SCA School Construction Authority

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

Financial Statements
(Together with Independent Auditors' Report)

June 30, 2023 and 2022

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

FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

JUNE 30, 2023 AND 2022

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and capital projects fund of the New York City School Construction Authority (the "Authority"), a component unit of The City of New York as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and capital projects fund of the Authority as of June 30, 2023 and 2022, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9, the schedule of changes in total OPEB liability and related ratios on page 34, the schedule of the Authority's proportionate share of the net pension liability on page 35, and the schedule of the Authority's contributions on page 36 be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Mayer Hoffman McCann CPAs

New York, NY
October 13, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS

The following is a narrative overview and analysis of the financial activities of the New York City School Construction Authority (the "Authority") as of June 30, 2023 and 2022 and for the years then ended. It should be read in conjunction with the Authority's government-wide financial statements, governmental fund financial statements and the notes to the financial statements. The financial statements consist of four parts: (1) management's discussion and analysis (this section); (2) the government-wide financial statements; (3) the governmental fund financial statements; and (4) the notes to the financial statements.

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

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

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

OVERVIEW OF THE ORGANIZATION

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

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

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

IMPLEMENTATION OF SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, ("GASB 96"). The objective of GASB 96 is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). A SBITA as defined by the statement is a contract that conveys control of the right-to-use another party's (a SBITA vendor's) information technology (IT) software for a period of time. Guidance for SBITAs did not exist prior to this statement. The statement improves the usefulness of governments' financial statements by establishing a uniform model for accounting and reporting of software subscription arrangements based on the principle that SBITAs are financings of the right-to-use another party's information technology software. Under this statement, a government entity is required to recognize a subscription liability and an intangible right-to-use subscription asset. The requirements of GASB 96 was adopted in the current year. The adoption of GASB 96 did not have a material impact to the Authority's financial statements. Therefore, the fiscal year 2022 financial statements were not restated.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

RESULTS OF OPERATIONS

As a result of the pandemic, the Authority "paused" its construction projects in fiscal year 2020 which impacted construction contracts awarded during fiscal year 2020 and halted construction projects that were in progress. Approximately 660 projects were placed on pause in fiscal year 2020. Working in conjunction with the City, the Authority was authorized to restart all projects by the end of January 2021.

For fiscal year 2022, the Authority awarded construction contracts for 40 new schools and additions with a construction value of $1,038.1 million and 404 capital improvement or renovation projects with a construction value of $1,690.0 million. The Authority completed 35 new schools and additions as of September 2022, which created 8,863 seat openings for the 2022/2023 school year.

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

The following chart summarizes the government-wide financial activities in the statements of activities of the Authority for the years ended June 30, 2023, 2022 and 2021 (amounts are in thousands):

	2023	2022	2021	Changes 2023 vs 2022	Changes 2022 vs 2021
Revenues					
Operating revenues from The City of New York	$3,488,249	$2,887,549	$2,289,371	$ 600,700	$ 598,178
Operating revenues for DOE payments	316,947	306,336	207,582	10,611	98,754
Total Revenues	3,805,196	3,193,885	2,496,953	611,311	696,932
Expenses					
Pollution remediation costs	123,336	104,305	45,338	19,031	58,967
Transfer of completed contracts to the DOE	2,225,044	1,965,000	1,932,454	260,044	32,546
Lease amortization	9,743	9,743	7,046	-	2,697
SBITA amortization	600	-	-	600	-
Interest expense	384	453	53	(69)	400
Pension and OPEB expense - net of payments capitalized	2,862	(471)	(27,596)	3,333	27,125
Operating transfers to the DOE	316,947	306,336	207,582	10,611	98,754
Total Expenses	2,678,916	2,385,366	2,164,877	293,550	220,489
Other revenues and expenses, net	(4,477)	(16,968)	(52,699)	12,491	35,731
Change in net position	1,121,803	791,551	279,377	330,252	512,174
Net position - beginning of the year	3,315,304	2,523,753	2,244,376	791,551	279,377
Net position - end of the year	$4,437,107	$3,315,304	$2,523,753	$ 1,121,803	$ 791,551

The Authority's revenue consists entirely of capital appropriations made by the City for capital expenditures for the fiscal year, including operating and administrative costs. Revenue in fiscal year 2023 was $3,805 million compared to fiscal year 2022 revenue of $3,194 million, an increase of $611 million. Revenue in fiscal year 2022 was $3,194 million compared to fiscal year 2021 revenue of $2,497 million, an increase of $697 million.

In light of the coronavirus pandemic, construction projects were paused in fiscal year 2020 and restarted in the latter half of fiscal year 2021. This resulted in a decrease in capital spending in fiscal year 2021 and increased capital spending in fiscal years 2022 and 2023 with the return of construction projects during fiscal year 2021. Similarly, the DOE's capital projects were impacted by the pause and restart of capital projects in which DOE's capital spending declined in fiscal year 2021 and increased in fiscal year 2022 and 2023.

The Authority's expenses in fiscal year 2023 were $2,679 million compared to $2,385 million in fiscal year 2022, an increase of $294 million. The increase is driven by the restart of capital projects in fiscal year 2021 resulting in an increase of completed projects transferred to the DOE, pollution remediation work and capital project spending by the DOE.

Costs related to completed contracts transferred to the DOE increased from $1,965 million in fiscal year 2022 to $2,225 million in fiscal year 2023. All projects transferred were determined by the Authority's Construction Management Division to be substantially completed or occupied as of April 30, 2023. This transfer of completed contracts allowed for the capitalization of these contracts as fixed assets by the City in the current fiscal year.

The Authority has classified $123 million as expenses incurred for pollution remediation costs for fiscal year 2023. For fiscal year 2022, the Authority had classified $104 million as expenses incurred for pollution remediation costs (refer to Note 12 of the financial statements). The increase in pollution remediation costs reflects the increase in capital projects in fiscal year 2023.

