



**New York City School Construction Authority  
(A Component Unit of The City of New York)**

**Financial Statements  
(Together with Independent Auditors' Report)**

**June 30, 2024 and 2023**

**NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY  
(A Component Unit of The City of New York)**

**FINANCIAL STATEMENTS  
(Together with Independent Auditors' Report)**

**JUNE 30, 2024 AND 2023**

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## INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Trustees  
New York City School Construction Authority  
Long Island City, NY

### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and capital projects fund of the New York City School Construction Authority (the "Authority"), a component unit of The City of New York as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and capital projects fund of the Authority as of June 30, 2024 and 2023, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

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 Auditors' 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 opinions.

### ***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.

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*In certain jurisdictions, CBIZ CPAs P.C. operates under its previous name, Mayer Hoffman McCann P.C.*



### ***Auditors' 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 auditors' report that includes our opinions. 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 audits.
- 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 audits 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 audits.



### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8, the schedule of changes in total OPEB liability and related ratios on page 32, the schedule of the Authority's proportionate share of the net pension liability on page 33, and the schedule of the Authority's contributions on page 34 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 GAAS, 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.

*CBIZ CPAs P.C.<sup>1</sup>*

New York, NY  
October 11, 2024

# **New York City School Construction Authority**

## **Management's Discussion and Analysis**

### **As of and for the Years Ended June 30, 2024 and 2023 (Unaudited)**

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#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The following is a narrative overview and analysis of the financial activities of the New York City School Construction Authority (the "Authority") as of June 30, 2024 and 2023 and for the years then ended. It should be read in conjunction with the Authority's government-wide financial statements, governmental fund financial statements and the notes to the financial statements. The financial statements consist of four parts: (1) management's discussion and analysis (this section); (2) the government-wide financial statements; (3) the governmental fund financial statements; and (4) the notes to the financial statements.

The government-wide financial statements, which include the statements of net position and the statements of activities, are presented to display information about the Authority as a whole, in accordance with Governmental Accounting Standards Board ("GASB") standards. This is to provide the reader with a broad overview of the Authority's finances. The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

The Authority's governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues and assets are recognized when measurable and available to finance operations of the current period; expenditures and liabilities are recognized upon receipt of goods and services to the extent that they will be liquidated with expendable available resources.

The reconciliations of the governmental fund balance sheets to the statements of net position and reconciliations of the governmental fund statements of revenues, expenditures and changes in fund balance to the statements of activities are presented to assist the reader in understanding the differences between government-wide and governmental funds financial statements.

#### **OVERVIEW OF THE ORGANIZATION**

The Authority, a public benefit corporation reported as a blended component unit of The City of New York (the "City"), was created by the State of New York Legislature in December 1988. The Authority's responsibilities as defined in the enabling legislation are the design, construction, reconstruction, improvement, rehabilitation and repair of New York City public schools. The Authority's capital projects include: new construction; building additions; major modernization and rehabilitation; construction, reconstruction or renovation of athletic fields, playgrounds and pools; and system replacements, including electrical, plumbing, elevators, roofs, security devices and system installation. The Authority is governed by a three-member Board of Trustees. The Mayor of the City appointed the School's Chancellor, to serve as the Chair of the Board of Trustees, and the other two trustees.

The Authority's operations are funded by appropriations made by the City. All of the Authority's net position is the property of the City. Appropriations are based on a five-year capital plan.

Resource flows between the Authority and the City and the New York City Department of Education (the "DOE"), have been reported as revenues and expenses/expenditures in the Authority's financial statements. Management believes that this presentation is most useful for the intended users of these financial statements, although this treatment is most often used when presenting the activities of a discretely presented component unit. The presentation of these activities as a net fund transfer was deemed to provide less useful information.

# New York City School Construction Authority

## Management's Discussion and Analysis

### As of and for the Years Ended June 30, 2024 and 2023 (Unaudited)

#### GOVERNMENT-WIDE FINANCIAL STATEMENTS

#### RESULTS OF OPERATIONS

For fiscal year 2023, the Authority awarded construction contracts for 19 new schools and additions with a construction value of \$717.6 million and 361 capital improvement or renovation projects with a construction value of \$2,240.4 million. The Authority completed 25 new schools and additions as of September 2023, which created 6,532 seat openings for the 2023/2024 school year.

For fiscal year 2024, the Authority awarded construction contracts for 18 new schools and additions with a construction value of \$635.3 million and 313 capital improvement or renovation projects with a construction value of \$1,321.6 million. The Authority completed 24 new schools and additions as of September 2024, which created 11,010 seat openings for the 2024/2025 school year.

The following chart summarizes the government-wide financial activities in the statements of activities of the Authority for the years ended June 30, 2024, 2023 and 2022 (amounts are in thousands):

	2024	2023	2022	Changes 2024 vs 2023	Changes 2023 vs 2022
<b>Revenues</b>					
Operating revenues from The City of New York	\$ 3,835,847	\$ 3,488,249	\$ 2,887,549	\$ 347,598	\$ 600,700
Operating revenues for DOE payments	535,593	316,947	306,336	218,646	10,611
<b>Total Revenues</b>	<b>4,371,440</b>	<b>3,805,196</b>	<b>3,193,885</b>	<b>566,244</b>	<b>611,311</b>
<b>Expenses</b>					
Pollution remediation costs	109,579	123,336	104,305	(13,757)	19,031
Transfer of completed contracts to the DOE	2,111,363	2,225,044	1,965,000	(113,681)	260,044
Lease amortization	14,257	9,743	9,743	4,514	-
SBITA amortization	3,270	600	-	2,670	600
Interest expense	647	384	453	263	(69)
Pension and OPEB expense - net of payments capitalized	(3,893)	2,862	(471)	(6,755)	3,333
Operating transfers to the DOE	535,593	316,947	306,336	218,646	10,611
<b>Total Expenses</b>	<b>2,770,816</b>	<b>2,678,916</b>	<b>2,385,366</b>	<b>91,900</b>	<b>293,550</b>
Other revenues and expenses, net	5,011	(4,477)	(16,968)	9,488	12,491
<b>Change in net position</b>	<b>1,605,635</b>	<b>1,121,803</b>	<b>791,551</b>	<b>483,832</b>	<b>330,252</b>
<b>Net position - beginning of the year</b>	<b>4,437,107</b>	<b>3,315,304</b>	<b>2,523,753</b>	<b>1,121,803</b>	<b>791,551</b>
<b>Net position - end of the year</b>	<b>\$ 6,042,742</b>	<b>\$ 4,437,107</b>	<b>\$ 3,315,304</b>	<b>\$ 1,605,635</b>	<b>\$ 1,121,803</b>

The Authority's revenue consists entirely of capital appropriations made by the City for capital expenditures for the fiscal year, including operating and administrative costs. Revenue in fiscal year 2024 was \$4,371 million compared to fiscal year 2023 revenue of \$3,805 million, an increase of \$566 million. Revenue in fiscal year 2023 was \$3,805 million compared to fiscal year 2022 revenue of \$3,194 million, an increase of \$611 million.

Capital expenditures increased during the past two fiscal years as construction projects that were "paused" during the coronavirus pandemic, recommenced. This resulted in an increase in capital spending in fiscal years 2024 and 2023 that impacted both the Authority and the DOE's capital projects.

The Authority's expenses in fiscal year 2024 were \$2,771 million compared to \$2,679 million in fiscal year 2023, an increase of \$92 million. The increase is driven by increase in capital project spending by the DOE relating to technological and facility enhancements.

# New York City School Construction Authority

## Management's Discussion and Analysis

### As of and for the Years Ended June 30, 2024 and 2023 (Unaudited)

Costs related to completed contracts transferred to the DOE decreased from \$2,225 million in fiscal year 2023 to \$2,111 million in fiscal year 2024. All projects transferred were determined by the Authority's Construction Management Division to be substantially completed or occupied as of April 30, 2024. This transfer of completed contracts allowed for the capitalization of these contracts as fixed assets by the City in the current fiscal year.

The Authority has classified \$110 million as expenses incurred for pollution remediation costs for fiscal year 2024. For fiscal year 2023, the Authority had classified \$123 million as expenses incurred for pollution remediation costs (refer to Note 12 of the financial statements).

