



NEW YORK CITY COMPTROLLER  
**SCOTT M. STRINGER**

Bureau of Budget

**Q2 FY2021**

October - December 2020

# Quarterly Cash Report

**March 2021**

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# Summary

## Cash Balances<sup>1</sup>

At the end of 2Q21, the City recorded an unrestricted cash balance of \$7.724 billion. Typically, the lowest daily cash balance of a fiscal year occurs during the second quarter. This year's seasonal low measured \$2.143 billion, versus \$1.769 billion in 2Q20 and \$2.211 billion in 2Q19.

Both receipts and expenditures were lower in 2Q21, compared to 2Q20. As a result of Covid-19, dwindling tax revenues pushed the City to cut back spending.

The 1H21 daily cash balance averaged \$7.058 billion, compared to \$5.632 billion during the same period last year. For the seventeenth consecutive year, the City maintained sufficient operating cash without issuing short-term notes.

## Cash Receipts

Total cash receipts in 2Q21 fell 3.4% versus a year ago. Total tax revenue increased \$195 million, or 1.2%, boosted by strong property tax receipts. Total Federal and State aid decreased \$1.5 billion, or 28.7%. Federal welfare aid was \$1 billion lower, while NYS education aid and NYS welfare aid declined \$576 million and \$305 million, respectively. Last year, federal and state receipts were unusually high because of prior year payments. Miscellaneous (non-tax) revenues decreased 14.1%. Fines and forfeitures were down 19.7%, while water and sewer fees decreased 17.1%. Removing the effect of capital transfers, receipts decreased 8.1%.

The City collected \$15.8 billion in tax revenues in 2Q21, compared to \$15.6 billion in 2Q20. The largest revenue source, the real property tax, increased 18.1%. The personal income tax was flat. The sales tax declined \$695 million, or 29.1%. NYC retail stores continue to suffer from reduced sales as the City's cultural attractions remain closed and out-of-town visitors remain home. Overall, tax revenue accounted for 62% of total cash receipts in 2Q21.

Total cash receipts for 1H21 were down 0.4% versus a year ago. The cash receipts include the retention of real property and personal income tax revenues for GO and TFA PIT debt service payments. Debt service funding is counted as a negative inflow (rather than a positive expense). In 1H21, debt service funding decreased total cash revenues by \$1.5 billion, compared to \$1.1 billion in 1H20.

Tax receipts in 1H21 increased 10.6% from a year ago. The strongest performer was real property tax, which rose 23.6%, in part due to the timing of receipts. Personal income tax grew 23%, from 5.8 billion in 1H20 to \$7.2 billion in 1H21, also due to the timing of payments because the April 15<sup>th</sup> due date to file New York State personal income returns was extended to July 15<sup>th</sup>; moreover this year's July personal income tax total was unusually high. Cumulative receipts from business taxes (general corporation, banking corporation, and unincorporated business taxes) increased 4%, boosted by a very strong rebound of the financial markets from the coronavirus crisis. Mortgage and real property transfer tax revenue fell 40.3%. The pandemic brought the real estate industry to halt in March, prices of NYC homes fell, and home buying

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

activity has been slow to recover. Similarly, the closure of many retail businesses and restaurants contributed to the commercial rent tax declining 11.4% in 1H21.

The combined 1H21 total of Federal and State aid decreased 8% compared to the same period last year. Federal welfare aid declined the most (\$772 million), followed by NYS higher education aid (\$751 million) and NYS education aid (\$450 million).

## Cash Expenditures<sup>2</sup>

Cash expenditures, including capital, totaled \$25.065 billion in 2Q21, averaging \$404.3 million daily. During the same period last year, cash expenditures totaled \$27.365 billion and averaged \$448.6 million daily. Gross payroll decreased 5%, while fringe benefits, including pension contributions, social security, health plan, and supplemental (union-related) welfare benefits, fell 11.3%.

The City paid \$112.5 million in social security tax in 2Q21 vs. \$583.3 million in 2Q20. 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 expenditures (OTPS) declined 4%. Medical assistance spending decreased 3.1%, while vendor and other services spending was down 7.1%. Outlays in the “All Other” category decreased 19.9%, as a result of lower City-funded capital expenditures, and a negative Fund 700 adjustment.

Cash expenditures in 1H21 decreased 6.1% compared to the same period last year. Personal service expenditures declined 5.8%, to \$24.3 billion. Other than personal service expenditures fell 2.5%, to \$19.0 billion, with vendor and other contributing the most to the decline. Outlays considered “All Other” were down 14.7%, as a result of lower spending on capital projects, smaller lump sum payments, and a negative Fund 700 adjustment.

## Capital Expenditures (CapEx)

CapEx totaled \$1.921 billion in 2Q21, down 35.1% from \$2.958 billion in 2Q20. Non-City-funded CapEx declined 36.6% while City-funded CapEx dropped 34.9%.

Reimbursements to the Central Treasury for CapEx exceeded reimbursable expenditures during 2Q21. CapEx is initially paid from the City Treasury and then reimbursed from bond proceeds as appropriate. Over the long term, CapEx 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 2Q21, this dynamic resulted in a gain of \$1.177 billion.

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<sup>2</sup> 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.

Total CapEx equaled \$3.825 billion in 1H21 compared to \$5.620 billion during the same period last year. Non-City-funded CapEx declined 26.4% while City-funded CapEx dropped 32.5%.

1H21 reimbursements exceeded eligible spending, resulting in a \$269 million gain to the Central Treasury. Over the past ten years, 1H reimbursements have exceeded eligible spending by 8.9%.

## Financings

In FY21, the City plans to issue \$6.7 billion in GO, TFA FTS, and TFA BARBs for new money capital purposes. The City issued \$3.1 billion of new money debt in 1H21, leaving \$3.6 billion of issuance planned for the remainder of the current fiscal year.

Three new money transactions closed in 2Q21. The first transaction included \$900 million of tax-exempt fixed rate GO bonds. The second transaction included \$200 million of tax-exempt fixed rate TFA Building Aid Revenue Bonds. The third transaction included \$700 million of tax-exempt fixed rate and \$200 million of taxable fixed rate TFA FTS bonds.

The pace of bond issuance in 1H21 was higher than last year's pace. In 1H21, the City issued \$3.1 billion in new money bonds and \$3 billion in refunding bonds. Over the same period last year, the City issued \$5.2 billion in new money 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.

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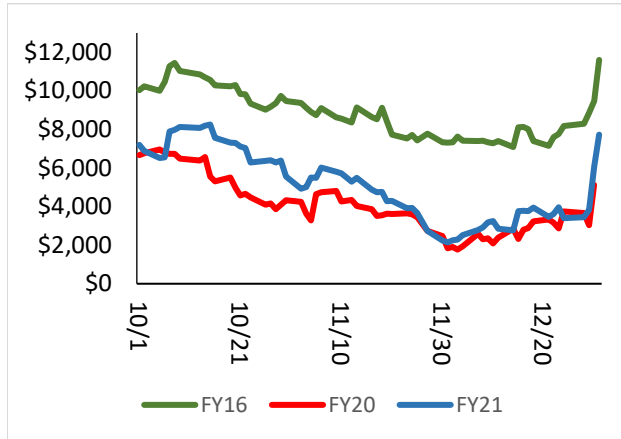
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# Cash Balances

## October 2020 - December 2020 (2Q21)

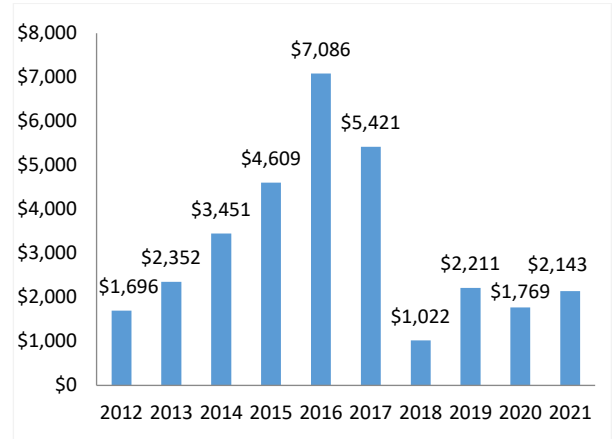
**Chart 1. Daily Cash Balances in the NYC Central Treasury, 2Q16, 2Q20, & 2Q21**

(\$ in millions)



**Chart 2. NYC Cash Balance Lows, FY12 – FY21**

(\$ in millions)



At the end of 2Q21, the City recorded an unrestricted cash balance of \$7.724 billion. Typically, the lowest daily cash balance of a fiscal year occurs during the second quarter. This year's seasonal low measured \$2.143 billion, versus \$1.769 billion in 2Q20 and \$2.211 billion in 2Q19.

Both receipts and expenditures were lower in 2Q21, compared to 2Q20. As a result of Covid-19, dwindling tax revenues pushed the City to cut back spending.

