



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER

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COMPTROLLER

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## TO THE PEOPLE OF THE CITY OF NEW YORK

It is my privilege to present the City of New York's Annual Comprehensive Financial Report (ACFR) for Fiscal Year 2024. The report shows that the City's finances are strong, but also highlights some vulnerabilities.

The New York City economy continued to expand over the past year; total city employment surpassed its pre-pandemic level for the first time during the fiscal year and the city's labor participation rate reached a historic high. Economic growth in Fiscal Year 2024, however, was slower than in recent years, particularly during the second half. Furthermore, job gains were concentrated in the lower wage sectors, a concerning trend for the local economy. Looking forward, my office forecasts that the New York City economy will continue to expand at a moderate pace.

The City's financial strength also relies on strong fiscal practices, many of which were established by the Financial Emergency Act (FEA) nearly fifty years ago during the City's fiscal crisis of the 1970s. Earlier this year, my office formulated a series of proposals to strengthen and modernize the City's fiscal framework, including steps to ensure that the City accumulates sufficient reserves in its rainy-day fund, achieve efficiencies and long-term savings while avoiding cuts to vital services, conducts realistic assessments of its capital assets, and maintains the affordability of its debt. While outside the scope of the ACFR, recent events, including a report from the NYC Department of Investigation, have also raised concerns about corruption vulnerabilities and operational weaknesses in the City's procurement practices. My office has also put forward proposals to prevent corruption in procurement, to improve timely registration and payment, and to ensure that public funds are administered with transparency and integrity. The ACFR for Fiscal Year 2024 shows that the City of New York (City) completed its Fiscal Year 2024 financial reporting requirements, in accordance with Generally Accepted Accounting Principles (GAAP).

The General Fund is a primary indicator of the City's financial activity and legal compliance within the reporting model promulgated by the Governmental Accounting Standards Board (GASB). In Fiscal Year 2024, the General Fund had revenues and other financing sources of \$112.814 billion and expenditures and other financing uses of \$112.973 billion, resulting in a deficit of \$159 million, excluding the adjustment for restricted fund activities. Including the adjustment for restricted fund activities results in an operating surplus of \$5.3 million. This amount increased the General Fund's committed balance (the Revenue Stabilization Fund) to \$1.964 billion. Expenditures and other financing uses included transfers of \$4.397 billion, 3.9 percent of Fiscal Year 2024 revenues, to eliminate the projected budget gap for Fiscal Year 2025; this transfer is conventionally viewed as the General Fund surplus. Fiscal Year 2024 marked the second consecutive year of decline in the General Fund surplus.

Fiscal Year 2024 total General Fund revenues were \$4.577 billion higher than in Fiscal Year 2023, an increase of 4.2 percent. The growth in revenues was driven by an increase of \$2.161 billion in State categorical grants, an increase of \$1.320 billion in Federal categorical grants, and a \$740 million increase in tax revenues. Fiscal Year 2024 expenditures and other financing uses were \$4.796 billion higher than in Fiscal Year 2023, an increase of 4.4 percent. Excluding the transfers to eliminate future fiscal year projected gaps in both years, expenditures and other financing uses increased by \$5.242 billion or 4.8 percent.

The Total Governmental Funds balance as of the end of Fiscal Year 2024 was \$3.458 billion, a decline of \$2.115 billion from Fiscal Year 2023. The balance of Total Governmental Funds was \$7.595 billion in Fiscal Year 2022. The Fiscal Year 2024 drop was driven by the worsening of the Capital Projects Fund deficit by \$1.145 billion due to record capital expenditures of \$14.524 billion outrunning the City's bond issuance, which funds those projects. Between Fiscal Year 2020 and Fiscal Year 2024 the deficit of the Capital Projects Fund, representing capital expenditures paid by the General Fund to be reimbursed by bond proceeds or capital grants, went from \$2.515 billion to \$7.492 billion. While in some respects this is simply a matter of cash flow, and the City has had more than sufficient cash balances to cover the time of reimbursement, some fiscal oversight agencies view this as an item of concern. To mitigate this potentially negative credit indicator, and as recommended by my office, starting in the second half of Fiscal Year 2024, the City has significantly increased the size of its bond sales with the aim of reducing the Capital Projects Fund deficit. The second main driver

of the Fiscal Year 2024 decline in the Total Governmental Funds balance is the \$581 million reduction in prepaid debt service held at the end of the year by the General Debt Service Fund and the Transitional Finance Authority.

The City ended Fiscal Year 2024 with a debt-incurring power of \$25.397 billion. The debt-incurring power increased to \$40.95 billion at the beginning of Fiscal Year 2025 because of the increase of the value of taxable real estate, the appropriation for payment of Fiscal Year 2025 General Obligation debt, and an \$8 billion increase in the amount of Transitional Finance Authority (TFA) outstanding debt not subject to the City’s debt limit as provided in the NY State Fiscal Year 2025 budget. The State budget included a \$14 billion total increase of TFA debt not counted against the limit, with the second tranche of \$6 billion taking effect on July 1, 2025. An analysis published by my office found the increase in the City’s debt-incurring power appropriately sized and affordable.

The government-wide financial statements show a \$197.241 billion deficit in the Primary Government net position, a decline of \$6.921 billion from Fiscal Year 2023. The largest component of the deficit is the \$98.268 billion net liability for retiree health care (Other Post-Employment Benefits or OPEB), marking a \$3.249 billion increase from Fiscal Year 2023. This stands in contrast with the \$4.490 billion decrease in net pension liability, which stood at \$35.668 billion at the end of Fiscal Year 2024. In large part, this is because the net pension liability is amortized based on a schedule set in state law, while the OPEB liability is not funded on a recurring and consistent basis.

A detailed analysis of the City’s fund and government-wide financial statements is provided in the Management’s Discussion and Analysis (MD&A), which immediately precedes the basic financial statements contained in this report.

This introduction includes a summary of the economic conditions that New York City faced in Fiscal Year 2024, an economic and fiscal outlook, a brief description of the City’s governance and budget process, and an overview of the ACFR.

