

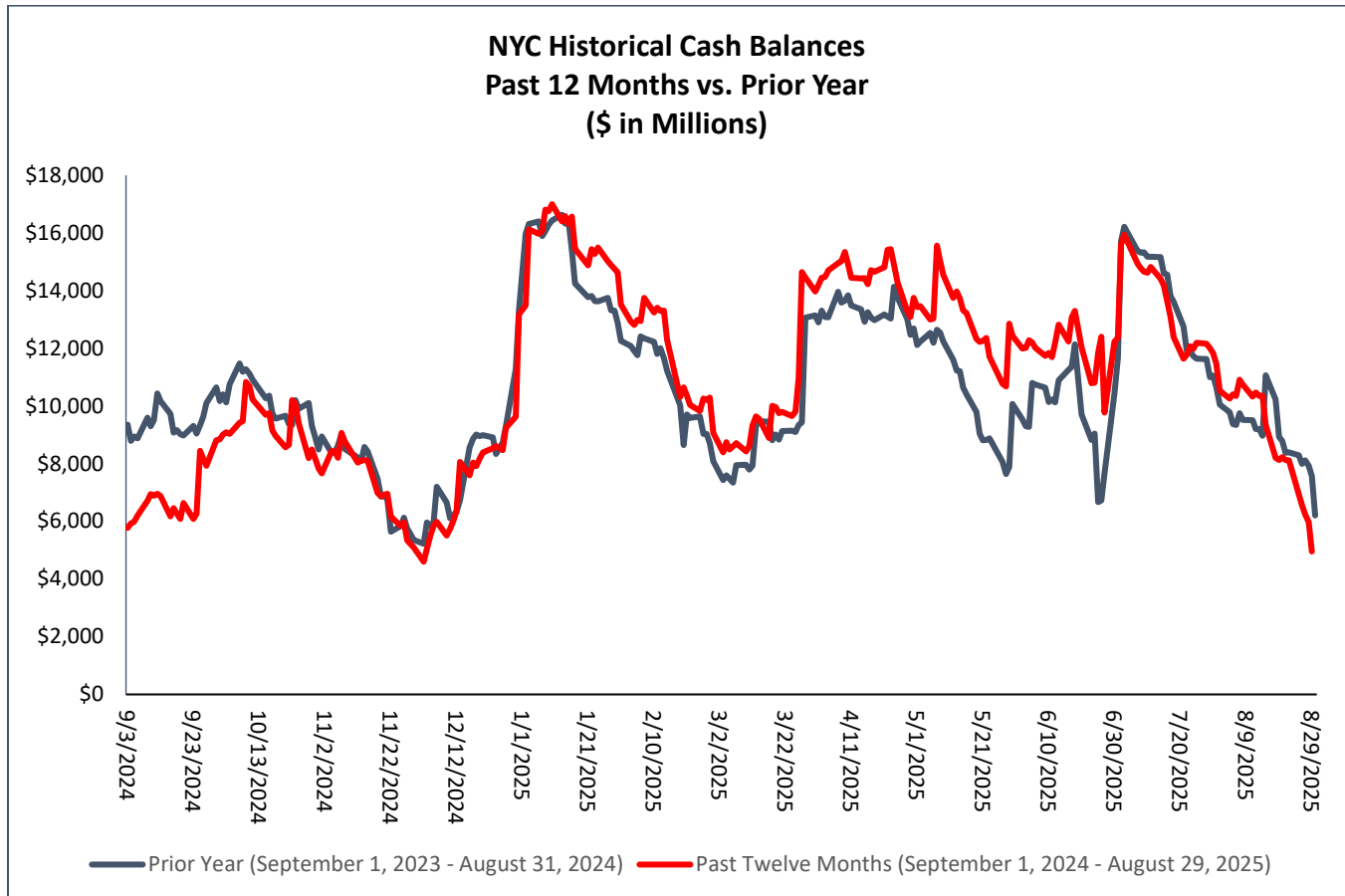


New York City Cash Balance Projection

New York City Comptroller Brad Lander

Bureau of Budget

September 2025



At the close of FY 2025 (on June 30, 2025), the City recorded the end-of-year cash balance of \$12.229 billion, compared to \$10.410 billion a year prior. In our previous Cash Letter, we projected that we would finish the year with \$14.782 billion in cash, but the actual number was lower, reflecting the timing of property tax receipts, lower than expected bond proceeds transfers, and higher than anticipated GO debt service prepayment, among other factors. For more information, please see the [Interim Update to June 2, 2025 forecast](#), published in July. Overall, daily cash balances during FY 2025 averaged \$10.882 billion, compared to \$10.931 billion in FY 2024.

