



NEW YORK CITY COMPTROLLER
SCOTT M. STRINGER

Bureau of Budget

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Quarterly Cash Report

December 2020

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Summary

Cash Balances¹

The City began 1Q21 with \$6.627 billion in cash-on-hand, the lowest 1Q opening balance since 1Q13. Total receipts in the quarter rose 2.7%, while expenditures decreased 3.7%. Overall, cash receipts exceeded cash expenditures by \$656 million in 1Q21. By the end of the quarter, the cash balance stood at \$7.282 billion, \$1.211 billion higher than in 1Q20. The average cash balance in 1Q21 measured \$8.963 billion compared to \$7.156 billion in 1Q20.

Cash Receipts

Cash receipts totaled \$26.486 billion in 1Q21, averaging \$414 million a day. During the same period last year, cash receipts totaled \$25.781 billion and averaged \$403 million a day. Net of reimbursements for CapEx, cash receipts increased 14.4%. In 1Q21, capital transfers added \$836 million to the Central Treasury, versus \$3.349 billion in 1Q20.

The cash receipts figure includes the retention of real property and personal income tax revenues for GO and TFA PIT debt service payments. Debt service funding is recorded as a negative inflow (rather than a positive expense). In 1Q21, debt service funding decreased total cash revenue by \$1.223 million compared to \$819 million during the same period last year.

Total tax receipts measured \$18.4 billion, up 20.1% compared to the same period last year. Real property tax, the City's largest source of tax revenue, was up 28.8% because a big portion of real property tax receipts due by July 1st were received and counted in the July (1Q21) total. Personal income tax grew a whopping 46.8%, from 2.9 billion in 1Q20 to \$4.2 billion in 1Q21, because the April 15th due date to file New York State personal income and corporation tax returns was extended to July 15th. Sales tax revenue declined 13.3%, or \$226 million, due to the staggered reopening of the City's economy. General corporation and unincorporated business taxes grew 5.4% and 20.7%, respectively. Mortgage and real property transfer taxes were down 46.2%, reflecting slow real estate activity in the City.

The combined 1Q21 total of Federal and State aid amounted to \$5 billion compared to \$4.3 billion during the same period last year. In 1Q21, the City collected \$244 million more in federal welfare and \$748 million more in NYS welfare than at the same time a year ago. The majority of these funds were "prior year" receipts.

Cash Expenditures

Cash expenditures in 1Q21 were lower than a year ago, but higher than in 1Q19. Cash expenditures, including capital, totaled \$25.830 billion in 1Q21, averaging \$404 million a day. During the same period last year, cash expenditures totaled \$26.820 billion and averaged \$419 million a day. PS spending, which includes payroll, pensions, health plan, social security, and supplemental (union-related) welfare benefits, totaled \$11.7 billion in 1Q21, down 4.2% versus a year ago. The City paid \$101.5 million in social security tax in 1Q21 versus \$569.1 million in 1Q20. The CARES Act included a provision that allows

¹ The data in this report are based on the book balances in the New York City Central Treasury as calculated by the Bureau of Budget, Office of the New York City Comptroller. Receipts are reported based on cash receipts and the analysis of bank deposits. Expenditures are reported according to warrants issued.

employers and self-employed individuals to defer payment of the employer share of the Social Security tax they otherwise are responsible for paying to the federal government with respect to their employees. Employers generally are responsible for paying a 6.2 percent Social Security tax on employee wages. The provision requires that the deferred employment tax be paid over the following two years, with half of the amount required to be paid by December 31, 2021 and the other half by December 31, 2022. Other-than-personal-service (OTPS) expenditures were down 1.2% versus a year ago. Public assistance increased 1.3% while all other components of OTPS declined. All other spending decreased 8.4%, due to CapEx spending falling 28.5%. When the impact of CapEx is removed, 1Q21 net expenditures were down 1% versus a year ago.

Capital Expenditures (CapEx)²

CapEx totaled \$1.904 billion in 1Q21, down 28.5% from \$2.662 billion in 1Q20. City-funded CapEx declined 30% while Non-City-funded CapEx dropped 11.9%.

Reimbursements lagged behind eligible CapEx during 1Q21, resulting in a drain of \$908 million to the Central treasury. As a quarterly metric, the CapEx reimbursement rate is a volatile statistic. However, over the long-term, CapEx and the related reimbursements offset each other. Over the past ten 1Q periods, the reimbursement rate has averaged 107%.

Financings

In FY21, the City plans to issue \$6.7 billion in GO, TFA FTS, and TFA BARBs bonds for new money capital purposes. In comparison, in FY20 the City sold \$7.6 billion in new money debt across the three credits.