**Table 1. Cash Position in the NYC Central Treasury, 2Q, FY12 – FY21**

(\$ in millions)	2Q12	2Q13	2Q14	2Q15	2Q16	2Q17	2Q18	2Q19	2Q20	2Q21
Opening Balance <sup>a</sup>	\$5,135	\$6,235	\$5,773	\$9,011	\$9,491	\$10,418	\$6,893	\$8,322	\$6,071	\$7,282
Total Receipts	19,753	18,923	22,301	20,423	24,666	22,237	23,686	25,127	26,415	25,507
Total Expenditures <sup>b</sup>	18,534	18,962	19,537	20,235	22,553	22,306	23,652	26,113	27,365	25,065
Closing Balance	\$6,354	\$6,196	\$8,537	\$9,199	\$11,604	\$10,349	\$6,926	\$7,335	\$5,122	\$7,724
<b>Avg. Daily Balance</b>	<b>\$3,408</b>	<b>\$4,440</b>	<b>\$5,206</b>	<b>\$6,766</b>	<b>\$8,831</b>	<b>\$8,234</b>	<b>\$4,164</b>	<b>\$5,122</b>	<b>\$4,033</b>	<b>\$5,092</b>

a. Opening balances are before City audits.

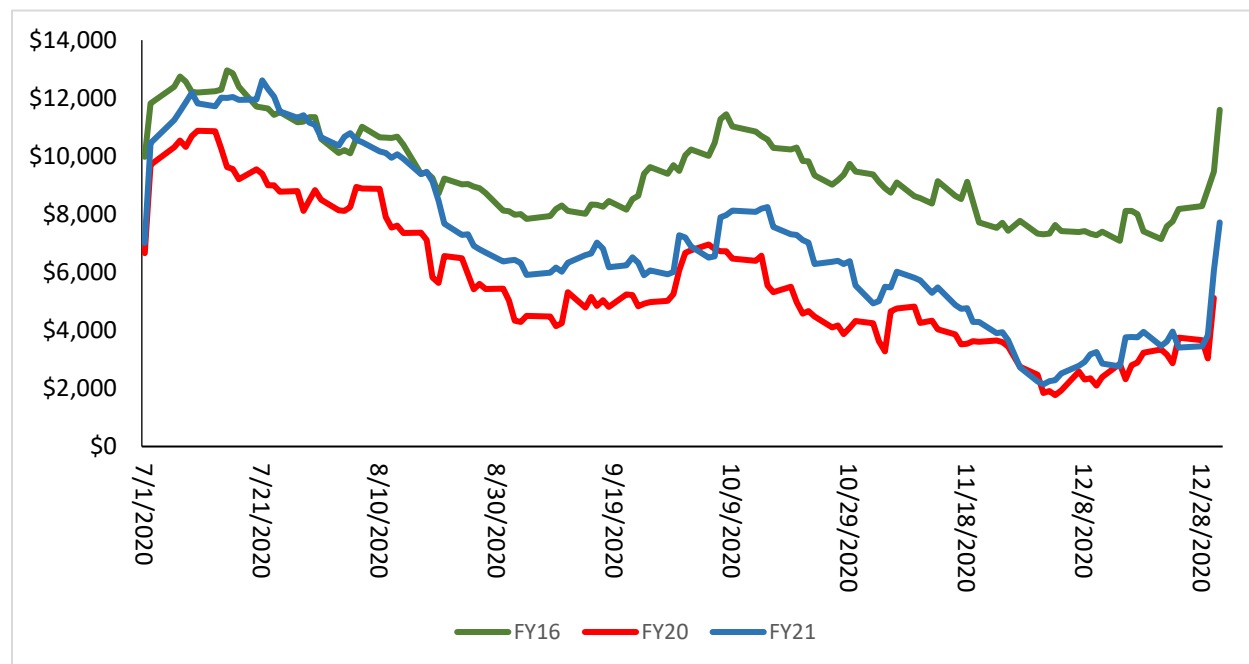
b. Total expenditures include capital expenditures.



## July 2020 - December 2020 (1H21)

Chart 3. Cash Position in the NYC Central Treasury, 1H16, 1H20, & 1H21

(\$ in millions)



The 1H21 daily cash balance averaged \$7.058 billion, compared to \$5.632 billion during the same period last year. For the seventeenth consecutive year, the City maintained sufficient operating cash without issuing short-term notes.

Table 2. Cash Position in the NYC Central Treasury, 1H, FY12 – FY21

(\$ in millions)	1H12	1H13	1H14	1H15	1H16	1H17	1H18	1H19	1H20	1H21
Opening Balance <sup>a</sup>	\$5,041	\$6,297	\$7,944	\$9,858	\$9,502	\$11,719	\$9,341	\$9,394	\$7,110	\$6,627
Total Receipts	39,068	37,946	41,662	40,326	47,672	44,285	45,199	49,583	52,196	51,993
Total Expenditures <sup>b</sup>	37,755	38,048	41,068	40,985	45,570	45,655	47,614	51,641	54,185	50,895
Closing Balance	\$6,354	\$6,196	\$8,537	\$9,199	\$11,604	\$10,349	\$6,926	\$7,335	\$5,122	\$7,724
<b>Avg. Daily Balance</b>	<b>\$4,665</b>	<b>\$5,426</b>	<b>\$6,256</b>	<b>\$8,126</b>	<b>\$9,448</b>	<b>\$9,332</b>	<b>\$6,561</b>	<b>\$7,058</b>	<b>\$5,632</b>	<b>\$7,058</b>

a. Opening balances are before City audits.

b. Total expenditures include capital expenditures.



# Cash Receipts

October 2020 - December 2020 (2Q21)

## Receipts at a Glance

Table 3. Cash Receipts by Category, 2Q, FY12 – FY21

(\$ in millions)	2Q12	2Q13	2Q14	2Q15	2Q16	2Q17	2Q18	2Q19	2Q20	2Q21
Real Property Tax	\$4,866	\$5,116	\$5,377	\$5,861	\$6,497	\$6,611	\$7,305	\$7,652	\$7,335	\$8,661
Other Taxes	5,517	5,763	6,222	7,000	7,498	7,427	8,118	8,027	8,295	7,164
<b>Total taxes</b>	<b>10,383</b>	<b>10,879</b>	<b>11,599</b>	<b>12,861</b>	<b>13,995</b>	<b>14,038</b>	<b>15,423</b>	<b>15,679</b>	<b>15,630</b>	<b>15,825</b>
Federal and State Aid	4,314	4,207	4,232	3,836	4,359	4,091	3,422	3,942	5,146	3,668
Debt Service Funding	(146)	(652)	(134)	(1,054)	658	(305)	(334)	(327)	(273)	(320)
Miscellaneous	1,305	1,361	1,902	1,778	1,843	1,418	1,604	2,132	2,070	1,779
Intergovernmental Aid	1	1	0	0	4	57	0	0	0	0
Other	3,896	3,127	4,702	3,002	3,807	2,938	3,571	3,701	3,842	4,555
<b>Total</b>	<b>\$19,753</b>	<b>\$18,923</b>	<b>\$22,301</b>	<b>\$20,423</b>	<b>\$24,666</b>	<b>\$22,237</b>	<b>\$23,686</b>	<b>\$25,127</b>	<b>\$26,415</b>	<b>\$25,507</b>
<b>Total, Net of Reimbursement for CapEx</b>	<b>\$17,100</b>	<b>\$17,427</b>	<b>\$19,679</b>	<b>\$19,085</b>	<b>\$22,756</b>	<b>\$20,708</b>	<b>\$21,501</b>	<b>\$23,116</b>	<b>\$24,557</b>	<b>\$22,564</b>

Total cash receipts in 2Q21 fell 3.4% versus a year ago. Total tax revenue increased \$195 million, or 1.2%, boosted by strong property tax receipts. Total Federal and State aid decreased \$1.5 billion, or 28.7%. Federal welfare aid was \$1 billion lower, while NYS education aid and NYS welfare aid declined \$576 million and \$305 million, respectively. Last year, federal and state receipts were unusually high because of prior year payments. Miscellaneous (non-tax) revenues decreased 14.1%. Fines and forfeitures were down 19.7%, while water and sewer fees decreased 17.1%. Removing the effect of capital transfers, receipts decreased 8.1%.

## Taxes<sup>3</sup>

Table 4. Tax Receipts, 2Q16, 2Q20, & 2Q21

(\$ in millions)	2Q16	2Q20	2Q21	% Change 2Q21/2Q16	% Change 2Q21/2Q20
Real Property Tax	\$6,497	\$7,335	\$8,661	33%	18%
Personal Income Tax	2,458	2,964	2,964	21	0
Sales Tax	2,047	2,386	1,691	(17)	(29)
General Corporation Tax	982	1,425	1,296	32	(9)
Mortgage and Real Property Transfer Taxes	736	607	401	(46)	(34)
Unincorporated Business Tax	301	271	331	10	22
Commercial Rent Tax	214	225	217	1	(4)
All Other Taxes	760	417	264	(65)	(37)
<b>Total Taxes</b>	<b>\$13,995</b>	<b>\$15,630</b>	<b>\$15,825</b>	<b>13%</b>	<b>1%</b>

<sup>3</sup> 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 \$15.8 billion in tax revenues in 2Q21, compared to \$15.6 billion in 2Q20. The largest revenue source, the real property tax, increased 18.1%. The personal income tax was flat. The sales tax declined \$695 million, or 29.1%. NYC retail stores continue to suffer from reduced sales as the City's cultural attractions remain closed and out-of-town visitors remain home. Overall, tax revenue accounted for 62% of total cash receipts in 2Q21.