During FY 2025, the City collected \$143.607 billion in revenue, \$13.706 billion more than the prior year. Total tax revenue measured \$81.373 billion, 10.2% higher than in FY 2024. In 2024, Wall Street profits surged 89%, with record-high bonuses driving strong gains in personal income and business tax revenues in FY 2025. The City's economy remained stable, despite job growth being heavily skewed toward low-paying industries. Tax collections were further supported by a robust post-pandemic rebound in tourism,

though momentum appears to be slowing—likely due to stricter immigration enforcement and changing international perceptions of the U.S. At the same time, the housing market has been generally strong, especially the rental market. Rents have continued to rise and are now significantly above pre-pandemic levels. In addition, the demand for high-end office space has shown signs of improvement. For more information, please see our [September Economic Newsletter](#).

Cash receipts also benefited from \$5.146 billion in Covid-19 pandemic relief funds from the Federal government. In addition, capital reimbursements increased considerably, up \$3.656 billion, compared to the same period last year.

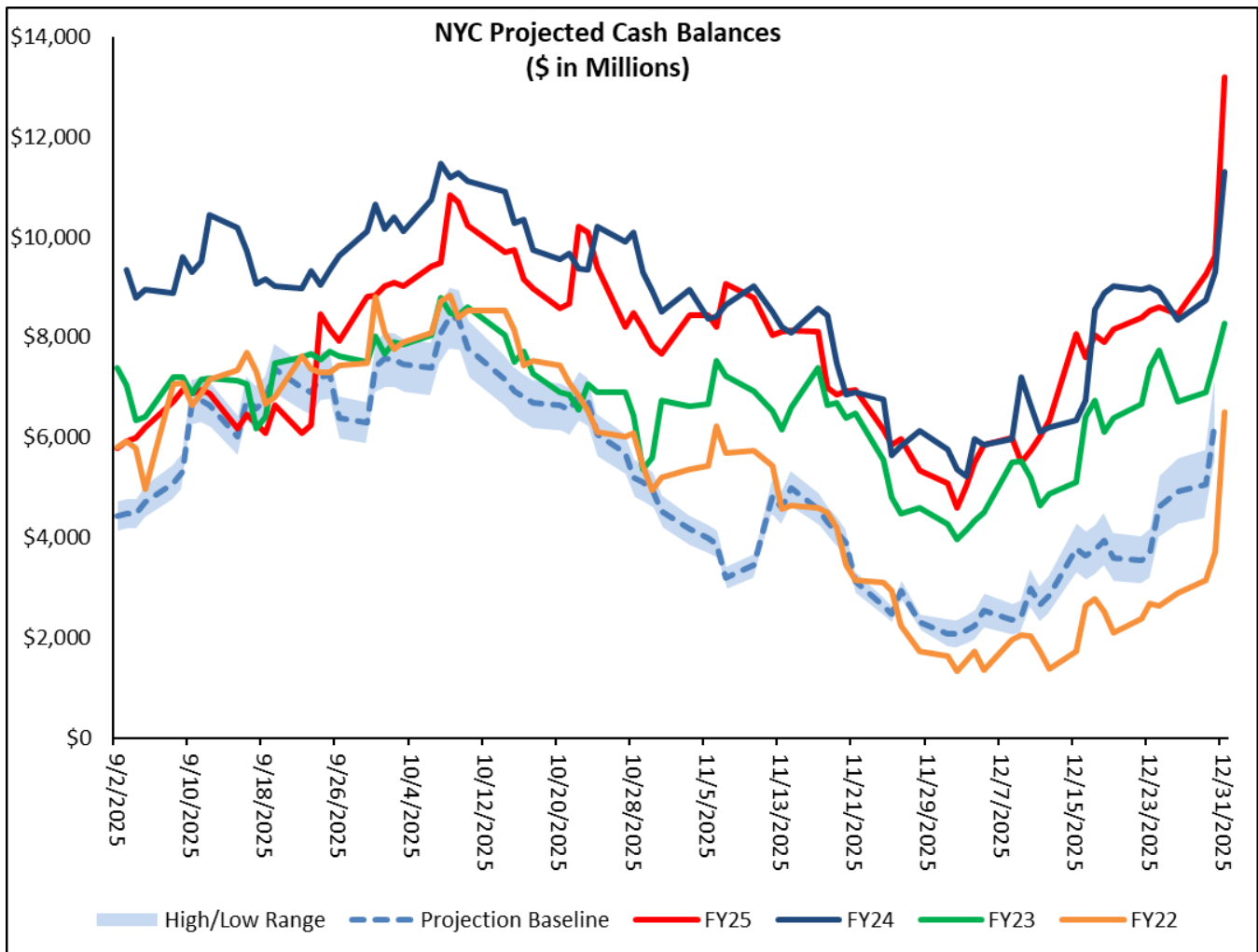
Tax collections and the continuation of federal aid supported \$141.788 billion in spending in FY 2025 as well as a prepayment of \$3.787 billion towards FY 2026 expenses (sequentially lower than in the previous three years). The prepayment consisted of \$1.443 billion of General Obligation (GO) debt service and \$2.344 billion of Transitional Finance Authority (TFA) debt service.

