NEW YORK CITY HOUSING AUTHORITY

NEW YORK, NEW YORK

NEW YORK CITY
HOUSING
AUTHORITY

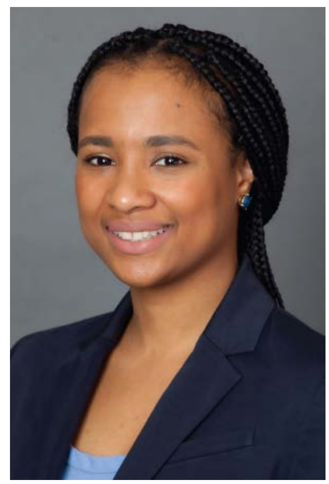
A Component Unit of The City of New York

CONSOLIDATED
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE
YEARS ENDED
DECEMBER 31, 2023 AND 2022

Prepared by the Finance Department

Lisa Bova-Hiatt
Chief Executive Officer

Eva Trimble
Chief Operating Officer



Annika Lescott-Martinez
Executive Vice-President
& Chief Financial Officer

Jeffrey Lesnoy
Vice-President
and Controller

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

New York City Housing Authority
New York

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrill

Executive Director/CEO

New York City Housing Authority

New York, New York

Annual Comprehensive Financial Report

For the Years Ended December 31, 2023 and 2022

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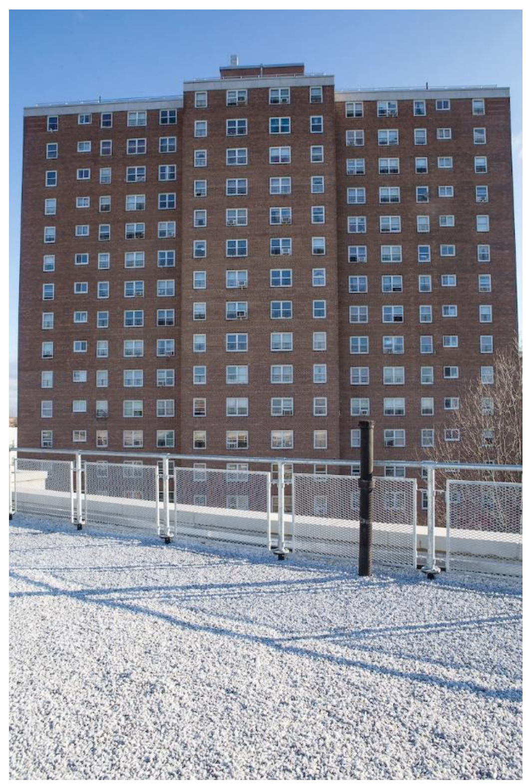

Parkside Houses, Bronx

Bronx River Houses, Bronx

Vernon Avenue Houses, Brooklyn

NEW YORK CITY HOUSING AUTHORITY
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LISA BOVA-HIATT
CHIEF EXECUTIVE OFFICER

June 26, 2024

Board Members of the New York City Housing Authority
Residents of the New York City Housing Authority

The Real Estate Assessment Center ("REAC") of the U.S. Department of Housing and Urban Development ("HUD") requires that all public housing authorities publish, within nine months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America ("GAAP") and audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* by a firm of independent certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report ("ACFR") of the New York City Housing Authority (the "Authority" or "NYCHA") for the year ended December 31, 2023. The Audit and Finance Committee of the Authority's Board reviewed and approved the statements on June 11,2024.

This ACFR consists of management's representations concerning the finances of the Authority. Management is responsible for the completeness and reliability of all the information presented in this report. To provide for a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control framework that is designed both to protect its assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh its benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that to the best of our knowledge and belief, this ACFR is complete and reliable in all material respects.

The Authority's 2023 financial statements have been audited by independent public accountants, Deloitte & Touche LLP. The purpose of the independent audit is to provide reasonable assurance that the financial statements of the Authority present fairly, in all material respects, the financial position, including the results of operations and cash flows of the Authority in accordance with GAAP.

The independent audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

The independent auditors issued an unmodified opinion on the Authority's financial statements for the years ended December 31, 2023 and December 31, 2022, indicating that they were fairly presented, in all material respects, in accordance with GAAP. The independent auditors' report is presented as the first component of the financial section of this ACFR.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Authority's MD&A can be found immediately following the independent auditors' report.

Profile of the Authority

The Authority, created in 1934, is a public benefit corporation chartered under New York State Public Housing Law. The Authority is a component unit of The City of New York.

The Authority provides affordable housing to approximately 312,000 low-and-moderate-income residents in New York City living in approximately 157,000 apartments across 251 conventional public housing (Section 9) developments. Through the Section 8 Housing Choice Voucher Program, the Authority assists approximately 81,000 families in locating and renting housing in privately owned buildings, housing approximately 169,000 residents.

The Authority's basic financial statements consist of a single enterprise fund, which includes the following programs:

- Low Rent Housing Program
- Public Housing Capital Fund Program
- Section 8 Housing Choice Voucher Program
- Section 8 Rental New Construction Program
- Other Grant Programs

Refer to Note 1 to the financial statements for a description of Authority programs. For further analysis, we have also included supplemental statistical schedules which can be found following the required supplementary information.

The Authority's basic financial statements also include the following blended component units:

- NYCHA Public Housing Preservation I, LLC
- NYCHA Public Housing Preservation II, LLC *(inactive in 2023)*
- The New York City Public Housing Preservation Trust

Please refer to Notes 16 and 20 to the financial statements for a description and financial information relating to these component units.

HUD Agreement and Pollution Remediation

HUD declared NYCHA to be in "substantial default" of the U.S. Housing Act on January 31, 2019 following the filing of a complaint in federal court that detailed a set of findings. HUD found that NYCHA failed to follow laws and regulations concerning lead-based paint; failed to provide decent, safe, and sanitary conditions; and engaged in deceptive practices to hide the condition of NYCHA properties. As a result, NYCHA signed an agreement with HUD, the United States Attorney's Office for the Southern

District of New York ("SDNY"), and The City of New York effective January 31, 2019 (the "Agreement") to remedy the physical deficiencies at NYCHA properties, ensure the Authority's compliance with federal law, and reform NYCHA's management structure. The obligations of this Agreement apply to apartment units, common areas, residential buildings, and building sites consisting of public housing owned or operated by NYCHA and receiving funding through Section 9 of the Housing Act. The Agreement appointed a Federal Monitor to oversee the Authority's compliance and to approve Action Plans that NYCHA has submitted to achieve all the requirements of the Agreement for the six pillar areas: lead, mold, heat, elevators, Public Housing Assessment System ("PHAS") inspections and apartment inspections, and pests and waste management.

NYCHA agreed to perform lead-based paint interim controls, follow lead-safe work practices mandated by HUD and the U.S. Environmental Protection Agency ("EPA"), and perform specified lead-based paint abatement activities. These requirements include all apartments and interior common areas that contain lead-based paint in the same building as those units, in addition to all exterior common areas. Timelines are subject to a phased approach over the 20-year term of the Agreement.

Effective December 1, 2021, New York City implemented a new standard for defining the presence of lead in paint, in accordance with Local Law 66 of 2019. This new standard defines lead-based paint as having 0.5 milligrams (mg) of lead per square centimeter (cm) or more, which is stricter than the prior New York City and current federal standard of 1.0mg/cm. Under the new standard, NYCHA will be required to test substantially all apartments at move-out and has initiated a program to aggressively test and abate all apartments with children under 6 ("CU6") years of age. Thereafter, NYCHA has established an annual testing program to test any newly identified CU6 apartments.

Based on its current evaluation, NYCHA has reflected $4.3 billion and $3.7 billion of pollution remediation liability (lead-based paint) in 2023 and 2022, respectively (see Note 7). The primary driver of the liability increase is due to the increase in the lead positivity assumption from 35% in 2022 to 43% in 2023.

While work streams and cash outlays will occur over the 20-year term of the Agreement, Governmental Accounting Standards Board ("GASB") Statement No. 49 requires that the lifetime estimate of the costs be recorded upon the triggering of the obligation. Total costs are subject to variations in testing, timing of when remediation and abatement can be executed, variation in contractor costs, and other factors.

As part of the Agreement, The City of New York committed to provide $2.2 billion in capital funds over ten years to assist NYCHA in meeting its various obligations in the Agreement, of which $772 million has been allocated to lead abatement as per the Action Plan approved by the Federal Monitor. Such funding will be treated as a voluntary nonexchange transaction, and revenues will be recognized on a cost reimbursement basis.

NYCHA is not yet in full compliance with the requirements of the Agreement and lead-based paint regulations but continues to work with the Monitor, HUD and the SDNY to improve its compliance.

Financial Results

The Authority has implemented GASB Statement No. 96 as of January 1, 2022 and accordingly has restated the financial statements for the calendar year ended December 31, 2022. GASB 96 provides guidance on the accounting and financial reporting for Subscription-Based Information Technology Arrangements ("SBITAs") for government end users.

This Statement defines a SBITA and establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability. (See Note 1C and Note 18). The Authority's *Loss before Special Item and Capital Contributions* for 2023 was $600 million, compared to a restated loss of $480 million for 2022. The increase in the loss consisted primarily of a $453 million increase in operating expenses, an $86 million decrease in operating revenues, partially offset by a $419 million increase in non-operating revenues. Non-operating revenues include substantial increases in the Section 9 Public Housing Subsidy and the Section 8 Housing Assistance program, which increases largely covered the growth in the program's underlying expenses. The $86 million decrease in 2023 operating revenues can be attributed to the 2022 reversal of $116 million of previously recorded allowance for doubtful accounts resulting from a change in estimate of rent collections through the Emergency Rental Assistance Program ("ERAP"). Excluding this 2022 adjustment, 2023 operating revenues increased by $30 million. Note that ERAP was extremely successful as actual ERAP collections to date exceeds $154 million.

While the Federalization of the State and City-built developments has helped to reduce the Authority's historical budget deficits, ongoing structural operating deficits are projected to continue, primarily attributable to federal underfunding of public housing, decreased tenant rent revenues, and increased employee entitlement costs.

In 2023, the Authority recorded *Special item* costs relating to pollution remediation (lead-based paint) totaling $754 million representing an increase of expected costs largely due to the increase in the lead positivity assumption from 35% in 2022 to 43% in 2023. Loss before Capital Contributions was $1.335 billion and $1.201 billion for 2023 and 2022 (restated) respectively.

Factors Affecting Financial Condition

To assess the Authority's overall financial condition, the following information contained within the Authority's financial statements should be considered in connection with an understanding of the following major factors affecting its financial condition:

Congressional Budget and HUD Policy. As a public housing authority ("PHA"), the Authority's primary source of funding is HUD. The amount of funding received from HUD is affected by Congressional housing legislation and the federal budget. The Authority continually monitors changes and trends in the Congressional budget and HUD policy and adjusts its strategy and financial planning accordingly.

Public Housing Subsidies - Operating Fund Program. HUD's Public Housing Operating Fund provides subsidies to PHAs nationwide to operate and maintain public housing in local communities. HUD calculates each PHA's eligibility for operating subsidy based on the PHA's expense levels less their formula income. In the past, appropriations have fallen short of the funding levels required to fully fund public housing operations in accordance with HUD's eligibility formula. It is also important to note that while HUD's formula takes location into account, New York City has long advocated that the system is inequitable when one considers its uniquely high construction and employment costs in comparison to authorities across the nation. In 2023, PHAs nationwide were eligible to receive $5.418 billion in operating subsidies. The final appropriation was $5.109 billion at 93 percent proration, which translates to nearly $0.94 cents for every dollar PHAs were eligible for based on the operating formula. This resulted in the Authority being awarded $1.323 billion of operating subsidy during the fiscal year, which was a $112 million increase from 2022.

The 2024 budget assumes an operating subsidy of $1.310 billion. Thus far, 2024 appropriations are anticipated to be higher than projected, mainly due to higher Congressional appropriations for the Public Housing program as compared to the prior year.

Public Housing Subsidies - Capital Fund Program. The Capital Fund Program provides financial assistance in the form of grants to public housing authorities to carry out capital and management activities, including those listed in Section 9(d)(l) of the United States Housing Act of 1937.

Congress provides Capital Funds through annual appropriations. The Capital Fund formula factors modernization backlog (existing modernization needs) and accrual needs in the calculation. The Capital Fund Rule went into effect on November 25, 2013 and combined the exiting Capital Fund and development regulations into a consolidated regulation. The Authority was awarded $754 million in funding from HUD for the Public Housing Capital Fund Program in 2023, and $731 million in2024.

Section 8 Housing Choice Voucher Program. The Housing Choice Voucher ("HCV") Program is a federally funded program that provides rental assistance to eligible low-income families to fund affordable housing in the private rental market. The Authority's HCV program is the largest in the United States. Nearly 26,000 property owners currently participate in the program. During 2023, the Authority received $1.708 billion in subsidies from HUD for the Section 8 Housing Voucher Programs, representing a $258 million increase over 2022.

Federalization of New York State and The City of New York Developments. Subsidy funding for 21 developments originally built by the State of New York and The City of New York was eliminated by the State in 1998 and by The City in 2003. A first step in addressing the funding shortfall for these 21 State- and City-built developments was taken on September 21, 2008, when the Authority received approval of its management plan for its Section 8 Voluntary Conversion Program. Through the end of 2017, the Authority converted 4,700 units in the State- and City-built developments to Section 8 funding. The American Recovery and Reinvestment Act of 2009 ("ARRA") presented PHAs across the country with an opportunity to re-invest in and develop public housing units. NYCHA capitalized on this opportunity to seek funding for the 21 State- and City- built developments. NYCHA became eligible to receive approximately $65 million in recurring annual operating and capital subsidies for nearly 12,000 units at these developments. During 2023 and 2022, the Authority received $88 million and $86 million respectively, in operating subsidies for these units.

Five-Year Operating Plan. NYCHA's 2024-2028 Operating Plan includes initiatives to increase revenue, contain costs, and operate as a more efficient landlord. At the same time, however, NYCHA's portfolio presently requires more than $78 billion to bring its buildings to a state of good repair and provide residents with the quality of life they deserve. To address the immense capital needs and reduce the operational costs of aging buildings that have not received the continual investment they need, the Authority is pursuing two significant and groundbreaking initiatives: Permanent Affordability Commitment Together ("PACT") and the Public Housing Preservation Trust.

PACT. In 2018, NYCHA committed to using the PACT program to rehabilitate and preserve 62,000 apartments in its portfolio over 10 years. PACT transitions a development's funding to Project-Based Section 8 and enables the completion of long overdue major repairs and upgrades, providing residents with safe, fully renovated homes; professional property management; and enhanced services and programming – while NYCHA remains the permanent owner of the buildings and land, residents retain their rights, and residents' rent remains permanently affordable. To date, PACT has generated more than $3.5 billion in capital funding for comprehensive apartment renovations and building infrastructure improvements for approximately 21,000 households.

Public Housing Preservation Trust. The New York City Public Housing Preservation Trust (the "Trust"), a New York State-created public benefit corporation, will also enable NYCHA to comprehensively modernize a large segment of its portfolio – 25,000 apartments initially. Authorized by the State legislature in June 2022, the Trust will improve residents' homes through billions of dollars of capital investments while protecting residents' rights (including affordable rent), keeping the properties fully public, and preserving the NYCHA workforce. The Trust will transform residents' homes by expediting massive levels of rehabilitation through improved procurement processes, and the properties will receive more funding through a switch to the more reliable and valuable project-based Section 8 subsidy. Residents' feedback, ideas, and recommendations were incorporated in the updated State legislation authorizing the Trust, and residents will continue to be engaged as partners in the creation of the Trust.

In December 2022, NYCHA published the final voting procedures for the Trust in accordance with the deadlines outlined by the Trust Act. Two developments (Nostrand Houses and Bronx River Addition) were put up for a resident vote which included the options for PACT, the Trust, or remaining in status quo in Section 9. On December 14, 2023, MK Elections (third-party election administrator) certified the votes for Nostrand in which the Trust option won with 57% of the vote in favor of the Trust. On April 19, 2024, MK Elections certified the votes for Bronx River Addition in which the Trust option won with 69% of the vote in favor of the Trust.

The Trust is diligently working on the pre-development of both properties which includes resident participation and visioning, underwriting and financing, and design and construction among other aspects of pre-development.

Both PACT and the Public Housing Preservation Trust will address all compliance elements of the HUD Agreement as well as basic housing quality standards, improving the quality of life for today's residents and the generations to come.

Physical Needs Assessment. In 2023, NYCHA completed a Physical Needs Assessment ("PNA") of the NYCHA portfolio of buildings. The goal was to get a sound and thorough understanding of the existing conditions of NYCHA buildings and grounds. The PNA concluded that the total projected cost of all needs repair and replacement - over the next five years is $78.3 billion. This amount continues to grow with inflationary and construction escalation factors. The bulk of this need is due to the aging NYCHA portfolio; the average age of a NYCHA building is roughly 60 years, and 70 percent of the portfolio was built prior to 1970. Under current accounting rules, there is no requirement to record or disclose the costs of such deferred maintenance within the financial statements.

General Economic Conditions in New York City. The New York City ("NYC") seasonally adjusted unemployment rate as of December 2022 was 5.4%, improving to 5.3% at December 2023 and further improving to 4.8% at April 2024. The current unemployment rates are still somewhat higher than the pre-pandemic rates which ranged between 3.8% and 4.3%.

NYC inflation rates (as measured by the Consumer Price Index on a twelve-month basis) have significantly decreased since their peak in 2022. Inflation was 4.4% in December 2021, rising to 6.3% in December 2022, declining to 2.9% in December 2023 and then increasing to 3.8% at April 2024. Despite the inflation rate reduction since its peak, inflation is still higher than the historical norm and continues to have a negative impact on the residents of the Authority.

The Federal Reserve raised its benchmark interest rate seven times in 2022 and four additional times in 2023, totaling a 5.25% increase in interest rates. Such rates have had continued impact on interest incurred on mortgages, credit card debt and other type of consumer and business loans.

Specific Economic Conditions in New York City impacting Rental Revenue. Rent provides a significant portion of the Authority's income. After review of the household composition, income, assets, and expenses, the Authority sets a household's rent at either 30 percent of the household's adjusted gross income or the flat rent, whichever is lower. Adjusted gross income is the household's gross income plus the cash value of assets minus any exclusions and allowable deductions. In comparison, flat rent is set at 80 percent of Fair Market Rent ("FMR") and is based on rent charged for similar units in the private, non-subsidized rental market. The COVID-19 pandemic had a direct impact on tenant's ability to pay rent, disproportionately affecting low-income families. While unemployment rates have greatly improved since the pandemic peak, unemployment rates are still higher than before the pandemic. The pandemic triggered higher inflation rates, which have leveled off but are still higher than before the pandemic.

Lastly significantly higher interest rates persist. While rent collections have improved in 2023, all of these economic factors continue to impact the ability for low-income families to make rent payments, even if employed. Rent collection challenges persist into 2024.

On January 15, 2022, the eviction moratorium was lifted, and the Authority re-started certain collection activities, which were previously placed on hold. The Authority updated and revised certain procedures (such as the availability of payment plans, simplifying interim recertification requirements, and centralizing eviction on the basis of nonpayment of rent function in the Law Department) to support better rent collection. In addition, NYCHA has prioritized nonpayment eviction proceedings for households with the highest amounts of arrears and pre-pandemic arrears. NYCHA has also restarted termination of tenancy proceedings for households with several overdue annual recertifications and a history of chronic rent delinquency. However, the systemic issues in the economy affecting NYCHA's tenants and the backlog in the courts continue to provide serious challenges in improving rent collections.

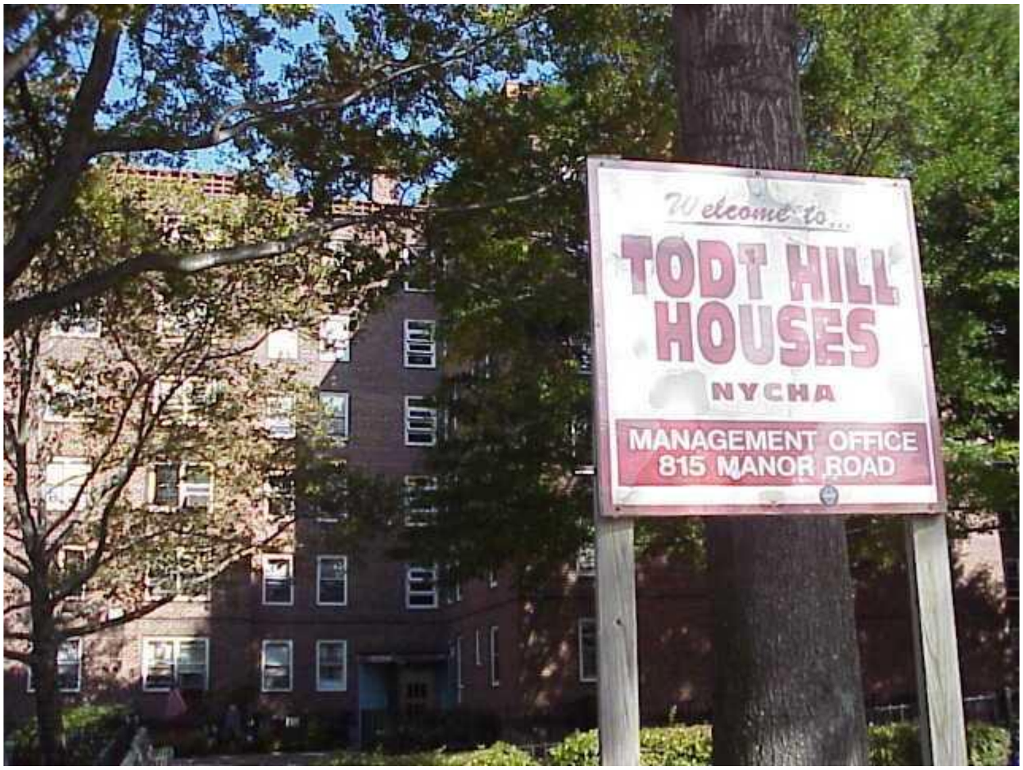
On a positive note, the June 2023 New York State budget provided funding for the review and processing of ERAP applications submitted on behalf of NYCHA households. To date, over $154 million worth of rent arrears have been collected by NYCHA through the New York State ERAP program. In partnership with the State, NYCHA is also implementing an additional $35 million targeted ERAP program in 2024.

GFOA. The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the Authority for its Annual Comprehensive Financial Report ("ACFR") for the fiscal year ended December 31, 2022. This was the twentieth consecutive year that the Authority achieved this prestigious award. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR that demonstrates a constructive "spirit of full disclosure." This report must satisfy both generally accepted accounting principles and applicable legal requirements. A copy of the 2022 *Certificate of Achievement for Excellence in Financial Reporting* can be found at the front of this ACFR.

The Authority completed its financial statements for the year ended December 31, 2023, and its auditors expressed an unmodified opinion in accordance with Generally Accepted Auditing Standards established by the American Institute of Certified Public Accountants ("AICPA") and Government Auditing Standards, subject to Board approval on June 26, 2024. The Single Audit will be issued within the deadlines established by the Uniform Guidance issued by the Office of Management and Budget. The timely and quality issuance of its audited financial statements has once again afforded the Authority the opportunity to compete for the Government Finance Officers Association's *Certificate of Achievement for Excellence in Financial Reporting.* We believe that the current ACFR continues to meet the Certificate of Achievement Program's rigorous requirements.

Respectfully submitted,

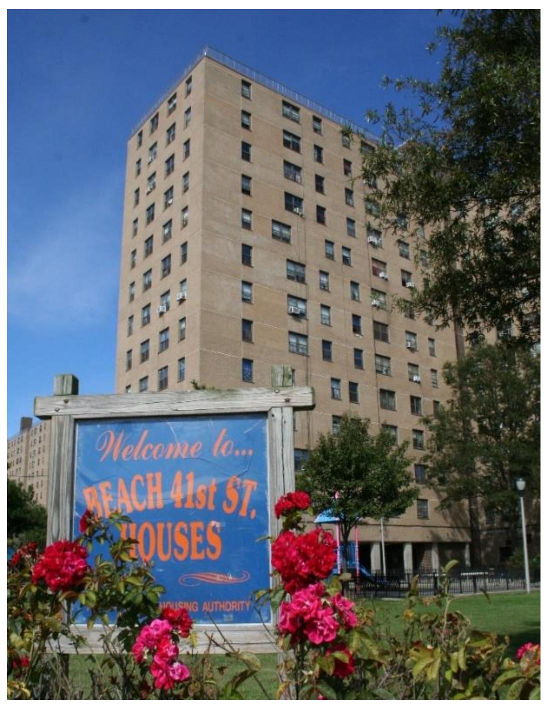
Annika Lescott-Martinez
Executive Vice President and Chief Financial Officer



Todt Hill Houses, Staten Island

Queensbridge Houses, Queens

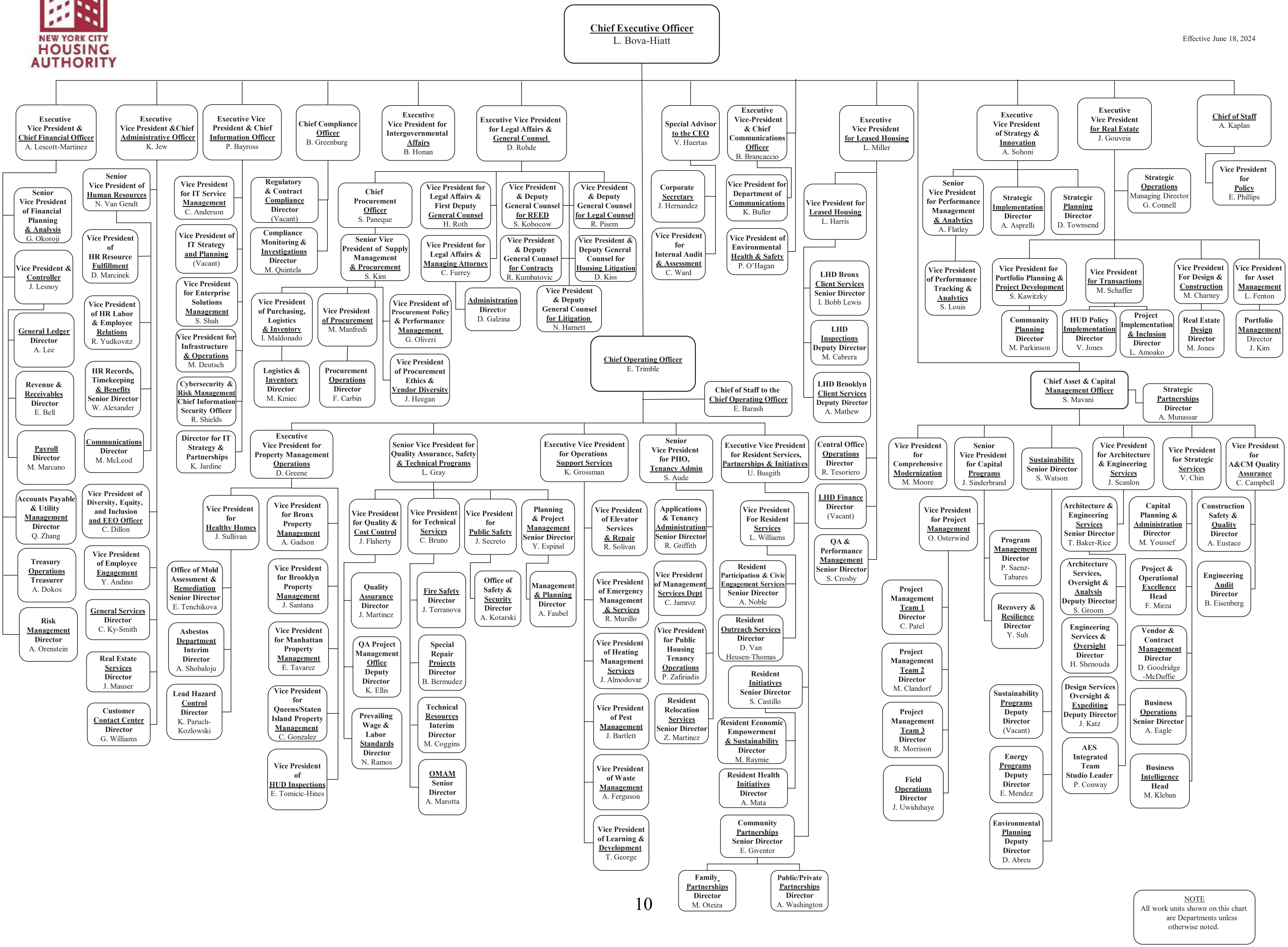
Cassidy-Lafayette Houses, Staten Island



Beach 41st Street Houses, Queens

NEW YORK CITY HOUSING AUTHORITY ORGANIZATION CHART

Effective June 18, 2024



NEW YORK CITY HOUSING AUTHORITY
LIST OF PRINCIPAL OFFICIALS
June 26, 2024

NAME	TITLE
NYCHA BOARD	
Jamie Rubin………………………………….…..	Chair
Victor A. Gonzalez……………..……………..........	Vice Chair /Board Member
Raymond Miller……….………………………………	Board Member
James McKoy………………………………………	Board Member
Paula Gavin……..…………………………..…….	Board Member
Greg Belinfanti………………………….............	Board Member
Sheena Wright…………………………………..….	Board Member
SENIOR MANAGEMENT	
Lisa Bova-Hiatt……….…………………………......	Chief Executive Officer
Eva Trimble…………. ..………………………….	Chief Operating Officer
Annika Lescott-Martinez…….………………….……...	Executive Vice President and Chief Financial Officer
Kerri Jew…………………………………………...…	Executive Vice President and Chief Administrative Officer
David Rohde……………………………………….	Executive Vice President for Legal Affairs and General Counsel
Arvind Sohoni………………………………………	Executive Vice President of Strategy and Innovation
Keith Grossman…………………………………….	Executive Vice President for Operations Support Services
Patti Bayross………………………………….....…	Executive Vice President and Chief Information Officer
Daniel Greene……………………………….…….	Executive Vice President for Property Management Operations
Lakesha Miller……………………………………...	Executive Vice President for Leased Housing
Ukah Busgith……………………………………….	Executive Vice President Resident Services, Partnerships, and Initiatives
Shaan Mavani………………………………………	Chief Asset and Capital Management Officer
Johnathan Gouveia…………………………………	Executive Vice President for Real Estate Development
Brian Honan…………………………………	Executive Vice President of Intergovernmental Affairs

NEW YORK CITY HOUSING AUTHORITY
LIST OF PRINCIPAL OFFICIALS (continued)
June 26, 2024

NAME	TITLE
SENIOR MANAGEMENT	
Barbara Brancaccio………………………………....	Chief Communications Officer
Brad Greenburg………………………………….….....	Chief Compliance Officer
Andrew Kaplan...……. ..……………………………	Chief of Staff
Vilma Huertas…….…………….……...................	Special Advisor to the CEO
Jeffrey Lesnoy…………………………………….	Vice President and Controller
Patrick O'Hagan………….……………………......	Vice President of Environmental Health and Safety Officer

FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and the Audit Committee
of the New York City Housing Authority

Opinion

We have audited the financial statements of the New York City Housing Authority (the "Authority"), a component unit of The City of New York, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements ("financial statements") as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2023 and 2022, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

As discussed in Note 1B to the financial statements, the Authority is a component unit of The City of New York. The Authority requires significant subsidies from and has material transactions with The City of New York, New York State, and the United States Department of Housing and Urban Development. Our opinion is not modified with respect to this matter.

