



NEW YORK CITY COMPTROLLER
BRAD LANDER

Bureau of Budget

Q2 FY2023

October - December 2022

Quarterly Cash Report

March 2023

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Summary

The City began FY 2023 (FY23) with \$8.159 billion in cash-on-hand, versus \$8.469 billion at the same time last year. During the first half of fiscal year 2023 (1H23), the City's cash balances averaged \$8.126 billion, compared to \$7.274 billion at the same time last year. During 1H23, receipts totaled \$57.402 billion, while expenditures totaled \$57.276 billion. Both receipts and expenditures were the highest first half amounts on record. Fiscal year to date, total receipts rose 4.6%, while expenditures increased 0.8%. Total tax receipts measured almost \$34 billion, up 6.4% compared to the same period last year. Strong revenue growth in 1H23 indicates that NYC's economy continued to do well, in spite of higher interest rates, and it continues to recover from the effects of the Covid-19 pandemic. See a further discussion of the City's economic and fiscal position in the [Annual State of the City's Economy and Finances](#). The City's tax revenues were up due to strong personal income and sales tax collections, solid business tax receipts, and from the growth in the hospitality and tourism sectors. The growth in expenditures is mostly attributed to the higher spending on public assistance and other social services, vendor payments, and capital projects. By the end of 1H23, the cash balance stood at \$8.285 billion, compared to \$6.513 billion in 1H22, \$7.724 billion in 1H21 and \$5.122 billion in 1H20. This year's cash balance includes \$1.954 billion in the Revenue Stabilization Fund (RSF), the City's rainy-day fund. The majority of funds, \$1.455 billion, were allocated to the RSF in fiscal year 2022. See a further discussion of the City's long-term reserves in the [Preparing for the Next Fiscal Storm](#) and in the [November economic newsletter](#).

Notes

In this report, tax receipts, with the exception of personal income tax, are gross of refunds. Real property tax and personal income tax are gross of debt service funding.

Note that totals may not equal the sum of components due to rounding.

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Cash Balances

October 2022 - December 2022 (2Q23)

Chart 1. Daily Cash Balances in the NYC Central Treasury, 2Q22 & 2Q23

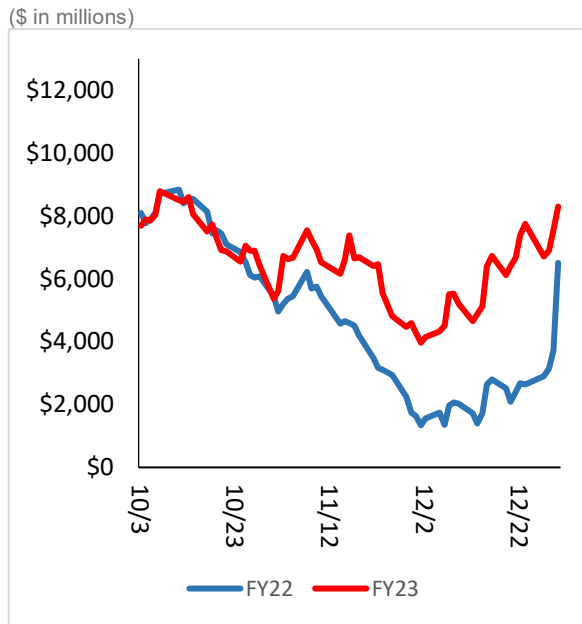
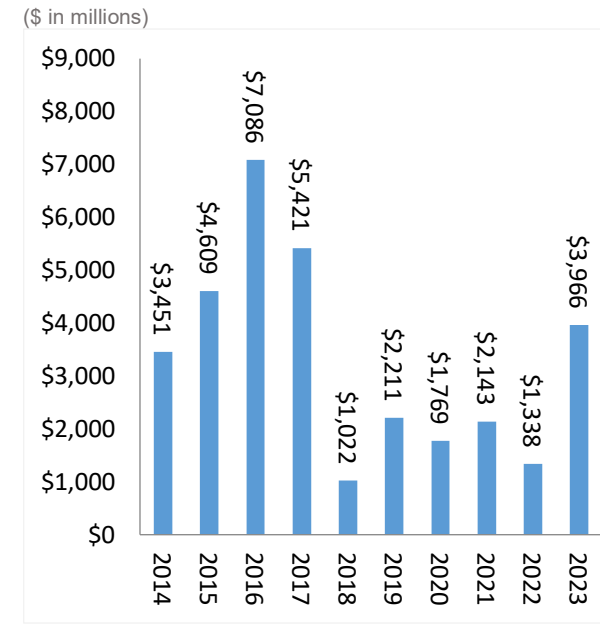


Chart 2. NYC Cash Balance Lows, FY14 – FY23



At the end of 2Q23, the City recorded an unrestricted cash balance of \$8.285 billion. Typically, the lowest daily cash balance of a fiscal year occurs during the second quarter. This year's seasonal low measured \$3.966 billion, versus \$1.338 billion in 2Q22, \$2.143 billion in 2Q21 and \$1.769 billion in 2Q20.

Table 1. Cash Position in the NYC Central Treasury, 2Q, FY14 – FY23

(\$ in millions)	2Q14	2Q15	2Q16	2Q17	2Q18	2Q19	2Q20	2Q21	2Q22	2Q23
Opening Balance ^a	\$5,773	\$9,011	\$9,491	\$10,418	\$6,893	\$8,322	\$6,071	\$7,282	\$8,802	\$8,026
Total Receipts	22,301	20,423	24,666	22,237	23,686	25,127	26,415	25,507	25,894	27,522
Total Expenditures ^b	19,537	20,235	22,553	22,306	23,652	26,113	27,365	25,065	28,183	27,265
Closing Balance	\$8,537	\$9,199	\$11,604	\$10,349	\$6,926	\$7,335	\$5,122	\$7,724	\$6,513	\$8,285
Avg. Daily Balance	\$5,206	\$6,766	\$8,831	\$8,234	\$4,164	\$5,122	\$4,033	\$5,092	\$4,676	\$6,522

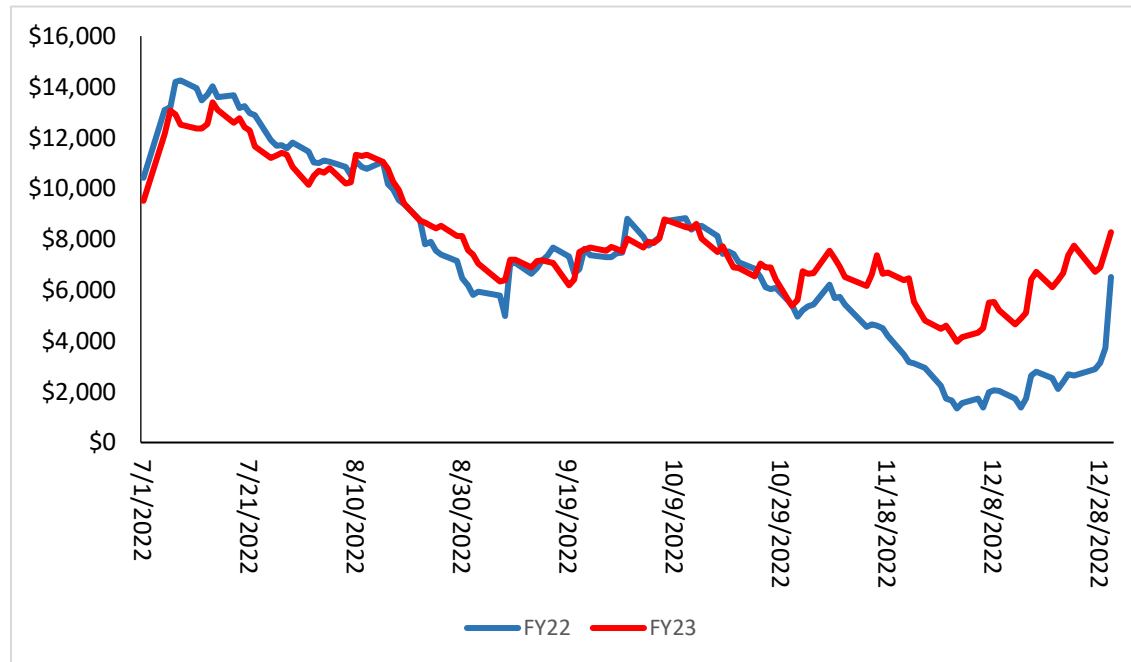
a. Opening balances are before City audits.

b. Total expenditures include capital expenditures.

July 2022 - December 2022 (1H23)

Chart 3. Cash Position in the NYC Central Treasury, 1H22 & 1H23

(\$ in millions)



Both receipts and expenditures were higher in 1H23, compared to 1H22.

The 1H23 daily cash balance averaged \$8.126 billion, compared to \$7.274 billion during the same period last year. For the nineteenth consecutive year, the City maintained sufficient operating cash without issuing short-term notes.