During the 12 months ending on August 29th, cash balances have averaged \$10.867 billion, compared to \$10.496 billion at the same time last year. New York City started September 1, 2025 with \$4.954 billion in cash, below last year's figure by \$1.253 billion. The City's cash balance includes \$1.969 billion in the Revenue Stabilization Fund (RSF), the City's rainy-day fund, inclusive of an expected end-of-year General Fund surplus of \$5 million. The majority of funds, \$1.455 billion, were allocated to the RSF in FY 2022.

For a full description of FY 2025 and the last quarter, please see the accompanying [4Q 2025 Quarterly Cash Report](#).

Projected Cash Balances (September 1st – December 31st)

The updated projection below outlines expected cash balances in the NYC central treasury from September 1 to December 31, 2025. Underlying the forecast are two key assumptions: continued, though slower, economic growth and the receipt of federal revenues as budgeted and in accordance with existing funding agreements and schedules. The impact of federal spending cuts, such as those included in the reconciliation bill (Public Law No: 119-21), largely falls outside of the forecast period. However, as noted in the [Comptroller's Report on the FY 2026 Adopted Budget](#), the current economic climate is uncertain, with the possibility of a mild recession on the horizon. The Federal Reserve lowered its policy interest rate at the September FOMC meeting to reduce the risk of a downturn.



Our projection shows that, as in previous years, the annual cash balance low will occur in early December and could measure between \$1.796 billion and \$2.357 billion. The seasonal low measured \$4.602 billion in FY 2025, \$5.223 billion in FY 2024, \$3.966 billion in FY 2023, and \$1.338 billion in FY 2022. As noted above, the cash balance includes \$1.969 billion in RSF, which is a component of the General Fund balance (reported as “committed” balance in the City’s financial statements). It should be noted that the RSF balance is calculated on an accrual (not cash) basis at the end of the fiscal year. Nonetheless, absent the RSF balance, the low cash point could be substantially lower than in past years.

One of the reasons for lower balances in the first half of the fiscal year is the payment of advances to City-contracted nonprofit organizations. In April, the [Mayor announced](#) that more than \$5 billion in advance payments would be made in FY 2026, up from \$2.8 billion issued during FY 2025, as reported in the press release. More recent data from the Mayor’s Office of Contract Services (MOCs) indicates that FY 2025 advances totaled \$3.2 billion with \$960 million, or 30%, yet to be recouped “due to delayed invoices and incomplete provider budgets.” According to MOCs, FY 2026 advances totaled \$2.9 billion, with recoupment starting in October, though the Comptroller’s data indicates this amount is closer to the promised \$5 billion when including all of the DOE. While we adjusted spending downward in the second quarter of the fiscal year to account for the recoupment, its timing and magnitude remain unknown. Furthermore, as indicated in the [Nonprofit Nonpayment](#) report, the City will also likely make some prior year payments to nonprofits beyond what it recoups from advances. The FY 2026 advances, the delayed

recoupment of FY25 advances, and other delayed payments all add to the uncertainty and pose risks for the City's cash position.

