



New York City Comptroller  
John C. Liu

NEWS RELEASE

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Page(s): 3

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**COMPTROLLER LIU ISSUES NEW YORK CITY'S  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR FISCAL YEAR 2010**

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NEW YORK, NY – New York City Comptroller John C. Liu today released his Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2010, the first of his administration. The report, which provides a detailed look at the City’s finances during Fiscal Year 2010, shows that for the 30th consecutive year New York City completed its fiscal year with a General Fund surplus.

The General Fund remains a primary indicator of the financial activity and legal compliance for the City within the financial reporting model set forth by the Governmental Accounting Standards Board (GASB). The CAFR shows that the General Fund had revenues and other financial sources in Fiscal Year 2010 totaling \$62.813 billion and expenditures and other financing uses of \$62.808 billion, resulting in a surplus of \$5 million.

“This past Fiscal Year saw New York City’s economy begin to crawl out of recession,” Comptroller Liu said. “However, no matter how well the City performs, our economic growth will be tied to the performance of the nation as a whole. Wall Street’s rebound helped the City Pension Funds post gains of more than 14 percent, but did not do much to help curb high unemployment rates.”

Among the report’s findings are updates on the operations within the Comptroller’s Office for the past fiscal year.

Some of these include:

**Bureau of Fiscal and Budget Studies**

The Bureau is tasked with monitoring the City’s finances, capital spending and economy. The Bureau produced a number of reports in Fiscal Year 2010 including:

- An annual report to the City Council on the City’s finances, including evaluations of the City’s updated financial plan
- An annual report on the City’s capital debt and obligations
- A certified statement of Debt Service to the Mayor and City Council
- A letter certifying the Adopted Budget Resolutions in collaboration with the Mayor and filed with the City Clerk

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### **General Counsel's Office**

The General Counsel's Office serves as the advisor to the Comptroller on all legal matters that impact the mission and operations of the Comptroller's Office, including matters involving the New York City Pension Funds and the Office of Contract Administration. In addition, the General Counsel oversees the Bureau of Labor Law, and the Bureau of Law and Adjustment.

The Office of General Counsel worked on behalf of the New York City Pension Funds to secure litigation victories in Fiscal Year 2010 including:

- Proposed settlement of \$624 million with Countrywide Financial in connection with alleged securities law violations by Countrywide
- \$169 million settlement on behalf of the pension Funds with Juniper Networks for unlawful stock option backdating practices

The Bureau of Labor Law enforces prevailing wage on public works and building service contracts in the City. In calendar year 2009, the Bureau of Labor Law assessed over \$2.8 million in back pay and interest on private contractors who violated the Labor Law.

The Bureau of Law and Adjustment is responsible for carrying out the Comptroller's Charter-mandated responsibility of adjusting claims for and against the City of New York. In Fiscal Year 2010, the City paid \$547.8 million in settlements and judgments (tort and non-tort), representing an 11 percent decrease from the prior year.

In addition, the Comptroller's Office settled 1,683 personal injury claims prior to litigation, saving the City an estimated \$16.2 million in settlement costs for Fiscal Year 2010. The average pre-litigation settlement was \$14,438, whereas the average settlement for similar claims after litigation commenced was \$24,065.

In Fiscal Year 2010 the Comptroller's Office expanded efforts to collect compensation from those who damaged City property, collecting a record \$1.39 million in property damage affirmative claims.

### **Bureau of Public Finance**

Fiscal Year 2010 was marked by relative stability and continued low interest rates in the municipal bond market, and by the introduction of several federally-subsidized taxable borrowing vehicles that lowered the City's net cost of funds in many instances.

In Fiscal Year 2010, the City and its blended component units issued \$10.82 billion of long-term bonds to finance the Capital Plan and refinance outstanding bonds. In addition, the New York Municipal Water Finance Authority issued \$3.14 billion in bonds.

As of June 30, 2010 the City's outstanding General Obligation debt totaled \$41.56 billion, consisting of \$34.04 billion of fixed rate and \$7.52 billion of variable rate bonds, respectively.

### **Bureau of Asset Management**

The Comptroller serves as the financial advisor to the five New York City Pension Funds. The Pension Funds paid benefits totaling \$10.5 billion during Fiscal Year 2010 and as of June 30, 2010 had combined total assets worth \$97.83 billion. The City's Pension Funds produced a

combined rate of return of 14.21 percent in Fiscal Year 2010, compared to a negative 18.29 percent in Fiscal Year 2009.

**Audit Bureau**

The City Charter requires that the Comptroller's Office perform an audit on some aspect of each City agency at least once every four years. In Fiscal Year 2010 the Comptroller's Bureau of Audit issued 80 audits and special reports. While some audits focused on City program effectiveness and quality, others focused on financial issues.

The Audit bureau identified approximately \$157.4 million in actual and potential revenue and savings in Fiscal Year 2010. In addition, reviews of claims filed against the City identified \$26.5 million in cost avoidance.

**NOTE: CAFR reports are available for pick up at the Comptroller's Press Office only. Journalists interested in obtaining a report, must contact 212-669-3747 to request a copy.**

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