## ECONOMIC CONDITIONS IN FISCAL YEAR 2024

The most recent Census Bureau population estimates showed New York City’s population at 8.26 million at the start of Fiscal Year 2024, a -0.9 percent decline from the prior year.<sup>(1)</sup> This was the third consecutive year of population losses for New York City, with a cumulative decline of 546,200 residents or -6.2 percent from April 2020. While still reflecting a drop, the data indicates movement toward stability following the significant losses that followed the onset of the COVID-19 pandemic. Net domestic migration to New York City in the fiscal year ending in June 2023 returned to a level close to its pre-pandemic trend. And, for the second year in a row, net international migration showed recovery from its 2020-2021 lows and was near its pre-2017 levels and higher than the pre-pandemic years 2017-2019.<sup>(2)</sup>

**Table 1. Payroll Jobs in New York City**

Economic Sectors	Jobs in New York City (in thousands)					
	Pre-pandemic peak:		Pre-pandemic peak to June 2024		June 2023 to June 2024*	
	Jun 2024	Feb 2020	Change	% change	Change	% change
Total	4,752.1	4,702.5	49.6	1.1%	65.8	1.4%
Total Private	4,173.2	4,108.0	65.2	1.6%	61.1	1.5%
Total Office Using	1,512.6	1,497.5	15.2	1.0%	(25.0)	(1.6)%
Financial Activities	502.5	487.1	15.3	3.1%	(3.0)	(0.6)%
Information	211.1	229.2	(18.1)	(7.9)%	(13.9)	(6.2)%
Prof. and Business Services	799.1	781.2	17.9	2.3%	(8.1)	(1.0)%
Education and Health Services	1,251.4	1,079.9	171.5	15.9%	85.7	7.4%
Leisure and Hospitality	450.6	470.1	(19.5)	(4.1)%	14.5	3.2%
Other Services	184.1	196.1	(12.0)	(6.1)%	2.7	1.5%
Trade, Transportation, and Utilities	581.0	635.9	(54.9)	(8.6)%	(9.8)	(1.7)%
Construction	136.7	162.6	(25.9)	(16.0)%	(5.8)	(4.0)%
Manufacturing	56.8	66.0	(9.1)	(13.8)%	(1.2)	-2.1%
Government	572.9	594.5	(21.6)	(3.6)%	4.7	0.8%

Source: NY State Department of Labor, NYC Office of Management and Budget, Office of the NYC Comptroller. Data are as of August 2024 monthly employment data released on 19 September 2024.

\* Based on non-seasonally adjusted data.

New York City payrolls grew by 65,800 jobs from June 2023 to June 2024, allowing the city’s jobs count to exceed its previous peak. Growth was slower than that seen in Fiscal Year 2023, when job gains totaled 140,000 as the last stages of post-pandemic job recovery were still underway.

(1) Estimates as of July 1, 2023, see NYC Department of City Planning, Population: Current Estimates.

(2) See the Office of the New York City Comptroller April 2024 Economic Newsletter.

For the second consecutive year, the city’s Information sector employment declined, with payrolls 18,100 below the industry’s pre-pandemic level. Much of the Information sector job losses early in Fiscal Year 2024 were attributable to labor union strikes in the film and television industries. But with the strikes resolved by mid-November 2023, subsequent employment data indicate that many of the film and television jobs lost in the city have not returned. The Information industry in New York City has also been affected by contracting payrolls at internet-related and other technology employers.

New York City’s job growth in Fiscal Year 2024 was dominated by industries that have average wages well below the citywide mean. The city’s Health Care and Social Assistance industry (part of the Education and Health Services sector in the table above) added 79,300 jobs over the period, for 8.6 percent 12-month growth. Accommodation and Food Service jobs (part of Leisure and Hospitality in the table) rose by 9,300, or 2.6 percent. Within Health Care and Social Assistance, two subsectors together accounted for 61,300 new jobs: Home Health Care Services, with average annual wage of \$31,900 in 2023; and Individual and Family Services with average annual wage of \$36,700. The Accommodation and Food Service Sector had an average wage of \$45,500. The 2023 average annual wage for all jobs in New York City was \$116,900.

New York City’s unemployment rate was 4.8 percent in June 2024 (seasonally adjusted), a decline of 0.2 percentage points from June 2023. The June 2024 labor force participation rate of 62.4 and the employment population ratio of 59.4 were both at their highest levels in recorded history, having each risen 0.9 percentage points from June 2023.

According to the City’s tourism agency, NYC Tourism + Conventions, tourism has continued to increase in Fiscal Year 2024, but at a slower rate than in the prior two fiscal years. With the supply of hotel rooms growing more slowly than demand, hotel occupancy rates continued to climb in Fiscal Year 2024 to 84 percent, up from 80 percent in Fiscal Year 2023. Average daily room rates were also up by around 20 percent versus 2019, similar to the overall inflation rate in the U.S. during the same period.<sup>(3)</sup>

New York City taxable sales grew by 3.1 percent in Fiscal Year 2024, a significant slowdown in growth rate as compared to Fiscal Year 2023 when sales grew by 12.0 percent. The deceleration in sales growth was driven by declining inflation and slower economic growth. All sector categories saw their growth rates fall except for utilities which grew by 7.2 percent, slightly faster than in the prior fiscal year.

**Table 2. New York City taxable sales FY 2014 – FY 2024**

Fiscal Year*	Taxable Sales (\$b)					
	Retail Trade & Information**	Leisure and Hospitality	Professional and Business Services	Utilities	Other	Total
2015	\$58.6	\$31.7	\$13.4	\$12.1	\$30.9	\$146.7
2016	\$59.0	\$33.7	\$14.4	\$10.9	\$32.9	\$150.9
2017	\$60.6	\$34.9	\$14.5	\$11.3	\$35.7	\$156.9
2018	\$62.4	\$36.0	\$15.9	\$11.9	\$39.3	\$165.5
2019	\$64.7	\$37.6	\$17.1	\$12.0	\$42.6	\$174.1
2020	\$64.8	\$31.5	\$17.8	\$12.3	\$40.2	\$166.5
2021	\$69.0	\$15.7	\$15.7	\$12.8	\$39.7	\$152.9
2022	\$80.5	\$32.8	\$19.9	\$14.2	\$47.5	\$194.8
2023	\$83.8	\$43.1	\$23.2	\$15.2	\$52.9	\$218.1
2024	\$84.7	\$45.6	\$24.3	\$16.3	\$54.0	\$224.9

Notes: \* Taxable sales by NYC Fiscal Year are June through May. Sectors are based on North American Industrial Classification System (NAICS). Data are subject to revision.