FINANCIAL HIGHLIGHTS

The following chart summarizes the government-wide financial net position reported in the statements of net position of the Authority as of June 30, 2023, 2022, and 2021 (amounts are in thousands):

	2023	2022	2021	Changes 2023 vs 2022	Changes 2022 vs 2021
Assets					
Cash and investments	$ 140,214	$ 135,853	$ 162,420	$ 4,361	$ (26,567)
Due from The City of New York	946,947	709,240	556,995	237,707	152,245
Prepaid expenses and other assets	323,322	375,165	432,139	(51,843)	(56,974)
Securities held in lieu of cash retainage	7,660	6,815	10,029	845	(3,214)
Fixed assets, net	14,094	10,321	9,720	3,773	601
Lease assets, net	31,443	41,186	4,170	(9,743)	37,016
SBITA assets, net	11,716	-	-	11,716	-
Construction in progress	4,307,066	3,123,821	2,341,370	1,183,245	782,451
Total Assets	5,782,462	4,402,401	3,516,843	1,380,061	885,558
Liabilities					
Current liabilities	1,152,521	890,447	794,596	262,074	95,851
Long-term liabilities	185,489	198,691	127,899	(13,202)	70,792
Total Liabilities	1,338,010	1,089,138	922,495	248,872	166,643
Deferred outflows of resources	5,063	18,904	20,592	(13,841)	(1,688)
Deferred inflows of resources	12,408	16,863	91,187	(4,455)	(74,324)
Net Position - Restricted	$ 4,437,107	$ 3,315,304	$ 2,523,753	$ 1,121,803	$ 791,551

The assets of the Authority exceeded its liabilities ("net position") at the close of fiscal year 2023 and 2022 by $4,437 million and $3,315 million, respectively. The Authority's net position primarily represents the investment in capital assets for construction work performed at New York City public schools. These assets are not available for future spending.

Total government-wide assets from fiscal year 2022 to fiscal year 2023 increased by $1,380 million. The change in total assets in fiscal year 2023 is primarily due to an increase in receivables due from the City relating to construction expenditures and an increase in construction projects in progress offset by decrease in collateral receivable due to an unfavorable actuarial valuation for the Owners Controlled Insurance Program ("OCIP") claims. From fiscal year 2021 to fiscal year 2022, total government-wide assets increased by $886 million. This change in total assets in fiscal year 2022 is primarily driven by an increase in receivables due from the City relating to construction payables and increase in construction projects in progress.

Cash and investments in fiscal year 2023 increased by $4 million in comparison to fiscal year 2022 and decreased by $27 million in fiscal year 2022 in comparison to fiscal year 2021. The fluctuation in cash and investments in fiscal year 2023 is due to decreased disbursements on expenditures relating to the COVID-19 testing facilities and labs and an increase in interest income received.

As of June 30, 2023 and 2022, the Authority held investments totaling $54 million and $20 million, respectively, in U.S. Treasury securities recorded at fair value. Investments are purchased in accordance with General Municipal Law Section Eleven.

Cash is secured through JP Morgan Chase and collateralized in U.S. Treasury Notes and various government sponsored entities, such as the Federal Home Loan Association and the Federal National

Mortgage Association, by JP Morgan Chase. The cash is held temporarily by the Authority for capital project expenditures.

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

The liabilities of the Authority from fiscal year 2021 to fiscal year 2022 increased by $167 million. The increase in liabilities is principally due to an increase in construction project expenditures, the recognition of the long-term operating lease and increase in pension liabilities.

Overall, the net position in the government-wide financials increased by $1,122 million from fiscal year 2022 to fiscal year 2023. The increase in fiscal year 2023 is primarily due to an increase in construction projects in progress offset by a decrease in collateral receivables as a result of unfavorable actuarial valuation of the OCIP program claims. The net position in the government-wide financials increased by $792 million from fiscal year 2021 to fiscal year 2022. As previously noted, the net increase is attributed to construction projects in progress.

FUND FINANCIAL STATEMENTS

RESULTS OF OPERATIONS

The following chart summarizes the capital projects fund activities in the statements of revenues, expenditures and changes in fund balance of the Authority for the years ended June 30, 2023, 2022, and 2021 (amounts are in thousands):

	2023	2022	2021	Changes 2023 vs 2022	Changes 2022 vs 2021
Revenues					
Operating revenues from The City of New York	$ 3,512,597	$ 2,879,075	$ 2,274,814	$ 633,522	$ 604,261
Operating revenues for DOE payments	316,947	306,336	207,582	10,611	98,754
Total Revenues	3,829,544	3,185,411	2,482,396	644,133	703,015
Expenditures					
Capital project expenditures	3,427,240	2,734,848	1,996,400	692,392	738,448
Fixed assets	9,271	4,732	7,228	4,539	(2,496)
Principal payment	12,923	8,924	7,028	3,999	1,896
Interest expense	384	453	53	(69)	400
Pollution remediation expenditures	104,957	92,150	65,216	12,807	26,934
Operating transfers to the DOE	316,947	306,336	207,582	10,611	98,754
Total Expenditures	3,871,722	3,147,443	2,283,507	724,279	863,936
Other revenues and expenses, net	(4,477)	(16,968)	(52,699)	12,491	35,731
Change in fund balance	(46,655)	21,000	146,190	(67,655)	(125,190)
Fund balance - beginning of the year	304,700	283,700	137,510	21,000	146,190
Fund balance - end of the year	$ 258,045	$ 304,700	$ 283,700	$ (46,655)	$ 21,000

Revenue in fiscal year 2023 was $3,829 million compared to fiscal year 2022 of $3,185 million, an increase of $644 million. Revenue in fiscal year 2022 increased by $703 million from $2,482 million in fiscal year 2021 to $3,185 million in fiscal year 2022. The fluctuation from 2022 to 2023 is primarily due to an increase in capital projects.

The Authority's expenditures in fiscal year 2023 were $3,871 million compared to $3,147 million in fiscal year 2022, an increase of $724 million. In comparison to fiscal year 2022, the Authority's expenditures increased by $864 million from fiscal year 2021. The increase in expenditures in fiscal years 2023 and 2022 is primarily due to an increase in additions, capital improvements and renovation projects by the Authority and DOE.

FINANCIAL HIGHLIGHTS

The following chart summarizes the capital projects fund balance sheets of the Authority as of June 30, 2023, 2022, and 2021 (amounts are in thousands):

Assets	**2023**	**2022**	**2021**	**Changes 2023 vs 2022**	**Changes 2022 vs 2021**
Cash and investments	$ 140,214	$ 135,853	$ 162,420	$ 4,361	$ (26,567)
Due from The City of New York	939,370	677,314	533,543	262,056	143,771
Prepaid expenses and other assets	323,322	375,165	370,147	(51,843)	5,018
Securities held in lieu of cash retainage	7,660	6,815	10,029	845	(3,214)
Total Assets	1,410,566	1,195,147	1,076,139	215,419	119,008
Liabilities					
Current Liabilities	1,152,521	890,447	792,439	262,074	98,008
Total Liabilities	1,152,521	890,447	792,439	262,074	98,008
Fund balance	$ 258,045	$ 304,700	$ 283,700	$ (46,655)	$ 21,000

The assets of the Authority exceeded its liabilities at the close of fiscal year 2023 and 2022 by $258 million and $305 million, respectively.

