

**The New York City
Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

**Financial Statements
and Required Supplementary Information, and
Report of Independent Certified Public Accountants**

As of and for the Years Ended June 30, 2022 and 2021

Contents

	Page
Report of Independent Certified Public Accountants	3
Management's Discussion and Analysis (Unaudited)	6
Financial Statements	
Statements of fiduciary net position	12
Statements of changes in fiduciary net position	13
Notes to financial statements	14
Required Supplementary Information (Unaudited)	
Schedules of changes in the city's net OPEB liability and related ratios	26
Schedule of annual money-weighted return on plan investments	28

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of
The New York City Other Postemployment Benefits Plan

Opinion

We have audited the financial statements of The New York City Other Postemployment Benefits Plan (the “Plan”), a fiduciary component unit of the City of New York, which comprise the statements of fiduciary net position as of June 30, 2022 and 2021 and the related statements of changes in fiduciary net position for the years then ended, and the related notes to financial statements, which collectively comprise the Plan’s basic financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2022 and 2021, and the related statements of changes in fiduciary net position for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

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

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 Plan’s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US 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 US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan'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 Plan's ability to continue as a going concern for a reasonable period of time.

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

Required supplementary information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in the city's net OPEB liability and related ratios for each of the seven years in the period ended June 30, 2022, and schedule of annual money-weighted return on plan investments, for each of the six years in the period ended June 30, 2022, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a required 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 US GAAS. These limited procedures 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 audit 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.

Grant Thornton LLP

New York, New York
October 26, 2022

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

June 30, 2022 and 2021

Introduction

This section of the New York City Other Postemployment Benefits Plan's (the "Plan") annual financial report presents management's discussion and analysis of the Plan's financial performance during the fiscal years ended June 30, 2022 and 2021. It should be read in conjunction with the Plan's financial statements and accompanying notes.

Background and Highlights

Governmental Accounting Standards Board ("GASB") Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* ("GASB 74") prescribes uniform financial reporting standards for other postemployment benefits ("OPEB") plans of all state and local governments. OPEB refers to postemployment benefits other than pension benefits and includes postemployment healthcare benefits which are covered under the Plan.

Overview of the Financial Statements

The Plan is a fiduciary component unit of the City of New York (the "City"). It comprises: (1) The New York City Retiree Health Benefits Trust (the "Trust") which is used to receive, hold, and disburse assets accumulated to pay for certain OPEB provided by the City to its eligible retired employees and other eligible beneficiaries; and (2) OPEB paid for directly by the City out of its general resources rather than through the Trust ("Non-Trust OPEB"). The accompanying financial statements of the Plan are presented in conformity with accounting principles generally accepted in the United States of America as prescribed by the GASB.

The Plan's financial statements consist of (1) management's discussion and analysis, (2) the Statements of Fiduciary Net Position and the Statements of Changes in Fiduciary Net Position, (3) the Notes to the Financial Statements, and (4) required supplementary information.

The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus emphasizes the determination of changes in plan fiduciary net position. With this measurement focus, all assets and liabilities associated with the operation of this fiduciary component unit are included on the Statements of Fiduciary Net Position. Under the accrual basis of accounting, contributions from the City are recognized when due and benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2022 and 2021

Financial Analysis and Results of Operations

The following is a comparative Statement of Changes in Fiduciary Net Position for the fiscal years ended June 30, 2022, 2021, and 2020 (\$ in thousands):

	2022	2021	2020	Changes	
				2022 v 2021	2021 v 2020
Additions:					
Employer contributions	\$ 4,583,036	\$ 3,599,557	\$ 2,059,051	\$ 983,479	\$ 1,540,506
Net investment income	2,938	3,626	75,945	(688)	(72,319)
Other receipts	-	-	2	-	(2)
Total additions	<u>4,585,974</u>	<u>3,603,183</u>	<u>2,134,998</u>	<u>982,791</u>	<u>1,468,185</u>
Deductions:					
Benefits payments	3,429,928	3,183,111	3,014,060	246,817	169,051
Administrative expenses	54	54	-	-	54
Total deductions	<u>3,429,982</u>	<u>3,183,165</u>	<u>3,014,060</u>	<u>246,817</u>	<u>169,105</u>
Change in net position	<u>1,155,992</u>	<u>420,018</u>	<u>(879,062)</u>	<u>735,974</u>	<u>1,299,080</u>
Net position restricted for postemployment benefits other than pensions:					
Beginning of year	<u>4,220,507</u>	<u>3,800,489</u>	<u>4,679,551</u>	<u>420,018</u>	<u>(879,062)</u>
End of year	<u>\$ 5,376,499</u>	<u>\$ 4,220,507</u>	<u>\$ 3,800,489</u>	<u>\$ 1,155,992</u>	<u>\$ 420,018</u>

Additions

Employer Contributions

The following is detailed information about the components which comprise the employer contributions to the Plan during the fiscal years ended June 30, 2022, 2021, and 2020 (\$ in thousands):

	2022	2021	2020	Changes	
				2022 v 2021	2021 v 2020
Trust Contributions:					
Trust pay-go	\$ 2,710,473	\$ 2,775,027	\$ 1,679,592	\$ (64,554)	\$ 1,095,435
Prepayment contributions	792,000	425,000	-	367,000	425,000
Discretionary contributions	750,000	-	-	750,000	-
Receivables	-	-	-	-	-
Contributions to the Trust	<u>4,252,473</u>	<u>3,200,027</u>	<u>1,679,592</u>	<u>1,052,446</u>	<u>1,520,435</u>
Non-Trust contributions	<u>330,563</u>	<u>399,530</u>	<u>379,459</u>	<u>(68,967)</u>	<u>20,071</u>
Total employer contributions	<u>\$ 4,583,036</u>	<u>\$ 3,599,557</u>	<u>\$ 2,059,051</u>	<u>\$ 983,479</u>	<u>\$ 1,540,506</u>