\*\* Because of NAICS category revisions implemented starting with the August 2024 data release and affecting sector totals beginning in 2022, Retail Trade and Information sales have been combined to preserve time series consistency. Also included in this category are “Unclassified” sales, which were primarily sales by sellers previously categorized as retail or information, but whose NAICS codes changed between categories.

Source: NY State Department of Taxation and Finance, <https://data.ny.gov/Government-Finance/Taxable-Sales-And-Purchases-Quarterly-Data-Beginni/ny73-2j3u>, data as of August 2024.

(3) Hotel occupancy and room rate data from CoStar.

The Consumer Price Index (CPI) in the New York City Metropolitan Area grew by 3.4 percent in Fiscal Year 2024 (annual average), a decline from the prior fiscal year growth of 5.3 percent, but still higher than in the years before the COVID-19 pandemic. Excluding volatile food and energy prices, NYC prices grew by a slightly faster 3.9 percent in large part because of the continued elevated growth in shelter costs (5.6 percent), which is the largest component of the consumption basket.

**Table 3. Consumer Price Index (CPI)**

		<b>FY 2017 - FY 2018</b>	<b>FY 2018 - FY 2019</b>	<b>FY 2019 - FY 2020</b>	<b>FY 2020 - FY 2021</b>	<b>FY 2021 - FY 2022</b>	<b>FY 2022 - FY 2023</b>	<b>FY 2023 - FY 2024</b>
NYC metro area	All items	1.8%	1.8%	1.7%	2.1%	5.0%	5.3%	3.4%
	All items less							
	food & energy	1.2%	1.7%	2.1%	2.0%	3.4%	4.9%	3.9%
	Shelter	2.2%	2.1%	2.1%	1.4%	1.7%	4.8%	5.6%
Size class A cites	All items	2.4%	2.3%	1.8%	2.1%	6.7%	6.3%	3.7%
	All items less							
	food & energy	2.1%	2.3%	2.2%	1.8%	5.0%	5.9%	4.3%
	Shelter	3.5%	3.4%	3.2%	1.8%	3.9%	7.2%	6.3%
US	All items	2.3%	2.1%	1.5%	2.3%	7.2%	6.3%	3.3%
	All items less							
	food & energy	1.9%	2.1%	2.0%	2.2%	5.4%	5.8%	3.9%
	Shelter	3.3%	3.4%	3.0%	2.1%	4.3%	7.4%	6.3%

Notes: CPI growth is calculated as the growth rate of not-seasonally-adjusted indexes averaged over NYC's fiscal year. Size class A cities are those metro areas with population greater than 2.5 million.

Source: Bureau of Labor Statistics, Office of the NYC Comptroller.

Asking rent for New York City residential properties listed publicly grew at a slower pace in Fiscal Year 2024 than in recent years, with the median rising 1.3 percent from June 2023 to June 2024, compared to an average annual gain of 20.1 percent between June 2021 and June 2023. The rental index, which tracks listings for the same properties over time, rose 3.6 percent in Fiscal Year 2024, compared to an average annual gain of 14.8 percent in the prior two years. The median sales price rose by 5.5 percent in Fiscal Year 2024 after having declined slightly over the prior two years. However, the Fiscal Year 2024 sales price growth appears to be mainly a result of the mix of properties on the market, as the sales price index was nearly unchanged (down 0.1 percent).

**Table 4. Residential Real Estate**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Inventory for rent	54,312	46,193	43,966	54,020	52,587	31,365	38,222	38,377
Median asking rent	\$2,795	\$2,800	\$2,900	\$2,890	\$2,600	\$3,500	\$3,750	\$3,800
Rental Index*	\$2,784	\$2,811	\$2,882	\$2,851	\$2,584	\$3,220	\$3,407	\$3,531
Inventory for sale	16,790	18,813	20,511	15,174	19,881	17,261	16,022	16,683
Median sale price	\$650,661	\$650,000	\$745,000	\$660,000	\$795,000	\$800,000	\$775,000	\$817,500
Sales Price Index*	\$621,366	\$629,744	\$628,161	\$615,874	\$597,228	\$621,492	\$615,633	\$614,963

Note: \* The rental index and sales price index represent changes in the cost of the same properties that are re-listed for rent or sale over time, thus controlling for changing mix of properties that can occur among available rentals or homes for sale.

Source: Streeteasy.com data dashboard. Data are as of June of each year.

Manhattan office vacancy rates continued to climb in Fiscal Year 2024, reaching 23.6 percent in June 2024. Post-pandemic office work patterns suggest a predominance of hybrid work with three-days per week in-office during a typical work week. Demand for office space continues to lag behind inventory growth from deliveries of projects started before the pandemic. Rents have been slowly rising since 2021, although far behind the overall inflation rate.

**Table 5. Manhattan Office Real Estate**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Inventory (million sf)	398.7	398.7	402.2	404.7	405.6	411.9	414.2	419.8
Vacancy Rate	9.2%	9.2%	10.5%	11.9%	18.3%	21.5%	22.4%	23.6%
Asking Rent per sf	\$72.6	\$72.6	\$74.2	\$73.3	\$70.3	\$71.6	\$72.1	\$73.0

Source: Cushman and Wakefield. Data as of the fourth quarter of each Fiscal Year.

Capital market values strengthened in Fiscal Year 2024 amidst decelerating inflation and improving expectations regarding economic growth and the possibility of declining interest rates. Fiscal Year 2024 profits of New York Stock Exchange member firms increased to \$36.5 billion, a 46.5 percent increase over the prior fiscal year.

## **FISCAL YEAR 2024 BUDGET AND THE ECONOMIC AND FISCAL OUTLOOK**

Actual Fiscal Year 2024 revenues were \$6.420 billion more than projected in the Fiscal Year 2024 Adopted Budget (+6.0 percent), driven by a \$3.037 billion variance in tax revenues (+4.3 percent).

Overall, the City availed itself of \$13.287 billion in additional resources that were primarily used to close the Fiscal Year 2025 budget gap (\$4.397 billion), and to fund, among other expenses, greater than expected contractual services costs (\$2.651 billion), provide additional payments to New York City Health + Hospitals (\$1.276 billion), and pay for greater than expected overtime costs (\$1.255 billion).

