental activities, 2.7 percent to the SUNY enterprise fund, and 0.05 percent to the Lottery enterprise fund, which is consistent with the allocation of the ERS collective net pension liability measured as of March 31, 2014. In addition to its allocation of the Statewide proportion, SUNY recognized a proportion of the ERS collective net pension liability of 2.6 percent associated with specific related entities excluded from the Statewide proportion. Only State employees related to governmental activities are members of PFRS. Therefore, the entire Statewide proportion of the PFRS collective net pension liability is allocated to the governmental activities.

The State recognized net pension liability of $1.3 billion and $52.4 million in the governmental activities for its respective proportionate shares of the ERS and PFRS collective net pension liabilities. Pension expense recognized by the State in the governmental activities was $1.2 billion for ERS and $120 million for PFRS for the year ended March 31, 2016. The State reported the following deferred outflows of resources and deferred inflows of resources in the governmental activities for ERS and PFRS at March 31, 2016 (amounts in millions):

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 42	$ —	$ 6	$ —
Net difference between projected and actual investment earnings on pension plan investments	229	—	18	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	39	—	—	8
Contributions made subsequent to measurement date	1,693	—	142	—
Total	**$ 2,003**	**$ —**	**$ 166**	**$ 8**

The amounts of deferred outflows of resources resulting from contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2017. The remaining cumulative net amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the governmental activities will be recognized in future pension expense as follows (amounts in millions):

Fiscal Year	**ERS**	**PFRS**
2017	$ 77	$ 4
2018	77	4
2019	78	4
2020	78	4
Total	**$ 310**	**$ 16**

SUNY recognized a net pension liability of $179.8 million for its proportionate share of the ERS net pension liability. The Lottery recognized a net pension liability of $1.9 million for its proportionate share of the ERS net pension liability. For the years ended June 30, 2015 and March 31, 2016, SUNY and Lottery recognized pension expense of $159.1 million and $1.7 million, respectively, related to ERS, and deferred outflows of resources and deferred inflows of resources related to ERS from the following sources (amounts in millions):

	SUNY		**Lottery**	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Difference between expected and actual experience	$ 6	$ —	$ —	$ —
Net difference between projected and actual investment earnings on pension plan investments	31	—	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	3	17	—	—
Contributions made subsequent to measurement date	—	—	1	—
Total	**$ 40**	**$ 17**	**$ 1**	**$ —**

The amounts of deferred outflows of resources resulting from contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. Remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for SUNY will be recognized in pension expense in the amount of $5.6 million each year over the next four fiscal years.

Actuarial Assumptions

The total pension liability for the March 31, 2015 measurement date was determined by using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the total pension liability to March 31, 2015. The actuarial valuation for both ERS and PFRS used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.7 percent
Salary scale	4.9 percent in ERS; 6 percent in PFRS, indexed by service
Investment rate of return, including inflation	7.5 percent compounded annually, net of investment expenses
Cost of living adjustments	1.4 percent annually
Decrements	Developed from each Plan's 2010 experience study for period April 1, 2005 through March 31, 2010
Mortality improvement	Society of Actuaries Scale MP-2014

Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations* (ASOP No. 27). ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation for each plan as of April 1, 2014 are summarized below:

Asset Class	Target Allocation	Long-term Expected Rate of Return
Domestic equity	38%	7.30%
International equity	13%	8.55%
Private equity	10%	11%
Real assets	8%	8.25%
Absolute return strategies	3%	6.75%
Opportunistic portfolio	3%	8.60%
Real estate	3%	8.65%
Bonds and mortgages	18%	4%
Cash	2%	2.25%
Inflation-indexed bonds	2%	4%
Total	**100%**	

Discount Rate

The discount rate used to calculate the ERS and PFRS total pension liabilities was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the ERS and PFRS fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the current period net pension liability of the State governmental activities, SUNY and Lottery calculated using the current period discount rate assumption of 7.5 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.5 percent) or 1 percentage-point higher (8.5 percent) than the current assumption (in millions):

	1% Decrease (6.5%)	Current Assumption (7.5%)	1% Increase (8.5%)
Governmental activities ERS net pension liability (asset)	$ 8,787	$ 1,319	$ (4,987)
Governmental activities PFRS net pension liability (asset)	$ 698	$ 52	$ (488)
SUNY net pension liability (asset)	$ 1,198	$ 180	$ (680)
Lottery net pension liability (asset)	$ 13	$ 2	$ (8)

Voluntary Defined Contribution Plan

The Voluntary Defined Contribution Benefit Plan (VDCP) is offered though the Teachers Insurance and Annuity Association—College Retirement Equities Fund (TIAA-CREF). TIAA-CREF is an Optional Retirement Program (ORP) and provides retirement and death benefits through annuity contracts to those employees who elected to participate in the ORP. The VDCP is a defined contribution pension plan. The State University of New York ORP is the administrator of the VDCP.

Prior to March 16, 2012, a limited number of employees, most notably employees of the State University of New York and City University of New York Senior Colleges, had the option of enrolling in this plan. Legislation signed into law on March 16, 2012, made the existing VDCP available to all eligible State employees who choose the plan as their retirement selection. The VDCP is available to unrepresented employees of New York State public employers hired on or after July 1, 2013 and who earn $75,000 or more on an annual basis. The VDCP includes a 366 day vesting period, after which a participant has full and immediate vesting in all retirement benefits provided by the annuities purchased through the employee and employer contributions. The employer and employee contributions are not deposited into accounts until the completion of the 366 day vesting period. Until that time, the funds are held in escrow by the Office of the State Comptroller. A participant who does not complete the vesting period is entitled to a refund of contributions, plus interest, upon request. The VDCP is the employees' personal retirement account, and is supported by employer and employee contributions plus any applicable earnings. Employee's income is determined by the account balance. The employee has the opportunity for higher or lower retirement income based on the investment decision and the performance of the investment options selected by the employee. The retirement income benefit will depend on several factors including salary, duration of contributions, investment earnings and age at retirement. Income is not guaranteed.

Contribution rates are established by legislation passed by the State. Currently, the employer contribution of 8 percent of compensable salary is made to participants' accounts while enrolled in this plan. For the first three years of membership, the employee contribution rate is based on the reported annual wage. After the first three years of membership, the employee contribution will be based on actual wages earned during the prior two years. Legislation signed into law on March 16, 2012 established the contribution rates. Employee contributions increase in a progressive fashion based on salary:

Annual Wage	Employee Contribution Rate
$45,000 or less	3%
$45,000 to $55,000	3.5%
$55,000 to $75,000	4.5%
$75,000 to $100,000	5.75%
More than $100,000	6%

Employer and employee contributions for governmental activities were $1.1 million and $900 thousand, respectively for March 31, 2016.

Other SUNY-related Pension Plans

New York State Teachers' Retirement System

SUNY participates in the New York State Teachers' Retirement System (TRS). TRS was created and exists pursuant to Article 11 of the New York State Education Law. TRS is a cost-sharing, multiple-employer, defined benefit public plan separately administered by a ten-member board to provide pension and ancillary benefits to teachers employed by participating employers in the State of New York, excluding New York City. The System issues a publicly available financial report that includes financial statements, expanded disclosures, and required supplementary information for the System. The report may be obtained at www.nystrs.org/Library/Publications/Annual-Report.

Plan Benefits

Plan benefits for TRS are similar to that of ERS. Benefits vary based on the date of membership, years of credited service and final average salary, vesting of retirement benefits, death and disability benefits, and optional methods of benefit payments.

The RSSL has established distinct classes of membership. The System uses a Tier concept within TRS to distinguish these groups, as follows:

Tier 1	Members who last joined prior to July 1, 1973 are covered by the provisions of Article 11 of the Education Law.
Tier 2	Members who last joined on or after July 1, 1973, and prior to July 27, 1976 are covered by the provisions of Article 11 of the Education Law and Article 11 of the RSSL.
Tier 3	Members who last joined on or after July 27, 1976 and prior to September 1, 1983 are covered by the provisions of Article 14 and Article 15 of the RSSL.
Tier 4	Members who last joined on or after September 1, 1983 and prior to January 1, 2010 are covered by the provisions of Article 15 of the RSSL.
Tier 5	Members who joined on or after January 1, 2010 and prior to April 1, 2012 are covered by the provisions of Article 15 of the RSSL.
Tier 6	Members who joined on or after April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

Tier 1 members are eligible, beginning at age 55, for a service retirement allowance of approximately 2 percent per year of credited service times final average salary. Tiers 2 through 5 are eligible for the same but with the following limitations: (1) Tiers 2 through 4 members receive an unreduced benefit for retirement at age 62 or retirement at ages 55 through 61 with 30 years of service or a reduced benefit for retirement at ages 55 through 61 with less than 30 years of service and (2) Tier 5 members receive an unreduced benefit for retirement at age 62 or retirement at ages 57 through 61 with 30 years of service. They receive a reduced benefit for retirement at ages 55 and 56 regardless of service credit, or ages 57 through 61 with less than 30 years of service. Tier 6 members are eligible for a service retirement allowance of 1.75 percent per year of credited service for the first 20 years of service plus 2 percent per year for years of service in excess of 20 years of final average salary. Tier 6 members receive an unreduced benefit for retirement at age 63 and receive a reduced benefit at ages 55 through 62 regardless of service credit. Plan benefits vest after five years of credited service for members of Tiers 1 through 4 who joined prior to January 1, 2010. For members of Tiers 5 and 6, benefits generally vest after 10 years of service. Obligations of employers and employees to contribute, and related benefits, are governed by the RSSL and Education Law and may only be amended by the Legislature with the Governor's approval.

Permanent cost of living adjustment (COLA) benefits for both current and future retired members are provided in Section 532-a of the Education Law. This benefit will be paid commencing September of each year to retired members who have attained age 62 and have been retired for five years or attained age 55 and have been retired for 10 years. Disability retirees must have been retired for five years, regardless of age, to be eligible. The annual COLA percentage is equal to 50 percent of the increase in the consumer price index, not to exceed 3 percent nor be lower than 1 percent. It is applied to the first $18,000 of the annual benefit.

Contributions

Tier 3 and Tier 4 members who have less than 10 years of service or membership are required by law to contribute 3 percent of salary to the System. Tier 5 members are required by law to contribute 3.5 percent of salary throughout their active membership. Tier 6 members are required by law to contribute between 3 percent and 6 percent of salary throughout their active membership in accordance with a schedule based upon salary earned. Pursuant to Article 14 and Article 15 of the Retirement and Social Security Law, those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5 percent per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the Retirement and Social Security Law. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.

Employers are required to contribute at an actuarially determined rate adopted annually by the Retirement Board, pursuant to Article 11 of the New York State Education Law. The actuarially determined contribution rate applicable to 2014-15 salaries was 17.5 percent. For the fiscal year ended June 30, 2015, SUNY employer contributions were $17.2 million.

Net Pension Asset and Pension-Related Amounts

SUNY's proportionate share of the collective TRS net pension asset reported at June 30, 2015 of $79.6 million was measured at June 30, 2014. SUNY's proportion of the collective TRS net pension asset was based on the ratio of the SUNY's employer contribution to the total TRS contractually required employer contributions for the year ended June 30, 2014. SUNY's proportion of the collective TRS net pension asset measured at June 30, 2014 was 0.71 percent, compared to 0.69 percent at June 30, 2013.

For purposes of determining net pension liability and other pension-related amounts, information about the fiduciary net position of TRS and additions to and deductions from the TRS fiduciary net position have been determined on the same basis reported by the System. Plan benefits are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

For the year ended June 30, 2015, SUNY recognized pension expense of ($3.1) million related to TRS. At June 30, 2015, SUNY reported deferred inflows of resources related to TRS from the following sources (amounts in millions):

	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1.2
Net difference between projected and actual investment earnings on pension plan investments	53.5
Changes in employer proportion	0.1
Total	**$ 54.8**

Amounts reported as deferred inflows of resources related to TRS will be recognized in pension expense as follows (amounts in millions):

Fiscal Year	
2016	$ (13.5)
2017	(13.5)
2018	(13.5)
2019	(13.5)
2020	(0.2)
2021-2024	(0.6)
Total	**$ 54.8**

Actuarial Assumptions

The total pension asset for the June 30, 2014 measurement date was determined by using an actuarial valuation as of June 30, 2013, with update procedures used to roll forward the total pension liability to June 30, 2014. The actuarial assumptions used in the June 30, 2013 actuarial valuation were based on the actuarial experience study for the period July 1, 2005 through June 30, 2010. The actuarial valuation used the following actuarial assumptions:

Inflation	3 percent
Investment rate of return, including inflation	8 percent compounded annually, net of investment expenses
Cost of living adjustments	1.625 percent compounded annually

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvement based on Society of Actuaries Scale AA. Rates of projected salary increases are based on age and gender and have been calculated based on recent TRS member experience.

Age	Female	Male
25	10.35%	10.91%
35	6.26%	6.27%
45	5.39%	5.04%
55	4.42%	4.01%

Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined in accordance with ASOP No. 27 which provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to the expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in TRS's target asset allocation as of the valuation date of June 30, 2013 are as follows:

Asset Class	Target Allocation	Long-term Expected Rate of Return
Domestic equities	37%	7.3%
International equities	18%	8.5%
Real estate	10%	5%
Alternative investments	7%	11%
Domestic fixed income securities	18%	1.5%
Global fixed income securities	2%	1.4%
Mortgages	8%	3.4%
Short-term	—	0.8%
Total	**100%**	

Discount Rate

The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from members will be made at statutorily required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension asset of SUNY, calculated using the discount rate of 8 percent as well as what SUNY's net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower (7%) and 1 percentage point higher (9%) than the current year rate (in millions):

	1% Decrease (7%)	Current Assumption (8%)	1% Increase (9%)
Net pension asset	$ 2	$ 80	$ 146

Upstate Medical University Plan for Former Employees of Community General Hospital

SUNY administers a single-employer defined benefit plan, "the Upstate Medical University Retirement Plan for Former Employees of Community General Hospital (CGH)" (Upstate Plan). This plan provides for retirement benefits for former employees of CGH, and can be amended subject to applicable collective bargaining and employment agreements. For those who opted out of this plan, benefit accruals were frozen. No new participants can enter this plan. SUNY established a Pension Oversight Committee (Committee) which has the primary fiduciary responsibility oversight of the Upstate Plan. The Committee is permitted to invest plan assets pursuant to various provisions of State law, including the RSSL.

The Upstate Plan provides retirement, disability, termination and death benefits to plan participants and their beneficiaries. Pension benefits are generally based on the highest five year average compensation of the final ten years of employment, and years of credited service as outlined in the plan. Covered employees with five or more years of service are entitled to a pension benefit beginning at normal retirement age (65). Participants become fully vested after five years of service. Participants with less than five years of service are not vested. The funding policy is to contribute enough to the Upstate Plan to satisfy the annual required contribution. Employer contributions for 2015 were $3 million. Employees do not contribute to the plan. Membership of the Upstate Plan totaled 1,816 members, comprising 569 active members, 599 inactive vested members, and 648 retirees and beneficiaries currently receiving benefits.

The Upstate Plan issues a stand-alone financial report on a calendar year basis that includes disclosure about the elements of the plan's basic financial statements. These financial statements are prepared on the accrual basis of accounting in accordance with GAAP, with investments reported at fair value and benefits recognized when due and payable in accordance with the terms of the Upstate Plan. The Upstate Plan's fiduciary net position for purposes of determining net pension liability has been determined on the same basis used by the Upstate Plan. The pension plan financial statements may be requested at FOIL@upstate.edu.

Net Pension Liability and Other Pension-Related Amounts

SUNY recognized a net pension liability related to the Upstate Plan of $8.6 million as of June 30, 2015, based on the net pension liability as reported by the plan as of December 31, 2014, as follows (in millions):

Total pension liability	$	105
Plan fiduciary net position		96
Net pension liability	**$**	**9**

At June 30, 2015, $1.5 million was reported as deferred outflows of resources related to pensions resulting from SUNY contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. There were no other material deferred inflows of resources or deferred outflows of resources associated with the Upstate Plan and pension expense for the year was ($.1) million.

Actuarial Assumptions

The total pension liability at December 31, 2014 was determined by using an actuarial valuation as of January 1, 2014 with update procedures used to roll forward to the total pension liability at December 31, 2014. The actuarial assumptions included in the January 1, 2014 actuarial valuation included an inflation factor of 3 percent, projected salary increases of 3.5 percent and an investment rate of return of 6.5 percent. Mortality rates were based on the RP-2014 Mortality Tables with full generational projections using Scale MP-2014.

Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined in accordance with ASOP No. 27 which provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to the expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major class as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in the Upstate Plan's target asset allocation as of December 31, 2014 is as follows:

Asset Class	Target Allocation	Long-term Expected Rate of Return
U.S. equities	50%	5.35%
Non-U.S. equities	15%	5.25%
Fixed income	30%	0.75%
Alternatives (Real estate)	5%	3.9%
Total	**100%**	

Discount Rate

The discount rate used to measure the total pension liability was 6.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from members will be made at statutorily required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability (asset) calculated using the discount rate of 6.5 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.5%) or 1 percentage point higher (7.5%) than the current rate (in millions):

	1% Decrease (5.5%)	Current Assumption (6.5%)	1% Increase (7.5%)
Net pension liability (asset)	$ 22	$ 9	$ (3)

ORP

State University employees may also participate in an Optional Retirement Program (ORP) under IRS Section 401 (a), which is a multiple-employer, defined contribution plan administered by separate vendors—TIAA-CREF, Fidelity, Metropolitan Life, VALIC, and VOYA. ORP employer and employee contributions are dictated by State law. The ORP provides benefits through annuity contracts and provides retirement and death benefits to those employees who elected to participate in an ORP. Benefits are determined by the amount of individual accumulations and the retirement income option selected. All benefits generally vest after the completion of one year of service if the employee is retained thereafter. Employer contributions are not remitted to an ORP plan until an employee is fully vested. As such, there are no forfeitures reported by these plans if an employee is terminated prior to vesting. Employees who joined an ORP after July 27, 1976, and have less than ten years of service or membership are required to contribute 3 percent of their salary. Those joining on or after April 1, 2012 are required to contribute between 3 percent and 6 percent, dependent upon their salary, for their entire working career. Employer contributions range from 8 percent to 15 percent depending upon when the employee was hired. Employee contributions are deducted from their salaries and remitted on a current basis to the respective ORP. For the year ended June 30, 2015, SUNY recognized a pension expense of $223.8 million.

The Research Foundation

The Research Foundation for SUNY is a separate, private, nonprofit educational corporation that administers the majority of SUNY's sponsored programs. These programs are for the exclusive benefit of SUNY. The Research Foundation maintains a separate noncontributory plan through TIAA-CREF for substantially all nonstudent employees. Contributions are based on a percentage of earnings and range from 8 percent to 15 percent, depending on date of hire. Employees become fully vested after completing one year of service. Contributions are allocated to individual employee accounts. The Research Foundation pension contributions, which represents pension expense, were $30 million for 2015, which is 100 percent of the required contribution.

CUNY Senior Colleges Pension Plans

NYCERS and NYCTRS

CUNY Senior Colleges participate in the New York City Employees' Retirement System (NYCERS) and the Teachers' Retirement System of the City of New York Qualified Pension Plan (NYCTRS). NYCERS and NYCTRS are cost-sharing, multiple-employer defined benefit plans administered by the City of New York. NYCERS and NYCTRS provide retirement benefits, as well as death and disability benefits.

NYCERS and NYCTRS provide benefits to members who are in different Tiers. The members' Tier is determined by the date of membership. Subject to certain conditions, members generally become fully vested as to benefits upon the completion of five years of service. Annual pension benefits are calculated as a percentage of final average salary multiplied by the number of years of service, and changes with the number of years of membership within the plan. Benefits for members can be amended under the RSSL.

Contribution requirements of the active employees and the participating New York City agencies are established and may be amended by the NYCERS and NYCTRS Board. Employees' contributions are determined by their Tier and number of years of service. They may range between zero and 9.1 percent of their annual pay. Statutorily-required contributions to NYCERS and NYCTRS are actuarially determined in accordance with State statues and City laws and are funded by the employer within the appropriate fiscal year. CUNY made its contractually required contributions to both NYCERS and NYCTRS for the year ended June 30, 2015 in the amounts of $38.6 million and $83 million, respectively.

Each of these retirement plans issue publicly available financial reports that include financial statements and required supplementary information. Please refer to www.nycers.org and www.trsnyc.org for additional information about NYCERS and NYCTRS, respectively.

Net Pension Liability and Other Pension-Related Amounts

At June 30, 2015, CUNY reported liabilities of $247.1 million and $528 million for NYCERS and NYCTRS, respectively, for its proportionate share of each plan's net pension liability, measured as of June 30, 2015.

CUNY's proportion of the respective net pension liability at June 30, 2015 was based on CUNY's actual contributions to NYCERS and NYCTRS relative to the total contributions of participating employers for each plan for fiscal 2015, which was 1.2 percent and 2.5 percent for NYCERS and NYCTRS, respectively. CUNY's proportion of the net pension liabilities of NYCERS and NYCTRS were 1.1 percent and 2.5 percent for fiscal 2014, respectively.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net positions of NYCERS and NYCTRS and additions to and deductions from NYCERS' and NYCTRS' respective fiduciary net positions have been determined on the same basis as they are reported by NYCERS and NYCTRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CUNY's annual pension expense for NYCERS and NYCTRS for the fiscal year ended June 30, 2015 was approximately $30.4 million and $57.4 million for NYCERS and NYCTRS, respectively. The following presents a summary of the deferred outflows of resources and deferred inflows of resources at June 30, 2015 (in millions):

	NYCERS		NYCTRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ —	$ 3	$ 28	$ —
Net difference between projected and actual investment earnings on pension plan investments	26	46	28	129
Changes in proportion and differences between employer contributions and proportionate share of contributions	11	—	8	—
Total	**$ 37**	**$ 49**	**$ 64**	**$ 129**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in millions):

Fiscal Year	NYCERS	NYCTRS
2016	$ (7)	$ (29)
2017	(7)	(29)
2018	(4)	(15)
2019	6	8
Total	**$ (12)**	**$ (65)**

Actuarial Assumptions

The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 and rolled forward to CUNY's measurement date of June 30, 2015 for both NYCERS and NYCTRS. The total pension liability in the June 30, 2013 actuarial valuation for both NYCERS and NYCTRS was determined using the following actuarial assumptions:

Inflation	2.5 percent
Salary increases	Generally 3 percent per year and increases for merit and promotional
Investment rate of return including inflation	7 percent net of investment expenses and actual return for variable funds
Cost of living adjustments	1.5 percent and 2.5 percent for various Tiers

Mortality rates and methods used in determination of the total pension liability for both NYCERS and NYCTRS were adopted by the New York City Retirement System (NYCRS) Boards of Trustees during fiscal year 2012. Pursuant to Section 96 of the New York City Charter, studies of the actuarial assumptions used to value liabilities of the five actuarially funded NYCRS are conducted every two years.

Mortality tables for service and disability pensioners were developed from an experience study of the Plan. The mortality tables for beneficiaries were developed from an experience review.

Expected Rate of Return

The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class for both NYCERS and NYCTRS are summarized in the following tables:

	NYCERS		
Asset Class	**Target Allocation**	**Real Return Arithmetic Basis**	**Long-term Expected Rate of Return**
U.S. public market equities	32.6%	6.6%	2.15%
International public market equities	10%	7%	0.7%
Emerging public market equities	6.9%	7.9%	0.55%
Private market equities	7%	9.9%	0.69%
U.S. fixed income	33.5%	2.7%	0.9%
Alternatives	10%	4%	0.4%
Total	**100%**		**5.39%**

	NYCTRS		
Asset Class	**Target Allocation**	**Real Return Arithmetic Basis**	**Long-term Expected Rate of Return**
U.S. public market equities	34%	6.6%	2.24%
International public market equities	9%	7%	0.63%
Emerging public market equities	8%	7.9%	0.63%
Private market equities	6%	9.9%	0.59%
U.S. fixed income	37%	2.7%	1%
Alternatives	6%	4%	0.24%
Total	**100%**		**5.33%**

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2015 for both NYCERS and NYCTRS was 7 percent. The projection of cash flow used to determine the discount rate assumed that employee contributions will be made at the rates applicable to the current Tier for each member and that the employer contributions will be made based on rates determined by the Actuary. Based on those assumptions, the NYCERS and NYCTRS respective fiduciary net positions was projected to be available to make all projected future benefit payments of current active and non-active NYCERS and NYCTRS members. Therefore, the long-term expected rate of return on NYCERS and NYCTRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents CUNY's proportionate share of the net pension liabilities calculated using the discount rate of 7 percent, as well as what CUNY's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate (in millions):

	1% Decrease (6%)	**Current Assumption (7%)**	**1% Increase (8%)**
NYCERS	$ 341.8	$ 247.1	$ 159.2
NYCTRS	$ 690.8	$ 528	$ 393.4

TIAA-CREF

The University also provides pension plans for its employees in Teachers' Insurance and Annuity Association—College Retirement Equities Fund (TIAA-CREF). TIAA-CREF provides retirement and death benefits for or on behalf of those full-time professional employees and faculty members electing to participate in this optional retirement program.

TIAA-CREF is a privately operated, multi-employer defined contribution retirement plan. TIAA-CREF obligations of employers and employees to contribute and of employees to receive benefits are governed by the New York State Education Law and City laws.

Employer and employee contribution requirements to TIAA-CREF are determined by the RSSL. Participating employees in Tiers 1 through 4 contribute 1.5 percent of salary on an after-tax basis. Participating employees in Tier 5 contribute 3 percent of salary on an after-tax basis. Employer contributions range from 10.5 percent to 13.5 percent for Tiers 1 through 4, depending upon the employee's compensation, and 8 percent to 10 percent of salary for Tier 5, depending upon the employee's years of service. Employee contributions for fiscal year 2015 amounted to approximately $71 million. The employer contributions recognized as pension expense for the year ended June 30, 2015 were $78.6 million.

Note 13 Other Postemployment Benefits (OPEB)

Governmental Activities

The New York State Health Insurance Program (NYSHIP) was established by the State Legislature in 1957 to provide health insurance to New York State employees, retirees and their eligible dependents. Public authorities, public benefit corporations, and other quasi-public entities that choose to participate in NYSHIP are participating employers (PEs). Local government units that choose to participate in NYSHIP are called participating agencies (PAs). At present, there are approximately 306 New York State agencies, 97 PEs, and 800 PAs in NYSHIP. NYSHIP currently covers approximately 599 thousand New York State, PA and PE employees and retirees. Eligible covered dependents bring the total number of covered individuals to approximately 1.2 million. SUNY participates in NYSHIP, but CUNY does not. Of the State's 42 discretely presented component units, which are considered PEs, a majority participate in NYSHIP. NYSHIP does not issue a stand-alone financial report, but NYSHIP's activities are included within the State's financial statements. NYSHIP is classified as an agent multiple-employer plan and financial information is reported in an agency fund and accounted for on the accrual basis of accounting. Information related to investment valuations is presented in Note 2.

Enrollment	NYS*	PEs	PAs	Total
Current active participants**	183,195	37,880	104,701	325,776
Vestee participants	357	248	269	874
COBRA participants	704	492	275	1,471
Other inactive participants***	156,063	18,582	96,414	271,059
Total participants	**340,319**	**57,202**	**201,659**	**599,180**

**Includes State and SUNY participants.*

***Excludes active employees (6,117 NYS and 144 Roswell Park (PE employees) who have opted out of NYSHIP in return for a biweekly reimbursement—for NYS, equal to $1,000 and $3,000 annually for opting out of Individual only coverage and Family coverage, respectively).*

****Includes retirees, dependent survivors, long-term disability enrollees, young adult program enrollees and preferred list enrollees.*

During the fiscal year ended March 31, 2016, NYSHIP provided health insurance coverage through: the Empire Plan, an indemnity health insurance plan with managed care components; eight Health Maintenance Organizations (HMOs); and the Student Employee Health Plan (SEHP). Generally, these include hospital, medical, mental health and substance abuse benefits, and prescription drug benefits.

The benefit design of the Empire Plan is the result of collective bargaining between the State and the various unions representing its employees. Therefore, the benefit design is subject to periodic change. Benefits are administratively extended to non-represented State employees, employees of PAs and PEs, and retirees. Each participating employer in the plan is required to disclose additional information with regard to funding policy, the employer's annual OPEB costs and contributions made, the funded status and funding progress of the employer's individual plan, and actuarial methods and assumptions used.

Substantially all of the State's employees may become eligible for postemployment benefits if they reach retirement age while working for the State. The costs of providing postemployment benefits are shared between the State and the retired employee.

Contributions

The authority under which the obligations of the plan members, employers and other contributing entities to contribute to the plan are established or may be amended can be found in Article XI, Section 167 of Civil Service Law. Contributions are determined in accordance with Civil Service Law—Article XI, Sections 165, 165-a and 167, which assigns the authority to NYSHIP to establish and amend the benefit provisions of the plans and to establish maximum obligations of the plan members to contribute. The costs of administering the plan are charged as part of the health insurance premium to all payors under the authority of Section 163.2 of Civil Service Law. A retiree is generally required to pay on a monthly basis either 12 percent or 27 percent of the health insurance premium for enrollee or dependent coverage, respectively, which is reduced by the amount of sick leave credits available at the time of retirement factored by the employee's retirement age. Required employer contribution rates, depending upon enrollee or dependent coverage, are presented in the following table:

EMPLOYER CONTRIBUTIONS
(As Percentages of Premium Rates)

Enrollee Group	Enrollee Coverage	Dependent Coverage
Active (Union without ratified contract)	90%	75%
Active (Union with ratified contract and MC)—Below Grade 10	88%	73%
Active (Union with ratified contract and MC)—Grade 10 and above	84%	69%
Preferred list	90%	75%
Retired before January 1, 1983	100%	75%
Retired on/after January 1, 1983 but before January 1, 2012	88%	73%
Retired on/after January 1, 2012—Below Grade 10	88%	73%
Retired on/after January 1, 2012—Grade 10 and above	84%	69%
Amended dependent survivors(1)	75%	75%
Full share dependent survivors/long term disability	0%	0%
Dependent survivors	90%	75%
Attica dependent survivors	100%	100%
Vestees	0%	0%
COBRA	0%	0%
Young Adult Option enrollees	0%	n/a
Participating employers and participating agencies(2)	50%	35%

(1)State contribution for enrollee and dependent coverage is 75% of dependent coverage.
(2)Values reported are minimum employer share. Employers can pay greater percentages of premiums for their retirees.

The State reimburses Medicare eligible enrollees 100 percent of the cost of the monthly Medicare Part B premium. However, the funding of the cost of the Medicare reimbursements is not the sole responsibility of the employer. A Medicare Part B component has been incorporated into the NYSHIP Premium Rates. It is just one component of the NYSHIP premiums in which the above listed employer contribution percentages are applicable. The premium generated from the Medicare Part B NYSHIP rate component is utilized to make the Medicare Part B reimbursement payments to Medicare Primary NYSHIP enrollees.

In addition, the State reduces the retiree health insurance contributions for the value of a retiree's unused sick leave credit at retirement (converted to a monthly fixed value). The cost is paid by the State.

