<u>NEW ISSUE</u>

In the opinion of Norton Rose Fulbright US LLP and Bryant Rabbino LLP, Co-Bond Counsel, interest on the Bonds will be exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including the City, and assuming continuing compliance with the provisions of the Internal Revenue Code of 1986, as amended, as described herein, interest on the Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes. See "SECTION III: MISCELLANEOUS—Tax Matters" herein for further information.

$300,000,000
THE CITY OF NEW YORK
General Obligation Bonds, Fiscal 2023 Series A
Subseries A-3 and A-4
ADJUSTABLE RATE BONDS

Dated: Date of Delivery **Due:** September 1, 2049

The Bonds will be issued as registered bonds. The Bonds will be registered in the nominee name of The Depository Trust Company, New York, New York, which will act as securities depository for the Bonds.

The Bonds are subject to redemption and to optional and mandatory tender under the circumstances described herein. Payment of the Purchase Price of the Bonds tendered for purchase as described herein and not remarketed will be made pursuant and subject to the terms of the Liquidity Facilities described herein provided by Bank of Montreal, acting through its Chicago Branch, and TD Bank, N.A. (collectively, the "Liquidity Providers"), each such Liquidity Facility being a separate obligation of the respective Liquidity Provider supporting the related Subseries as shown on the inside cover page hereof. The obligation of the respective provider of a Liquidity Facility to purchase tendered Bonds of a Subseries pursuant to the terms of the applicable Liquidity Facility can be immediately terminated or suspended under certain circumstances as described herein. See "SECTION II: THE BONDS—Liquidity Facilities." In the event of a failure to remarket the Bonds of a Subseries and a failure by the applicable Liquidity Provider to purchase such Bonds, the City may, but is not obligated to, purchase such Bonds. Upon any such failure, such Bonds, if not purchased by the City, will continue to be held by the tendering holders and will bear interest at the Maximum Rate.

The Bonds will be issued initially in Authorized Denominations of $100,000 or any integral multiple of $5,000 in excess of $100,000. Other terms of the Bonds including interest rates, interest payment dates, mandatory and optional redemption and tender provisions are described herein.

The Bonds are offered subject to prior sale, when, as and if issued by the City and accepted by the Underwriters. The issuance of the Bonds is subject to the approval of the legality of the Bonds by Norton Rose Fulbright US LLP, New York, New York, and Bryant Rabbino LLP, New York, New York, Co-Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the City by its Corporation Counsel. Certain legal matters in connection with the preparation of this Official Statement will be passed upon for the City by Orrick, Herrington & Sutcliffe LLP, New York, New York, and Law Offices of Joseph C. Reid, P.A., New York, New York, Co-Special Disclosure Counsel to the City. Certain legal matters will be passed upon for the Underwriters by Bracewell LLP, New York, New York, and Hardwick Law Firm, LLC, New York, New York, Co-Counsel to the Underwriters. It is expected that the Bonds will be available for delivery in New York, New York, on or about September 8, 2022.

TD Securities

September 2, 2022

$300,000,000 General Obligation Bonds, Fiscal 2023 Series A
Subseries A-3 and A-4

Adjustable Rate Term Bonds

Price: 100%

$200,000,000 Subseries A-3	**$100,000,000 Subseries A-4**
Rate Mode at Delivery Date: Daily	Rate Mode at Delivery Date: Daily
First Interest Payment Date: October 1, 2022	First Interest Payment Date: October 1, 2022
Liquidity Facility Provider: Bank of Montreal, acting through its Chicago Branch	Liquidity Facility Provider: TD Bank, N.A.
Scheduled Expiration Date: September 8, 2025	Scheduled Expiration Date: September 8, 2027
Remarketing Agent: TD Securities (USA) LLC	Remarketing Agent: TD Securities (USA) LLC
CUSIP Number[1]: 64966Q H29	CUSIP Number[1]: 64966Q H37

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[1] CUSIP® is a registered trademark of the American Bankers Association. CUSIP® data herein are provided by CUSIP Global Services ("CGS"), managed on behalf of the American Bankers Association by FactSet Research Systems Inc. These data are not intended to create a database and do not serve in any way as a substitute for the CGS database. CUSIP® numbers listed above have been assigned by an independent company not affiliated with the City and are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds, and neither the City nor the Underwriters make any representation with respect to such numbers or undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP® number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

No dealer, broker, salesperson or other person has been authorized by the City or the Underwriters to give any information or to make any representations in connection with the Bonds or the matters described herein, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the matters described herein since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. The Underwriters may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriters. No representations are made or implied by the City or the Underwriters as to any offering of any derivative instruments.

The factors affecting the City's financial condition are complex. This Official Statement should be considered in its entirety (including the information referred to in "SECTION I: INCLUSION BY SPECIFIC REFERENCE") and no one factor considered less important than any other by reason of its location herein. Where agreements, reports or other documents are referred to herein, reference should be made to such agreements, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

This Official Statement includes by specific reference forecasts, projections and estimates that are based on expectations and assumptions which existed at the time such forecasts, projections and estimates were prepared. In light of the important factors that may materially affect economic conditions in the City, the inclusion by specific reference in this Official Statement of such forecasts, projections and estimates should not be regarded as a representation by the City, its independent auditors or the Underwriters that such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results. If and when included by specific reference in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the City. These forward-looking statements speak only as of the date they were prepared. The City disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement included herein by specific reference to reflect any change in the City's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based between modifications to the City's financial plan required by law.

Grant Thornton LLP, the City's independent auditor, has not reviewed, commented on or approved, and is not associated with, this Official Statement. The report of Grant Thornton LLP relating to the City's financial statements for the fiscal years ended June 30, 2021 and 2020, which is a matter of public record, is included in the Annual Report for the fiscal year ended June 30, 2021, which is included by specific reference in this Official Statement. However, Grant Thornton LLP has not performed any procedures on any financial statements or other financial information of the City, including without limitation any of the information contained, or included by specific reference, in this Official Statement, since the date of such report and has not been asked to consent to the inclusion of its report by specific reference in this Official Statement.

Other than with respect to information concerning the applicable Liquidity Provider contained in Appendix D hereto, none of the information in this Official Statement has been supplied or verified by the Liquidity Providers and the Liquidity Providers make no representation or warranty, express or implied, as to the accuracy or completeness of information they have neither supplied nor verified, the validity of the Bonds, or the tax-exempt status of the interest on the Bonds.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of Rule 15c2-12 adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THIS OFFICIAL STATEMENT AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

OFFICIAL STATEMENT OF THE CITY OF NEW YORK
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RATE PERIOD TABLE
FOR ADJUSTABLE RATE BONDS