During 1Q21, the City closed three bond sales. The first transaction was a refunding sale of approximately \$1.6 billion of TFA FTS bonds. The sale was comprised of \$1.3 billion of tax-exempt fixed rate bonds, and \$275 million of taxable fixed rate bonds. The refunding achieved \$374.4 million in budget savings, or about \$239.5 million on a present-value basis. The second transaction was a refunding sale of approximately \$1.4 billion of tax-exempt fixed rate GO bonds. The refunding achieved \$239.5 million in budget savings, or about \$233 million on a present-value basis. The third transaction was a new money sale of \$1.1 billion of GO bonds. The GO sale was comprised of \$900 million of tax-exempt fixed rate bonds and \$173 million of taxable fixed rate bonds.

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 any debt service funding.

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

² 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. Capital expenditures are initially paid from the General Fund and then reimbursed from various capital accounts and State sources.

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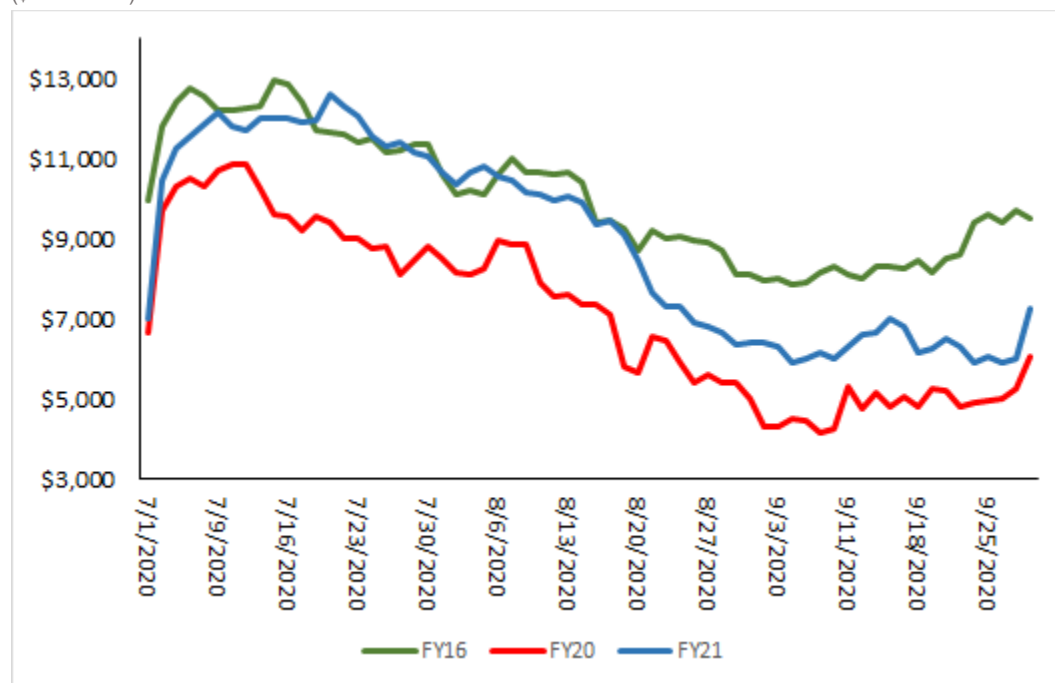
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Cash Balances

Chart 1. Daily Cash Balances in the NYC Central Treasury, 1Q16, 1Q20, and 1Q21

(\$ in millions)



The City began 1Q21 with \$6.627 billion in cash-on-hand, the lowest 1Q opening balance since 1Q13. Total receipts in the quarter rose 2.7%, while expenditures decreased 3.7%. Overall, cash receipts exceeded cash expenditures by \$656 million in 1Q21. By the end of the quarter, the cash balance stood at \$7.282 billion, \$1.211 billion higher than in 1Q20. The average cash balance in 1Q21 measured \$8.963 billion compared to \$7.156 billion in 1Q20.

Table 1. Cash Position in the NYC Central Treasury, 1Q, FY12 – FY21

(\$ in millions)	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Opening Balance ^a	\$5,041	\$6,297	\$7,944	\$9,858	\$9,502	\$11,719	\$9,341	\$9,394	\$7,110	\$6,627
Total Receipts	19,315	19,023	19,361	19,904	23,006	22,048	21,513	24,456	25,781	26,486
Total Expenditures ^b	19,221	19,085	21,531	20,750	23,017	23,349	23,962	25,590	26,820	25,830
Closing Balance	\$5,135	\$6,235	\$5,773	\$9,011	\$9,491	\$10,418	\$6,893	\$8,260	\$6,071	\$7,282
Avg. Daily Balance	\$5,843	\$6,397	\$7,274	\$9,442	\$10,046	\$10,377	\$8,883	\$8,963	\$7,156	\$8,963

a. Opening balances are before City audits.

b. Total expenditures include capital expenditures.

