

Quarterly Cash Report

January-March 2005



City of New York
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William C. Thompson, Jr., Comptroller

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I. Highlights

The City's daily cash balances increased to record levels during the third quarter of FY 2005. Driven by tax receipts and categorical aid the balance reached over \$7 billion in January 2005 and was \$8.350 billion at the close of March 2005. The average daily balance of \$6.077 billion for the third quarter of FY 2005 was \$1.393 billion greater than the average daily balance in the same period in FY 2004. Table 1 shows the City's cash position during the third quarters and first three quarters of FY 2005 and FY 2004.

Table 1. Overview of Cash Position FY 2005 and FY 2004 ^a

(\$ in millions)

<i>Central Treasury</i>	<i>January-March 2005</i>	<i>Year-to-Date FY 2005</i>	<i>January-March 2004</i>	<i>Year-to-Date FY 2004</i>
Opening Balance	\$ 4,959	\$ 4,208 ^b	\$ 4,142	\$ 2,502 ^b
Total Receipts	17,204	47,271	15,006	43,147
Total Expenditures	13,813	43,129	14,092	40,593
Closing Balance	8,350	8,350	5,056	5,056
Average Daily Balance	6,077	4,487	4,684	3,466

a. The data for this report are based on the City's Central Treasury book balances as calculated by the Bureau of Financial Analysis, Office of the NYC Comptroller. Expenditures, with the exception of payroll, are reported on checks issued. Receipts are reported based on cash receipts and the analysis of bank deposits. Receipts and expenditures are net of debt service and note funding.

b. Before FY 2004 and FY 2003 City Audits.

Cash receipts totaled \$17.204 billion during the third quarter of FY 2005, \$2.198 billion more than the \$15.006 billion in cash receipts, inclusive of seasonal borrowing, during the same period in FY 2004. During the first nine months of FY 2005, cash receipts were \$4.124 billion greater than during the first nine months of FY 2004. During January-March 2005, tax receipts increased \$1.190 billion, Federal and State aid rose \$305 million, and miscellaneous revenue grew by \$306 million over January-March 2004.

Cash expenditures totaled \$13.813 billion during the third quarter of FY 2005 and \$43.129 billion in the first nine months of FY 2005. During the same periods of FY 2004, there were \$14.092 billion and \$40.593 billion in cash expenditures. Personal Service (PS) expenditures were \$18 million less during the third quarter of FY 2005 than during the third quarter of FY 2004. During January-March 2005, there were six bi-weekly payrolls and during January-March 2004, there were seven bi-weekly payrolls. In January 2005, refunds of taxes included payment of \$30 million for the \$400 real property tax rebate provided to home owners, bringing the total rebate payments to \$263 million.

As shown in Table 2, capital expenditures totaled \$1.341 billion during the third quarter of FY 2005. Approximately the same level of capital expenditures occurred in the third quarter of FY 2004. However, year-to-date through March 2005, capital expenditures were \$337 million greater than capital expenditures year-to-date through March 2004.

There were \$1.255 billion in City-funded capital expenditures during the third quarter of FY 2005 and \$1.238 billion during the same period in FY 2004. City-funded capital expenditures were \$361 million greater during the first nine months of FY 2005 than in the first nine months of FY 2004. The City made payments to the School Construction Authority (SCA) of \$300 million in both March 2005 and January 2004. Reimbursements to the City's Central Treasury from bond proceeds totaled \$1.183 billion and \$3.821 billion during the third quarter and the first three quarters of FY 2005. In the same periods in FY 2004, reimbursements were \$1.368 billion and \$3.522 billion, respectively.

Table 2. Capital Expenditures FY 2005 and FY 2004

(\$ in millions)

	<i>January-March 2005</i>	<i>Year-to-Date FY 2005</i>	<i>January-March 2004</i>	<i>Year-to-Date FY 2004</i>
Capital Expenditures	\$1,341	\$4,243	\$1,345	\$3,906
City-funded Capital Expenditures	1,255	3,925	1,238	3,564
Reimbursements to the Central Treasury for Capital Expenditures	1,183	3,821	1,368	3,522

General Obligation (GO) debt issued by the City during the third quarter of FY 2005 totaled \$1.243 billion. Tax-exempt issues totaled \$951 million and taxable bonds totaled \$292 million. New funds from these sales provided the City's capital program with \$650 million. Issuances for the refunding of outstanding debt totaled \$593 million and provided \$23 million in FY 2006 City budget savings and total budget savings of \$36 million over the life of the bonds.

