



NEW YORK CITY COMPTROLLER
BRAD LANDER

New York by the Numbers

Monthly Economic and Fiscal Outlook

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A Message from the Comptroller

Dear New Yorkers,

Last Tuesday, Donald Trump was elected to serve as the 47th President of the U.S. Even with a week's perspective, it still hits me like a punch in the gut. I believe that Trump's presidency will be a catastrophe for our country.

In the days ahead, we will need to reckon honestly with the outcome, and stay humble where that challenges our prior assumptions and hopes. Voters, including many here in NYC, expressed deep dissatisfaction with the cost-of-living and a sense of disorder. We have urgent work to do to deliver a safer, more affordable, more livable, and better run city for all New Yorkers.

At the same time, we must prepare to protect our city and the New Yorkers who will face the brunt of Trump's cruel policies. That's why our Spotlight this month assesses the risks posed by the Trump Administration to New York City's budget, economy, infrastructure, and people.

The goal is to provide a clear-eyed view of the risks and threats posed by the Trump Administration, based on his campaign, Project 2025, and his first term. If Trump follows through on his plans, New York stands to lose billions of dollars for infrastructure, housing, schools, and healthcare. We would likely face a new round of inflation. And vulnerable New Yorkers – immigrants, LGBTQ, and those who need reproductive healthcare – will face grave threats.

In some areas, we can take action now: Governor Hochul and the MTA need to move immediately to implement congestion pricing, or we're going to lose \$15 billion that we need to invest in modernizing our subway, that we'll never get back.

In other areas, there may be room to form unusual coalitions: many of President Biden's infrastructure and climate investments are in red states, so we may be able to work with Republicans to save key parts of those programs.

And in some cases, we must prepare to stand up to bullying and authoritarianism: to stand against the mass deportation of families who have committed no crimes, who are working hard building and cleaning homes, making and delivering food, caring for kids and elders.

New Yorkers will have widely varying perspectives on these challenges, befitting the diversity of our city, and reflecting a deeply divided country. What the Comptroller's office can offer is a clear-eyed view of the risks and threats, to help inform our work together to protect New York City, its people, and our shared future to the greatest extent possible.



Brad

Highlights

- The Federal Reserve lowered interest rates by another 25 basis points, as inflation has shown further signs of subsiding.
- Nationwide job growth paused in October, largely due to disruptive effects of Hurricanes Helene and Milton in the Southeast. However, the U.S. unemployment rate held steady for the 3rd straight month.
- While NYC employment dipped in September, it still seems to be on a modest upward trend. However, all of the net job creation continues to accrue to the Health & Social Assistance sector.
- Initial jobless claims and WARN layoff notices—both leading indicators of labor market trends—remained subdued over the past month.
- Office market indicators continue to reinforce the premise that New York City’s commercial real estate sector has bottomed and begun to recover.

Spotlight

Protecting New York City

The election of Donald Trump poses significant threats to New York City's budget, economy, infrastructure, and people. In lieu of a traditional Spotlight this month, my office is releasing a report on the potential impacts of a Trump presidency on New York City's budget, economy, infrastructure, and people.

Read more at:

comptroller.nyc.gov/reports/protecting-new-york-city

In Case You Missed It

Over the past month, the Comptroller's Office released the following announcements on the state of NYC's economy and finances:

- [New York City Comptroller's Office Releases Fiscal Year 2024 Annual Comprehensive Financial Report](#)
- [NYC Comptroller Lander Proposes Excluding Future Private Markets Investments in Midstream and Downstream Fossil Fuel Infrastructure by the New York City Retirement Systems](#)
- [NEW AUDIT: NYC Comptroller Lander Finds DOF Improperly Granted \\$6.5+ Million in Co-op/Condo Tax Abatements Since 2019](#)
- [Comptroller Lander & Taxi Workers Alliance Demand an End to Uber & Lyft's Cruel "Locking Out" of Drivers to Skirt Pay Rules](#)
- [NYC Comptroller Lander Launches Comprehensive Immigrant Workers Resource Guide](#)
- [NYC Comptroller Lander Rolls Out Strategic Plan for Street Safety in the Era of Micromobility](#)

The U.S. Economy

- The Federal Reserve lowered the Fed Funds Rate by another 25 basis points in early November, as inflation has continued to recede. CPI 12-month inflation came in at just 2.4% in September, while core inflation (exc. food and energy) held steady at 3.3%.
- Based on the U.S. Bureau of Economic Analysis' (BEA) preliminary estimate, GDP grew at a 2.8% annual rate in the 3rd quarter, following a similar (3.0%) gain in the 2nd. Growth was largely driven by 3.7% annualized growth in consumer spending—the strongest in six quarters—which offset a dip in both residential and non-residential construction.
- Labor market indicators for October point to a pause in job creation, largely reflecting disruptions from hurricanes Helene and Milton. Private-sector employment edged down 28K, led by drops in manufacturing and temp agencies. The U.S. unemployment rate held steady at 4.1%, but both labor force participation and the employment-population ratio edged down. Average hourly earnings rose 0.4% from September to October and were up 4.0% from a year earlier—in both cases exceeding inflation.
- Consumer confidence rose to a 9-month high in October, based on the Conference Board's survey; but it was little changed in University of Michigan's survey, which is less heavily influenced by labor market conditions.

