

Quarterly Cash Report

April-June 2002



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

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Prepared by the New York City Office of the Comptroller, Bureau of Financial Analysis

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I. HIGHLIGHTS

- The City ended FY 2002 with \$4.433 billion in cash, \$1.367 billion more than in FY 2001. In FY 2002, the City prepaid \$677 million in FY 2003 expenditures and received \$1.3 billion in FY 2003 deferred real estate taxes compared with \$2.898 billion in prepayments and \$1.452 billion in deferred real estate taxes in FY 2001. Cash balances averaged \$3.234 billion in the fourth quarter and \$2.642 billion for all of FY 2002 compared with \$4.279 billion and \$2.662 billion in FY 2001.
- In FY 2002, the City paid \$1.074 billion in expenditures directly attributable to the World Trade Center (WTC) disaster and received \$784 million in reimbursements from the Federal Emergency Management Agency (FEMA). In addition, the City transferred \$457 million in Transitional Finance Recovery Note proceeds to the central treasury in the fourth quarter of the fiscal year.
- Capital expenditures totaled \$1.369 billion in the fourth quarter of FY 2002 and \$5.265 billion for the fiscal year. For the quarter there were \$1.228 billion in City-funded capital expenditures and \$4.882 billion for the full year. Payments to the School Construction Authority (SCA) totaled \$300 million during the quarter and \$1.5 billion in FY 2002. Reimbursement to the City's central treasury, primarily from General Obligation (GO), Transitional Finance Authority (TFA) and Water and Sewer Authority debt, was \$1.402 billion in the quarter and \$5.758 billion for the year.
- In the fourth quarter of FY 2002, the City issued \$1.508 billion in GO debt and the TFA issued \$250 million in bonds. In FY 2002, total GO debt was \$3.658 billion and TFA debt was \$2.82 billion for a total of \$6.478 billion in the fiscal year.
- The City used \$1.029 billion in State education aid in the fourth quarter to finish funding the payment of its \$1.5 billion in Revenue Anticipation Notes (RANs) maturing in April 2002.

Table 1. *Overview of Cash Positions, (\$ millions)*

Central Treasury

<i>Central Treasury</i>	<i>April-June 2002</i>	<i>January-March 2002</i>	<i>April-June 2001</i>
Opening Balance	\$ 2,766	\$ 1,768	\$ 4,820
Closing Balance	4,433 ^a	2,766	3,066 ^a
Total Receipts	13,894	13,035	12,634
Total Expenditures	12,227	12,037	14,388
Average Daily Balance	3,234	2,907	4,279

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 are reported on checks issued and receipts on cash as deposited in the bank. Receipts and expenditures are net of debt-service funding. ^aBefore City Audit.

Capital Expenditures

	<i>April-June 2002</i>	<i>January-March 2002</i>	<i>April-June 2001</i>
Capital Expenditures	1,369	1,205	1,131
City-funded Capital Expenditures	1,228	1,110	998
Reimbursement to the Central Treasury for Capital Expenditures	1,402	1,774	1,066

Debt Service Funding

	<i>April-June 2002</i>	<i>January-March 2002</i>	<i>April-June 2001</i>
General Obligation	177	481	160
TFA	108	161	93
Equity Payment ^b	4	0	0
Prepayments	663	0	2,555

^bThe City made an equity contribution to improve the efficiency of refunding certain GO bonds.

II. DAILY CASH BALANCES—APRIL-JUNE 2002

The City's daily cash balance rose \$1.667 billion in the fourth quarter of FY 2002, from \$2.766 billion at the beginning of the quarter to \$4.433 billion at the fiscal year-end. The City collected \$1.3 billion in FY 2003 deferred real estate taxes compared with \$1.452 billion in FY 2002 taxes collected in FY 2001 and prepaid \$677 million in FY 2003 expenditures compared with prepayments of \$2.898 billion in FY 2002 expenditures in FY 2001. (The \$1.3 billion in deferred FY 2003 real estate collections is preliminary and could change as a result of the FY 2002 City audit.) If there were no prepayments of future years' expenditures and no real estate tax for subsequent years were collected, the ending balances would have been \$4.512 billion in FY 2001 and \$3.815 billion in FY 2002.

