

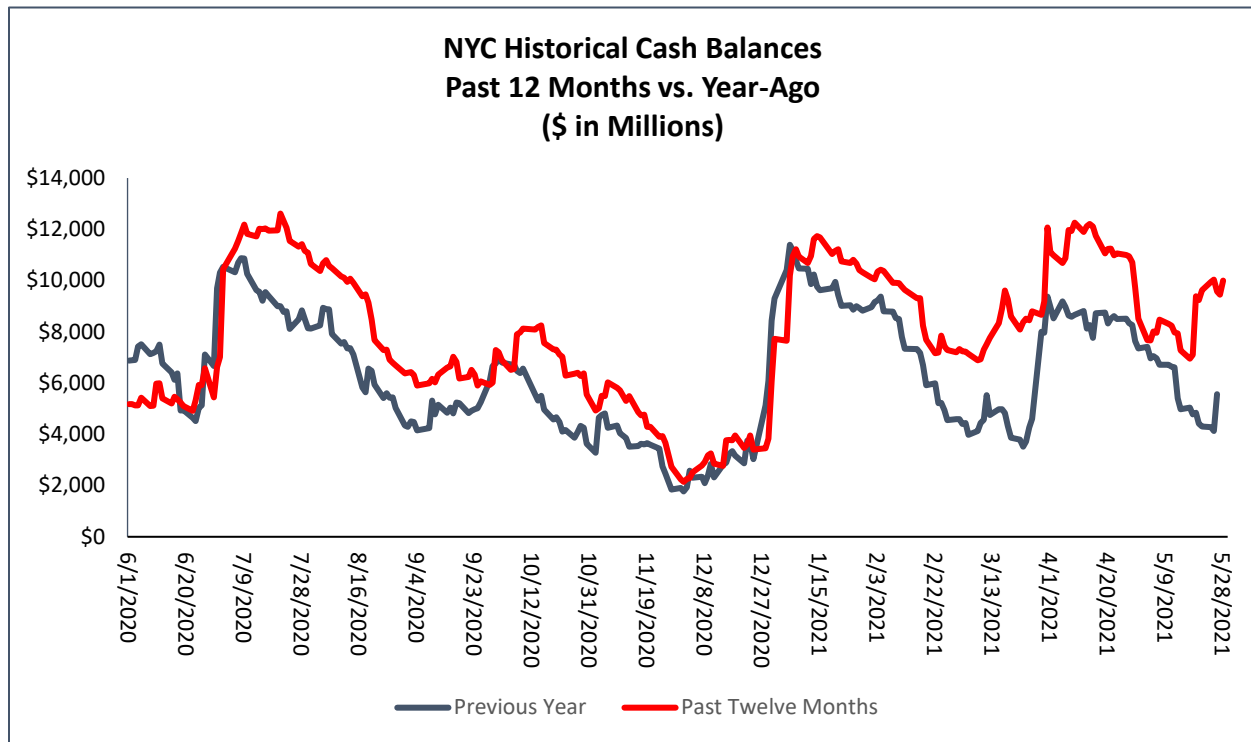


New York City Cash Balance Projection

New York City Comptroller Scott M. Stringer

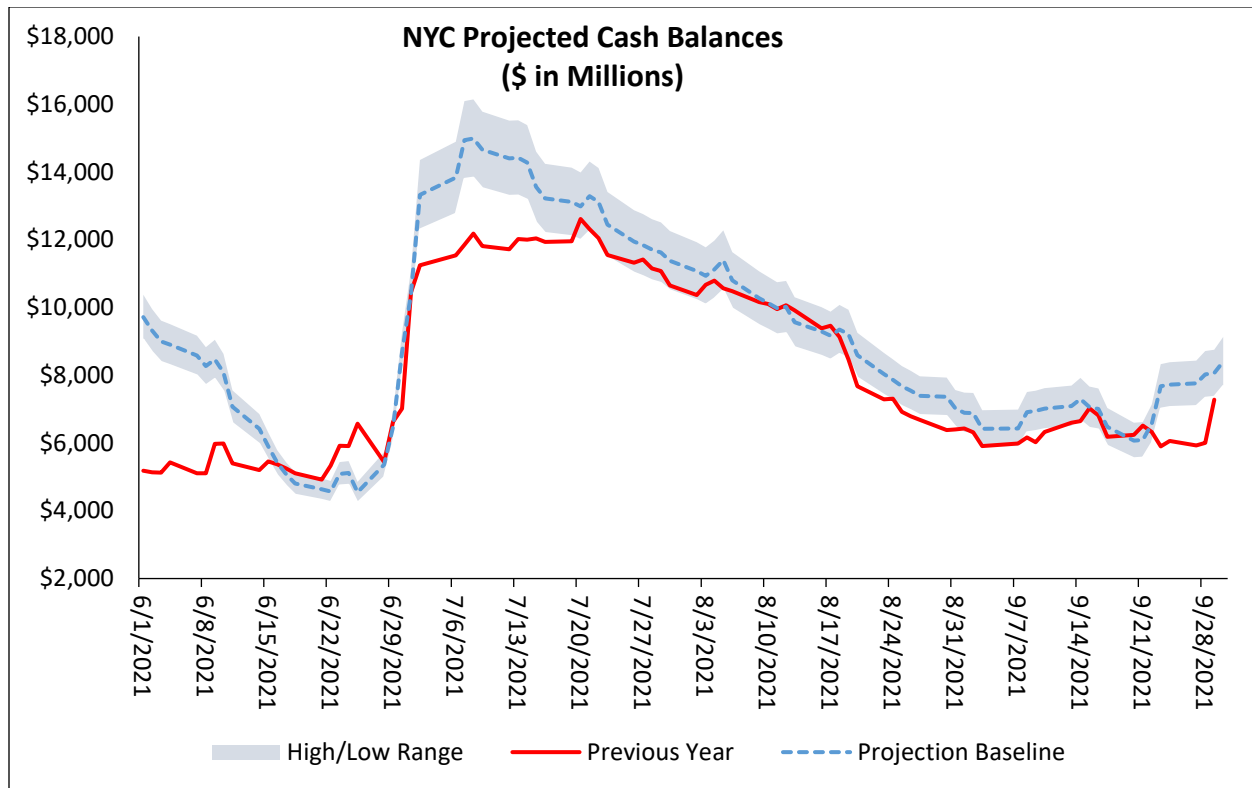
Bureau of Budget

June 2021



Last year the Covid-19 virus led to the shutdown of non-essential businesses and wiped out hundreds of thousands of jobs in New York City. Income and sales taxes, property transaction taxes, tourism-related revenue, licenses, fees, and permits, and fines and forfeitures all plunged as a result of the pandemic. One year later, the City is slowly recovering, thanks to vaccination efforts and the infusion of federal aid. The City is seeing higher corporate and personal income tax receipts. Tourists are coming back to the City, as museums and many performance venues have opened up. As of May 28, 2021, the cash balance stands at \$9.996 billion, compared to \$5.562 billion at the same time last year. Thus far in FY 2021, cash balances averaged \$8.177 billion, versus \$6.359 billion during the same period last year. On May 19th, the City’s cash balances benefited from \$2.129 billion in federal aid from the recently passed relief package, the American Rescue Plan Act.

The accompanying updated projection outlines expected cash balances in the NYC central treasury from June 1 to September 30, 2021, and incorporates guidance provided in the FY22 Executive Budget.



The City’s cashflow is healthy in the near term. The City has sufficient cash to sustain its operations, and does not anticipate issuing deficit bonds or notes in FY 2022. The projection indicates a fiscal year-end (June 30, 2021) closing balance in the range of \$8.1 billion to \$9.3 billion, compared to \$6.6 billion in FY20, \$7.1 billion in FY19, \$9.4 billion in FY18, \$9.3 billion in FY17, and \$11.7 billion in FY16.

Annual retiree health insurance cost is paid out of the RHBT. Typically, the City would remit the cost of retiree health insurance to the RHBT in June. In FY20, faced with the fiscal challenges due to the COVID-19 pandemic, the City reduced its remittance to the RBHT by \$1 billion and paid only \$1.680 billion into the fund. This year, the Executive budget assumes that the City will pay \$2.729 billion into the RHBT, and we have modeled this estimate into our model.

The Executive budget also projects a prepayment of debt service in the amount of \$3.628 billion, but the final prepayment is likely to be closer to \$4 billion. The prepayment equaled \$3.819 billion at the end of FY20.

Last year the City froze various capital projects to save money during the financial crunch. In March, 2020, the City restarted its capital program, and the projection anticipates higher capital spending going forward. Last year The City also reached agreements in FY 2021 with the United Federation of Teachers, District Council 37, and other smaller unions, deferring certain payments until FY 2022. During the first three months of FY 2022, the City will repay over \$500 million to the unions.

We project that cash balances will average \$9.043 billion during the next four months, compared to \$8.074 billion during the same time last year.

Projection details are in the following pages of this document.