Total assets from fiscal year 2022 to fiscal year 2023 increased by $215 million. The increase is driven by an increase in receivables from the City offset by a decrease in collateral receivable due to an unfavorable actuarial valuation of OCIP claims. From fiscal year 2021 to fiscal year 2022, total assets increased by $119 million resulting from an increase in receivables from the City offset by a decrease in cash as a result of increased capital project expenditures.

The liabilities of the Authority increased by $262 million from fiscal year 2022 to fiscal year 2023. The liabilities of the Authority from fiscal year 2021 to fiscal year 2022 increased by $98 million. The fluctuation within the liabilities is mainly attributed to an overall increase in construction expenditures and timing of construction payments resulting in increased liability in fiscal year 2023.

The Authority's capital projects fund balance decreased by $47 million from fiscal year 2022 to fiscal year 2023. The fluctuation is primarily due to unfavorable claim valuation for the OCIP program. The Authority's capital projects fund balance increased by $21 million from fiscal year 2021 to fiscal year 2022. The fluctuation is primarily due to increased capital project expenditure as projects have resumed from the pause resulting in increased cash outflow and liabilities offset by an increase in receivables from the City.

CONTACTING THE NYC SCHOOL CONSTRUCTION AUTHORITY'S MANAGEMENT

This financial report is designed to provide citizens, taxpayers, investors, creditors, and other entities with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the funds it receives. Requests for additional financial information or inquiries should be addressed to the NYC School Construction Authority's Finance Dept., 30-30 Thomson Avenue, Long Island City, NY 11101.

NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY
STATEMENTS OF NET POSITION
AS OF JUNE 30, 2023 AND 2022 (in thousands)

	2023	2022
ASSETS:		
Cash	$ 86,193	$ 115,982
Investments	54,021	19,871
Due from The City of New York	946,947	709,240
Prepaid expenses	122,293	126,048
Due from the Department of Education	150	35
Other assets	200,879	249,082
Securities in lieu of cash retainage	7,660	6,815
Fixed assets, net	14,094	10,321
Lease assets, net	31,443	41,186
SBITA assets, net	11,716	-
Construction in progress, asset held for The City of New York	4,307,066	3,123,821
Total assets	5,782,462	4,402,401
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows from pensions and OPEB	5,063	18,904
Total deferred outflows of resources	5,063	18,904
Total assets and deferred outflows	$ 5,787,525	$ 4,421,305
LIABILITIES:		
Accounts payable and accrued expenses	$ 775,148	$ 556,271
Retainage payable	313,285	270,270
Unearned revenue	31,754	40,837
Pollution remediation payable	108,138	93,865
Lease liabilities	32,240	42,023
SBITA liabilities	9,072	-
Pension liability	16,150	23,590
OPEB liability	21,578	20,663
Accrued annual leave obligation	7,997	8,182
Accrued sick leave obligation	4,342	7,912
Accrued claims and contingencies	18,306	25,525
Total liabilities	1,338,010	1,089,138
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows from pensions and OPEB	12,408	16,863
Total deferred inflows of resources	12,408	16,863
NET POSITION:		
Total net position - restricted	4,437,107	3,315,304
Total liabilities, deferred inflows of resources and net position	$ 5,787,525	$ 4,421,305

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

NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (in thousands)

	2023	2022
REVENUES:		
Operating revenues from or due from The City of New York	$ 3,488,249	$ 2,887,549
Operating revenues for payments made on behalf of the Department of Education	316,947	306,336
Total revenues	3,805,196	3,193,885
EXPENSES:		
Pollution remediation costs	123,336	104,305
Transfer of completed contracts to the Department of Education	2,225,044	1,965,000
Lease amortization	9,743	9,743
SBITA amortization	600	-
Interest expense	384	453
Pension expense, net of payments capitalized	3,010	(404)
OPEB expense, net of payments capitalized	(148)	(67)
Operating transfers on behalf of the Department of Education	316,947	306,336
Total expenses	2,678,916	2,385,366
Net revenues/(expenses)	1,126,280	808,519
Other revenues and expenses, net	(4,477)	(16,968)
Net change in net position	1,121,803	791,551
NET POSITION - beginning of year	3,315,304	2,523,753
NET POSITION - end of year	$ 4,437,107	$ 3,315,304

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

NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY
GOVERNMENTAL FUND BALANCE SHEETS
AS OF JUNE 30, 2023 AND 2022 (in thousands)

	2023 Capital Projects Fund	2022 Capital Projects Fund
ASSETS:		
Cash	$ 86,193	$ 115,982
Investments	54,021	19,871
Due from The City of New York	939,370	677,314
Prepaid expenses	122,293	126,048
Due from the Department of Education	150	35
Other assets	200,879	249,082
Securities in lieu of cash retainage	7,660	6,815
Total assets	$ 1,410,566	$ 1,195,147
LIABILITIES:		
Accounts payable and accrued expenses	$ 784,414	$ 569,646
Retainage payable	313,285	270,270
Unearned revenue	31,754	40,837
Accrued annual leave obligation	7,997	8,182
Accrued sick leave obligation	4,246	1,187
Accrued claims and contingencies	10,825	325
Total liabilities	1,152,521	890,447
FUND BALANCE:		
Nonspendable-prepaid expenses and other assets	162,293	166,048
Restricted for capital projects	95,752	138,652
Total fund balance	258,045	304,700
Total liabilities, deferred inflows of resources and fund balance	$ 1,410,566	$ 1,195,147

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

NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY
GOVERNMENTAL FUND STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (in thousands)

