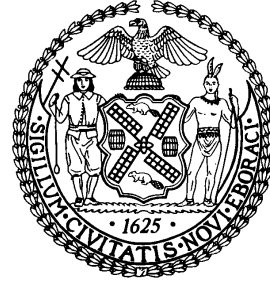


**The City Of New York  
Office of the Comptroller  
William C. Thompson, Jr.,  
Comptroller**



# QUARTERLY CASH REPORT

January-March 2009  
Third Quarter of FY 2009

May 2009

# Summary

## Overview

During the third quarter of FY 2009, the level of daily cash balances in the New York City Central Treasury started to reflect the economic downturn that began in New York City during the Spring of 2008. Daily cash balances were also impacted by delayed billing for the real property tax, increase in the real property tax rate, large tax refunds, and implementation of collective bargaining agreements. The City received the first federal stimulus funds in March 2009.

The third quarter of FY 2009 began with \$2.820 billion of cash-on-hand, the lowest level since the opening balance of the third quarter of FY 2003. The average daily cash balance of \$5.536 billion for the third quarter of FY 2009 and the average daily cash balance for each month during the third quarter of FY 2009 were lower than in the same periods from the third quarter of FY 2005 to the third quarter of FY 2008. The closing balance for the third quarter of FY 2009, \$7.762 billion, was almost three times the closing balance for the third quarter of FY 2000. However, it was the lowest closing balance since the third quarter of FY 2004.

Cash-on-hand for operations during the first nine months of FY 2005, FY 2006, FY 2007, FY 2008, and FY 2009 exceeded daily cash balances in the first nine months of FY 2000, FY 2001, FY 2002, FY 2003, and FY 2004 when short-term borrowing was required. The average daily cash balance increased each year during the first nine months of FY 2000 through the first nine months of FY 2006 and decreased from the first nine months of FY 2006 through the first nine months of FY 2009. The average daily cash balance of \$5.453 billion during the first nine months of FY 2009 was \$504 million less than the average daily cash balance during the first nine months of FY 2008, and \$1.429 billion and \$988 million less than in the first nine months of FY 2006 and FY 2007.

## Cash Receipts

Cash receipts totaled \$22.492 billion and averaged \$369 million daily during the third quarter of FY 2009. This was an increase of \$1.953 billion in total receipts and \$38 million more in average daily receipts compared with the third quarter of FY 2008, \$5.288 billion more in total receipts and \$92 million more in average daily receipts than in the third quarter of FY 2005, and \$9.463 billion more in total receipts and \$162 million more in average daily receipts than in the third quarter of FY 2000.

The increase in cash receipts of \$1.953 billion during the third quarter of FY 2009 over the third quarter of FY 2008 was mostly attributable to greater collections of real property tax (\$2.416 billion), miscellaneous (\$152 million), and other receipts (\$800 million) offset by lower collections of taxes other than real property tax (\$1.135 billion) and federal and state aid (\$253 million). The level of real property tax collections during the third quarter of FY 2009 was affected by delayed billing and changes to tax rates and the required timing of payments. As part of a mid-year budget agreement, the Mayor and City Council raised the real property tax rate by 7 percent for January-June 2009. This agreement was reached in mid-December 2008 and extended payment dates by fifteen days and allowed owners of properties with assessed values of \$250,000 or less to pay quarterly instead of semi-annually. Miscellaneous receipts included \$175 million in restitution from the settlement of criminal cases against Tyco and Lloyds Bank. The increase in other receipts included higher reimbursements of \$896 million to the New York City Central Treasury for capital expenditures. The decline in taxes other than real property tax included lower personal income tax of \$590 million, general corporation tax of \$449 million, sales tax of \$35 million, and mortgage and real property transfer taxes of \$416 million. Federal aid was \$92 million greater, including the receipt of \$161 million for Medicaid relief from federal stimulus funds, and state aid was \$345 million less, including a \$96 million reduction in the receipt of education aid.

Cash receipts for the first nine months of FY 2009 increased 2 percent over the first nine months of FY 2008 and 21 percent compared with the first nine months of FY 2005. Average daily receipts were

\$7 million and \$54 million greater in the first nine months of FY 2009 than during the first nine months of FY 2008 and FY 2005. The three largest sources of cash receipts, real property tax, personal income tax, and NYS education aid, accounted for 40 percent of total receipts in the first nine months of FY 2009 and during the first nine months of the last five years.

### **Cash Expenditures**

Cash expenditures, including capital expenditures, totaled \$17.550 billion and averaged \$288 million daily during the third quarter of FY 2009. This was an increase of \$318 million in total expenditures and \$10 million more in average daily expenditures compared with the third quarter of FY 2008, \$3.737 billion more in total expenditures and \$65 million more in average daily expenditures than in the third quarter of FY 2005, and \$5.769 billion more in total expenditures and \$101 million more in average daily expenditures than in the third quarter of FY 2000.

Personal service expenditures increased by \$786 million in the third quarter of FY 2009 over the third quarter of FY 2008. Compared with the third quarter of FY 2008, gross payroll increased \$540 million and other personal services \$246 million. Fluctuations in personal service expenditures include changes to headcount, implementation of collective bargaining agreements, payment of overtime, and changes in pension and health benefit costs. During the third quarter of FY 2009, headcount increased 6,658 over the third quarter of FY 2008, collective bargaining increases and retroactive payments were implemented for DC 37 members, correction officers, firefighters, sanitation workers and officers, police captains, and staff analysts, and the City paid \$57 million to the Retiree Health Benefits Trust Fund.

During the third quarter of FY 2009 compared with the third quarter of FY 2008, other-than-personal-service expenditures decreased \$545 million, consisting of medical assistance down \$363 million, other social services down \$52 million, and vendor and other payments down \$160 million partly offset by public assistance up \$30 million. Medical assistance in the third quarter of FY 2008 included \$544 million in intergovernmental transfers for Health and Hospitals Corporation enhanced Medicaid while medical assistance in the third quarter of FY 2009 included only \$165 million.

Tax refunds increased by \$277 million in the third quarter of FY 2009 to \$509 million from \$232 million during the third quarter of FY 2008. The third quarter of FY 2009 included \$35 million for the payment of the \$400 real property tax rebate.

From the third quarter of FY 2005 to the third quarter of FY 2009, personal service expenditures increased \$2.302 billion. Gross payroll was up 34 percent and other personal services rose 40 percent. In the same time period, other-than-personal-service expenditures increased \$959 million. Public assistance decreased 11 percent, medical assistance increased 31 percent, other social services increased 18 percent, and vendor and other increased 23 percent. In the ten years from the third quarter of FY 2000 through the third quarter of FY 2009, personal service expenditures increased 52 percent. Gross payroll grew 28 percent and other personal services rose 145 percent. In the same ten years, other-than-personal-service expenditures grew 64 percent: public assistance declined 3 percent, medical assistance increased 106 percent, other social services grew 42 percent, and vendor and other grew 75 percent.

Cash expenditures for the first nine months of FY 2009 increased 8 percent over the first nine months of FY 2008, 26 percent from the first nine months of FY 2005, and 52 percent from the first nine months of FY 2000. Average daily expenditures were \$22 million, \$61 million, and \$102 million greater in the first nine months of FY 2009 than during the first nine months of FY 2008, FY 2005, and FY 2000. Daily expenditures as a percent of daily cash balances during the first nine months of FY 2009 increased by 1 percentage point over the first nine months of FY 2008, were the same as in the first nine months of FY 2005, and declined 16 percentage points from the first nine months of FY 2000. During the first nine months of FY 2005-FY 2009, personal service expenditures grew 32 percent and averaged 48 percent of total expenditures and other-than-personal-service expenditures grew 19 percent and averaged 35 percent of total expenditures.

## **Capital Expenditures and Reimbursements**

Capital expenditures totaling \$1.942 billion were 11 percent of total expenditures during the third quarter of FY 2009. Total capital expenditures were \$172 million less during the third quarter of FY 2009 than in the third quarter of FY 2008 and \$601 million more than in the third quarter of FY 2005. The City-funded portion of these expenditures was \$187 million and \$172 million more than in the third quarters of FY 2008 and FY 2005, respectively. Payments to the School Construction Authority totaled \$400 million in the third quarter of FY 2009 compared with \$800 million in the third quarter of FY 2008 and \$300 million in the third quarter of FY 2005.

In the first nine months of FY 2009, total capital expenditures of \$6.708 billion were \$975 million greater than in the first nine months of FY 2008 and \$2.465 billion more than in the first nine months of FY 2005. The City-funded portion of these expenditures was \$834 million and \$461 million more than in the first nine months of FY 2008 and FY 2005. The City paid the School Construction Authority \$900 million in the first nine months of FY 2005 and \$2 billion in the first nine months of both FY 2008 and FY 2009. These payments were 21 percent, 35 percent, and 30 percent of total capital expenditures in the first nine months of FY 2005, FY 2008, and FY 2009.

All capital expenditures are initially paid from the New York City Central Treasury and then reimbursed mostly from the proceeds of general obligation, Transitional Finance Authority, and water and sewer debt and Expanding Our Children's Education and Learning (EXCEL) capital grant funds from the Dormitory Authority of the State of New York. During the third quarter of FY 2009, reimbursements of \$2.451 billion were 135 percent of reimbursable capital expenditures and 11 percent of total receipts compared with reimbursements of \$1.555 billion in the third quarter of FY 2008 that were 78 percent of reimbursable capital expenditures and 8 percent of total receipts. Reimbursements during the first nine months of FY 2008 were \$7.529 billion. This was the highest level of reimbursements for the first nine months of a fiscal year during the last ten years. From the first nine months of FY 2000 through the first nine months of FY 2009, general obligation debt has funded 45 percent, water and sewer debt 24 percent, Transitional Finance Authority debt 19 percent, and Transitional Finance Authority Building Aid bonds and the Dormitory Authority of the State of New York 10 percent of reimbursements. In the ten year period, reimbursements were \$126 million less than reimbursable capital expenditures.