	Daily Rate	**Two-Day Rate**	**Weekly Rate**	**Commercial Paper Rate**
Interest Payment Date	First Business Day of each calendar month	First Business Day of each calendar month	First Business Day of each calendar month	First Business Day of each calendar month and the Business Day following the last day of the Rate Period
Record Date	Business Day preceding each Interest Payment Date	Business Day preceding each Interest Payment Date	Business Day preceding each Interest Payment Date	Business Day preceding each Interest Payment Date
Reset Date	Not later than 10:00 a.m. on each Business Day	Not later than 10:00 a.m. on the first day of the Rate Period and, thereafter, on each Monday, Wednesday and Friday that is a Business Day	Not later than 10:00 a.m. on the first day of the Rate Period	No later than 12:30 p.m. on the first day of each Commercial Paper Rate Period
Rate Periods	Commencing on one Business Day extending to, but not including, the next succeeding Business Day	Commencing on a Monday, Wednesday or Friday that is a Business Day and extending to, but not including, the next day on which a Two-Day Rate is required to be reset	The Rate Period will be a period of seven days beginning on Thursday or other day of the week specified therefor	A period of 1 to 365 days
Notice Period for Optional Tenders	Written notice not later than 10:30 a.m. on the Optional Tender Date	Written notice by 3:00 p.m. on a Business Day not less than two Business Days prior to the Optional Tender Date	Written notice by 5:00 p.m. on a Business Day not less than seven days prior to the Optional Tender Date	Not subject to optional tender
Optional Tender Date and Time (after Initial Period)	On any Business Day not later than 1:00 p.m.	On any Business Day not later than 1:00 p.m.	On any Business Day not later than 1:00 p.m.	Not subject to optional tender
Payment Date for Bonds subject to optional tender	Not later than 3:00 p.m. on the Optional Tender Date	Not later than 3:00 p.m. on the Optional Tender Date	Not later than 3:00 p.m. on the Optional Tender Date	Not subject to optional tender
Payment Date for Tendered Bonds upon Mandatory Tender	Not later than 3:00 p.m. on the Mandatory Tender Date	Not later than 3:00 p.m. on the Mandatory Tender Date	Not later than 3:00 p.m. on the Mandatory Tender Date	Not later than 3:00 p.m. on the Mandatory Tender Date

Note: All time references given above refer to New York City time.

The information in this Rate Period Table is provided for the convenience of the Bondholders and is not meant to be comprehensive. See "APPENDIX B—MULTI-MODAL BONDS" for a description of the Adjustable Rate Bonds.

WHILE THE ADJUSTABLE RATE BONDS MAY IN THE FUTURE BE CONVERTED TO AUCTION RATE BONDS, TERM RATE BONDS, FIXED RATE BONDS, INDEX RATE BONDS, STEPPED COUPON

BONDS OR ADJUSTABLE RATE REMARKETED SECURITIES (“ARRS[SM]”), THIS OFFICIAL STATEMENT DOES NOT DESCRIBE TERMS SPECIFICALLY APPLICABLE TO BONDS BEARING INTEREST AT RATES OTHER THAN THE DAILY RATE, TWO-DAY RATE, WEEKLY RATE OR COMMERCIAL PAPER RATE, NOR DOES IT DESCRIBE ADJUSTABLE RATE BONDS HELD BY A STANDBY PURCHASER OR BY ANY REGISTERED OWNER OTHER THAN DTC.

OFFICIAL STATEMENT
OF
THE CITY OF NEW YORK

This Official Statement provides certain information concerning The City of New York (the "City") in connection with the sale of the City's General Obligation Bonds, Fiscal 2023 Series A, Subseries A-3 and A-4 (the "Adjustable Rate Bonds" or the "Bonds"), consisting of $200,000,000 tax-exempt bonds, Subseries A-3 (the "Subseries A-3 Bonds") and $100,000,000 tax-exempt bonds, Subseries A-4 (the "Subseries A-4 Bonds"). In addition to the Adjustable Rate Bonds, $1,075,000,000 of the City's General Obligation Bonds, Fiscal 2023 Series A, Subseries A-1 and A-2 (collectively, the "Fixed Rate Bonds"), will be issued as fixed rate bonds and offered by a separate official statement. The delivery of the Adjustable Rate Bonds is contingent upon the delivery of the Fixed Rate Bonds.

The Bonds will be general obligations of the City for the payment of which the City will pledge its faith and credit. All real property subject to taxation by the City will be subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, to pay the principal of and interest on the Bonds.

The factors affecting the City's financial condition described throughout this Official Statement are complex and are not intended to be summarized in the Introductory Statement below. The economic and financial condition of the City may be affected by various changes in laws, including tax law, financial, social, economic, political, geo-political and environmental factors, cybersecurity threats, terrorist events, hostilities or war, outbreak of infectious diseases, and other factors which could have a material effect on the City's economic and financial condition. This Official Statement (including the information referred to in "SECTION I: INCLUSION BY SPECIFIC REFERENCE") should be read in its entirety.

Neither this Official Statement nor any statement which may have been made orally or in writing shall be construed as a contract or as a part of a contract with the original purchaser or any holders of the Bonds. Any terms used in this Official Statement and not defined herein or in Appendix A hereto shall have the meanings ascribed to them in the City's Fixed Rate Official Statement referred to in the first paragraph under "SECTION I: INCLUSION BY SPECIFIC REFERENCE" below.

SECTION I: INCLUSION BY SPECIFIC REFERENCE

Portions of the City's Official Statement dated August 18, 2022, as supplemented on September 2, 2022 (the "Fixed Rate Official Statement"), delivered herewith and relating to the Fixed Rate Bonds, subject to the information contained elsewhere herein, are included herein by specific reference, namely the information under the captions:

INTRODUCTORY STATEMENT (excluding the first paragraph thereof)
SECTION I: RECENT FINANCIAL DEVELOPMENTS
SECTION III: GOVERNMENT AND FINANCIAL CONTROLS
SECTION IV: SOURCES OF CITY REVENUES
SECTION V: CITY SERVICES AND EXPENDITURES
SECTION VI: FINANCIAL OPERATIONS
SECTION VII: FINANCIAL PLAN
SECTION VIII: INDEBTEDNESS
SECTION IX: PENSION SYSTEMS AND OPEB
SECTION X: OTHER INFORMATION
- Litigation
- Environmental Matters
- Cybersecurity
- Continuing Disclosure Undertaking (except that any reference therein to "Bonds" or "Bondholders" will be deemed to be a reference to Bonds and Bondholders as used in this Official Statement)
- Financial Advisors
- Financial Statements
- Further Information (excluding the last paragraph thereof)

APPENDIX A—ECONOMIC AND DEMOGRAPHIC INFORMATION

APPENDIX B— ANNUAL COMPREHENSIVE FINANCIAL REPORT
APPENDIX D—VARIABLE RATE BONDS

The Fixed Rate Bonds described in the Fixed Rate Official Statement are not offered by this Official Statement.

SECTION II: THE BONDS

General

The Bonds will be general obligations of the City issued pursuant to the Constitution and laws of the State, including the Local Finance Law (the "LFL"), and the New York City Charter (the "City Charter"), and in accordance with bond resolutions of the Mayor and a certificate of the Deputy Comptroller for Public Finance (the "Certificate"). The Bonds will mature and bear interest as described on the inside cover page of this Official Statement and will contain a pledge of the City's faith and credit for the payment of the principal of, redemption premium, if any, and interest on the Bonds. All real property subject to taxation by the City will be subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, to pay the principal of and interest on the Bonds.

Adjustable Rate Bonds

For additional terms of the Bonds not included in this SECTION II see the cover page, the inside cover page, "APPENDIX A—DEFINITIONS" and "APPENDIX B—MULTI-MODAL BONDS." All or a portion of the Bonds of a Subseries may be converted to other Rate Modes as described in "APPENDIX B—MULTI-MODAL BONDS—Conversion to an Alternate Rate Mode." Any such Conversion, except with respect to Conversions of all (but not less than all) of a Subseries between the Daily Rate Mode, Two-Day Mode and Weekly Rate Mode, would result in a mandatory tender of the Bonds being so converted. This Official Statement only describes the Bonds bearing interest at a Daily Rate, Two-Day Rate, Weekly Rate or Commercial Paper Rate. Under the Certificate, it is a condition for Conversion to a Daily Rate Mode, Weekly Rate Mode, Two-Day Mode or Commercial Paper Mode that the City have in place a liquidity facility covering the Bonds of the applicable Subseries in such Mode. It is currently anticipated that, should any Bonds be Converted to a Term Rate, Fixed Rate, Stepped Coupon Rate, Index Rate, Auction Rate or ARRS℠ Rate, a remarketing circular will be distributed describing such Term Rate, Fixed Rate, Stepped Coupon Rate, Index Rate, Auction Rate or ARRS℠ Rate.