#### FINANCIAL HIGHLIGHTS

The following chart summarizes the government-wide financial net position reported in the statements of net position of the Authority as of June 30, 2024, 2023, and 2022 (amounts are in thousands):

	2024	2023	2022	Changes 2024 vs 2023	Changes 2023 vs 2022
<b>Assets</b>					
Cash and investments	\$ 140,120	\$ 140,214	\$ 135,853	\$ (94)	\$ 4,361
Due from The City of New York	1,117,118	946,947	709,240	170,171	237,707
Prepaid expenses and other assets	242,194	323,322	375,165	(81,128)	(51,843)
Securities held in lieu of cash retainage	9,724	7,660	6,815	2,064	845
Capital assets, net	316,039	57,253	51,507	258,786	5,746
Construction in progress	5,961,713	4,307,066	3,123,821	1,654,647	1,183,245
<b>Total Assets</b>	<b>7,786,908</b>	<b>5,782,462</b>	<b>4,402,401</b>	<b>2,004,446</b>	<b>1,380,061</b>
<b>Liabilities</b>					
Current liabilities	1,321,802	1,152,521	890,447	169,281	262,074
Long-term liabilities	421,735	185,489	198,691	236,246	(13,202)
<b>Total Liabilities</b>	<b>1,743,537</b>	<b>1,338,010</b>	<b>1,089,138</b>	<b>405,527</b>	<b>248,872</b>
Deferred outflows of resources	21,881	5,063	18,904	16,818	(13,841)
Deferred inflows of resources	22,510	12,408	16,863	10,102	(4,455)
<b>Net Position - Restricted</b>	<b>\$ 6,042,742</b>	<b>\$ 4,437,107</b>	<b>\$ 3,315,304</b>	<b>\$ 1,605,635</b>	<b>\$ 1,121,803</b>

The assets of the Authority exceeded its liabilities ("net position") at the close of fiscal year 2024 and 2023 by \$6,043 million and \$4,437 million, respectively. The Authority's net position primarily represents the investment in capital assets for construction work performed at New York City public schools. These assets are not available for future spending.

Total government-wide assets from fiscal year 2023 to fiscal year 2024 increased by \$2,004 million. The change in total assets in fiscal year 2024 is primarily due to an increase in construction in progress and capital assets. During fiscal year 2024, the Authority entered into a new building lease agreement of which \$253 million was recognized as a capital asset. The increase in construction in progress is due to expenditures relating to capital projects delayed by the coronavirus pandemic.

From fiscal year 2022 to fiscal year 2023, total government-wide assets increased by \$1,380 million. This change in total assets in fiscal year 2023 is primarily driven by an increase in receivables due from the City relating to construction expenditures and an increase in construction projects in progress offset by a decrease in collateral receivable due to an unfavorable actuarial valuation for the Owners Controlled Insurance Program ("OCIP") claims.

# New York City School Construction Authority Management's Discussion and Analysis As of and for the Years Ended June 30, 2024 and 2023 (Unaudited)

As of June 30, 2024 and 2023, the Authority held investments totaling \$43 million and \$54 million, respectively, in U.S. Treasury securities recorded at fair value. Investments are purchased in accordance with General Municipal Law Section Eleven.

Cash is secured through JP Morgan Chase and collateralized in U.S. Treasury Notes and various government sponsored entities, such as the Federal Home Loan Association and the Federal National Mortgage Association, by JP Morgan Chase. The cash is held temporarily by the Authority for capital project expenditures.

The liabilities of the Authority increased by \$406 million from fiscal year 2023 to fiscal year 2024. The increase in liabilities is principally due to the recognition of the new building lease.

The liabilities of the Authority increased by \$249 million from fiscal year 2022 to fiscal year 2023. The increase in liabilities is due to the increase in construction project expenditures and recognition of software subscriptions.

Overall, the net position in the government-wide financials increased by \$1,606 million from fiscal year 2023 to fiscal year 2024, and by \$1,122 million from fiscal year 2022 to fiscal year 2023. The increase in fiscal years 2024 and 2023 were primarily due to an increase in construction projects in progress, as noted previously, offset by a decrease in collateral receivables from unfavorable actuarial valuation of the OCIP program claims.

## FUND FINANCIAL STATEMENTS

### RESULTS OF OPERATIONS

The following chart summarizes the capital projects fund activities in the statements of revenues, expenditures and changes in fund balance of the Authority for the years ended June 30, 2024, 2023, and 2022 (amounts are in thousands):

	2024	2023	2022	Changes 2024 vs 2023	Changes 2023 vs 2022
<b>Revenues</b>					
Operating revenues from The City of New York	\$3,834,517	\$ 3,512,597	\$ 2,879,075	\$ 321,920	\$ 633,522
Operating revenues for DOE payments	535,593	316,947	306,336	218,646	10,611
<b>Total Revenues</b>	<b>4,370,110</b>	<b>3,829,544</b>	<b>3,185,411</b>	<b>540,566</b>	<b>644,133</b>
<b>Expenditures</b>					
Capital project expenditures	3,758,733	3,427,240	2,734,848	331,493	692,392
Fixed assets	27,131	9,271	4,732	17,860	4,539
Principal payment	13,380	12,923	8,924	457	3,999
Interest expense	647	384	453	263	(69)
Pollution remediation expenditures	119,235	104,957	92,150	14,278	12,807
Operating transfers to the DOE	535,593	316,947	306,336	218,646	10,611
<b>Total Expenditures</b>	<b>4,454,719</b>	<b>3,871,722</b>	<b>3,147,443</b>	<b>582,997</b>	<b>724,279</b>
Other revenues and expenses, net	5,011	(4,477)	(16,968)	9,488	12,491
<b>Change in fund balance</b>	<b>(79,598)</b>	<b>(46,655)</b>	<b>21,000</b>	<b>(32,943)</b>	<b>(67,655)</b>
<b>Fund balance - beginning of the year</b>	<b>258,045</b>	<b>304,700</b>	<b>283,700</b>	<b>(46,655)</b>	<b>21,000</b>
<b>Fund balance - end of the year</b>	<b>\$ 178,447</b>	<b>\$ 258,045</b>	<b>\$ 304,700</b>	<b>\$ (79,598)</b>	<b>\$ (46,655)</b>

Revenue in fiscal year 2024 was \$4,370 million compared to fiscal year 2023 of \$3,829 million, an increase of \$541 million. Revenue in fiscal year 2023 increased by \$644 million from \$3,185 million in fiscal year 2022 to \$3,829 million in fiscal year 2023. The fluctuations from 2023 to 2024 and 2022 to 2023 is primarily due to an increase in capital projects.

# New York City School Construction Authority Management's Discussion and Analysis As of and for the Years Ended June 30, 2024 and 2023 (Unaudited)

The Authority's expenditures in fiscal year 2024 were \$4,455 million compared to \$3,872 million in fiscal year 2023, an increase of \$583 million. In comparison to fiscal year 2023, the Authority's expenditures increased by \$724 million from fiscal year 2022. The increase in expenditures is primarily due to completion of new schools and capital additions by the Authority during fiscal years 2024 and 2023.

## FINANCIAL HIGHLIGHTS

The following chart summarizes the capital projects fund balance sheets of the Authority as of June 30, 2024, 2023, and 2022 (amounts are in thousands):

Assets	2024	2023	2022	Changes	
				2024 vs 2023	2023 vs 2022
Cash and investments	\$ 140,120	\$ 140,214	\$ 135,853	\$ (94)	\$ 4,361
Due from The City of New York	1,108,211	939,370	677,314	168,841	262,056
Prepaid expenses and other assets	242,194	323,322	375,165	(81,128)	(51,843)
Securities held in lieu of cash retainage	9,724	7,660	6,815	2,064	845
<b>Total Assets</b>	<b>1,500,249</b>	<b>1,410,566</b>	<b>1,195,147</b>	<b>89,683</b>	<b>215,419</b>
<b>Liabilities</b>					
Current Liabilities	1,321,802	1,152,521	890,447	169,281	262,074
<b>Total Liabilities</b>	<b>1,321,802</b>	<b>1,152,521</b>	<b>890,447</b>	<b>169,281</b>	<b>262,074</b>
<b>Fund balance</b>	<b>\$ 178,447</b>	<b>\$ 258,045</b>	<b>\$ 304,700</b>	<b>\$ (79,598)</b>	<b>\$ (46,655)</b>

The assets of the Authority exceeded its liabilities at the close of fiscal year 2024 and 2023 by \$178 million and \$258 million, respectively.

