



MARK LEVINE
NEW YORK CITY COMPTROLLER

NEW YORK BY THE NUMBERS

Monthly Economic and Fiscal Outlook

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A Message from the Comptroller

Dear New Yorkers,

After picking up some steam earlier this year, the job market has hit a wall, with private sector employment decelerating nationally and dropping sharply locally. The U.S. added just 46,000 new private-sector jobs in September, and downward revisions for August and July subtracted 70,000 jobs.



The numbers are even more concerning in New York City. Private sector employment tumbled 23,000 in September, following a 7,400-job drop in August, despite continued job gains in Healthcare & Social Assistance. Excluding that sector, private-sector employment is now down 32,000 over the past 12 months. New York City employment declined in two key sectors in September: Finance (-5,800) and Information (-1,700). And despite a relatively strong tourism season, Leisure & Hospitality employment fell 7,700 in September alone and is down 17,000 jobs over the past year.

Meanwhile, national GDP is estimated to have grown by roughly 3% this past quarter. The “K-Shaped” economy gripping the country is squeezing New York City just as tightly: a 0.6% national inflation jump in September was the largest since May, with New York City now up 4.5% year-to-year, as residents face a high cost of living compounded by rising energy costs. Rents are now over 5% higher than this time last year, and energy prices are up over 21% since then as well.

The City’s red-hot rental markets – both office and residential – showcase continued strong demand for people and businesses to make New York City their home.

We’ll continue to track the trends shaping the economy – and what they mean for New Yorkers.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Levine". The signature is fluid and cursive, with a large initial "M" and "L".

Mark D. Levine
New York City Comptroller

Highlights

- GDP growth in Q2 was revised up to a 2.2% annual rate, and growth is expected to accelerate modestly in Q3.
- U.S. unemployment edged up to 4.2% in September, though both labor force participation and the employment-population ratio rose for the second month, after sinking to multi-year lows in July. Private-sector payroll employment rose by just 46K last month, and there were downward revisions to August and July.
- In NYC, both total and private-sector employment fell in September and were down from a year earlier. However, the city's unemployment rate remained steady at 4.8%, while labor force participation edged down. The employment-population ratio, though down marginally, was still near a record high.
- Inflation picked up in September, with the 12-month change rising from 4.3% to 4.5% locally and rising from 3.4% to 3.7% nationwide.
- Consumer confidence in NY State slipped in September but remained well above the U.S. average, which tumbled to a more than 12-year low. Business sentiment was mixed: NY State manufacturers reported a widespread pickup in business, while reports from regional service firms were increasingly pessimistic.
- NYC's office market continues to improve, driven largely by brisk leasing from tech (largely AI) firms. Both subway ridership and weekday office visit metrics point to steady in-office attendance in the city.
- Residential rent continued to rise in NYC, while home sales prices remain nearly unchanged from last year and just slightly below pre-covid levels.
- The City's FY 2027 - FY 2030 Adopted Capital Commitment Plan, released in September 2026, totals \$99.25 billion in all-funds capital commitments (\$94.78 billion, City-funded).
- NYC residents' enrollment in NY's health plans has declined by nearly 350,000 between July 2025, the month H.R.1 (also known as the One Big Beautiful Bill Act) was enacted, and September 2026.
- Final FY 2026 total tax revenues reached \$86.2 billion in FY 2026, up 7.4% over final FY 2025 collections, and up 7.3% against OMB's FY 2025 Adopted Budget projections from June 2025.
- As of October 13, 2026, the City's central treasury balance stood at \$16.7 billion, compared to \$8.5 billion at the same time in FY 2026.

Spotlight

A System Under Strain: FDNY EMS Operations and Fiscal Pressures

This month's spotlight examines FDNY Emergency Medical Services (EMS) call volumes, response times, staffing, turnover, compensation, and estimates the cost of making EMS workers' pay more competitive.

Read more at:

comptroller.nyc.gov/spotlight-FDNY-EMS

The U.S. Economy

- GDP growth, which was revised up from 1.5% to 2.2% (annual rate) in Q2, is projected to pick up a bit more in Q3: the [NY Fed's Nowcast](#) estimates 2.7% growth, while the [Atlanta Fed's GDPNow](#) looks for 3.5% growth.
- Private-sector payroll employment rose by just 46K in September, and there were downward revisions to August and July totaling -70K. Moreover, Health & Social Assistance accounted for fully half of September's gain and more than 2/3 of the gain over the past 12 months.
- Based on the household survey, the U.S. unemployment rate edged up from 4.1% to 4.2% in September, driven by an uptick in labor force participation—more people looking, as opposed to fewer people employed. The employment-population ratio rose 0.2 points—its 2nd straight gain—after sinking to a multi-year low in July.
- Consumer confidence fell to a 12-year low in September, based on the Conference Board's survey, and Michigan's preliminary reading for October was just barely above its record low recorded in May.
- Inflation accelerated in September: the CPI (Consumer Price Index) rose 0.6% from August, driven largely by a renewed surge in energy prices. Over the past 12 months, the U.S. CPI is up 3.7%—the steepest gain since May. Core inflation (excluding food & energy) has remained fairly tame, up 2.6% over the past 12 months.
- Long-term rates have continued to trend up over the past month: the 10-year Treasury yield reached a 24-year high of 5.35% in early October, largely driven by higher inflation expectations, but pulled back somewhat by mid-October.

New York City Economy

Payroll Employment Trends

- As shown in Table 1, Private-Sector employment tumbled 23,000 in September following a 7,400-job drop in August (a bit less steep than initially reported), and it was down slightly compared to a year earlier.
- Employment fell in two key sectors in September: Finance (-5,800) and Information (-1,700). Professional & Business Services added 3,800 jobs in September, but this follows a cumulative loss of roughly 11,000 jobs over the prior three months. Leisure & Hospitality has been one of the weakest sectors in recent months: employment fell 7,700 in September alone and by 17,000 over the past year.

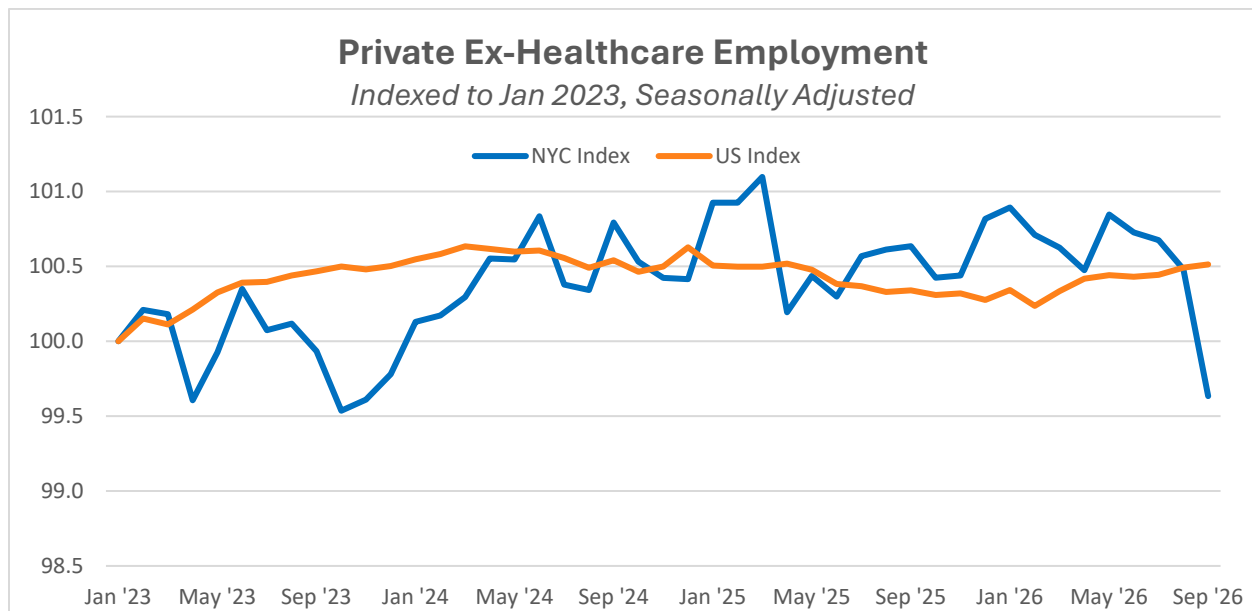
Table 1. Seasonally Adjusted NYC Employment, by Industry