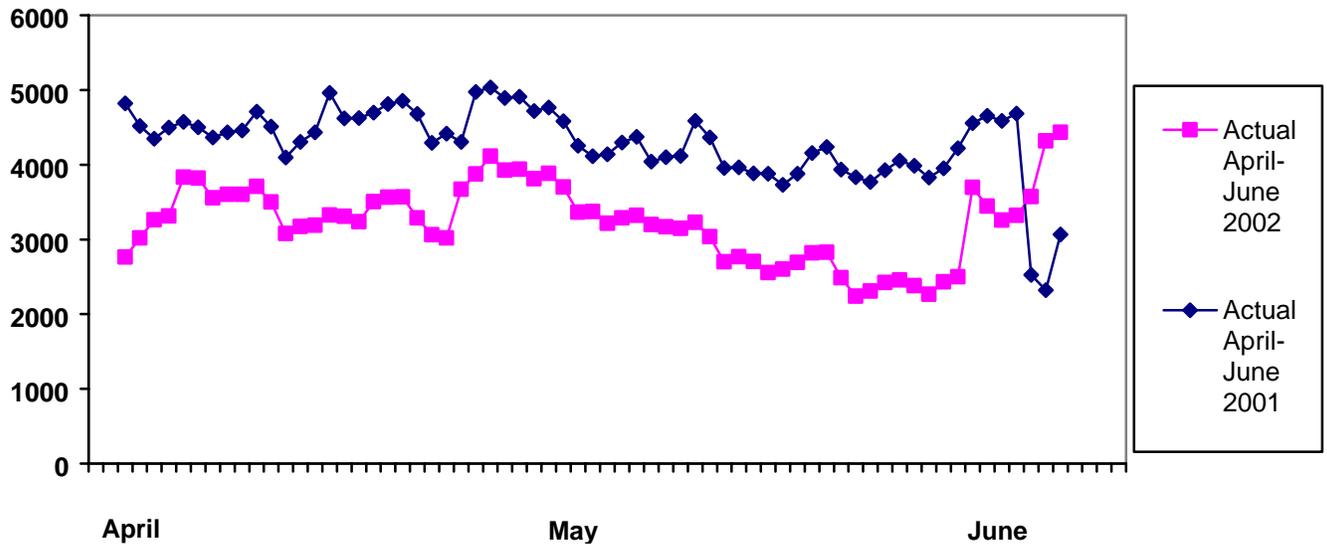
Daily cash balances averaged \$2.642 billion in FY 2002 compared with \$2.662 billion in FY 2001. The City was able to maintain its cash positions in the face of the WTC disaster and budget and economic stress due to a higher opening balance in FY 2002, reimbursement of WTC expenditures by FEMA, a larger seasonal borrowing (\$1.5 billion in October 2001 of FY 2002 compared with \$750 million in November 2000 of FY 2001) and the maintenance of a reserve for labor contracts under negotiation. Table 2 summarizes the City's cash position in both fiscal years.

Table 2. *City's Cash Position FY 2001 Compared with FY 2002, (\$ millions)*

	FY 2001	FY 2002
Opening Balance	\$ 1,453	\$ 3,066
Total Receipts	50,338	50,493
Average Daily Receipt	202	203
Total Expenditures	48,725	49,126
Average Daily Expenditure	196	197
Average Daily Balance	2,662	2,642
Closing Balance	3,066	4,433
Less Deferred Real Estate Tax	1,452	1,295
Plus Prepaid Expenditures	2,898	677
Adjusted Closing Balance	4,512	3,815

Daily cash balances ranged from a low of \$2.24 billion on June 10 to a high of \$4.433 billion on June 28. Daily balances averaged \$3.388 billion in April 2002, \$3.363 billion in May 2002, and \$2.924 billion in June 2002. Chart 1 compares daily balances for the quarter with daily balances in the same quarter last year (April-June 2001). The average daily balance in the quarter was \$3.234 billion, compared with \$4.279 billion in the same quarter last year. Daily balances dropped steeply at the end of June in FY 2001 falling below the daily balances in FY 2002 for the only time in the quarter. This reflects the FY 2002 prepayments of \$2.898 billion in FY 2001.