Total assets from fiscal year 2023 to fiscal year 2024 increased by \$90 million. From fiscal year 2022 to fiscal year 2023, total assets increased by \$215 million. The increase is driven by an increase in receivables from the City offset by a decrease in collateral receivable due to an unfavorable actuarial valuation of OCIP claims.

The liabilities of the Authority increased by \$169 million during fiscal year 2024 and \$262 million during fiscal year 2023. The fluctuation within the liabilities is mainly attributed to an overall increase in construction expenditures and timing of construction payments.

The Authority's capital projects fund balance decreased \$80 million from fiscal year 2023 to fiscal year 2024 and by \$47 million from fiscal year 2022 to fiscal year 2023. As mentioned previously, the fluctuation is primarily due to increased capital project expenditure as projects resumed from the pause, resulting in increased cash outflow and liabilities, offset by an increase in receivables from the City.

## CONTACTING THE NYC SCHOOL CONSTRUCTION AUTHORITY'S MANAGEMENT

This financial report is designed to provide citizens, taxpayers, investors, creditors, and other entities with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the funds it receives. Requests for additional financial information or inquiries should be addressed to the NYC School Construction Authority's Finance Dept., 25-01 Jackson Avenue, Long Island City, NY 11101.

**NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY**  
**STATEMENTS OF NET POSITION**  
**AS OF JUNE 30, 2024 AND 2023 (in thousands)**

	<u>2024</u>	<u>2023</u>
<b>ASSETS:</b>		
Cash	\$ 97,305	\$ 86,193
Investments	42,815	54,021
Due from The City of New York	1,117,118	946,947
Prepaid expenses	100,884	122,293
Due from the Department of Education	36	150
Other assets	141,274	200,879
Securities in lieu of cash retainage	9,724	7,660
Capital assets, net	316,039	57,253
Construction in progress, asset held for The City of New York	5,961,713	4,307,066
Total assets	<u>7,786,908</u>	<u>5,782,462</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>		
Deferred outflows from pensions and OPEB	21,881	5,063
Total deferred outflows of resources	<u>21,881</u>	<u>5,063</u>
Total assets and deferred outflows	<u>\$ 7,808,789</u>	<u>\$ 5,787,525</u>
<b>LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 873,594	\$ 775,148
Retainage payable	382,081	313,285
Unearned revenue	31,323	31,754
Pollution remediation payable	97,858	108,138
Lease liabilities	275,651	32,240
SBITA liabilities	8,605	9,072
Pension liability	20,002	16,150
OPEB liability	20,549	21,578
Accrued annual leave obligation	9,019	7,997
Accrued sick leave obligation	4,840	4,342
Accrued claims and contingencies	20,015	18,306
Total liabilities	<u>1,743,537</u>	<u>1,338,010</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
Deferred inflows from pensions and OPEB	22,510	12,408
Total deferred inflows of resources	<u>22,510</u>	<u>12,408</u>
<b>NET POSITION:</b>		
Total net position - restricted	<u>6,042,742</u>	<u>4,437,107</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 7,808,789</u>	<u>\$ 5,787,525</u>

The accompanying notes are an integral part of these financial statements.

**NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (in thousands)**

	<u>2024</u>	<u>2023</u>
<b>REVENUES:</b>		
Operating revenues from or due from The City of New York	\$ 3,835,847	\$ 3,488,249
Operating revenues for payments made on behalf of the Department of Education	535,593	316,947
Total revenues	<u>4,371,440</u>	<u>3,805,196</u>
<b>EXPENSES:</b>		
Pollution remediation costs	109,579	123,336
Transfer of completed contracts to the Department of Education	2,111,363	2,225,044
Lease amortization	14,257	9,743
SBITA amortization	3,270	600
Interest expense	647	384
Pension expense, net of payments capitalized	(3,512)	3,010
OPEB expense, net of payments capitalized	(381)	(148)
Operating transfers on behalf of the Department of Education	535,593	316,947
Total expenses	<u>2,770,816</u>	<u>2,678,916</u>
Net revenues/(expenses)	1,600,624	1,126,280
Other revenues and expenses, net	<u>5,011</u>	<u>(4,477)</u>
Net change in net position	1,605,635	1,121,803
<b>NET POSITION - beginning of year</b>	<u>4,437,107</u>	<u>3,315,304</u>
<b>NET POSITION - end of year</b>	<u>\$ 6,042,742</u>	<u>\$ 4,437,107</u>

The accompanying notes are an integral part of these financial statements.

**NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY**  
**GOVERNMENTAL FUND BALANCE SHEETS**  
**AS OF JUNE 30, 2024 AND 2023 (in thousands)**

	<b>2024</b>	<b>2023</b>
	<b>Capital Projects Fund</b>	<b>Capital Projects Fund</b>
	<u>                    </u>	<u>                    </u>
<b>ASSETS:</b>		
Cash	\$ 97,305	\$ 86,193
Investments	42,815	54,021
Due from The City of New York	1,108,211	939,370
Prepaid expenses	100,884	122,293
Due from the Department of Education	36	150
Other assets	141,274	200,879
Securities in lieu of cash retainage	9,724	7,660
	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 1,500,249</u>	<u>\$ 1,410,566</u>
<b>LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 883,432	\$ 784,414
Retainage payable	382,081	313,285
Unearned revenue	31,323	31,754
Accrued annual leave obligation	9,019	7,997
Accrued sick leave obligation	4,732	4,246
Accrued claims and contingencies	11,215	10,825
	<u>                    </u>	<u>                    </u>
Total liabilities	<u>1,321,802</u>	<u>1,152,521</u>
<b>FUND BALANCE:</b>		
Nonspendable-prepaid expenses and other assets	155,884	162,293
Restricted for capital projects	22,563	95,752
Total fund balance	<u>178,447</u>	<u>258,045</u>
	<u>                    </u>	<u>                    </u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,500,249</u>	<u>\$ 1,410,566</u>

The accompanying notes are an integral part of these financial statements.

**NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY**  
**GOVERNMENTAL FUND STATEMENTS OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (in thousands)**

	<b>2024</b>	<b>2023</b>
	<b>Capital</b>	<b>Capital</b>
	<b>Projects Fund</b>	<b>Projects Fund</b>
<b>REVENUES:</b>		
Operating revenues from or due from The City of New York	\$ 3,834,517	\$ 3,512,597
Operating revenues for payments made on behalf of the Department of Education	535,593	316,947
Total revenues	<u>4,370,110</u>	<u>3,829,544</u>
<b>EXPENDITURES:</b>		
Capital projects	3,758,733	3,427,240
Fixed assets	27,131	9,271
Principal payment	13,380	12,923
Interest expense	647	384
Pollution remediation cost	119,235	104,957
Operating transfers on behalf of the Department of Education	535,593	316,947
Total expenditures	<u>4,454,719</u>	<u>3,871,722</u>
Net (expenses)/revenues	(84,609)	(42,178)
Other revenues and expenses, net	<u>5,011</u>	<u>(4,477)</u>
Net change in fund balance	(79,598)	(46,655)
<b>FUND BALANCE - beginning of year</b>	<u>258,045</u>	<u>304,700</u>
<b>FUND BALANCE - end of year</b>	<u>\$ 178,447</u>	<u>\$ 258,045</u>

The accompanying notes are an integral part of these financial statements.

**NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY**  
**RECONCILIATIONS OF THE GOVERNMENTAL FUND BALANCE SHEETS**  
**TO THE STATEMENTS OF NET POSITION**  
**AS OF JUNE 30, 2024 AND 2023**  
**(in thousands)**

	<u>2024</u>	<u>2023</u>
Total fund balance - governmental funds	\$ 178,447	\$ 258,045
Amounts reported for governmental activities in the statements of net position are different because:		
Construction in progress assets are not financial resources and therefore are not reported in the funds	5,961,713	4,307,066
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	34,083	14,094
Right-of-use assets used in governmental activities are not financial resources and therefore are not reported in the funds	281,956	43,159
Other long-term assets which will be used to pay for future liabilities and accordingly are not reported in the funds	8,856	7,578
Deferred outflows/inflows of resources relating to the net pension and OPEB liabilities are not financial resources and therefore are not reported in the funds	(629)	(7,345)
Long-term liabilities not due and payable in the current period and accordingly are not reported in the funds. Those liabilities consist of:		
OPEB liability	(20,549)	(21,578)
Pollution remediation payable	(87,969)	(98,872)
Pension liability	(20,002)	(16,150)
Lease and SBITA liabilities	(284,256)	(41,312)
Sick leave obligation	(108)	(97)
Contingent and other liabilities	(8,800)	(7,481)
Net position of governmental activities	<u>\$ 6,042,742</u>	<u>\$ 4,437,107</u>

The accompanying notes are an integral part of these financial statements.

**NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY  
RECONCILIATIONS OF THE GOVERNMENTAL FUND STATEMENTS OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (in thousands)**

	<u>2024</u>	<u>2023</u>
Net change in fund balance - governmental funds	\$ (79,598)	\$ (46,655)
Amounts reported for governmental activities in the statements of activities are different because:		
Governmental funds financial statements report capital outlays for costs incurred for construction projects as expenditures. However, in the government-wide financial statements, the cost of these assets are capitalized and expensed when transferred to the City.	1,662,748	1,188,798
Governmental funds financial statements report capital outlays as expenditures. However, in the statement of activities, the cost is allocated over the estimated useful lives and reported as depreciation expense.	27,131	9,271
Governmental funds financial statements report pollution remediation expenditures upon receipt of goods and services. However, in government-wide financial statements expenses are incurred when expected outlays are reasonably estimable.	9,656	(18,379)
Governmental funds financial statements report lease and subscription based arrangements as expenditures upon payment. However, in government-wide financial statements the future cost of the leased asset is capitalized and amortized over the estimated term of the leased asset.	(4,147)	2,580
Net pension expense	(10,536)	(13,960)
Net OPEB expense	381	148
Change in net position - governmental activities	<u>\$ 1,605,635</u>	<u>\$ 1,121,803</u>

The accompanying notes are an integral part of these financial statements.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

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### 1. ORGANIZATION

The New York City School Construction Authority (the “Authority”), a public benefit corporation reported as a blended component unit of The City of New York (the “City”), was created by the State of New York Legislature in December 1988. The Authority’s responsibilities as defined in the enabling legislation are the design, construction, reconstruction, improvement, rehabilitation and repair of New York City public schools. The Authority’s capital projects include: new construction; building additions; major modernization and rehabilitation; construction, reconstruction or renovation of athletic fields, playgrounds and pools; and system replacements, including electrical, plumbing, elevators, roofs, security devices and system installation. The Authority is governed by a three-member Board of Trustees. The Mayor of the City appointed the School’s Chancellor, to serve as the Chair of the Board of Trustees, and the other two trustees.

The Authority’s operations are funded by appropriations made by the City. All the Authority’s net position is the property of the City. Appropriations are based on a five-year capital plan. The City’s appropriation for the five-year capital plan for the fiscal years 2020 through 2024 is \$17.72 billion.

The Authority also carries out certain projects funded through the City Council and Borough Presidents, pursuant to the City Charter. Appropriations of \$315,884 and \$275,788 were made in fiscal 2024 and 2023, respectively, by the City Council and Borough Presidents for this purpose.

As the Authority is a pass-through entity, in existence for the sole purpose of construction of capital projects, all costs incurred are capitalized into construction in progress. Upon completion of construction in progress projects, the assets are transferred to the DOE.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Accounting**

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”), as prescribed by the Governmental Accounting Standards Board (“GASB”).

The government-wide financial statements are presented on the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized when incurred, including long-term liabilities such as sick leave, pensions, other postemployment benefits, and claims.

The governmental fund financial statements of the Authority are presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available to finance operations of the current period; expenditures and liabilities are recognized upon receipt of goods and services to the extent that they will be liquidated with expendable available resources. Based upon the nature of the operations of the Authority, only a capital projects fund is reported, as all transactions relate to expenditures and resources obtained for the acquisition, construction or improvement of capital facilities.

Fund balances are classified as either: 1) nonspendable, 2) restricted, 3) committed, 4) assigned, or 5) unassigned in accordance with GASB standards. Fund balances that cannot be spent because they are not in spendable form are defined as nonspendable.

Resource flows between the Authority and DOE are reported as revenues and expenses/expenditures in the financial statements. Management believes that this presentation is most useful for the intended users of these financial statements, although this treatment is most often used when presenting the

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

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activities of a discrete component unit. The presentation of these activities as a net fund transfer was deemed to provide less useful information.

### **Budget versus Actual Revenues and Expenditures**

Appropriations are made by the City for capital expenditures of the Authority, including operating and administrative costs. Such appropriations are based on the five-year capital plan. Budgeted commitments and expenditures generally span more than one year and thus do not provide a meaningful basis for comparison of annual expenditures to budgeted amounts.

### **Due from The City of New York**

Due from the City represents amounts expended by the Authority for construction projects pursuant to appropriations made by the City, but not yet paid to the Authority. This amount is related to liabilities, net of certain assets that have been incurred by the Authority for construction activities prior to the fiscal year end.

### **Capital Assets**

Capital assets used by the Authority include furniture and equipment, software, leasehold improvements and lease assets. Capital assets are generally stated at historical cost or base on contractual terms. Accumulated depreciation and amortization are reductions to capital assets. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets applying the half-year convention and based upon estimated useful lives of 3 to 7 years. Amortization which includes leasehold improvements and lease assets are amortized over the shorter of the asset's estimated useful lives or the related life of the lease, generally 5 to 20 years. Upon the disposition of fixed assets, the cost of the asset disposed, and the related accumulated depreciation are removed from the accounts, with any resulting gain or loss included in the statement of activities for the period. Capital assets are accounted for and reported in the government-wide financial statements. Refer to Note 6.

### **Construction in Progress**

Construction in progress is stated at cost and includes such costs as site acquisition, wrap-up insurance, initial outfitting construction contract costs, construction management fees, architecture and engineering fees, and administrative costs of the Authority. These assets are transferred to the DOE upon substantial completion or occupancy of capacity construction projects or upon incurrence of the cost of capital improvement or renovation construction projects. Refer to Note 9.

### **Pollution Remediation Obligations**

Expenditures for pollution remediation costs are recorded in the fund financial statements in the period in which such expenditures are paid from current financial resources. Pollution remediation obligations which are payable in future subsequent years are recorded as a liability in the government-wide financial statements. Refer to Note 12.

### **Pensions and Other Postemployment Benefits**

The Authority provides defined benefit pension plans ("pension") and other postemployment benefit ("OPEB") plans to substantially all its employees and eligible retirees. Pension and OPEB plans are actuarially evaluated, involving various assumptions. A liability is recognized for the net pension or OPEB liability, measured as the portion of the actuarial present value of projected benefit payments attributed to past periods of employee service, net of the plan's fiduciary net position. A pension or OPEB expense is recognized for the change in net pension or OPEB liability. Changes in assumption or experience that are not recognized in expense are reported as deferred outflows of resources or deferred inflows of resources. For pension plans, the pension liability, expense, deferred outflows of

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

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resources and deferred inflows of resources are recognized by the Authority for its proportionate share of the collective pension amounts within the plan, measured based on each employer's contribution to the total contributions to the plans. Refer to Note 13.

### **Investments**

The Authority invests in obligations in accordance with Section 11 of the General Municipal Law.

The Authority records its investments at fair value. Fair value measurement is based on a three-level hierarchy valuation technique. The hierarchy is based on the inputs used to measure the fair value of the asset with the highest priority given to quoted prices in an active market for identical assets (Level 1) and lowest priority to unobservable inputs (Level 3).

The three valuation techniques used to measure fair value are defined as follows:

Level 1 – inputs are based on unadjusted quoted prices for identical assets or liabilities in an active market (examples include active exchange markets, brokered markets, money market mutual funds).

Level 2 – inputs that are observable for the asset or liability, either directly or indirectly and include: (a) quoted prices for similar assets in active markets; (b) quoted prices for identical or similar assets in markets that are not active; (c) inputs other than quoted prices that are observable such as credit spreads, interest rates and yield curves; and (d) market-corroborated inputs.

Level 3 – inputs are based on unobservable inputs such as management's own assumptions.

Securities held by the Authority are categorized as Level 1 inputs.