As discussed in Note 18 to the financial statements, the Authority adopted Governmental Accounting Standards Board ("GASB") Statement No. 96, *Subscription-Based Information Technology Arrangements*, as of January 1, 2022. The adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, resulted in the restatement of the 2022 financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios, Schedule of the Authority's Contributions to the New York City Employees' Retirement System (NYCERS), and Schedule of the Authority's Proportionate Share of the Net Pension Liability of NYCERS be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Deloitte & Touche LLP

June 19, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The following is a narrative overview and analysis of the Authority's financial activities for the years ended December 31, 2023, and 2022. It should be read in conjunction with the transmittal letter at the beginning of this report, the Authority's financial statements following this section and the notes to the financial statements.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The **Statements of Net Position** present the Authority's *assets, deferred outflows, liabilities,* and *deferred inflows* at the end of the year. *Net position* is the difference between (a) assets and deferred outflows and (b) liabilities and deferred inflows. Over time, increases or decreases in *Net Position* is a useful indicator as to whether the Authority's financial health is improving or deteriorating.

The **Statements of Revenues, Expenses, and Changes in Net Position** report the Authority's operating results and how its Net Position changed during the year. All Revenues, Expenses, and Changes in Net Position are reported on an *accrual basis* of accounting, which reports events as they occur, rather than when cash changes hands (*cash basis* of accounting).

The **Statements of Cash Flows** report how the Authority's cash and cash equivalents increased or decreased during the year. The statements report how cash and cash equivalents were provided by and used in the Authority's operating, non-capital financing, capital, and related financing, and investing activities. The Authority uses the direct method of presenting cash flows, which includes a reconciliation of operating income or loss to cash flows related to operating activities.

The **Notes to the Financial Statements** are an integral part of the financial statements, disclosing information which is essential to a full understanding of the statements.

REQUIRED SUPPLEMENTARY AND STATISTICAL INFORMATION

The **Required Supplementary Information** presents information regarding: (1) the Authority's changes in total OPEB Liability and related ratios; (2) the Authority's contributions to the New York City Employees' Retirement System ("NYCERS"), and (3) the Authority's proportionate share of the Net Pension Liability of NYCERS.

The **Statistical Section** provides information on the Authority's overall economic condition. The major categories presented are: (1) financial trends; (2) revenue capacity; (3) debt capacity; (4) demographic and economic information; and (5) operating information.

FINANCIAL HIGHLIGHTS AND ANALYSIS

The Authority has implemented GASB Statement No. 96, "Subscription-Based Information Technology Arrangements" as of January 1, 2022 which establishes a uniform approach for recognizing and measuring subscription-based IT arrangements (see Note 1P and Note 18). As a result, the Authority has restated the financial statements for the calendar year ended December 31, 2022 resulting in a $1 million increase in net position to a restated net position of $ 1.204 billion. The Authority's *Loss before special item and capital contributions* for 2023 was $600 million compared to a loss of $480 million in 2022. This $120 million unfavorable variance includes a $453 million unfavorable variance in *Operating expenses, and* $86 million unfavorable variance in *Operating revenue*s partially offset by a $419 million favorable variance in *Non-Operating Revenues, net.*

The *Special item* cost of $754 million in 2023 represents an increase of expected cost for lead-based paint remediation and abatement due to the increase in positive lead findings from 35% of apartment units in 2022 to 43% of the apartment units in 2023. While workstreams and cash outlays will occur over the 20-year term of the agreement, GASB Statement No. 49 requires that the lifetime estimate of the costs be recorded upon the triggering of the obligation. Total costs are subject to variations in testing, timing of when remediation and abatement can be executed, variation and inflation in contractor costs, and other microeconomic and macroeconomic factors. Costs recorded do not include components that are not reasonably estimable such as exterior building surfaces, fences, and soil where the Authority does not have reliable information to reasonably estimate lead findings and related costs at this time.

The $86 million decrease in *Operating revenues* represents a $57 million decline in T*enant revenue* and a $29 million decline in *Other income.* The decrease in tenant revenue is primarily due to the 2022 reversal of $116 million of previously recorded allowance for uncollectable accounts resulting from a change in the estimate of rent collections through the Emergency Rental Assistance Program ("ERAP"). Excluding this 2022 adjustment, 2023 operating revenues increased by $31 million. (As it happens, the ERAP collections estimate was exceeded with $124 million collected through December 31, 2023 and an additional $30 million collected in 2024 to date.) The decrease in Other income is mainly due to a reduction in health insurance reimbursements from The City of New York. The increase of $453 million in *Operating expenses* is primarily driven by an increase of $211 million for *Rent for lease dwellings* which was offset by Section 8 Housing Assistant Program subsidy (refer to Note 14). In addition, there was a $167 million increase in general and administrative expense and $40 million increase of Maintenance and operations expense both partially driven by gross wage increases and increases in pension cost due to changes in pension plan investment income (see Note 12). Lastly, there was a $22 million increase in *OPEB expense* primarily resulting from a change in the discount rate assumption from 4.31% in 2022 to 4.00% in 2023 (see Note 12) and a $38 million decrease in *Utility expense.*

The $419 million increase in *Non-operating revenues, net,* primarily includes a $379 million increase in *Subsidies and grants* (see Note 14) and a $61 million favorable variance in *Change in fair value of investment.* The growth in *Subsidies and grants* (see Note 14) is primarily driven by an increase of $258 million Section 8 Housing Assistant Payments and an increase of $112 million of Public Housing Subsidy. The favorable variance in the *Change in fair value of investment* of $61 million, is primarily due to the reduction of mid-term interest rates which reduced the cumulative mark to market losses on the investment portfolio.

Summary of Net Position ($ in thousands)

	2023	2022 (Restated)	2021*
Current and other assets	$ 2,400,610	$ 2,697,085	$ 2,873,632
Capital assets, net	10,452,112	9,759,163	9,405,217
Total Assets	**12,852,722**	**12,456,248**	**12,278,849**
Deferred Outflows of Resources	**621,007**	**707,340**	**741,368**
Current liabilities	1,490,547	1,611,981	1,387,512
Non-current liabilities	10,310,814	9,316,707	8,956,357
Total Liabilities	**11,801,361**	**10,928,688**	**10,343,869**
Deferred Inflows of Resources	**729,698**	**1,030,910**	**1,077,071**
Net investment in capital assets	8,813,307	8,074,761	7,918,922
Restricted for housing assistance payments	0	11,914	40,102
Unrestricted deficit	(7,870,637)	(6,882,685)	(6,359,747)
Total Net Position	**$ 942,670**	**$ 1,203,990**	**$ 1,599,277**

GASB 96 restatement is as of 1/1/2022, therefore 2022 balances are not comparable with 2021

December 31, 2023 vs. December 31, 2022(Restated) ($ in thousands)

- The Authority's *Net Position* decreased by $261,320 from the prior year, comprised of *Loss before capital contributions* of $1,354,061 partially offset by *Capital Contributions* of $1,092,741.
- The *Loss before Capital contributions* of $1,354,061 includes a *Special Item* of $753,841, representing an increase of future expected costs to be incurred on lead paint remediation and abatement efforts. (see Note 7)
- The decrease of $296,475 in *Current and other assets* mainly consist of a decline in accounts receivable net by $153,950 and a reduction in Restricted cash of $93,251. Additionally, there is a decrease in Notes and loan receivable of $49,878 primarily due to increase in the allowance for uncollectable Notes and loans.
- The increase of $692,949 in *Capital assets, net* represents the current year additions of $1,204,485 less Depreciation and Amortization expense of $500,839, net of the $10,697 capital assets retired (see Note 6).
- The decrease of $86,333 in *Deferred Outflows of Resources* from $707,340 to $621,007 is primarily comprised of decreases of $63,565 in deferred amount on OPEB, largely due to changes in the discount rate assumption, and decrease of $20,096 on pensions, primarily due to differences between the expected and actual earnings and changes in assumptions.
- The decrease of $121,434 in *Current liabilities* is mainly driven by a decrease of $139,423 in the Current Pollution remediation obligations which is down from December 31, 2022 due to revised estimate of timing of when expenditures will be incurred based on previous year's history. Note, however, that the total Pollution remediation liability substantially increased.
- *Non-current liabilities* increased by $994,107, primarily comprised of an increase of $723,441 in long term pollution remediation obligations, and an increase of $209,993 in the non-current OPEB liability. The pollution remediation obligations were increased due to $753,841 expected incremental remediation and abatement costs as a result of higher lead positivity rates increasing from 35% of apartment units in 2022 to 43% in 2023. The OPEB liability increase can primarily be attributed to the change in discount rate assumption from 4.31% to 4.00% (see Note 12).

- The *Deferred Inflows of Resources* decrease of $301,212 to $729,698 is primarily attributed to a $239,289 reduction in deferred inflows related to OPEB, mainly resulting from changes in assumptions and a $59,058 decrease in deferred inflows related to pensions, primarily due to net differences between projected and actual earnings on pension plan investments.

December 31, 2022 (Restated) vs. December 31, 2021 * ($ in thousands)

- The Authority's *Net Position* decreased by $395,287 from the prior year, comprised of *Loss before capital contributions* of $1,201,437 partially offset by *Capital Contributions* of $806,150.

- The *Loss before Capital contributions* of $1,201,437 includes a *Special Item* of $721,235, representing an increase of future expected costs to be incurred on lead paint remediation and abatement efforts. (see Note 7)

- The decrease of $176,547 in *Current and other assets* mainly consist of a decline in cash and cash equivalent and claims payable collectively by $202,358 and a reduction in Restricted cash of $82,846. Additionally, there is a decrease in subsidies receivable of $48,259. This decrease is partially offset by an increase of $218,974 in Accounts receivable, net of which approximately half of the increase is due to reversal of allowance for doubtful accounts on tenants receivable as a result of the expected recovery from ERAP.

- The increase of $353,946 in *Capital assets, net* represents the current year additions of $823,066 less Depreciation and Amortization expense of $466,957, net of the $2,163 capital assets retired (see Note 6).

- The decrease of $34,028 in *Deferred Outflows of Resources* from $741,368 to $707,340 is primarily comprised of decreases of $179,419 in deferred amount on OPEB, largely due to changes in the discount rate assumption, and increase of $139,933 on pensions, primarily due to differences between the expected and actual earnings and changes in assumptions.

- The increase of $224,469 in *Current liabilities* is mainly driven by an increase of $59,423 in the Pollution remediation liability in addition to the first-time recognition of a current OPEB liability for $92,379.

- *Non-current liabilities* increase by $360,350 primarily comprised of an increase of $514,111 in the Pension Liability, and an increase of $560,229 in long term pollution remediation obligations and partially offset by a decrease of $672,483 of the non-current OPEB liability. The Pension liability increase is largely due to differences between expected and actual earnings on the 2022 investment income within the pension plan. The OPEB liability decreased primarily due to a change in discount rate assumption from 2.25% to 4.31% (see Note 12). The pollution remediation obligations were increased due to $721,235 expected incremental remediation and abatement costs as a result of higher lead positivity rates in compliance with new standards established under The City of New York's Local Law 66. (see Note 7). As a result of this change in standard, positive lead assumptions increased from 27% of apartment units in 2021 to 35% in 2022.

- The *Deferred Inflows of Resources* decrease of $46,161 to $1,030,910 is comprised of increases in deferred inflow amounts of $417,421 on OPEB, due primarily to changes in assumptions, and decrease in deferred inflow on pensions of $460,297 due primarily to net differences between projected and actual earnings on pension plan investments.

* GASB 96 restatement is as of 1/1/2022, therefore 2022 balances are not comparable with 2021.

Summary of Revenues, Expenses, and Changes in Net Position ($ in thousands)

	2023	2022 (Restated)	2021*
OPERATING REVENUES:			
Tenant revenue, net	$ 932,444	$ 989,273	$ 921,655
Other income	43,356	72,708	65,844
Total Operating Revenues	**975,800**	**1,061,981**	**987,499**
OPERATING EXPENSES:			
Rent for leased dwellings	1,550,190	1,338,836	1,205,650
Maintenance and operations	1,123,233	1,083,181	1,014,124
General and administrative	1,198,778	1,031,548	820,829
Utilities	591,811	629,754	580,958
Depreciation and Amortization	500,839	466,957	462,981
OPEB expense	126,290	104,716	203,728
Protective services	55,899	42,853	39,610
Tenant services	40,127	36,263	35,677
Total Operating Expenses	**5,187,167**	**4,734,108**	**4,363,557**
OPERATING LOSS	**(4,211,367)**	**(3,672,127)**	**(3,376,058)**
NON-OPERATING REVENUES (EXPENSES):			
Subsidies and grants	3,630,442	3,251,824	3,122,095
Investment income	31,577	15,999	26,467
Gain (Loss) on real estate transactions	(17,414)	21,442	39,192
Change in fair value of investments	18,789	(42,134)	(13,320)
Interest expense	(52,494)	(55,660)	(61,327)
Other	247	454	393
Total Non-Operating Revenues, Net	**3,611,147**	**3,191,925**	**3,113,500**
LOSS BEFORE SPECIAL ITEM AND CAPITAL CONTRIBUTIONS	**(600,220)**	**(480,202)**	**(262,558)**
SPECIAL ITEM:			
Pollution remediation costs - lead based paint	753,841	721,235	648,590
LOSS BEFORE CAPITAL CONTRIBUTIONS	**(1,354,061)**	**(1,201,437)**	**(911,148)**
CAPITAL CONTRIBUTIONS	1,092,741	806,150	757,882
CHANGE IN NET POSITION	**(261,320)**	**(395,287)**	**(153,266)**
NET POSITION, BEGINNING OF YEAR	1,203,990	1,599,277	1,752,543
NET POSITION, END OF YEAR	**$ 942,670**	**$ 1,203,990**	**$ 1,599,277**

GASB 96 restatement is as of 1/1/2022, therefore 2022 balances are not comparable with 2021

<u>2023 vs. 2022 (Restated) ($ in thousands)</u>

- The *Operating Loss* for the Authority increased $539,240 from $3,672,127 in 2022 to $4,211,367, due to an increase of $453,059 in *Operating Expenses* and a decrease of $86,181 in *Operating Revenues.*

- The $453,059 increase in *Operating Expenses* is primarily driven by a $211,354 rise in Rent for leased Dwellings, attributed to higher Housing Assistant Program ("HAP") payments per voucher unit and an increase in voucher units. Additionally, General and Administrative expenses increased by $167,230 and Maintenance and Operations expenses increased by $40,052 primarily due to gross wage increases and higher pension costs resulting from changes in pension plan investment income (see Note 12), and an increase in liability insurance costs. *Depreciation* increased by $33,882 due to a continued rise in capital assets. There was also a $21,574 increase in OPEB expense (see Note 12) due to a change in discount rate assumption from 4.31% to 4.00% and a decrease of $37,943 in Utility cost.

- The $86,181 decrease in *Operating Revenues* is comprised of $56,829 decline in *Tenant revenue* and a $29,352 decrease in *Other income*. The decrease in tenant revenue is primarily due to the 2022 reversal of $116 million of previously recorded allowance for uncollectable accounts resulting from a change in the estimate of rent collections through the Emergency Rental Assistance Program ("ERAP"). Excluding this 2022 adjustment, 2023 operating revenues increased by $31 million. (As it happens, the ERAP collections estimate was exceeded with $124 million collected through December 31, 2023 and an additional $30 million collected in 2024 to date.) The decrease in Other income is primarily due to decline in health insurance reimbursements from The City of New York.

- *Non-operating revenues, net* increased by $419,222, primarily representing a $378,618 increase in *Subsidies and grants* (Note 14) and a $60,923 increase in *Change in fair value of investments*. The increase in Subsidies and grants primarily included $258,062 from Section 8 housing assistant programs, $112,175 from Public housing subsidy. The $60,923 increase in *fair value of investments* is largely due to a reduction in mid-term interest rates which reduced the cumulative mark to market losses on investments.

- The $753,841 *Special item* in 2023 represents an increase of expected costs for lead-based paint incremental remediation and abatement costs. These costs are directly related to the adjustment in the lead positivity rate from 35% of apartment units in 2022 to 43% in 2023. In 2022, the *Special item* of $721 million represented an increase of expected remediation and abatement costs from the inclusion of former exempted apartments and incremental testing costs as a result of new standards under Local Law 66 (see Note 7) less reductions in apartment units subject to PACT transactions (see Note 15).While workstreams and cash outlays will occur over the 20-year term of the agreement, GASB Statement No. 49 requires that the lifetime estimate of the costs be recorded upon the triggering of the obligation.

- *Capital Contributions* increased $286,591 to $1,092,741 in 2023. The current year contributions are primarily comprised of $155,764 from the Federal Emergency Management Agency ("FEMA"), $452,089 from the Department of Housing and Urban Development "Capital Fund Program", and $316,442 from The City of New York.

2022 (Restated) vs. 2021 ($ in thousands)

- The *Operating Loss* for the Authority increased $296,069 from $3,376,058 in 2021 to $3,672,127, due to an increase of $370,551 in *Operating Expenses* and offset by an increase of $74,482 in *Operating Revenues.*

- The $370,551 increase in *Operating Expenses* is led by increases of $210,719 in General and Administrative expenses, primarily representing an increase in liability insurance due to adjustment increase and increase pension cost due to changes in pension plan investment income (see Note 12). Additionally, there was a $133,186 increase for Rent for leased Dwellings, due to higher Housing Assistant Program ("HAP") payments per voucher unit and an increase in voucher units. In addition, there was an increase of $69,057 in Maintenance and Operations and an increase of Utilities costs of $48,796. The above increases were partially offset by a $99,012 decrease in OPEB expense (see Note 12) due to a change in discount rate assumption from 2.25% to 4.31%.

- The $74,482 increase in *Operating Revenues* is comprised of $67,618 increase in *Tenant revenue* and a $6,864 increase in *Other income*. The increase in tenant revenue can primarily be attributed to a revision of previously recorded allowance for doubtful accounts resulting from a change of estimate of rent recoveries through the Emergency Rental Assistance Program ("ERAP"). Such tenant revenue increase was partially offset by PACT transactions (Note 15) which resulted in a reduction of apartment units and related rent collections in 2022.

- *Non-operating revenues, net* increased by $78,425, primarily representing a $129,729 increase in *Subsidies and grants* (Note 14) and a $28,814 decrease in *Change in fair value of investments*. The increase in Subsidies and grants primarily included $59,908 from Section 8 housing assistant programs, $112,995 from Public housing subsidy, and amounts from The City of New York, partially offset by elimination of CARES Act program after 2021. The $28,814 decline in *fair value of investments* is largely due to the 4.25% interest rate increase by the Federal Reserve. The Authority's long-term investment portfolio is comprised of government sponsored agency bonds, and the fair market value will decrease when interest rates increase.

- The $721,235 *Special item* in 2022 represents an increase of expected costs for lead-based paint incremental remediation and abatement costs. These costs are directly related to the adjustment in the lead positivity rate resulting from new Local Law 66 standard set in The City of New York. As a result of this standard change, lead positivity rates increased from 27% of apartment units in 2021 to 35% in 2022. In 2021, the *Special item* of $649 million represented an increase of expected remediation and abatement costs from the inclusion of former exempted apartments and incremental testing costs as a result of new standards under Local Law 66 (see Note 7) less reductions in apartment units subject to PACT transactions (see Note 15).While workstreams and cash outlays will occur over the 20-year term of the agreement, GASB Statement No. 49 requires that the lifetime estimate of the costs be recorded upon the triggering of the obligation.

- *Capital Contributions* increased $48,268 to $806,150 in 2022.The current year contributions are primarily comprised of $228,022 from the Federal Emergency Management Agency ("FEMA"), $301,935 from the Department of Housing and Urban Development "Capital Fund Program", and $180,031 from The City of New York.

**GASB 96 restatement is as of 1/1/2022, therefore 2022 balances are not comparable with 2021.*

Revenues and Expenses on a Gross Basis ($ in thousands)

The following table shows revenues and expenses on a gross basis. Non-operating revenues are included in total program revenues and non-operating expenses are included in total program expenses. The components of this table are explained in the commentary following the Summary of Revenues, Expenses, and Changes in Net Position.

	2023	2022 (Restated)	2021*
Program Revenues:			
Subsidies and grants	$ 3,630,442	$ 3,251,824	$ 3,122,095
Operating revenues	975,800	1,061,981	987,499
Investment income	31,577	15,999	26,467
Gain on real estate transactions	-	21,442	39,192
Change in fair value of investments	18,789	-	-
Other	247	454	393
Total Program Revenues	**4,656,855**	**4,351,700**	**4,175,646**
Program Expenses:			
Operating expenses	5,187,167	4,734,108	4,363,557
Loss on real estate transactions	17,414	-	-
Interest expense	52,494	55,660	61,327
Change in fair value of investments	-	42,134	13,320
Total Program Expenses	**5,257,075**	**4,831,902**	**4,438,204**
Loss before Special Item and Capital Contributio	**(600,220)**	**(480,202)**	**(262,558)**
Special Item:			
Pollution remediation costs - lead based paint	753,841	721,235	648,590
Loss before Capital Contributions	(1,354,061)	(1,201,437)	(911,148)
Capital Contributions	**1,092,741**	**806,150**	**757,882**
Change in Net Position	**(261,320)**	**(395,287)**	**(153,266)**
Net Position, Beginning of Year	1,203,990	1,599,277	1,752,543
Net Position, End of Year	**$ 942,670**	**$ 1,203,990**	**$ 1,599,277**

***GASB 96 restatement is as of 1/1/2022, therefore 2022 balances are not comparable with 2021**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets, net and the debt related to capital assets as of the three years ended December 31 are as follows:

Net Investment in Capital Assets ($ in thousands)

		2023		2022 (Restated)		2021*
Land	$	687,510	$	687,510	$	687,961
Construction in progress		2,860,082		2,576,065		2,739,201
Buildings		3,125,775		3,131,813		3,139,583
Building improvements		12,555,916		11,758,311		10,852,401
Facilities and other improvements		543,452		539,409		531,581
Furniture and equipment		1,098,978		1,059,755		1,027,132
Leasehold improvements		148,084		144,054		138,140
Right to Use Assets- Leased Buildings		852,412		852,412		852,412
Right to Use Assets- Leased Equipment		28,216		14,328		14,328
Right to Use Assets- SBITA		9,804		2,801		-
Total Capital Assets		**21,910,229**		**20,766,458**		**19,982,739**
Less accumulated depreciation and amortizatio		11,458,117		11,007,295		10,577,522
Capital Assets, net		**10,452,112**		**9,759,163**		**9,405,217**
Less related debt		1,638,805		1,684,402		1,486,295
Net Investment in Capital Assets	**$**	**8,813,307**	**$**	**8,074,761**	**$**	**7,918,922**

GASB 96 restatement is as of 1/1/2022, therefore 2022 balances are not comparable with 2021

For additional information on Capital Assets and Long-Term Debt see Note 6 and Note 10, respectively.

Currently Known Facts and Conditions

The Authority is aware of the following facts and conditions that are expected to have an impact on its future financial position or results of operations.

- New York City inflation rates (as measured by the Consumer Price Index on a twelve-month basis) have significantly decreased since their peak in 2022. Inflation was 6.3% in December 2022, declining to 2.9% in December 2023 and then increasing to 3.8% at April 2024. Despite inflation rate reduction since peak, inflation is still higher than the historical norm and continues to contribute to increases in Operating expenses, Capital expenditures and Pollution remediation costs.

- In an effort to reduce inflation and moderate economic activity, the Federal Reserve Bank increased benchmark federal funds rate seven times in 2022 totaling a 4.25% increase. The Federal Reserve increased rates four additional times in 2023, totaling an additional 1.00% increase. Increases to interest rates, independent of other valuation variables that may change, may cause the Claims Payable and OPEB Liability to decrease and may impact Investment Income and Change in Fair value of investments. Interest rate increases may also impact the valuation of new or modified lease related transactions. Interest rate increases are not expected to have a significant impact on Interest expense as all existing Long-term debt has fixed interest rates. Higher interest rates may also impact tenant's personal budgets and their ability to make rent payments.

BASIC FINANCIAL STATEMENTS

NEW YORK CITY HOUSING AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31, 2023 AND 2022

		2023		2022(Restated)
		($ in Thousands)		
CURRENT ASSETS:				
Cash and cash equivalents	$	107,915	$	140,172
Accounts receivable, net		942,598		1,096,548
Investments		107,218		90,893
Prepaid expenses		117,823		112,805
Inventories, net		9,473		9,306
Notes, loans and lease receivables, net		3,363		3,206
Total current assets		1,288,390		1,452,930
NON-CURRENT ASSETS:				
Land and construction in progress		3,547,592		3,263,575
Other capital assets, net of depreciation		6,904,520		6,495,588
Cash for claims payable		175,979		122,886
Investments for claims payable		314,516		357,061
Restricted cash and cash equivalents		450,946		544,197
Restricted investments		29,864		29,061
Notes, loans and lease receivables, net		140,915		190,950
Total non-current assets		11,564,332		11,003,318
Total assets		12,852,722		12,456,248
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred amount on refunding		7,085		7,872
Deferred amount on asset retirement obligations		3,817		5,702
Deferred amount on OPEB		338,345		401,910
Deferred amount on pensions		271,760		291,856
Total deferred outflows of resources		621,007		707,340
CURRENT LIABILITIES:				
Accounts payable		226,797		196,801
Accrued liabilities		537,166		442,485
Claims payable		126,518		109,822
Current portion of long-term debt		57,382		56,195
Accrued leave time		85,010		84,698
Pollution remediation obligations		185,275		324,698
OPEB liability		94,449		92,379
Unearned revenues and other current liabilities		177,950		304,903
Total current liabilities		1,490,547		1,611,981
NON-CURRENT LIABILITIES:				
Long-term debt		600,645		612,892
Claims payable		648,206		574,288
Unearned revenue		364,696		360,605
Accrued leave time		109,399		108,791
Net pension liability		797,391		786,625
OPEB liability		2,714,820		2,504,827
Lease liability		788,141		803,170
Asset retirement obligations		69,422		74,417
Pollution remediation obligations		4,207,586		3,484,145
Other liabilities		10,508		6,947
Total non-current liabilities		10,310,814		9,316,707
Total liabilities		11,801,361		10,928,688
DEFERRED INFLOWS OF RESOURCES:				
Deferred amount on OPEB		682,970		922,259
Deferred amount on Leases		19,069		21,934
Deferred amount on pensions		27,659		86,717
Total deferred inflows of resources		729,698		1,030,910
NET POSITION:				
Net investment in capital assets		8,813,307		8,074,761
Restricted for housing assistance payments				11,914
Unrestricted deficit		(7,870,637)		(6,882,685)
TOTAL NET POSITION	$	942,670	$	1,203,990

See notes to the financial statements.

NEW YORK CITY HOUSING AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022 (Restated)
	($ in Thousands)	
OPERATING REVENUES:		
Tenant revenue, net	$ 932,444	$ 989,273
Other income	43,356	72,708
Total operating revenues	975,800	1,061,981
OPERATING EXPENSES:		
Rent for leased dwellings	1,550,190	1,338,836
Maintenance and operations	1,123,233	1,083,181
General and administrative	1,198,778	1,031,548
Utilities	591,811	629,754
Depreciation and Amortization	500,839	466,957
OPEB	126,290	104,716
Protective services	55,899	42,853
Tenant services	40,127	36,263
Total operating expenses	5,187,167	4,734,108
OPERATING LOSS	(4,211,367)	(3,672,127)
NON-OPERATING REVENUES (EXPENSES):		
Subsidies and grants	3,630,442	3,251,824
Investment income	31,577	15,999
Gain (Loss) on real estate transactions	(17,414)	21,442
Change in fair value of investments	18,789	(42,134)
Interest expense	(52,494)	(55,660)
Other	247	454
Total non-operating revenues, net	3,611,147	3,191,925
LOSS BEFORE SPECIAL ITEM AND CAPITAL CONTRIBUTIONS	(600,220)	(480,202)
SPECIAL ITEM:		
Pollution remediation costs - lead based paint	753,841	721,235
LOSS BEFORE CAPITAL CONTRIBUTIONS	(1,354,061)	(1,201,437)
CAPITAL CONTRIBUTIONS	1,092,741	806,150
CHANGE IN NET POSITION	(261,320)	(395,287)
NET POSITION, BEGINNING OF YEAR	1,203,990	1,599,277
NET POSITION, END OF YEAR	$ 942,670	$ 1,203,990

See notes to the financial statements.