## Selected Cash Receipts

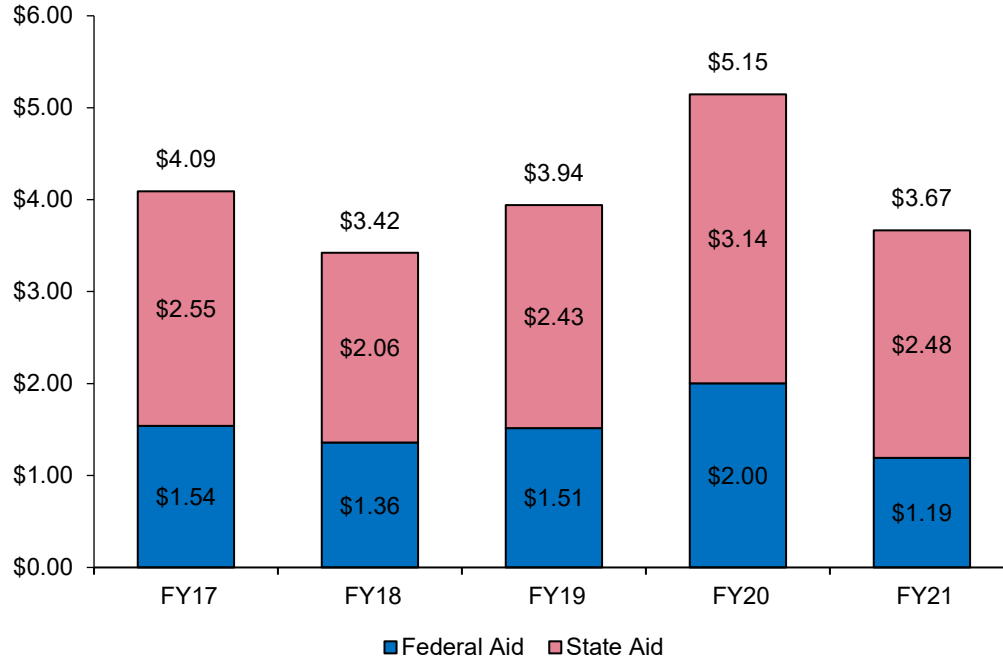
**Table 5. Selected Cash Receipts, 2Q, FY17 – FY21**

(\$ in millions)	2Q17	2Q18	2Q19	2Q20	2Q21
Real Property Tax	\$6,611	\$7,305	\$7,652	\$7,335	\$8,661
Personal Income Tax	2,512	3,065	2,848	2,964	2,964
NYS Education Aid	1,757	1,894	2,054	2,363	1,787
Sales Tax	2,050	2,152	2,238	2,386	1,691
General Corporation Tax	1,075	1,275	1,276	1,425	1,296
Water and Sewer Fees	332	494	615	712	590
Federal Welfare Aid	692	445	886	1,423	407
Mortgage and Real Property Transfer Taxes	648	603	613	607	401
Unincorporated Business Tax	286	451	419	271	331
NYS Welfare Aid	242	2	203	604	299
Senior College Fees	147	145	315	272	297
Fines and Forfeitures	293	248	307	345	277
Commercial Rent Tax	217	215	235	225	217
NYS Higher Education Aid	311	59	60	0	126
NYS Health	87	68	50	69	114

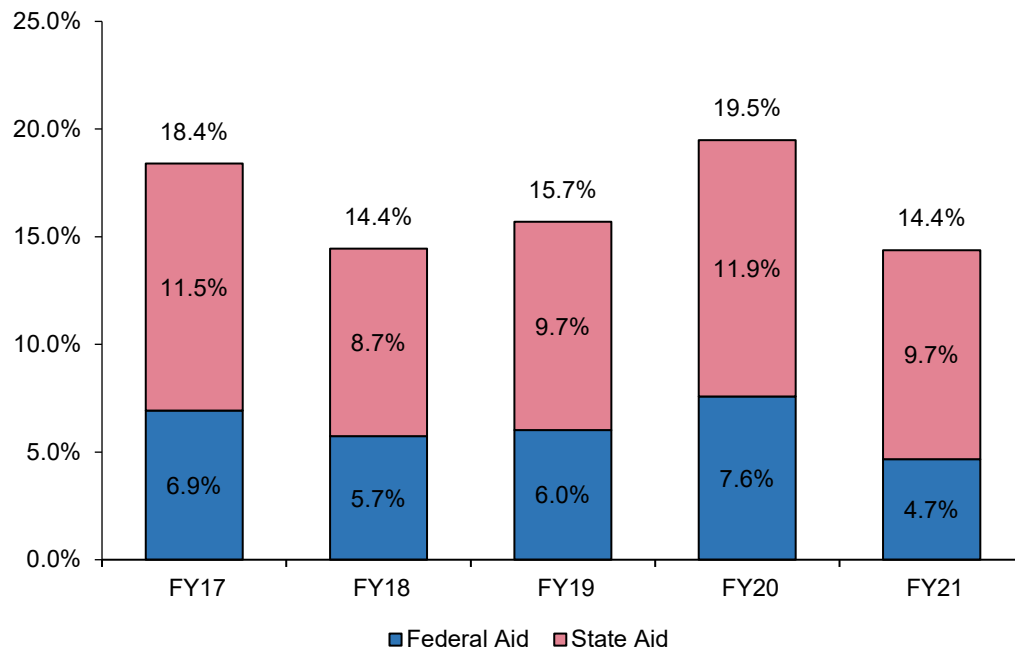
## Federal and State Aid

**Chart 4. Federal & State Aid to NYC, 2Q, FY17 – FY21**

(\$ in billions)