In Fiscal Year 2024, the City deposited \$5.3 million in the Revenue Stabilization Fund (RSF), reaching a balance of \$1.964 billion. At the end of Fiscal Year 2024, the Retiree Health Benefit Trust (RHBT) fund held assets of \$5.038 billion. The total of long-term reserves (RHBT and RSF) was \$7.002 billion, or 9.4 percent of the City's Fiscal Year 2024 tax revenues, below the estimate of 16.0 percent needed to weather the full length of a recession, as estimated by the Office of the NYC Comptroller.<sup>(4)</sup>

In Fiscal Year 2024, total General Fund revenues and other financing sources reached \$112.814 billion, an increase of 44.6 percent from Fiscal Year 2015 (compound annual growth rate – CAGR – of 4.2 percent). Total tax revenues reached \$74.177 billion in Fiscal Year 2024, a trend growth from Fiscal Year 2015 comparable with total General Fund revenues (+42.8 percent, CAGR of 4.0 percent). Fiscal Year 2024 tax revenues were \$12.683 billion higher than their pre-COVID-19 level of \$61.494 billion in Fiscal Year 2019 (CAGR of 3.8 percent).<sup>(5)</sup>

### **Tax expenditures<sup>(6)</sup>**

In Fiscal Year 2024, the City provided a total of \$7.672 billion in property tax exemptions and abatements. The majority was attributable to City programs (\$4.639 billion), followed by public agencies (\$2.226 billion), and NYS programs (\$808.1 million). Among the City programs, the largest expenditure was attributable to the 421-a program (\$1.852 billion) for the construction of multifamily rental buildings, with and without the inclusion of income-restricted housing units. The 421-a program expired on June 15, 2022. Abatements for owners of condominium and coop units represent nearly two-thirds of \$1.017 billion in City individual assistance property tax programs, which also include programs for low-income seniors and disabled owners and renters, veterans, and clergy. Property tax expenditures on economic development programs were \$932.4 million in Fiscal Year 2024, \$877.6 million of which was for the construction and renovation of commercial and industrial real estate. NYS and public agencies' programs provided a total of \$1.761 billion in tax expenditures to residential properties and \$1.273 billion to commercial and industrial properties.

Data on business income, excise, sales, and other tax expenditures are available with a lag. The latest available data refer to 2020 and 2022. Business income expenditures for tax year 2020 and excise tax expenditures for tax year 2022 totaled \$1.056 billion, with \$797 million represented by the non-taxation of insurance corporations and the business and investment capital tax limitation. For calendar year 2020 sales tax exemptions were worth \$4.374 billion.

### **Cash balance**

The City began Fiscal Year 2024 with \$12.387 billion in cash-on-hand, versus \$8.159 billion in Fiscal Year 2023. During Fiscal Year 2024, the City collected \$129.900 billion in revenues and incurred \$131.877 billion in expenditures. Both revenues and expenditures were the highest amounts on record. Cash balances declined from the peak levels reached in Fiscal Year 2023. In Fiscal Year 2024 the City's daily cash balances averaged \$10.931 billion, \$191.534 million below the average in the previous fiscal year. The lowest daily cash balance in Fiscal Year 2024 measured \$5.223 billion, compared to \$3.966 billion in Fiscal Year 2023, \$1.338 billion in Fiscal Year 2022 and \$2.143 in Fiscal Year 2021. As for the past 21 years, the City did not require short-term borrowing to cover the cost of operations.

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(4) See Preparing for the Next Fiscal Storm : Office of the New York City Comptroller Brad Lander (nyc.gov).

(5) The data used in this paragraph are available in the statistical appendix of this report.

(6) The data in this section are drawn from NYC Department of Finance (2024) *Annual Report on Tax Expenditures FY 2024*, <https://www1.nyc.gov/site/finance/taxes/annual-report-on-tax-expenditures.page>



## Economic and fiscal outlook

With the jobs recovery from the pandemic complete, the Office of the New York City Comptroller projects that the next four years will exhibit only a moderate rate of economic growth in NYC. Job gains are expected to average 1.0 percent per year in Fiscal Years 2025 through 2028. While moderate job growth is expected to resume for higher-wage industries such as Financial Activities, Information, and Professional and Business Services, the recent trend of comparatively faster growth among the city's lower-wage industries is projected to continue.<sup>(7)</sup>

The Adopted Budget for the General Fund in Fiscal Year 2025 totals \$112.432 billion. Nearly half of the total budget (\$47.946 billion or 43 percent) is allocated for education and social services.<sup>(8)</sup> Other agency spending comprises about 30 percent of the budget (\$34.210 billion). Spending on fringe benefits and pensions for City employees and retirees account for another 22 percent of budgeted spending (\$24.276 billion). Debt service costs to fund the City's capital program account for 3 percent (\$3.672 billion, as reduced by prior year pre-payments; including prior-year pre-payments, debt service costs are 6.9 percent of adjusted Fiscal Year 2025 expenditures). Budgeted payments for judgments and claims make up 0.8 percent (\$887 million). The Adopted Budget also includes a general reserve of \$1.200 billion and a capital stabilization reserve of \$250 million, which account for 1.3 percent of the budget. Both reserves cover expenditures that have not yet been identified or revenue shortfalls that could take place during the fiscal year.

Approximately 74 percent of the spending in the Fiscal Year 2025 Adopted Budget is supported by City-funded revenues of \$83.202 billion. Tax revenues of \$77.048 billion represent the bulk of City-generated revenues. Real property tax (34.280 billion or 44 percent of tax revenues)<sup>(9)</sup> and personal income taxes (PIT and Pass-Through Entity Tax or PTET, \$17.284 billion or 22 percent of tax revenues) are the largest tax revenue sources. Non-tax City revenues, including interest income, charges for services, and revenues from licenses, permits, and franchises are projected to comprise 5 percent (\$6.155 billion) of total Fiscal Year 2025 revenues.

State categorical grants are forecast to be \$19.438 billion or 17 percent of total Fiscal Year 2025 projected revenues. Federal grants account for another \$7.922 billion, or 7 percent, of Fiscal Year 2025 projected revenues. Of the Federal revenues projected for Fiscal Year 2025, \$606 million or about 8 percent are COVID-19-related funding. Other categorical grants and inter-fund agreement (IFA) revenues comprise the remaining City revenues (about 1 percent each). IFA revenues are reimbursements from the Capital Projects Fund to the General Fund for costs related to the execution of capital projects.