In fiscal year 2022, the City's contributions to the Trust increased by \$1.1 billion. This was due to an increase in prepayment contributions of \$367.0 million and an increase in discretionary contributions of \$750.0 million. Non-Trust contributions decreased in fiscal year 2022 due primarily to a decrease in the Implicit Rate Subsidy of \$80.0 million.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2022 and 2021

In fiscal year 2021, the City's contributions to the Trust increased by \$1.5 billion. This was due to an increase in contributions to the City's pay-go of \$1.0 billion and an increase in prepayment contributions of \$425.0 million. Non-Trust contributions increased in fiscal year 2021 primarily due to an increase in the Implicit Rate Subsidy of \$50.0 million.

Investment Income

Net Investment income decreased by \$688 thousand in fiscal year 2022 due primarily to a decrease in interest income of \$9.2 million, offset by an increase in net unrealized and realized gains of \$8.6 million, as a result of market conditions. Net Investment income decreased by \$72.3 million in fiscal year 2021 due to a decrease in interest income of \$64.7 million as a result of market conditions.

Deductions

Benefit payments increased by \$246.8 million in fiscal year 2022 as a result of an increase in health insurance rates and an increase in retiree headcount. Benefit payments increased by \$169.0 million in fiscal year 2021 as a result of an increase in health insurance rates and an increase in retiree headcount.

Ending Net Position

As of June 30, 2022 and 2021, total net position increased by \$1.2 billion and \$420.0 million, respectively, compared to prior fiscal years as a result of the changes in additions and deductions discussed above.

The following is a comparative Statement of Fiduciary Net Position as of June 30, 2022, 2021, and 2020 (\$ in thousands):

	2022	2021	2020	Changes	
				2022 v 2021	2021 v 2020
Assets:					
Cash and cash equivalents	\$ 3,160,628	\$ 926,472	\$ 1,499,405	\$ 2,234,156	\$ (572,933)
Investments - at fair value	2,516,568	3,732,515	2,699,707	(1,215,947)	1,032,808
Accrued interest receivable	242	-	877	242	(877)
Other receivables	45	45	45	-	-
Prepaid expenses	68	34	-	34	34
Total assets	<u>5,677,551</u>	<u>4,659,066</u>	<u>4,200,034</u>	<u>1,018,485</u>	<u>459,032</u>
Liabilities:					
Benefits payable	300,954	438,461	399,501	(137,507)	38,960
Accrued expenses	98	98	44	-	54
Other payables	-	-	-	-	-
Total liabilities	<u>301,052</u>	<u>438,559</u>	<u>399,545</u>	<u>(137,507)</u>	<u>39,014</u>
Net position restricted for postemployment benefits other than pensions	<u>\$ 5,376,499</u>	<u>\$ 4,220,507</u>	<u>\$ 3,800,489</u>	<u>\$ 1,155,992</u>	<u>\$ 420,018</u>

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2022 and 2021

Assets

Total assets increased by \$1.0 billion at June 30, 2022 primarily due to an increase in cash and cash equivalents of \$2.2 billion, offset by a decrease in investments of \$1.2 billion. The increase in total assets is primarily due to a prepayment contribution of \$792.0 million and a discretionary contribution of \$750.0 million, which are approximately \$367.0 million and \$792.0 million higher than the prior year prepayment and discretionary contributions, respectively. Cash and cash equivalents have increased as the Plan held more investments with maturities shorter than 90 days at the time of purchase.

Total assets increased by \$459.0 million at June 30, 2021 primarily due to an increase in investments of \$1.0 billion, offset by a decrease in cash and cash equivalents of \$572.9 million. The increase in total assets is primarily due to a prepayment contribution of \$425.0 million. Cash and cash equivalents have decreased as the Plan held fewer investments with maturities shorter than 90 days at the time of purchase.

Liabilities

Total liabilities decreased in fiscal year 2022 by \$137.5 million primarily due to a decrease in Citywide health insurance providers payables of \$166.5 million, offset by an increase in Medicare Part B payables of \$30.0 million.

Total liabilities increased in fiscal year 2021 by \$39.0 million primarily due to an increase in Citywide health insurance providers payables of \$30.5 million, and an increase in Medicare Part B payables of \$29.5 million.

Overview of Actuarial Information

Total OPEB Liability

The following is a summary of the changes in the total OPEB liability during the fiscal years ended June 30, 2022, 2021, and 2020 (\$ in thousands):

	2022	2021	2020	Changes	
				2022 v 2021	2021 v 2020
Total OPEB Liability –					
Beginning	\$ (122,170,373)	\$ (113,229,187)	\$ (112,442,891)	\$ (8,941,186)	\$ (786,296)
Service cost	(6,251,281)	(5,572,683)	(5,292,309)	(678,597)	(280,374)
Interest	(2,775,080)	(3,141,518)	(3,277,920)	366,438	136,402
Differences between expected and actual experience	1,807,276	(221,150)	5,819,562	2,028,426	(6,040,712)
Changes in assumptions	31,079,248	(3,188,946)	(2,507,506)	34,268,194	(681,440)
Benefit payments	3,429,928	3,183,111	3,014,060	246,817	169,051
Other changes	-	-	1,457,817	-	(1,457,817)
Total OPEB Liability – Ending	<u>\$ (94,880,282)</u>	<u>\$ (122,170,373)</u>	<u>\$ (113,229,187)</u>	<u>\$ 27,290,091</u>	<u>\$ (8,941,186)</u>

The total OPEB liabilities as of fiscal years ended June 30, 2022, 2021, and 2020 were determined under the Entry Age (“EA”) actuarial cost method.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2022 and 2021

June 2022 Measurement

The total OPEB liability as of June 30, 2022 of \$94.9 billion is a decrease of \$27.3 billion from the June 30, 2021 valuation.