Cash Receipts

Receipts at a Glance

Table 2. Cash Receipts by Category, 1Q, FY12 – FY21

(\$ in millions)	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Real Property Tax	\$5,154	\$4,785	\$5,573	\$5,412	\$5,587	\$5,950	\$5,400	\$6,400	\$7,656	\$9,864
Other Taxes	5,543	5,681	6,050	6,595	6,865	6,696	6,826	6,866	7,684	8,559
Total Taxes	10,697	10,466	11,623	12,007	12,452	12,646	12,226	13,266	15,340	18,423
Debt Service Funding	0	(1,005)	(891)	(1,683)	470	(638)	(905)	(486)	(819)	(1,223)
Federal and State Aid	3,890	4,188	3,951	4,633	4,256	3,683	3,359	5,927	4,321	5,041
Miscellaneous	1,734	1,669	1,493	1,549	2,027	1,802	2,016	2,204	2,059	2,095
Intergovernmental Aid	0	0	0	0	0	2	0	0	0	0
Other	2,994	3,705	3,185	3,398	3,801	4,553	4,817	3,545	4,880	2,150
Total	\$19,315	\$19,023	\$19,361	\$19,904	\$23,006	\$22,048	\$21,513	\$24,456	\$25,781	\$26,486
Total, Net of Reimbursement for CapEx	\$17,432	\$16,398	\$17,660	\$18,258	\$21,081	\$19,217	\$18,601	\$22,430	\$22,431	\$25,650

Cash receipts totaled \$26.486 billion in 1Q21, averaging \$414 million a day. During the same period last year, cash receipts totaled \$25.781 billion and averaged \$403 million a day. Net of reimbursements for CapEx, cash receipts increased 14.4%. In 1Q21, capital transfers added \$836 million to the Central Treasury, versus \$3.349 billion in 1Q20.

The cash receipts figure includes the retention of real property and personal income tax revenues for GO and TFA PIT debt service payments. Debt service funding is recorded as a negative inflow (rather than a positive expense). In 1Q21, debt service funding decreased total cash revenue by \$1.223 million compared to \$819 million during the same period last year.

Taxes³

Table 3. Tax Receipts, 1Q16, 1Q20, and 1Q21

(\$ in millions)	1Q16	1Q20	1Q21	% Change 1Q21/1Q16	% Change 1Q21/1Q20
Real Property Tax	\$5,587	\$7,656	\$9,864	76.6%	28.8%
Personal Income Tax	2,236	2,857	4,194	87.6	46.8
Sales Tax	1,559	1,699	1,473	(5.5)	(13.3)
General Corporation Tax	900	1,347	1,420	57.8	5.4
Unincorporated Business Tax	471	458	553	17.4	20.7
Mortgage and Real Property Transfer Taxes	740	656	353	(52.3)	(46.2)
Commercial Rent Tax	216	294	243	12.5	(17.3)
Utility Tax	94	95	89	(5.3)	(6.3)
All Other Taxes	649	278	234	(63.9)	(15.8)
Total	\$12,452	\$15,340	\$18,423	48.0%	20.1%

³ 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.

Total tax receipts measured \$18.4 billion, up 20.1% compared to the same period last year. Real property tax, the City's largest source of tax revenue, was up 28.8% because a big portion of real property tax receipts due by July 1st were received and counted in the July (1Q21) total. Personal income tax grew a whopping 46.8%, from 2.9 billion in 1Q20 to \$4.2 billion in 1Q21, because the April 15th due date to file New York State personal income and corporation tax returns was extended to July 15th. Sales tax revenue declined 13.3%, or \$226 million, due to the staggered reopening of the City's economy. General corporation and unincorporated business taxes grew 5.4% and 20.7%, respectively. Mortgage and real property transfer taxes were down 46.2%, reflecting slow real estate activity in the City.

Table 4. Selected Cash Receipts, 1Q, FY17 – FY21

(\$ in millions)	FY17	FY18	FY19	FY20	FY21
Real Property Tax	\$5,950	\$5,400	\$6,400	\$7,656	\$9,864
Personal Income Tax	2,249	2,418	2,591	2,857	4,194
NYS Education Aid	1,359	1,396	1,898	1,798	1,924
Sales Tax	1,411	1,486	1,583	1,699	1,473
General Corporation Tax	1,058	902	970	1,347	1,420
Water and Sewer Charges	894	871	814	797	1,042
NYS Welfare	443	213	321	219	967
Federal Welfare	922	506	1,423	388	632
Unincorporated Business Tax	479	506	407	458	553
Mortgage and Real Property Transfer Taxes	718	638	671	656	353
NYS Health	78	74	115	66	308
Federal Education	169	348	532	390	249
Commercial Rent Tax	208	244	251	294	243
Fines and Forfeitures	238	250	280	316	233