(1,000s)	Seasonally Adjusted NYC Employment					Sept. 2026 Change over		
Industry:	Sep. '25	June '26	July '26	Aug. '26	Sep. '26	12 Months	3 Months	1 Month
Total Non-farm	4,814.65	4,851.45	4,860.01	4,852.54	4,822.67	8.02	(28.78)	(29.87)
Total Private	4,195.39	4,224.63	4,223.87	4,216.43	4,193.44	(1.95)	(31.19)	(22.99)
Government	619.26	626.83	636.14	636.11	629.23	9.97	2.40	(6.88)
Financial Activities	516.01	521.67	520.55	520.09	514.31	(1.70)	(7.36)	(5.78)
Securities	208.32	213.31	213.36	213.05	210.68	2.36	(2.63)	(2.37)
Information	220.79	219.74	221.07	217.03	215.35	(5.44)	(4.39)	(1.68)
Prof. and Bus. Services	795.30	804.71	803.06	796.87	800.66	5.36	(4.05)	3.79
Educational Services	263.56	265.73	270.82	270.47	256.18	(7.38)	(9.55)	(14.29)
Health & Social Assist.	998.35	1,024.73	1,025.57	1,024.26	1,028.25	29.90	3.52	3.99
Leisure and Hospitality	453.70	445.81	436.96	444.25	436.57	(17.13)	(9.24)	(7.68)
Arts, Ent., and Rec.	91.32	88.42	89.63	90.33	89.54	(1.78)	1.12	(0.79)
Accomm. & Food Svc.	362.38	357.39	347.32	353.92	347.04	(15.34)	(10.35)	(6.88)
Retail Trade	300.14	298.72	298.63	297.60	297.82	(2.32)	(0.90)	0.22
Wholesale Trade	132.41	131.67	133.09	133.03	132.51	0.10	0.84	(0.52)
Trans. & Warehousing	134.43	131.90	132.02	131.81	132.68	(1.75)	0.78	0.87
Construction	135.24	135.69	136.51	137.60	137.97	2.73	2.28	0.37
Manufacturing	52.39	50.39	50.56	50.10	50.29	(2.10)	(0.10)	0.19

Sources: NYC Office of Management & Budget; U.S. Bureau of Labor Statistics; NY State Department of Labor

- The Health & Social Assistance sector has continued to be one of the few persistent sources of job creation over the past year. Because the sector, along with government, tends to be driven more by demographics and policy intervention than by market forces, we continue to focus on Private-Sector employment excluding Health & Social Assistance as a preferred barometer of the job market.
- Chart 1 below shows recent trends in this measure of employment, which fell sharply in September in New York City but not nationally. Because local employment data can be volatile on a month-to-month basis, it is too early to gauge whether this points to incipient weakening in the local economy or seasonal noise.

Chart 1



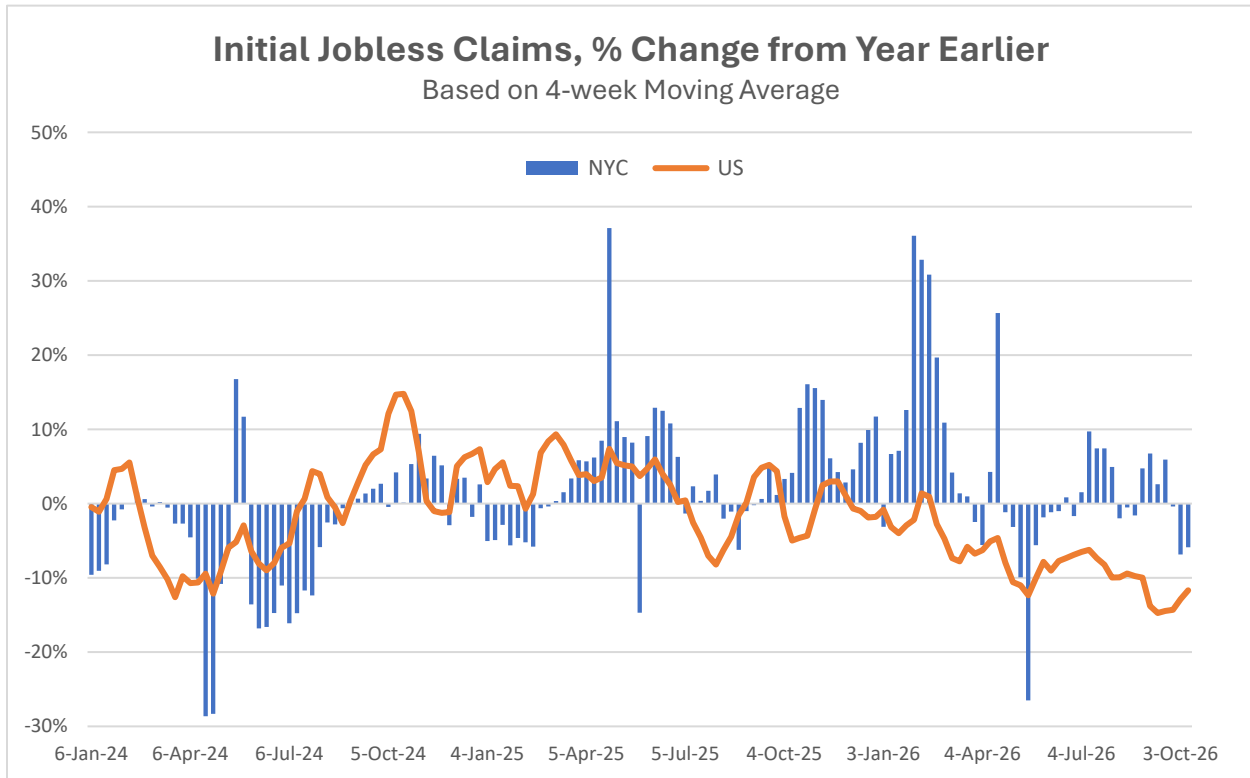
Sources: U.S. Bureau of Labor Statistics; NY Department of Labor; Moody's economy.com

Labor Market Indicators

- Based on the monthly household survey, which is based on place of residence, NYC's unemployment rate held steady at 4.8% in September—its lowest level in a year and a half. While the number of people employed declined, a dip in labor force participation (fewer people looking for work) kept unemployment unchanged.
- NYC's employment-population ratio has retreated only modestly from its all-time high earlier this year. This indicator, which had been steady at a record high of 59.2% throughout the first five months of 2026, edged down to 59.0% in September.

- The low-hire, low-fire economy seems to be persisting: despite recent net job losses, initial jobless claims have remained extraordinarily low, both nationally and locally, as shown in Chart 2 below.

Chart 2



Sources: U.S. Bureau of Labor Statistics; NY Department of Labor; Moody's economy.com

Big Banks' Earnings in Q3 2026

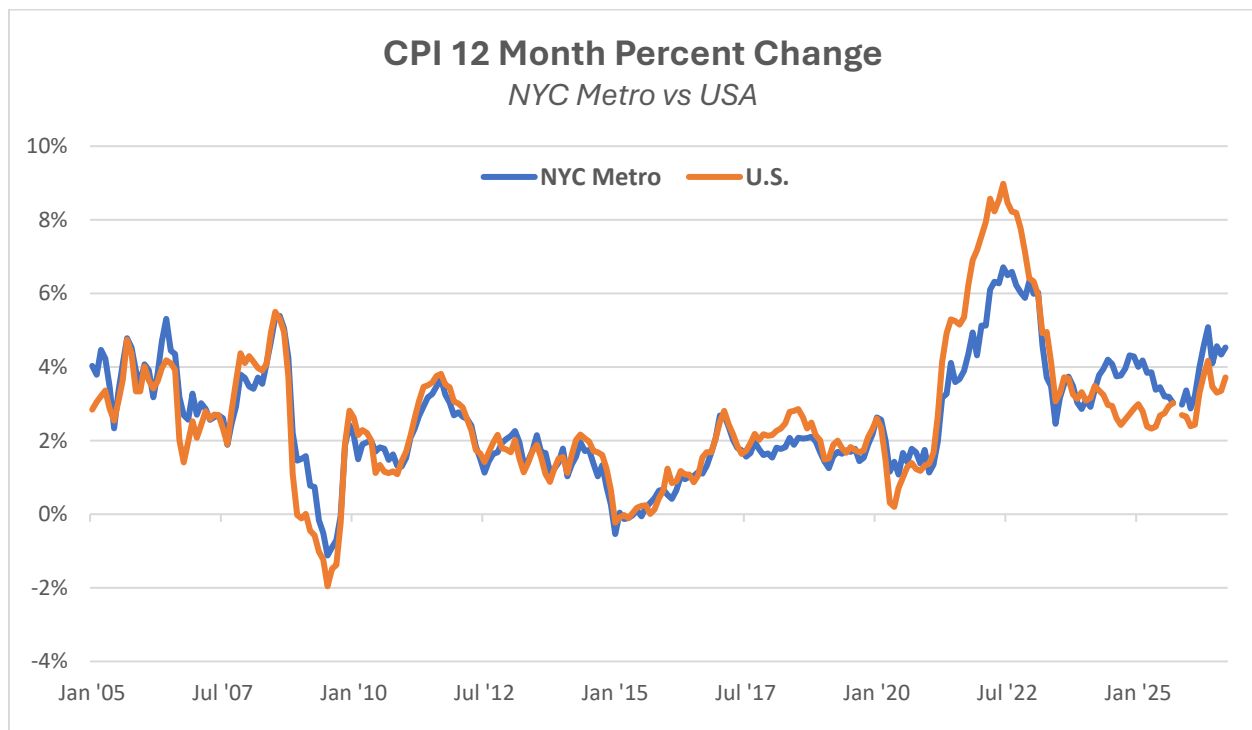
- Wall Street firms (NY Stock Exchange member firms dealing with the public) posted [profits of \\$46.0 billion in the first half of 2026](#), a 51% increase from the same period in 2025. As [noted by the NYS Comptroller](#), securities industry jobs located in NYC are on pace to reach a new peak in 2026 and the sector represented nearly one quarter of the City's personal income tax collections.
- In Q3 2026, pretax profits from investment banking at the five big banks headquartered in NYC (Bank of America, Citigroup, Goldman Sachs, JP Morgan Chase, and Morgan Stanley) were \$35.6 billion, 16% below second quarter results, but still 13% higher than a year ago. Despite the deceleration in the third quarter, year-to-date pretax earnings from investment banking were 28% above 2025 results.