Funding Policy

The contribution requirements of plan members and the State are established and may be amended by the State Legislature. The State is not required to fund the plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. For the fiscal year ended March 31, 2016, the State paid $1.3 billion on behalf of the plan. The RSI contains a schedule of funding progress that presents multi-year trend information for actuarial values of plan assets and accrued liabilities.

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. Amounts "required" but not actually set aside to pay for these benefits are accumulated with interest as part of the net OPEB obligation, after adjusting for amounts previously "required." The State's annual OPEB cost for the year, the amount actually paid on behalf of the plan, and changes in the State's net OPEB obligation to the plan for the year ended March 31, 2016 are as follows (amounts in millions):

Governmental Activities:	
Annual required contribution	$ 3,295
Interest on net OPEB obligation at beginning of year	429
Adjustment to annual required contribution	(478)
Annual OPEB cost	**3,246**
Contributions made	(1,341)
Increase in OPEB obligation	1,905
Net obligation at beginning of year	13,602
Net obligation at end of year	**$ 15,507**
Actuarial accrued liability (AAL) April 1, 2014	$ 63,426
Funded OPEB plan assets	—
Unfunded actuarial accrued liability (UAAL) April 1, 2014	**$ 63,426**
Funded ratio	— %
Covered payroll	$ 8,463
UAAL as percentage of covered payroll	749.5%

In accordance with GASBS No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the actuarial valuation of OPEB also includes the value of sick leave that will be converted to reduce the retiree's share of health insurance premiums.

The State's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the three most recent fiscal years ended March 31 were as follows (amounts in millions):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Paid	Net OPEB Obligation
03/31/16	$ 3,246	41.31%	$ 15,507
03/31/15	$ 2,287	55.01%	$ 13,602
03/31/14	$ 2,270	53.52%	$ 12,573

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the plan and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The State's $3.2 billion annual OPEB cost, determined using the April 1, 2014 actuarial valuation with results projected to April 1, 2015 for the fiscal year ended March 31, 2016, was determined using the frozen entry age actuarial cost method, allocating costs on a level basis over earnings.

The State's $63.4 billion unfunded actuarial accrued liability was calculated in the April 1, 2014 actuarial valuation using the frozen entry age actuarial cost method and was amortized over an open period of 30 years using the level percentage of projected payroll amortization method. Health care trends were split to reflect separate trends for pre and post-65 (age) claims given that current standards suggest post-65 claims grow at a smaller rate than do pre-65 claims. The pre-65 trend assumption begins at 8.25 percent and decreases to a 4.75 percent long-term trend rate for all health care benefits after nine years. The trend assumption for post-65 benefits begins at 5.5 percent and decreases to a 4.75 percent long-term trend rate after nine years. The drug benefits assumption begins at 6.75 percent and decreases to a 4.75 percent long-term trend rate. Additionally, a trend starting at 5 percent per year and decreasing to 4.75 percent after nine years was assumed for the Employer Group Waiver Plan (EGWP) benefits. Other actuarial assumptions include a salary growth rate of 3 percent, an inflation rate of 2.75 percent and a discount rate of 3.155 percent that was the average short-term investment pool rate for the past 20 years at the time of the valuation.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Examples include assumptions about employment, mortality and healthcare cost trends. Actuarial valuations are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Business-type Activities

The State, on behalf of SUNY, provides health insurance coverage for eligible retired SUNY employees and their spouses as part of the New York State Health Insurance Plan (NYSHIP). Employee contribution rates for NYSHIP are established by the State and are generally 12 percent (ranging from 12 to 16 percent) for enrollee coverage, and 27 percent (ranging from 27 to 31 percent) for dependent coverage. The frozen entry age actuarial cost method is used to determine the annual required contribution amounts and the annual net OPEB obligation. The actuarial assumptions include a 3.2 percent discount rate, salary growth rate of 3 percent, an inflation rate of 2.75 percent, and an annual healthcare cost trend rate for medical coverage of 8.25 percent initially, reduced by decrements to a rate of 4.75 percent after 7 years.

SUNY's annual OPEB costs and changes in net OPEB obligations for the year ended June 30, 2015 are as follows (amounts in millions):

Annual required contribution	$ 940
Interest on net OPEB obligation at beginning of year	127
Adjustment to annual required contribution	(141)
Annual OPEB cost	**926**
Contributions made	(264)
Increase in OPEB obligation	662
Net obligation at beginning of year	4,018
Net obligation at end of year	**$ 4,680**
Actuarial accrued liability (AAL) April 1, 2014	$ 14,427
Funded OPEB plan assets	—
Unfunded actuarial accrued liability (UAAL) April 1, 2014	**$ 14,427**
Funded ratio	— %
Covered payroll	$ 3,337
UAAL as percentage of covered payroll	432.3%

The SUNY Research Foundation, a blended component unit of SUNY, is not included in the numbers reported above. The SUNY Research Foundation reports other postemployment benefits in accordance with the Accounting Standards Codification (ASC) Topic 715, *Compensation—Retirement Benefits*. SUNY's other postemployment benefits liability reported in the Statement of Net Position, Enterprise Funds ($4.9 billion), includes SUNY's net obligation above ($4.7 billion), and the net obligation of the SUNY Research Foundation's plan as of June 30, 2015 ($191 million).

SUNY's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for SUNY's three most recent fiscal years were as follows (amounts in millions):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Paid	Net OPEB Obligation
06/30/15	$ 926	28.51%	$ 4,680
06/30/14	$ 719	35.05%	$ 4,018
06/30/13	$ 716	34.08%	$ 3,551

CUNY retirees receive retiree healthcare benefits through the New York City Health Benefits Program, which is a single-employer defined benefit healthcare plan. The program covers individuals who receive pensions from one of the following three pension plans within the New York City Retirement System (NYCRS): New York City Employees' Retirement System; New York City Teachers' Retirement System; and New York City Board of Education Retirement System. New York City pays for the coverage (Basic Coverage and Welfare Fund contributions) for retirees in NYCRS who retired from community colleges. For the June 30, 2014 valuation, the entry age actuarial cost method was used to determine the annual required contribution amounts and the annual net OPEB obligation. The actuarial assumptions include a 4 percent discount rate, payroll growth rate of 3 percent, and an annual healthcare cost trend rate for medical coverage of 9.5 percent initially, reduced to a rate of 5 percent by 2023.

CUNY's annual OPEB costs and changes in net OPEB obligations for the year ended June 30, 2015 are as follows (amounts in millions):

Annual required contribution	$ 120
Interest on net OPEB obligation at beginning of year	21
Adjustment to annual required contribution	(21)
Annual OPEB cost	**120**
Contributions made	(29)
Increase in OPEB obligation	91
Net obligation at beginning of year	523
Net obligation at end of year	**$ 614**
Actuarial accrued liability (AAL) June 30, 2014	$ 1,124
Funded OPEB plan assets	—
Unfunded actuarial accrued liability (UAAL) June 30, 2014	**$ 1,124**
Funded ratio	— %
Covered payroll	$ 1,020
UAAL as percentage of covered payroll	110.2%

The CUNY Research Foundation, a blended component unit of the CUNY Senior Colleges, reports other postemployment benefits in accordance with ASC Topic 715, *Compensation—Retirement Benefits*. CUNY Senior Colleges' other postemployment benefits liability reported in the Statement of Net Position, Enterprise Funds ($615 million), includes the CUNY Senior Colleges' net obligation above ($614 million), and the funded status of the CUNY Research Foundation's plan as of June 30, 2015 ($0.5 million).

CUNY's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for CUNY's three most recent fiscal years were as follows (amounts in millions):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Paid	Net OPEB Obligation
06/30/15	$ 120	24.17%	$ 614
06/30/14	$ 100	33.00%	$ 523
06/30/13	$ 99	34.34%	$ 456

Note 14 Discretely Presented Component Units—Public Benefit Corporations

Discretely presented component units—public benefit corporations (Corporations), as defined in Note 1, are legally separate entities that are not operating departments of the State. The Corporations are managed independently, outside the appropriated budget process, and their powers generally are vested in a governing board. Corporations are established for the benefit of the State's citizenry for a variety of purposes such as economic development, financing and public transportation. They are not subject to State constitutional restrictions on the incurrence of debt, which apply to the State itself, and may issue bonds and notes within legislatively authorized amounts.

Corporations are generally supported by revenues derived from their activities, although the State has provided financial assistance, in some cases of a recurring nature, to certain Corporations for operating and other expenses. Financial assistance in the form of appropriated loans, contributed capital or operating subsidies for certain Corporations, principally the Metropolitan Transportation Authority, the Roswell Park Cancer Institute, and the Urban Development Corporation, was provided in the fiscal year ended March 31, 2016 and such assistance is expected to be required in future years. Accordingly, the fiscal condition of the State is related to the fiscal stability of the Corporations.

Thirty-six of the 42 entities listed below are discretely presented component units of the State because the Governor, with the approval of the State Senate, appoints the voting majority of the boards of directors of these corporations, and the State is able to impose its will on the corporations and/or has a financial benefit or burden relationship with the corporations. The Governor does not have substantive appointment authority over the board of directors of the Rochester-Genesee Regional Transportation Authority. However, it is a discretely presented component unit because it is fiscally dependent upon, and has a financial benefit or burden relationship with the State. Health Research, Inc., Metropolitan Transportation Authority, Research Foundation for Mental Hygiene, Inc., State University of New York Foundations and Auxiliary Corporations, and City University of New York–Senior

College Supporting Organizations are included as component units of the State because the nature and significance of their relationships with the State are such that it would be misleading to exclude them.

The amounts presented in the accompanying basic financial statements for the Corporations include the following entities for the fiscal years indicated:

Entities Audited by KPMG LLP:	**Fiscal Year-End**
City University of New York—Senior College Supporting Organizations	June 30, 2015***
Dormitory Authority of the State of New York	March 31, 2016*
Long Island Power Authority	December 31, 2015*
New York Racing Association, Inc	December 31, 2015*
New York State Energy Research and Development Authority	March 31, 2016*
New York State Environmental Facilities Corporation	March 31, 2016*
New York State Higher Education Services Corporation	March 31, 2016*
Power Authority of the State of New York	December 31, 2015*
State University of New York Foundations and Auxiliary Corporations	June 30, 2015**

Entities Audited by Other Auditors:	**Fiscal Year-End**
Aggregate Trust Fund	December 31, 2015
Agriculture and New York State Horse Breeding Development Fund Corporation	December 31, 2015*
Albany Convention Center Authority	December 31, 2015*
Capital District Transportation Authority	March 31, 2016*
Central New York Regional Transportation Authority	March 31, 2016*
Health Research, Inc.	March 31, 2016*
Homeless Housing and Assistance Corporation	March 31, 2016*
Housing Trust Fund Corporation	March 31, 2016*
Hudson River-Black River Regulating District	June 30, 2015*
Hugh L. Carey Battery Park City Authority	October 31, 2015*
Metropolitan Transportation Authority (MTA)	December 31, 2015*
Metro-North Commuter Railroad Company	December 31, 2015
The Long Island Rail Road Company	December 31, 2015
Triborough Bridge and Tunnel Authority	December 31, 2015
New York City Transit Authority	December 31, 2015
Staten Island Rapid Transit Operating Authority	December 31, 2015
MTA Capital Construction Company	December 31, 2015
MTA Bus Company	December 31, 2015
First Mutual Transportation Assurance Company	December 31, 2015
Municipal Bond Bank Agency	October 31, 2015*
Natural Heritage Trust	March 31, 2016*
Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation	March 31, 2016*
New York Convention Center Operating Corporation	March 31, 2016
New York State Affordable Housing Corporation	March 31, 2016*
New York State Bridge Authority	December 31, 2015*
New York State Health Foundation	December 31, 2015
New York State Housing Finance Agency	October 31, 2015*
New York State Job Development Authority	March 31, 2016*
New York State Olympic Regional Development Authority	March 31, 2016*
New York State Thoroughbred Breeding and Development Fund Corporation	December 31, 2015*
New York State Thruway Authority	December 31, 2015*
Niagara Frontier Transportation Authority	March 31, 2016*
Ogdensburg Bridge and Port Authority	March 31, 2016*
Port of Oswego Authority	March 31, 2016*
Research Foundation for Mental Hygiene, Inc.	March 31, 2016*
Rochester-Genesee Regional Transportation Authority	March 31, 2016*
Roosevelt Island Operating Corporation	March 31, 2016*
Roswell Park Cancer Institute	March 31, 2016*
State Insurance Fund	December 31, 2015
State of New York Mortgage Agency	October 31, 2015*
Urban Development Corporation	March 31, 2016*

**Audit conducted in accordance with* Government Auditing Standards *as promulgated by the Comptroller General of the United States.*

***KPMG LLP audited 36 percent of the total assets and 13 percent of the total revenues of the State University of New York Foundations and Auxiliary Corporations. The remaining balances were audited by other auditors.*

****KPMG LLP audited 4 percent of the total assets and 34 percent of the total revenues of the City University of New York—Senior College Supporting Organizations. The remaining balances were audited by other auditors.*

Financial Information

Substantially all of the financial data for the Corporations was derived from audited annual financial statements and summarized into the combining statement format in the basic financial statements. Ten of the 42 discrete entities presented comprise 94 percent of the combined assets and 79 percent of the combined program revenues (before eliminations). The remaining portion of this note contains a brief description of the operations of the ten major discretely presented component units. A presentation of their accounts is included in the Combining Statement of Net Position and the Combining Statement of Activities. Additional information about each of the Corporations can be obtained by contacting the Corporations directly and requesting a copy of their annual financial reports, or by visiting their websites.

Certain Corporations issue revenue bonds for independent third-party entities to provide funding for the projects of those third parties. These bonds are considered conduit debt and are secured by payments made by third party entities and in some cases certain other pledged funds. These bonds do not constitute a debt or pledge of the faith and credit of the Corporations or the State. DASNY, the New York State Housing Finance Agency (HFA), the Environmental Facilities Corporation (EFC), the New York State Energy Research and Development Authority (NYSERDA) and the New York Job Development Authority (JDA) have issued conduit debt and have elected different, but permissible, methods of accounting for it under GAAP. DASNY has elected to report conduit debt and related assets on its Statement of Net Position. At March 31, 2016, the liability DASNY reported for such debt was approximately $19.4 billion. HFA reports conduit debt and related assets on its Statement of Net Position. At October 31, 2015, the liability HFA reported for such debt was approximately $11.4 billion. At March 31, 2016, EFC's Statement of Net Position did not include $130 million in bonds it issued for certain private companies. NYSERDA has issued conduit debt for participating gas and electric utility companies and other private purpose users, the principal of which totaled approximately $3 billion at March 31, 2016, which is not included on NYSERDA's Statement of Net Position. Local Development Corporations that are blended component units of JDA have issued conduit debt which is not included on JDA's combined Statement of Net Position. At March 31, 2016, the principal on these bonds totaled approximately $6.8 billion.

Power Authority

The Power Authority of the State of New York (NYPA) was created in 1931 to help provide a continuous adequate supply of dependable electric power and energy to the people of the State. NYPA generates, transmits, and sells electric power and energy principally at wholesale to various customers including private and municipal utilities. Three of NYPA's largest facilities are the Niagara Power Project at Lewiston, the Blenheim-Gilboa Pumped Storage Power Project at Blenheim and Gilboa and the St. Lawrence-Franklin D. Roosevelt Power Project at Massena. These hydroelectric facilities have the capability of producing 2,682,000, 1,169,200 and 820,800 kilowatts, respectively.

NYPA has loaned approximately $279 million of reserves to the State treasury. The State has recorded a corresponding liability in its financial statements. The individual financial statements of NYPA are available on the web at *www.nypa.gov*.

Housing Finance Agency

Housing Finance Agency (HFA) was created as a public benefit corporation in 1960 under Article III of the Private Housing Finance Law. HFA is empowered to finance or contract for the financing of the construction, acquisition, or refinancing of loans for: low-to-moderate income housing; municipal health facilities; non-profit health care facilities; community related facilities; and to provide funds to repay the State for amounts advanced to finance the cost of various housing assistance programs. HFA, through its Capital Grant Low Rent Assistance Program, rents housing to low and middle income persons and families. HFA also participates in Federal housing assistance programs which provide interest reduction and rental assistance subsidies to eligible projects and tenants. HFA administers the State's Housing Project Repair and Infrastructure Trust Fund Programs.

To finance low income housing, HFA raises funds through the issuance of municipal securities and the making of mortgage loans to eligible borrowers. HFA is authorized to issue bonds in the amount of approximately $21.8 billion to finance housing projects, and approximately $3.1 billion in Service Contract Obligation Revenue Bonds, Service Contract Revenue Bonds and Personal Income Tax Revenue Bonds. Total bond indebtedness reported as of October 31, 2015 is approximately $13.8 billion. Individual financial statements can be obtained by contacting HFA at *www.nyshcr.org*.

Thruway Authority

The New York State Thruway Authority (NYSTA) was created as a public benefit corporation by the State Legislature in 1950 with powers to construct, operate and maintain a Thruway system. In 1991, the Legislature empowered NYSTA to issue Local Highway and Bridge Service Contract (LHB) Bonds to provide funds to municipalities throughout the State for qualifying capital expenditures under State programs. In August 1992, the Legislature created the New York State Canal Corporation (NYSCC) as a subsidiary corporation of NYSTA to accept jurisdiction and control over the State Canal System from the State. New legislation transfers the NYSCC to the Power Authority of the State of New York (NYPA) effective January 1, 2017. A transition period during which NYPA is financially responsible for NYSCC is currently under way. In 1993, the Legislature authorized NYSTA to issue Highway and Bridge Trust Fund (HBTF) Bonds to reimburse the State for expenditures made by the State's Department of Transportation in connection with the State's multi-year Highway and Bridge Capital Program. In 2001, the Legislature authorized NYSTA to issue Personal Income Tax (PIT) Revenue Bonds to provide funds to municipalities and other project sponsors throughout the State for qualifying local highway, bridge and multi-modal capital project expenditures under established State programs.

The financial position of and activities relating to the special bond programs (LHB, HBTF and PIT) are reported within the funds of the State, rather than under the NYSTA, because these special bond programs are not separate legal entities but are considered funds of the State. Columns headed "Thruway Authority" reflect the operations of the Thruway system and the NYSCC.

As part of the 2015-16 enacted budget, the State of New York created a $1.285 billion Thruway Stabilization Program to partially fund the New NY Bridge, as well as other Thruway capital projects. In 2015, the State of New York contributed $540.8 million for the construction of the New NY Bridge.

Individual financial statements can be obtained by contacting NYSTA at *www.thruway.ny.gov*.

Metropolitan Transportation Authority

The Metropolitan Transportation Authority (MTA) was created in 1965 to continue, develop and improve public transportation and to develop and implement a unified public transportation policy in the New York City metropolitan area. The accounts presented as the MTA are the combined accounts of its headquarters and eight affiliates and subsidiaries. The MTA operates the largest transit and commuter rail transportation system in North America and one of the largest in the world. The MTA is dependent upon the State for a portion of its revenues. During the MTA fiscal year ended December 31, 2015, the MTA reported $4.3 billion in payments from the State. A significant portion of that aid was in payments from the State's Mass Transportation Operating Assistance Fund, a Special Revenue Fund, which derives a major portion of its receipts from taxes imposed in the Metropolitan Transportation District for this purpose. Another significant portion of that aid came from the Metropolitan Commuter Transportation Mobility Tax enacted in 2009, which is a tax imposed on certain employers and self-employed individuals engaging in business within the Metropolitan Transportation District. The State also provides funding to pay the debt service on State Service Contract bonds issued by the MTA for its capital projects. At December 31, 2015, $218 million of MTA State Service Contract bonds remain outstanding. Capital assets acquired prior to April 1982 for the New York City Transit Authority (NYCTA) were funded primarily by New York City through capital grants. New York City has title to a substantial portion of such assets, which are not included among the assets reported under MTA. In certain instances, title to real property used by the Triborough Bridge and Tunnel Authority (TBTA) may revert to New York City in the event TBTA determines it is not needed for corporate purposes. The Federal government has a contingent equity interest in assets acquired by the MTA with Federal funds, and upon disposal of such assets, the Federal government may have a right to its share of the proceeds from the sale. Individual financial statements can be obtained by contacting MTA at *www.mta.info*.

Dormitory Authority

The Dormitory Authority of the State of New York (DASNY) is a public benefit corporation established in 1944. DASNY's purpose is to finance, design, construct, purchase, reconstruct and/or rehabilitate buildings (projects) for use by public and private educational, healthcare, and other not-for-profit institutions (institutions) located within the State, certain State agencies, local school districts, and cities and counties with respect to certain court and municipal facilities.

DASNY's outstanding bonds and notes of $47.3 billion consist mainly of debt issued for New York State agency projects ($13.1 billion), SUNY projects ($10.9 billion), independent institutions ($10 billion), health care facilities ($4.9 billion) and CUNY projects ($4.8 billion). The remaining debt was issued for projects for municipal facilities. The financial statements of DASNY can be obtained at *www.dasny.org*.

Long Island Power Authority

The Long Island Power Authority (LIPA) was established in 1985 as a corporate municipal instrumentality of the State. On May 28, 1998, the LIPA Acquisition Corporation, a wholly-owned subsidiary of LIPA, was merged with and into the Long Island Lighting Company (LILCO) pursuant to an Agreement and Plan of Merger dated as of June 26, 1997. LIPA financed the cost of the merger and the refinancing of certain of LILCO's outstanding debt by the issuance of $6.7 billion aggregate principal amount of Electric System General Revenue Bonds and Electric System Subordinated Revenue Bonds. In addition, LIPA assumed $1.2 billion of LILCO's General and Refunding Bonds which were defeased immediately upon the closing of the merger. The excess of the acquisition costs over the fair value of net position acquired ($3.5 billion) has been reported as an "intangible asset," which is being amortized through 2026.

Chapter 173 of the Laws of 2013 established the Utility Debt Securitization Authority (UDSA) for the sole purpose of retiring certain outstanding indebtedness of LIPA through the issuance of restructuring bonds by UDSA. In accordance with GASBS No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, UDSA is considered a blended component unit of LIPA. On March 30, 2015, the Securitization Law was amended allowing for a total issuance of up to $4.5 billion of UDSA restructuring bonds, inclusive of the $2.0 billion of restructuring bonds issued in December 2013. On October 15, 2015, the UDSA issued $1.0 billion Series 2015 Restructuring Bonds, thereby creating $128 million of net present value savings.

LIPA, as owner of the transmission and distribution (T&D) system located in Nassau, Suffolk and a small portion of Queens counties, is responsible for supplying electricity to customers in the service area. Under a contract starting January 1, 2014, responsibility for major operational and policy-making services for the T&D system effectively shifted from LIPA to PSEG Long Island LLC for a period of twelve years. Individual financial statements can be obtained by contacting LIPA at *www.lipower.org*.

Urban Development Corporation

The New York State Urban Development Corporation (UDC) was established by legislative act in 1968 as a corporate governmental agency of the State. UDC conducts business as Empire State Development Corporation. UDC is engaged in various activities for the State, three of which are: promoting economic development and job creation; financing special projects throughout the State with revenue bonds; and marketing the State as a great place to do business and as a vacation destination.

UDC is the State's primary agent for economic development and works in partnership with the public and private sectors to create an environment that spurs innovation and economic development while enhancing the State's competitive advantage as the world capital for many industries, ranging from finance and media to technology and agriculture.

UDC continues its efforts to foster economic development through the State. Its mission is to promote a vigorous and growing State economy, encourage business investment and job creation, and support diverse, prosperous local economies across the State through efficient use of loans, grants, tax credits, real estate development, marketing and other forms of financial assistance. Financial assistance is provided primarily through State appropriated funds received by the UDC and State supported bonds issued by UDC which are disbursed to projects.

UDC continues to administer and manage a robust communications, marketing and tourism campaign. The campaign is committed to growing the tourism industry, creating jobs, increasing the number of visitors to the State and demonstrating to businesses that New York is the place to invest and grow. UDC is also the administrative agency for the New York State Film Tax Credit Program, which is designed to increase the film production and post-production industry presence in and overall economic benefits to the State. The financial statements of the UDC are available at *www.esd.ny.gov*.

State Insurance Fund

The State Insurance Fund (SIF) was created in 1914 and comprises the Workers' Compensation Fund and the Disability Benefits Fund and is primarily engaged in providing workers' compensation and disability benefit insurance for employers in the State of New York.

During previous fiscal years, the SIF transferred approximately $1.3 billion to the State's General Fund and Other Governmental Funds. The statutes authorizing these transfers required that the State appropriate amounts annually for the potential repayment of the transfers. Such repayment is required only to maintain the solvency, as defined, of the Workers' Compensation Fund. The entire receivable and equity related to these transfers were eliminated from the presentation of the SIF, resulting in a fund balance of approximately $2.8 billion.

The SIF's financial statements are prepared in conformity with the accounting practices prescribed by the New York State Department of Financial Services, which is a comprehensive basis of accounting other than the accounting principles generally accepted in the United States of America. A complete list of departures from GAAP is disclosed in the SIF's financial statements, which may be obtained from *ww3.nysif.com*.

State of New York Mortgage Agency

The State of New York Mortgage Agency (SONYMA) was established in 1970 and makes mortgages available to first-time and other qualifying home buyers through its Low Interest Rate Program and other specialized home ownership programs. To accomplish this purpose, SONYMA issues tax-exempt and taxable mortgage revenue bonds for direct issuance of forward commitments for new mortgage loans through participating financial institutions. SONYMA also provides mortgage insurance for qualifying real property loans through its Mortgage Insurance Program. By statute, all costs of providing mortgage insurance are recovered from a State mortgage recording tax surcharge, which is a dedicated tax revenue stream received directly by SONYMA. In April 2009, SONYMA's statutory authority to purchase education loans was updated and expanded in order to permit the Agency to work with the New York State Higher Education Services Corporation in developing a new program to offer education loans to eligible students attending colleges and universities in New York State. Financial statements can be obtained by contacting SONYMA at *www.nyshcr.org*.

Environmental Facilities Corporation

The New York State Environmental Facilities Corporation (EFC) is a public benefit corporation, formed in 1970 pursuant to the New York State Environmental Facilities Corporation Act. The mission of EFC is to provide low-cost capital and expert technical assistance for environmental projects in New York State. Its purpose is to help public and private entities comply with Federal and State environmental protection and quality requirements in a cost effective manner that advances sustainable growth. EFC promotes innovative technologies and practices in all corporate programs. EFC is governed by a board of directors, which consists of seven members.

The services offered by EFC include: providing low-cost capital for both water quality protection and water supply projects through the Clean Water and Drinking Water State Revolving Funds; helping municipalities, businesses, and State agencies understand and comply with environmental laws and regulations through the Technical Advisory Services Program, including protecting the New York City Watershed; and providing low-cost capital and other financial assistance to New York businesses for environmental protection projects through the Industrial Finance program. The complete audited financial statements and related notes as well as additional information regarding EFC can be obtained by visiting EFC at *www.efc.ny.gov*.

Eliminations

Eliminations are made primarily to avoid duplicate reporting. As explained in Note 7, the State services a significant portion of the bonds and notes payable of certain Corporations.

Note 15 Joint Ventures

A joint venture is an entity that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain an ongoing financial interest or an ongoing financial responsibility. The only material joint venture in which the State has an interest is the Port Authority of New York and New Jersey (Port Authority).

The Port Authority is a municipal corporate instrumentality of the States of New York and New Jersey created by compact between the two states in 1921 with the consent of the Congress of the United States. The Port Authority is authorized and directed to plan, develop, and operate terminals and other facilities of transportation and commerce, and to advance projects in the general fields of transportation, economic development, and world trade that contribute to promoting and protecting the commerce and economy of the port district, defined in the compact, which comprises an area of about 1,500 square miles in both states, centering around New York Harbor.

The Governor of each state appoints six of the twelve members of the governing Board of Commissioners, subject to confirmation by the respective state senate. Governors have from time to time exercised their statutory power to veto the actions of the commissioners from their states.

The commissioners serve six-year overlapping terms as public officials without compensation. They establish Port Authority policy, appoint an Executive Director to implement it, and appoint a General Counsel to act as legal advisor to the Board and to the Executive Director.

The compact envisions the Port Authority as being financially self-sustaining and, as such, it must obtain the funds necessary for the construction or acquisition of facilities upon the basis of its own credit. The Port Authority has the power neither to pledge the credit of either state or any municipality nor the authority to levy taxes or assessments.

The liabilities of the Port Authority include $21.8 billion of consolidated bonds. Consolidated bonds and notes are equally and ratably secured by a pledge of the net revenues of all existing facilities and any additional facilities which may be financed in whole or in part through the medium of consolidated bonds and notes.

The Port Authority's Comprehensive Annual Financial Report is available from the Marketing and Comptroller's Departments of the Port Authority of New York and New Jersey, 4 World Trade Center, 150 Greenwich Street—23rd Floor, New York, NY 10007, or the Port Authority website at *www.panynj.gov*.

