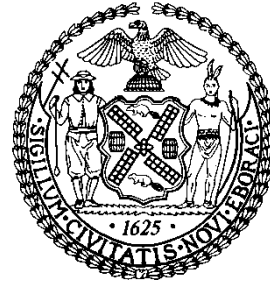


**The City Of New York
Office of the Comptroller**

**Scott M. Stringer
Comptroller**



QUARTERLY CASH REPORT

January - March 2014
Third Quarter of FY 2014

June 2014

Contents

Summary	2
Cash Balances	2
Cash Receipts	2
Cash Expenditures	3
Capital Expenditures (CapEx) and Reimbursements.....	3
Financings	3
List of Tables	5
List of Charts	5
I. Cash Balances	6
January 2014 – March 2014 (3Q14)	6
July 2013 – March 2014 (FYTD14)	7
II. Cash Receipts.....	9
January 2014 – March 2014 (3Q13)	9
Receipts at a Glance	9
Taxes	9
Selected Cash Receipts.....	10
Federal and State Aid	11
July 2013 – March 2014 (FYTD14)	12
Receipts at a Glance	12
Taxes	13
Selected Cash Receipts	13
Federal and State Aid	14
III. Cash Expenditures (Including Capital)	15
January 2014 – March 2014 (3Q14)	15
Cash Expenditures at a Glance	15
“All Other” Spending	16
July 2013 – March 2014 (FYTD14)	16
Cash Expenditures at a Glance	16
“All Other” Spending	17
IV. Capital Expenditures	18
January 2014 – March 2014 (3Q14)	18
July 2013 – March 2014 (FYTD14)	20
V. Financings	22

Summary

Cash Balances

The 3Q14 trend of daily cash balances closely mirrored year-ago levels. The 3Q14 average balance of \$9 billion was \$2.6 billion higher than the average daily cash balance for the 3Q13. Following a familiar pattern, cash balances faded through most of the quarter, gliding lower from January highs established 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 rally at the close of the quarter was punctuated by the arrival of over \$2 billion in State education aid.

As is normal for the third quarter, total receipts exceeded total expenditures. Receipts were the highest since 3Q09, while expenditures were roughly equal to 3Q13 levels.

The City of New York began FY14 (in July 2013) with a head start of \$1.646 billion over FY13, in terms of unrestricted cash balance. By the end of the 3Q14, the City's unrestricted cash balance reached \$11.448 billion compared to the \$8.754 billion at the same time last year. Receipts rose 6.5%, outpacing the growth in expenditures, which rose 5%. Both cash receipts and expenditures reached new record highs.

Cash Receipts

In the 3Q14 cash receipts reached \$22.4 billion, approaching the 3Q record-high established in FY09. Removing the effect of falling capital expenditures (CapEx) reimbursements, net cash receipts grew 2.6% and were the highest 3Q net cash receipts on record. CapEx reimbursements are offset by corresponding expenditures over the long term, so net receipts reflect a sense of the organic growth rate of cash inflows.

Total tax receipts for 3Q14 grew 9.0% versus year-ago. Every major category of tax exhibited growth during the quarter, with the exception of Banking Corporation Tax, which declined 13.3%. General Corporation tax receipts were particularly strong, accounting for 41.9% of the gain in total tax receipts.

During 3Q14, the City received \$6.48 billion in Federal and State Aid, the same amount as in the 3Q13. The federal aid dropped 20% quarter-over-quarter, mainly due to the decline in welfare aid. The state aid rose 2.1%, due to increased education aid payments. During the 3Q14, NYS education aid was 71.3 percent of NYS aid. NYS education aid included \$1.9 billion in general aid, \$606.3 million in excess cost aid, \$186.5 million in building aid, \$177.4 million of video lottery terminal (VLT) aid, \$97.2 million in instructional materials aid, and \$433.9 million in other miscellaneous and prior aid.

FYTD14 total cash receipts reached a record high of \$64.039 billion, an increase of \$3.914 billion from the previous year. The new high in FYTD receipts was supported by advances in a broad range of tax categories, reflecting the strength of the City's economy. Debt service funding (real estate tax retention and PIT retention) fell by \$793 million, in part due to the impact of the higher prepayment of debt at the end of FY13.

FYTD14 receipts were higher across the various major categories of tax, with the exception of Banking Corporation Tax (down 6.5% versus FYTD13). The fastest growing tax categories included

mortgage and real property transfer taxes (up 28.6%), general corporation tax (up 13.2%), and personal income tax (up 10.0%).

NYC received \$14.64 billion from the Federal and State governments during FYTD14. Federal and State aid receipts accounted for 22.9% of total cash receipts, a smaller percentage than in previous years.

Cash Expenditures

Total expenditures during 3Q14 were little changed versus year-ago, down just \$155 million, or 0.8%. Total PS, which includes Payroll and Other Personnel Services, rose 2%. Medical Assistance expenditures rose 25.4% versus year-ago, to \$1.544 billion, driven by increased costs related to coverage of the uninsured at HHC facilities. Other social services spending dropped 12.5% and vendor and other spending dropped 5.4%. “All Other” spending dropped 10.6%, driven by the decline in non-City funded capital expenditures.

FYTD14 total expenditures rose 5% versus year-ago, driven by the growth in “all other” spending (up 16.4%), vendor and other (up 6.6%), public assistance (up 4.1%) and total PS (up 1.9%).

Capital Expenditures (CapEx) and Reimbursements

Total 3Q14 CapEx declined 7.3% versus year-ago, driven by a 73.6% drop in Non-City-funded CapEx. City-funded CapEx increased 10.4% year-over-year. During 3Q14, eligible CapEx exceeded related reimbursements, decreasing the City’s cash balance by \$179 million. Eligible CapEx exceeded reimbursements in six out of the last ten 3Q periods (FY05-FY14), resulting in a total drain of \$549 million to the central treasury.

During FYTD14, total CapEx rose 3.0% versus year-ago, driven by a 20.2% increase in City-funded CapEx. Non-City CapEx decreased 60.0%. FYTD14 reimbursements exceeded eligible CapEx by \$273 million, or 4.7%. 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 2.4%.

Financings

In FY14 the City plans to issue \$6.14 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 \$4.12 billion of new money debt FYTD.

Two transactions closed in 3Q14. The first transaction was a TFA sale of \$630 million of new money bonds and \$350 million of refunding bonds. The refunding achieved \$24.23 million in budget savings, or more than \$22 million on a present-value basis. The second transaction was a new money sale of \$950 million of GO bonds. The sale included \$650 million of tax-exempt fixed-rate bonds, \$100 million of tax-exempt variable rate demand bonds, and \$200 million of tax-exempt step-coupon floating rate notes.

FYTD14 bond issuance was lower than the bond issuance in FYTD13. In FYTD14 the City issued \$6.06 billion in new money and refunding bonds vs. \$7.33 billion in FYTD13.