- On a year-over-year basis, revenues from fixed-income trading dropped by 4% and represented a weak spot. At the other end, revenues from equities trading were instead up 43%.

Inflation

- Inflation picked up in September, lifted by resurgent energy prices. The NYC-area CPI was up 0.4% from August (versus 0.6% nationally) and up 4.5% over the past 12 months (+3.7% nationally). Over the past 12 months, energy prices are up 21.5% locally and 20.4% nationally—much steeper increases than in August.
- Core inflation (excluding food and energy) was also about a point higher locally (3.7%) than nationally (2.6%), on a 12-month basis. Relatively high inflation in shelter and transportation prices are largely responsible for this difference.

Chart 3

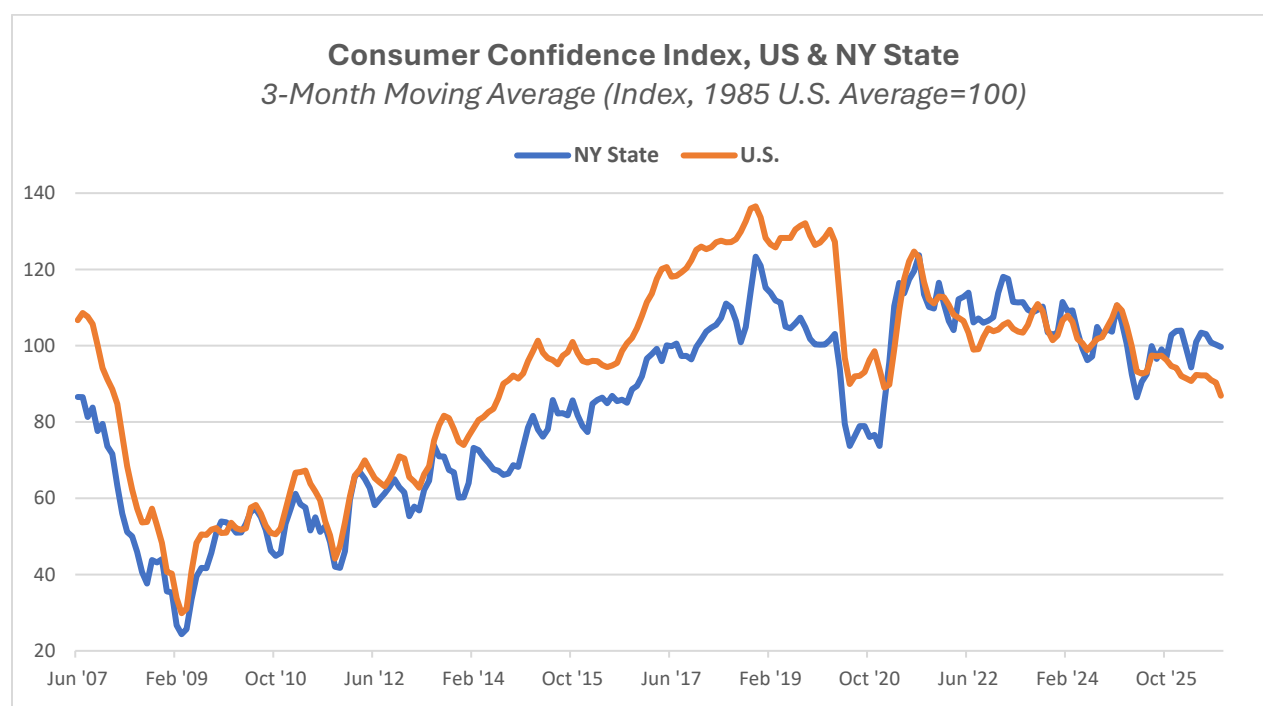


Source: U.S. Bureau of Labor Statistics

Consumer & Business Surveys

- The NY Fed's October business surveys point to mixed but, on balance, weakening trends in the regional economy. The service-sector survey, which covers all of NY State as well as northern NJ and Fairfield County, points to a dropoff in business activity and diminished optimism about the near-term outlook, though both recent and planned hiring activity picked up slightly. In contrast, the NY Fed's statewide manufacturing survey (less relevant for NYC's economy) signaled a brisk pickup in business activity but little change in current or expected hiring.
- These Fed surveys also indicate that price pressures are widespread but steady: roughly half of the surveyed manufacturing firms and almost as many service-sector respondents said they plan to raise their selling prices in the next six months.
- Consumer confidence across NY State slipped in September but remained well above the nationwide average, based on The Conference Board's monthly survey. As shown in Chart 4 below, the 3-month moving average edged down statewide but remained near the upper end of its recent range and well above its early-pandemic (spring 2020) low. In contrast, the nationwide confidence index fell to its lowest level since 2014, falling below its early-pandemic low for the first time.

Chart 4

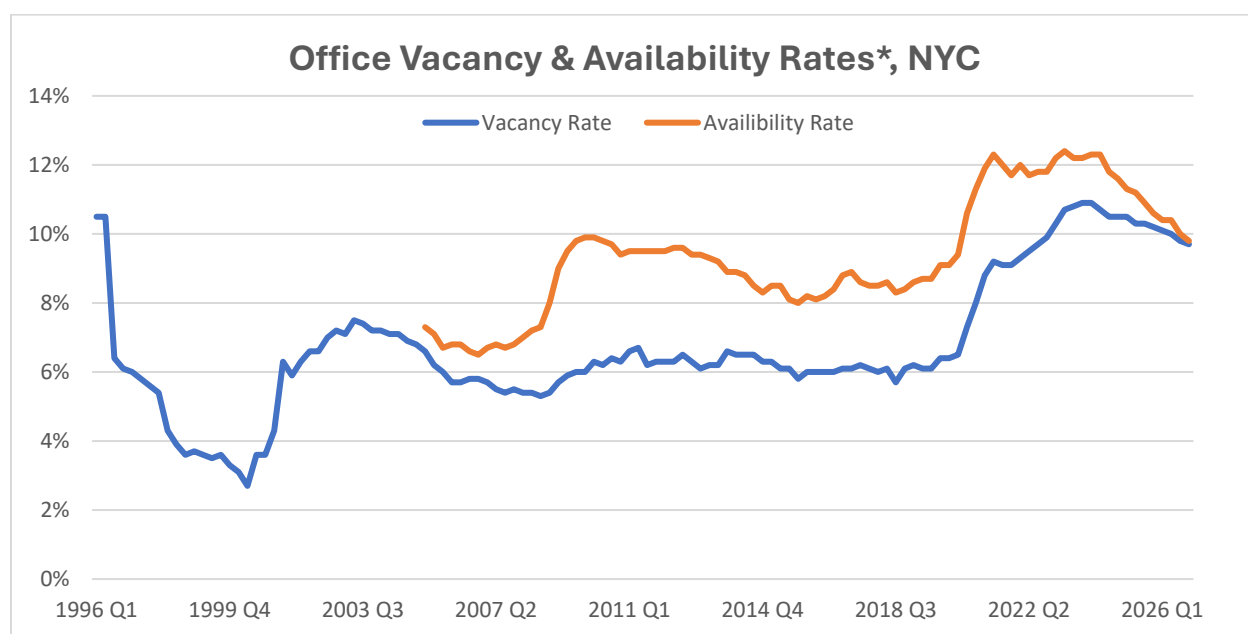


Source: The Conference Board; Moody's economy.com
U.S. data are seasonally adjusted; NY data are not.