Payment Mechanism

Pursuant to the Financial Emergency Act, a general debt service fund (the "General Debt Service Fund" or the "Fund") has been established for City bonds and certain City notes. Pursuant to the Act, payments of the City real estate tax must be deposited upon receipt in the Fund, and retained under a statutory formula, for the payment of debt service (with exceptions for debt service, such as principal of seasonal borrowings, that is set aside under other procedures). The statutory formula has in recent years resulted in retention of sufficient real estate taxes to comply with the City Covenants (as defined in "—Certain Covenants and Agreements"). If the statutory formula does not result in retention of sufficient real estate taxes to comply with the City Covenants, the City will comply with the City Covenants either by providing for early retention of real estate taxes or by making cash payments into the Fund. The principal of and interest on the Bonds will be paid from the Fund until the Act terminates, and thereafter from a separate fund maintained in accordance with the City Covenants. Since its inception in 1978, the Fund has been fully funded at the beginning of each payment period.

If the Control Board determines that retentions in the Fund are likely to be insufficient to provide for the debt service payable therefrom, it must require that additional real estate tax revenues be retained or other cash resources of the City be paid into the Fund. In addition, the Control Board is required to take such action as it determines to be necessary so that the money in the Fund is adequate to meet debt service requirements. For information regarding the termination date of the Act, see "SECTION III: GOVERNMENT AND FINANCIAL CONTROLS—City Financial Management, Budgeting and Controls—*Financial Emergency Act and City Charter*" included by specific reference herein.

Enforceability of City Obligations

As required by the State Constitution and applicable law, the City pledges its faith and credit for the payment of the principal of and interest on all City indebtedness. Holders of City debt obligations have a contractual right to full payment of principal and interest when due. If the City fails to pay principal or interest, the holder has the right to sue and is entitled to the full amount due, including interest to maturity at the stated rate and at the rate authorized by law thereafter until payment. Under the New York General Municipal Law, if the City fails to pay any money judgment, it is the duty of the City to assess, levy and cause to be collected amounts sufficient to pay the judgment. Decisions indicate that judicial enforcement of statutes such as this provision in the New York General Municipal Law is within the discretion of a court. Other judicial decisions also indicate that a money judgment against a municipality may not be enforceable against municipal property devoted to public use.

The rights of the owners of Bonds to receive interest, principal and applicable redemption premium, if any, from the City could be adversely affected by a restructuring of the City's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of City securities (including the Bonds) to payment from money retained in the Fund or from other sources would be recognized if a petition were filed by or on behalf of the City under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such money might then be available for the payment of all City creditors generally. Judicial enforcement of the City's obligation to make payments into the Fund, of the obligation to retain money in the Fund, of the rights of holders of bonds and notes of the City to money in the Fund, of the obligations of the City under the City Covenants and of the State under the State Pledge and Agreement (in each case, as defined in "—Certain Covenants and Agreements") may be within the discretion of a court. For further information concerning rights of owners of Bonds against the City, see "SECTION VIII: INDEBTEDNESS—Indebtedness of the City and Certain Other Entities" included herein by specific reference.

Certain Covenants and Agreements

The City will covenant that: (i) a separate fund or funds for the purpose of paying principal of and interest on bonds and interest on notes of the City (including required payments into, but not from, City sinking funds) shall be maintained by an officer or agency of the State or by a bank or trust company; and (ii) not later than the last day of each month, there shall be on deposit in a separate fund or funds an amount sufficient to pay principal of and interest on bonds and interest on notes of the City due and payable in the next succeeding month. The City currently uses the debt service payment mechanism described above to perform these covenants. The City will further covenant in the Bonds to provide a general reserve for each fiscal year to cover potential reductions in its projected revenues or increases in its projected expenditures during each such fiscal year, to comply with the financial reporting requirements of the Act, as in effect from time to time, and to limit its issuance of bond anticipation notes and tax anticipation notes as required by the Act, as in effect from time to time, and to include as terms of the Bonds the applicable multi-modal provisions and to comply with such provisions and with the statutory restrictions on multi-modal rate bonds in effect from time to time.

The State pledges and agrees in the Financial Emergency Act that the State will not take any action that will impair the power of the City to comply with the covenants described in the preceding paragraph (the "City Covenants") or any right or remedy of any owner of the Bonds to enforce the City Covenants (the "State Pledge and Agreement"). The City will covenant to make continuing disclosure with respect to the Bonds (the "Undertaking") to the extent summarized in "SECTION X: OTHER INFORMATION—Continuing Disclosure Undertaking" included herein by specific reference. In the opinion of Co-Bond Counsel, the enforceability of the City Covenants, the Undertaking and the State Pledge and Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of the State's police powers and of judicial discretion in appropriate cases. The City Covenants, the Undertaking and the State Pledge and Agreement shall be of no force and effect with respect to any Bond if there is a deposit in trust with a bank or trust company of sufficient cash or cash equivalents to pay when due all principal of, applicable redemption premium, if any, and interest on such Bond.

Use of Proceeds

The proceeds of the Bonds will be used for capital purposes and for the payment of certain costs of issuance.

Liquidity Facilities

General. On the date of issuance of the Bonds, Bank of Montreal, acting through its Chicago Branch (the "Subseries A-3 Liquidity Provider") and the City will enter into a standby bond purchase agreement with respect to the Subseries A-3 Bonds (the "Subseries A-3 Liquidity Facility"), and TD Bank, N.A. (the "Subseries A-4 Liquidity Provider" and collectively with the Subseries A-3 Liquidity Provider, the "Liquidity Providers"), and the City will enter into a standby bond purchase agreement with respect to the Subseries A-4 Bonds (the "Subseries A-4 Liquidity Facility" and collectively with the Subseries A-3 Liquidity Facility, the "Liquidity Facilities"), each of which will be effective on such date, provided that each of the conditions set forth therein has been satisfied. The following summary of the Liquidity Facilities does not purport to be comprehensive or definitive and is subject in all respects to all of the terms and provisions of the Liquidity Facilities, to which reference is made hereby. Investors are urged to obtain and review copies of the Liquidity Facilities in order to understand all of their terms. Copies of the Liquidity Facilities will be available on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System (www.emma.msrb.org) or may be obtained from the Remarketing Agent. For information regarding the Liquidity Providers, see "APPENDIX D—THE LIQUIDITY PROVIDERS—Certain Information Concerning Bank of Montreal" and "—Certain Information Concerning TD Bank, N.A."

Each Liquidity Facility provides coverage for the principal of tendered Bonds of the applicable Subseries and up to 35 days interest on such Bonds at a maximum interest rate of 9% based upon a year of 365 days. The scheduled expiration date for each Liquidity Facility is listed on the inside cover page. Each Liquidity Facility supports only payment of the purchase price of the related Subseries of Bonds bearing interest at a Daily Rate, Two-Day Rate or Weekly Rate (each, an "Eligible Rate") tendered for purchase as described below (other than in connection with a mandatory tender of the Bonds of the applicable Subseries on an optional redemption date as described under "APPENDIX B—MULTI-MODAL BONDS—Mandatory Tender for Purchase,") and does not otherwise secure payment of the principal of or interest on the Bonds of the applicable Subseries. Each Liquidity Facility is subject to immediate termination or suspension, in some events with notice and in some events without notice, as described below.

