NYC Projected Cash Balances ($ in Millions)
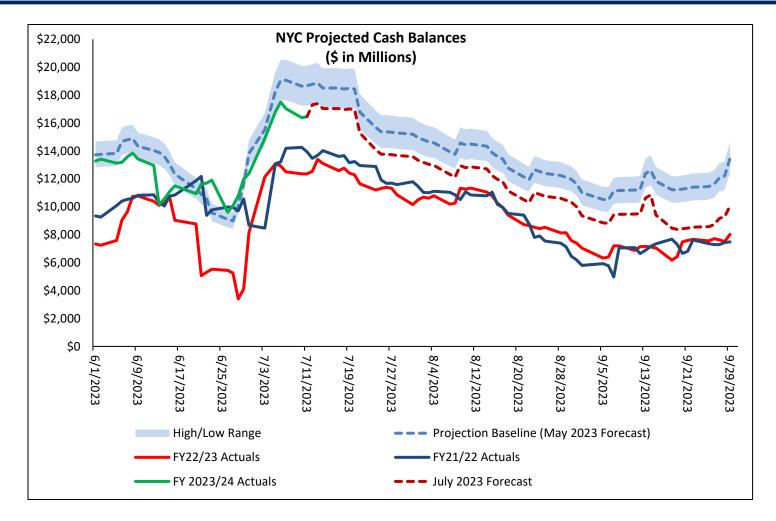
The June 2023 forecast preceded the Fiscal Year 2024 Adopted Budget Agreement which included several changes from the City's Executive Plan (released in March) that had implications for the year-end Cash Balance. The following chart updates the remaining projection with those changes as well as actual inflows and outflows through July 12th, with key differences from the original June forecast highlighted below:

1. The City started FY 2024 with $12.387 billion in cash. In June, we forecasted the City would begin FY 2024 with $13.825 billion in cash.

2. The Executive Budget projected a prepayment of debt service in the amount of $3.035 billion, which included $868.4 million of General Obligation (GO) debt service and $2.166 billion of Transitional Finance Authority Future Tax Secured (TFA FTS) debt service. In May, we assumed that the surplus of $1.7 billion projected by this Office in its review of the Executive Budget would bring the final prepayment to $4.7 billion. The actual debt

service prepayment at the end of FY23 (approved in the Adopted Budget) equaled $4.978 billion ($2.812 billion for GO debt service and $2.166 billion for TFA FTS debt service).

3. We adjusted GO debt service funding to account for actual GO debt service prepayment at the end of June.

4. The City also deposited extra $500 million into the RHBT above what is needed for FY 2023 retiree pay-as-you-go health benefits to prepay FY 2024 retiree health benefits.

5. After the publication of our June 1st report, the City reached labor agreements with the United Federation of Teachers and with the Uniformed Officers Coalition. We increased projected spending on payroll as a result of these new collective bargaining agreements.