List of Tables

Table 1. <i>Cash Position in the NYC Central Treasury, 3Q, 2005 – 2014</i>	7
Table 2. <i>Cash Position in the NYC Central Treasury, FYTD05 – FYTD14</i>	8
Table 3. <i>Cash Receipts by Category, 3Q, FY05 –FY14</i>	9
Table 4. <i>Tax Receipts, 3Q09, 3Q13, and 3Q14</i>	9
Table 5. <i>Selected Cash Receipts, 3Q, 2010 - 2014</i>	10
Table 6. <i>Cash Receipts by Category, FYTD, 2005 – 2014</i>	12
Table 7. <i>Major Tax Receipts, FYTD 2009, 2013, 2014</i>	13
Table 8. <i>Selected Cash Receipts, FYTD, 2010 - 2014</i>	13
Table 9. <i>PS & OTPS, 3Q, FY05 - FY14</i>	15
Table 10. <i>Major Components of “All Other” Spending, 3Q13 & 3Q14</i>	16
Table 11. <i>PS and OTPS Cash Expenditures, FYTD05 - FYTD14</i>	16
Table 12. <i>Major Components of “All Other” Spending, FYTD13 & FYTD14</i>	17
Table 13. <i>Reimbursements to the NYC Central Treasury for CapEx, 3Q, FY05 - FY14</i>	19
Table 14. <i>Reimbursements to the NYC Central Treasury, FYTD, 2005 - 2014</i>	20
Table 15. <i>FY 2014 Projected vs. FYTD14 Actual GO, TFA PIT, and TFA BARBs Issuance</i>	22
Table 16. <i>GO, TFA PIT, and TFA BARBs Bond Issuance, FYTD14</i>	22

List of Charts

Chart 1. <i>Daily Cash Balances in the NYC Central Treasury, 3Q09, 3Q13, and 3Q14</i>	6
Chart 2. <i>Daily Cash Balances in the NYC Central Treasury, FYTD, 2009, 2013, and 2014</i>	7
Chart 3. <i>Federal & State Aid to NYC, 3Q, FY10 - FY14</i>	11
Chart 4. <i>Federal & State Aid as % of Total Cash Receipts, 3Q, FY10 - FY14</i>	11
Chart 5. <i>Components of State Aid, 3Q, FY10 - FY14</i>	11
Chart 6. <i>Components of Federal Aid, 3Q, FY10 - FY14</i>	11
Chart 7. <i>Federal & State Aid to NYC, FYTD, FY10 - FY14</i>	14
Chart 8. <i>Federal & State Aid as % of Total Cash Receipts, FYTD, FY10 - FY14</i>	14
Chart 9. <i>Components of State Aid, FYTD, FY10 - FY14</i>	14
Chart 10. <i>Components of Federal Aid, FYTD, FY10 - FY14</i>	14
Chart 11. <i>Total CapEx, 3Q, FY05 - FY14</i>	18
Chart 12. <i>Total CapEx as % of Total Expenditures, 3Q, FY05 - FY14</i>	18
Chart 13. <i>Bond-Funded Reimbursements for Eligible CapEx, 3Q, FY10 - FY14</i>	19
Chart 14. <i>Total CapEx, FYTD, FY05 - FY14</i>	20
Chart 15. <i>Total CapEx as % of Total Expenditures, FYTD, FY05 - FY14</i>	20
Chart 16. <i>Bond-Funded Reimbursements for Eligible CapEx, FYTD, 2010 - 2014</i>	21
Chart 17. <i>GO, TFA PIT, and TFA BARBs Issues, FYTD13 and FYTD14</i>	23

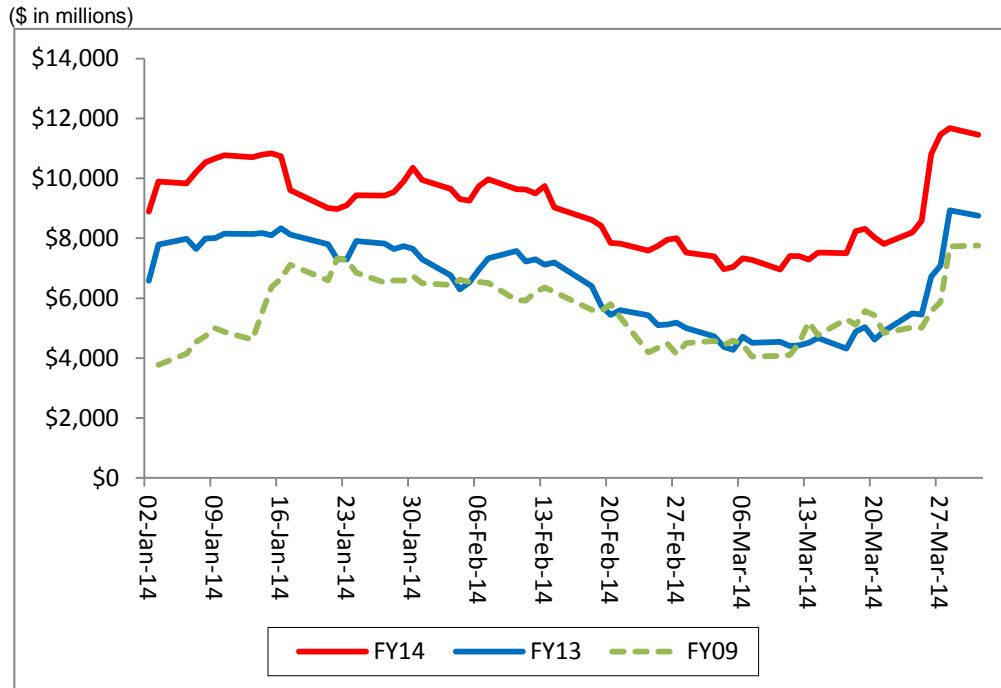
Rounding of Large Numbers in the Quarterly Cash Report

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 ¹

January 2014 – March 2014 (3Q14)

Chart 1. Daily Cash Balances in the NYC Central Treasury, 3Q09, 3Q13, and 3Q14



The 3Q14 trend of daily cash balances closely mirrored year-ago levels. The 3Q14 average balance of \$9 billion was \$2.6 billion higher than the average daily cash balance for the 3Q13. Following a familiar pattern, cash balances faded through most of the quarter, gliding lower from January highs established 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 rally at the close of the quarter was punctuated by the arrival of over \$2 billion in State education aid.

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 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, 2005 – 2014

(\$ in millions)

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Opening Balance	\$ 4,959	\$ 7,745	\$ 6,856	\$ 6,750	\$ 2,820	\$ 5,092	\$ 6,144	\$ 6,354	\$ 6,196	\$ 8,537
Total Receipts	17,204	16,378	20,031	20,539	22,492	18,439	20,967	20,004	22,179	22,377
Total Expenditures ^a	13,813	15,501	15,953	17,232	17,550	17,343	19,011	18,615	19,621	19,466
Closing Balance	\$ 8,350	\$ 8,622	\$10,934	\$10,057	\$ 7,762	\$ 6,188	\$ 8,101	\$ 7,742	\$ 8,754	\$ 11,448
Avg. Daily Balance	\$6,077	\$7,021	\$8,588	\$8,318	\$5,536	\$5,426	\$5,806	\$5,709	\$6,461	\$9,029

a. Total expenditures include capital expenditures.

As is normal for the third quarter, total receipts exceeded total expenditures. Receipts were the highest since 3Q09, while expenditures were roughly equal to 3Q13 levels.