NEW YORK CITY HOUSING AUTHORITY

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022 Restated
	($ in Thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received on behalf of tenants	$ 1,027,576	$ 869,807
Other operating receipts	39,614	66,911
Cash payments to employees	(1,579,327)	(1,445,271)
Cash payments for other operating expenses	(3,072,014)	(2,858,403)
Net cash used in operating activities	(3,584,151)	(3,366,956)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Subsidies and grants received	3,587,049	3,156,560
Other	247	454
Net cash provided by non-capital financing activities	3,587,296	3,157,014
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Contributions for capital	1,087,530	872,272
Proceeds from the sale of long term debt	50,473	398,265
Proceeds from real estate transactions, net	13,088	9,384
Development and modernization costs	(1,163,034)	(877,996)
Principal payments on long-term debt	(61,533)	(428,587)
Interest payments on long-term debt	(24,309)	(45,278)
Notes and Loans Receivable, net	-	(510)
Receipts from leases	3,873	3,653
Payments of leases	(55,938)	(48,001)
Net cash (used in) provided by capital and related financing activities	(149,850)	(116,798)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale and maturities of investment securities	44,208	25,758
Interest on investments	30,082	15,778
Net cash provided by investing activities	74,290	41,536
NET DECREASE IN CASH AND CASH EQUIVALENTS	(72,415)	(285,204)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR:		
Cash and cash equivalents, including cash for claims payable	263,058	465,416
Restricted cash and cash equivalents	544,197	627,043
Total cash and cash equivalents, beginning of year	807,255	1,092,459
CASH AND CASH EQUIVALENTS, END OF YEAR:		
Cash and cash equivalents, including cash for claim payable	283,894	263,058
Restricted cash and cash equivalents	450,946	544,197
Total cash and cash equivalents, end of year	$ 734,840	$ 807,255

(continued on the following page)

See notes to the financial statements

NEW YORK CITY HOUSING AUTHORITY

STATEMENTS OF CASH FLOWS (continued)
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022 Restated
	($ in Thousands)	
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
OPERATING LOSS	$ (4,211,367)	$ (3,672,127)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and Amortization	500,839	466,957
(Increase) decrease in assets and deferred outflows:		
Tenants accounts receivable	36,012	(115,399)
Accounts receivable - other, net of interest	(1,537)	(8,211)
Prepaid expenses	(5,053)	(7,260)
Inventories, net	(167)	(897)
Leases receivable & allowance for receivables - GASB 87	(1,525)	(1,001)
Deferred amount on Leases for receivables GASB 87	(2,865)	(3,285)
Deferred outflows on pensions	20,096	(139,933)
Deferred outflows on OPEB	65,450	181,245
Increase (decrease) in allowance for doubtful accounts - tenants	60,995	(3,110)
Increase (decrease) in allowance for doubtful accounts - other, net of non-capital financing activities	1,662	1,008
Increase (decrease) in liabilities and deferred inflows:		
Accounts payable	29,994	4,536
Accrued liabilities, net of interest and capital items	83,014	65,404
Claims payable	90,614	80,122
Accrued leave time	920	(6,855)
Unearned revenues and other current liabilities, net of prepaid subsidy and current portion of Section 8 Recap unearned revenue	(679)	5,491
Net pension liability	10,766	514,111
OPEB liability-non-current	209,993	(672,483)
OPEB liability-current	2,070	92,379
Asset retirement obligation	(4,995)	(3,265)
Pollution remediation obligations - Lead based paint	(131,166)	(110,983)
Pollution remediation obligations - Other	(38,656)	9,400
Other non-current liabilities	(219)	76
Deferred inflows on OPEB	(239,289)	417,421
Deferred inflows on pensions	(59,058)	(460,297)
Total adjustments	627,216	305,171
NET CASH USED IN OPERATING ACTIVITIES	$ (3,584,151)	$ (3,366,956)
SUPPLEMENTAL DISCLOSURES OF NON CASH ACTIVITIES:		
Investing activities:		
Unrealized (loss) gain on investments	$ 18,789	$ (42,132)
Capital and related financing activities:		
Amortization of deferred amount on refunding	(787)	7,284
Amortization of bond premium	-	6,662
Special Item: pollution remediation costs - lead based paint	753,841	721,235
Lease liability	(14,323)	(20,045)
Interest expense for leases	27,761	27,995
Interest Income from leases	699	729
Interest expense for SBITA	160	29

See notes to the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The New York City Housing Authority (the "Authority"), created in 1934, is a public benefit corporation chartered under New York State Public Housing Law. The Authority develops, constructs, manages and maintains affordable housing for eligible low-income families in the five boroughs of New York City. At December 31,2023, the Authority maintained 251 housing developments encompassing approximately 157,000 total units, housing over 312,000 residents. The Authority also operates a leased housing program, which provides housing assistance payments to approximately 81,213 families, housing approximately 169,050 residents.

Substantial operating losses result from the costs of essential services that the Authority provides exceeding revenues. To meet the funding requirements of these operating losses, the Authority receives subsidies from: (a) the federal government, primarily the U.S. Department of Housing and Urban Development ("HUD"), in the form of annual grants for operating assistance, debt service payments, contributions for capital and reimbursement of expenditures incurred for certain federal housing programs; (b) New York State in the form of debt service and capital payments; and (c) The City of New York in the form of subsidies and capital payments. Subsidies are established through budgetary procedures, which establish amounts to be funded by the grantor agencies.

The Authority maintains its accounting records by program. The following programs are operated by the Authority:

Federal Programs - The Authority receives federal financial assistance from HUD in the form of annual contributions for debt service and operating subsidies for public housing developments, as well as rent subsidies for the Section 8 Housing Choice Voucher Program ("HCVP"). In addition, assistance is received under HUD's Public and Indian Housing Development Programs, Capital Fund Program, and other programs.

Funds received are used to provide maintenance, operating, and administrative services to federally aided low rent public housing developments. HCVP funds are used to reimburse private landlords for their participation in providing housing for low-income families at reduced rents. The funds cover the differential between the reduced rents charged to tenants and prevailing fair market rates based on rent reasonableness. Debt service fund contributions provide for the payment of principal and interest on outstanding debt as it matures. Contributions for capital provide for modernization and development costs.

New York State and The City of New York Programs - The Authority receives financial assistance from New York State (the "State") in the form of annual contributions for debt service and capital. The Authority also receives financial assistance from The City in the form of subsidies and contributions for capital.

Other Programs - The Authority receives funding for other programs from HUD, Federal Emergency Management Agency ("FEMA"), the State, and The City for several other grant programs.

B. Reporting Entity

The Authority is a component unit of The City of New York, based upon criteria for defining the *reporting entity* as identified and described in the Governmental Accounting Standards Board's ("GASB") *Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600*.

The Authority's operations include three blended component units which are included in the Authority's basic financial statements, in compliance with GASB 61 *The Financial Reporting Entity: Omnibus – an amendment of GASB Statement No. 14 and No. 34*. These are legally separate entities with the same governing body as the Authority for which the Authority has operational responsibility and are controlled by the Authority. There is a financial benefit/burden relationship between the Authority and the component units since the Authority is responsible for providing operating and capital subsidies to the component units. The blended component units include:

- NYCHA Public Housing Preservation I, LLC ("LLC I")
- NYCHA Public Housing Preservation II, LLC ("LLC II")
- New York City Public Housing Preservation Trust ("The Trust")

Additional information relating to the component units can be found in Notes 16 and 20 to the financial statements. LLC I issued stand-alone audited financial statements in 2023 and 2022 which can be obtained from The New York City Housing Authority, 90 Church Street, New York, New York, 10007. LLC II was inactive in 2023 and 2022 and therefore did not issue stand-alone audited financial statements. The Trust was formed in July 2023 and has not issued stand-alone audited financial statements. The Trust did not have any revenues in 2023 other than funds contributed by the Authority to support the pre-development costs of the Trust. The Trust's operating expenses includes salaries, fringe benefits and ancillary costs which in the aggregate are immaterial to the Authority's financial statements.

C. Basis of Accounting

The Authority's financial statements are prepared in accordance with generally accepted accounting principles as prescribed by the GASB, using the economic resources measurement focus and the accrual basis of accounting wherein revenues are recognized when earned, and expenses are recognized when the liability is incurred.

The Authority's primary source of nonexchange revenue relates to subsidies and grants. Subsidies and grants revenue is recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements, in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions.*

The Authority applies Governmental Accounting Standards Board ("GASB") Codification of Governmental Accounting and Financial Reporting Standards ("GASB Codification") Section P80, *Proprietary Accounting and Financial Reporting.*

Recently Adopted Accounting Standards

GASB Statement No. 94 ("GASB 94"),*Public-Private and Public-Public Partnerships.* The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for reporting fiscal years beginning after June 15, 2022. The Authority adopted this Statement in 2023. The Authority does not have any PPP arrangements.

GASB Statement No. 96 ("GASB 96"), *Subscription-Based Information Based Technology Arrangements ("SBITA)".* This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.
The requirements of this Statement are effective for reporting fiscal years beginning after June 15, 2022. The Authority adopted this Statement in 2023 and has restated its 2022 financial statements (See Note 18).

GASB Statement No. 99 ("GASB 99"), *Omnibus 2022.* All remaining requirements of this statement were adopted in 2023, including those which were early adopted. Such adoption included:

- Classification and reporting of derivative instruments within the scope of Statement No. 53.

- Clarification of provisions in Statements No 87, 94 and 96 and terminology updates relate to Statements No 53 and 63.

The above GASB 99 provisions do not have a material impact on LLC I's financial statements.

Accounting Standards Issued But Not Yet Adopted

GASB has issued the following pronouncements that may affect future financial position, results of operations, cash flows, or financial presentation of the Authority upon implementation. Management has not yet evaluated the effect of implementation of these standards.

GASB Statement No.	GASB Accounting Standard	Effective Calendar Year
100	*Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*	2024
101	*Compensated Absences*	2024
102	*Certain Risk Disclosures*	2025
103	*Financial Reporting Model Improvements*	2026

D. Use of Management's Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. In addition, they affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and assumptions.

E. Cash and Cash Equivalents

Cash includes amounts on deposit with financial institutions, including bank accounts and certificates of deposit. The Authority considers investments in repurchase agreements and investments with a maturity of less than 90 days of purchase date as cash equivalents. The Authority considers cash and cash equivalents held for the repayment of the non-current portion of Claims payable to be non-current assets.

F. Accounts Receivable

Accounts Receivable include amounts expected to be received within one year from tenants and various governmental agencies. Tenants Receivable balances primarily consist of rents past due and due from vacated tenants. An allowance for uncollectable accounts is established to provide for tenant accounts which may not be collected in the future for any reason. The Authority recognizes Account Receivable from HUD and other governmental agencies for amounts earned and billed but not received and for amounts earned but unbilled as of year-end.

G. Notes, Loans and Lease Receivable

Notes and loans receivable are recorded based on the principal amount indicated in the underlying note agreement and include accrued interest where applicable. Lease Receivable are recorded at present value using the interest rate implicit in the lease agreement when available. In cases, where interest rate is not implicit in the lease agreement, the Authority uses its incremental borrowing rate for similar classes of leases (see note 17) as its discount rate. An allowance is established where there is uncertainty regarding the collection of the notes, loans, or lease balances.

H. Investments

Investments are carried at fair value. Income from investments is recognized on the accrual basis. Realized gains or losses on sales of investment securities are accounted for using the specific identification method. The Authority combines realized and unrealized gains and losses on investments on the Statement of Revenues, Expenses and Changes in Net Position. Certain investments are classified as restricted based on underlying agreements.

I. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end which will benefit future operations.

J. Inventories

Inventories consist of materials and supplies at the central warehouses, and fuel oil. Materials and supplies are valued using the *average moving cost* method on a first in – first out basis. Fuel oil is valued using *weighted average cost.* Materials and supplies are expensed when shipped from central warehouses to the developments. The Authority maintains an allowance for obsolete inventory.

K. Capital Assets

Capital assets include land, structures and equipment recorded at cost and is comprised of initial development costs, property betterments and additions, modernization program costs and right to use leased assets. With the exception of land and right to use assets, the Authority depreciates these assets over their estimated useful lives once placed in service. Land is not depreciated. Right to use assets are amortized over the shorter of the respective lease term or subscription term. The straight-line method of depreciation/amortization is used, under normal operating conditions. The Capitalization Policy is as follows:

Capital Asset Category	Capitalization Threshold	Useful Life-Years
Buildings	$50,000	**40**
Building Improvements	$50,000	**25**
Leasehold Improvements	$50,000	**Up to 15**
Facilities & Other Improvements	$50,000	**10**
Computer Software	$50,000	**5**
Telecommunication Equipment	$50,000	**5**
Computer Hardware	$5,000	**5**
Furniture and Equipment	$5,000	**5 to 10**
Ranges and Refrigerators	All	**10**
Right to Use Assets-Buildings	$500,000	**Shorter of lease term or useful life of asset**
Right to Use Assets-Equipment	$500,000	**Shorter of lease term or useful life of asset**
Right to Use Assets-SBITA	$100,000	**Shorter of subscription term or useful life of asset**

L. Accrued Liabilities

The Authority recognizes a liability for goods and services received but not paid for as of year-end. The Authority recognizes a liability for wages and fringe benefits relating to expired collective bargaining agreements based on its best estimate of such future payments. These estimates are based on prior patterns and the current status of negotiations among other factors.

M. Claims Payable

The Authority recognizes a liability for general liability and workers' compensation claims based upon an estimate of all probable losses incurred, both reported and not reported. The liability for these claims is reported in the Statement of Net Position at a discounted amount.

N. Accrued Leave Time

Accumulated unpaid leave time is accrued at the estimated amounts of future benefits attributable to services already rendered.

O. Unearned Revenue

The Authority's unearned revenue includes the prepayment of rent by residents and the receipt of governmental program funding where certain eligibility requirements have not been met. In addition, purchase price and lease payments received on Real Estate transactions are being reflected in Unearned Revenue and are recognized over the shorter of the lease term, when the Purchase Option can be exercised or the fifteen-year low-income housing tax credit compliance period.

P. Lease and SBITA Liabilities

The Authority recognizes lease and SBITA liabilities measured at the present value of payments expected to be made over the contract term using the interest rate implicit in the contract when available. In cases, where interest rate is not implicit in the lease contract, the Authority uses its incremental borrowing rate for similar classes of contracts (see notes 17 and 18) as its discount rate.

Q. Premium and Discount Amortization

The Authority amortizes debt premium and discount amounts over the life of the bonds using the *effective interest rate through maturity* methodology.

R. Deferred Outflows and Inflows of Resources

The Authority reports deferred outflows of resources in the *Statement of Financial Position* in a separate section following Assets and deferred inflows of resources in a separate section following liabilities. Gains and losses in connection with advanced refunding of debt are recorded as either a deferred outflow (loss) or as a deferred inflow (gain) of resources and amortized as a component of interest expense over the shorter of the remaining life of the old or the new debt. Pension contributions made to the New York City Employees' Retirement System ("NYCERS") subsequent to the actuarial measurement date and prior to the Authority's fiscal year-end are reported as deferred outflows of resources. The net differences between projected and actual earnings on pension plan investments, changes in assumptions for pensions and OPEB, and differences in expected and actual experience for pensions and OPEB are recorded as either a deferred outflow or as a deferred inflow. Section 8 Housing Choice Voucher Subsidies received prior to the funding period are reported as deferred inflow of resources. Deferred outflows are recognized on asset retirement obligations. Deferred inflow of resources on leases receivable are recorded pursuant to GASB 87 and amortized on a straight-line basis over the lease terms (see note 17).

S. Use of Restricted Net Position

When both restricted and unrestricted resources are available for a particular restricted use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as needed.

T. Operating Revenues and Expenses

The Authority defines its operating revenues as income derived from charges to residents and others for rent and services provided including developer fees. Its operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies other revenues and expenses as non-operating.

U. Capital Contributions

Capital Contributions are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant requirements.

V. Taxes

The Authority is a public benefit corporation chartered under the New York State Public Housing Law and as such is exempt from income taxes and certain other Federal, state and local taxes.

W. Other Postemployment Benefits

The Authority's Total OPEB Liability, deferred outflow of resources and deferred inflows of resources, and expenses associated with the Authority's requirement to contribute to the New York City Health Benefits Program is calculated based on an amount that is actuarially determined (see Note 12).

X. Net Pension Liability

The Authority's proportionate share of the net pension liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the Authority's requirement to contribute to NYCERS have been determined on the same basis as they are reported by NYCERS.

2. DEPOSITS AND INVESTMENTS

Deposits

At December 31, 2023, the Authority's fiscal and non-fiscal deposits, including its component units, had a carrying amount of $734,840,000 and a bank balance of $731,262,000. These deposits were insured up to $250,000 per bank by the Federal Deposit Insurance Corporation ("FDIC"). Tenant security deposits totaling $38,690,000 are restricted deposits, and they are fully insured by the FDIC. All other deposits in excess of FDIC coverage were fully collateralized, with the collateral being held in segregated custodial accounts in the Authority's name. Collateral coverage is monitored and maintained daily. Collateral is comprised of U.S Treasury notes and bonds in addition to other U.S. governmental agency securities approved under the HUD guidelines.

Deposits were comprised of the following at December 31, 2023 and 2022 ($ in thousands):

	Bank Balance	
Unrestricted	**2023**	**2022**
FDIC insured	$ 1,344	$ 1,298
Collateralized	280,011	256,972
Subtotal	281,355	258,270
Restricted		
FDIC insured	38,940	40,421
Collateralized	410,967	501,234
Subtotal	449,907	541,655
Total Deposits	$ 731,262	$ 799,925

At December 31, 2023, unrestricted deposits totaling $281,355,000 included $45,154,000 of operating balances for both LLC I and LLC II and replacement reserves for LLC I. The remaining balances totaling $236,201,000 are eligible for working capital and future liabilities of the Authority and its component units, including self-insurance programs. The Authority's unrestricted deposits are held at various banks in interest-bearing accounts and demand deposit accounts (DDA) without interest.

At December 31, 2023, restricted deposits totaling $449,907,000 included funds held in depository accounts on behalf of Sandy Recovery, escrow funds for real estate transactions, escrow funds for several Energy Performance Contracts, escrow funds for vendor retention, Certificates of Deposit for tenant security, and HUD subsidies for tenant participation activity to be used by resident councils for the residents. The Certificates of Deposits for tenant security matured on April 1, 2024 and has been reinvested for one year through March 31, 2025. The liability related to these deposits is included in unearned revenues and other current liabilities.

2. DEPOSITS AND INVESTMENTS

Investments

In accordance with GASB Statement No. 72 ("GASB 72), Fair Value Measurement and Application, NYCHA discloses its investments at fair value. The Authority invests only in securities that fall under GASB's Level 2 fair value grouping (there are 3 levels in total), as there are comparable and observable traded securities that can be used to accurately value the Authority's portfolio of securities. As of December 31, 2023, and 2022, all of the Authority's long-term investment holdings were in U.S. Governmental agency securities and GASB 72 requires their fair value be based on similar bonds that are being traded.

Unrestricted Investments

The Authority's investment policies comply with HUD's guidelines. These policies restrict the Authority's investments to obligations of the U.S. Treasury, U.S. Government agencies, and their instrumentalities. All investments are held in a secured custody account in the name of the Authority. All investments are publicly traded, and the fair value was based on published quoted values. Accrued interest receivable on unrestricted investments was $734,000 and $401,000 at December 31, 2023 and 2022.

Unrestricted investments stated at fair value, consist of the following at December 31, 2023 and 2022 ($ in thousands):

Unrestricted	2023	2022
U.S. Government Agency Securities	$ 421,734	$ 447,954

Cash equivalents include investments in repurchase agreements. At December 31, 2023, the Authority held $128,850,000 in repurchase agreements. At December 31, 2022, the Authority held $60,200,000 in repurchase agreements.

The maturities of the Authority's unrestricted investments at December 31, 2023 and 2022 are as follows ($ in thousands):

	As of December 31, 2023				As of December 31, 2022			
Security Type	Total	<1 year	1 - 5 years	>5 years	Total	<1 year	1 - 5 years	>5 years
U.S. Govt Agency Securities	$421,734	$107,218	$314,516	$0	$447,954	$43,569	$355,202	$49,183

2. DEPOSITS AND INVESTMENTS

At December 31, 2023 and 2022, the Authority's weighted average term to maturity for unrestricted investments is 2.4 years and 3.2 years, respectively. The Authority determines maturity levels based upon current available interest rates, expectations for future rates and the appropriate amount of liquidity needed for operations. While HUD's policy limits the maturities of investments held by housing authorities to three years, the Authority has received a HUD waiver to invest long-term reserves up to seven years.

The U.S. Government Agency security balance is comprised of obligations issued by the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank, Federal Farm Credit Bank and the Federal National Mortgage Association. At December 31, 2023 and 2022, the fair value of the Authority's investments in Agency securities was $421,734,000 and $447,954,000, respectively, and these amounts are designated to fund the Authority's self-insurance programs.

Restricted Investments

At December 31, 2023 and 2022, NYCHA's total restricted investments had a fair value of $29,864,000 and $29,061,000, respectively. These funds were held in trust supporting loan from NYC HDC from bond proceeds from the Series 2022 A and Series 2013 A & B Capital Fund Financing Program Bonds. On December 31, 2023, the restricted total was comprised of $29,048,000 in restricted investments, and $816,000 in restricted cash equivalents. On December 31, 2022, the restricted total was comprised of $29,061,000 in restricted investments and $13,000 in restricted cash equivalents.

The $29,048,000 in restricted investments held on December 31, 2023, represent debt service reserves for the 2022 A Capital Fund Financing Program Bonds. Similarly, the $29,061,000 in restricted investments held on December 31, 2022, represented debt service reserves for the 2013 A & B Capital Fund Financing Program Bonds. Accrued interest receivable on restricted investments, including the tenant certificate of deposits was $1,910,000 and $752,000 at December 31, 2023 and 2022.

Restricted investments stated at fair value, consisted of the following at December 31, 2023 and 2022 ($ in thousands):

Restricted		**2023**		**2022**
Forward Delivery Agreement (debt service reserves)	$	29,048	$	29,048
Repurchase Agreements		816		13
Total Restricted investments, including cash equivalents	$	29,864	$	29,061

2. DEPOSITS AND INVESTMENTS

Restricted Investments (continued)

The maturities of the Authority restricted investments at December 31, 2023 and 2022 were as follows ($ in thousands):

	As of December 31, 2023				As of December 31, 2022			
Security Type	Total	<1 year	1 - 5 years	>5 years	Total	<1 year	1 - 5 years	>5 years
Forward Delivery Agreement	$ 29,864	816	-	$ 29,048	$ 29,048	-	-	$ 29,048

At December 31, 2023 and 2022, the Authority's weighted average term to maturity for restricted investments was 9.51 years and 10.51 years, respectively. The Fiscal Agents determine maturity levels based upon current available interest rates, expectations for future rates and the appropriate amount of liquidity needed for NYCHA's operations.

Investment Policy and Risks

Policies governing investments: The Authority has adopted the HUD investment policy outlined in HUD Notice PIH-2002-13 (HA), as its formal investment policy. In accordance with its Annual Contributions Contract (the "ACC") with HUD, the Authority is required to comply with this HUD Notice. These guidelines require the Authority to deposit funds in accordance with the terms of a General Depository Agreement, which must be in a form approved by HUD and executed between the Authority and its depository institutions, and restricts the Authority's investments to HUD–authorized securities, such as those issued by the U.S. Treasury, U.S. Government agencies and their instrumentalities, and requires that all investments be held in a segregated custodial account in the name of the Authority. Similarly, the bond proceeds that remain in Trust supporting loan from NYC HDC are invested in accordance with the investment policy of NYC HDC, which are very similar.

The Authority's investment strategy involves consideration of the basic risks of fixed-income investing, including interest rate risk, market risk, credit risk, and concentration risk. In managing these risks, the primary factors considered are safety of principal, yield, liquidity, maturity, and administrative costs.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the Authority's investment portfolio. In accordance with the Authority's investment policy, interest rate risk is mitigated by holding the securities in the Authority's portfolio until maturity, except when a reinvestment strategy may be appropriate. As an additional manner of minimizing interest rate risk, the securities of the Authority's fixed income portfolio have historically only had fixed coupon rates, and therefore the cash flows will not fluctuate with changes in interest rates.

2. DEPOSITS AND INVESTMENTS

Investment Policy and Risks (continued)

Credit Risk: It is the Authority's policy to limit its investments to HUD-authorized investments issued by the U.S. Government, by a U.S. Government agency, or by a Government-sponsored agency. The Authority's policy is to invest primarily in Governmental agency and U.S. Treasury securities which are AA+ and Aaa rated by Standard and Poor's ("S&P") or Moody's, or to place balances in fully collateralized money market deposit accounts and interest-bearing bank accounts at banks rated A or better by Moody's or S&P. As of December 31, 2022, each of the agency securities that were in the NYCHA investment portfolio had bond ratings ranging between Aa2 and Aaa for Moodys and ranging between AA and AA+ for S&P. Depository bank accounts maintaining federal funds are fully collateralized, in excess of FDIC insurance, with Treasury and/or Governmental agency securities.

Concentration Risk: The Authority strives to invest in only AA+ and Aaa rated Governmental Agency and/or U.S. Treasury securities. Therefore, the Authority's policy does not place a limit on investments with any one issuer. The Authority's cash deposits are maintained in fully collateralized money market deposit accounts and fully collateralized interest-bearing and non-interest bearing (if required) bank accounts. Consequently, the Authority does not limit deposits to any one bank. Nonetheless, the Authority strives to diversify holdings in investments, cash and cash equivalents, whenever possible, to further minimize any potential concentration risk.

Custodial credit risk: The Authority maintains a perfected security interest in the collateral held on its behalf by its custodial agents. Custodial credit risk is the risk that the Authority will not be able to recover its collateral held by a third-party custodian, in the event that the custodian defaults. The Authority has no custodial credit risk due to the Authority's perfected security interest in its collateral in a segregated custodian account, which is registered in the Authority's name. The Authority's policy requires that all securities shall be maintained in a third-party custodian account and the manner of collateralization shall provide the Authority with a continuing perfected security interest in the collateral for the full term of the deposit, in accordance with applicable laws and Federal regulations. Such collateral shall, at all times, have a market value at least equal to the amount of deposits secured. The collateral includes US Treasury notes and bonds and other US governmental agency securities approved under HUD guidelines.

3. ACCOUNTS AND SUBSIDIES RECEIVABLE

Accounts Receivable

Accounts receivable at December 31, 2023 and 2022 are comprised of the following ($ in thousands):

	2023	2022
U.S. Department of Housing and Urban Development	$ 205,188	$ 137,627
Federal Emergency Management Agency	249,410	463,232
Due from The City of New York	330,451	249,498
Community Development Block Grant	6,313	23,052
Due from other government agencies	80,998	54,321
Tenants accounts receivable	402,628	438,640
Other	30,541	30,475
Total accounts receivable	1,305,529	1,396,845
Less allowance for uncollectable accounts	362,931	300,297
Accounts receivable, net	$ 942,598	$ 1,096,548

Accrued interest receivable on investments of $2,664,000 and $1,167,000 at December 31, 2023 and 2022, respectively, is included in Other.

The allowance for uncollectable accounts at December 31, 2023 and 2022 consists of the following ($ in thousands):

	2023	2022
Tenants accounts receivable	$ 345,601	$ 284,607
Other	17,330	15,690
Total allowance for uncollectable accounts	$ 362,931	$ 300,297

The provision for bad debts is $99,186,000 and $24,490,000 for 2023 and 2022, respectively, reflected as a reduction of tenant revenue, net within the Statements of Revenues, Expenses, and Changes in Net Position.

