

Kirk Parks
BUREAU CHIEF

THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BUREAU OF FINANCIAL ANALYSIS
1 CENTRE STREET
NEW YORK, N.Y. 10007-2341

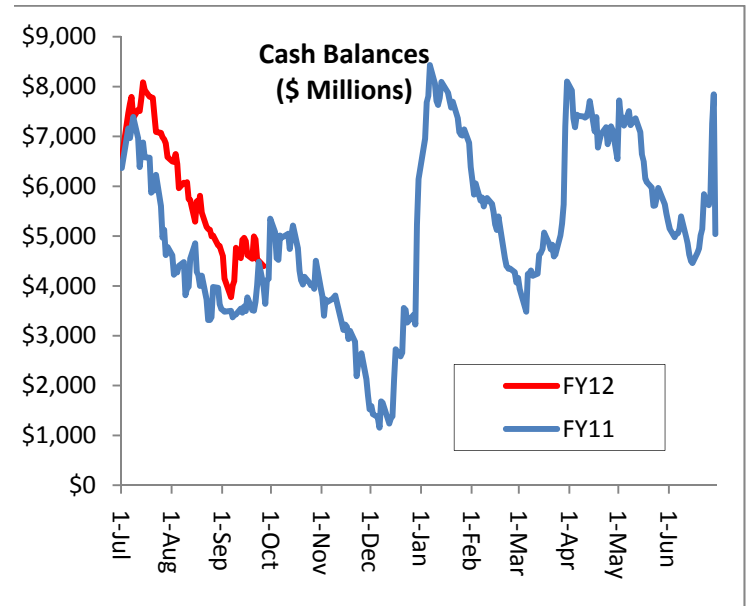
JOHN C. LIU
COMPTROLLER

(212) 669-4993
kpark@comptroller.nyc.gov

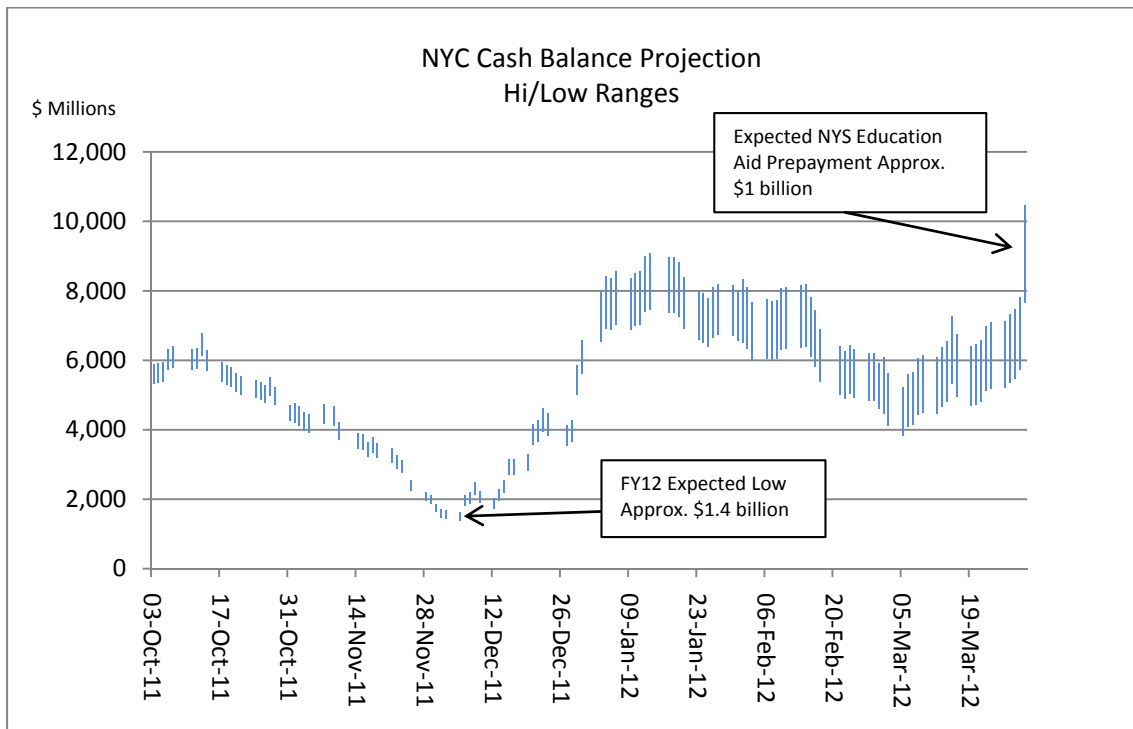
To: Distribution
From: Kirk Parks, Bureau Chief, Financial Analysis
Subject: NYC Cash Balance Projection (October 2011 – March 2012)
Date: September 30, 2011

In the first quarter of FY12, the NYC cash balance has trended consistently above FY11 levels. From July 1 to September 26 of this year, the cash balance has averaged \$5.910 billion, versus \$4.649 billion during the same period last year. This improvement traces to strong July receipts of real estate tax (up 12% vs. year-ago) and of prior-year aid from the Federal and New York State governments (up 91%).