Federal and State Aid

Chart 2. Federal & State Aid to NYC, 1Q, FY17 – FY21

(\$ in billions)

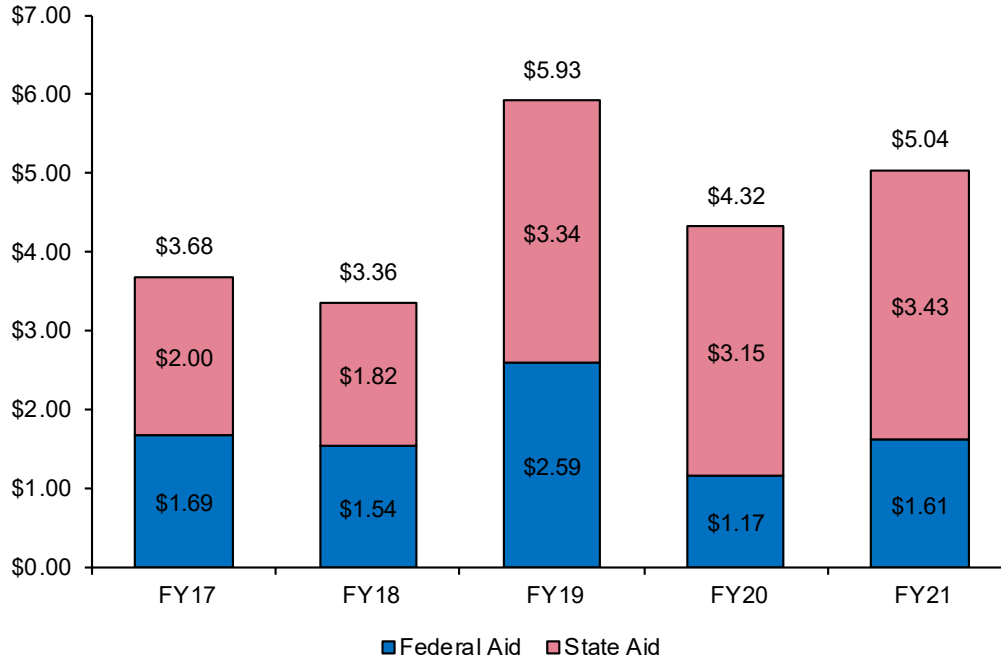


Chart 3. Federal & State Aid as % of Total Receipts, 1Q, FY17 – FY21

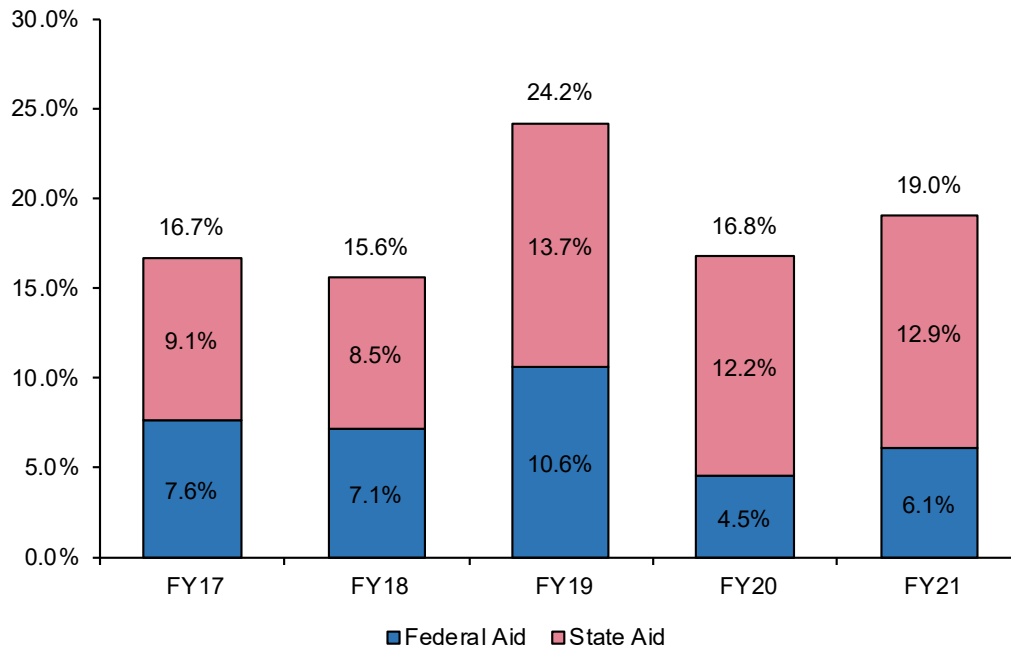


Chart 4. Components of State Aid, 1Q, FY17 – FY21

(\$ in billions)