Chart 1. *Daily Cash Balances, April-June, (\$ millions)*



A. Cash Receipts

Cash receipts totaled \$13.894 billion in the fourth quarter of FY 2002 (April-June 2002) \$1.26 billion greater than \$12.634 billion in the same period last year. As discussed below, greater levels of intergovernmental aid offset lower levels of tax receipts during the quarter, when compared with prior periods. Average daily receipts were \$217 million. Daily April cash receipts averaged \$203 million and totaled \$4.466 billion. Average daily May cash receipts were \$154 million and totaled \$3.394 billion. Average daily June cash receipts were \$302 million and totaled \$6.033 billion.

During the quarter, tax receipts totaled \$5.442 billion, compared with \$6.47 billion in the same quarter of the prior year. Real estate tax collections totaled \$1.729 billion compared with \$1.91 billion during the same period last year. Deferred real estate revenue in FY 2003 is estimated at \$1.295 billion compared with the \$1.452 billion of FY 2002 real estate tax collected in FY 2001. June 2002 real estate collections included \$41 million from the sale of tax liens compared with \$93 million in tax lien sales in June 2001. Other taxes totaled \$3.713 billion, down from \$4.56 billion in the same period a year ago. In the fourth quarter of FY 2002 economically sensitive taxes (sales tax, personal income tax, general corporation tax, financial corporation tax, and the unincorporated business tax) generated \$2.956 billion which was 21.8 percent below the \$3.779 billion received in the same period in FY 2001. Other receipts included \$108 million in PILOT payments.

Current and prior Federal and State aid totaled \$5.163 billion in the fourth quarter of FY 2002 compared with \$2.909 billion in the same period of FY 2001. The level of State aid was affected by the timing of the receipt of NYS Education Aid. In FY 2002, NYS Education Aid of \$1.266 billion was sent to the City on April 1, 2002. In FY 2001, NYS Education Aid of \$1.404 billion was sent on March 30, 2001. The fourth quarter of FY 2002 included \$252 million in aid associated with the WTC disaster. Miscellaneous and other revenue totaled

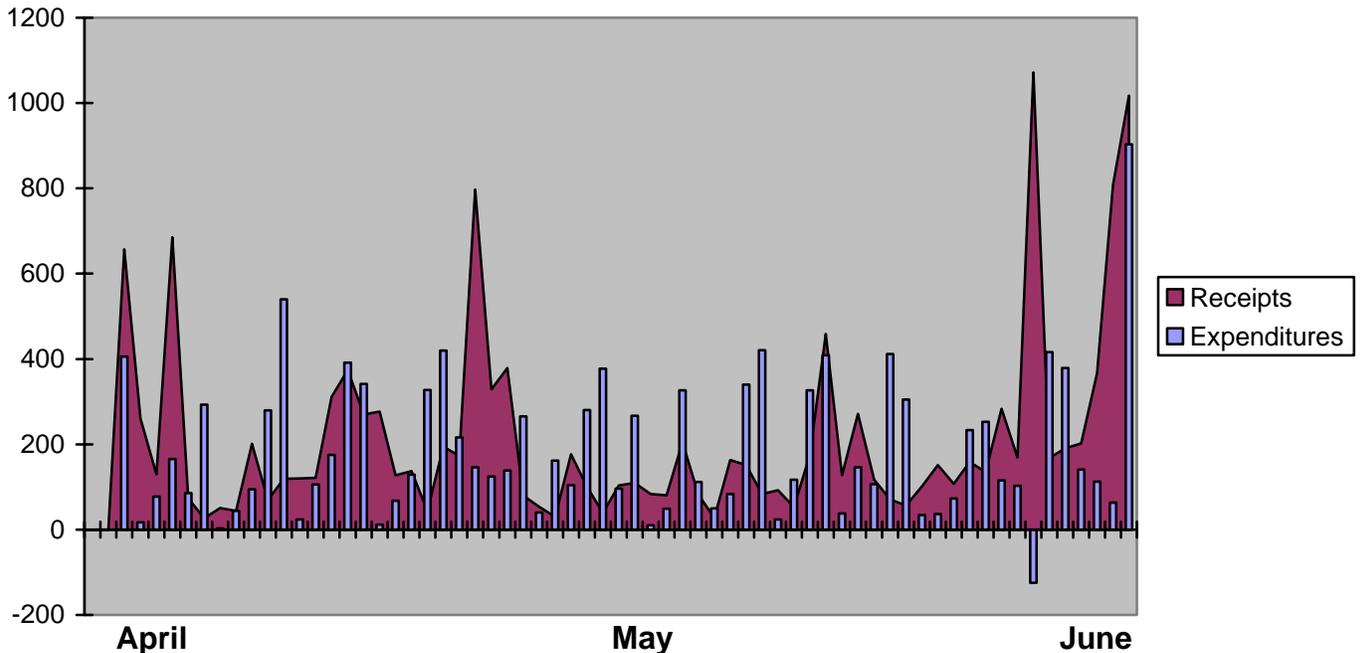
\$2.117 billion, up over last year by \$549 million. In FY 2002, this category included \$457 million in proceeds from TFA Recovery Notes and \$245 million from HDC Mortgage sales. Intergovernmental aid was \$115 million, down from the \$232 million received in the same quarter last year. In FY 2001, the City received intergovernmental transfers from the Health and Hospital Corporation (HHC) of \$108 million in June. Table 3 shows the major receipts by month for the quarter. Chart 2 on page 5 illustrates the level of receipts and expenditures during the quarter.