July 2013 – March 2014 (FYTD14)

Chart 2. Daily Cash Balances in the NYC Central Treasury, FYTD, 2009, 2013, and 2014

(\$ in millions)

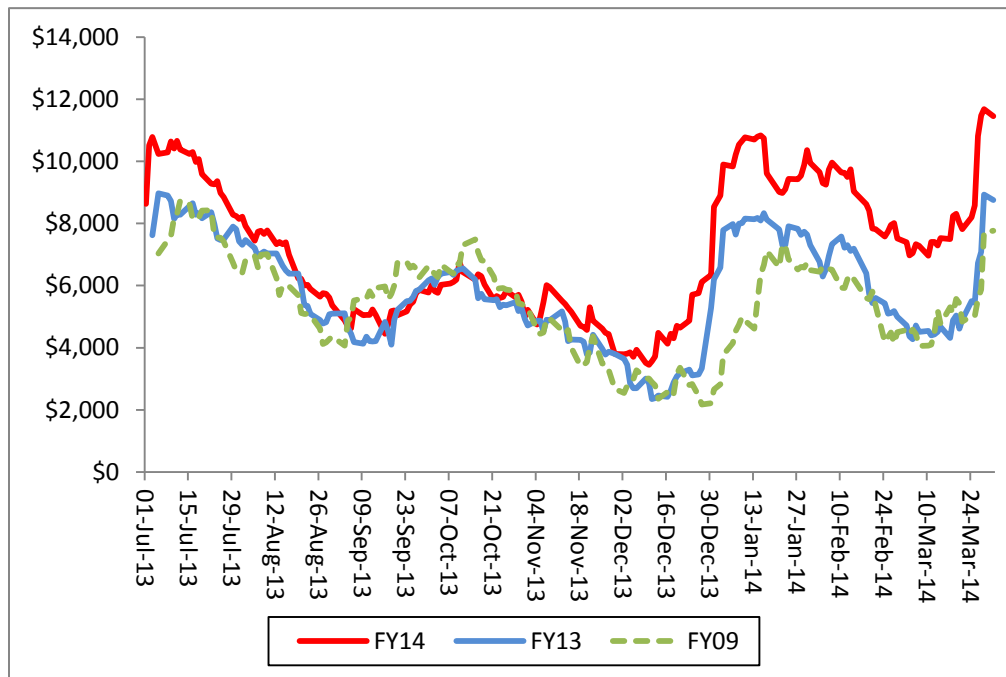


Table 2. Cash Position in the NYC Central Treasury, FYTD05 – FYTD14

(\$ in millions)

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Opening Balance ^a	\$ 4,208	\$ 6,830	\$ 6,386	\$ 4,473	\$ 4,988	\$ 5,839	\$ 4,604	\$ 5,041	\$ 6,297	\$ 7,944
Total Receipts	47,271	48,379	51,746	56,072	57,303	55,004	59,639	59,072	60,126	64,039
Total Expenditures ^b	43,129	46,587	47,198	50,488	54,529	54,655	56,142	56,370	57,669	60,535
Closing Balance	\$ 8,350	\$ 8,622	\$10,934	\$10,057	\$ 7,762	\$ 6,188	\$ 8,101	\$ 7,742	\$ 8,754	\$ 11,448
Avg. Daily Balance	\$4,487	\$6,882	\$6,441	\$5,957	\$5,453	\$4,963	\$4,602	\$5,013	\$5,766	\$7,161

a. Opening balances are before City audits.

b. Total expenditures include capital expenditures.

The City of New York began FY14 (in July 2013) with a head start of \$1.646 billion over FY13, in terms of unrestricted cash balance. By the end of the 3Q14, the City's unrestricted cash balance reached \$11.448 billion compared to the \$8.754 billion at the same time last year. Receipts rose 6.5%, outpacing the growth in expenditures, which rose 5%. Both cash receipts and expenditures reached new record highs.

II. Cash Receipts

January 2014 – March 2014 (3Q13)

Receipts at a Glance

Table 3. Cash Receipts by Category, 3Q, FY05 –FY14

(\$ in millions)

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Real Property Tax	\$ 3,590	\$ 2,121	\$ 2,820	\$ 2,737	\$ 5,153	\$ 3,176	\$ 3,295	\$ 3,399	\$ 3,643	\$ 3,789
Other Taxes	5,253	5,896	7,408	7,331	6,196	6,258	6,457	6,636	7,614	8,481
Total Taxes	8,843	8,017	10,228	10,068	11,349	9,434	9,752	10,035	11,257	12,270
Federal and State Aid	5,745	6,025	5,894	6,568	6,315	5,258	7,021	6,615	6,485	6,476
Debt Service Funding	(951)	(677)	(146)	(4)	(31)	0	(650)	(907)	(1,127)	(966)
Miscellaneous	1,354	1,083	1,393	1,417	1,569	1,462	1,525	1,726	1,945	1,944
Intergovernmental Aid	202	0	0	0	0	24	14	0	0	1
Other	2,011	1,930	2,662	2,490	3,290	2,261	3,305	2,534	3,619	2,652
3Q Total	\$17,204	\$16,378	\$20,031	\$20,539	\$22,492	\$18,439	\$20,967	\$20,003	\$22,179	\$22,377
Total, Net of Reimbursement for CapEx	\$16,021	\$15,425	\$18,738	\$18,984	\$20,041	\$17,098	\$18,583	\$18,478	\$20,097	\$20,618

In the 3Q14 cash receipts reached \$22.4 billion, approaching the 3Q record-high established in FY09. Removing the effect of falling CapEx reimbursements, net cash receipts grew 2.6% and were the highest 3Q net cash receipts on record. CapEx reimbursements are offset by corresponding expenditures over the long term, so net receipts reflect a sense of the organic growth rate of cash inflows.

Taxes ²

Table 4. Tax Receipts, 3Q09, 3Q13, and 3Q14

(\$ in millions)

	FY09	FY13	FY14	% Change FY14/ FY09	% Change FY14/ FY13
Real Property Tax	\$5,153	\$3,643	\$3,789	(26.5)%	4.0%
Personal Income Tax	2,117	2,721	2,966	40.1	9.0
General Corporation Tax	1,180	1,190	1,614	36.8	35.6
Sales Tax	1,020	1,445	1,496	46.7	3.5
Mortgage and Real Property Transfer Taxes	232	547	656	182.8	19.9
Unincorporated Business Tax	611	517	568	(7.0)	9.9
Banking Corporation Tax	465	481	417	(10.3)	(13.3)
Commercial Rent Tax	159	192	204	28.3	6.3
Utility Tax	118	107	121	2.5	13.1
Other Taxes	294	414	439	49.3	6.0
3Q Total	\$11,349	\$11,257	\$12,270	8.1	9.0

Total tax receipts for 3Q14 grew 9.0% versus year-ago. Every major category of tax exhibited growth during the quarter, with the exception of Banking Corporation Tax, which declined 13.3%. General

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

Corporation tax receipts were particularly strong, accounting for 41.9% of the gain in total tax receipts.

