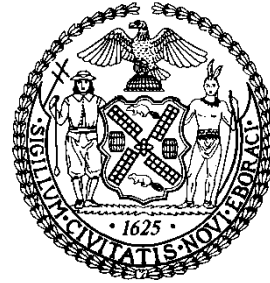


**The City Of New York  
Office of the Comptroller**

**Scott M. Stringer  
Comptroller**



# QUARTERLY CASH REPORT

January - March 2015  
Third Quarter of Fiscal Year 2015

June 2015

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## **Summary**

### **Cash Balances**

During 3Q15, cash (book) balances in the New York City Central Treasury averaged \$10.692 billion, compared to \$9.029 billion at the same time last year. The level of daily cash balances in the New York City Central Treasury reflects the strength of New York City economy and finances. The usual influences for this time of year were at play. Cash balances faded through most of the quarter, slipping from January highs that came on the heels of semi-annual real estate tax receipts. This trend reversed in mid-March, behind the arrival of the quarterly real estate tax receipts due by April 1. The period finished strong with the receipt of \$3 billion in State aid, which included the Spring advance, a component of State education aid. As is normal for the third quarter, total receipts exceeded total expenditures. Both receipts and expenditures gained new 3Q all-time highs.

The City of New York (NYC) began FY15 (in July 2014) with a head start of \$1.914 billion over FY14, in terms of an unrestricted cash balance. By the end of 3Q15, the City's unrestricted cash balance reached \$12.368 billion compared to \$11.448 billion at the same time last year. FYTD15 receipts exceeded expenditures by \$2.5 billion. Both cash receipts and expenditures reached new record highs.

### **Cash Receipts**

Total receipts in 3Q15 were the highest 3Q inflows on record, up 15% versus a year-ago. Removing the effect of CapEx reimbursements, net cash receipts grew 13.7% and were the highest 3Q net cash receipts on record.

“Other” receipts – which include capital transfers and District Attorney's revenues increased by \$3.3 billion compared to the same period last year. Capital transfers (discussed in detail in the Capital Expenditures section of this report) increased \$529 million, or 30.1%, compared to last year. On March 3, 2015 New York City District Attorney's Office deposited \$2.2 billion into the Trust and Agency account. Trust & Agency is one of NYC's several restricted accounts that is not counted in the cash balance, rather it is a holding area for funds that are committed, but first received by the City. The \$2.2 billion is a portion of a recent \$8.9 billion court settlement with BNP Paribas. The bank violated U.S. sanctions against Iran, Sudan, and Cuba, and falsified its business records. Of the \$2.2 billion, \$1.3 billion will be transferred to the State of New York, \$448.7 million will go to the Manhattan District Attorney's Office and the remaining \$447 million is for the City of New York. The City plans to use the funds from the settlement to improve its criminal justice system. Excluding capital reimbursements and the BNP Paribas settlement, 3Q15 cash inflows rose 2.9% from last year.

The City collected \$12.4 billion in tax revenues in 3Q15, up slightly compared to the same period last year. The City's three main sources of tax revenue - real property tax, personal income tax, and sales tax, all posted modest gains. The largest drag on tax receipts was the general corporation tax, which slipped 20.6% compared to a year-ago.

During 3Q15, the City received \$6.1 billion in Federal and State Aid, slightly less than in 3Q14. Federal aid dropped 7.1% quarter-over-quarter mainly due to the decline in welfare aid and State aid declined 5.2%, due to lower education aid payments.

FYTD15 total cash receipts reached a record high of \$66.067 billion, an increase of \$2.028 billion from the previous year. Debt service funding (real estate tax retention and PIT retention) increased by \$1.4 billion, in part due to the impact of the lower prepayment of debt at the end of FY14.

FYTD15 receipts were higher across the various major categories of tax, with the exception of the general corporation tax (down 7.3%), STAR (down 2.2%), and all other taxes (down 2.2%). The fastest growing tax categories included the banking corporation tax (up 24.2%) the mortgage and real property transfer taxes (up 21.8%), and personal income tax (up 8.1%).

NYC received \$14.57 billion from the Federal and State governments in FYTD15. Federal and State aid receipts accounted for 22.1% of total cash receipts, a smaller percentage than in previous years.

### **Cash Expenditures**

Cash expenditures, including capital, totaled \$22.570 billion in 3Q15, averaging \$370 million daily. During the same period last year, cash expenditures totaled \$19.466 billion and averaged \$319 million daily. Personal service expenditures increased by \$901 million versus a year-ago, due to higher payroll expenditures associated with the new collective bargaining agreements. Other-than-personal-service expenditures (OTPS) rose by \$283 million in the same time frame. In the OTPS category, public assistance spending showed the most growth (13.9%). According to the New York City Human Resources Administration (HRA), the number of people receiving public assistance increased from 337,400 in February, 2014 to 352,519 in February, 2015. The growth in OTPS is also attributable to the increase in vendor and other spending (up 6.4%) and other social services (up 3.4%). The expenditure category titled “Other” increased by \$1.9 billion compared to the same period last year. Included in “Other” expenditures is a deposit of \$2.2 billion from the BNP Paribas settlement (as discussed in detail in section II of this report). This disbursement appears as a cash outflow, even though the money has been placed in the restricted Trust & Agency account. Excluding capital expenditures and the BNP Paribas settlement, we consider 3Q15 cash expenditures to have risen 5.1% versus a year-ago.

FYTD15 total expenditures rose 5% versus a year-ago. Vendor and other spending rose 8.2%, followed by gross payroll (up 7.4%) and public assistance (up 5.2%). When the impact of CapEx is removed, 3Q15 (net) expenditures reflect a gain of 6.9% versus year-ago.

### **Capital Expenditures (CapEx) and Reimbursements**

CapEx totaled \$2.039 billion in 3Q15, down slightly from \$2.063 billion in 3Q14. A 26.3% drop in City-funded CapEx was offset by a 391.1% increase in Non-City-funded CapEx.

During 3Q15, reimbursements exceeded eligible CapEx, increasing the City’s cash balance by \$415 million. Table 13 shows that eligible CapEx exceeded reimbursements in six out of the last ten 3Q periods (FY06-FY15), resulting in a total drain of \$241 million to the Central Treasury.

FYTD15, total CapEx declined 11.5% versus a year-ago, driven by a 28.3% drop in City-funded CapEx. Non-City CapEx increased 173.2%.

FYTD15 reimbursements exceeded eligible CapEx by \$144 million, or 2.8%. Over the long term, CapEx and reimbursements offset each other. Over the past ten FYTD periods they have been closely paired, with reimbursements exceeding CapEx by only 2.8%.

### **Financings**

In FY15, the City plans to issue \$5.19 billion in General Obligation (GO), Transitional Finance Authority Personal Income Tax (TFA PIT), and Transitional Finance Authority Building Aid Revenue Bonds (TFA BARBs) for new money capital purposes. The City issued \$2.6 billion of new money debt FYTD.

Three transactions closed in 3Q15. The first was a new money sale of \$750 million TFA Building Aid Revenue Bonds. The second was a TFA sale of \$786 million of refunding bonds. The refunding achieved \$102.9 million in budget savings, or more than \$96 million on a present-value basis. The third transaction was a GO sale of \$800 million of refunding bonds. The refunding achieved \$132.5 million in budget savings, or more than \$111.6 million on a present-value basis.

FYTD15 bond issuance was lower than the bond issuance in FYTD14. In FYTD15 the City issued \$5.17 billion in new money and refunding bonds versus \$6.06 billion in FYTD14.