	2023 Capital Projects Fund	2022 Capital Projects Fund
REVENUES:		
Operating revenues from or due from The City of New York	$ 3,512,597	$ 2,879,075
Operating revenues for payments made on behalf of the Department of Education	316,947	306,336
Total revenues	3,829,544	3,185,411
EXPENDITURES:		
Capital projects	3,427,240	2,734,848
Fixed assets	9,271	4,732
Principal payment	12,923	8,924
Interest expense	384	453
Pollution remediation cost	104,957	92,150
Operating transfers on behalf of the Department of Education	316,947	306,336
Total expenditures	3,871,722	3,147,443
Net (expenses)/revenues	(42,178)	37,968
Other revenues and expenses, net	(4,477)	(16,968)
Net change in fund balance	(46,655)	21,000
FUND BALANCE - beginning of year	304,700	283,700
FUND BALANCE - end of year	$ 258,045	$ 304,700

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

NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY
RECONCILIATIONS OF THE GOVERNMENTAL FUND BALANCE SHEETS TO THE STATEMENTS OF NET POSITION AS OF JUNE 30, 2023 AND 2022
(in thousands)

	2023	2022
Total fund balance - governmental funds	$ 258,045	$ 304,700
Amounts reported for governmental activities in the statements of net position are different because:		
Construction in progress assets are not financial resources and therefore are not reported in the funds	4,307,066	3,123,821
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	14,094	10,321
Right-of-use assets used in governmental activities are not financial resources and therefore are not reported in the funds	43,159	41,186
Other long-term assets which will be used to pay for future liabilities and accordingly are not reported in the funds	7,578	31,928
Deferred outflows/inflows of resources relating to the net pension and OPEB liabilities are not financial resources and therefore are not reported in the funds	(7,345)	2,041
Long-term liabilities not due and payable in the current period and accordingly are not reported in the funds. Those liabilities consist		
OPEB liability	(21,578)	(20,663)
Pollution remediation payable	(98,872)	(80,492)
Pension liability	(16,150)	(23,590)
Lease liabilities	(41,312)	(42,023)
Sick leave obligation	(97)	(6,725)
Contingent and other liabilities	(7,481)	(25,200)
Net position of governmental activities	$4,437,107	$3,315,304

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

NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY
RECONCILIATIONS OF THE GOVERNMENTAL FUND STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (in thousands)

	2023	2022
Net change in fund balance - governmental funds	$ (46,655)	$ 21,000
Amounts reported for governmental activities in the statements of activities are different because:		
Governmental funds financial statements report capital outlays for costs incurred for construction projects as expenditures. However, in the government-wide financial statements, the cost of these assets are capitalized and expensed when transferred to the City.	1,188,798	790,428
Governmental funds financial statements report capital outlays as expenditures. However, in the statement of activities, the cost is allocated over the estimated useful lives and reported as depreciation expense.	9,271	4,732
Governmental funds financial statements report pollution remediation expenditures upon receipt of goods and services. However, in government-wide financial statements expenses are incurred when expected outlays are reasonably estimable.	(18,379)	(12,155)
Governmental funds financial statements report lease and subscription based arrangements as expenditures upon payment. However, in government-wide financial statements the future cost of the leased asset is capitalized and amortized over the estimated term of the leased asset.	2,580	(819)
Net pension expense	(13,960)	(11,702)
Net OPEB expense	148	67
Change in net position - governmental activities	$ 1,121,803	$ 791,551

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

1. ORGANIZATION

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

The Authority's operations are funded by appropriations made by the City. All the Authority's net position is the property of the City. Appropriations are based on a five-year capital plan. The City's appropriation for the five-year capital plan for the fiscal years 2020 through 2024 is $18.25 billion.

The Authority also carries out certain projects funded through the City Council and Borough Presidents, pursuant to the City Charter. Appropriations of $275,788 and $255,016 were made in fiscal 2023 and 2022, respectively, by the City Council and Borough Presidents for this purpose.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

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

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

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

Resource flows between the Authority and DOE are reported as revenues and expenses/expenditures in the financial statements. Management believes that this presentation is most useful for the intended users of these financial statements, although this treatment is most often used when presenting the activities of a discrete component unit. The presentation of these activities as a net fund transfer was deemed to provide less useful information.

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

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

Fixed Assets
Fixed assets used by the Authority are stated at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets applying the half-year convention. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related life of the lease. Upon the disposition of fixed assets, the cost of the asset disposed, and the related accumulated depreciation are removed from the accounts, with any resulting gain or loss included in the statement of activities for the period. Fixed assets and leasehold improvements are accounted for and reported in the government-wide financial statements. Refer to Note 6.

Leases
Operating leases entered into by the Authority are recorded as right-of-use lease assets (“lease assets”) with corresponding lease liabilities for the obligations related to the lease. Lease liabilities are measured at the present value of payments expected to be made during the lease terms discounted using the incremental borrowing rate associated with each lease. Lease liabilities are reduced as payments are made and an interest on the liability is recognized as an outflow of resources. Lease assets are measured at an amount equal to the initial measurement of the related lease liabilities plus any lease payments made to the lessor at or before the lease term, and ancillary charges necessary to place the lease into service. Lease assets are amortized on a straight line basis over the life of the related lease. Modifications to leases subsequent to the initial measurement will require remeasurement of the lease liability and an adjustment to the lease assets for the difference between the remeasured liability and the liability prior to the modification. Refer to Note 7.

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

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

Pensions and Other Postemployment Benefits
The Authority provides defined benefit pension plans ("pension") and other postemployment benefit ("OPEB") plans to substantially all its employees and eligible retirees. Pension and OPEB plans are actuarially evaluated, involving various assumptions. A liability is recognized for the net pension or OPEB liability, measured as the portion of the actuarial present value of projected benefit payments attributed to past periods of employee service, net of the plan's fiduciary net position. A pension or OPEB expense is recognized for the change in net pension or OPEB liability. Changes in assumption or experience that are not recognized in expense are reported as deferred outflows of resources or deferred inflows of resources. For pension plans, the pension liability, expense, deferred outflows of resources and deferred inflows of resources are recognized by the Authority for its proportionate share of the collective pension amounts within the plan, measured based on each employer's contribution to the total contributions to the plans. Refer to Note 13.

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

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

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

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

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

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

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

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

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

Unearned Revenue
During fiscal years 2021 and 2020, the Authority received funds from the City for COVID-19 related projects in the amounts of $15.4 million and $100 million, respectively. The Authority recognizes the funding as revenue upon incurrence of eligible project costs. Total costs for the years ended June 30, 2023 and 2022 amounted to $9,083 and $19,271, respectively. The balance is recognized within other revenues and expenses, net in the accompanying government-wide statements of activities and the accompanying governmental fund statements of revenues, expenditures and changes in fund balance. Funds received in advance of incurring eligible project costs were recognized as unearned revenue. As of June 30, 2023 and 2022, unearned revenue totaled $31,754, and $40,837, respectively.