NYC Projected Cash Balances

(\$ in Millions)

	<u>High</u>	<u>Low</u>	<u>Baseline</u>
01-Jun-21	10,375	9,054	9,714
02-Jun-21	9,955	8,687	9,321
03-Jun-21	9,616	8,391	9,004
04-Jun-21	9,511	8,300	8,906
07-Jun-21	9,168	8,001	8,584
08-Jun-21	8,831	7,706	8,269
09-Jun-21	9,049	7,897	8,473
10-Jun-21	8,629	7,530	8,079
11-Jun-21	7,554	6,592	7,073
14-Jun-21	6,852	5,980	6,416
15-Jun-21	6,304	5,501	5,903
16-Jun-21	5,790	5,053	5,422
17-Jun-21	5,429	4,738	5,084
18-Jun-21	5,132	4,478	4,805
21-Jun-21	4,953	4,323	4,638
22-Jun-21	4,878	4,256	4,567
23-Jun-21	5,437	4,745	5,091
24-Jun-21	5,465	4,769	5,117
25-Jun-21	4,856	4,237	4,546
28-Jun-21	5,728	4,999	5,363
29-Jun-21	6,923	6,041	6,482
30-Jun-21	9,266	8,086	8,676
01-Jul-21	11,113	9,698	10,405
02-Jul-21	14,356	12,304	13,330
06-Jul-21	14,897	12,766	13,831
07-Jul-21	16,096	13,795	14,945
08-Jul-21	16,144	13,835	14,989
09-Jul-21	15,786	13,529	14,657
12-Jul-21	15,513	13,294	14,404
13-Jul-21	15,529	13,308	14,418
14-Jul-21	15,380	13,181	14,281
15-Jul-21	14,606	12,517	13,561
16-Jul-21	14,240	12,204	13,222
19-Jul-21	14,127	12,107	13,117
20-Jul-21	13,990	11,990	12,990
21-Jul-21	14,309	12,263	13,286
22-Jul-21	14,124	12,104	13,114
23-Jul-21	13,407	11,490	12,449
26-Jul-21	12,871	11,031	11,951
27-Jul-21	12,755	10,931	11,843
28-Jul-21	12,609	10,806	11,708
29-Jul-21	12,516	10,726	11,621
30-Jul-21	12,261	10,508	11,385

NYC Projected Cash Balances

(\$ in Millions)

	<u>High</u>	<u>Low</u>	<u>Baseline</u>
02-Aug-21	11,926	10,220	11,073
03-Aug-21	11,774	10,090	10,932
04-Aug-21	11,979	10,266	11,123
05-Aug-21	12,276	10,521	11,399
06-Aug-21	11,636	9,973	10,804
09-Aug-21	11,067	9,485	10,276
10-Aug-21	10,911	9,351	10,131
11-Aug-21	10,746	9,209	9,978
12-Aug-21	10,788	9,245	10,016
13-Aug-21	10,300	8,827	9,563
16-Aug-21	10,010	8,579	9,294
17-Aug-21	9,877	8,465	9,171
18-Aug-21	10,072	8,632	9,352
19-Aug-21	9,930	8,510	9,220
20-Aug-21	9,259	7,935	8,597
23-Aug-21	8,659	7,421	8,040
24-Aug-21	8,469	7,258	7,863
25-Aug-21	8,271	7,088	7,680
26-Aug-21	8,128	6,966	7,547
27-Aug-21	7,967	6,828	7,397
30-Aug-21	7,928	6,794	7,361
31-Aug-21	7,566	6,484	7,025
01-Sep-21	7,484	6,299	6,891
02-Sep-21	7,476	6,292	6,884
03-Sep-21	6,970	5,866	6,418
07-Sep-21	6,987	5,880	6,433
08-Sep-21	7,507	6,318	6,913
09-Sep-21	7,549	6,353	6,951
10-Sep-21	7,622	6,415	7,018
13-Sep-21	7,696	6,477	7,087
14-Sep-21	7,926	6,670	7,298
15-Sep-21	7,665	6,451	7,058
16-Sep-21	7,611	6,405	7,008
17-Sep-21	7,035	5,921	6,478
20-Sep-21	6,596	5,552	6,074
21-Sep-21	6,616	5,568	6,092
22-Sep-21	7,139	6,008	6,574
23-Sep-21	8,333	7,013	7,673
24-Sep-21	8,388	7,060	7,724
27-Sep-21	8,429	7,094	7,762
28-Sep-21	8,714	7,334	8,024
29-Sep-21	8,755	7,368	8,061
30-Sep-21	9,130	7,684	8,407

Inflows - NYC Cash Balance Monthly Detail

(\$ in Millions)