Consolidated financial statements of the Port Authority for the fiscal year ended December 31, 2015 disclosed the following (amounts in millions):

Financial Position

Total assets	$ 44,348
Total deferred outflows of resources	253
Total liabilities	(29,042)
Total deferred inflows of resources	(29)
Net position	**$ 15,530**

Operating Results

Operating revenues	$ 4,827
Operating expenses	(2,901)
Depreciation and amortization	(1,189)
Income from operations	**737**
Passenger facility charges	249
Financial income (expense), net	(842)
Contribution in aid of construction and grants	636
Increase in net position	**$ 780**

Changes in Net Position

Balance at January 1, 2015, as restated	$ 14,750
Increase in net position	780
Balance at December 31, 2015	**$ 15,530**

Note 16 Subsequent Events

Financing Arrangements Issued

The Statement of Net Position presents bonds and other financing arrangements and collateralized borrowings outstanding as of the statement date, which is March 31, 2016 except for business-type activities related to SUNY and CUNY Enterprise Funds reported as of June 30, 2015. Subsequent to those dates, the following bonds and other financing arrangements and collateralized borrowings were issued (amounts in millions):

BONDS AND OTHER FINANCING ARRANGEMENTS ISSUED SUBSEQUENT TO DATE OF THE STATEMENT OF NET POSITION

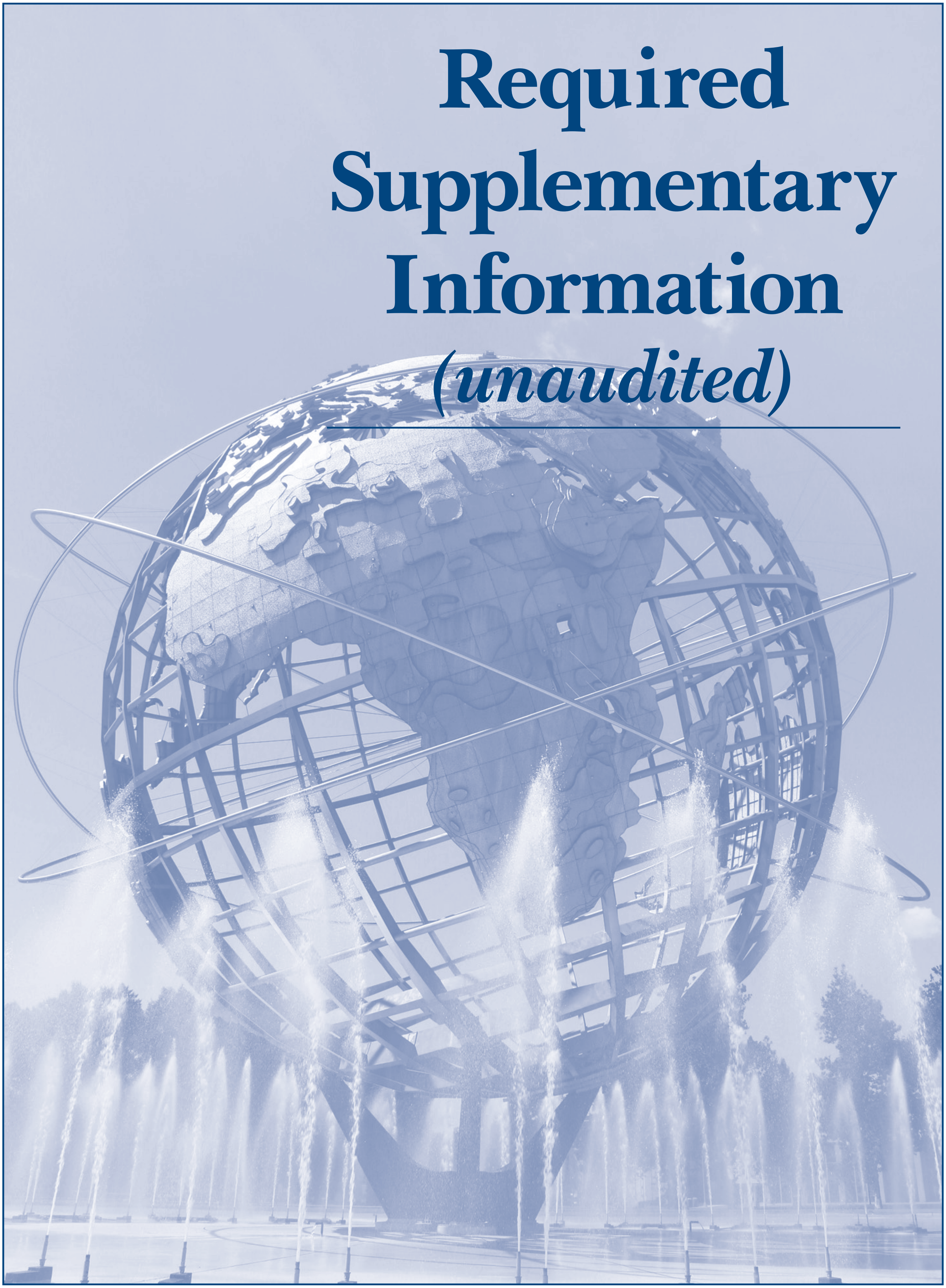
Issuer	Purpose	Date	Series	Par Amount
Dormitory Authority	CUNY Senior Colleges, Refunding	9/11/2015	Personal Income Tax, Series 2015E	$ 96
Dormitory Authority	SUNY Educational Facilities, Refunding	9/11/2015	Personal Income Tax, Series 2015E	$409
Dormitory Authority	CUNY Senior Colleges	10/22/2015	Sales Tax, Series 2015B	$207

COLLATERALIZED BORROWINGS SUBSEQUENT TO DATE OF THE STATEMENT OF NET POSITION

Issuer	Purpose	Date	Series	Par Amount
Dormitory Authority	SUNY Dormitory Facilities	12/16/2015	Revenue Bonds, Series 2015B	$159
Dormitory Authority	SUNY Dormitory Facilities, Refunding	12/16/2015	Revenue Bonds, Series 2015B	$127

Required Supplementary Information

(unaudited)



Budgetary Basis—Financial Plan and Actual—Combined Schedule of Cash Receipts and Disbursements

MAJOR FUNDS—GENERAL FUND AND FEDERAL SPECIAL REVENUE FUND

Year Ended March 31, 2016

(Amounts in millions) (Unaudited)

	General			
	Financial Plan Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
RECEIPTS:				
Taxes	$ 45,780	$ 46,432	$ 45,963	$ (469)
Miscellaneous	4,365	5,820	5,842	22
Federal grants	—	—	—	—
Total receipts	**50,145**	**52,252**	**51,805**	**(447)**
DISBURSEMENTS:				
Local assistance grants	44,356	44,153	43,314	839
State operations(1)	8,263	8,222	7,955	267
General State charges(1)	5,195	5,188	5,397	(209)
Total disbursements	**57,814**	**57,563**	**56,666**	**897**
Excess (deficiency) of receipts over disbursements	**(7,669)**	**(5,311)**	**(4,861)**	**450**
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	18,140	18,042	17,871	(171)
Transfers to other funds	(14,276)	(15,020)	(11,375)	3,645
Net other financing sources (uses)	**3,864**	**3,022**	**6,496**	**3,474**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ (3,805)**	**$ (2,289)**	**$ 1,635**	**$ 3,924**

Note:

(1) Spending authority has not been exceeded by $209 million in the General Fund and $178 million in the Federal Special Revenue Fund because the Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in spending authority of $209 million approved for General State charges or $178 million approved for State operations through March 31, 2016.

Federal Special Revenue

Financial Plan Amounts Original	 Final	Actual (Budgetary Basis)	Variance with Final Budget
$ —	$ —	$ —	$ —
97	201	191	(10)
49,626	49,778	49,105	(673)
49,723	**49,979**	**49,296**	**(683)**
45,451	45,661	45,163	498
1,830	1,812	1,990	(178)
306	306	287	19
47,587	**47,779**	**47,440**	**339**
2,136	**2,200**	**1,856**	**(344)**
36	36	39	3
(1,678)	(1,560)	(2,025)	(465)
(1,642)	**(1,524)**	**(1,986)**	**(462)**
$ 494	**$ 676**	**$ (130)**	**$ (806)**

NOTES TO BUDGETARY BASIS REPORTING

(unaudited)

Budgetary Basis Reporting

The State Constitution requires the Governor to submit annually to the Legislature an Executive Budget, which contains plans for all funds of expenditures and disbursements for the ensuing fiscal year, as well as all monies and revenues estimated to be available. Bills containing all recommended appropriations or reappropriations and any proposed legislation necessary to provide monies and revenues sufficient to meet such proposed expenditures and disbursements accompany the Executive Budget. Reappropriations are commonly used for federally funded programs and capital projects, where the funding amount is intended to support activities that may span several fiscal years. Budgets are prepared and enacted for all funds. Included in the proposed appropriation bills is a provision for spending authority for unanticipated revenues or unforeseen emergencies in accordance with statutory requirements. The Executive Budget also includes a cash basis financial plan that must be in balance, i.e., disbursements must not exceed available receipts.

The Legislature enacts appropriation bills and revenue measures containing those parts of the Executive Budget it has approved or modified. The Legislature may also enact supplemental appropriation or special appropriation bills after it completes action on the Executive Budget. Further, when the Legislature convenes in January, it may enact deficiency appropriations to meet actual or anticipated obligations not foreseen when the annual budget and any supplemental budgets were enacted and for which the costs would exceed available spending authorizations. It might add to a previously authorized appropriation anticipated to be inadequate, or provide a new appropriation to finance an existing or anticipated liability for which no appropriation exists. A deficiency appropriation usually applies to the fiscal year during which it is made. Pursuant to State law, once the Legislature has completed action on the appropriation and revenue bills and they are approved by the Governor, the cash basis and the GAAP basis financial plans must be revised by the Governor to reflect the impact resulting from changes in appropriations and revenue bills. The cash basis financial plan, which serves as the basis for the administration of the State's finances during the fiscal year, provides a summary of projected receipts, disbursements and fiscal year-end balances. Such plans are updated quarterly throughout the fiscal year by the Governor, and include a comparison of the actual year-to-date results with the latest revised plans, providing an explanation of any major deviations and any significant changes to the financial plans. Projected disbursements are based on agency staffing levels, program caseloads, levels of service needs, formulas contained in State and Federal law, inflation and other factors. All projections account for the timing of payments, since not all the amounts appropriated in the Budget are disbursed in the same fiscal year.

The Statewide Financial System includes controls over expenditures to ensure that the maximum spending authority is not exceeded during the life of the appropriation. Expenditures are controlled at the major account level within each program or project of each State agency in accordance with the underlying appropriation purpose. Encumbrances are not considered a disbursement in the financial plan or an expenditure and expense in the basic financial statements. Generally, appropriations are available for liabilities incurred during the fiscal year. Following the end of the fiscal year, a 'lapse period' is provided to liquidate prior year liabilities. Unless reappropriated, most State operations appropriations cease on June 30th and local assistance, debt service, capital projects and federal fund appropriations cease on September 15th following the end of the fiscal year. Disbursements made during the lapse period from prior year appropriations are included, together with disbursements from new year appropriations, in the subsequent fiscal year's financial plan. Many appropriations enacted are not intended to be used, although required by law. These types of appropriations will generally cause total appropriation authorizations to exceed cash basis financial plan disbursement amounts. Actual disbursements for certain spending categories may exceed financial plan estimates (as reported in the Budgetary Basis—Financial Plan and Actual—Combined Schedule of Cash Receipts and Disbursements) but do not exceed total enacted appropriations authority. Most capital projects, Federal funds and many State operations appropriations are reappropriated each year by the Legislature and therefore the life of such appropriations may be many years. If the budget is not enacted by April 1st, the legislature enacts special emergency appropriations to continue government functions, as was last done in April 2010.

The following presents a reconciliation of the budgetary cash basis operating results as shown in the preceding Budgetary Basis—Financial Plan and Actual Combined Schedule of Cash Receipts and Disbursements (Schedule) with the GAAP-basis operating results reported in the Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds (Statement) (amounts in millions):

	General	Federal Special Revenue
Receipts and other financing sources over / (under) disbursements and other financing uses per Schedule	$ 1,635	$ (130)
Entity differences:		
Receipts and other financing sources over / (under) disbursements and other financing uses for funds and accounts not included in the cash basis financial plan	(732)	20
Perspective differences:		
Receipts and other financing sources over disbursements and other financing uses for funds treated as Special Revenue Funds in the financial plan and part of the General Fund for GAAP reporting	116	—
Temporary interfund cash loans	(492)	220
Basis of accounting differences:		
Revenue accrual adjustments	(1,492)	708
Expenditure accrual adjustments	(13)	(817)
Net Change in Fund Balances	**$ (978)**	**$ 1**

The entity differences relate to the inclusion of certain funds considered to be Proprietary Funds for purposes of the cash basis financial plan. Perspective differences relate to variations in the presentation of the cash basis financial plan fund structure versus GAAP fund structure. A perspective difference for temporary interfund loans occurs when a fund temporarily overdraws its share of the pooled investment funds. These temporary loans are covered by the General Fund's share of the pool. A perspective difference relating to the Infrastructure Trust Fund and Miscellaneous Special Revenue Accounts occurs because these funds are included in the Special Revenue Funds cash basis financial plan while the GAAP basis presentation includes them in the General Fund.

INFRASTRUCTURE ASSETS USING THE MODIFIED APPROACH

(unaudited)

In accordance with GAAP, the State has adopted an alternative method for recording depreciation expense for the State's network of roads and bridges maintained by the Department of Transportation. Under this method, referred to as the modified approach, the State will not report depreciation expense for roads and bridges but will capitalize all costs that add to the capacity and efficiency of State owned roads and bridges. Generally, all maintenance and preservation costs will be expensed and not capitalized.

In order to adopt the modified approach, the State is required to meet the following criteria:

1. Maintain an asset management system that includes a current inventory of eligible infrastructure assets.
2. Conduct condition assessments of eligible assets and summarize the results using a measurement scale.
3. Estimate each year the annual amount necessary to maintain and preserve the eligible assets at the condition level established and disclosed by the State.
4. Document that the assets are being preserved approximately at, or above, the established condition level.

Roads

The State Department of Transportation maintains the Pavement Management System (PMS) which supports a construction program that preserves the State's investment in its roads. The PMS contains locational, operational and historical condition data. The PMS is used to determine the appropriate program for improving the asset condition and to determine future funding levels necessary to meet condition goals. The overall goal is for the State to provide a management system for the State's infrastructure assets in order to provide long-term benefits to the State's citizens.

The State annually conducts an assessment of the pavement condition of the State's road network. Trained technicians rate the condition of the pavement based on surface condition and dominant distress (e.g., cracking, faulting) using a scale of 1 (very poor) to 10 (excellent) based on the prevalence of a surface-related pavement distress. A pavement condition rating (PCR) is assigned to each surface section. The State currently has 42,739 lane miles of roads.

It is the State's intention to maintain the roads at an average PCR between 6.7 and 7.2.

Bridges

The State Department of Transportation maintains the Bridge Management System (BMS) which supports a construction program that preserves the State's investment in its bridges. The BMS is used in planning construction programs and estimating construction costs. The overall goal is for the State to provide a management system for the State's infrastructure assets in order to provide long-term benefits to the State's citizens.

The State conducts biennial inspections of all bridges in the State. The State uses a numerical inspection condition rating scale ranging from 1 (minimum) to 7 (maximum). During each general inspection, various components or elements of each bridge span are rated by the inspector as to the extent of deterioration, as well as the component's ability to function structurally relative to when it was newly designed and constructed. The element rating values are combined using a weighted average formula to compute an overall bridge condition rating value for each bridge. A rating of 6 to 7 is excellent, which indicates that no repairs are necessary. A rating of 3 to 5 is fair to good, which indicates that minor repairs are required. A rating of 1 to 2 is deficient, which indicates major repairs or replacement are necessary. The State has approximately 7,881 bridges.

It is the State's intention to maintain the bridges at an average condition rating level between 5.3 and 5.6.

Pavement and Bridge Condition Summary as of December 31:

Year	Pavement Average Surface Rating	Bridges Average Condition Rating
2015	6.92	5.30
2014	6.99	5.32
2013	6.99	5.34
2012	6.98	5.34
2011	6.87	5.35
2010	6.84	5.37
2009	6.91	5.38
2008	6.93	5.39
2007	6.86	5.41
2006	6.90	5.42

Comparison of Estimated-to-Actual Maintenance/Preservation Costs

Preservation of the roads and bridges is accomplished through construction programs managed by the PMS and BMS. The following presents the State's estimate of costs necessary to preserve and maintain the network of roads and bridges at, or above, the established condition level, compared to the actual costs incurred during fiscal year 2015-2016 (amounts in millions):

Actual Preservation/Maintenance Costs as of March 31:

(Amounts in millions)

	2016	2015	2014	2013	2012
Total roads	$ 1,100	$ 1,256	$ 1,069	$ 1,131	$ 930
Total bridges	250	289	255	201	281
Total	**$ 1,350**	**$ 1,545**	**$ 1,324**	**$ 1,332**	**$ 1,211**

Estimated Preservation/Maintenance Costs as of March 31:

(Amounts in millions)

	2016	2015	2014	2013	2012
Total roads	$ 950	$ 836	$ 764	$ 727	$ 712
Total bridges	414	345	228	146	184
Total	**$ 1,364**	**$ 1,181**	**$ 992**	**$ 873**	**$ 896**

SCHEDULE OF FUNDING PROGRESS

(unaudited)

Other Postemployment Benefits

(Amounts in millions)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Covered Payroll ((b-a)/c)
Governmental Activities:						
April 1, 2014(1)	$ —	$ 63,426	$ 63,426	—%	$ 8,463	749.5%
April 1, 2012(2)	$ —	$ 54,279	$ 54,279	—%	$ 8,597	631.4%
April 1, 2010	$ —	$ 59,668	$ 59,668	—%	$ 8,942	667.3%
Business-type Activities:						
SUNY						
April 1, 2014	$ —	$ 14,427	$ 14,427	—%	$ 3,337	432.3%
April 1, 2012	$ —	$ 13,933	$ 13,933	—%	$ 3,202	435.1%
April 1, 2010	$ —	$ 12,200	$ 12,200	—%	$ 3,141	388.4%
CUNY						
June 30, 2014	$ —	$ 1,124	$ 1,124	—%	$ 1,020	110.2%
June 30, 2013	$ —	$ 1,368	$ 1,368	—%	$ 975	140.3%
June 30, 2012	$ —	$ 1,302	$ 1,302	—%	$ 942	138.2%

(1) AAL and UAAL as of 4/1/2014 were determined using the Society of Actuaries' MP-2014 longevity scale

(2) AAL and UAAL as of 4/1/2012 reflect the State's decision to implement an Employer Group Waiver Plan

See independent auditors' report.

PENSION PLANS

(unaudited)

Schedule of Proportionate Share of the Net Pension Liabilities for the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System

March 31, 2016

(Amounts in millions)

	ERS	PFRS
State's proportion of the net pension liability	44.5%	19%
State's proportionate share of the net pension liability	$ 1,501	$ 52
Covered payroll	$ 10,236	$ 620
State's proportionate share of the net pension liability as a percentage of covered payroll	14.7%	8.5%
Plan's fiduciary net position as a percentage of the total pension liability	98%	99%

Schedule of Employer Contributions for the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System

March 31, 2016

(Amounts in millions)

	ERS	PFRS
Contractually determined contribution	$ 1,816	$ 142
Contributions in relation to the contractually determined contribution	$ 1,478	$ 124
Contribution deficiency	$ 338	$ 18
Covered payroll	$ 10,188	$ 615
Contributions as a percentage of covered payroll	14.5%	20.2%

See independent auditors' report.

Other SUNY-Related Pension Plans
New York State Teachers' Retirement System (TRS)

Schedule of the Proportionate Share of the TRS Net Pension Liability (Asset)

June 30, 2015

(Amounts in millions)

	2015
SUNY's proportion of the net pension liability (asset)	0.7%
SUNY's proportionate share of the net pension liability (asset)	$ (79.6)
Covered payroll	$ 140.7
SUNY's proportionate share of the net pension liability (asset) as a percentage of covered payroll	(56.6)%
Plan's fiduciary net position as a percentage of the total pension liability	111%

Schedule of Employer Contributions for the TRS Plan

June 30, 2015

(Amounts in millions)

	2015
Contractually determined contribution	$ 17.2
Contributions in relation to the contractually determined contribution	$ 17.2
Contribution deficiency	$ —
Covered payroll	$ 145.2
Contributions as a percentage of covered payroll	11.8%

See independent auditors' report.

Upstate Plan

Schedule of Changes in the Net Pension Liability and Related Ratios
June 30, 2015

(Amounts in millions)

Total pension liability:	
Service cost	$ 0.9
Interest	6.0
Changes of assumptions	7.6
Benefit payments	(3.8)
Net change in total pension liability	10.7
Total pension liability, beginning	94.0
Total pension liability, ending (a)	104.7
Plan fiduciary net position:	
Employer contributions	3.0
Net investment income	6.5
Benefit payments	(3.8)
Administrative expenses	(0.2)
Net change in fiduciary net position	5.5
Fiduciary net position, beginning	90.6
Fiduciary net position, ending (b)	96.1
Net pension liability, ending (a)–(b)	$ 8.6
Ratio of fiduciary net position to total pension liability	91.8%
Covered payroll	$ 33.6
Net pension liability as a percentage of covered payroll	25.5%

Upstate Plan

Schedule of Employer Contributions
June 30, 2015

(Amounts in millions)

	2014	2013	2012	2011*
Actuarially determined contribution	$ 1.5	$ 2.6	$ 3.0	$ 1.2
Contributions in relation to the actuarial determined contribution	$ 3.0	$ 2.6	$ 3.0	$ 1.2
Contribution deficiency (excess)	$ (1.5)	$ —	$ —	$ —
Covered payroll	$ 33.6	$ 36.0	$ 16.0	$ 21.9
Contribution as a percentage of covered payroll	9%	7.1%	18.6%	5.4%

**Period from July 7, 2011 through December 31, 2011*

Changes in Assumptions

The actuarial assumptions for the mortality basis used for the January 1, 2014 actuarial valuation were changed from the RP-2000 mortality tables with generational improvements using scale AA to the RP-2014 mortality tables with generational improvements using scale MP-2014.

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The January 1, 2014 actuarial valuation determines the employer rates for contributions payable in 2014. The following actuarial methods and assumptions were used:

Investment rate of return	6.5 percent
Mortality basis	RP-2000 mortality tables with full generational projections using Scale AA and alternative post disability mortality tables
Amortization method	Level dollar, 20 year closed
Remaining amortization period	17.5 period
Asset valuation method	Market value
Inflation	3 percent
Compensation	3.5 percent increases, limited to a maximum of $260,000
Termination	1992 Vaughn Select and Ultimate Table

CUNY Senior College Plans

Schedule of Proportionate Share of the Net Pension Liabilities for the New York City Employees' Retirement System (NYCERS) and the New York City Teachers' Retirement System (NYCTRS)

June 30, 2015

(Amounts in millions)

	NYCERS	NYCTRS
CUNY's proportion of the net pension liability	1.2%	2.5%
CUNY's proportionate share of the net pension liability	$ 247	$ 528
CUNY employee covered payroll	$ 214	$ 175
CUNY's proportionate share of the net pension liability as a percentage of the employee covered payroll	115.4%	301.7%
Plan fiduciary net position as a percentage of the total pension liability	73%	68%

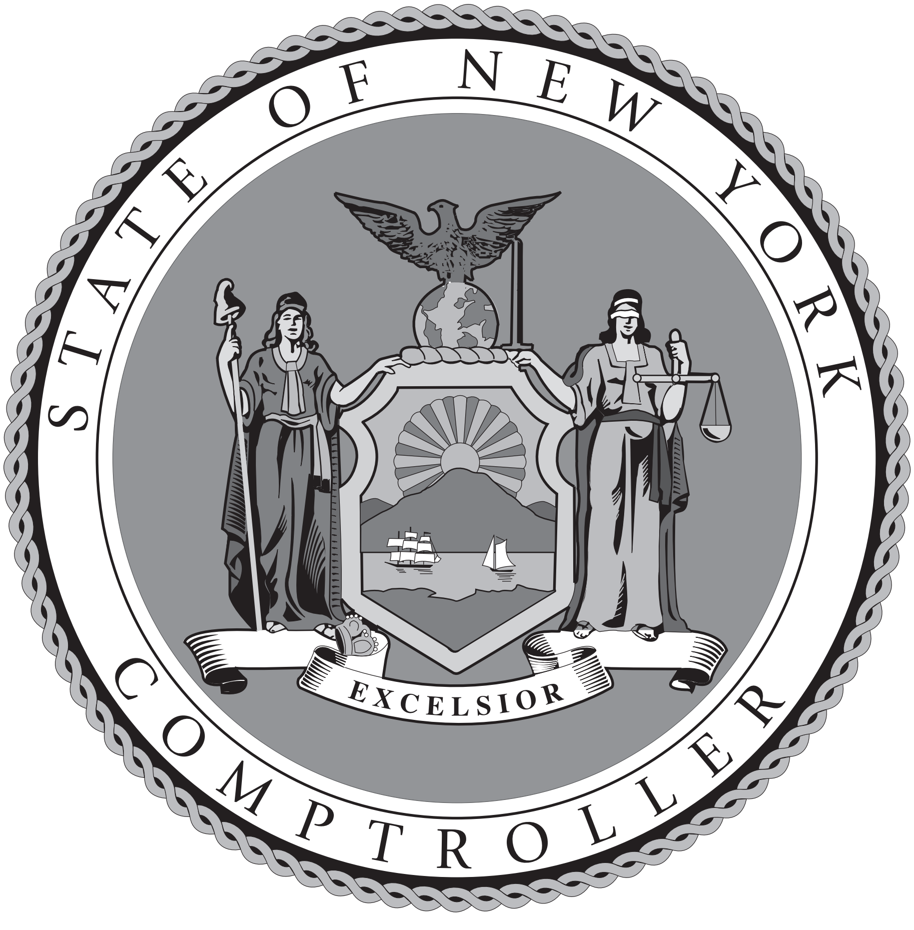
Schedule of Employer Contributions for NYCERS and NYCTRS

June 30, 2015

(Amounts in millions)

	NYCERS	NYCTRS
Contractually required contribution	$ 39	$ 84
Contributions in relation to the contractually required contribution	39	84
Contribution deficiency (excess)	$ —	$ —
University employee covered payroll	214	175
Contributions as a percentage of covered payroll	18%	48%

Other Supplementary Information


STATE OF NEW YORK
COMPTROLLER
EXCELSIOR

General Fund

The General Fund is the most significant of the State's funds. Most tax revenues and certain miscellaneous revenues are recorded in the General Fund.

The General Fund is divided into several accounts. Expenditures in the form of aid to local governments for their general purposes (e.g., State-local revenue sharing) and to school districts and municipalities for certain specific purposes (e.g., education and social services) are made from the Local Assistance account. These payments, often based on specific legislated formulas, are nevertheless limited under the State Constitution to appropriations in force. Expenditures from the Local Assistance account normally comprise approximately 60 percent of General Fund expenditures.

The expenditures of operating the departments of the Executive Branch, the Legislature and the Judiciary, as well as expenditures for general state charges such as contributions to employee retirement systems, are paid primarily from the State Purposes account and normally comprise approximately 40 percent of the General Fund expenditures.

Combining Schedule of Balance Sheet Accounts

GENERAL FUND

March 31, 2016
(Amounts in millions)

	Local Assistance	State Purposes	Tax Stabilization Reserve	Community Projects	Rainy Day
ASSETS:					
Cash and investments	$ 34	$ —	$ 1,258	$ 63	$ 540
Receivables, net of allowance for uncollectibles:					
Taxes	—	10,378	—	—	—
Other	791	174	—	4	—
Due from other funds	1	1,930	—	—	—
Other assets	51	62	—	—	—
Total assets	**$ 877**	**$ 12,544**	**$ 1,258**	**$ 67**	**$ 540**
LIABILITIES:					
Tax refunds payable	$ —	$ 8,194	$ —	$ —	$ —
Accounts payable	—	113	—	—	—
Accrued liabilities	1,490	959	—	—	—
Payable to local governments	2,719	10	—	2	—
Due to other funds	330	2,976	—	—	—
Pension contributions payable	—	321	—	—	—
Unearned revenues	—	110	—	—	—
Total liabilities	**4,539**	**12,683**	**—**	**2**	**—**
DEFERRED INFLOWS OF RESOURCES	**62**	**979**	**—**	**4**	**—**
FUND BALANCES (DEFICITS):					
Committed	—	—	—	—	540
Assigned	258	119	—	61	—
Unassigned	(3,982)	(1,237)	1,258	—	—
Total fund balances (deficits)	**(3,724)**	**(1,118)**	**1,258**	**61**	**540**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 877**	**$ 12,544**	**$ 1,258**	**$ 67**	**$ 540**

Refund Reserve	Fringe Benefit Escrow	Miscellaneous Special	Miscellaneous	Eliminations	Total
$ 6,198	$ —	$ 1,000	$ 45	$ —	**$ 9,138**
—	—	—	—	—	**10,378**
—	—	192	8	—	**1,169**
855	718	24	4	(586)	**2,946**
—	—	—	—	—	**113**
$ 7,053	**$ 718**	**$ 1,216**	**$ 57**	**$ (586)**	**$ 23,744**
$ —	$ —	$ —	$ —	$ —	**$ 8,194**
—	—	4	5	—	**122**
—	—	228	12	—	**2,689**
—	—	33	1	—	**2,765**
—	—	456	135	(586)	**3,311**
—	—	—	—	—	**321**
—	—	88	—	—	**198**
—	**—**	**809**	**153**	**(586)**	**17,600**
—	**—**	**25**	**—**	**—**	**1,070**
498	—	—	34	—	**1,072**
6,555	718	271	144	—	**8,126**
—	—	111	(274)	—	**(4,124)**
7,053	**718**	**382**	**(96)**	**—**	**5,074**
$ 7,053	**$ 718**	**$ 1,216**	**$ 57**	**$ (586)**	**$ 23,744**

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) Accounts

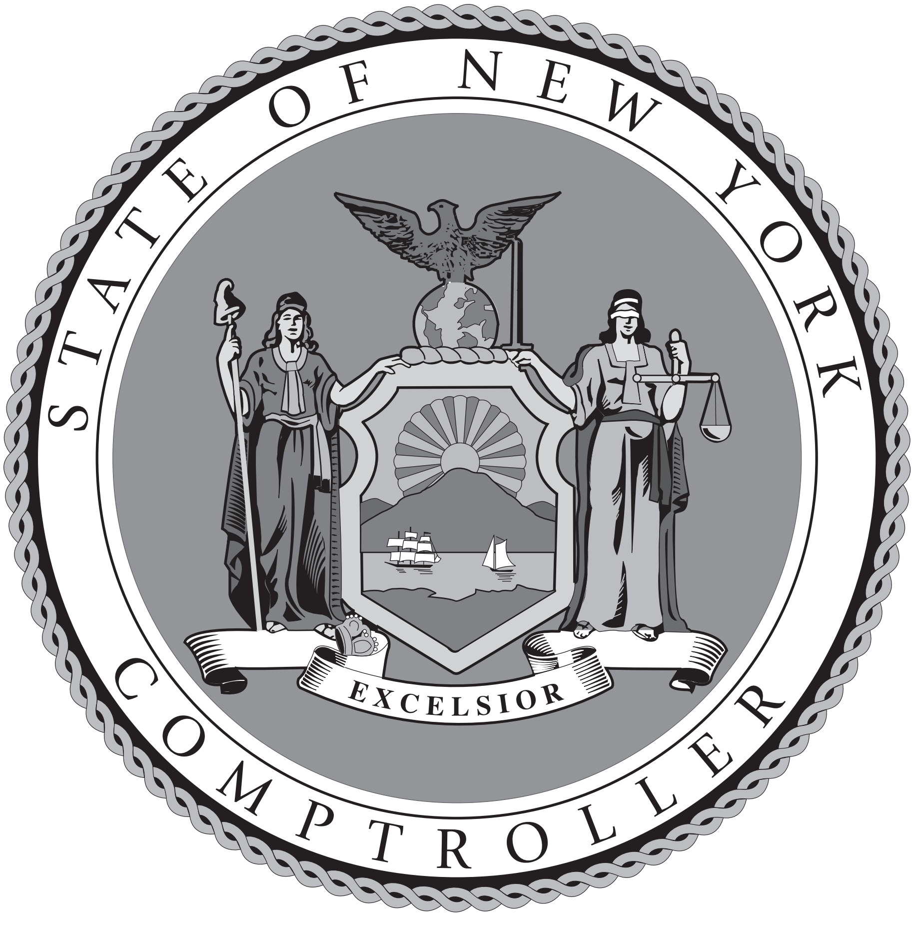
GENERAL FUND

Year Ended March 31, 2016

(Amounts in millions)

	Local Assistance	State Purposes	Tax Stabilization Reserve	Community Projects	Rainy Day
REVENUES:					
Taxes:					
Personal income	$ —	$ 30,431	$ —	$ —	$ —
Consumption and use	—	6,551	—	—	—
Business	—	5,348	—	—	—
Other	—	1,480	—	—	—
Miscellaneous	—	4,246	—	—	—
Total revenues	**—**	**48,056**	**—**	**—**	**—**
EXPENDITURES:					
Local assistance grants:					
Education	24,051	—	—	—	—
Public health	13,759	—	—	—	—
Public welfare	2,948	—	—	—	—
Public safety	134	—	—	—	—
Transportation	109	—	—	—	—
Environment and recreation	7	—	—	—	—
Support and regulate business	112	—	—	1	—
General government	993	—	—	10	—
State operations:					
Personal service	—	6,028	—	—	—
Non-personal service	—	2,170	—	—	—
Pension contributions	—	1,578	—	—	—
Other fringe benefits	—	1,902	—	—	—
Total expenditures	**42,113**	**11,678**	**—**	**11**	**—**
Excess (deficiency) of revenues over expenditures	**(42,113)**	**36,378**	**—**	**(11)**	**—**
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	45,718	23,986	—	1	—
Transfers to other funds	(2,825)	(63,070)	—	—	—
Net other financing sources (uses)	**42,893**	**(39,084)**	**—**	**1**	**—**
Special item—State Insurance Fund reserve release	**—**	**250**	**—**	**—**	**—**
Net change in fund balances	**780**	**(2,456)**	**—**	**(10)**	**—**
Fund balances (deficits) at April 1, 2015	**(4,504)**	**1,338**	**1,258**	**71**	**540**
Fund balances (deficits) at March 31, 2016	**$ (3,724)**	**$ (1,118)**	**$ 1,258**	**$ 61**	**$ 540**

Refund Reserve	Fringe Benefit Escrow	Miscellaneous Special	Miscellaneous	Eliminations	Total
$ —	$ —	$ —	$ —	$ —	**$ 30,431**
—	—	—	—	—	**6,551**
—	—	—	—	—	**5,348**
—	—	—	—	—	**1,480**
—	2,589	1,674	569	(2,214)	**6,864**
—	**2,589**	**1,674**	**569**	**(2,214)**	**50,674**
—	—	2	—	—	**24,053**
—	—	2,303	—	—	**16,062**
—	—	2	—	—	**2,950**
—	—	66	—	—	**200**
—	—	—	—	—	**109**
—	—	5	—	—	**12**
—	—	99	—	—	**212**
—	—	89	—	—	**1,092**
—	—	2,995	93	—	**9,116**
—	119	1,027	395	(548)	**3,163**
—	343	3	—	—	**1,924**
—	2,055	1,525	47	(1,666)	**3,863**
—	**2,517**	**8,116**	**535**	**(2,214)**	**62,756**
—	**72**	**(6,442)**	**34**	**—**	**(12,082)**
7,053	1	5,874	125	(63,075)	**19,683**
(5,407)	—	(524)	(78)	63,075	**(8,829)**
1,646	**1**	**5,350**	**47**	**—**	**10,854**
—	**—**	**—**	**—**	**—**	**250**
1,646	**73**	**(1,092)**	**81**	**—**	**(978)**
5,407	**645**	**1,474**	**(177)**	**—**	**6,052**
$ 7,053	**$ 718**	**$ 382**	**$ (96)**	**$ —**	**$ 5,074**


STATE OF NEW YORK
COMPTROLLER
EXCELSIOR

Federal
Special Revenue Fund

The Federal Special Revenue Fund is a major fund that accounts for most federal revenues and expenditures.