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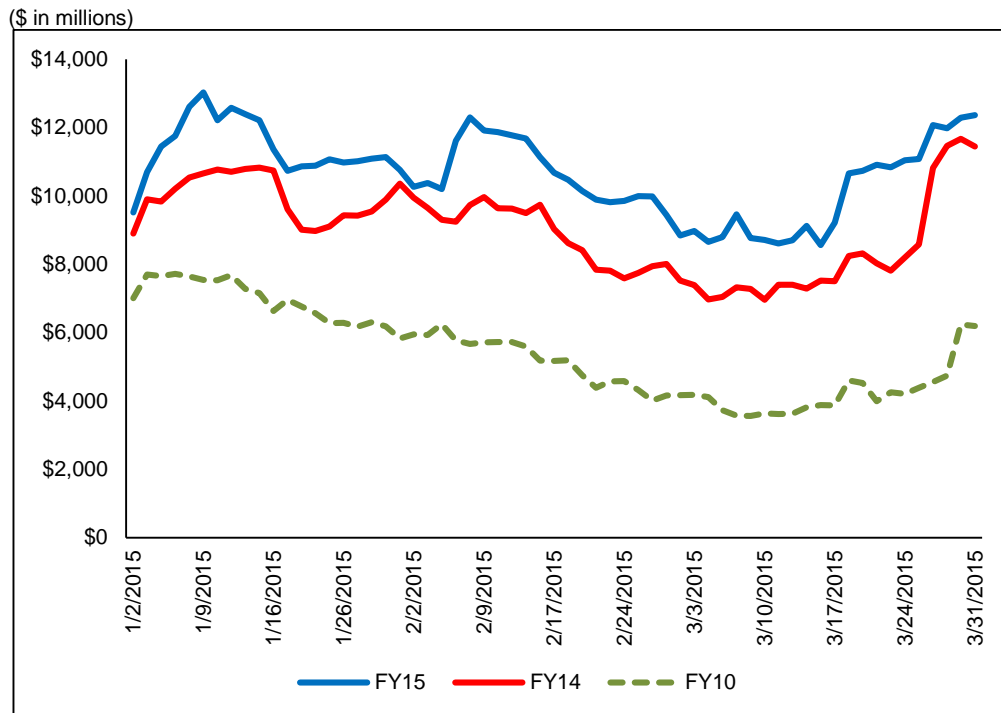
## Rounding of Large Numbers in the Quarterly Cash Report

When dealing with numbers as large as those considered in this report, it becomes necessary, for conservation of space, to round representative figures to the nearest tenths, hundredths, or thousandths. Adding such a series of rounded figures often leads to a circumstance whereby components, when added together, do not appear to equal the given total. Examples occur throughout this report and are the result of rounding, not miscalculation.

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

**January 2015 – March 2015 (3Q15)**

**Chart 1. Daily Cash Balances in the NYC Central Treasury, 3Q10, 3Q14, & 3Q15**



During the 3Q15, cash (book) balances in the New York City Central Treasury averaged \$10.692 billion, compared to \$9.029 billion at the same time last year. The level of daily cash balances in the New York City Central Treasury reflects the strength of New York City economy and finances. Cash balances faded through most of the quarter, slipping from January highs that came on the heels of semi-annual real estate tax receipts. This trend reversed in mid-March, behind the arrival of the quarterly real estate tax receipts due by April 1. The period finished strong with the receipt of \$3 billion in State aid, which included the Spring advance, a component of State education aid.

<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.

**Table 1. Cash Position in the NYC Central Treasury, 3Q, 2006 - 2015**

(\$ in millions)

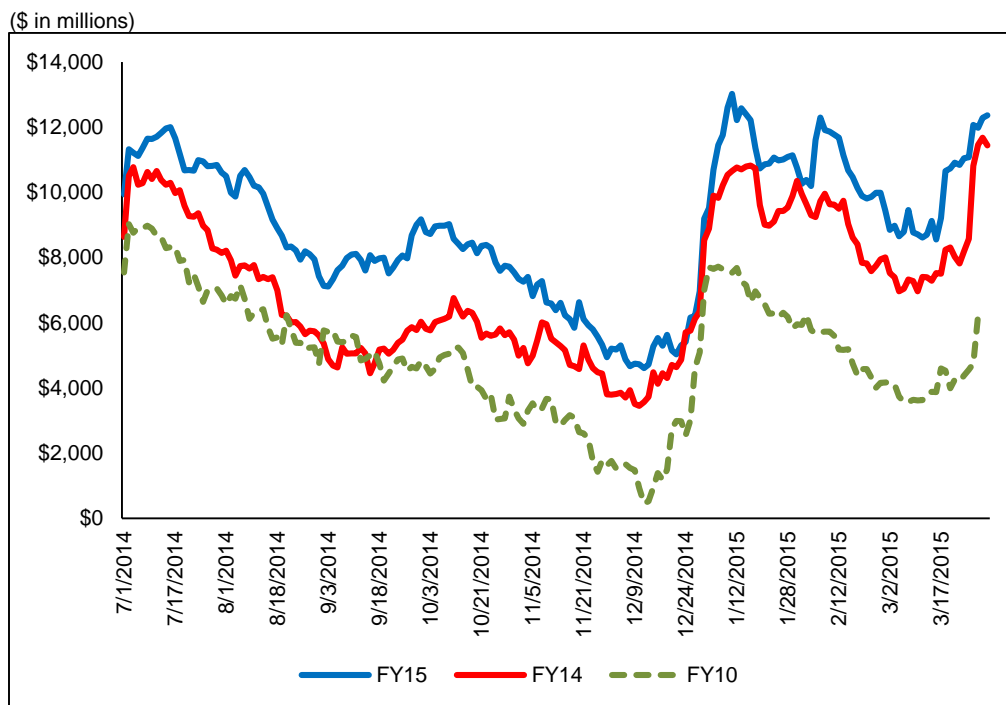
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Opening Balance	\$7,745	\$6,856	\$6,750	\$2,820	\$5,092	\$6,144	\$6,354	\$6,196	\$8,537	\$9,199
Total Receipts	16,378	20,031	20,539	22,492	18,439	20,967	20,004	22,179	22,377	25,740
Total Expenditures <sup>a</sup>	15,501	15,953	17,232	17,550	17,343	19,011	18,615	19,621	19,466	22,571
Closing Balance	\$8,622	\$10,934	\$10,057	\$7,762	\$6,188	\$8,101	\$7,742	\$8,754	\$11,448	\$12,368
<b>Avg. Daily Balance</b>	<b>\$7,021</b>	<b>\$8,588</b>	<b>\$8,318</b>	<b>\$5,536</b>	<b>\$5,426</b>	<b>\$5,806</b>	<b>\$5,709</b>	<b>\$6,461</b>	<b>\$9,029</b>	<b>\$10,692</b>

a. Total expenditures include capital expenditures.

As is normal for the third quarter, total receipts exceeded total expenditures. Both receipts and expenditures gained new 3Q all-time highs.

**July 2014 – March 2015 (FYTD15)**

**Chart 2. Daily Cash Balances in the NYC Central Treasury, FYTD, 2010, 2014, and 2015**





**Table 2. Cash Position in the NYC Central Treasury, FYTD06 - FYTD15**

(\$ in millions)

	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Opening Balance <sup>a</sup>	\$6,830	\$6,386	\$4,473	\$4,988	\$5,839	\$4,604	\$5,041	\$6,297	\$7,944	\$9,858
Total Receipts	48,379	51,746	56,072	57,303	55,004	59,639	59,072	60,126	64,039	66,066
Total Expenditures <sup>b</sup>	46,587	47,198	50,488	54,529	54,655	56,142	56,370	57,669	60,535	63,556
Closing Balance	\$8,622	\$10,934	\$10,057	\$7,762	\$6,188	\$8,101	\$7,742	\$8,754	\$11,448	\$12,368
<b>Avg. Daily Balance</b>	<b>\$6,882</b>	<b>\$6,441</b>	<b>\$5,957</b>	<b>\$5,453</b>	<b>\$4,963</b>	<b>\$4,602</b>	<b>\$5,013</b>	<b>\$5,766</b>	<b>\$7,161</b>	<b>\$8,963</b>

a. Opening balances are before City audits.

b. Total expenditures include capital expenditures.

