

Irina Livshits
Division Chief

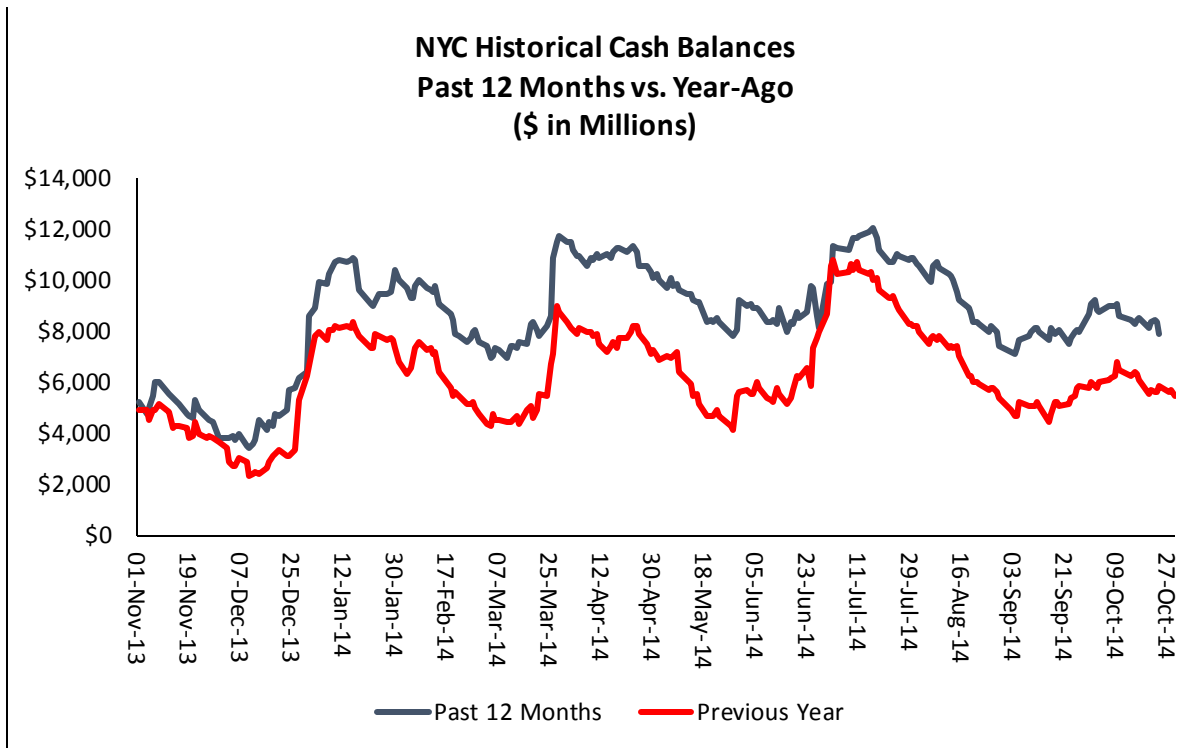
THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BUREAU OF FINANCIAL ANALYSIS
1 CENTRE STREET
NEW YORK, N.Y. 10007-2341

SCOTT M. STRINGER
COMPTROLLER

(212) 669-3703
ilivshi@comptroller.nyc.gov

To: Distribution
From: Irina Livshits, Division Chief, Financial Analysis
Subject: NYC Cash Balance Projection (November 2014-March 2015)
Date: November 3, 2014

As of October 29, 2014, New York City’s unrestricted cash balance stood at \$7.721 billion, exceeding last year’s figure by \$2.014 billion. Over the past twelve months, the balance has averaged \$8.528 billion, compared to \$6.194 billion for the same period last year.