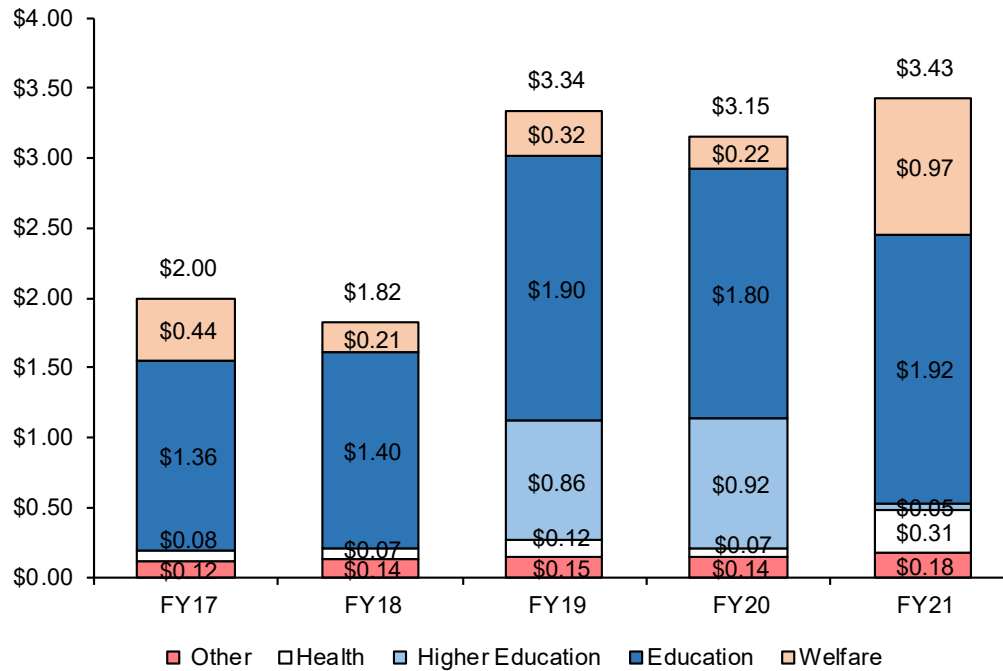
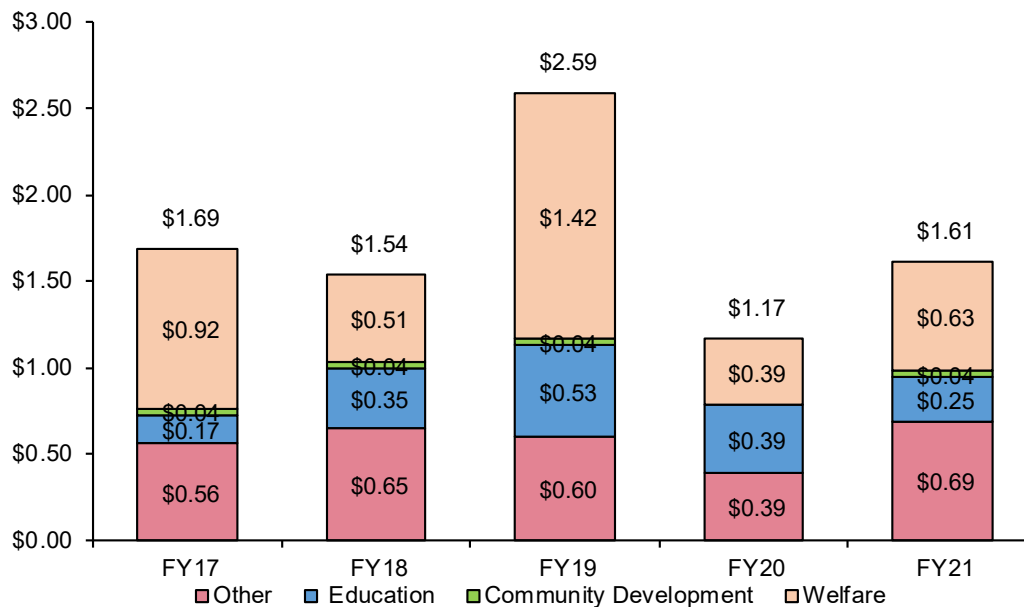


Chart 5. Components of Federal Aid, 1Q, FY17 – FY21

(\$ in billions)



The combined 1Q21 total of Federal and State aid amounted to \$5 billion compared to \$4.3 billion during the same period last year. In 1Q21, the City collected \$244 million more in federal welfare and \$748 million more in NYS welfare than at the same time a year ago. The majority of these funds were “prior year” receipts.