The City of New York began FY15 (in July 2014) with a head start of \$1.914 billion over FY14, in terms of unrestricted cash balance. By the end of 3Q15, the City's unrestricted cash balance reached \$12.368 billion compared to \$11.448 billion at the same time last year. FYTD15 receipts exceeded expenditures by \$2.5 billion. Both cash receipts and expenditures reached new record highs.

## II. Cash Receipts

### January 2015 – March 2015 (3Q15)

#### Receipts at a Glance

**Table 3. Cash Receipts by Category, 3Q, FY06 - FY15**

(\$ in millions)

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Real Property Tax	\$2,121	\$2,820	\$2,737	\$5,153	\$3,176	\$3,295	\$3,399	\$3,643	\$3,789	\$3,879
Other Taxes	5,896	7,408	7,331	6,196	6,258	6,457	6,636	7,614	8,481	8,538
<b>Total Taxes</b>	<b>8,017</b>	<b>10,228</b>	<b>10,068</b>	<b>11,349</b>	<b>9,434</b>	<b>9,752</b>	<b>10,035</b>	<b>11,257</b>	<b>12,270</b>	<b>12,417</b>
Federal and State Aid	6,025	5,894	6,568	6,315	5,258	7,021	6,615	6,485	6,476	6,099
Debt Service Funding	(677)	(146)	(4)	(31)	0	(650)	(907)	(1,127)	(966)	(657)
Miscellaneous	1,083	1,393	1,417	1,569	1,462	1,525	1,726	1,945	1,944	1,872
Intergovernmental Aid	0	0	0	0	24	14	0	0	1	0
Other	1,930	2,662	2,490	3,290	2,261	3,305	2,534	3,619	2,652	6,009
<b>3Q Total</b>	<b>\$16,378</b>	<b>\$20,031</b>	<b>\$20,539</b>	<b>\$22,492</b>	<b>\$18,439</b>	<b>\$20,967</b>	<b>\$20,003</b>	<b>\$22,179</b>	<b>\$22,377</b>	<b>\$25,740</b>
<b>Total, Net of Reimbursement for CapEx</b>	<b>\$15,425</b>	<b>\$18,738</b>	<b>\$18,984</b>	<b>\$20,041</b>	<b>\$17,098</b>	<b>\$18,583</b>	<b>\$18,478</b>	<b>\$20,097</b>	<b>\$20,618</b>	<b>\$23,451</b>

Total receipts in 3Q15 were the highest 3Q inflows on record, up 15% versus a year-ago. Removing the effect of CapEx reimbursements, net cash receipts grew 13.7% and were the highest 3Q net cash receipts on record.

The receipts category titled “Other” increased \$3.3 billion compared to the same period last year. Contained in this “Other” category are capital transfers (discussed in detail in the Capital Expenditures section of this report), which increased \$529 million, or 30.1%, versus a year-ago. Also included in “Other” inflows is a deposit of \$2.2 billion into the Trust & Agency account from the New York County District Attorney’s Office. Trust & Agency is one of NYC’s several restricted accounts that is not counted in the cash balance. It is best thought of as a holding area for funds that are committed - as good as spent - but still in the City’s possession. The \$2.2 billion is a portion of the recent \$8.9 billion court settlement involving the bank BNP Paribas. The bank violated U.S. sanctions against Iran, Sudan, and Cuba, and falsified its business records. Out of the \$2.2 billion, \$1.3 billion will be transferred out to the State of New York. The City’s portion of the funds consists of \$448.7 million to the Manhattan District Attorney’s Office and \$447 million to the City of New York. The City of New York plans to use the funds from the settlement to improve its criminal justice system. Excluding capital reimbursements and the BNP Paribas settlement, 3Q15 cash inflows rose 2.9% compared to a year-ago.

## Taxes<sup>2</sup>

**Table 4. Tax Receipts, 3Q10, 3Q14, & 3Q15**

(\$ in millions)

	FY10	FY14	FY15	% Change FY15/ FY10	% Change FY15/ FY14
Real Property Tax	\$3,176	\$3,789	\$3,879	22.1%	2.4%
Personal Income Tax	2,415	2,966	3,205	32.7	8.1
Sales Tax	1,178	1,496	1,579	34.0	5.5
General Corporation Tax	856	1,614	1,282	49.8	(20.6)
Mortgage and Real Property Transfer Taxes	246	656	803	226.4	22.4
Unincorporated Business Tax	483	568	517	7.0	(9.0)
Banking Corporation Tax	458	417	429	(6.3)	2.9
Commercial Rent Tax	154	204	192	24.7	(5.9)
Utility Tax	111	121	117	5.4	(3.3)
Other Taxes	357	439	414	16.0	(5.7)
<b>3Q Total</b>	<b>\$9,434</b>	<b>\$12,270</b>	<b>\$12,417</b>	<b>31.6</b>	<b>1.2</b>

The City collected \$12.4 billion in tax revenues for 3Q15, up slightly compared to the same period last year. The City's three main sources of tax revenue: the real property tax, personal income tax, and the sales tax, all posted modest gains. The largest drag on tax receipts was general corporation tax, which slipped 20.6% versus a year-ago.

## Selected Cash Receipts

**Table 5. Selected Cash Receipts, 3Q, 2011 - 2015**

(\$ in millions)

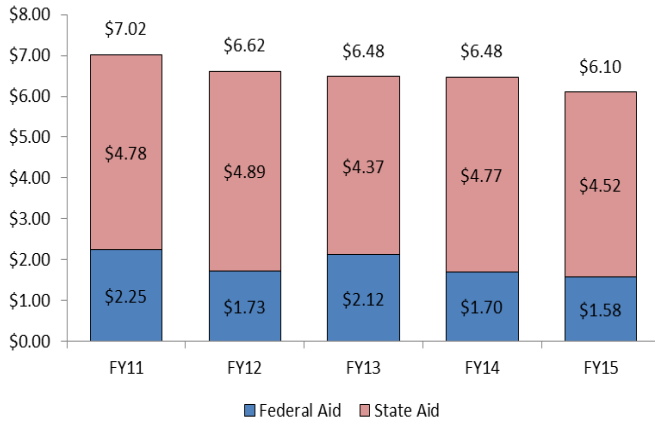
	FY11	FY12	FY13	FY14	FY15
Real Property Tax	\$3,295	\$3,399	\$3,643	\$3,789	\$3,879
NYS Education Aid	3,096	3,334	3,154	3,397	3,209
Personal Income Tax	2,468	2,358	2,721	2,966	3,205
Sales Tax	1,294	1,360	1,445	1,496	1,579
General Corporation Tax	1,021	1,055	1,190	1,614	1,282
Mortgage and Real Property Transfer Taxes	308	338	547	656	803
Federal Welfare	596	504	1,077	752	627
NYS Higher Education Aid	564	565	572	566	603
Unincorporated Business Tax	425	444	517	568	517
Senior College Fees	231	447	478	527	481
NYS Welfare	760	580	358	530	479
Federal Education Aid	1,140	719	252	439	432
Banking Corporation Tax	279	372	481	417	429
Fines and Forfeitures	235	277	206	236	240
Community College Fees	81	160	170	184	196

<sup>2</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 any debt service funding.