New York City Economy

Payroll Employment & Industry Trends

- New York City saw a marked pullback in private-sector employment in September, though this follows a large upward revision to August's level: private-sector employment fell by 10,500 in September, basically reversing a 10,900 increase in August (revised up by 15,000). It is up roughly 69K from a year ago.
- As has been the case for many months now, Health Care & Social Assistance continued to see the highest job creation in September, adding 5,200 jobs. The only other major sector to see any significant job gains in September was Finance, which added 2,000 jobs.
- Information jobs were down (-3,900) in September, adding up to a total decline of 11,700 over the past six months. Employment in Educational Services fell 8,600 in September.
- The Retail Trade sector remained flat in September 2024. Since February 2020, the sector has lost 44,700 jobs, indicating ongoing challenges in consumer spending and a shift toward e-commerce that affect retail employment.

Table 1: Seasonally Adjusted NYC Private Employment, by Industry ('000s)

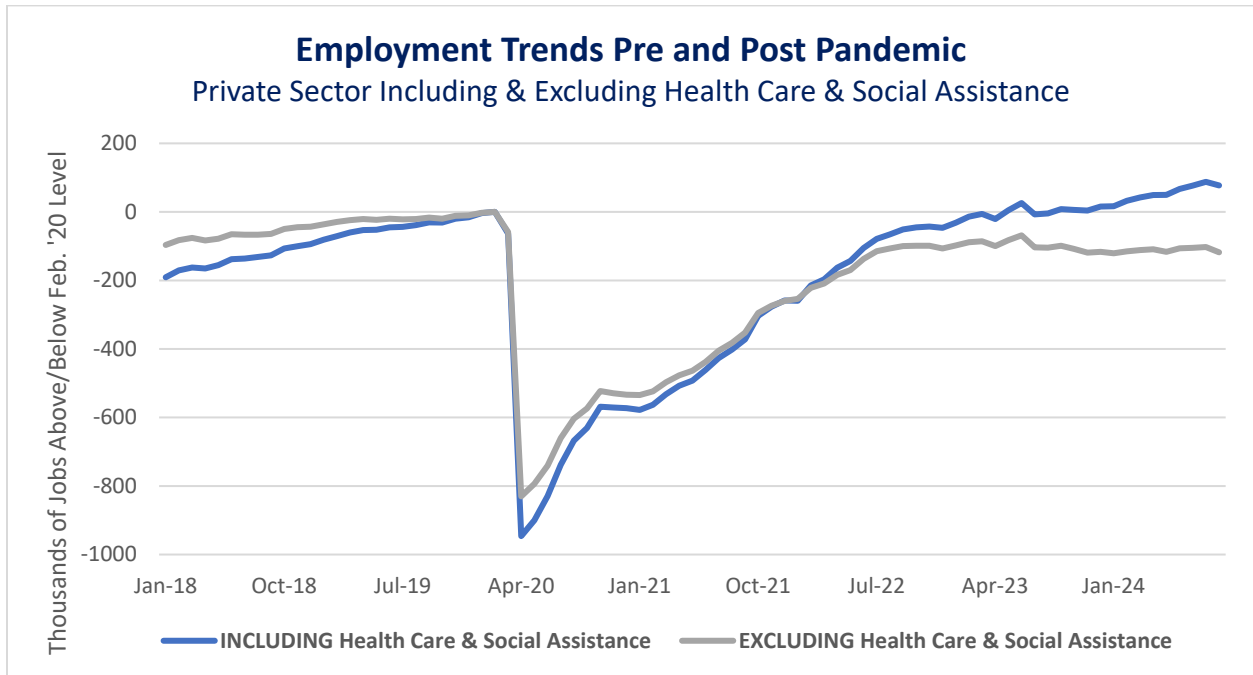
(1,000s)	Seasonally Adjusted NYC Employment					September 2024 Change from			
Industry:	Feb. '20	Sep. '23	Mar. '24	Aug. '24	Sep. '24	Feb. '20	Sep. '23	Mar. '24	Aug. '24
Total non-farm	4,702.5	4,690.2	4,725.3	4,770.5	4,766.5	64.0	76.3	41.2	(4.0)
Total Private	4,108.0	4,116.3	4,150.1	4,195.7	4,185.2	77.2	68.9	35.1	(10.5)
Government	594.5	574.0	575.2	574.8	581.3	(13.2)	7.4	6.1	6.5
Financial Activities	487.1	503.9	502.1	502.5	504.5	17.4	0.7	2.4	2.0
Securities	182.6	198.6	196.0	194.4	196.0	13.4	(2.6)	0.1	1.7
Information	229.2	213.8	218.5	210.7	206.8	(22.4)	(7.0)	(11.7)	(3.9)
Prof. and Bus. Serv.	781.2	797.7	791.5	791.2	789.2	8.1	(8.5)	(2.3)	(1.9)
Educational Services	256.4	260.4	254.9	265.2	256.7	0.3	(3.8)	1.7	(8.6)
Health & Soc. Assist.	823.5	930.4	977.3	1,013.6	1,018.7	195.2	88.3	41.5	5.2
Arts, Ent., and Rec.	95.7	88.0	88.0	89.2	90.4	(5.3)	2.4	2.4	1.2
Accomm. & Food Svc.	374.4	353.2	357.5	364.3	361.9	(12.5)	8.7	4.3	(2.4)
Retail Trade	346.1	305.4	302.2	301.4	301.3	(44.7)	(4.1)	(0.8)	(0.0)
Wholesale Trade	139.8	131.1	131.7	131.8	131.9	(7.9)	0.7	0.2	0.1
Trans. & Warehousing	134.9	135.0	135.1	134.9	134.2	(0.7)	(0.8)	(0.9)	(0.7)
Construction	162.6	142.5	137.7	134.8	134.2	(28.4)	(8.3)	(3.5)	(0.6)
Manufacturing	66.0	57.6	56.1	56.3	56.5	(9.5)	(1.1)	0.3	0.2