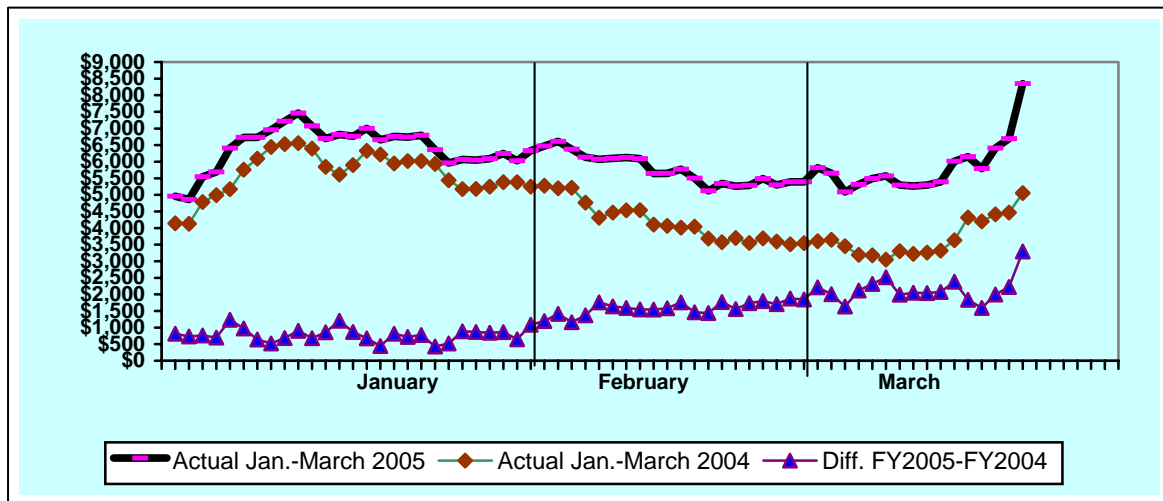
II. Cash Balances

A. OVERVIEW

Chart 1 depicts the daily cash balances for January-March 2005 and January-March 2004. Fueled by tax collections and categorical aid the City's cash balances reached over \$7 billion for the first time in January 2005 and attained a record level of \$8.350 billion at the close of March 2005. January 2005 began with \$817 million more cash-on-hand than January 2004. Receipts during the third quarter of FY 2005 exceeded expenditures by \$3.391 billion, compared with the \$914 million difference between receipts and expenditures during the third quarter of FY 2004. This resulted in an ending cash balance that was \$3.294 billion higher at the end of March 2005 than at the end of March 2004. All the daily cash balances during January-March 2005 were above the daily cash balances in the same period in FY 2004. The positive difference between the daily cash balances grew each month.

Chart 1. Daily Cash Balances January-March

(\$ in millions)