The Federal Special Revenue Fund is divided into several accounts. The Fund accounts for federal grants received by the State that are earmarked for specific programs. The need to satisfy federal accounting and reporting requirements dictates that federal grants be accounted for in a number of separate accounts. These accounts include the Federal USDA—Food and Nutrition Services Account, the Federal Health and Human Services Account, the Federal Education Account, the Federal Operating Grants Account, the Unemployment Insurance Administration Account, the Federal Unemployment Insurance Occupational Training Account, and the Federal Employment and Training Grants Account.

Combining Schedule of Balance Sheet Accounts

FEDERAL SPECIAL REVENUE FUND

March 31, 2016

(Amounts in millions)

	Federal USDA-FNS	Federal DHHS	Federal Education	Federal Operating Grants	Unemployment Insurance Administration
ASSETS:					
Cash and investments	$ 16	$ 373	$ —	$ —	$ 69
Receivables, net of allowance for uncollectibles:					
Due from Federal government	120	4,803	226	1,795	58
Other	16	549	—	4	—
Due from other funds	1	—	—	2	—
Other assets	2	22	3	169	—
Total assets	**$ 155**	**$ 5,747**	**$ 229**	**$ 1,970**	**$ 127**
LIABILITIES:					
Accounts payable	$ —	$ 4	$ 2	$ 7	$ 3
Accrued liabilities	2	2,488	11	9	21
Payable to local governments	94	1,564	196	1,384	—
Due to other funds	38	478	19	387	19
Unearned revenues	3	560	—	183	—
Total liabilities	**137**	**5,094**	**228**	**1,970**	**43**
DEFERRED INFLOWS OF RESOURCES	**4**	**653**	**1**	**—**	**84**
FUND BALANCES:					
Restricted	14	—	—	—	—
Total fund balances	**14**	**—**	**—**	**—**	**—**
Total liabilities, deferred inflows of resources and fund balances	**$ 155**	**$ 5,747**	**$ 229**	**$ 1,970**	**$ 127**

Unemployment Insurance Occupational Training	**Federal Employment and Training Grants**	**Total**
$ 1	$ —	**$ 459**
—	6	**7,008**
—	—	**569**
—	—	**3**
—	—	**196**
$ 1	**$ 6**	**$ 8,235**
$ —	$ —	**$ 16**
—	1	**2,532**
—	—	**3,238**
—	5	**946**
—	—	**746**
—	**6**	**7,478**
1	**—**	**743**
—	—	**14**
—	**—**	**14**
$ 1	**$ 6**	**$ 8,235**

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance Accounts

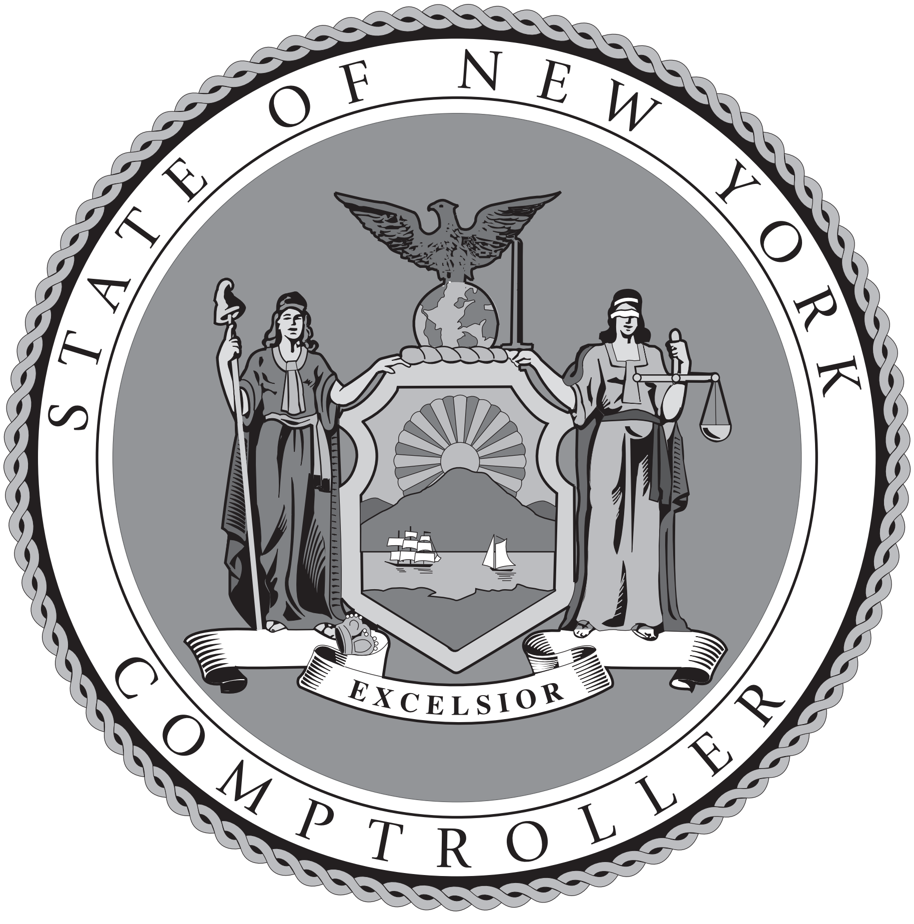
FEDERAL SPECIAL REVENUE FUND

Year Ended March 31, 2016

(Amounts in millions)

	Federal USDA-FNS	Federal DHHS	Federal Education	Federal Operating Grants	Unemployment Insurance Administration
REVENUES:					
Federal grants	$ 7,282	$ 42,367	$ 3,153	$ 2,317	$ 237
Miscellaneous	5	1	—	15	69
Total revenues	**7,287**	**42,368**	**3,153**	**2,332**	**306**
EXPENDITURES:					
Local assistance grants:					
Education	1,073	—	2,849	4	—
Public health	676	34,261	7	15	—
Public welfare	5,453	4,163	—	24	5
Public safety	—	64	—	1,949	—
Transportation	—	—	—	36	—
Environment and recreation	—	—	—	3	—
Support and regulate business	—	—	—	15	—
General government	—	46	—	—	—
State operations:					
Personal service	22	207	96	120	157
Non-personal service	44	611	148	150	42
Pension contributions	3	25	13	13	24
Other fringe benefits	8	59	30	30	57
Total expenditures	**7,279**	**39,436**	**3,143**	**2,359**	**285**
Excess of revenues over expenditures	**8**	**2,932**	**10**	**(27)**	**21**
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	—	—	—	39	—
Transfers to other funds	(7)	(2,932)	(10)	(12)	(21)
Other financing sources (uses)	**(7)**	**(2,932)**	**(10)**	**27**	**(21)**
Net change in fund balances	**1**	**—**	**—**	**—**	**—**
Fund balances at April 1, 2015	**13**	**—**	**—**	**—**	**—**
Fund balances at March 31, 2016	**$ 14**	**$ —**	**$ —**	**$ —**	**$ —**

Unemployment Insurance Occupational Training	Federal Employment and Training Grants	Total
$ 7	$ 178	$ 55,541
—	—	90
7	**178**	**55,631**
—	—	3,926
—	—	34,959
7	144	9,796
—	—	2,013
—	—	36
—	—	3
—	—	15
—	—	46
—	16	618
—	8	1,003
—	2	80
—	7	191
7	**177**	**52,686**
—	**1**	**2,945**
—	—	39
—	(1)	(2,983)
—	**(1)**	**(2,944)**
—	**—**	**1**
—	**—**	**13**
$ —	**$ —**	**$ 14**



STATE OF NEW YORK COMPTROLLER

General Debt Service Fund

The General Debt Service Fund is a major fund that is used to account for the payment of principal and interest on the State's general debt and the payments on certain lease/purchase or other contractual obligations.

The General Debt Service Fund is divided into two accounts. The principal and interest payments for the State's general debt and for certain lease/purchase or other contractual obligations are made from the General Debt Service Account. The principal and interest payments for the Tobacco Settlement Financing Corporation (TSFC) are made from the Tobacco Settlement Financing Corporation Account.

Combining Schedule of Balance Sheet Accounts

GENERAL DEBT SERVICE FUND

March 31, 2016
(Amounts in millions)

	General Debt Service Account	Tobacco Settlement Financing Corporation	Total
ASSETS:			
Cash and investments	$ 1,023	$ 453	**$ 1,476**
Receivables, net of allowance for uncollectibles:			
Taxes	2,947	—	**2,947**
Due from Federal government	4	—	**4**
Other	—	764	**764**
Total assets	**$ 3,974**	**$ 1,217**	**$ 5,191**
LIABILITIES:			
Tax refunds payable	$ 1,945	$ —	**$ 1,945**
Accrued liabilities	9	—	**9**
Payable to local governments	150	—	**150**
Due to other funds	735	—	**735**
Total liabilities	**2,839**	**—**	**2,839**
DEFERRED INFLOWS OF RESOURCES	111	—	**111**
FUND BALANCES:			
Restricted	1,009	1,217	**2,226**
Committed	15	—	**15**
Total fund balances	**1,024**	**1,217**	**2,241**
Total liabilities, deferred inflows of resources and fund balances	**$ 3,974**	**$ 1,217**	**$ 5,191**

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance Accounts

GENERAL DEBT SERVICE FUND

Year Ended March 31, 2016

(Amounts in millions)

	General Debt Service Account	Tobacco Settlement Financing Corporation	Total
REVENUES:			
Taxes:			
Personal income	$ 12,340	$ —	$ 12,340
Consumption and use	3,276	—	3,276
Federal grants	35	—	35
Tobacco settlement	—	763	763
Miscellaneous	1	5	6
Total revenues	**15,652**	**768**	**16,420**
EXPENDITURES:			
Non-personal service	85	—	85
Debt service, including payments on financing arrangements	4,634	445	5,079
Total expenditures	**4,719**	**445**	**5,164**
Excess of revenues over expenditures	**10,933**	**323**	**11,256**
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	2,963	—	2,963
Transfers to other funds	(14,561)	(1)	(14,562)
Refunding debt issued	3,865	—	3,865
Payments to escrow agents for refundings	(4,440)	—	(4,440)
Premiums on bonds issued	608	—	608
Net other financing sources (uses)	**(11,565)**	**(1)**	**(11,566)**
Net change in fund balances	**(632)**	**322**	**(310)**
Fund balances at April 1, 2015	**1,656**	**895**	**2,551**
Fund balances at March 31, 2016	**$ 1,024**	**$ 1,217**	**$ 2,241**

Schedule of Cash Receipts and Disbursements Budgetary Basis—Financial Plan and Actual

GENERAL DEBT SERVICE FUND

Year Ended March 31, 2016

(Amounts in millions)

	Financial Plan	Actual	Variance
RECEIPTS:			
Taxes	$ 14,883	$ 14,885	$ 2
Federal grants	73	73	—
Total receipts	**14,956**	**14,958**	**2**
DISBURSEMENTS:			
State operations	35	28	7
Debt service	4,823	4,970	(147)
Total disbursements	**4,858**	**4,998**	**(140)**
Excess of receipts over disbursements	**10,098**	**9,960**	**(138)**
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	3,045	2,958	(87)
Transfers to other funds	(13,143)	(12,918)	225
Net other financing sources (uses)	**(10,098)**	**(9,960)**	**138**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ —**	**$ —**	**$ —**

Other Governmental Funds

Combining Balance Sheet

OTHER GOVERNMENTAL FUNDS

March 31, 2016
(Amounts in millions)

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS:				
Cash and investments	$ 3,642	$ 763	$ 2,474	**$ 6,879**
Receivables, net of allowance for uncollectibles:				
Taxes	266	228	70	**564**
Due from Federal government	—	—	591	**591**
Other	651	115	281	**1,047**
Due from other funds	544	259	3	**806**
Other assets	9	—	7	**16**
Total assets	**$ 5,112**	**$ 1,365**	**$ 3,426**	**$ 9,903**
LIABILITIES:				
Tax refunds payable	$ 254	$ 32	$ 23	**$ 309**
Accounts payable	3	1	141	**145**
Accrued liabilities	212	16	88	**316**
Payable to local governments	74	—	77	**151**
Due to other funds	129	206	1,245	**1,580**
Unearned revenues	—	5	1	**6**
Total liabilities	**672**	**260**	**1,575**	**2,507**
DEFERRED INFLOWS OF RESOURCES	**96**	**18**	**12**	**126**
FUND BALANCES:				
Restricted	330	602	213	**1,145**
Committed	1,359	483	2,122	**3,964**
Assigned	2,795	2	40	**2,837**
Unassigned	(140)	—	(536)	**(676)**
Total fund balances	**4,344**	**1,087**	**1,839**	**7,270**
Total liabilities, deferred inflows of resources and fund balances	**$ 5,112**	**$ 1,365**	**$ 3,426**	**$ 9,903**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

OTHER GOVERNMENTAL FUNDS

Year Ended March 31, 2016

(Amounts in millions)

	Special Revenue	Debt Service	Capital Projects	Total
REVENUES:				
Taxes:				
Personal income	$ 3,318	$ —	$ —	**$ 3,318**
Consumption and use	2,009	3,277	628	**5,914**
Business	1,588	—	639	**2,227**
Other	1,276	1,092	119	**2,487**
Federal grants	—	—	2,205	**2,205**
Public health/patient fees	4,711	502	—	**5,213**
Tobacco settlement	40	—	—	**40**
Miscellaneous	3,783	54	985	**4,822**
Total revenues	**16,725**	**4,925**	**4,576**	**26,226**
EXPENDITURES:				
Local assistance grants:				
Education	6,492	—	124	**6,616**
Public health	5,508	—	165	**5,673**
Public welfare	—	—	243	**243**
Public safety	69	—	100	**169**
Transportation	4,543	—	877	**5,420**
Environment and recreation	—	—	304	**304**
Support and regulate business	—	—	577	**577**
General government	98	—	351	**449**
State operations:				
Personal service	213	—	—	**213**
Non-personal service	2,542	25	—	**2,567**
Pension contributions	34	—	—	**34**
Other fringe benefits	64	—	—	**64**
Capital construction	—	—	5,516	**5,516**
Debt service, including payments on financing arrangements	—	627	—	**627**
Total expenditures	**19,563**	**652**	**8,257**	**28,472**
Excess (deficiency) of revenues over expenditures	**(2,838)**	**4,273**	**(3,681)**	**(2,246)**
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	3,890	2,319	2,790	**8,999**
Transfers to other funds	(593)	(5,529)	(1,510)	**(7,632)**
Financing arrangements issued	—	—	2,219	**2,219**
Refunding debt issued	—	23	—	**23**
Payments to escrow agents for refundings	—	(25)	—	**(25)**
Premiums on bonds issued	—	3	354	**357**
Net other financing sources (uses)	**3,297**	**(3,209)**	**3,853**	**3,941**
Net change in fund balances	**459**	**1,064**	**172**	**1,695**
Fund balances at April 1, 2015	**3,885**	**23**	**1,667**	**5,575**
Fund balances at March 31, 2016	**$ 4,344**	**$ 1,087**	**$ 1,839**	**$ 7,270**

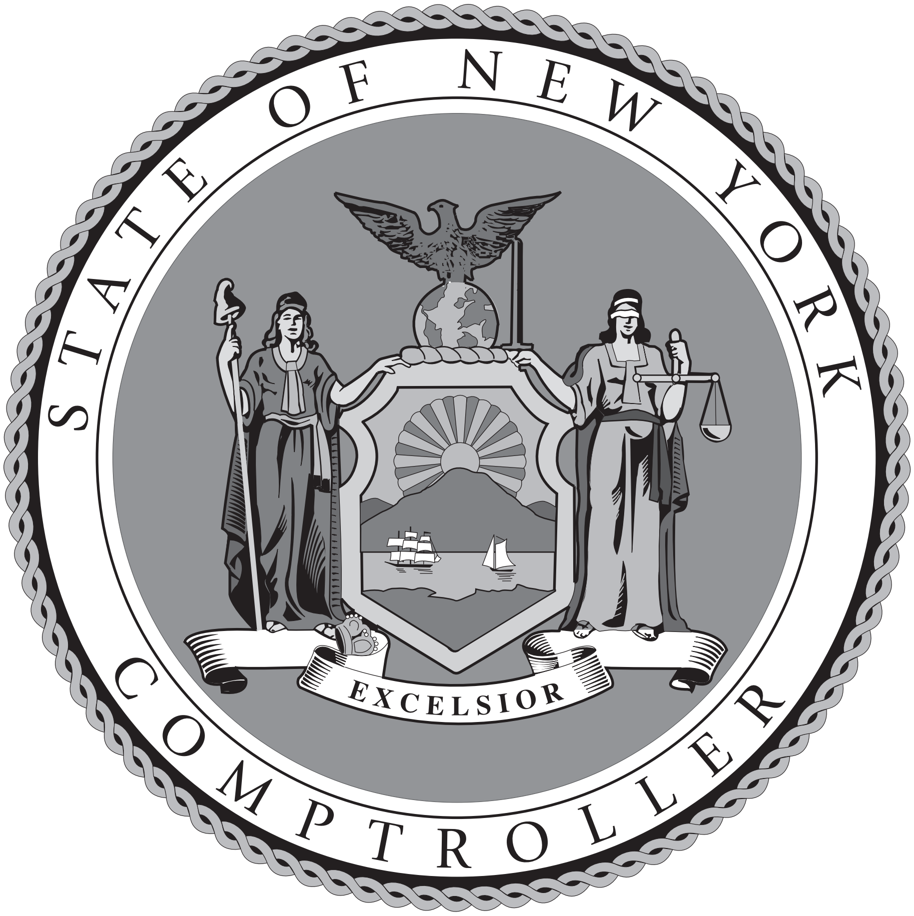
Combining Schedule of Cash Receipts and Disbursements Budgetary Basis—Financial Plan and Actual

OTHER GOVERNMENTAL FUNDS

Year Ended March 31, 2016
(Amounts in millions)

	Special Revenue			Debt Service		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes	$ 8,262	$ 8,266	$ 4	$ 4,138	$ 4,166	$ 28
Miscellaneous	15,239	16,926	1,687	488	486	(2)
Federal grants	1	—	(1)	—	—	—
Total receipts	**23,502**	**25,192**	**1,690**	**4,626**	**4,652**	**26**
DISBURSEMENTS:						
Local assistance grants	18,879	19,339	(460)	—	—	—
State operations	10,212	10,590	(378)	9	9	—
General State charges	2,138	2,055	83	—	—	—
Debt service	—	—	—	629	628	1
Capital projects	1	2	(1)	—	—	—
Total disbursements	**31,230**	**31,986**	**(756)**	**638**	**637**	**1**
Excess (deficiency) of receipts over disbursements	**(7,728)**	**(6,794)**	**934**	**3,988**	**4,015**	**27**
OTHER FINANCING SOURCES (USES):						
Bond and note proceeds, net	—	—	—	—	—	—
Transfers from other funds	8,757	9,165	408	1,379	1,049	(330)
Transfers to other funds	(1,304)	(1,296)	8	(5,283)	(5,023)	260
Net other financing sources (uses)	**7,453**	**7,869**	**416**	**(3,904)**	**(3,974)**	**(70)**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ (275)**	**$ 1,075**	**$ 1,350**	**$ 84**	**$ 41**	**$ (43)**

Capital Projects		
Financial Plan	Actual	Variance
$ 1,368	$ 1,394	$ 26
4,585	3,823	(762)
2,476	2,145	(331)
8,429	**7,362**	**(1,067)**
3,156	2,498	658
—	—	—
—	—	—
—	—	—
6,854	6,483	371
10,010	**8,981**	**1,029**
(1,581)	**(1,619)**	**(38)**
474	—	(474)
6,435	2,896	(3,539)
(1,460)	(1,443)	17
5,449	**1,453**	**(3,996)**
$ 3,868	**$ (166)**	**$ (4,034)**



STATE OF NEW YORK
COMPTROLLER

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

School Tax Relief Fund (STAR)—to reimburse school districts for the property tax exemptions for homeowners.

Health Care Reform Act Resources—to account for health care initiatives financed with hospital assessments, surcharges, proceeds from the sale of public assets and cigarette tax receipts.

Dedicated Mass Transportation Trust Fund—to account for monies that are earmarked for mass transportation purposes.

ENCON Special Revenue—to account for various fees, fines and penalties earmarked for environmental monitoring activities, conservation and efficiency projects and other environmental maintenance and regulation purposes.

Conservation Fund—to account for hunting and fishing license fees and related fines and penalties that are dedicated to fish and wildlife programs.

Environmental Protection and Spill Compensation Fund—to account for license fees and penalties that are earmarked for oil spill clean-up costs and claims for damages.

Mass Transportation Operating Assistance—to account for various taxes earmarked for public mass transportation operating assistance programs.

MTA Financial Assistance Fund—to account for taxes and fees imposed in the Metropolitan Commuter Transportation District dedicated for Metropolitan Transportation Authority operating and capital needs.

Miscellaneous—to account for various fees, fines, user charges and other miscellaneous revenues that are earmarked for specific State programs.

Combining Balance Sheet

OTHER GOVERNMENTAL FUNDS—SPECIAL REVENUE FUNDS

March 31, 2016
(Amounts in millions)

	School Tax Relief (STAR)	Health Care Reform Act Resources	Dedicated Mass Transportation Trust	ENCON Special Revenue	Conservation
ASSETS:					
Cash and investments	$ —	$ 393	$ 73	$ —	$ 77
Receivables, net of allowance for uncollectibles:					
Taxes	—	76	19	—	—
Other	—	302	—	4	—
Due from other funds	187	3	—	—	1
Other assets	—	—	—	—	—
Total assets	**$ 187**	**$ 774**	**$ 92**	**$ 4**	**$ 78**
LIABILITIES:					
Tax refunds payable	$ —	$ 1	$ 10	$ —	$ —
Accounts payable	—	—	1	2	—
Accrued liabilities	187	2	—	5	3
Payable to local governments	—	22	—	—	—
Due to other funds	—	3	—	21	3
Total liabilities	**187**	**28**	**11**	**28**	**6**
DEFERRED INFLOWS OF RESOURCES	**—**	**4**	**—**	**—**	**—**
FUND BALANCES (DEFICITS):					
Restricted	—	—	—	—	—
Committed	—	742	81	—	72
Assigned	—	—	—	—	—
Unassigned	—	—	—	(24)	—
Total fund balances (deficits)	**—**	**742**	**81**	**(24)**	**72**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 187**	**$ 774**	**$ 92**	**$ 4**	**$ 78**

Environmental Protection and Spill Compensation	Mass Transportation Operating Assistance	MTA Financial Assistance Fund	Miscellaneous	Total
$ 18	$ 177	$ 119	$ 2,785	**$ 3,642**
—	80	91	—	**266**
83	—	—	262	**651**
—	—	—	353	**544**
—	—	—	9	**9**
$ 101	**$ 257**	**$ 210**	**$ 3,409**	**$ 5,112**
$ —	$ 223	$ 20	$ —	**$ 254**
—	—	—	—	**3**
2	—	—	13	**212**
—	—	—	52	**74**
1	5	—	96	**129**
3	**228**	**20**	**161**	**672**
74	**—**	**—**	**18**	**96**
24	—	190	116	**330**
—	29	—	435	**1,359**
—	—	—	2,795	**2,795**
—	—	—	(116)	**(140)**
24	**29**	**190**	**3,230**	**4,344**
$ 101	**$ 257**	**$ 210**	**$ 3,409**	**$ 5,112**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

OTHER GOVERNMENTAL FUNDS—SPECIAL REVENUE FUNDS

Year Ended March 31, 2016

(Amounts in millions)

	School Tax Relief (STAR)	Health Care Reform Act Resources	Dedicated Mass Transportation Trust	ENCON Special Revenue	Conservation
REVENUES:					
Taxes:					
Personal income	$ 3,318	$ —	$ —	$ —	$ —
Consumption and use	—	937	104	—	—
Business	—	—	367	—	—
Other	—	—	—	—	—
Public health/patient fees	—	4,710	—	—	—
Tobacco settlement	—	40	—	—	—
Miscellaneous	—	1	126	90	44
Total revenues	**3,318**	**5,688**	**597**	**90**	**44**
EXPENDITURES:					
Local assistance grants:					
Education	3,318	—	—	—	—
Public health	—	5,503	—	—	—
Public safety	—	—	—	—	—
Transportation	—	—	659	—	—
General government	—	—	—	—	—
State operations:					
Personal service	—	10	—	54	26
Non-personal service	—	24	—	22	12
Pension contributions	—	2	—	6	4
Other fringe benefits	—	4	—	15	10
Total expenditures	**3,318**	**5,543**	**659**	**97**	**52**
Excess (deficiency) of revenues over expenditures	**—**	**145**	**(62)**	**(7)**	**(8)**
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	—	1	63	13	—
Transfers to other funds	—	(146)	—	(3)	(2)
Net other financing sources (uses)	**—**	**(145)**	**63**	**10**	**(2)**
Net change in fund balances	**—**	**—**	**1**	**3**	**(10)**
Fund balances (deficits) at April 1, 2015	**—**	**742**	**80**	**(27)**	**82**
Fund balances (deficits) at March 31, 2016	**$ —**	**$ 742**	**$ 81**	**$ (24)**	**$ 72**

Environmental Protection and Spill Compensation	Mass Transportation Operating Assistance	MTA Financial Assistance Fund	Miscellaneous	Eliminations	**Total**
$ —	$ —	$ —	$ —	$ —	**$ 3,318**
—	852	116	—	—	**2,009**
—	1,221	—	—	—	**1,588**
—	—	1,276	—	—	**1,276**
—	—	—	1	—	**4,711**
—	—	—	—	—	**40**
46	16	164	3,296	—	**3,783**
46	**2,089**	**1,556**	**3,297**	**—**	**16,725**
—	—	—	3,174	—	**6,492**
—	—	—	5	—	**5,508**
—	—	—	69	—	**69**
—	2,112	1,772	—	—	**4,543**
—	—	—	98	—	**98**
11	3	—	109	—	**213**
12	1	—	2,471	—	**2,542**
2	—	—	20	—	**34**
4	1	—	30	—	**64**
29	**2,117**	**1,772**	**5,976**	**—**	**19,563**
17	**(28)**	**(216)**	**(2,679)**	**—**	**(2,838)**
—	36	332	3,450	(5)	**3,890**
(16)	(20)	(3)	(408)	5	**(593)**
(16)	**16**	**329**	**3,042**	**—**	**3,297**
1	**(12)**	**113**	**363**	**—**	**459**
23	**41**	**77**	**2,867**	**—**	**3,885**
$ 24	**$ 29**	**$ 190**	**$ 3,230**	**$ —**	**$ 4,344**

Combining Schedule of Cash Receipts and Disbursements Budgetary Basis—Financial Plan and Actual

OTHER GOVERNMENTAL FUNDS—SPECIAL REVENUE FUNDS

Year Ended March 31, 2016
(Amounts in millions)

	School Tax Relief			Mass Transportation Operating Assistance		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes	$ 3,338	$ 3,335	$ (3)	$ 2,093	$ 2,104	$ 11
Miscellaneous	—	—	—	22	17	(5)
Federal grants	—	—	—	—	—	—
Total receipts	**3,338**	**3,335**	**(3)**	**2,115**	**2,121**	**6**
DISBURSEMENTS:						
Local assistance grants	3,337	3,335	2	2,116	2,117	(1)
State operations	—	—	—	4	3	1
General State charges	—	—	—	2	2	—
Capital projects	—	—	—	—	—	—
Total disbursements	**3,337**	**3,335**	**2**	**2,122**	**2,122**	**—**
Excess (deficiency) of receipts over disbursements	**1**	**—**	**(1)**	**(7)**	**(1)**	**6**
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	—	—	—	51	36	(15)
Transfers to other funds	—	—	—	(141)	(20)	121
Net other financing sources (uses)	**—**	**—**	**—**	**(90)**	**16**	**106**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ 1**	**$ —**	**$ (1)**	**$ (97)**	**$ 15**	**$ 112**

State Special Revenue Account			Other		
Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
$ —	$ —	$ —	$ 2,831	$ 2,827	$ (4)
1,178	2,233	1,055	14,039	14,676	637
—	—	—	1	—	(1)
1,178	**2,233**	**1,055**	**16,871**	**17,503**	**632**
1,946	2,591	(645)	11,480	11,296	184
4,179	4,413	(234)	6,029	6,174	(145)
1,651	1,569	82	485	484	1
—	—	—	1	2	(1)
7,776	**8,573**	**(797)**	**17,995**	**17,956**	**39**
(6,598)	**(6,340)**	**258**	**(1,124)**	**(453)**	**671**
8,507	6,991	(1,516)	2,495	2,455	(40)
(1,933)	(534)	1,399	(1,526)	(1,059)	467
6,574	**6,457**	**(117)**	**969**	**1,396**	**427**
$ (24)	**$ 117**	**$ 141**	**$ (155)**	**$ 943**	**$ 1,098**

(Continued)

Combining Schedule of Cash Receipts and Disbursements Budgetary Basis—Financial Plan and Actual (cont'd)

OTHER GOVERNMENTAL FUNDS—SPECIAL REVENUE FUNDS

Year Ended March 31, 2016
(Amounts in millions)

	Eliminations		Total		
	Financial Plan	Actual	Financial Plan	Actual	Variance
RECEIPTS:					
Taxes	$ —	$ —	$ 8,262	$ 8,266	$ 4
Miscellaneous	—	—	15,239	16,926	1,687
Federal grants	—	—	1	—	(1)
Total receipts	**—**	**—**	**23,502**	**25,192**	**1,690**
DISBURSEMENTS:					
Local assistance grants	—	—	18,879	19,339	(460)
State operations	—	—	10,212	10,590	(378)
General State charges	—	—	2,138	2,055	83
Capital projects	—	—	1	2	(1)
Total disbursements	**—**	**—**	**31,230**	**31,986**	**(756)**
Excess (deficiency) of receipts over disbursements	**—**	**—**	**(7,728)**	**(6,794)**	**934**
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	(2,296)	(317)	8,757	9,165	408
Transfers to other funds	2,296	317	(1,304)	(1,296)	8
Net other financing sources (uses)	**—**	**—**	**7,453**	**7,869**	**416**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ —**	**$ —**	**$ (275)**	**$ 1,075**	**$ 1,350**

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for and the payment of principal and interest on general long-term obligations and payments on certain lease/purchase or other contractual obligations.