Use of Estimates
The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Significant assumptions and estimates relate to the determination of accrued expenses, pensions, OPEB, insurance, and pollution remediation obligations. Actual results could differ from those estimates.

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

- GASB Statement No. 91, *Conduit Debt Obligations* ("GASB 91") originally effective for reporting periods beginning after December 15, 2020, was postponed to reporting periods beginning after December 15, 2021. Conduit debt obligations are the debt instruments issued by state and local governments to provide financing for a third party, which is primarily liable for repaying the debt instrument. GASB 91 updates Interpretation No. 2 "Disclosure of Conduit Debt Obligations", which allowed for variations with the option for government issuers to either recognize conduit debt obligations as their own debt or to disclose them. GASB 91 addresses variation in practice by clarifying exactly what a conduit debt obligation is and eliminating the option for government issuers to recognize conduit debt obligations, thereby providing a single method of reporting. The adoption of GASB 91 did not have an impact on the Authority's financial statements.

- In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* ("GASB 94"). GASB 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements ("PPPs"). Per GASB 94, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements for GASB 94 are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The adoption of GASB 94 did not have an impact on the Authority's financial statements.

- In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* ("GASB 96"). The objective of GASB 96 is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). A SBITA as defined by the statement is a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software for a period of time. The statement establishes a uniform model for accounting and reporting of software subscription arrangements based on the principle that SBITAs are financings of the right to use another party's (SBITA vendor) information technology software. The statement also provides capitalization criteria for outlays other than subscription payments. Under this statement, a government entity is required to recognize a subscription liability and an intangible right-to-use subscription asset. The statement also requires disclosures such as general description of the SBITA arrangement, amount of subscription asset and related accumulated amortization, other payments not included in the measurement of the subscription asset, and subscription liability principal and interest. The Authority adopted GASB 96 in the current year. The adoption of GASB 96 did not have a material impact to the Authority's financial statements. As such, the June 30, 2022 financial statements were not restated and the impact of the adoption was recorded in the current fiscal year financial statements. Refer to Note 8.

- In April 2022, GASB issued Statement No. 99, *Omnibus 2022* ("GASB 99"). GASB 99 enhances comparability in accounting and financial reporting as well as improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The requirements for GASB 99 are effective for fiscal years beginning after June 15, 2022. The adoption of GASB 99 did not have an impact on the Authority's financial statements.

- In April 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62* ("GASB 100"). GASB 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. GASB 100 is effective for fiscal years beginning after June 15, 2023.

- In June 2022, GASB issued Statement No. 101, *Compensated Absences* ("GASB 101"). GASB 101 provides for a unified model for recognition and measurement of compensated balances as well as amends certain previously required disclosures. The requirement for GASB 101 is effective for fiscal years beginning December 15, 2023. The Authority has not completed the process of evaluating the impact of GASB 101 on its financial statements.

3. CASH

The Authority maintains cash accounts with a bank which are covered by Federal Deposit Insurance Corporation ("FDIC") insurance up to the maximum allowed by law. At June 30, 2023 and 2022, uninsured cash balances totaled $88,641 and $116,509, respectively. Cash accounts are secured through collateral invested by JP Morgan Chase in Federal National Mortgage Association, Federal Home Loan Mortgage Corporation and U.S. Treasury Bond/Notes. All securities held by the custodian as collateral are registered and are held in the Authority's name.

Additionally, the Authority maintains a zero-balance checking account, which is funded by the City. As checks are presented at the bank, funds are transferred from the City into the zero-balance account. Negative book balances, representing checks issued but not yet presented for payment, have been classified as accounts payable in the accompanying financial statements and the aggregated amounts are $160,428 and $87,223 as of June 30, 2023 and 2022, respectively.

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

4. INVESTMENTS

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

	2023		2022	
	Cost	Fair Value	Cost	Fair Value
U.S. Treasury Bills	$29,502	$ 29,585	$19,887	$ 19,871
U.S. Treasury Notes	24,341	24,436	-	-
Total U.S. Treasury Securities	$53,843	$ 54,021	$19,887	$ 19,871

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

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

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

5. SECURITIES IN LIEU OF CASH RETAINAGE AND RETAINAGE PAYABLE

Securities in Lieu of Cash Retainage – The Authority permits contractors to substitute marketable securities in lieu of cash retainage. Permitted securities include (a) bonds or notes of the State of New York or the United States of America; or (b) bonds of any political subdivision in the State of New York, with a par and market value at least equal to the contract cash retainage amount requested for withdrawal. These securities in lieu of cash retainage are maintained by a custodian on behalf of, and in the name of the Authority and are recorded by the Authority at an amount equal to the requested cash retainage withdrawal amount. A corresponding offset is recorded within the retainage payable account. Total securities in lieu of cash retainage totaled $7,660 and $6,815 as of June 30, 2023 and 2022, respectively. The fair value of these securities was $8,198 and $7,569 as of June 30, 2023 and 2022, respectively.

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

Retainage payable consisted of the following as of June 30:

	2023	2022
Securities retainage payable	$ 7,660	$ 6,815
Cash retainage withheld	305,625	263,455
Total retainage payable	$ 313,285	$ 270,270

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

6. FIXED ASSETS

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

Asset Category	Estimated Useful Lives	Fixed Assets 6/30/2022	Additions	Dispositions	Fixed Assets 6/30/2023
Computer Hardware/Equipment	3	$ 8,886	$ 2,572	$ -	$ 11,458
Computer Software	3	19,059	3,959	-	23,018
Leasehold Improvements	5	12,457	901	-	13,358
Furniture & Fixtures	5-7	5,392	1,321	-	6,713
Automobiles	5	5,735	105	(1,104)	4,736
Office Equipment	3-5	1,507	330	-	1,837
Total Cost		53,036	9,188	(1,104)	61,120
Less:					
Accumulated Depreciation and Amortization		(42,715)	(5,415)	1,104	(47,026)
Fixed Assets, net		$ 10,321	$ 3,773	$ -	$ 14,094

The changes in fixed assets used by the Authority for the year ended June 30, 2022 were as follows:

Asset Category	Estimated Useful Lives	Fixed Assets 6/30/2021	Additions	Dispositions	Fixed Assets 6/30/2022
Computer Hardware/Equipment	3	$ 8,457	$ 429	$ -	$ 8,886
Computer Software	3	16,485	2,574	-	19,059
Leasehold Improvements	5	11,968	489	-	12,457
Furniture & Fixtures	5-7	5,184	208	-	5,392
Automobiles	5	5,218	933	(416)	5,735
Office Equipment	3-5	1,408	99	-	1,507
Total Cost		48,720	4,732	(416)	53,036
Less:					
Accumulated Depreciation and Amortization		(39,000)	(4,096)	381	(42,715)
Fixed Assets, net		$ 9,720	$ 636	$ (35)	$ 10,321

Depreciation totaled $5,415 and $4,096 for fiscal 2023 and 2022, respectively.