A recently aged legislative proposal ([Introduction 1247-A](#)) would, in general, require a 50% advance of the value of contractual payments to non-profit entities for goods, services and construction upon registration by the Office of the NYC Comptroller. Advances for contracts processed by the Department of Homeless Shelter for temporary housing assistance and contracts processed by the Office of Criminal Justice would receive a 25% advance upon registration and a 30% supplemental advance on January 1. The proposal excludes federal and state funding where advances are prohibited and contractors that failed to provide invoices in the previous fiscal year. The potential impact of the proposed legislation on the City's cash balance is not currently quantifiable.

The updated cash flow projection also includes revised estimates for payroll and health insurance costs, both of which are increasing. Payroll expenses are expected to rise by \$2.148 billion in FY 2026 compared to the previous year, driven by collective bargaining agreements and higher headcount. Health insurance costs have increased due to the New York State Department of Financial Services' approval of a 12.18 percent premium hike for the HIP-HMO plan covering active employees and pre-Medicare retirees. The City is currently preparing to implement a new employee health insurance plan (the NYC Employees PPO or NYCE PPO plan), expected to take effect on January 1, 2026, which is stated to save taxpayers \$1 billion annually. This could provide a modest boost to the cash balance in the second half of the fiscal year, although the source and timing of the savings are not available to our office at this time.

Public assistance costs, including rental and cash assistance and shelter costs, are projected to continue to grow. In addition, the forecast accounts for rising costs associated with special education Due Process Cases (formerly Carter Cases) and for increased expenditures for early education and childcare programs, including Pre-K and 3-K, and for the City's childcare vouchers. However, rising public assistance costs will be partially offset by declining costs associated with providing shelter and services to asylum seekers in shelters and Humanitarian Emergency Response and Relief Centers (HERRCs).

The projection also assumes that \$5.903 billion in bond proceeds will be moved into the General Fund between September and December 2025, to offset \$4.794 billion in capital expenditures. Over time, capital expenditures and the respective reimbursements are expected to offset one another.

Overall, cash flow balances are estimated to average \$5.158 billion during the next four months compared to \$7.744 billion during the same period last year.

Based on our projection, the City has sufficient cash (and sufficient flexibility in managing its cash position) to sustain its operations and we don't forecast a need to issue short-term debt in FY 2026. However, cash balances have declined significantly since the start of the fiscal year. If expected expenditure trends continue and are not matched by City revenues and intergovernmental aid, the City may be required to manage its cash flow more aggressively to maintain positive balances in the future.

Projection details are in the following pages of this document.

NYC Projected Cash Balances

(\$ in Millions)

	High	Low	Baseline
2-Sep-25	4,729	4,127	4,428
3-Sep-25	4,779	4,171	4,475
4-Sep-25	4,782	4,173	4,478
5-Sep-25	5,042	4,400	4,721
8-Sep-25	5,435	4,743	5,089
9-Sep-25	5,676	4,953	5,314
10-Sep-25	7,141	6,232	6,687
11-Sep-25	7,195	6,278	6,737
12-Sep-25	7,103	6,198	6,650
15-Sep-25	6,426	5,608	6,017
16-Sep-25	7,226	6,306	6,766
17-Sep-25	7,033	6,137	6,585
18-Sep-25	7,214	6,295	6,755
19-Sep-25	7,877	6,874	7,375
22-Sep-25	7,465	6,514	6,989
23-Sep-25	7,361	6,423	6,892
24-Sep-25	7,697	6,717	7,207
25-Sep-25	7,742	6,756	7,249
26-Sep-25	6,818	5,950	6,384
29-Sep-25	6,713	5,858	6,285
30-Sep-25	7,906	6,899	7,403
1-Oct-25	8,090	6,992	7,575
2-Oct-25	8,071	6,976	7,557
3-Oct-25	7,964	6,883	7,457
6-Oct-25	7,890	6,819	7,388
7-Oct-25	8,632	7,460	8,082
8-Oct-25	8,979	7,760	8,408
9-Oct-25	8,948	7,733	8,378
10-Oct-25	8,325	7,195	7,795
14-Oct-25	7,643	6,605	7,156
15-Oct-25	7,396	6,392	6,925
16-Oct-25	7,261	6,275	6,799
17-Oct-25	7,142	6,172	6,687
20-Oct-25	7,086	6,124	6,635
21-Oct-25	6,988	6,039	6,543
22-Oct-25	7,304	6,312	6,839
23-Oct-25	7,200	6,222	6,742
24-Oct-25	6,479	5,600	6,067
27-Oct-25	6,073	5,248	5,686
28-Oct-25	5,557	4,803	5,203
29-Oct-25	5,445	4,706	5,098
30-Oct-25	5,313	4,591	4,974
31-Oct-25	4,841	4,184	4,533