This change in the total OPEB liability reflects: (1) the service cost of \$6.3 billion; (2) interest on unfunded OPEB liabilities of \$2.8 billion; (3) differences between expected and actual experience of \$(1.8) billion; (4) changes in assumptions of \$(31.1) billion; (5) retiree benefits paid by the Plan of \$(3.4) billion.

The \$(31.1) billion change in assumptions, which decreased the total OPEB liability in the June 30, 2022 OPEB measurement, resulted primarily from the change in the discount rate from 2.19% at June 30, 2021 to 4.09% at June 30, 2022 resulting in a \$29.4 billion gain. The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2022 in accordance with GASB 74 and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75").

June 2021 Measurement

The total OPEB liability as of June 30, 2021 of \$122.2 billion is an increase of \$8.9 billion from the June 30, 2020 valuation.

This change in the total OPEB liability reflects: (1) the service cost of \$5.6 billion; (2) interest on unfunded OPEB liabilities of \$3.1 billion; (3) differences between expected and actual experience of \$221.2 million; (4) changes in assumptions of \$3.2 billion; and (5) retiree benefits paid by the Plan of \$(3.2) billion.

The \$3.2 billion change in assumptions, which increased the total OPEB liability in the June 30, 2021 OPEB measurement, was driven primarily by the change in the discount rate from 2.68% at June 30, 2020 to 2.19% at June 30, 2021. The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2021 in accordance with GASB 74 and GASB 75. It produced a loss of \$8.6 billion, which was offset by changes to both the mortality improvement scale and assumptions about the treatment of Actives Off Payroll ("AOPs") which together produced a \$5.5 billion gain.

Net OPEB Liability

The following is a summary of the net OPEB liability as of June 30, 2022, 2021, and 2020 (\$ in thousands):

	2022	2021	2020	Changes	
				2022 v 2021	2021 v 2020
Fiduciary net position	\$ 5,376,499	\$ 4,220,507	\$ 3,800,489	\$ 1,155,992	\$ 420,018
Total OPEB liability	<u>(94,880,283)</u>	<u>(122,170,373)</u>	<u>(113,229,187)</u>	<u>27,290,090</u>	<u>(8,941,186)</u>
Net OPEB liability	<u>\$ (89,503,784)</u>	<u>\$ (117,949,866)</u>	<u>\$ (109,428,698)</u>	<u>\$ 28,446,082</u>	<u>\$ (8,521,168)</u>

The net OPEB liability decreased \$28.5 billion in fiscal year 2022 due to a \$27.3 billion decrease in the total OPEB liability and an increase in fiduciary net position of \$1.2 billion. The net OPEB liability increased \$8.5 billion in fiscal year 2021 due to a \$8.9 billion increase in the total OPEB liability, offset by an increase in fiduciary net position of \$420.0 million.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2022 and 2021

Contact Information

This financial report is designed to provide a general overview of the Plan's finances. Questions concerning any data provided in this report or requests for additional information should be directed to:

Raymond Lee, Assistant Director
Mayor's Office of Management & Budget
255 Greenwich Street, Floor 7
New York, NY 10007

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

STATEMENTS OF FIDUCIARY NET POSITION

**June 30, 2022 and 2021
(In thousands)**

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 3,160,628	\$ 926,472
Investments - at fair value	2,516,568	3,732,515
Accrued interest receivable	242	-
Other receivables	45	45
Prepaid expenses	68	34
Total assets	5,677,551	4,659,066
LIABILITIES		
Benefits payable	300,954	438,461
Accrued expenses	98	98
Total liabilities	301,052	438,559
Net position restricted for postemployment benefits other than pensions	\$ 5,376,499	\$ 4,220,507

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

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

**Years ended June 30, 2022 and 2021
(In thousands)**

	2022	2021
Additions		
Employer contributions	\$ 4,583,036	\$ 3,599,557
Investment income:		
Interest income	2,369	11,635
Net realized gains	16	590
Net unrealized gains (losses)	728	(8,424)
Less trustee fees	(175)	(175)
Net investment income	2,938	3,626
Total additions	4,585,974	3,603,183
Deductions		
Benefit payments	3,429,928	3,183,111
Administrative expenses	54	54
Total deductions	3,429,982	3,183,165
Change in net position	1,155,992	420,018
Net position restricted for postemployment benefits other than pensions		
Beginning of year	4,220,507	3,800,489
End of year	\$ 5,376,499	\$ 4,220,507

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

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 1 - BACKGROUND AND ORGANIZATION

The New York City Other Postemployment Benefits Plan (the “Plan”) is a fiduciary component unit of the City of New York (the “City”). The Plan comprises: (1) The New York City Retiree Health Benefits Trust (the “Trust”) which is used to receive, hold, and disburse assets accumulated to pay for certain postretirement benefits other than pensions (“OPEB”) provided by the City to its eligible retired employees and other eligible beneficiaries; and (2) OPEB paid for directly by the City out of its general resources rather than through the Trust (“Non-Trust OPEB”). The Trust was established for the exclusive benefit of the City’s eligible retired employees and their eligible spouses and dependents, to fund certain OPEB provided in accordance with the City’s various collective bargaining agreements and the City’s Administrative Code. The Trust is tax exempt in accordance with Section 115 of the Internal Revenue Code. The Plan does not have a board. However, it does present its financial statements to the City’s Audit Committee. The Plan is classified as a single-employer OPEB plan for Governmental Accounting Standards Board (“GASB”) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (“GASB 74”) purposes.