Table 2. Cash Position in the NYC Central Treasury, 1H, FY14 – FY23

(\$ in millions)	1H14	1H15	1H16	1H17	1H18	1H19	1H20	1H21	1H22	1H23
Opening Balance ^a	\$7,944	\$9,858	\$9,502	\$11,719	\$9,341	\$9,394	\$7,110	\$6,627	\$8,469	\$8,159
Total Receipts	41,662	40,326	47,672	44,285	45,199	49,583	52,196	51,993	54,852	57,402
Total Expenditures ^b	41,068	40,985	45,570	45,655	47,614	51,641	54,185	50,895	56,808	57,276
Closing Balance	\$8,537	\$9,199	\$11,604	\$10,349	\$6,926	\$7,335	\$5,122	\$7,724	\$6,513	\$8,285
Avg. Daily Balance	\$6,256	\$8,126	\$9,448	\$9,332	\$6,561	\$7,058	\$5,632	\$7,058	\$7,274	\$8,126

a. Opening balances are before City audits.

b. Total expenditures include capital expenditures.

Cash Receipts

October 2022 - December 2022 (2Q23)

Receipts at a Glance

Table 3. Cash Receipts by Category, 2Q, FY14 – FY23

(\$ in millions)	2Q14	2Q15	2Q16	2Q17	2Q18	2Q19	2Q20	2Q21	2Q22	2Q23
Real Property Tax	\$5,377	\$5,861	\$6,497	\$6,611	\$7,305	\$7,652	\$7,335	\$8,661	\$7,103	\$6,287
Other Taxes	6,222	7,000	7,498	7,427	8,118	8,027	8,295	7,164	8,574	9,981
<i>Total taxes</i>	<i>11,599</i>	<i>12,861</i>	<i>13,995</i>	<i>14,038</i>	<i>15,423</i>	<i>15,679</i>	<i>15,630</i>	<i>15,825</i>	<i>15,677</i>	<i>16,268</i>
Federal and State Aid	4,232	3,836	4,359	4,091	3,422	3,942	5,146	3,668	5,391	5,563
Debt Service Funding	(134)	(1,054)	658	(305)	(334)	(327)	(273)	(320)	0	(91)
Miscellaneous	1,902	1,778	1,843	1,418	1,604	2,132	2,070	1,779	2,156	1,750
Intergovernmental Aid	0	0	4	57	0	0	0	0	0	0
Other	4,702	3,002	3,807	2,938	3,571	3,701	3,842	4,555	2,670	4,032
Total	\$22,301	\$20,423	\$24,666	\$22,237	\$23,686	\$25,127	\$26,415	\$25,507	\$25,894	\$27,522
Total, Net of Reimbursement for CapEx	\$19,679	\$19,085	\$22,756	\$20,708	\$21,501	\$23,116	\$24,557	\$22,564	\$24,871	\$24,862

Total cash receipts in 2Q23 rose 6.3% versus a year ago. Total tax revenue increased \$591 million, or 3.8%, mostly due to strong personal income and sales tax receipts. Total Federal and State aid rose 3.2%. This quarter's federal aid amount includes \$534.8 million in Covid-19 FEMA reimbursement money from the Department of Homeland Security. Miscellaneous (non-tax) revenues declined 18.8% due to the timing of NYC Health and Hospital's payment to the City for emergency medical services, and water and sewer charges falling \$353.4 million.

Taxes¹

Table 4. Tax Receipts, 2Q22 & 2Q23

(\$ in millions)	2Q22	2Q23	% Change 2Q23/2Q22
Real Property Tax	\$7,103	\$6,287	(11.5)%
Personal Income Tax	2,940	3,938	33.9
Sales Tax	2,366	2,647	11.9
General Corporation Tax	1,587	1,642	3.5
Mortgage and Real Property Transfer Taxes	688	583	(15.3)
Unincorporated Business Tax	426	430	0.9
Commercial Rent Tax	230	231	0.4
Hotel Occupancy Tax	101	194	92.1
PILOTs	30	146	386.7
All Other Taxes	206	170	(17.5)
Total Taxes	\$15,677	\$16,268	3.8%

¹ In this report, tax receipts, with the exception of personal income tax, are gross of refunds. Real property tax and personal income tax are gross of debt service funding.

The City collected \$16.3 billion in tax revenues in 2Q23, \$591 million more than in 2Q22. The largest revenue source, the real property tax, was down 11.5%, due to the timing of receipts. Some of the property tax payments due on January 1st were counted in the January total instead of December, and will appear in the 3Q23 report. The personal income tax grew almost \$1 billion, or 33.9%. Sales tax grew \$281 million, or 11.9%. Pilots ballooned, as a result of a \$100 million payment to the City from Hudson Yards Infrastructure Corporation on November 15, 2022. General corporation tax grew 3.5%, while unincorporated business tax increased 0.9%. Mortgage and Real Property Transfer taxes fell 15.3%, suggesting that the housing market has slowed as interest rates continue to climb higher. Overall, tax revenue accounted for 59.1% of total cash receipts in 2Q23.

Selected Cash Receipts

Table 5. Selected Cash Receipts, 2Q, FY19 – FY23

(\$ in millions)	2Q19	2Q20	2Q21	2Q22	2Q23
Real Property Tax	\$7,652	\$7,335	\$8,661	\$7,103	\$6,287
Personal Income Tax	2,848	2,964	2,964	2,940	3,938
Sales Tax	2,238	2,386	1,691	2,366	2,647
NYS Education Aid	2,054	2,363	1,787	2,309	2,276
General Corporation Tax	1,276	1,425	1,296	1,587	1,642
Federal Welfare Aid	886	1,423	407	473	694
Mortgage and Real Property Transfer Taxes	613	607	401	688	583
NYS Higher Education Aid	60	0	126	158	475
Unincorporated Business Tax	419	271	331	426	430
Water and Sewer Fees	615	712	590	737	384
Fines and Forfeitures	307	345	277	330	370
NYS Welfare Aid	203	604	299	730	337
Federal Education Aid	106	187	53	662	304
Senior College Fees	315	272	297	260	282
Commercial Rent Tax	235	225	217	230	231
NYS Health	50	69	114	188	210

Federal and State Aid

Chart 4. Federal & State Aid to NYC, 2Q, FY19 – FY23

(\$ in billions)