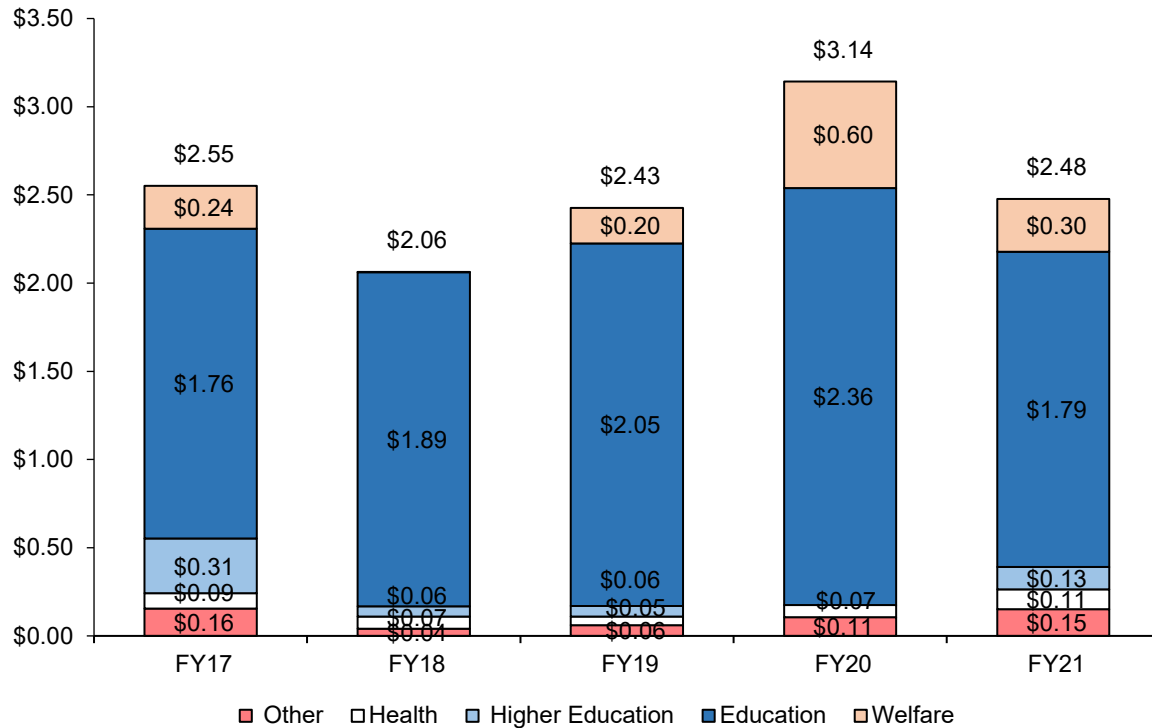


**Chart 5. Federal & State Aid as % of Total Cash Receipts, 2Q, FY17 – FY21**



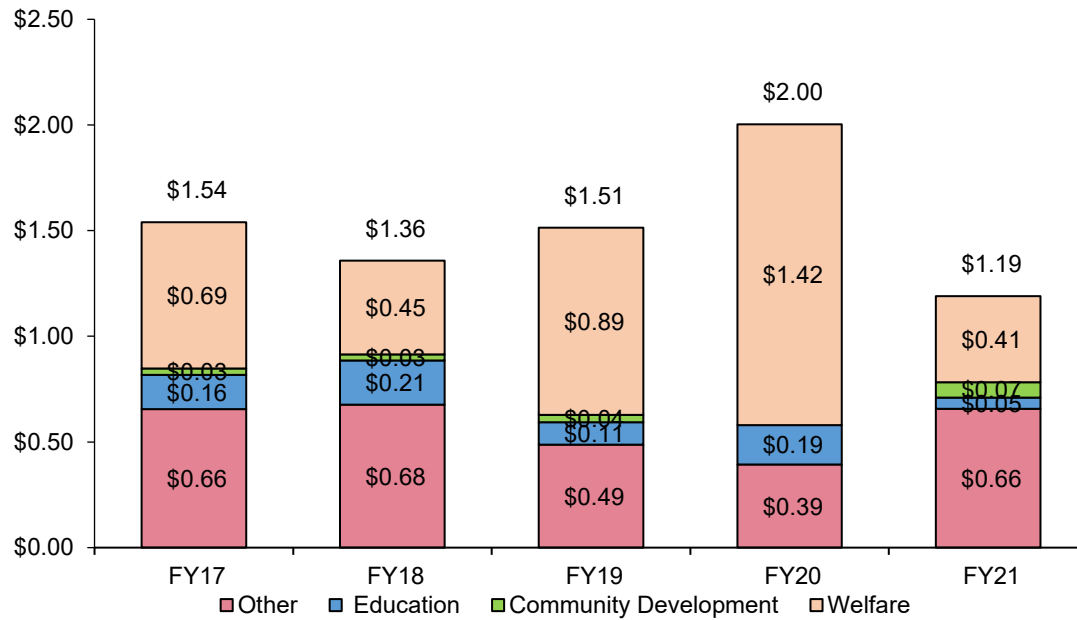
**Chart 6. Components of State Aid, 2Q, FY17 – FY21**

(\$ in billions)



**Chart 7. Components of Federal Aid, 2Q, FY17 – FY21**

(\$ in billions)



## July 2020 - December 2020 (1H21)

### Receipts at a Glance

**Table 6. Cash Receipts by Category, 1H, FY12 – FY21**

(\$ in millions)	2H12	2H13	2H14	2H15	2H16	2H17	2H18	2H19	2H20	2H21
Real Property Tax	\$10,020	\$9,901	\$10,950	\$11,273	\$12,084	\$12,561	\$12,705	\$14,052	\$14,991	\$18,525
Other Taxes	11,060	11,444	12,272	13,595	14,363	14,123	14,944	14,893	15,979	15,723
<i>Total taxes</i>	<i>21,080</i>	<i>21,345</i>	<i>23,222</i>	<i>24,868</i>	<i>26,447</i>	<i>26,684</i>	<i>27,649</i>	<i>28,945</i>	<i>30,970</i>	<i>34,248</i>
Federal and State Aid	8,204	8,395	8,183	8,469	8,615	7,774	6,781	9,869	9,467	8,709
Debt Service Funding	(146)	(1,657)	(1,025)	(2,737)	1,128	(943)	(1,239)	(813)	(1,092)	(1,543)
Miscellaneous	3,012	3,030	3,395	3,327	3,870	3,220	3,620	4,336	4,129	3,874
Intergovernmental Aid	1	1	0	0	4	59	0	0	0	0
Other	6,917	6,832	7,887	6,400	7,608	7,491	8,388	7,246	8,722	6,705
<b>Total</b>	<b>\$39,068</b>	<b>\$37,946</b>	<b>\$41,662</b>	<b>\$40,327</b>	<b>\$47,672</b>	<b>\$44,285</b>	<b>\$45,199</b>	<b>\$49,583</b>	<b>\$52,196</b>	<b>\$51,993</b>
<b>Total, Net of Reimbursement for CapEx</b>	<b>\$34,532</b>	<b>\$33,825</b>	<b>\$37,339</b>	<b>\$37,343</b>	<b>\$43,837</b>	<b>\$39,925</b>	<b>\$40,102</b>	<b>\$45,546</b>	<b>\$46,988</b>	<b>\$48,214</b>

Total cash receipts for 1H21 were down 0.4% versus a year ago. The cash receipts include the retention of real property and personal income tax revenues for GO and TFA PIT debt service payments. Debt service funding is counted as a negative inflow (rather than a positive expense). In 1H21, debt service funding decreased total cash revenues by \$1.5 billion, compared to \$1.1 billion in 1H20.

### Taxes<sup>4</sup>

**Table 7. Major Tax Receipts, 1H16, 1H20, & 1H21**

(\$ in millions)	1H16	1H20	1H21	% Change 1H21/1H16	% Change 1H21/1H20
Real Property Tax	\$12,084	\$14,991	\$18,525	53%	24%
Personal Income Tax	4,694	5,821	7,158	52	23
Sales Tax	3,606	4,085	3,164	(12)	(23)
General Corporation Tax	1,882	2,772	2,716	44	(2)
Unincorporated Business Tax	772	729	884	15	21
Mortgage and Real Property Transfer Taxes	1,476	1,263	754	(49)	(40)
Commercial Rent Tax	430	519	460	7	(11)
Banking Corporation Tax	639	63	108	(83)	71
PILOT	67	58	103	54	78
All Other Taxes	797	669	376	(53)	(44)
<b>Total Taxes</b>	<b>\$26,447</b>	<b>\$30,970</b>	<b>\$34,248</b>	<b>29%</b>	<b>11%</b>

Tax receipts in 1H21 increased 10.6% from a year ago. The strongest performer was real property tax, which rose 23.6%, in part due to the timing of receipts. Personal income tax grew 23%, from 5.8 billion in 1H20 to \$7.2 billion in 1H21, also due to the timing of payments because the April 15<sup>th</sup> due date to file New York State personal income returns was extended to July 15<sup>th</sup>; moreover, this year's July personal income tax total was unusually high. Cumulative receipts from business taxes (general corporation, banking corporation, and unincorporated business taxes) increased 4%, boosted by a very strong rebound of the

<sup>4</sup> 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.

financial markets from the coronavirus crisis. Mortgage and real property transfer tax revenue fell 40.3%. The pandemic brought the real estate industry to halt in March, prices of NYC homes fell, and the home buying activity has been slow to recover. Similarly, the closure of many retail businesses and restaurants caused the commercial rent tax to decline 11.4% in 1H21.

## Selected Cash Receipts

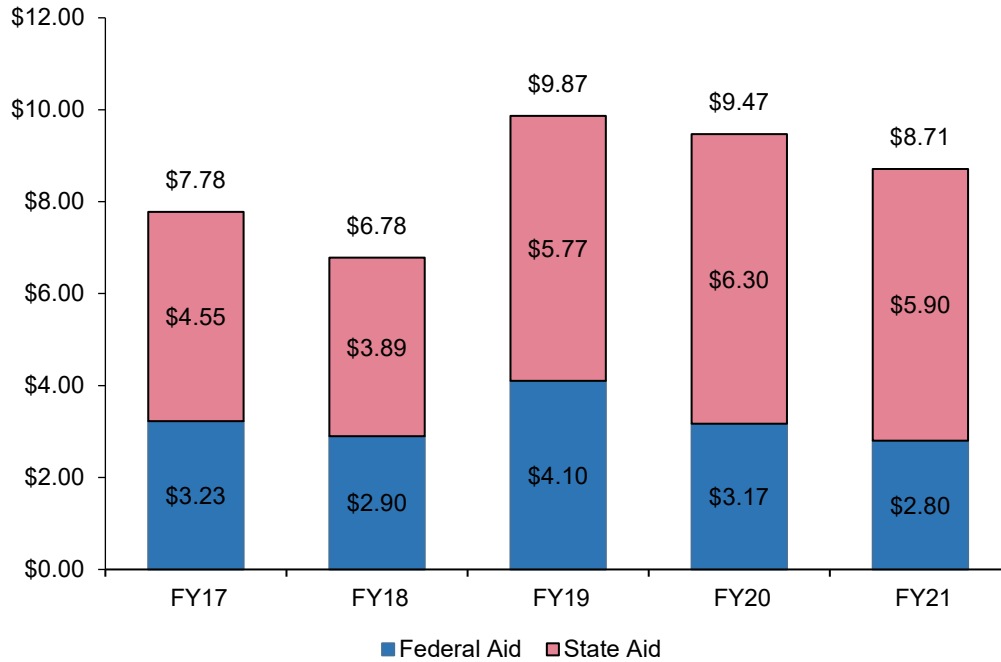
**Table 8. Selected Cash Receipts, 1H17 - 1H21**

(\$ in millions)	1H17	1H18	1H19	1H20	1H21
Real Property Tax	\$12,561	\$12,705	\$14,052	\$14,991	\$18,525
Personal Income Tax	4,761	5,483	5,439	5,821	7,158
NYS Education Aid	3,116	3,290	3,952	4,161	3,711
Sales Tax	3,461	3,638	3,821	4,085	3,164
General Corporation Tax	2,133	2,177	2,246	2,772	2,716
Water and Sewer Fees	1,226	1,365	1,429	1,509	1,632
NYS Welfare Aid	685	215	524	823	1,266
Federal Welfare Aid	1,614	951	2,309	1,811	1,039
Unincorporated Business Tax	765	957	826	729	884
Mortgage and Real Property Transfer Taxes	1,366	1,241	1,284	1,263	754
Fines and Forfeitures	531	498	587	661	510
Commercial Rent Tax	425	459	486	519	460
NYS Health	165	142	165	135	422
Federal Education Aid	331	557	638	577	302
Senior College Fees	148	165	335	272	297
NYS Higher Education Aid	311	59	916	925	174