## **Financing**

The City issued \$739 million of general obligation bonds during the third quarter of FY 2009. During the first nine months of FY 2009, general obligation bond issuances totaled \$4.235 billion, of which \$250 million refunded outstanding debt, yielding \$19 million of budget relief over the life of the bonds.

The Transitional Finance Authority sold \$1.050 billion in Building Aid bonds in the third quarter of FY 2009. A total of \$1.670 billion in Building Aid bonds were sold in the first nine months of FY 2009.

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# I. Cash Balances<sup>1</sup>

## A. OVERVIEW

During the 3QFY09, the level of daily cash balances in the New York City Central Treasury started to reflect the economic downturn that began in New York City during the Spring of 2008. Daily cash balances were also impacted by the delay in real property tax bills, increase in the real property tax rate, large tax refunds, and implementation of collective bargaining agreements.

### January-March 2009, Third Quarter of FY 2009 (3QFY09)

The cash position in the New York City Central Treasury during the 3QFY00-3QFY09 is shown in Table 1. The 3QFY09 began with the lowest level of cash-on-hand since the opening balance of the 3QFY03. Since the 3QFY00, receipts have exceeded expenditures in the 3Q of each fiscal year, with the exception of the 3QFY03, when state payments were delayed. The excess of receipts over expenditures was \$1.248 billion, \$3.025 billion, \$998 million, \$914 million, \$3.391 billion, \$877 million, \$4.078 billion, \$3.307 billion, and \$4.942 billion during the 3QFY00, the 3QFY01, the 3QFY02, the 3QFY04, the 3QFY05, the 3QFY06, the 3QFY07, the 3QFY08, and the 3QFY09, respectively. Although, the closing balance for the 3QFY09 was almost three times the closing balance for the 3QFY00, it was the lowest closing balance since the 3QFY04.

**Table 1. Cash Position in the New York City Central Treasury, 3QFY00-3QFY09**

(\$ in millions)

	3QFY00	3QFY01	3QFY02	3QFY03	3QFY04	3QFY05	3QFY06	3QFY07	3QFY08	3QFY09
Opening Balance	\$ 1,406	\$ 1,795	\$ 1,768	\$ 2,719	\$ 4,142	\$ 4,959	\$ 7,745	\$ 6,856	\$ 6,750	\$ 2,820
Total Receipts	13,029	14,121	13,035	12,648	15,006	17,204	16,378	20,031	20,539	22,492
Total Expenditures <sup>a</sup>	11,781	11,096	12,037	12,766	14,092	13,813	15,501	15,953	17,232	17,550
Closing Balance	\$ 2,654	\$ 4,820	\$ 2,766	\$ 2,601	\$ 5,056	\$ 8,350	\$ 8,622	\$10,934	\$10,057	\$ 7,762

a. Total expenditures include capital expenditures.

As shown in Table 2, the average daily cash balance during the 3QFY09 and in each month of the 3QFY09 was lower than in the same periods during the 3QFY05-3QFY08.

**Table 2. Average Daily Cash Balances in the New York City Central Treasury, 3QFY00-3QFY09**

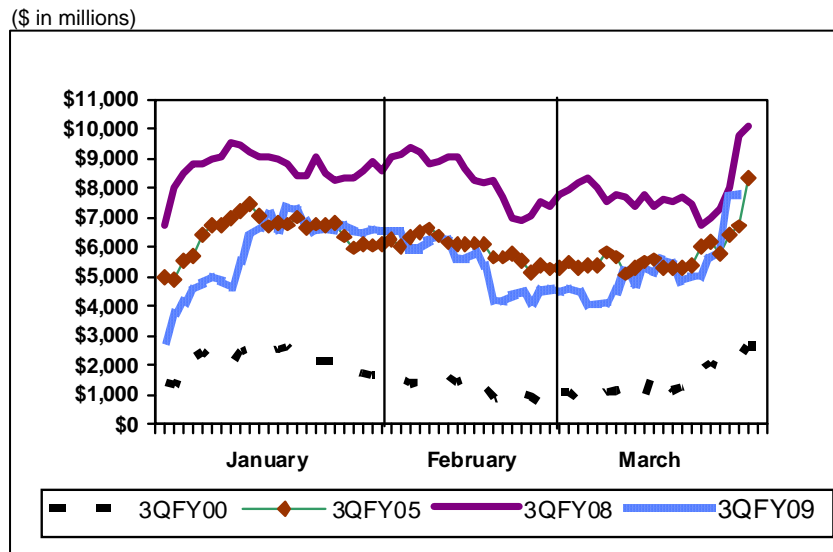
(\$ in millions)

	3QFY00	3QFY01	3QFY02	3QFY03	3QFY04	3QFY05	3QFY06	3QFY07	3QFY08	3QFY09
January	\$2,217	\$3,248	\$3,602	\$3,812	\$5,805	\$6,563	\$8,258	\$9,293	\$8,768	\$5,916
February	1,343	2,720	2,709	2,857	4,728	6,025	6,826	8,466	8,340	5,625
March	1,448	2,842	2,390	2,410	3,673	5,698	6,107	8,022	7,847	5,112
<b>3Q Total</b>	<b>\$1,659</b>	<b>\$2,942</b>	<b>\$2,907</b>	<b>\$3,032</b>	<b>\$4,684</b>	<b>\$6,077</b>	<b>\$7,021</b>	<b>\$8,588</b>	<b>\$8,318</b>	<b>\$5,536</b>

1. The data in this report are based on the book balances in the New York City Central Treasury as calculated by the Bureau of Financial Analysis, Office of the New York City Comptroller. Receipts are reported based on cash receipts and the analysis of bank deposits. Expenditures are reported on warrants issued. Receipts and expenditures are net of debt service and note funding.

Chart 1 depicts daily cash balances during the 3QFY00, the 3QFY05, the 3QFY08, and the 3QFY09. The level and pattern of daily cash balances during the 3QFY09 most closely resembles the daily cash balances during the 3QFY05. During the 3QFY00, the 3QFY05, the 3QFY08, and the 3QFY09, the highest daily closing cash balance was on March 31<sup>st</sup>, the final day of the quarter. In the 3QFY00, the lowest daily closing cash balance was \$649 million on March 1, 2000, in the 3QFY05 it was \$4.863 billion on January 3, 2005, in the 3QFY08 it was \$6.765 billion on March 24, 2008, and in the 3QFY09 it was \$3.769 billion on January 2, 2009. During the 3QFY09, the closing daily cash balances varied by \$3.993 billion compared with a range of \$2.006 billion in the 3QFY00, \$3.487 billion in the 3QFY05, and \$3.292 billion in the 3QFY08.

**Chart 1. Daily Cash Balances in the New York City Central Treasury, 3QFY00, 3QFY05, 3QFY08, and 3QFY09**



**July 2008-March 2009, Year-to-date FY 2009 (YTDFY09)**

Table 3 shows cash-on-hand in the Central Treasury during YTDFY00-YTDFY09. Total receipts exceeded total expenditures in YTDFY00, YTDFY01, YTDFY04, YTDFY05, YTDFY06, YTDFY07, YTDFY08, and YTDFY09 increasing daily cash balances by \$1.376 billion, \$3.367 billion, \$2.554 billion, \$4.142 billion, \$1.792 billion, \$4.548 billion, \$5.584 billion, and \$2.774 billion.

**Table 3. Cash Position in the New York City Central Treasury, YTDFY00-YTDFY09**

(\$ in millions)

YTD	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09
Opening Balance <sup>a</sup>	\$ 1,278	\$ 1,453	\$ 3,066	\$ 4,433	\$ 2,502	\$ 4,208	\$ 6,830	\$ 6,386	\$ 4,473	\$ 4,988
Total Receipts	37,154	37,704	36,599	38,906	43,147	47,271	48,379	51,746	56,072	57,303
Total Expenditures <sup>b</sup>	35,778	34,337	36,899	40,738	40,593	43,129	46,587	47,198	50,488	54,529
Closing Balance	\$ 2,654	\$ 4,820	\$ 2,766	\$ 2,601	\$ 5,056	\$ 8,350	\$ 8,622	\$10,934	\$10,057	\$ 7,762

a. Opening balances are before City audits.

b. Total expenditures include capital expenditures.



As shown in Table 4, the average daily cash balance increased each year during YTD FY00-YTD FY06 and decreased YTD each year thereafter. The higher average daily cash balances in the 1Q FY09 and the 2Q FY09 than in the 1Q FY08 and the 2Q FY08 were offset by a lower average daily cash balance in the 3Q FY09 compared with the 3Q FY08.