Source: NY Department of Labor, NYC Office of Management and Budget, and Office of the New York City Comptroller

Note: Due to revisions to earlier months made by NY DOL through August 2024, numbers may not match to previous monthly newsletters.

- Given the disproportionate job creation in the Health and Social Assistance sector, it is useful to also focus on employment trends across the rest of the local economy. As shown in Chart 1 below, total Private-Sector employment, though down slightly in September, has been trending up at a moderate pace and is well above its pre-pandemic level.
- However, excluding that sector, employment has been essentially flat for the past two years and is still more than 100K below its pre-pandemic peak. It is likely that this will be revised to a slight upward trajectory when revisions are issued next March but its level may still be shy of its early 2020 peak.

Chart 1

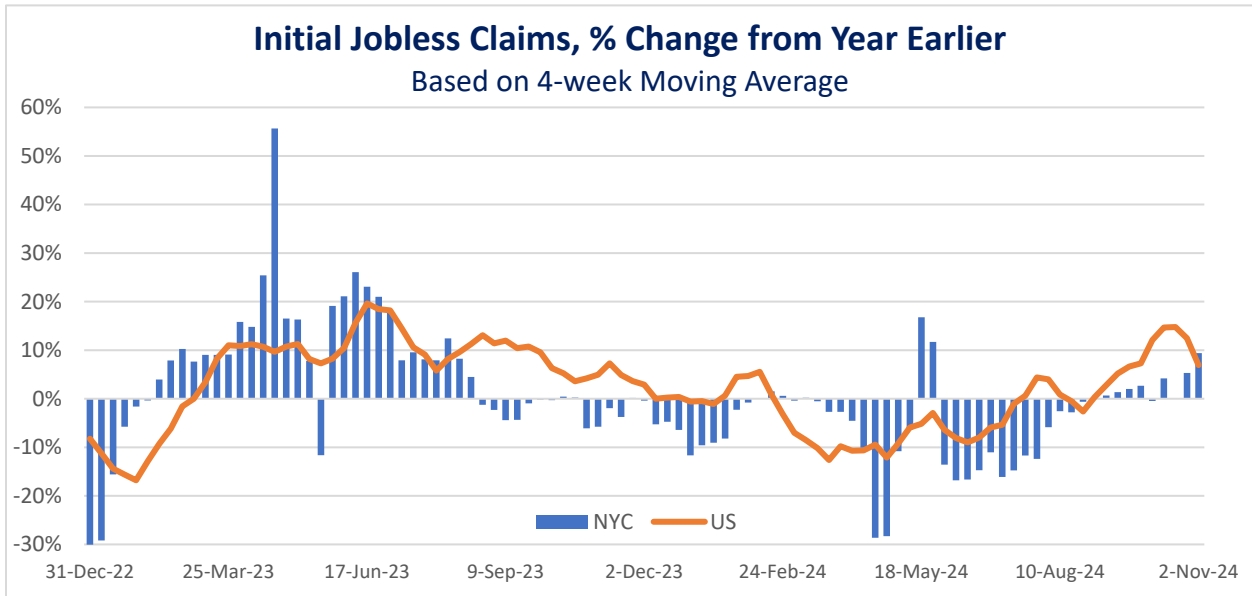


Sources: NY Department of Labor, Office of the NYC Comptroller

Labor Force Trends

- New York City's unemployment rate edged up 0.1 point to 5.3% in September, its highest level this year. Labor force participation held steady while the employment-to-population ratio edged down, with both still at historically high levels.
- Initial weekly jobless claims in NYC have risen relative to year-earlier levels but remain quite low. Currently, local claims have been running roughly 10% above comparable 2023 levels, as shown in Chart 2 below. Nationwide, claims were elevated for much of September and October due to the disruptive effects of hurricanes Helene and Milton.