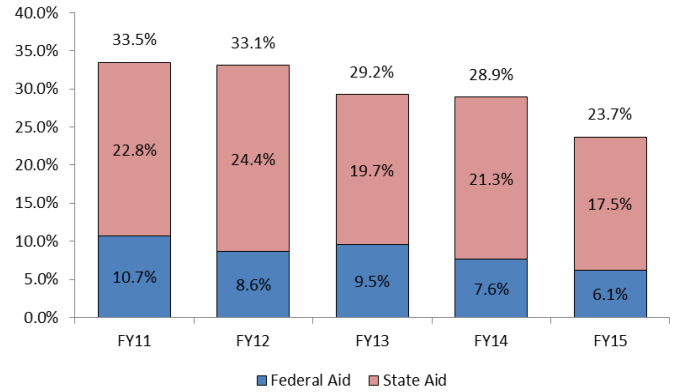
## Federal and State Aid

**Chart 3. Federal & State Aid to NYC, 3Q, FY11 - FY15**

(\$ in billions)

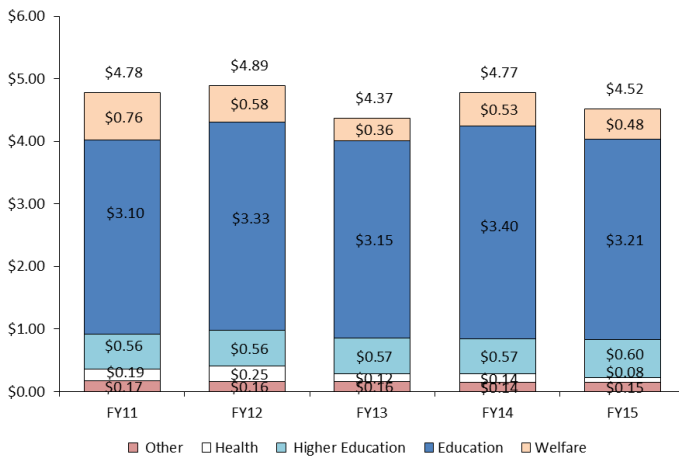


**Chart 4. Federal & State Aid as % of Total Cash Receipts, 3Q, FY11 - FY15**



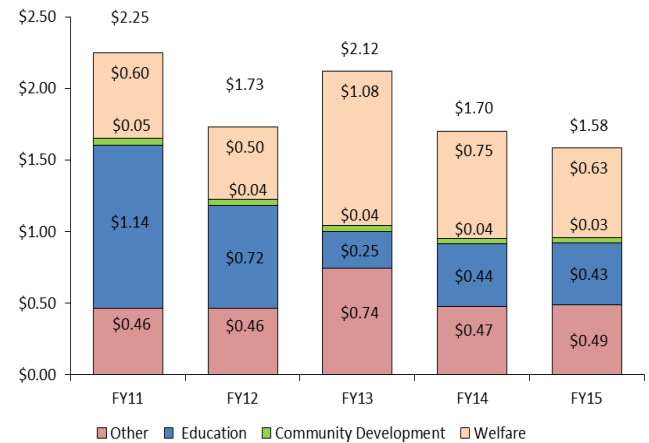
**Chart 5. Components of State Aid, 3Q, FY11 - FY15**

(\$ in billions)



**Chart 6. Components of Federal Aid, 3Q, FY11 - FY15**

(\$ in billions)



During 3Q15 the City received \$6.1 billion in Federal and State Aid, slightly less than in 3Q14. Federal aid dropped 7.1% quarter-over-quarter, mainly due to the decline in welfare aid. State aid declined 5.2%, because of lower education aid payments.

## July 2014 – March 2015 (FYTD15)

### Receipts at a Glance

**Table 6. Cash Receipts by Category, FYTD, 2006 - 2015**

(\$ in millions)

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Real Property Tax	\$10,699	\$ 9,844	\$10,715	\$11,620	\$11,566	\$12,422	\$13,419	\$13,544	\$14,739	\$15,152
Other Taxes	15,840	18,702	19,114	16,860	15,687	16,879	17,696	19,058	20,753	22,133
<b>Total Taxes</b>	<b>26,539</b>	<b>28,546</b>	<b>29,829</b>	<b>28,480</b>	<b>27,253</b>	<b>29,301</b>	<b>31,115</b>	<b>32,602</b>	<b>35,492</b>	<b>37,285</b>
Federal and State Aid	11,727	12,034	12,897	13,634	13,437	15,893	14,819	14,880	14,659	14,568
Debt Service Funding	(678)	(574)	(4)	(31)	0	(916)	(1,053)	(2,784)	(1,991)	(3,394)
Miscellaneous	3,419	4,081	4,551	4,397	4,721	4,612	4,738	4,975	5,339	5,199
Intergovernmental Aid	609	328	10	228	280	14	1	1	1	0
Other	6,763	7,331	8,789	10,595	9,313	10,735	9,451	10,451	10,539	12,409
<b>FYTD Total</b>	<b>\$48,379</b>	<b>\$51,746</b>	<b>\$56,072</b>	<b>\$57,303</b>	<b>\$55,004</b>	<b>\$59,639</b>	<b>\$59,071</b>	<b>\$60,125</b>	<b>\$64,039</b>	<b>\$66,067</b>
<b>Total, Net of Reimbursement for CapEx</b>	<b>\$44,756</b>	<b>\$48,095</b>	<b>\$50,705</b>	<b>\$49,772</b>	<b>\$48,602</b>	<b>\$51,911</b>	<b>\$53,010</b>	<b>\$53,922</b>	<b>\$57,957</b>	<b>\$60,794</b>

FYTD15 total cash receipts reached a record high of \$66.067 billion, an increase of \$2.028 billion from the previous year. Debt service funding (real estate tax retention and PIT retention) increased by \$1.4 billion, in part due to the impact of the lower prepayment of debt at the end of FY14.

### Taxes<sup>3</sup>

**Table 7. Major Tax Receipts, FYTD 2010, 2014, & 2015**

(\$ in millions)

	FY10	FY14	FY15	% Change FY15/ FY10	% Change FY15/ FY14
Real Property Tax	\$11,566	\$14,739	\$15,152	31.0%	2.8%
Personal Income Tax	5,366	6,915	7,472	39.2	8.1
Sales Tax	3,485	4,674	4,910	40.9	5.0
General Corporation Tax	2,311	3,055	2,833	22.6	(7.3)
Mortgage and Real Property Transfer Taxes	719	1,794	2,185	203.9	21.8
Banking Corporation Tax	1,091	1,160	1,441	32.1	24.2
Unincorporated Business Tax	1,034	1,202	1,297	25.4	7.9
Commercial Rent Tax	462	565	596	29.0	5.5
Hotel Occupancy Tax	270	395	426	57.8	7.8
STAR	407	413	404	(0.7)	(2.2)
All Other Taxes	542	582	569	5.0	(2.2)
<b>FYTD Total</b>	<b>\$27,253</b>	<b>\$35,492</b>	<b>\$37,285</b>	<b>36.8%</b>	<b>5.1%</b>

FYTD15 receipts were higher across the various major categories of tax, with the exception of the general corporation tax (down 7.3%), STAR (down 2.2%), and all other taxes (down 2.2%). The fastest growing tax categories included banking corporation tax (up 24.2%) mortgage and real property transfer taxes (up 21.8%), and personal income tax (up 8.1%).

<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 any debt service funding.