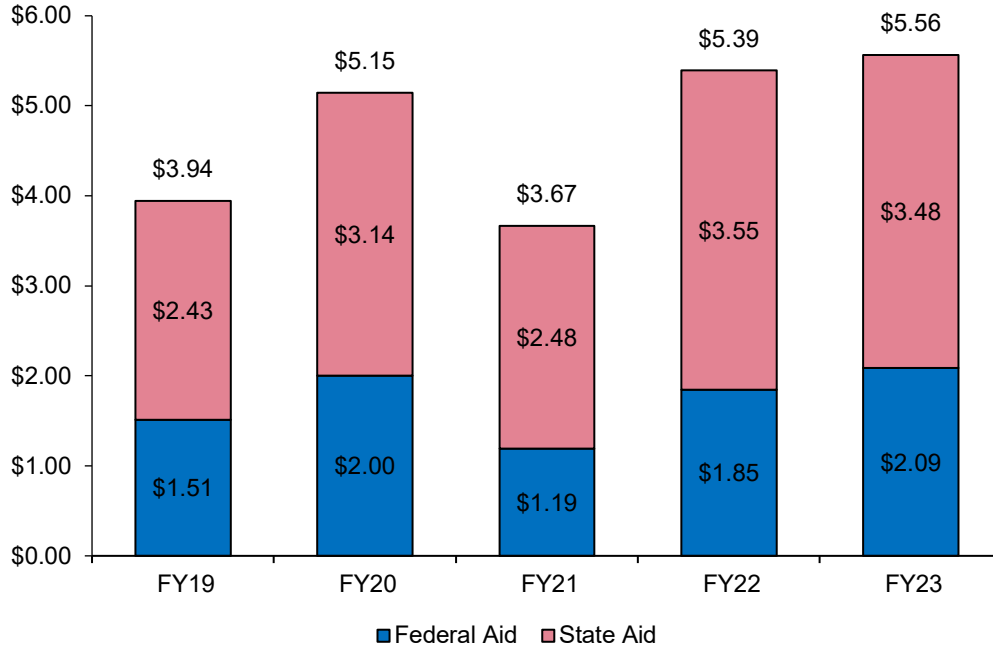


Chart 5. Federal & State Aid as % of Total Cash Receipts, 2Q, FY19 – FY23

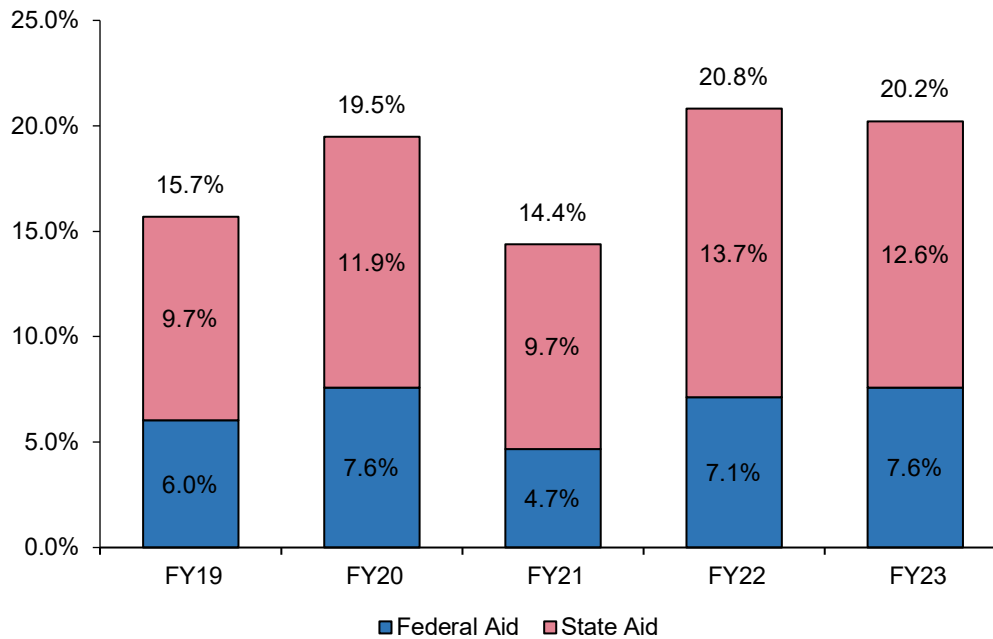


Chart 6. Components of State Aid, 2Q, FY19 – FY23

(\$ in billions)

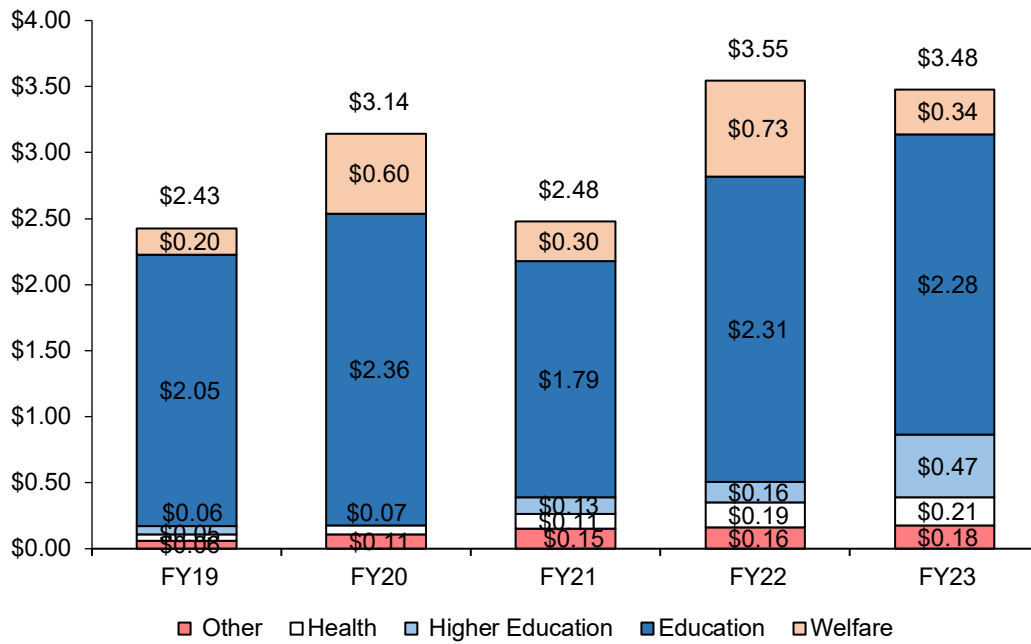
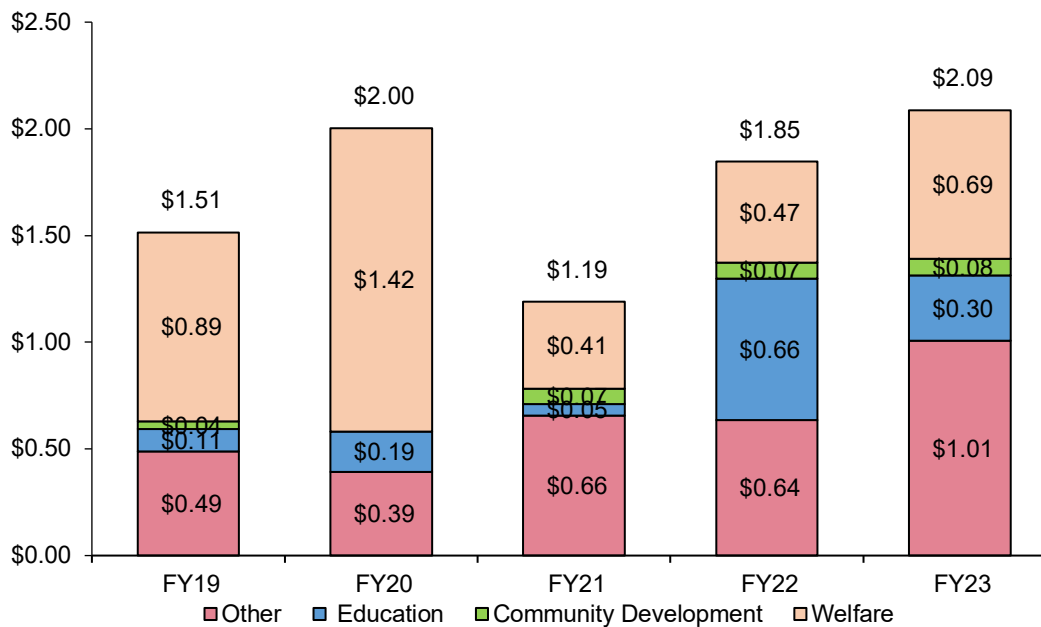


Chart 7. Components of Federal Aid, 2Q, FY19 – FY23

(\$ in billions)



July 2022 - December 2022 (1H23)

Receipts at a Glance

Table 6. Cash Receipts by Category, 1H, FY14 – FY23

(\$ in millions)	1H14	1H15	1H16	1H17	1H18	1H19	1H20	1H21	1H22	1H23
Real Property Tax	\$10,950	\$11,273	\$12,084	\$12,561	\$12,705	\$14,052	\$14,991	\$18,525	\$15,387	\$15,276
Other Taxes	12,272	13,595	14,363	14,123	14,944	14,893	15,979	15,723	16,523	18,692
Total taxes	23,222	24,868	26,447	26,684	27,649	28,945	30,970	34,248	31,910	33,968
Federal and State Aid	8,183	8,469	8,615	7,774	6,781	9,869	9,467	8,709	11,863	11,056
Debt Service Funding	(1,025)	(2,737)	1,128	(943)	(1,239)	(813)	(1,092)	(1,543)	0	(91)
Miscellaneous	3,395	3,327	3,870	3,220	3,620	4,336	4,129	3,874	4,024	4,095
Intergovernmental Aid	0	0	4	59	0	0	0	0	0	0
Other	7,887	6,400	7,608	7,491	8,388	7,246	8,722	6,705	7,055	8,373
Total	\$41,662	\$40,327	\$47,672	\$44,285	\$45,199	\$49,583	\$52,196	\$51,993	\$54,852	\$57,402
Total, Net of Reimbursement for CapEx	\$37,339	\$37,343	\$43,837	\$39,925	\$40,102	\$45,546	\$46,988	\$48,214	\$51,058	\$51,927

Total cash receipts for 1H23 were up 4.6% versus a year ago. The cash receipts include the retention of real property and personal income tax revenues for GO and TFA FTS debt service payments. Debt service funding is counted as a negative inflow (rather than a positive expense). In 1H22, the City did not retain any money for GO and TFA FTS expenditures. In comparison, in 1H23, debt service funding decreased total cash revenues by \$91 million. Removing the effect of capital transfers, receipts increased only 1.7%. In 1H23, capital transfers equaled \$5.5 billion, versus \$3.8 billion in 1H22.

Taxes²

Table 7. Major Tax Receipts, 1H22 & 1H23

(\$ in millions)	1H22	1H23	% Change 1H23/1H22
Real Property Tax	\$15,387	\$15,276	(0.7)%
Personal Income Tax	5,884	6,938	17.9
Sales Tax	4,049	4,629	14.3
General Corporation Tax	3,074	3,162	2.9
Mortgage and Real Property Transfer Taxes	1,466	1,448	(1.2)
Unincorporated Business Tax	959	1,027	7.1
Commercial Rent Tax	476	480	0.8
Hotel Occupancy Tax	116	353	204.3
PILOTs	101	309	205.9
Utility Taxes	178	205	15.2
All Other Taxes	220	141	(35.9)
Total Taxes	\$31,910	\$33,968	6.4%

Tax receipts in 1H23 rose 6.4% from a year ago. The real property tax was little changed compared to last year, due to the timing of payments. The tentative assessment roll for FY23 showed the total market

² In this report, tax receipts, with the exception of personal income tax, are gross of refunds. Real property tax and personal income tax are gross of debt service funding.

value of all New York City properties at \$1.398 trillion, an 8.2 percent increase from FY22. Real estate collections for the entire FY23 are expected to exceed last year's collections.