### **Annual and Sick Leave**

The Authority's full-time employees are entitled to annual and sick leave benefits. Annual leave is limited to one year's worth of accrued benefits with any excess at the end of the calendar year paid out to the employees. Sick leave is eligible for payout upon separation to employees with at least ten years of service.

Annual and sick leave earned are recorded as an expenditure in the governmental fund financial statements when it is payable from current financial resources. The estimated value of vacation and sick leave earned by employees, which may be used in subsequent years or paid upon separation, is recorded as a liability in the government-wide financial statements.

### **Unearned Revenue**

During fiscal years 2021 and 2020, the Authority received funds from the City for COVID-19 related projects in the amounts of \$15.4 million and \$100 million, respectively. The Authority recognizes the funding as revenue upon incurrence of eligible project costs. Total costs for the years ended June 30, 2024 and 2023 amounted to \$431 and \$9,083, respectively. The balance is recognized within other revenues and expenses, net in the accompanying government-wide statements of activities and the accompanying governmental fund statements of revenues, expenditures and changes in fund balance. Funds received in advance of incurring eligible project costs were recognized as unearned revenue. As of June 30, 2024 and 2023, unearned revenue totaled \$31,323, and \$31,754, respectively.

### **Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

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disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Significant assumptions and estimates relate to the determination of accrued expenses, pensions, OPEB, insurance, and pollution remediation obligations. Actual results could differ from those estimates.

### Reclassifications

Certain line items in the 2023 financial statements have been reclassified to conform to the 2024 financial statement presentation.

### Recent Accounting Pronouncements

As a component unit of the City, the Authority implements new GASB standards in the same fiscal year as they are implemented by the City. The following are standards adopted by the Authority in the current year and standards which may impact the Authority in future years.

- In April 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62* (“GASB 100”). GASB 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The adoption of GASB 100 had no impact on the Authority’s financial statements.
- In June 2022, GASB issued Statement No. 101, *Compensated Absences* (“GASB 101”). GASB 101 provides for a unified model for recognition and measurement of compensated balances as well as amends certain previously required disclosures. The requirements for GASB 101 are effective for fiscal years beginning December 15, 2023. The Authority has not completed the process of evaluating the impact of GASB 101 on its financial statements.
- In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures* (“GASB 102”). GASB 102 improves financial reporting requiring timely assessment and information on whether certain concentrations or constraints that have occurred or have begun to occur could make a government vulnerable to a substantial impact. The requirements for GASB 102 are effective for fiscal years beginning after June 15, 2024. The Authority has not completed the process of evaluating the impact of GASB 102 on its financial statements.
- In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements* (“GASB 103”). GASB 103 improves presentation and enhances information on certain key components of the financial reporting model such as the Management Discussion and Analysis, unusual or infrequent items, presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position, major component unit information and budgetary comparison information. The requirements for GASB 103 are effective for fiscal years beginning after June 15, 2025. The Authority has not completed the process of evaluating the impact of GASB 103 on its financial statements.

### 3. CASH

The Authority maintains cash accounts with a bank which are covered by Federal Deposit Insurance Corporation (“FDIC”) insurance up to the maximum allowed by law. At June 30, 2024 and 2023, uninsured cash balances totaled \$97,327 and \$88,641, respectively. Cash accounts are secured through collateral invested by JP Morgan Chase in Federal National Mortgage Association, Federal Home Loan Mortgage Corporation and U.S. Treasury Bond/Notes. All securities held by the custodian as collateral are registered and are held in the Authority’s name.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

Additionally, the Authority maintains a zero-balance checking account, which is funded by the City. As checks are presented at the bank, funds are transferred from the City into the zero-balance account. Negative book balances, representing checks issued but not yet presented for payment, have been classified as accounts payable in the accompanying financial statements and the aggregated amounts are \$144,354 and \$160,428 as of June 30, 2024 and 2023, respectively.

### 4. INVESTMENTS

The Authority's investments consisted of the following at June 30:

	2024		2023	
	Cost	Fair Value	Cost	Fair Value
U.S. Treasury Bills	\$ 14,464	\$ 14,515	\$ 29,502	\$ 29,585
U.S. Treasury Notes	27,718	28,300	24,341	24,436
Total U.S. Treasury Securities	<u>\$ 42,182</u>	<u>\$ 42,815</u>	<u>\$ 53,843</u>	<u>\$ 54,021</u>

The Authority's investments consisted of U.S. Treasury bills and notes. Maturities for the U.S. Treasury bills held are not more than a year, while maturities for the U.S. Treasury Notes are generally not greater than eighteen months. The investments are recorded at fair value. U.S. Treasury Bills and Notes are valued using quoted market prices, as such, these securities are categorized as Level 1 of the fair value hierarchy.

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority monitors the duration of the investments and interest rate environment.

**Credit Risk:** Credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. U.S. Treasury securities are obligations of the U.S. government and are not considered to have credit risk exposure.

### 5. SECURITIES IN LIEU OF CASH RETAINAGE AND RETAINAGE PAYABLE

**Securities in Lieu of Cash Retainage** – The Authority permits contractors to substitute marketable securities in lieu of cash retainage. Permitted securities include (a) bonds or notes of the State of New York or the United States of America; or (b) bonds of any political subdivision in the State of New York, with a par and market value at least equal to the contract cash retainage amount requested for withdrawal. These securities in lieu of cash retainage are maintained by a custodian on behalf of, and in the name of the Authority and are recorded by the Authority at an amount equal to the requested cash retainage withdrawal amount. A corresponding offset is recorded within the retainage payable account. Total securities in lieu of cash retainage totaled \$9,724 and \$7,660 as of June 30, 2024 and 2023, respectively. The fair value of these securities was \$10,779 and \$8,198 as of June 30, 2024 and 2023, respectively.

**Retainage Payable** – Retainage payable represents a portion of contractual payments withheld by the Authority which will be released upon substantial completion of the construction project in agreed upon amounts between the contractor and construction management.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

Retainage payable consisted of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Securities retainage payable	\$ 9,724	\$ 7,660
Cash retainage withheld	372,357	305,625
Total retainage payable	<u>\$ 382,081</u>	<u>\$ 313,285</u>

## 6. CAPITAL ASSETS

The changes in capital assets used by the Authority for the year ended June 30, 2024 were as follows:

Asset Category	Capital Assets			Capital Assets
	6/30/2023	Additions	Dispositions	6/30/2024
Furniture and Equipment	\$ 8,550	\$ 4,482	\$ -	\$ 13,032
Automobiles	4,736	725	-	5,461
Computer Hardware and Software	34,476	2,934	-	37,410
SBITA	12,315	3,033	-	15,348
Lease Assets	71,334	272,281	-	343,615
Total Cost	<u>131,411</u>	<u>283,455</u>	<u>-</u>	<u>414,866</u>
Less:				
Accumulated Depreciation and Amortization	(74,158)	(24,669)	-	(98,827)
Capital Assets, net	<u>\$ 57,253</u>	<u>\$ 258,786</u>	<u>\$ -</u>	<u>\$ 316,039</u>

The changes in capital assets used by the Authority for the year ended June 30, 2023 were as follows:

Asset Category	Capital Assets			Capital Assets
	6/30/2022	Additions	Dispositions	6/30/2023
Furniture and Equipment	\$ 6,899	\$ 1,651	\$ -	\$ 8,550
Automobiles	5,735	105	(1,104)	4,736
Computer Hardware and Software	27,945	6,531	-	34,476
SBITA	-	12,315	-	12,315
Lease Assets	70,433	901	-	71,334
Total Cost	<u>111,012</u>	<u>21,503</u>	<u>(1,104)</u>	<u>131,411</u>
Less:				
Accumulated Depreciation and Amortization	(59,505)	(15,757)	1,104	(74,158)
Capital Assets, net	<u>\$ 51,507</u>	<u>\$ 5,746</u>	<u>\$ -</u>	<u>\$ 57,253</u>

Depreciation and amortization totaled \$24,669 and \$15,757 for fiscal 2024 and 2023, respectively.