Table 3. *Major Cash Receipts, (\$ millions)*

April 2002		May 2002		June 2002	
NYS Education	\$1,384	NYS Education	\$805	FY 2003 Deferred Real Estate Tax ^a	\$1,293
PIT	600	Federal Welfare	411	NYS Education	563
Capital Proceeds Transfer	582	Capital Proceeds Transfer	396	Sales Tax	504
Real Estate Tax	304	Sales Tax	261	Capital Proceeds Transfer	425
TFA Recovery Note Transfer	286	Water and Sewer Fees	126	Senior College Fees	307
Sales Tax	257	PIT	100	PIT	300
Unincorporated Business Tax	214	NYS Welfare	97	General Corporation Tax	286
Tobacco Settlement	211	Real Estate Tax	72	HDC Mortgages	245
Federal Education	197	General Corporation Tax	69	TFA Recovery Note Transfer	171
NYS Welfare	193	Senior College Fees	69	Unincorporated Business Tax	143
Federal Welfare	169	PILOTS	66	Federal Education	130
WTC Reimbursement	152	Licenses, Franchises, etc.	48	NYS Higher Education	115
Water and Sewer Fees	106	Payments from BPC	44	WTC Reimbursement	99
NYS Health	81			Federal Welfare	98
General Corporation Tax	76			Financial Corporation Tax	94
Fines and Forfeitures	47			Commercial Rent Tax	90
				Community College Fees	81
				NYS Welfare	63
				Fraud and Abuse	60
				NYS Health	43
				Fines and Forfeitures	41
				Tax Lien Sale	41

Real estate tax is gross of debt service; PIT is gross of debt service; NYS Education is gross of Note funding; and sales tax is net of Municipal Assistance Corporation (MAC) debt service (if any) plus interest and the local share. ^APreliminary

Chart 2. *Daily Cash Receipts and Expenditures, April-June 2002, (\$ millions)*



B. Cash Expenditures

Cash expenditures totaled \$12.227 in the fourth quarter of FY 2002, averaging \$191 million daily. During the same period last year, cash expenditures totaled \$14.388 billion and averaged \$225 million daily. Expenditures were \$4.213 billion in April 2002, \$3.859 billion in May 2002, and \$4.155 billion in June 2002. The daily average expenditure was highest during June at \$208 million and lowest during May at \$175 million. The daily average expenditure in April was \$192 million. Year-end surplus roll expenditures occurred in both fiscal years. In FY 2002 they totaled \$677 million compared with \$2.898 billion in FY 2001. Without these payments June 2002 average daily expenditures would have been \$174 million and average expenditures would have been \$180 million for the quarter. June 2001 average daily expenditures would have been \$179 million and average quarterly expenditures \$180 million the same level of FY 2002.

Major expenditures for the quarter reflect the impact of budgetary changes, expenditures associated with the WTC disaster, FY 2003 prepayments and timing differences. At \$4.376 billion, gross payroll was \$67 million higher in FY 2002 than during the same period last year. New collective bargaining agreements are in place with the exception of teachers, police officers, police sergeants and firefighters. Payment for back-pay and salary increases began in June 2001 for DC 37 members and September 2001 for police captains and lieutenants. In the second quarter of the fiscal year, new contracts were implemented for Correction officers, captains and wardens, Fire superior officers and Sanitation workers and superior officers.