Mental Health Services Fund—to account for the payment of debt service in conjunction with agreements for financing mental hygiene facilities.

State Housing Debt Fund—to account for the repayment of State advances made to local governments and certain public authorities that are earmarked for paying the principal and interest on State housing bonds.

Department of Health Income Fund—to account for the payment of debt service in conjunction with agreements with the Dormitory Authority for financing health facilities.

Clean Water/Clean Air Fund—to account for taxes earmarked for reimbursing the General Debt Service Fund for the payment of debt service on the Clean Water/Clean Air bonds.

Local Government Assistance Tax Fund—to account for revenues that are earmarked for payment to the New York Local Government Assistance Corporation for debt service.

Combining Balance Sheet

OTHER GOVERNMENTAL FUNDS—DEBT SERVICE FUNDS

March 31, 2016
(Amounts in millions)

	Mental Health Services	State Housing Debt	Department of Health Income	Clean Water/ Clean Air	Local Government Assistance Tax	Total
ASSETS:						
Cash and investments	$ 178	$ —	$ 62	$ 23	$ 500	$ 763
Receivables, net of allowance for uncollectibles:						
Taxes	—	—	—	25	203	228
Other	84	7	24	—	—	115
Due from other funds	254	—	5	—	—	259
Total assets	**$ 516**	**$ 7**	**$ 91**	**$ 48**	**$ 703**	**$ 1,365**
LIABILITIES:						
Tax refunds payable	$ —	$ —	$ —	$ —	$ 32	$ 32
Accounts payable	—	—	—	—	1	1
Accrued liabilities	—	—	16	—	—	16
Due to other funds	—	—	—	48	158	206
Unearned revenues	—	5	—	—	—	5
Total liabilities	**—**	**5**	**16**	**48**	**191**	**260**
DEFERRED INFLOWS OF RESOURCES	**3**	**—**	**—**	**—**	**15**	**18**
FUND BALANCES (DEFICITS):						
Restricted	86	2	19	—	495	602
Committed	427	—	56	—	—	483
Assigned	—	—	—	—	2	2
Total fund balances	**513**	**2**	**75**	**—**	**497**	**1,087**
Total liabilities, deferrred inflows of resources and fund balances	**$ 516**	**$ 7**	**$ 91**	**$ 48**	**$ 703**	**$ 1,365**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

OTHER GOVERNMENTAL FUNDS—DEBT SERVICE FUNDS

Year Ended March 31, 2016

(Amounts in millions)

	Mental Health Services	State Housing Debt	Department of Health Income	Clean Water/ Clean Air	Local Government Assistance Tax	Total
REVENUES:						
Taxes:						
Consumption and use	$ —	$ —	$ —	$ —	$ 3,277	$ 3,277
Other	—	—	—	1,092	—	1,092
Patient fees	347	—	155	—	—	502
Miscellaneous	47	6	—	—	1	54
Total revenues	**394**	**6**	**155**	**1,092**	**3,278**	**4,925**
EXPENDITURES:						
Non-personal service	20	—	2	—	3	25
Debt service, including payments on financing arrangements	201	9	32	—	385	627
Total expenditures	**221**	**9**	**34**	**—**	**388**	**652**
Excess (deficiency) of revenues over expenditures	**173**	**(3)**	**121**	**1,092**	**2,890**	**4,273**
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	2,280	3	36	—	—	2,319
Transfers to other funds	(1,394)	—	(159)	(1,092)	(2,884)	(5,529)
Refunding debt issued	—	—	23	—	—	23
Payments to escrow agents for refundings	—	—	(25)	—	—	(25)
Premiums on bonds issued	—	—	3	—	—	3
Net other financing sources (uses)	**886**	**3**	**(122)**	**(1,092)**	**(2,884)**	**(3,209)**
Net change in fund balances	**1,059**	**—**	**(1)**	**—**	**6**	**1,064**
Fund balances at April 1, 2015	**(546)**	**2**	**76**	**—**	**491**	**23**
Fund balances at March 31, 2016	**$ 513**	**$ 2**	**$ 75**	**$ —**	**$ 497**	**$ 1,087**

Combining Schedule of Cash Receipts and Disbursements Budgetary Basis—Financial Plan and Actual

OTHER GOVERNMENTAL FUNDS—DEBT SERVICE FUNDS

Year Ended March 31, 2016
(Amounts in millions)

	Mental Health Services			Clean Water/Clean Air		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes	$ —	$ —	$ —	$ 1,028	$ 1,044	$ 16
Miscellaneous	338	308	(30)	—	—	—
Total receipts	**338**	**308**	**(30)**	**1,028**	**1,044**	**16**
DISBURSEMENTS:						
State operations	4	3	1	—	—	—
Debt service	200	202	(2)	—	—	—
Total disbursements	**204**	**205**	**(1)**	**—**	**—**	**—**
Excess (deficiency) of receipts over disbursements	**134**	**103**	**(31)**	**1,028**	**1,044**	**16**
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	1,337	1,311	(26)	—	—	—
Transfers to other funds	(1,399)	(1,394)	5	(1,028)	(1,044)	(16)
Net other financing sources (uses)	**(62)**	**(83)**	**(21)**	**(1,028)**	**(1,044)**	**(16)**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ 72**	**$ 20**	**$ (52)**	**$ —**	**$ —**	**$ —**

Local Government Assistance Tax			Other		
Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
$ 3,110	$ 3,121	$ 11	$ —	$ 1	$ 1
1	—	(1)	149	178	29
3,111	**3,121**	**10**	**149**	**179**	**30**
4	4	—	1	2	(1)
392	389	3	37	37	—
396	**393**	**3**	**38**	**39**	**(1)**
2,715	**2,728**	**13**	**111**	**140**	**29**
—	—	—	42	(262)	(304)
(2,715)	(2,728)	(13)	(141)	143	284
(2,715)	**(2,728)**	**(13)**	**(99)**	**(119)**	**(20)**
$ —	**$ —**	**$ —**	**$ 12**	**$ 21**	**$ 9**

(Continued)

Combining Schedule of Cash Receipts and Disbursements Budgetary Basis—Financial Plan and Actual (cont'd)

OTHER GOVERNMENTAL FUNDS—DEBT SERVICE FUNDS

Year Ended March 31, 2016
(Amounts in millions)

	Total		
	Financial Plan	Actual	Variance
RECEIPTS:			
Taxes	$ 4,138	$ 4,166	$ 28
Miscellaneous	488	486	(2)
Total receipts	**4,626**	**4,652**	**26**
DISBURSEMENTS:			
State operations	9	9	—
Debt service	629	628	1
Total disbursements	**638**	**637**	**1**
Excess (deficiency) of receipts over disbursements	**3,988**	**4,015**	**27**
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	1,379	1,049	(330)
Transfers to other funds	(5,283)	(5,023)	260
Net other financing sources (uses)	**(3,904)**	**(3,974)**	**(70)**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ 84**	**$ 41**	**$ (43)**

Capital Projects Funds

Capital Projects Funds are used to account for the financial resources used for the acquisition or construction of major State-owned capital facilities and for capital assistance grants to local governments and public authorities.

State Capital Projects Fund—to account for the construction or acquisition of State capital assets and the payments to local governments and public authorities for capital assistance financed primarily by transfers from the General Fund, bond funds and proceeds from various financial arrangements.

Dedicated Highway and Bridge Trust Fund—to account for taxes and fees that are earmarked for financing State, county, town, and village highway, parkway, bridge, aviation or port facility capital projects.

Environmental Protection Fund—to account for dedicated revenues that will be used to assist local governments, not-for-profit corporations, and fund State initiatives to protect the environment and protect open space.

Dedicated Infrastructure Investment Fund—to account for projects, works, activities or purposes necessary to support statewide investments including loans to public authorities.

Bond Funds—to account for the proceeds of bonds issued for capital purposes. A separate bond fund is established to account for the bond proceeds of each bond issue authorized by public referendum, including the Energy Conservation Through Improved Transportation Bond Fund, the Pure Waters Bond Fund, the Transportation Capital Facilities Bond Fund, the Environmental Quality Protection Bond Fund, the Rail Preservation and Development Bond Fund, the Rebuild and Renew New York Transportation Bond Fund, the Environmental Quality Bond Act Fund, Transportation Infrastructure Renewal Bond Fund, Accelerated Capacity and Transportation Improvement Bond Fund and the Clean Water/Clean Air Bond Fund.

Hazardous Waste Remedial Fund—to account for revenues earmarked for the clean-up of hazardous waste disposal sites.

Federal Capital Projects Fund—to account for capital projects financed from federal grants.

Housing Program Fund—to account for the Low Income Housing Trust Fund Program and the Affordable Home Ownership Development Program that are financed by the New York State Housing Finance Agency.

Mental Hygiene Facilities Capital Improvement Fund—to account for mental hygiene capital projects.

Correctional Facilities Capital Improvement Fund—to account for correctional facility capital projects financed by the Urban Development Corporation.

Miscellaneous—to account for various capital projects financed from the sale of land or other resources, gifts, grants or other miscellaneous revenue sources earmarked for capital purposes or from transfers from the New York State Infrastructure Trust Account.

Combining Balance Sheet

OTHER GOVERNMENTAL FUNDS—CAPITAL PROJECTS FUNDS

March 31, 2016
(Amounts in millions)

	State Capital Projects	Dedicated Highway and Bridge Trust	Environmental Protection	Dedicated Infrastructure Investment	Environmental Quality Protection Bond	Rebuild and Renew New York Transportation Bond	Environmental Quality Bond
ASSETS:							
Cash and investments	$ 1,704	$ 432	$ 42	$ 110	$ 2	$ 27	$ 6
Receivables, net of allowance for uncollectibles:							
Taxes	—	70	—	—	—	—	—
Due from Federal government	—	—	—	—	—	—	—
Other	244	30	—	—	—	—	—
Due from other funds	3	—	—	—	—	—	—
Other assets	—	—	—	—	—	—	—
Total assets	**$ 1,951**	**$ 532**	**$ 42**	**$ 110**	**$ 2**	**$ 27**	**$ 6**
LIABILITIES:							
Tax refunds payable	$ —	$ 23	$ —	$ —	$ —	$ —	$ —
Accounts payable	32	—	—	57	—	—	—
Accrued liabilities	6	62	—	—	—	—	—
Payable to local governments	60	—	—	—	—	—	—
Due to other funds	58	87	—	32	—	—	—
Unearned revenues	—	1	—	—	—	—	—
Total liabilities	**156**	**173**	**—**	**89**	**—**	**—**	**—**
DEFERRED INFLOWS OF RESOURCES	**1**	**5**	**—**	**—**	**—**	**—**	**—**
FUND BALANCES (DEFICITS):							
Restricted	140	19	—	—	2	27	6
Committed	1,654	335	42	—	—	—	—
Assigned	—	—	—	21	—	—	—
Unassigned	—	—	—	—	—	—	—
Total fund balances (deficits)	**1,794**	**354**	**42**	**21**	**2**	**27**	**6**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 1,951**	**$ 532**	**$ 42**	**$ 110**	**$ 2**	**$ 27**	**$ 6**

Hazardous Waste Remedial	Federal Capital Projects	Clean Water/ Clean Air Bond	Housing Program	Mental Hygiene Facilities Capital Improvement	Correctional Facilities Capital Improvement	Miscellaneous	Eliminations	Total
$ —	$ —	$ 8	$ —	$ —	$ 70	$ 73	$ —	$ 2,474
—	—	—	—	—	—	—	—	70
—	591	—	—	—	—	—	—	591
6	—	—	—	—	—	1	—	281
—	—	—	—	—	—	445	(445)	3
—	—	—	—	—	—	7	—	7
$ 6	**$ 591**	**$ 8**	**$ —**	**$ —**	**$ 70**	**$ 526**	**$ (445)**	**$ 3,426**
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 23
1	12	—	—	10	29	—	—	141
3	—	—	—	10	—	7	—	88
—	13	—	—	3	—	1	—	77
129	566	—	144	82	—	592	(445)	1,245
—	—	—	—	—	—	—	—	1
133	**591**	**—**	**144**	**105**	**29**	**600**	**(445)**	**1,575**
6	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**12**
—	—	8	—	—	—	11	—	213
—	—	—	—	—	41	50	—	2,122
—	—	—	—	—	—	19	—	40
(133)	—	—	(144)	(105)	—	(154)	—	(536)
(133)	**—**	**8**	**(144)**	**(105)**	**41**	**(74)**	**—**	**1,839**
$ 6	**$ 591**	**$ 8**	**$ —**	**$ —**	**$ 70**	**$ 526**	**$ (445)**	**$ 3,426**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

OTHER GOVERNMENTAL FUNDS—CAPITAL PROJECTS FUNDS

Year Ended March 31, 2016
(Amounts in millions)

	State Capital Projects	Dedicated Highway and Bridge Trust	Environmental Protection	Dedicated Infrastructure Investment	Environmental Quality Protection Bond	Rebuild and Renew New York Transportation Bond	Environmental Quality Bond
REVENUES:							
Taxes:							
Consumption and use	$ —	$ 628	$ —	$ —	$ —	$ —	$ —
Business	—	639	—	—	—	—	—
Other	—	—	119	—	—	—	—
Federal grants	—	5	—	—	—	—	—
Miscellaneous	7	740	33	—	—	—	—
Total revenues	**7**	**2,012**	**152**	**—**	**—**	**—**	**—**
EXPENDITURES:							
Local assistance grants:							
Education	123	—	—	—	—	—	—
Public health	12	—	—	—	—	—	—
Public welfare	—	—	—	—	—	—	—
Public safety	95	—	—	—	—	—	—
Transportation	491	17	—	—	—	—	—
Environment and recreation	51	—	85	—	—	—	—
Support and regulate business	557	—	—	21	—	—	—
General government	316	—	—	33	—	—	—
Capital construction	660	1,958	85	782	—	—	—
Total expenditures	**2,305**	**1,975**	**170**	**836**	**—**	**—**	**—**
Excess (deficiency) of revenues over expenditures	**(2,298)**	**37**	**(18)**	**(836)**	**—**	**—**	**—**
OTHER FINANCING SOURCES (USES):							
Transfers from other funds	1,229	957	23	857	—	—	—
Transfers to other funds	(87)	(1,390)	(25)	—	—	(25)	—
Financing arrangements issued	1,094	529	22	—	—	—	—
Premiums on bonds issued	167	102	3	—	—	—	—
Net other financing sources (uses)	**2,403**	**198**	**23**	**857**	**—**	**(25)**	**—**
Net change in fund balances	**105**	**235**	**5**	**21**	**—**	**(25)**	**—**
Fund balances (deficits) at April 1, 2015	**1,689**	**119**	**37**	**—**	**2**	**52**	**6**
Fund balances (deficits) at March 31, 2016	**$ 1,794**	**$ 354**	**$ 42**	**$ 21**	**$ 2**	**$ 27**	**$ 6**

Hazardous Waste Remedial	Federal Capital Projects	Clean Water/ Clean Air Bond	Housing Program	Mental Hygiene Facilities Capital Improvement	Correctional Facilities Capital Improvement	Miscellaneous	Eliminations	Total
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 628
—	—	—	—	—	—	—	—	639
—	—	—	—	—	—	—	—	119
—	2,200	—	—	—	—	—	—	2,205
34	1	—	113	2	—	55	—	985
34	**2,201**	**—**	**113**	**2**	**—**	**55**	**—**	**4,576**
—	—	—	—	—	—	1	—	124
—	46	—	—	107	—	—	—	165
—	—	—	128	—	—	115	—	243
—	4	—	—	—	—	1	—	100
—	367	—	—	—	—	2	—	877
14	154	—	—	—	—	—	—	304
—	—	—	—	—	—	(1)	—	577
—	—	—	—	2	—	—	—	351
93	1,349	—	—	163	256	170	—	5,516
107	**1,920**	**—**	**128**	**272**	**256**	**288**	**—**	**8,257**
(73)	**281**	**—**	**(15)**	**(270)**	**(256)**	**(233)**	**—**	**(3,681)**
21	—	—	1	1	22	12	(333)	2,790
(24)	(281)	(11)	—	—	—	—	333	(1,510)
59	—	—	—	174	194	147	—	2,219
9	—	—	—	20	33	20	—	354
65	**(281)**	**(11)**	**1**	**195**	**249**	**179**	**—**	**3,853**
(8)	**—**	**(11)**	**(14)**	**(75)**	**(7)**	**(54)**	**—**	**172**
(125)	**—**	**19**	**(130)**	**(30)**	**48**	**(20)**	**—**	**1,667**
$ (133)	**$ —**	**$ 8**	**$ (144)**	**$ (105)**	**$ 41**	**$ (74)**	**$ —**	**$ 1,839**

Combining Schedule of Cash Receipts and Disbursements Budgetary Basis—Financial Plan and Actual

OTHER GOVERNMENTAL FUNDS—CAPITAL PROJECTS FUNDS

Year Ended March 31, 2016
(Amounts in millions)

	State Capital Projects			Dedicated Highway and Bridge Trust		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes	$ —	$ —	$ —	$ 1,249	$ 1,275	$ 26
Miscellaneous	2,086	1,690	(396)	1,403	1,304	(99)
Federal grants	—	—	—	5	5	—
Total receipts	**2,086**	**1,690**	**(396)**	**2,657**	**2,584**	**(73)**
DISBURSEMENTS:						
Local assistance grants	2,129	1,501	628	81	13	68
Capital projects	1,519	1,416	103	2,068	2,035	33
Total disbursements	**3,648**	**2,917**	**731**	**2,149**	**2,048**	**101**
Excess (deficiency) of receipts over disbursements	**(1,562)**	**(1,227)**	**335**	**508**	**536**	**28**
OTHER FINANCING SOURCES (USES):						
Bond and note proceeds, net	—	—	—	—	—	—
Transfers from other funds	1,564	1,229	(335)	916	957	41
Transfers to other funds	(2)	(2)	—	(1,394)	(1,390)	4
Net other financing sources (uses)	**1,562**	**1,227**	**(335)**	**(478)**	**(433)**	**45**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ —**	**$ —**	**$ —**	**$ 30**	**$ 103**	**$ 73**

Federal Capital Projects			Hazardous Waste Remedial		
Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
$ —	$ —	$ —	$ —	$ —	$ —
—	1	1	104	105	1
2,470	2,140	(330)	—	—	—
2,470	**2,141**	**(329)**	**104**	**105**	**1**
716	611	105	—	13	(13)
1,430	1,426	4	113	95	18
2,146	**2,037**	**109**	**113**	**108**	**5**
324	**104**	**(220)**	**(9)**	**(3)**	**6**
—	—	—	—	—	—
—	—	—	22	21	(1)
(303)	(281)	22	(29)	(24)	5
(303)	**(281)**	**22**	**(7)**	**(3)**	**4**
$ 21	**$ (177)**	**$ (198)**	**$ (16)**	**$ (6)**	**$ 10**

(Continued)

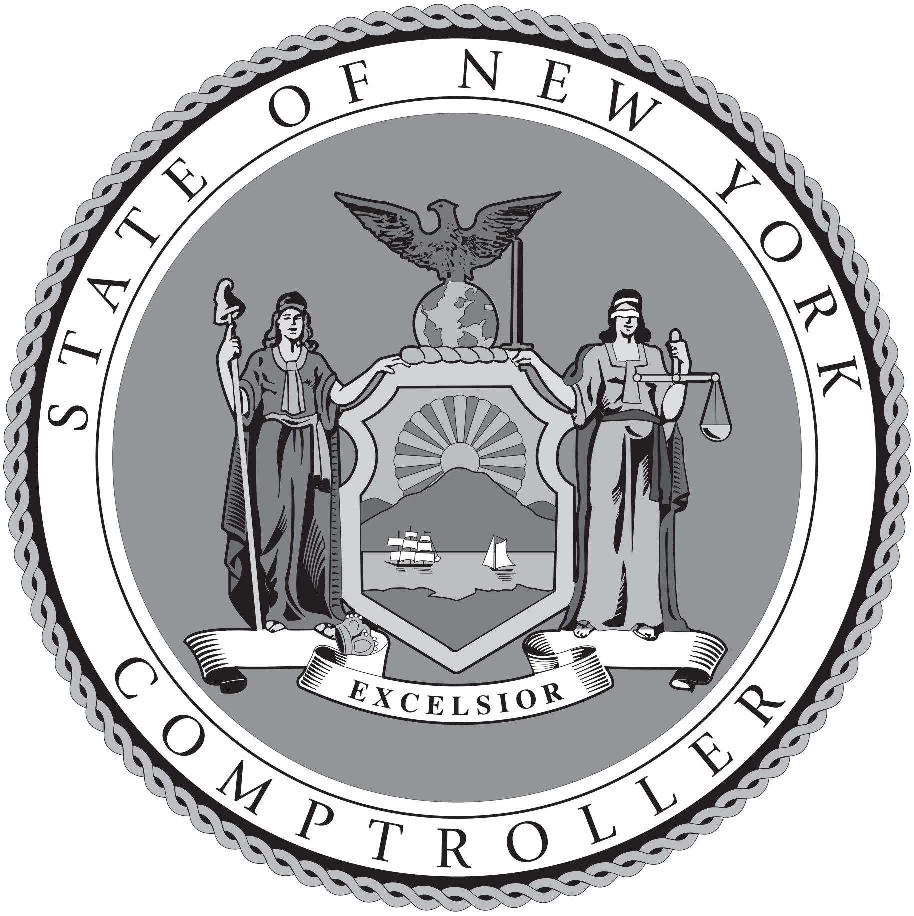
Combining Schedule of Cash Receipts and Disbursements Budgetary Basis—Financial Plan and Actual (cont'd)

OTHER GOVERNMENTAL FUNDS—CAPITAL PROJECTS FUNDS

Year Ended March 31, 2016
(Amounts in millions)

	Other			Eliminations	
	Financial Plan	Actual	Variance	Financial Plan	Actual
RECEIPTS:					
Taxes	$ 119	$ 119	$ —	$ —	$ —
Miscellaneous	992	723	(269)	—	—
Federal grants	1	—	(1)	—	—
Total receipts	**1,112**	**842**	**(270)**	**—**	**—**
DISBURSEMENTS:					
Local assistance grants	230	360	(130)	—	—
Capital projects	1,724	1,511	213	—	—
Total disbursements	**1,954**	**1,871**	**83**	**—**	**—**
Excess (deficiency) of receipts over disbursements	**(842)**	**(1,029)**	**(187)**	**—**	**—**
OTHER FINANCING SOURCES (USES):					
Bond and note proceeds, net	474	—	(474)	—	—
Transfers from other funds	4,701	966	(3,735)	(768)	(277)
Transfers to other funds	(500)	(23)	477	768	277
Net other financing sources (uses)	**4,675**	**943**	**(3,732)**	**—**	**—**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ 3,833**	**$ (86)**	**$ (3,919)**	**$ —**	**$ —**

Total		
Financial Plan	**Actual**	**Variance**
$ 1,368	$ 1,394	$ 26
4,585	3,823	(762)
2,476	2,145	(331)
8,429	**7,362**	**(1,067)**
3,156	2,498	658
6,854	6,483	371
10,010	**8,981**	**1,029**
(1,581)	**(1,619)**	**(38)**
474	—	(474)
6,435	2,896	(3,539)
(1,460)	(1,443)	17
5,449	**1,453**	**(3,996)**
$ 3,868	**$ (166)**	**$ (4,034)**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Fiduciary Funds

Fiduciary Funds are used to account for assets held by the State in a fiduciary capacity or as agent for individuals, private organizations or other governments and include Private Purpose Trust Funds, the State and Local Retirement System Fund and Agency Funds.

Private Purpose Trust Funds:

Agriculture and Milk Producers' Security Funds—to provide security to agriculture and milk producers against loss of revenues.

Abandoned Property Fund—accounts for assets from banks, utilities, investment companies, and insurance companies representing inactive accounts that are required by law to be turned over to the State. The Comptroller is custodian of this account. Assets are returned to the proper owner upon approval of a claim.

Tuition Savings Program Fund—accounts for contributions made by individuals and families for college savings. The withdrawals from the Fund are used to pay college costs at any eligible public and private college and university in New York State.

Agency Funds:

Employee Benefit and Payroll Related Funds—account for various employee benefit programs, such as the New York State employee health insurance programs, for the disposition of various payroll related deductions, such as for social security contributions.

MMIS Statewide Escrow Fund—accounts for the transfer from other funds of the Federal, State, and local shares of Medicaid program expenditures to a paying agent for ultimate payment to health care providers.

Other Agency Funds—account for various escrow, revenue collection and agency accounts for which the State acts in an agent's capacity until proper disposition of the assets can be made. This includes accounting for advances from the State for paying CUNY operating costs.

Combining Statement of Fiduciary Net Position

PRIVATE PURPOSE TRUSTS

March 31, 2016
(Amounts in millions)

	Agriculture Producers' Security	Milk Producers' Security	Abandoned Property	Tuition Savings Program	Total
ASSETS:					
Cash and investments	$ 2	$ 9	$ 53	$ 21,114	**$ 21,178**
Receivables, net of allowance for uncollectibles	—	—	196	57	**253**
Due from other funds	—	—	2,742	—	**2,742**
Total assets	**2**	**9**	**2,991**	**21,171**	**24,173**
LIABILITIES:					
Accrued liabilities	—	—	—	62	**62**
Total liabilities	**—**	**—**	**—**	**62**	**62**
NET POSITION:					
Restricted for:					
Claimant liability	—	—	2,991	—	**2,991**
Other specified purposes	2	9	—	21,109	**21,120**
Total net position	**$ 2**	**$ 9**	**$ 2,991**	**$ 21,109**	**$ 24,111**

Combining Statement of Changes in Fiduciary Net Position

PRIVATE PURPOSE TRUSTS

Year Ended March 31, 2016

(Amounts in millions)

	Agriculture Producers' Security	Milk Producers' Security	Abandoned Property	Tuition Savings Program	Total
Additions:					
Investment income	$ —	$ —	$ —	$ 10	$ 10
Dividend income	—	—	—	408	408
Other income	—	—	620	—	620
Net increase in the fair value of investments	—	—	—	(496)	(496)
Total investment and other losses	**—**	**—**	**620**	**(78)**	**542**
Less:					
Investment expenses	—	—	—	(48)	(48)
Net investment and other losses	**—**	**—**	**620**	**(126)**	**494**
Contributions:					
College savings	—	—	—	2,545	2,545
Total contributions	**—**	**—**	**—**	**2,545**	**2,545**
Total additions	**—**	**—**	**620**	**2,419**	**3,039**
Deductions:					
College aid redemptions	—	—	—	1,481	1,481
Claims paid	—	—	447	—	447
Total deductions	**—**	**—**	**447**	**1,481**	**1,928**
Net increase	**—**	**—**	**173**	**938**	**1,111**
Net position restricted at April 1, 2015	**2**	**9**	**2,818**	**20,171**	**23,000**
Net position restricted at March 31, 2016	**$ 2**	**$ 9**	**$ 2,991**	**$ 21,109**	**$ 24,111**

Combining Statement of Fiduciary Net Position

AGENCY FUNDS

March 31, 2016
(Amounts in millions)

	School Capital Facilities Financing Reserve	Employees Health Insurance	Social Security Contribution	Employees Dental Insurance	Management Confidential Group Insurance
ASSETS:					
Cash and investments	$ 20	$ 695	$ 15	$ 3	$ 1
Receivables, net of allowance for uncollectibles	—	99	39	5	—
Other assets	—	115	—	—	—
Total assets	**$ 20**	**$ 909**	**$ 54**	**$ 8**	**$ 1**
LIABILITIES:					
Accounts payable	$ —	$ 127	$ —	$ 1	$ —
Accrued liabilities	20	501	54	7	1
Payable to local governments	—	281	—	—	—
Total liabilities	**$ 20**	**$ 909**	**$ 54**	**$ 8**	**$ 1**

CUNY Senior College Operating	MMIS Statewide Escrow	Sole Custody	Miscellaneous	**Total**
$ 65	$ 192	$ 5,251	$ 1,664	**$ 7,906**
—	—	10	210	**363**
—	—	—	—	**115**
$ 65	**$ 192**	**$ 5,261**	**$ 1,874**	**$ 8,384**
$ —	$ —	$ —	$ (1)	**$ 127**
65	192	3,886	1,816	**6,542**
—	—	1,375	59	**1,715**
$ 65	**$ 192**	**$ 5,261**	**$ 1,874**	**$ 8,384**

Combining Statement of Changes in Assets and Liabilities

AGENCY FUNDS

Year Ended March 31, 2016

(Amounts in millions)

School Capital Facilities Financing Reserve

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 22	$ 48	$ 50	$ 20
Due from other funds	—	31	31	—
Total assets	**$ 22**	**$ 79**	**$ 81**	**$ 20**
LIABILITIES:				
Accounts payable	$ —	$ 19	$ 19	$ —
Accrued liabilities	22	75	77	20
Due to other funds	—	14	14	—
Total liabilities	**$ 22**	**$ 108**	**$ 110**	**$ 20**

Employees Health Insurance

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 683	$ 13,701	$ 13,689	$ 695
Receivables, net of allowance for uncollectibles	90	668	659	99
Due from other funds	—	3,474	3,474	—
Other assets	153	116	154	115
Total assets	**$ 926**	**$ 17,959**	**$ 17,976**	**$ 909**
LIABILITIES:				
Accounts payable	$ 106	$ 8,731	$ 8,710	$ 127
Accrued liabilities	463	9,588	9,550	501
Payable to local governments	357	281	357	281
Due to other funds	—	356	356	—
Total liabilities	**$ 926**	**$ 18,956**	**$ 18,973**	**$ 909**