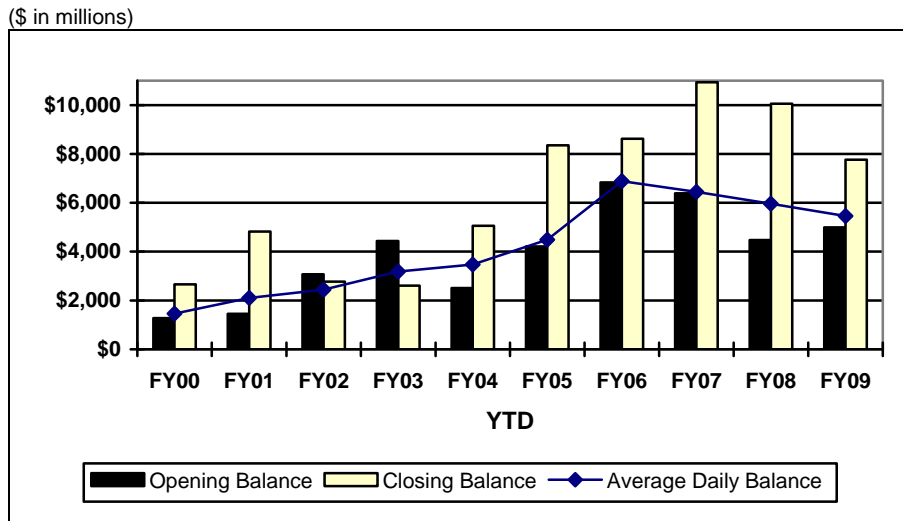
**Table 4. Average Daily Cash Balances in the New York City Central Treasury, YTD FY00-YTD FY09**

(\$ in millions)

YTD	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09
1Q	\$1,994	\$2,197	\$2,696	\$3,893	\$2,900	\$4,348	\$7,738	\$6,293	\$5,567	\$6,426
2Q	692	1,134	1,700	2,580	2,822	2,992	5,825	4,377	3,960	4,348
3Q	1,659	2,942	2,906	3,032	4,684	6,077	7,021	8,588	8,318	5,536
<b>YTD Total</b>	<b>\$1,464</b>	<b>\$2,102</b>	<b>\$2,437</b>	<b>\$3,180</b>	<b>\$3,466</b>	<b>\$4,487</b>	<b>\$6,882</b>	<b>\$6,441</b>	<b>\$5,957</b>	<b>\$5,453</b>

Chart 2 shows the cash position in the Central Treasury during YTD FY00-YTD FY09. Daily cash balances during YTD FY00-YTD FY04, inclusive of short-term borrowings, were well below the levels of cash-on-hand during YTD FY05-YTD FY09 when short-term borrowing was not required to meet operating needs. YTD FY06 and YTD FY07 had the peak levels of daily balances. The average daily cash balance of \$5.453 billion YTD FY09 was \$504 million less than the average daily cash balance YTD FY08, and \$1.429 billion and \$988 million less than the average daily cash balance YTD FY06 and YTD FY07.

**Chart 2. Cash Position in the New York City Central Treasury, YTD FY00-YTD FY09**



## B. CASH RECEIPTS

### January-March 2009, 3QFY09

Table 5 shows total cash receipts and average daily cash receipts during the 3QFY05-3QFY09. Cash receipts totaled \$22.492 billion and averaged \$369 million daily in the 3QFY09. Total cash receipts and average daily cash receipts increased \$5.288 billion and \$92 million from the 3QFY05 to the 3QFY09.

**Table 5. Total and Average Daily Cash Receipts, 3QFY05-3QFY09**

(\$ in millions)

	Total Receipts					Average Daily Receipts				
	FY05	FY06	FY07	FY08	FY09	FY05	FY06	FY07	FY08	FY09
January	\$ 5,730	\$ 4,935	\$ 7,572	\$ 7,664	\$ 9,156	\$286	\$247	\$361	\$365	\$458
February	3,311	3,248	3,643	4,032	3,833	174	171	192	202	202
March	8,163	8,195	8,816	8,843	9,503	355	356	401	421	432
<b>3Q Total</b>	<b>\$17,204</b>	<b>\$16,378</b>	<b>\$20,031</b>	<b>\$20,539</b>	<b>\$22,492</b>	<b>\$277</b>	<b>\$264</b>	<b>\$323</b>	<b>\$331</b>	<b>\$369</b>

Table 6 shows monthly cash receipts during the 3QFY08 and the 3QFY09 by category. Cash receipts increased \$1.953 billion in the 3QFY09 over the 3QFY08. Cash receipts were \$1.492 billion more in January 2009 than in January 2008, \$199 million less in February 2009 than in February 2008, and \$660 million more in March 2009 than in March 2008. Higher real property tax collections, miscellaneous, and other receipts during the 3QFY09 offset lower collections of other taxes and federal and state aid and higher debt service funding.

**Table 6. Cash Receipts by Category, 3QFY08 and 3QFY09**

(\$ in millions)

Receipts	Jan. 2008	Feb. 2008	Mar. 2008	3QFY08 Total	Jan. 2009	Feb. 2009	Mar. 2009	3QFY09 Total	Diff. 3Q Total FY08/09
Real Property Tax	\$2,057	\$ 68	\$ 612	\$ 2,737	\$4,192	\$ 99	\$ 862	\$ 5,153	\$2,416
Other Taxes	2,977	1,763	2,591	7,331	2,620	1,258	2,318	6,196	(1,135)
Federal and State Aid	863	1,150	4,555	6,568	754	878	4,683	6,315	(253)
Debt Service Funding	0	(1)	(3)	(4)	0	0	(31)	(31)	(27)
Miscellaneous	545	419	453	1,417	411	571	587	1,569	152
Other	1,222	633	635	2,490	1,179	1,027	1,084	3,290	800
<b>Total</b>	<b>\$7,664</b>	<b>\$4,032</b>	<b>\$8,843</b>	<b>\$20,539</b>	<b>\$9,156</b>	<b>\$3,833</b>	<b>\$9,503</b>	<b>\$22,492</b>	<b>\$1,953</b>

Table 7 displays the five year history of 3Q receipts by major category.

**Table 7. Cash Receipts by Category, 3QFY00-3QFY09**

(\$ in millions)

	3QFY00	3QFY01	3QFY02	3QFY03	3QFY04	3QFY05	3QFY06	3QFY07	3QFY08	3QFY09
Real Property Tax	\$ 1,804	\$ 2,558	\$ 3,111	\$ 3,127	\$ 3,103	\$ 3,590	\$ 2,121	\$ 2,820	\$ 2,737	\$ 5,153
Other Taxes	4,022	4,304	3,814	3,613	4,550	5,253	5,896	7,408	7,331	6,196
Federal and State Aid	3,469	5,374	3,641	4,195	5,410	5,745	6,025	5,894	6,568	6,315
Debt Service Funding <sup>a</sup>	(623)	(998)	(1,113)	(2,315)	(2,205)	(951)	(677)	(146)	(4)	(31)
Miscellaneous	1,025	885	884	1,060	1,048	1,354	1,083	1,393	1,417	1,569
Intergovernmental Aid	153	66	337	149	761	202	0	0	0	0
Other	3,179	1,932	2,361	2,819	2,339	2,011	1,930	2,662	2,490	3,290
<b>Total</b>	<b>\$13,029</b>	<b>\$14,121</b>	<b>\$13,035</b>	<b>\$12,648</b>	<b>\$15,006</b>	<b>\$17,204</b>	<b>\$16,378</b>	<b>\$20,031</b>	<b>\$20,539</b>	<b>\$22,492</b>

a. Includes Revenue Anticipation Note (RAN) funding of \$750 million in March 2001, \$471 million in March 2002, \$1.5 billion in March 2003, and \$1.250 billion in March 2004 and Tax Anticipation Note (TAN) funding of \$250 million in the 3QFY04.

Tax receipts<sup>2</sup> totaled \$11.349 billion during the 3QFY09. This was 13 percent more than during the 3QFY08 and 28 percent greater than during the 3QFY05. As part of a mid-year budget agreement restoring the \$400 real property tax rebate, the Mayor and City Council raised the real property tax and the hotel room occupancy tax.<sup>3</sup> Real property tax collections increased by \$2.416 billion during the 3QFY09 compared with the 3QFY08 offsetting the \$1.135 billion decrease in other taxes.

Real property tax collections accounted for 45 percent of tax receipts up from 27 percent of tax receipts during the 3QFY08. The level of real property tax collections during the 3QFY09 was affected by delayed billing and changes to tax rates and the required timing of payments. The City Council and the Mayor agreed to a 7 percent increase in property tax rates for January-June 2009. The agreement was reached in mid-December 2008 and extended payment due dates by fifteen days. In addition, owners of properties with assessed values of \$250,000 or less, instead of \$80,000 or less, can pay in quarterly not semi-annual installments.

Tax collections, excluding real property tax, increased each 3Q from the 3QFY03 through the 3QFY07, and then declined by 1 percent in the 3QFY08 from the 3QFY07 and 15 percent in the 3QFY09 from the 3QFY08. Tax collections reflect the strength in the City's economy, tax rates, and the timing of collections.

Table 8 compares the growth in major tax receipts during the 3QFY00, the 3QFY05, the 3QFY08, and the 3QFY09. Personal income tax (PIT), general corporation tax (GCT), and sales tax declined in the 3QFY09 compared with the 3QFY08 and increased compared with the 3QFY00 and the 3QFY05. GCT included the collection of \$410 million in audit revenues during February 2008 and \$105 million during February 2009. The unincorporated business tax (UBT) and banking corporation tax (BCT) grew in all three time frames. In the 3QFY09, the mortgage and real property transfer taxes decreased to below the 3QFY00 level.

