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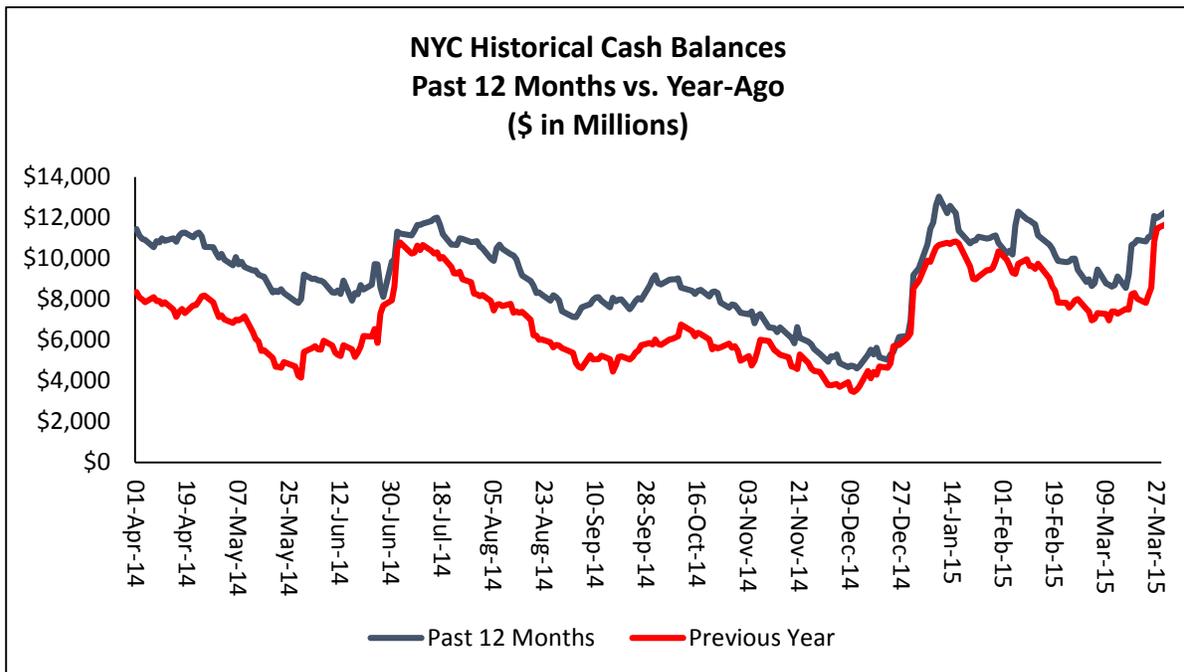
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To: Distribution  
 From: Irina Livshits, Division Chief, Financial Analysis  
 Subject: NYC Cash Balance Projection (April 2015-May 2015)  
 Date: March 31, 2015

As of March 30, 2015, New York City’s unrestricted cash balance stood at \$12.289 billion, exceeding last year’s figure by \$614 million. Over the past twelve months, the balance has averaged \$9.118 billion, compared to \$6.987 billion for the same period last year.

In our Cash Letter dated November 3, 2014, we projected that the annual cash balance low would occur during early to mid-December and would measure between \$4.0 and \$4.8 billion. The seasonal cash balance low occurred at the usual time of year, reaching \$4.609 billion on December 11, 2014. FY15 low compares favorably to the FY14 low of \$3.451 billion.



Subsequent to the release of the November letter, agreements have been reached with the Communications Workers of America (CWA Local 1180), the Civil Service Bar Association (CSBA), the International Alliance of Theatrical Stage Employees Local 306 (IATSE Local 306), the Committee of Interns and Residents/SEIU, and the Council of School Supervisors and Administrators (CSA). The agreement with the CSA, which did not reach an agreement with the City in the 2008 – 2010 round of collective agreement, is patterned after the

UFT agreement, a 9-year agreement, with the first two-years corresponding to the 2008 – 2010 round of collective bargaining, and the latter seven years corresponding to the current round of collective bargaining. The agreements with the other unions are patterned after the latter seven years of the UFT agreement.

