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

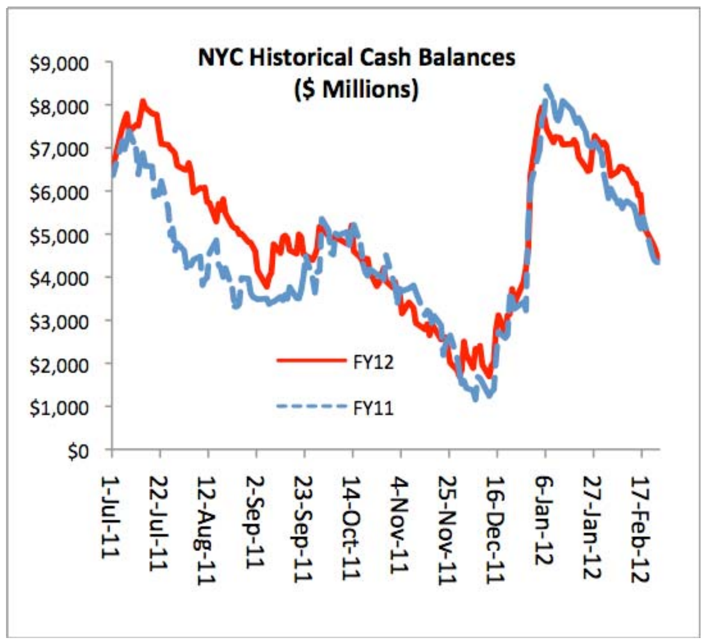
JOHN C. LIU
COMPTROLLER

Kirk Parks
BUREAU CHIEF

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

To: Distribution
From: Kirk Parks, Bureau Chief, Financial Analysis
Subject: NYC Cash Balance Projection (March 2012 – June 2012)
Date: February 29, 2012

As of February 24, 2012, the NYC cash balance stands at $4.445 billion. Since the beginning of October 2011, NYC central treasury cash balances have conformed very closely to year-ago levels, exceeding the previous-year mark by only 1.6% on average. The anticipated annual low (December) was slightly higher this year than the low for FY11, and the January high was slightly lower.