Other personal services were \$1.422 billion, up \$27 million compared with the same period last year. Public assistance spending in the quarter was lower this fiscal year by \$43 million totaling \$394 million. Medical assistance spending was \$874 million, or \$143 million above the fourth quarter last fiscal year. Other social service expenditures totaled \$424 million compared with \$421 million in the last quarter of FY 2001. Vendor and other payments were \$2.388 billion in April-June 2002 compared with \$2.257 billion in April-June 2001. Other expenditures during the quarter included refunds of tax revenue of \$172 million. Table 4 shows monthly major expenditures in the quarter.

Table 4. *Major Cash Expenditures, (\$ millions)*

	April 2002	May 2002	June 2002	Total
Gross Payroll	\$1,442	\$1,494	\$1,440	\$4,376
Other Personal Services	479	496	447	1,422
Public Assistance	209	99	86	394
Medical Assistance (excluding HHC)	327	285	262	874
Other Social Services	198	150	76	424
Vendor and Other Payments	792	837	759	2,388
All Other	766	498	1,085	2,349
Total	4,213	3,859	4,155	12,227

In FY 2002 expenditures included \$677 million in June 2002 for prepayment of FY 2003 expenditures. As shown in Table 5 these prepayments were \$2.221 billion less than the \$2.898 billion of prepayments in FY 2001.

Table 5. *Surplus Roll Comparison, (\$ millions)*

	FY 2001	FY 2002	Difference
Debt Service	\$2,097	\$663	\$(1,434)
MAC Debt Service	458	0	(458)
Lease Payments	56	0	(56)
Transit Authority Payments	137	14	(123)
MTA Station Maintenance	14	0	(14)
Housing Authority Payments	5	0	(5)
Library Payments	131	0	(131)
Total	2,898	677	(2,221)

C. Cash Receipts and Expenditures Related to the World Trade Center Attack

Between September 17, 2001 and June 28, 2002, the City received \$779 million from FEMA and \$5 million from the State in reimbursement for expenditures related to the WTC disaster. Table 6 shows when these funds were received.

Table 6. *WTC Reimbursements, (\$ millions)*

Date	Amount
Sept. 2001	\$125.66
Oct. 2001	146.26
Nov. 2001	57.84
Dec. 2001	46.80
Jan. 2002	0.15
March 2002	154.89
April 2002	152.04
May 2002	1.50
June 2002	98.65
Total	\$783.79

In addition to reimbursements from FEMA, the City also transferred \$457 million in proceeds of TFA Recovery Notes to the City's central treasury to cover costs resulting from 9/11 for which the City will not be reimbursed. Transfers from note proceeds of \$286 million occurred in April and \$171 million in June. Table 7 shows the \$1.242 billion, the total of these reimbursements and transfers, by category compared with the City's June 2002 financial plan total of \$1.85 billion at the end of June. (Adjustments to the categorizations may be made during the City's FY 2002 audit.) The difference of \$608 million remained to be reimbursed at the end of the fiscal year.

Table 7. *W T C Reimbursements and Transfers by Category, (\$ millions)*

	Financial Plan	Actual	Difference
Federal Welfare	\$ 12.12	\$ 7.62	\$ (4.50)
Federal Education	9.16	3.75	(5.41)
Federal Other	1,314.45	772.42	(542.03)
Other Categorical Grants	233.99	96.59	(137.40)
Unrestricted Aid	34.44	0.00	(34.44)
Miscellaneous Revenue	245.96	361.25	115.29
Total	1,850.12	1,241.63	(608.49)

The City created special budget categories that allow it to trace expenditures resulting from the WTC disaster. In September 2001 there were \$123 million of personal service and other than personal service expenditures, in the second quarter there were \$498 million of expenditures, in the third quarter expenditures totaled \$263 million and in the fourth quarter \$171 million for a fiscal year-to-date total of \$1.055 billion. As shown in Table 8, there have also been \$19 million in capital expenditures for a grand total of \$1.074 billion in WTC expenditures.