7. LEASES

The Authority entered into agreements to lease buildings which qualify as other than short-term leases. The first lease commenced in May 2016 with monthly payments of $45 and an interest rate of 1.11%. The second lease commenced in October 2016, and was modified in October 2021, which extended the lease period for five years with monthly payments of $800 at an interest rate of 0.97%.

As a result of the leases, the Authority recorded lease assets for the right to use the building premise. These assets are amortized on a straight line basis over the term of the related leases.

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

The lease assets activity for the year ended June 30, 2023 were as follows:

Lease assets	Lease assets 6/30/2022	Increases	Decreases	Lease assets 6/30/2023
Leased buildings	$ 57,976	$ -	$ -	$ 57,976
Less:				
Accumulated amortization	(16,790)	(9,743)	-	(26,533)
Lease assets, net	$ 41,186	$ (9,743)	$ -	$ 31,443

The lease assets activity for the year ended June 30, 2022 were as follows:

Lease assets	Lease assets 6/30/2021	Increases	Decreases	Lease assets 6/30/2022
Leased buildings	$ 11,216	$ 46,760	$ -	$ 57,976
Less:				
Accumulated amortization	(7,047)	(9,743)	-	(16,790)
Lease assets, net	$ 4,169	$ 37,017	$ -	$ 41,186

As the lease agreements qualify as other than short term leases, the agreements therefore have been recorded at the present value of the future lease payments, payable during the remaining term of the lease. As of June 30, 2023, the principal and interest of the future lease payments are as follows:

Fiscal year ending	Principal	Interest	Total payment
2024	$ 9,880	$ 262	$ 10,142
2025	9,977	165	10,142
2026	9,985	67	10,052
2027	2,398	2	2,400
Total	$ 32,240	$ 496	$ 32,736

8. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Authority implemented GASB 96 in fiscal year 2023. The SBITAs entered into by the Authority involved information security software, application performance monitoring software, construction management software and risk management software. The subscription liability for the information security software was determined using an interest rate of 2.81%. The subscription liability for the application performance monitoring software, construction management software and risk management software were determined using an interest rate of 4.02%.

The total subscription assets recorded at cost are $12,315, less accumulated amortization of $599.

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

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

Fiscal year ending	Principal	Interest	Total payment
2024	$ 2,780	$ 359	$ 3,139
2025	2,284	253	2,537
2026	1,964	161	2,125
2027	2,044	82	2,126
Total	$ 9,072	$ 855	$ 9,927

9. CONSTRUCTION IN PROGRESS

Expenses for construction in progress for fiscal 2023 and 2022 included:

	2023	2022
Outside construction costs	$ 3,212,177	$ 2,562,193
Authority payroll and related fringe benefits	140,895	143,679
Authority general and administrative costs	55,217	41,579
Total Expenses	3,408,289	2,747,451
Construction in progress - beginning of year	3,123,821	2,341,370
Total before transfer to DoE during the year	6,532,110	5,088,821
Costs transferred to the DoE during the year	(2,225,044)	(1,965,000)
Construction in progress - end of year	$ 4,307,066	$ 3,123,821

The Authority transferred to the DOE costs associated with construction and administrative costs totaling $2,225,044 and $1,965,000 for fiscal 2023 and 2022, respectively. The DOE capitalized $291,710 and $298,028 during fiscal years 2023 and 2022, respectively, for work performed by the Division of Infrastructure and Information Technology and Capital Task Force, components of the DOE. This resulted in the DOE additions to fixed assets for fiscal 2023 and 2022 of $2,516,754 and $2,263,028, respectively.

10. TRANSACTIONS WITH THE DEPARTMENT OF EDUCATION AND OPERATING TRANSFERS

In addition to construction and renovation of school facilities, the Authority makes payments for certain asset purchases made by the DOE. The title for such purchases is transferred directly to the DOE. For the years ended June 30, 2023 and 2022, pass-through purchases totaled $182,828 and $235,861, respectively, and have been included in operating transfers on behalf of the DOE in the accompanying statements of activities and governmental fund statements of revenues, expenditures and changes in fund balances. Included in these amounts are expenditures for technology enhancements, leasehold alterations and reconstruction.

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

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

	2023	2022
Skilled trades, minor capital projects	$ 127,554	$ 64,993
Lead Paint Abatement	1,585	332
DoE Admin Staff	4,980	5,150
	$ 134,119	$ 70,475

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

11. COMMITMENTS AND CONTINGENCIES

Purchase Commitments
Purchase orders, contracts and other commitments at June 30, 2023 and 2022 totaled $3,987 million and $3,259 million, respectively, and represent the difference between the value of construction-related contracts and the amount incurred through the end of the year.

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

The Authority's current OCIP program insurance contract is provided by ACE Insurance Company ("ACE") and covers from April 1, 2023 through March 31, 2026. The annual insurance premium for the program was $154 million and $179 million for fiscal years 2023 and 2022, respectively. The Authority recorded a net estimated receivable of $153,435 and $193,083 as of June 30, 2023 and 2022, respectively, based on the actuarial assessment of OCIP loss activity for the respective periods. The fiscal year 2023 estimated net receivable is comprised of receivables of $153,435, which is included in other assets. The fiscal year 2022 estimated net receivables is comprised of receivables of $201,098, included in other assets, and liabilities of $8,014, included in accounts payable and accrued expenses.