The City is not required by law or contractual agreement to provide funding for the Plan, other than the “pay-as-you-go” amount necessary to provide the current benefits to current eligible retirees, spouses, and dependents (“Pay-Go”).

NOTE 2 - PLAN DESCRIPTION, ELIGIBILITY, AND MEMBERSHIP INFORMATION

The Plan provides for the following postemployment benefits:

- A health insurance program;
- Medicare Part B premium reimbursements; and
- Welfare fund contributions.

Benefits are established and amended through collective bargaining with the labor unions.

Health Insurance Program

- The City provides an option for basic individual or family medical and hospitalization insurance coverage at no cost to the participants.¹
- Basic or enhanced coverage under other health insurance options may require participant contributions, if and to the extent that premiums are above those of the no-cost option.
- The City will not provide both subscriber and spouse or dependent coverage for the same individual, thus retirees who are spouses or dependents of other New York City active or retired workers must waive coverage.

Medicare Part B Premium Reimbursements - The City provides reimbursement to eligible retirees and their dependents for the Medicare Part B premium, if any, actually paid.

¹ *The City pays for basic coverage at the HIP HMO rate for non-Medicare eligible retirees and at the GHI/EBCBS Senior Care Plan rate for Medicare eligible retirees.*

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

Welfare Fund Contributions - The City pays an annual per-capita-contribution for retirees into various welfare funds that are generally administered by the labor unions. The per-capita-contribution amounts change periodically based on negotiated contract provisions. Welfare fund benefits provided are at the discretion of each individual welfare fund's management, vary significantly from welfare fund to welfare fund, and may include health-related benefits such as prescription drug coverage (sometimes with dollar limits), vision and dental coverage, and/or other benefits. The Plan's obligation is to make the required per-capita contribution to each welfare fund.

Plan Eligibility - Generally, to qualify for OPEB benefits under the Plan, a retired employee of the City must:

- Have at least 10 years of credited service as a member of one of the five major New York City Retirement Systems ("NYCRS")² or at least 5 years of credited service if employed on or before December 27, 2001 or 15 years of service if a member of TRS or BERS represented by United Federation of Teachers and employed after April 27, 2010 (if retirement is due to accidental disability, the service requirement for retirement does not apply)³;
- Be working at least 20 hours a week at termination of active service; and
- Have retired and be receiving a pension from one of the NYCRS.

Surviving Spouse and Other Dependents

- Dependent coverage is terminated when a retiree dies, except in the following situations:
 - (i) Lifetime coverage is provided to the surviving spouses or domestic partners, and coverage to age 26 for children, of uniformed members of the Police or Fire Department who die in the line of duty;
 - (ii) Effective November 13, 2001, other surviving spouses of retired uniformed members of the Police and Fire Departments may elect to continue coverage for life by paying 102% of the stated premium;
 - (iii) Effective August 31, 2010, surviving spouses of retired uniformed members of the Departments of Correction and Sanitation may elect to continue coverage for life by paying 102% of the stated premium.

² The five NYCRS are:

New York City Employees' Retirement System ("NYCERS")
New York City Teachers' Retirement System ("TRS")
New York City Board of Education Retirement System ("BERS")
New York City Police Pension Funds ("POLICE")
New York City Fire Pension Funds ("FIRE")

³ Certain employees of the City University of New York who receive pension payments from TIAA-CREF are also eligible based on credited service requirements which differ slightly from those applicable to the NYCRS members.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

Plan Membership - As permitted under GASB 74, the Plan has elected to use June 30, 2021, as the date of the OPEB actuarial valuation, for fiscal year 2022. The Plan's combined membership consisted of the following at June 30, 2022 and 2021, the dates of the last two OPEB actuarial valuations:

	2022	2021
Active plan members	296,690	303,918
Inactive plan members entitled to but not yet receiving benefits	22,462	21,976
Inactive plan members or beneficiaries currently receiving benefits	246,832	243,978
Total	565,984	569,872

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The Plan is a fiduciary component unit of the City. Fiduciary component units are used to account for assets and activities when an entity is functioning as a trustee for another party. The accompanying financial statements of the Plan are presented in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as prescribed by the GASB.

Basis of Accounting - The Plan's financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus emphasizes the determination of changes in plan fiduciary net position. With this measurement focus, all assets and liabilities associated with the operation of this fiduciary component unit are included on the Statement of Fiduciary Net Position. Under the accrual basis of accounting, contributions from the City are recognized when due and benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investments - The Plan's investments are those which are held in the Trust. Investments are reported on the Statements of Fiduciary Net Position at fair value. Net investment income, including changes in the fair value of investments and trustee fees, is reported on the Statements of Changes in Fiduciary Net Position during the reporting period.

Cash and Cash Equivalents - Cash equivalents consist of financial instruments with original maturity dates of three months or less. Cash and cash equivalents balances as of June 30, 2022 and 2021, represent cash deposits and securities in the Plan's portfolio, held in the Trust, that mature within three months (90 days) of purchase date. The Plan had \$3.2 billion in cash equivalents as of June 30, 2022. The Plan had \$926.4 million in cash equivalents as of June 30, 2021.

Investment Income - Purchases and sales of securities are reflected on the trade date. Interest income is recorded as earned on an accrual basis.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE 4 - INVESTMENTS

Investment Policy - The Plan's investments are those which are held in the Trust. The Trust's investment policy is jointly approved by the Mayor and the Comptroller of the City and may only be amended with written approval from both the Mayor and the Comptroller or their designees. The primary investment goal is the preservation of capital, so funds in the trust are invested to ensure that principal is preserved and enhanced over time. The policy permits the Trust to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Investors Service, bankers' acceptances, certificates of deposit, open time deposits in the form of investment agreements, demand accounts, and repurchase agreements. There were no significant changes to the Trust's investment policy for the year ended June 30, 2022.