Cash Expenditures (Including Capital)

Cash Expenditures at a Glance

Table 5. PS & OTPS, 1Q, FY12 – FY21

(\$ in millions)	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Gross Payroll	\$6,176	\$6,059	\$6,134	\$6,425	\$7,036	\$7,106	\$7,157	\$7,323	\$7,572	\$7,484
Other Personal Services	3,292	3,366	3,660	3,896	3,956	4,279	4,207	4,361	4,665	4,237
Total PS	\$9,468	\$9,425	\$9,794	\$10,321	\$10,992	\$11,385	\$11,364	\$11,684	\$12,237	\$11,721
% of 1Q Total Exp	49%	49%	46%	50%	48%	49%	47%	46%	46%	45%
# of Bi-weekly Payrolls	7	7	7	7	7	7	6	6	6	6
Public Assistance	632	581	640	649	706	771	950	1,060	1,140	1,155
Medical Assistance	1,650	1,622	1,377	1,353	1,452	1,368	1,187	1,523	1,454	1,399
Other Social Services	561	639	652	625	663	697	713	815	954	940
Vendor and Other	4,034	3,816	4,525	5,036	5,128	5,707	5,383	6,326	6,959	6,882
Total OTPS	\$6,877	\$6,658	\$7,194	\$7,663	\$7,949	\$8,543	\$8,233	\$9,724	\$10,507	\$10,376
% of 1Q Total Exp	36%	35%	33%	37%	34%	37%	35%	38%	39%	40%
All Other	\$2,876	\$3,002	\$4,543	\$2,766	\$4,076	\$3,421	\$4,365	\$4,183	\$4,076	\$3,733
% of Total 1Q Exp	15%	16%	21%	13%	18%	14%	18%	16%	15%	15%
Total Expenditures	\$19,221	\$19,085	\$21,531	\$20,750	\$23,017	\$23,349	\$23,962	\$25,591	\$26,820	\$25,830
Total Expenditures, Net of CapEx	\$17,344	\$16,936	\$19,158	\$18,730	\$20,946	\$21,055	\$21,615	\$23,094	\$24,158	\$23,926

Cash expenditures in 1Q21 were lower than a year ago, but higher than in 1Q19. Cash expenditures, including capital, totaled \$25.830 billion in 1Q21, averaging \$404 million a day. During the same period last year, cash expenditures totaled \$26.820 billion and averaged \$419 million a day. PS spending, which includes payroll, pensions, health plan, social security, and supplemental (union-related) welfare benefits, totaled \$11.7 billion in 1Q21, down 4.2% versus a year ago. The City paid \$101.5 million in social security tax in 1Q21 vs. \$569.1 million in 1Q20. The CARES Act included a provision that allows employers and self-employed individuals to defer payment of the employer share of the Social Security tax they otherwise are responsible for paying to the federal government with respect to their employees. Employers generally are responsible for paying a 6.2 percent Social Security tax on employee wages. The provision requires that the deferred employment tax be paid over the following two years, with half of the amount required to be paid by December 31, 2021 and the other half by December 31, 2022. Other-than-personal-service (OTPS) expenditures were down 1.2% versus a year ago. Public assistance increased 1.3% while all other components of OTPS declined. All other spending decreased 8.4%, due to CapEx spending falling 28.5%. When the impact of CapEx is removed, 1Q21 net expenditures were down 1% versus a year ago.

“All Other” Spending

Table 6. Major Components of “All Other” Spending, 1Q20 and 1Q21

(\$ in millions)	1Q20	1Q21	Difference
Transit Authority	\$266	\$223	(\$43)
Housing Authority	61	58	(3)
Lump Sum Payments	902	701	(201)
NYC H+H	203	642	439
Refunds	179	218	39
City-Funded Capital	2,444	1,712	(732)
Non-City-Funded Capital	218	192	(26)
Fund 700 Adjustment	(200)	(14)	186

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. Beginning in 2Q07, Non-City-funded capital expenditures for education were 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.

Chart 6. Total CapEx and City-Funded CapEx, 1Q, FY12 – FY21

(\$ in millions)