Office Market & Attendance

- New York City’s office market continued to tighten in recent weeks, as both the availability rate and vacancy rate fell to multi-year lows, as shown in Chart 5 below. Moreover, gross leasing activity has been increasingly strong, particularly for space in high-end (5-star) office buildings. Much of the recent leasing has reportedly been by [major AI/Tech firms](#).
- Placer.ai’s office-visit metric points to steady office attendance in September, both nationwide and in NYC. Weekday office attendance continues to hover about 15% below its pre-pandemic level locally, versus about 30% below nationwide.

Chart 5

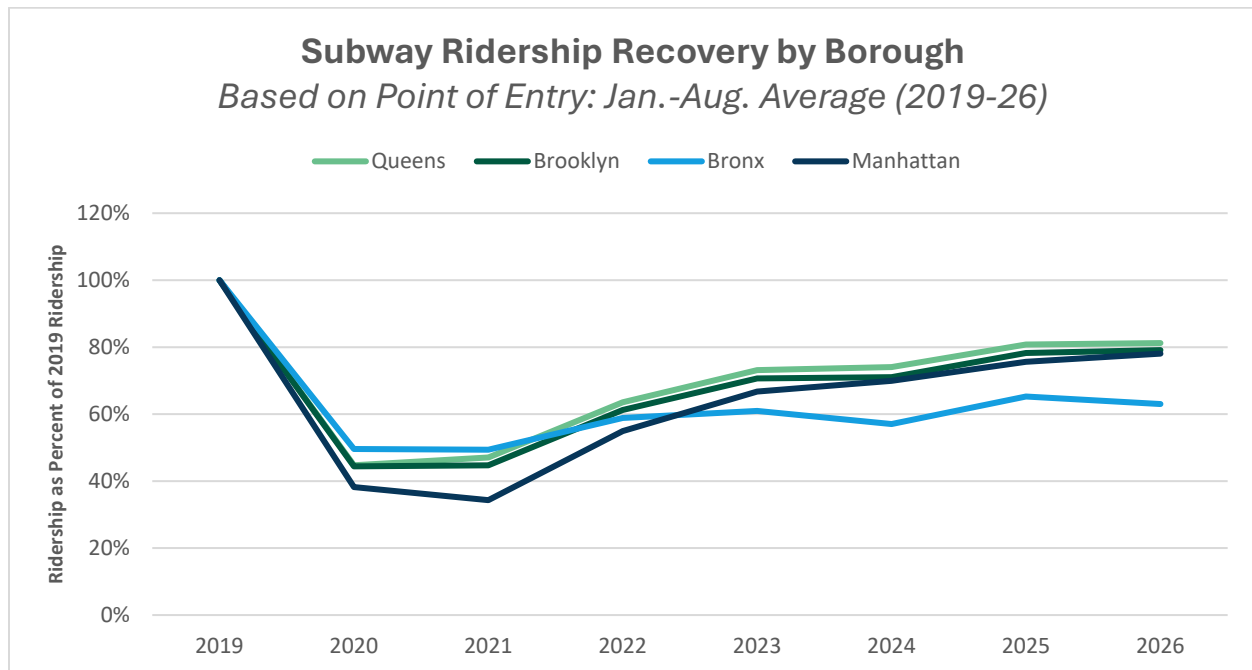


Sources: Costar

*Availability rate is the percent of space being marketed as available for lease or sale at end of each quarter, regardless of whether the space is vacant or occupied. Vacancy rate is the percent of office space that is vacant at quarter end.

- Citywide subway ridership was still 23% below its pre-pandemic level from January through August 2026, but it was up 2.3% from its 2025 level, a sign of continued but gradual recovery. Preliminary daily numbers for September 2026 show ridership almost unchanged from September 2025.
- Based on point of entry, as shown in Chart 6, Queens recovered the most, with ridership almost 19% below its 2019 level—with Manhattan and Brooklyn close behind—while the Bronx recovered the least, running 37% below.

Chart 6



Sources: MTA; Office of the NYC Comptroller

Housing

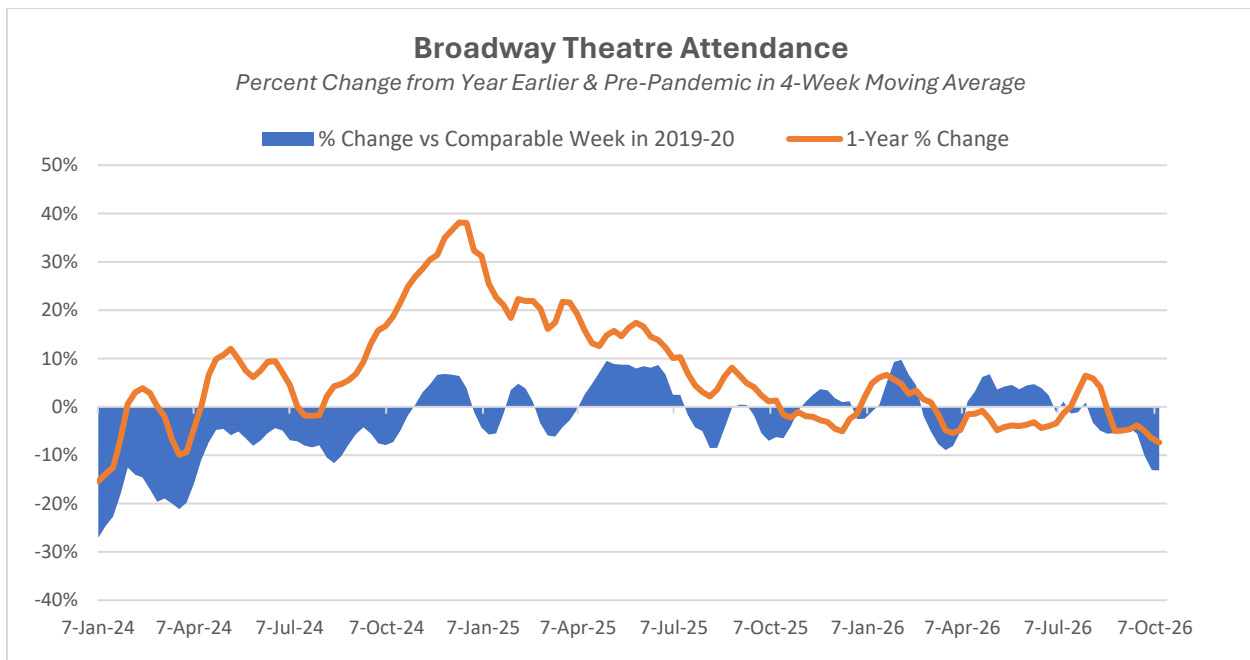
- StreetEasy estimates that sales prices have hardly risen for homes in the city (only up 0.3% since last September). Manhattan lagged, with prices down 0.5% from a year earlier, while Brooklyn and Queens led with 1.4% and 2.1% increases, respectively.
- Compared to 2019 (i.e. pre-pandemic), citywide home sales prices are still down slightly (-1.6%), with gains in Queens (4%) and Brooklyn (1.7%) offset by a decline in Manhattan (-3.8%).
- In contrast, the rental market remains tight, as citywide rents increased by 5.6% compared to last September, while inventory remains low, down 15.3%. Manhattan leads in rent increases, with its rental index up by 6.6% since last year and over 37% since September 2019. Brooklyn rents are also up 38% from September 2019.

Tourism

- After a somewhat sluggish August, tourism activity picked up in September and the first half of October.

- Hotel occupancy climbed above 90% in September—up sharply from 85% in August and 87% in September 2025. Room rates, which had slipped below year-earlier levels in August, were up 7% from comparable 2025 levels in September. Both metrics strengthened further in the first half of October
- Despite the pickup in tourism, Broadway attendance weakened in September and into early October, also falling below comparable 2025 levels and well below pre-pandemic levels, as shown in Chart 7 below.