Legal
In the normal course of its operations, the Authority has received notices of claims alleging amounts due related to contracts, financial loss, including loss through condemnation, and personal injuries sustained by individuals. After giving effect to available insurance coverage related to such claims, an accrued liability is recorded in the financial statements. The Authority, with the assistance of the City's Corporation Counsel, has estimated and recorded a liability of $18,306 and $25,525 at June 30, 2023 and 2022, respectively.

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

12. POLLUTION REMEDIATION OBLIGATIONS

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

For the fiscal years 2023 and 2022, the Authority has classified $123,336 and $104,305, respectively, as expenses incurred and $108,138 and $93,865, respectively, as liabilities for known PROs. The PRO liability is based on the current value of outlays expected to be incurred and currently obligated to perform. Actual future outlays will differ from the estimated amounts due to such factors as changes in scope of work or techniques for remediation measures and/or when additional information about existing pollution conditions becomes known. The Authority does not anticipate recovering any of these costs from other parties or agencies.

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

Pension Plans

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

Contributions to the pension plans are made by the Authority and the employees. Contributions paid or accrued by the Authority under these plans totaled $10,943 and $12,106 for fiscal years 2023 and 2022, respectively. The Authority’s contributions are actuarially determined at rates that are designed to accumulate sufficient assets to pay benefits when due. Member contributions are determined by law and vary by plan. The retirement plans provide pension benefits to retired employees based on salary and length of service. In addition, the pension systems may provide for cost-of-living and other supplemental benefits to qualified retirees and beneficiaries. In the event of disability during employment, participants are entitled to retirement allowances based on satisfaction of certain service requirements and other provisions. The plans also provide death benefits.

The Authority’s share of the pension liability of the BERS Plan represented 3.6 and 3.7 percent of the total net pension liability as of June 30, 2023 and 2022, respectively. The Authority has recorded net pension liability of $2.6 million and $4.7 million as of June 30, 2023 and 2022, respectively.

The Authority’s share of the pension liability of the NYCERS Plan represented less than one percent of the total net pension liability as of June 30, 2023 and 2022. The Authority has recorded a net pension liability of $13.5 million and $18.9 million as of June 30, 2023 and 2022, respectively.

For fiscal year 2023, the results of the collective net pension liability are based upon an actuarial valuation date of June 30, 2022 and a measurement date of June 30, 2023. Updated procedures were used to roll forward the total pension liability to the measurement date.

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

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

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

Actuarial assumptions used in determining employer contributions were as follows:

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

Pursuant to Section 96 of the New York City Charter, studies of the actuarial assumptions used to value liabilities of the five actuarially funded New York City Retirement Systems ("NYCRS") are conducted every two years.

Bolton, Inc. is currently retained to perform the studies of the actuarial assumptions. The most recent of these studies included experience through June 30, 2017. Milliman is performing the current experience study that covers the period through June 30, 2021.

Expected Rate of Return on Investments

The long-term expected rate of return on the Plans' investments was determined using a Building-Block Method in which best-estimate ranges of expected real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected real rates of return by the target asset allocation percentage and by adding expected inflation.

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in Plan's target asset allocation as of the June 30, 2023 measurement date are summarized in the following table:

	BERS		NYCERS	
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Public Markets:				
U.S. Public Market Equities	31.00%	6.60%	27.00%	6.90%
Developed Public Market Equities	10.00%	6.90%	12.00%	7.20%
Emerging Public Market Equities	6.00%	8.40%	5.00%	9.10%
Fixed Income	27.00%	2.00%	30.50%	2.70%
Private Markets (Alternative Investments):				
Private Equity	9.00%	9.60%	8.00%	11.10%
Private Real Estate	8.00%	4.70%	7.50%	7.10%
Infrastructure	4.00%	5.40%	4.00%	6.40%
Opportunistic Fixed Income	5.00%	6.00%	6.00%	8.60%
Total	**100.00%**		**100.00%**	

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2023 and 2022, respectively, was 7.0% percent per annum. The projection of cash flows used to determine the discount rate assumed that each participating employer would contribute the actuarially determined contributions each year. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and non-active Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

The following presents the net pension liability of each plan, calculated as of the measurement date of June 30, 2023, using the discount rate of 7.0% per annum (the "Current Rate").

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

SENSITIVITY ANALYSIS
NET PENSION LIABILITY (ASSET) AS OF JUNE 30, 2023

	1% Decrease (6%)	Current Rate (7%)	1% Increase (8%)
NYCERS	$ 21,956	$ 13,549	$ 6,454
BERS	28,580	2,601	(19,300)
Total	$ 50,536	$ 16,150	$ (12,846)

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

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

For the years ended June 30, 2023 and 2022, the Authority recognized net pension expense as follows:

	BERS		NYCERS	
	2023	2022	2023	2022
Pension Expense	$ 10,015	$ 9,193	$ 3,938	$ 4,232
Contributions, Capitalized	(8,318)	(9,822)	(2,625)	(4,007)
Net Pension Expense	$ 1,697	$ (629)	$ 1,313	$ 225

At June 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	BERS		NYCERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
2022				
Differences between expected and actual experience	$ 2,784	$ 2,781	$ 1,642	$ 416
Net difference between projected and actual earnings on pension plan investments	3,068	-	3,460	-
Change of assumptions	-	3,839	3	606
Changes in proportion and differences between employer contributions and proportionate share of contributions	(278)	(701)	5,823	416
Total 2022	**$ 5,574**	**$ 5,919**	**$ 10,928**	**$ 1,438**
2023				
Differences between expected and actual experience	$ 1,500	$ 1,953	$ 1,525	$ 60
Net difference between projected and actual earnings on pension plan investments	-	2,351	1,689	-
Change of assumptions	-	1,756	-	276
Changes in proportion and differences between employer contributions and proportionate share of contributions	(318)	(780)	(939)	(855)
Total 2023	**$ 1,182**	**$ 5,280**	**$ 2,275**	**$ (519)**

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

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

The net number of deferred outflows of resources and deferred inflows of resources reported as of June 30, 2023 that will be recognized in pension expense is as follows:

Years ending June 30,	BERS	NYCERS
2024	(4,685)	558
2025	(3,530)	109
2026	6,186	1,954
2027	(2,032)	84
2028	(37)	89

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

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

Deferred Compensation Plan

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

Other Postemployment Benefits

General Information about the OPEB Plan

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

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

Employees Covered by Benefit Terms – As of the June 30, 2022 actuarial valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	396
Inactive employees entitled to but not yet receiving benefit payments	40
Active employees	779
Total	1,215

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

Total OPEB Liability

The Authority's OPEB liability was $21,578 and $20,663 as of June 30, 2023 and 2022, respectively. The liability was measured as of June 30, 2023, with an actuarial valuation date as of June 30, 2022. Updated procedures were used to roll forward the total OPEB liability to the measurement date.