4. NOTES, LOANS, AND LEASE RECEIVABLE

Notes, Loans, and Lease Receivable at December 31, 2023 and 2022 are comprised of the following ($ in thousands):

	2023	2022
Ocean Bay	$ 266,072	$ 247,759
Williamsburg	143,994	138,051
Betances	101,688	97,263
Harlem River	69,469	67,636
Edenwald	61,279	-
Linden	53,964	51,640
Manhattan Bundle	52,342	51,728
Bushwick	45,115	43,423
Twin Parks West	43,802	43,354
Randolph	41,650	41,471
Boulevard	39,485	37,286
Hope Gardens	34,517	33,189
Reid Park	34,121	-
Lease Receivable (includes accrued interest)	21,543	23,668
Other (under $20,000)	93,773	73,717
Total Notes, Loans, and Lease Receivable	1,102,814	950,185
Less allowance for uncollectable accounts	958,536	756,029
Notes, Loans, and Lease Receivable, net	144,278	194,156
Less Current portion	3,363	3,206
Notes, Loans, and Lease Receivable - non-current portion	$ 140,915	$ 190,950

5. INVENTORIES

Inventories at December 31, 2023 and 2022 are summarized as follows ($ in thousands):

	2023	2022
Supplies inventory	$ 6,343	$ 5,782
Allowance for obsolete inventory	(445)	(464)
Supplies inventory (net)	5,898	5,318
Fuel oil inventory	3,575	3,988
Total inventories, net	$ 9,473	$ 9,306

6. CAPITAL ASSETS, NET

A summary of the changes in capital assets, net, which is comprised of land, structures and equipment, is as follows:

Summary of Changes in Capital Assets, Net ($ in thousands)

Description	January 1, 2023	Additions/ Transfers In	Deletions/ Transfers Out	December 31, 2023
Capital Assets not being depreciated:				
Land	$ 687,510	$ -	$ -	$ 687,510
Construction in progress	2,576,065	1,204,485	(920,468)	2,860,082
Total Capital Assets not being depreciated	**3,263,575**	**1,204,485**	**(920,468)**	**3,547,592**
Capital Assets being depreciated and amortized:				
Buildings	3,131,813	166	(6,204)	3,125,775
Building improvements	11,758,311	850,228	(52,623)	12,555,916
Facilities and other improvements	539,409	4,593	(550)	543,452
Furniture and equipment	1,059,755	40,560	(1,337)	1,098,978
Leasehold improvements	144,054	4,030	-	148,084
Right to use assets- Leased Buildings	852,412	-	-	852,412
Right to use assets- Leased Equipment	14,328	13,888	-	28,216
Right to use assets - SBITA*	2,801	7,003	-	9,804
Total Capital Assets being depreciated and amortized	**17,502,883**	**920,468**	**(60,714)**	**18,362,637**
Less Accumulated Depreciation and Amortization:				
Buildings	2,995,565	18,551	(6,204)	3,007,912
Building improvements	6,412,621	371,215	(41,939)	6,741,897
Facilities and other improvements	484,040	9,569	(550)	493,059
Furniture and equipment	916,304	45,816	(1,324)	960,796
Leasehold improvements	113,134	3,496	-	116,630
Right to use assets- Leased Buildings	75,210	37,605	-	112,815
Right to use assets- Leased Equipment	9,610	12,036	-	21,646
Right to use assets - SBITA*	811	2,551	-	3,362
Total Accumulated Depreciation and Amortization	**11,007,295**	**500,839**	**(50,017)**	**11,458,117**
Total Capital Assets being depreciated and amortized, Ne	**6,495,588**	**419,629**	**(10,697)**	**6,904,520**
Capital Assets, Net	**$ 9,759,163**	**$ 1,624,114**	**$ (931,165)**	**$ 10,452,112**

*** SBITA represents Subscription Based Information Technology Arrangements**

6. CAPITAL ASSETS, NET (continued)

Summary of Changes in Capital Assets, Net ($ in thousands)

Description	January 1, 2022 (restated)	Additions/ Transfers In (restated)	Deletions/ Transfers Out (restated)	December 31, 2022 (restated)
Capital Assets not being depreciated:				
Land	$ 687,961	$ -	$ (451)	$ 687,510
Construction in progress	2,739,201	821,664	(984,800)	2,576,065
Total Capital Assets not being depreciated	**3,427,162**	**821,664**	**(985,251)**	**3,263,575**
Capital Assets being depreciated and amortized:				
Buildings	3,139,583	-	(7,770)	3,131,813
Building improvements	10,852,401	932,408	(26,498)	11,758,311
Facilities and other improvements	531,581	11,263	(3,435)	539,409
Furniture and equipment	1,027,132	33,816	(1,193)	1,059,755
Leasehold improvements	138,140	5,914	-	144,054
Right to use assets- Leased Buildings	852,412	-	-	852,412
Right to use assets- Leased Equipment	14,328	-	-	14,328
Right to use assets - SBITA*	1,402	1,399		2,801
Total Capital Assets being depreciated and amortized	**16,556,979**	**984,800**	**(38,896)**	**17,502,883**
Less Accumulated Depreciation and Amortization:				
Buildings	2,983,568	19,767	(7,770)	2,995,565
Building improvements	6,088,595	348,812	(24,786)	6,412,621
Facilities and other improvements	477,920	9,555	(3,435)	484,040
Furniture and equipment	875,174	42,323	(1,193)	916,304
Leasehold improvements	109,855	3,279	-	113,134
Right to use assets- Leased Buildings	37,605	37,605	-	75,210
Right to use assets- Leased Equipment	4,805	4,805	-	9,610
Right to use assets - SBITA*	-	811	-	811
Total Accumulated Depreciation and Amortization	**10,577,522**	**466,957**	**(37,184)**	**11,007,295**
Total Capital Assets being depreciated and amortized, Net	**5,979,457**	**517,843**	**(1,712)**	**6,495,588**
Capital Assets, Net	**$ 9,406,619**	**$ 1,339,507**	**$ (986,963)**	**$ 9,759,163**

*** SBITA represents Subscription Based Information Technology Arrangements**

7. POLLUTION REMEDIATION OBLIGATIONS

The Authority accounts for its pollution remediation obligations (“PRO”) in accordance with GASB Statement No. 49 (“GASB 49”) Accounting and Financial Reporting for Pollution Remediation Obligations. As a result, the Authority has recorded in the statements of net position a PRO liability in the amount $4,392,861,000 and $3,808,843,000 as of December 31, 2023 and 2022, respectively, the high majority of which relates to lead paint abatement and remediation costs.

The Authority has separated its pollution remediation obligations into four groups: lead based paint, oil spills, asbestos, and mold.

Lead Based Paint

Lead-based paint presents a threat to the health of residents and workers. Per HUD regulations (24CFR Part 35) an annual lead visual assessment is required of all target housing built prior to 1978, unless such housing is exempt pursuant to those regulations. New York City Local Law 1 (NYC Admin. Code section 27-2056) required landlords of buildings built before 1960 (or built between 1960 and 1978 if known to have lead-based paint) to take certain actions to prevent lead poisoning in children under 6 years old, including conducting annual inspections, remediating, or abating any chipped or peeling paint, and completely removing lead-based paint from certain building components upon vacancy of an apartment. Local Law 1 and current federal standard defines lead-based paint as having 1.0 milligrams (mg) of lead per square centimeter (cm) or more. Effective December 1, 2021, New York City implemented a new standard for defining the presence of lead in paint, in accordance with Local Law 66 of 2019. This new standard defines lead-based paint as having 0.5 mg of lead per square cm or more, which is stricter than both the prior New York City and the current federal standard. Under the new standard, the Authority will be required to re-test substantially all apartments including approximately 33,000 apartments which were previously exempted from testing.

During 2022, the Authority begun the retesting process at the 0.5 mg standard and estimated that 35% of the target units had positive lead findings and would be subject to further remediation and abatement workstreams. In 2023, the Authority continued retesting process at the 0.5 mg standard and is now estimating that 43% of the target units have positive lead findings and will be subject to further remediation and abatement workstreams. However, as only 42% of the apartment units have been tested to date, actual positivity rate may differ from the estimate which could cause a significant variation in the cost estimates.

7. POLLUTION REMEDIATION OBLIGATIONS

Lead Based Paint (continued)

In 2023, additional lead-based paint related costs of $753,841,444 were classified as a Special item on the Statements of Revenues, Expenses and Changes in Net Position representing an increase of expected costs. The 2023 Special item primarily includes increased costs of $739,317,407 relating to the adjustment in the positivity rate, net of changes in estimates for abatement and XRF testing unit costs, less reduction in apartment units from PACT transactions (Note 15) which closed in 2023 and other miscellaneous factors.

In 2022, additional lead-based paint related costs of $721,235,410 were classified as a Special item on the Statements of Revenues, Expenses, and Changes in Net Position representing an increase of expected costs. The 2022 Special item primarily includes increased costs of $764,537,999 relating to the adjustment in the positivity rate, net of changes in estimates for abatement and XRF testing unit costs, less reduction in apartment units from PACT transactions (Note 15) which closed in 2022 and other miscellaneous factors.

NYCHA has classified the lead-based paint costs as a Special item as it meets the criteria of being infrequent, although not unusual for a housing authority, and is within management's control to abate. The infrequent criteria have been triggered as this is the first time in close to ninety years since NYCHA's inception, where a comprehensive plan to lead abatement has been implemented. The Authority's PRO is measured based on the expected costs of future activities.

As per Paragraph 11 of GASB Statement No. 49, an obligating event is one that triggers the potential recognition of a pollution remediation liability. Such obligating event may occur when the government is compelled to take action because of imminent danger to public health, when the government commences remediation efforts or when the government is named by a regulator as a potentially responsible party. All three of these obligating events have been triggered. On January 31, 2019, NYCHA entered into an agreement with HUD, the United States Attorney's Office for the Southern District of New York ("SDNY"), and The City of New York (the "Agreement"). Among many requirements within, NYCHA agreed to perform lead-based paint interim controls ("remediation"), follow lead-safe work practices mandated by HUD and the United States Environmental Protection Agency (EPA), and perform specified lead-based paint abatement activities. Per the Agreement, among other things, NYCHA is required to perform annual visual assessments, control lead-based paint hazards identified by the visual assessments (until abatement is performed), abate lead in all apartments and interior common areas that contain lead-based paint in the same building as those units within 20 years, and abate lead in exterior common areas at a timeline to be determined. NYCHA must also provide a certification every six months describing its compliance with certain EPA and HUD regulations.

Under Local Law 66, NYCHA has presumed the presence of lead-based paint in target housing built prior to 1978 unless the unit is exempt due to negative lead findings of an inspection. Of the total 173,000 units in the NYCHA portfolio as of December 31, 2019, the target housing consisted of approximately 167,000 units and associated common areas. The total units decreased by 700 and 5,300 units respectively in 2022 and 2023 as a result of PACT transactions, causing a relative decrease in the target housing for testing. As a result, the target housing as of December 31, 2023 and December 31, 2022 was approximately 152,000 units and 157,000 units respectively.

7. POLLUTION REMEDIATION OBLIGATIONS

Lead Based Paint (continued)

The estimation of costs is consistent with the timelines set in the Agreement in which 50% of all units and interior common areas in the same building as those units are abated within 10 years of the effective date, 75% are abated within 15 years of the effective date, and 100% are abated within 20 years of the effective date. All above milestones are subject to Force Majeure circumstances that may arise. Total costs are subject to variations in actual results of XRF tests versus estimates, timing of when remediation and abatement can be executed, inflation and differences in contractor costs, and other microeconomic and macroeconomic factors.

The $4,337,264,000 and $3,714,589,000 liabilities, as of December 31, 2023 and 2022 respectively, includes management's estimates to remediate and abate lead in target apartment units, interior common space of buildings, community centers and playgrounds. The estimate of the liability does not include cost components that are not reasonably estimable as per GASB Statement No. 49 (paragraph 26). Such components not deemed estimable include exterior building surfaces, fences, and soil where the Authority does not have reliable information to reasonably estimate lead findings and related costs at this time.

For the years ended December 31, 2023 and December 31, 2022, the Authority made payments relating to lead-based paint remediation and abatement activities of $131,167,000 and $110,983,000 respectively.

As part of the Agreement entered into with HUD referenced in above paragraph, The City of New York is required to provide $2,200,000,000 of financial support to NYCHA over a ten-year period in order to assist the Authority in meeting its obligations under the Agreement. Such commitments are supported by an Action Plan approved on May 8, 2021 by the Federal Monitor which identifies projects and related spending plans including $ 771,817,611 dedicated to Lead Abatement projects. The City of New York has issued a Certificate to Proceed (#73168) as authorization to reimburse NYCHA for $144,485,494 of lead abatement work over the City's fiscal years ending June 30, 2023 and June 30, 2024. Such funding will be treated as a voluntary nonexchange transaction, and revenues will be recognized on a cost reimbursement basis.

7. POLLUTION REMEDIATION OBLIGATIONS

Oil Spills

To comply with NYS Department of Environmental Conservation ("DEC") rules and regulations, the Authority is continuing a program started in 1992 to remediate contaminated soil related to fuel storage tanks on the Authority property as required.

As of December 31, 2023, and 2022, the number of open active fuel oil spills on record with DEC was 21 and 21, respectively. The spills are categorized by the Authority as either Class A spills which are pending closure, Class B spills which require further investigation or Class C spills which have been investigated and have a remedial plan in place. The number of open active fuel oil spills is:

Description of Oil Spills	**2023**	**2022**
Pending closure	2	2
Require further investigation	6	6
Have been investigated and have a remedial plan in place	13	13
Total number of spills on record with the DEC	**21**	**21**

In connection with petroleum bulk storage remediation, the Authority's liability was $3,237,000 and $3,194,000 as of December 31, 2023 and 2022, respectively, as shown below, which represents the remaining estimated cost to close the Class A spills, investigate the Class B spills, and remediate and re-investigate the Class C spills.

Liability to Remediate Oil Spills ($ in thousands)

Description of Oil Spills	**2023**	**2022**
Pending closure	$ 40	$ 35
Require further investigation	391	370
Have been investigated and have a remedial plan in plac	2,805	2,789
Total Liability to Remediate Oil Spills	$ 3,237	$ 3,194

The Authority has estimated the remaining cost of outlays and time to remediate the Class C spills based on an evaluation of each oil spill. Using that data, the liability was measured using the expected cash flow technique. The Authority has not recognized any clean-up remediation activity liabilities for Class B spills since those costs are not reasonably estimable. The Authority does not expect any recoveries related to fuel oil spills.

Asbestos Remediation

During the course of building rehabilitation and modernization, the exposure of lead-based paint or asbestos presents a threat to the health of residents and workers. Upon commencement of the rehabilitation and modernization projects these hazards are identified and remediated, and the remediation costs are expensed. As of December 31, 2023 and 2022, commitments related to the remediation of asbestos portions of active contracts were $25,323,000 and $48,291,000, respectively.

A portion of building rehabilitation and modernization outlays are reimbursable from HUD through its Capital Fund Program.

7. POLLUTION REMEDIATION OBLIGATIONS

Mold Remediation

Based on a 2018 settlement agreement, the Authority is required to complete mold repairs in no more than fifteen (15) days after a mold or excessive moisture condition is detected or reported. There were approximately 13,000 and 21,000 open work orders for mold as of December 31, 2023 and 2022. The estimated cost to remediate these mold conditions was $27,037,000 and $42,769,000, respectively.

Summary

The Authority's total pollution remediation obligations for 2023 and 2022 are summarized as follows ($ in thousands):

Description	TOTAL	Lead Based Paint	Oil Spills	Asbestos	Mold
Liability at December 31, 2021	**$3,189,191**	**$3,104,337**	**$3,389**	**$53,587**	**$27,878**
Current year costs	793,640	721,235	1,302	31,608	39,495
Payments made during the year	(173,988)	(110,983)	(1,497)	(36,904)	(24,604)
Liability at December 31, 2022	**$3,808,843**	**$3,714,589**	**$3,194**	**$48,291**	**$42,769**
Current year costs	779,560	753,841	2,146	13,465	10,107
Payments made during the year	(195,542)	(131,167)	(2,103)	(36,433)	(25,839)
Liability at December 31, 2023	**$4,392,861**	**$4,337,264**	**$3,237**	**$25,323**	**$27,037**

The above liability is subject to change due to price increases or reductions, changes in technology, or changes in applicable laws or regulations.

8. ASSET RETIREMENT OBLIGATIONS

The Department of Environmental Protection ("DEP") regulations require certain activities to be followed in connection with the retirement of fuel oil tanks. As of December 31, 2023, and 2022, the Authority had 251 and 271 fuel oil tanks, respectively, that are expected to be retired within the next five years. The estimated cost to retire these tanks is $69,422,000 and $74,417,000 at December 31, 2023 and 2022, respectively. This expense is being recognized over the useful life of the assets. The remaining useful life of the fuel oil tanks range from 1 to 15 years.

Amounts reported as Deferred Outflows of Resources of $3,817,000 as of December 31, 2023, will be recognized in Repair and Maintenance expense as follows ($ in thousands):

Year	Total
2024	1,189
2025	827
2026	532
2027	438
2028	351
2029-2033	447
2034-2038	33
Total	**$ 3,817**

9. CLAIMS PAYABLE

General Liability - The Authority maintains a self-insurance program to provide for all claims arising from injuries to persons other than employees. The Authority has insurance to cover all liabilities in excess of a self-insured retention. From January 1, 2022 through December 31, 2023, the Authority's insurance coverage was \$100,000,000 per occurrence and \$100,000,000 in the aggregate, with a self-insured retention of \$5,000,000 per occurrence. For the period of January 1, 2022 through December 31, 2023, the Authority also retains \$10,000,000 or 50% of the \$20,000,000 layer in excess of its \$5,000,000 self-insured retention. The self-insured retention for Employee Benefits Liability limit (a component of the General Liability program) was \$5,000,000 per occurrence for the period of January 1, 2022 through December 31, 2023. In addition, contractors performing work for the Authority are required to carry liability insurance protecting the contractor and the Authority.

The general liability program is primarily funded based upon an amount which is actuarially determined and charged to individual developments. In addition, a liability is established based upon an estimate of all probable losses, including an estimate of losses incurred but not yet reported. At December 31, 2023 and 2022, the total undiscounted liability for such claims was \$512,144,000 and \$402,428,000, respectively.

At December 31, 2023 and 2022, the liability for these claims was reported at discounted amounts of \$480,604,000 and \$388,038,000 using a discount rate of 1.75 percent and 1.00 percent, respectively. Payments made for claims amounted to \$77,112,000 and \$64,864,000 for the years ended December 31, 2023 and 2022, respectively.

Workers' Compensation – The Authority maintains a self-insurance program for workers' compensation claims. The workers' compensation program is primarily funded based upon an amount which is actuarially determined and charged to individual developments. At December 31, 2023 and 2022, the total undiscounted liability for such claims was \$352,369,000 and \$341,364,000 and respectively.

At December 31, 2023 and 2022, these amounts were reported at discounted amounts of \$294,120,000 using a discount rate of 2.25 percent and \$296,072,000 using a discount rate of 1.75 percent, respectively. Payments made for claims amounted to \$50,183,000 and \$47,260,000 for the years ended December 31, 2023 and 2022 respectively.

9. CLAIMS PAYABLE (continued)

The Authority's total claims payable for 2023 and 2022 are summarized as follows ($ in thousands):

Summary of Claims Payable ($ in thousands)

Description	TOTAL	General Liability	Workers' Comp.
Claim Reserve at December 31, 2021	**$ 603,988**	**$ 285,980**	**$ 318,008**
Losses incurred during the year	192,246	166,922	25,324
Losses paid during the year	(112,124)	(64,864)	(47,260)
Claim Reserve at December 31, 2022	**684,110**	**388,038**	**296,072**
Losses incurred during the year	**217,909**	**169,678**	**48,231**
Losses paid during the year	(127,295)	(77,112)	(50,183)
Claim Reserve at December 31, 2023	**$ 774,724**	**$ 480,604**	**$ 294,120**

The claim reserves are reported by management at the 75 percent confidence level for 2023 and 2022. The Authority classifies the estimated claims that will be paid out in the next year as a current liability and the balance as a non-current liability, as shown below as of December 31, 2023 and 2022 ($ in thousands):

Description	Total 2023	Total 2022	General Liability 2023	General Liability 2022	Workers' Comp. 2023	Workers' Comp. 2022
Current	$ 126,518	$ 109,822	$ 80,653	$ 66,230	$ 45,865	$ 43,592
Non-current	648,206	574,288	399,951	321,808	248,255	252,480
Total	**$ 774,724**	**$ 684,110**	**$ 480,604**	**$ 388,038**	**$ 294,120**	**$ 296,072**

10. LONG - TERM DEBT

HDC Loans

On April 12, 2022, New York City Housing Development Corporation ("NYCHDC") issued Series 2022 A Capital Fund Financing Program ("CFFP") bonds, for a principal amount of $398,265,000, as federally taxable obligations, to provide a portion of the funds to advance refund and defease the tax-exempt Series 2013 A & B bonds. The proceeds of the Series 2022 A bonds, were loaned by NYCHDC to the Authority, as were the proceeds of the Series 2013 A & B bonds. The 2022 A bond proceeds were used to fund an escrow account for the refunding of the Series 2013 A & B bonds maturing between 2023 and 2033.

The total debt service of the new Series 2022 A bonds will range between a high of $59 million to a low of $38 million annually. The Series 2022 A Bonds were issued as serial bonds with varying maturities and have a maximum term to maturity of 11 years, which is the same as the prior Series 2013 A & B Bonds. The interest rates of the Series 2022 A bonds range between 2.32% to 4.10%, with a true interest cost of 3.81% for the bonds, versus the prior issue's true interest cost of 4.22%.

10. LONG - TERM DEBT

HDC Loans (continued)

While this bond refinancing did not generate new funds for capital improvements, the Series 2022 A bonds were issued with the primary goals of lowering the borrowing costs, and to refinance the bonds as taxable debt so that the Authority could eliminate the IRS private-activity limitations that existed with the tax-exempt Series 2013 Bonds. This refinancing facilitates the Authority's plans to complete the necessary conversions of apartments from public housing funding to Section 8 project-based vouchers.

Prior to the new loan agreement with the Series 2022 A bond proceeds, the Authority had a similar Series 2013 A & B Loan Agreement with NYCHDC for $701 million of proceeds that were loaned to them under the Capital Fund Grant Revenue Bond Program since September 10, 2013. These bonds were issued at a weighted average interest rate of 4.8% and the interest rates of the bonds ranged from 3.0% to 5.25% per annum.

The Series 2013 A bonds proceeds were issued at a weighted average rate of 4.4% and were used together with other available funds from the prior Series 2005 A bond issuance as an advance refund of the remaining balance of the pre-existing Series 2005 A bonds and to defease the existing debt. The bond proceeds of the new Series 2013 A bonds were deposited into trust accounts with an escrow agent to provide for all remaining debt service payments on the Series 2005 A bonds, which were fully paid in July 2005. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $10,388,000. This difference, a deferred amount on refunding, is being amortized through the year 2025 using the effective-interest method. The Authority completed the advance refunding to reduce total debt service payments over 11 years by $7.0 million and to obtain an economic gain of $2.9 million.

The Series 2013 B bond proceeds were issued with a weighted average rate of 5.0% to fund acquisition, construction or rehabilitation, and to make capital improvement at 34 Authority developments. Capital improvements primarily include "building envelope" work on roofs, brickwork, and windows. The proceeds of these bonds that have been loaned to the Authority by HDC were placed in escrow accounts with the Trustee banks. The capital improvements for this program were completed and on June 7, 2017, the Authority made its final draw of the loan proceeds.

Pursuant to GASB 91, HDC is considered the issuer of the debt. The Authority is considered the third-party obligor and has made all of the disclosures required.

Certificates of Indebtedness

The State of New York has loaned the Authority funds to finance the construction of State-aided developments from proceeds of State Housing Bonds. The Authority has acknowledged its indebtedness for such loans by issuance of Certificates of Indebtedness. Debt service payments are made from funds provided by the State of New York. State Guaranteed Certificates of Indebtedness Outstanding bearing interest from 3.5% to 4.75% per annum. All of the bonds in the State of New York Housing Bond portfolio were scheduled to mature on or before July 15, 2024, but the State of New York paid off all the bonds in full as of December 1, 2022.

10. LONG - TERM DEBT (continued)

Mortgage Loans

As part of the Authority's March 16, 2010, mixed-finance transaction (see Note 16), HDC issued bonds totaling $477,455,000. The bonds issued by HDC were comprised of seven different series as follows: $23,590,000 2009 Series L-1, $68,000,000 2009 Series L-2, $150,000,000 2010 Series B (Bridge Bonds), $140,000,000 2011 Series A (Bridge Bonds), $25,325,000 2010 Series A-1, $3,000,000 2010 Series A-2 (Fixed-Rate Taxable Bonds), and $67,540,000 2012 Series A (Index Floating Rate).

The bond proceeds were used to provide financing in the form of seven series of mortgage loans to LLC I and LLC II. The loan agreements that were issued from the bond proceeds from 2009 Series L-2, 2010 Series B, 2011 Series A, 2012 Series A, 2010 Series A-1, and 2010 Series A-2 were all paid in full as of December 31, 2021. One series of loan agreements issued from the bond proceeds from the 2009 Series L-1 was still outstanding as of December 31, 2023 as it relates to LLC I. This remaining loan, with original issuance amount of $23,590,000 and a December 31, 2023 principal balance $19,772,000, bears interest of 6.30% per annum, pays principal and interest monthly and is secured by the net operating income of the respective development's Section 8 rental revenue.

The LLC II financing structure for rehabilitation provided private activity bond proceeds from a long-term bond issue of $25,325,000 2010 Series A-1 Bonds, bearing interest of 5.10% per annum. Similarly, acquisition funds were provided from the proceeds of the $3,000,000 2010 Series A-2 Bonds, bearing interest of 5.10% per annum. These mortgage loans were secured by the net operating income of the respective development's Section 8 rental revenue. In December 2021, prepayments totaling $10,316,000 were made to NYCHDC against the 2010 Series A-1 Bond Loan Agreement and $1,336,000 were made to NYCHDC against the 2020 Series A-2 Bond Loan Agreement.

2013 Equipment Lease/Purchase Agreement

In January 2013, the Authority entered into a 13-year Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp ("BAPCC") in the amount of $18,046,000 to finance an Energy Performance Contract ("EPC") bearing interest of 1.98% per annum. This financing agreement and EPC have enabled the Authority to upgrade boilers, instantaneous water heaters, apartment temperature sensors, and upgrade computerized heating automated systems at (6) developments, and upgrade apartment convectors at one of these six developments. The Equipment Lease/Purchase Agreement with BAPCC will mature in 2026. Since one development, Hope Gardens, was removed from this EPC in July 2019 due to a RAD/PACT conversion, the current EPC plan provides HUD-sponsored EPC funding for projects at 5 developments, which were previously earmarked to be funded with Federal Capital subsidies, thereby enabling the Authority to use its Federal Capital funds for other critical capital improvements pursuant to the Authority's Five-Year Capital Plan.

10. LONG - TERM DEBT (continued)

2016 Equipment Lease/Purchase Agreement for Ameresco A

In December 2016, the Authority entered into a 20-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $51,548,000 to finance an Energy Performance Contract ("EPC") bearing interest of 3.27% per annum. This financing agreement and EPC will enable the Authority to upgrade common area and apartment lighting at sixteen (16) developments and to replace a boiler plant and upgrade a comprehensive heating system at one development. The Equipment Lease/Purchase Agreement with BAPCC will mature in June 2036. This EPC plan provides HUD-sponsored EPC funding at these 16 developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

2017 Equipment Lease/Purchase Agreement for Sandy-A

In December 2017, the Authority entered into a 20-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $43,000,000 to finance an Energy Performance Contract ("EPC") bearing interest of 3.6178% per annum. This financing agreement and EPC will enable the Authority to upgrade common area and apartment lighting at eighteen (18) developments and heating controls at 17 developments. The Equipment Lease/Purchase Agreement with BAPCC will mature in December 2037. This EPC plan provides HUD-sponsored EPC funding at these 18 developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

2017 Equipment Lease/Purchase Agreement for Brooklyn Queens Demand Management ("BQDM")

In December 2017, the Authority entered into a 20-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $60,133,000 to finance an Energy Performance Contract ("EPC") bearing interest of 3.6178% per annum. This financing agreement and EPC was approved by HUD to upgrade common area and apartment lighting, and apartment heating controls at twenty-three (23) developments. On 12/28/2021 two (2) developments (Fiorentino Plaza and Williamsburg) were removed from the EPC due to RAD/PACT conversions. The Equipment Lease/Purchase Agreement with BAPCC will mature in December 2037. This EPC plan provides HUD-sponsored EPC funding at the remaining 21 developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

2018 Equipment Lease/Purchase Agreement for Ameresco B (EPC007)

In August 2018, the Authority entered into a 20-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $79,462,000 to finance an Energy Performance Contract ("EPC") bearing interest of 4.75% per annum. This financing agreement and EPC have enabled the Authority to fund energy conservation work to upgrade common area and apartment lighting, and apartment heating controls at fifteen (15) developments. The Equipment Lease/Purchase Agreement with BAPCC will mature in July 2038. This EPC plan provides HUD-sponsored EPC funding at these 15 developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

10. LONG - TERM DEBT (continued)

2020 Equipment Lease/Purchase Agreement for Ameresco A-2 (EPC008)

In November 2020, the Authority entered into an 18-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $23,299,000 to finance an Energy Performance Contract ("EPC") bearing interest of 3.404% per annum, which was the extension of the Ameresco A EPC entered in 2016. This financing agreement and EPC will include the installation of apartment temperature sensors at seven (7) developments and upgrade common area and apartment lighting at one (1) development. The Equipment Lease/Purchase Agreement with BAPCC will mature in June 2038. This EPC plan provides HUD-sponsored EPC funding at these seven (7) developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

2023 Equipment Lease/Purchase Agreement for Equipment Schedule No. 6 (JCI)

In January 2023, the Authority entered into a 19-year Equipment Lease/Purchase Agreement with BAPCC in the amount of $50,473,000 to finance an Energy Performance Contract ("EPC") bearing interest of 4.584% per annum. This financing agreement and EPC will include the installation of apartment temperature sensors, common area LED lighting and low flow plumbing fixtures at three (3) developments. The Equipment Lease/Purchase Agreement with BAPCC will mature in July 2042. This EPC plan provides HUD-sponsored EPC funding at these seven (7) developments, thereby enabling the Authority to use its Federal Capital funds for other capital improvements pursuant to the Authority's Five-Year Capital Plan.