Table 8. WTC Expenditures, (\$ millions)

	Personal Service	Other Than Personal Service	Total PS and OTPS	Capital	Grand Total
September 2001	\$ 43.26	\$ 80.00	\$ 123.26	\$ 0.00	\$123.26
1st quarter total	43.26	80.00	123.26	0.00	123.26
October 2001	152.08	67.08	219.16	0.00	219.16
November 2001	67.79	42.31	110.10	0.00	110.10
December 2001	58.45	110.75	169.20	0.00	169.20
2nd quarter total	278.32	220.14	498.46	0.00	498.46
January 2002	34.56	93.78	128.34	0.00	128.34
February 2002	22.41	51.52	73.93	0.64	74.57
March 2002	13.80	47.00	60.80	1.59	62.39
3rd quarter total	70.77	192.30	263.07	2.23	265.30
April 2002	4.63	41.75	46.38	4.73	51.11
May 2002	4.28	76.81	81.09	3.54	84.63
June 2002	4.06	39.04	43.10	8.52	51.62
4th quarter total	12.97	157.60	170.57	16.79	187.36
FY Total	405.32	650.04	1,055.36	19.02	1,074.38

Table 9 shows overtime expenditures for uniformed employees related to the WTC disaster. In FY 2002, Police accounted for 74 percent of overtime expenditures, followed by Fire at 16.7 percent. Total uniformed WTC related overtime in the fiscal year was \$336 million, all of which is included in the Personal Service column of Table 8. WTC related expenditures are on a cash basis and do not include any subsequent journal entries adjusting these numbers. WTC related overtime, after adjusting accounting entries, totals \$328 million.

Table 9. *WTC Uniformed Overtime, (\$ millions)*

	Police	Fire	Sanitation	Correction	Total
September 2001	\$ 31.19	\$ 5.54	\$ 2.41	\$.00	\$ 39.14
October 2001	106.69	25.26	4.07	.29	136.31
November 2001	42.99	10.56	6.95	.87	61.37
December 2001	25.75	6.64	7.19	.86	40.44
January 2002	15.56	2.67	4.22	.71	23.16
February 2002	10.44	1.79	1.31	.84	14.38
March 2002	8.77	1.63	.79	.08	11.27
April 2002	2.60	.90	.19	.03	3.72
May 2002	2.48	.71	.15	.03	3.37
June 2002	2.20	.55	.08	.04	2.87
Total	248.67	56.25	27.36	3.75	336.03

III. CAPITAL EXPENDITURES

Capital expenditures totaled \$1.369 billion during the fourth quarter of FY 2002, \$238 million more than in the same quarter last year. The average daily expenditure was \$21.39 million. Expenditures of \$608 million for April averaged \$27.66 million daily. May expenditures of \$335 million averaged \$15.24 million daily, and June expenditures of \$425 million averaged \$21.27 million daily.

Capital expenditures, which are financed by issuing debt, primarily GO, TFA, TSASC, Water and Sewer, Dormitory Authority debt, are City-funded expenditures. City-funded capital expenditures, averaging \$19.19 million daily, were \$1.228 billion for this quarter. City-funded expenditures were \$581 million in April, \$294 million in May and \$353 million in June. They averaged \$26.42 million daily in April, \$13.37 million daily in May and \$17.63 million daily in June.

Payments of \$300 million were made to the School Construction Authority (SCA) in the April 2002 of this quarter. In the fourth quarter of FY 2001 there were also \$300 million in payments to the SCA. For the fiscal year the City paid the SCA \$1.5 billion compared with \$1.377 billion in FY 2001. Chart 3 compares quarterly City-funded capital expenditures in April-June 2002, January-March 2002 and April-June 2001.