Inflows	Jun-21	Jul-21	Aug-21	Sep-21	Jun-Sep-21
Opening Balance	9,995.54	8,675.82	11,384.56	7,025.22	9,995.54
Sales Tax	381.75	443.06	539.23	546.81	1,910.85
Utility Tax	30.13	30.13	30.13	30.13	120.51
Commercial Rent Tax	178.01	60.99	16.56	201.37	456.93
Personal Income Tax	960.00	810.70	876.92	1,169.03	3,816.65
General Corporation Tax	823.68	359.45	69.50	990.80	2,243.43
Banking Tax	2.00	0.94	0.94	0.94	4.82
Unincorporated Business Tax	343.67	113.41	48.14	413.72	918.95
Real Property Tax	6,605.29	7,785.03	248.89	1,325.56	15,964.78
Other Taxes	579.06	257.34	199.66	288.79	1,324.86
Less Refunds All Taxes	-51.84	-77.76	-59.48	-80.39	-269.47
Total Taxes	9,851.77	9,783.29	1,970.49	4,886.76	26,492.31
Federal Welfare	85.60	2.15	6.27	7.55	101.57
Federal Education	224.95	0.00	0.00	0.03	224.98
Federal Community Development	10.57	10.57	10.57	10.57	42.29
Federal Other	210.11	51.65	297.42	105.77	664.95
Total Federal Aid	531.22	64.37	314.26	123.92	1,033.78
NYS Welfare	113.92	154.11	1.17	236.60	505.81
NYS Health	48.72	43.26	26.40	8.20	126.59
NYS Education	482.45	2.43	2.51	1,010.72	1,498.11
NYS Higher Education	570.44	2.70	0.00	2.65	575.78
NYS Other	22.40	22.70	8.34	36.79	90.23
Total New York State Aid	1,237.93	225.21	38.42	1,294.96	2,796.52
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	0.00	487.92	295.76	258.68	1,042.36
Interest Income	1.16	50.00	15.00	5.00	71.16
Fines and Forfeitures	87.66	87.66	87.66	87.66	350.64
Miscellaneous Revenue	314.24	272.71	384.79	143.09	1,114.82
Senior College Tuition and Fees	416.73	0.00	0.00	0.00	416.73
Capital Interest	0.00	0.00	0.00	0.00	0.00
Housing Revenue	1.27	1.27	1.27	1.27	5.08
Total Miscellaneous	821.06	899.56	784.48	495.70	3,000.79
Prior Federal Aid	20.07	277.55	129.77	716.31	1,143.70
Prior NYS Aid	23.97	1,031.24	349.96	413.94	1,819.12
Total Federal And NYS Prior Aid	44.04	1,308.79	479.73	1,130.25	2,962.82
Balance Sheet Inflows	18.09	18.09	18.09	18.09	72.35
Federal/State Capital	47.58	31.01	37.08	43.46	159.13
Transfers from Capital Proceeds	1,040.00	900.00	700.00	900.00	3,540.00
Payroll Taxes Inflows	177.56	224.82	176.48	185.72	764.59
Seasonal Borrowing	0.00	0.00	0.00	0.00	0.00
Other Operating Inflow	444.17	245.58	167.54	205.19	1,062.48
Total Other Inflows	1,727.40	1,419.50	1,099.19	1,352.46	5,598.55
Total Inflows	14,213.42	13,700.72	4,686.57	9,284.06	41,884.77

Outflows - NYC Cash Balance Monthly Detail

(\$ in Millions)

Outflows	Jun-21	Jul-21	Aug-21	Sep-21	Jun-Sep-21
Payroll	1,718.53	2,171.85	1,704.85	1,794.15	7,389.38
Pensions	824.29	824.29	824.29	824.29	3,297.14
Social Security	212.69	166.55	167.74	168.38	715.37
Health Plan	491.30	451.30	451.30	451.30	1,845.21
Other PS	112.69	112.69	112.69	112.69	450.78
Total PS	3,006.94	3,726.68	3,260.87	3,350.82	13,345.31
PA	323.08	431.58	382.77	313.66	1,451.09
MA	338.32	457.36	320.74	485.19	1,601.61
Other DOSS	238.30	585.20	257.02	218.44	1,298.94
HHC	678.48	144.21	312.48	215.43	1,350.60
TA	43.62	123.67	99.18	0.00	266.47
HA	17.70	15.00	16.24	36.74	85.68
Lump Sum	238.58	262.89	223.06	214.93	939.46
Vendor Payments	1,778.17	2,891.03	2,289.09	1,483.36	8,441.65
Other OTPS	0.00	0.00	0.00	0.00	0.00
Total OTPS	3,656.26	4,910.94	3,900.58	2,967.75	15,435.52
City Capital	950.00	950.00	850.00	560.00	3,310.00
Other Outflow Capital	85.00	59.84	111.31	46.77	302.92
GO Debt Service Funding	0.00	0.00	0.00	0.00	0.00
NYCTFA Debt Service Funding	0.00	0.00	0.00	0.00	0.00
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	968.95	1,111.67	828.79	862.73	3,772.14
Other Outflows	6,866.01	232.84	94.37	114.65	7,307.87
Total Other Outflows	8,869.95	2,354.35	1,884.47	1,584.15	14,692.93
Total Outflows	15,533.15	10,991.97	9,045.92	7,902.72	43,473.75
Net Flow	-1,319.72	2,708.75	-4,359.35	1,381.34	-1,588.98
Ending Balance	8,675.82	11,384.56	7,025.22	8,406.56	8,406.56

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