## 7. LEASES

The Authority entered into contractual agreements to lease buildings, as a lessee, which qualifies as other than short-term leases. These contractual agreements convey the right to use another entity's nonfinancial asset for a period of time in an exchange or exchange-like transaction. The related lease obligations are recorded at the present value of the future lease payments, determined using interest rates from 0.97% to 4.12%, payable during the remaining terms of the leases.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

As of June 30, 2024, the principal and interest of the future lease payments are as follows:

<b>Fiscal year ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total payment</b>
2025	\$ 11,745	\$ 4,175	\$ 15,920
2026	16,087	9,855	25,942
2027	9,108	9,210	18,318
2028	6,993	9,704	16,697
2029	7,815	9,407	17,222
2030-2034	49,689	41,315	91,004
2035-2039	68,784	29,212	97,996
2040-2044	91,712	12,753	104,465
2045-2049	13,718	211	13,929
Total	\$ 275,651	\$ 125,842	\$ 401,493

The lease liabilities and related lease assets are recognized on the government-wide Statement of Net Position.

### 8. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software for a period of time, greater than one year, in an exchange or exchange-like transaction. The SBITAs entered into by the Authority are cloud based arrangements, such as software as a service relating to information, construction management, enterprise resource planning and risk management. The Authority recognizes a subscription liability equal to the present value of subscription payments, payable during the remaining term of the SBITA.

The future subscription payments under SBITA agreements are as follows for the year ended June 30:

<b>Fiscal year ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total payment</b>
2025	\$ 3,309	\$ 283	\$ 3,592
2026	2,314	205	2,519
2027	2,346	114	2,460
2028	313	22	335
2029	323	12	335
Total	\$ 8,605	\$ 636	\$ 9,241

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

### 9. CONSTRUCTION IN PROGRESS

Expenses for construction in progress for fiscal 2024 and 2023 included:

	<b>2024</b>	<b>2023</b>
Outside construction costs	\$ 3,541,424	\$ 3,212,177
Authority payroll and related fringe benefits	169,602	140,895
Authority general and administrative costs	54,984	55,217
Total Expenses	<u>3,766,010</u>	<u>3,408,289</u>
Construction in progress - beginning of year	4,307,066	3,123,821
Total before transfer to DoE during the year	<u>8,073,076</u>	<u>6,532,110</u>
Costs transferred to the DoE during the year	<u>(2,111,363)</u>	<u>(2,225,044)</u>
Construction in progress - end of year	<u>\$ 5,961,713</u>	<u>\$ 4,307,066</u>

The Authority transferred to the DOE costs associated with construction and administrative costs totaling \$2,111,363 and \$2,225,044 for fiscal years 2024 and 2023, respectively. The DOE capitalized \$460,354 and \$291,710 during fiscal years 2024 and 2023, respectively, for work performed by the Division of Infrastructure and Information Technology and Capital Task Force, components of the DOE. This resulted in the DOE additions to fixed assets for fiscal 2024 and 2023 of \$2,571,717 and \$2,516,754, respectively.

### 10. TRANSACTIONS WITH THE DEPARTMENT OF EDUCATION AND OPERATING TRANSFERS

In addition to construction and renovation of school facilities, the Authority makes payments for certain asset purchases made by the DOE. The title for such purchases is transferred directly to the DOE. For the years ended June 30, 2024 and 2023, pass-through purchases totaled \$318,634 and \$182,828, respectively, and have been included in operating transfers on behalf of the DOE in the accompanying statements of activities and governmental fund statements of revenues, expenditures and changes in fund balances. Included in these amounts are expenditures for technology enhancements, leasehold alterations and reconstruction.

DOE contractors performed minor capital projects on behalf of the Authority, as shown below for the years ended June 30:

	<b>2024</b>	<b>2023</b>
Skilled trades, minor capital projects	\$ 208,133	\$ 127,554
Lead Paint Abatement	3,910	1,585
DoE Admin Staff	4,916	4,980
Total	<u>\$ 216,959</u>	<u>\$ 134,119</u>

Such costs are also included in operating transfers on behalf of the DOE in the accompanying statements of activities and governmental fund statements of revenues, expenditures and changes in fund balances.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

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### 11. COMMITMENTS AND CONTINGENCIES

#### Purchase Commitments

Purchase orders, contracts and other commitments at June 30, 2024 and 2023 totaled \$4,086 million and \$3,987 million, respectively, and represent the difference between the value of construction-related contracts and the amount incurred through the end of the year.

#### Insurance

The Authority provides General Liability (“GL”) and Worker’s Compensation (“WC”) insurance coverage through the Owner Controlled Insurance Program (“OCIP”) to its contractors and sub-contractors working on construction projects for the Authority. An actuarial valuation of the OCIP claims are performed annually to assess the claim liability of the GL and WC coverage.

The Authority’s current OCIP program insurance contract is provided by ACE Insurance Company (“ACE”) and covers from April 1, 2023, through March 31, 2026. The annual insurance premium for the program was \$113 million and \$154 million for fiscal years 2024 and 2023, respectively. The Authority recorded an estimated receivable of \$78,468 and \$153,435 as of June 30, 2024 and 2023, respectively, based on the actuarial assessment of OCIP loss activity for the respective periods, included in other assets.

#### Legal

In the normal course of its operations, the Authority has received notices of claims alleging amounts due related to contracts, financial loss, including loss through condemnation, and personal injuries sustained by individuals. After giving effect to available insurance coverage related to such claims, an accrued liability is recorded in the financial statements. The Authority, with the assistance of the City’s Corporation Counsel, has estimated and recorded a liability of \$20,015 and \$18,306 at June 30, 2024 and 2023, respectively.

From time to time, the Authority is involved in various litigations, claims and assessments. The Authority records those claims which are believed to be probable of settlement based upon the best estimate of such settlements. Disclosure is made for those claims considered to be reasonably possible of settlement along with the range of possible settlements.

### 12. POLLUTION REMEDIATION OBLIGATIONS

A pollution remediation obligation (“PRO”) may arise as a result of: (1) violation of pollution-related laws or regulations, (2) danger to the public as a result of existing pollution condition, (3) designation as a responsible party in a lawsuit for pollution remediation, and/or (4) voluntary or legal commitment to commence remediation. Pollution remediation costs are identified as asbestos abatement, lead paint abatement, and soil contamination remediation project work performed at New York City public schools.

For the fiscal years 2024 and 2023, the Authority has classified \$109,579 and \$123,336, respectively, as expenses incurred and \$97,858 and \$108,138, respectively, as liabilities for known PROs. The PRO liability is based on the current value of outlays expected to be incurred and currently obligated to perform. Actual future outlays will differ from the estimated amounts due to such factors as changes in scope of work or techniques for remediation measures and/or when additional information about existing pollution conditions becomes known. The Authority does not anticipate recovering any of these costs from other parties or agencies.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

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### 13. PENSION PLANS, DEFERRED COMPENSATION PLAN AND OTHER POSTEMPLOYMENT BENEFITS

#### Pension Plans

Substantially all of the Authority's employees have the option to participate in the New York City Board of Education Retirement System-Qualified Pension Plan ("BERS"), a cost-sharing multiple employer defined benefit pension plan. Additionally, certain employees who were previously employed by the City may continue to participate in certain other retirement plans including those of the New York City Employees' Retirement System ("NYCERS").

Contributions to the pension plans are made by the Authority and the employees. Contributions paid or accrued by the Authority under these plans totaled \$14,048 and \$10,943 for fiscal years 2024 and 2023, respectively. The Authority's contributions are actuarially determined at rates that are designed to accumulate sufficient assets to pay benefits when due. Member contributions are determined by law and vary by plan. The retirement plans provide pension benefits to retired employees based on salary and length of service. In addition, the pension systems may provide for cost-of-living and other supplemental benefits to qualified retirees and beneficiaries. In the event of disability during employment, participants are entitled to retirement allowances based on satisfaction of certain service requirements and other provisions. The plans also provide death benefits.

The Authority's share of the pension liability of the BERS Plan represented 4.7 and 3.6 percent of the total net pension liability as of June 30, 2024 and 2023, respectively. The Authority has recorded a net pension liability of \$8.4 million and \$2.6 million as of June 30, 2024 and 2023, respectively.

The Authority's share of the pension liability of the NYCERS Plan represented less than one percent of the total net pension liability as of June 30, 2024 and 2023. The Authority has recorded a net pension liability \$11.6 million and \$13.5 million as of June 30, 2024 and 2023, respectively.

For fiscal year 2024, the results of the collective net pension liability are based upon an actuarial valuation date of June 30, 2023, and a measurement date of June 30, 2024. Updated procedures were used to roll forward the total pension liability to the measurement date.