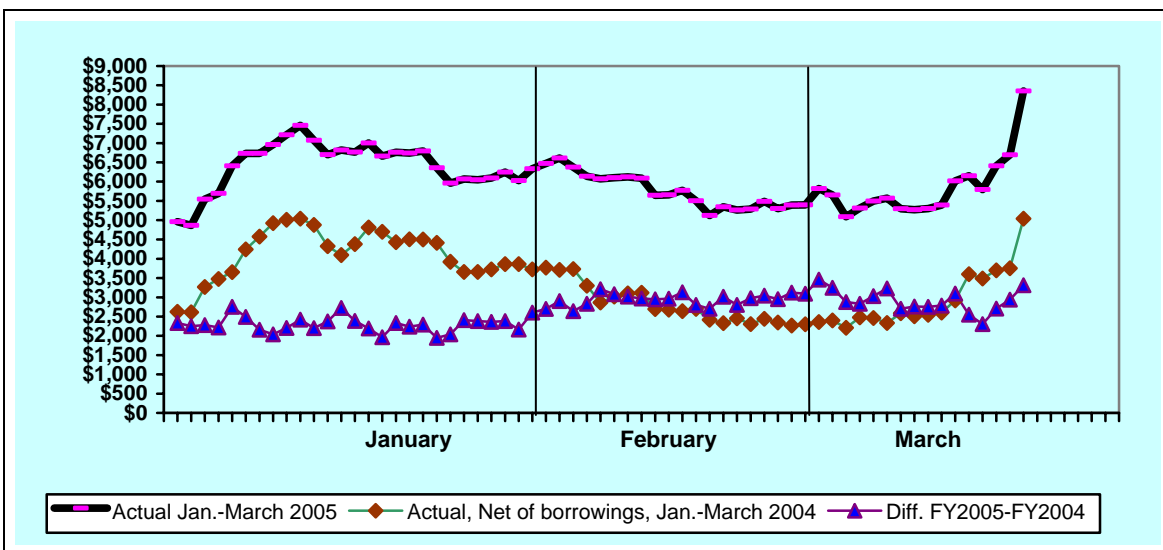


The average daily cash balance for the third quarter of FY 2005 was \$6.077 billion. The average daily balance for the third quarter of FY 2004 was \$1.393 billion lower, at \$4.684 billion. Daily cash balances averaged \$6.563 billion during January 2005 — \$758 million greater than January 2004; \$6.025 billion during February 2005 — \$1.297 billion greater than February 2004; and \$5.698 billion during March 2005 — \$2.025 billion greater than March 2004. The average daily cash balance for the first three quarters of FY 2005 was \$4.487 billion, \$1.021 billion more than the average daily cash balance of \$3.466 billion for the first three quarters of FY 2004. This was an increase of \$191 million over the difference in daily average balances between the first halves of FY 2005 and FY 2004.

The daily cash balances in FY 2005 have been and are projected to be sufficient without the City issuing short-term notes to meet seasonal needs. In October of FY 2004, the City borrowed \$1.5 billion in Notes maturing April 2004. Chart 2 is a comparison of daily balances during January-March 2005 and January-March 2004, net of the FY 2004 short-term borrowing. Daily cash balances during the third quarter of FY 2005 did not fall below the daily balances for the third quarter of FY 2004, net of seasonal borrowing. The FY 2004 seasonal borrowing was repaid as follows: \$250 million during February 2004 and \$1.250 billion during March 2004. The average daily balance for the third quarter of FY 2005 was \$2.667 billion greater than the average daily balance for FY 2004, net of seasonal borrowing.

Chart 2. Daily Cash Balances (net of seasonal borrowing) January-March

(\$ in millions)



B. CASH RECEIPTS

Cash receipts totaled \$17.204 billion during the third quarter of FY 2005, \$2.198 billion greater than the \$15.006 billion in cash receipts during the same period in FY 2004. Average daily cash receipts during the third quarter of FY 2005 were \$277 million, \$35 million more than the \$242 million during the third quarter of FY 2004. Cash receipts totaled \$5.730 billion in January 2005, \$3.311 billion in February 2005, and \$8.163 billion in March 2005. Average daily cash receipts were \$286 million, \$174 million, and \$355 million in January, February, and March 2005, respectively.

Table 3 shows third quarter cash receipts during FY 2005 and FY 2004 by major category.

Table 3. Cash Receipts by Category FY 2005 and FY 2004

(\$ in millions)

Receipts	January 2005	February 2005	March 2005	Total	January 2004	February 2004	March 2004	Total
Real Property Tax	\$3,037	\$ 67	\$ 486	\$ 3,590	\$2,520	\$ 213	\$ 370	\$ 3,103
Other Taxes	1,851	1,367	2,035	5,253	1,802	989	1,759	4,550
Federal and State Aid	621	977	4,117	5,715	638	903	3,869	5,410
Less: Debt and Note Funding ^a	(684)	(154)	(113)	(951)	(595)	(360)	(1,250)	(2,205)
Miscellaneous	344	587	423	1,354	340	277	431	1,048
Intergovernmental Aid	0	0	233	233	587	174	0	761
Other ^b	561	467	982	2,010	1,175	346	818	2,339
Total	\$5,730	\$3,311	\$8,163	\$17,204	\$6,467	\$2,542	\$5,997	\$15,006

a. GO and NYCTFA debt service funding was withheld from real property tax and PIT. Note funding was withheld from real property tax and State education aid.

b. Other receipts include capital proceeds transfers of \$265 million in January 2005, \$252 million in February 2005, \$666 million in March 2005, \$828 million in January 2004, \$72 million in February 2004, and \$469 million in March 2004.