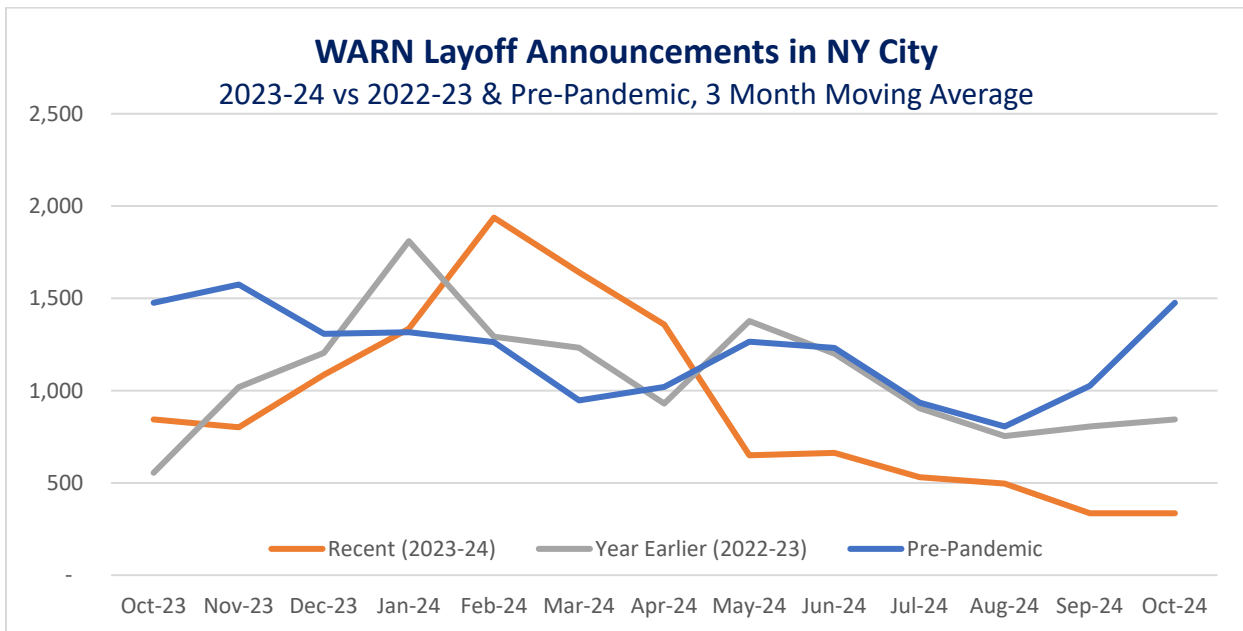
Chart 2



Sources: NY Department of Labor; U.S. Department of Labor; Office of the New York City Comptroller

- Based on WARN notices, citywide layoff announcements have trended down since early this year and have been running well below comparable months’ levels both from 2023 and from the years leading up to the pandemic, as shown in Chart 3 below.
- While the expected lead time of layoffs that are announced in a given month varies, recent trends suggest that actual layoffs are likely to subside in 2025.

Chart 3

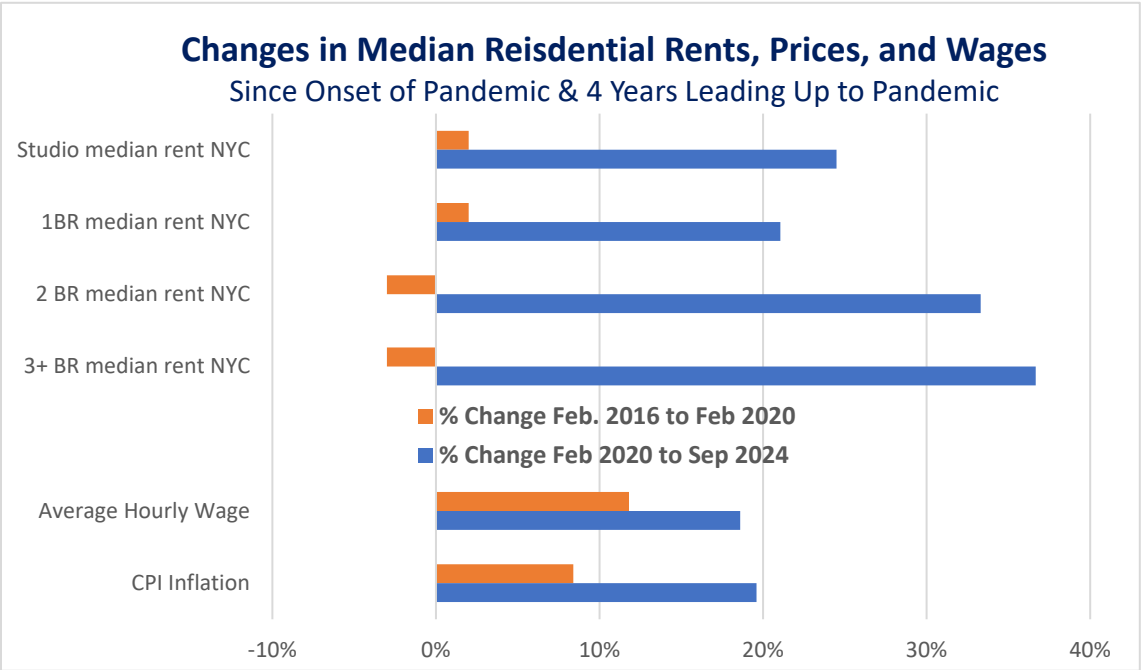


Source: NY Department of Labor

Residential Real Estate

- The rental market has been exceptionally tight but mostly stable in recent months, with a low inventory of available units and rents holding steady at high levels.
- Chart 4 below takes a longer look-back at trends in rent, relative to trends in wages and consumer prices more broadly. In the years leading up to the pandemic, rent inflation was near zero and well below overall price inflation and wage growth. In the years since, this has reversed, with rents increasing far more rapidly than either overall prices or average wages.