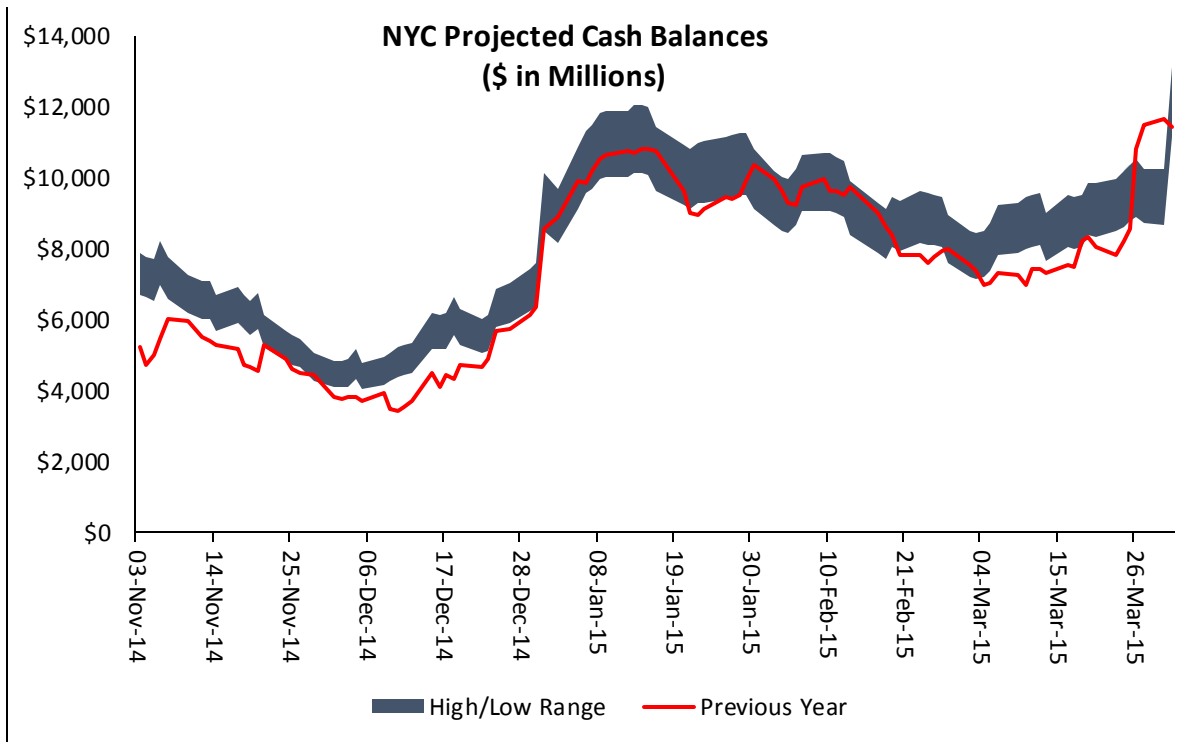


As was stated in the July Cash Letter, the City settled labor contracts with the United Federation of Teachers (UFT), the New York State Nurses Association (NYSNA), 1199SEIU United Healthcare Workers East (1199SEIU) and District Council 37 (DC 37). Since then, three other unions - SEIU Local 300, United Probation Officers Association and Teamsters Local 237- have reached tentative agreements with the City. Together, these employee groups represent approximately 62 percent of the City’s workforce.

UFT members received a 1 percent pay increase retroactive to May 1, 2013 and another 1 percent pay increase retroactive to May 1, 2014 in their September 30th paychecks. DC 37 members received a \$1,000 per member ratification bonus, a 1 percent pay increase retroactive to September 3, 2011, and another 1 percent increase

retroactive to September 3, 2012 in their October 10 paychecks. DC 37 members also received a 1 percent pay increase retroactive to September 3, 2013 and another 1.5 percent pay increase retroactive to September 3, 2014 in their October 24 paycheck. Despite higher fiscal year-to-date payroll expenditures, the City continues to experience a cash balance advantage compared to this time a year-ago.

The following projection update outlines expected cash balances from November 1, 2014 to March 31, 2015, and incorporates relevant factors from the FY15 Adopted Budget.