Personal income tax grew 17.9%, from \$5.9 billion in 1H22 to \$6.9 billion in 1H23, indicating continuing employment growth and rising wages in NYC. Sales tax was up 14.3% and reached \$4.6 billion in 1H23, as consumers continued to spend more despite inflation concerns. Cumulative receipts from business taxes (general corporation and unincorporated business taxes) increased 3.9%. Hotel occupancy tax more than tripled, as tourism continues to rebound in the Big Apple after the Covid-19 pandemic.

Selected Cash Receipts

Table 8. Selected Cash Receipts, 1H19 - 1H23

(\$ in millions)	1H19	1H20	1H21	1H22	1H23
Real Property Tax	\$14,052	\$14,991	\$18,525	\$15,387	\$15,276
Personal Income Tax	5,439	5,821	7,158	5,884	6,938
Sales Tax	3,821	4,085	3,164	4,049	4,629
NYS Education Aid	3,952	4,161	3,711	4,139	4,268
General Corporation Tax	2,246	2,772	2,716	3,074	3,162
Water and Sewer Fees	1,429	1,509	1,632	1,633	1,686
Mortgage and Real Property Transfer Taxes	1,284	1,263	754	1,466	1,448
Federal Welfare Aid	2,309	1,811	1,039	1,644	1,410
Unincorporated Business Tax	826	729	884	959	1,027
NYS Welfare Aid	524	823	1,266	1,436	1,016
Fines and Forfeitures	587	661	510	647	791
Federal Education Aid	638	577	302	1,305	702
Commercial Rent Tax	486	519	460	476	480
NYS Higher Education Aid	916	925	174	1,097	477
Hotel Occupancy Tax	341	343	52	116	353
NYS Health	165	135	422	291	340
PILOTs	85	58	103	101	309
Senior College Fees	335	272	297	260	282

Federal and State Aid

Chart 8. Federal & State Aid to NYC, 1H, FY19 – FY23

(\$ in billions)

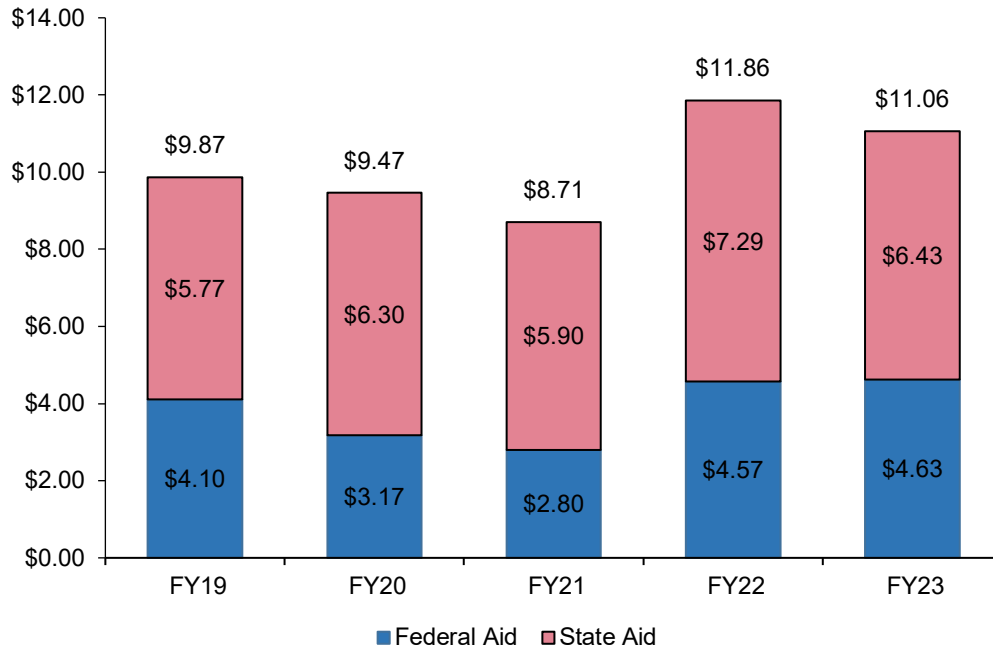


Chart 9. Federal & State Aid as % of Total Cash Receipts, 1H, FY19 – FY23

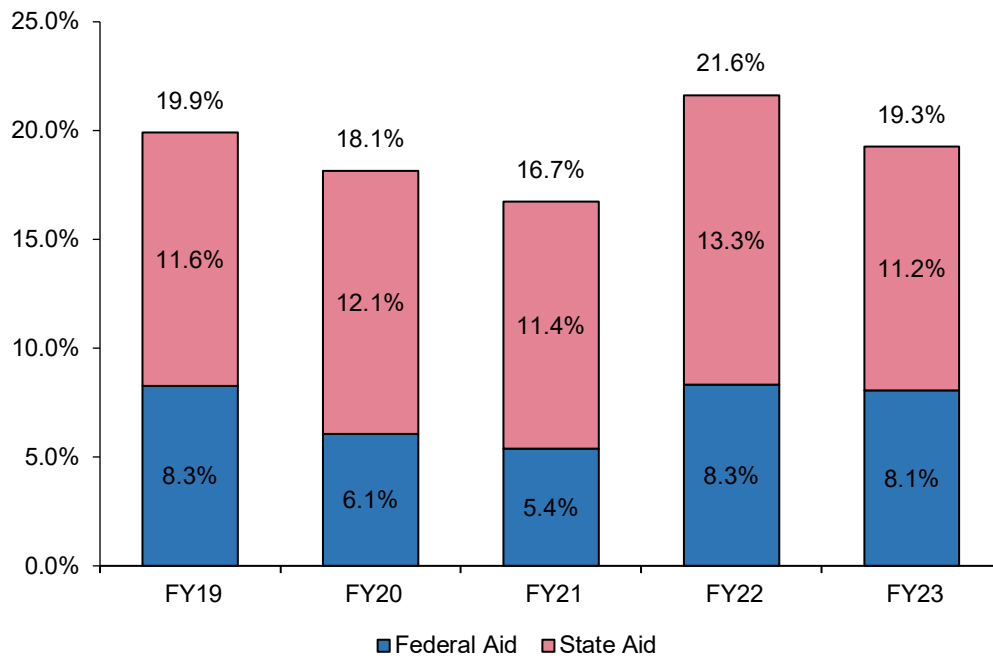


Chart 10. Components of State Aid, 1H, FY19 – FY23

(\$ in billions)

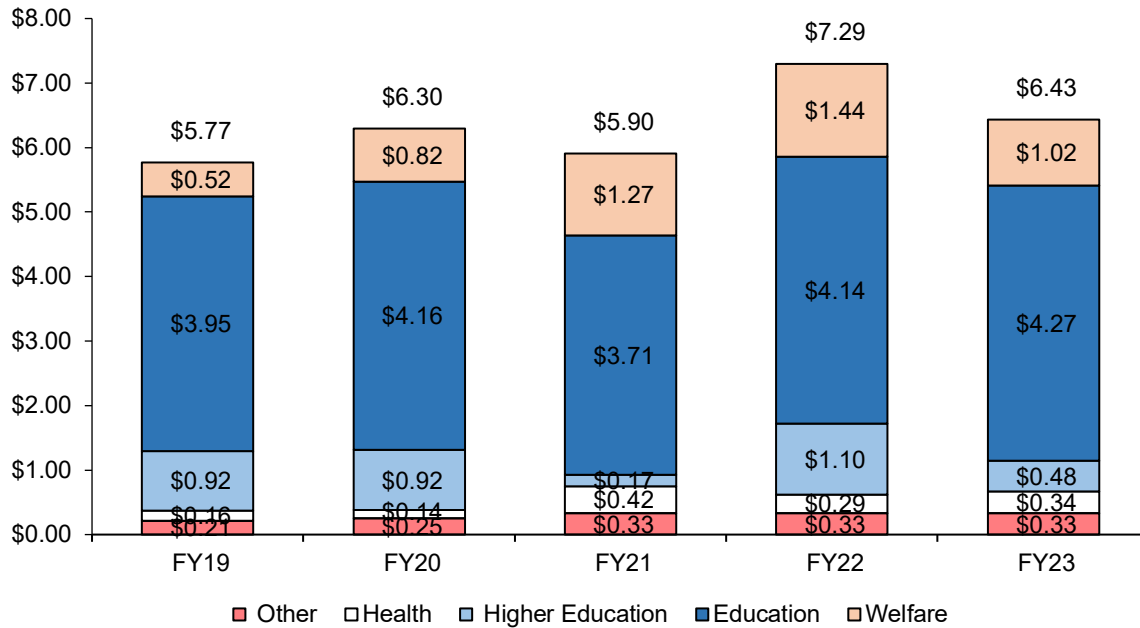
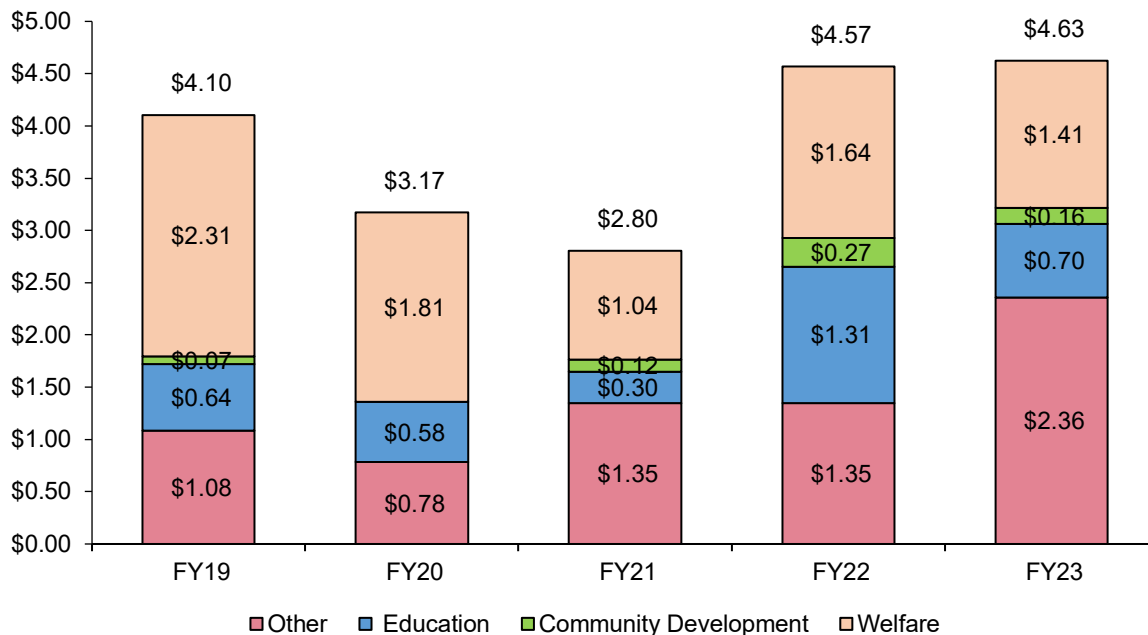