10. LONG - TERM DEBT (continued)

The tables that follow provide information about the change in long term debt over the past two years for the Authority and its blended component units ($ in thousands):

Description of Long Term Debt	Jan, 1,2023	Proceeds	Payments & Amortization	Dec. 31, 2023	Due Within One Year
Loans Funded by:					
HDC Capital Fund Program Revenue Bonds, Series 2022 A ($398,265,000) Loan Agreement with an interest rate of 2.3% to 4.1% per annum, maturing annually through Jan 2033.	$ 398,265	-	$ (45,015)	$ 353,250	$ 46,190
Loan Payable - 2013 Equipment Lease/Purchase Agreement; with BAPCC for Energy Performance Contract ($18,045,580) at an interest rate of 1.98% per annum, maturing January 19, 2026.	5,375	-	(2,294) (1)	3,081	805
Loan Payable - 2016 Equipment Lease/Purchase Agreement (Ameresco A); with BAPCC for Energy Performance Contract ($51,548,356) at an interest rate of 3.27% per annum, maturing June 28, 2036.	45,914	-	(7,267) (2)	38,647	1,930
Loan Payable - 2017 Equipment Lease/Purchase Agreement (BQDM); with BAPCC for Energy Performance Contract ($60,132,978) at an interest rate of 3.62% per annum, maturing December 15, 2037.	52,598	-	(2,115)	50,483	2,278
Loan Payable - 2017 Equipment Lease/Purchase Agreement (SANDY A); with BAPCC for Energy Performance Contract ($43,000,000) at an interest rate of 3.62% per annum, maturing December 22, 2037.	42,010	-	(1,681)	40,329	1,810
Loan Payable - 2018 Equipment Lease/Purchase Agreement (Ameresco B); with BAPCC for Energy Performance Contract ($79,461,776) at an interest rate of 4.75% per annum, maturing July 1, 2038.	81,172	-	(2,664)	78,508	2,934
Loan Payable - 2020 Equipment Lease/Purchase Agreement (Ameresco A-2); with BAPCC for Energy Performance Contract ($23,298,752) at an interest rate of 3.40% per annum, maturing June 28, 2038.	23,491	-	(1,132) (3)	22,359	536
Loan Payable - 2023 Equipment Lease/Purchase Agreement (SCH. # 6 JCI) with BAPCC for Energy Performance Contract ($50,473,178) at an interest rate of 4.58% per annum, maturing July 21, 2042.	-	50,473	1,125 (4)	51,598	378
HDC 2009 Series L-1 Bonds ($23,590,000); Permanent Mortgage Loan at an interest rate of 6.3% per annum, maturing November 2043; secured by mortgage.	20,262	-	(490)	19,772	521
TOTAL LONG TERM DEBT	**$ 669,087**	**$ 50,473**	**$ (61,533)**	**$ 658,027**	**$ 57,382**

Notes:

(1) In addition to the $1,516,032 principal due in 2023, there was a prepayment of the $778,442 principal for the 2013 Equipment Lease/Purchase Agreement. The payment was orginally due on January 2024 but was paid in December 2023.

(2) In addition to the $2,197,968 principal due in 2023, there was a prepayment of the $5,069,269 principal for the 2016 Equipment Lease/Purchase Agreement (Ameresco A).

(3) In addition to the $492,934 principal due in 2023, there was a prepayment of the $639,486 principal for 2020 Equipment Lease/Purchase Agreement (Ameresco A-2).

(4) 2023 SCH.# 6 (JCI) is a new loan payable for which NYCHA received funds in 2023. The $1,124,711 represents the capitalization of interest.

10. LONG - TERM DEBT (continued)

The tables that follow provide information about the change in long term debt over the past two years for the Authority and its blended component units ($ in thousands):

Description of Long Term Debt	Jan. 1, 2022	Proceeds	Payments & Amortization	Dec. 31, 2022	Due Within One Year
Bonds:					
State Guaranteed Certificates of Indebtedness Outstanding (State Program) three issues remaining bearing interest of 3.5% to 3.75% per annum maturing annually through July 2024.	$ 2,717	-	$ (2,717)	$ -	$ -
State Guaranteed Certificates of Indebtedness Outstanding (incorporated into the Federal Housing Program), three issues remaining bearing interest of 3.5% to 4.75% per annum, maturing annually through July 2024.	424	-	(424)	-	-
Loans Funded by:					
HDC Capital Fund Program Revenue Bonds, Series 2013 A ($185,785,000); Loan Agreement with an interest rate of 3.0% to 5.0% per annum, defeased April 2022.	74,845	-	(74,845)	-	-
HDC Capital Fund Program Revenue Bonds, Series 2013 B-1 ($348,130,000); Loan Agreement with an interest rate of 5.0% to 5.25% per annum, defeased April 2022.	218,220	-	(218,220)	-	-
HDC Capital Fund Program Revenue Bonds, Series 2013 B-2 ($122,170,000); Loan Agreement with an interest rate of 5.0% to 5.25% per annum, defeased April 2022.	122,170	-	(122,170)	-	-
HDC Capital Fund Program Revenue Bonds, Series 2022 A ($398,265,000); Loan Agreement with an interest rate of 2.3% to 4.1% per annum, maturing annually through Jan 2033.	-	398,265	-	398,265	45,015
Loan Payable - 2013 Equipment Lease/Purchase Agreement; with BAPCC for Energy Performance Contract ($18,045,580) at an interest rate of 1.98% per annum, maturing January 19, 2026.	6,826	-	(1,451)	5,375	1,516
Loan Payable - 2016 Equipment Lease/Purchase Agreement; (Ameresco A) with BAPCC for Energy Performance Contract ($51,548,356) at an interest rate of 3.27% per annum, maturing June 28, 2036.	48,009	-	(2,095)	45,914	2,245
Loan Payable - 2017 Equipment Lease/Purchase Agreement; (BQDM); with BAPCC for Energy Performance Contract ($60,132,977.75) at an interest rate of 3.6178% per annum, maturing December 15, 2037.	54,556	-	(1,958)	52,598	2,114
Loan Payable - 2017 Equipment Lease/Purchase Agreement; (SANDY A); with BAPCC for Energy Performance Contract ($43,000,000) at an interest rate of 3.6178% per annum, maturing December 22, 2037.	43,566	-	(1,556)	42,010	1,680
Loan Payable - 2018 Equipment Lease/Purchase Agreement; (Ameresco B); with BAPCC for Energy Performance Contract ($79,461,776) at an interest rate of 4.75% per annum, maturing July 1, 2038.	83,582	-	(2,410)	81,172	2,664
Loan Payable - 2020 Equipment Lease/Purchase Agreement; (Ameresco A-2); with BAPCC for Energy Performance Contract ($23,298,752) at an interest rate of 3.40% per annum, maturing June 28, 2038.	23,773	-	(282)	23,491	471
HDC 2009 Series L-1 Bonds ($23,590,000); Permanent Mortgage Loan at an interest rate of 6.3% per annum, maturing November 2043; secured by mortgage.	20,722	-	(460)	20,262	490
Long Term Debt (before Premium)	**699,410**	**398,265**	**(428,588)**	**669,087**	**56,195**
Add Premium on HDC Revenue Bond Loan Agreements	6,662	-	(6,662)	-	-
TOTAL LONG TERM DEBT	**$ 706,072**	**$ 398,265**	**$ (435,250)**	**$ 669,087**	**$ 56,195**

Pledged Revenue

CFFP Series 2022 A Loan Agreement and Series 2013A & B Loan Agreements – As security for the Series 2022 A Loan Agreement with HDC, as well as the Series 2013 A & B Loan Agreements that it replaced on April 12, 2022, the Authority pledged future HUD Capital Fund Program grant revenue to service the Authority's loans payable to HDC. With HUD's approval, the Authority pledged as sole security for the debt, a portion of its annual appropriation from HUD. The debt is payable with pledged revenue through 2033. The Authority has committed to appropriate capital contributions of the Capital Fund Program in amounts sufficient to cover the scheduled principal and interest requirements of the debt. For the Series 2013 A & B Loan Agreement, total principal and interest paid in 2021 was $59,585,000 and the loan was paid off in full on April 12, 2022, bringing the outstanding balance of principal and interest as of December 31, 2022 to zero. For the Series 2022 A Loan Agreement, the total principal and interest paid in 2023 by the Authority was $58,067,000. As of December 31, 2023, total principal and interest remaining on the Series 2022 A Loan Agreement are $353,250,000 and $64,847,000, respectively, with annual debt service ranging from $58,078,000 in the coming year 2024 to $37,769,000 in the final year 2033.

2013 Equipment Lease/Purchase Agreement - As security for the Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2026. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2023 and 2022, by the Authority was $2,432,000 and $1,579,000, respectively. As of December 31, 2023, total principal and interest remaining on the Equipment Lease/Purchase Agreement are $3,081,000 and $113,000, with annual debt service ranging from $873,000 in the coming year 2024 to $743,000 in the final year 2026.

10. LONG TERM DEBT (continued)

2016 Equipment Lease/Purchase Agreement for Ameresco A - As security for the Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2036. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2023 and 2022, by the Authority was \$8,463,000 and \$3,649,000, respectively. As of December 31, 2023, total principal and interest remaining on the Equipment Lease/Purchase Agreement are \$38,647,000 and \$9,222,000, with annual debt service payments ranging from \$3,182,000 in the coming year 2024 to \$2,169,000 in the final year 2036.

2017 Equipment Lease/Purchase Agreement for Sandy A - As security for the Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2037. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2023 and 2022, by the Authority was \$3,185,000 and \$3,118,000 respectively. As of December 31, 2023, total principal and interest remaining on the Equipment Lease/Purchase Agreement are \$40,330,000 and \$12,063,000, with annual debt service payments ranging from \$3,252,000 in the coming year 2024 to \$4,271,000 in the final year 2037.

2017 Equipment Lease/Purchase Agreement for BQDM - As security for the Equipment Lease/ Purchase Agreement with Banc of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2037. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2023 and 2022, by the Authority was \$3,998,000 and \$3,915,000, respectively. As of December 31, 2023, total principal and interest remaining on the Equipment Lease/Purchase Agreement are \$50,483,000 and \$15,042,000, with annual debt service payments ranging from \$4,084,000 in the coming year 2024 to \$5,067,000 in the final year 2037.

2018 Equipment Lease/Purchase Agreement for Ameresco B (EPC007) - As security for the Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2038. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2023 and 2022 by the Authority was \$6,490,000 and \$6,352,000, respectively.

10. LONG-TERM DEBT (continued)

As of December 31, 2023, total principal and interest remaining on the Equipment Lease/Purchase Agreement are $78,508,000 and $32,937,000, with annual debt service payments ranging from $6,629,000 in the coming year 2024 to $4,420,000 in the final year 2038.

2020 Equipment Lease/Purchase Agreement for Ameresco A-2 (EPC008) - As security for the Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2038. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. Total principal and interest paid in 2023 and 2022 by the Authority was $1,917,000 and $1,089,000, respectively. As of December 31, 2023, total principal and interest remaining on the Equipment Lease/Purchase Agreement are $22,359,000 and $8,189,000, with annual debt service payments ranging from $1,293,000 in the coming year 2024 to $3,114,000 in the final year 2038. During the construction period and prior to beginning debt service payments, interest was added to the principal of the loan.

2023 Equipment Lease/Purchase Agreement for Equipment Schedule No. 6 (JCI) - As security for the Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp, the Authority pledged HUD Operating Subsidy revenue to service the loan debt. With HUD's approval, the Authority pledged as security, a portion of its annual appropriation from HUD that consists of HUD Financial Incentive Payments. The loan is payable with pledged revenue through 2042. The Authority has committed to appropriate HUD Operating Subsidy revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt. For 2023, interest of $1,125,000 was added to principal prior to debt service commencement in 2024. As of December 31, 2023, total principal and interest remaining on the Equipment Lease/Purchase Agreement are $51,598,000 and $27,731,000, with annual debt service payments ranging from $2,743,000 in the coming year 2024 to $363,000 in the final year 2042.

Pledged Assets

As of December 31, 2023, the Authority had seven (7) Equipment Lease/Purchase Agreements with Banc of America Public Capital Corp. supporting energy performance contracts. Of the seven Equipment Lease/Purchase Agreements, restricted bank balances remained in five (5) escrow account. These balances totaled $97,242,000 and were pledged as collateral for the 5 leases together with all the related equipment which totaled $223,701,000 for these EPCs. In addition, the Authority has two (2) loan agreements outstanding with HDC. As of December 31, 2023, the restricted cash and investment balances that were held in debt service reserve accounts and serving as collateral for the two loans totaled $29,048,000.

Combined Debt of the Authority

During 2023, the Authority made principal payments on its outstanding long-term debt totaling $61,532,000. In 2022, the Authority made principal payments on its outstanding long-term debt totaling $428,588,000, which included the payoff of the Series 2013 A & B Loan Agreement to HDC. Interest rates on outstanding debt range from 1.98 percent to 6.30 percent.

10. LONG-TERM DEBT (continued)

Future principal and interest payments of all the Authority's outstanding long-term debt (excluding amortized bond premium) on December 31, 2023 are payable as follows ($ in thousands):

	Years	Principal	Interest	Total
Current portion	2024	$ 57,382	24,505	$ 81,887
Long-term portion:				
	2025	61,432	22,636	84,068
	2026	42,479	20,879	63,358
	2027	43,791	19,348	63,139
	2028	45,980	17,700	63,680
	2029-2033	267,754	59,104	326,857
	2034-2038	116,849	18,374	135,224
	2039-2043	22,361	2,432	24,793
Total long-term portion		600,646	160,474	761,119
Total payments		$ 658,028	$ 184,979	$ 843,006

11. ACCRUED LEAVE TIME

Accumulated unpaid leave time is accrued at estimated amounts of future benefits attributable to services already rendered. The liability for compensated absences is calculated for all active employees and is based upon the leave time policy of the Authority, of which two of the major policy factors are retirement eligibility requirements and number of unused leave days eligible for payment.

The liability is comprised of three components: (1) liability for unused leave time (days and hours), (2) liability for bonus retirement leave for employees currently eligible to retire, and (3) liability for bonus retirement leave for employees not currently eligible to retire.

The liability for those employees who are retirement eligible is classified as a current liability, while the liability of those employees not currently eligible to retire is classified as a long-term liability.

11. ACCRUED LEAVE TIME (continued)

The changes in accrued leave time for the years ending December 31, 2023 and 2022 are as follows:

Summary of Accrued Leave Time ($ in thousands)

Description of Liability	Dec. 31, 2021	Increases	Decreases	Dec. 31, 2022	Increases	Decreases	Dec. 31, 2023
Unused leave time	$ 102,225	$ 16,647	$ (19,715)	$ 99,157	$ 17,859	$ (16,243)	$ 100,773
Bonus:							
Retirement eligible	19,162	7,108	(6,830)	19,440	7,022	(6,841)	19,621
Not retirement eligible	64,719	9,473	(13,050)	61,142	10,186	(11,129)	60,199
Total Bonus	83,881	16,581	(19,880)	80,582	17,208	(17,970)	79,820
Subtotal	186,106	33,228	(39,595)	179,739	35,067	(34,213)	180,593
Employer FICA	14,238	1,782	(2,270)	13,750	1,916	(1,850)	13,816
Leave Time Liability	**$ 200,344**	**$ 35,010**	**$ (41,865)**	**$ 193,489**	**$ 36,983**	**$ (36,063)**	**$ 194,409**

The current and long-term portions of leave time liability as of December 31, 2023 and 2022 are as follows ($ in thousands):

Description of Liability	2023	2022
Current portion	$ 85,010	$ 84,698
Long-term portion	109,399	108,791
Total accrued leave time	**$ 194,409**	**$ 193,489**

12. EMPLOYEE BENEFITS

Deferred Compensation Plan

The Authority does not have its own Deferred Compensation Plan. The Authority's employees participate in The City of New York Deferred Compensation Plan, which offers a 457 Plan, a 401(k) Plan, and a Roth 401(k) Plan, through payroll deductions. Employees may choose to make pre-tax contributions and/or Roth (after-tax) contributions in the 457 Plan. The plan allows employees to save regularly, in certain cases, with before-tax dollars while deferring federal, state and local income taxes. The pre-tax contributions will remain tax deferred until withdrawn through plan benefit payments.

12. EMPLOYEE BENEFITS

Voluntary Defined Contribution program

On October 1, 2020, The City of New York began to offer a Voluntary Defined Contribution program which is a retirement plan alternative to the City's existing pension systems. All unrepresented employees hired into or appointed to a permanent full-time and/or part-time position on or after July 1, 2013, with an estimated annualized full-time salary of at least $75,000 are eligible to join. The number of NYCHA employees joining this plan in 2022 and 2023 was immaterial.

Pension Plan

The Authority follows the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27.* This Statement establishes financial reporting standards for state and local governments for pensions (see Note 1).

Plan Description. Authority employees are members of the New York City Employees' Retirement System, a multiple employer, cost-sharing, public employee retirement system. NYCERS provides retirement, as well as death and disability benefits. The NYCERS plan combines the features of a defined benefit pension plan with those of a defined contribution pension plan but is considered a defined benefit plan for financial reporting purposes. NYCERS administers the New York City Employees Retirement System qualified pension plan.

NYCERS issues a stand-alone financial report, which is included in The City of New York Annual Comprehensive Financial Report as a pension trust fund. This financial report may be obtained from the New York City Employees' Retirement System, 335 Adams Street, Suite 2300, Brooklyn, N.Y. 11201-3724, or from the website of NYCERS at http://nycers.org.

All persons holding permanent civil service positions in the competitive or labor class are required to become members of the system six months after their date of appointment but may voluntarily elect to join the system prior to their mandated membership date. All other eligible employees have the option of joining the system upon appointment or anytime thereafter.

Tier 1 - All members who joined prior to July 1, 1973.

Tier 2 - All members who joined on or after July 1, 1973 and before July 27, 1976.

Tier 3 - Only certain members who joined on or after July 27, 1976 and prior to April 1, 2012.

12. EMPLOYEE BENEFITS

Pension Plan (continued)

Tier 4 - All members (with certain member exceptions) who joined on or after July 27, 1976 but prior to April 1, 2012. Members who joined on or after July 27, 1976 but prior to September 1, 1983 retain all rights and benefits of Tier 3 membership.

Tier 6 – Members who joined on or after April 1, 2012 as amended by legislation passed on April 9, 2022.

The 63/5 Retirement Plan ("Tier 6 Basic Plan") formally known as the 63/10 retirement plan changed the vesting period from ten years of credited service to five years of credited service.

NYCERS provides three main types of retirement benefits: Service Retirements, Ordinary Disability Retirements, which are non-job-related disabilities, and Accident Disability Retirements, which are job-related disabilities, to participants generally based on salary, length of service, and member Tiers. The Service Retirement benefits provided to Tier 1 participants fall into four categories according to the level of benefits provided and the years of service required. Three of the four categories provide annual benefits of 50% to 55% of final salary after 20 or 25 years of service, with additional benefits equal to a specified percentage per year of service, currently 1.2% to 1.7%, of final salary. The fourth category has no minimum service requirement and instead provides an annual benefit for each year of service equal to a specified percentage, currently 0.7% to 1.53%, of final salary.

Funding Policy. Benefit and contribution provisions, which are contingent upon the time at which the employee last entered qualifying service, salary, and length of credited service, are established by State law and may be amended only by the State Legislature. The plan has contributory and non-contributory requirements, with retirement age of 55 or older depending upon when an employee last entered qualifying service, except for employees in physically taxing titles and those who can retire at age 50 with proper service.

Employees entering qualifying service on or before June 30, 1976 are enrolled in a non-contributory plan. Employees entering qualifying service after June 30, 1976, but before June 29, 1995, are enrolled in a plan which required a 3 percent contribution of their salary. This 3 percent required contribution was eliminated for employees who reached 10 years of service, effective October 1, 2000. Employees entering qualifying service after June 28, 1995 are enrolled in a plan which requires a 4.85 percent contribution of their salary, or a 6.83 percent contribution for physically taxing positions.

Under the Tier 6 Basic Plan, employees who joined NYCERS between April 1, 2012 and March 31, 2013 are required to contribute 3 percent of gross wages. On April 1, 2013 a new contribution structure took effect which ranges from 3 percent to 6 percent dependent upon annual wages earned during the "plan year". The Authority's contributions for the years ended December 31, 2023 and 2022 were $157,394,525 and $156,998,139 respectively. The Authority's contractually required contributions for the years ended December 31, 2023 and 2022 as a percentage of covered payroll were 17.39% and 16.18%, respectively.

12. EMPLOYEE BENEFITS

Pension Plan (continued)

Net Pension Liability. As of December 31, 2023, and 2022, the Authority reported a liability of $797,391,000 and $786,625,000, respectively, for its proportionate share of NYCERS's net pension liability, as calculated by the New York City Office of the Actuary. The net pension liability was measured as of June 30, 2023 and June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2022 and June 30, 2021, respectively. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023 and 2022 the Authority's proportion of net pension liability was 4.469% and 4.345%, respectively. For the years ended December 31, 2023 and 2022, the Authority recognized pension expense of $129,198,000 and $70,880,000, respectively. At December 31, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources ($ in thousands):

Deferred Outflows of Resources - 2023			Deferred Inflows of Resources - 2023		
Change of assumptions	$	1	Change in asssumptons	$	16,209
Difference between expected and actual experience		89,713	Difference between expected and actual experience		3,552
Net difference between projected and actual earnings on pension plan investments		99,406	Net difference between projected and actual earnings on pension plan investments		
Total contributions subsequent to the measurement date		82,639	Changes in proportion and differences between contributions subsequent to the measurement date		7,898
Total	**$**	**271,760**		**$**	**27,659**

Deferred Outflows of Resources - 2022			Deferred Inflows of Resources - 2022		
Change of assumptions	$	129	Change in asssumptons	$	25,163
Difference between expected and actual experience		68,228	Difference between expected and actual experience		17,290
Net difference between projected and actual earnings on pension plan investments		143,765	Net difference between projected and actual earnings on pension plan investments		
Total contributions subsequent to the measurement date		79,734	Changes in proportion and differences between contributions subsequent to the measurement date		44,264
Total	**$**	**291,856**		**$**	**86,717**

12. EMPLOYEE BENEFITS

Pension Plan (continued)

Deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date of $82,639,000 will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows ($ in thousands):

Year	Total
2024	$ 18,207
2025	4,648
2026	121,240
2027	10,227
2028	7,140
Total	**$ 161,462**

Actuarial Methods and Assumptions. The total pension liability in the June 30, 2022 and June 30, 2021 actuarial valuations used, respectively, by the Authority in 2023 and in 2022 were both determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	7% per annum, net of investment expenses
Salary Increases	3.0% per annum general, merit and promotion increases plus assumed general wage increases
Cost of Living Adjustments	1.5% per annum for certain tiers

Pursuant to Section 96 of the New York City Charter, studies of the actuarial assumptions used to value liabilities of the five actuarially-funded New York City Retirement Systems ("NYCRS") are conducted every two years.

12. EMPLOYEE BENEFITS

Pension Plan (continued)

In June 2019, Bolton, Inc. issued their actuarial experience study report for the four-year and ten-year periods ended June 30, 2017. Based, in part, on this report, the Actuary proposed and the Boards of Trustees of the NYCERS adopted changes in actuarial assumptions including a change to Mortality Improvement Scale MP-2018 beginning in Fiscal Year 2019.

Expected Rate of Return on Investments. The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rates of Return
Public Markets:		
U.S. Public Market Equities	25.0%	5.3%
Developed Public Market Equities	10.0%	6.1%
Emerging Public Market Equities	9.5%	7.5%
Fixed Income	32.5%	2.1%
Private Markets (Alternative Investments):		
Private Equity	7.0%	10.4%
Private Real Estate	7.0%	7.8%
Infrastructure	4.0%	7.9%
Opportunistic Fixed Income	5.0%	5.2%
Total	100.0%	

The City has determined its long-term expected rate of return on investments to be 7.00%. This is based upon an expected real rate of return of 7.0% and a long-term Consumer Price Inflation assumption of 2.5% per year, which is reduced by investment related expenses.

Discount Rate. The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023 and June 30, 2022. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made based on rates determined by the Actuary. Based on those assumptions, the NYCERS fiduciary net position was projected to be available to make all projected future benefit payments of current active and non-active NYCERS members. Therefore, the long-term expected rate of return on NYCERS investments was applied to all periods of projected payments to determine the total pension liability.

12. EMPLOYEE BENEFITS

Pension Plan (continued)

The following presents the Authority's proportionate share of the net pension liability as of December 31, 2023 and 2022, calculated using the discount rate of 7%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower (6%) or one-percentage point higher (8%) than the current rate ($ in thousands):

NYCHA's proportionate share of the net pension liability	1% decrease (6%)	Discount rate (7%)	1% increase (8%)
2023	$ 1,292,115	$ 797,391	$ 379,846
2022	$ 1,251,785	$ 786,625	$ 393,728

The fiduciary net position and additions to and deductions from the fiduciary net position have been determined on the same basis as reported by NYCERS. For this purpose, benefits and refunds are recognized when due and payable in accordance with the terms of the Plan; investments are reported at fair value.

Other Postemployment Benefits

The Authority follows the provisions of GASB Statement No. 75 ("GASB 75"), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* which was implemented in 2017 (see Note 2). GASB 75 replaces the requirements of Statement No. 45*, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employee Plans.*

Plan Description. The Authority is a component unit of The City and a member of the New York City Health Benefits Program. The New York City Health Benefits Program (the "Plan"), administered by The City of New York, is a single-employer defined benefit healthcare plan which provides OPEB to eligible retirees and beneficiaries. Retirees are eligible to participate if they have at least 10 years of credited service as a member of the NYCERS (5 years of credited service if employed on or before December 31, 2001) and receives a pension check from NYCERS. OPEB includes health insurance, Medicare Part B reimbursements, and welfare fund contributions.

Funding Policy. The Administrative Code of The City of New York ("ACNY") defines OPEB to include Health Insurance and Medicare Part B reimbursements; Welfare Benefits stem from the Authority's many collective bargaining agreements. The Authority is not required by law or contractual agreement to provide funding for OPEB other than the pay-as-you go amount necessary to provide current benefits to retirees and eligible beneficiaries/dependents. For the calendar years ended December 31, 2023 and 2022, the Authority paid $90.0 million and $88.0 million, respectively, to the Plan. Based on current practice, (the Substantive Plan which is derived from ACNY), the Authority pays the full cost of basic coverage for non-Medicare-eligible/Medicare-eligible retiree participants. The costs of these benchmark plans are reflected in the annual June 30th actuarial valuations by using age-adjusted premium amounts. Plan retiree participants who opt for other basic or enhanced coverage must contribute 100% of the incremental costs above the premiums for the benchmark plans.

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

The Authority also reimburses covered employees 100% of the Medicare Part B premium rate applicable to a given year. The Authority pays per capita contributions to the welfare funds the amounts of which are based on negotiated contract provisions. There is no retiree contribution to the welfare funds.

Census Data. The following table presents the NYCHA census data used in the June 30, 2022 and June 30, 2021 OPEB valuations which were used to measure the Total OPEB Liability at December 31, 2023 and December 31, 2022, respectively.

	Number of Participants	
Status	June 30, 2022	June 30, 2021
Active	8,747	8,946
Deferred Vested	1,616	1,575
Retired	9,497	9,317
Total	**19,860**	**19,838**

Total OPEB Liability. The Entry Age Actuarial Cost Method used in the current OPEB actuarial valuation is unchanged from the prior actuarial valuation.

Under this method, the Actuarial Present Value ("APV") of Benefits ("APVB") of each individual included in the valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The employer portion of this APVB allocated to a valuation year is the Employer Normal Cost. The portion of this APVB not provided for at a valuation date by the APV of Future Employer Normal Costs is the Total OPEB Liability.

Increases (decreases) in liabilities due to benefit changes, actuarial assumption changes and /or actuarial method changes are also explicitly identified and amortized in the annual expense.

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

Changes in Total OPEB Liability. Changes in the Authority's Total OPEB Liability for the years ended December 31, 2023 and December 31, 2022 are as follows ($ in thousands)

Description	Total OPEB Liability 2023	Total OPEB Liability 2022
Total OPEB Liability at the Beginning of the Year	**$ 2,597,206**	**$ 3,177,310**
Changes for the Year:		
Service Cost	85,000	137,029
Interest	113,344	73,421
Differences between Expected and Actual Experience	(35,046)	19,083
Change in Assumptions	154,716	(706,657)
Contributions - Employer	(105,951)	(102,980)
Net Changes	**212,063**	**(580,104)**
Total OPEB Liability at the End of the Year	**$ 2,809,269**	**$ 2,597,206**

The OPEB liability consists of current liability of $94,449 and non-current liability of $2,714,820 at December 31, 2023.

Sensitivity Analysis. The following presents the Total OPEB Liability of the Authority, as well as what the Authority's Total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the discount rates of 4.00% and 4.31% used to measure the Total OPEB Liability at December 31, 2023 and December 31, 2022, respectively ($ in thousands):

1% decrease (3.00%)	Discount rate (4.00%) 2023	1% increase (5.00%)
$ 3,159,542	$ 2,809,269	$ 2,514,919
1% decrease (3.31%)	Discount rate (4.31%) 2022	1% increase (5.31%)
$ 2,918,329	$ 2,597,206	$ 2,326,658

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

The following presents the total OPEB Liability of the Authority, as well as what the Authority's total OPEB Liability would be if it were calculated using health care cost trend rates that are 1-percentage- point lower or 1-percentage-point higher than the current healthcare cost trend rates ($ in thousands):

1% decrease	Current healthcare cost trend rates	1% increase
2023	2023	2023
$ 2,419,365	$ 2,809,269	$ 3,299,482
2022	2022	2022
$ 2,238,664	$ 2,597,206	$ 3,046,895

OPEB Expense. The OPEB expense recognized by the Authority for the years ended December 31, 2023 and 2022 are $126,290,000 and $104,716,000, respectively. This OPEB increase was primarily due to the recognition of change in discount rate assumption from 4.31% in 2022 to 4.00% in 2023. The total loss related to this change was $154,716,000 which will be amortized to OPEB expense over a 5.5-year period. The expense amount recognized as a loss in 2023 is $28,811,000.