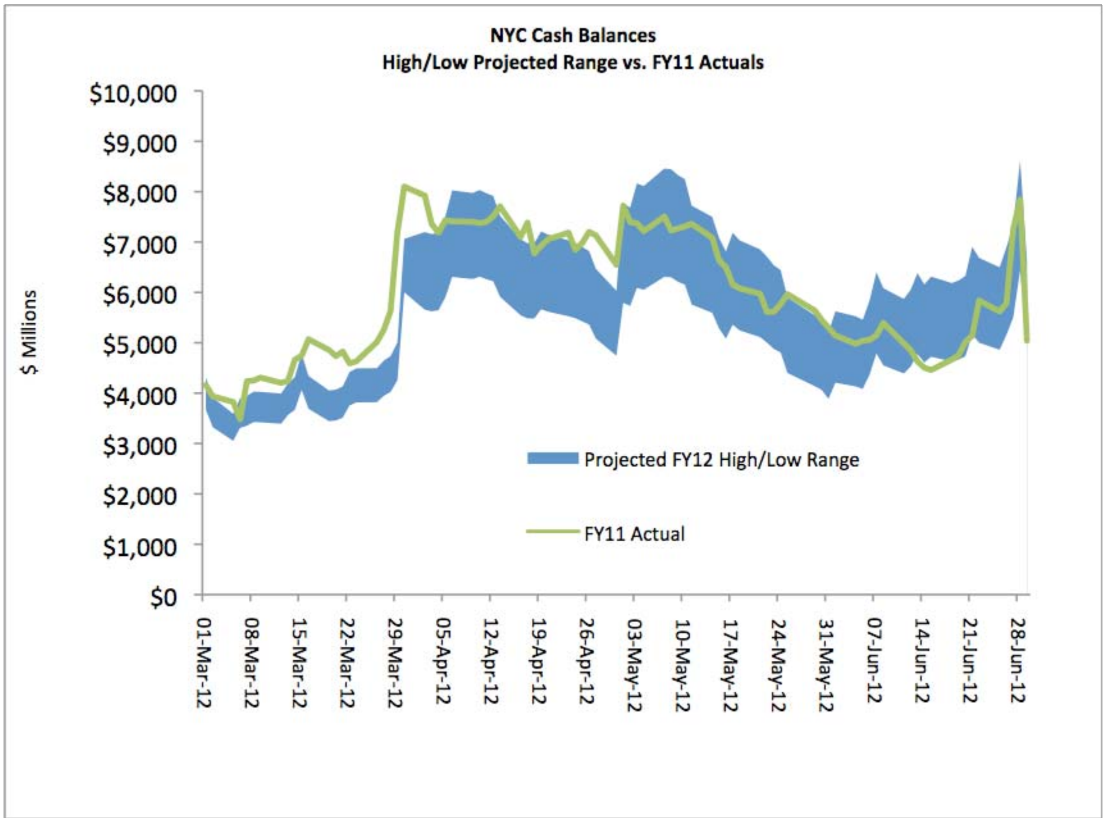


The seasonal cash balance low occurred at the usual time of year, reaching $1.696 billion on December 12, 2011. Though the FY12 low compares favorably to the FY11 low of $1.156 billion, the difference owes mainly to the timing of capital transfers this year. Adjusting for this factor, the FY12 low should be considered in-line with year-ago.

Tax receipts during the first half of FY12 remained generally strong, with total tax inflows up 7.8% versus year-ago. Growth in total cash receipts (from all sources) was less impressive, up 1.0%, due mainly to declines in both State and Federal aid during the first quarter. Total cash expenditures for the half-year remained well-contained, up 1.7% versus year-ago. Please see the Quarterly Cash Report (2Q12)[1] for a more detailed analysis of the various inflows and outflows.

The accompanying updated projection outlines expected cash (book) balances in the NYC treasury from March 1, 2012 to June 29, 2012. Following the guidance provided in the Mayor's preliminary budget, it presents our first look at the end of the fiscal year. In developing the cash forecast we assume that, due to the multi-layered approval process involved, implementation of any pension adjustments recommended by the Office of the Actuary will occur at the last possible moment of FY12. If the indications from the preliminary budget about the size of the adjustment hold true, the obligation will pose no difficulty for the City treasury regardless of when in FY12 it becomes payable.

[1] http://www.comptroller.nyc.gov/bureaus/bfa/cash_reports.shtm



The last day of the fiscal year is the single most difficult cash balance day to project due to the enormous cash flows involved. Current assumptions lead us to a year-end balance ranging from $4.9 to $6.6 billion, approximately in-line with the $5.041 billion closing balance of FY11. Between now and then, we project that the cash balance will continue to fluctuate around year-ago levels, first trailing in March, pulling even in May, and finally leading through June. Much depends on the stream of capital transfer inflows, which we expect will be light in March and heavier in May and June. Our model is intended to be conservative with respect to capital transfers.

Detailed projection elements are available in the ensuing pages of this document. The next Cash Letter is scheduled for publication in May, unless events require an update before then.

NYC Cash Balance Projected Ranges
($ Millions)

	High	Low	Baseline
01-Mar-12	4319	3669	4063
02-Mar-12	3913	3324	3681
05-Mar-12	3592	3051	3379
06-Mar-12	3896	3310	3665
07-Mar-12	3946	3352	3712
08-Mar-12	4032	3425	3793
09-Mar-12	4026	3420	3788
12-Mar-12	3992	3391	3755
13-Mar-12	4199	3567	3950
14-Mar-12	4317	3667	4061
15-Mar-12	4784	4064	4500
16-Mar-12	4343	3689	4085
19-Mar-12	4052	3442	3812
20-Mar-12	4070	3457	3829
21-Mar-12	4133	3511	3888
22-Mar-12	4420	3754	4158
23-Mar-12	4492	3816	4226
26-Mar-12	4497	3820	4231
27-Mar-12	4645	3945	4369
28-Mar-12	4737	4024	4456
29-Mar-12	5009	4255	4712
30-Mar-12	7064	6001	6645
02-Apr-12	7199	5656	6428
03-Apr-12	7159	5625	6392
04-Apr-12	7187	5647	6417
05-Apr-12	7510	5901	6705
06-Apr-12	8027	6307	7167
09-Apr-12	7974	6265	7119
10-Apr-12	8034	6312	7173
11-Apr-12	7970	6262	7116
12-Apr-12	7917	6220	7068
13-Apr-12	7523	5911	6717
16-Apr-12	7057	5545	6301
17-Apr-12	6978	5483	6231
18-Apr-12	6977	5482	6230
19-Apr-12	7210	5665	6437
20-Apr-12	7149	5617	6383
23-Apr-12	7034	5527	6280
24-Apr-12	6982	5486	6234
25-Apr-12	6904	5425	6164
26-Apr-12	6822	5360	6091