## Selected Cash Receipts

**Table 8. *Selected Cash Receipts, FYTD, 2011 - 2015***

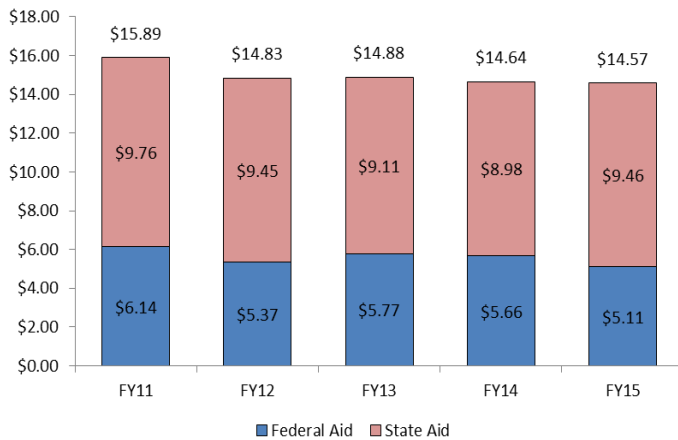
(\$ in millions)

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Real Property Tax	\$12,422	\$13,419	\$13,544	\$14,739	\$15,152
Personal Income Tax	5,460	5,842	6,289	6,915	7,472
NYS Education Aid	5,878	5,934	5,894	6,136	6,346
Sales Tax	4,029	4,239	4,413	4,674	4,910
General Corporation Tax	2,616	2,549	2,698	3,055	2,833
Federal Welfare	2,713	2,349	2,923	2,493	2,513
Mortgage and Real Property Transfer Taxes	858	1,090	1,395	1,794	2,185
Water and Sewer Fees	1,057	1,150	1,452	1,361	1,536
Banking Corporation Tax	1,125	1,071	1,241	1,160	1,441
Unincorporated Business Tax	1,051	1,053	1,138	1,202	1,297
NYS Higher Education Aid	1,215	853	1,218	860	1,291
NYS Welfare	1,804	1,701	1,073	1,171	1,057
Federal Education Aid	1,858	1,355	826	1,158	779
Fines and Forfeitures	726	779	783	704	751
Senior College Fees	381	608	649	715	668

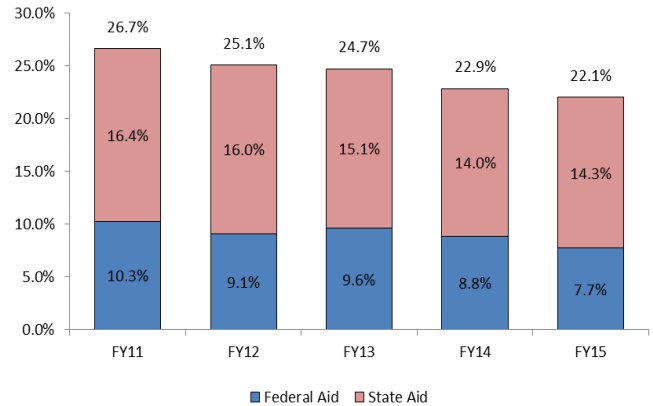
## Federal and State Aid

**Chart 7. Federal & State Aid to NYC, FYTD, FY11 - FY15**

(\$ in billions)

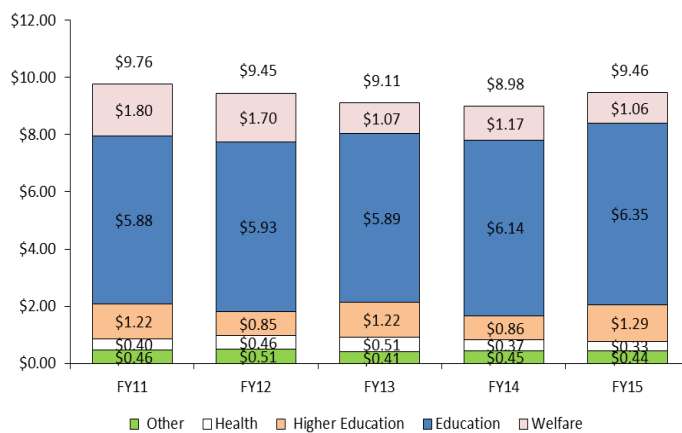


**Chart 8. Federal & State Aid as % of Total Cash Receipts, FYTD, FY11 - FY15**



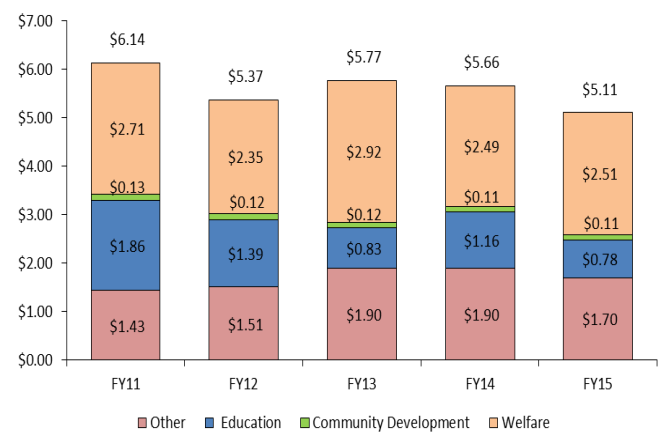
**Chart 9. Components of State Aid, FYTD, FY11 - FY15**

(\$ in billions)



**Chart 10. Components of Federal Aid, FYTD, FY11 - FY15**

(\$ in billions)



NYC received \$14.57 billion from the Federal and State governments in FYTD15. Federal and State aid receipts accounted for 22.1% of total cash receipts, a smaller percentage than in previous years.

### III. Cash Expenditures (Including Capital)

**January 2015 – March 2015 (3Q15)**

#### Cash Expenditures at a Glance

**Table 9. PS & OTPS, 3Q, FY06 - FY15**

(\$ in millions)

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Gross Payroll	\$5,404	\$5,139	\$5,284	\$5,824	\$5,603	\$5,747	\$5,959	\$6,047	\$6,146	\$6,840
Other PS	2,426	2,319	2,631	2,877	2,983	3,580	3,265	3,479	3,575	3,782
<b>Total PS</b>	<b>\$7,830</b>	<b>\$7,458</b>	<b>\$7,915</b>	<b>\$8,701</b>	<b>\$8,586</b>	<b>\$9,327</b>	<b>\$9,224</b>	<b>\$9,526</b>	<b>\$9,721</b>	<b>\$10,622</b>
<b>% of 3Q Total Exp</b>	<b>51%</b>	<b>47%</b>	<b>46%</b>	<b>50%</b>	<b>50%</b>	<b>49%</b>	<b>50%</b>	<b>49%</b>	<b>50%</b>	<b>47%</b>
<b># of Bi-weekly Payrolls</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
Public Assistance	567	521	530	560	590	630	583	603	598	681
Medical Assistance	1,057	1,634	1,672	1,309	1,037	1,061	1,486	1,239	1,554	1,470
Other Social Services	512	585	619	567	458	612	593	646	565	584
Vendor and Other	3,143	3,326	3,569	3,409	3,306	4,037	3,757	4,401	4,163	4,428
<b>Total OTPS</b>	<b>\$5,279</b>	<b>\$6,066</b>	<b>\$6,390</b>	<b>\$5,845</b>	<b>\$5,391</b>	<b>\$6,340</b>	<b>\$6,419</b>	<b>\$6,889</b>	<b>\$6,880</b>	<b>\$7,163</b>
<b>% of 3Q Total Exp</b>	<b>34%</b>	<b>38%</b>	<b>37%</b>	<b>33%</b>	<b>31%</b>	<b>33%</b>	<b>34%</b>	<b>35%</b>	<b>35%</b>	<b>32%</b>
<b>All Other</b>	<b>\$2,392</b>	<b>\$2,429</b>	<b>\$2,927</b>	<b>\$3,004</b>	<b>\$3,366</b>	<b>\$3,344</b>	<b>\$2,972</b>	<b>\$3,205</b>	<b>\$2,865</b>	<b>\$4,786</b>
<b>% of 3Q Total Exp</b>	<b>15%</b>	<b>15%</b>	<b>17%</b>	<b>17%</b>	<b>19%</b>	<b>18%</b>	<b>16%</b>	<b>16%</b>	<b>15%</b>	<b>21%</b>
<b>Total Expenditures</b>	<b>\$15,501</b>	<b>\$15,953</b>	<b>\$17,232</b>	<b>\$17,550</b>	<b>\$17,343</b>	<b>\$19,011</b>	<b>\$18,615</b>	<b>\$19,621</b>	<b>\$19,466</b>	<b>\$22,570</b>
<b>Total Expenditures Net of CapEx</b>	<b>\$14,081</b>	<b>\$14,347</b>	<b>\$15,119</b>	<b>\$15,608</b>	<b>\$15,083</b>	<b>\$16,676</b>	<b>\$16,485</b>	<b>\$17,396</b>	<b>\$17,403</b>	<b>\$20,532</b>