Chart 4

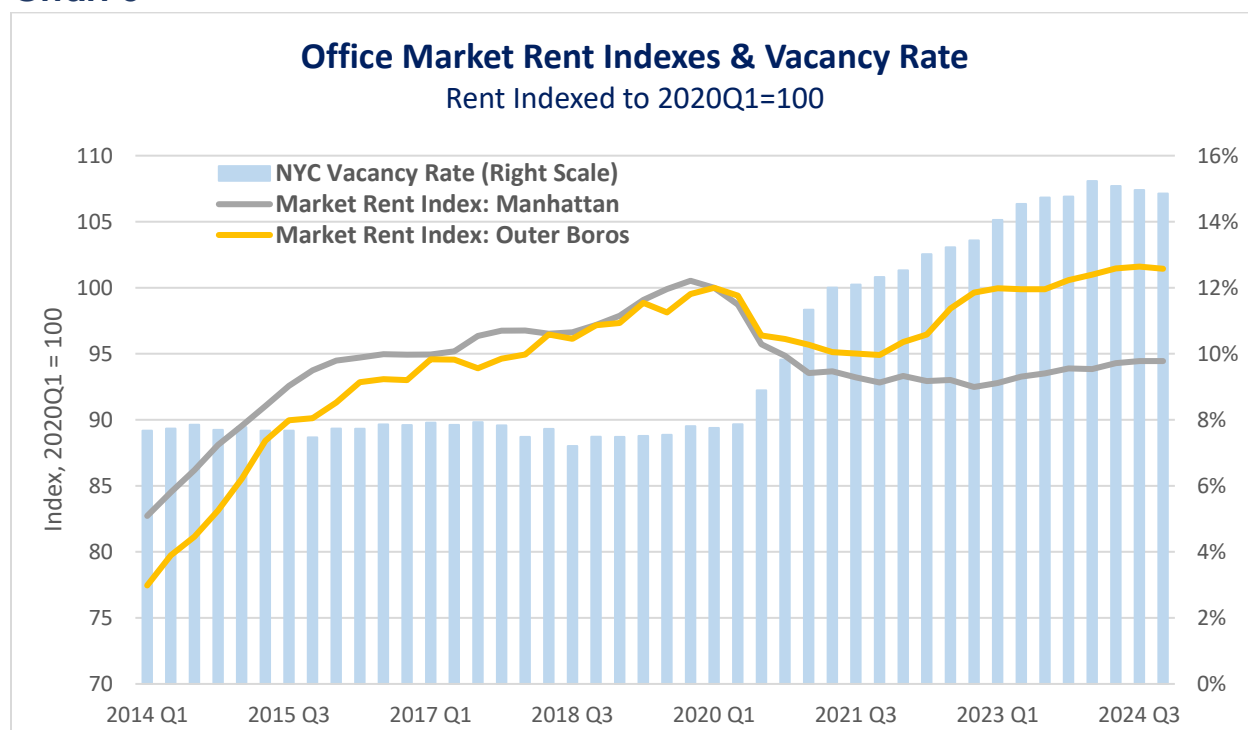


Source: StreetEasy, NY State Dept. of Labor, U.S. Bureau of Labor Statistics, Office of the NYC Comptroller

Office Market

- New York City’s office market has shown further signs of rebounding, albeit at a gradual pace, with the overall vacancy rate still high but trending down, as shown in Chart 5 below. Market rents in Manhattan have reached a four-year high, though still about 5% below pre-pandemic levels; and office rents across the outer boroughs are steady and modestly above their pre-pandemic peak.