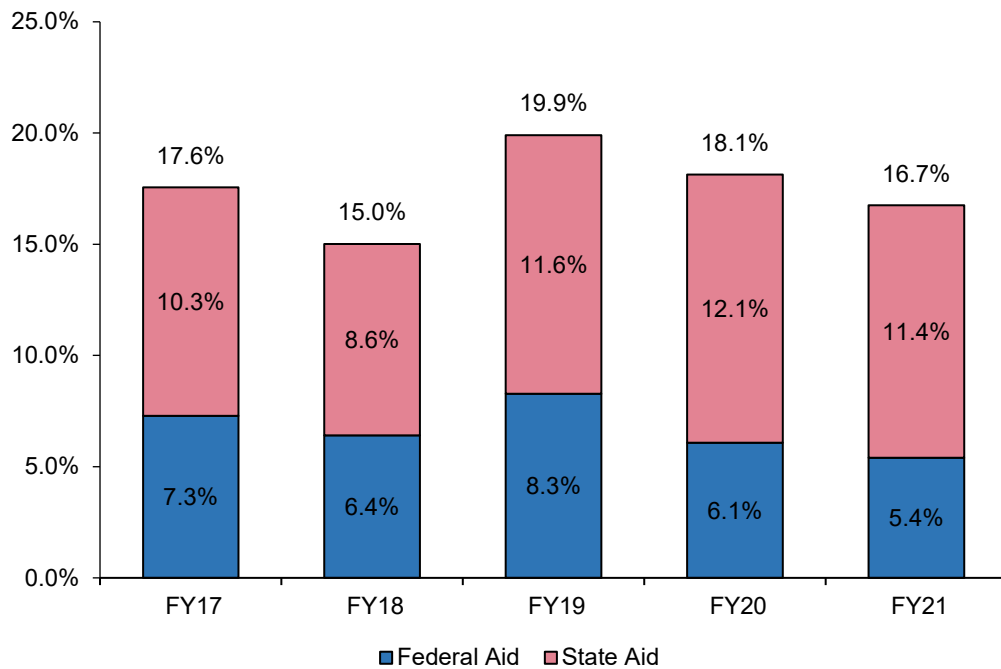
## Federal and State Aid

**Chart 8. Federal & State Aid to NYC, 1H, FY17 – FY21**

(\$ in billions)



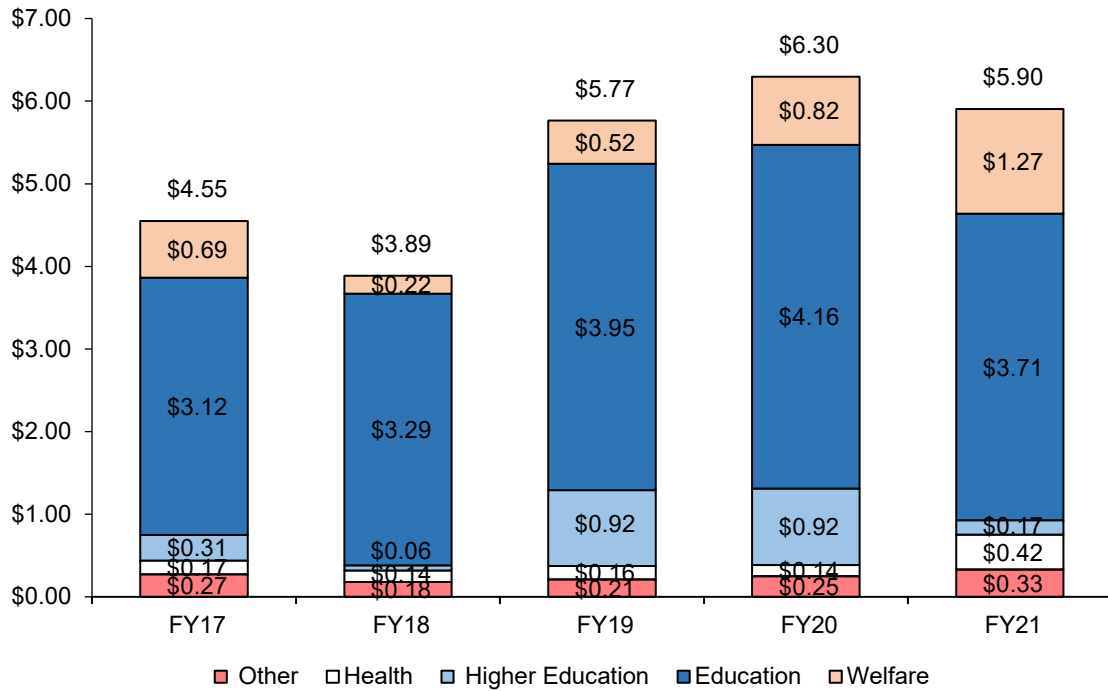
**Chart 9. Federal & State Aid as % of Total Cash Receipts, 1H, FY17 – FY21**





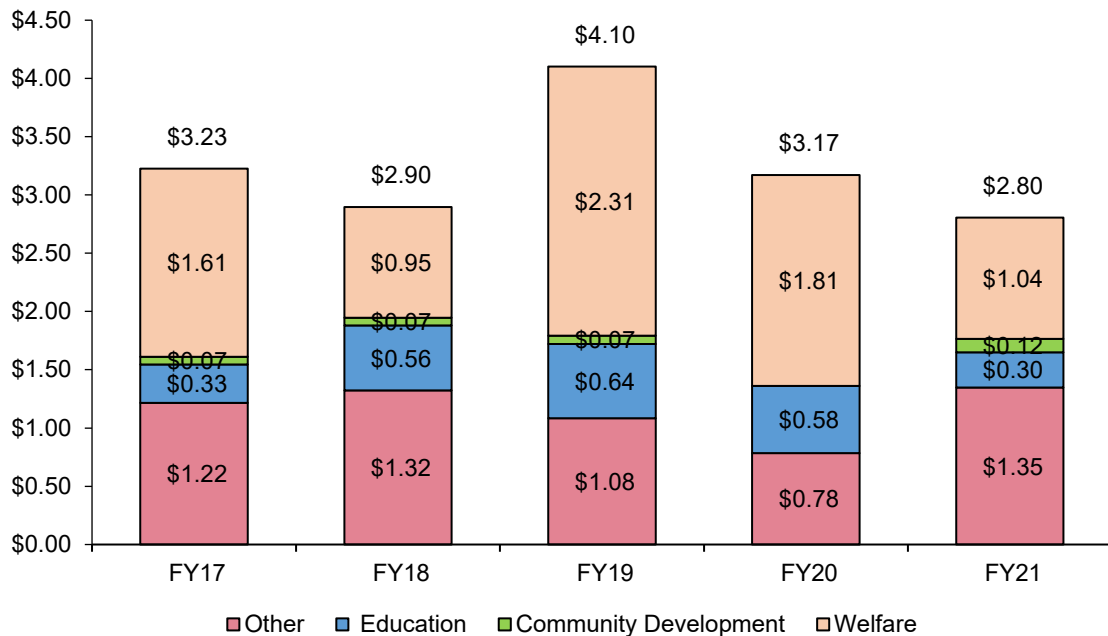
**Chart 10. Components of State Aid, 1H, FY17 – FY21**

(\$ in billions)



**Chart 11. Components of Federal Aid, 1H, FY17 – FY21**

(\$ in billions)



The combined 1H21 total of Federal and State aid decreased 8% compared to the same period last year. Federal welfare aid declined the most (\$772 million), followed by NYS higher education aid (\$751 million) and NYS education aid (\$450 million.)

# Cash Expenditures (Including Capital)

October 2020 - December 2020 (2Q21)

## Cash Expenditures at a Glance

Table 9. PS & OTPS, 2Q, FY12 – FY21

(\$ in millions)	2Q12	2Q13	2Q14	2Q15	2Q16	2Q17	2Q18	2Q19	2Q20	2Q21
Gross Payroll	\$5,775	\$5,953	\$5,961	\$6,333	\$7,284	\$6,955	\$7,777	\$8,638	\$8,736	\$8,297
Fringe and Other	3,402	3,600	3,573	3,715	3,897	4,190	4,488	4,700	4,811	4,266
<b>Total PS</b>	<b>\$9,177</b>	<b>\$9,553</b>	<b>\$9,534</b>	<b>\$10,048</b>	<b>\$11,181</b>	<b>\$11,145</b>	<b>\$12,265</b>	<b>\$13,338</b>	<b>\$13,547</b>	<b>\$12,563</b>
% of 2Q Total Exp	50%	50%	49%	50%	50%	50%	52%	51%	50%	50%
# of Bi-weekly Payrolls	6	6	6	6	7	7	7	7	7	7
Public Assistance	\$591	\$610	\$629	\$634	\$673	\$750	\$801	\$950	\$901	\$904
Medical Assistance	1,262	1,466	1,386	1,524	1,431	1,266	1,536	1,271	1,349	1,307
Other Social Services	621	557	584	649	644	703	624	798	744	852
Vendor and Other	3,701	3,909	4,244	4,530	4,782	5,022	5,819	5,920	6,009	5,584
<b>Total OTPS</b>	<b>\$6,175</b>	<b>\$6,542</b>	<b>\$6,843</b>	<b>\$7,337</b>	<b>\$7,530</b>	<b>\$7,741</b>	<b>\$8,780</b>	<b>\$8,939</b>	<b>\$9,003</b>	<b>\$8,647</b>
% of 2Q Total Exp	33%	35%	35%	36%	33%	35%	37%	34%	33%	35%
<b>All Other</b>	<b>\$3,182</b>	<b>\$2,868</b>	<b>\$3,160</b>	<b>\$2,850</b>	<b>\$3,842</b>	<b>\$3,420</b>	<b>\$2,607</b>	<b>\$3,836</b>	<b>\$4,815</b>	<b>\$3,855</b>
% of 2Q Total Exp	17%	15%	16%	14%	17%	15%	11%	15%	17%	15%
<b>Total Expenditures</b>	<b>\$18,534</b>	<b>\$18,963</b>	<b>\$19,537</b>	<b>\$20,235</b>	<b>\$22,553</b>	<b>\$22,306</b>	<b>\$23,652</b>	<b>\$26,113</b>	<b>\$27,365</b>	<b>\$25,065</b>
<b>Total Expenditures, Net of CapEx</b>	<b>\$16,263</b>	<b>\$17,182</b>	<b>\$17,632</b>	<b>\$18,684</b>	<b>\$20,648</b>	<b>\$20,588</b>	<b>\$21,853</b>	<b>\$23,590</b>	<b>\$24,407</b>	<b>\$23,144</b>