Concentration - During any calendar quarter, no more than the greater of \$100 million or 35% of the amounts on deposit in the Trust (determined at the time of investment) is invested in either commercial paper of a single issuer or investment agreements with a single provider. Notwithstanding the foregoing, in no event will more than \$250 million be invested at any time in either commercial paper of a single issuer or investment agreements with a single provider.

Diversification - Investments of funds of the Trust are subject to the following diversification requirements:

Municipal securities	0-60%
Federally guaranteed securities	0-100
Federal agency securities	0-100
Banker's acceptances/certificates of deposit	0-60
Commercial paper	0-70
Repurchase agreements	0-100
Collateralized investment agreements	0-100
AAA-rated investment agreements	0-50
Money market funds	0-50
Pre-refunded municipal obligations	0-100

Other Restrictions - Investments in Banker's acceptances/Certificates of Deposit shall mature within two years of the date of investment and shall be limited to banks having the highest short-term rating from at least two firms identified by the Securities and Exchange Commission as "nationally recognized statistical rating organizations."

Investments as of June 30, 2022 and 2021 consist of the following (\$ in thousands):

Investments by Type	2022	2021
Commercial paper	\$ 2,491,507	\$ 1,794,270
T-Bills	2,666,466	2,658,382
Money market funds	519,223	206,335
Total investments held	5,677,196	4,658,987
Less cash equivalents securities with maturities of 90 days or less at purchase date	(3,160,628)	(926,472)
Total investments	<u>\$ 2,516,568</u>	<u>\$ 3,732,515</u>

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from increasing interest rates, the Plan limits investment portfolio average of maturities to within two years of the date of purchase.

Segmented time distribution on investments and cash equivalents as of June 30, 2022 (\$ in thousands):

Investments by Maturities	Fair Value	Maturities			
		Under 6 Months	6 Months to 1 Year	1 Year to 2 Years	Over 2 Years
Commercial paper	\$ 2,491,507	\$ 2,491,507	\$ -	\$ -	\$ -
U.S. Treasury securities	2,666,466	2,666,466	-	-	-
Money market funds	519,223	519,223	-	-	-
Total investments by maturities	\$ 5,677,196	\$ 5,677,196	\$ -	\$ -	\$ -

Segmented time distribution on investments and cash equivalents as of June 30, 2021 (\$ in thousands):

Investments by Maturities	Fair Value	Maturities			
		Under 6 Months	6 Months to 1 Year	1 Year to 2 Years	Over 2 Years
Commercial paper	\$ 1,794,270	\$ 1,794,270	\$ -	\$ -	\$ -
U.S. Treasury securities	2,658,382	174,976	2,483,406	-	-
Money market funds	206,335	206,335	-	-	-
Total investments by maturities	\$ 4,658,987	\$ 2,175,581	\$ 2,483,406	\$ -	\$ -

Credit Risk - It is the Trust's policy to limit its investments in debt securities to those rated in the highest rating category by at least two nationally recognized bond rating agencies. As of June 30, 2022, the Trust's investments in Commercial Paper were rated in the highest short-term category by at least two major rating agencies. Money market accounts and mutual funds are not rated.

Custodial Credit Risk - For investments, custodial credit risk is the risk that in the event of the failure of the Trustee Bank, the Trust will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured and are not registered in the name of the Trust.

The Trust manages custodial credit risk by requiring collateral be held by the Trustee Bank in the name of the Trust.

Concentration of Credit Risk - The Trust places no limit on the amount the Trust may invest in any one issuer, except for limits on commercial paper and investment agreements of a single issue. As of June 30, 2022, there were no investments (excluding investments issued or explicitly guaranteed by the U.S. government) in concentrations of 5.0% or more of the Plan's fiduciary net position of \$5.4 billion.

Fair Value Hierarchy - The Plan categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

The Plan has the following recurring fair value measurements as of June 30, 2022 and 2021 (\$ in thousands):

Investments by Fair Value Level	2022 Total	Significant Other Observable Inputs (Level 2)	2021 Total	Significant Other Observable Inputs (Level 2)
Commercial paper	\$ 2,491,507	\$ 2,491,507	\$ 1,794,270	\$ 1,794,270
U.S. Treasury securities	2,666,466	2,666,466	2,658,382	2,658,382
Money market funds	519,223	519,223	206,335	206,335
Total investments by fair value level	\$ 5,677,196	\$ 5,677,196	\$ 4,658,987	\$ 4,658,987

Commercial paper classified in Level 2 of the fair value hierarchy is valued using matrix pricing or based on various market and industry inputs. U.S. Treasury securities and U.S. Agencies securities classified in Level 2 are valued based on various market and industry inputs. Money market funds classified in Level 2 are valued based on the net asset value.

Rate of Return - For the year ended June 30, 2022, the annual money-weighted return on investments, net of investment expense, was 0.10%. For the year ended June 30, 2021, the annual money-weighted return on investments, net of investment expense, was 0.12%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 5 - FUNDED STATUS AND FUNDING PROGRESS

The components of the net OPEB liability of the City at June 30, 2022 and 2021 were as follows (\$ in thousands):

	2022	2021
Total OPEB liability	\$ 94,880,283	\$ 122,170,373
Plan fiduciary net position	5,376,499	4,220,507
City's net OPEB liability	\$ 89,503,784	\$ 117,949,866
Plan fiduciary net position as a percentage of the total OPEB liability	5.7%	3.5%
Covered employee payroll	\$ 28,973,835	\$ 29,110,182
Net OPEB liability as a percentage of covered employee payroll	308.9%	405.2%

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The Statement of Fiduciary Net Position presents information about assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position as of the end of the OPEB plan's reporting period.