Each Liquidity Facility contains various provisions, covenants and conditions, certain of which are summarized below. Capitalized terms used in the following summary are defined in this Official Statement (except those definitions included herein by specific reference, as described under "SECTION I: INCLUSION BY SPECIFIC REFERENCE") or the applicable Liquidity Facility and reference thereto is made for a full understanding of their import.

Upon compliance with the terms and conditions of the applicable Liquidity Facility, and subject to the terms and conditions set forth therein, each Liquidity Facility requires the applicable Liquidity Provider to purchase tendered Bonds of the applicable Subseries from time to time during the applicable Purchase Period (as hereinafter set forth) at the Purchase Price (as defined in the applicable Liquidity Facility). Tendered Bonds which are purchased and held by the applicable Liquidity Provider will bear interest at the Bank Rate (as defined in the applicable Liquidity Facility) commencing on and including the date on which such Liquidity Provider has purchased such Purchased Bonds (as defined in the applicable Liquidity Facility), in accordance with the applicable Liquidity Facility.

Subseries A-3 Liquidity Facility

The "Purchase Period" under the Subseries A-3 Liquidity Facility is the period from the effective date of the Subseries A-3 Liquidity Facility to and including the earliest to occur of (i) September 8, 2025 (or such later date to which such Subseries A-3 Liquidity Facility is extended upon the written request of the City and at the discretion of the Subseries A-3 Liquidity Provider) (or, if such date is not a Business Day (as defined in such Subseries A-3 Liquidity Facility), the Business Day immediately succeeding such date), (ii) the opening of business of the Subseries A-3 Liquidity Provider on the Business Day immediately succeeding the date on which all Subseries A-3 Bonds have been paid in full (not including a defeasance in which such Subseries A-3 Bonds continue to be subject to optional or mandatory tender for purchase), redeemed, or converted to an interest rate other than an Eligible Rate in accordance with the terms of such Subseries A-3 Bonds (the Purchase Period to include the date of such conversion), (iii) the opening of business of the Subseries A-3 Liquidity Provider on the Business Day immediately succeeding the date on which the Subseries A-3 Liquidity Facility is substituted with a substitute liquidity facility in accordance with the terms of the Certificate, and (iv) the date on which the Available Commitment (as defined in the Subseries A-3 Liquidity Facility) is terminated pursuant to the terms of the Subseries A-3 Liquidity Facility.

Commitment to Purchase Subseries A-3 Bonds. If, on any Business Day during the Purchase Period, the Subseries A-3 Liquidity Provider receives a Notice of Purchase from the Fiscal Agent or Tender Agent not later than 11:30 a.m. (New York City time), the Subseries A-3 Liquidity Provider will, subject to the satisfaction of certain requirements set forth in the Subseries A-3 Liquidity Facility, transfer to the Fiscal Agent or Tender Agent, as applicable, not later than 2:30 p.m. (New York City time) on the Purchase Date (as defined in such Subseries A-3 Liquidity Facility), in immediately available funds, an amount equal to the aggregate Purchase Price (as defined in such Subseries A-3 Liquidity Facility) of tendered Subseries A-3 Bonds bearing interest at an Eligible Rate which have not been remarketed by the Remarketing Agent or to the extent remarketing proceeds are not timely received by the Fiscal Agent or Tender Agent pursuant to the Certificate.

Events of Default. Upon the occurrence of any event (each, an "Event of Default") set forth under the subheadings "*Events of Default Resulting in Immediate Termination*," "*Event of Default Resulting in Immediate Suspension*" and "*Mandatory Tender Events of Default*," the Subseries A-3 Liquidity Provider may exercise those rights and remedies provided under the subheading "*Remedies*" below.

Events of Default Resulting in Immediate Termination. The following constitute Events of Default Resulting in Immediate Termination of the Subseries A-3 Liquidity Facility:

(a) any default by the City has occurred and is continuing in the payment of principal of or premium, if any, or interest on any Debt (as defined below) (including Subseries A-3 Bonds or Purchased Bonds); *provided*, *however*, that such a payment default by the City will not constitute an Event of Default if (w) the default was caused solely by an error or omission of an administrative or operational nature, (x) funds were available to enable the City to make such payment when due, (y) the City files a notice on EMMA within one Business Day of the City's actual knowledge of such failure stating that such failure to pay was caused solely by an error or omission of an administrative or operational nature, funds were available to enable the City to make such payment when due and such payment will be made within the time period set forth in subclause (z) and (z) such payment is made within two (2) Business Days of the City's actual knowledge of such failure to pay;

(b) the City commences a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or consents to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or makes a general assignment for the benefit of creditors, or becomes insolvent within the meaning of Section 101(32) of the Bankruptcy Code, or declares a debt moratorium, or takes any action to authorize any of the foregoing;

(c) an involuntary case or other proceeding is commenced against the City seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case remains undismissed and unstayed for a period of 60 days; or an order for relief is entered against the City under the federal bankruptcy laws as now or hereafter in effect;

(d) (i) any provision of the Subseries A-3 Liquidity Facility, the Certificate or the Subseries A-3 Bonds relating to the payment of principal of or interest on such Subseries A-3 Bonds (including Purchased Bonds) at any time for any reason ceases to be valid and binding on the City as a result of a ruling, finding, decree, order or legislative act or similar action (and with respect to any such ruling, finding, decree, order or similar action, such ruling, finding, decree, order or similar action is final or non-appealable) by a governmental authority having jurisdiction over the City, or is declared in a final non-appealable judgment by any court having jurisdiction over the City to be null and void, invalid or unenforceable, or (ii) the City, acting through any official of the City having the authority to do so, publicly repudiates or repudiates in writing its obligations under the Subseries A-3 Liquidity Facility or publicly contests or contests in writing (whether by legal proceedings or other similar proceedings or otherwise) any provision of the Subseries A-3 Liquidity Facility, the Certificate or the Subseries A-3 Bonds (including Purchased Bonds) relating to the payment of principal of or interest on such Subseries A-3 Bonds (including Purchased Bonds), or the City, acting through any official of the City having the authority to do so, publicly denies or denies in writing that it has any obligation to make payments on such Subseries A-3 Bonds (including Purchased Bonds) or the City, acting through any official of the City having the authority to do so, publicly claims or claims in writing that any of its general obligation debt is not a valid, binding and enforceable general obligation of the City for any reason whatsoever;

(e) (i) the City declares a debt moratorium or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any Debt of the City or (ii) any governmental authority having appropriate jurisdiction over the City makes a finding or ruling or enacts or adopts legislation or issues an executive order or enters a judgment or decree which results in a debt moratorium or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Subseries A-3 Bonds or Purchased Bonds or on all Debt of the City;

(f) the long-term unenhanced ratings assigned by Moody's, S&P and Fitch to any Debt of the City are withdrawn or suspended (in each case, for credit related reasons) or reduced below "Baa3," "BBB-" and "BBB-" respectively; or

(g) a final, nonappealable money judgment is entered by a court or other regulatory body of competent jurisdiction against the City in an amount in excess of $50,000,000 and the City fails to satisfy said money judgment within 90 days from the first date when said judgment becomes enforceable and subject to collection in accordance with its terms.