Selected Cash Receipts

Table 5. Selected Cash Receipts, 3Q, 2010 - 2014

(\$ in millions)

	FY10	FY11	FY12	FY13	FY14
Real Property Tax	\$3,176	\$3,295	\$3,399	\$3,643	\$3,789
NYS Education Aid	1,970	3,096	3,334	3,154	3,397
Personal Income Tax	2,415	2,468	2,358	2,721	2,966
General Corporation Tax	856	1,021	1,055	1,190	1,614
Sales Tax	1,178	1,294	1,360	1,445	1,496
Federal Welfare	605	596	504	1,077	752
Mortgage and Real Property Transfer Taxes	246	308	338	547	656
Unincorporated Business Tax	483	425	444	517	568
NYS Higher Education Aid	89	564	565	572	566
NYS Welfare	745	760	580	358	530
Senior College Fees	242	231	447	478	527
Federal Education Aid	1,131	1,140	719	252	439
Banking Corporation Tax	458	279	372	481	417
Water and Sewer Fees	239	286	319	527	238
Fines and Forfeitures	251	235	277	206	236

Federal and State Aid

Chart 3. Federal & State Aid to NYC, 3Q, FY10 - FY14

(\$ in billions)

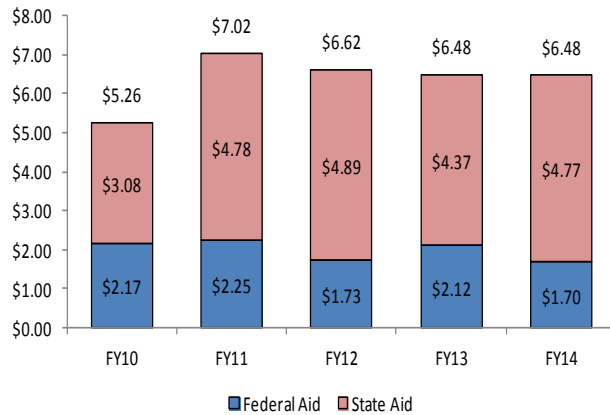


Chart 4. Federal & State Aid as % of Total Cash Receipts, 3Q, FY10 - FY14

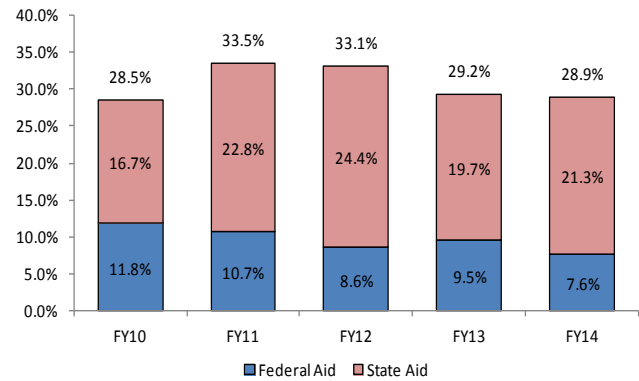


Chart 5. Components of State Aid, 3Q, FY10 - FY14

(\$ in billions)

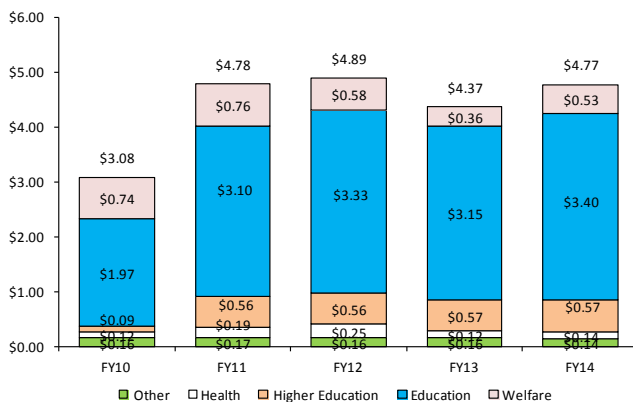
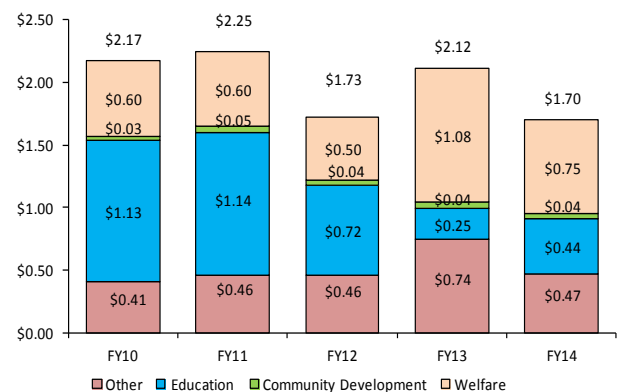


Chart 6. Components of Federal Aid, 3Q, FY10 - FY14

(\$ in billions)



During 3Q14 the City received \$6.48 billion in Federal and State Aid, the same amount as in the 3Q13. The federal aid dropped 20% quarter-over-quarter, mainly due to the decline in welfare aid. The state aid rose 9.2%, due to increased education aid payments. During the 3Q14, NYS education aid was 71.3 percent of NYS aid. NYS education aid included \$1.9 billion in general aid, \$606.3 million in excess cost aid, \$186.5 million in building aid, \$177.4 million of video lottery terminal (VLT) aid, \$97.2 million in instructional materials aid, and \$433.9 million in other miscellaneous and prior aid.

July 2013 – March 2014 (FYTD14)

Receipts at a Glance

Table 6. Cash Receipts by Category, FYTD, 2005 – 2014

(\$ in millions)

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Real Property Tax	\$ 9,874	\$10,699	\$ 9,844	\$10,715	\$11,620	\$11,566	\$12,422	\$13,419	\$13,544	\$14,739
Other Taxes	14,153	15,840	18,702	19,114	16,860	15,687	16,879	17,696	19,058	20,753
Total Taxes	24,027	26,539	28,546	29,829	28,480	27,253	29,301	31,115	32,602	35,492
Federal and State Aid	11,758	11,727	12,034	12,897	13,634	13,437	15,893	14,819	14,880	14,659
Debt Service Funding	(2,039)	(678)	(574)	(4)	(31)	0	(916)	(1,053)	(2,784)	(1,991)
Miscellaneous	4,967	3,419	4,081	4,551	4,397	4,721	4,612	4,738	4,975	5,339
Intergovernmental Aid	2,249	609	328	10	228	280	14	1	1	1
Other	6,309	6,763	7,331	8,789	10,595	9,313	10,735	9,451	10,451	10,539
FYTD Total	\$47,271	\$48,379	\$51,746	\$56,072	\$57,303	\$55,004	\$59,639	\$59,071	\$60,125	\$64,039
Total, Net of Reimbursement for CapEx	\$43,449	\$44,756	\$48,095	\$50,705	\$49,772	\$48,602	\$51,911	\$53,010	\$53,922	\$57,957

FYTD14 total cash receipts reached a record high of \$64.039 billion, an increase of \$3.914 billion from the previous year. The new high in FYTD receipts was supported by advances in a broad range of tax categories, reflecting the strength of the City's economy. Debt service funding (real estate tax retention and PIT retention) fell by \$793 million, in part due to the impact of the higher prepayment of debt at the end of FY13.

Taxes³

Table 7. Major Tax Receipts, FYTD 2009, 2013, 2014

(\$ in millions)

	FY09	FY13	FY14	% Change FY14/ FY09	% Change FY14/ FY13
Real Property Tax	\$11,620	\$13,544	\$14,739	26.8%	8.8%
Personal Income Tax	5,473	6,289	6,915	26.3	10.0
Sales Tax	3,376	4,413	4,674	38.4	5.9
General Corporation Tax	2,743	2,698	3,055	11.4	13.2
Mortgage and Real Property Transfer Taxes	1,190	1,395	1,794	50.8	28.6
Unincorporated Business Tax	1,211	1,138	1,202	(0.7)	5.6
Banking Corporation Tax	1,056	1,241	1,160	9.8	(6.5)
Commercial Rent Tax	459	539	565	23.1	4.8
STAR	492	407	413	(16.1)	1.5
Hotel Occupancy Tax	269	380	395	46.8	3.9
All Other Taxes	590	558	582	(1.4)	4.3
FYTD Total	\$28,479	\$32,602	\$35,492	24.6%	8.9%

FYTD14 receipts were higher across the various major categories of tax, with the exception of Banking Corporation Tax (down 6.5% versus FYTD13). The fastest growing tax categories included mortgage and real property transfer taxes (up 28.6%), general corporation tax (up 13.2%), and personal income tax (up 10.0%).