Chart 5



Source: Costar

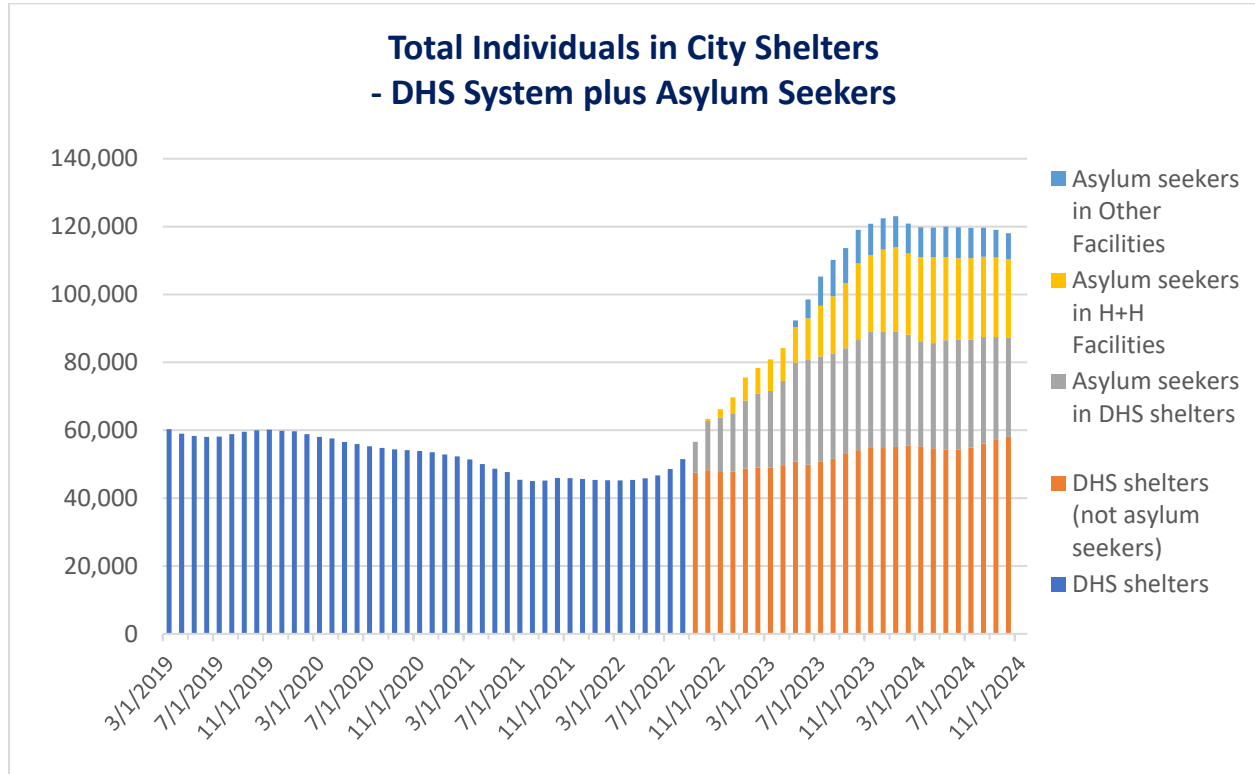
Homelessness & Asylum Seekers

- Chart 6 shows the population through October 2024 (as a monthly average) in City shelters and other City-provided shelters.
- The average number of recently-arrived migrants in City-funded shelter (i.e. who arrived after July 2022) decreased by approximately 2,000 individuals compared to September 2024. Overall, this population represents approximately 51% of the total individuals in shelter, down from 55% in December 2023.
- For newly arrived families with children, the 60-day shelter stay rule implemented by the Adams Administration in January continues to apply to non-DHS shelters and has recently been extended to migrant parents and children in shelters operated by the Department of Homeless Services (though evictions based on the policy have not yet commenced in DHS shelters). Time limits for single adults and families without children have been in operation since last year.
- As of October 27, a total of 13,795 families with children in emergency shelters have been given 60-day notices. These households include a total of 38,383 individuals, 20,038 adults, and 18,345 children. Of the 20,347 adults from families with children in

households whose 60-day notices had expired as of October 27, 14% remain in the shelter where their 60-day notice was given, 29% have been transferred to other shelters, and 57% are not in shelter. See the Comptroller’s [resource hub](#) for more information.

- The number of people in shelter who are not asylum-seekers increased by approximately 1,000 individuals in October; this population has increased by approximately 7,250 since July 2023.