Event of Default Resulting in Immediate Suspension. The following constitutes an event resulting in immediate suspension:

In the event that any judgment that is appealable or not final is issued by a court of competent jurisdiction that the Subseries A-3 Bonds (including any Purchased Bonds) or any provision of the Subseries A-3 Liquidity Facility or of the Certificate relating to the payment of principal of or interest on such Subseries A-3 Bonds (i) ceases for any reason to be valid and binding or (ii) shall be null and void, invalid or unenforceable (such judgment a "Nonfinal Invalidity Judgment"), if such Nonfinal Invalidity Judgment has not been overturned or stayed upon appeal within 30 days after issuance thereof, the Available Commitment and the obligation of the Subseries A-3 Liquidity Provider under the Subseries A-3 Liquidity Facility to purchase such Bonds each will be suspended without notice or demand to any Person, and thereafter the Subseries A-3 Liquidity Provider will be under no obligation to purchase such Subseries A-3 Bonds, from the thirtieth day after issuance of such Nonfinal Invalidity Judgment until such obligation is reinstated as specified below. The Subseries A-3 Liquidity Provider's obligation to purchase Subseries A-3 Bonds following the stay of any Nonfinal Invalidity Judgment will be suspended immediately (without the lapse of another thirty day time period) if such stay is lifted pursuant to a subsequent Nonfinal Invalidity Judgment. Following any suspension pursuant to this paragraph, the Available Commitment and the obligation of the Subseries A-3 Liquidity Provider under the Subseries A-3 Liquidity Facility each immediately shall terminate and the Subseries A-3 Liquidity Provider shall be under no further obligation to purchase Subseries A-3 Bonds under the Subseries A-3 Liquidity Facility (x) from the date on which a court of competent jurisdiction shall enter a final, nonappealable judgment that the Subseries A-3 Bonds or any provision of the Subseries A-3 Liquidity Facility or of the Certificate relating to the payment of principal of or interest on such Subseries A-3 Bonds shall cease for any reason to be valid and binding and (y) from the date that is the earlier to occur of (A) September 8, 2025 (or such later date to which the Subseries A-3 Liquidity Facility is extended upon the written request of the City and at the discretion of the Subseries A-3 Liquidity Provider) and (B) the date which is one (1) year after the date of issuance of the relevant Nonfinal Invalidity Judgment, if on such date the relevant litigation is still pending and a final and nonappealable judgment related thereto has not been obtained. The Available Commitment and the obligation of the Subseries A-3 Liquidity Provider under the Subseries A-3 Liquidity Facility will immediately be reinstated and the terms of the Subseries A-3 Liquidity Facility will continue in full force and effect (unless the Subseries A-3 Liquidity Facility shall otherwise have terminated by its terms) as if there had been no such suspension on the date on which a court of competent jurisdiction shall issue a judgment that the Subseries A-3 Bonds or any provision of the Subseries A-3 Liquidity Facility or of the Certificate, as applicable, relating to the payment of principal of or interest on such Subseries A-3 Bonds is valid and binding.

Mandatory Tender Events of Default. The following constitute Events of Default which can result in a termination of the Subseries A-3 Liquidity Facility after notice of such Event of Default requesting a mandatory tender of the Subseries A-3 Bonds:

(a) the City fails to pay when due any fees and expenses of the Subseries A-3 Liquidity Provider payable under the Subseries A-3 Liquidity Facility or the related fee agreement or any other amount payable to the Subseries A-3 Liquidity Provider under such Subseries A-3 Liquidity Facility and such failure continues for seven days (excluding debt service on Purchased Bonds); *provided*, *however*, that no such failure to pay will constitute an Event of Default if (1) such failure to pay was caused solely by an error or omission of an administrative or operational nature, (2) the City had sufficient funds available on such day to make payment when due, and (3) the payment is made within two (2) Business Days after the City's actual knowledge of such failure to pay;

(b) the City fails to observe or perform any covenant or agreement contained in the Certificate described in the first paragraph under "SECTION II: THE BONDS—Certain Covenants and Agreements" and such failure shall continue for 20 days or the City fails to observe certain other covenants specified in the Subseries A-3 Liquidity Facility;

(c) any default by the City has occurred and is continuing in the payment of any amounts payable under any lease, mortgage or conditional sale arrangement securing, with the consent of the City, the payment of any indebtedness of a public benefit corporation or other governmental agency, instrumentality or body for borrowed money (except to the extent that the obligation to make such payment is being disputed in good faith and, if appropriate, contested in proceedings diligently conducted and there is no default in the payment of the principal of or premium, if any, or interest on the secured indebtedness);

(d) any default has and is continuing in the payment of the principal of or premium, if any, or interest on any bond, note or other evidence of indebtedness constituting a general obligation of an agency, instrumentality or public benefit corporation of the City or the State with respect to which the City has guaranteed the payment of the principal of or interest on such bond, note or other evidence of indebtedness;

(e) any material provision of the Subseries A-3 Liquidity Facility, the related fee agreement, the Certificate or any of the Subseries A-3 Bonds (including any Purchased Bonds), other than a provision described in paragraphs (d)(i) and (d)(ii) under the subheading "*Events of Default Resulting in Immediate Termination*," at any time for any reason ceases to be valid and binding on the City as a result of a ruling, finding, decree, order, legislative act or similar action by a governmental authority having jurisdiction over the City, or is declared in a final non-appealable judgment by any court having jurisdiction over the City to be null and void, invalid, or unenforceable, or the validity or enforceability thereof is publicly contested by the City; or

(f) the long-term unenhanced ratings assigned by Moody's, S&P or Fitch to any Debt of the City are withdrawn or suspended (for credit related reasons) or reduced below "Baa2," "BBB" or "BBB" respectively.

"*Debt*" means general obligation bonds, notes and other similar forms of indebtedness issued, assumed or guaranteed (*provided*, *however*, that the failure to pay any such guarantee as a result of any set-off, recoupment, counterclaim or any other defense of the City shall not constitute a failure to pay Debt) by the City, which is supported by the faith, credit and taxing power of the City.

Remedies. Upon the occurrence of an Event of Default under the Subseries A-3 Liquidity Facility, the Subseries A-3 Liquidity Provider may take one or more of the following actions:

(a) *Termination*. In the case of the occurrence of an Event of Default described under the subheading "*Events of Default Resulting in Immediate Termination*" (each an "Immediate Termination Event"), the Available Commitment with respect to the Subseries A-3 Bonds and the obligation of the Subseries A-3 Liquidity Provider under the Subseries A-3 Liquidity Facility to purchase such Subseries A-3 Bonds immediately terminates without notice or demand to any person, and thereafter the Subseries A-3 Liquidity Provider is under no obligation to purchase such Subseries A-3 Bonds. Promptly upon the occurrence of such Immediate Termination Event, the Subseries A-3 Liquidity Provider will give written notice of the same to the City, the Tender Agent, the Fiscal Agent and the Remarketing Agent, but the Subseries A-3 Liquidity Provider will incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure will in no way affect the termination of the Available Commitment with respect to the Subseries A-3 Bonds and its obligation to purchase such Subseries A-3 Bonds pursuant to the Subseries A-3 Liquidity Facility.