Social Security Contribution

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 15	$ 1,156	$ 1,156	$ 15
Receivables, net of allowance for uncollectibles	—	1,196	1,157	39
Due from other funds	—	26	26	—
Total assets	**$ 15**	**$ 2,378**	**$ 2,339**	**$ 54**
LIABILITIES:				
Accounts payable	$ —	$ 1,156	$ 1,156	$ —
Accrued liabilities	15	1,222	1,183	54
Total liabilities	**$ 15**	**$ 2,378**	**$ 2,339**	**$ 54**

(Continued)

Combining Statement of Changes in Assets and Liabilities (cont'd)

AGENCY FUNDS

Year Ended March 31, 2016

(Amounts in millions)

Employees Dental Insurance

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 1	$ 149	$ 147	$ 3
Receivables, net of allowance for uncollectibles	8	6	9	5
Due from other funds	—	71	71	—
Total assets	**$ 9**	**$ 226**	**$ 227**	**$ 8**
LIABILITIES:				
Accounts payable	$ —	$ 75	$ 74	$ 1
Accrued liabilities	8	86	87	7
Payable to local governments	1	1	2	—
Total liabilities	**$ 9**	**$ 162**	**$ 163**	**$ 8**

Management Confidential Group Insurance

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 1	$ 16	$ 16	$ 1
Receivables, net of allowance for uncollectibles	—	6	6	—
Due from other funds	—	5	5	—
Total assets	**$ 1**	**$ 27**	**$ 27**	**$ 1**
LIABILITIES:				
Accounts payable	$ —	$ 11	$ 11	$ —
Accrued liabilities	1	11	11	1
Total liabilities	**$ 1**	**$ 22**	**$ 22**	**$ 1**

CUNY Senior College Operating

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 56	$ 2,628	$ 2,619	$ 65
Receivables, net of allowance for uncollectibles	—	2	2	—
Due from other funds	—	47	47	—
Total assets	**$ 56**	**$ 2,677**	**$ 2,668**	**$ 65**
LIABILITIES:				
Accounts payable	$ —	$ 2,370	$ 2,370	$ —
Accrued liabilities	56	2,570	2,561	65
Due to other funds	—	97	97	—
Total liabilities	**$ 56**	**$ 5,037**	**$ 5,028**	**$ 65**

(Continued)

Combining Statement of Changes in Assets and Liabilities (cont'd)

AGENCY FUNDS

Year Ended March 31, 2016

(Amounts in millions)

MMIS Statewide Escrow

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 158	$ 121,587	$ 121,553	$ 192
Due from other funds	—	37,295	37,295	—
Total assets	**$ 158**	**$ 158,882**	**$ 158,848**	**$ 192**
LIABILITIES:				
Accounts payable	$ —	$ 3,357	$ 3,357	$ —
Accrued liabilities	94	61,657	61,559	192
Payable to local governments	64	—	64	—
Due to other funds	—	310	310	—
Total liabilities	**$ 158**	**$ 65,324**	**$ 65,290**	**$ 192**

Sole Custody

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 5,130	$ 5,252	$ 5,131	$ 5,251
Receivables, net of allowance for uncollectibles	8	10	8	10
Total assets	**$ 5,138**	**$ 5,262**	**$ 5,139**	**$ 5,261**
LIABILITIES:				
Accrued liabilities	$ 3,741	$ 3,887	$ 3,742	$ 3,886
Payable to local governments	1,397	1,375	1,397	1,375
Total liabilities	**$ 5,138**	**$ 5,262**	**$ 5,139**	**$ 5,261**

Miscellaneous

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 1,299	$ 19,290	$ 18,925	$ 1,664
Receivables, net of allowance for uncollectibles	71	7,090	6,951	210
Due from other funds	—	1,273	1,273	—
Total assets	**$ 1,370**	**$ 27,653**	**$ 27,149**	**$ 1,874**
LIABILITIES:				
Accounts payable	$ 7	$ 6,341	$ 6,349	$ (1)
Accrued liabilities	1,297	12,620	12,101	1,816
Payable to local governments	66	59	66	59
Due to other funds	—	5,007	5,007	—
Total liabilities	**$ 1,370**	**$ 24,027**	**$ 23,523**	**$ 1,874**

(Continued)

Combining Statement of Changes in Assets and Liabilities (cont'd)

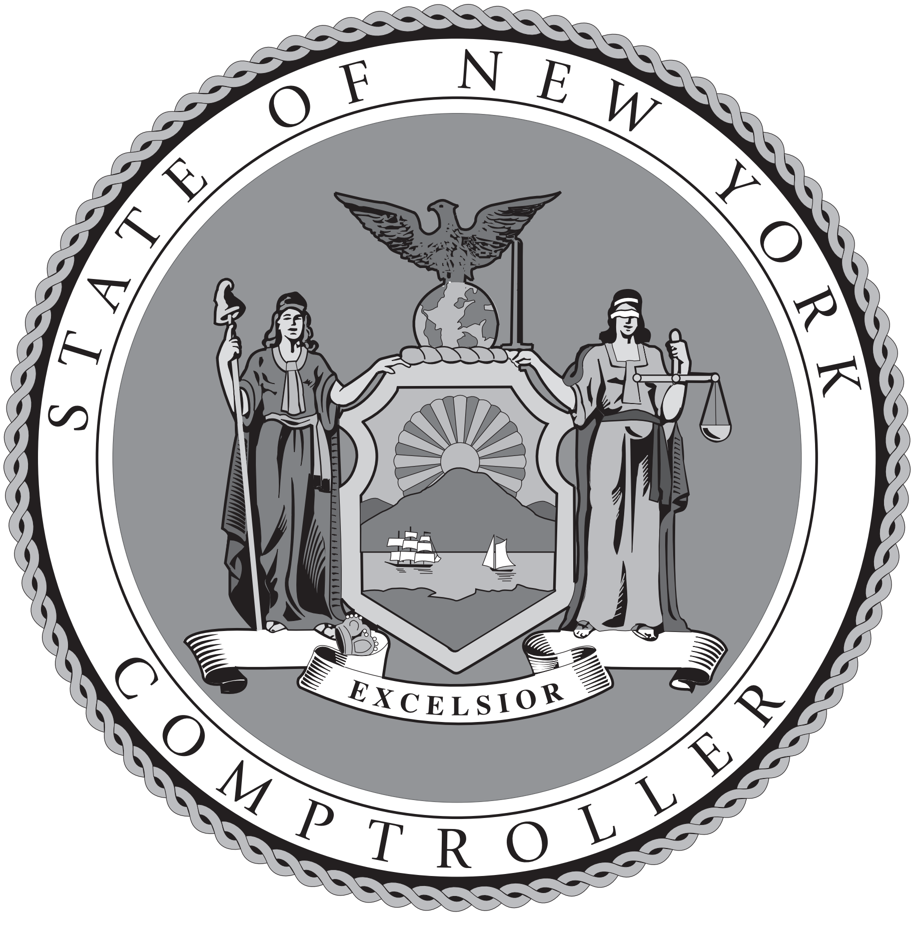
AGENCY FUNDS

Year Ended March 31, 2016

(Amounts in millions)

Total Assets and Liabilities—All Agency Funds

	Balance April 1, 2015	Additions	Deductions	Balance March 31, 2016
ASSETS:				
Cash and investments	$ 7,365	$ 163,827	$ 163,286	$ 7,906
Receivables, net of allowance for uncollectibles	177	8,978	8,792	363
Due from other funds	—	42,222	42,222	—
Other assets	153	116	154	115
Total assets	**$ 7,695**	**$ 215,143**	**$ 214,454**	**$ 8,384**
LIABILITIES:				
Accounts payable	$ 113	$ 22,060	$ 22,046	$ 127
Accrued liabilities	5,697	91,716	90,871	6,542
Payable to local governments	1,885	1,716	1,886	1,715
Due to other funds	—	5,770	5,770	—
Total liabilities	**$ 7,695**	**$ 121,262**	**$ 120,573**	**$ 8,384**


STATE OF NEW YORK
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Non-Major Component Units

The non-major component units listed are significant separate legal entities that are discretely presented in the State's financial statements. The inclusion of component units in the State's financial statements reflects the State's financial accountability for these entities.

Health Research Incorporated—administers gifts and grants in keeping with the research, prevention and treatment purposes of the New York State Department of Health and the Roswell Park Cancer Institute Corporation.

Housing Trust Fund Corporation—administers significant Federal and State low income housing programs.

Hugh L. Carey Battery Park City Authority—engages in the improvement of the Battery Park City Project Area (a 92-acre site on the lower west side of Manhattan); the creation in the area of a mixed commercial and residential community; and the making of loans secured by first mortgages to housing companies organized to provide housing within the project area.

Municipal Bond Bank Agency—provides access to the capital markets for special programs and purposes that benefit the State of New York and its municipalities.

New York State Energy Research and Development Authority—conducts and finances a multifaceted energy and environmental research and development program; promotes energy efficiency measures; manages the Western New York Nuclear Service Center at West Valley; and coordinates the State's activities on nuclear energy matters.

New York State Higher Education Services Corporation—administers the State's Guaranteed Student Loan Programs.

Niagara Frontier Transportation Authority—promotes the development and improvement of transportation and related services within the Niagara Frontier Transportation District, and operates a number of transportation related business centers including aviation, surface transportation and property management.

Roswell Park Cancer Institute Corporation—as a public hospital and medical research center, provides total care to cancer patients, conducts research into the causes, treatment and prevention of cancer, and educates those who treat and study cancer.

SUNY Foundations—include campus-related foundations and student housing corporations reported as an aggregate discretely presented component unit in the State University of New York financial statements. The campus-related foundations are responsible for the fiscal administration of revenues and support received for the promotion, development and advancement of the welfare of the campuses. The student housing corporations operate and administer certain housing and related services for students.

CUNY Foundations—include eighteen campus-related foundations reported as discretely presented component units in the City University of New York Senior Colleges' financial statements. These foundations support both academic and general needs of the colleges and their students.

Miscellaneous—aggregation of 22 other non-major component units listed in Note 14.

Combining Statement of Net Position

DISCRETELY PRESENTED NON-MAJOR COMPONENT UNITS

March 31, 2016
(Amounts in millions)

	Health Research Incorporated	Housing Trust Fund Corporation	Hugh L. Carey Battery Park City Authority	Municipal Bond Bank Agency	NYS Energy Research & Development Authority
ASSETS:					
Cash and investments	$ 497	$ 357	$ 411	$ 3	$ 1,648
Receivables, net of allowances for uncollectibles:					
Loans, leases, and notes	—	3	2	510	155
Other	49	10	69	8	27
Other assets	53	14	5	—	12
Capital assets:					
Construction in progress	—	—	—	—	—
Land, buildings and equipment, net of depreciation	1	—	493	—	15
Intangible assets	—	—	—	—	—
Total assets	**600**	**384**	**980**	**521**	**1,857**
DEFERRED OUTFLOWS OF RESOURCES:					
Pension activities	—	—	—	—	5
Derivative activities	—	—	26	—	—
Deferred loss on refunding	—	—	84	23	—
Total deferred outflows of resources	**—**	**—**	**110**	**23**	**5**
LIABILITIES:					
Accounts payable	32	—	2	—	7
Accrued liabilities	27	86	185	8	71
Pension contributions payable	—	—	—	—	—
Unearned revenues	—	28	46	—	4
Notes payable	—	—	—	—	—
Bonds payable	—	—	26	51	5
Current portion of other long-term liabilities	—	—	—	—	3
Due in more than one year:					
Accrued liabilities	—	1	28	—	—
Pension contributions payable	—	—	—	—	—
Net pension liability	—	1	—	—	—
Other postemployment benefits	—	3	34	—	—
Pollution remediation	—	—	—	—	—
Unearned revenues	409	—	269	—	—
Notes payable	—	—	—	—	—
Bonds payable	—	—	1,056	492	87
Other long-term liabilities	53	—	—	—	9
Derivative instruments	—	—	88	—	—
Total liabilities	**521**	**119**	**1,734**	**551**	**186**
DEFERRED INFLOWS OF RESOURCES:					
Pension activities	—	—	—	—	—
Other	—	—	—	—	—
Total deferred inflows of resources	**—**	**—**	**—**	**—**	**—**
NET POSITION:					
Net investment in capital assets	—	—	(14)	—	15
Restricted for:					
Debt service	—	—	58	—	—
Higher education, research and patient care	—	—	—	—	—
Environmental projects and energy programs	—	—	—	—	1,657
Economic development, housing and transportation	—	202	7	—	—
Insurance and administrative requirements	—	—	—	—	—
Unrestricted (deficit)	79	63	(695)	(7)	4
Total net position	**$ 79**	**$ 265**	**$ (644)**	**$ (7)**	**$ 1,676**

NYS Higher Education Services Corporation	Niagara Frontier Transportation Authority	Roswell Park Cancer Institute Corporation	SUNY Foundations and Auxiliary Corporations	CUNY Supporting Organizations	Miscellaneous	Total
$ 117	$ 91	$ 533	$ 2,287	$ 749	$ 1,263	**$ 7,956**
—	—	21	—	—	18	**709**
4	39	97	188	144	98	**733**
2	6	14	104	5	66	**281**
—	43	79	37	—	64	**223**
—	567	236	553	142	817	**2,824**
—	—	8	—	—	—	**8**
123	**746**	**988**	**3,169**	**1,040**	**2,326**	**12,734**
3	7	24	—	—	34	**73**
—	—	—	—	—	1	**27**
—	—	—	—	5	—	**112**
3	**7**	**24**	**—**	**5**	**35**	**212**
14	—	—	—	—	59	**114**
—	34	135	265	35	421	**1,267**
—	—	—	—	—	1	**1**
—	—	—	17	2	76	**173**
—	—	—	—	1	2	**3**
—	10	13	14	1	13	**133**
—	8	—	—	—	23	**34**
—	—	—	—	—	46	**75**
2	—	—	—	—	2	**4**
2	4	19	—	—	51	**77**
—	135	403	—	—	342	**917**
—	—	—	—	—	1	**1**
—	—	—	—	—	59	**737**
—	—	30	—	72	1	**103**
—	109	161	404	66	110	**2,485**
2	70	4	—	1	56	**195**
—	—	—	—	—	1	**89**
20	**370**	**765**	**700**	**178**	**1,264**	**6,408**
—	—	3	—	—	12	**15**
—	—	—	—	—	14	**14**
—	**—**	**3**	**—**	**—**	**26**	**29**
—	466	125	214	1	829	**1,636**
—	—	—	—	—	18	**76**
106	—	129	1,712	751	—	**2,698**
—	—	—	—	—	35	**1,692**
—	46	—	—	—	205	**460**
—	—	—	—	—	46	**46**
—	(129)	(10)	543	115	(62)	**(99)**
$ 106	**$ 383**	**$ 244**	**$ 2,469**	**$ 867**	**$ 1,071**	**$ 6,509**

Combining Statement of Activities

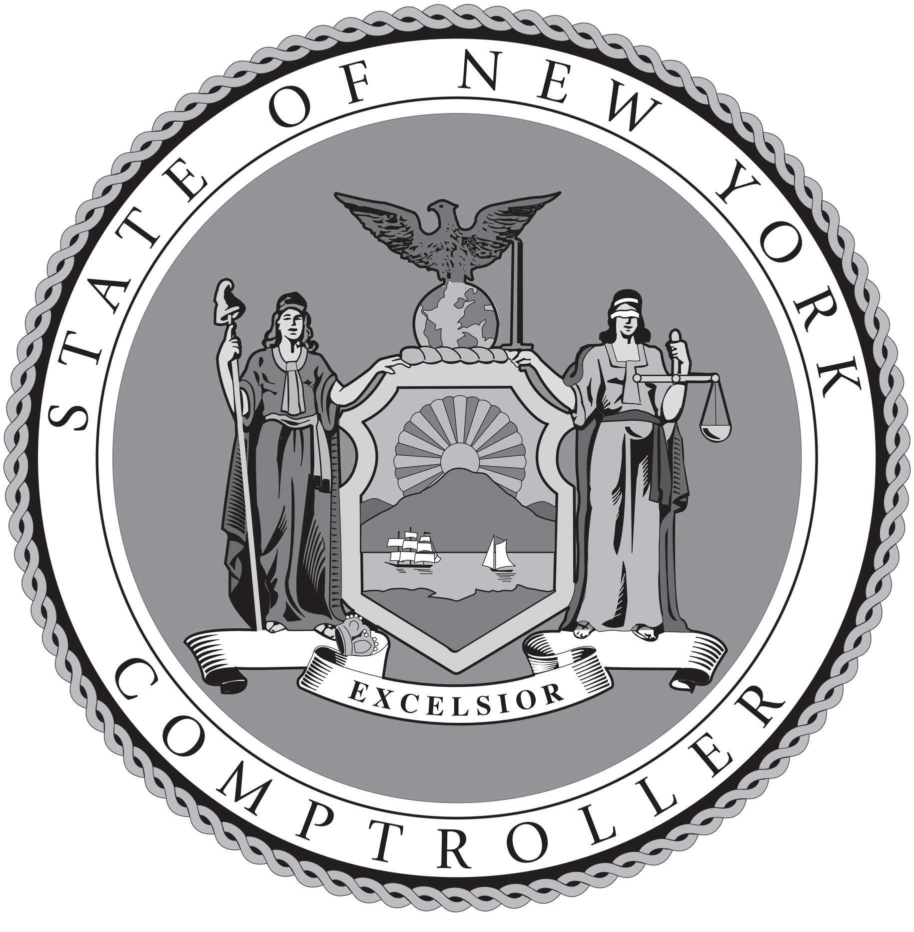
DISCRETELY PRESENTED NON-MAJOR COMPONENT UNITS

Year Ended March 31, 2016

(Amounts in millions)

	Health Research Incorporated	Housing Trust Fund Corporation	Hugh L. Carey Battery Park City Authority	Municipal Bond Bank Agency	NYS Energy Research & Development Authority
EXPENSES:					
Program operations	$ 635	$ 2,835	$ 207	$ 1	$ 647
Interest on long-term debt	—	—	32	21	1
Other interest	—	—	—	—	—
Depreciation and amortization	—	—	9	—	2
Other expenses	33	8	—	2	54
Total expenses	**668**	**2,843**	**248**	**24**	**704**
PROGRAM REVENUES:					
Charges for services	2	—	267	26	6
Operating grants and contributions	669	2,860	—	—	85
Capital grants and contributions	—	—	—	—	—
Total program revenues	**671**	**2,860**	**267**	**26**	**91**
Net program revenue (expenses)	**3**	**17**	**19**	**2**	**(613)**
GENERAL REVENUES:					
Non-State grants and contributions not restricted to specific programs	—	—	—	2	—
Investment earnings:					
Restricted	—	—	—	—	—
Unrestricted	—	—	—	—	12
Miscellaneous	—	1	4	—	679
Total general revenues	**—**	**1**	**4**	**2**	**691**
Change in net position	**3**	**18**	**23**	**4**	**78**
Net position—beginning of year, as restated	**76**	**247**	**(667)**	**(11)**	**1,598**
Net position—end of year	**$ 79**	**$ 265**	**$ (644)**	**$ (7)**	**$ 1,676**

NYS Higher Education Services Corporation	Niagara Frontier Transportation Authority	Roswell Park Cancer Institute Corporation	SUNY Foundations and Auxiliary Corporations	CUNY Supporting Organizations	Miscellaneous	Total
$ 717	$ 201	$ 600	$ 658	$ 171	$ 1,295	**$ 7,967**
—	—	8	—	—	4	**66**
—	5	—	—	5	—	**10**
—	50	36	—	6	69	**172**
9	5	21	144	8	38	**322**
726	**261**	**665**	**802**	**190**	**1,406**	**8,537**
718	71	542	608	52	699	**2,991**
—	51	88	165	4	424	**4,346**
—	27	16	—	—	73	**116**
718	**149**	**646**	**773**	**56**	**1,196**	**7,453**
(8)	**(112)**	**(19)**	**(29)**	**(134)**	**(210)**	**(1,084)**
8	56	—	—	84	134	**284**
—	—	—	21	—	14	**35**
—	—	—	12	11	8	**43**
—	42	35	62	61	30	**914**
8	**98**	**35**	**95**	**156**	**186**	**1,276**
—	**(14)**	**16**	**66**	**22**	**(24)**	**192**
106	**397**	**228**	**2,403**	**845**	**1,095**	**6,317**
$ 106	**$ 383**	**$ 244**	**$ 2,469**	**$ 867**	**$ 1,071**	**$ 6,509**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Statistical Section

This part of the State's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the State's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the State's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the State's most significant revenue source, the personal income tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the State's current levels of outstanding debt and the State's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the State's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the State's financial report relates to the services the State provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant years.*

Changes in Fund Balances

GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)
(Amounts in millions)

	Fiscal Year				
	2007	2008	2009	2010	2011
REVENUES:					
Taxes:					
Personal income	$ 34,615	$ 38,792	$ 33,096	$ 34,536	$ 37,705
Consumption and use	12,734	13,101	13,131	13,069	14,133
Business	8,488	8,163	7,711	7,547	7,115
Other	2,024	2,292	1,769	2,753	3,228
Federal grants	38,163	37,802	41,637	51,407	54,659
Public health/patient fees	3,810	3,900	3,734	4,296	4,655
Tobacco settlement	528	580	594	491	457
Miscellaneous	9,558	9,410	9,044	11,780	11,371
Total revenues	**109,920**	**114,040**	**110,716**	**125,879**	**133,323**
EXPENDITURES:					
Local assistance grants:					
Education	—	—	—	—	—
Public health	—	—	—	—	—
Public welfare	—	—	—	—	—
Public safety	—	—	—	—	—
Transportation	—	—	—	—	—
Environment and recreation	—	—	—	—	—
Support and regulate business	—	—	—	—	—
General government	—	—	—	—	—
Social services	42,794	42,689	44,741	52,341	53,894
Education	27,711	30,208	31,047	31,097	32,380
Mental hygiene	1,537	1,859	1,998	1,912	2,020
General purpose	1,192	928	1,220	1,251	1,037
Health and environment	4,527	4,423	4,592	4,250	4,460
Transportation	2,984	3,634	4,109	5,123	5,311
Criminal justice	461	493	516	624	506
Miscellaneous	2,555	3,142	2,901	2,068	2,685
State operations:					
Personal service	8,780	9,230	9,819	9,733	9,857
Non-personal service	6,300	6,324	6,331	6,329	6,554
Pension contributions	1,078	1,117	973	874	1,234
Other fringe benefits	2,765	3,354	3,203	3,390	3,683
Capital construction	4,404	4,467	5,127	5,029	4,174
Debt service, including payments on financing arrangements:					
Principal (General Obligation)	352	350	353	355	365
Interest (General Obligation)	146	139	127	123	135
Principal (Other financing arrangements)	—	—	—	—	—
Interest (Other financing arrangements)	—	—	—	—	—
Principal and Interest (Other financing arrangements)	3,094	3,589	3,622	4,067	4,394
Total expenditures	**110,680**	**115,946**	**120,679**	**128,566**	**132,689**
Excess (deficiency) of revenues over expenditures	**(760)**	**(1,906)**	**(9,963)**	**(2,687)**	**634**
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	2,707	2,709	2,761	2,959	3,315
Transfers to other funds	(5,202)	(4,810)	(5,072)	(5,158)	(5,085)
Collateralized borrowing	—	—	—	—	102
General obligation bonds issued	180	268	455	449	500
Financing arrangements issued	3,019	3,237	3,689	4,354	2,253
Refunding debt issued	543	2,280	3,874	2,200	1,907
Payments to escrow agents for refundings	(535)	(2,383)	(3,926)	(2,278)	(2,052)
Swap termination	—	—	(32)	(94)	(48)
Premiums on bonds issued	3	245	215	378	375
Net other financing sources (uses)	**715**	**1,546**	**1,964**	**2,810**	**1,267**
Special item—State Insurance Fund reserve release	**—**	**—**	**—**	**—**	**—**
Net change in fund balances	**$ (45)**	**$ (360)**	**$ (7,999)**	**$ 123**	**$ 1,901**
Debt service (principal and interest) as a percentage of non-capital expenditures	**3.32%**	**3.61%**	**3.45%**	**3.58%**	**3.74%**

Source: Office of the State Comptroller

Note: Figures restated for prior period adjustments.

Beginning in fiscal year 2013, expenditures for local assistance grants are reported using the new Statewide Financial System program categories. Prior fiscal years' reported amounts are categorized by local assistance object codes.

Fiscal Year

2012	2013	2014	2015	2016
$ 38,355	$ 41,962	$ 41,295	$ 45,438	$ 46,089
14,528	14,598	15,139	15,361	15,741
7,758	8,275	8,438	8,321	7,575
3,115	2,973	3,398	3,537	3,967
48,016	49,263	50,176	51,494	57,781
4,648	4,574	4,968	5,142	5,213
453	447	492	426	803
11,433	10,745	10,811	15,186	11,005
128,306	**132,837**	**134,717**	**144,905**	**148,174**
—	30,717	31,139	32,229	34,595
—	48,363	48,078	51,939	56,694
—	13,970	13,758	12,477	12,989
—	2,003	2,714	2,814	2,382
—	5,901	5,799	5,864	5,565
—	451	454	316	319
—	700	836	695	804
—	1,189	1,363	1,355	1,587
51,893	—	—	—	—
31,255	—	—	—	—
2,090	—	—	—	—
1,042	—	—	—	—
4,466	—	—	—	—
5,327	—	—	—	—
745	—	—	—	—
2,049	—	—	—	—
9,439	9,597	9,599	9,780	9,947
6,320	6,128	6,093	6,883	6,773
1,538	1,457	1,880	1,979	2,038
3,924	3,255	3,233	3,277	3,386
4,198	4,260	4,506	4,725	5,516
361	346	333	304	290
137	141	139	132	123
2,778	3,035	2,921	3,052	3,407
1,956	1,801	1,876	1,850	1,886
—	—	—	—	—
129,518	**133,314**	**134,721**	**139,671**	**148,301**
(1,212)	**(477)**	**(4)**	**5,234**	**(127)**
3,282	3,131	3,319	3,258	3,335
(5,099)	(5,146)	(5,658)	(5,432)	(5,657)
—	—	370	—	—
330	396	—	148	—
2,945	1,836	2,684	1,934	2,219
1,868	2,434	2,247	1,527	3,888
(2,033)	(2,784)	(2,468)	(1,737)	(4,465)
(27)	—	—	—	—
565	746	461	527	965
1,831	**613**	**955**	**225**	**285**
—	**—**	**250**	**1,000**	**250**
$ 619	**$ 136**	**$ 1,201**	**$ 6,459**	**$ 408**
4.09%	**4.05%**	**3.97%**	**3.86%**	**3.86%**

Net Position by Component

LAST TEN FISCAL YEARS

(Accrual basis of accounting)
(Amounts in millions)

	Fiscal Year				
	2007	2008	2009	2010	2011
Governmental activities:					
Net investment in capital assets	$ 62,500	$ 62,800	$ 63,476	$ 63,797	$ 65,118
Restricted for:					
Debt service	2,210	2,304	2,321	2,277	2,506
Environmental projects and energy programs	18	18	27	60	88
Economic development, housing and transportation	520	467	46	171	272
Other government programs	1,775	746	444	156	148
Unrestricted (deficit)	(21,696)	(22,825)	(35,420)	(38,485)	(40,484)
Total governmental activities net position	**$ 45,327**	**$ 43,510**	**$ 30,894**	**$ 27,976**	**$ 27,648**
Business-type activities:					
Net investment in capital assets	$ 207	$ 353	$ 569	$ 468	$ 685
Restricted for:					
Debt service	—	—	—	—	—
Higher education, research and patient care	1,344	1,634	1,619	1,021	1,003
Future lottery prizes	104	110	72	79	105
Unemployment benefits	1,308	1,313	351	—	—
Pensions	—	—	—	—	—
Unrestricted (deficit)	636	807	420	(1,452)	(2,411)
Total business-type activities net position	**$ 3,599**	**$ 4,217**	**$ 3,031**	**$ 116**	**$ (618)**
Primary government:					
Net investment in capital assets	$ 62,707	$ 63,153	$ 64,045	$ 64,265	$ 65,803
Restricted for:					
Debt service	2,210	2,304	2,321	2,277	2,506
Higher education, research and patient care	1,344	1,634	1,619	1,021	1,003
Environmental projects and energy programs	18	18	27	60	88
Economic development, housing and transportation	520	467	46	171	272
Future lottery prizes	104	110	72	79	105
Unemployment benefits	1,308	1,313	351	—	—
Pensions	—	—	—	—	—
Other government programs	1,775	746	444	156	148
Unrestricted (deficit)	(21,060)	(22,018)	(35,000)	(39,937)	(42,895)
Total primary government net position	**$ 48,926**	**$ 47,727**	**$ 33,925**	**$ 28,092**	**$ 27,030**

Source: Office of the State Comptroller

Fiscal Year				
2012	2013	2014	2015	2016
$ 65,875	$ 67,162	$ 68,791	$ 69,286	$ 69,394
2,502	2,508	3,271	2,574	3,328
107	102	113	129	95
233	151	199	105	229
309	728	231	277	365
(42,693)	(44,380)	(44,767)	(39,817)	(40,872)
$ 26,333	**$ 26,271**	**$ 27,838**	**$ 32,554**	**$ 32,539**
$ 920	$ 1,390	$ 1,220	$ 1,323	$ 1,589
—	—	—	—	117
1,204	1,037	1,120	1,039	985
141	185	150	139	157
—	—	—	892	1,944
—	—	—	—	25
(2,923)	(3,534)	(3,331)	(2,622)	(4,592)
$ (658)	**$ (922)**	**$ (841)**	**$ 771**	**$ 225**
$ 66,795	$ 68,552	$ 70,011	$ 70,609	$ 70,983
2,502	2,508	3,271	2,574	3,445
1,204	1,037	1,120	1,039	985
107	102	113	129	95
233	151	199	105	229
141	185	150	139	157
—	—	—	892	1,944
—	—	—	—	25
309	728	231	277	365
(45,616)	(47,914)	(48,098)	(42,439)	(45,464)
$ 25,675	**$ 25,349**	**$ 26,997**	**$ 33,325**	**$ 32,764**

Changes in Net Position

LAST TEN FISCAL YEARS

(Accrual basis of accounting)
(Amounts in millions)