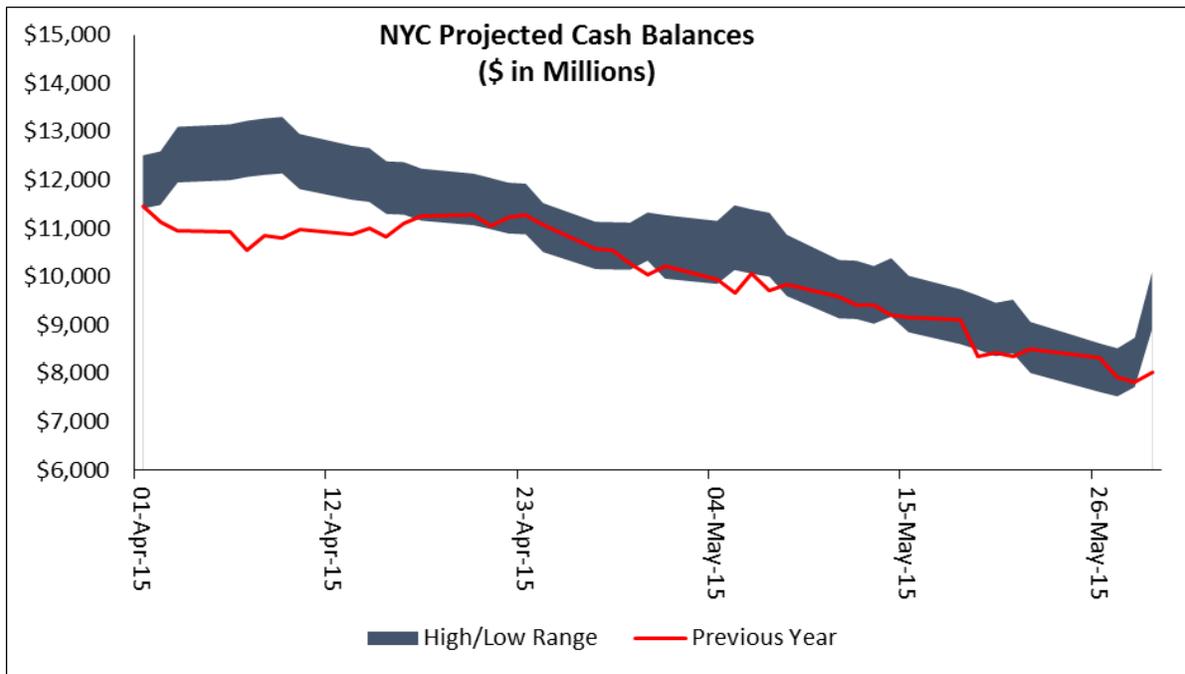
In addition, New York City has reached contract agreements with the Uniformed Superior Officers Coalition (USOC)<sup>1</sup>, and the Sergeants Benevolent Association (SBA). These contracts grant its members an 11 percent wage increase over seven years. The Patrolmen’s Benevolent Association is now the only police union without a new agreement.

At the end of February the City disbursed \$240 million for retroactive pay to 14,000 UFT retirees who retired between October 31, 2009 and July 1, 2014. Previously, the City had set aside \$180 million for this payment. However, more UFT members retired than originally anticipated, and the \$180 million fell short by \$60 million. To pay for the \$60 million shortfall, the arbitrator extended the UFT nine-year contract by one month and delayed the final 3 percent pay increase by six weeks.

Meanwhile, non-unionized personnel of the City of New York, which includes all managerial, confidential, and original jurisdiction employees and retirees, received a \$1,000 ratification bonus in addition to raises of 1 percent retroactive to September 1, 2011, September 1, 2012, and September 1, 2013, and a 1.5 percent raise retroactive to September 1, 2014 in their March 27th paychecks.