In the Financial Plan, General Fund revenues and expenses for Fiscal Year 2025 are in balance in accordance with GAAP. The plan projects gaps of approximately \$5.503 billion, \$5.592 billion and \$6.469 billion in fiscal years 2026, 2027 and 2028, respectively.

The Comptroller's Office anticipates that City-funded revenues (tax and miscellaneous revenues) will be higher than projected in the Financial Plan by \$410 million in Fiscal Year 2025, \$334 million in Fiscal Year 2026, \$172 million in Fiscal Year 2027, and \$660 million in Fiscal Year 2028. In Fiscal Years 2025 and 2026, the variance is principally driven by higher estimates of sales and personal income taxes (PIT and PTET), offset somewhat by lower estimates of business income and real estate-related taxes. In Fiscal Year 2027 and 2028, the variance is principally driven by higher estimates of the Real Property Tax.

The Comptroller's Office estimates City-funded expenditures will be higher than those reflected in the Fiscal Year 2025 Adopted Budget and June 2024 Financial Plan by \$3.329 billion in Fiscal Year 2025, \$3.457 billion in Fiscal Year 2026, \$2.976 billion in Fiscal Year 2027, and \$2.711 billion in Fiscal Year 2028. Many of the additional expenditures are for chronically underbudgeted costs—costs that are expected to be incurred and are tied to ongoing programs but that are not realistically budgeted—such as uniformed personnel overtime, special education Carter Cases, contributions to the Metropolitan Transportation Authority, and the City's rental assistance programs. In the outyears of the financial plan, additional City funding is necessary to cover long-term costs that had previously been paid for with Federal COVID-19 aid. While the City added funding to cover many of these costs in Fiscal Year 2025, not all the additions were included in the following fiscal years (the additional cost is estimated at approximately \$440 million annually). Higher expenditures are partially offset by lower pension contributions, due to the pension funds' combined investment return of 10.0 percent achieved in Fiscal Year 2024, well above the 7.0 percent target. These returns will allow the City to lower its pension contributions by an estimated \$159 million in Fiscal Year 2026, \$362 million in Fiscal Year 2027, and \$553 million in Fiscal Year 2028.

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(7) See Comments on New York City's Fiscal Year 2025 Adopted Budget : Office of the New York City Comptroller Brad Lander (nyc.gov)

(8) Spending on Department of Education and City University of New York fringe benefits, which are typically reflected within each agencies' respective budget have been included in the fringe benefits category. Totals are net intracity funding.

(9) Property tax revenues are inclusive of the NY State reimbursement of STAR exemptions.

Overall, the Comptroller’s Office projected gaps of \$2.919 billion in Fiscal Year 2025 growing to \$8.626 billion in Fiscal Year 2026, \$8.396 billion in Fiscal Year 2027 and \$8.520 billion Fiscal Year 2028. These estimates exclude more uncertain expenditure risks deriving from services to asylum seekers and the State’s mandate to reduce class size. Including the re-estimates of asylum seeker spending and the impact of the class size mandate, this Office projects gaps of \$1.594 billion in Fiscal Year 2025, \$9.176 billion in Fiscal Year 2026, \$10.493 billion in Fiscal Year 2027, and \$12.704 billion in Fiscal Year 2028.

## Municipal finance

Much like previous fiscal year, the municipal market continued to experience volatility in Fiscal Year 2024. Concerns of inflation persisted, putting pressure on the tax-exempt and taxable markets, even as the Federal Reserve paused interest rate hikes as inflation cooled. Despite the market uncertainty, the City remained committed to financing its capital needs through the issuance of debt, as well as refinancing outstanding bonds for debt service savings to save taxpayer money.

The tax-exempt Municipal Market Data (MMD) yield curve inversion that began in December 2022 continued throughout Fiscal Year 2024. There was some steepening of the curve and an overall decrease in tax-exempt rates at the midway point of the fiscal year, but relief was short-lived as rates continued to march upwards towards the end of the fiscal year to levels modestly higher than where they began. At the end of Fiscal Year 2024, 1-Year MMD was 3.15 percent, 5-Year MMD was 2.89 percent, 10-year MMD was 2.84 percent, and 30-year MMD was 3.72, whereas at the beginning of the fiscal year, 1-Year MMD was 3.05 percent, 5-Year MMD was 2.62 percent, 10-year MMD was 2.56 percent, and 30-year MMD was 3.49 percent.

The City’s borrowing and refinancing schedule was busy with the General Obligation (GO) and Transitional Finance Authority (“TFA”) credits coming to market a combined eleven times throughout the fiscal year. New York City continued to experience strong retail investor participation on transactions and increased institutional interest on the back of increased municipal bond fund inflows towards the second half of the fiscal year, which provided welcomed stability throughout the pricing process. Despite the overall market volatility of the underlying MMD index, strong investor participation from all pockets of the market helped the City maintain competitive pricing spreads while reaching a broad investor base.

In Fiscal Year 2024, the GO and TFA credits issued a combined nine new money transactions, totaling \$10.345 billion, which raised more than \$11.064 billion of proceeds for the City’s capital needs.

In October 2023 the City launched its second Social Bond transaction, highlighting its commitment to both financing affordable housing and to appealing to investors interested in Environmental, Social, and Governance (ESG) bonds. The GO 2024B transaction included \$700 million of taxable, designated Social Bonds, the proceeds of which were used to support the construction of nearly 4,500 units of affordable housing. During the order period the City received indications of interest for the Social Bonds totaling more than \$1.5 billion. This resulted in pricing improvement for the transaction and lower borrowing costs.