	Fiscal Year				
	2007	2008	2009	2010	2011
EXPENSES:					
Governmental activities:					
Education	$ 28,222	$ 31,215	$ 32,184	$ 31,075	$ 32,478
Public health	44,869	44,777	47,233	51,499	52,618
Public welfare	11,291	12,491	13,824	16,226	17,091
Public safety	5,521	6,011	6,066	5,641	6,143
Transportation	5,893	6,595	7,164	8,112	7,778
Environment and recreation	1,226	1,275	1,276	1,338	1,625
Support and regulate business	1,062	1,288	1,911	1,713	1,827
General government	8,684	7,841	9,457	9,234	9,707
Interest on long-term debt	1,478	1,862	1,752	1,839	2,040
Total governmental activities expenses	**108,246**	**113,355**	**120,867**	**126,677**	**131,307**
Business-type activities:					
Lottery	4,945	5,044	5,235	5,221	5,250
Unemployment insurance	2,344	2,412	4,562	10,267	9,414
State University of New York	7,003	7,965	8,379	9,509	9,032
City University of New York	2,246	2,443	2,617	2,847	2,950
Total business-type activities expenses	**16,538**	**17,864**	**20,793**	**27,844**	**26,646**
Total primary government expenses	**$ 124,784**	**$ 131,219**	**$ 141,660**	**$ 154,521**	**$ 157,953**
PROGRAM REVENUES:					
Governmental activities:					
Charges for services:					
Education	$ 95	$ 88	$ 73	$ 118	$ 119
Public health	5,141	4,676	4,459	5,086	5,687
Public welfare	385	597	458	1,024	751
Public safety	185	208	194	173	167
Transportation	1,069	1,033	1,109	1,317	1,425
Environment and recreation	258	291	297	324	315
Support and regulate business	487	539	822	1,528	1,413
General government	1,050	1,050	1,920	1,989	1,848
Operating grants and contributions	36,752	36,509	40,401	50,058	53,072
Capital grants and contributions	1,392	1,305	1,344	1,240	1,427
Total governmental activities program revenues	**46,814**	**46,296**	**51,077**	**62,857**	**66,224**
Business-type activities:					
Charges for services:					
Lottery	7,175	7,548	7,660	7,818	7,868
State University of New York	2,948	3,219	3,279	3,533	3,803
City University of New York	484	504	519	541	614
Operating grants and contributions	4,504	4,518	5,667	10,903	11,445
Capital grants and contributions	73	61	69	48	76
Total business-type activities program revenues	**15,184**	**15,850**	**17,194**	**22,843**	**23,806**
Total primary government program revenues	**$ 61,998**	**$ 62,146**	**$ 68,271**	**$ 85,700**	**$ 90,030**
NET (EXPENSE)/REVENUE:					
Governmental activities:	$ (62,266)	$ (67,828)	$ (70,563)	$ (63,820)	$ (65,083)
Business-type activities:	(1,058)	(1,660)	(3,599)	(5,001)	(2,840)
Total primary government net expense	**$ (63,324)**	**$ (69,488)**	**$ (74,162)**	**$ (68,821)**	**$ (67,923)**

Fiscal Year

2012	2013	2014	2015	2016
$ 30,828	$ 31,125	$ 31,791	$ 32,672	$ 35,175
58,817	55,042	54,995	58,442	63,454
12,703	15,931	15,525	14,146	14,722
6,264	8,264	7,680	7,662	7,768
8,347	8,928	8,171	9,315	10,344
1,653	1,376	1,350	1,424	1,413
1,625	1,423	1,600	1,606	1,555
5,641	7,394	7,534	10,030	10,234
1,922	1,823	1,785	1,690	1,618
127,800	**131,306**	**130,431**	**136,987**	**146,283**
5,587	5,914	6,162	6,120	6,442
7,363	6,718	4,529	2,588	2,403
9,709	9,940	10,061	10,353	10,700
2,937	3,022	3,088	3,166	3,265
25,596	**25,594**	**23,840**	**22,227**	**22,810**
$ 153,396	**$ 156,900**	**$ 154,271**	**$ 159,214**	**$ 169,093**
$ 99	$ 94	$ 86	$ 209	$ 136
6,159	5,671	6,207	6,476	5,408
636	490	905	587	261
163	141	188	176	207
1,483	1,371	1,406	1,322	1,502
269	245	258	256	265
1,527	1,855	1,870	5,879	2,953
2,426	3,664	3,143	3,565	4,439
46,627	48,337	48,598	48,700	56,089
1,429	1,370	1,455	1,432	1,629
60,818	**63,238**	**64,116**	**68,602**	**72,889**
8,439	8,934	9,226	9,156	9,691
4,004	4,140	4,067	4,095	4,430
622	659	642	647	651
10,020	9,066	7,681	6,366	6,160
95	64	89	144	65
23,180	**22,863**	**21,705**	**20,408**	**20,997**
$ 83,998	**$ 86,101**	**$ 85,821**	**$ 89,010**	**$ 93,886**
$ (66,982)	$ (68,068)	$ (66,315)	$ (68,385)	$ (73,394)
(2,416)	(2,731)	(2,135)	(1,819)	(1,813)
$ (69,398)	**$ (70,799)**	**$ (68,450)**	**$ (70,204)**	**$ (75,207)**

(Continued)

Changes in Net Position (cont'd)

LAST TEN FISCAL YEARS

(Accrual basis of accounting)
(Amounts in millions)

	Fiscal Year				
	2007	2008	2009	2010	2011
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:					
Governmental activities:					
Taxes:					
Personal income	$ 34,745	$ 38,756	$ 33,108	$ 34,521	$ 37,629
Consumption and use	12,727	13,087	13,137	13,076	14,115
Business	8,527	8,157	7,661	7,662	6,892
Other	2,022	2,291	1,898	2,780	3,187
Investment earnings	833	997	256	115	84
Miscellaneous	4,240	3,876	3,983	4,906	4,663
Transfers	(2,332)	(1,922)	(2,226)	(2,158)	(1,739)
Special item—State Insurance Fund reserve release	—	—	—	—	—
Total governmental activities	**60,762**	**65,242**	**57,817**	**60,902**	**64,831**
Business-type activities:					
Investment earnings	366	639	270	39	208
Miscellaneous	292	119	300	235	593
Transfers	1,159	1,543	1,845	1,812	1,307
Total business-type activities	**1,817**	**2,301**	**2,415**	**2,086**	**2,108**
Total primary government	**$ 62,579**	**$ 67,543**	**$ 60,232**	**$ 62,988**	**$ 66,939**
CHANGE IN NET POSITION:					
Governmental activities	$ (670)	$ (1,817)	$ (11,973)	$ (2,918)	$ (252)
Business-type activities	463	287	(1,184)	(2,915)	(732)
Total primary government	**$ (207)**	**$ (1,530)**	**$ (13,157)**	**$ (5,833)**	**$ (984)**

Source: Office of the State Comptroller

Note: Figures restated for prior period adjustments.

Fiscal Year

2012	2013	2014	2015	2016
$ 38,329	$ 41,975	$ 41,298	$ 45,482	$ 46,104
14,492	14,593	15,129	15,295	15,742
7,782	8,285	8,542	8,254	7,458
3,128	3,078	3,402	3,524	4,018
—	54	63	86	100
3,682	2,103	2,063	2,204	1,695
(1,746)	(2,082)	(2,373)	(2,744)	(2,416)
—	—	250	1,000	250
65,667	**68,006**	**68,374**	**73,101**	**72,951**
367	131	64	308	119
474	619	917	1,133	498
1,535	1,717	1,561	1,990	1,962
2,376	**2,467**	**2,542**	**3,431**	**2,579**
$ 68,043	**$ 70,473**	**$ 70,916**	**$ 76,532**	**$ 75,530**
$ (1,315)	$ (62)	$ 2,059	$ 4,716	$ (443)
(40)	(264)	407	1,612	766
$ (1,355)	**$ (326)**	**$ 2,466**	**$ 6,328**	**$ 323**

Fund Balances

GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)
(Amounts in millions)

	Fiscal Year				
	2007	2008	2009	2010	2011
General Fund (per GASBS 54):					
Restricted	$ —	$ —	$ —	$ —	$ —
Committed	—	—	—	—	219
Assigned	—	—	—	—	989
Unassigned	—	—	—	—	(3,217)
General Fund (prior to GASBS 54):					
Reserved	2,011	3,546	2,624	3,125	—
Unreserved	373	405	(5,568)	(6,663)	—
Total general fund	**$ 2,384**	**$ 3,951**	**$ (2,944)**	**$ (3,538)**	**$ (2,009)**
All Other Governmental Funds (per GASBS 54):					
Restricted	$ —	$ —	$ —	$ —	$ 3,649
Committed	—	—	—	—	3,480
Assigned	—	—	—	—	1,784
Unassigned	—	—	—	—	(1,128)
All Other Governmental Funds (prior to GASBS 54):					
Reserved	10,652	10,257	9,787	11,406	—
Unreserved, reported in:					
Federal special revenue funds	(900)	(964)	(1,081)	(1,341)	—
Special revenue funds	3,584	3,558	2,677	2,093	—
Capital projects funds	(4,089)	(5,144)	(4,798)	(5,279)	—
Debt service funds	480	93	111	534	—
Total all other governmental funds	**$ 9,727**	**$ 7,800**	**$ 6,696**	**$ 7,413**	**$ 7,785**

Source: Office of the State Comptroller

Note: 2011 figures restated for GASBS 54 implementation.

Tax Receipts by Source

GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)
(Amounts in millions)

Fiscal Year	Personal Income	Sales and Use	Motor Fuel	Corporate Franchise	Cigarette & Tobacco	Corporate & Utility	Other Miscellaneous	Total Taxes Collected by Year
2006-2007	$ 34,615	$ 10,828	$ 517	$ 4,170	$ 993	$ 809	$ 5,929	$ 57,861
2007-2008	38,792	11,197	520	3,964	967	795	6,113	62,348
2008-2009	33,096	10,906	500	3,265	1,330	875	5,735	55,707
2009-2010	34,536	10,705	516	2,541	1,389	965	7,253	57,905
2010-2011	37,705	11,479	513	2,782	1,608	796	7,298	62,181
2011-2012	38,355	11,839	501	3,128	1,628	785	7,520	63,756
2012-2013	41,962	11,975	491	2,941	1,549	874	8,016	67,808
2013-2014	41,295	12,577	535	4,109	1,445	786	7,523	68,270
2014-2015	45,438	12,971	486	3,473	1,312	712	8,265	72,657
2015-2016	46,089	13,373	503	4,233	1,252	744	7,178	73,372

Source: Office of the State Comptroller
New York State Division of the Budget

Note: Figures restated for prior period adjustments.

Fiscal Year				
2012	**2013**	**2014**	**2015**	**2016**
$ —	$ —	$ —	$ —	$ —
567	398	1,030	573	1,072
1,574	1,240	1,772	8,063	8,126
(4,009)	(2,377)	(3,369)	(2,584)	(4,124)
—	—	—	—	—
—	—	—	—	—
$ (1,868)	**$ (739)**	**$ (567)**	**$ 6,052**	**$ 5,074**
$ 3,151	$ 3,101	$ 3,292	$ 3,553	$ 3,385
3,715	2,946	2,967	3,324	3,979
1,772	2,045	2,534	2,460	2,837
(375)	(822)	(494)	(1,198)	(676)
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
$ 8,263	**$ 7,270**	**$ 8,299**	**$ 8,139**	**$ 9,525**

Program Revenues by Function/Program

LAST TEN FISCAL YEARS
(Accrual basis of accounting)
(Amounts in millions)

	Program Revenues				
	2007	**2008**	**2009**	**2010**	**2011**
FUNCTION/PROGRAM:					
Governmental activities:					
Education	$ 3,766	$ 3,315	$ 3,684	$ 3,853	$ 4,322
Public health	29,514	28,900	31,402	38,314	38,733
Public welfare	7,882	8,315	9,056	12,021	12,590
Public safety	697	916	481	758	730
Transportation	2,758	2,613	2,931	3,017	3,491
Environment and recreation	451	493	413	521	742
Support and regulate business	503	552	835	1,542	1,430
General government	1,243	1,192	2,275	2,826	4,156
Interest on long-term debt	—	—	—	5	30
Total governmental activities	**46,814**	**46,296**	**51,077**	**62,857**	**66,224**
Business-type activities:					
Lottery	7,175	7,548	7,660	7,818	7,868
Unemployment insurance	2,490	2,389	3,582	8,603	8,813
State University of New York	4,379	4,719	4,740	5,154	5,646
City University of New York	1,140	1,194	1,212	1,268	1,479
Total business-type activities	**15,184**	**15,850**	**17,194**	**22,843**	**23,806**
Total primary government	**$ 61,998**	**$ 62,146**	**$ 68,271**	**$ 85,700**	**$ 90,030**

Source: Office of the State Comptroller

Note: Figures restated for prior period adjustments.

New York State and Local Retirement System— Changes in Net Position

LAST TEN FISCAL YEARS
(Amounts in thousands)

	Fiscal Year				
	2007	**2008**	**2009**	**2010**	**2011**
Additions:					
Member contributions	$ 250,158	$ 265,676	$ 273,316	$ 284,291	$ 286,199
Employer contributions	2,718,551	2,648,448	2,456,223	2,344,222	4,164,571
Investment income (loss), net of expenses	17,416,082	3,163,728	(40,428,820)	28,422,361	19,339,896
Other	131,863	116,112	155,918	81,981	127,709
Total additions to plan net position	**20,516,654**	**6,193,964**	**(37,543,363)**	**31,132,855**	**23,918,375**
Deductions:					
Retirement allowances	6,218,783	6,653,820	7,031,621	7,480,101	8,272,262
Death benefits	164,632	181,693	180,491	183,023	192,265
Administrative expenses	79,772	90,304	99,229	100,029	101,333
Other	48,316	47,521	53,387	55,748	55,696
Total deductions from plan net position	**6,511,503**	**6,973,338**	**7,364,728**	**7,818,901**	**8,621,556**
Change in net position	**$ 14,005,151**	**$ (779,374)**	**$ (44,908,091)**	**$ 23,313,954**	**$ 15,296,819**

Source: New York State and Local Retirement System

Note: For additional information, please see www.osc.state.ny.us/retire/publications/index.htm.

Program Revenues

2012	2013	2014	2015	2016
$ 4,221	$ 3,709	$ 4,013	$ 3,652	$ 4,324
34,984	34,972	35,250	37,859	42,884
12,011	12,689	12,800	11,120	11,548
762	2,211	2,640	2,579	2,299
3,365	3,248	3,549	3,303	3,555
625	608	665	482	514
1,546	1,882	1,896	5,906	2,992
3,261	3,876	3,264	3,661	4,743
43	43	39	40	30
60,818	**63,238**	**64,116**	**68,602**	**72,889**
8,439	8,934	9,226	9,156	9,691
7,323	6,474	4,937	3,677	3,424
5,893	5,952	6,036	6,018	6,314
1,525	1,503	1,506	1,557	1,568
23,180	**22,863**	**21,705**	**20,408**	**20,997**
$ 83,998	**$ 86,101**	**$ 85,821**	**$ 89,010**	**$ 93,886**

Fiscal Year

2012	2013	2014	2015	2016
$ 273,247	$ 269,134	$ 281,398	$ 284,793	$ 306,631
4,585,178	5,336,045	6,064,133	5,797,449	5,140,204
7,868,313	14,717,622	20,598,593	12,444,891	(384,834)
157,625	131,853	192,581	230,799	332,880
12,884,363	**20,454,654**	**27,136,705**	**18,757,932**	**5,394,881**
8,677,822	9,256,052	9,695,009	10,253,077	10,720,294
184,960	194,170	203,820	183,091	188,190
100,649	105,720	105,662	107,151	106,620
75,049	71,314	78,697	77,546	151,988
9,038,480	**9,627,256**	**10,083,188**	**10,620,865**	**11,167,092**
$ 3,845,883	**$ 10,827,398**	**$ 17,053,517**	**$ 8,137,067**	**$ (5,772,211)**

Personal Income Tax Filers and Liability by Income Level

FOR TEN YEARS STATED

(Amounts in thousands)

2004

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2004

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,170,424	15%	$ (62,168)	0%
$ 5,000–9,999	823,368	10%	(145,378)	–1%
10,000–19,999	1,264,123	16%	(282,049)	–1%
20,000–29,999	990,224	12%	301,752	1%
30,000–39,999	815,073	10%	795,065	4%
40,000–49,999	628,266	8%	965,901	4%
50,000–59,999	466,514	6%	966,540	5%
60,000–74,999	524,742	6%	1,446,315	7%
75,000–99,999	554,372	7%	2,121,162	10%
100,000–199,999	596,606	7%	4,183,689	19%
200,000 and over	230,838	3%	11,299,366	52%
Total	**8,064,550**	**100%**	**$21,590,194**	**100%**

2005

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2005

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,145,067	14%	$ (66,663)	0%
$ 5,000–9,999	826,503	10%	(148,495)	–1%
10,000–19,999	1,275,641	16%	(289,586)	–1%
20,000–29,999	1,002,581	12%	294,028	1%
30,000–39,999	814,589	10%	789,437	3%
40,000–49,999	629,992	8%	968,166	4%
50,000–59,999	469,666	6%	973,557	4%
60,000–74,999	528,785	6%	1,456,936	6%
75,000–99,999	574,255	7%	2,191,923	9%
100,000–199,999	637,544	8%	4,451,432	19%
200,000 and over	257,867	3%	13,244,481	56%
Total	**8,162,490**	**100%**	**$23,865,215**	**100%**

2008

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2008

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,292,795	15%	$ (84,305)	0%
$ 5,000–9,999	787,894	9%	(147,595)	–1%
10,000–19,999	1,256,101	15%	(386,794)	–1%
20,000–29,999	985,422	11%	148,501	0%
30,000–39,999	815,979	10%	681,716	3%
40,000–49,999	646,905	8%	942,276	3%
50,000–59,999	496,499	6%	992,709	4%
60,000–74,999	556,628	6%	1,486,364	6%
75,000–99,999	625,853	7%	2,323,346	9%
100,000–199,999	801,428	9%	5,518,224	21%
200,000 and over	321,736	4%	14,850,163	56%
Total	**8,587,240**	**100%**	**$26,324,603**	**100%**

2009

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2009

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,268,716	15%	$ (102,968)	0%
$ 5,000–9,999	811,045	10%	(177,287)	–1%
10,000–19,999	1,301,282	15%	(444,632)	–2%
20,000–29,999	987,772	12%	89,498	0%
30,000–39,999	799,520	9%	631,541	2%
40,000–49,999	634,187	7%	918,218	4%
50,000–59,999	493,064	6%	991,028	4%
60,000–74,999	551,325	6%	1,480,225	6%
75,000–99,999	623,467	7%	2,323,477	9%
100,000–199,999	803,594	9%	5,531,643	21%
200,000 and over	296,502	4%	14,674,350	57%
Total	**8,570,474**	**100%**	**$25,915,093**	**100%**

2012

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2012

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,344,401	15%	$ (91,324)	0%
$ 5,000–9,999	792,924	9%	(147,366)	–1%
10,000–19,999	1,337,211	15%	(435,080)	–1%
20,000–29,999	1,008,344	12%	112,513	0%
30,000–39,999	798,168	9%	632,184	2%
40,000–49,999	625,203	7%	908,436	3%
50,000–59,999	492,726	6%	991,635	3%
60,000–74,999	555,574	6%	1,484,828	5%
75,000–99,999	638,679	7%	2,357,144	7%
100,000–199,999	883,044	10%	5,961,917	19%
200,000 and over	373,910	4%	20,149,104	63%
Total	**8,850,184**	**100%**	**$31,923,991**	**100%**

2013(1)

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2013

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,361,979	15%	$ (94,709)	0%
$ 5,000–9,999	797,346	9%	(152,949)	0%
10,000–19,999	1,338,798	15%	(458,063)	–2%
20,000–29,999	1,011,025	11%	89,597	0%
30,000–39,999	806,511	9%	623,581	2%
40,000–49,999	632,279	7%	912,078	3%
50,000–59,999	501,978	6%	1,010,948	3%
60,000–74,999	562,400	6%	1,507,948	5%
75,000–99,999	650,960	7%	2,417,687	8%
100,000–199,999	914,485	10%	6,218,293	20%
200,000 and over	395,765	5%	19,192,242	61%
Total	**8,973,526**	**100%**	**$31,266,653**	**100%**

Source: New York State Department of Taxation and Finance

Note: (1) Calendar years after 2013 are not yet available; please see www.tax.ny.gov for additional information.

2006

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2006

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,118,894	13%	$ (91,631)	0%
$ 5,000–9,999	824,596	10%	(172,332)	–1%
10,000–19,999	1,290,097	15%	(386,792)	–1%
20,000–29,999	1,016,079	12%	184,324	1%
30,000–39,999	829,814	10%	706,969	3%
40,000–49,999	640,364	8%	917,624	4%
50,000–59,999	480,661	6%	939,863	4%
60,000–74,999	543,846	7%	1,424,481	6%
75,000–99,999	597,498	7%	2,185,284	9%
100,000–199,999	704,317	8%	4,815,069	19%
200,000 and over	293,425	4%	14,291,890	56%
Total	**8,339,591**	**100%**	**$24,814,750**	**100%**

2007

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2007

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,221,819	14%	$ (126,447)	0%
$ 5,000–9,999	847,130	10%	(188,932)	–1%
10,000–19,999	1,317,075	15%	(406,225)	–1%
20,000–29,999	1,024,299	12%	168,782	1%
30,000–39,999	848,679	10%	720,900	2%
40,000–49,999	657,263	7%	948,389	3%
50,000–59,999	498,842	6%	983,954	3%
60,000–74,999	561,981	6%	1,482,444	5%
75,000–99,999	622,813	7%	2,288,409	8%
100,000–199,999	768,436	9%	5,276,023	18%
200,000 and over	332,655	4%	18,490,962	62%
Total	**8,700,992**	**100%**	**$29,638,258**	**100%**

2010

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2010

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,282,711	15%	$ (92,214)	0%
$ 5,000–9,999	800,816	9%	(157,452)	0%
10,000–19,999	1,326,538	15%	(425,938)	–1%
20,000–29,999	1,019,577	12%	134,398	0%
30,000–39,999	799,696	9%	644,131	2%
40,000–49,999	626,044	7%	918,924	3%
50,000–59,999	491,094	6%	999,461	3%
60,000–74,999	551,121	6%	1,495,589	5%
75,000–99,999	626,636	7%	2,364,101	8%
100,000–199,999	822,011	10%	5,728,904	20%
200,000 and over	324,565	4%	17,367,109	60%
Total	**8,670,809**	**100%**	**$28,977,013**	**100%**

2011

Income Tax Components of Full-Year Residents by Size of Income (All Returns) in 2011

Income Class	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Under $5,000	1,345,851	15%	$ (96,258)	0%
$ 5,000–9,999	802,102	9%	(158,570)	–1%
10,000–19,999	1,338,661	15%	(436,834)	–1%
20,000–29,999	1,011,281	12%	121,871	0%
30,000–39,999	794,670	9%	645,921	2%
40,000–49,999	622,486	7%	921,825	3%
50,000–59,999	491,651	6%	1,010,534	3%
60,000–74,999	555,236	6%	1,523,190	5%
75,000–99,999	632,868	7%	2,411,623	8%
100,000–199,999	850,894	10%	5,987,198	20%
200,000 and over	348,137	4%	18,249,488	61%
Total	**8,793,837**	**100%**	**$30,179,988**	**100%**

Personal Income by Industry

LAST TEN CALENDAR YEARS

(Amounts in millions)

	Calendar Year				
	2006	2007	2008	2009	2010
Total personal income	**$ 818,426**	**$ 914,432**	**$ 937,010**	**$ 917,610**	**$ 946,054**
Farm earnings	**592**	**1,170**	**1,015**	**806**	**1,209**
Nonfarm earnings	**667,882**	**724,080**	**752,457**	**700,447**	**721,629**
Private earnings	**574,142**	**622,711**	**644,763**	**588,548**	**606,487**
Agricultural services, forestry, fishing	1,255	1,216	1,300	343	389
Mining	2,175	1,739	2,456	1,417	2,087
Utilities	5,762	6,855	6,672	5,671	5,738
Construction	27,266	28,776	30,092	28,584	28,398
Manufacturing	45,552	46,153	46,448	37,575	37,994
Wholesale trade	30,446	31,959	32,434	29,851	30,781
Retail trade	33,112	34,444	35,081	33,982	34,857
Transportation and warehousing	13,636	14,657	14,614	14,391	14,618
Information	38,277	41,203	44,959	38,250	41,032
Finance and insurance	120,710	144,606	147,543	116,255	114,662
Real estate, rental and leasing	17,321	17,938	16,196	13,338	13,859
Professional and technical services	76,751	80,728	88,121	80,161	83,742
Management of companies and enterprises	18,708	21,174	20,949	19,055	21,302
Administrative and waste services	20,661	22,334	23,332	21,721	23,553
Educational services	14,588	15,381	16,354	17,838	18,368
Health care and social assistance	67,272	69,867	72,827	78,312	82,971
Arts, entertainment, and recreation	8,790	9,532	9,807	11,563	11,204
Accommodation and food services	14,757	16,010	16,718	17,354	18,141
Other services, except public administration	17,100	18,136	18,859	22,887	22,791
Government and government enterprises	**93,740**	**101,369**	**107,694**	**111,899**	**115,142**
Federal, civilian	10,939	11,813	12,072	12,532	12,510
Military	3,340	3,555	3,831	4,421	4,591
State and local	79,460	86,002	91,791	94,945	98,041

Source: U.S. Bureau of Economic Analysis

Notes:

Deviations between personal income and earnings by industry are due to dividends, interest, rent, personal current transfer receipts, employer contributions for government social insurance, employee and self-employed contributions for government social insurance, and adjustments for residence.

Reported amounts are based on estimates. For more information, please see www.bea.gov.

Calendar Year				
2011	2012	2013	2014	2015
$ 983,868	**$ 1,019,514**	**$ 1,062,391**	**$ 1,110,345**	**$ 1,142,485**
1,694	**1,605**	**1,882**	**1,956**	**1,789**
754,162	**780,436**	**808,728**	**843,960**	**886,957**
640,345	**664,592**	**676,475**	**706,186**	**742,444**
300	437	440	491	466
646	784	1,244	1,236	1,250
5,663	6,294	5,968	6,068	6,419
29,984	32,251	34,892	36,975	39,670
38,582	37,794	37,185	36,879	39,616
31,950	33,586	34,491	35,307	36,215
38,372	39,977	40,065	42,506	42,866
15,141	15,514	17,611	17,970	19,135
41,832	43,117	40,106	43,337	46,216
127,417	135,500	126,805	137,897	141,732
14,634	16,823	20,753	19,214	24,885
89,879	91,492	95,000	99,364	103,592
22,543	22,311	23,127	22,672	23,266
24,710	25,451	26,976	27,601	29,764
18,889	20,197	21,403	22,334	25,332
83,918	84,460	89,270	90,834	92,560
12,262	13,166	12,998	14,009	14,650
20,722	21,381	22,944	24,541	26,366
22,901	24,057	25,197	26,951	28,444
113,817	**115,844**	**132,253**	**137,773**	**144,513**
13,019	13,067	11,866	12,160	12,699
4,512	4,629	3,463	3,245	3,050
96,286	98,148	116,924	122,368	128,764

Personal Income Tax Rates

LAST TEN CALENDAR YEARS

Year	Top Rate	Top Income Tax Rate is Applied to Taxable Income in Excess of			Average Effective Rate[1]
		Single	Married Filing Jointly	Head of Household	
2006	6.85%	$ 20,000	$ 40,000	$ 30,000	3.93%
2007	6.85%	20,000	40,000	30,000	4.23%
2008	6.85%	20,000	40,000	30,000	4.24%
2009	8.97%	500,000	500,000	500,000	3.53%
2010	8.97%	500,000	500,000	500,000	3.76%
2011	8.97%	500,000	500,000	500,000	3.99%
2012	8.82%	1,000,000	2,000,000	1,500,000	3.90%
2013	8.82%	1,029,250	2,058,550	1,543,900	4.12%
2014	8.82%	1,046,350	2,092,800	1,569,550	3.89%
2015	8.82%	1,062,650	2,125,450	1,594,050	4.09%

Source: New York State Department of Taxation and Finance (www.tax.ny.gov)

Notes:

(1) Fiscal year personal income tax collections divided by prior-year personal income.

See Exhibit: Demographic and Economic Statistics I for personal income and population data.

See Exhibit: Tax Receipts by Source for personal income tax collections.

Ratios of Outstanding Debt by Type

LAST TEN FISCAL YEARS

(Amounts in millions except per capita)

	Governmental Activities		Business-type Activities			
Fiscal Year	**General Obligation Bonds[1]**	**Other Financing Arrangements[2]**	**Other Financing Arrangements[3]**	**Total Primary Government**	**Percentage of Personal Income[4]**	**Debt Per Capita[4]**
2006-2007	$ 3,344	$ 37,031	$ 8,386	$ 48,761	6%	$ 2,526
2007-2008	3,264	38,511	8,787	50,562	6%	2,620
2008-2009	3,367	40,191	8,935	52,493	6%	2,693
2009-2010	3,461	42,410	9,413	55,284	6%	2,829
2010-2011	3,625	42,279	10,222	56,126	6%	2,896
2011-2012	3,611	42,574	11,875	58,060	6%	2,983
2012-2013	3,688	41,582	12,375	57,645	6%	2,946
2013-2014	3,345	41,300	13,677	58,322	5%	2,968
2014-2015	3,189	40,178	14,023	57,390	5%	2,906
2015-2016	2,887	39,071	14,734	56,692	5%	2,863

Source: Office of the State Comptroller

Notes:

(1) General Obligation Debt figures include par value, premiums and discounts.

(2) Other Financing Arrangements for Governmental Activities include Tobacco Settlement Financing Corporation bonds, Municipal Bond Bank Agency Special Purpose School Aid bonds, Capital Lease Obligations, Unamortized Bond Premiums and Discounts, Accumulated Accretion on Capital Appreciation bonds, and other State-Supported debt as defined by the State Finance Law.

(3) Other Financing Arrangements for Business-type Activities include Capital Lease Obligations, Mortgage Loan Commitments, Unamortized Bond Premiums, Certificates of Participation, and other State-Supported debt as defined by the State Finance Law.

(4) See Exhibit: Demographic and Economic Statistics I for personal income and population data.

Legal Debt Margin Information

LAST TEN FISCAL YEARS

(Amounts in millions)

	Fiscal Year				
	2007	2008	2009	2010	2011
Authorized debt limit—General Obligation debt:					
Transportation bonds	$ 10,400	$ 10,400	$ 10,400	$ 10,400	$ 10,400
Environmental bonds	5,650	5,650	5,650	5,650	5,650
Housing bonds	1,135	1,135	1,135	1,135	1,135
Education bonds	250	—	—	—	—
Total General Obligation debt	**17,435**	**17,185**	**17,185**	**17,185**	**17,185**
Local Government Assistance Corporation	4,700	4,700	4,700	4,700	4,700
Other lease purchase and contractual financing arrangements	69,889	76,538	79,696	79,696	82,058
Total Authorized debt	**$ 92,024**	**$ 98,423**	**$ 101,581**	**$ 101,581**	**$ 103,943**
Total debt applicable to limit:(1)					
General Obligation(2)	$ 3,344	$ 3,264	$ 3,367	$ 3,461	$ 3,625
Local Government Assistance Corporation	4,204	4,021	3,849	3,639	3,330
Other lease purchase and contractual financing arrangements	38,750	40,823	42,868	45,638	46,857
Direct debt	**46,298**	**48,108**	**50,084**	**52,738**	**53,812**
Legal debt margin	**$ 45,726**	**$ 50,315**	**$ 51,497**	**$ 48,843**	**$ 50,131**
Total net debt applicable to the limit as a percentage of debt limit	**50.31%**	**48.88%**	**49.30%**	**51.92%**	**51.77%**

Sources:

Office of the State Comptroller

New York State Division of the Budget, Annual Information Statement

Notes:

(1) Amount of debt applicable to limitations is dependent upon authorization language.

(2) General Obligation debt figures include par value, premiums and discounts.

For additional information, please see the notes to the financial statements and www.budget.ny.gov.

Balances have been restated for prior period adjustments, corrections and reclassifications.