Our most recent estimates indicate that cash balances will exceed year-ago levels in the near term. In the beginning of calendar year 2015, cash balances should be roughly in-line with last year’s levels. Importantly, the projection indicates that the annual cash balance low point will occur during early to mid-December and will measure between \$4.0 and \$4.8 billion.

The projection assumes that at the end of November the City will disburse the \$180 million in a claims fund for retroactive pay for the prior round of collective bargaining to eligible retirees who retired before July 1, 2014. Previously, we assumed that the \$180 million would be paid in September.

Projection details are in the following pages of this document. For a complete discussion of NYC cash flows, please visit our Quarterly Cash Report at <http://comptroller.nyc.gov/reports/cash-reports/>.

NYC Projected Cash Balances
(\$ Millions)

	<u>High</u>	<u>Low</u>	<u>Baseline</u>
03-Nov-14	7906	6721	7313
04-Nov-14	7784	6617	7200
05-Nov-14	7690	6538	7114
06-Nov-14	8227	6994	7610
07-Nov-14	7776	6610	7193
10-Nov-14	7252	6165	6709
12-Nov-14	7082	6021	6552
13-Nov-14	7088	6026	6557
14-Nov-14	6704	5699	6202
17-Nov-14	6918	5882	6400
18-Nov-14	6722	5714	6218
19-Nov-14	6555	5572	6063
20-Nov-14	6735	5726	6230
21-Nov-14	6159	5236	5697
24-Nov-14	5675	4825	5250
25-Nov-14	5546	4715	5130
26-Nov-14	5460	4642	5051
28-Nov-14	5046	4290	4668
01-Dec-14	4857	4082	4469
02-Dec-14	4860	4085	4472
03-Dec-14	4896	4115	4505
04-Dec-14	5159	4335	4747
05-Dec-14	4807	4040	4424
08-Dec-14	4957	4166	4562
09-Dec-14	5070	4261	4665
10-Dec-14	5207	4376	4791
11-Dec-14	5312	4465	4888
12-Dec-14	5367	4511	4939
15-Dec-14	6170	5185	5678
16-Dec-14	6149	5168	5659
17-Dec-14	6170	5186	5678
18-Dec-14	6627	5570	6099
19-Dec-14	6301	5295	5798
22-Dec-14	6019	5058	5539
23-Dec-14	6119	5143	5631
24-Dec-14	6870	5773	6321
26-Dec-14	7053	5928	6490
29-Dec-14	7438	6251	6845
30-Dec-14	7572	6363	6967
31-Dec-14	10128	8512	9320

NYC Projected Cash Balances
(\$ Millions)

	<u>High</u>	<u>Low</u>	<u>Baseline</u>
02-Jan-15	9687	8161	8924
05-Jan-15	10850	9141	9996
06-Jan-15	11332	9546	10439
07-Jan-15	11503	9691	10597
08-Jan-15	11817	9955	10886
09-Jan-15	11899	10024	10961
12-Jan-15	11908	10032	10970
13-Jan-15	12053	10154	11103
14-Jan-15	12060	10160	11110
15-Jan-15	11966	10081	11024
16-Jan-15	11420	9621	10520
20-Jan-15	10931	9209	10070
21-Jan-15	10814	9110	9962
22-Jan-15	10999	9267	10133
23-Jan-15	11051	9310	10180
26-Jan-15	11126	9374	10250
27-Jan-15	11200	9436	10318
28-Jan-15	11272	9496	10384
29-Jan-15	11269	9494	10381
30-Jan-15	10829	9123	9976
02-Feb-15	10189	8642	9415
03-Feb-15	10039	8515	9277
04-Feb-15	9956	8445	9201
05-Feb-15	10251	8695	9473
06-Feb-15	10668	9049	9859
09-Feb-15	10670	9051	9861
10-Feb-15	10676	9056	9866
11-Feb-15	10590	8983	9787
12-Feb-15	10490	8897	9694
13-Feb-15	9904	8401	9152
17-Feb-15	9293	7883	8588
18-Feb-15	9097	7716	8406
19-Feb-15	9486	8046	8766
20-Feb-15	9347	7928	8637
23-Feb-15	9602	8144	8873
24-Feb-15	9565	8113	8839
25-Feb-15	9529	8083	8806
26-Feb-15	9479	8040	8759
27-Feb-15	8975	7612	8294