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 through the end of May 2015, and incorporates relevant factors from the FY15 Preliminary Budget. Upon release of the Executive Budget we will have a better understanding of the final month of the fiscal year. At that time we will be able to provide a clearer picture of the fiscal year-end cash balances.



<sup>1</sup> The USOC represents the Detectives Endowment Association, the Uniformed Fire Officers Association, the Lieutenants Benevolent Association, the Sanitation Officers Association, the Correction Captains Association, the Captains Endowment Association, the Assistant Deputy Wardens/Deputy Warden Association, and the Uniformed Sanitation Chiefs Association.

Our most recent estimates indicate that cash balances will exceed year-ago levels in the first half of April. Then in late April and in May the cash balances will fluctuate around year-ago levels. In developing the cash forecast we incorporate higher payroll expenditures associated with the collective bargaining agreements. Much also depends on the stream of capital transfer inflows, which we expect will be light in April and heavier in May.

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>
01-Apr-15	12510	11409	11959
02-Apr-15	12592	11484	12038
03-Apr-15	13102	11950	12526
06-Apr-15	13151	11995	12573
07-Apr-15	13227	12064	12646
08-Apr-15	13274	12106	12690
09-Apr-15	13306	12136	12721
10-Apr-15	12951	11812	12382
13-Apr-15	12709	11591	12150
14-Apr-15	12661	11548	12104
15-Apr-15	12386	11296	11841
16-Apr-15	12369	11281	11825
17-Apr-15	12236	11159	11697
20-Apr-15	12131	11064	11597
21-Apr-15	12039	10980	11510
22-Apr-15	11945	10894	11419
23-Apr-15	11924	10875	11400
24-Apr-15	11522	10509	11015
27-Apr-15	11136	10156	10646
28-Apr-15	11127	10148	10637
29-Apr-15	11120	10142	10631
30-Apr-15	11328	10332	10830
01-May-15	11274	9957	10615
04-May-15	11152	9850	10501
05-May-15	11478	10138	10808
06-May-15	11390	10060	10725
07-May-15	11323	10001	10662
08-May-15	10869	9600	10234
11-May-15	10346	9138	9742
12-May-15	10331	9125	9728
13-May-15	10219	9026	9622
14-May-15	10384	9171	9777
15-May-15	10020	8850	9435
18-May-15	9739	8602	9171
19-May-15	9608	8486	9047
20-May-15	9460	8356	8908
21-May-15	9523	8411	8967
22-May-15	9065	8006	8535
26-May-15	8618	7611	8114
27-May-15	8519	7524	8022
28-May-15	8738	7718	8228
29-May-15	10100	8921	9510