Cash expenditures, including capital, totaled \$22.570 billion in 3Q15, averaging \$370 million daily. During the same period last year, cash expenditures totaled \$19.466 billion and averaged \$319 million daily. Personal service expenditures increased by \$901 million versus a year-ago, due to higher payroll expenditures associated with the recent collective bargaining agreements. Other-than-personal-service expenditures (OTPS) rose by \$283 million in the same time frame. In the OTPS category, public assistance spending showed the most growth (13.9%). According to the New York City Human Resources Administration (HRA), the number of people receiving public assistance increased from 337,400 in February, 2014 to 352,519 in February, 2015. The growth in OTPS is also attributable to the increase in vendor and other spending (up 6.4%) and other social services (up 3.4%). The expenditure category titled “Other” increased by \$1.9 billion compared to the same period last year. Included in “Other” expenditures is a deposit of \$2.2 billion from the BNP Paribas settlement (as discussed in detail in section II of this report). This disbursement shows up as a cash outflow, even though the money has been placed in the restricted Trust & Agency account. Excluding capital expenditures and the BNP Paribas settlement, we consider 3Q15 cash expenditures to have risen 5.1% versus a year-ago.



## “All Other” Spending

**Table 10. Major Components of “All Other” Spending, 3Q14 & 3Q15**

(\$ in millions)

	FY14	FY15	Difference
Transit Authority	\$0	\$0	\$0
Housing Authority	3	12	9
Lump Sum Payments	614	515	(99)
HHC	146	121	(25)
Refunds	222	211	(11)
City-Funded Capital	1,940	1,430	(510)
Non-City Funded Capital	124	609	485
F-700 Adjustment	(183)	1,826	2,009

## July 2014 – March 2015 (FYTD15)

### Cash Expenditures at a Glance

**Table 11. PS and OTPS Cash Expenditures, FYTD06 - FYTD15**

(\$ in millions)

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Gross Payroll	\$16,131	\$15,511	\$16,283	\$18,109	\$17,433	\$17,868	\$17,910	\$18,059	\$18,241	\$19,598
Other PS	7,308	7,161	7,923	8,555	9,312	9,609	9,959	10,445	10,808	11,393
<b>Total PS</b>	<b>\$23,439</b>	<b>\$22,672</b>	<b>\$24,206</b>	<b>\$26,664</b>	<b>\$26,745</b>	<b>\$27,477</b>	<b>\$27,869</b>	<b>\$28,504</b>	<b>\$29,049</b>	<b>\$30,991</b>
<b>% of 3Q Total Exp</b>	<b>50%</b>	<b>48%</b>	<b>48%</b>	<b>49%</b>	<b>49%</b>	<b>49%</b>	<b>49%</b>	<b>49%</b>	<b>48%</b>	<b>49%</b>
Public Assistance	1,866	1,633	1,634	1,769	2,003	1,912	1,806	1,793	1,867	1,964
Medical Assistance	3,225	3,793	3,956	3,689	3,475	3,572	4,398	4,327	4,317	4,347
Other Social Services	1,559	1,845	1,789	1,877	1,881	1,862	1,775	1,841	1,801	1,858
Vendor and Other	9,173	9,711	10,359	10,531	10,290	11,256	11,492	12,127	12,932	13,994
<b>Total OTPS</b>	<b>\$15,823</b>	<b>\$16,982</b>	<b>\$17,738</b>	<b>\$17,866</b>	<b>\$17,649</b>	<b>\$18,602</b>	<b>\$19,471</b>	<b>\$20,088</b>	<b>\$20,917</b>	<b>\$22,163</b>
<b>% of 3Q Total Exp</b>	<b>34%</b>	<b>36%</b>	<b>35%</b>	<b>33%</b>	<b>32%</b>	<b>33%</b>	<b>35%</b>	<b>35%</b>	<b>35%</b>	<b>35%</b>
<b>All Other</b>	<b>7,325</b>	<b>7,544</b>	<b>8,544</b>	<b>9,999</b>	<b>10,261</b>	<b>10,064</b>	<b>9,030</b>	<b>9,076</b>	<b>\$10,568</b>	<b>\$10,402</b>
<b>% of 3Q Total Exp</b>	<b>16%</b>	<b>16%</b>	<b>17%</b>	<b>18%</b>	<b>19%</b>	<b>18%</b>	<b>16%</b>	<b>16%</b>	<b>17%</b>	<b>16%</b>
<b>Total Expenditures</b>	<b>\$46,587</b>	<b>\$47,198</b>	<b>\$50,488</b>	<b>\$54,529</b>	<b>\$54,655</b>	<b>\$56,142</b>	<b>\$56,370</b>	<b>\$57,669</b>	<b>\$60,534</b>	<b>\$63,555</b>
<b>Total Expenditures Net of CapEx</b>	<b>\$42,035</b>	<b>\$42,459</b>	<b>\$44,755</b>	<b>\$47,821</b>	<b>\$47,167</b>	<b>\$48,813</b>	<b>\$50,092</b>	<b>\$51,514</b>	<b>\$54,193</b>	<b>\$57,946</b>

FYTD15 total expenditures rose 5% versus a year-ago. Vendor and other spending rose 8.2%, followed by gross payroll (up 7.4%) and public assistance (up 5.2%). When the impact of CapEx is removed, 3Q15 (net) expenditures reflect a gain of 6.9% versus a year-ago.

## **“All Other” Spending**

**Table 12. Major Components of “All Other” Spending, FYTD14 & FYTD15**

(\$ in millions)

	<b>FYTD14</b>	<b>FYTD15</b>	<b>Difference</b>
<b>Transit Authority</b>	\$278	\$281	\$3
<b>Housing Authority</b>	31	27	(4)
<b>Lump Sum Payments</b>	1,901	1,813	(88)
<b>HHC</b>	652	542	(110)
<b>Refunds</b>	799	709	(90)
<b>City-Funded Capital</b>	5,814	4,165	(1,649)
<b>Non-City Funded Capital</b>	527	1,445	918
<b>F-700 Adjustment</b>	567	1322	755

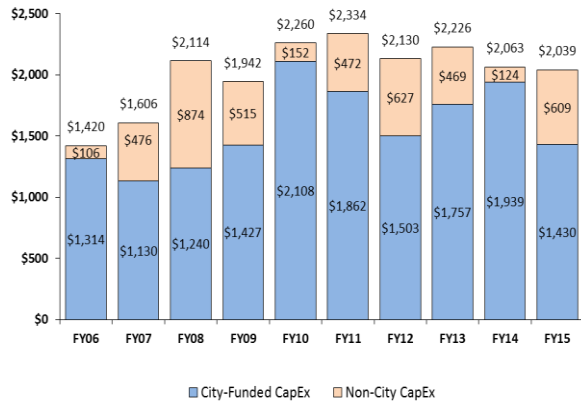
## IV. Capital Expenditures<sup>4</sup>

### January 2015 – March 2015 (3Q15)

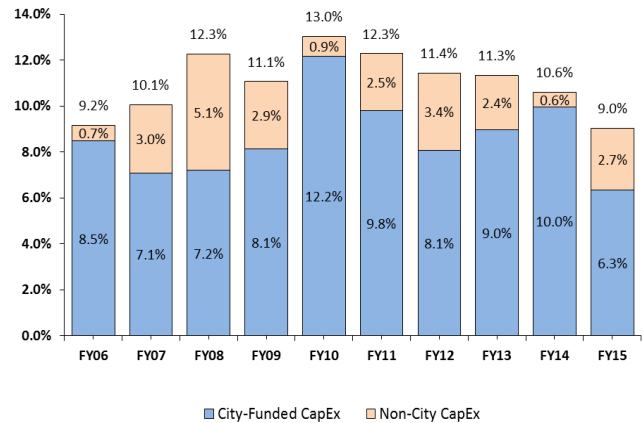
CapEx totaled \$2.039 billion in the 3Q15, down slightly from \$2.063 billion in 3Q14. A 26.3% drop in City-funded CapEx was offset by a 391.1% increase in Non-City-funded CapEx.