We remain watchful of the overall trend, as the prior-year receipts component is unlikely to sustain its July growth through the upcoming months. These funds, representing sums owed to the City during the fiscal year just passed, seem to be arriving more quickly than they did last year, but we expect the prior-year flows to abate, all the more quickly, as the months go by.



The accompanying updated projection outlines expected cash (book) balances in the NYC treasury from October 1, 2011 to March 31, 2012. It incorporates most growth assumptions found in the Adopted Budget. For the moment, we assume that implementation of any pension adjustments to be recommended by the Office of the Actuary will not occur until very late in FY12. No impact from this event is reflected as occurring before March 31.



Our projection indicates that the seasonal cash balance low-point will occur, as usual, in early December, with balances dipping to a range of \$1.4 - \$1.6 billion. This projected low compares favorably to the \$1.156 billion mark reached in December 2010 and to the \$449 million mark seen in December 2009.

We maintain the assumption that at the end of March the State of New York will once again elect to prepay to NYC a portion of the educational aid that is, in a technical sense, not due until June. This early payment, amounting to \$1.002 billion, represents the usual course of action by the State during the month of March, but it could be disrupted by any budget troubles in Albany (as it was in March 2010).

Developing trends in the national economy may slightly impact the City's cash flow. We will monitor the relevant indicators and issue updates to the cash forecast as necessary. Additional data corresponding to the chart above is provided in the following pages of this cash letter, for those interested in further analysis.

**NYC Cash Balance Projected Ranges
(\$ Millions)**

	<u>Baseline</u>	<u>High</u>	<u>Low</u>
03-Oct-11	5614	5895	5334
04-Oct-11	5626	5907	5345
05-Oct-11	5658	5941	5375
06-Oct-11	6035	6337	5734
07-Oct-11	6080	6384	5776
11-Oct-11	6013	6313	5712
12-Oct-11	6039	6341	5737
13-Oct-11	6451	6774	6128
14-Oct-11	6009	6309	5709
17-Oct-11	5669	5952	5385
18-Oct-11	5583	5863	5304
19-Oct-11	5520	5796	5244
20-Oct-11	5358	5626	5090
21-Oct-11	5286	5550	5021
24-Oct-11	5178	5437	4919
25-Oct-11	5112	5368	4856
26-Oct-11	5026	5277	4775
27-Oct-11	5250	5513	4988
28-Oct-11	4966	5214	4718
31-Oct-11	4496	4721	4271
01-Nov-11	4311	4764	4203
02-Nov-11	4219	4662	4114
03-Nov-11	4075	4503	3973
04-Nov-11	4018	4440	3918
07-Nov-11	4284	4734	4177
09-Nov-11	4231	4675	4125
10-Nov-11	3812	4213	3717
14-Nov-11	3532	3903	3444
15-Nov-11	3511	3879	3423
16-Nov-11	3296	3643	3214
17-Nov-11	3412	3771	3327
18-Nov-11	3281	3626	3199
21-Nov-11	3124	3452	3046
22-Nov-11	2965	3276	2891
23-Nov-11	2825	3121	2754
25-Nov-11	2311	2553	2253
28-Nov-11	1988	2196	1938
29-Nov-11	1918	2120	1870
30-Nov-11	1689	1866	1646
01-Dec-11	1464	1705	1458
02-Dec-11	1441	1678	1435
05-Dec-11	1402	1632	1395
06-Dec-11	1808	2105	1800