**Table 8. Major Tax Receipts, 3QFY00, 3QFY05, 3QFY08, and 3QFY09**

(\$ in millions)

	3QFY00	3QFY05	3QFY08	3QFY09	% Change 3QFY00/ 3QFY09	% Change 3QFY05/ 3QFY09	% Change 3QFY08/ 3QFY09
Personal Income Tax	\$1,638	\$1,975	\$2,707	\$2,117	29%	7%	(22)%
General Corporation Tax	620	791	1,629	1,180	90	49	(28)
Unincorporated Business Tax	221	325	534	611	176	88	14
Banking Corporation Tax	103	165	374	465	351	182	24
Sales Tax	794	941	1,055	1,020	28	8	(3)
Mortgage and Real Property Transfer Taxes	268	531	648	232	(13)	(56)	(64)
School Tax Relief <sup>4</sup>	100	187	0	149	49	(20)	-

2. In this report, tax cash receipts, with the exception of personal income tax, are gross of refunds. Real property tax and personal income tax are gross of any debt funding. Sales tax includes the state distribution, the local share, and interest income less debt service funding, if any.

3. Effective March 1, 2009, the hotel room occupancy tax rate was increased from 5 percent to 5.875 percent.

4. School Tax Relief (STAR) aid is budgeted in all other taxes.

Combined federal and state aid decreased by \$253 million in the 3QFY09 from the 3QFY08. Federal aid totaled \$1.864 billion and state aid totaled \$4.451 billion during the 3QFY09 compared with \$1.772 billion in federal aid and \$4.796 billion in state aid received in the 3QFY08. The 3Q of the City's fiscal year coincides with the end of the NYS fiscal year on March 31<sup>st</sup>. This can result in large payments of NYS aid to the City, including advances of future payments.

The City received the first federal stimulus funds in March 2009. The Federal Medical Assistance Percentage (FMAP) provided \$161 million for Medicaid relief.

During the 3QFY05-3QFY09, the City received over \$21 billion in NYS aid, of which 70 percent was NYS education aid.

(\$ in millions)

	3QFY05	3QFY06	3QFY07	3QFY08	3QFY09	Total 3QFY05- 3QFY09
NYS Education	\$2,627	\$2,798	\$2,988	\$3,283	\$3,187	\$14,883
Total NYS Aid	3,811	4,128	4,021	4,796	4,451	\$21,207

NYS education aid of \$3.187 billion accounted for 72 percent of NYS aid in the 3QFY09. NYS education aid included: general and building aid of \$2.259 billion, video lottery terminal (VLT) aid of \$128 million, textbook aid of \$55 million, and excess cost aid of \$532 million. General education aid included an advance from June 2009 of \$772 million. During the 3QFY09, the City received \$336 million in higher education aid, a decrease of \$224 million from the 3QFY08.

General obligation (GO) debt service is withheld from real property tax collections, and Transitional Finance Authority (TFA) debt service is withheld from personal income tax (PIT). Total debt withholding was higher in the 3QFY09 than in the 3QFY08, decreasing cash by \$27 million. There was no GO debt withholding in the 3QFY09 and \$1 million in the 3QFY08. There was \$31 million in TFA debt funding in the 3QFY09 and \$3 million in the 3QFY08.

Miscellaneous receipts were \$152 million greater during the 3QFY09 than in the 3QFY08. Senior college fees and community college fees were \$189 million and \$52 million greater in the 3QFY09 compared with the 3QFY08, respectively. In addition, the City received \$175 million in restitution from the settlement of criminal cases against Tyco of \$109 million and Lloyds Bank of \$66 million. Other receipts increased \$800 million from the 3QFY08 to the 3QFY09 largely due to increased reimbursements to the general fund for capital expenditures.

Table 9 shows the major cash sources in each month during the 3QFY09, and Table 10 shows selected cash receipts during the 3QFY05-3QFY09.

**Table 9. Major Cash Sources, 3QFY09**

(\$ in millions)

January 2009		February 2009		March 2009	
Real Property Tax	\$4,192	Personal Income Tax	\$518	NYS Education	\$3,047
Personal Income Tax	1,331	Sales Tax	406	General Corporation Tax	889
Unincorporated Business Tax	561	Federal Welfare	309	Real Property Tax	862
Sales Tax	284	Federal Education	280	NYS Welfare	470
Federal Welfare	204	General Corporation Tax	181	Banking Corporation Tax	444
NYS Welfare	163	Restitution	175	Federal Welfare	358
STAR	143	Real Property Tax	99	NYS Higher Education	336
Senior College Fees	113	Fines and Forfeitures	75	Sales Tax	330
Federal Education	110	NYS Welfare	64	Personal Income Tax	267
General Corporation Tax	110	Water and Sewer Fees	58	Federal Education	190
NYS Education	84	NYS Education	57	Senior College Fees	182
Fines and Forfeitures	72			Federal Stimulus (FMAP)	161
Water and Sewer Fees	64			Commercial Rent Tax	141
NYS Health	50			Fines and Forfeitures	84
				NYS Health	67
				Water and Sewer Fees	66
				Utility Tax	66
				Hotel Tax	64
				Community College Fees	59

**Table 10. Selected Cash Receipts, 3QFY05-3QFY09**

(\$ in millions)

	3QFY05	3QFY06	3QFY07	3QFY08	3QFY09
Real Property Tax	\$3,590	\$2,121	\$2,820	\$2,737	\$5,153
NYS Education	2,628	2,798	2,988	3,283	3,187
Personal Income Tax	1,974	1,967	2,431	2,707	2,117
Sales Tax	941	986	1,010	1,055	1,020
General Corporation Tax	790	1,009	1,383	1,629	1,180
Federal Welfare	741	737	810	652	871
NYS Higher Education	453	193	134	560	336
Federal Education	757	789	718	773	580
STAR	187	295	363	0	149
NYS Welfare	504	756	586	650	697
NYS Health	110	201	188	181	139
Unincorporated Business Tax	325	338	480	534	611
Water and Sewer Fees	233	200	163	186	188
Intergovernmental Transfers	141	0	0	0	0
Banking Corporation Tax	165	311	466	374	465
Fines and Forfeitures	193	205	216	242	231
Long-Term Care	61	0	0	0	0
Commercial Rent Tax	97	120	111	132	159
Senior College Fees	286	27	173	107	295
Community College Fees	79	2	56	33	85

**July 2008-March 2009, YTFY09**

Table 11 shows total cash receipts and average daily cash receipts during YTFY05-YTFY09. Total cash receipts YTFY09 grew 21 percent over YTFY05 and 2 percent over YTFY08. By quarter, receipts increased 35 percent from the 1QFY05 through the 1QFY09, decreased 3 percent from the 2QFY05 through the 2QFY09, and increased 31 percent from the 3QFY05 through the 3QFY09. Average daily cash receipts increased by \$7 million during YTFY09 compared with YTFY08 and \$54 million over YTFY05.

**Table 11. Total and Average Daily Cash Receipts, YTFY05-YTFY09**

(\$ in millions)

	Total Receipts					Average Daily Receipts				
	FY05	FY06	FY07	FY08	FY09	FY05	FY06	FY07	FY08	FY09
1Q	\$14,576	\$16,537	\$15,170	\$16,821	\$19,750	\$228	\$258	\$241	\$267	\$309
2Q	15,491	15,464	16,545	18,712	15,061	258	258	276	307	247
3Q	17,204	16,378	20,031	20,539	22,492	277	264	323	331	369
<b>YTD Total</b>	<b>\$47,271</b>	<b>\$48,379</b>	<b>\$51,746</b>	<b>\$56,072</b>	<b>\$57,303</b>	<b>\$254</b>	<b>\$260</b>	<b>\$280</b>	<b>\$301</b>	<b>\$308</b>

Table 12 shows selected cash receipts during YTFY05-YTFY09. The three largest sources of YTD cash receipts for the five years were real property tax, NYS education aid, and PIT. These sources accounted for 40 percent of total YTD receipts during the five years.

**Table 12. Selected Cash Receipts, YTFY05-YTFY09**

(\$ in millions)

	YTFY05	YTFY06	YTFY07	YTFY08	YTFY09	Total YTFY05- YTFY09	% Change YTFY05/ YTFY09	5 Year Average	5 Year Average as a % of Total Receipts YTFY05/ YTFY09
Real Property Tax	\$ 9,874	\$10,699	\$ 9,844	\$10,715	\$11,620	\$ 52,752	18%	\$10,550	20%
NYS Education	4,613	4,704	5,065	5,615	5,791	25,788	26	5,158	10
Personal Income Tax	4,717	5,085	5,623	6,078	5,473	26,976	16	5,395	10
General Corporation Tax	1,857	2,209	3,420	3,358	2,743	13,587	48	2,717	5
Sales Tax	2,848	3,078	3,173	3,371	3,376	15,846	19	3,169	6
Federal Welfare	1,804	2,039	1,876	1,641	1,939	9,299	7	1,860	4
NYS Welfare	1,638	1,493	1,410	1,688	1,517	7,746	(7)	1,549	3
Federal Education	1,229	1,362	1,437	1,241	1,300	6,569	6	1,314	3
Unincorporated Business Tax	658	748	980	1,131	1,211	4,728	84	946	2
Water and Sewer Fees	774	795	771	838	899	4,077	16	815	2
STAR	784	857	861	866	492	3,860	(37)	772	1
<b>Total YTD Receipts</b>	<b>\$47,271</b>	<b>\$48,379</b>	<b>\$51,746</b>	<b>\$56,072</b>	<b>\$57,303</b>	<b>\$260,771</b>	<b>21%</b>	<b>\$52,154</b>	<b>100%</b>

Table 13 shows the decrease in net cash receipts during YTD FY09 from YTD FY08.