Tax receipts of \$8.843 billion during the third quarter of FY 2005 were 15.5 percent greater than the \$7.653 billion in tax receipts during the third quarter of FY 2004.

Real property tax collections during the third quarter of FY 2005 were \$487 million more than collections in the same period of FY 2004. This increase is partially the result of the timing of collections between the end of December and the beginning of January. Collections for December 2004 and January 2005 totaled \$4.892 billion and collections for December 2003 and January 2004 were \$194 million less at \$4.698 billion. The balance of the increase reflects the growth in projected real property tax, exclusive of the home owners rebate, on an annual basis of \$312 million. Tax lien sales totaled \$2.31 million during the third quarter of FY 2005 and \$17.73 million during the third quarter of FY 2004.

Other taxes rose \$703 million during the third quarter of FY 2005 over the third quarter of FY 2004. Economically sensitive taxes — sales tax, personal income tax (PIT), general corporation tax (GCT), unincorporated business tax (UBT) and financial corporation tax (FCT) — increased 17.7 percent to \$4.195 billion during the third quarter of FY 2005 over the \$3.565 billion collected during the third quarter of FY 2004. Sales tax was \$205 million greater (\$332 million greater gross of debt service funding¹), PIT was \$215 million greater,² GCT was \$103 million greater, UBT was \$52 million greater, and FCT was \$55 million greater in the third quarter of FY 2005, for a total increase of \$630 million. School Tax Relief (STAR) aid, which is included in all other taxes, totaled \$187 million during the third quarter of FY 2005 and \$360 million during the third quarter of FY 2004. The decline reflects the delayed receipt of \$180 million of these funds in FY 2004 to January 2004 from the previous quarter.

Federal and State aid totaled \$5.715 billion during the third quarter of FY 2005, \$305 million above the \$5.410 billion received during the third quarter of FY 2004. Major receipts for State aid for education of \$2.628 billion and higher education of \$453 million included advance payments of aid due in June 2005.

Miscellaneous revenue during the third quarter of FY 2005 totaled \$1.354 billion, \$306 million greater than during the same period in FY 2004. This reflects the timing in the receipt of senior and community college fees, which was \$267 million more in the third quarter of FY 2005 than in the third quarter of FY 2004.

Total Intergovernmental aid was \$528 million less during the third quarter of FY 2005 compared with the third quarter of FY 2004. NYS revenue sharing received in January 2004 of \$220 million was delayed from December 2003. Intergovernmental transfers (IGTs) related to the Health and Hospitals Corporation (HHC) during the third quarter of FY 2005 were \$345 million less than in the same period in FY 2004. Funds for Long-term care (LTC) of \$61 million were received in March 2005 and \$55 million in February 2004.

1. Sales tax is net of MAC debt service. During the third quarter of FY 2005, no funds were withheld for MAC debt service. MAC debt service funding is no longer part of the City's budget. Proceeds from the Sales Tax Asset Receivable Corporation will fund MAC debt service. During the third quarter of FY 2004, \$127 million in sales tax was used for MAC debt service funding.

2. PIT is received from the State net of refunds. PIT, net of debt service funding, was \$1.758 billion during the third quarter of FY 2005 and \$1.759 billion during the third quarter of FY 2004.

Table 4 shows the major cash sources during the third quarter of FY 2005.

Table 4. Major Cash Sources January-March 2005 ^a

(\$ in millions)

January 2005		February 2005		March 2005	
Real Property Tax ^b	\$3,037	PIT	\$622	NYS Education	\$2,238
PIT ^c	965	Sales Tax	369	Capital Transfers	666
Sales Tax ^d	283	Senior College Fees	285	General Corporation Tax	622
Unincorporated Business Tax	280	Capital Transfers	252	Federal Education	605
Capital Transfers	265	NYS Education	252	Real Property Tax	486
NYS Education	138	Federal Welfare	220	Federal Welfare	399
Federal Welfare	122	NYS Higher Education	181	PIT	387
NYS Welfare	85	General Corporation Tax	86	NYS Welfare	335
General Corporation Tax	82	NYS Welfare	84	Sales Tax	289
Community College Fees	78	Federal Education	79	NYS Higher Education	272
Federal Education	73	Water and Sewer Fees	68	STAR Aid	187
Fines and Forfeitures	63	Real Property Tax	65	IGTs	142
Water and Sewer Fees	45	Fines and Forfeitures	60	Financial Corporation Tax	126
		Licenses, etc.	45	Water and Sewer Fees	120
		Tax Lien Sale	2	Commercial Rent Tax	90
				Fines and Forfeitures	70
				NYS Health	68
				LTC	61
				Hotel Tax	55

a. Tax receipts are gross of refunds. b. Real property tax is gross of debt service. c. PIT is gross of debt service. PIT is received from the State net of refunds. d. Sales tax is net of Municipal Assistance Corporation (MAC) debt service (if any) plus interest income and the local share distribution.