The table below summarizes statistics for each series of bonds issued for new money purposes throughout the fiscal year:

**Table 6: GO and TFA Fiscal Year 2024 new money issuance summary**

Transaction	Closing Date	Tax Exempt Par	Taxable Par	Total Par	Net Proceeds*	True Interest Cost (%)	Average Life (years)	Final Maturity
TFA 2024 A	7/27/2023	\$ 950,000,000	\$ 130,000,000	\$ 1,080,000,000	\$ 1,166,652,873	4.19%	19.14	5/1/2053
GO 2024 A	8/17/2023	\$ 950,000,000	—	\$ 950,000,000	\$ 1,020,227,926	4.26%	19.35	8/1/2053
TFA 2024 B	8/31/2023	\$1,000,000,000	—	\$ 1,000,000,000	\$ 1,060,408,982	4.43%	19.14	5/1/2053
GO 2024 B	10/12/2023	—	\$ 965,000,000	\$ 965,000,000	\$ 959,798,992	5.85%	19.83	10/1/2053
TFA 2024 C	10/26/2023	\$1,000,000,000	—	\$ 1,000,000,000	\$ 1,042,717,167	4.88%	19.07	5/1/2053
TFA 2024 F	2/15/2024	\$1,000,000,000	\$ 250,000,000	\$ 1,250,000,000	\$ 1,350,987,688	4.31%	19.38	2/1/2054
GO 2024 C	3/7/2024	\$1,200,000,000	—	\$ 1,200,000,000	\$ 1,315,920,115	4.16%	19.37	3/1/2054
GO 2024 D	4/11/2024	\$1,100,000,000	—	\$ 1,100,000,000	\$ 1,205,559,466	4.26%	19.37	4/1/2054
TFA 2024 G	5/23/2024	\$1,500,000,000	\$ 300,000,000	\$ 1,800,000,000	\$ 1,941,954,015	4.33%	17.48	5/1/2052
<b>Total:</b>		<b>\$8,700,000,000</b>	<b>\$1,645,000,000</b>	<b>\$10,345,000,000</b>	<b>\$11,064,227,225</b>			

Note: \* Net Proceeds is equal to Total Par plus net premium/discount minus underwriting expenses and cost of issuance.

Source: Office of the NYC Comptroller.

During Fiscal Year 2024, the City and TFA issued two refunding transactions that generated \$179 million of debt service savings over the life of the bonds. The table below provides summaries of each of the refunding transactions and includes gross debt service savings and present value savings percentage for each transaction:

**Table 7: GO and TFA Fiscal Year 2024 refunding summary**

Transaction	Closing Date	Total Par	Gross Budget Savings	PV Savings (%)	True Interest Cost (%)	Average Life (years)	Final Maturity
TFA 2024 DE	1/3/2024	\$1,442,085,000	\$172,175,548	9.75%	3.45%	10.33	11/1/2042
GO 2024 EF	4/11/2024	\$ 180,105,000	\$ 6,926,312	3.06%	2.95%	6.60	8/1/2035
<b>Total:</b>		<b>\$1,622,190,000</b>	<b>\$179,101,859</b>				

Note: The table excludes a \$75,000,000 reoffering of TFA 2018 C-7 bonds.

Source: Office of the NYC Comptroller.

### Pension investments returns

The Comptroller's Office, through its Bureau of Asset Management, serves as the investment advisor to the City's five pension funds. The City's primary pension trust funds are New York City Employees' Retirement System (NYCERS), Teachers' Retirement System of the City of New York (TRS), New York City Police Pension Fund (Police), New York City Fire Pension Fund (Fire), and the New York City Board of Education Retirement System (BERS). Each of these pension funds provides pension benefits through a Qualified Pension Plan (QPP), as well as certain other retirement benefits that vary by plan and retiree status.

As of June 30, 2024, the combined value of investments of the City's five Systems totaled \$274.383 billion.<sup>(10)</sup> These assets include funds invested by certain employee investment plans and exclude cash from the settlement of pending purchases and sales. This total represented an increase of \$21.104 billion from the total value of \$253.279 billion as of June 30, 2023. During the fiscal year, the fair value of the assets ranged from a high of \$274.383 billion (June 2024) to a low of \$241.676 billion (October 2023).

The time-weighted return (net of manager fees) of the aggregate portfolio was 10.0 percent in Fiscal Year 2024 and 8.0 percent in Fiscal Year 2023, well above the 7.0 percent target set by the State legislature and utilized by the City Actuary to set contribution levels. The Fiscal Year 2024 outperformance will lower required pension contributions by a total of \$1.808 billion through Fiscal Year 2029. In aggregate the City's pension funds are 85.5 percent funded to meet their long-term obligations, with a plan in place to achieve 100 percent funding by Fiscal Year 2032.

Assets are managed in accordance with investment policy statements adopted periodically by each System's Board of Trustees in consultation with the Comptroller's Office and the City pension funds' independent consultants. The allocation to each asset class is based in part on an analytical study indicating the expected rates of return and levels of risk and correlations for various asset allocations. The policy mix ranged from 62.5 percent equity to 67.5 percent equity among funds, and each fund allows the mix to float within a narrow range to limit portfolio turnover and to accommodate short term cash needs. More detailed information on pension fund assets and managers is available on the Comptroller's website at <https://comptroller.nyc.gov/services/financial-matters/pension/asset-under-management/>.

Except for certain private equity, real estate, infrastructure and opportunistic fixed income investments where registration is not required, all fund assets are managed by investment advisers registered in their respective jurisdictions pursuant to guidelines issued by the Comptroller's Office. In addition, all short-term assets managed by the Comptroller's Office Bureau of Asset Management are traded through registered broker-dealers. The table below reports portfolio returns in Fiscal Years 2023 and 2024.

(10) This is the total amount of investments reported in the five Qualified Pension Plans (QPP), net of collateral from securities lending transactions and investments in variable funds (see Part II-D, Fiduciary Funds schedules).



**Table 8: Investment returns in Fiscal Years 2023 and 2024**

	FY 2024 Market Value (\$m)	Annual Return (%)	
		FY 2023	FY 2024
All systems			
Total Portfolio (Net of Manager Fees)	\$274,383	7.98	10.00
Benchmark		11.90	13.20
Excess Return		(3.91)	(3.20)
Board of Education Retirement System (BERS)			
Total Portfolio (Net of Manager Fees)	\$9,314	8.55	10.55
Policy Benchmark		7.93	13.71
Excess Return		0.62	(3.16)
Employees’ Retirement System (NYCERS)			
Total Portfolio (Net of Manager Fees)	\$86,339	8.18	9.88
Policy Benchmark		7.44	12.49
Excess Return		0.75	(2.61)
Fire Pension Fund (NYCFPF)			
Total Portfolio (Net of Manager Fees)	\$20,568	7.76	10.02
Policy Benchmark		7.19	12.84
Excess Return		0.56	(2.82)
Police Pension Fund (NYCPPF)			
Total Portfolio (Net of Manager Fees)	\$53,829	8.09	10.17
Policy Benchmark		7.94	13.34
Excess Return		0.15	(3.17)
Teachers’ Retirement System			
Total Portfolio (Net of Manager Fees)	\$104,333	7.76	9.96
Policy Benchmark		6.81	11.98
Excess Return		0.95	(2.02)

Note: The benchmark for all systems is a proxy allocation of 65% public equities and 35% public fixed income. The policy benchmarks for individual systems are composed of benchmarks and weights adopted pursuant to each system's investment policy statement.