(b) *Mandatory Tender*. In the case of the occurrence of an Event of Default described under the subheading "*Mandatory Tender Events of Default*" (each a "Notice Termination Event"), the Subseries A-3 Liquidity Provider, in its sole discretion, may (i) give written notice of such Notice Termination Event to the City, the Remarketing Agent, the Fiscal Agent and the Tender Agent requesting a mandatory tender of all of the Subseries A-3 Bonds pursuant to the Certificate on a date not later than the last Business Day which is less than 15 calendar days after the City, the Remarketing Agent, the Fiscal Agent, and the Tender Agent receive notice of such mandatory tender and stating that the obligation of the Subseries A-3 Liquidity Provider to purchase such Bonds will terminate 15 days after such notice is received by the Tender Agent and on such date the Available Commitment with respect to the Subseries A-3 Bonds will terminate and the Subseries A-3 Liquidity Provider will be under no obligation to purchase such Subseries A-3 Bonds after such date or (ii) give a written notice to the City directing the City to convert to a rate other than an Eligible Rate all or any portion of such Bonds as provided in the Subseries A-3 Liquidity Facility. Upon conversion to a rate other than an Eligible Rate, the Subseries A-3 Liquidity Provider agrees to purchase the Subseries A-3 Bonds so converted and not remarketed, subject to and in accordance with the terms of the Subseries A-3 Liquidity Facility and thereafter the Subseries A-3 Bonds will bear interest at the Default Rate so long as the Subseries A-3 Liquidity Provider is the owner of such Bonds.

(c) *Other Remedies*. Upon the occurrence of an Event of Default under the Subseries A-3 Liquidity Facility, the Bank Rate (as defined in such Subseries A-3 Liquidity Facility) will automatically equal the Default Rate (as defined in such Subseries A-3 Liquidity Facility), and the Subseries A-3 Liquidity Provider may take any other actions permitted under the Subseries A-3 Liquidity Facility or under the Related Documents otherwise permitted by applicable law or in equity. The Subseries A-3 Liquidity Provider will not have the right to declare any amount due and payable under the Subseries A-3 Liquidity Facility, or to accelerate the maturity date of any Subseries A-3 Bonds.

Upon the occurrence of an Event of Default under the Subseries A-3 Liquidity Facility, the Subseries A-3 Liquidity Provider may deliver a notice (a "No Remarketing Notice") to the Remarketing Agent not to remarket any of the Purchased Bonds. The Subseries A-3 Liquidity Provider may, at any time, in its discretion, revoke a No Remarketing Notice by written notice to the City and the Remarketing Agent.

The preceding is a summary of certain provisions expected to be included in the initial Subseries A-3 Liquidity Facility provided by Bank of Montreal, acting through its Chicago Branch, and proceedings under which the Multi-Modal Bonds are to be offered, and is subject in all respects to the underlying documents, copies of which will be available for inspection during business hours at the office of the Fiscal Agent. Information regarding Bank of Montreal, acting through its Chicago Branch, is included herein as "APPENDIX D—THE LIQUIDITY PROVIDERS." Neither the City nor the Underwriters make any representation with respect to the information in "APPENDIX D—THE LIQUIDITY PROVIDERS."

Subseries A-4 Liquidity Facility

The "Purchase Period" under the Subseries A-4 Liquidity Facility is the period from the effective date of the Subseries A-4 Liquidity Facility to and including the earliest to occur of (i) September 8, 2027 (or such later date to which such Subseries A-4 Liquidity Facility is extended upon the written request of the City and at the discretion of the Subseries A-4 Liquidity Provider) (or, if such date is not a Business Day (as defined in such Subseries A-4 Liquidity Facility), the Business Day immediately succeeding such date), (ii) the opening of business of the Subseries A-4 Liquidity Provider on the Business Day immediately succeeding the date on which all Subseries A-4 Bonds have been paid in full (not including a defeasance in which such Subseries A-4 Bonds continue to be subject to optional or mandatory tender for purchase), redeemed, or converted to an interest rate other than an Eligible Rate in accordance with the terms of such Subseries A-4 Bonds (the Purchase Period to include the date of such conversion), (iii) the opening of business of the Subseries A-4 Liquidity Provider on the Business Day immediately succeeding the date on which the Subseries A-4 Liquidity Facility is substituted with a substitute liquidity facility in accordance with the terms of the Certificate, and (iv) the date on which the Available Commitment (as defined in the Subseries A-4 Liquidity Facility) is terminated pursuant to the terms of the Subseries A-4 Liquidity Facility.

Commitment to Purchase Subseries A-4 Bonds. If, on any Business Day during the Purchase Period, the Subseries A-4 Liquidity Provider receives a Notice of Purchase from the Fiscal Agent or Tender Agent not later than 11:30 a.m. (New York City time), the Subseries A-4 Liquidity Provider will, subject to the satisfaction of certain requirements set forth in the Subseries A-4 Liquidity Facility, transfer to the Fiscal Agent or Tender Agent, as applicable, not later than 2:30 p.m. (New York City time) on the Purchase Date (as defined in such Subseries A-4 Liquidity Facility), in immediately available funds, an amount equal to the aggregate Purchase Price (as defined in such Subseries A-4 Liquidity Facility) of tendered Subseries A-4 Bonds bearing interest at an Eligible Rate which have not been remarketed by the Remarketing Agent or to the extent remarketing proceeds are not timely received by the Fiscal Agent or Tender Agent pursuant to the Certificate.

Events of Default. Upon the occurrence of any event (each, an "Event of Default") set forth under the subheadings "*Events of Default Resulting in Immediate Termination*," "*Event of Default Resulting in Immediate Suspension*" and "*Mandatory Tender Events of Default*," the Subseries A-4 Liquidity Provider may exercise those rights and remedies provided under the subheading "*Remedies*" below.

Events of Default Resulting in Immediate Termination. The following constitute Events of Default Resulting in Immediate Termination of the Subseries A-4 Liquidity Facility:

(a) any default by the City has occurred and is continuing in the payment of principal of or premium, if any, or interest on any Debt (as defined below) (including Subseries A-4 Bonds or Purchased Bonds); *provided*, *however*, that such a payment default by the City will not constitute an Event of Default if (w) the default was caused solely by an error or omission of an administrative or operational nature, (x) funds were available to enable the City to make such payment when due, (y) the City files a notice on EMMA within one Business Day of the City's actual knowledge of such failure stating that such failure to pay was caused solely by an error or omission of an administrative or operational nature, funds were available to enable the City to make such payment when due and such payment will be made within the time period set forth in subclause (z) and (z) such payment is made within two (2) Business Days of the City's actual knowledge of such failure to pay;

(b) the City commences a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or consents to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or makes a general assignment for the benefit of creditors, or becomes insolvent within the meaning of Section 101(32) of the Bankruptcy Code, or declares a debt moratorium, or takes any action to authorize any of the foregoing;

(c) an involuntary case or other proceeding is commenced against the City seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case remains undismissed and unstayed for a period of 60 days; or an order for relief is entered against the City under the federal bankruptcy laws as now or hereafter in effect;