Cash receipts during the third quarter of FY 2005, net of capital proceeds transfers, totaled \$16.021 billion and averaged \$258 million daily, both increases over the total cash receipts of \$13.637 billion and daily average of \$220 million during the third quarter of FY 2004. During July 2004-March 2005, net cash receipts totaled \$43.449 billion and averaged \$234 million daily. Net cash receipts totaled \$39.624 billion and averaged \$212 million during July 2003-March 2004. Table 5 compares cash receipts, net of capital proceeds transfers, for the first three quarters of FY 2005 and FY 2004.³

3. See Section III for a discussion of capital proceeds transfers.

Table 5. *Cash Receipts (net of capital proceeds transfers) FY 2005 and FY 2004*

(\$ in millions)

	FY 2005	FY 2004
July	\$ 5,667	\$ 5,184
August	2,717	3,705
September	4,926	4,209
First Quarter Total	13,310	13,098
October	3,435	4,314
November	3,886	2,113
December	6,797	6,462
Second Quarter Total	14,118	12,889
January	5,465	5,639
February	3,059	2,470
March	7,497	5,528
Third Quarter Total	16,021	13,637
Total FY-to-Date	\$43,449	\$39,624

C. CASH EXPENDITURES

Cash expenditures totaled \$13.813 billion during the third quarter of FY 2005 and averaged \$223 million daily. During the same period in FY 2004, cash expenditures totaled \$14.092 billion and averaged \$227 million daily. Expenditures were \$4.729 billion in January 2005, \$4.149 billion in February 2005, and \$4.935 billion in March 2005. The average daily expenditure was highest during January 2005 at \$236 million and lowest in March 2005 at \$215 million. The average daily expenditure in February 2005 was \$218 million. Year-to-date through March 2005, cash expenditures totaled \$43.129 billion, an increase of \$2.536 billion relative to year-to-date through March 2004.

Table 6 indicates monthly expenditures in major categories during the third quarters of FY 2005 and FY 2004.

Table 6. Cash Expenditures by Category FY 2005 and FY 2004

(\$ in millions)

Expenditures	January 2005	February 2005	March 2005	Total	January 2004	February 2004	March 2004	Total
Gross Payroll	\$1,577	\$1,311	\$1,450	\$ 4,338	\$1,710	\$1,398	\$1,463	\$ 4,571
Other Personal Services	747	709	605	2,061	558	610	678	1,846
Public Assistance	219	220	193	632	162	201	199	562
Medical Assistance (excluding HHC)	358	342	299	999	288	311	283	882
Other Social Services	154	135	190	479	164	154	184	502
Vendor and Other Payments	917	854	1,005	2,776	744	790	928	2,462
All Other, including Capital ^a	757	578	1,193	2,528	1,545	831	891	3,267
Total	\$4,729	\$4,149	\$4,935	\$13,813	\$5,171	\$4,295	\$4,626	\$14,092

a. Capital expenditures included in All Other are \$288 million in January 2005, \$308 million in February 2005, \$745 million in March 2005, \$698 million in January 2004, \$277 million in February 2004, and \$370 million in March 2004.

PS expenditures are comprised of gross payroll and other personal services. PS totaled \$6.399 billion during January-March 2005 and \$6.417 billion during January-March 2004. Gross payroll totaled \$4.338 billion during the third quarter of FY 2005. This was \$233 million below gross payroll during the same period in FY 2004. The decrease reflects the six bi-weekly payrolls during the third quarter of FY 2005, one less than the seven bi-weekly payrolls during the third quarter of FY 2004. January 2005 included holiday pay of \$80.4 million and January 2004 included \$82.5 million. Other personal services, which include pensions, social security, and health plan, were \$2.061 billion during the third quarter of FY 2005, \$215 million greater than the same period last year.