The post-retirement mortality rates were based on the tables adopted by The City of New York Office of the Actuary and each plan's Board of Trustees during fiscal year 2019 based primarily on the experience review of each system and the application of Mortality Improved Scale MP-2020 published by the Society of the Actuaries. The probabilities of mortality for retirees differ depending upon whether they are receiving service retirement benefits or disability retirement benefits.

All other actuarial assumptions and methods used to value the BERS and NYCERS Plan (collectively, the "Plan") are unchanged from those used in the prior valuation.

Actuarial assumptions used in determining employer contributions were as follows:

Rate of return on investments	7.0% per annum, net of investment expenses.
Salary increases	In general, merit and promotion increase plus assumed General Wage Increases of 3.0% per annum.
COLAs	Auto COLA - 1.5% per annum. Escalation - 2.5% per annum.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

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.

The most recent of these studies included experience through June 30, 2017. Milliman is performing the current experience study that covers the period through June 30, 2021.

### ***Expected Rate of Return on Investments***

The long-term expected rate of return on the Plans’ investments was determined using a Building-Block Method in which best-estimate ranges of expected real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected 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 included in Plan’s target asset allocation as of the June 30, 2024 measurement date are summarized in the following table:

Asset Class	BERS		NYCERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
<u>Public Markets:</u>				
U.S. Public Market Equities	34.00%	6.30%	23.50%	6.80%
Developed Public Market Equities	9.00%	6.40%	11.60%	7.20%
Emerging Public Market Equities	4.00%	7.60%	4.90%	8.60%
Fixed Income	28.00%	2.00%	31.00%	3.30%
<u>Private Markets (Alternative Investments):</u>				
Private Equity	8.00%	9.50%	10.00%	11.60%
Private Real Estate	8.00%	3.20%	8.00%	7.00%
Infrastructure	4.00%	5.70%	4.50%	6.30%
Opportunistic Fixed Income	5.00%	5.90%	6.50%	8.50%
<b>Total</b>	<b>100.00%</b>		<b>100.00%</b>	

### ***Discount Rate***

The discount rate used to measure the total pension liability as of June 30, 2024 and 2023, respectively, was 7.0% percent per annum. The projection of cash flows used to determine the discount rate assumed that each participating employer would contribute the actuarially determined contributions each year. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and non-active Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

### Sensitivity Analysis

The following presents the net pension liability of each plan, calculated as of the measurement date of June 30, 2024, using the discount rate of 7.0% per annum (the "Current Rate").

The table shows what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (i.e., 6.0% per annum) or 1-percentage-point-higher (i.e., 8.0% per annum) than the current rate.

SENSITIVITY ANALYSIS						
NET PENSION LIABILITY (ASSET) AS OF JUNE 30, 2024						
	1% Decrease		Current Rate		1% Increase	
	(%)		(%)		(%)	
NYCERS	\$	19,704	\$	11,604	\$	4,762
BERS		76,633		8,398		(39,756)
Total	\$	96,337	\$	20,002	\$	(34,994)

### Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the years ended June 30, 2024 and 2023, the Authority recognized net pension expense as follows:

	BERS		NYCERS	
	2024	2023	2024	2023
Pension Expense	\$ 7,035	\$ 10,015	\$ 3,501	\$ 3,938
Contributions, Capitalized	(11,528)	(8,318)	(2,520)	(2,625)
Net Pension Expense	\$ (4,493)	\$ 1,697	\$ 981	\$ 1,313

At June 30, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	BERS		NYCERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>2023</b>				
Differences between expected and actual experience	\$ 1,500	\$ 1,953	\$ 1,525	\$ 60
Net difference between projected and actual earnings on pension plan investments	-	2,351	1,689	-
Change of assumptions	-	1,756	-	276
Changes in proportion and differences between employer contributions and proportionate share of contributions	(318)	(780)	(939)	(855)
<b>Total 2023</b>	<b>\$ 1,182</b>	<b>\$ 5,280</b>	<b>\$ 2,275</b>	<b>\$ (519)</b>
<b>2024</b>				
Differences between expected and actual experience	\$ 20,460	\$ 1,633	\$ 1,636	\$ 36
Net difference between projected and actual earnings on pension plan investments	-	12	-	104
Change of assumptions	-	14,262	151	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,379	(260)	(2,678)	(898)
<b>Total 2024</b>	<b>\$ 21,839</b>	<b>\$ 15,647</b>	<b>\$ (891)</b>	<b>\$ (758)</b>

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

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The components of deferred outflows of resources and deferred inflows of resources, other than the difference between the projected and actual earnings on Plan investments, are amortized over the weighted average remaining service life of all Plan members, beginning the year in which the deferred amount occurs. The annual difference between the projected and actual earnings on Plan investments is amortized over a five-year closed period beginning the year in which the difference occurs.

The net number of deferred outflows of resources and deferred inflows of resources reported as of June 30, 2024 that will be recognized in pension expense is as follows:

Years ending June 30,	BERS	NYCERS
2025	\$ (5,704)	\$ 40
2026	13,504	(1,727)
2027	(2,743)	64
2028	1,135	59
2029	-	(85)

Separately issued financial statements for BERS, which includes financial statement information for the BERS QPP plan can be obtained from BERS management at 65 Court Street, Brooklyn, NY 11201 or at [www.nycbers.org](http://www.nycbers.org).

Separately issued financial statements for NYCERS, which includes financial statement information for the NYCERS plan can be obtained from NYCERS management at 335 Adams Street, Brooklyn, NY 11201 or at [www.nycers.org](http://www.nycers.org).

### Deferred Compensation Plan

The employees of the Authority are eligible to participate in a deferred compensation plan administered by the City, in accordance with Internal Revenue Code Section 457 (the "Plan"). The Plan is available to all Authority employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable hardship.

### Other Postemployment Benefits

#### General Information about the OPEB Plan

*Plan Description* – The Authority provides certain health and related benefits to eligible retirees of the Authority, which are known as other postemployment benefits ("OPEB"). OPEB is provided under the New York City Health Benefit Program ("Program"), which is a single employer defined benefit healthcare plan administered by New York City Office of Labor Relations ("OLR"). No assets are accumulated in a trust that meets the criteria under GASB 75.

*Benefits Provided* – The Authority's policy is to follow the eligibility criteria applicable to retirees of the City and to provide benefits substantially the same as those provided to City retirees and eligible beneficiaries/dependents. OPEB benefits include health insurance, Medicare Part B premium reimbursements, and employee welfare fund contributions.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

Employees Covered by Benefit Terms – As of the June 30, 2023 actuarial valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	418
Inactive employees entitled to but not yet receiving benefit payments	34
Active employees	839
Total	<u>1,291</u>

### **Total OPEB Liability**

The Authority's OPEB liability was \$20,549 and \$21,578 as of June 30, 2024 and 2023, respectively. The liability was measured as of June 30, 2024, with an actuarial valuation date as of June 30, 2023. Updated procedures were used to roll forward the total OPEB liability to the measurement date.

*Actuarial Assumptions and Other Inputs* – Significant actuarial assumptions and other inputs used in determining the total OPEB liability as of June 30, 2024 were as follows:

Inflation	2.50%
Salary increases	3.00%, including inflation
Healthcare cost trend rate	3.50%, Welfare fund 6.20%, Medicare Part B
	5.00% - 4.50%, Medicare plans
Discount rate	4.21%

The discount rate was based on the S&P Municipal Bond 20-year High Grade Index yield.

Mortality rates reflect the application of the Mortality Improvement Scale MP-2020 published by the Society of Actuaries in October 2020.

### **Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>	
	<b>2024</b>	<b>2023</b>
Balance at June 30,	\$ 21,578	\$ 20,663
Changes for the year:		
Service cost	892	903
Interest	910	865
Differences between expected and actual experience	(1,724)	92
Changes in assumptions	(212)	(111)
Benefit payments	(895)	(834)
Net changes	<u>(1,029)</u>	<u>915</u>
Balance at June 30,	<u>\$ 20,549</u>	<u>\$ 21,578</u>

Changes of assumptions and other inputs reflect a change in discount rate from 4.13 percent in 2023 to 4.21 percent in 2024.

# NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands, except as noted)

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* – 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 current discount rate for 2024:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 23,440	\$ 20,549	\$ 18,134

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates* – 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 healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate for 2024:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 17,466	\$ 20,549	\$ 24,460

### ***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the years ended June 30, 2024 and 2023, the Authority recognized net OPEB expense of \$ (381), and \$(148), respectively, as follows:

	<u>2024</u>	<u>2023</u>
OPEB Expense	\$ 514	\$ 686
Contributions, Capitalized	(895)	(834)
Net OPEB Expense	<u>\$ (381)</u>	<u>\$ (148)</u>

At June 30, 2024, the Authority reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 619	\$ 2,885
Changes of assumptions	314	4,736
Total	<u>\$ 933</u>	<u>\$ 7,621</u>

At June 30, 2023, the Authority reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,145	\$ 1,753
Changes of assumptions	461	5,894
Total	<u>\$ 1,606</u>	<u>\$ 7,647</u>

**NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS  
AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (amounts in thousands,  
except as noted)**

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Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Fiscal Year Ended June 30:</b>	<b>Amount</b>
2025	\$ (1,455)
2026	(1,427)
2027	(1,395)
2028	(1,390)
2029	(582)
Thereafter	(439)

**REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)**

**New York City School Construction Authority  
Required Supplementary Information (Unaudited)  
Schedule of Changes in Total OPEB Liability and Related Ratios  
As of and For the Years Ended June 30, (amounts in thousands, except as noted)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total OPEB Liability</b>									
Service Cost	\$ 892	\$ 903	\$ 1,579	\$ 1,481	\$ 1,358	\$ 1,363	\$ 1,226	\$ 1,050	\$ 1,282
Interest Cost	910	865	626	725	723	742	716	615	611
Changes of Assumptions	(212)	(111)	(6,529)	346	489	(3,224)	508	(3,259)	-
Differences between Expected and Actual Experience	(1,724)	92	(1,757)	(370)	(572)	2,836	1,943	(762)	(32)
Benefit Payments	(895)	(834)	(820)	(788)	(749)	(637)	(567)	(549)	(477)
<b>Net Change in Total OPEB Liability</b>	<b>(1,029)</b>	<b>915</b>	<b>(6,901)</b>	<b>1,394</b>	<b>1,249</b>	<b>1,080</b>	<b>3,826</b>	<b>(2,905)</b>	<b>1,384</b>
<b>Total OPEB Liability - Beginning</b>	<b>21,578</b>	<b>20,663</b>	<b>27,564</b>	<b>26,170</b>	<b>24,921</b>	<b>23,841</b>	<b>20,015</b>	<b>22,920</b>	<b>21,536</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 20,549</b>	<b>\$ 21,578</b>	<b>\$ 20,663</b>	<b>\$ 27,564</b>	<b>\$ 26,170</b>	<b>\$ 24,921</b>	<b>\$ 23,841</b>	<b>\$ 20,015</b>	<b>\$ 22,920</b>
<b>Covered Employee Payroll</b>	<b>\$ 105,676</b>	<b>\$ 94,433</b>	<b>\$ 91,466</b>	<b>\$ 90,540</b>	<b>\$ 85,313</b>	<b>\$ 80,059</b>	<b>\$ 73,177</b>	<b>\$ 68,027</b>	<b>\$ 60,766</b>
<b>Net OPEB Liability as a percentage of Covered Payroll</b>	<b>19.4%</b>	<b>22.9%</b>	<b>22.6%</b>	<b>30.4%</b>	<b>30.7%</b>	<b>31.1%</b>	<b>32.6%</b>	<b>29.4%</b>	<b>37.7%</b>

**Notes to Schedule:**

This schedule is intended to present the 10 most current fiscal years of data. However, only nine fiscal years of data are available with the adoption of GASB 75 in fiscal year 2017.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No.75.

Changes of assumptions

Changes of assumptions reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

<u>Fiscal Year</u>	<u>Percentage</u>
2024	4.21%
2023	4.13%
2022	4.09%
2021	2.18%
2020	2.66%
2019	2.79%
2018	2.98%
2017	3.13%

**New York City School Construction Authority  
Required Supplementary Information (Unaudited)  
Schedule of the Authority's Proportionate Share of the Net Pension Liability  
As of and For the Years Ended June 30, (amounts in thousands, except as noted)**

**Schedule of The Authority's Proportionate Share of the Net Pension Liability (BERS)**

<b>For the Fiscal Year Ended</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
The Authority's proportion of the net pension liability	5%	4%	4%	5%	5%	4%	4%	5%	3%	4%
The Authority's proportionate share of the net pension liability (assets)	\$ 8,398	\$ 2,601	\$ 4,657	\$ (61,992)	\$ 12,619	\$ 11,889	\$ 21,429	\$ 45,616	\$ 44,002	\$ 43,135
The Authority's covered payroll	\$ 95,501	\$ 82,516	\$ 84,702	\$ 81,314	\$ 79,382	\$ 72,835	\$ 68,351	\$ 65,124	\$ 58,500	\$ 34,406
The Authority's proportionate share of the net pension liability (asset) as a percentage of covered payroll	8.79%	3.15%	5.50%	-76.24%	15.90%	16.32%	31.35%	70.04%	75.22%	125.37%
Plan fiduciary net position as a percentage of the total pension liability	97.43%	98.83%	97.93%	121.96%	94.92%	94.79%	90.31%	80.80%	71.17%	75.77%

**Schedule of The Authority's Proportionate Share of the Net Pension Liability (NYCERS)**

<b>For the Fiscal Year Ended</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
The Authority's proportion of the net pension liability	0.071%	0.076%	0.105%	0.088%	0.088%	0.082%	0.050%	0.040%	0.055%	0.047%
The Authority's proportionate share of the net pension liability (assets)	\$ 11,604	\$ 13,549	\$ 18,933	\$ 6,515	\$ 18,638	\$ 15,138	\$ 8,835	\$ 8,317	\$ 13,363	\$ 9,582
The Authority's covered payroll	\$ 12,742	\$ 10,518	\$ 9,913	\$ 9,178	\$ 9,011	\$ 8,352	\$ 7,822	\$ 7,104	\$ 6,871	\$ 6,705
The Authority's proportionate share of the net pension liability (asset) as a percentage of covered payroll	91.07%	128.82%	190.99%	70.98%	206.84%	181.25%	112.95%	117.07%	194.48%	142.91%
Plan fiduciary net position as a percentage of the total pension liability	84.25%	82.21%	81.28%	93.14%	76.93%	78.83%	78.79%	74.80%	69.57%	73.39%

**New York City School Construction Authority**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the Authority's Contributions**  
**Years Ended June 30, (amounts in thousands, except as noted)**

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**Schedule of Employers Contributions (in thousands) for BERS**

<b>Fiscal Year Ended June 30</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially Determined Contribution	\$ 11,528	\$ 8,318	\$ 9,822	\$ 8,945	\$ 11,720	\$ 11,689	\$ 13,619	\$ 13,502	\$ 8,440	\$ 8,803
Contribution in relation to the										
Actuarially Determined Contribution	\$ 11,528	\$ 8,318	\$ 8,179	\$ 10,042	\$ 10,970	\$ 12,985	\$ 13,194	\$ 13,836	\$ 8,440	\$ 8,803
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (1,097)	\$ 750	\$ (1,296)	\$ 425	\$ (334)	\$ -	\$ -	\$ -
Contribution as a percentage of										
Covered Payroll	12.07%	10.08%	11.60%	11.00%	14.76%	16.05%	19.93%	20.73%	14.43%	25.59%

**Schedule of Employers Contributions (in thousands) for NYCERS**

<b>Fiscal Year Ended June 30</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially Determined Contribution	\$ 2,520	\$ 2,625	\$ 4,007	\$ 3,822	\$ 3,296	\$ 3,018	\$ 1,682	\$ 1,321	\$ 1,851	\$ 1,675
Contribution in relation to the										
Actuarially Determined Contribution	\$ 2,520	\$ 2,625	\$ 3,927	\$ 3,902	\$ 3,296	\$ 3,018	\$ 1,682	\$ 1,321	\$ 1,851	\$ 1,675
Contribution Deficiency (Excess)	\$ -	\$ -	\$ 80	\$ (80)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution as a percentage of										
Covered Payroll	19.77%	24.96%	40.42%	41.64%	36.58%	36.14%	21.50%	18.60%	26.94%	24.98%