Actuarial Assumptions and Other Inputs – Significant actuarial assumptions and other inputs used in determining the total OPEB liability as of June 30, 2023 were as follows:

Inflation	2.50%
Salary increases	3.00%, including inflation
Healthcare cost trend rate	3.50%, Welfare fund
	5.00%, Medicare Part B
	4.80% - 4.50%, Medicare plans
Discount rate	4.13%

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

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

Changes in the Total OPEB Liability

	Total OPEB Liability	
	2023	**2022**
Balance at June 30,	$ 20,663	$ 27,564
Changes for the year:		
Service cost	903	1,579
Interest	865	626
Differences between expected and actual experience	92	(1,757)
Changes in assumptions	(111)	(6,529)
Benefit payments	(834)	(820)
Net changes	915	(6,901)
Balance at June 30,	$ 21,578	$ 20,663

Changes of assumptions and other inputs reflect a change in discount rate from 4.09 percent in 2022 to 4.13 percent in 2023.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate for 2023:

	1% Decrease	Discount Rate	1% Increase
Total OPEB Liability	$ 24,605	$ 21,578	$ 19,051

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate for 2023:

AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022 (amounts in thousands, except as noted)

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	$ 18,353	$ 21,578	$ 25,666

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

For the years ended June 30, 2023 and 2022, the Authority recognized net OPEB expense of $ (148), and $(67), respectively, as follows:

	2023	2022
OPEB Expense	$ 686	$ 753
Contributions, Capitalized	(834)	(820)
Net OPEB Expense	$ (148)	$ (67)

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

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

At June 30, 2022, the Authority reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,748	$ 2,171
Changes of assumptions	654	7,335
Total	$ 2,402	$ 9,506

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

Fiscal Year Ended June 30:	Amount
2024	$ (1,038)
2025	(1,206)
2026	(1,177)
2027	(1,145)
2028	(1,141)
Thereafter	(334)

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

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

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

Notes to Schedule:

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

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

Changes of assumptions

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

Fiscal Year	Percentage
2023	4.13%
2022	4.09%
2021	2.18%
2020	2.66%
2019	2.79%
2018	2.98%
2017	3.13%
2016	2.17%

The Authority funds OPEB benefits on a pay-as-you-go basis and contributions are not actuarially determined. Therefore, the required supplementary information for actuarially determined contributions as a percentage of covered payroll for the 10 most current fiscal years is not applicable.

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

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

For the Fiscal Year Ended	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
The Authority's proportion of the net pension liability	4%	4%	5%	5%	4%	4%	5%	3%	4%	4%
The Authority's proportionate share of the net pension liability (assets)	$ 2,601	$ 4,657	$ (61,992)	$ 12,619	$ 11,889	$ 21,429	$ 45,616	$ 44,002	$ 43,135	$ 36,523
The Authority's covered payroll	$ 82,516	$ 84,702	$ 81,314	$ 79,382	$ 72,835	$ 68,351	$ 65,124	$ 58,500	$ 34,406	$ 40,673
The Authority's proportionate share of the net pension liability (asset) as a percentage of covered payroll	3.15%	5.50%	-76.24%	15.90%	16.32%	31.35%	70.04%	75.22%	125.37%	89.80%
Plan fiduciary net position as a percentage of the total pension liability	98.83%	97.93%	121.96%	94.92%	94.79%	90.31%	80.80%	71.17%	75.77%	78.34%

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

For the Fiscal Year Ended	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
The Authority's proportion of the net pension liability	0.076%	0.105%	0.088%	0.088%	0.082%	0.050%	0.040%	0.055%	0.047%	0.048%
The Authority's proportionate share of the net pension liability (assets)	$ 13,549	$ 18,933	$ 6,515	$ 18,638	$ 15,138	$ 8,835	$ 8,317	$ 13,363	$ 9,582	$ 8,649
The Authority's covered payroll	$ 10,518	$ 9,913	$ 9,178	$ 9,011	$ 8,352	$ 7,822	$ 7,104	$ 6,871	$ 6,705	$ 6,657
The Authority's proportionate share of the net pension liability (asset) as a percentage of covered payroll	128.82%	190.99%	70.98%	206.84%	181.25%	112.95%	117.07%	194.48%	142.91%	129.92%
Plan fiduciary net position as a percentage of the total pension liability	82.21%	81.28%	93.14%	76.93%	78.83%	78.79%	74.80%	69.57%	73.39%	75.32%

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

Schedule of Employers Contributions (in thousands) for BERS

Fiscal Year Ended June 30	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	$ 8,318	$ 9,822	$ 8,945	$ 11,720	$ 11,689	$ 13,619	$ 13,502	$ 8,440	$ 8,803	$ 8,645
Contribution in relation to the Actuarially Determined Contribution	$ 8,318	$ 8,179	$ 10,042	$ 10,970	$ 12,985	$ 13,194	$ 13,836	$ 8,440	$ 8,803	$ 8,645
Contribution Deficiency (Excess)	$ -	$ (1,097)	$ 750	$ (1,296)	$ 425	$ (334)	$ -	$ -	$ -	$ -
Contribution as a percentage of Covered Payroll	10.08%	11.60%	11.00%	14.76%	16.05%	19.93%	20.73%	14.43%	25.59%	21.25%

Schedule of Employers Contributions (in thousands) for NYCERS

Fiscal Year Ended June 30	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	$ 2,625	$ 4,007	$ 3,822	$ 3,296	$ 3,018	$ 1,682	$ 1,321	$ 1,851	$ 1,675	$ 1,504
Contribution in relation to the Actuarially Determined Contribution	$ 2,625	$ 3,927	$ 3,902	$ 3,296	$ 3,018	$ 1,682	$ 1,321	$ 1,851	$ 1,675	$ 1,504
Contribution Deficiency (Excess)	$ -	$ 80	$ (80)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contribution as a percentage of Covered Payroll	24.96%	40.42%	41.64%	36.58%	36.14%	21.50%	18.60%	26.94%	24.98%	22.59%