The Statement of Changes in Fiduciary Net Position presents information about the additions to, deductions from, and net increase (or decrease) in fiduciary net position for the OPEB plan's reporting period.

Projections of benefits for financial reporting purposes are based on the substantive OPEB plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The City may not be obligated to provide the same types or levels of benefits to retirees in the future.

The Plan uses the Entry Age ("EA") actuarial cost method (the actuarial cost method set forth in GASB 74, paragraph 54) to determine the annual expense and the net OPEB liability.

The total OPEB liability as of June 30, 2022 of \$94.9 billion and as of June 30, 2021 of \$122.1 billion were determined under the EA actuarial cost method.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

The following is a brief description of the significant methods and assumptions used in the OPEB actuarial valuation. A complete description can be found in Section 7 of the fiscal year 2022 GASB 74/75 Report for the City of New York and the New York City Health Benefits Program (the "OPEB Report") which is available on the website of the New York City Office of the Actuary ("NYCOA").

Actuarial cost method	Entry Age Normal Cost Method, level percent of pay calculated on an individual basis
Valuation date	June 30, 2021
Measurement date	June 30, 2022
Discount rate	4.09% per annum for the June 30, 2022 measurement date (FY 2022) 2.19% per annum for the June 30, 2021 measurement date (FY 2021)

Monthly Health Insurance Costs Per Contract	Plan	Fiscal Year 2022	Fiscal Year 2021
	<i>HIP HMO</i>		
	Non-Medicare Single	\$ 819.68	\$ 776.01
	Non-Medicare Family	2,008.22	1,901.23
	Medicare	190.47	181.58
	<i>GHI/EBCBS</i>		
	Non-Medicare Single	854.44	775.66
	Non-Medicare Family	2,242.05	2,035.61
	Medicare	201.80	194.14
	<i>Other HMOs</i>		
	Non-Medicare Single	1,242.93	1,160.34
	Non-Medicare Family	3,440.67	2,701.42
	Medicare Single	291.71	291.83
	Medicare Family	580.41	576.92

Welfare Fund - The Welfare Fund contribution reported as of the measurement date, June 30, 2022 (including any reported retroactive amounts) was trended back to the valuation date, June 30, 2021, using the Welfare trend assumption and as the per-capita cost for valuation purposes. Weighted-average contribution rates for future retirees are shown below. Starting in fiscal year 2022, the contribution is assumed to increase by 3.5% annually.

NYCRS	Weighted Average Contribution Rates Per Capita Fiscal Year 2022	Weighted Average Contribution Rates Per Capita Fiscal Year 2021
NYCERS	\$ 1,858	\$ 1,894
TRS	1,763	1,824
BERS	1,907	1,932
POLICE	1,669	1,731
FIRE	1,721	1,780

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

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

For the fiscal year 2022 OPEB valuation, the annual premium used was \$1,888.80, which is equal to 12 times an average of the calendar year 2021 and 2022 monthly premiums below.

<u>Calendar Year</u>	<u>Monthly Premium Per Capita</u>
2017	113.63
2018	125.85
2019	134.43
2020	143.21
2021	146.97
2022	167.82

For calendar year 2022, the monthly premium of \$167.82 was determined as follows:

- 3.5% of the basic \$104.90 monthly hold-harmless amount, assuming that there would be no claims made for the slight increase in Part B premiums for continuing retirees; and
- 96.5% of the announced premium of \$170.10 for calendar year 2022, representing the proportion of the Medicare population that will pay the announced amount.

The calendar year 2021 monthly premium of \$146.97 was determined similarly, using 3.5% of the \$104.90 hold-harmless amount and 96.5% of the \$148.50 rate that was in effect for calendar year 2021.

An additional 11.4% load is added to the base Medicare Part B Premium amounts each year to account for the income-related Medicare Part B premiums for high income individuals. This assumption was updated from the previous valuation to reflect more recent experience.

Health Care Cost Trend Rate - Covered medical expenses are assumed to increase by the following percentages:

<u>Year Ending</u>	<u>Pre-Medicare Plans</u>	<u>Medicare Plans</u>	<u>Medicare Part B Premiums</u>	<u>Welfare Fund Contributions</u>
2022	6.50%	4.90%	5.29% ⁽¹⁾	3.50%
2023	6.25	4.80	5.00	3.50
2024	6.00	4.80	5.00	3.50
2025	5.75	4.70	5.00	3.50
2026	5.50	4.70	5.00	3.50
2027	5.25	4.60	5.00	3.50
2028	5.00	4.60	5.00	3.50
2029	4.75	4.50	5.00	3.50
2030+	4.50	4.50	5.00	3.50

⁽¹⁾ Medicare Part B premium trend reflects actual calendar year premium for the first six months of FY 2023 (July 2022 to December 2022) and 5.0% trend for the remaining six months.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

Age and Gender Related Morbidity - The premiums are age and gender adjusted for GHI/EBCBS, HIP and Other HMOs.

Participation - Participation assumptions are based on recent experience.

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

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

NYCRS Group	Percentage
NYCERS – HHC	13%
NYCERS – NYCHA	13%
NYCERS – Others	13%
TRS	13%
BERS	15%
POLICE	3%
FIRE	3%
TIAA	13%

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

Dependents - Male retirees were assumed to be four years older than their wives, and female retirees were assumed to be two years younger than their husbands; for POLICE and FIRE employees, husbands are assumed to be two years older than their wives.

Child dependents of current retirees are assumed to receive coverage until age 26.