Selected Cash Receipts

Table 8. Selected Cash Receipts, FYTD, 2010 - 2014

(\$ in millions)

	FY10	FY11	FY12	FY13	FY14
Real Property Tax	\$11,566	\$12,422	\$13,419	\$13,544	\$14,739
Personal Income Tax	5,366	5,460	5,842	6,289	6,915
NYS Education Aid	4,600	5,878	5,934	5,894	6,136
Sales Tax	3,485	4,029	4,239	4,413	4,674
General Corporation Tax	2,311	2,616	2,549	2,698	3,055
Federal Welfare	2,007	2,713	2,349	2,923	2,493
Mortgage and Real Property Transfer Taxes	719	858	1,090	1,395	1,794
Water and Sewer Fees	989	1,057	1,150	1,452	1,361
Unincorporated Business Tax	1,034	1,051	1,053	1,138	1,202
NYS Welfare	1,849	1,804	1,701	1,073	1,171
Banking Corporation Tax	1,091	1,125	1,071	1,241	1,160
Federal Education Aid	1,599	1,858	1,355	826	1,158
NYS Higher Education Aid	1,059	1,215	853	1,218	860
Senior College Fees	563	381	608	649	715
Fines and Forfeitures	721	726	779	783	704

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 any debt service funding.

Federal and State Aid

Chart 7. Federal & State Aid to NYC, FYTD, FY10 - FY14

(\$ in billions)

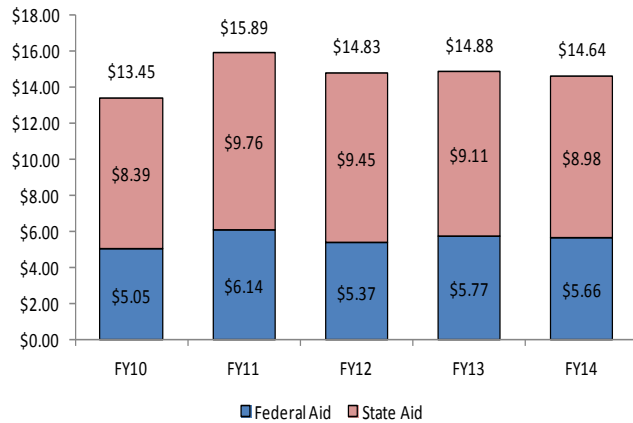


Chart 8. Federal & State Aid as % of Total Cash Receipts, FYTD, FY10 - FY14

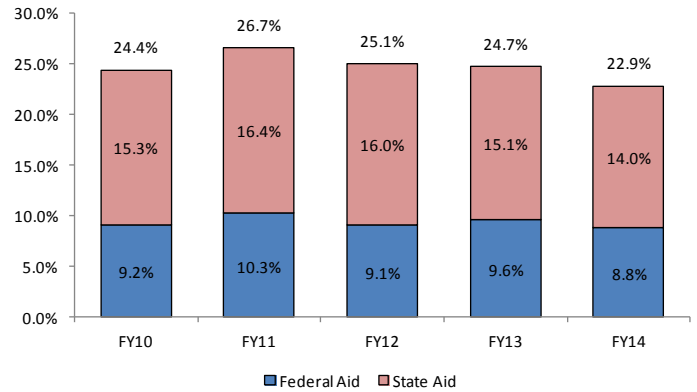


Chart 9. Components of State Aid, FYTD, FY10 - FY14

(\$ in billions)

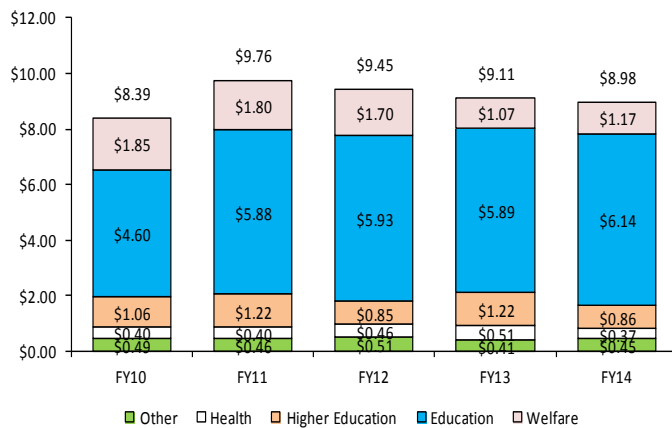
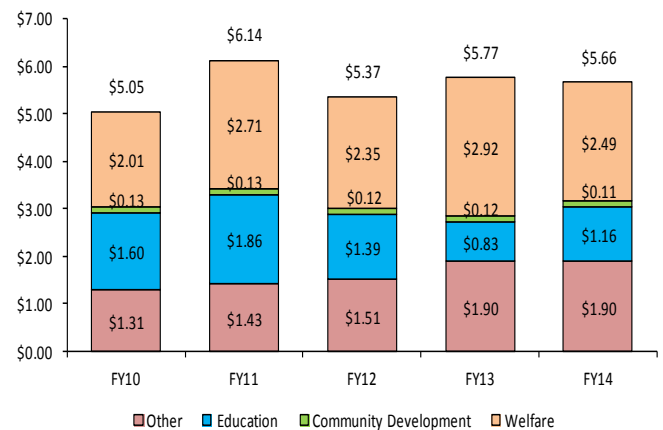


Chart 10. Components of Federal Aid, FYTD, FY10 - FY14

(\$ in billions)



NYC received \$14.64 billion from the Federal and State governments during FYTD14. Federal and State aid receipts accounted for 22.9% of total cash receipts, a smaller percentage than in previous years.

III. Cash Expenditures (Including Capital)

January 2014 – March 2014 (3Q14)

Cash Expenditures at a Glance

Table 9. PS & OTPS, 3Q, FY05 - FY14

(\$ in millions)