**Chart 11. Total CapEx, 3Q, FY06 - FY15**

(\$ in millions)



**Chart 12. Total CapEx as % of Total Expenditures, 3Q, FY06 - FY15**



<sup>4</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 NYC Central Treasury and then reimbursed from various capital accounts and State sources.

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

**Table 13. Reimbursements to the NYC Central Treasury for CapEx, 3Q, FY06 - FY15**

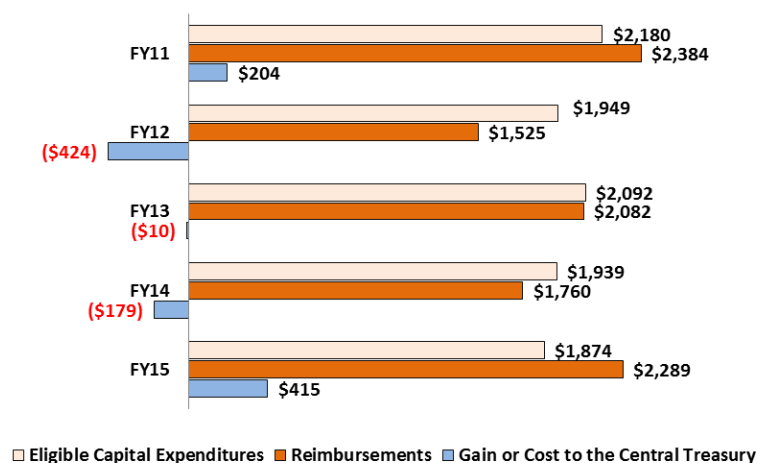
(\$ in millions)

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	Total
GO	\$548	\$279	\$753	\$969	\$324	\$927	\$213	\$476	\$340	\$25	\$4,854
NY Water	403	218	538	647	623	630	534	452	426	401	4,872
TFA	0	479	30	7	394	744	376	927	994	980	4,931
<i>Sub-total</i>	<i>951</i>	<i>976</i>	<i>1,321</i>	<i>1,623</i>	<i>1,341</i>	<i>2,301</i>	<i>1,123</i>	<i>1,855</i>	<i>1,760</i>	<i>1,406</i>	<i>14,657</i>
TFA Building Aid	0	233	89	828	0	83	402	227	0	883	2,745
DASNY	0	84	145	0	0	0	0	0	0	0	229
<i>Sub-total</i>	<i>0</i>	<i>317</i>	<i>234</i>	<i>828</i>	<i>0</i>	<i>83</i>	<i>402</i>	<i>227</i>	<i>0</i>	<i>883</i>	<i>2,974</i>
Other	2	0	0	0	0	0	0	0	0	0	2
<b>3Q Total</b>	<b>\$953</b>	<b>\$1,293</b>	<b>\$1,555</b>	<b>\$2,451</b>	<b>\$1,341</b>	<b>\$2,384</b>	<b>\$1,525</b>	<b>\$2,082</b>	<b>\$1,760</b>	<b>\$2,289</b>	<b>\$17,633</b>
3Q Reimbursable Capital Expenditures	\$1,252	\$1,312	\$1,461	\$2,005	\$1,810	\$2,180	\$1,949	\$2,092	\$1,939	\$1,874	\$17,874
3Q Reimbursements Less 3Q Reimbursable Capital Expenditures	(\$299)	(\$19)	\$94	\$446	(\$469)	\$204	(\$424)	(\$10)	(\$179)	\$415	(\$241)
3Q Reimbursements as a % of 3Q Reimbursable Capital Expenditures	76.1%	98.6%	106.4%	122.2%	74.1%	109.4%	78.2%	99.5%	90.8%	122.1%	98.7%
3Q Reimbursements as a % of Total 3Q Receipts	5.8%	6.5%	7.6%	10.9%	7.3%	11.4%	7.6%	9.4%	7.9%	8.9%	8.4%

During 3Q15, reimbursements exceeded eligible CapEx, increasing the City's cash balance by \$415 million. Table 13 shows that eligible CapEx exceeded reimbursements in six out of the last ten 3Q periods (FY06-FY15), resulting in a total drain of \$241 million to the Central Treasury.

**Chart 13. Bond-Funded Reimbursements for Eligible CapEx, 3Q, FY11 - FY15**

(\$ in millions)



## July 2014 – March 2015 (FYTD15)

FYTD15, total CapEx declined 11.5% versus year-ago, driven by a 28.3% drop in City-funded CapEx. Non-City CapEx increased 173.2%.

Chart 14. Total CapEx, FYTD, FY06 - FY15

(\$ in millions)

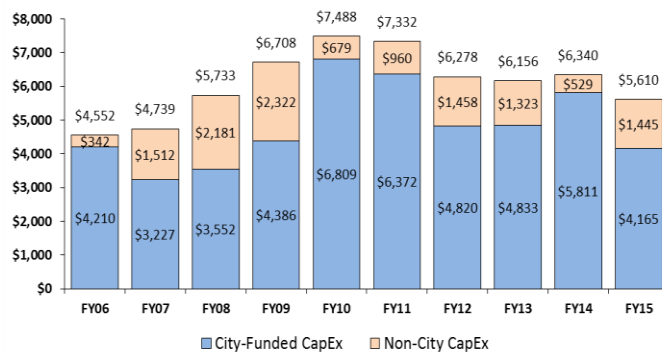
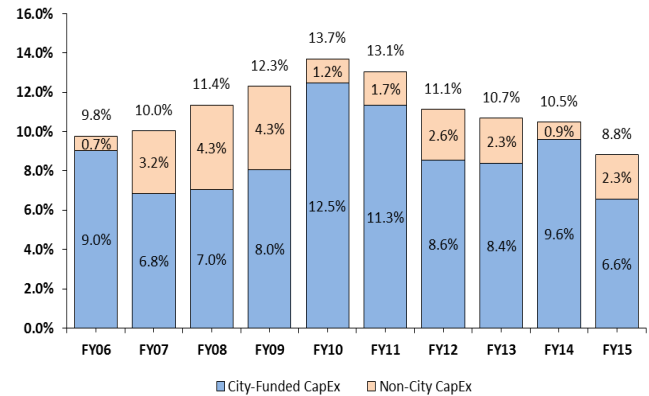


Chart 15. Total CapEx as % of Total Expenditures, FYTD, FY06 - FY15



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

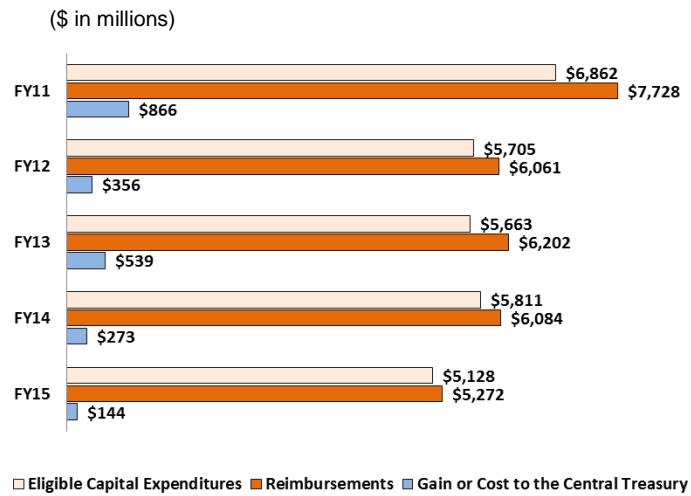
Table 14. Reimbursements to the NYC Central Treasury, FYTD, 2006 - 2015