	<u>Baseline</u>	<u>High</u>	<u>Low</u>
07-Dec-11	1876	2184	1867
08-Dec-11	2136	2487	2126
09-Dec-11	1914	2229	1905
12-Dec-11	1734	2019	1726
13-Dec-11	1975	2300	1966
14-Dec-11	2195	2556	2185
15-Dec-11	2708	3154	2696
16-Dec-11	2709	3155	2697
19-Dec-11	2823	3287	2810
20-Dec-11	3578	4167	3562
21-Dec-11	3663	4266	3647
22-Dec-11	3959	4610	3941
23-Dec-11	3830	4460	3813
27-Dec-11	3562	4148	3546
28-Dec-11	3662	4265	3646
29-Dec-11	5033	5861	5011
30-Dec-11	5640	6568	5615
03-Jan-12	6477	7965	6542
04-Jan-12	6847	8421	6917
05-Jan-12	6811	8376	6880
06-Jan-12	6956	8555	7026
09-Jan-12	6815	8382	6885
10-Jan-12	6913	8502	6983
11-Jan-12	6964	8564	7034
12-Jan-12	7321	9004	7395
13-Jan-12	7372	9066	7447
17-Jan-12	7291	8967	7365
18-Jan-12	7286	8960	7360
19-Jan-12	7188	8840	7261
20-Jan-12	6835	8406	6904
23-Jan-12	6515	8013	6581
24-Jan-12	6436	7915	6501
25-Jan-12	6321	7774	6385
26-Jan-12	6591	8106	6658
27-Jan-12	6661	8193	6729
30-Jan-12	6649	8178	6717
31-Jan-12	6490	7982	6556
01-Feb-12	6394	8330	6504
02-Feb-12	6230	8117	6337
03-Feb-12	5878	7658	5979
06-Feb-12	5948	7749	6050
07-Feb-12	5911	7701	6013
08-Feb-12	5933	7729	6035
09-Feb-12	6191	8065	6297
10-Feb-12	6216	8098	6323

	<u>Baseline</u>	<u>High</u>	<u>Low</u>
13-Feb-12	6257	8152	6365
14-Feb-12	6284	8187	6392
15-Feb-12	5995	7811	6098
16-Feb-12	5701	7427	5799
17-Feb-12	5282	6881	5373
21-Feb-12	4914	6403	4999
22-Feb-12	4797	6250	4879
23-Feb-12	4945	6442	5030
24-Feb-12	4855	6326	4939
27-Feb-12	4749	6187	4830
28-Feb-12	4767	6210	4849
29-Feb-12	4543	5918	4621
01-Mar-12	4403	6102	4467
02-Mar-12	4061	5627	4119
05-Mar-12	3761	5211	3815
06-Mar-12	4043	5603	4101
07-Mar-12	4086	5662	4145
08-Mar-12	4375	6062	4438
09-Mar-12	4438	6150	4502
12-Mar-12	4406	6105	4469
13-Mar-12	4599	6373	4665
14-Mar-12	4723	6544	4791
15-Mar-12	5236	7255	5311
16-Mar-12	4882	6765	4952
19-Mar-12	4630	6415	4696
20-Mar-12	4662	6459	4729
21-Mar-12	4735	6561	4803
22-Mar-12	5040	6984	5112
23-Mar-12	5123	7099	5197
26-Mar-12	5137	7118	5210
27-Mar-12	5287	7325	5362
28-Mar-12	5385	7462	5463
29-Mar-12	5647	7825	5728
30-Mar-12	7554	10467	7662