(d) (i) any provision of the Subseries A-4 Liquidity Facility, the Certificate or the Subseries A-4 Bonds relating to the payment of principal of or interest on such Subseries A-4 Bonds (including Purchased Bonds) at any time for any reason ceases to be valid and binding on the City as a result of a ruling, finding, decree, order or legislative act or similar action (and with respect to any such ruling, finding, decree, order or similar action, such ruling, finding, decree, order or similar action is final or non-appealable) by a governmental authority having jurisdiction over the City, or is declared in a final non-appealable judgment by any court having jurisdiction over the City to be null and void, invalid or unenforceable, or (ii) the City, acting through any official of the City having the authority to do so, publicly repudiates or repudiates in writing its obligations under the Subseries A-4 Liquidity Facility or publicly contests or contests in writing (whether by legal proceedings or other similar proceedings or otherwise) any provision of the Subseries A-4 Liquidity Facility, the Certificate or the Subseries A-4 Bonds (including Purchased Bonds) relating to the payment of principal of or interest on such Subseries A-4 Bonds (including Purchased Bonds), or the City, acting through any official of the City having the authority to do so, publicly denies or denies in writing that it has any obligation to make payments on such Subseries A-4 Bonds (including Purchased Bonds) or the City, acting through any official of the City having the authority to do so, publicly claims or claims in writing that any of its general obligation debt is not a valid, binding and enforceable general obligation of the City for any reason whatsoever;

(e) (i) the City declares a debt moratorium or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any Debt of the City or (ii) any governmental authority having appropriate jurisdiction over the City makes a finding or ruling or enacts or adopts legislation or issues an executive order or enters a judgment or decree which results in a debt moratorium or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Subseries A-4 Bonds or Purchased Bonds or on all Debt of the City;

(f) the long-term unenhanced ratings assigned by Moody's, S&P and Fitch to any Debt of the City are withdrawn or suspended (in each case, for credit related reasons) or reduced below "Baa3," "BBB-" and "BBB-" respectively; or

(g) a final, nonappealable money judgment is entered by a court or other regulatory body of competent jurisdiction against the City in an amount in excess of $50,000,000 and the City fails to satisfy said money judgment within 90 days from the first date when said judgment becomes enforceable and subject to collection in accordance with its terms.

Event of Default Resulting in Immediate Suspension. The following constitutes an event resulting in immediate suspension:

In the event that any judgment that is appealable or not final is issued by a court of competent jurisdiction that the Subseries A-4 Bonds (including any Purchased Bonds) or any provision of the Subseries A-4 Liquidity Facility or of the Certificate relating to the payment of principal of or interest on such Subseries A-4 Bonds (i) ceases for any reason to be valid and binding or (ii) shall be null and void, invalid or unenforceable (such judgment a "Nonfinal Invalidity Judgment"), if such Nonfinal Invalidity Judgment has not been overturned or stayed upon appeal within 30 days after issuance thereof, the Available Commitment and the obligation of the Subseries A-4 Liquidity Provider under the Subseries A-4 Liquidity Facility to purchase such Bonds each will be suspended without notice or demand to any Person, and thereafter the Subseries A-4 Liquidity Provider will be under no obligation to purchase such Subseries A-4 Bonds, from the thirtieth day after issuance of such Nonfinal Invalidity Judgment until such obligation is reinstated as specified below. The Subseries A-4 Liquidity Provider's obligation to purchase Subseries A-4 Bonds following the stay of any Nonfinal Invalidity Judgment will be suspended immediately (without the lapse of another thirty day time period) if such stay is lifted pursuant to a subsequent Nonfinal Invalidity Judgment. Following any suspension pursuant to this paragraph, the Available Commitment and the obligation of the Subseries A-4 Liquidity Provider under the Subseries A-4 Liquidity Facility each immediately shall terminate and the Subseries A-4 Liquidity Provider shall be under no further obligation to purchase Subseries A-4 Bonds under the Subseries A-4 Liquidity Facility (x) from the date on which a court of competent jurisdiction shall enter a final, nonappealable judgment that the Subseries A-4 Bonds or any provision of the Subseries A-4 Liquidity Facility or of the Certificate relating to the payment of principal of or interest on such Subseries A-4 Bonds shall cease for any reason to be valid and binding and (y) from the date that is the earlier to occur of (A) September 8, 2027 (or such later date to which the Subseries A-4 Liquidity Facility is extended upon the written request of the City and at the discretion of the Subseries A-4 Liquidity Provider) and (B) the date which is one (1) year after the date of issuance of the relevant Nonfinal Invalidity Judgment, if on such date the relevant litigation is still pending and a final and nonappealable judgment related thereto has not been obtained. The Available Commitment and the obligation of the Subseries A-4 Liquidity Provider under the Subseries A-4 Liquidity Facility will immediately be reinstated and the terms of the Subseries A-4 Liquidity Facility will continue in full force and effect (unless the Subseries A-4 Liquidity Facility shall otherwise have terminated by its terms) as if there had been no such suspension on the date on which a court of competent jurisdiction shall issue a judgment that the Subseries A-4 Bonds or any provision of the Subseries A-4 Liquidity Facility or of the Certificate, as applicable, relating to the payment of principal of or interest on such Subseries A-4 Bonds is valid and binding.

Mandatory Tender Events of Default. The following constitute Events of Default which can result in a termination of the Subseries A-4 Liquidity Facility after notice of such Event of Default requesting a mandatory tender of the Subseries A-4 Bonds:

(a) the City fails to pay when due any fees and expenses of the Subseries A-4 Liquidity Provider payable under the Subseries A-4 Liquidity Facility or the related fee agreement or any other amount payable to the Subseries A-4 Liquidity Provider under such Subseries A-4 Liquidity Facility and such failure continues for seven days (excluding debt service on Purchased Bonds); *provided*, *however*, that no such failure to pay will constitute an Event of Default if (1) such failure to pay was caused solely by an error or omission of an administrative or operational nature, (2) the City had sufficient funds available on such day to make payment when due, and (3) the payment is made within two (2) Business Days after the City's actual knowledge of such failure to pay;

(b) the City fails to observe or perform any covenant or agreement contained in the Certificate described in the first paragraph under "SECTION II: THE BONDS—Certain Covenants and Agreements" and such failure shall continue for 20 days or the City fails to observe certain other covenants specified in the Subseries A-4 Liquidity Facility;

(c) any default by the City has occurred and is continuing in the payment of any amounts payable under any lease, mortgage or conditional sale arrangement securing, with the consent of the City, the payment of any indebtedness of a public benefit corporation or other governmental agency, instrumentality or body for borrowed money (except to the extent that the obligation to make such payment is being disputed in good faith and, if appropriate, contested in proceedings diligently conducted and there is no default in the payment of the principal of or premium, if any, or interest on the secured indebtedness);

(d) any default has and is continuing in the payment of the principal of or premium, if any, or interest on any bond, note or other evidence of indebtedness constituting a general obligation of an agency, instrumentality or public benefit corporation of the City or the State with respect to which the City has guaranteed the payment of the principal of or interest on such bond, note or other evidence of indebtedness;

(e) any material provision of the Subseries A-4 Liquidity Facility, the related fee agreement, the Certificate or any of the Subseries A-4 Bonds (including any Purchased Bonds), other than a provision described in paragraphs (d)(i) and (d)(ii) under the subheading "*Events of Default Resulting in Immediate Termination*," at any time for any reason ceases to be valid and binding on the City as a result of a ruling, finding, decree, order, legislative act or similar action by a governmental authority having jurisdiction over the City, or is declared in a final non-appealable judgment by any court having jurisdiction over the City to be null and void, invalid, or unenforceable, or the validity or enforceability thereof is publicly contested by the City; or

(f) the long-term unenhanced ratings assigned by Moody's, S&P or Fitch to any Debt of the City are withdrawn or suspended (for credit related reasons) or reduced below "Baa2," "BBB" or "BBB" respectively.