(\$ in millions)

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	Total
GO	\$2,614	\$671	\$2,179	\$3,510	\$2,255	\$2,571	\$1,646	\$898	\$1,712	\$382	\$18,438
NY Water	1,007	910	1,460	1,990	2,019	2,278	1,691	1,438	1,243	1,074	15,110
TFA	0	1,240	524	14	1,940	2,527	1,745	2,909	3,129	2,933	16,961
Other	2	0	0	0	0	0	0	0	0	0	2
<i>City-Funded Sub-total</i>	<i>3,623</i>	<i>2,821</i>	<i>4,163</i>	<i>5,514</i>	<i>6,214</i>	<i>7,376</i>	<i>5,082</i>	<i>5,245</i>	<i>6,084</i>	<i>4,389</i>	<i>50,511</i>
TFA Building Aid	0	533	739	1649	182	352	979	957	0	883	6,274
DASNY	0	297	465	368	6	0	0	0	0	0	1,136
<i>Non-City Sub-total</i>	<i>0</i>	<i>830</i>	<i>1,204</i>	<i>2,017</i>	<i>188</i>	<i>352</i>	<i>979</i>	<i>957</i>	<i>0</i>	<i>883</i>	<i>7,410</i>
<b>FYTD Total</b>	<b>\$3,623</b>	<b>\$3,651</b>	<b>\$5,367</b>	<b>\$7,531</b>	<b>\$6,402</b>	<b>\$7,728</b>	<b>\$6,061</b>	<b>\$6,202</b>	<b>\$6,084</b>	<b>\$5,272</b>	<b>\$57,921</b>
YTD Reimbursable Capital Expenditures	\$4,204	\$4,323	\$5,450	\$6,275	\$6,948	\$6,862	\$5,705	\$5,663	\$5,811	\$5,128	\$56,369
YTD Reimbursements Less YTD Reimbursable Capital Expenditures	(\$581)	(\$672)	(\$83)	\$1,256	(\$546)	\$866	\$356	\$539	\$273	\$144	\$1,552
YTD Reimbursements as a % of YTD Reimbursable Capital Expenditures	86.2%	84.5%	98.5%	120.0%	92.1%	112.6%	106.2%	109.5%	104.7%	102.8%	102.8%
YTD Reimbursements as a % of YTD Total Receipts	7.5%	7.1%	9.6%	13.1%	11.6%	13.0%	10.3%	10.3%	9.5%	8.0%	10.0%

FYTD15 reimbursements exceeded eligible CapEx by \$144 million, or 2.8%. Over the long term, CapEx and reimbursements offset each other. Over the past ten FYTD periods they have been closely paired, with reimbursements exceeding CapEx by only 2.8%.

**Chart 16. *Bond-Funded Reimbursements for Eligible CapEx, FYTD, 2011 - 2015***



## V. Financings<sup>5</sup>

In FY15, the City plans to issue \$5.19 billion in General Obligation (GO), Transitional Finance Authority Personal Income Tax (TFA PIT), and Transitional Finance Authority Building Aid Revenue Bonds (TFA BARBs) for new money capital purposes. The City issued \$2.6 billion of new money debt FYTD.

**Table 15. FY 2015 Projected vs. FYTD14 Actual GO, TFA PIT, and TFA BARBs Issuance**

(\$ in billions)

	Projected New Money Issuance	Actual New Money Issuance	Remaining New Money Issuance
GO	\$0.80	\$0.00	\$0.80
TFA PIT	\$2.89	\$1.85	\$1.04
TFA BARBs	\$1.50	\$0.75	\$0.75
Total	\$5.19	\$2.60	\$2.59

Projected bond issuance is based on the OMB's May 2015 Executive Budget

Three transactions closed in 3Q15. The first transaction was a new money sale of \$750 million TFA Building Aid Revenue Bonds. The second transaction was a TFA sale of \$786 million of refunding bonds. The refunding achieved \$102.9 million in budget savings, or more than \$96 million on a present-value basis. The third transaction was a GO sale of \$800 million of refunding bonds. The refunding achieved \$132.5 million in budget savings, or more than \$111.6 million on a present-value basis.

**Table 16. GO, TFA PIT, and TFA BARBs Bond Issuance, FYTD15**

(\$ in millions)

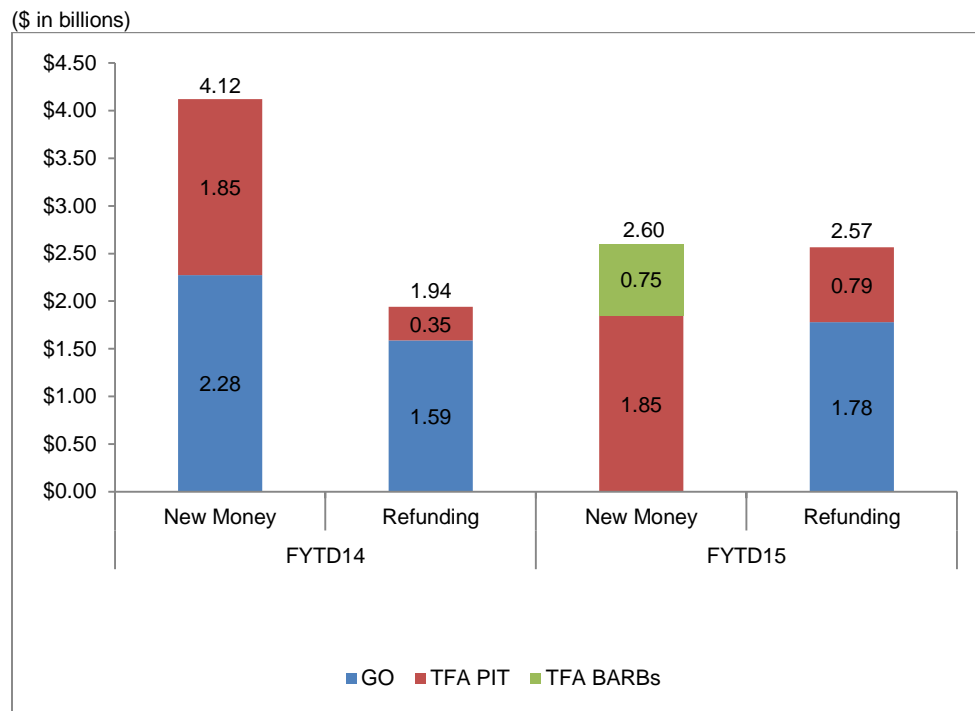
Closing Date	Deal	Purpose	TE Fixed	TX Fixed*	TE Variable	Total Par
8/1/2014	TFA PIT 2015 A	New Money	\$675	\$125	\$200	\$1,000
9/4/2014	GO 2015 AB	Refunding	\$980	\$0	\$0	\$980
11/13/2014	TFA PIT 2015 B	New Money	\$700	\$150	\$0	\$850
1/22/2015	TFA BARBs S-1	New Money	\$750	\$0	\$0	\$750
3/12/2015	TFA PIT 2015 CD	Refunding	\$786	\$0	\$0	\$786
3/31/2015	GO 2015 CD	Refunding	\$800	\$0	\$0	\$800

\*Designates series of bonds that were sold via competitive sale  
The table excludes conversions and re-offerings.

FYTD15 bond issuance was lower than the bond issuance in FYTD14. As shown in the following chart, in FYTD15 the City issued \$5.17 billion in new money and refunding bonds versus \$6.06 billion in FYTD14.

<sup>5</sup>The Bureau of Financial Analysis gratefully acknowledges the assistance of the Bureau of Public Finance in the construction of this section.

**Chart 17. GO, TFA PIT, and TFA BARBs Issues, FYTD14 & FYTD15**





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