Children are assumed to be covered after retirement for the number of years shown below. The average dependent Coverage Period assumption has been updated since the prior valuation to reflect more recent experience.

NYCRS Group	Years
NYCERS – Service Only	8 years
NYCERS – HHC	10 years
NYCERS – NYCHA	10 years
NYCERS – All Others	8 years
TRS	7 years
BERS	7 years
POLICE	11 years
FIRE	11 years
TIAA	7 years

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

Demographic Assumptions - The actuarial assumptions used in the fiscal year 2022 and the fiscal year 2021 OPEB valuations are a combination of those used in the NYCERS pension actuarial valuations for that year and those specific to the OPEB valuations.

For fiscal year 2019, the NYCOA conducted a full review of the actuarial assumptions and methods used to fund the NYCERS. These recommendations were adopted by all five of the NYCERS Boards and referred to as the 2019 A&M Reports. On July 27, 2021, the Chief Actuary issued a memorandum that amended certain assumptions and methods from the 2019 A&M. This revised set of actuarial assumptions and methods are referred to as the "Revised 2021 A&M." The "2019 A&M" and "Revised 2021 A&M" reports are available on the Reports page of the NYCOA website (www.nyc.gov/actuary).

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability of the City as of June 30, 2022 and 2021, as well as what the City's net 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 (\$ in thousands):

	1% Decrease (3.09%)	Discount Rate (4.09%)	1% Increase (5.09%)
Net OPEB liability (asset) – June 30, 2022	\$ 103,482,898	\$ 89,503,784	\$ 78,131,800
	1% Decrease (1.19%)	Discount Rate (2.19%)	1% Increase (3.19%)
Net OPEB liability (asset) – June 30, 2021	\$ 138,804,134	\$ 117,949,866	\$ 101,351,231

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of the City as of June 30, 2022, as well as what the City's net OPEB liability would be if calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (\$ in thousands):

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability (asset) – June 30, 2022	\$ 75,446,107	\$ 89,503,784	\$ 107,506,130
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability (asset) – June 30, 2021	\$ 97,537,380	\$ 117,949,866	\$ 144,850,885

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE 6 - RELATED PARTY MATTERS

The Plan and the Trust are administered by the City, including the day-to-day administration of the health insurance program. U.S. Bank, N.A., the trustee and custodian of the Trust, makes payments to health insurers and to welfare funds for retiree benefits, and reimbursements of retiree Medicare Part B premiums to retirees, as directed by the City. The City also directs the investment of Trust resources in accordance with Trust investment guidelines.

NOTE 7 - COVID-19 PANDEMIC

The outbreak of the coronavirus disease ("COVID-19") has been declared a pandemic by the World Health Organization. The Governor declared a state of emergency in the state on March 7, 2020, which ended on June 24, 2021. The Mayor declared a state of emergency in the City on March 12, 2020. The City's state of emergency was extended through October 8, 2022. It has been extended approximately monthly during the pandemic and may be extended beyond the current expiration date. Due to the uncertainty around the potential long-term ramifications of the pandemic, the ultimate impact on the Plan cannot be determined at this time.

NOTE 8 - SUBSEQUENT EVENTS

The Plan has evaluated subsequent events for disclosure and recognition through October 26, 2022, the date the financial statements were available to be issued, and there were no material events that required disclosure.

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REQUIRED SUPPLEMENTARY INFORMATION

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

SCHEDULES OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)

As of and for the years ended June 30, 2022, 2021, and 2020

	<u>2022</u>	<u>2021</u>	<u>2020</u>
1. Total OPEB Liability			
a. Service Cost	\$ 6,251,281,373	\$ 5,572,683,539	\$ 5,292,309,204
b. Interest	2,775,079,944	3,141,518,459	3,277,919,924
c. Changes of Benefit Terms	-	-	-
d. Differences b/t Expected and Actual Experience	(1,807,275,780)	221,150,044	(5,819,561,889)
e. Changes of Assumptions	(31,079,247,840)	3,188,945,903	2,507,506,383
f. Benefit Payments	(3,429,928,154)	(3,183,111,369)	(3,014,059,300)
g. Other Changes	-	-	(1,457,818,456)
g. Net Changes in Total OPEB Liability	(27,290,090,457)	8,941,186,576	786,295,866
2. Total OPEB Liability - Beginning	<u>122,170,373,878</u>	<u>113,229,187,302</u>	<u>112,442,891,436</u>
3. Total OPEB Liability - Ending	<u>\$ 94,880,283,421</u>	<u>\$ 122,170,373,878</u>	<u>\$ 113,229,187,302</u>
4. Plan Fiduciary Net Position			
a. Contributions - Employer	\$ 4,583,035,947	\$ 3,599,557,405	\$ 2,059,052,552
b. Contributions - Employee	-	-	-
c. Net Investment Income	3,112,581	3,801,273	76,119,735
d. Benefit Payments	(3,429,928,154)	(3,183,111,369)	(3,014,059,300)
e. Administrative Expenses	(54,000)	(54,000)	-
f. Other Changes	(175,000)	(175,000)	(175,000)
g. Net Changes in Plan Fiduciary Net Position	1,155,991,374	420,018,309	(879,062,013)
5. Plan Fiduciary Net Position - Beginning	<u>4,220,507,470</u>	<u>3,800,489,161</u>	<u>4,679,551,174</u>
6. Plan Fiduciary Net Position - Ending	<u>5,376,498,844</u>	<u>4,220,507,470</u>	<u>3,800,489,161</u>
7. Net OPEB Liability	<u>\$ 89,503,784,577</u>	<u>\$ 117,949,866,408</u>	<u>\$ 109,428,698,141</u>
8. Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	5.7%	3.5%	3.4%
9. Covered Employee Payroll¹	\$ 28,973,834,708	\$ 29,110,182,528	\$ 28,201,101,945
10. Net OPEB Liability as Percentage of Covered Employee Payroll	308.9%	405.2%	388.0%
11. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate			
a. 1% Decrease	\$ 103,482,898,444	\$ 138,804,133,577	\$ 129,725,569,224
b. 1% Increase	\$ 78,131,800,225	\$ 101,351,231,138	\$ 93,549,895,869
12. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate			
a. 1% Decrease	\$ 75,446,106,902	\$ 97,537,380,092	\$ 90,312,654,926
b. 1% Increase	\$ 107,506,129,686	\$ 144,850,884,890	\$ 134,753,776,933