Cash expenditures, including capital, totaled \$25.065 billion in 2Q21, averaging \$404.3 million daily. During the same period last year, cash expenditures totaled \$27.365 billion and averaged \$448.6 million daily. Gross payroll decreased 5%, while fringe benefits, including pension contributions, social security, health plan, and supplemental (union-related) welfare benefits, fell 11.3%.

The City paid \$112.5 million in social security tax in 2Q21 vs. \$583.3 million in 2Q20. 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 expenditures (OTPS) declined 4%. Medical assistance spending decreased 3.1%, while vendor and other services spending was down 7.1%. Outlays in the "All Other" category decreased 19.9%, as a result of lower City-funded capital expenditures, and a negative Fund 700 adjustment.

## “All Other” Spending

Table 10. Major Components of “All Other” Spending, 2Q20 & 2Q21

(\$ in millions)	2Q20	2Q21	Difference
Transit Authority	\$0	\$35	\$35
Housing Authority	41	103	62
Lump Sum Payments	691	781	90
NYC H+H	455	610	155
Refunds	291	353	62
City-Funded Capital	2,649	1,725	(924)
Non-City-Funded Capital	309	196	(113)
Fund 700 Adjustment	382	50	(332)

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 700 adjustment and are deducted from our calculation of the unrestricted cash balance. As the City’s business proceeds throughout the year, the Fund 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 700 obligations are satisfied). In 2Q21, the Fund 700 adjustment was reflected as a positive expense, and it reduced the unrestricted cash balance by \$50 million.

## July 2020 - December 2020 (1H21)

### Cash Expenditures at a Glance

Table 11. PS & OTPS, 1H, FY12 – FY21

(\$ in millions)	1H12	1H13	1H14	1H15	1H16	1H17	1H18	1H19	1H20	1H21
Gross Payroll	\$11,951	\$12,012	\$12,095	\$12,758	\$14,320	\$14,061	\$14,934	\$15,961	\$16,308	\$15,781
Fringe and Other	6,694	6,966	7,233	7,611	7,853	8,469	8,695	9,061	9,476	8,503
<b>Total PS</b>	<b>\$18,645</b>	<b>\$18,978</b>	<b>\$19,328</b>	<b>\$20,369</b>	<b>\$22,173</b>	<b>\$22,530</b>	<b>\$23,629</b>	<b>\$25,022</b>	<b>\$25,784</b>	<b>\$24,284</b>
% of Total Exp	49%	50%	47%	50%	48%	49%	50%	48%	48%	48%
Public Assistance	\$1,223	\$1,190	\$1,269	\$1,283	\$1,379	\$1,521	\$1,751	\$2,010	\$2,041	\$2,059
Medical Assistance	2,912	3,088	2,763	2,877	2,883	2,634	2,723	2,794	2,803	2,706
Other Social Services	1,182	1,195	1,236	1,274	1,307	1,400	1,337	1,613	1,698	1,792
Vendor and Other	7,735	7,726	8,769	9,566	9,910	10,729	11,202	12,246	12,968	12,466
<b>Total OTPS</b>	<b>\$13,052</b>	<b>\$13,199</b>	<b>\$14,037</b>	<b>\$15,000</b>	<b>\$15,479</b>	<b>\$16,284</b>	<b>\$17,013</b>	<b>\$18,663</b>	<b>\$19,510</b>	<b>\$19,023</b>
% of Total Exp	35%	35%	34%	36%	35%	36%	36%	36%	36%	37%
<b>All Other</b>	<b>\$6,058</b>	<b>\$5,871</b>	<b>\$7,703</b>	<b>\$5,616</b>	<b>\$7,918</b>	<b>\$6,841</b>	<b>\$6,972</b>	<b>\$7,957</b>	<b>\$8,891</b>	<b>\$7,588</b>
% of Total Exp	16%	15%	19%	14%	17%	15%	14%	15%	16%	15%
<b>Total Expenditures</b>	<b>\$37,755</b>	<b>\$38,048</b>	<b>\$41,068</b>	<b>\$40,985</b>	<b>\$45,570</b>	<b>\$45,655</b>	<b>\$47,614</b>	<b>\$51,642</b>	<b>\$54,185</b>	<b>\$50,895</b>
<b>Total Expenditures, Net of CapEx</b>	<b>\$33,607</b>	<b>\$34,118</b>	<b>\$36,790</b>	<b>\$37,414</b>	<b>\$41,594</b>	<b>\$41,643</b>	<b>\$43,468</b>	<b>\$46,684</b>	<b>\$48,565</b>	<b>\$47,070</b>

Cash expenditures in 1H21 decreased 6.1% compared to the same period last year. Personal service expenditures declined 5.8%, to \$24.3 billion. Other than personal service expenditures fell 2.5%, to \$19.0 billion, with vendor and other contributing the most to the decline. Outlays considered “All Other” were down 14.7%, as a result of lower spending on capital projects, smaller lump sum payments, and a negative Fund 700 adjustment.

## “All Other” Spending

Table 12. Major Components of “All Other” Spending, 1H20 & 1H21

(\$ in millions)	1H20	1H21	Difference
Transit Authority	\$266	\$258	(\$8)
Housing Authority	102	161	59
Lump Sum Payments	1,593	1,482	(111)
NYC H+H	658	1,252	594
Refunds	470	571	101
City-Funded Capital	5,093	3,437	(1,656)
Non-City-Funded Capital	527	388	(139)
Fund 700 Adjustment	182	36	(146)

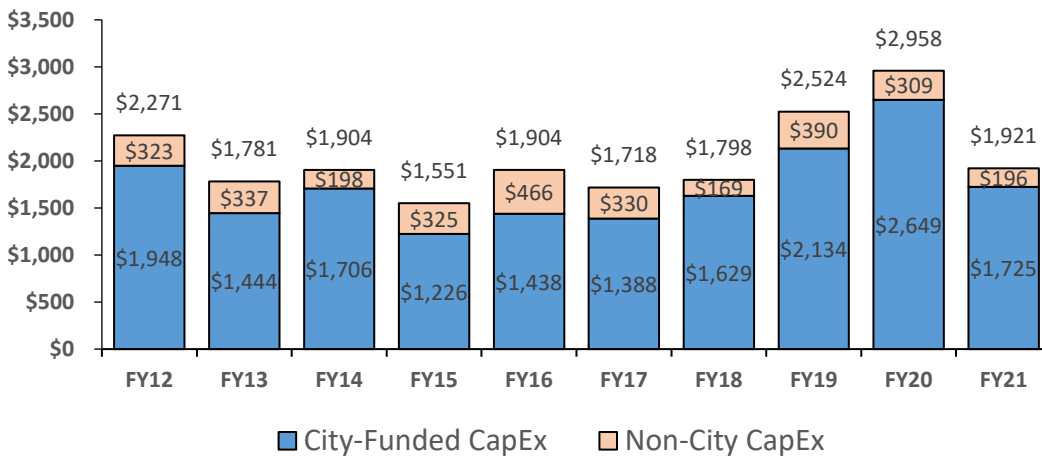
# Capital Expenditures

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 and Expanding Our Children’s Education and Learning (EXCEL) capital grant funding from the Dormitory Authority of the State of New York (DASNY). Capital expenditures are initially paid from the New York City Central Treasury and then reimbursed from various capital accounts and State sources.