**Table 13. Cash Receipts, Net of Reimbursements for Capital Expenditures, YTD FY08 and YTD FY09**

(\$ in millions)

	FY08	FY09	Diff. FY08/ FY09
July	\$ 6,391	\$ 7,588	\$1,197
August	3,274	2,968	(306)
September	5,874	6,838	964
<b>1Q Total</b>	<b>15,539</b>	<b>17,394</b>	<b>1,855</b>
October	3,371	3,283	(88)
November	3,584	3,013	(571)
December	9,227	6,041	(3,186)
<b>2Q Total</b>	<b>16,182</b>	<b>12,337</b>	<b>(3,845)</b>
<b>1H Total</b>	<b>31,721</b>	<b>29,731</b>	<b>(1,990)</b>
January	6,885	8,139	1,254
February	3,639	3,112	(527)
March	8,460	8,790	330
<b>3Q Total</b>	<b>18,984</b>	<b>20,041</b>	<b>1,057</b>
<b>YTD Total</b>	<b>\$50,705</b>	<b>\$49,772</b>	<b>\$ (933)</b>

## C. CASH EXPENDITURES

### January-March 2009, 3Q FY09

Table 14 shows total cash expenditures, including capital, and average daily cash expenditures, including capital, during the 3Q FY05-3Q FY09. Cash expenditures totaled \$17.550 billion and averaged \$288 million daily in the 3Q FY09. Total cash expenditures and average daily cash expenditures increased \$3.737 billion and \$65 million from the 3Q FY05 to the 3Q FY09.

**Table 14. Total and Average Daily Cash Expenditures, 3Q FY05-3Q FY09**

(\$ in millions)

	Total Expenditures					Average Daily Expenditures				
	FY05	FY06	FY07	FY08	FY09	FY05	FY06	FY07	FY08	FY09
January	\$ 4,729	\$ 5,353	\$ 5,699	\$ 5,855	\$ 5,473	\$236	\$268	\$271	\$279	\$274
February	4,149	5,110	4,778	5,213	6,195	218	269	251	261	326
March	4,935	5,038	5,476	6,164	5,882	215	219	249	294	267
<b>3Q Total</b>	<b>\$13,813</b>	<b>\$15,501</b>	<b>\$15,953</b>	<b>\$17,232</b>	<b>\$17,550</b>	<b>\$223</b>	<b>\$250</b>	<b>\$257</b>	<b>\$278</b>	<b>\$288</b>

Table 15 shows monthly cash expenditures during the 3Q FY08 and the 3Q FY09 by category. Cash expenditures increased \$318 million in the 3Q FY09 over the 3Q FY08. Cash expenditures were \$382 million less in January 2009 than in January 2008, \$982 million more in February 2009 than in February 2008, and \$282 million less in March 2009 than in March 2008.

**Table 15. Cash Expenditures by Category, 3QFY08 and 3QFY09**

(\$ in millions)

Expenditures	Jan. 2008	Feb. 2008	Mar. 2008	3QFY08 Total	Jan. 2009	Feb. 2009	Mar. 2009	3QFY09 Total	Diff. 3Q Total FY08/09
Gross Payroll	\$1,759	\$1,730	\$1,795	\$ 5,284	\$1,921	\$1,940	\$1,963	\$ 5,824	\$540
Other Personal Services	881	847	903	2,631	931	964	982	2,877	246
Public Assistance	181	185	164	530	192	182	186	560	30
Medical Assistance	362	499	811	1,672	356	525	428	1,309	(363)
Other Social Services	189	226	204	619	117	208	242	567	(52)
Vendor and Other	1,271	1,094	1,204	3,569	1,066	1,149	1,194	3,409	(160)
All Other, including Capital	1,212	632	1,083	2,927	890	1,227	887	3,004	77
<b>Total</b>	<b>\$5,855</b>	<b>\$5,213</b>	<b>\$6,164</b>	<b>\$17,232</b>	<b>\$5,473</b>	<b>\$6,195</b>	<b>\$5,882</b>	<b>\$17,550</b>	<b>\$318</b>

Personal service (PS) expenditures for gross payroll and other personal services include payroll, pensions, social security, health benefits, and supplemental welfare benefits.

As shown in Table 16, PS expenditures increased 52 percent from the 3QFY00 to the 3QFY09 reflecting collective bargaining increases and changes in headcount. The 3QFY00-3QFY04 each had seven bi-weekly payrolls and the 3QFY05-3QFY09 each had six bi-weekly payrolls. Headcount increased 32,032 from the start of the 3QFY00 to the start of the 3QFY09. Gross payroll was \$1.290 billion, or 28 percent, greater in the 3QFY09 over the 3QFY00. In the same time frame, other personal services have been growing at a faster pace gaining \$1.702 billion, or 145 percent. Payments to the pension funds increased 414 percent, social security payments rose 66 percent, and payments for health benefits increased 65 percent.<sup>5</sup>

**Table 16. PS Expenditures and Headcount, 3QFY00-3QFY09**

(\$ in millions)

	3QFY00	3QFY01	3QFY02	3QFY03	3QFY04	3QFY05	3QFY06	3QFY07	3QFY08	3QFY09
Gross Payroll	\$4,534	\$4,594	\$4,918	\$4,592	\$4,571	\$4,338	\$5,404	\$5,139	\$5,284	\$5,824
Other Personal Services	1,175	1,087	1,409	1,547	1,846	2,061	2,426	2,319	2,631	2,877
<b>Total PS</b>	<b>\$5,709</b>	<b>\$5,681</b>	<b>\$6,327</b>	<b>\$6,139</b>	<b>\$6,417</b>	<b>\$6,399</b>	<b>\$7,830</b>	<b>\$7,458</b>	<b>\$7,915</b>	<b>\$8,701</b>
Opening Headcount	249,689	252,764	250,489	244,485	258,177	263,679	266,028	269,967	275,063	281,721
# of Bi-weekly Payrolls	7	7	7	7	7	6	6	6	6	6

In the five year period, from the 3QFY05 to the 3QFY09, PS grew \$2.302 billion, or 36 percent. Gross payroll was up \$1.486 billion, or 34 percent, and other personal services \$816 million, or 40 percent.

PS totaled \$8.701 billion in the 3QFY09, \$786 million more than in the 3QFY08. Gross payroll was \$540 million greater in the 3QFY09 compared with the 3QFY08. The increase in headcount was 6,658. January 2008 included \$91 million and January 2009 included \$98 million for holiday pay. During the 3QFY09, collective bargaining increases and retroactive payments of approximately \$150 million were implemented for DC 37 members, correction officers, firefighters, sanitation workers and officers, police captains, and staff analysts.

5. Beginning in FY07, the Retiree Health Benefits Trust Fund (RHBTF) paid the monthly cost of health and welfare benefits for most retirees.



Other personal services were \$246 million greater in the 3QFY09 compared with the 3QFY08. Payments to the pension funds increased \$94 million, social security payments \$46 million, and payments for health benefits \$77 million. Health benefits in the 3QFY09 included a \$48 million payment to the RHBTF. Another \$9 million was paid to the RHBTF for welfare benefits.

Table 17 shows other-than-personal-service (OTPS) expenditures for public assistance (PA), medical assistance (MA), other social services, and vendor and other during the 3QFY00-3QFY09. Total OTPS increased by 64 percent from the 3QFY00 to the 3QFY09. PA declined \$18 million, or 3 percent, over the period reflecting a lower number of recipients. MA increased \$675 million, or 106 percent, from the 3QFY00 to the 3QFY09. During that time period, the number of MA enrollees increased by over 1 million. MA included \$590 million in intergovernmental transfers (IGTs) to the state for Health and Hospitals Corporation (HHC) enhanced Medicaid in the 3QFY07, \$544 million in 3QFY08, and \$165 million in the 3QFY09.<sup>6</sup> Other social service payments have grown \$169 million, or 42 percent, and vendor and other increased \$1.460 billion, or 75 percent, from the 3QFY00 to the 3QFY09.

**Table 17. OTPS Expenditures, 3QFY00-3QFY09**

(\$ in millions)

	3QFY00	3QFY01	3QFY02	3QFY03	3QFY04	3QFY05	3QFY06	3QFY07	3QFY08	3QFY09
Public Assistance	\$578	\$598	\$498	\$644	\$562	\$632	\$567	\$521	\$530	\$560
# of Cash Recipients*	621,902	537,841	462,595	421,242	431,052	428,208	414,556	380,740	349,816	343,144
Medical Assistance	\$634	\$687	\$786	\$905	\$882	\$999	\$1,057	\$1,634	\$1,672	\$1,309
# of Medicaid Enrollees*	1,617,947	1,588,228	1,661,680	2,118,414	2,366,511	2,526,829	2,632,497	2,566,774	2,565,826	2,622,283
Other Social Services	\$398	\$411	\$482	\$471	\$502	\$479	\$512	\$585	\$619	\$567
Vendor and Other	\$1,949	\$2,180	\$2,368	\$2,414	\$2,462	\$2,776	\$3,143	\$3,326	\$3,569	\$3,409
<b>Total OTPS</b>	<b>\$3,559</b>	<b>\$3,876</b>	<b>\$4,134</b>	<b>\$4,434</b>	<b>\$4,408</b>	<b>\$4,886</b>	<b>\$5,279</b>	<b>\$6,066</b>	<b>\$6,390</b>	<b>\$5,845</b>

\*Source: NYC Human Resources Administration as of the start of the quarter.