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Gross Payroll	\$4,338	\$5,404	\$5,139	\$5,284	\$5,824	\$5,603	\$5,747	\$5,959	\$6,047	\$6,146
Other PS	2,061	2,426	2,319	2,631	2,877	2,983	3,580	3,265	3,479	3,575
Total PS	\$6,399	\$7,830	\$7,458	\$7,915	\$8,701	\$8,586	\$9,327	\$9,224	\$9,526	\$9,721
% of 3Q Total Exp	46%	51%	47%	46%	50%	50%	49%	50%	49%	50%
# of Bi-weekly Payrolls	6	6	6	6	6	6	6	7	7	7
Public Assistance	\$632	\$567	\$521	\$530	\$560	\$590	\$630	\$583	\$603	\$598
Medical Assistance	999	1,057	1,634	1,672	1,309	1,037	1,061	1,486	1,239	1,554
Other Social Services	479	512	585	619	567	458	612	593	646	565
Vendor and Other	2,776	3,143	3,326	3,569	3,409	3,306	4,037	3,757	4,401	4,163
Total OTPS	\$4,886	\$5,279	\$6,066	\$6,390	\$5,845	\$5,391	\$6,340	\$6,419	\$6,889	\$6,880
% of 3Q Total Exp	36%	34%	38%	37%	33%	31%	33%	34%	35%	35%
All Other	\$2,528	\$2,392	\$2,429	\$2,927	\$3,004	\$3,366	\$3,344	\$2,972	\$3,205	\$2,865
% of 3Q Total Exp	18%	15%	15%	17%	17%	19%	18%	16%	16%	15%
Total Expenditures	\$13,813	\$15,501	\$15,953	\$17,232	\$17,550	\$17,343	\$19,011	\$18,615	\$19,621	\$19,466
Total Expenditures Net of CapEx	\$12,472	\$14,081	\$14,347	\$15,119	\$15,608	\$15,083	\$16,676	\$16,485	\$17,396	\$17,403

Total expenditures during 3Q14 were little changed versus year-ago, down just \$155 million, or 0.8%. Total PS, which includes Payroll and Other Personnel Services, rose 2%. Medical Assistance expenditures rose 25.4% versus year-ago, to \$1.544 billion, driven by increased costs related to coverage of the uninsured at HHC facilities. Other social services spending dropped 12.5% and vendor and other spending dropped 5.4%. “All Other” spending dropped 10.6%, driven by the decline in non-City funded capital expenditures.

“All Other” Spending

Table 10. Major Components of “All Other” Spending, 3Q13 & 3Q14

(\$ in millions)

	FY13	FY14	Difference
Transit Authority	\$17	\$0	(\$17)
Housing Authority	0	3	3
Lump Sum Payments	468	614	146
HHC	225	146	-79
Refunds	352	222	-130
City-Funded Capital	1,757	1,940	183
Non-City Funded Capital	469	124	-345
F-700 Adjustment	-83	-183	-100

July 2013 – March 2014 (FYTD14)

Cash Expenditures at a Glance

Table 11. PS and OTPS Cash Expenditures, FYTD05 - FYTD14

(\$ in millions)

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Gross Payroll	\$13,994	\$16,131	\$15,511	\$16,283	\$18,109	\$17,433	\$17,868	\$17,910	\$18,059	\$18,241
Other PS	6,147	7,308	7,161	7,923	8,555	9,312	9,609	9,959	10,445	10,808
Total PS	\$20,141	\$23,439	\$22,672	\$24,206	\$26,664	\$26,745	\$27,477	\$27,869	\$28,504	\$29,049
% of 3Q Total Exp	46.7%	50.3%	48.0%	47.9%	48.9%	48.9%	48.9%	49.4%	49.4%	48.0%
Public Assistance	1,975	1,866	1,633	1,634	1,769	2,003	1,912	1,806	1,793	1,867
Medical Assistance	3,210	3,225	3,793	3,956	3,689	3,475	3,572	4,398	4,327	4,317
Other Social Services	1,550	1,559	1,845	1,789	1,877	1,881	1,862	1,775	1,841	1,801
Vendor and Other	8,283	9,173	9,711	10,359	10,531	10,290	11,256	11,492	12,127	12,932
Total OTPS	\$15,018	\$15,823	\$16,982	\$17,738	\$17,866	\$17,649	\$18,602	\$19,471	\$20,088	\$20,917
% of 3Q Total Exp	34.8%	34.0%	36.0%	35.1%	32.8%	32.3%	33.1%	34.5%	34.8%	34.6%
All Other	7,969	7,325	7,544	8,544	9,999	10,261	10,064	9,030	9,076	\$10,568
% of 3Q Total Exp	18.5%	15.7%	16.0%	16.9%	18.3%	18.8%	17.9%	16.0%	15.7%	17.4%
Total Expenditures	\$43,128	\$46,587	\$47,198	\$50,488	\$54,529	\$54,655	\$56,142	\$56,370	\$57,669	\$60,534
Total Expenditures Net of CapEx	\$38,885	\$42,035	\$42,459	\$44,755	\$47,821	\$47,167	\$48,813	\$50,092	\$51,514	\$54,193

FYTD14 total expenditures rose 5% versus year-ago, driven by the growth in “all other” spending (up 16.4%), vendor and other (up 6.6%), public assistance (up 4.1%) and total PS (up 1.9%).

“All Other” Spending

Table 12. Major Components of “All Other” Spending, FYTD13 & FYTD14

(\$ in millions)

	FYTD13	FYTD14	Difference
Transit Authority	\$295	\$278	(\$17)
Housing Authority	1	31	30
Lump Sum Payments	1,500	1,901	401
HHC	567	652	85
Refunds	669	799	130
City-Funded Capital	4,832	5,814	982
Non-City Funded Capital	1,323	527	-796
F-700 Adjustment	-110	567	677

IV. Capital Expenditures⁴

January 2014 – March 2014 (3Q14)

Total 3Q14 CapEx declined 7.3% versus year-ago, due to a 73.6% drop in Non-City-funded CapEx. City-funded CapEx increased 10.4% year-over-year.

Chart 11. Total CapEx, 3Q, FY05 - FY14

(\$ in millions)

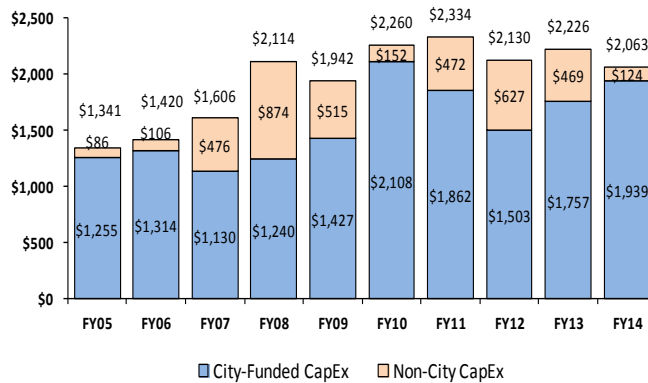
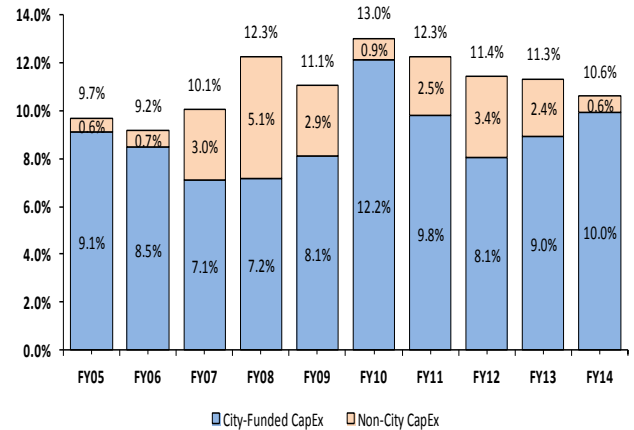