	High	Low	Baseline
27-Apr-12	6469	5083	5776
30-Apr-12	6034	4741	5388
01-May-12	7769	5794	6584
02-May-12	7683	5730	6511
03-May-12	8164	6088	6918
04-May-12	8114	6051	6876
07-May-12	8460	6309	7169
08-May-12	8446	6299	7158
09-May-12	8327	6210	7057
10-May-12	8251	6153	6992
11-May-12	7723	5759	6545
14-May-12	7501	5594	6357
15-May-12	7084	5283	6003
16-May-12	6813	5081	5774
17-May-12	7185	5358	6089
18-May-12	7034	5245	5961
21-May-12	6854	5111	5808
22-May-12	6709	5003	5685
23-May-12	6539	4877	5542
24-May-12	6445	4806	5462
25-May-12	5899	4400	4999
29-May-12	5547	4137	4701
30-May-12	5447	4062	4616
31-May-12	5212	3887	4417
01-Jun-12	5625	4207	4727
04-Jun-12	5525	4132	4643
05-Jun-12	5458	4082	4586
06-Jun-12	5840	4368	4908
07-Jun-12	6402	4788	5380
08-Jun-12	6086	4551	5114
11-Jun-12	5870	4390	4933
12-Jun-12	6053	4527	5087
13-Jun-12	6384	4775	5365
14-Jun-12	6160	4607	5177
15-Jun-12	6314	4722	5306
18-Jun-12	6187	4627	5199
19-Jun-12	6237	4664	5241
20-Jun-12	6327	4732	5317
21-Jun-12	6908	5166	5805
22-Jun-12	6686	5001	5619
25-Jun-12	6499	4861	5461
26-Jun-12	6894	5156	5794
27-Jun-12	7360	5505	6185
28-Jun-12	8613	6442	7238
29-Jun-12	6616	4948	5560