**NYC Cash Balance Monthly Detail**  
(\$ Millions)

	<u>Apr-15</u>	<u>May-15</u>	<u>Total</u>
<b>Opening Balance</b>	<b>12035.94</b>	<b>10829.92</b>	<b>12035.94</b>
Sales Tax	655.78	524.12	1179.90
Utility Tax	36.48	34.12	70.60
Commercial Rent Tax	17.59	9.91	27.50
Personal Income Tax	1354.12	555.90	1910.03
General Corporation Tax	117.96	62.52	180.47
Banking Tax	48.79	18.82	67.61
Unincorporated Business Tax	516.58	28.04	544.61
Real Property Tax	537.35	114.29	651.64
Other Taxes	247.45	213.76	461.21
Less Refunds All Taxes	-80.15	-80.15	-160.29
<b>Total Taxes</b>	<b>3451.96</b>	<b>1481.32</b>	<b>4933.28</b>
Federal Welfare	69.22	132.50	201.72
Federal Education	183.84	270.94	454.78
Federal Community Development	15.81	12.56	28.37
Federal Other	150.75	156.96	307.71
<b>Total Federal Aid</b>	<b>419.61</b>	<b>572.96</b>	<b>992.57</b>
NYS Welfare	65.99	104.10	170.09
NYS Health	17.88	19.80	37.68
NYS Education	277.52	1514.80	1792.31
NYS Higher Education	1.00	0.00	1.00
NYS Other	38.84	38.84	77.69
<b>Total New York State Aid</b>	<b>401.23</b>	<b>1677.53</b>	<b>2078.77</b>
NYS Revenue Sharing	0.00	0.00	0.00
Other Intergovernmental Aid	0.00	0.00	0.00
<b>Total Intergovernmental</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Water Board	0.00	0.00	0.00
Interest Income	1.90	2.66	4.56
Fines and Forfeitures	85.17	85.17	170.34
Miscellaneous Revenue	201.47	371.84	573.31
Senior College Tuition and Fees	0.16	0.16	0.32
Capital Interest	0.03	0.03	0.06
Housing Revenue	3.00	3.00	6.00
<b>Total Miscellaneous</b>	<b>291.72</b>	<b>462.86</b>	<b>754.58</b>
Prior Federal Aid	30.35	43.19	73.55
Prior NYS Aid	2.00	69.82	71.82
Total Federal And NYS Prior Aid	<b>32.35</b>	<b>113.01</b>	<b>145.37</b>
Balance Sheet Inflows	14.77	14.77	29.53
Federal/State Capital	49.00	75.00	124.00
Transfers from Capital Proceeds	282.00	650.00	932.00
Payroll Taxes Inflows	153.06	153.45	306.51
Seasonal Borrowing	0.00	0.00	0.00
Other Operating Inflow	445.66	445.66	891.32
<b>Total Other Inflows</b>	<b>944.48</b>	<b>1338.88</b>	<b>2283.36</b>
<b>Total Inflows</b>	<b>5541.36</b>	<b>5646.56</b>	<b>11187.93</b>

**NYC Cash Balance Monthly Detail**  
**(\$ Millions)**

	<u>Apr-15</u>	<u>May-15</u>	<u>Total</u>
Payroll	1349.78	1396.74	2746.51
Pensions	698.88	684.38	1383.26
Social Security	143.98	143.40	287.38
Health Plan	341.12	341.12	682.25
Other PS	86.09	89.64	175.73
<b>Total PS</b>	<b>2619.85</b>	<b>2655.28</b>	<b>5275.13</b>
PA	207.80	195.12	402.92
MA	411.36	481.95	893.31
Other DOSS	176.42	162.60	339.02
HHC	72.70	38.28	110.98
TA	0.00	0.00	0.00
HA	0.00	0.00	0.00
Lump Sum	206.52	206.52	413.05
Vendor Payments	1487.44	1182.96	2670.40
Other OTPS	0.00	0.00	0.00
<b>Total OTPS</b>	<b>2562.25</b>	<b>2267.44</b>	<b>4829.68</b>
City Capital	606.00	631.00	1237.00
Other Outflow Capital	80.00	288.00	368.00
GO Debt Service Funding	0.00	14.46	14.46
NYCTFA Debt Service Funding	0.00	185.23	185.23
Other Debt Service Funding	0.00	0.00	0.00
Repay Seasonal Borrowing	0.00	0.00	0.00
Payroll Taxes Outflow	710.57	707.89	1418.46
Other Outflows	168.72	216.97	385.69
<b>Total Other Outflows</b>	<b>1565.29</b>	<b>2043.54</b>	<b>3608.84</b>
<b>Total Outflows</b>	<b>6747.39</b>	<b>6966.26</b>	<b>13713.65</b>
<b>Net Flow</b>	<b>-1206.03</b>	<b>-1319.69</b>	<b>-2525.72</b>
<b>Ending Balance</b>	<b>10829.92</b>	<b>9510.22</b>	<b>9510.22</b>