Chart 6

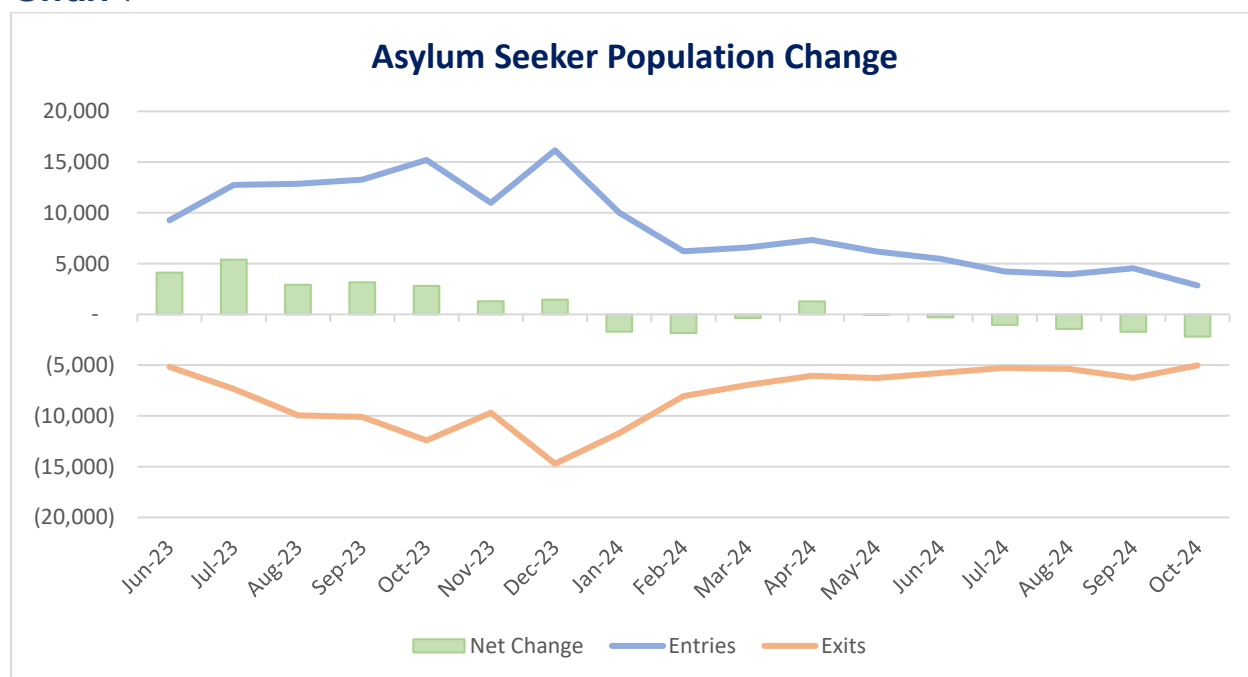


Source: NYC DHS, NYC Mayor’s Office, Office of the NYC Comptroller

Note: Figures shown are monthly averages. Data on the asylum seeker population within DHS shelters is not available prior to August 31, 2022. Other Facilities include spaces operated by NYCEM, HPD, and DYCD, and those outside of NYC.

- Chart 7 shows the entries, exits, and the net monthly change in the City’s emergency shelter system through October 2024.
- Since June 2023 the population has grown by 11,700, but through the first ten months of 2024 the in-shelter population of asylum seekers has decreased by 9,600 or 14%. In January 2024 exits exceeded entries for the first time, and this continued into February and March of 2024, in April there was an increase in the population, and the census has continued to decline each subsequent month.

Chart 7



Source: NYC Mayor’s Office, Office of the NYC Comptroller

Note: Data shown since June 4, 2023. Figures shown use interpolation from data provided weekly.

City Finances

Changes to Fiscal Deadlines

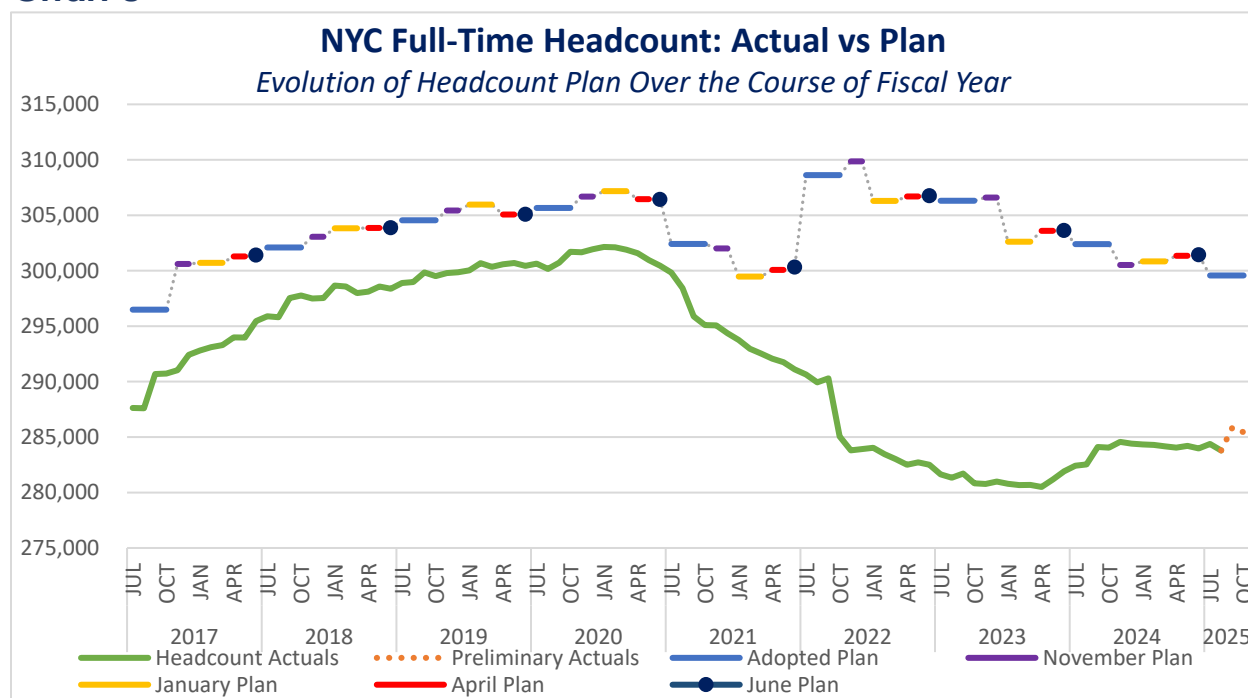
- Voters approved four of the [five proposals](#) from the 2024 City Charter Revision Commission. The approved [amendments](#) change some of the budget and capital strategy deadlines, as outlined below.
- **The deadline for the Mayor’s Executive Budget is moved from April 26 to May 1.** This gives the Mayor’s Office of Management and Budget more time to observe April Personal Income Tax payments before finalizing its forecast. The Borough Presidents’ responses to the executive budget are moved from May 6th to the 13th. These changes go into effect immediately.
- **The deadline for the Mayor’s Preliminary Budget is moved from January 16 to February 1 in the first year following the election of a Mayor.** This gives a new administration more time to prepare its first budget without the need for the City Council to provide a deadline extension. In those years, the Independent Budget Office report is moved from the February 1st to the 15th. These change goes into effect immediately.