Cash Balance Monthly Detail

	Mar-12	Apr-12	May-12	Jun-12	Total
Opening Balance	**4204.49**	**6645.20**	**5387.53**	**4417.08**	**4204.49**
Sales Tax	405.00	577.00	455.00	596.00	2033.00
Utility Tax	35.00	26.00	23.00	21.00	105.00
Commercial Rent Tax	147.00	9.03	9.02	142.00	307.05
Personal Income Tax	597.08	1232.07	196.02	707.91	2733.08
General Corporation Tax	789.00	98.07	99.00	525.96	1512.03
Banking Tax	204.00	15.96	27.94	366.00	613.90
Unincorporated Business Tax	31.90	400.05	34.10	307.02	773.07
Real Property Tax	872.92	536.55	63.98	4623.01	6096.46
Other Taxes	189.00	119.00	161.00	910.00	1379.00
Less Refunds All Taxes	-75.02	-123.90	-31.90	-55.02	-285.84
Total Taxes	**3195.88**	**2889.83**	**1037.16**	**8143.88**	**15266.75**
Federal Welfare	441.98	26.04	5.94	21.00	494.96
Federal Education	245.08	560.07	150.04	170.10	1125.29
Federal Community Development	9.90	14.91	12.10	18.90	55.81
Federal Other	158.95	128.00	208.93	115.00	610.88
Total Federal Aid	**855.91**	**729.02**	**377.01**	**325.00**	**2286.94**
NYS Welfare	70.18	70.14	70.18	70.14	280.64
NYS Health	12.98	13.02	12.98	13.02	52.00
NYS Education	2884.30	138.70	1369.80	615.40	5008.20
NYS Higher Education	261.80	0.00	0.00	261.87	523.67
NYS Other	77.00	15.75	14.30	12.60	119.65
Total New York State Aid	**3306.26**	**237.61**	**1467.26**	**973.03**	**5984.16**
NYS Revenue Sharing	0.00	0.00	0.00	0.00	0.00
Other Intergovernmental Aid	0.00	0.00	0.00	0.00	0.00
Total Intergovernmental	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Water Board	159.94	57.96	141.90	0.00	359.80
Interest Income	4.40	3.15	3.30	5.25	16.10
Fines and Forfeitures	94.60	84.00	85.80	84.00	348.40
Miscellaneous Revenue	391.60	149.94	319.00	441.00	1301.54
Senior College Tuition and Fees	231.00	178.50	0.00	203.70	613.20
Capital Interest	0.07	0.07	0.07	0.07	0.28
Housing Revenue	2.25	2.25	2.25	2.25	9.00
Total Miscellaneous	**883.86**	**475.87**	**552.32**	**736.27**	**2648.32**
Prior Federal Aid	99.88	25.62	17.38	16.80	159.68
Prior NYS Aid	118.80	2.73	0.88	3.78	126.19
Total Federal And NYS Prior Aid	**218.68**	**28.35**	**18.26**	**20.58**	**285.87**
Balance Sheet Inflows	13.20	12.60	13.20	12.60	51.60
Federal/State Capital	73.92	45.99	344.08	84.00	547.99
Transfers from Capital Proceeds	441.00	700.00	1000.00	900.00	3041.00
Payroll Taxes Inflows	148.50	146.00	148.50	146.00	589.00
Seasonal Borrowing	0.00	0.00	0.00	0.00	0.00
Other Operating Inflow	220.00	194.04	253.00	384.93	1051.97
Total Other Inflows	**896.62**	**1098.63**	**1758.78**	**1527.53**	**5281.56**
Total Inflows	**9357.21**	**5459.31**	**5210.79**	**11726.29**	**31753.60**

	Mar-12	Apr-12	May-12	Jun-12	Total
Payroll	1620.80	1250.80	1253.40	1259.50	5384.50
Pensions	611.80	617.75	610.40	631.40	2471.35
Social Security	132.94	134.09	170.45	132.66	570.14
Health Plan	251.30	333.30	251.30	251.30	1087.20
Other PS	80.00	115.00	88.00	76.00	359.00
Total PS	**2696.84**	**2450.94**	**2373.55**	**2350.86**	**9872.19**
PA	191.40	210.00	167.20	201.60	770.20
MA	450.00	396.00	215.00	780.00	1841.00
Other DOSS	199.04	149.01	210.96	171.00	730.01
HHC	97.00	75.00	44.00	60.00	276.00
TA	0.00	0.00	0.00	34.00	34.00
HA	0.00	0.00	0.00	0.00	0.00
Lump Sum	156.00	156.00	156.00	156.00	624.00
Vendor Payments	1232.00	1272.60	1214.40	1201.20	4920.20
Other OTPS	0.00	0.00	0.00	0.00	0.00
Total OTPS	**2325.44**	**2258.61**	**2007.56**	**2603.80**	**9195.41**
City Capital	639.10	706.02	705.10	897.96	2948.18
Other Outflow Capital	229.02	68.04	229.90	93.03	619.99
GO Debt Service Funding	141.59	352.80	31.10	0.00	525.49
NYCTFA Debt Service Funding	173.51	0.00	129.81	129.81	433.13
Other Debt Service Funding	0.00	0.00	0.00	0.00	0.00
Repay Seasonal Borrowing	0.00	0.00	0.00	0.00	0.00
Payroll Taxes Outflow	636.00	805.57	629.22	627.92	2698.71
Other Outflows	75.00	75.00	75.00	3880.00	4105.00
Total Other Outflows	**1894.22**	**2007.43**	**1800.13**	**5628.72**	**11330.50**
Total Outflows	**6916.50**	**6716.98**	**6181.24**	**10583.38**	**30398.10**
Net Flow	**2440.71**	**-1257.67**	**-970.45**	**1142.91**	**1355.50**
Ending Balance	**6645.20**	**5387.53**	**4417.08**	**5559.99**	**5559.99**