Source: Office of the NYC Comptroller.

## CITY GOVERNMENT AND THE BUDGET PROCESS

In 1897 the New York State Legislature adopted the Greater New York Charter. Over the years, the Charter has been revised, most significantly in 1989, and in its current form, it defines the City of New York's organization, function, and policies and procedures.

The City of New York comprises five counties, which correspond to its five boroughs: Brooklyn, the Bronx, Manhattan, Queens, and Staten Island. Within the five counties, the City is the local government primarily responsible for service delivery and the only local government with authority to levy and collect taxes.

The Mayor serves as the City's chief executive officer. The City Council, the City's legislative body, comprises fifty-one council members who represent New Yorkers residing in their districts. Responsibilities for governing are also vested in the City Comptroller, the Public Advocate, and the Borough Presidents. Officials are subject to a limit of two consecutive terms of service.

*The Mayor.* The Mayor is elected in a general election for a four-year term. The Mayor has the power to appoint the commissioners of the City's various departments. The Mayor is responsible for preparing and administering the City's annual Expense and Capital Budgets and financial plan. The Mayor has the power to veto local laws enacted by the City Council, but such a veto may be overridden by a two-thirds vote of the City Council. The Mayor has powers and responsibilities relating to land use and City contracts and all residual powers of the City government not otherwise delegated by law to some other public official or body.

*The City Comptroller.* The City Comptroller is elected in a general election for a four-year term and is the chief fiscal officer of the City. The City Comptroller has investigative and audit powers and responsibilities which include keeping the financial books and records of the City. The City Comptroller's audit responsibilities include a program of performance audits of City agencies in connection with the City's management, planning and control of operations. In addition, the City Comptroller is required to evaluate the Mayor's budget, including the assumptions and methodology used in the budget. The Office of the City Comptroller is responsible under the City Charter and pursuant to State law and City investment guidelines for managing and investing City funds for operating and capital purposes. The City Comptroller is a trustee, the custodian and the delegated investment advisor of the City's five pension systems.

*The City Council.* The City Council consists of 51 members elected for four-year terms who represent various geographic districts of the City. The City Council is led by a Speaker, elected by Council Members. Under the City Charter, the City Council must annually adopt a resolution fixing the amount of the real estate tax and adopt the City's annual Expense Budget and Capital Budget. The City Council does not, however, have the power to enact local laws imposing other taxes, unless such taxes have been authorized by State legislation. The City Council has powers and responsibilities relating to franchises and land use and as provided by State law.

*The Public Advocate.* The Public Advocate is elected in a general election for a four-year term. The Public Advocate is first in the line of succession to the Mayor in the event of the disability of the Mayor or a vacancy in the office, pending an election to fill the vacancy. The Public Advocate appoints a member of the City Planning Commission and has various responsibilities relating to, among other things, monitoring the activities of City agencies, the investigation and resolution of certain complaints made by members of the public concerning City agencies and ensuring appropriate public access to government information and meetings.

*The Borough Presidents.* Each of the City's five boroughs elects a Borough President who serves for a four-year term concurrent with other City elected officials. The Borough Presidents consult with the Mayor in the preparation of the City's annual Expense Budget and Capital Budget. Five percent of discretionary increases proposed by the Mayor in the Expense Budget and, with certain exceptions, five percent of the appropriations supported by funds over which the City has substantial discretion proposed by the Mayor in the Capital Budget, must be based on appropriations proposed by the Borough Presidents. Each Borough President also appoints one member to the Panel for Educational Policy (as described below) and has various responsibilities relating to, among other things, reviewing and making recommendations regarding applications for the use, development or improvement of land located within the borough, monitoring and making recommendations regarding the performance of contracts providing for the delivery of services in the borough, and overseeing the coordination of a borough-wide public service complaint program.

As required by the New York State Financial Emergency Act for the City of New York and the New York City Charter, the Mayor is responsible for preparing a four-year annual financial plan, including certain entities that receive funds from the City. The plan is revised on a quarterly basis and includes capital, revenue and expense projections.

The City's fiscal year starts on July 1st with the Budget adopted by June 30 of the previous fiscal year. While the Mayor can update the financial plan at any time (N.Y. Charter § 258(d)), below are the main steps of the budget process:

1. The "November plan" (N.Y. City Charter § 258.c.(2)(c)) is an update to the adopted financial plan to be issued during the second quarter of the fiscal year (typically in November), covering the current year and the three ensuing ones. The upcoming fiscal year does not need to be balanced.
2. The Preliminary Budget and associated financial plan: unless otherwise authorized by the City Council, the Mayor presents the Preliminary Budget for the upcoming fiscal year by January 16 (N.Y. City Charter § 236). The Mayor is also required to present a financial plan for the current and four ensuing fiscal years. The current and upcoming fiscal year budgets need to be balanced (N.Y. City Charter § 225(a)). The City Council then invites public comment and conducts hearings at which agency heads, the City Comptroller, the Independent Budget Office, and others testify (N.Y. City Charter § 237(a)).
3. The Executive Budget and associated financial plan: unless otherwise authorized by the City Council, the Mayor presents the Executive Budget for the upcoming fiscal year by April 26 (N.Y. City Charter § 249). The Mayor is also required to present a financial plan for the current and four ensuing fiscal years. The current and upcoming fiscal year budgets need to be balanced. The Charter directs the Council to hold hearings on the Executive Budget between May 6 and May 25 (N.Y. City Charter § 253).

4. Revenue re-estimate (N.Y. City Charter § 1515): after the presentation of the Executive Budget but before May 25, the Mayor can submit to the City Council and updated estimate of all sources of revenues for the upcoming fiscal year. Upon a written determination of fiscal necessity to be submitted to the City Council, the Mayor can update the revenue estimate for the upcoming fiscal year until budget adoption.
5. The Adopted Budget: in case the Budget is not adopted by June 5, the current fiscal year adopted expense budget and property tax rate (as modified through the fiscal year) are extended to the new fiscal year until a new expense budget is adopted. The Council can amend the Mayor's executive budget (N.Y. City Charter § 254(a)) and the Mayor may veto any items of appropriation that the Council has added to the Executive Budget (subject to possible Council override), but may not veto appropriations that were already in the Executive Budget (N.Y. City Charter §§ 254(c), 255).