Chart 12. Total CapEx as % of Total Expenditures, 3Q, FY05 - FY14



⁴ 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, FY05 - FY14

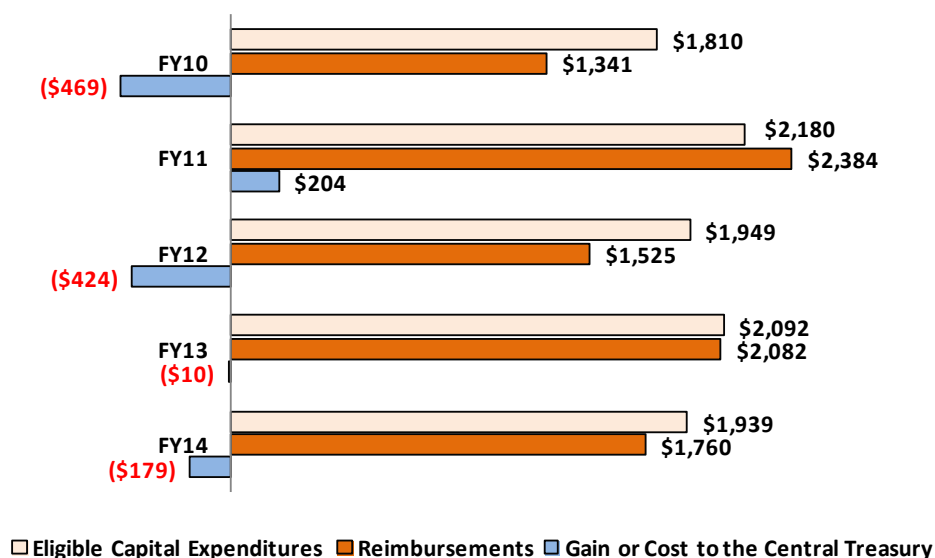
(\$ in millions)

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	Total
GO	\$858	\$548	\$279	\$753	\$969	\$324	\$927	\$213	\$476	\$340	\$5,687
NY Water	302	403	218	538	647	623	630	534	452	426	4,773
TFA	0	0	479	30	7	394	744	376	927	994	3,951
<i>Sub-total</i>	<i>1,160</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>14,411</i>
TFA Building Aid	0	0	233	89	828	0	83	402	227	0	1,862
DASNY	0	0	213	132	41	0	0	0	0	0	386
<i>Sub-total</i>	<i>0</i>	<i>0</i>	<i>446</i>	<i>221</i>	<i>869</i>	<i>0</i>	<i>83</i>	<i>402</i>	<i>227</i>	<i>0</i>	<i>2,248</i>
Other	23	2	0	0	0	0	0	0	0	0	25
3Q Total	\$1,183	\$953	\$1,422	\$1,542	\$2,492	\$1,341	\$2,384	\$1,525	\$2,082	\$1,760	\$16,684
3Q Reimbursable Capital Expenditures	\$1,233	\$1,252	\$1,312	\$1,461	\$2,005	\$1,810	\$2,180	\$1,949	\$2,092	\$1,939	\$17,233
3Q Reimbursements Less 3Q Reimbursable Capital Expenditures	(\$50)	(\$299)	\$110	\$81	\$487	(\$469)	\$204	(\$424)	(\$10)	(\$179)	(\$549)
3Q Reimbursements as a % of 3Q Reimbursable Capital Expenditures	95.9%	76.1%	108.4%	105.5%	124.3%	74.1%	109.4%	78.2%	99.5%	90.8%	96.8%
3Q Reimbursements as a % of Total 3Q Receipts	6.9%	5.8%	7.1%	7.5%	11.1%	7.3%	11.4%	7.6%	9.4%	7.9%	8.3%

During 3Q14, eligible CapEx exceeded related reimbursements, decreasing the City's cash balance by \$179 million. Table 17 shows that eligible CapEx exceeded reimbursements in six out of the last ten 3Q periods (FY05-FY14), resulting in a total drain of \$549 million to the central treasury.

Chart 13. Bond-Funded Reimbursements for Eligible CapEx, 3Q, FY10 - FY14

(\$ in millions)



July 2013 – March 2014 (FYTD14)

During FYTD14, total CapEx rose 3.0% versus year-ago, driven by a 20.2% increase in City-funded CapEx. Non-City CapEx decreased 60.0%.

Chart 14. Total CapEx, FYTD, FY05 - FY14

(\$ in millions)

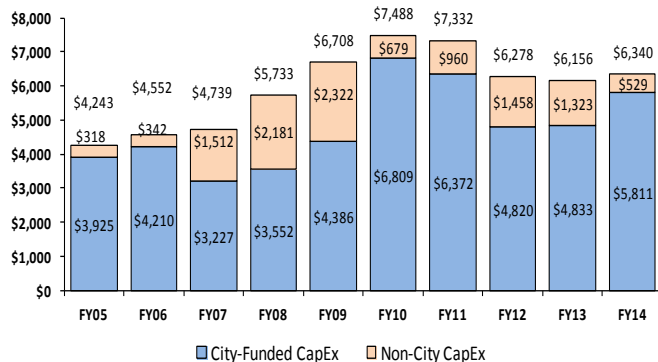
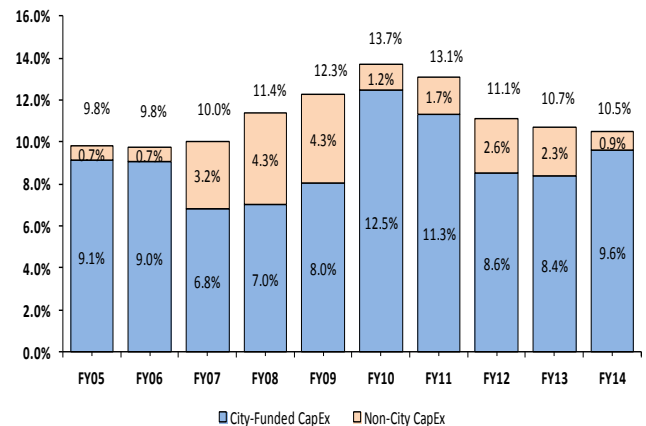


Chart 15. Total CapEx as % of Total Expenditures, FYTD, FY05 - FY14



Reimbursements to the New York City Central Treasury for Capital Expenditures

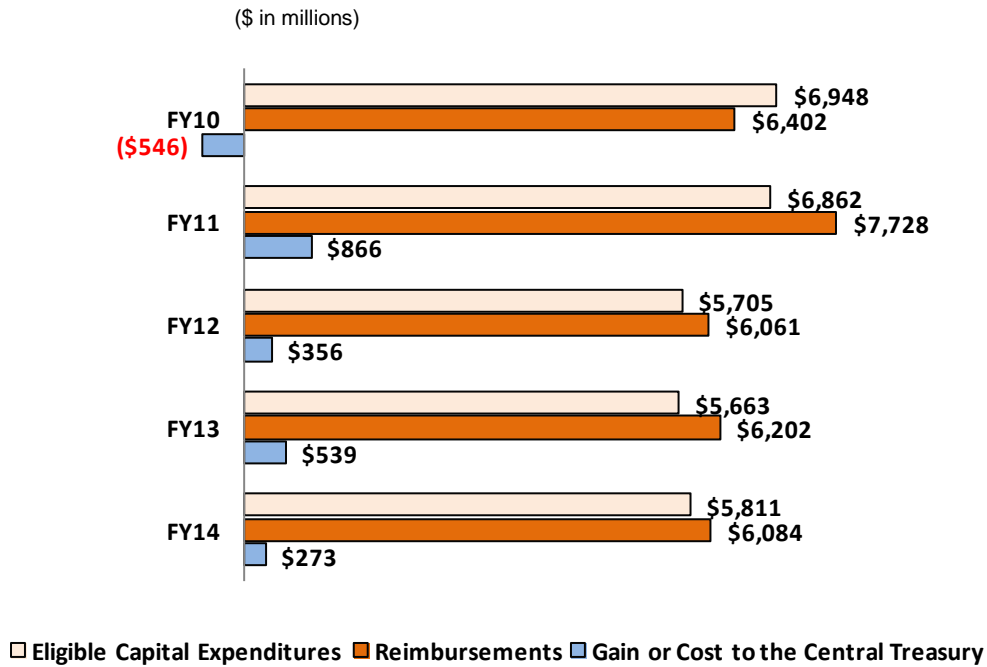
Table 14. Reimbursements to the NYC Central Treasury, FYTD, 2005 - 2014