Deferred Outflows of Resources and Deferred Inflows of Resources. Deferred outflows of resources and deferred inflows of resources by source reported by the Authority at December 31, 2023 and December 31, 2022, respectively, are as follows ($ in thousands):

Deferred Outflows of Resources - 2023			Deferred Inflows of Resources - 2023		
Difference between expected and actual experience	$	64,055	Difference between expected and actual experience	$	65,958
Changes in assumptions		274,290	Changes in assumptions		617,011
Total	**$**	**338,345**		**$**	**682,970**

Deferred Outflows of Resources - 2022			Deferred Inflows of Resources - 2022		
Difference between expected and actual experience	$	145,999	Difference between expected and actual experience	$	55,462
Changes in assumptions		255,911	Changes in assumptions		866,797
Total	**$**	**401,910**		**$**	**922,259**

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

Amounts reported as Deferred Outflows of Resources of $338,345,000 and Deferred Inflows of Resources of $682,970,000 related to OPEB as of December 31, 2023 will be recognized in OPEB Expense as follows ($ in thousands):

Year	Total
2024	$ (52,141)
2025	(140,783)
2026	(124,304)
2027	(35,642)
2028	8,245
Total	**$ (344,625)**

Funding Status and Funding Progress. As of December 31, 2023, the most recent roll-forward actuarial valuation date, the Plan was not funded. The total discounted OPEB liability for benefits was $2,809,269,000, all of which is unfunded. There were no assets accumulated in a trust. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The determined actuarial valuations of OPEB incorporated the use of demographic and salary increase assumptions among others as reflected below. Amounts determined regarding the funded status and the annual expense of the Authority are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of changes in the net OPEB liability and related ratios shown in the RSI section immediately following the notes to financial statements presents GASB Statement No. 75 results of OPEB valuations for Fiscal Years 2023 and 2022.

Actuarial Methods and Assumptions. The actuarial assumptions used in the 2023 and the 2022 OPEB valuations are a combination of those used in the NYCERS pension actuarial valuations and those specific to the OPEB valuations.

These assumptions are generally unchanged from the previous valuation except as noted below.

The OPEB-specific actuarial assumptions primarily used in the Fiscal Year 2023 and Fiscal Year 2022 OPEB actuarial valuations of the Plan are as follows:

Valuation Date	June 30, 2022 and June 30, 2021
Measurement Date	December 31, 2023 and December 31, 2022
Discount Rate	4.00% (1) per annum for the December 31, 2023 measurement date 4.31% (1) per annum for the December 31, 2022 measurement date
Actuarial Cost Method	Entry Age Normal cost method, level percent of pay calculated on an individual basis.

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

Per-Capita Claims Costs EBCBS and GHI plans are insured via a Minimum Premium arrangement while the HIP and many of the other HMOs are community rated. Costs reflect age-adjusted premiums for all plans.

(1) The valuation discount rate is updated to 4.00% for results of the December 31, 2023, Measurement Date. Results as of the December 31, 2022, Measurement Date are presented at 4.31%. These discount rates represent the S&P Municipal Bond 20-year High Grade Index as of each of those dates.

Initial monthly premium rates used in the valuation are as follows:

Plan	Monthly Rates FY 2023		Monthly Rates FY 2022	
HIP HMO				
Non-Medicare				
Single	$ 871.42		$ 819.68	
Family	2,134.99		2,008.22	
Medicare	199.62		190.47	
GHI/EBCBS:				
Non-Medicare				
Single	$ 917.92		$ 854.44	
Family	2,409.11		2,242.05	
Medicare	201.59		201.80	
Others:				
Non-Medicare Single	$ 1,302.87	(A)	$ 1,242.93	(A)
Non-Medicare Family	3,567.29	(A)	3,440.67	(A)
Medicare Single	311.73	(A)	291.71	(A)
Medicare Family	620.28	(A)	580.41	(A)

(A) Other HMO premiums represent the total premium for medical (not prescription drug) coverage including retiree contributions.

Additionally, the individual monthly rates at age 65 used in the valuations are shown below:

Plan	Monthly Rates @ Age 65 FY 2023	Monthly Rates @ Age 65 FY 2022
HIP HMO		
Non-Medicare	$ 1,844.10	$ 1,734.61
Medicare	199.62	190.47
GHI/EBCBS		
Non-Medicare	$ 1,970.02	$ 1,833.91
Medicare	192.11	192.08
Other HMOs	Varies by system	Varies by system

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

Welfare Funds

The Welfare Fund Contribution reported as of the valuation date, June 30, 2022 and June 30, 2021, respectively, (including any reported retroactive amounts) was used as the per capita cost for valuation purposes.

Reported annual contribution amounts for the last two years are shown in the Fiscal Year 2022 GASB 74/75 report in Section VII, Tables VII-b to VII-f. Welfare Fund Rates are based on actual reported Union Welfare Fund code for current retirees. Weighted average annual contribution rates used for future retirees, based on Welfare Fund enrollment of recent retirees, are shown in the following table.

	Annual Rate	
	2023	**2022**
NYCERS	$ 1,867	$ 1,858
BERS	1,906	1,907

Medicare Part B Premiums

Calendar Year	**Monthly Premium**	
2018	$ 125.85	
2019	134.43	
2020	143.21	
2021	146.97	
2022	167.82	
2023	164.90	*

* Reflected only in the FY 2023 valuation

Medicare Part B Premium reimbursement amounts have been updated to reflect actual premium rates announced for calendar years through 2023. Due to limited cost-of living adjustment in Social Security benefits for Calendar Years 2022 and 2023, some Medicare Part B participants will not be charged the Medicare Part B premium originally projected or ultimately announced for those years. Thus, the valuation uses a blended estimate as a better representation of future Part B premium costs.

12. EMPLOYEE BENEFITS

<u>Other Postemployment Benefits (continued)</u>

Medicare Part B Premiums(continued)

For the 2023 OPEB actuarial valuation the annual premium used was $1,996.32 which is equal to 12 times an average of the Calendar Year 2022 and 2023 monthly premiums shown.

For Calendar Year 2023, the monthly premium of $164.90 was determined as follows:

- No participants were assumed to be protected by the hold harmless provision and the monthly premium of $164.90 was set equal to the CY 2023 announced amount.

For the 2022 OPEB actuarial valuation the annual premium used was $1,888.80, which is equal to 12 times an average of the Calendar Year 2021 and 2022 monthly premiums shown.

For the Calendar Year 2022, the monthly premium of $167.82 was determined as follows:

- 3.5% of the basic $104.90 monthly hold-harmless amount, assuming that there would be no claims made for the slight increase in Part B premiums for continuing retirees, and

- 96.5% of the announced premium of $170.10 for Calendar Year 2022, representing the approximate percentage of the Medicare population that will pay the announced amount.

Medicare Part B Reimbursement Assumption

90% of Medicare participants are assumed to claim reimbursement; based on historical data (unchanged from last year).

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

Health Care Cost Trend Rate (HCCTR)

No changes were made to the Medicare Part B premium, Welfare Fund contributions, or medical trends for the Fiscal Year 2023 valuation.

HCCTR ASSUMPTIONS - 2023

Fiscal Year Ending	Pre-Medicare Plans	Medicare Plans	Medicare Part B Premium	Welfare Fund Contributions
2023	7.00%	4.80%	5.00 % (1)	3.50%
2024	7.00%	4.80%	5.00%	3.50%
2025	7.00%	4.70%	5.00%	3.50%
2026	6.75%	4.70%	5.00%	3.50%
2027	6.50%	4.60%	5.00%	3.50%
2028	6.25%	4.60%	5.00%	3.50%
2029	6.00%	4.50%	5.00%	3.50%
2030	5.75%	4.50%	5.00%	3.50%
2031 and Later	5.50%	4.50%	5.00%	3.50%

(1) Medicare Part B Premium reflects actual calendar year premium for the first 6 months of FY23 (July 2023 to December 2023) and 5% trend for the remaining 6 months.

Health Care Cost Trend Rate (HCCTR)

The pre-Medicare and Medicare plan trends were developed for FY2023 using health trend information from various sources, including City premium trend experience for HIP HMO and GHI/EBCBS, public sector benchmark survey for other large plan sponsors, the Medicare Trustees' Report, and the Society of Actuaries Getzen model.

In recent years Medicare Part B premium increases have averaged between 4% and 6%, ignoring the impact of the hold harmless provision. These increases can be attributable to factors such as the increasing prices of health care services, high cost of new technologies, and increasing utilization. While the Medicare trustees project the Part B premium to increase 6% for 2024, beyond that point they expect the increase to average 6.3% out to 2032. These increases do not account for the hold harmless provision which may mitigate them somewhat.

Historical negotiated increase rates for the larger Welfare Funds have averaged below 2% in recent years, which is lower than the anticipated trend on the underlying costs of benefits provided by these funds. However, the Authority periodically makes one-time lump sum

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

Health Care Cost Trend Rate (HCCTR)

contributions to the Welfare Funds. For these reasons the Welfare Fund contribution trend was assumed to be 3.5%.

Participation Rates

Based on recent experience.

Actual elections are used for current retirees. Some current retirees not eligible for Medicare are assumed to change elections upon attaining age 65 based on patterns of elections of Medicare-eligible retirees.

For current retirees who appear to be eligible for health coverage but have not made an election (non-filers), the valuation reflects single GHI/EBCBS coverage and Part B premium benefits only, to approximate the obligation if these individuals were to file for coverage. For future retirees, the portion assumed not to file for future benefits, and therefore valued similarly, are as follows:

	2023	2022
NYCERS (NYCHA)	13%	13%
BERS	15%	15%

This non-filer group also includes some participants who do not qualify for coverage because they were working less than 20 hours a week at termination.

Participation Rates

Detailed assumptions for future Program retirees are presented below:

Plan Participation Assumptions - 2023 and 2022

Benefits:	NYCERS-NYCHA	BERS
Pre-Medicare		
GHI/EBCBS	70%	70%
HIP HMO	24%	16%
Other HMO	2%	2%
Waiver	4%	12%
Medicare		
GHI	75%	80%
HIP HMO	16%	13%
Other HMO	5%	2%
Waiver	4%	5%
Post-Medicare Migration		
Other HMO to GHI	0%	0%
HIP HMO to GHI	33%	20%
Pre-Med. Waiver		
** to GHI @ 65	0%	60%
** to HIP @ 65	0%	0%

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

Demographic Assumptions The actuarial assumptions used in the 2023 and the 2022 OPEB valuations are a combination of those used in the NYCERS pension actuarial valuations and those specific to the OPEB valuations.

AOP (Actives Off Payroll) Liabilities Active members off payroll is no longer treated as a separate status as of June 30, 2020. Those on a known short-term leave of absence are treated as active, and the remaining members are included as inactive members entitled to but not yet receiving benefits if they have met the OPEB vesting requirement. Otherwise, they are not included in the evaluation.

Medicare Advantage Plan Announcement

In July 2021, The City announced a change in Medicare Advantage plans, designed during negotiations between The City and the Municipal Labor Committee. These change in plans were initially expected to take effect on January 1, 2022 with an opt-out period prior to that date. In October 2021, a judge placed a temporary injunction to delay the implementation which would make the January 1, 2022 timeline impossible to meet. Subsequently, in December 2021 the judge made a ruling that The City could implement the new plan on April 1, 2022. However, prior to April 1, 2022, a judge ruled that The City must continue to offer the current Medicare plan at no cost for an indeterminate period of time. In August 2023, the implementation has been ruled illegal by a Judge and cancelled. Although the City is expected to appeal this ruling, the 2023 results do not reflect the change given continued uncertainty.

On March 21, 2023, The City announced that it will discontinue the GHI/EBCBS Senior Care Plan and all other retiree health plans. The health plans offered will be the Aetna Medicare Advantage PPO Plan and the HIP VIP Plan. The planned implementation of a new Medicare Advantage (MA) Plan offered through Aetna, which was to be effective September 1, 2023. On May 31, 2023, a group of NYC retirees filed a lawsuit against the implementation of the plan. On July 7, 2023, a temporary injunction was granted which paused the Aetna Medicare Advantage PPO implementation and on August 11, 2023, the planned switch to Medicare Advantage was ruled illegal by the Judge presiding over the case. For this reason, the 2023 results do not reflect any change to the current Medicare benefits in this valuation.

12. EMPLOYEE BENEFITS

Other Postemployment Benefits (continued)

Per GASB 75 Implementation Guidance, the projection of benefit payments should include all types and levels of postemployment benefits provided under the substantive plan. The substantive plan includes the benefits as they are understood by the employer and employees. As the court ruled that key provisions of the proposed plan are unlawful to implement, the plan changes announced are not considered to be a substantive plan as of December 31, 2023. As a result, no adjustment to the OPEB liability is reflected within the December 31, 2023 financial statements relating to the proposed plan changes.

13. OPERATING REVENUES

Operating revenues include tenant revenue, net and other income and are comprised of the following for the years ended December 31, 2023 and 2022 are ($ in thousands):

DESCRIPTION	2023	2022
Tenant revenue, net:		
Rental revenue, net	$ 908,536	$ 966,113
Other	23,908	23,160
Total tenant revenue, net	932,444	989,273
Other income:		
Developer fees	10,456	14,023
Insurance and benefits reimbursements	6,773	22,874
Commercial and community center revenue	10,355	10,795
Sub-let income	1,650	1,603
Energy rebates	3,355	1,554
Bad debt recovery	837	157
Section 8 income	597	898
Other	9,333	20,804
Total other income	43,356	72,708
Total operating revenues	$ 975,800	$ 1,061,981

14. SUBSIDIES AND GRANTS

Subsidies include operating subsidies to fund all the Authority's programs, as well as to fund interest on outstanding debt. Subsidies to fund operations are received periodically and recorded when due. Grants are awarded by the federal, state or city governments to provide funding for administration and program operations. Subsidies and grants for the years ended December 31, 2023 and 2022 are as follows ($ in thousands):

DESCRIPTION	2023	2022
Section 8 Housing Assistance Programs	$ 1,707,825	$ 1,449,763
Public Housing Subsidy	1,323,442	1,211,267
City of New York Subsidies	312,058	319,653
Federal Capital Funds used for operating purposes	243,287	238,844
FEMA	42,529	33,515
Other	1,301	(1,218)
Total subsidies and grants	$ 3,630,442	$ 3,251,824

The Authority participates in a number of programs, funding for which is provided by Federal, State and City agencies. These grant programs are subject to financial and compliance audits by the grantors or their representatives.

15. REAL ESTATE TRANSACTIONS

The Authority has been actively forming public-private partnerships to reinvest in and rehabilitate NYCHA's developments. Among the largest programs is the Permanent Affordability Commitment Together (PACT) initiative, which centers on the conversion of apartments from public housing funding to Section 8 project- based vouchers. Such conversion will allow NYCHA and its development partners to finance necessary building repairs and operational improvements while preserving long term affordability, maintaining strong resident rights, and stabilizing developments by placing them on a more solid financial footing. Significant transactions are disclosed below.

During 2023, the Authority entered into the following four real estate transactions structured as 99-year leases as follows:

- Audubon/Bethune/Marshall (ABM)
- Edenwald
- Union Avenue Consolidated (UAC)
- Reid Park

Actual payments received on these transactions included the following:

	ABM	EDENWALD	UAC	REID PARK
Initial lease payment Incl. debt repayment	$2,485,393	$14,277,226	$3,221,820	$ 22,974,282
Developer fees paid at closing	-	$ 8,017,944	$ 212,000	$ 2,500,000

Developer fees paid at closing for:

- Edenwald will be amortized over a four-year period through the estimated Conversion date in 2027. The balance of a deferred developer fee for Edenwald is estimated at $28,017,944 and is payable primarily out of Developer's cash flow and will be recognized when received over the four-year Rehabilitation period.
- UAC will be fully recognized in 2023.
- Reid Park will be amortized over a two-and-a-half-year period through the estimated Rehabilitation period.

15. REAL ESTATE TRANSACTIONS (continued)

The following Purchase Money Notes (“Notes”) were issued to the Authority:

- ABM - in the amount of $19,000,000 with a forty-year maturity. The Note bears interest compounded at 3.84% per annum and is payable from available Developer cash flow.
- Edenwald - in the amount of $60,141,847 with a forty-year maturity. The Note bears interest compounded at 3.72% per annum and is payable from available Developer cash flow.
- Reid Park - in the amount of $34,000,000 with a forty-year maturity. The Note bears interest compounded at 4.00% per annum and is payable from available Developer cash flow.

Due to the significant uncertainty of collection on these Notes, 100% allowance for doubtful accounts was recorded.

Initial lease payments, other cash received at closing in the form of debt repayments and any future cash received against the Notes will be recognized using the straight-line method over a 35 or 40-year period based on the Authority’s Purchase Option on each transaction. Since these potential future payments will be based on future performance, they are contingent and excluded from GASB 87 as a variable payment (see note 17).

For UAC, expected consideration in future years includes capitalized lease payments payable from 50% of net cash flow due annually over the respective lease terms beginning May 1, 2024 in addition to annual land lease payments calculated in accordance with the respective lease agreements beginning January 1, 2024. As per the Authority’s policy, initial rent/lease payments and other cash received at closing will be recognized using the operating lease method, based on the shorter of the lease term, the Purchase Option or Right of First Refusal exercise date, the Note term, or the tax compliance period where applicable. As result, such initial lease payments and other cash received at closing will be recognized over 40 years based on the Purchase Option period.

Capitalized lease payments for future years will be accrued beginning in 2024 based on estimated cash flows. An allowance will be established if collectability appears uncertain at time of accrual.

<u>2022 PACT transaction</u>

During 2022, the Authority entered into a real estate transaction termed Harlem River PACT structured as a 99-year lease. The Authority received $646,000 at closing and a Purchase Money Note (“Note”) of $34,091,000. The Note bears 3.50% compounded interest per annum and matures on the later of: (a) the fortieth anniversary of the closing date and (b) six months after the maturity of other notes on the transaction. The Note is payable by the developer from available cash flow as defined on the transaction. In addition, the Authority extended a loan (“Loan”) of $31,950,000 to the developer. Due to the uncertainty of collection, the Authority has reflected a 100% allowance against the full amount of the Note and Loan.

Initial lease payments, other cash received at closing in the form of debt repayments and any future cash received against the notes will be recognized using the straight-line method over a 40-year period based on the Authority’s Purchase Option on each transaction. Since these potential future payments will be based on future performance, they are contingent and excluded from GASB 87 as a variable payment. (see note 17).

16. RELATED PARTY TRANSACTIONS

Mixed-Finance Transactions

On March 16, 2010, the Authority closed two mixed-finance transactions in which 21 NYCHA developments, comprising 20,139 housing units, were sold to two newly-created, limited liability companies. Thirteen developments, containing 14,465 dwelling units, were sold to NYCHA Public Housing Preservation I, LLC, in which NYCHA I Housing Development Fund Corporation, a component unit of NYCHA, is the sole managing member and has a 0.01% membership interest in LLC I. LLC I is a Low Income Housing Tax Credit LLC. Eight developments, containing 5,674 dwelling units, were sold to NYCHA Public Housing Preservation II, in which NYCHA II Housing Development Fund Corporation, a component unit of NYCHA, is the sole managing member and has a 100% membership interest in LLC II as of December 31, 2023 and 2022 respectively. LLC II was inactive during 2023 and the Authority is evaluating the dissolution of LLC II in the near term.

The LLCs were created in connection with the mixed-finance transactions and are considered blended component units for financial reporting purposes (See Note 1B). The Authority served as developer and continues to be the property manager for both LLCs.

The total acquisition price for the developments sold to LLC I was $590,250,000. The total acquisition price for the developments sold to LLC II was $3,000,000. The two mixed-finance transactions were structured and closed in a manner which allowed the Authority to utilize financing opportunities available under the provisions of the American Recovery and Reinvestment Act of 2009 (“ARRA”) in order to qualify for certain federal funding. The Authority provided additional loans to the LLC’s in terms of a Sellers Note and various series of Loans to enable them to carry out rehabilitation work at the developments and to provide a source of funding to redeem the Bridge Bonds which were issued at closing. The aggregate value of the NYCHA loans are reflected as Notes Payable within the Condensed Combining Statement of Net Position (see Note 19). In addition, permanent loans due from LLC I and LLC II to HDC are reflected as Long-Term Debt within Note 10.

At the time of the closing, NYCHA qualified to receive an annual allocation of HUD federal operating and capital funding for a portion of the dwelling units. Additional HUD federal operating subsidies for 2023 and 2022 were $88,087,000 and $86,339,000, respectively.

In September 2013, NYCHA converted the remaining construction-period financing for both LLC I and LLC II from construction loans to permanent loans due to HDC.

16. RELATED PARTY TRANSACTIONS

Mixed-Finance Transactions (continued)

Responsibilities and Obligations – NYCHA has certain responsibilities and obligations under separate agreements with the LLCs including (i) continuing to manage the operations of the developments; (ii) served as developer for the rehabilitation work at the developments; (iii) providing operating and capital subsidies to the LLCs; and (iv) providing operating deficit and completion guarantees. The operating deficit guarantee will terminate if specified operating income conditions are met.

NYCHA has retained the right to reacquire the developments of LLC I in the future. The right of first refusal terminates fifteen (15) years after the first day following the expiration of the final year of the tax credit period with respect to each development.

The Authority terminated the ground leases with LLC II relating to all eight developments between 2018. As a result, the ownership of the properties and the permanent loans with HDC were transferred to the Authority as part of the PACT transactions (see Note 15) while the outstanding NYCHA loans were cancelled.

The New York City Public Housing Preservation Trust (the "Trust")

As indicated in Note 1B, the Trust is a component unit of NYCHA. The Trust, authorized by the New York State legislature in June 2022. is a New York State-created public benefit corporation, formed to enable NYCHA to comprehensively modernize a large segment of its portfolio – 25,000 apartments initially. The Trust will improve residents' homes through billions of dollars of capital investments while protecting residents' rights (including affordable rent), keeping the properties public, and preserving the NYCHA workforce. The Trust will transform residents' homes by expediting massive levels of rehabilitation through improved procurement processes, and the properties will receive more funding through a switch to the more reliable and valuable project-based Section 8 subsidy. Residents' feedback, ideas, and recommendations were incorporated in the updated State legislation authorizing the Trust, and residents will continue to be engaged as partners in the creation of the Trust. In December 2022, NYCHA published the final voting procedures for the Trust in accordance with the deadlines outlined by the Trust Act. Two developments (Nostrand Houses and Bronx River Addition) were put up for a resident vote that included the options for moving to the Trust, moving to PACT or remaining in Section 9.

On December 14, 2023, MK Elections certified that 808 residents of Nostrand Houses voted of which 57% of the votes selected the Trust. On April 19, 2024, MK Elections certified that 112 residents of Bronx River Addition voted of which 69% selected the Trust.

The Trust is diligently working on the pre-development of Nostrand Houses and Bronx River Addition which includes resident participation and visioning, underwriting and financing, and design and construction among other aspects of pre-development.

In December 2023, NYCHA provided $799,000 of funding to Trust to be used to support pre-development expenses of the Trust. This amount will be repaid to NYCHA using Trust revenues earned from the first completed transaction by November 22, 2032. NYCHA has committed to fund additional monies to the Trust to support pre-development expenses as necessary.

16. RELATED PARTY TRANSACTIONS

The New York City Public Housing Preservation Trust (the "Trust") (continued)

NYCHA has entered into a Shared Services Agreement with the Trust to provide staffing and other services to the Trust to manage and support its operations.

The City of New York

As described in Note 1B, the Authority is a component unit of The City of New York. As of December 31, 2023, and 2022, the Authority had receivables due from The City in the amount of $330,451,000 and $249,498,000. During 2023 and 2022, The City provided operating subsidies and grants to the Authority of $312,058,000 and $319,653,000, respectively. In addition, during 2023 and 2022, The City provided $317,324,000 and $180,031,000, respectively, in capital contributions to NYCHA to fund modernization costs.

The City also provides certain services to the Authority. The total cost for these services, most of which is for the cost of water, was $188,593,000 and $182,392,000, respectively, for 2023 and 2022. At December 31, 2023 and 2022, the Authority had amounts due to The City for services of $1,919,000 and $1,866,000, respectively. Pursuant to a Cooperation Agreement dated July 1, 2015, The City has waived acceptance of payments in lieu of taxes from the Authority beginning January 1, 2015 through June 30, 2025.

17. LEASES

GASB 87 defines a lease as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

The Authority's qualifying leases from a lessee perspective primarily involves the rental of building office space in addition to certain equipment leases. The Authority recognizes a lease liability measured at the present value of payments expected to be made over the remaining lease term using the interest rate implicit in the lease agreement when available. In cases, where interest rate is not implicit in the lease agreement, the Authority uses its incremental borrowing rate for similar classes of leases as its discount rate. The lease expiration dates for building office space ranges from 2026 to 2050. The incremental borrowing rate used to discount remaining lease payments ranged from 2.23% to 5.83% depending on the lease tenor.

The Authority's qualifying leases from a lessor perspective primarily consist of renting storefront space to commercial tenants. The Authority recognizes a lease receivable measured at the present value of payments to be made over the remaining lease term. The present value is determined using a discount rate commensurate with the Authority's incremental borrowing rate for similar classes of leases. The lease expiration dates from a lessor perspective range from 2024 to 2037. The incremental borrowing rate used to discount remaining lease payment range from 2.41% to 5.79%.

Public Housing leases to residential tenants are considered short term and are not subject to GASB 87.

In both 2023 and 2022, the Authority as both a lessee and a lessor had no variable payment clauses. The Authority did not incur expenses related to its leasing activities, including costs associated with residual value guarantees, penalties for lease termination, or losses from impairment. Additionally, there were no agreements that included sale-leaseback and lease-leaseback transactions.

17. LEASES (continued)

As of December 31, 2023, the Authority had minimum principal and interest payment requirements for its leasing liability activities as follows:

	Liability Beginning Balance	Total Principal	Total Interest (in thousands)	Total Payment	Liability Ending Balance
Calendar year ending Balance December 31:					
2024	$ 809,815	$ 21,674	$ 27,018	$ 48,691	$ 788,141
Current Lease Liability		21,674	27,018	48,691	
2025	788,141	23,099	26,277	49,376	765,042
2026	765,042	22,441	25,504	47,945	742,601
2027	742,601	22,015	24,768	46,783	720,586
2028	720,586	23,286	24,028	47,314	697,301
2029-2033	697,301	124,796	108,011	232,808	572,504
2034-2038	572,504	169,125	83,861	252,987	403,379
2039-2043	403,379	195,259	52,639	247,898	208,120
2044-2048	208,120	150,913	22,616	173,529	57,207
2049-2050	57,207	57,207	1,734	58,941	-
Lease Liability Non-Current		788,141	369,440	1,157,581	
Lease liability:		**$ 809,815**	**$ 396,457**	**$ 1,206,272**	

As of December 31, 2023, the Authority had minimum principal and interest lease receivable payments for its Lessor activities as follows:

	Receivable Beginning Balance	Total Principal	Total Interest (in thousands)	Total Payment	Receivable Ending Balance
Calendar year ending December 31:					
2024	$ 21,508	$ 3,057	$ 666	$ 3,723	$ 18,451
2025	18,451	2,154	565	2,719	16,297
2026	16,297	2,316	503	2,819	13,981
2027	13,981	2,316	430	2,746	11,665
2028	11,665	1,917	361	2,278	9,748
2029-2033	9,748	7,055	970	8,025	2,693
2034-2037	2,693	2,693	152	2,845	-
Lease Receivable:		**$ 21,508**	**$ 3,647**	**$ 25,155**	

As the Lessor, the total amount of lease revenue, interest revenue, and other lease related revenues recognized in the current and prior reporting period from leases are $4,362,318 and $4,289,947 respectively.

18. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS("SBITA)"

As described in Note 1C, the Authority has implemented Statement No. 96, SBITA, as of January 1, 2022. GASB 96 defines a SBITA as a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The Authority's qualifying subscription-based information technology arrangement contracts primarily involve access to software services. These subscriptions include cloud-based software solutions and software licenses. The arrangements are typically non-cancelable and have durations ranging from one to five years.

The Authority recognizes a SBITA liability measured at the present value of payments expected to be made over the remaining contract term using the interest rate implicit in the contract when available. In cases, where interest rate is not implicit in the agreement, the Authority uses its incremental borrowing rate for similar classes of debt agreements as its discount rate. The incremental borrowing rate used to discount SBITA payments ranged from 3.15% to 6.33% depending on the tenor of the agreement. The SBITA expiration dates range from 2024 to 2028.

In both 2023 and 2022, the Authority excluded contracts with terms less than one year and contracts which contained variable payments based on usage, such as number of User seats or Licensees.

Additional disclosures of the Authority's implementation with respect to Statement No. 96 are included in Note 6 Capital Assets, Net.

The Authority has implemented Statement No. 96 as of January 1, 2022 and accordingly has restated the financial statements for the calendar year ended December 31, 2022. The adoption of this statement resulted in an increase of $1,028,000 in net position as of December 31, 2022. The effect on the individual financial statements was as follows:

STATEMENT OF NET POSITION
($ in Thousands)

	2022	GASB 96 adjustments	2022 (restated)
NON-CURRENT ASSETS:			
Land and construction in progress	$ 3,263,646	$ (71)	$ 3,263,575
Other capital assets, net of depreciation and amortization	6,493,598	1,990	6,495,588
CURRENT LIABILITIES:			
Unearned revenues and other current liabilities	304,395	508	304,903
NON-CURRENT LIABILITIES:			
Other Liabilities	6,564	383	6,947
NET POSITION:			
Net investment in capital assets	8,073,733	1,028	8,074,761

18. SUBSCRIPTION-BASED INFORMATION TECHNOLOGYARRANGEMENTS("SBITA")

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
($ in Thousands)

	2022	GASB 96 adjustments	2022 (restated)
OPERATING EXPENSES:			
General and administrative	$ 1,033,416	$ (1,868)	$ 1,031,548
Depreciation and amortization	466,146	811	466,957
NON-OPERATING REVENUES (EXPENSES):			
Interest expense	(55,631)	(29)	(55,660)
LOSS BEFORE CAPITAL CONTRIBUTIONS	(1,202,465)	1,028	(1,201,437)

STATEMENTS OF CASH FLOWS
($ in Thousands)

	2022	GASB 96 adjustments	2022 (restated)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash payments for other operating expenses	$ (2,860,271)	$ 1,868	$ (2,858,403)
Net cash used in operating activities	(3,368,824)	1,868	(3,366,956)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Development and modernization costs	(876,128)	(1,868)	(877,996)
Net cash (used in) provided by capital and related financing activitie	(114,930)	(1,868)	(116,798)
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:			
OPERATING LOSS	(3,673,184)	1,057	(3,672,127)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation & Amortization	466,146	811	466,957
SUPPLEMENTAL DISCLOSURES OF NON CASH ACTIVITIES:			
Capital and related financing activities:			
Interest expense for SBITA			29

18. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS ("SBITA")

As of December 31, 2023, the Authority had minimum principal and interest payment requirements for its SBITA liability activities as follows:

	Liability Beginning Balance	Total Principal	Total Interest	Total Payment	Liability Ending Balance
			(in thousands)		
Calendar year ending December 31:					
2024	$ 5,724	$ 1,561	$ 398	$ 1,959	$ 4,163
2025	4,163	1,631	136	1,767	2,532
2026	2,532	1,230	78	1,308	1,302
2027	1,302	1,302	8	1,310	-
SBITA Liability:		**$ 5,724**	**$ 620**	**$ 6,344**	

19. COMMITMENTS AND CONTINGENCIES

Pending Litigation - The Authority is a defendant in a number of lawsuits arising from claims for personal injury, property damage, breach of contract, civil rights, and personnel matters. Management believes that the ultimate resolution of these matters will not have a material adverse impact on the financial position of the Authority.