During the third quarter of FY 2005, public assistance expenditures totaling \$632 million were \$70 million higher, medical assistance spending of \$999 million was \$117 million more, and other social services expenditures of \$479 million were \$23 million less than during the same quarter of FY 2004. Vendor and other payments totaled \$2.776 billion during January-March 2005 and \$2.462 billion during January-March 2004.

All other expenditures included \$175 million in tax refunds during the third quarter of FY 2005 and \$131 million during the third quarter of FY 2004. January 2005 included \$30 million for \$400 rebates of real property tax to home owners. Year-to-date through March 2005, refunds for these rebates totaled \$263 million.

Table 7 compares expenditures, net of capital expenditures, during FY 2005 and FY 2004.⁴ Expenditures, net of capital, totaled \$12.472 billion during the third quarter of FY 2005 and \$38.885 billion through the first three quarters of FY 2005. These expenditures were \$12.747 billion and \$36.686 billion, respectively, during the same periods of FY 2004.

Table 7. *Cash Expenditures (net of capital expenditures) FY 2005 and FY 2004*

(\$ in millions)

	FY 2005	FY 2004
July	\$ 5,201	\$ 4,339
August	4,232	4,130
September	3,978	4,375
First Quarter Total	13,411	12,844
October	4,309	3,402
November	4,252	3,570
December	4,441	4,123
Second Quarter Total	13,002	11,095
January	4,441	4,473
February	3,841	4,018
March	4,190	4,256
Third Quarter Total	12,472	12,747
Total FY-to-Date	\$38,885	\$36,686

4. See Section III for a discussion of capital expenditures.

III. Capital Expenditures

Capital expenditures totaled \$1.341 billion during the third quarter of FY 2005, with an average daily expenditure of \$22 million. This was approximately the same level of capital expenditures as in the third quarter of FY 2004 when capital expenditures totaled \$1.345 billion with an average daily expenditure also of \$22 million. Capital expenditures in January 2005 were \$288 million and averaged \$14 million daily. In February 2005, capital expenditures were \$308 million and averaged \$16 million daily. In March 2005, capital expenditures were \$745 million and averaged \$32 million daily.

Table 8 shows capital expenditures during the first three quarters of FY 2005 and FY 2004. During this time frame in FY 2005, capital expenditures totaled \$4.243 billion and averaged \$23 million daily. During the first three quarters of FY 2004, capital expenditures were \$3.906 billion and averaged \$21 million daily.

Table 8. *Capital Expenditures FY 2005 and FY 2004*

(\$ in millions)

	FY 2005		FY 2004	
	Total Capital	City-funded Capital	Total Capital	City-funded Capital
July	\$ 380	\$ 345	\$ 634	\$ 606
August	392	356	331	306
September	690	648	299	262
First Quarter Total	1,462	1,349	1,264	1,174
October	386	345	354	326
November	335	309	620	535
December	719	667	323	291
Second Quarter Total	1,440	1,321	1,297	1,152
January	288	263	698	672
February	308	277	277	246
March	745	715	370	320
Third Quarter Total	1,341	1,255	1,345	1,238
Total FY-to-Date	\$4,243	\$3,925	\$3,906	\$3,564

City-funded capital expenditures are financed by issuing debt, including General Obligation (GO) and Water and Sewer debt. City-funded capital expenditures totaled \$1.255 billion and averaged \$20 million daily during the third quarter of FY 2005. In the same period of FY 2004, City-funded capital expenditures totaled \$1.238 billion and averaged \$20 million daily. In January 2005, there were \$263 million in City-funded capital expenditures, for a daily average of \$13 million. During February 2005, there were \$277 million in City-funded capital expenditures for a daily average of \$15 million. In March 2005, City-funded capital expenditures totaled \$715 million and averaged \$31 million daily. In both March 2005 and January 2004, City-funded capital expenditures included \$300 million in payments to the School Construction Authority (SCA). Year-to-date through March 2005, City-funded capital expenditures totaled \$3.925 billion, an increase of \$361 million over City-funded capital expenditures year-to-date through March 2004.