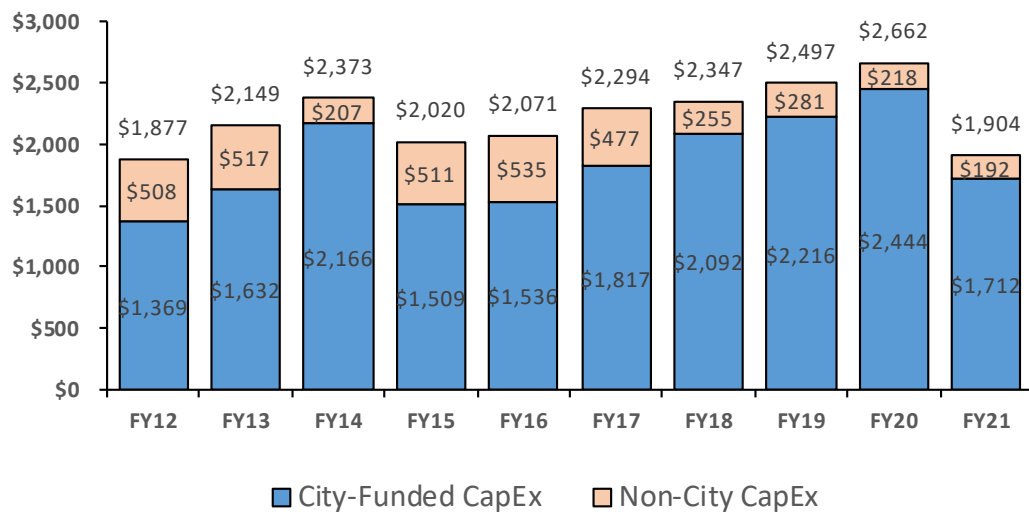
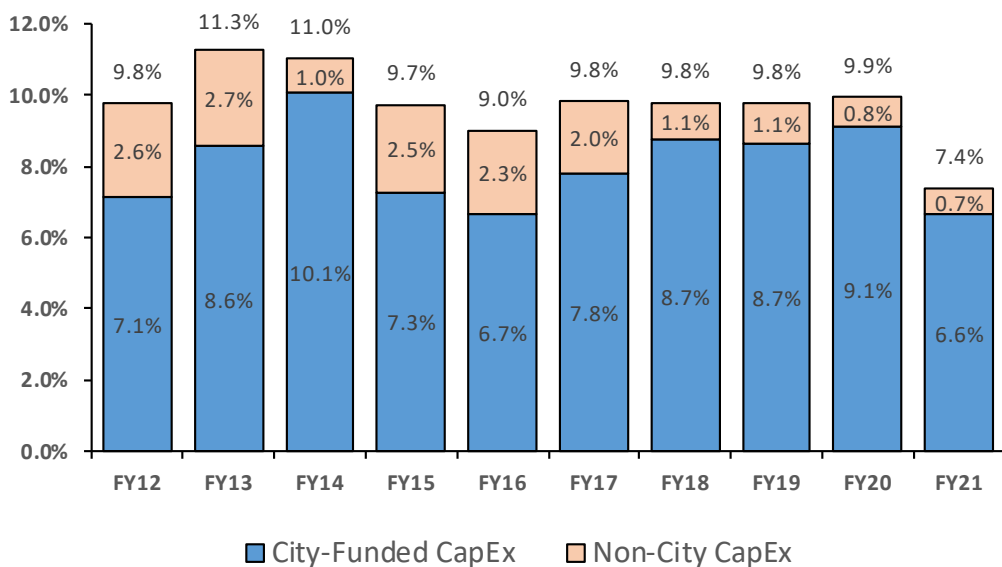


Chart 7. Total CapEx as % of Total Expenditures, 1Q, FY12 – FY21



CapEx totaled \$1.904 billion in 1Q21, down 28.5% from \$2.662 billion in 1Q20. City-funded CapEx declined 30% while Non-City-funded CapEx dropped 11.9%.

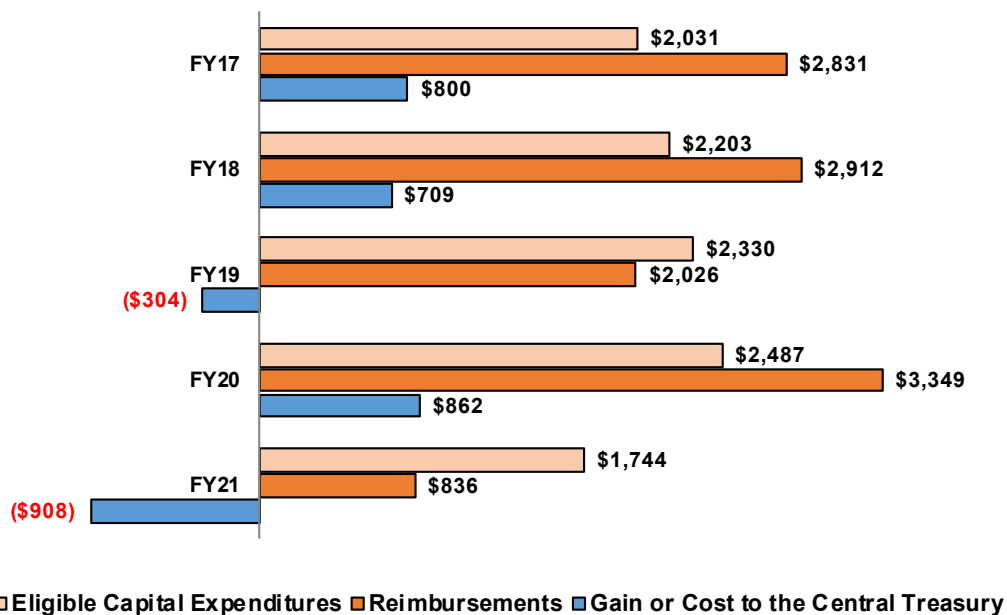
Table 7. Reimbursements to the NYC Central Treasury for CapEx, 1Q, FY12 – FY21