The City is financially accountable for legally separate entities also known as component units (such as, among others, the New York City Health and Hospitals Corporation, the New York City Housing Authority, the New York City Economic Development Corporation, and the New York City Housing Development Corporation). Financial accountability is determined based on the entities' organizational structure, specifically the City's ability to appoint a voting majority, the governing body's ability to impose its will, or whether the organization provides a financial benefit or poses a financial burden on the City. For a complete listing of the City's components units, please see the Management Discussion and Analysis section entitled *Financial Reporting Entity*. Other organizations may appear as potential component units due to their relationship with the City, however are not presented as such because they do not meet the criteria as outlined in GASB statement no. 14, as amended by GASB statement no. 61.

## **NEW YORK CITY'S ANNUAL COMPREHENSIVE FINANCIAL REPORT**

The Annual Comprehensive Financial Report (ACFR) is required by Section 93(1) of the New York City Charter, and is presented in three sections. This transmittal letter serves as an introduction and summary. The financial section includes the basic financial statements, combining fund financial statements and schedules and other required supplementary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

As was the case for the first time last year, the financial and statistical tables in the ACFR are available for download as data files from the Comptroller's website at [comptroller.nyc.gov](http://comptroller.nyc.gov).

The City is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of the Comptroller's Office Leadership's knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the City and its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Amendments Act of 1996 and the United States Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and other related documents. Information related to the Single Audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and auditors' reports on internal controls and compliance with applicable laws and regulations, are issued as a separate report.

### **Budgetary and financial controls**

The City is responsible for establishing and maintaining internal controls designed to ensure that municipal assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. These internal controls are subject to continuous evaluation by the City.

## **Budgetary controls**

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the Annual Appropriated Budget approved by the City's governing body. Activities of the General Fund are included in the Annual Appropriated Budget. The City also makes appropriations in the Capital Budget to authorize the expenditure of funds for various capital projects. The New York City Charter establishes the legal budgetary control at the Unit of Appropriation level. A Unit of Appropriation represents the amount for a particular program, purpose, activity or institution in an agency's budget. The City maintains budgetary controls to ensure compliance, within certain parameters, with legal provisions embodied when expenditures exceed the appropriated amount. The City also maintains an encumbrance accounting system as another technique of accomplishing budgetary control. Encumbrances lapse at the end of each fiscal year.

## **Financial controls**

The City maintains financial controls through the use of an integrated accounting and budgeting system, referred to as the Financial Management System (FMS). FMS maintains the City's centralized accounting and budgetary controls. FMS is also used by the City to maintain information on City contracts as well as capital projects. FMS provides the ability for the Mayor's, Comptroller's, and individual agencies' financial managers to access, analyze, and utilize the City's financial data. These capabilities are continuously improved to meet new information needs.

Section 93 of the New York City Charter grants the Comptroller broad powers for establishing accounting and internal control policies and procedures for the City. To ensure the adequacy of the City's internal controls, directives and memoranda that outline appropriate policies and procedures for all City agencies and component units are issued and periodically updated. These directives and memoranda establish internal controls and accountability, which safeguard City assets. The Comptroller's Office and agency auditors periodically check City agencies' and component units' adherence to internal control policies and procedures. Each year, in accordance with the *Comptroller's Internal Control and Accountability Directive #1—Principles of Internal Control*, every City agency is required to prepare a report on its internal controls. Each agency's report must include an "Agency Financial Integrity Compliance Statement" signed by the agency head. The statement must include the agency head's opinion as to whether the agency's internal controls provide reasonable assurance that internal control objectives were achieved during the fiscal year and can continue to be achieved in the future.

The Comptroller's Office Audit Bureau administers the "Agency Financial Integrity Compliance Statement" program that is part of the "Principles of Internal Control" Directive and collects agency responses. In addition, the auditors collate these responses and use the results as part of a risk assessment to identify future audits. This approach helps to ensure that agencies genuinely assess their internal controls, rather than just examine them perfunctorily. The Comptroller's Office also asks agencies to assess the adequacy of their internal audit functions.

Should a control weakness prevent any significant control objective from being achieved, the agency head must describe management's plans for correcting it. Agencies must also explain and describe planned corrective action for any outstanding weakness described in audit reports prepared by the City Comptroller's Office auditors, the City's independent auditors, the State Comptroller, or other oversight or audit bodies.

## **AWARDS**

For the 44th consecutive year, the City of New York was awarded the prestigious Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA). The Certificate signifies that the City's Annual Report meets the highest standards of governmental financial reporting. To be awarded a Certificate of Achievement for Excellence in Financial Reporting, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## ACKNOWLEDGEMENTS

Ensuring that our City's financial reporting is accurate, transparent, and reliable is an essential foundation for trust in local government and our democratic institutions. This report relies on the hard work of the hundreds of accounting and financial professionals in every City agency who work every day on behalf of New Yorkers. Your cooperation and collaboration with the staff of the Comptroller's office to produce this report comprises the foundation of our City's good faith and credit, not only with ratings agencies and bondholders, but with the people of the City of New York. I also wish to convey my deep appreciation to my staff who have worked so diligently to prepare the financial statements and the entire ACFR. I offer special thanks to Deputy Comptroller for Accountancy Jacqueline Thompson, Bureau Chief Katrina Stauffer, and the entire management team and staff of the Bureau of Accountancy, as well as Executive Deputy Comptroller Francesco Brindisi. I am also grateful for the assistance of the Mayor's Office of Management and Budget, the Office of the Actuary, the five major Retirement Systems, and the Financial Information Services Agency.

I want to thank the City's independent auditors, Grant Thornton LLP, for their efforts throughout this audit engagement. Finally, I want to acknowledge the work of the City's Audit Committee, and especially the private members who serve a vital role in ensuring the integrity of the independent audit process.

With gratitude for all their work, confidence in the strength of our city, and optimism for its future,

A handwritten signature in black ink, appearing to read 'B. Lander', with a stylized, flowing script.

Brad Lander

New York City Comptroller