NYC Projected Cash Balances

(\$ in Millions)

	High	Low	Baseline
3-Nov-25	4,455	3,850	4,171
5-Nov-25	4,255	3,677	3,984
6-Nov-25	4,141	3,579	3,877
7-Nov-25	3,427	2,962	3,209
10-Nov-25	3,687	3,187	3,453
12-Nov-25	5,147	4,448	4,819
13-Nov-25	4,899	4,234	4,587
14-Nov-25	5,326	4,603	4,987
17-Nov-25	4,892	4,228	4,580
18-Nov-25	4,618	3,991	4,324
19-Nov-25	4,391	3,795	4,111
20-Nov-25	4,164	3,599	3,899
21-Nov-25	3,331	2,878	3,119
24-Nov-25	2,819	2,437	2,640
25-Nov-25	2,636	2,278	2,469
26-Nov-25	3,144	2,717	2,944
28-Nov-25	2,466	2,132	2,309
1-Dec-25	2,368	1,804	2,086
2-Dec-25	2,357	1,796	2,077
3-Dec-25	2,450	1,867	2,159
4-Dec-25	2,553	1,946	2,250
5-Dec-25	2,882	2,196	2,539
8-Dec-25	2,684	2,046	2,365
9-Dec-25	2,750	2,096	2,423
10-Dec-25	3,383	2,578	2,980
11-Dec-25	3,034	2,312	2,673
12-Dec-25	3,241	2,470	2,855
15-Dec-25	4,290	3,269	3,780
16-Dec-25	4,127	3,146	3,636
17-Dec-25	4,262	3,248	3,755
18-Dec-25	4,483	3,417	3,950
19-Dec-25	4,088	3,115	3,601
22-Dec-25	4,021	3,064	3,543
23-Dec-25	4,182	3,187	3,685
24-Dec-25	5,241	3,994	4,618
26-Dec-25	5,585	4,257	4,921
29-Dec-25	5,746	4,379	5,063
30-Dec-25	7,186	5,476	6,331
31-Dec-25	10,403	7,929	9,166

Inflows - NYC Cash Balance Monthly Detail

(\$ in Millions)