(\$ in millions)	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	Total
GO	\$456	\$295	\$471	\$333	\$562	\$1,288	\$0	\$38	\$1,501	\$0	\$4,944
NY Water	575	516	420	358	353	323	384	461	557	425	4,372
TFA	572	1,214	811	954	178	1,220	2,528	1,527	1,291	411	10,706
<i>Subtotal</i>	<i>1,603</i>	<i>2,025</i>	<i>1,702</i>	<i>1,645</i>	<i>1,093</i>	<i>2,831</i>	<i>2,912</i>	<i>2,026</i>	<i>3,349</i>	<i>836</i>	<i>20,022</i>
TFA Building Aid	280	598	0	0	832	0	0	0	0	0	1,710
Total	\$1,883	\$2,623	\$1,702	\$1,645	\$1,925	\$2,831	\$2,912	\$2,026	\$3,349	\$836	\$21,732
1Q Reimbursable Capital Expenditures	\$1,651	\$1,987	\$2,166	\$1,862	\$1,842	\$2,031	\$2,203	\$2,330	\$2,487	\$1,744	\$20,303
1Q Reimbursements Less 1Q Reimbursable Capital Expenditures	\$232	\$636	(\$464)	(\$217)	\$83	\$800	\$709	(\$304)	\$862	(\$908)	\$1,429
1Q Reimbursements as a % of 1Q Reimbursable Capital Expenditures	114.1%	132.0%	78.6%	88.3%	104.5%	139.4%	132.2%	87.0%	134.7%	47.9%	107.0%
1Q Reimbursements as a % of 1Q Total Receipts	9.7%	13.8%	8.8%	8.3%	8.4%	12.8%	13.5%	8.3%	13.0%	3.2%	9.8%

Reimbursements lagged behind eligible CapEx during 1Q21, resulting in a drain of \$908 million to the Central treasury. As a quarterly metric, the CapEx reimbursement rate is a volatile statistic. However, over the long-term, CapEx and the related reimbursements offset each other. Over the past ten 1Q periods, the reimbursement rate has averaged 107%.

Chart 8. Bond-Funded Reimbursements for Eligible CapEx, 1Q, FY17 – FY21

(\$ in millions)



Financings

In FY21, the City plans to issue \$6.7 billion in GO, TFA FTS, and TFA BARBs bonds for new money capital purposes. In comparison, in FY20 the City sold \$7.6 billion in new money debt across the three credits.

Table 8. FY21 Projected and 1Q21 Actual GO, TFA FTS, and TFA BARBs New Money Issuance

(\$ in millions)	Projected New Money Issuance	1Q21 New Money Issuance	Remaining New Money Issuance
GO	\$2,133	\$0	\$2,133
TFA FTS	\$4,373	\$1,073	\$3,300
TFA BARBs	\$200	\$0	\$200
Total	\$6,706	\$1,073	\$5,633

Projected bond issuance is based on the OMB's November 2020 Financial Plan.

During 1Q21, the City closed three bond sales. The first transaction was a refunding sale of approximately \$1.6 billion of TFA FTS bonds. The sale was comprised of \$1.3 billion of tax-exempt fixed rate bonds, and \$275 million of taxable fixed rate bonds. The refunding achieved \$374.4 million in budget savings, or about \$239.5 million on a present-value basis. The second transaction was a refunding sale of approximately \$1.4 billion of tax-exempt fixed rate GO bonds. The refunding achieved \$239.5 million in budget savings, or about \$233 million on a present-value basis. The third transaction was a new money sale of \$1.1 billion of GO bonds. The GO sale was comprised of \$900 million of tax-exempt fixed rate bonds and \$173 million of taxable fixed rate bonds.

Table 9. GO and TFA FTS Bond Issuance, 1Q21

(\$ in millions)

Closing Date	Deal	Purpose	TE Fixed	TX Fixed	TE Variable	Total Par
9/1/2020	TFA FTS 2021 Series AB	Refunding	\$1,349	\$275	\$0	\$1,623
9/9/2020	GO 2021 Series AB	Refunding	\$1,388	\$0	\$0	\$1,388
9/24/2020	TFA FTS 2021 Series C	New Money	\$900	\$173	\$0	\$1,073

The table excludes conversions and re-offerings.

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