

June 2020 State Tax Receipts Down 17.3%

State tax receipts in June were down \$1.5 billion or 17.3% from the previous year, [according to the monthly state cash report](#) released by State Comptroller Tom DiNapoli. The report also noted that June tax receipts were \$475 million below the NYS Division of Budget's latest projections, with shortfalls in personal income, consumption, and business taxes. For the combined period of May and June, State Operating Funds tax receipts were 93.75% of the level projected in the Enacted Budget Financial Plan, while State Operating Funds disbursements were 69.2% of the anticipated amount. All Funds spending through June was \$6.3 billion below Financial Plan projections, with Local Assistance disbursements representing \$5.7 billion of that total.

School Districts SA-139 Filings Due by October 1, 2020

Pursuant to State Education Department (SED) guidelines, if construction contracts have been awarded, school districts need to file SA-139's with SED by Thursday, October 1, 2020 in order to guarantee that the project will be included in the November 2020 frozen data file to generate building aid in the District's 2021-22 fiscal year. The actual receipt of aid is further dependent upon subsequent filing(s) of Final Cost Reports or Early Aid Start Request Forms by December 2021. Should you need assistance with the filing of the SA-139's or Final Cost Reports or have any other State Building Aid specific questions please call CMA.

Issuers Secure Lowest Bond Rates in History

As interest rates continue to set new lows, issuers have been routinely securing fixed, tax-exempt interest rates at levels which were, up until very recently, thought to be unattainable. On July 28th, the Aaa-rated Town of North Hempstead sold \$7,375,000 refunding bonds at competitive sale, received 7 bids and awarded the bonds to BNY Mellon Capital Markets at the record-setting rate of 0.15% for a four-year issue. Days earlier, the Aa1-rated City of White Plains sold \$14,170,000 Refunding Bonds at competitive sale receiving 11 bids with Janney Montgomery Scott being awarded all of the bonds at a true interest cost (TIC) of 0.35% for the bonds which had a 9-year term. Just over a week earlier, the Aa2-rated Village of Dobbs Ferry sold 4-year refunding bonds, receiving 7 bids and a TIC of 0.27%. There has never been a better time to issue new money and refunding bonds.

MMD GENERAL OBLIGATION INTEREST RATES

Term	Today - August 3, 2020					1 Month Ago - July 1, 2020					1 Year Ago - August 1, 2019				
	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa
1 yr.	0.11%	0.16%	0.15%	0.26%	1.23%	0.25%	0.30%	0.33%	0.44%	1.44%	1.03%	1.04%	1.11%	1.13%	1.41%
5	0.23	0.33	0.41	0.56	1.53	0.41	0.51	0.63	0.78	1.78	1.07	1.18	1.29	1.34	1.64
10	0.65	0.80	0.88	1.02	2.04	0.90	1.05	1.17	1.31	2.36	1.48	1.60	1.75	1.79	2.11
15	0.97	1.17	1.23	1.42	2.47	1.23	1.43	1.53	1.72	2.80	1.77	1.95	2.05	2.12	2.40
20	1.17	1.38	1.43	1.62	2.67	1.43	1.64	1.73	1.93	3.00	1.98	2.16	2.26	2.33	2.61

RECENT CMA CLIENT SALE RESULTS

Issuer	Issue Type	Par Amount	Sale Date	Term	Rate	Purchaser
Herricks UFSD	Bonds	\$ 16,915,000	28-July	15 yrs.	1.22%	FHN Financial Capital Markets
North Hempstead Town	Bonds	\$ 30,310,000	28-July	30 yrs.	1.87%	Roosevelt & Cross, Inc.
Rochester City	BAN	\$ 98,770,000	23-Jul	12 mos.	0.53%	BofA Merrill Lynch; Citigroup
Hingham Town	Bonds	\$ 111,180,000	15-Jul	30 yrs.	2.14%	UBS Financial Services, Inc.
West Islip UFSD	TAN	\$ 20,000,000	15-Jul	11 mos.	0.43%	Morgan Stanley & Co.
Clarkstown CSD	Bonds	\$ 30,348,312	9-Jul	12 yrs.	1.06%	Raymond James & Associates, Inc.
Pelham UFSD	BAN	\$ 20,000,000	1-Jul	4 mos.	0.29%	Morgan Stanley & Co.