**NYC Projected Cash Balances
(\$ Millions)**

	<u>High</u>	<u>Low</u>	<u>Baseline</u>
02-Mar-15	8481	7194	7838
03-Mar-15	8445	7163	7804
04-Mar-15	8477	7190	7833
05-Mar-15	8724	7400	8062
06-Mar-15	9205	7808	8507
09-Mar-15	9315	7901	8608
10-Mar-15	9440	8007	8723
11-Mar-15	9490	8050	8770
12-Mar-15	9567	8115	8841
13-Mar-15	9026	7656	8341
16-Mar-15	9515	8071	8793
17-Mar-15	9455	8019	8737
18-Mar-15	9492	8052	8772
19-Mar-15	9855	8359	9107
20-Mar-15	9846	8351	9099
23-Mar-15	9989	8473	9231
24-Mar-15	10175	8630	9403
25-Mar-15	10332	8763	9548
26-Mar-15	10515	8919	9717
27-Mar-15	10265	8707	9486
30-Mar-15	10221	8669	9445
31-Mar-15	13116	11125	12121

NYC Cash Balance Monthly Detail
(\$ Millions)

	<u>Nov-14</u>	<u>Dec-14</u>	<u>Jan-15</u>	<u>Feb-15</u>	<u>Mar-15</u>	<u>Total</u>
Opening Balance	7577.64	4719.98	9372.12	10083.59	8401.36	7577.64
Sales Tax	492.25	656.84	484.82	547.52	463.58	2645.01
Utility Tax	25.74	26.18	33.20	43.70	44.22	173.04
Commercial Rent Tax	7.20	161.92	17.80	6.84	188.00	381.76
Personal Income Tax	444.60	932.36	1713.40	815.10	595.32	4500.78
General Corporation Tax	60.12	558.58	124.20	83.41	1382.48	2208.79
Banking Tax	21.60	214.94	57.80	9.12	334.40	637.86
Unincorporated Business Tax	36.18	126.50	391.40	117.80	58.96	730.84
Real Property Tax	112.75	4972.12	2794.53	87.60	1074.33	9041.33
Other Taxes	313.67	387.31	363.30	277.13	538.09	1879.50
Less Refunds All Taxes	-75.96	-76.12	-76.00	-76.00	-76.12	-380.20
Total Taxes	1438.15	7960.63	5904.45	1912.22	4603.26	21818.71
Federal Welfare	155.52	215.38	160.80	124.83	389.18	1045.71
Federal Education	23.94	122.10	48.20	49.40	266.20	509.84
Federal Community Development	8.64	20.02	12.40	11.59	13.20	65.85
Federal Other	128.88	150.48	152.40	111.15	110.88	653.79
Total Federal Aid	316.98	507.98	373.80	296.97	779.46	2275.19
NYS Welfare	82.44	106.70	129.00	52.63	280.72	651.49
NYS Health	7.02	25.30	34.20	30.97	69.30	166.79
NYS Education	440.89	799.65	59.02	63.87	2974.25	4337.68
NYS Higher Education	0.00	0.00	0.00	359.49	349.49	708.98
NYS Other	38.88	38.94	38.80	38.76	38.94	194.32
Total New York State Aid	569.23	970.59	261.02	545.72	3712.70	6059.26
NYS Revenue Sharing	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
Total Intergovernmental	0.00	0.00	0.00	0.00	0.00	0.00
Water Board	169.38	225.06	234.00	208.24	19.36	856.04
Interest Income	2.16	1.32	2.00	1.52	1.76	8.76
Fines and Forfeitures	84.42	84.48	84.40	84.36	84.48	422.14
Miscellaneous Revenue	271.62	271.70	271.60	271.51	271.70	1358.13
Senior College Tuition and Fees	0.18	0.22	296.00	0.19	243.10	539.69
Capital Interest	0.18	0.00	0.07	0.00	0.00	0.25
Housing Revenue	3.06	3.08	3.00	3.04	3.08	15.26
Total Miscellaneous	531.00	585.86	891.07	568.86	623.48	3200.27
Prior Federal Aid	196.38	166.32	85.00	105.26	66.88	619.84
Prior NYS Aid	84.24	88.44	76.40	59.09	249.26	557.43
Total Federal And NYS Prior Aid	280.62	254.76	161.40	164.35	316.14	1177.27
Balance Sheet Inflows	14.76	14.74	14.80	14.82	14.74	73.86
Federal/State Capital	59.94	59.84	59.80	59.85	59.84	299.27
Transfers from Capital Proceeds	510.00	570.00	548.38	830.00	531.92	2990.30
Payroll Taxes Inflows	181.44	161.41	200.46	157.08	158.00	858.39
Seasonal Borrowing	0.00	0.00	0.00	0.00	0.00	0.00
Other Operating Inflow	441.36	441.32	441.40	441.37	441.32	2206.77
Total Other Inflows	1207.50	1247.31	1264.84	1503.12	1205.82	6428.59
Total Inflows	4343.48	11527.13	8856.58	4991.24	11240.86	40959.29