(\$ in millions)

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	Total
GO	\$2,667	\$2,614	\$671	\$2,179	\$3,510	\$2,255	\$2,571	\$1,646	\$898	\$1,712	\$20,723
NY Water	1,100	1,007	910	1,460	1,990	2,019	2,278	1,691	1,438	1,243	15,136
TFA	0	0	1,240	524	14	1,940	2,527	1,745	2,909	3,129	14,028
Other	54	2	0	0	0	0	0	0	0	0	56
City-Funded Sub-total	\$3,821	\$3,623	\$2,821	\$4,163	\$5,514	\$6,214	\$7,376	\$5,082	\$5,245	\$6,084	\$49,943
TFA Building Aid	0	0	533	739	1,649	182	352	979	957	0	5,391
DASNY	0	0	297	465	368	6	0	0	0	0	1,136
Non-City Sub-total	\$0	\$0	\$830	\$1,204	\$2,017	\$188	\$352	\$979	\$957	\$0	\$6,527
FYTD Total	\$3,821	\$3,623	\$3,651	\$5,367	\$7,531	\$6,402	\$7,728	\$6,061	\$6,202	\$6,084	\$56,470
YTD Reimbursable Capital Expenditures	\$3,915	\$4,204	\$4,323	\$5,450	\$6,275	\$6,948	\$6,862	\$5,705	\$5,663	\$5,811	\$55,156
YTD Reimbursements Less YTD Reimbursable Capital Expenditures	(\$94)	(\$581)	(\$672)	(\$83)	\$1,256	(\$546)	\$866	\$356	\$539	\$273	\$1,314
YTD Reimbursements as a % of YTD Reimbursable Capital Expenditures	97.6%	86.2%	84.5%	98.5%	120.0%	92.1%	112.6%	106.2%	109.5%	104.7%	102.4%
YTD Reimbursements as a % of YTD Total Receipts	8.1%	7.5%	7.1%	9.6%	13.1%	11.6%	13.0%	10.3%	10.3%	9.5%	10.1%

FYTD14 reimbursements exceeded eligible CapEx by \$273 million, or 4.7%. 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 2.4%.

Chart 16. Bond-Funded Reimbursements for Eligible CapEx, FYTD, 2010 - 2014



V. Financings ⁵

In FY14 the City plans to issue \$6.14 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 \$4.12 billion of new money debt FYTD.

Table 15. FY 2014 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	\$2.13	\$2.28	(\$0.15)
TFA PIT	2.82	1.85	0.97
TFA BARBs	1.20	0.00	1.20
Total	6.14	4.12	2.02

Projected bond issuance is based on the OMB's FY 2014 February Financial Plan

Two transactions closed in 3Q14. The first transaction was a TFA sale of \$630 million of new money bonds and \$350 million of refunding bonds. The refunding achieved \$24.23 million in budget savings, or more than \$22 million on a present-value basis. The second transaction was a new money sale of \$950 million of GO bonds. The sale included \$650 million of tax-exempt fixed-rate bonds, \$100 million of tax-exempt variable rate demand bonds, and \$200 million of tax-exempt step-coupon floating rate notes.

Table 16. GO, TFA PIT, and TFA BARBs Bond Issuance, FYTD14

(\$ in millions)

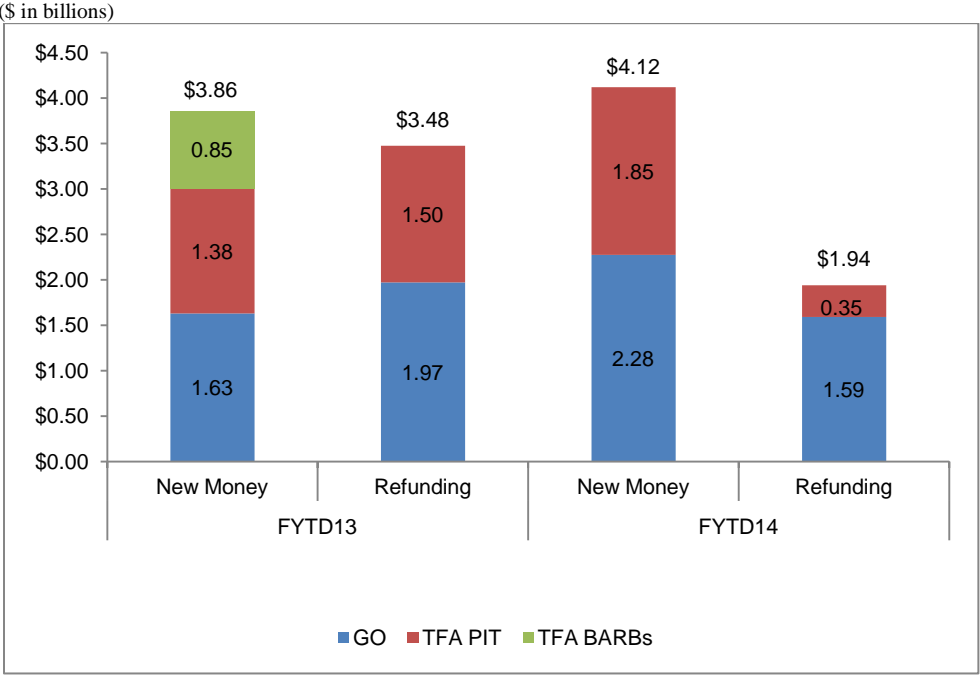
Closing Date	Deal	Purpose	TE Fixed	TX Fixed*	TE Variable	QSCBs*	Total Par
8/15/2013	GO 2014 A	New Money	\$375.00	\$125.00	\$0.00	\$0.00	\$500.00
8/15/2013	GO 2014 BC	Refunding	372.52	0	0	0	372.52
10/16/2013	GO 2014 D	New Money	300	125	400	0	825
10/16/2013	GO 2014 EF	Refunding	416.92	0	0	0	416.92
11/13/2013	TFA PIT A	New Money	650	350	125	90.28	1215.28
12/19/2013	GO 2014 GH	Refunding	800.05	0	0	0	800.05
2/4/2014	TFA PIT B	New Money	505	50	75	0	630
2/4/2014	TFA PIT C	Refunding	350	0	0	0	350
3/25/2014	GO 2014 I	New Money	650	0	300	0	950

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

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

FYTD14 bond issuance was lower than the bond issuance in FYTD13. As shown in the following chart, in FYTD14 the City issued \$6.06 billion in new money and refunding bonds vs. \$7.33 billion in FYTD13.

Chart 17. GO, TFA PIT, and TFA BARBs Issues, FYTD13 and FYTD14



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