- **The deadline for the draft ten-year capital strategy is moved from November 1st of even-numbered years to the day of the Preliminary Budget in odd-numbered years.** The Department of City Planning’s comments on the draft are moved from January 16th to March 16th of odd-numbered years. Because these changes do not go into effect until April 1, 2025, they do not affect the 2024 draft ten-year strategy (which, as of the time of writing, has not been published).

City Workforce

- The Adopted 2025 Financial Plan, released on June 30, 2024, provides funding for total full-time authorized headcount of 299,566 for FY 2025, an increase of 753 positions compared to the Executive 2025 Financial Plan.
- The agencies that received most of this increase include:
 - The Department of Sanitation (79 from PEG Restorations to Get Stuff Clean and Lot Cleaning programs, and 32 newly funded positions for Encampment and Lot Cleaning)
 - Parks and Recreation (343 positions for Second Shift Cleaning), and
 - The Department of Social Services (124 newly funded positions for the Shelter to Housing Action Plan).
- In September 2024, actual positions increased by over 2,000 positions from August, shown in Chart 8. This was primarily within DOE, Parks and Rec, and the DA Offices. The city's vacancy rate was 4.6%, the first time it's dropped below 5 percent since July FY 2022.
- As of October 31, the city’s actual workforce is at 285,435 with a vacancy rate of 4.7 percent against the Adopted Plan. See the [NYC Agency Staffing Dashboard](#) for more details by agency.

Chart 8



Source: Office of the NYC Comptroller

Highlights from FY 2024 Annual Comprehensive Financial Report (ACFR)

- The FY 2024 ACFR is more than 500 pages long. Its notes alone occupy nearly 80 pages. While no summary could do justice to our Office’s 44-times certified towering triumph, we picked a few highlights for this newsletter.
1. **The statement of net position that combines all governmental activities (p.40) shows liabilities exceed assets by \$198.1 billion.** The deficit is mostly due to unfunded long-term liabilities: retiree health care (net liability of \$98.3 billion) and pensions (net liability of \$35.7 billion, out of a total liability of \$246.2 billion). While the City is gradually paying down the pension liability, it does not consistently set aside funds for retiree health care (and the \$5.0 billion that are set aside are in practice a rainy-day fund reserve).
 2. **The statement of activities shows that the net position worsened from FY 2023 by \$6.9 billion (p.42).** There are two main reasons for this:
 - a. The value of bonds outstanding issued to finance capital projects increased by \$5.8 billion while the value of capital assets increased by less than \$200 million. This was due to higher deletions of equipment and infrastructure assets (p.103) to correct for elevated additions in FY 2023.

- b. The fund balance held in governmental funds worsened by \$2.1 billion (p.48). This was mainly due to bond issuance not keeping pace with capital expenditures (a decrease in the Capital Projects Fund balance of \$1.1 billion) and to a lower general fund surplus (p.28) which translated in lower prepayment of debt service. Fiscal Year 2024 marked the second consecutive decline of the General Fund surplus.
- 3. After transfers to prepay debt service the General Fund closed with the customary “reported” surplus of around \$5 million (p. 28).** This surplus excludes the balance of restricted funds which are not relevant for satisfying the statutory requirement –which, to our knowledge, is unique to the City—of balancing the operating budget according to Generally Accepted Accounting Principles (GAAP).
 - a. The reported surplus increases the “committed” General Fund balance, which serves as the City’s proper rainy-day fund (the technical name is Revenue Stabilization Fund, p.94). FY 2024 was also the second consecutive year without a meaningful rainy-day fund deposit.
 - b. A \$5 million reported surplus is the customary outcome of adjustments to current and accrued revenues and expenses after budget adoption. For instance, in the [June 2024 financial plan](#), FY 2024 revenues were budgeted for a total of \$115.1 billion but closed the year at \$112.4 billion (excluding \$376 million in restricted revenues, p.24). Expenses were also lower and resulted in the \$5 million surplus (again, excluding \$540 million in restricted fund expenses, p.26).
 - c. To give a glimpse into the process, the City wrote down accrued revenues from prior years by \$664 million (this decreased FY 2024 revenues). At the same time, the City wrote down accrued expenses from prior years by \$1.2 billion (this decreased FY 2024 expenses). The net effect was to generate \$557 million in resources to balance the General Fund.
- 4. The City ended FY 2024 with a debt-incurring power of \$25.4 billion (p.456).** The debt-incurring power rose to \$40.95 billion at the beginning of FY 2025. This was in part due to the first tranche of the \$14 billion increase in Transitional Finance Authority’s outstanding debt not subject to the City’s debt limit included in the NY State 2024-2025 budget. Our [analysis](#) found the increase in the City’s debt-incurring power appropriately sized and affordable.

New York City’s Cash Balances

- As of November 6th, 2024, the cash balance stood at \$8.207 billion, compared to \$8.404 billion in FY 2024, \$6.664 billion in FY 2023, and \$6.225 billion in 2022.
- The Comptroller’s Office’s review of the City’s cash position during the fourth quarter of FY 2024 and projections for cash balances through December 31, 2024, are available [here](#).

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