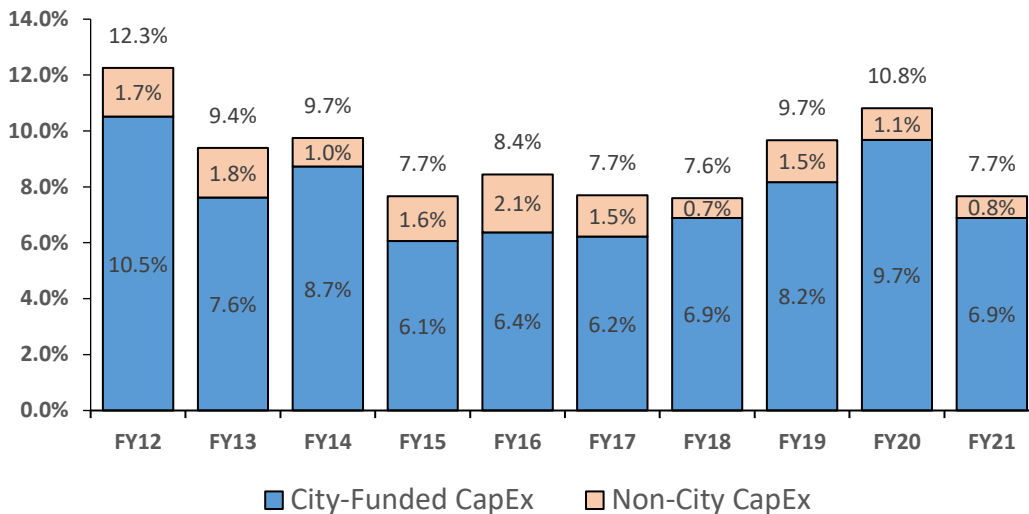
## October 2020 - December 2020 (2Q21)

**Chart 12. Total CapEx, 2Q, FY12 – FY21**

(\$ in millions)



**Chart 13. Total CapEx as % of Total Expenditures, 2Q, FY12 – FY21**



CapEx totaled \$1.921 billion in 2Q21, down 35.1% from \$2.958 billion in 2Q20. Non-City-funded CapEx declined 36.6% while City-funded CapEx dropped 34.9%.

## Reimbursements to the New York City Central Treasury for Capital Expenditures

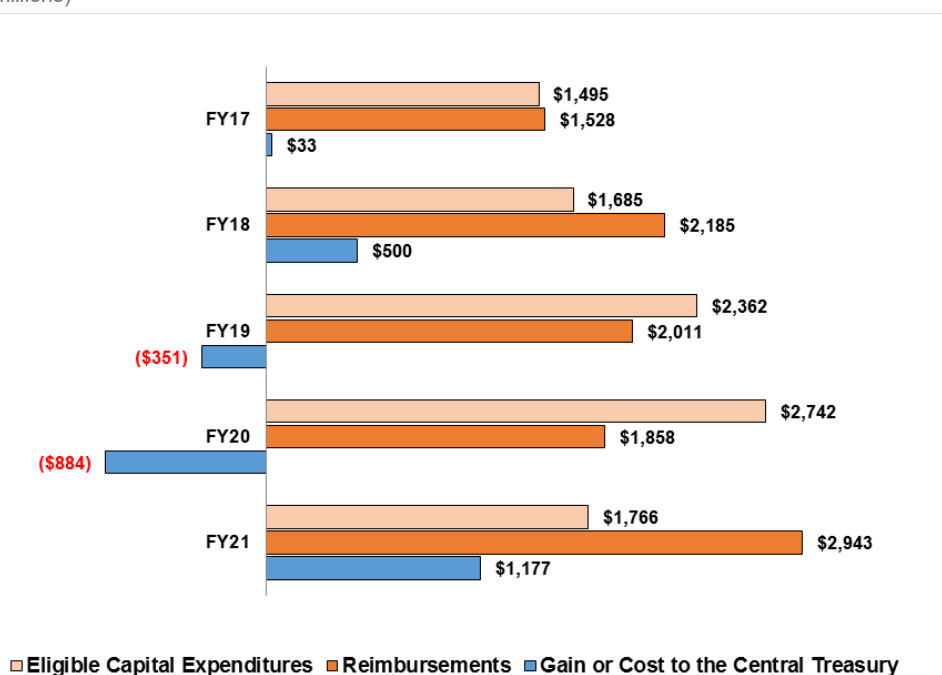
Table 13. Reimbursements to the NYC Central Treasury for CapEx, 2Q, FY12 – FY21

(\$ in millions)	2Q12	2Q13	2Q14	2Q15	2Q16	2Q17	2Q18	2Q19	2Q20	2Q21	Total
GO	\$977	\$127	\$901	\$24	\$47	\$244	\$998	\$0	\$589	\$823	\$4,730
NY Water	582	470	397	315	334	409	432	438	477	470	4,324
TFA	797	768	1,324	999	1,529	875	755	1,573	505	1,650	10,775
<i>Subtotal</i>	<i>\$2,356</i>	<i>\$1,365</i>	<i>\$2,622</i>	<i>\$1,338</i>	<i>\$1,910</i>	<i>\$1,528</i>	<i>\$2,185</i>	<i>\$2,011</i>	<i>\$1,571</i>	<i>\$2,943</i>	<i>\$19,829</i>
TFA Building Aid	297	132	0	0	0	0	0	0	287	0	716
<b>Total</b>	<b>\$2,653</b>	<b>\$1,497</b>	<b>\$2,622</b>	<b>\$1,338</b>	<b>\$1,910</b>	<b>\$1,528</b>	<b>\$2,185</b>	<b>\$2,011</b>	<b>\$1,858</b>	<b>\$2,943</b>	<b>\$20,545</b>
2Q Reimbursable Capital Expenditures	\$2,105	\$1,583	\$1,706	\$1,392	\$1,691	\$1,495	\$1,685	\$2,362	\$2,742	\$1,766	\$18,527
2Q Reimbursements Less 2Q Reimbursable Capital Expenditures	\$548	(\$86)	\$916	(\$54)	\$219	\$33	\$500	(\$351)	(\$884)	\$1,177	\$2,018
2Q Reimbursements as a % of 2Q Reimbursable Capital Expenditures	126.0%	94.6%	153.7%	96.1%	113.0%	102.2%	129.7%	85.1%	67.8%	166.6%	110.9%
2Q Reimbursements as a % of 2Q Total Receipts	13.4%	7.9%	11.8%	6.6%	7.7%	6.9%	9.2%	8.0%	7.0%	11.5%	9.0%

Reimbursements to the Central Treasury for CapEx exceeded reimbursable expenditures during 2Q21. CapEx is initially paid from the City Treasury and then reimbursed from bond proceeds as appropriate. Over the long term, CapEx 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 2Q21, this dynamic resulted in a gain of \$1.177 billion.

Chart 14. Bond-Funded Reimbursements for Eligible CapEx, 2Q, FY17 – FY21

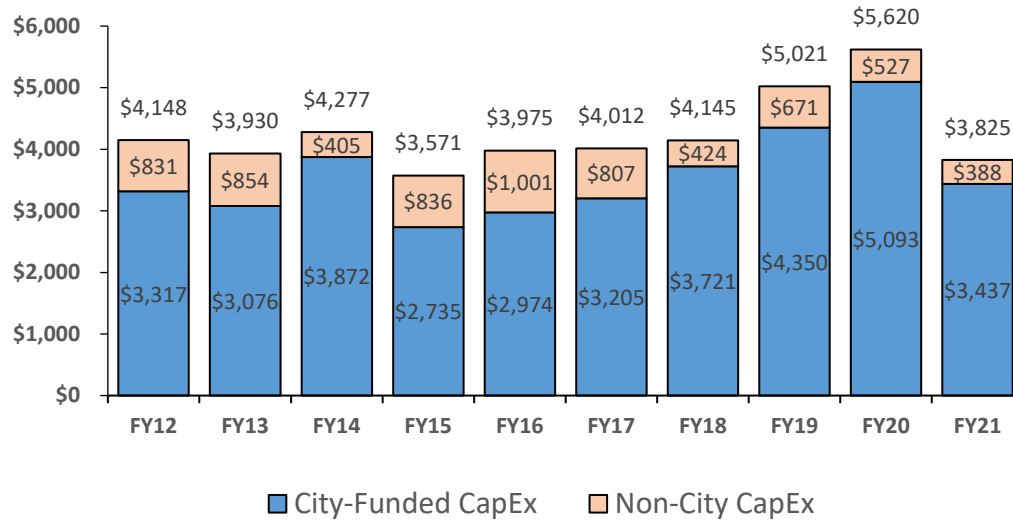
(\$ in millions)



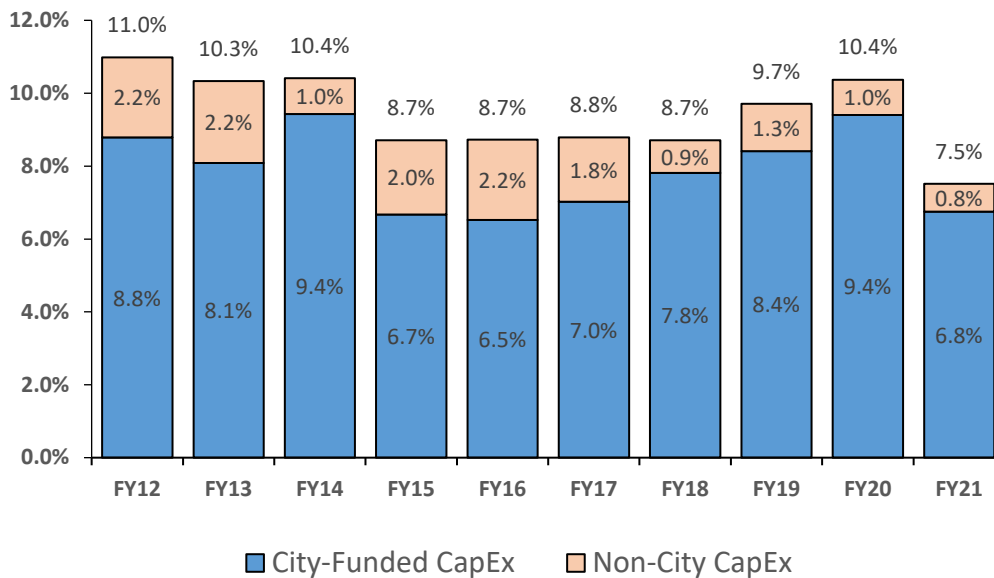
## July 2020 - December 2020 (1H21)

**Chart 15. Total CapEx, 1H, FY12 – FY21**

(\$ in millions)



**Chart 16. Total CapEx as % of Total Expenditures, 1H, FY12 – FY21**



Total CapEx equaled \$3.825 billion in 1H21 compared to \$5.620 billion during the same period last year. Non-City-funded CapEx declined 26.4% while City-funded CapEx dropped 32.5%.