Cash Balances Monthly Detail

	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Total
Opening Balance	5924.77	4496.23	1688.67	5640.16	6490.36	4542.60	5924.77
Sales Tax	577.00	425.00	610.00	451.00	501.00	403.00	2967.00
Utility Tax	35.00	27.00	30.00	39.00	34.00	50.00	215.00
Commercial Rent Tax	10.00	5.70	150.00	8.00	3.00	150.00	326.70
Personal Income Tax	500.00	351.50	766.50	1450.00	590.00	605.00	4263.00
General Corporation Tax	81.00	95.00	903.02	117.00	82.00	1009.04	2287.06
Banking Tax	14.00	80.94	188.00	14.00	4.00	227.00	527.94
Unincorporated Business Tax	37.00	19.00	210.00	380.00	40.00	33.00	719.00
Real Property Tax	447.41	72.04	3928.44	2342.97	86.20	883.78	7760.84
Other Taxes	112.00	126.00	245.00	392.00	140.00	189.00	1204.00
Less Refunds All Taxes	-180.00	-76.00	-147.00	-60.00	-120.00	-82.50	-665.50
Total Taxes	1633.41	1126.18	6883.96	5133.97	1360.20	3467.32	19605.04
Federal Welfare	28.00	73.91	290.01	13.00	56.00	302.06	762.98
Federal Education	10.00	4.75	84.00	80.00	390.00	198.00	766.75
Federal Community Development	12.00	15.00	7.50	16.50	12.00	9.00	72.00
Federal Other	58.50	84.00	105.00	129.75	52.80	93.00	523.05
Total Federal Aid	108.50	177.66	486.51	239.25	510.80	602.06	2124.78
NYS Welfare	97.00	83.60	92.40	88.00	88.00	96.80	545.80
NYS Health	0.00	0.00	0.00	68.00	0.00	44.00	112.00
NYS Education	43.50	315.70	708.00	45.90	53.70	2914.00	4080.80
NYS Higher Education	261.80	0.00	0.00	0.00	261.80	261.80	785.40
NYS Other	10.00	11.40	63.00	30.00	20.00	77.00	211.40
Total New York State Aid	412.30	410.70	863.40	231.90	423.50	3393.60	5735.40
NYS Revenue Sharing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Intergovernmental Aid	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Intergovernmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water Board	79.00	61.94	68.04	68.00	60.00	69.96	406.94
Interest Income	4.00	2.85	2.10	3.00	5.00	4.40	21.35
Fines and Forfeitures	82.00	87.40	80.01	69.00	75.00	94.60	488.01
Miscellaneous Revenue	268.00	264.10	291.90	147.00	213.00	391.60	1575.60
Senior College Tuition and Fees	140.00	0.00	0.00	0.00	0.00	231.00	371.00
Capital Interest	0.07	0.07	0.07	0.07	0.07	0.07	0.42
Housing Revenue	2.25	2.25	2.25	2.25	2.25	2.25	13.50
Total Miscellaneous	575.32	418.61	444.37	289.32	355.32	793.88	2876.82
Prior Federal Aid	269.00	209.00	84.00	32.00	200.00	88.00	882.00
Prior NYS Aid	310.00	72.96	118.02	109.00	80.00	154.00	843.98
Total Federal And NYS Prior Aid	579.00	281.96	202.02	141.00	280.00	242.00	1725.98
Balance Sheet Inflows	12.00	11.40	12.60	12.00	12.00	13.20	73.20
Federal/State Capital	80.00	76.00	84.00	80.00	80.00	88.00	488.00
Transfers from Capital Proceeds	636.00	318.00	636.00	636.00	636.00	636.00	3498.00
Payroll Taxes Inflows	134.50	134.33	135.54	134.50	134.50	175.23	848.60
Seasonal Borrowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Operating Inflow	210.00	182.40	287.70	260.00	170.00	220.00	1330.10
Total Other Inflows	1072.50	722.13	1155.84	1122.50	1032.50	1132.43	6237.90
Total Inflows	4381.03	3137.24	10036.10	7157.94	3962.32	9631.29	38305.92

	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Total
Payroll	1217.60	1216.10	1227.00	1217.60	1217.60	1586.50	7682.40
Pensions	612.50	611.80	622.30	622.30	632.80	611.80	3713.50
Social Security	125.15	158.41	123.47	124.12	123.32	123.61	778.08
Health Plan	333.30	251.30	251.30	251.30	284.80	251.30	1623.30
Other PS	100.00	80.00	64.00	95.00	80.00	80.00	499.00
Total PS	2388.55	2317.61	2288.07	2310.32	2338.52	2653.21	14296.28
PA	192.00	209.00	205.80	220.00	200.00	191.40	1218.20
MA	388.00	320.00	705.00	360.00	352.00	415.00	2540.00
Other DOSS	223.00	181.00	177.00	192.50	197.00	204.40	1174.90
HHC	85.00	36.00	80.00	25.00	40.00	108.00	374.00
TA	0.00	0.00	15.00	35.00	0.00	0.00	50.00
HA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lump Sum	156.00	156.00	156.00	156.00	156.00	156.00	936.00
Vendor Payments	940.00	1425.00	1029.00	1300.00	1120.00	1254.00	7068.00
Other OTPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total OTPS	1984.00	2327.00	2367.80	2288.50	2065.00	2328.80	13361.10
City Capital	570.00	541.50	598.50	570.00	570.00	627.00	3477.00
Other Outflow Capital	96.80	91.96	101.64	96.80	96.80	106.48	590.48
GO Debt Service Funding	0.00	0.00	0.00	439.18	86.20	140.51	665.89
NYCTFA Debt Service Funding	0.00	68.40	128.80	0.00	154.50	154.50	506.20
Other Debt Service Funding	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repay Seasonal Borrowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payroll Taxes Outflow	770.22	598.33	599.80	602.94	599.06	609.39	3779.74
Other Outflows	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Outflows	1437.02	1300.19	1428.74	1708.92	1506.56	1637.88	9019.31
Total Outflows	5809.57	5944.80	6084.61	6307.74	5910.08	6619.89	36676.69
Net Flow	-1428.54	-2807.56	3951.49	850.20	-1947.76	3011.40	1629.23
Ending Balance	4496.23	1688.67	5640.16	6490.36	4542.60	7554.00	7554.00