Chart 11. Components of Federal Aid, 1H, FY19 – FY23

(\$ in billions)



The combined 1H23 total of Federal and State aid decreased 6.7% compared to the same period last year. NYS higher education aid fell the most (\$620 million), followed by Federal education aid (\$603 million) and NYS welfare aid (\$420 million). Last year's figures were high by the historical standards.

Cash Expenditures (Including Capital)

October 2022 - December 2022 (2Q23)

Cash Expenditures at a Glance

Table 9. PS & OTPS, 2Q, FY14 – FY23

(\$ in millions)	2Q14	2Q15	2Q16	2Q17	2Q18	2Q19	2Q20	2Q21	2Q22	2Q23
Gross Payroll	\$5,961	\$6,333	\$7,284	\$6,955	\$7,777	\$8,638	\$8,736	\$8,297	\$8,492	\$7,845
Fringe and Other	3,573	3,715	3,897	4,190	4,488	4,700	4,811	4,266	5,015	4,596
Total PS	\$9,534	\$10,048	\$11,181	\$11,145	\$12,265	\$13,338	\$13,547	\$12,563	\$13,507	\$12,441
% of 2Q Total Exp	49%	50%	50%	50%	52%	51%	50%	50%	48%	46%
# of Bi-weekly Payrolls	6	6	7	7	7	7	7	7	7	6
Public Assistance and Other Social Services	\$1,213	\$1,283	\$1,317	\$1,453	\$1,425	\$1,748	\$1,645	\$1,756	\$1,827	\$2,084
Medical Assistance	1,386	1,524	1,431	1,266	1,536	1,271	1,349	1,307	1,170	1,124
Vendor and Other	4,244	4,530	4,782	5,022	5,819	5,920	6,009	5,584	7,406	7,488
Total OTPS	\$6,843	\$7,337	\$7,530	\$7,741	\$8,780	\$8,939	\$9,003	\$8,647	\$10,403	\$10,696
% of 2Q Total Exp	35%	36%	33%	35%	37%	34%	33%	35%	37%	39%
All Other	\$3,160	\$2,850	\$3,842	\$3,420	\$2,607	\$3,836	\$4,815	\$3,855	\$4,273	\$4,127
% of 2Q Total Exp	16%	14%	17%	15%	11%	15%	17%	15%	15%	15%
Total Expenditures	\$19,537	\$20,235	\$22,553	\$22,306	\$23,652	\$26,113	\$27,365	\$25,065	\$28,183	\$27,264
Total Expenditures, Net of CapEx	\$17,632	\$18,684	\$20,648	\$20,588	\$21,853	\$23,590	\$24,407	\$23,144	\$26,090	\$24,964

Cash expenditures, including capital, totaled \$27.264 billion in 2Q23, averaging \$447 million daily. During the same period last year, cash expenditures totaled \$28.183 billion and averaged \$462 million. Gross payroll and fringe benefits, including pension contributions, social security, health plan, and supplemental (union-related) welfare benefits, were 7.9% lower than at the same time last year, due to one less pay period during 2Q23.

Other than personal service expenditures (OTPS) increased 2.8%, mostly due to higher spending on public assistance and on other social services.

Outlays in the “All Other” category decreased 3.4%, as a result of a negative Fund 700 adjustment.

“All Other” Spending

Table 10. Major Components of “All Other” Spending, 2Q22 & 2Q23

(\$ in millions)	2Q22	2Q23	Difference
Transit Authority	\$15	\$0	(\$15)
Housing Authority	28	25	(3)
Lump Sum Payments	838	910	72
NYC H+H	462	616	154
Refunds	366	397	31
City-Funded Capital	1,899	2,134	235
Non-City-Funded Capital	193	166	(27)
Fund 600 and 700 Adjustment	470	(78)	(548)

Certain bookkeeping procedures within the City’s financial management system serve as a mechanism through which City agencies give notice of upcoming expenditures or of funds held in trust on behalf of non-City entities. Such entries are collectively captured in the Fund 600 and 700 adjustment and are deducted from our calculation of the unrestricted cash balance. As the City’s business proceeds throughout the year, the Fund 600 and 700 adjustment may be reflected as a positive expense (more cash excluded from the unrestricted balance) or as a negative expense (as previously disclosed Fund 600 and 700 obligations are satisfied). In 2Q23, the Fund 600 and 700 adjustment was reflected as a negative expense, and it increased the unrestricted cash balance by \$78 million. In 2Q22, the Fund 600 and 700 adjustment was reflected as a positive expense, and it reduced the unrestricted cash balance by \$470 million.

July 2022 - December 2022 (1H23)

Cash Expenditures at a Glance

Table 11. PS & OTPS, 1H, FY14 – FY23

(\$ in millions)	1H14	1H15	1H16	1H17	1H18	1H19	1H20	1H21	1H22	1H23
Gross Payroll	\$12,095	\$12,758	\$14,320	\$14,061	\$14,934	\$15,961	\$16,308	\$15,781	\$16,663	\$16,059
Fringe and Other	7,233	7,611	7,853	8,469	8,695	9,061	9,476	8,503	9,892	9,173
Total PS	\$19,328	\$20,369	\$22,173	\$22,530	\$23,629	\$25,022	\$25,784	\$24,284	\$26,555	\$25,232
% of Total Exp	47%	50%	48%	49%	50%	48%	48%	48%	47%	44%
Public Assistance and Other Social Services	\$2,505	\$2,557	\$2,686	\$2,921	\$3,088	\$3,623	\$3,739	\$3,851	\$3,886	\$4,395
Medical Assistance	2,763	2,877	2,883	2,634	2,723	2,794	2,803	2,706	2,739	2,372
Vendor and Other	8,769	9,566	9,910	10,729	11,202	12,246	12,968	12,466	15,097	16,502
Total OTPS	\$14,037	\$15,000	\$15,479	\$16,284	\$17,013	\$18,663	\$19,510	\$19,023	\$21,722	\$23,269
% of Total Exp	34%	36%	35%	36%	36%	36%	36%	37%	38%	41%
All Other	\$7,703	\$5,616	\$7,918	\$6,841	\$6,972	\$7,957	\$8,891	\$7,588	\$8,531	\$8,775
% of Total Exp	19%	14%	17%	15%	14%	15%	16%	15%	15%	15%
Total Expenditures	\$41,068	\$40,985	\$45,570	\$45,655	\$47,614	\$51,642	\$54,185	\$50,895	\$56,808	\$57,276
Total Expenditures, Net of CapEx	\$36,790	\$37,414	\$41,594	\$41,643	\$43,468	\$46,684	\$48,565	\$47,070	\$52,408	\$52,031

Cash expenditures in 1H23 increased 0.8% compared to the same period last year. Personal service expenditures decreased 5%, to \$25.2 billion, after increasing 9.4% last year. During the height of the coronavirus pandemic, the City made agreements with the United Federation of Teachers, District Council 37, and other smaller unions to defer certain payments until FY22. As a result, last year’s gross payroll included over \$725 million in deferred funds owed to the unions. Also, lower headcount is contributing to

lower personal service expenditures this fiscal year. As of November 2023, the City employed 280,776 people, versus 283,809 a year ago.