In the five year period from the 3QFY05 to the 3QFY09, total OTPS expenditures grew \$959 million, or 20 percent. PA decreased \$72 million, or 11 percent, MA increased \$310 million, or 31 percent, other social services grew \$88 million, or 18 percent, and vendor and other rose \$633 million, or 23 percent.

During the 3QFY09, total OTPS expenditures declined \$545 million, or 9 percent, from the 3QFY08. PA was \$30 million greater, MA was \$363 million less, other social services were \$52 million less, and vendor and other was \$160 million less than in the 3QFY08.

All other expenditures include tax refunds. Tax refunds increased by \$277 million in the 3QFY09 to \$509 million from \$232 million during the 3QFY08. The 3QFY09 included \$35 million for the payment of the \$400 real property tax rebate.

6. IGTs allow the HHC to receive matching federal funds under an enhancement to Medicaid paid to hospitals serving a large uninsured population.

**July 2008-March 2009, YTFY09**

Table 18 shows total cash expenditures and average daily cash expenditures during YTFY05-YTFY09. Total daily expenditures grew \$11.4 billion and average daily expenditures increased \$61 million from YTFY05 to YTFY09. By quarter, total expenditures increased 23 percent from the 1QFY05 through the 1QFY09, 29 percent from the 2QFY05 through the 2QFY09, and 27 percent from the 3QFY05 through the 3QFY09. Average daily expenditures increased \$55 million from the 1QFY05 through the 1QFY09, \$64 million from the 2QFY05 through the 2QFY09, and \$65 million from the 3QFY05 through the 3QFY09. Total daily expenditures grew \$4.041 billion in YTFY09 over YTFY08 and average daily expenditures were \$22 million greater.

**Table 18. Total and Average Daily Cash Expenditures, YTFY05-YTFY09**

(\$ in millions)

	Total Expenditures					Average Daily Expenditures				
	FY05	FY06	FY07	FY08	FY09	FY05	FY06	FY07	FY08	FY09
1Q	\$14,874	\$16,071	\$15,392	\$15,608	\$18,368	\$232	\$251	\$244	\$248	\$287
2Q	14,442	15,015	15,853	17,648	18,611	241	250	264	289	305
3Q	13,813	15,501	15,953	17,232	17,550	223	250	257	278	288
<b>YTD Total</b>	<b>\$43,129</b>	<b>\$46,587</b>	<b>\$47,198</b>	<b>\$50,488</b>	<b>\$54,529</b>	<b>\$232</b>	<b>\$250</b>	<b>\$255</b>	<b>\$271</b>	<b>\$293</b>

Table 19 and Chart 3 show the averages of daily expenditures as a percent of daily cash balances from YTFY00 to YTFY09. The relationship between the City’s expenditures and daily cash balances during a fiscal year improved from YTFY00 through YTFY06, falling by 18 percentage points. Expenditures YTFY09 as a percent of cash balances were below the YTFY00 through YTFY04 percentages, the same as YTFY05, two percentage points above YTFY06 and YTFY07, and one percentage point greater than YTFY08.

**Table 19. Daily Expenditures as a Percent of Daily Cash Balances, YTFY00-YTFY09**

Daily Expenditures as a Percent of Daily Cash Balances									
YTFY00	YTFY01	YTFY02	YTFY03	YTFY04	YTFY05	YTFY06	YTFY07	YTFY08	YTFY09
22%	13%	9%	8%	7%	6%	4%	4%	5%	6%

**Chart 3. Daily Expenditures as a Percent of Daily Cash Balances, YTFY00-YTFY09**

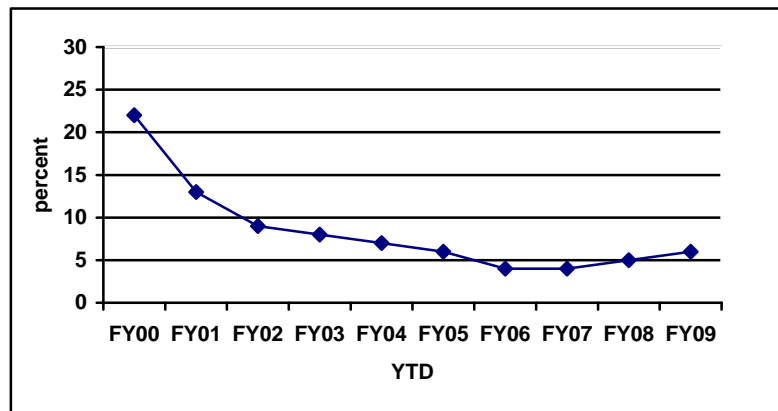


Table 20 shows PS and OTPS expenditures during YTD FY05-YTD FY09. PS increased 32 percent between YTD FY05 and YTD FY09 and accounted for an average of 48 percent of YTD total expenditures. OTPS increased 19 percent YTD FY09 over YTD FY05 and averaged 35 percent of YTD total expenditures.

**Table 20. PS and OTPS Expenditures, YTD FY05-YTD FY09**

(\$ in millions)

	YTD FY05	YTD FY06	YTD FY07	YTD FY08	YTD FY09	Average Percent of YTD Total Expenditures FY05-FY09
<b>PS</b>	\$20,141	\$23,439	\$22,672	\$24,206	\$26,664	48%
<b>OTPS</b>	15,018	15,823	16,982	17,738	17,866	35

Table 21 shows the increase in net cash expenditures between YTD FY08 and YTD FY09.

**Table 21. Cash Expenditures, Net of Capital Expenditures, YTD FY08 and YTD FY09**

(\$ in millions)

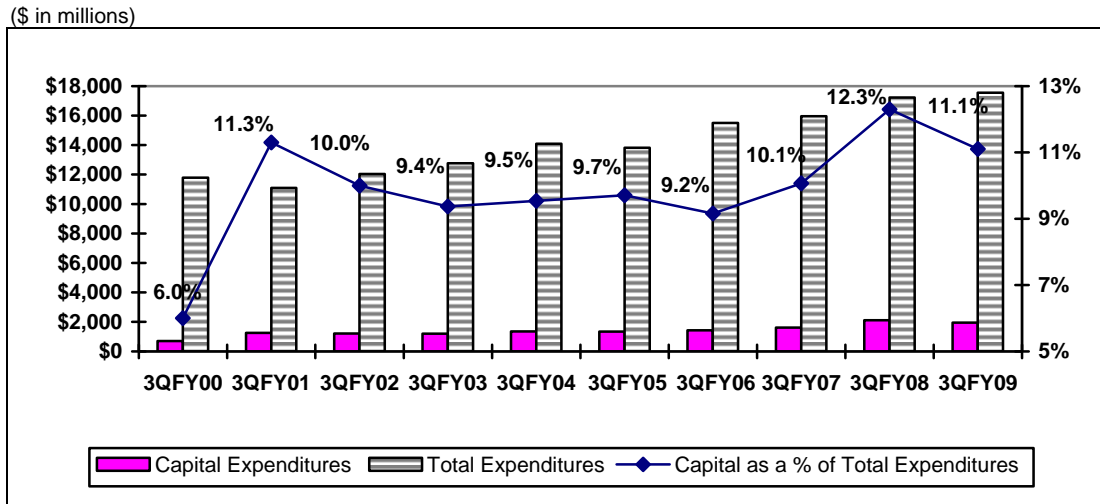
	FY08	FY09	Diff. FY08/FY09
July	\$ 5,018	\$ 5,587	\$ 569
August	4,680	5,531	851
September	4,348	4,942	594
<b>1Q Total</b>	<b>14,046</b>	<b>16,060</b>	<b>2,014</b>
October	5,386	5,659	273
November	5,044	5,005	(39)
December	5,161	5,489	328
<b>2Q Total</b>	<b>15,591</b>	<b>16,153</b>	<b>562</b>
<b>1H Total</b>	<b>29,637</b>	<b>32,213</b>	<b>2,576</b>
January	5,028	4,953	(75)
February	4,706	5,322	616
March	5,384	5,333	(51)
<b>3Q Total</b>	<b>15,118</b>	<b>15,608</b>	<b>490</b>
<b>YTD Total</b>	<b>\$44,755</b>	<b>\$47,821</b>	<b>\$3,066</b>

## II. Capital Expenditures

### January-March 2009, 3QFY09

As shown in Chart 4, capital expenditures totaling \$1.942 billion (City and non City-funded) were 11 percent of total expenditures during the 3QFY09.

**Chart 4. Total Capital Expenditures as a Percent of Total Expenditures, 3QFY00-3QFY09**



Tables 22 and 23 show total and City-funded capital expenditures and average daily total and City-funded capital expenditures during the 3QFY05-3QFY09. Total capital expenditures increased \$601 million and the City-funded portion increased \$172 million from the 3QFY05 to the 3QFY09.<sup>7</sup>

**Table 22. Total Capital Expenditures and Average Daily Total Capital Expenditures, 3QFY05-3QFY09**

(\$ in millions)

	Total Capital Expenditures					Average Daily Total Capital Expenditures				
	FY05	FY06	FY07	FY08	FY09	FY05	FY06	FY07	FY08	FY09
January	\$ 288	\$ 350	\$ 865	\$ 827	\$ 520	\$14	\$18	\$41	\$39	\$26
February	308	756	371	507	873	16	40	20	25	46
March	745	314	370	780	549	32	14	17	37	25
<b>3Q Total</b>	<b>\$1,341</b>	<b>\$1,420</b>	<b>\$1,606</b>	<b>\$2,114</b>	<b>\$1,942</b>	<b>\$22</b>	<b>\$23</b>	<b>\$26</b>	<b>\$34</b>	<b>\$32</b>

7. In FY07, expenditures in the City's Five-Year Educational Facilities Capital Plan were reclassified from City to non City-funded expenditures.