Inflows	Sep-25	Oct-25	Nov-25	Dec-25	Sep-Dec-25
Opening Balance	4,954.13	7,402.75	4,532.92	2,309.39	4,954.13
Sales Tax	819.11	1,021.06	832.03	1,264.22	3,936.42
Utility Tax	40.00	40.00	40.00	40.00	160.00
Commercial Rent Tax	227.08	16.63	9.68	222.25	475.64
Personal Income Tax	2,031.18	1,233.10	942.87	1,618.69	5,825.85
General Corporation Tax	1,629.10	184.58	93.13	1,345.34	3,252.15
Banking Tax	1.37	1.37	1.37	1.37	5.48
Unincorporated Business Tax	739.26	63.31	27.83	518.50	1,348.90
Real Property Tax	1,074.57	1,709.26	294.69	7,614.15	10,692.68
Other Taxes	380.59	178.58	214.50	484.08	1,257.75
Less Refunds All Taxes	-95.00	-95.00	-95.00	-95.00	-380.00
Total Taxes	6,847.26	4,352.89	2,361.11	13,013.60	26,574.87
Federal Welfare	38.70	83.23	124.80	242.32	489.04
Federal Education	14.11	29.12	53.89	156.54	253.66
Federal Community Development	7.38	7.09	3.94	21.51	39.92
Federal Other	182.01	434.57	137.53	607.25	1,361.36
Total Federal Aid	242.20	554.00	320.16	1,027.63	2,143.99
NYS Welfare	78.67	51.33	92.97	107.39	330.37
NYS Health	17.65	67.43	9.24	102.81	197.13
NYS Education	1,537.88	96.89	795.34	1,274.52	3,704.62
NYS Higher Education	2.39	463.10	30.87	0.86	497.22
NYS Other	5.05	26.47	30.52	84.76	146.80
Total New York State Aid	1,641.64	705.23	958.94	1,570.34	4,876.14
NYS Revenue Sharing	0.00	0.00	0.00	0.00	0.00
Other Intergovernmental Aid	5.00	5.00	5.00	5.00	20.00
Total Intergovernmental	5.00	5.00	5.00	5.00	20.00
Water Board	304.97	319.77	269.17	35.58	929.49
Interest Income	50.00	50.00	50.00	50.00	200.00
Fines and Forfeitures	128.22	128.22	128.22	128.22	512.88
Miscellaneous Revenue	182.54	203.47	253.08	193.88	832.96
Senior College Tuition and Fees	0.00	0.00	157.12	0.00	157.12
Capital Interest	2.00	1.48	2.13	0.00	5.61
Housing Revenue	1.01	1.01	1.01	1.01	4.04
Total Miscellaneous	668.73	703.94	860.73	408.69	2,642.10
Prior Federal Aid	465.62	359.74	320.73	537.92	1,684.01
Prior NYS Aid	332.34	102.37	359.47	153.38	947.57
Total Federal And NYS Prior Aid	797.96	462.11	680.20	691.30	2,631.58
Balance Sheet Inflows	21.00	21.00	21.00	21.00	84.00
Federal/State Capital	46.00	46.00	46.00	46.00	184.00
Transfers from Capital Proceeds	1,751.09	800.00	2,553.00	799.06	5,903.15
Payroll Taxes Inflows	222.74	227.99	222.44	224.49	897.67
Seasonal Borrowing	0.00	0.00	0.00	0.00	0.00
Other Operating Inflow	743.99	242.00	207.91	331.10	1,525.00
Total Other Inflows	2,784.82	1,336.99	3,050.35	1,421.65	8,593.82
Total Inflows	12,987.61	8,120.17	8,236.50	18,138.21	47,482.50

Outflows - NYC Cash Balance Monthly Detail

(\$ in Millions)

Outflows	Sep-25	Oct-25	Nov-25	Dec-25	Sep-Dec-25
Payroll	2,086.35	2,140.33	2,055.61	2,104.05	8,386.35
Pensions	860.00	860.00	860.00	894.00	3,474.00
Social Security	264.82	213.83	208.91	217.52	905.08
Health Plan	642.00	642.00	642.00	642.00	2,568.00
Other PS	80.86	80.86	80.86	80.86	323.45
Total PS	3,934.04	3,937.03	3,847.38	3,938.44	15,656.88
PA	581.00	594.00	594.00	644.00	2,413.00
MA	468.00	468.00	468.00	468.00	1,872.00
Other DOSS	420.00	420.00	420.00	470.00	1,730.00
HHC	65.00	95.00	120.00	35.00	315.00
TA	0.00	0.00	0.00	35.00	35.00
HA	5.17	0.10	22.20	15.85	43.31
Lump Sum	116.00	316.00	316.00	316.00	1,064.00
Vendor Payments	2,117.91	2,267.00	2,129.00	2,588.00	9,101.91
Other OTPS	0.00	0.00	0.00	0.00	0.00
Total OTPS	3,773.08	4,160.10	4,069.20	4,571.85	16,574.21
City Capital	1,120.00	1,220.00	1,120.00	1,334.22	4,794.22
Other Outflow Capital	34.86	56.64	56.64	56.64	204.78
GO Debt Service Funding	0.00	305.11	0.00	0.00	305.11
NYCTFA Debt Service Funding	0.00	0.00	91.00	91.00	182.00
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	1,175.27	1,026.23	992.94	1,023.98	4,218.42
Other Outflows	501.75	284.90	282.88	265.50	1,335.02
Total Other Outflows	2,831.88	2,892.88	2,543.46	2,771.33	11,039.56
Total Outflows	10,538.99	10,990.00	10,460.03	11,281.62	43,270.64
Net Flow	2,448.62	-2,869.83	-2,223.53	6,856.60	4,211.85
Ending Balance	7,402.75	4,532.92	2,309.39	9,165.98	9,165.98

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