Chart 7



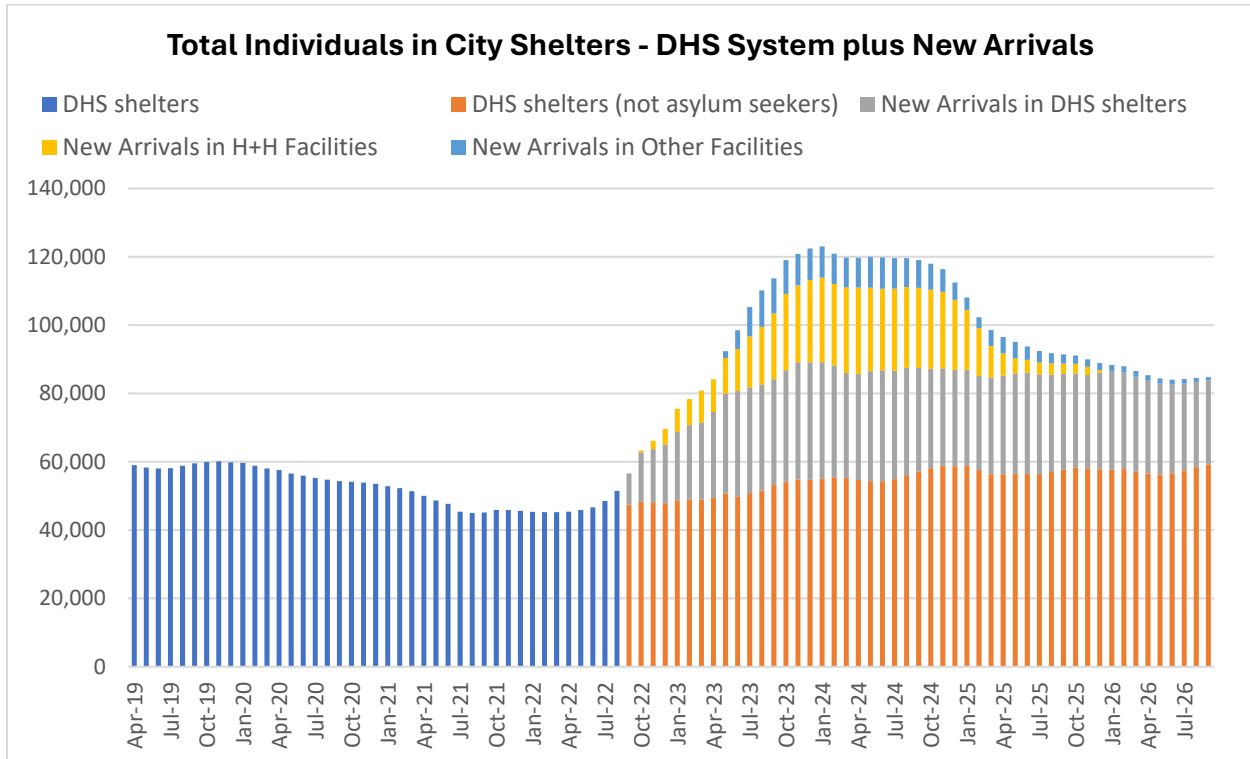
Sources: Broadway League; Office of the NYC Comptroller

Homelessness & Asylum Seekers

- Chart 8 shows the monthly average number of people in City shelters through September 27, 2026. The shelter census rose sharply following the influx of asylum seekers, reached a peak in early 2024, and has since declined. Even so, the census remains 50% higher than in September 2022 (84,760 individuals compared to roughly 57,470). Asylum seekers now account for 30% of the total shelter population, down from a peak of 55% in January 2024.
- In September, the average number of asylum seekers in City shelters was approximately 25,490, marking a decrease of 620 individuals from August 2026. However, there was an increase in non-asylum seekers of approximately 840 people, marking the third consecutive month of a net shelter increase.

- Over the past 12 months, from September 2025 through September 2026, the average asylum seeker shelter census decreased by more than 8,250 individuals, or 25 percent. The non-asylum-seeking population has increased by approximately 1,560 individuals or nearly three percent over the same period.

Chart 8



Sources: NYC DHS Daily Report; NYC Mayor's Office; NYC Council

Note: September 2026 figures are through September 27, 2026. Figures shown are monthly averages. Data on the asylum seeker population within DHS shelters are not available prior to August 31, 2022. Other Facilities include spaces operated by NYCEM, HPD, and DYCD, and those outside of NYC.

City Finances

Final FY 2026 Tax Revenues

- Total revenues including audits reached \$86.2 billion in FY 2026, up 7.4% year-over-year from \$80.3 billion, with the core tax base (excluding audits) growing 7.1% to \$85.0 billion. Table 2 summarizes the final FY 2026 tax collections. Property tax was the largest single revenue source at \$35.5 billion, growing a steady 2.3% over FY2025's \$34.7 billion, reflecting continued stability in the city's property tax base.
- Personal Income Tax and PTET continued to stand out among non-property taxes, rising 13.2% to \$20.9 billion from \$18.4 billion, driven by strong underlying income and pass-through entity tax activity.
- Business Income Taxes finished the fiscal year with an 8.6% gain to \$11.2 billion from \$10.3 billion, a strong turnaround from the year-to-date decline reported through March.
- Audit collections finished the year strong, rising 31.2% to \$1.2 billion, adding \$294 million above FY 2025 levels, though audit revenue is inherently volatile and not indicative of recurring trends.

Table 2. FY 2026 Tax Receipts (Preliminary), \$ Millions

Tax Category	FY 2026	FY 2025	Y/Y Growth
Property Tax	35,548	34,743	2.3%
PIT + PTET	20,890	18,449	13.2%
Business Income Taxes	11,156	10,268	8.6%
Sales Tax	11,111	10,349	7.4%
Real Estate Transaction Taxes	2,511	2,005	25.2%
Other Taxes	3,760	3,550	5.9%
Total Non-Property Taxes	49,428	44,621	10.8%
Total Excluding Audits	84,976	79,364	7.1%
Tax Audits	1,234	940	31.2%
Total	86,211	80,305	7.4%

Sources: NYC Office of Management & Budget; NYC Office of the Comptroller

Final FY 2026 Tax Revenues vs Initial Forecasts

- FY 2026 tax revenues, including audits, were \$5.86 billion (7.3%) above the City's forecast in the FY 2026 Adopted Budget (June 2025). Table 3 summarizes the final FY 2026 tax collections compared to their initial forecasts.
- Non-property taxes accounted for most of the overperformance. They came in at \$49.43 billion, \$4.66 billion (10.4%) above plan.
- The personal income tax (PIT), including the pass-through entity tax (PTET), was the largest single source of the variance. Collections totaled \$20.89 billion, \$2.48 billion (13.5%) above the Adopted Budget.
- Audit revenues reached \$1.23 billion, \$364 million (41.8%) more than the \$870 million in the Adopted Budget.

Table 3. Final FY 2026 Tax Revenues vs FY 2026 Adopted Budget Forecast, \$ Millions

Tax Category	FY 2026	FY 2026 Adopted (June 2025)	Percentage Difference
Property Tax	35,548	34,714	2.4%
PIT + PTET	20,890	18,410	13.5%
Business Income Taxes	11,156	10,471	6.5%
Sales Tax	11,111	10,303	7.8%
Real Estate Transaction Taxes	2,511	2,027	23.9%
Other Taxes	3,760	3,555	5.8%
Total Non-Property Taxes	49,428	44,766	10.4%
Total Excluding Audits	84,976	79,480	6.9%
Tax Audits	1,234	870	41.8%
Total	86,211	80,350	7.3%

Sources: NYC Office of Management & Budget; NYC Office of the Comptroller

First Quarter FY 2027 Tax Revenues

- Preliminary tax collections for the first quarter of FY 2027 (July–September 2026) totaled \$30.7 billion. This is \$2.8 billion (10.2%) more than in the same period of FY 2026. Table 4 summarizes tax collections in the first quarter of FY 2027.
- Property tax collections were \$18.0 billion, up 4.5% (\$780 million) from the first quarter of FY 2026.

- First quarter FY 2027 combined Personal Income Tax (PIT) and Pass-Through Entity Tax (PTET) collections of \$5.32 billion were 15.9% higher than the same quarter in the prior fiscal year. This amount exceeded the Mayor’s expectations for the quarter by more than \$500 million. PTET drove much of the increase, rising 34.1% (\$390 million) to \$1.5 billion.
 - Extended 2025 PTET returns came due in September, and about half of the PTET growth came from the “distribution offset”—which settles the State/City split after tax year 2025 returns are processed by NY State and is therefore related to last year’s income growth.
 - PIT estimated tax installments—i.e., quarterly payments made to cover income, not subject to withholding—grew more modestly by \$21 million (5.1%). For partnership and S-Corporation shareholders, PTET estimated payments are close substitutes for PIT installments, with the former having distinct tax advantages for those able to make them. These juxtaposed collections numbers suggest that taxpayers have been increasingly able to realize their high investment-related income within external entities, rather than their own personal accounts. Combined, PTET and PIT installments rose 26.3%.
 - Wage and salary PIT withholding has also grown markedly in the first quarter of FY 2027, rising \$273 million (9.1%) above the prior fiscal year
- Business income taxes rose 49.4% (\$872 million) to \$2.6 billion.
 - Starting in FY 2027, corporate collections are reported separately as Business Corporation Tax (BCT) on C-corporations, General Corporation Tax (GCT) on S-corporations, and Bank Tax (on banks structured as S-corporations – a minor component of the overall revenue stream).
 - Combined BCT and GCT collections of \$1.9 billion were 70.3% above FY 2026 GCT and BCT collections.
 - Unincorporated business tax (UBT) grew 13.3% (\$85 million).
- Sales tax collections increased 13.0% (\$333 million) to \$2.9 billion.
- Real estate transaction taxes were \$637 million, up 2.9% over the year.
 - Mortgage recording tax grew 17.6% (\$41 million).
 - Real property transfer tax fell 6.1% (\$23 million).
- Tax audits revenues were \$221 million, more than double the \$93 million collected a year earlier.
 - As typical, the vast majority of tax audits revenues (\$194 million) came from business income taxes.
- Other taxes declined 2.6% to \$995 million.
 - Gains in hotel occupancy tax (up 13.5%), due to higher average daily rate (ADR), and commercial rent tax (up 10.8%), due to higher leasing activity and

increase in rents, were more than offset by a 14.9% (\$79 million) drop in a variety of other taxes.