All capital expenditures are initially paid from the City's Central Treasury. Table 9 shows the reimbursements from the proceeds of capital financings of City-funded capital expenditures that were previously paid out of the Central Treasury during January-March 2005. GO bond proceeds provided \$858 million, water and sewer financings provided \$302 million, and the Transportation and Infrastructure Finance and Innovation Act of 1998 (TIFIA) provided \$12 million. The Health and Hospitals Corporation (HHC) paid the City \$11 million for capital expenditures. These reimbursements totaled \$1.183 billion, which were \$185 million less than the \$1.368 billion in reimbursements during January-March 2004.

Table 9. Reimbursement to the Central Treasury from Capital Proceeds

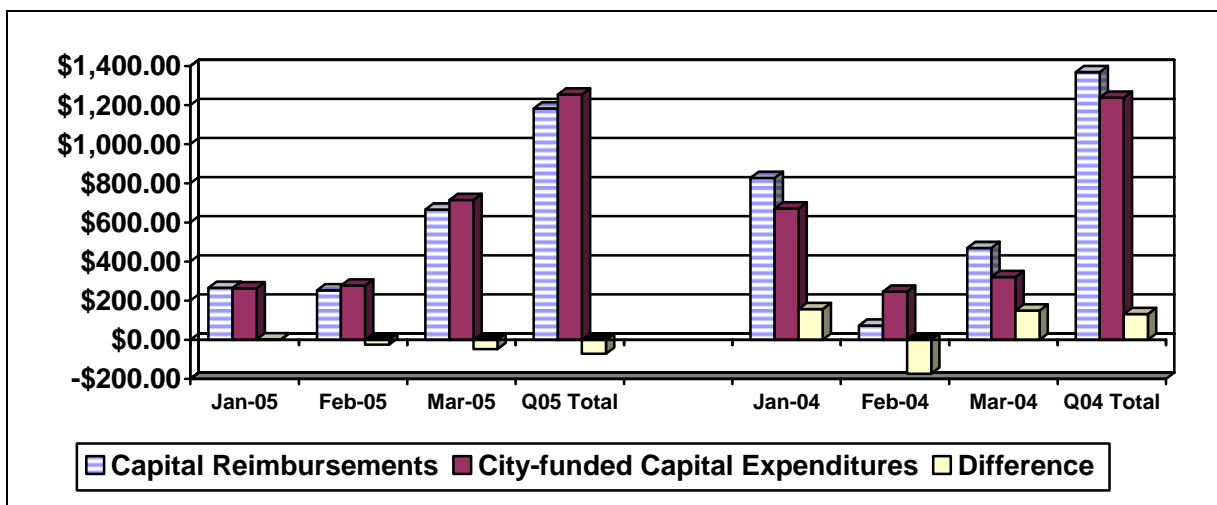
(\$ in millions)

	January 2005	February 2005	March 2005	Total
General Obligation Bonds	\$127.75	\$136.66	\$593.60	\$ 858.01
Water and Sewer	137.26	92.00	72.40	301.66
Tobacco Settlement (TIFIA)	0.00	12.23	0.00	12.23
Other	0.00	11.36	0.02	11.38
Total	\$265.01	\$252.25	\$666.02	\$1,183.28

Chart 3 illustrates the effect on the Central Treasury during January-March 2005 and January-March 2004 of City-funded capital expenditures and their reimbursements. During the third quarter of FY 2005, the capital program reduced the City's cash balances by \$72 million, while in the third quarter of FY 2004 reimbursements were \$131 million higher than capital expenditures.

Chart 3. Capital Reimbursements and City-Funded Capital Expenditures FY 2005 and FY 2004

(\$ in millions)



During the first three quarters of FY 2005, reimbursements totaled \$3.821 billion—\$2.667 billion from GO debt, \$1.099 billion from Water and Sewer debt, \$17 million from HHC, and \$38 million from TIFIA. This was \$299 million greater than in the same period of FY 2004.

IV. Financing and Debt Service

A. LONG-TERM FINANCING

As shown in Table 10, the City issued \$1.243 billion in GO debt during the third quarter of FY 2005. During the first three quarters of FY 2005, GO debt totaled \$4.970 billion.