Chart 3. *Quarterly City-funded Capital Expenditures, (\$ millions)*

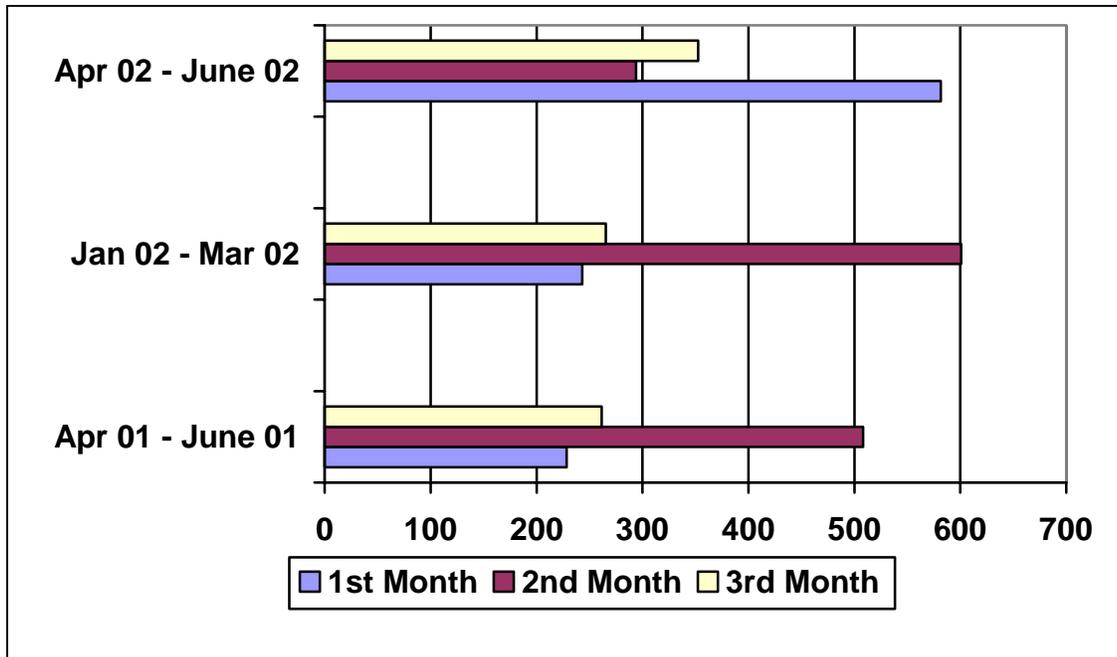


Table 10 compares capital expenditures in FY 2001 and FY 2002. City-funded capital expenditures were 18.1% larger in FY 2002.

Table 10. *Capital Expenditures for FY 2001 and FY 2002, (\$ millions)*

FY 2001	Total Capital	City-funded Capital	FY 2002	Total Capital	City-Funded Capital
First quarter	\$ 997	\$ 872	First quarter	\$1,148	\$1,077
Second quarter	1,398	1,162	Second quarter	1,543	1,467
Third quarter	1,251	1,102	Third quarter	1,205	1,110
Fourth quarter	1,131	998	Fourth quarter	1,369	1,228
Total FY	4,777	4,134	Total FY	5,265	4,882

Table 11 displays City-funded capital expenditures for the quarter by bonding status. Bonding status classifies City-funded capital expenditures into categories. These categories indicate whether the general fund may be reimbursed for these expenditures out of certain bond proceeds.

Table 11. *City-funded Capital Expenditures by Bonding Status, (\$ millions)*

	April 2002	May 2002	June 2002	Total
Approved-Tax Exempt	\$434.35	\$145.71	\$137.61	\$ 717.67
Water and Sewer	73.20	85.99	74.78	233.97
Taxable	35.64	29.37	55.42	120.43
All City-funded Spending	581.33	294.08	352.56	1,227.97

All capital expenditures are paid from the City's central treasury. Bonds and BANs are issued to reimburse the central treasury. The timely transfer of funds to the central treasury eliminates the potential of any negative impact on operating cash balances. During the fourth quarter of FY 2002, \$1.402 billion of City-funded capital expenditures, which were previously paid out of the central treasury, were reimbursed from bond proceeds as shown in Table 12. In FY 2002, reimbursements totaled \$5.758 billion compared with \$4.301 billion in FY 2001.

Table 12. *Reimbursement to the Central Treasury From Bond Proceeds, (\$ millions)*

	April 2002	May 2002	June 2002	Total
General Obligation Bonds	\$467.80	\$ 44.85	\$ 322.47	\$ 835.12
Water and Sewer Bonds	98.69	135.08	46.90	280.67
Transitional Finance Authority Bonds and BANs	15.31	214.06	7.08	236.45
Tobacco Settlement	0.00	1.71	0.00	1.71
<i>Sub-total</i>	<i>581.80</i>	<i>395.70</i>	<i>376.45</i>	<i>1,353.95</i>
Other	0.00	0.00	48.32	48.32
Total	581.80	395.70	424.77	1,402.27

IV. FINANCING AND DEBT SERVICE

In the fourth quarter of FY 2002, the City sold \$1.508 billion in General Obligation (GO) bonds and the Transitional Finance Authority (TFA) sold \$250 million in Revenue bonds for a total of \$1.758 billion in debt. The TFA sale and \$500 million in GO debt funded the City's capital program. GO bonds totaling \$1.008 billion refunded outstanding debt. There was a \$3.8 million equity payment related to this sale. In the fourth quarter of FY 2001, the TFA sold \$504.2 million in bonds to fund maturing BANs. There was no GO or TFA debt issued to pay for the capital program.