Table 4. FY 2027 Q1 Tax Revenues (preliminary) vs. Prior Year, \$ Millions

Tax Category	Q1 FY 2027	Q1 FY 2026	Y/Y Growth
Property Tax	18,031	17,251	4.5%
PIT + PTET	5,315	4,584	15.9%
Business Income Taxes	2,639	1,767	49.4%
Sales Tax	2,901	2,568	13.0%
Real Estate Transaction Taxes	637	619	2.9%
Other Taxes	995	1,022	-2.6%
Total Non-Property Taxes	12,487	10,560	18.3%
Total Excluding Audits	30,518	27,810	9.7%
Tax Audits	221	93	137.6%
Total	30,739	27,903	10.2%

Sources: NYC Office of Management & Budget; NYC Office of the Comptroller

Capital Plan

- The FY 2027-FY 2030 Adopted Capital Commitment Plan (September CCP) released in September 2026, totals \$99.25 billion in all-funds capital commitments (of which \$94.78 billion is City-funded). As in previous plans, the largest categories are Housing & Economic Development, Environmental Protection, and Education/CUNY. Over the plan period, these categories make up 56.6% of planned commitments. Table 5 shows the September CCP by fund and capital plan category:

Table 5. September CCP by Capital Plan Category (\$ Millions)

Capital Plan Category	2027		2028		2029		2030		Total	
	City-Fund	All-Fund	City-Fund	All-Fund	City-Fund	All-Fund	City-Fund	All-Fund	City-Fund	All-Fund
Housing & Economic Development	\$7,386	\$7,633	\$5,852	\$6,003	\$4,077	\$4,196	\$3,687	\$3,767	\$21,002	\$21,599
Environmental Protection	5,419	5,768	3,625	3,630	4,617	4,686	3,367	3,397	17,028	17,481
Education/CUNY	5,735	5,993	4,888	4,888	4,857	4,857	1,377	1,377	16,858	17,116
DOT & Mass Transit	2,646	3,192	2,465	2,789	2,183	2,488	4,930	5,247	12,223	13,716
Admin. Of Justice	4,569	4,633	3,415	3,431	2,075	2,075	960	960	11,019	11,099
Other City Operations	2,451	2,660	1,542	1,620	1,152	1,178	1,353	1,362	6,497	6,820
Parks	942	1,002	878	1,404	1,020	1,023	1,492	1,496	4,332	4,924
Resiliency & Energy Efficiency, Technology, and Equipment	1,317	1,332	858	858	787	787	643	643	3,605	3,620
Hospitals	910	1,567	718	718	325	325	262	262	2,215	2,872
Total	\$31,376	\$33,780	\$24,242	\$25,343	\$21,092	\$21,615	\$18,069	\$18,509	\$94,779	\$99,246

Source: Mayor's Office of Management and Budget, September CCP

- This is a \$10.69 billion increase over the same period in the FY 2026 - FY 2030 Executive CCP (May CCP). Planned City-funded capital commitments increased by \$9.02 billion, with non-City-funds making up the remaining \$1.67 billion.
- Most of this increase reflects a significant roll of planned but unrealized commitments from FY 2026 into later fiscal years, rather than new spending. The City rolled \$6.79 billion in uncommitted City-funds from FY 2026 into the September CCP ten-year window, with most being rolled into FY 2027 – FY 2030. The breakdown of the shortfall by category is reported in Table 6 below.

Table 6. FY 2026 Actual City-Fund Commitments Against May CCP FY 2026 Planned Amounts (\$ Millions)

Capital Commitment Plan Category	FY 2026 Planned City-fund Commitments in the May CCP	FY 2026 Actual City-Fund Commitments	Roll of Uncommitted City Funds
Housing & Economic Development	\$6,862.56	\$4,208.61	\$2,653.95
Education/CUNY	5,204.95	4,199.52	1,005.43
Environmental Protection	4,141.68	2,804.03	1,337.65
Admin. Of Justice	2,797.60	2,624.62	172.97
DOT & Mass Transit	2,515.77	2,121.17	394.60
Resiliency & Energy Efficiency, Technology, and Equipment	1,857.04	1,678.45	178.59
Other City Operations	1,895.28	1,367.28	528.00
Parks	895.65	596.21	299.45
Hospitals	473.75	257.08	216.66
Total	\$26,644.27	\$19,856.97	\$6,787.30

Source: NYC Financial Management System, Mayor's Office of Management and Budget, May CCP

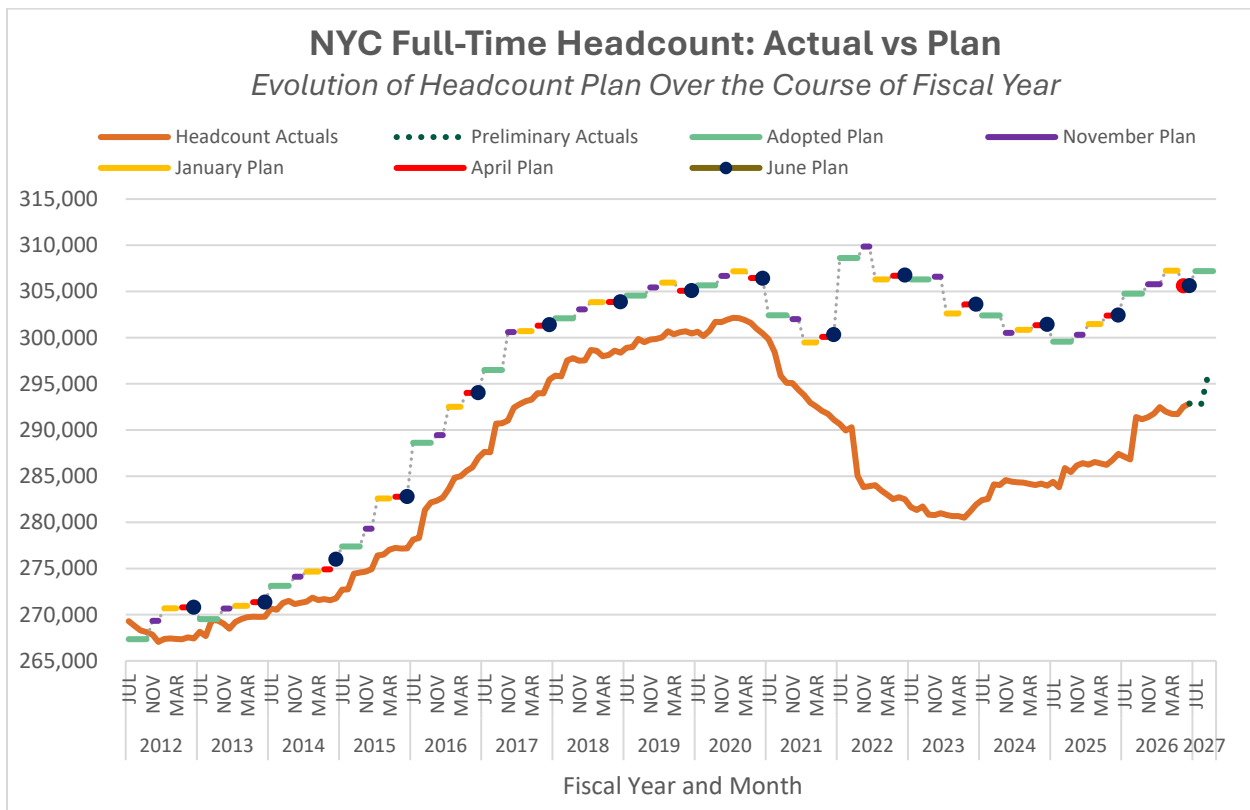
- The large amount of unattained commitments does not signal a slowdown of the capital plan. The FY 2026 all-funds actual commitments were \$20.33 billion, \$1.67 billion more than the \$18.66 billion committed in FY 2025 and \$2.73 billion more than the \$17.60 billion committed in FY 2026. The annualized growth rate in all-funds actual commitments between FY 2024 and FY 2026 is 7.5%. Annual City-fund growth was slightly faster at 8.1% over the same period.
- The Comptroller's Office will provide more detailed analysis on the September CCP in the Annual Report on Capital Debt and Obligations and the Annual State of the City's Economy and Finances report in December 2026.