Table 10. GO Bond Issues FY 2005

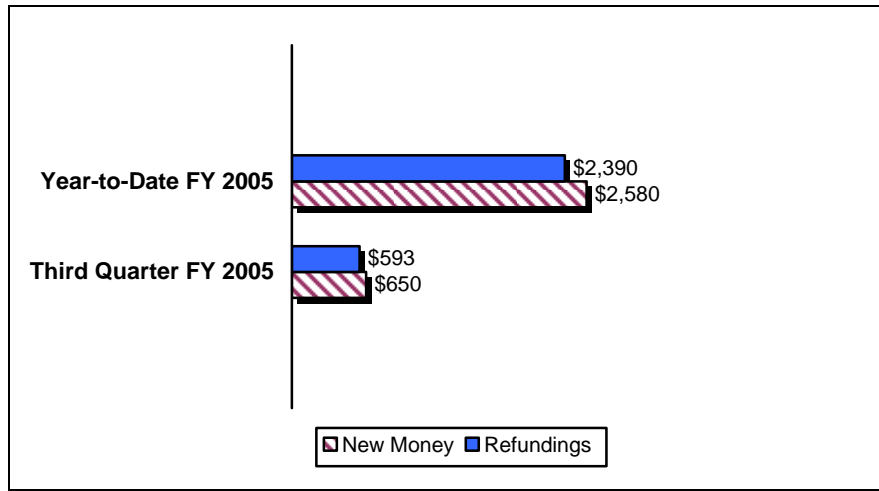
(\$ in millions)

	NYC GO Debt		Total
	Tax-Exempt	Taxable	
July	\$ 550.61	\$ 36.15	\$ 586.76
August	650.00	80.00	730.00
September	0.00	0.00	0.00
First Quarter Total	1,200.61	116.15	1,316.76
October	0.00	0.00	0.00
November	1,161.95	100.00	1,261.95
December	1,148.27	0.00	1,148.27
Second Quarter Total	2,310.22	100.00	2,410.22
January	0.00	0.00	0.00
February	0.00	0.00	0.00
March	950.77	292.43	1,243.20
Third Quarter Total	950.77	292.43	1,243.20
Total FY-to-Date	\$4,461.60	\$508.58	\$4,970.18

Chart 4 shows the purposes for which the GO bonds were issued. Tax-exempt and taxable new money GO debt for capital projects totaled \$600 million and \$50 million, respectively. Refundings totaled \$593 million and provide \$23 million in FY 2006 budget savings and total budget savings of \$36 million over the life of the bonds. Tax-exempt proceeds from the refundings totaled \$351 million and taxable proceeds were \$242 million. Year-to-date through March 2005, new money sales totaled \$2.580 billion and refundings totaled \$2.390 billion. The refundings result in total budget savings of \$140 million, of which \$100 million will be realized in FY 2006.

Chart 4. Purposes of GO Debt Third Quarter FY 2005

(\$ in millions)



B. DEBT SERVICE

The City and the NYCTFA fund debt service payments to holders of their debt in advance of the actual payment dates.⁵

GO debt service is funded from real property tax withheld by the State Comptroller and is held in a separate bank account. GO debt service funding was \$734 million during the third quarter of FY 2005. During the same period in FY 2004, debt service funding was \$705 million. Additionally in FY 2004, \$250 million in real property taxes were withheld to fund the principal payment of Tax Anticipation Notes (TANs) maturing in April 2004. The City also had \$1.250 billion in outstanding Revenue Anticipation Notes (RANs) maturing in April 2004. The principal of these Notes was funded by March general and excess cost Education aid of \$23 million on March 1, 2004, \$532 million on March 15, 2004, and \$695 million on March 31, 2004.

NYCTFA debt service is funded from the PIT collections. During January-March 2005 \$217 million was withheld. During the third quarter of FY 2004, no PIT collections were withheld.⁶

5. The City's cash receipts of real property tax and PIT are net of debt service funding.

6. FY 2004 PIT debt service was funded from the \$624 million prepayment that was part of the FY 2003 surplus roll.

V. Glossary

FCT	Financial Corporation Tax
FY	Fiscal Year
GCT	General Corporation Tax
GO	General Obligation
HHC	Health and Hospitals Corporation
IGTs	Intergovernmental Transfers
LTC	Long-Term Care
MAC	Municipal Assistance Corporation
NYC	New York City
NYCTFA	New York City Transitional Finance Authority
NYS	New York State
PIT	Personal Income Tax
PS	Personal Service
RANs	Revenue Anticipation Notes
SCA	School Construction Authority
STAR	School Tax Relief
TANs	Tax Anticipation Notes
TIFIA	Transportation and Infrastructure Finance and Innovation Act of 1998
UBT	Unincorporated Business Tax