Obligations under Purchase Commitments – The Authority is involved in modernization and other contracted programs. At December 31, 2023, outstanding obligations under purchase commitments were approximately $1,855,953,000 compared to $2,130,648,000, at December 31, 2022.

20. CONDENSED COMBINING INFORMATION

The following are Condensed Combining Statements of Net Position as of December 31, 2023 and 2022, Condensed Combining Statements of Revenues, Expenses and Changes in Net Position for the Years Ended December 31, 2023 and 2022, and Condensed Combining Statements of Cash Flows for the Years Ended December 31, 2023 and 2022, for the Authority and its component units, the LLCs.

New York City Housing Authority
Condensed Combining Statement of Net Position
December 31, 2023
($ in Thousands)

	NYCHA*	LLC I	LLC II	Eliminations	Total
ASSETS					
Current assets	$ 1,256,125	$ 46,498	$ 19,535	$ (33,768)	$ 1,288,390
Capital assets, net	10,123,901	356,018	-	(27,807)	10,452,112
Restricted assets	480,810	-	-	-	480,810
Notes, loans and leases receivable	807,472	-	-	(807,472)	
Other assets	631,410	-	-	-	631,410
TOTAL ASSETS	**13,299,718**	**402,516**	**19,535**	**(869,047)**	**12,852,722**
DEFERRED OUTFLOWS OF RESOURCES	**621,007**	**-**	**-**	**-**	**621,007**
LIABILITIES					
Current liabilities	1,465,895	58,383	37	(33,768)	1,490,547
Long-term debt	581,394	19,251	-	-	600,645
Notes payable	-	807,472	-	(807,472)	-
Pension liability	797,391	-	-	-	797,391
OPEB liability	2,714,820	-	-	-	2,714,820
Pollution remediation obligations - LT	3,817,653	389,933	-	-	4,207,586
Lease liability	788,141	-	-	-	788,141
Other liabilities	1,202,231	-	-	-	1,202,231
TOTAL LIABILITIES	**11,367,525**	**1,275,039**	**37**	**(841,240)**	**11,801,361**
DEFERRED INFLOWS OF RESOURCES	**729,698**	**-**	**-**	**-**	**729,698**
Net investment in capital assets	8,622,523	(227,592)	-	418,376	8,813,307
Unrestricted (deficit)/Surplus	(6,799,021)	(644,931)	19,498	(446,183)	(7,870,637)
TOTAL NET POSITION	**$ 1,823,502**	**$ (872,523)**	**$ 19,498**	**$ (27,807)**	**$ 942,670**

* NYCHA includes component unit - Trust

20. CONDENSED COMBINING INFORMATION (continued)

New York City Housing Authority
Condensed Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2023
($ in Thousands)

	NYCHA*	LLC I	LLC II	Eliminations	Total
Operating Revenues	$ 892,682	$ 83,050	$ 68	$ -	$ 975,800
Operating Expenses	5,044,371	241,455	-	(98,659)	5,187,167
Operating Loss	**(4,151,689)**	**(158,405)**	**68**	**98,659**	**(4,211,367)**
Non-Operating Revenues (expenses), net	3,592,597	109,961	412	(91,823)	3,611,147
Loss Before Special Item and					
Capital Contributions	(559,092)	(48,444)	480	6,836	(600,220)
Special Item (a)	673,864	79,977	-	-	753,841
Income(Loss) Before Capital Contributions	(1,232,956)	(128,421)	480	6,836	(1,354,061)
Capital Contributions	1,069,203	28,249	-	(4,711)	1,092,741
Change in Net Position	**(163,753)**	**(100,172)**	**480**	**2,125**	**(261,320)**
Net Position - Beginning (restated)	1,987,255	(772,351)	19,018	(29,932)	1,203,990
Net Position - Ending	**$ 1,823,502**	**$ (872,523)**	**$ 19,498**	**$ (27,807)**	**$ 942,670**

(a) Pollution remediation costs - lead based paint

* NYCHA includes component unit - Trust

New York City Housing Authority
Condensed Combining Statement of Cash Flows
For the Year Ended December 31, 2023
($ in Thousands)

	NYCHA*	LLC I	LLC II	Eliminations	Total
Net cash provided (used) by					
Operating activities	$ (3,579,528)	$ (104,130)	$ 848	$ 98,659	$ (3,584,151)
Non-capital financing activities	3,555,722	123,397	-	(91,823)	3,587,296
Capital and related financing activities	(127,070)	(15,944)	-	(6,836)	(149,850)
Investing activities	72,981	1,309	-	-	74,290
Net increase (decrease)	**(77,895)**	**4,632**	**848**	**-**	**(72,415)**
Beginning cash and cash equivalents	767,581	29,312	10,362	-	807,255
Ending cash and cash equivalents	**$ 689,686**	**$ 33,944**	**$ 11,210**	**$ -**	**$ 734,840**

* NYCHA includes component unit - Trust

20. CONDENSED COMBINING INFORMATION (continued)

New York City Housing Authority
Condensed Combining Statement of Net Position
December 31, 2022 (Restated)
($ in Thousands)

	NYCHA*	LLC I	LLC II	Eliminations	Total
ASSETS					
Current assets	$ 1,384,746	$ 52,115	$ 20,452	$ (4,383)	$ 1,452,930
Capital assets, net	9,449,835	339,260	-	(29,932)	9,759,163
Restricted assets	573,258	-	-	-	573,258
Notes, loans and lease receivable	984,939	-	-	(793,989)	190,950
Other assets	479,947	-	-	-	479,947
TOTAL ASSETS	**12,872,725**	**391,375**	**20,452**	**(828,304)**	**12,456,248**
DEFERRED OUTFLOWS OF RESOURCES	**707,340**	**-**	**-**	**-**	**707,340**
LIABILITIES					
Current liabilities	1,578,794	36,136	1,434	(4,383)	1,611,981
Long-term debt	593,120	19,772	-	-	612,892
Notes payable	-	793,989	-	(793,989)	-
Pension liability	786,625	-	-	-	786,625
OPEB liability	2,504,827	-	-	-	2,504,827
Pollution remediation obligations - LT	3,170,316	313,829	-	-	3,484,145
Lease Liability	803,170				803,170
Other liabilities	1,125,048	-	-	-	1,125,048
TOTAL LIABILITIES	**10,561,900**	**1,163,726**	**1,434**	**(798,372)**	**10,928,688**
DEFERRED INFLOWS OF RESOURCES	**1,030,910**	**-**	**-**	**-**	**1,030,910**
Net investment in capital assets	7,901,224	(244,839)	-	418,376	8,074,761
Restricted for housing assistance payments	11,914	-	-	-	11,914
Unrestricted (deficit)/Surplus	(5,925,883)	(527,512)	19,018	(448,308)	(6,882,685)
TOTAL NET POSITION	**$ 1,987,255**	**$ (772,351)**	**$ 19,018**	**$ (29,932)**	**$ 1,203,990**

* NYCHA did not include component unit - Trust. Trust was formed in July 2023

20. CONDENSED COMBINING INFORMATION (continued)

New York City Housing Authority
Condensed Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2022 (Restated)
($ in Thousands)

	NYCHA*	LLC I	LLC II	Eliminations	Total
Operating Revenues	$ 973,441	$ 88,521	$ 19	$ -	$ 1,061,981
Operating Expenses	4,594,988	233,091	(122)	(93,849)	4,734,108
Operating Loss	**(3,621,547)**	**(144,570)**	**141**	**93,849**	**(3,672,127)**
Non-Operating Revenues (expenses), net	3,180,246	98,345	346	(87,012)	3,191,925
Loss Before Special Item and					
Capital Contributions	(441,301)	(46,225)	487	6,837	(480,202)
Special Item (a)	652,630	68,605	-	-	721,235
Income(Loss) Before Capital Contribution	(1,093,931)	(114,830)	487	6,837	(1,201,437)
Capital Contributions	800,297	10,564	-	(4,711)	806,150
Change in Net Position	**(293,634)**	**(104,266)**	**487**	**2,126**	**(395,287)**
Net Position - Beginning	2,280,889	(668,085)	18,531	(32,058)	1,599,277
Net Position - Ending	**$ 1,987,255**	**$ (772,351)**	**$ 19,018**	**$ (29,932)**	**$ 1,203,990**

(a) Pollution remediation costs - lead based paint

* NYCHA did not include component unit - Trust. Trust was formed in July 2023

New York City Housing Authority
Condensed Combining Statement of Cash Flows
For the Year Ended December 31, 2022 (Restated)
($ in Thousands)

	NYCHA*	LLC I	LLC II	Eliminations	Total
Net cash provided (used) by					
Operating activities	$ (3,324,160)	$ (135,149)	$ (1,496)	$ 93,849	$ (3,366,956)
Non-capital financing activities	3,131,272	112,754		(87,012)	3,157,014
Capital and related financing activities	(106,081)	(3,880)	-	(6,837)	(116,798)
Investing activities	41,020	516	-	-	41,536
Net increase (decrease)	**(257,949)**	**(25,759)**	**(1,496)**	**-**	**(285,204)**
Beginning cash and cash equivalents	1,025,530	55,071	11,858	-	1,092,459
Ending cash and cash equivalents	**$ 767,581**	**$ 29,312**	**$ 10,362**	**$ -**	**$ 807,255**

* NYCHA did not include component unit - Trust. Trust was formed in July 2023

21. HUD AGREEMENT

The Secretary of the U.S. Department of Housing and Urban Development ("HUD") found NYCHA in "substantial default" of the U.S. Housing Act on January 31, 2019 following a federal lawsuit. HUD found that NYCHA failed to follow laws and regulations concerning lead paint; failed to provide decent, safe and sanitary conditions; and engaged in deceptive practices to hide the condition of NYCHA properties.

NYCHA signed an agreement with HUD, the United States Attorney's Office for the Southern District of New York ("SDNY"), and The City of New York effective January 31, 2019 (the "Agreement") to remedy the physical deficiencies at NYCHA properties, ensure the Authority's compliance with federal law, and reform NYCHA's management structure. The obligations of this agreement apply to apartment units, common areas, residential buildings, and building sites consisting of public housing owned or operated by NYCHA and receiving funding through Section 9 of the Housing Act. The Agreement appointed a federal Monitor to oversee the Authority's compliance. The Agreement also requires NYCHA to prepare Action Plans, to be approved by the Monitor, setting forth policies and practices to be adopted and specific actions to be taken by NYCHA to achieve all the requirements of the Agreement for the six pillar areas: lead, mold, heat, elevators, Public Housing Assessment System ("PHAS") and annual apartment inspections, and pests and waste management. (PHAS is the system that HUD uses to assess a Public Housing Authority's performance in managing its low-rent public housing programs.) No federal fines were assessed on NYCHA as it relates to this agreement. As part of the agreement, The City of New York committed to provide $2.2 billion in capital funds over ten years to assist NYCHA in meeting the obligations in the Agreement. NYCHA is not yet in full compliance with the requirements of the Agreement and lead-based paint regulations but continues to work with the Monitor to improve its compliance.

22. SUBSEQUENT EVENTS

The Authority's management has evaluated subsequent events through June 19, 2024, the date the financial statements were available to be issued and determined that there are no subsequent events requiring adjustment or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios as of December 31,

($ in thousands)

(UNAUDITED)

	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability								
Service Cost	$ 85,000	$ 137,029	$ 142,952	$ 101,429	$ 97,836	$ 116,663	$ 99,842	$ 129,183
Interest	113,344	73,421	68,783	93,563	94,828	85,032	86,759	84,197
Differences between Expected and Actual Experien	(35,046)	19,083	(74,417)	(20,992)	417,892	48,400	(68,103)	
Change in Assumptions	154,716	(706,657)	(328,822)	578,488	(221,694)	(176,030)	42,001	(186,804)
Contributions - Employer	(89,951)	(87,980)	(86,720)	(80,330)	(94,814)	(61,714)	(68,963)	(74,740)
Implicit Rate Subsidy	(16,000)	(15,000)	(17,000)	(16,000)	(16,000)	(13,000)	(13,000)	(13,000)
Other Changes (see Note A)	-	-	-	-	(23,902)	-	-	-
Net Changes in total OPEB Liability	212,063	(580,104)	(295,224)	656,158	254,146	(649)	78,536	(61,164)
Total OPEB Liability - Beginning of Year	2,597,206	3,177,310	3,472,534	2,816,376	2,562,230	2,562,879	2,484,343	2,545,507
Total OPEB Liability - End of the Year	$ 2,809,269	$ 2,597,206	$ 3,177,310	$ 3,472,534	$ 2,816,376	$ 2,562,230	$ 2,562,879	$ 2,484,343
Covered-Employee Payroll (see Note B)	$ 681,323	$ 663,113	$ 637,288	$ 617,109	$ 627,221	$ 635,505	$ 655,005	$ 645,980
Total OPEB Liability as a percentage of covered-employee payroll	412.3%	391.7%	498.6%	562.7%	449.0%	403.2%	391.3%	384.6%
Discount Rate used to measure Total OPEB Liability	4.00%	4.31%	2.25%	1.93%	3.26%	3.64%	3.16%	3.71%

Note A: Repeal of Cadillac tax

Note B: Measure of payroll: "Covered-employee payroll", since NYCHA's contributions are not based on a measure of pay.

Note C: There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

This schedule is intended to show information for ten years. The additional years' information will be displayed as it becomes available.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS TO THE NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM (NYCERS)

($ in thousands)

(UNAUDITED)

	For the Years Ended December 31,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	$157,395	$156,998	$165,405	$164,262	$163,186	$164,165	$165,240	$174,207	$159,206	$155,894
Contributions in relation to the contractually required contribution	$157,395	$156,998	$165,405	$164,262	$163,186	$164,165	$165,240	$174,207	$159,206	$155,894
Contribution Deficiency	-	-	-	-	-	-	-	-	-	-
Authority covered payroll (Note A)	$904,889	$970,574	$941,534	$925,039	$815,689	$767,872	$751,506	$762,086	$789,540	$757,566
Contributions as percentage of covered payroll	17.39%	16.18%	17.57%	17.76%	20.01%	21.38%	21.99%	22.86%	20.17%	20.58%

Note A: NYCHA's covered payroll for the twelve (12) months ending December 31st. "Covered Payroll" is being used since NYCHA is following the guidelines for employers who provide pensions through pension plans that are administered through trusts or equivalent arrangement.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY OF NYCERS

($ in thousands)

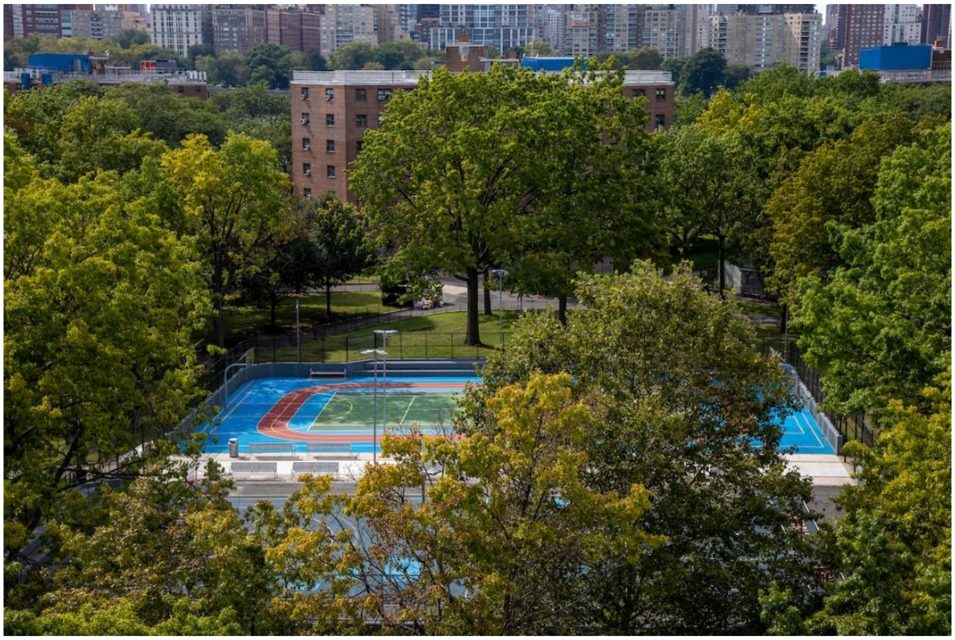
(UNAUDITED)

	For the Years Ended June 30,									
	2023	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
NYCHA's proportion of the net pension liability	4.47%	4.34%	4.25%	4.33%	4.44%	4.89%	4.97%	5.00%	5.07%	5.02%
NYCHA's proportionate share of the net pension liability	$797,391	$786,625	$272,514	$913,451	$822,109	$894,818	$1,032,725	$1,214,112	$1,026,612	$904,747
NYCHA's covered payroll (Note A)	$1,001,712	$977,279	$902,326	$861,731	$773,136	$769,239	$762,853	$807,349	$718,664	$762,114
NYCHA's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	79.60%	80.49%	30.20%	106.00%	106.33%	116.33%	135.38%	150.38%	142.85%	118.72%
Plan fiduciary net position as a percentage of the total pension liability	82.22%	81.28%	93.14%	76.93%	78.84%	78.80%	74.80%	69.57%	73.13%	71.41%

Note A: NYCHA's covered payroll for the twelve (12) months ending June 30th

STATISTICAL SECTION

(UNAUDITED)



Astoria Houses, Queens

Bracetti Plaza Houses, Manhattan

New York City Housing Authority

STATISTICAL SECTION (UNAUDITED)

This part of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health. The following are the categories of the schedules that are included in this Section:

Financial Trends

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity

This schedule contains information to help the reader assess the Authority's most significant revenue source.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

SCHEDULES OF FINANCIAL TRENDS

NEW YORK CITY HOUSING AUTHORITY
COMPARATIVE OPERATING AND NON-OPERATING REVENUES AND EXPENSES
($ in thousands)

	2023	*2022 (Restated)	*2021 (Restated)	2020	2019	2018	2017	2016	2015	2014
OPERATING REVENUE:										
Tenant revenue, net	$ 932,444	$ 989,273	$ 921,655	$ 967,456	$ 1,058,488	$ 1,070,022	$ 1,051,628	$ 1,041,574	$ 990,524	$ 956,815
Other income	43,356	72,708	65,844	69,690	75,762	36,751	56,766	45,744	45,749	48,964
Total operating revenue	**$ 975,800**	**$ 1,061,981**	**$ 987,499**	**$ 1,037,146**	**$ 1,134,250**	**$ 1,106,773**	**$ 1,108,394**	**$ 1,087,318**	**$ 1,036,273**	**$ 1,005,779**
OPERATING EXPENSES:										
Rent for leased dwellings	$ 1,550,190	$ 1,338,836	$ 1,205,650	$ 1,139,219	$ 1,061,638	$ 1,006,991	$ 987,017	$ 940,722	$ 946,968	$ 966,100
Maintenance and operations	1,123,233	1,083,181	1,014,124	924,486	875,510	875,431	673,678	707,929	619,594	650,957
General and administrative	1,198,778	1,031,548	820,829	967,123	949,768	890,679	838,400	847,573	810,374	837,617
Utilities	591,811	629,754	580,958	547,483	541,747	582,405	554,542	534,797	575,017	594,579
Depreciation and amortization	500,839	466,957	462,981	401,588	371,713	366,632	370,938	357,611	344,377	367,176
OPEB Expense	126,290	104,716	203,728	257,391	127,536	129,110	136,767	168,061	(97,357)	18,508
Protective services	55,899	42,853	39,610	37,799	24,635	29,833	22,353	24,640	22,904	20,161
Tenant services	40,127	36,263	35,677	27,678	19,219	17,389	18,164	19,307	22,618	25,966
Total operating expenses	**$ 5,187,167**	**$ 4,734,108**	**$ 4,363,557**	**$ 4,302,767**	**$ 3,971,766**	**$ 3,898,470**	**$ 3,601,859**	**$ 3,600,640**	**$ 3,244,495**	**$ 3,481,064**
OPERATING LOSS	(4,211,367)	(3,672,127)	(3,376,058)	(3,265,621)	(2,837,516)	(2,791,697)	(2,493,465)	(2,513,322)	(2,208,222)	(2,475,285)
NON-OPERATING REVENUES (EXPENSES):										
Subsidies and grants	$ 3,630,442	$ 3,251,824	$ 3,122,095	$ 2,722,702	$ 2,517,894	$ 2,387,205	$ 2,154,174	$ 2,124,415	$ 2,213,763	$ 2,135,245
Investment income	31,577	15,999	26,467	15,401	36,165	25,811	16,080	25,231	10,249	7,668
Gain (Loss) on real estate transactions	(17,414)	21,442	39,192	56,960	(146,483)	14,898	22,397	28,730	12,579	384
Change in fair value of investments	18,789	(42,134)	(13,320)	1,200	13,318	(3,304)	(745)	(3,131)	(3,700)	(553)
Interest expense	(52,494)	(55,660)	(61,327)	(35,955)	(34,777)	(32,794)	(30,184)	(29,354)	(30,264)	(30,754)
Insurance recoveries	-	-	-	-	-	131,972	809	6,701	45,027	45,361
other	247	454	393	-	-	-	-	-	-	-
Total non-operating revenues, net	**$ 3,611,147**	**$ 3,191,925**	**$ 3,113,500**	**$ 2,760,308**	**$ 2,386,117**	**$ 2,523,788**	**$ 2,162,531**	**$ 2,152,592**	**$ 2,247,654**	**$ 2,157,351**
SPECIAL ITEM - Pollution Remediation costs (gain) - lead based paint	**$ 753,841**	**$ 721,235**	**$ 648,590**	**$ (200,881)**	**$ 2,751,291**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
CAPITAL CONTRIBUTIONS	**$ 1,092,741**	**$ 806,150**	**$ 757,882**	**$ 949,982**	**$ 878,901**	**$ 820,368**	**$ 686,619**	**$ 640,887**	**$ 433,505**	**$ 330,548**
CHANGE IN NET POSITION	**$ (261,320)**	**$ (395,287)**	**$ (153,266)**	**$ 645,550**	**$ (2,323,789)**	**$ 552,459**	**$ 355,685**	**$ 280,157**	**$ 472,937**	**$ 12,614**

* 2022 (Restated) - GASB 96 SBITA Accounting
* 2021 (Restated) - GASB 87 Lease Accounting

Source: Annual Financial Statements

NEW YORK CITY HOUSING AUTHORITY
NET POSITION BY CATEGORY
($ In thousands)

CATEGORY	2023	*2022 (Restated)	*2021 (Restated)	2020	2019	2018	2017	2016	2015	2014
Net investment in capital assets	$ 8,813,307	$ 8,074,761	$ 7,918,922	$ 7,504,162	$ 6,897,324	$ 6,450,404	$ 5,995,349	$ 5,692,787	$ 5,407,064	$ 5,308,896
Restricted	-	11,914	40,102	-	-	-	-	-	-	-
Unrestricted (Deficit)	(7,870,637)	(6,882,685)	(6,359,747)	(5,751,619)	(5,790,331)	(3,019,622)	(3,117,026)	(3,117,424)	(3,255,974)	(3,630,743)
TOTAL NET POSITION	**$ 942,670**	**$ 1,203,990**	**$ 1,599,277**	**$ 1,752,543**	**$ 1,106,993**	**$ 3,430,782**	**$ 2,878,323**	**$ 2,575,363**	**$ 2,151,090**	**$ 1,678,153**

* 2022 (Restated) - GASB 96 SBITA Accounting
* 2021 (Restated) - GASB 87 Lease Accounting

SOURCE: Annual Financial Statements

NEW YORK CITY HOUSING AUTHORITY
CAPITAL ASSETS BY CATEGORY
($ in thousands)

CATEGORY	2023	*2022 (Restated)	*2021 (Restated)	2020	2019	2018	2017	2016	2015	2014
Land	$ 687,510	$ 687,510	$ 687,961	$ 687,961	$ 687,958	$ 687,507	$ 689,847	$ 689,847	$ 689,847	$ 689,847
Buildings	3,125,774	3,131,977	3,139,754	3,144,927	3,144,991	3,146,646	3,173,419	3,178,668	3,181,654	3,181,655
Building improvements	15,331,185	14,269,254	13,523,845	12,787,740	11,803,789	11,035,969	10,288,303	9,694,139	9,056,789	8,436,033
Facilities and other improvements	562,645	552,386	554,757	550,785	534,203	515,617	501,133	494,724	488,892	479,726
Furniture and equipment	1,163,700	1,110,691	1,069,788	1,040,833	1,008,675	965,607	936,064	893,387	861,623	834,716
Leasehold improvements	148,983	145,099	139,894	134,135	116,638	114,081	113,153	113,153	113,153	113,153
Right to use assets-Buildings	852,412	852,412	852,412	-	-	-	-	-	-	-
Right to use assets-Equipments	28,216	14,328	14,328	-	-	-	-	-	-	-
Right to use assets - SBITA*	9,804	2,801	-	-	-	-	-	-	-	-
Total Capital Assets	**21,910,229**	**20,766,458**	**19,982,739**	**18,346,381**	**17,296,254**	**16,465,427**	**15,701,919**	**15,063,918**	**14,391,958**	**13,735,130**
Less Accumulated Depreciation & Amortization:										
Buildings	3,007,912	2,995,565	2,983,568	2,968,139	2,946,966	2,926,183	2,930,106	2,911,809	2,890,698	2,865,379
Building improvements	6,741,897	6,412,621	6,088,595	5,787,175	5,478,199	5,184,028	4,914,618	4,625,164	4,367,515	4,104,980
Facilities and other improvements	493,059	484,040	477,920	471,189	462,861	455,043	448,081	441,235	434,416	426,647
Furniture and equipment	960,796	916,304	875,174	822,549	782,753	756,904	728,275	703,388	673,779	630,443
Leasehold improvements	116,630	113,134	109,855	106,198	104,791	102,487	99,094	95,748	92,299	87,692
Right to use assets-Buildings	112,815	75,210	37,605	-	-	-	-	-	-	-
Right to use assets-Equipments	21,646	9,610	4,805	-	-	-	-	-	-	-
Right to use assets - SBITA	3,362	811	-	-	-	-	-	-	-	-
Total Accumulated Depreciation & Amortization	**11,458,117**	**11,007,295**	**10,577,522**	**10,155,250**	**9,775,570**	**9,424,645**	**9,120,174**	**8,777,344**	**8,458,707**	**8,115,141**
Net Capital Assets	**10,452,112**	**9,759,163**	**9,405,217**	**8,191,131**	**7,520,684**	**7,040,782**	**6,581,745**	**6,286,574**	**5,933,251**	**5,619,989**
Related Debt	1,638,805	1,684,402	1,486,295	686,969	623,360	590,378	586,396	593,787	526,187	311,093
Net Investment in Capital Assets	**$ 8,813,307**	**$ 8,074,761**	**$ 7,918,922**	**$ 7,504,162**	**$ 6,897,324**	**$ 6,450,404**	**$ 5,995,349**	**$ 5,692,787**	**$ 5,407,064**	**$ 5,308,896**

* SBITA represents Subscription Based Information Technology Arrangements
* 2022 Restated - GASB 96 SBITA Accounting
* 2021 (Restated) - GASB 87 Lease Accounting

Capital assets are not classified as *being depreciated* and *not being depreciated* since construction in progress is not shown as a separate category, but rather classified over the categories to which it belongs.