NYC Headcount

- The FY 2027 Adopted Budget's full-time authorized headcount totals 307,199, increasing slightly (0.1 percent) to 307,599 by FY 2030. Detailed changes are described in this Office's [Comments on New York City's Fiscal Year 2027 Adopted Budget](#).

- In May, the Mamdani administration lifted the 2-for-1 hiring freeze put in place by the Adams administration. Since then, the City’s actual full-time workforce has increased by a net 3,815 employees (1.3 percent).
 - Much of that comes from an anticipated increase in DOE pedagogical positions, primarily in September (net, +2,081), to address the class-size mandate.
 - Other notable increases in actual headcount since May include uniformed positions at NYPD (+344, or 1.0 percent) and Sanitation (+244, or 2.9 percent), and civilian positions at Parks (+202, or 4.2 percent), Law (+160, or 11.5 percent) and DOHMH (+128, or 2.3 percent).
 - Notable decreases over the same period include uniformed positions at FDNY (-260, or 2.4 percent) and civilian positions at DSS (-110, or 1.0 percent).
- As of September 30, 2026, the City’s full-time workforce is 295,532, resulting in a vacancy rate of 3.8 percent. This is the first time that the City has had a vacancy rate below 4 percent since June 2021. See the [Agency Staffing Dashboard](#) for more information.

Chart 9



Sources: Office of the New York City Comptroller, Mayor’s Office of Management and Budget

Repayments of Bridge Loans Extended to the City's Vendors

- The Fund for the City of New York (FCNY) is a nonprofit organization that supports City-funded service providers by offering short-term bridge loans when payments are delayed, most notably when agencies fail to timely submit contracts to the Comptroller's Office for registration. These loans allow nonprofits to meet payroll, cover operating expenses, and continue delivering services while awaiting reimbursement—effectively smoothing over gaps created by the City's procurement timeline.
- Recently, FCNY's role has become increasingly visible due to the well-known delays in the Department of Education's early-childhood contracting process at the start of the school year. Providers have often been required to open classrooms without executed contracts, making bridge financing an essential stopgap.
- Because loan origination occurs outside City financial systems, the Comptroller's Office cannot observe when loans are issued and can only monitor repayments, which are only possible after contracts are registered. For this analysis, we therefore review repayment activity through September 2026—a period still unlikely to reflect the effects of the 2026 early-childhood contracting delays. As more data becomes available, it will be possible to compare the FY 2027 early childhood-related loan activity against the historical baseline.
- From FY 2025 to FY 2027 through September 2026, we tracked repayments against 363 unique contracts based on records in the City's Financial Management System (FMS). Repayments started on average 55 days after registration and totaled over \$160 million. DYCD accounted for the most contracts (156) with loan repayments so far, while DHS accounted for the largest repayment amount (\$49.58 million) to date, followed by DYCD (\$35.34 million) and DOE (\$30.38 million). Between FY 2020 and FY 2026 the number of contracts with loan repayments remained between roughly 150 and 190, with the exception of FY 2021 (87 contracts) and FY 2022 (344 contracts) when volumes were affected by the pandemic.

Council Renews and Expands the J-51 Abatement

- On September 24, 2026, the City Council approved [Int. 1015-A](#), renewing the J-51 property tax abatement for alterations and improvements to multiple dwellings. The bill implements State legislation enacted earlier this year.

- The prior version of the program covered work completed after June 29, 2022, and before June 30, 2026. The renewed program covers work completed on or after June 30, 2026, and before June 30, 2036.
- The maximum aggregate abatement rises from 70% to 100% of the certified reasonable cost of the work. The annual abatement remains capped at 8⅓% of that cost, and the benefit period remains capped at 20 years.
- Eligibility for co-ops and condos expands: the ceiling on average assessed value per dwelling unit rises from \$45,000 to \$60,000 and will be adjusted annually for inflation.
- Rental buildings remain eligible if at least half of their units are affordable, if they are owned by a limited-profit housing company, or if they receive substantial governmental assistance.
- Rental owners receiving the benefit must keep units rent-regulated for a 15-year restriction period and waive major capital improvement rent increases for the abated work. Tenants may sue to enforce the program’s requirements, and HPD may revoke benefits for noncompliance.
- HPD must report annually on the buildings receiving benefits, the value of abatements granted or revoked, and the types of work subsidized.
- The City Council’s Finance Division estimates that the bill will have no impact on City revenues, because the financial plan already assumes that J-51 would be extended. The Mayor’s June 2026 Plan forecasts the J-51 abatement to reduce FY 2027 revenue by \$72 million, up from \$34 million in FY 2026 under the prior version of the program.
- On the expenditure side, the Council estimates that HPD will need about \$188,000 annually for two staff, including fringe, to meet the new reporting requirements.
- Because J-51 is an as-of-right program, future costs will depend on usage.

Federal Funding Update

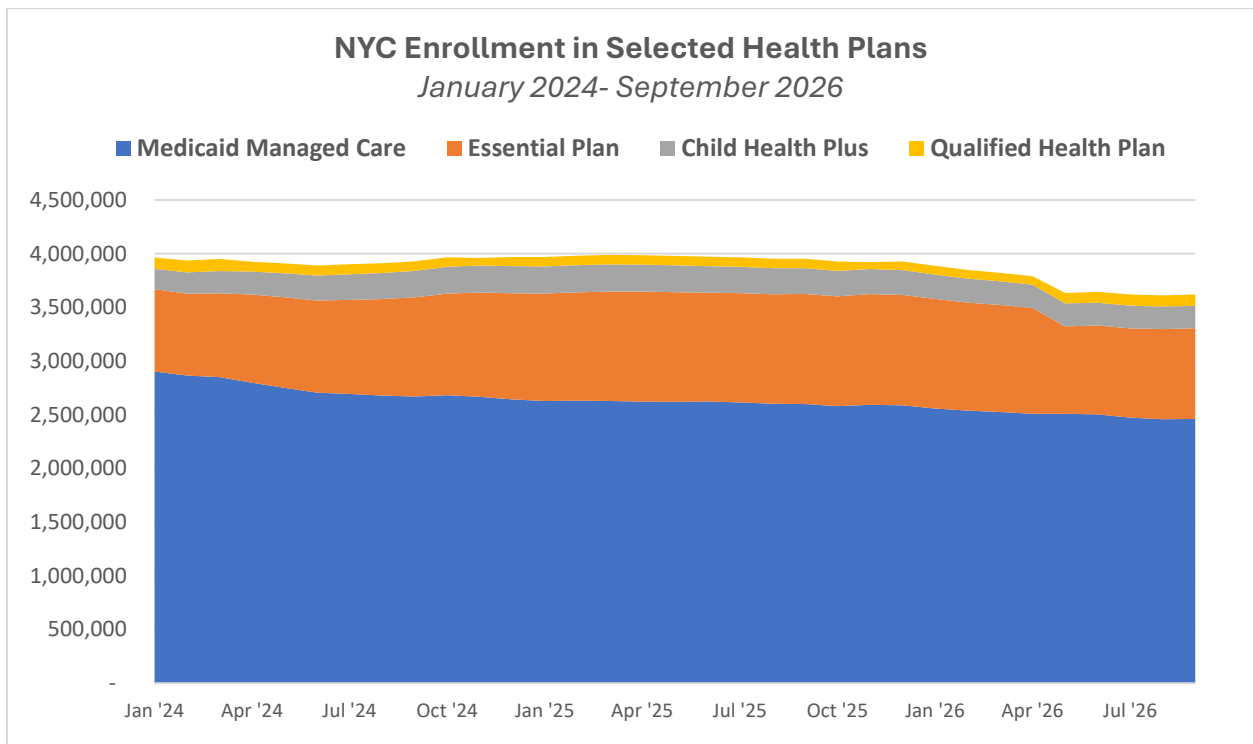
Healthcare Updates

- New York City residents’ enrollment in New York State’s health plans—Medicaid Managed Care, the Essential Plan, Child Health Plus (CHP), and the Qualified Health Plan (QHP), has declined by nearly 350,000 between July 2025, the month H.R.1 (also known as the One Big Beautiful Bill Act) was enacted, and September 2026, as shown in Chart 10 below.
- The Essential Plan accounted for the largest drop, losing over 170,000 members since July 2025. Most of that loss came this spring when the State implemented

changes that rolled back Essential Plan coverage for individuals making between 200 and 250% of the federal poverty level.

- [Statewide](#), nearly two-thirds of consumers losing expanded EP coverage have elected to enroll in other coverage, including many who are now income-eligible for Medicaid or other Essential Plan tiers. Others have enrolled in QHP coverage. Detailed information about NYC enrollees is not available beyond the aggregate enrollment levels.
- See the Comptroller's [Substack](#) detailing other changes to the Medicaid program enacted as part of H.R. 1.