OTPS expenditures rose 7.1%, to \$23.3 billion, with public assistance and other social services rising 13.1% and vendor and other spending increasing 9.3%. Public assistance and other social services mostly consists of cash and housing assistance, homeless shelter and services, foster care, and early learning programs for children from low-income families. Caseloads for cash assistance increased after the expiration of the COVID-related unemployment insurance extensions, leading to large increases in 1H23 compared to 1H22. The City also spent more on CityFHEPS, a rental assistance voucher to help individuals and families in homeless shelters and at risk of homelessness, and on homeless shelters. The shelter population in part grew due to the influx of more than 46,000 asylum seekers in NYC, of whom more than half are residing in City shelters or emergency humanitarian shelters.

Some of the variables that drove the increase in vendor and other spending include higher payments on early education and on students with special needs, including Carter cases, and increased payments to delegate agencies that contract with outside non-for-profit organizations to deliver a wide variety of services, from summer youth employment program to older adult centers to criminal justice projects. The City also spent over \$418 million on NYC school support services (NYCSSS), which provides janitorial, handyperson and fire person resources to NYC schools. In addition, the City spent \$71 million on the Medallion Relief Program (MRP) and on Loan Guaranty Program (MRP+) that provide debt relief for overburdened medallion owners. MRP was created in March 2021 and MRP+ was launched in September 2022.

Outlays considered “All Other” were up 2.9%, as a result of higher spending on City-funded capital projects.

“All Other” Spending

Table 12. Major Components of “All Other” Spending, 1H22 & 1H23

(\$ in millions)	1H22	1H23	Difference
Transit Authority	\$275	\$312	\$37
Housing Authority	44	80	36
Lump Sum Payments	1,661	1,758	97
NYC H+H	1,229	983	(246)
Refunds	731	685	(46)
City-Funded Capital	4,029	4,840	811
Non-City-Funded Capital	371	405	34
Fund 600 and 700 Adjustment	192	(325)	(517)

Capital Expenditures

City-funded capital expenditures are primarily financed from the proceeds of General Obligation (GO), New York City Transitional Finance Authority (TFA), and New York City Municipal Water Finance Authority (NY Water) debt. Non-City funded capital expenditures for education are financed by TFA Building Aid bonds. Capital expenditures are initially paid from the New York City Central Treasury and then reimbursed from various capital accounts and State sources.

October 2022 - December 2022 (2Q23)

Chart 12. Total Capital Expenditures 2Q, FY14 – FY23

(\$ in millions)

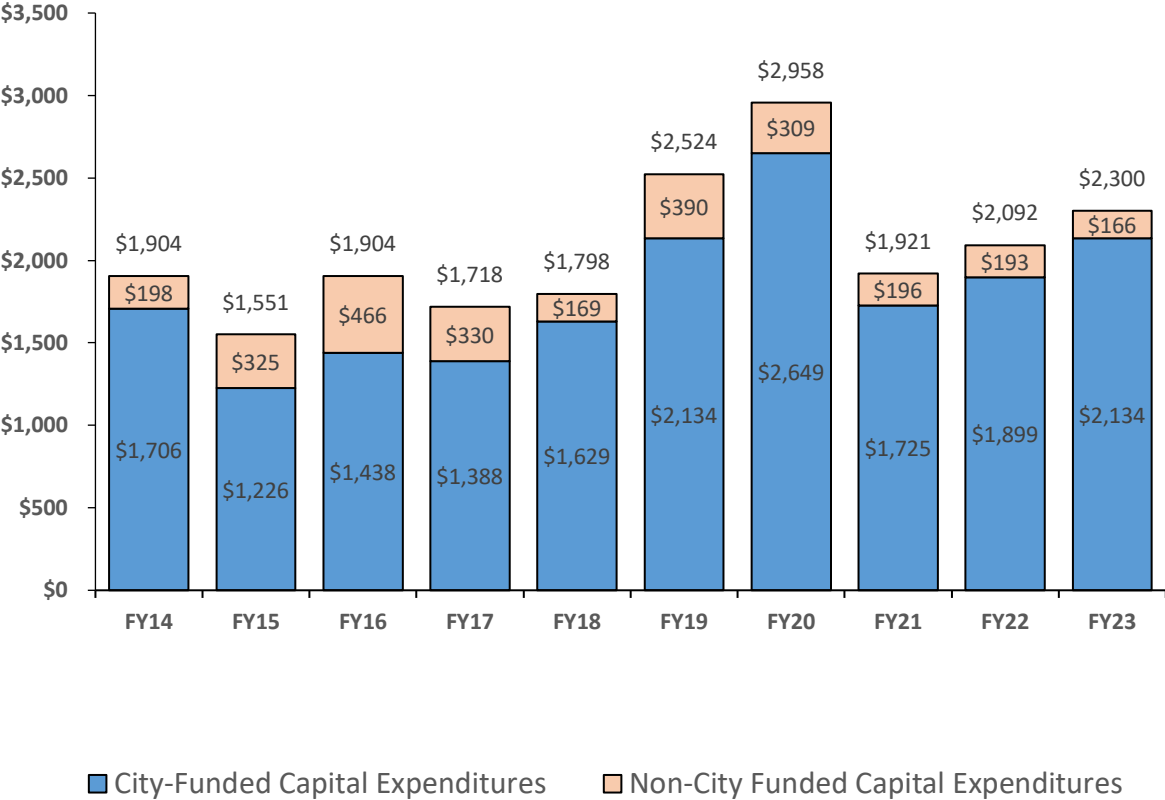
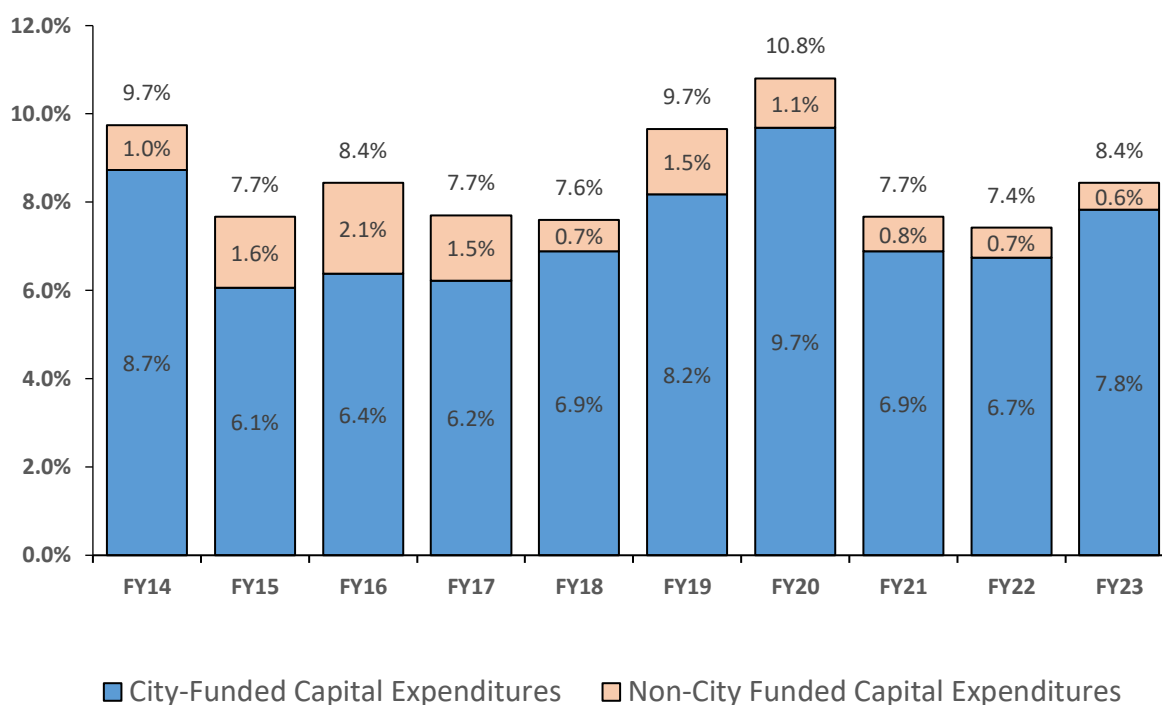


Chart 13. Total Capital Expenditures as % of Total Expenditures, 2Q, FY14 – FY23



Capital expenditures totaled \$2.300 billion in 2Q23, up 9.9% from \$2.092 billion in 2Q22. City-funded capital expenditures increased 12.4% while non-City-funded capital expenditures declined 14%.