**Table 23. City-funded Capital Expenditures and Average Daily City-funded Capital Expenditures, 3QFY05-3QFY09**

(\$ in millions)

	City-funded Capital Expenditures					Average Daily City-funded Capital Expenditures				
	FY05	FY06	FY07	FY08	FY09	FY05	FY06	FY07	FY08	FY09
January	\$ 263	\$ 306	\$ 464	\$ 393	\$ 477	\$13	\$15	\$22	\$19	\$24
February	277	726	325	475	440	15	38	17	24	23
March	715	282	341	372	510	31	12	16	18	23
<b>3Q Total</b>	<b>\$1,255</b>	<b>\$1,314</b>	<b>\$1,130</b>	<b>\$1,240</b>	<b>\$1,427</b>	<b>\$20</b>	<b>\$21</b>	<b>\$18</b>	<b>\$20</b>	<b>\$23</b>

Table 24 shows payments by the City to the School Construction Authority (SCA) for capital education expenditures in the 3QFY00-3QFY09. Payments to the SCA accounted for 25 percent of capital expenditures in this time frame.

**Table 24. Payments to the SCA, 3QFY00-3QFY09**

(\$ in millions)

	3QFY00	3QFY01	3QFY02	3QFY03	3QFY04	3QFY05	3QFY06	3QFY07	3QFY08	3QFY09	Total 3QFY00- 3QFY09
City-funded	\$0	\$350	\$300	\$300	\$300	\$300	\$400	\$ 37	\$ 17	\$ 11	\$2,015
TFA & DASNY	0	0	0	0	0	0	0	333	766	384	1,483
Other	0	50	0	0	0	0	0	30	17	5	102
<b>Total</b>	<b>\$0</b>	<b>\$400</b>	<b>\$300</b>	<b>\$300</b>	<b>\$300</b>	<b>\$300</b>	<b>\$400</b>	<b>\$400</b>	<b>\$800</b>	<b>\$400</b>	<b>\$3,600</b>
<b>SCA as a % of Total 3Q Capital Expenditures</b>	<b>0%</b>	<b>32%</b>	<b>25%</b>	<b>25%</b>	<b>22%</b>	<b>22%</b>	<b>28%</b>	<b>25%</b>	<b>38%</b>	<b>21%</b>	<b>25%</b>

City-funded capital expenditures are financed primarily from the proceeds of GO, water and sewer, and TFA debt. Beginning in FY07, capital expenditures for the Five-Year Educational Facilities Capital Plan are financed primarily by TFA Building Aid bonds and Expanding Our Children's Education and Learning (EXCEL) capital grant funds from the Dormitory Authority of the State of New York (DASNY). All capital expenditures are initially paid from the Central Treasury.

Table 25 shows reimbursements of \$2.451 billion to the Central Treasury during the 3QFY09 from the proceeds of financings and DASNY funding.

**Table 25. Reimbursements to the New York City Central Treasury for Capital Expenditures, 3QFY09**

(\$ in millions)

	Jan. 2009	Feb. 2009	Mar. 2009	Total 3QFY09
GO	\$ 260	\$326	\$383	\$ 969
Water and Sewer	285	217	145	647
TFA	0	7	0	7
<b>Sub-total</b>	<b>545</b>	<b>550</b>	<b>528</b>	<b>1,623</b>
TFA Building Aid	472	171	185	828
DASNY	0	0	0	0
<b>Sub-total</b>	<b>472</b>	<b>171</b>	<b>185</b>	<b>828</b>
<b>Total</b>	<b>\$1,017</b>	<b>\$721</b>	<b>\$713</b>	<b>\$2,451</b>

Table 26 shows reimbursements to the Central Treasury during the 3QFY00-3QFY09. In this time frame, GO debt provided 45 percent of the reimbursements, water and sewer proceeds provided 23 percent, the TFA 23 percent, and TFA Building Aid and DASNY 9 percent. During the 3QFY09, reimbursements were \$640 million more than reimbursable capital expenditures and accounted for 11 percent of total receipts. From the 3QFY00 to the 3QFY09 reimbursements were \$1.888 billion more and accounted for 115% of reimbursable capital expenditures and 9 percent of total receipts.

**Table 26. Reimbursements to the New York City Central Treasury for Capital Expenditures, 3QFY00-3QFY09**

(\$ in millions)

	3QFY00	3QFY01	3QFY02	3QFY03	3QFY04	3QFY05	3QFY06	3QFY07	3QFY08	3QFY09	Total 3QFY00- 3QFY09
GO	\$ 0	\$ 522	\$ 620	\$1,004	\$1,083	\$ 858	\$548	\$ 279	\$ 753	\$ 969	\$ 6,636
Water and Sewer	202	257	217	314	273	302	403	218	538	647	3,371
TFA	703	656	934	619	0	0	0	479	30	7	3,428
<b>Sub-total</b>	<b>905</b>	<b>1,435</b>	<b>1,771</b>	<b>1,937</b>	<b>1,356</b>	<b>1,160</b>	<b>951</b>	<b>976</b>	<b>1,321</b>	<b>1,623</b>	<b>13,435</b>
TFA Building Aid	0	0	0	0	0	0	0	233	89	828	1,150
DASNY	0	0	0	0	0	0	0	84	145	0	229
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>317</b>	<b>234</b>	<b>828</b>	<b>1,379</b>
Other	4	13	3	15	12	23	2	0	0	0	72
<b>Total</b>	<b>\$909</b>	<b>\$1,448</b>	<b>\$1,774</b>	<b>\$1,952</b>	<b>\$1,368</b>	<b>\$1,183</b>	<b>\$953</b>	<b>\$1,293</b>	<b>\$1,555</b>	<b>\$2,451</b>	<b>\$14,886</b>
<b>3Q Reimbursable Capital Expenditures</b>	<b>\$604</b>	<b>\$1,102</b>	<b>\$1,110</b>	<b>\$1,095</b>	<b>\$1,238</b>	<b>\$1,255</b>	<b>\$1,314</b>	<b>\$1,463</b>	<b>\$2,006</b>	<b>\$1,811</b>	<b>\$12,998</b>
<b>3Q Reimbursements as a % of 3Q Reimbursable Capital Expenditures</b>	<b>150%</b>	<b>131%</b>	<b>160%</b>	<b>178%</b>	<b>111%</b>	<b>94%</b>	<b>73%</b>	<b>88%</b>	<b>78%</b>	<b>135%</b>	<b>115%</b>
<b>3Q Reimbursements as a % of Total 3Q Receipts</b>	<b>7%</b>	<b>10%</b>	<b>14%</b>	<b>15%</b>	<b>9%</b>	<b>7%</b>	<b>6%</b>	<b>6%</b>	<b>8%</b>	<b>11%</b>	<b>9%</b>

**July 2008-March 2009, YTDFY09**

Table 27 shows total capital expenditures increased \$975 million YTDFY09 compared with YTDFY08.

**Table 27. Capital Expenditures, YTDFY08 and YTDFY09**

(\$ in millions)

	FY08		FY09		Diff. FY08/FY09	
	Total Capital	City- funded Capital	Total Capital	City- funded Capital	Total Capital	City- funded Capital
July	\$ 809	\$ 406	\$ 935	\$ 480	\$ 126	\$ 74
August	401	373	506	479	105	106
September	352	328	867	453	515	125
<b>1Q Total</b>	<b>1,562</b>	<b>1,107</b>	<b>2,308</b>	<b>1,412</b>	<b>746</b>	<b>305</b>
October	828	429	534	494	(294)	65
November	796	380	856	449	60	69
December	433	396	1,068	604	635	208
<b>2Q Total</b>	<b>2,057</b>	<b>1,205</b>	<b>2,458</b>	<b>1,547</b>	<b>401</b>	<b>342</b>
<b>1H Total</b>	<b>3,619</b>	<b>2,312</b>	<b>4,766</b>	<b>2,959</b>	<b>1,147</b>	<b>647</b>
January	827	393	520	477	(307)	84
February	507	475	873	440	366	(35)
March	780	372	549	510	(231)	138
<b>3Q Total</b>	<b>2,114</b>	<b>1,240</b>	<b>1,942</b>	<b>1,427</b>	<b>(172)</b>	<b>187</b>
<b>YTD Total</b>	<b>\$5,733</b>	<b>\$3,552</b>	<b>\$6,708</b>	<b>\$4,386</b>	<b>\$ 975</b>	<b>\$834</b>

Tables 28 and 29 show total and City-funded capital expenditures and average daily total and City-funded capital expenditures YTD FY05-YTD FY09. Total capital expenditures grew 58 percent and City-funded capital expenditures increased 12 percent from YTD FY05 to YTD FY09.