Fiscal Year				
2012	**2013**	**2014**	**2015**	**2016**
$ 10,400	$ 10,400	$ 10,400	$ 10,400	$ 10,400
5,450	5,650	5,650	5,650	5,650
1,135	1,135	1,135	1,135	1,135
—	—	—	2,000	2,000
16,985	**17,185**	**17,185**	**19,185**	**19,185**
4,700	4,700	4,700	4,700	4,700
86,364	89,943	95,496	103,070	111,719
$ 108,049	**$ 111,828**	**$ 117,381**	**$ 126,955**	**$ 135,604**
$ 3,611	$ 3,688	$ 3,345	$ 3,189	$ 2,887
3,119	2,836	2,592	2,345	2,058
48,286	47,839	48,436	47,706	46,938
55,016	**54,363**	**54,373**	**53,240**	**51,883**
$ 53,033	**$ 57,465**	**$ 63,008**	**$ 73,715**	**$ 83,721**
50.92%	**48.61%**	**46.32%**	**41.94%**	**38.26%**

Ratios of General Obligation Debt Outstanding and Legal Debt Margin

LAST TEN FISCAL YEARS

(Amounts in millions)

	Fiscal Year				
	2007	2008	2009	2010	2011
General Obligation Debt Outstanding:					
General obligation bonds[1]	**$ 3,344**	**$ 3,264**	**$ 3,367**	**$ 3,461**	**$ 3,625**
Per capita	**$ 173**	**$ 169**	**$ 173**	**$ 177**	**$ 187**
Legal debt limit	$ 17,435	$ 17,185	$ 17,185	$ 17,185	$ 17,185
Total net debt applicable to debt limit	3,344	3,264	3,367	3,461	3,625
Legal debt margin	**$ 14,091**	**$ 13,921**	**$ 13,818**	**$ 13,724**	**$ 13,560**
Legal debt margin as a percentage of the debt limit	**80.82%**	**81.01%**	**80.41%**	**79.86%**	**78.91%**

Sources:

Office of the State Comptroller

New York State Division of the Budget, Annual Information Statement

Notes:

(1) General Obligation debt figures include par value, premiums and discounts.

(2) The increase in the legal debt limit in 2015 is related to the authorization of Education bonds under the Smart School Bond Act (2014). For additional information, please see the notes to the financial statements and www.budget.ny.gov.

Fiscal Year				
2012	2013	2014	2015	2016
$ 3,611	**$ 3,688**	**$ 3,345**	**$ 3,189**	**$ 2,887**
$ 186	**$ 188**	**$ 170**	**$ 162**	**$ 146**
$ 16,985	$ 17,185	$ 17,185	$ 19,185(2)	$ 19,185
3,611	3,688	3,345	3,189	2,887
$ 13,374	**$ 13,497**	**$ 13,840**	**$ 15,996**	**$ 16,298**
78.74%	**78.54%**	**80.54%**	**83.38%**	**84.95%**

Pledged Revenue Coverage

LAST TEN FISCAL YEARS

(Cash basis of accounting)
(Amounts in thousands)

New York Local Government Assistance Corporation Bonds(a)

Sales Tax Revenues

Fiscal Year	Sales Tax Receipts	Operating Expenses	Net Available Revenues	Annual Debt Service	Debt Service Coverage
2007	$ 2,511,476	$ 6,000	$ 2,505,476	$ 418,770	5.98
2008	2,645,580	6,000	2,639,580	278,891	9.46
2009	2,566,957	10,963	2,555,994	360,771	7.08
2010	2,466,528	11,218	2,455,310	332,596	7.38
2011	2,697,197	6,634	2,690,563	339,865	7.92
2012	2,779,505	5,146	2,774,359	378,663	7.33
2013	2,808,654	3,757	2,804,897	389,054	7.21
2014	2,947,027	3,998	2,943,029	375,253	7.84
2015	3,026,568	3,849	3,022,719	390,937	7.73
2016	3,121,260	3,453	3,117,807	389,550	8.00

New York State Personal Income Tax Revenue Bonds(b)

Personal Income Tax Revenues

Fiscal Year	Revenue Bond Tax Fund Receipts	Operating Expenses	Net Available Revenues	Annual Debt Service	Debt Service Coverage
2007	$ 7,646,505	$ 4,010	$ 7,642,495	$ 670,600	11.40
2008	9,140,962	7,292	9,133,670	873,653	10.45
2009	9,210,005	8,571	9,201,434	1,016,423	9.05
2010	8,687,845	9,136	8,678,709	1,411,673	6.15
2011	9,052,304	15,056	9,037,248	1,871,476	4.83
2012	9,691,957	13,086	9,678,871	2,141,504	4.52
2013	10,056,679	12,842	10,043,837	2,330,114	4.31
2014	10,740,194	14,475	10,725,719	2,516,908	4.26
2015	10,927,458	12,580	10,914,878	3,059,454	3.57
2016	11,763,821	12,950	11,750,871	2,698,930	4.35

New York State Sales Tax Revenue Bonds(c)

Sales Tax Revenues

Fiscal Year	Revenue Bond Tax Fund Receipts	Operating Expenses	Net Available Revenues	Annual Debt Service	Debt Service Coverage
2014	$ 2,954,095	$ 277	$ 2,953,818	$ 17,829	165.67
2015	3,026,568	7	3,026,561	86,686	34.91
2016	3,121,259	620	3,120,639	361,897	8.62

Source: Office of the State Comptroller

Notes:

New York Local Government Assistance Corporation Bonds

(a) An amount equal to twenty-five percent of the State's sales tax, less refunds to taxpayers, is to be deposited in the Local Government Assistance Tax Fund. The monies of such Fund are reserved for payment to the New York Local Government Assistance Corporation to enable it to meet principal and interest on its bonds. Monies in the Local Government Assistance Tax Fund in excess of debt service requirements and administrative expenses of the New York Local Government Assistance Corporation are required to be transferred to the General Fund.

New York State Personal Income Tax Revenue Bonds

(b) An amount equal to twenty-five percent of New York State Personal Income Tax receipts less refunds to taxpayers, is to be deposited in the Revenue Bond Tax Fund. The monies of such Fund are reserved for payment of debt service on Personal Income Tax Revenue Bonds. Monies in the Revenue Bond Tax Fund in excess of debt service requirements are required to be transferred to the General Fund.

New York State Sales Tax Revenue Bonds

(c) An amount equal to twenty-five percent of New York State Sales Tax receipts, less refunds to taxpayers, is to be deposited in the Sales Tax Revenue Bond Tax Fund. The monies of such Fund are reserved for payment of debt service on Sales Tax Revenue Bonds. Monies in the Sales Tax Revenue Bond Tax Fund in excess of debt service requirements are required to be transferred to the General Fund.

Ratios of General Bonded Debt Outstanding

LAST TEN FISCAL YEARS

(Amounts in millions)

	General Bonded Debt Outstanding	
Fiscal Year	**General Obligation Bonds[1]**	**Per Capita[2]**
2006-2007	$ 3,344	$ 173
2007-2008	3,264	169
2008-2009	3,367	173
2009-2010	3,461	177
2010-2011	3,625	187
2011-2012	3,611	186
2012-2013	3,688	188
2013-2014	3,345	170
2014-2015	3,189	162
2015-2016	2,887	146

Source: Office of the State Comptroller

Notes:

(1) General Obligation debt figures include par value, premiums and discounts.

(2) See Exhibit: Demographic and Economic Statistics I for population data.

Demographic and Economic Statistics I

LAST TEN CALENDAR YEARS

Year	Population (1000s)	Personal Income (1000s)	Per Capita Personal Income	Unemployment Rate
2006	19,306	$ 818,426,220	$ 42,392	4.4%
2007	19,298	914,431,670	47,385	4.2%
2008	19,490	937,009,617	48,076	4.9%
2009	19,541	917,610,217	46,958	8.1%
2010	19,378	946,053,718	48,821	8.3%
2011	19,465	983,867,508	50,545	7.8%
2012	19,570	1,019,514,062	52,095	8.4%
2013	19,651	1,062,390,591	54,063	7.5%
2014	19,746	1,110,344,725	56,231	6.4%
2015	19,799	1,142,485,112	57,705	5.3%

Sources:

U.S. Census Bureau

U.S. Bureau of Economic Analysis

New York State Department of Labor

Demographic and Economic Statistics II

LAST TEN CALENDAR YEARS

	Population			
Year	U.S. Population (1000s)	Change from Prior Period	State of New York (1000s)	Change from Prior Period
2006	299,398	1.01%	19,306	0.26%
2007	301,621	0.74%	19,298	–0.04%
2008	304,060	0.81%	19,490	0.99%
2009	307,007	0.97%	19,541	0.26%
2010	308,746	0.57%	19,378	–0.83%
2011	311,592	0.92%	19,465	0.45%
2012	313,914	0.75%	19,570	0.54%
2013	316,129	0.71%	19,651	0.41%
2014	318,857	0.86%	19,746	0.48%
2015	321,467	0.82%	19,799	0.27%

Sources:

U.S. Census Bureau

U.S. Bureau of Economic Analysis

New York State Department of Labor

New York State Department of Motor Vehicles

New York State Education Department

Note:

2013 Public School Enrollment was restated.

Per Capita Personal Income			Civilian Labor Force				
U.S.	State of New York	New York as a Percentage of U.S.	Employed (1000s)	Unemployed (1000s)	Unemployment Rate	Public School Enrollment	Motor Vehicles Registered
$ 36,276	$ 42,392	116.9%	9,033	412	4.4%	2,776,870	10,551,341
38,611	47,385	122.7%	9,046	395	4.2%	2,715,068	10,664,811
39,751	48,076	120.9%	9,147	472	4.9%	2,684,024	10,697,644
39,138	46,958	120.0%	8,888	786	8.1%	2,654,700	10,699,846
40,584	48,821	120.3%	8,816	800	8.3%	2,647,840	10,749,952
41,663	50,545	121.3%	8,736	735	7.8%	2,635,066	10,727,796
42,693	52,095	122.0%	8,769	804	8.4%	2,604,881	10,791,198
44,543	54,063	121.4%	8,906	725	7.5%	2,622,032	10,876,551
46,129	56,231	121.9%	8,959	617	6.4%	2,522,523	10,966,425
47,669	57,705	121.1%	9,192	518	5.3%	2,649,039	11,132,587

Employment by Industry

TEN YEARS STATED

	2005	2006	2007	2008	2009
Total employment	**10,763,487**	**10,952,095**	**11,039,874**	**11,289,001**	**10,929,753**
Wage and salary employment	8,840,376	8,925,539	9,047,065	9,004,901	8,738,853
Proprietors employment	1,923,111	2,026,556	1,992,809	2,284,100	2,190,900
Farm proprietors employment	36,475	35,724	34,782	32,683	32,491
Nonfarm proprietors employment	1,886,636	1,990,832	1,958,027	2,251,417	2,158,409
Farm employment	**54,243**	**52,102**	**50,784**	**51,724**	**51,219**
Nonfarm employment	**10,709,244**	**10,899,993**	**10,989,090**	**11,237,277**	**10,878,534**
Private employment	**9,208,323**	**9,399,820**	**9,478,570**	**9,708,898**	**9,352,706**
Forestry, fishing, related activities, and other	23,271	23,707	23,744	14,341	14,274
Mining	9,866	9,959	10,675	14,286	16,157
Utilities	40,651	40,506	40,119	40,355	41,026
Construction	483,981	508,530	527,531	533,932	481,531
Manufacturing	612,145	598,993	584,955	565,032	501,685
Wholesale trade	391,525	394,772	397,410	390,550	368,081
Retail trade	1,058,146	1,065,731	1,073,776	1,066,636	1,017,181
Transportation and warehousing	327,069	337,573	334,622	346,712	324,256
Information	310,275	312,293	302,404	301,954	292,108
Finance and insurance	711,845	733,599	731,480	789,048	785,910
Real estate, rental, and leasing	436,758	466,261	470,170	565,276	523,673
Professional and technical services	835,753	866,101	869,279	900,523	857,138
Management of companies and enterprises	130,060	135,334	137,157	139,224	139,298
Administrative and waste services	537,833	539,449	559,928	567,179	526,294
Educational services	388,285	401,273	405,562	412,051	414,554
Health care and social assistance	1,440,752	1,466,699	1,483,772	1,500,582	1,507,891
Arts, entertainment, and recreation	287,510	295,198	299,829	320,716	316,950
Accommodation and food services	591,426	598,360	616,162	628,012	628,254
Other services, except public administration	591,172	605,482	609,995	612,489	596,445
Government and government enterprises	**1,500,921**	**1,500,173**	**1,510,520**	**1,528,379**	**1,525,828**
Federal, civilian	128,925	127,015	127,046	127,037	127,052
Military	56,257	57,590	57,087	59,940	60,058
State government	247,293	246,101	247,038	250,133	246,748
Local government	1,068,446	1,069,467	1,079,349	1,091,269	1,091,970

Source: Regional Economic Information System, U.S. Bureau of Economic Analysis

Note: Full-Time and Part-Time Employment data shown.

2010	2011	2012	2013	2014
10,979,188	**11,154,532**	**11,434,246**	**11,555,389**	**11,764,104**
8,738,192	8,837,168	8,935,624	9,066,866	9,232,209
2,240,996	2,317,364	2,498,622	2,488,523	2,531,895
32,228	32,075	31,858	31,441	32,247
2,208,768	2,285,289	2,466,764	2,457,082	2,499,648
50,628	**51,584**	**51,609**	**54,849**	**54,826**
10,928,560	**11,102,948**	**11,382,637**	**11,500,540**	**11,709,278**
9,410,362	**9,625,140**	**9,925,486**	**10,041,944**	**10,254,096**
13,574	13,504	13,535	14,557	15,360
13,474	16,354	13,545	17,814	17,919
39,746	38,853	37,718	38,609	40,651
460,003	457,019	465,546	488,369	506,244
488,760	486,728	490,214	490,939	491,514
362,207	368,266	376,376	375,110	376,718
1,037,002	1,049,816	1,080,494	1,090,752	1,110,766
319,556	322,951	339,507	355,301	373,954
288,921	293,900	303,600	302,092	307,088
813,265	840,182	886,294	874,068	881,788
525,680	560,100	525,324	516,912	531,218
836,836	865,670	898,786	914,860	938,438
145,749	144,407	146,467	151,898	155,523
547,991	565,216	583,641	592,517	601,893
426,934	439,928	441,063	444,844	462,062
1,532,549	1,552,866	1,586,051	1,598,293	1,620,745
313,381	322,386	336,168	348,315	350,417
652,705	685,582	723,476	744,100	771,504
592,029	601,412	677,681	682,594	700,294
1,518,198	**1,477,808**	**1,457,151**	**1,458,596**	**1,455,182**
132,803	121,187	118,511	116,234	114,773
60,269	61,472	60,310	59,347	58,273
242,306	236,299	233,078	243,922	244,683
1,082,820	1,058,850	1,045,252	1,039,093	1,037,453

Government Employees by Level of Government

NEW YORK STATE 2005–2014

(Annual averages in thousands)

	Employees	
Fiscal Years	**State**(1)	**Local**(2)
2005	261.4	1,098.3
2006	259.1	1,101.3
2007	261.7	1,115.7
2008	262.7	1,126.1
2009	261.2	1,135.8
2010	260.8	1,117.9
2011	259.1	1,102.3
2012	254.6	1,086.0
2013	252.9	1,075.3
2014	250.8	1,070.1

Source: New York State Department of Labor

Notes:

(1) State employees figures represent the annual average of the number of checks issued as of the pay period including the 12th of the month, regardless of funding source, to individuals in: State departments and agencies; the Legislature; the Judiciary; public authorities; and miscellaneous boards and commissions.

(2) Local government employees include full- and part-time employees of counties, cities, villages and towns, engaged in educational or noneducational functions.

Select State Agency Employment

MARCH 2016

Agency	Actual March 2015	Estimated March 2016
Major Agencies:		
State University	43,692	43,668
Corrections and Community Supervision	28,673	28,869
People with Developmental Disabilities	18,528	18,655
Mental Health	14,528	14,400
Transportation	8,559	8,228
State Police	5,667	5,608
Health	4,839	4,926
Taxation and Finance	4,395	4,359
Children and Family Services	2,986	2,875
Environmental Conservation	2,869	2,946
Education	2,643	2,672
Temporary and Disability Assistance	1,946	1,953
Subtotal	**139,325**	**139,159**
Other Major Agencies	14,655	14,772
Minor Agencies	7,519	8,048
Other	18,121	18,273
GRAND TOTAL	**179,620**	**180,252**

Source: New York State Division of the Budget, 2016-17 Executive Budget Five-Year Financial Plan (www.budget.ny.gov)

Note: Does not include: the Legislature; the Judiciary; public authorities; or miscellaneous boards and commissions.

Operating Indicators

TEN YEARS STATED

	Academic Year				
	2004-2005	**2005-2006**	**2006-2007**	**2007-2008**	**2008-2009**
State University of New York:					
Campuses	64	64	64	64	64
Fall Credit Course Enrollment	413,572	414,165	417,575	427,398	439,523
All Degrees and Certificates Awarded	79,316	80,807	80,579	80,273	81,876

	State Fiscal Year				
	2003-2004	**2004-2005**	**2005-2006**	**2006-2007**	**2007-2008**
Corrections and Community Supervision:					
Persons in State Correctional Facilities:					
Under Custody All or Part of Year	93,043	89,973	89,079	90,185	91,517
Total Population on March 31	64,965	63,634	63,298	63,800	62,731
Persons on Parole:					
Dynamic Parolee Population for Year(1)	62,721	59,045	58,607	58,233	59,999
Active Parolees on March 31	35,149	34,970	34,174	33,785	34,894

	Calendar Year				
	2004	**2005**	**2006**	**2007**	**2008**
Transportation:					
Highway Utilization (amounts in billions):					
Estimated Vehicle Miles of Travel(2)	138.57	139.20	141.34	136.74	133.72
Public Transit Service (amounts in millions):					
Passengers	2,576	2,599	2,609	2,740	2,811
Vehicle Miles	717	720	733	748	776

Notes:

Prior period numbers may have been restated to reflect the most current data available.

(1) Dynamic population is the cumulative number of parolees who are under supervision at some point during the year.

(2) Estimated travel by all vehicles on all public roads, streets and highways within New York State.

Source: 2015 New York State Statistical Yearbook and prior years' editions of the New York State Statistical Yearbook

Academic Year

2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
64	64	64	64	64
461,447	471,184	468,006	461,816	459,550
86,038	90,092	93,702	93,579	94,302

State Fiscal Year

2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
88,733	84,818	82,166	80,611	78,644
60,128	57,747	56,568	55,456	54,135
60,499	58,499	55,874	54,164	52,496
33,740	32,551	31,017	29,999	29,992

Calendar Year

2009	2010	2011	2012	2013
133.50	131.25	127.73	127.87	129.74
2,776	2,753	2,759	2,766	2,836
792	786	759	750	762

Capital Asset Balances by Function

LAST TEN FISCAL YEARS

(Amounts in millions)

	Fiscal Year				
Function	**2007**	**2008**	**2009**	**2010**	**2011**
Land and Land Improvements:					
General government	$ 96	$ 95	$ 125	$ 125	$ 125
Public safety	226	247	257	271	282
Public welfare	24	24	27	32	30
Support/regulate business	6	6	6	6	6
Environment/recreation	1,155	1,241	1,360	1,211	1,240
Education	1	2	3	3	3
Public health	193	196	208	218	225
Transportation	2,252	2,262	2,306	2,349	2,400
Depreciation (Land Improvements)	(291)	(300)	(314)	(332)	(348)
Total, net of depreciation	**3,662**	**3,773**	**3,978**	**3,883**	**3,963**
Land Preparation:					
Transportation (Roads)	**2,981**	**3,083**	**3,191**	**3,271**	**3,314**
Buildings:					
General government	1,939	1,954	2,192	2,222	2,254
Public safety	3,028	3,146	3,344	3,476	3,542
Public welfare	171	174	180	186	189
Support/regulate business	34	34	34	34	36
Environment/recreation	356	371	399	451	453
Education	97	106	107	111	120
Public health	2,792	2,910	3,073	3,146	3,247
Transportation	327	289	299	302	303
Depreciation	(4,557)	(4,776)	(5,033)	(5,293)	(5,581)
Total, net of depreciation	**4,187**	**4,208**	**4,595**	**4,635**	**4,563**
Equipment:					
General government	117	125	162	161	157
Public safety	83	90	90	92	98
Public welfare	18	19	19	21	21
Support/regulate business	4	4	5	6	6
Environment/recreation	38	41	51	51	51
Education	5	5	5	5	5
Public health	64	64	57	57	58
Transportation	282	280	278	324	347
Depreciation	(392)	(403)	(431)	(460)	(489)
Total, net of depreciation	**219**	**225**	**236**	**257**	**254**
Construction in Progress:					
Buildings	331	510	444	499	477
Transportation (Roads and Bridges)	3,038	3,079	3,248	3,405	4,271
Computer software	—	—	—	—	63
Total	**3,369**	**3,589**	**3,692**	**3,904**	**4,811**
Infrastructure:(1)					
General government	5	11	11	11	11
Public safety	55	62	91	102	128
Public welfare	—	—	—	13	18
Environment/recreation	29	29	33	33	31
Public health	16	25	42	46	46
Transportation	—	—	—	—	—
Depreciation	(6)	(11)	(17)	(24)	(33)
Total, net of depreciation	**99**	**116**	**160**	**181**	**201**
Infrastructure:(2)					
Transportation	**63,803**	**64,200**	**64,567**	**65,141**	**65,451**
Intangible Assets:					
Easements	—	—	—	163	193
Computer software	—	—	—	—	32
Amortization	—	—	—	—	(6)
Total, net of amortization	**—**	**—**	**—**	**163**	**219**
Business-Type Activities, Net	**7,296**	**7,773**	**8,445**	**9,206**	**10,374**

Source: Office of the State Comptroller

Notes:

(1) Depreciable

(2) Roads and Bridges, non-depreciable

Figures restated for prior period adjustments.

Fiscal Year				
2012	2013	2014	2015	2016
$ 125	$ 125	$ 125	$ 125	$ 124
289	296	302	310	316
36	38	35	36	37
6	6	6	6	7
1,268	1,289	1,318	1,327	1,348
3	3	3	3	3
225	225	224	216	217
2,453	2,506	2,534	2,584	2,599
(369)	(386)	(402)	(417)	(433)
4,036	**4,102**	**4,145**	**4,190**	**4,218**
3,430	**3,517**	**3,581**	**3,863**	**3,923**
2,290	2,412	2,421	2,426	2,468
3,683	3,804	3,920	3,979	4,089
218	226	208	204	204
36	36	36	36	37
459	464	472	500	509
123	121	123	123	125
3,348	3,437	3,422	3,439	3,477
315	321	325	333	350
(5,876)	(6,162)	(6,401)	(6,652)	(6,937)
4,596	**4,659**	**4,526**	**4,388**	**4,322**
152	151	152	146	145
97	97	97	94	95
21	21	15	12	10
6	6	6	6	6
53	55	58	60	61
5	7	4	4	4
58	59	62	61	64
363	363	401	416	461
(498)	(537)	(523)	(547)	(574)
257	**222**	**272**	**252**	**272**
537	651	712	938	1,037
4,356	4,805	5,664	2,859	2,048
113	11	14	14	—
5,006	**5,467**	**6,390**	**3,811**	**3,085**
11	12	15	15	15
140	148	168	184	210
19	19	19	27	27
34	34	43	47	49
46	46	46	48	52
—	—	2	2	2
(42)	(52)	(63)	(74)	(87)
208	**207**	**230**	**249**	**268**
65,926	**66,237**	**66,550**	**69,345**	**69,841**
194	194	194	194	194
64	270	444	511	614
(21)	(53)	(97)	(152)	(216)
237	**411**	**541**	**553**	**592**
11,746	**13,087**	**14,206**	**15,185**	**15,957**

Membership by Type of Benefit Plan

AS OF MARCH 31, 2016

Retirement System	Retirement Plan Membership Tier 1	Tier 2	Tiers 3, 4, 5 & 6
New York State and Local Employees' Retirement System	3,809	4,420	604,065
New York State and Local Police and Fire Retirement System	77	27,364	7,664

Source: New York State and Local Retirement System

Note: Please see www.osc.state.ny.us/retire/publications/index.htm for more information.

Principal Participating Employers

LAST TEN FISCAL YEARS

Participating Government	2007 Covered Employees	Rank	Percentage of Total System	2008 Covered Employees	Rank	Percentage of Total System	2009 Covered Employees	Rank	Percentage of Total System
State	221,515	1	33.43%	226,439	1	33.43%	225,963	1	33.23%
Schools	128,518	2	19.40%	132,132	2	19.51%	133,876	2	19.69%
Counties	121,817	3	18.38%	122,982	3	18.16%	122,356	3	18.00%
Miscellaneous	95,262	4	14.38%	98,283	4	14.51%	100,052	4	14.72%
Towns	46,284	5	6.98%	47,567	5	7.02%	47,743	5	7.02%
Cities	31,049	6	4.69%	31,406	6	4.64%	31,326	6	4.61%
Villages	18,188	7	2.74%	18,512	7	2.73%	18,592	7	2.73%
Total	**662,633**		**100.00%**	**677,321**		**100.00%**	**679,908**		**100.00%**

Participating Government	2014 Covered Employees	Rank	Percentage of Total System	2015 Covered Employees	Rank	Percentage of Total System	2016 Covered Employees	Rank	Percentage of Total System
State	206,984	1	32.16%	207,203	1	32.22%	208,462	1	32.20%
Schools	130,358	2	20.25%	130,486	2	20.29%	131,872	2	20.37%
Counties	111,691	3	17.35%	110,761	3	17.22%	110,104	3	17.01%
Miscellaneous	97,391	4	15.13%	97,299	4	15.13%	98,667	4	15.24%
Towns	48,838	5	7.59%	49,022	5	7.62%	49,632	5	7.67%
Cities	29,994	6	4.66%	29,935	6	4.65%	30,066	6	4.64%
Villages	18,403	7	2.86%	18,472	7	2.87%	18,596	7	2.87%
Total	**643,659**		**100.00%**	**643,178**		**100.00%**	**647,399**		**100.00%**

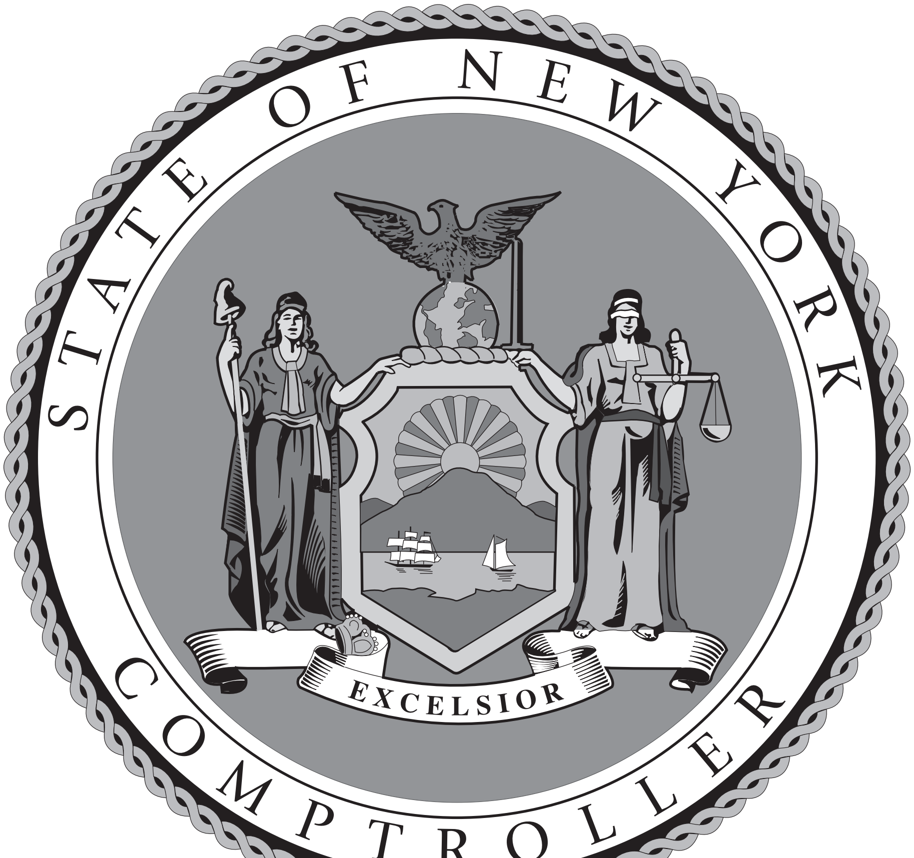
Source: New York State and Local Retirement System

Notes:

Total includes inactive members identified with their last employer as active members.

Please see www.osc.state.ny.us/retire/publications for more information.

2010			2011			2012			2013		
Covered Employees	Rank	Percentage of Total System	Covered Employees	Rank	Percentage of Total System	Covered Employees	Rank	Percentage of Total System	Covered Employees	Rank	Percentage of Total System
222,555	1	32.77%	218,868	1	32.53%	208,822	1	31.82%	208,200	1	32.15%
136,203	2	20.05%	135,358	2	20.12%	133,442	2	20.34%	131,236	2	20.27%
121,282	3	17.86%	119,610	3	17.78%	116,423	3	17.74%	113,378	3	17.51%
100,684	4	14.82%	100,785	4	14.98%	99,837	4	15.21%	97,746	4	15.09%
48,610	5	7.16%	48,621	5	7.23%	48,822	5	7.44%	48,560	5	7.50%
31,186	6	4.59%	30,804	6	4.58%	30,394	6	4.63%	30,044	6	4.64%
18,697	7	2.75%	18,677	7	2.78%	18,484	7	2.82%	18,410	7	2.84%
679,217		**100.00%**	**672,723**		**100.00%**	**656,224**		**100.00%**	**647,574**		**100.00%**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STATE OF NEW YORK
Office of the State Comptroller

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Comptroller

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First Deputy Comptroller

Shawn Thompson
Chief of Staff

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Contracts and Expenditures

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School Accountability

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Robert Ward
Deputy Comptroller
Budget and Policy Analysis

Melanie Whinnery
Deputy Comptroller
Retirement Services

Division of Payroll, Accounting and Revenue Services

David Hasso, CPA, CGFM, CGMA, Assistant Comptroller

Bureau of Financial Reporting and Oil Spill Remediation

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Suzette Barsoum Baker, CPA, CGFM

Assistant Director:
Maria Guzman, CPA

Assistant Chief Accountants:
Deidre Clark
Carrie Piser

Principal Accountants:
Melissa Clayton
Michael Mezz, CGFM
Maureen Shaw, CBA

Supervising Accountants:
Donna Greenberg, CPA, CGFM
Jennifer Hallanan, CGFM
Rosemary Liss

Associate Accountants:
Renée Bult
Laura Canham-Lunde
Gregory Cerio
Bo Jiang
Maria Moran, CPA, CGFM
Stephen Raptoulis, CPA
Sandra Trzcinski, CGFM, CGAP, APM
Christopher Tuohy
Paula Walker

Senior Accountant:
Jason Dessureault, CPA

Business Systems Analyst 2:
Brenda Carver, CPA, CBA, DBA

Accountant Trainees 2:
Laura Hennessey
Kelly Nadeau

Accountant Aide Trainee 2:
James DeLessio

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Haogong Zhou

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