Source: Annual Financial Statements

SCHEDULE OF REVENUE CAPACITY

NEW YORK CITY HOUSING AUTHORITY
REVENUES ON A GROSS BASIS
($ in thousands)

DESCRIPTION	2023	2022	*2021 (Restated)	2020	2019	2018	2017	2016	2015	2014
Revenues (Gross):										
Subsidies and Grants	$ 3,630,442	$ 3,251,824	$ 3,122,095	$ 2,722,702	$ 2,517,894	$ 2,387,205	$ 2,154,174	$ 2,124,415	$ 2,213,763	$ 2,135,245
Operating Revenues	975,800	1,061,981	987,499	1,037,146	1,134,250	1,106,773	1,108,394	1,087,318	1,036,273	1,005,779
Investment Income	31,577	15,999	26,467	15,401	36,165	25,811	16,080	25,231	10,249	7,668
Gain on sales of capital assets and real estate transactions	-	21,442	39,192	56,960	-	14,898	22,397	28,730	12,579	384
Insurance recoveries	-	-	-	-	-	131,972	809	6,701	45,027	45,361
Change in fair value of investments	18,789	-	-	1,200	13,318	-	-	-	-	-
Other	247	454	393	-	-	-	-	-	-	-
Total Revenues	**$ 4,656,855**	**$ 4,351,700**	**$ 4,175,646**	**$ 3,833,409**	**$ 3,701,627**	**$ 3,666,659**	**$ 3,301,854**	**$ 3,272,395**	**$ 3,317,891**	**$ 3,194,437**

* 2021 (Restated) - GASB 87 Lease Accounting
Negative change in fair value of investments is not reported as revenues--only when positive
Source: Annual Financial Statements

SCHEDULE OF DEBT CAPACITY

NEW YORK CITY HOUSING AUTHORITY
LONG TERM DEBT
($ in thousands, except per capita)

Description of Long Term Debt	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Bonds:										
State Guaranteed Certificates of Indebtedness Outstanding (State Program) three issues remaining bearing interest from 3.5% to 3.75%, per annum maturing annually through July 2024.	$ -	$ -	$ 2,717	$ 4,178	$ 5,640	$ 7,102	$ 8,564	$ 10,789	$ 13,014	$ 15,927
State Guaranteed Certificates of Indebtedness Outstanding (incorporated into the Federal Housing Program), three issues remaining bearing interest from 3.5% to 4.75% per annum, maturing annually through July 2024.	-	-	424	668	911	1,155	1,399	1,642	1,886	2,218
Loans Funded by:										
HDC Capital Fund Program Revenue Bonds, Series 2013 A ($185,785,000); Loan Agreement with an interest rate of 3.0% to 5.0% per annum, defeased April 2022.	-	-	74,845	91,465	107,305	122,400	136,815	150,555	163,790	176,630
HDC Capital Fund Program Revenue Bonds, Series 2013 B-1 ($348,130,000); Loan Agreement with an interest rate of 5.0% to 5.25% per annum, defeased April 2022.	-	-	218,220	238,460	257,725	276,070	293,535	310,160	325,985	341,190
HDC Capital Fund Program Revenue Bonds, Series 2013 B-2 ($122,170,000); Loan Agreement with an interest rate of 5.0% to 5.25% per annum, defeased April 2022.	-	-	122,170	122,170	122,170	122,170	122,170	122,170	122,170	122,170
HDC Capital Fund Program Revenue Bonds, Series 2022 A($398,265,000); Loan Agreement with an interest rate of 2.3% to 4.1% per annum, maturing annually through Jan 2033.	353,250	398,265	-	-	-	-	-	-	-	-
2013 Equipment Lease/Purchase Agreement; with BAPCC for Energy Performance Contract ($18,045,580) at an interest rate of 1.98% per annum, maturing January 19, 2026.	3,081	5,375	6,826	8,215	9,542	12,420	13,812	15,140	16,408	17,265
2016 Equipment Lease/Purchase Agreement; (Ameresco A) with BAPCC for Energy Performance Contract ($51,548,356) at an interest rate of 3.27% per annum, maturing June 28, 2036.	38,647	45,914	48,009	49,962	51,779	53,389	53,247	51,548	-	-
2016 Multi-draw term loan facility; with NY Green Bank ($11,000,000) at rate of 3.5% per annum on the used portion and at 0.50% per annum on the unused portion, paid off on December 18, 2017.	-	-	-	-	-	-	-	94	-	-
2017 Equipment Lease/Purchase Agreement; (BQDM); with BAPCC for Energy Performance Contract ($60,132,977.75) at an interest rate of 3.6178% per annum, maturing December 15, 2037.	50,483	52,598	54,556	62,747	64,603	62,328	60,133	-	-	-
2017 Equipment Lease/Purchase Agreement; (SANDY A); with BAPCC for Energy Performance Contract ($43,000,000) at an interest rate of 3.6178% per annum, maturing December 22, 2037.	40,329	42,010	43,566	45,003	46,197	44,570	43,000	-	-	-
2018 Equipment Lease/Purchase Agreement; (Ameresco B); with BAPCC for Energy Performance Contract ($79,461,775.81) at an interest rate of 4.75% per annum, maturing July 1, 2038.	78,508	81,172	83,582	85,751	82,647	79,462	-	-	-	-

NEW YORK CITY HOUSING AUTHORITY
LONG TERM DEBT
($ in thousands, except per capita)

Description of Long Term Debt	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Loans Funded by: (continued)										
2020 Equipment Lease/Purchase Agreement; (Ameresco A-2); with BAPCC for Energy Performance Contract ($23,298,752.13) at an interest rate of 3.404% per annum, maturing June 28, 2038.	22,359	23,491	23,773	23,407	-	-	-	-	-	-
2023 Equipment Lease/Purchase Agreement (SCH. # 6 JCI) with BAPCC for Energy Performance Contract ($50,473,178) at an interest rate of 4.58% per annum, maturing July 21, 2042.	51,598	-	-	-	-	-	-	-	-	-
HDC 2009 Series L-1 Bonds ($23,590,000); Permanent Mortgage Loan at an interest rate of 6.3% per annum, maturing November 2043; secured by mortgage.	19,772	20,262	20,722	21,154	21,559	21,940	22,298	22,634	22,949	23,245
HDC 2010 Series A-1 Bonds ($25,325,000); Permanent Mortgage Loan at an interest rate of 5.1% per annum, maturing November 2041; secured by mortgage.	-	-	-	10,545	19,606	20,086	23,389	23,883	24,352	24,798
HDC 2010 Series A-2 Bonds ($3,000,000); Permanent Mortgage Loan at an interest rate of 5.1% per annum, maturing May 2041; secured by mortgage.	-	-	-	1,366	2,308	2,365	2,770	2,829	2,885	2,938
Long Term Debt (before Premium)	**$ 658,027**	**$ 669,087**	**$ 699,410**	**$ 765,091**	**$ 791,992**	**$ 825,457**	**$ 781,132**	**$ 711,444**	**$ 693,439**	**$ 726,381**
Add Premium on HDC Revenue Bond Loan Agreements	-	-	6,662	8,873	11,611	14,972	19,035	23,898	29,603	35,974
TOTAL LONG TERM DEBT	**$ 658,027**	**$ 669,087**	**$ 706,072**	**$ 773,964**	**$ 803,603**	**$ 840,429**	**$ 800,167**	**$ 735,342**	**$ 723,042**	**$ 762,355**
Less current portion	57,382	56,195	50,577	47,193	43,975	39,130	36,647	35,145	33,637	32,942
LONG TERM DEBT, NET	**$ 600,645**	**$ 612,892**	**$ 655,495**	**$ 726,771**	**$ 759,628**	**$ 801,299**	**$ 763,520**	**$ 700,197**	**$ 689,405**	**$ 729,413**
Percentage of Personal Income	**17.77%**	**16.95%**	**18.35%**	**19.20%**	**18.86%**	**19.68%**	**18.83%**	**17.34%**	**17.49%**	**18.74%**
Per Capita	**$ 2,106**	**$ 2,027**	**$ 2,077**	**$ 2,158**	**$ 2,197**	**$ 2,205**	**$ 2,040**	**$ 1,854**	**$ 1,805**	**$ 1,901**

Note A
See Note 10 on Long Term Debt for more details

Note B
Percentage of Personal Income and Per Capita calculations are based on total long term debt using demographic information for NYCHA's residents (see NYCHA's Demographic and Economic Statistics-Ten Year Trend).

Source: Annual Comprehensive Financial Report

NEW YORK CITY HOUSING AUTHORITY
PLEDGED REVENUE COVERAGE
($ in thousands)

Description: Equipment Purchase/Lease Agreement with Bank of America for Energy Performance Contract

Year	Source of Revenue	Net Available Revenues	Principal and Interest Requirements	Coverage Ratio
2014	HUD Operating Subsidy	$ 819	$ 819	1.0
2015	HUD Operating Subsidy	$ 1,197	$ 1,197	1.0
2016	HUD Operating Subsidy	$ 1,586	$ 1,586	1.0
2017	HUD Operating Subsidy	$ 1,622	$ 1,622	1.0
2018	HUD Operating Subsidy	$ 3,273	$ 3,273	1.0
2019	HUD Operating Subsidy	$ 6,460	$ 6,460	1.0
2020	HUD Operating Subsidy	$ 14,963	$ 14,963	1.0
2021	HUD Operating Subsidy	$ 24,837	$ 24,837	1.0
2022	HUD Operating Subsidy	$ 19,702	$ 19,702	1.0
2023	HUD Operating Subsidy	$ 26,446	$ 26,446	1.0

Notes:

1. Net Available Revenues represent the annual debt service for the current year. The Authority has committed to appropriate HUD Operating revenue in amounts sufficient to cover the scheduled principal and interest requirements of the debt.
2. Details regarding the Authority's outstanding debt can be found in the notes to the financial statements.

NEW YORK CITY HOUSING AUTHORITY
PLEDGED REVENUE COVERAGE
($ in thousands)

Description of Loan Financed by: NYC Housing Development (HDC)
Capital Fund Program Revenue Bonds, Series 2022 A

Year	Source of Revenue		Net Available Revenues		Principal and Interest Requirements	Coverage Ratio
2014	Capital Fund 2014	$	98,746	$	41,655	2.4
2015	Capital Fund 2015	$	102,119	$	59,343	1.7
2016	Capital Fund 2016	$	106,244	$	59,517	1.8
2017	Capital Fund 2017	$	115,442	$	59,529	1.9
2018	Capital Fund 2018	$	176,082	$	59,544	3.0
2019	Capital Fund 2019	$	183,917	$	59,559	3.1
2020	Capital Fund 2020	$	195,004	$	59,565	3.3
2021	Capital Fund 2021	$	200,424	$	59,585	3.4
2022	Capital Fund 2022	$	236,251	$	53,072	4.5
2023	Capital Fund 2023	$	251,414	$	58,067	4.3

Notes:

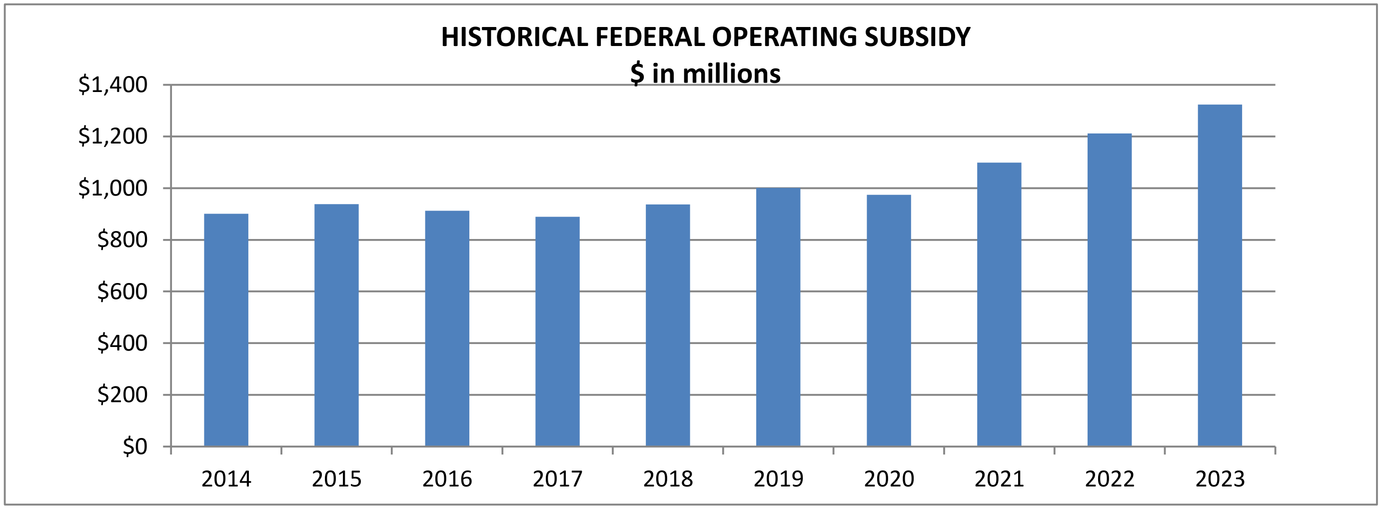
1. Net Available Revenues represent 33 1/3 percent of the Capital Fund grant, which is the maximum amount available for principal and interest requirements.
2. Details regarding the Authority’s outstanding debt can be found in the notes to the financial statements.
3. The 2013 Series A bond proceeds were used in part to defease the remaining debt on the 2005 A bonds in September of 2013.
4. The 2022 A Series bond proceeds were used to defease the remaining debt on the 2013 Series A & B in April 2022.

NEW YORK CITY HOUSING AUTHORITY

HISTORICAL FEDERAL OPERATING SUBSIDY

($ in millions)

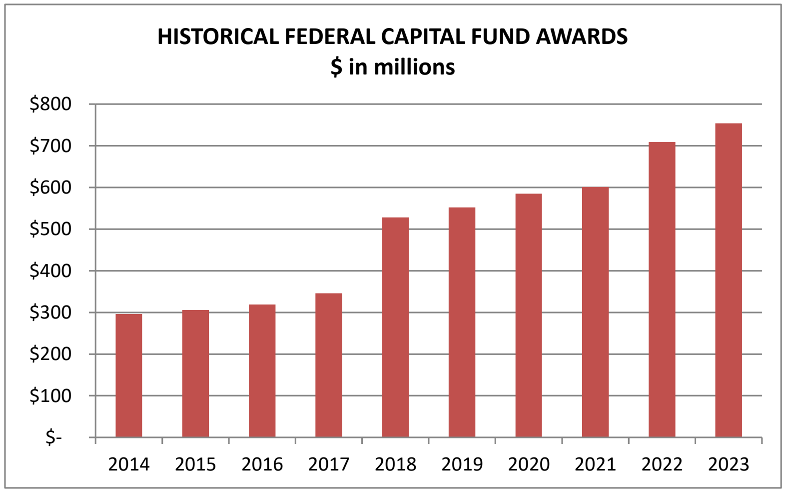
Year	Congressional Appropriation	NYCHA Funding
2014	$ 4,400	$ 901
2015	$ 4,440	$ 938
2016	$ 4,500	$ 912
2017	$ 4,400	$ 890
2018	$ 4,550	$ 937
2019	$ 4,653	$ 1,001
2020	$ 4,549	$ 974
2021	$ 4,839	$ 1,098
2022	$ 5,038	$ 1,211
2023	$ 5,109	$ 1,323



Source: New York City Housing Authority, Finance Planning and Analysis Department

NEW YORK CITY HOUSING AUTHORITY
HISTORICAL FEDERAL CAPITAL FUND AWARDS
($ in millions)

Capital Fund Grant Year	Congressional Appropriation	NYCHA Funding
2014	$ 1,875	$ 296
2015	$ 1,925	$ 306
2016	$ 1,900	$ 319
2017	$ 1,942	$ 346
2018	$ 2,750	$ 528
2019	$ 2,775	$ 552
2020	$ 2,869	$ 585
2021	$ 2,765	$ 601
2022	$ 3,200	$ 709
2023	$ 3,200	$ 754



Source: New York City Housing Authority, Finance Planning Analysis Department

SCHEDULES OF DEMOGRAPHIC AND ECONOMIC INFORMATION

NEW YORK CITY HOUSING AUTHORITY
RESIDENT DEMOGRAPHICS - OPERATING PROGRAMS

ALL PROGRAMS	DECEMBER 31, 2023 TOTAL	
NUMBER OF FAMILIES	147,778	
POPULATION*	312,422	
AVERAGE FAMILY SIZE	2.1	
AVERAGE TENURE IN PUBLIC HOUSING	26	
AVERAGE FAMILY ANNUAL INCOME	$ 25,057	
AVERAGE MONTHLY RENT	$ 588	
		Percentage of Population
NUMBER OF SENIOR RESIDENTS (AGE 62 OR MORE):	76,477	24.5%
NUMBER OF SINGLE SENIOR RESIDENTS (AGE 62 OR MORE):	38,407	12.3%
NUMBER OF MINORS UNDER 18:	74,532	23.9%
		Percentage of Households
NUMBER OF WORKING FAMILIES:	56,568	38.3%
NUMBER OF FAMILIES RECEIVING PUBLIC ASSISTANCE:	21,404	14.5%
NUMBER OF SINGLE PARENT FAMILIES WITH MINORS UNDER 18:	30,570	20.7%
NUMBER OF SENIOR (AGE 62 OR MORE) HEAD OF HOUSEHOLDS:	64,689	43.8%
HOUSEHOLDS BELOW POVERTY LEVEL	82,074	57.0%

Source: The Performance Tracking and Analytics Department

NEW YORK CITY HOUSING AUTHORITY

RESIDENT DEMOGRAPHICS - HOUSING CHOICE VOUCHER PROGRAM

AS OF DECEMBER 31, 2023

BOROUGH

	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Outside the 5 Boroughs Portables	Total*
NUMBER OF HOUSEHOLDS	42,998	34,205	12,135	9,309	2,051	0	100,698
NUMBER OF HOUSEHOLDS PERCENTAGE	42.70%	33.97%	12.05%	9.24%	2.04%	0.00%	100%

RACE and ETHNICITY

	Unknown	American Indian/ Native Alaskan	Asian/ Native Hawaiian/ Other Pacific Islander	Black	Hispanic	White	Total
NUMBER OF HOUSEHOLDS	22	564	2,597	32,705	51,455	13,355	100,698
NUMBER OF HOUSEHOLDS PERCENTAGE	0.02%	0.56%	2.58%	32.48%	51.10%	13.26%	100%

APARTMENT SIZE (NUMBER OF BEDROOMS)

	Unknown	0	1	2	3	4	5 or more	Total
NUMBER OF HOUSEHOLDS	7	6,477	30,151	37,551	21,758	3,793	961	100,698
NUMBER OF HOUSEHOLDS PERCENTAGE	0.01%	6.43%	29.94%	37.29%	21.61%	3.77%	0.95%	100.00%

*The number of households reported (100,698) does not include 1,324 households located outside NYC who are utilizing portability vouchers.

Source: Performance Tracking and Analytics Department

POPULATION - TEN YEAR TREND

2013 - 2022

Year	United States	Percentage Change from Prior Period	City of New York	Percentage Change from Prior Period
2013	316,735,375	0.76%	8,563,518	2.60%
2014	319,270,047	0.80	8,654,026	1.06
2015	321,829,327	0.80	8,736,487	0.95
2016	324,367,742	0.79	8,795,413	0.67
2017	326,623,063	0.70	8,815,992	0.23
2018	328,542,157	0.59	8,826,227	0.12
2019	330,233,102	0.51	8,822,926	(0.04)
2020	331,511,512	0.39	8,772,978	(0.57)
2021	332,031,554	0.16	8,467,513	(3.48)
2022	333,287,557	0.38	8,335,897	(1.55)

POPULATION OF NEW YORK CITY BY BOROUGH

	2022*	2020	2010	2000	1990	1980
Bronx	1,379,946	1,466,438	1,388,515	1,334,319	1,207,053	1,168,403
Brooklyn	2,590,516	2,727,393	2,514,416	2,467,006	2,303,679	2,233,786
Manhattan	1,596,273	1,687,834	1,590,875	1,540,547	1,487,073	1,428,371
Queens	2,278,029	2,395,791	2,238,654	2,230,501	1,957,281	1,894,296
Staten Island	491,133	495,522	470,099	445,235	380,564	353,021
Total	8,335,897	8,772,978	8,202,559	8,017,608	7,335,650	7,077,877
Percentage Increase (Decrease) from Prior Decade	(5.0%)	7.0%	2.3%	9.3%	3.6%	(10.4%)

Source: Comptroller's Report for Fiscal 2023, Bureau of Economic Analysis and U.S. Census Bureau, prior years data have been updated.
* Figures as of July 2022

Demographic and Economic Statistics - Ten Year Trend

2013 - 2022

	Personal Income (in thousands)			Per Capita Personal Income (in thousands)		
Year	United States	City of New York	New York City as a Percentage of United States	United States	City of New York	New York City as a Percentage of United States
2013	$ 14,189,228,000	$ 483,343,993	3%	$ 44,798	$ 56,439	126%
2014	14,969,527,000	507,873,499	3	46,887	58,687	125
2015	15,681,233,000	531,914,050	3	48,725	60,888	125
2016	16,092,713,000	557,518,350	3	49,613	63,390	128
2017	16,837,337,000	601,625,911	4	51,550	68,243	132
2018	17,671,054,000	621,746,302	4	53,786	70,445	131
2019	18,575,467,000	636,878,331	3	56,250	72,184	128
2020	19,812,171,000	670,709,550	3	59,763	76,452	128
2021	21,288,709,000	707,279,455	3	64,117	83,524	130
2022	21,804,787,500	N/A	N/A	65,423	N/A	N/A

Source: Comptroller's Report for Fiscal 2023, Bureau of Economic Analysis, prior years data have been updated.
N/A: Not Available

New York City Housing Authority

Demographic and Economic Statistics - Ten Year Trend

POPULATION - TEN YEAR TREND
2014 - 2023

Year	NYCHA	Change from Prior Period
2014 ……………………….	401,093	(0.50) %
2015………………………..	400,474	(0.15) %
2016………………………..	396,581	(0.97) %
2017………………………..	392,259	(1.09) %
2018………………………..	381,159	(2.83) %
2019………………………..	365,806	(4.03) %
2020………………………..	358,675	(1.95) %
2021………………………..	339,900	(5.23) %
2022………………………..	330,118	(2.88) %
2023………………………..	312,422	(5.36) %

New York City Housing Authority

Demographic and Economic Statistics - Ten Year Trend

2014 - 2023

Year	Personal Income (in thousands) NYCHA
2014 ……………………….	4,068,376
2015 ……………………….	4,133,013
2016 ……………………….	4,241,327
2017 ……………………….	4,248,457
2018 ……………………….	4,269,695
2019 ……………………….	4,259,891
2020 ……………………….	4,030,964
2021………………………..	3,847,446
2022………………………..	3,948,342
2023………………………..	3,702,873

Source: New York City Housing Authority, Resident Demographics - Operating Programs

City of New York - Persons Receiving Public Assistance - Ten Year Trend

2014- 2023
Average Annual Recipients

Year		Public Assistance (in thousands)	SSI (a)
2014	....	337	402,529
2015	....	360	398,856
2016	....	370	394,680
2017	....	364	388,629
2018	....	356	381,373
2019	....	332	374,695
2020	....	378	359,226
2021	....	371	347,907
2022	....	425	N/A
2023	....	481	N/A

(a) The Social Security Income ("SSI") data is for December of each year.
N/A: Not Available

Sources: Comptroller's Report for Fiscal 2023, The City of New York, Human Resources Administration and the U.S. Social Security Administration.

New York City Housing Authority
Persons Receiving Public Assistance - Ten Year Trend

2014- 2023
Number of Public Assistance Families

Year		Public Assistance
2014	....	20,379
2015	....	21,214
2016	....	22,710
2017	....	23,077
2018	....	22,146
2019	....	20,856
2020	....	21,037
2021	....	20,554
2022	....	22,625
2023	....	21,404

Source: New York City Housing Authority, Performance Tracking and Analytics Department

Nonagricultural Wage and Salary Employment - Ten Year Trend

2014-2023

(Average Annual Employment in thousands)

	2023 (b)	2022	2021	2020	2019	2018	2017	2016	2015	2014
Private Employment:										
Services (a)…………………………….	2,800	2,700	2,462	2,367	2,712	2,626	2,549	2,471	2,398	2,308
Wholesale Trade………………………..	130	131	123	122	141	142	143	144	145	143
Retail Trade…………………………….	302	305	293	287	349	351	352	351	353	351
Manufacturing………………………….	57	58	55	53	68	71	74	77	79	77
Financial Activities…………………….	493	487	466	471	485	477	469	466	459	449
Transportation, Warehousing and Utilities…………………………	143	147	135	128	147	143	139	135	132	126
Construction……………………………..	149	143	141	139	161	159	153	147	139	129
Total Private Employment…………….	4,074	3,971	3,675	3,567	4,063	3,969	3,878	3,791	3,705	3,583
Government……………………………………..	571	566	569	586	587	585	585	584	580	573
Total…………………………………	4,645	4,537	4,244	4,153	4,650	4,554	4,463	4,375	4,285	4,156
Percentage Increase (Decrease)……………… from Prior Year …………………………..	2.4%(b)	6.9%	2.2%	(10.7%)	2.1%	2.0%	2.0%	2.1%	3.1%	3.3%

(a) Includes rounding adjustment.
(b) Six months average.

Notes: This schedule is provided in lieu of a schedule of principal employees because it provides more meaningful information. Other than the City of New York, no single employer employs more than 2 percent of total nonagricultural employees.
Data are not seasonally adjusted.

Source: Comptroller's Report for Fiscal Year 2023, New York State Department of Labor, Division of Research and Statistics.
Prior years data have been updated

Employment Status of the Resident Population - Ten Year Trend

2013-2022

	Civilian Labor Force (in thousands)		**Unemployment Rate**	
	New York City Employed	New York City Unemployed(a)	New York City	United States
2013 ……………………….	3,707	358	8.8 %	7.4 %
2014 ……………………….	3,802	289	7.1	6.2
2015 ……………………….	3,861	228	5.6	5.3
2016 ……………………….	3,877	210	5.1	4.9
2017 ……………………….	4,105	194	4.5	4.4
2018 ……………………….	4,088	176	4.1	3.9
2019 ……………………….	4,098	168	3.9	3.7
2020 ……………………….	3,581	498	12.2	8.1
2021 ……………………….	3,681	411	10.0	5.4
2022 ……………………….	3,868	232	5.7	3.6

(a) Unemployed persons are all civilians who had no employment during the survey week, were available for work, except for temporarily illness, and had made efforts to find employment some time during the prior four weeks. This includes persons who were waiting to be recalled to a job from which they were laid off or were waiting to report to a new job within 30 days.

Note: Employment and unemployment information is not seasonally adjusted.

Sources: Comptroller's Report for Fiscal 2023, U.S. Department of Labor, Bureau of Labor Statistics, and Office of the Comptroller, Fiscal and Budget Studies. Prior Years data have been updated.

SCHEDULES OF OPERATING INFORMATION

NEW YORK CITY HOUSING AUTHORITY
SUMMARY OF PUBLIC HOUSING DEVELOPMENTS

DEVELOPMENT DATA	DEVELOPMENTS IN FULL OPERATION			
	PROGRAM			
	FEDERAL	LLC I	PACT/RAD	TOTAL**
NUMBER OF DEVELOPMENTS	238	13	84	335
NUMBER OF CURRENT APARTMENTS ***	139,268	14,174		153,442
NUMBER OF SECTION 8 TRANSITION APARTMENTS	-	2,703		2,703
TOTAL NUMBER OF APARTMENTS ****	142,389	14,476	20,704	177,569
RESIDENTIAL BUILDING	1,803	155	453	2,411
NON-RESIDENTIAL BUILDING	89	8	16	113
POPULATION* PUBLIC HOUSING	282,902	23,789		306,691
POPULATION* SECTION 8 TRANSITION	-	5,731		5,731
TOTAL POPULATION*	282,902	29,520	39,689	352,111

* Population as of January 2024
** Does not include Lavanburg Houses and PSS Grandparent Family Apartments
*** Current Apartments are units which are occupied as well as vacant available
**** Total Number of Apartments includes units which are occupied, vacant available, as well as units that are off the rent rolls or vacant unavailable

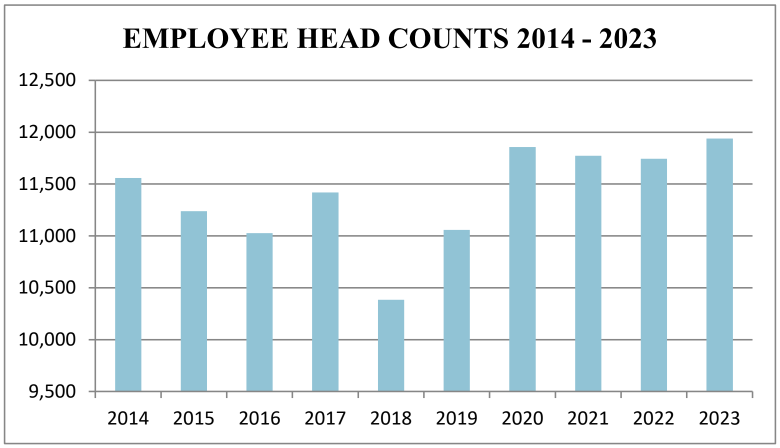
Source: New York City Housing Authority, Performance Tracking and Analytics Department

NEW YORK CITY HOUSING AUTHORITY
LEASE COMMITMENTS
($ in thousands)

LESSOR	YEAR OF EXPIRATION	ANNUAL RENTAL 2023	FUTURE MINIMUM ANNUAL RENTS	FACILITY
IPG LIC 49TH Ave Lower Floor Unit's Property Owner LLC (formerly LIC 73 Owner, LLC)	2050	$ 17,326	$ 687,110	Office Building
90 Church Street Limited Partnership	2044	12,901	359,679	Office Building
250 Broadway Associates	2039	6,054	113,671	Office Building
Fordham Renaissance Associates	2030	2,788	18,340	Office Building
Atara Vanderbilt LLC	2030	2,446	16,222	Office Building
Hutch Metro Center I LLC	2026	1,952	4,230	Office Building
Other	2026	12,505	7,020	Equipment
TOTAL		**$ 55,972**	**$ 1,206,272**	

NEW YORK CITY HOUSING AUTHORITY
EMPLOYEE HEAD COUNTS 2014 - 2023

Year	Full Time	Part Time	Total
2014	11,401	158	11,559
2015	11,079	160	11,239
2016	10,624	403	11,027
2017	10,976	444	11,420
2018	10,287	97	10,384
2019	10,973	86	11,059
2020	11,797	60	11,857
2021	11,684	89	11,773
2022	11,706	38	11,744
2023	11,905	34	11,939



Note: Includes only employees who are active and receiving bi-weekly pay.

Source: New York City Housing Authority
Department of Human Resources