¹ Includes those Component Units with Medicare Part B, Health Insurance, or Welfare Fund coverage provided by the City.

See Report of Independent Certified Public Accountants.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

SCHEDULES OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)

As of and for the years ended June 30, 2019, 2018, 2017 and 2016

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
1. Total OPEB Liability				
a. Service Cost	\$ 5,725,025,094	\$ 4,860,387,841	\$ 4,521,008,728	\$ 5,112,510,498
b. Interest	3,237,262,217	3,131,103,689	2,898,446,758	2,668,923,050
c. Changes of Benefit Terms	-	-	-	-
d. Differences b/t Expected and Actual Experience	9,362,492,183	2,293,748,135	519,255,914	(120,146,814)
e. Changes of Assumptions	(6,277,325,926)	2,513,081,199	(10,974,634,867)	-
f. Benefit Payments	(2,839,210,462)	(2,616,691,142)	(2,424,766,464)	(2,277,515,643)
h. Other Changes	-	-	-	-
g. Net Changes in Total OPEB Liability	<u>9,208,243,106</u>	<u>10,181,629,722</u>	<u>(5,460,689,931)</u>	<u>5,383,771,091</u>
2. Total OPEB Liability - Beginning	<u>103,234,648,330</u>	<u>93,053,018,608</u>	<u>98,513,708,539</u>	<u>93,129,937,448</u>
3. Total OPEB Liability - Ending	<u>\$ 112,442,891,436</u>	<u>\$ 103,234,648,330</u>	<u>\$ 93,053,018,608</u>	<u>\$ 98,513,708,539</u>
4. Plan Fiduciary Net Position				
a. Contributions - Employer	\$ 2,652,443,121	\$ 2,680,766,906	\$ 3,020,942,554	\$ 2,897,128,941
b. Contributions - Employee	-	-	-	-
c. Net Investment Income	100,565,410	47,990,335	21,437,072	20,234,368
d. Benefit Payments	(2,839,210,463)	(2,616,691,142)	(2,424,766,464)	(2,277,515,643)
e. Administrative Expenses	(46,109)	(43,105)	(41,100)	(40,000)
f. Other Changes	-	(127,045)	-	-
g. Net Changes in Plan Fiduciary Net Position	<u>(86,248,041)</u>	<u>111,895,949</u>	<u>617,572,062</u>	<u>639,807,666</u>
5. Plan Fiduciary Net Position - Beginning	<u>4,765,799,215</u>	<u>4,653,903,266</u>	<u>4,036,331,204</u>	<u>3,396,523,538</u>
6. Plan Fiduciary Net Position - Ending	<u>4,679,551,174</u>	<u>4,765,799,215</u>	<u>4,653,903,266</u>	<u>4,036,331,204</u>
7. Net OPEB Liability	<u>\$ 107,763,340,262</u>	<u>\$ 98,468,849,115</u>	<u>\$ 88,399,115,342</u>	<u>\$ 94,477,377,335</u>
8. Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	4.2%	4.6%	5.0%	4.1%
9. Covered Employee Payroll ¹	\$ 27,679,916,380	\$ 26,230,448,259	\$ 25,112,110,958	\$ 24,204,772,333
10. Net OPEB Liability as Percentage of Covered Employee Payroll	389.3%	375.4%	352.0%	390.3%

¹ Includes those Component Units with Medicare Part B, Health Insurance, or Welfare Fund coverage provided by the City.

GASB Codification Po50.130a-b requires that this schedule present information for 10 years. However, GASB 74 ¶ 62 allows for fewer years to be shown if retroactive information is not available. The Plan adopted GASB 74 in fiscal year 2017, retroactively presenting fiscal year 2016. Retroactive information is not available for earlier fiscal years. Additional fiscal years will be added until the 10-year requirement is met.

See Report of Independent Certified Public Accountants.

**The New York City Other Postemployment Benefits Plan
(A Fiduciary Component Unit of the City of New York)**

SCHEDULE OF ANNUAL MONEY-WEIGHTED RETURN ON PLAN INVESTMENTS (UNAUDITED)

For the years ended June 30, 2022, 2021, 2020, 2019, 2018 and 2017

<u>Fiscal Years Ended</u>	<u>Annual Money- Weighted Return</u>
June 30, 2022	0.10%
June 30, 2021	0.12%
June 30, 2020*	1.93%
June 30, 2019*	2.46%
June 30, 2018*	1.21%
June 30, 2017*	0.62%

**The annual money-weighted returns for fiscal years ending 2017 through 2020 have been adjusted to reflect a change in how the Plan calculates the return to conform with the 2021 and 2022 presentations.*

GASB Codification Po50.130d requires that this schedule present information for 10 years. However, GASB 74 ¶ 62 allows for fewer years to be shown if retroactive information is not available. The Plan adopted GASB 74 in fiscal year 2017. Retroactive information is not available for earlier fiscal years. Additional fiscal years will be added until the 10-year requirement is met.