Chart 10



Sources: **NY State Department of Health, Office of the New York City Comptroller**

Note: Medicaid Managed Care includes enrollment in mainstream Medicaid Managed Care plans and the Health and Recovery Plan (HARP).

- Additional changes from H.R.1 are not reflected in the data. In October, eligibility changes for some immigrants went into effect, limiting federal funding for Medicaid for certain groups. In [NY State](#), no one will lose benefits due to this change, but coverage may change from Medicaid to the Essential Plan.
- Medicaid work requirements will go into effect for new enrollees on January 1, 2027, or for current enrollees at their subsequent renewal date. Under H.R.1, states may request a hardship exemption for people on Medicaid who live in a county with an

unemployment rate at or above 8%, or 1.5 times the national rate, whichever is lower. The Bronx is the only county in New York to meet this threshold ([7.1%](#) vs the U.S. rate of 4.3%), and, according to [Politico](#), the State has notified Centers for Medicare & Medicaid of its plan to implement this exemption. Approximately 200,000 Bronx residents would have otherwise been subject to the new requirements.

- On October 19, the Mamdani administration launched the [Health and Affordability Resource Team \(HART\)](#) to help New Yorkers maintain health coverage, access SNAP and other benefits, and navigate these changes to federal eligibility requirements.
- NYC Care, administered by NYC Health+Hospitals (H+H), saw a 12% drop in enrollment from 140,222 in FY 2025 to 123,124 in FY 2026, according to the [Mayor's Management Report](#). This program serves New York City residents who are not eligible for NY State's public insurance programs or are unable to afford other options. H+H [attributed](#) the decline to several factors, such as expanded Medicaid eligibility for older New Yorkers, regardless of immigration status, as well as anecdotal reluctance to enroll in a public program amid heightened federal immigration enforcement. NYC Care enrollment had risen sharply in FY 2024 and FY 2025, coinciding with the increase in asylum seekers in shelters discussed earlier in this newsletter.

Supplemental Nutrition Assistance Program (SNAP)

- As has been noted in prior newsletters and reports, H.R.1 reduced the federal share of the SNAP administrative cost from 50% to 25%, effective October 1, 2026, the start of the new federal fiscal year. NY State has indicated that this increased cost will be passed down to localities.
- The City's Financial Plan continues to assume federal funding at the previous level for its fiscal year 2027 and the outyears. Our Office estimates the City will need to use \$75 million in City funds to backfill the reduction in federal funding in City Fiscal Year 2027, increasing to \$100 million annually in FY 2028 and beyond. See the Comptroller's [Substack](#) detailing other changes to the SNAP program enacted as part of H.R.1.
- Under H.R.1's SNAP work requirements, Able Bodies Adults Without Dependents (ABAWDs) who do not meet work requirements or qualify for an exemption can receive benefits for only three months in a three-year period. NY State's three-year period restarted on October 1, 2026. According to NY State's Office of Temporary and Disability Assistance (OTDA), anyone who lost SNAP benefits between June 1 and September 30, 2026 is now eligible to reapply for an additional three months of

benefits. To get benefits for longer, ABAWDs would need to work or participate in qualifying activities for at least 80 hours per month or meet an exemption requirement.

Proposed Changes to the Head Start Program

- The federal government has [proposed](#) rescinding and replacing Head Start’s existing program standards with substantially less prescriptive rules, shifting more decisions to states and local programs. Changes would include eliminating federal child-to-staff ratio requirements, weakening requirements for teacher qualifications and training, and reducing parent participation in program governance, a hallmark of Head Start.
- The proposal would also require English-only instruction, cap administrative costs at 5% (down from 15%), and eliminate certain health services for pregnant women. In New York City, where roughly three-quarters of Head Start children are dual-language learners, these changes could have significant implications for program quality and providers’ ability to serve children and families.
- Read the Comptroller’s [comment letter](#) opposing the proposed changes.

Federal Scholarship Tax Credit Program

- Governor Hochul officially opted New York into the new federal scholarship tax credit program, the Education Freedom Tax-Credit Scholarship Program, which passed last year as part of H.R. 1.
- The program allows individual taxpayers to claim a dollar-for-dollar federal tax credit of up to \$1,700 (and up to \$3,400 for married couples filing jointly) for donations to approved Scholarship Granting Organizations (SGOs). SGOs will distribute scholarships to help families cover qualified education-related costs such as private or religious school tuition, as well as tutoring, testing fees, and services for students with disabilities. Students in households earning up to 300% of area median income are eligible, and public-school students can participate.

Proposed Change to the Community Reinvestment Act (CRA) regulations

- The federal Office of the Comptroller of Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC) have [proposed changes](#) to Community Reinvestment Act (CRA) regulations that would narrow the number of banks and scope of bank activities subject to evaluation, and reduce the range of activities that qualify for community development credit.

- The CRA plays a critical role in helping New Yorkers, particularly those in underserved communities, access the capital and financial services they need. This proposed rule could cause a reduction in banking services for low- and moderate-income communities, and a reduction in bank funding for smaller mission-oriented financial institutions and community development organizations.
- Read the Comptroller's [comment letter](#) opposing this rule.

Funding for Emergency Housing Vouchers

- In late September the federal Department of Housing and Urban Development (HUD) issued guidance announcing that housing agencies will be able to replace vouchers currently funded through the expiring Emergency Housing Voucher (EHV) program with long-term Tenant Protection Vouchers (TPVs). This comes after the Trump administration's March 2025 announcement that it would be terminating the program, which currently serves around 6,300 New York City households.
- As this Office has reported, the EHV program was begun as part of Federal COVID relief efforts was expected to continue through calendar year 2030, before the Trump administration announced its early termination. In January, a Congressional appropriations bill attempted to force HUD to issue replacement voucher, however, the Trump administration said that the funding could not be used as such. Congress passed another bill last month that was more explicit about the use of funding. The Department of Housing and Development and the New York City Housing Authority have been working on stop-gap measures to keep voucher recipients housed.
- It is not yet clear how much funding the City will receive, however, the updated [guidance](#) reports it is applicable to "to **all families** under emergency housing vouchers (EHVs) housing assistance payments (HAP) contracts as of September 30, 2026 consistent with the Continuing Appropriations and Extensions Act, 2027..." (emphasis added).

Funding for Transit

- Congress passed a [continuing resolution](#) on September 2, 2026 that continues to fund the federal government through December 11, 2026. The funding package extends most federal transportation funding during that period but does not extend advanced appropriations for transit programs funded in the Surface Transportation Reauthorization (Infrastructure Investment and Jobs Act of 2021) which expired on September 30, 2026. This gap in transit funding

creates short-term uncertainty for transit project finance. If this funding trend continues beyond the current Continuing Resolution and extends into the next five-year federal funding package, Federal funding for the MTA's capital program will decline by a significant, albeit currently unspecified, amount.

New York City's Cash Balances

- As of October 13, 2026, the City's central treasury balance stood at \$16.7 billion, compared to \$8.5 billion at the same time in FY 2026. The higher balance continues to reflect the delayed disbursement of \$3.7 billion to the Retiree Health Benefits Trust (RHBT) for FY 2026 pay-as-you-go retiree health and welfare benefits, typically paid at the end of June. This amount was accrued to FY 2026 as owed by the City to the RHBT and will be disbursed later in FY 2027.
- The October 13th cash balance was approximately \$3.3 billion higher than projected in our [September Cash Letter](#). The main factors explaining that variance are:
 - **Tax revenues.** Preliminary September and October-to-date collections, which remain subject to revision, indicate that combined revenues from the Personal Income Tax (including the Pass-Through Entity Tax), General Corporation Tax, and Sales Tax exceeded projections by more than \$1.5 billion.
 - **Capital spending and reimbursements.** Reimbursements from bond sale proceeds for capital spending were higher than previously anticipated by approximately \$390 million. At the same time, City-funded capital expenditures were approximately \$330 million below budgeted levels, also contributing to the higher cash balance.
 - **Federal and State aid.** Federal and State receipts exceeded the forecast by approximately \$740 million, primarily due to the receipt of prior-year Federal and State welfare funding and due to the arrival of over \$400 million in Federal education aid in early October.
 - **Contractual advances to nonprofit organizations.** In late June, the City announced that it would make 50 percent advance payments to all human services providers at the beginning of July. We initially assumed that most of these payments would be disbursed in July and August. However, disbursements have lagged, primarily due to delays in contract registrations for early childhood education and other providers. We subsequently expected these payments to be made in September or early October, but

disbursements have continued to be slower than anticipated. This was the primary cause driving overall vendor payments approximately \$600 million below our projection.

- For additional details, the Comptroller's Office's review of the City's cash position through the fourth quarter of FY 2026 and its projection of the cash balance through December 31, 2026, are available [here](#).

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