Reimbursements to the New York City Central Treasury for Capital Expenditures

Table 13. Reimbursements to the NYC Central Treasury for Capital Expenditures, 2Q, FY14 – FY23

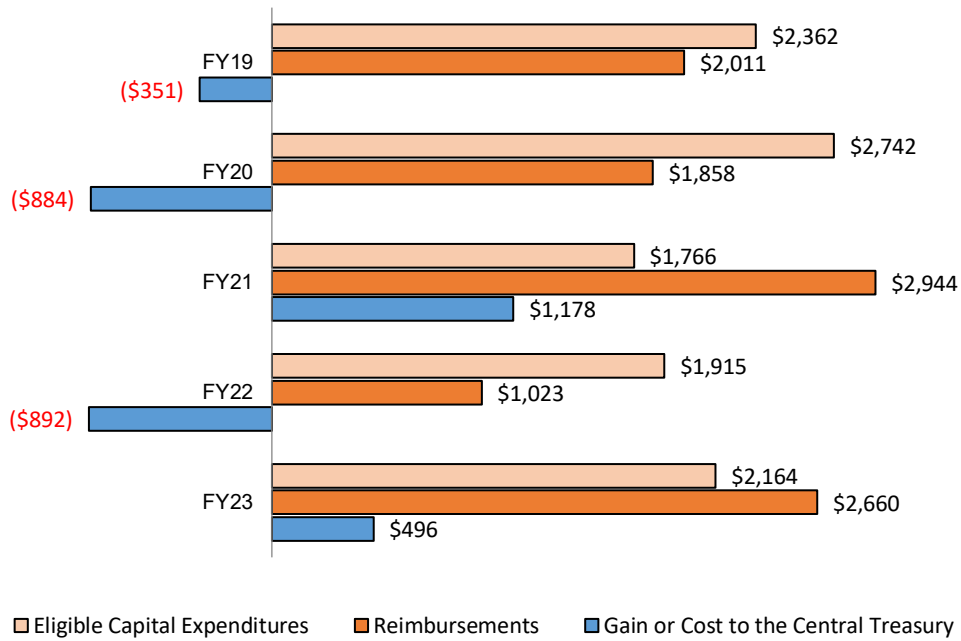
(\$ in millions)	2Q14	2Q15	2Q16	2Q17	2Q18	2Q19	2Q20	2Q21	2Q22	2Q23	Total
GO	\$901	\$24	\$47	\$244	\$998	\$0	\$589	\$823	\$0	\$1,333	\$4,959
NY Water	397	315	334	409	432	438	477	470	393	410	4,075
TFA	1,324	999	1,529	875	755	1,573	505	1,493	630	917	10,600
Subtotal	\$2,622	\$1,338	\$1,910	\$1,528	\$2,185	\$2,011	\$1,571	\$2,786	\$1,023	\$2,660	\$19,634
TFA Building Aid	0	0	0	0	0	0	287	158	0	0	445
Total	\$2,622	\$1,338	\$1,910	\$1,528	\$2,185	\$2,011	\$1,858	\$2,944	\$1,023	\$2,660	\$20,079
2Q Reimbursable Capital Expenditures	\$1,706	\$1,392	\$1,691	\$1,495	\$1,685	\$2,362	\$2,742	\$1,766	\$1,915	\$2,164	\$18,918
2Q Reimbursements Less 2Q Reimbursable Capital Expenditures	\$916	(\$54)	\$219	\$33	\$500	(\$351)	(\$884)	\$1,178	(\$892)	\$496	\$1,161
2Q Reimbursements as a % of 2Q Reimbursable Capital Expenditures	153.7%	96.1%	113.0%	102.2%	129.7%	85.1%	67.8%	166.7%	53.4%	122.9%	106.1%
2Q Reimbursements as a % of 2Q Total Receipts	11.8%	6.6%	7.7%	6.9%	9.2%	8.0%	7.0%	11.5%	4.0%	9.7%	8.2%

Reimbursements to the Central Treasury for capital expenditures exceeded reimbursable expenditures during 2Q23. Capital expenditures is initially paid from the City Treasury and then reimbursed from bond proceeds as appropriate. Over the long term, capital expenditures and reimbursements should balance.

However, from quarter to quarter, the lag between an expenditure and the offsetting reimbursement can result in a gain or loss to the Central Treasury. In 2Q23, this dynamic resulted in a gain of \$496 million.

Chart 14. Bond-Funded Reimbursements for Eligible Capital Expenditures, 2Q, FY19 – FY23

(\$ in millions)



July 2022 - December 2022 (1H23)

Chart 15. Total Capital Expenditures, 1H, FY14 – FY23

(\$ in millions)

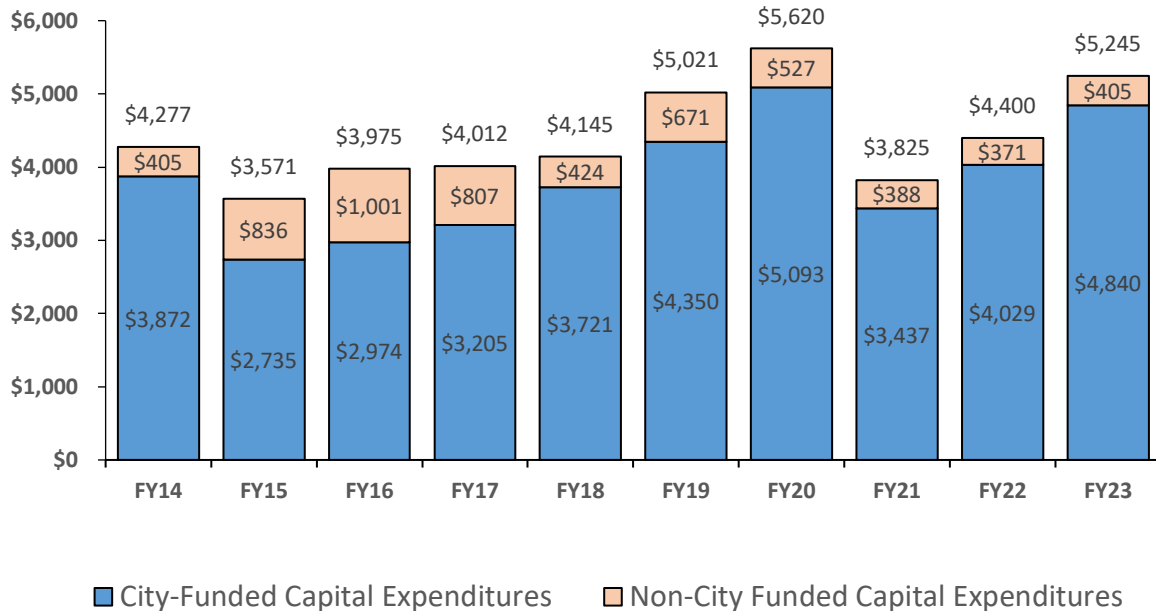
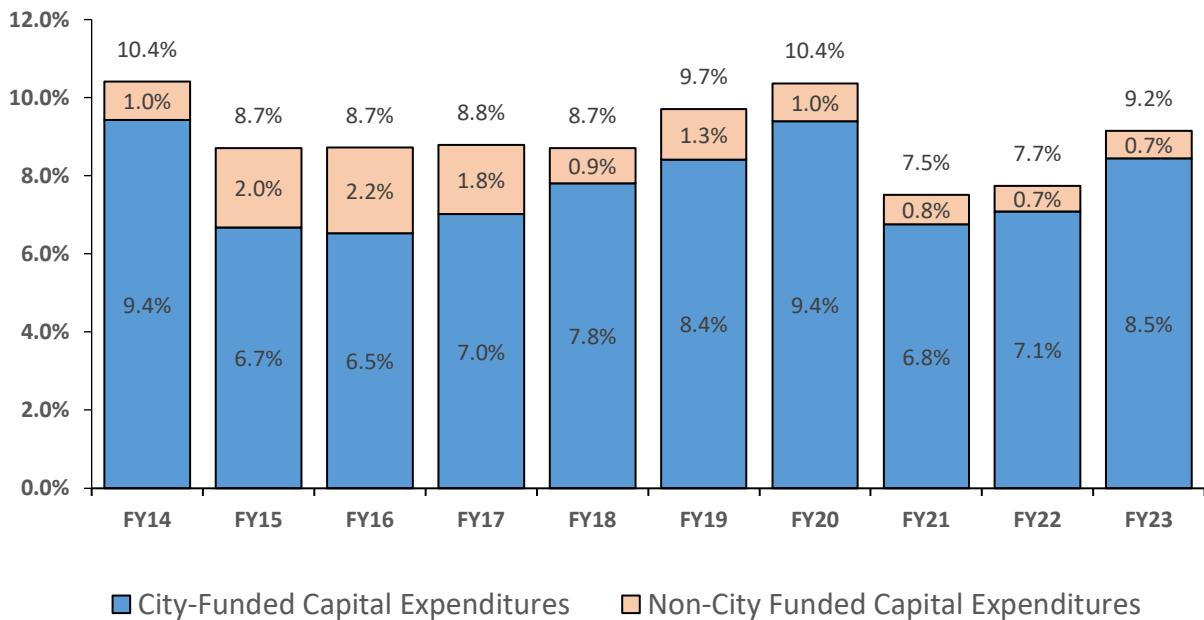


Chart 16. Total Capital Expenditures as % of Total Expenditures, 1H, FY14 – FY23



Total capital expenditures equaled \$5.245 billion in 1H23 compared to \$4.400 billion during the same period last year. City-funded capital expenditures increased 20.1% and non-City-funded capital expenditures grew 9.2%.