NYC Cash Balance Monthly Detail
(\$ Millions)

	<u>Nov-14</u>	<u>Dec-14</u>	<u>Jan-15</u>	<u>Feb-15</u>	<u>Mar-15</u>	<u>Total</u>
Payroll	1535.94	1366.16	1698.28	1330.33	1337.72	7268.43
Pensions	688.77	712.71	690.16	688.48	688.72	3468.84
Social Security	141.85	163.74	140.91	140.64	181.64	768.78
Health Plan	341.12	341.12	341.12	341.12	511.68	1876.16
Other PS	97.02	86.90	84.20	77.90	91.96	437.98
Total PS	2804.70	2670.63	2954.67	2578.47	2811.72	13820.19
PA	223.92	207.02	187.80	204.25	210.54	1033.53
MA	495.72	403.48	761.40	393.68	399.08	2453.36
Other DOSS	213.66	210.32	170.20	201.02	203.94	999.14
HHC	36.72	110.22	99.40	28.69	57.64	332.67
TA	0.00	50.16	0.00	0.00	0.00	50.16
HA	0.00	0.00	0.00	0.00	0.00	0.00
Lump Sum	210.60	210.54	210.60	210.71	210.54	1052.99
Vendor Payments	1193.40	1230.46	1046.80	1385.48	1200.76	6056.90
Other OTPS	0.00	0.00	0.00	0.00	0.00	0.00
Total OTPS	2374.02	2422.20	2476.20	2423.83	2282.50	11978.75
City Capital	648.00	482.02	696.00	395.96	634.04	2856.02
Other Outflow Capital	378.00	84.04	446.00	83.98	302.94	1294.96
GO Debt Service Funding	62.87	0.00	670.10	87.60	128.02	948.59
NYCTFA Debt Service Funding	0.00	0.00	0.00	194.34	223.74	418.08
Other Debt Service Funding	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
Payroll Taxes Outflow	709.45	937.14	591.94	703.14	900.72	3842.39
Other Outflows	224.10	278.96	310.20	206.15	127.16	1146.57
Total Other Outflows	2022.42	1782.16	2714.24	1671.17	2316.62	10506.61
Total Outflows	7201.14	6874.99	8145.11	6673.47	7410.84	36305.55
Net Flow	-2857.66	4652.14	711.47	-1682.23	3830.02	4653.74
Ending Balance	4719.98	9372.12	10083.59	8401.36	12231.38	12231.38