During FY 2002 the City sold \$3.658 billion of GO bonds, of which \$1.008 billion refunded outstanding debt and the balance of \$2.65 billion was new money for capital expenditures. In FY 2002, the TFA sold \$2.82 billion, \$400 million in bonds and \$1.8 billion in BANs for the capital program and \$620.2 million in bonds to refund maturing BANs. In FY 2001, the City and the TFA sold \$4.33 billion in bonds and BANs compared with the \$6.478 billion total in FY 2002. GO bonds totaled \$2.379 billion, \$1.24 billion for capital expenditures and \$1.139 billion in refundings. TFA sales totaled \$930 million for capital, \$415 million in bonds and \$515 million in BANs, and \$1.022 billion to refund maturing BANs. Table 13 shows the composition of the \$6.5 billion in GO and TFA debt issued in FY 2002.

Table 13. *Bond and BAN Issues During FY 2002, (\$ millions)*

	NYC GO Debt		TFA Debt		Total
	Tax-Exempt	Taxable	Tax-Exempt	Taxable	
July	\$ 0.00	\$ 0.00	\$ 150.00	\$ 0.00	\$ 150.00
August	0.00	0.00	400.00	200.00	600.00
September	0.00	0.00	0.00	0.00	0.00
First Quarter Total	0.00	0.00	550.00	200.00	750.00
October	900.00	200.00	0.00	0.00	1,100.00
November	0.00	0.00	1,019.24	200.95	1,220.19
December	518.60	31.40	0.00	0.00	550.00
Second Quarter Total	1,418.60	231.40	1,019.24	200.95	2,870.19
January	0.00	0.00	0.00	0.00	0.00
February	0.00	0.00	0.00	0.00	0.00
March	500.00	0.00	500.00	100.00	1,100.00
Third Quarter Total	500.00	0.00	500.00	100.00	1,100.00
April	0.00	0.00	250.00	0.00	250.00
May	0.00	0.00	0.00	0.00	0.00
June	1,507.59	0.00	0.00	0.00	1,507.59
Fourth Quarter Total	1,507.59	0.00	250.00	0.00	1,757.59
FY Total	3,426.19	231.40	2,319.24	500.95	6,477.78

In addition, on October 4, 2001, the TFA issued \$1 billion in New York City Recovery Notes due October 2, 2002. The Notes were issued to pay costs associated with the WTC disaster. In FY 2002, \$457 million of these proceeds were transferred to the City's central treasury. These Notes will be payable from the future issuance by the TFA of Recovery Bonds.

The City and the TFA fund debt service payments in advance of the actual payment dates to holders of these securities. In the April-June 2002 period, GO debt service funding was \$177 million compared with \$160 million in April-June 2001. GO debt service is funded by real estate tax withheld by the State Comptroller in a segregated bank account. In the fourth quarter, actual payments to holders of GO bonds were \$275 million. The City prepaid FY 2003 debt service in June 2002 of \$663 million out of the City's central treasury. During the quarter PIT of \$88 million was withheld by the TFA for August payments of debt service. Total TFA debt service funding from all sources was \$108 million for the quarter, compared with \$93 million in the same period last year. The City's cash receipts of real estate tax and PIT are net of debt service funding.

In April 2002, \$1.029 billion in State education aid was withheld to partially fund payment of \$1.5 billion in RANs due in April 2002. The balance of the funding, \$471 million, occurred in March 2002.

V. GLOSSARY OF ACRONYMS

BANs	Bond Anticipation Notes
BPC	Battery Park City
DC 37	District Council 37
FEMA	Federal Emergency Management Agency
FY	Fiscal Year
GO	General Obligation
HHC	Health and Hospital Corporation
HDC	Housing Development Corporation
LTMD	Long-term Mentally Disabled
MAC	Municipal Assistance Corporation
MTA	Metropolitan Transportation Authority
NYS	New York State
OTPS	Other than Personal Service
PILOT	Payment in Lieu of Tax
PIT	Personal Income Tax
PS	Personal Service
RANs	Revenue Anticipation Notes
SCA	School Construction Authority
STAR	School Tax Relief
TFA	Transitional Finance Authority
WTC	World Trade Center