Reimbursements to the New York City Central Treasury for Capital Expenditures

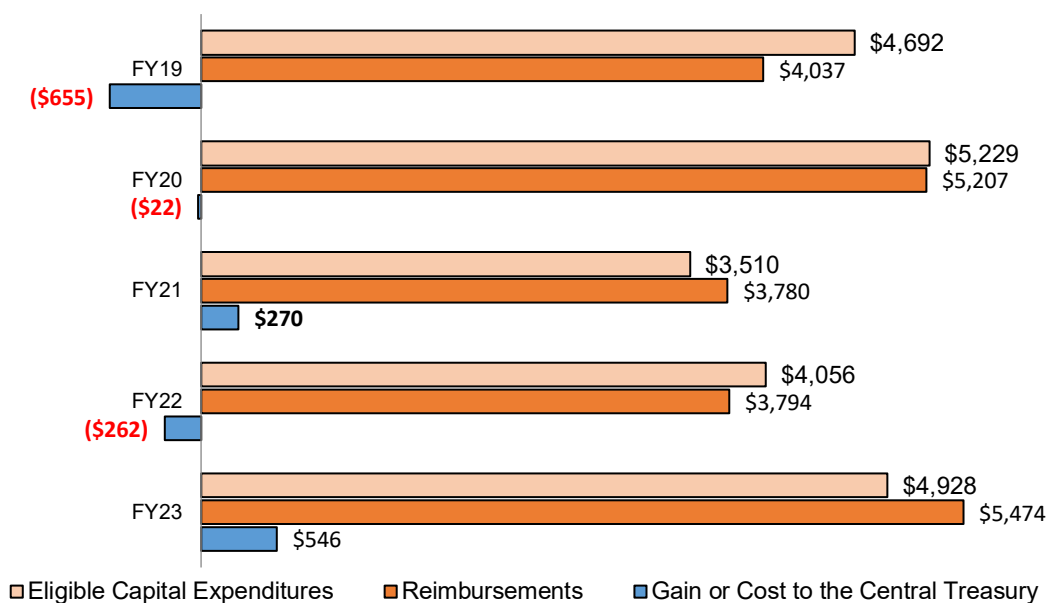
Table 14. Reimbursements to the NYC Central Treasury, 1H, FY14 – FY23

(\$ in millions)	1H14	1H15	1H16	1H17	1H18	1H19	1H20	1H21	1H22	1H23	Total
GO	\$1,372	\$357	\$609	\$1,532	\$998	\$38	\$2,090	\$823	\$1,532	\$2,316	\$11,667
NY Water	817	673	687	732	816	899	1,034	895	831	922	8,306
TFA	2,135	1,953	1,707	2,095	3,283	3,100	1,796	1,904	1,431	2,236	21,640
<i>Subtotal</i>	<i>\$4,324</i>	<i>\$2,983</i>	<i>\$3,003</i>	<i>\$4,359</i>	<i>\$5,097</i>	<i>\$4,037</i>	<i>\$4,920</i>	<i>\$3,622</i>	<i>\$3,794</i>	<i>\$5,474</i>	<i>\$41,613</i>
TFA Building Aid	0	0	832	0	0	0	287	158	0	0	1,277
Total	\$4,324	\$2,983	\$3,835	\$4,359	\$5,097	\$4,037	\$5,207	\$3,779	\$3,794	\$5,474	\$42,890
1H Reimbursable Capital Expenditures	\$3,872	\$3,254	\$3,533	\$3,526	\$3,888	\$4,692	\$5,229	\$3,510	\$4,056	\$4,928	\$40,488
1H Reimbursements Less 1H Reimbursable Capital Expenditures	\$452	(\$271)	\$302	\$833	\$1,209	(\$655)	(\$22)	\$269	(\$262)	\$546	\$2,402
1H Reimbursements as a % of 1H Reimbursable Capital Expenditures	111.7%	91.7%	108.5%	123.6%	131.1%	86.0%	99.6%	107.7%	93.5%	111.1%	105.9%
1H Reimbursements as a % of 1H Total Receipts	10.4%	7.4%	8.0%	9.8%	11.3%	8.1%	10.0%	7.3%	6.9%	9.5%	8.8%

1H23 reimbursements exceeded eligible spending, resulting in a \$546 million gain to the Central Treasury. Over the past ten years, 1H reimbursements have exceeded eligible spending by 5.9%.

Chart 17. Bond-Funded Reimbursements for Eligible Capital Expenditures, 1H19 - 1H23

(\$ in millions)



Financings

Table 15. FY 2023 Projected New Money vs. 1H23 Actual New Money GO and TFA FTS Issuance

(\$ in millions)	Projected New Money Issuance	1H23 New Money Issuance	Remaining New Money Issuance
GO	\$4,025	\$2,725	\$1,300
TFA FTS	\$3,850	\$2,550	\$1,300
Total	\$7,875	\$5,275	\$2,600

Projected bond issuance is based on the OMB’s January 2023 Financial Plan.

In FY23, the City plans to issue \$7.9 billion of GO and TFA FTS bonds for new money capital purposes. The City issued \$5.3 billion of new money debt in 1H23, leaving \$2.6 billion of issuance planned for the remainder of the current fiscal year.

Table 16. GO, TFA FTS, and TFA BARBs Bond Issuance, 1H23

(\$ in millions)

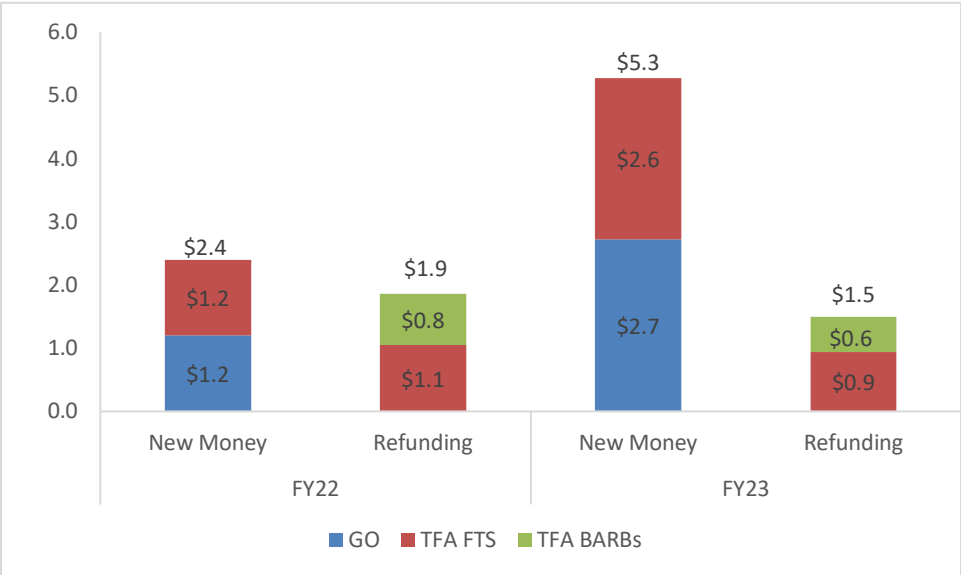
Closing Date	Deal	Purpose	TE Fixed	TX Fixed	TE Variable	Total Par
7/28/2022	TFA BARBs Series S-1	Refunding	\$492	\$71	\$0	\$564
8/02/2022	TFA FTS 2023 Series A	New Money	\$950	\$300	\$0	\$1,250
9/07/2022	TFA FTS 2023 Serie BC	Refunding	\$867	\$67	\$0	\$934
9/08/2022	GO 2023 Series A	New Money	\$950	\$125	\$300	\$1,375
10/18/2022	GO 2023 Series B	New Money	\$950	\$400	\$0	\$1,350
11/03/2022	TFA FTS 2023 Series D	New Money	\$950	\$350	\$0	\$1,300

The table excludes conversions and re-offerings.

Two new money transactions closed in 2Q23. The first transaction included \$950 million of tax-exempt fixed rate and \$400 million of taxable fixed rate GO bonds. The second transaction included \$950 million of tax-exempt fixed rate and \$350 million of taxable fixed rate TFA FTS bonds.

Chart 18. GO, TFA FTS, and TFA BARBs Issues, 1H22 & 1H23

(\$ in billions)



In 1H23, the City issued \$5.3 billion in new money bonds and \$1.5 billion in refunding bonds. Over the same period last year, the City issued \$2.4 billion in new money bonds and \$1.9 billion in refunding bonds.

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