## Reimbursements to the New York City Central Treasury for Capital Expenditures

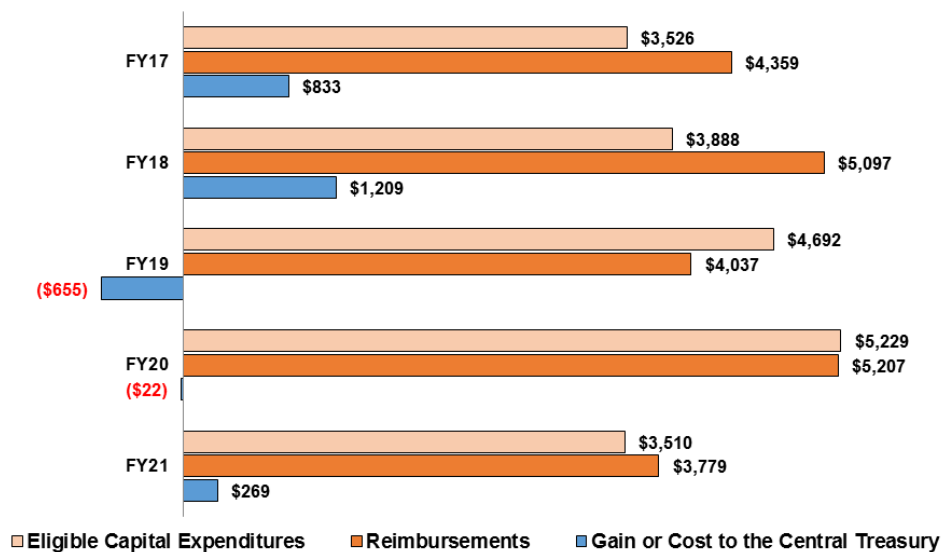
Table 14. Reimbursements to the NYC Central Treasury, 1H, FY12 – FY21

(\$ in millions)	1H12	1H13	1H14	1H15	1H16	1H17	1H18	1H19	1H20	1H21	Total
GO	\$1,433	\$422	\$1,372	\$357	\$609	\$1,532	\$998	\$38	\$2,090	\$823	\$9,674
NY Water	1,157	986	817	673	687	732	816	899	1,034	895	8,696
TFA	1,369	1,982	2,135	1,953	1,707	2,095	3,283	3,100	1,796	2,061	21,481
<i>Subtotal</i>	<i>\$3,959</i>	<i>\$3,390</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>\$3,779</i>	<i>\$39,851</i>
TFA Building Aid	577	730	0	0	832	0	0	0	287	0	2,426
<b>Total</b>	<b>\$4,536</b>	<b>\$4,120</b>	<b>\$4,324</b>	<b>\$2,983</b>	<b>\$3,835</b>	<b>\$4,359</b>	<b>\$5,097</b>	<b>\$4,037</b>	<b>\$5,207</b>	<b>\$3,779</b>	<b>\$42,277</b>
1H Reimbursable Capital Expenditures	\$3,757	\$3,570	\$3,872	\$3,254	\$3,533	\$3,526	\$3,888	\$4,692	\$5,229	\$3,510	\$38,831
1H Reimbursements Less 1H Reimbursable Capital Expenditures	\$779	\$550	\$452	(\$271)	\$302	\$833	\$1,209	(\$655)	(\$22)	\$269	\$ 3,447
1H Reimbursements as a % of 1H Reimbursable Capital Expenditures	120.8%	115.4%	111.7%	91.7%	108.5%	123.6%	131.1%	86.0%	99.6%	107.7%	108.9%
1H Reimbursements as a % of 1H Total Receipts	11.6%	10.9%	10.4%	7.4%	8.0%	9.8%	11.3%	8.1%	10.0%	7.3%	9.4%

1H21 reimbursements exceeded eligible spending, resulting in a \$269 million gain to the Central Treasury. Over the past ten years, 1H reimbursements have exceeded eligible spending by 8.9%.

Chart 17. Bond-Funded Reimbursements for Eligible CapEx, 1H17 - 1H21

(\$ in millions)



# Financings

**Table 15. FY 2021 Projected New Money vs. 1H21 Actual New Money GO, TFA FTS, and TFA BARBs Issuance**

(\$ in millions)	Projected FY21 New Money Issuance	1H21 New Money Issuance	Remaining New Money Issuance
GO	\$2,133	\$900	\$1,233
TFA FTS	\$4,373	\$1,973	\$2,400
TFA BARBs	\$200	\$200	\$0
<b>Total</b>	<b>\$6,706</b>	<b>\$3,073</b>	<b>\$3,633</b>

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

In FY21, the City plans to issue \$6.7 billion in GO, TFA FTS, and TFA BARBs for new money capital purposes. The City issued \$3.1 billion of new money debt in 1H21, leaving \$3.6 billion of issuance planned for the remainder of the current fiscal year.

**Table 16. GO, TFA FTS, and TFA BARBs Bond Issuance, 1H21**

(\$ in millions)

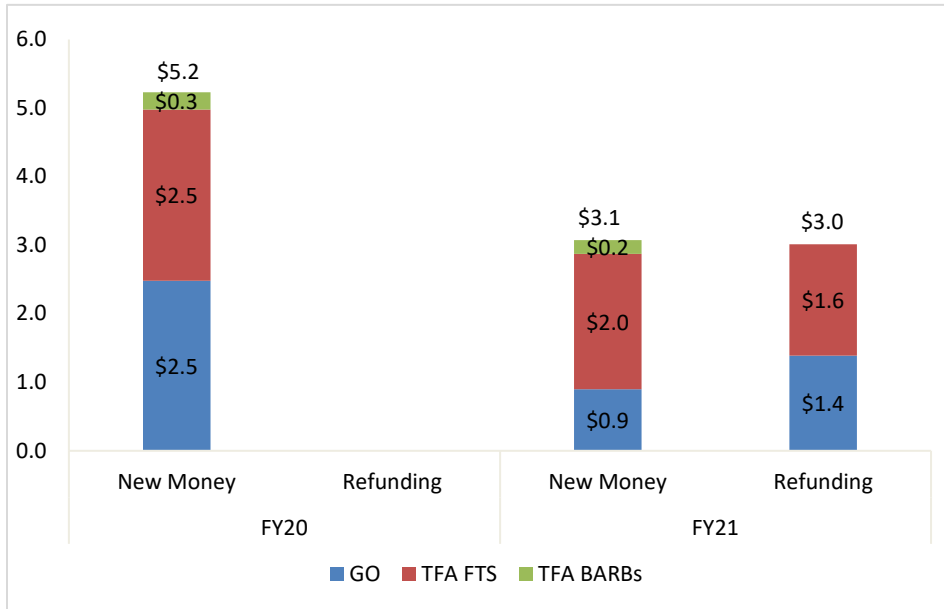
Closing Date	Deal	Purpose	TE Fixed	TX Fixed	TE Variable	Total Par
9/1/2020	TFA FTS 2021 Series AB	Refunding	\$1,349	\$275	\$0	\$1,623
9/9/2020	GO 2021 Series AB	Refunding	\$1,100	\$288	\$0	\$1,388
9/24/2020	TFA FTS 2021 Series C	New Money	\$900	\$173	\$0	\$1,073
10/15/2020	GO 2021 Series C	New Money	\$900	\$0	\$0	\$900
10/22/2020	TFA BARBs 2021 Series S-1	New Money	\$200	\$0	\$0	\$200
11/05/2020	TFA FTS 2021 Series D	New Money	\$700	\$200	\$0	\$900

The table excludes conversions and re-offerings.

Three new money transactions closed in 2Q21. The first transaction included \$900 million of tax-exempt fixed rate GO bonds. The second transaction included \$200 million of tax-exempt fixed rate TFA Building Aid Revenue Bonds. The third transaction included \$700 million of tax-exempt fixed rate and \$200 million of taxable fixed rate TFA FTS bonds.

**Chart 18. GO, TFA FTS, and TFA BARBs Issues, 1H20 & 1H21**

(\$ in billions)



The pace of bond issuance in 1H21 was higher than last year's pace. In 1H21, the City issued \$3.1 billion in new money bonds and \$3 billion in refunding bonds. Over the same period last year, the City issued \$5.2 billion in new money bonds.

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