**Table 28. Total Capital Expenditures and Average Daily Total Capital Expenditures, YTD FY05-YTD FY09**

(\$ in millions)

	Total Capital Expenditures					Average Daily Total Capital Expenditures				
	FY05	FY06	FY07	FY08	FY09	FY05	FY06	FY07	FY08	FY09
1Q	\$1,462	\$1,730	\$1,499	\$1,562	\$2,308	\$23	\$27	\$24	\$25	\$36
2Q	1,440	1,402	1,634	2,057	2,458	24	23	27	34	40
3Q	1,341	1,420	1,606	2,114	1,942	22	23	26	34	32
<b>YTD Total</b>	<b>\$4,243</b>	<b>\$4,552</b>	<b>\$4,739</b>	<b>\$5,733</b>	<b>\$6,708</b>	<b>\$23</b>	<b>\$24</b>	<b>\$26</b>	<b>\$31</b>	<b>\$36</b>

**Table 29. City-funded Capital Expenditures and Average Daily City-funded Capital Expenditures, YTD FY05-YTD FY09**

(\$ in millions)

	City-funded Capital Expenditures					Average Daily City-funded Capital Expenditures				
	FY05	FY06	FY07	FY08	FY09	FY05	FY06	FY07	FY08	FY09
1Q	\$1,349	\$1,612	\$ 973	\$1,107	\$1,412	\$21	\$25	\$15	\$18	\$22
2Q	1,321	1,284	1,124	1,205	1,547	22	21	19	20	25
3Q	1,255	1,314	1,130	1,240	1,427	20	21	18	20	23
<b>YTD Total</b>	<b>\$3,925</b>	<b>\$4,210</b>	<b>\$3,227</b>	<b>\$3,552</b>	<b>\$4,386</b>	<b>\$21</b>	<b>\$23</b>	<b>\$17</b>	<b>\$19</b>	<b>\$24</b>

Table 30 shows payments of \$12.533 billion to the SCA during YTD FY00-YTD FY09. Payments to the SCA of \$2 billion during YTD FY09 were 30 percent of total YTD FY09 capital expenditures.

**Table 30. Payments to the SCA, YTD FY00-YTD FY09**

(\$ in millions)

YTD	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	Total FY00-FY09
City-funded	\$723	\$ 886	\$1,200	\$1,125	\$849	\$896	\$1,396	\$ 67	\$ 73	\$ 70	\$ 7,285
TFA & DASNY	0	0	0	0	0	0	0	1,103	1,907	1,891	4,901
Other	0	199	0	0	51	4	4	30	20	39	347
<b>Total</b>	<b>\$723</b>	<b>\$1,085</b>	<b>\$1,200</b>	<b>\$1,125</b>	<b>\$900</b>	<b>\$900</b>	<b>\$1,400</b>	<b>\$1,200</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$12,533</b>
<b>YTD SCA as a % of YTD Total Capital Expenditures</b>	<b>26%</b>	<b>30%</b>	<b>31%</b>	<b>27%</b>	<b>23%</b>	<b>21%</b>	<b>31%</b>	<b>25%</b>	<b>35%</b>	<b>30%</b>	<b>28%</b>

Table 31 shows reimbursements to the Central Treasury for capital expenditures YTD FY00-YTD FY09. Reimbursements reached a high of \$7.529 billion in YTD FY09. During YTD FY00-YTD FY09 reimbursements totaled \$40.717 billion of which GO bonds provided 45 percent, water and sewer debt 24 percent, the TFA 19 percent, and TFA Building Aid and DASNY funded 10 percent. During YTD FY09, reimbursements were \$1.252 billion more than reimbursable expenditures and 13 percent of total receipts. In YTD FY00-YTD FY09 reimbursements were \$126 million less than reimbursable expenditures and 9 percent of total receipts.

**Table 31. Reimbursements to the New York City Central Treasury for Capital Expenditures, YTD FY00-YTD FY09**

(\$ in millions)

YTD	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	Total YTD FY00-FY09
GO	\$ 268	\$1,263	\$1,677	\$1,231	\$2,335	\$2,667	\$2,614	\$ 671	\$2,179	\$3,510	\$18,415
Water and Sewer	317	677	658	817	862	1,100	1,007	911	1,460	1,990	9,799
TFA	1,508	1,247	1,947	1,135	281	0	0	1,240	524	14	7,896
Other	15	48	75	317	44	54	2	0	0	0	555
<b>Sub-total</b>	<b>2,108</b>	<b>3,235</b>	<b>4,357</b>	<b>3,500</b>	<b>3,522</b>	<b>3,821</b>	<b>3,623</b>	<b>2,822</b>	<b>4,163</b>	<b>5,514</b>	<b>36,665</b>
TFA Building Aid	0	0	0	0	0	0	0	534	740	1,648	2,922
DASNY	0	0	0	0	0	0	0	297	466	367	1,130
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>831</b>	<b>1,206</b>	<b>2,015</b>	<b>4,052</b>
<b>Total</b>	<b>\$2,108</b>	<b>\$3,235</b>	<b>\$4,357</b>	<b>\$3,500</b>	<b>\$3,522</b>	<b>\$3,821</b>	<b>\$3,623</b>	<b>\$3,653</b>	<b>\$5,369</b>	<b>\$7,529</b>	<b>\$40,717</b>
<b>YTD Reimbursable Capital Expenditures</b>	<b>\$2,473</b>	<b>\$3,136</b>	<b>\$3,654</b>	<b>\$3,816</b>	<b>\$3,564</b>	<b>\$3,925</b>	<b>\$4,210</b>	<b>\$4,329</b>	<b>\$5,459</b>	<b>\$6,277</b>	<b>\$40,843</b>
<b>YTD Reimbursements Less YTD Reimbursable Capital Expenditures</b>	<b>\$(365)</b>	<b>\$99</b>	<b>\$703</b>	<b>\$(316)</b>	<b>\$(42)</b>	<b>\$(104)</b>	<b>\$(587)</b>	<b>\$(676)</b>	<b>\$(90)</b>	<b>\$1,252</b>	<b>\$(126)</b>
<b>YTD Reimbursements as a % of YTD Reimbursable Capital Expenditures</b>	<b>85%</b>	<b>103%</b>	<b>119%</b>	<b>92%</b>	<b>99%</b>	<b>97%</b>	<b>86%</b>	<b>84%</b>	<b>98%</b>	<b>120%</b>	<b>100%</b>
<b>YTD Reimbursements as a % of YTD Total Receipts</b>	<b>6%</b>	<b>9%</b>	<b>12%</b>	<b>9%</b>	<b>8%</b>	<b>8%</b>	<b>7%</b>	<b>7%</b>	<b>10%</b>	<b>13%</b>	<b>9%</b>



### III. Financing

Table 32 shows GO debt issuances YTFY08 and YTFY09. During the 3QFY09, the City sold \$739 million of GO bonds: \$619 million are exempt from federal and local taxes and \$120 million are taxable. During YTFY09, the City sold \$4.235 billion in GO debt, a decrease of \$390 million from YTFY08.

**Table 32. GO Bond Issues, YTFY08 and YTFY09**

(\$ in millions)

Month Sale Closed	FY08			FY09		
	Tax-Exempt	Taxable	Total	Tax-Exempt	Taxable	Total
July	\$ 0	\$ 0	\$ 0	\$ 75	\$ 0	\$ 75
August	1,245	0	1,245	833	165	998
September	0	0	0	1,050	90	1,140
<b>1Q Total</b>	<b>1,245</b>	<b>0</b>	<b>1,245</b>	<b>1,958</b>	<b>255</b>	<b>2,213</b>
October	800	250	1,050	500	50	550
November	0	0	0	400	25	425
December	1,050	125	1,175	300	8	308
<b>2Q Total</b>	<b>1,850</b>	<b>375</b>	<b>2,225</b>	<b>1,200</b>	<b>83</b>	<b>1,283</b>
<b>1H Total</b>	<b>3,095</b>	<b>375</b>	<b>3,470</b>	<b>3,158</b>	<b>338</b>	<b>3,496</b>
January	605	0	605	19	0	19
February	475	75	550	0	0	0
March	0	0	0	600	120	720
<b>3Q Total</b>	<b>1,080</b>	<b>75</b>	<b>1,155</b>	<b>619</b>	<b>120</b>	<b>739</b>
<b>YTD Total</b>	<b>\$4,175</b>	<b>\$450</b>	<b>\$4,625</b>	<b>\$3,777</b>	<b>\$458</b>	<b>\$4,235</b>

As shown in Table 33, the City will achieve \$506 million in budget savings over the life of the GO refunding bonds sold YTFY05-YTFY09.

**Table 33. Budget Savings from GO Refundings, YTFY05-YTFY09**

(\$ in millions)

	YTFY05	YTFY06	YTFY07	YTFY08	YTFY09	Total
Budget Savings	\$ 140	\$ 113	\$ 72	\$ 162	\$ 19	\$ 506
GO Refundings	2,390	1,422	1,128	2,201	250	7,391

The TFA sold \$1.050 billion of Building Aid bonds during the 3QFY09. A total of \$1.670 billion of TFA Building Aid bonds have been sold YTFY09.

Table 34 shows GO, TFA, and TFA Building Aid debt sold during YTFY05-YTFY09.

**Table 34. GO and TFA Issues, YTFY05-YTFY09**

(\$ in millions)

	YTFY05	YTFY06	YTFY07	YTFY08	YTFY09	Total YTFY05-YTFY09
GO	\$4,970	\$3,257	\$1,948	\$4,625	\$4,235	\$19,035
TFA	0	597	2,300	0	0	2,897
TFA Building Aid	0	0	1,300	0	1,670	2,970
<b>Total</b>	<b>\$4,970</b>	<b>\$3,854</b>	<b>\$5,548</b>	<b>\$4,625</b>	<b>\$5,905</b>	<b>\$24,902</b>

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