"*Debt*" means general obligation bonds, notes and other similar forms of indebtedness issued, assumed or guaranteed (*provided*, *however*, that the failure to pay any such guarantee as a result of any set-off, recoupment, counterclaim or any other defense of the City shall not constitute a failure to pay Debt) by the City, which is supported by the faith, credit and taxing power of the City.

Remedies. Upon the occurrence of an Event of Default under the Subseries A-4 Liquidity Facility, the Subseries A-4 Liquidity Provider may take one or more of the following actions:

(a) *Termination*. In the case of the occurrence of an Event of Default described under the subheading "*Events of Default Resulting in Immediate Termination*" (each an "Immediate Termination Event"), the Available Commitment with respect to the Subseries A-4 Bonds and the obligation of the Subseries A-4 Liquidity Provider under the Subseries A-4 Liquidity Facility to purchase such Subseries A-4 Bonds immediately terminates without notice or demand to any person, and thereafter the Subseries A-4 Liquidity Provider is under no obligation to purchase such Subseries A-4 Bonds. Promptly upon the occurrence of such Immediate Termination Event, the Subseries A-4 Liquidity Provider will give written notice of the same to the City, the Tender Agent, the Fiscal Agent and the Remarketing Agent, but the Subseries A-4 Liquidity Provider will incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure will in no way affect the termination of the Available Commitment with respect to the Subseries A-4 Bonds and its obligation to purchase such Subseries A-4 Bonds pursuant to the Subseries A-4 Liquidity Facility.

(b) *Mandatory Tender*. In the case of the occurrence of an Event of Default described under the subheading "*Mandatory Tender Events of Default*" (each a "Notice Termination Event"), the Subseries A-4 Liquidity

Provider, in its sole discretion, may (i) give written notice of such Notice Termination Event to the City, the Remarketing Agent, the Fiscal Agent and the Tender Agent requesting a mandatory tender of all of the Subseries A-4 Bonds pursuant to the Certificate on a date not later than the last Business Day which is less than 15 calendar days after the City, the Remarketing Agent, the Fiscal Agent, and the Tender Agent receive notice of such mandatory tender and stating that the obligation of the Subseries A-4 Liquidity Provider to purchase such Bonds will terminate 15 days after such notice is received by the Tender Agent and on such date the Available Commitment with respect to the Subseries A-4 Bonds will terminate and the Subseries A-4 Liquidity Provider will be under no obligation to purchase such Subseries A-4 Bonds after such date or (ii) give a written notice to the City directing the City to convert to a rate other than an Eligible Rate all or any portion of such Bonds as provided in the Subseries A-4 Liquidity Facility. Upon conversion to a rate other than an Eligible Rate, the Subseries A-4 Liquidity Provider agrees to purchase the Subseries A-4 Bonds so converted and not remarketed, subject to and in accordance with the terms of the Subseries A-4 Liquidity Facility and thereafter the Subseries A-4 Bonds will bear interest at the Default Rate so long as the Subseries A-4 Liquidity Provider is the owner of such Bonds.

(c) *Other Remedies*. Upon the occurrence of an Event of Default under the Subseries A-4 Liquidity Facility, the Bank Rate (as defined in such Subseries A-4 Liquidity Facility) will automatically equal the Default Rate (as defined in such Subseries A-4 Liquidity Facility), and the Subseries A-4 Liquidity Provider may take any other actions permitted under the Subseries A-4 Liquidity Facility or under the Related Documents otherwise permitted by applicable law or in equity. The Subseries A-4 Liquidity Provider will not have the right to declare any amount due and payable under the Subseries A-4 Liquidity Facility, or to accelerate the maturity date of any Subseries A-4 Bonds.

Upon the occurrence of an Event of Default under the Subseries A-4 Liquidity Facility, the Subseries A-4 Liquidity Provider may deliver a notice (a "No Remarketing Notice") to the Remarketing Agent not to remarket any of the Purchased Bonds. The Subseries A-4 Liquidity Provider may, at any time, in its discretion, revoke a No Remarketing Notice by written notice to the City and the Remarketing Agent.

The preceding is a summary of certain provisions expected to be included in the initial Subseries A-4 Liquidity Facility provided by TD Bank, N.A. and proceedings under which the Multi-Modal Bonds are to be offered, and is subject in all respects to the underlying documents, copies of which will be available for inspection during business hours at the office of the Fiscal Agent. Information regarding TD Bank, N.A. is included herein as "APPENDIX D—THE LIQUIDITY PROVIDERS." Neither the City nor the Underwriters make any representation with respect to the information in "APPENDIX D—THE LIQUIDITY PROVIDERS."

Optional Redemption

Each Subseries of Bonds is subject to redemption (or purchase in lieu thereof if permitted by the Certificate) prior to maturity, at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, at the option of the City, in whole or in part, on any Optional Redemption Date, which, for Bonds in the Daily Rate Mode, Two-Day Mode or the Weekly Rate Mode is any Business Day, upon 30 days' written notice to Bondholders.

The City may select Subseries, Rate Modes and amounts of Bonds for optional redemption in its sole discretion. In the event that less than all the Bonds of a Subseries, Rate Mode and maturity subject to redemption are to be redeemed, the Bonds shall be selected for redemption as prescribed by the Certificate.

On and after any redemption date, interest will cease to accrue on the Bonds called for redemption.

Mandatory Redemption

The Bonds are Term Bonds subject to mandatory redemption upon 30 days' (but not more than 60 days') notice to Bondholders, by lot within each stated maturity, on each May 1 (or other Mandatory Redemption Date specified for the applicable Rate Mode) at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, in the amounts set forth below:

Subseries A-3		Subseries A-4	
September 1	**Amount**	**September 1**	**Amount**
2046	$34,430,000	2046	$17,215,000
2047	54,825,000	2047	27,415,000
2048	56,900,000	2048	28,450,000
2049*	53,845,000	2049*	26,920,000

* *Stated maturity*.

At the option of the City, there shall be applied to or credited against any of the required amounts the principal amount of any such subseries of Term Bonds that have been defeased, purchased or redeemed and not previously so applied or credited.

Defeased Term Bonds shall, at the option of the City, no longer be entitled, but may be subject, to the provisions thereof for mandatory redemption.

Notice of Redemption

When Bonds are redeemed, the City will give notice of redemption only to DTC (not to the Beneficial Owners of the Bonds) not less than 30 or more than 60 days prior to the date fixed for redemption.

Mandatory and Optional Tender

The Bonds are subject to mandatory and optional tender as described in "APPENDIX B—MULTI-MODAL BONDS."

Special Considerations Relating to the Bonds

The information under this caption "Special Considerations Relating to the Bonds" was provided by the Remarketing Agent and is not the responsibility of the City.

The Remarketing Agent is Paid By the City. The responsibilities of the Remarketing Agent include determining the interest rate from time to time and remarketing the applicable Bonds that are optionally or mandatorily tendered by the owners thereof (subject, in each case, to the terms of the Certificate and the applicable Remarketing Agreement), all as further described in this Official Statement. The Remarketing Agent is appointed by the City and is paid by the City for its services. As a result, the interests of the Remarketing Agent may differ from those of existing Holders and potential purchasers of Bonds.

The Remarketing Agent Routinely Purchases Bonds for its Own Account. The Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, routinely purchases such obligations for its own account. The Remarketing Agent is permitted, but not obligated, to purchase tendered Bonds for its own account and, in its sole discretion, may routinely acquire such tendered Bonds in order to achieve a successful remarketing of the Bonds (i.e., because there otherwise are not enough buyers to purchase the Bonds) or for other reasons. However, the Remarketing Agent is not obligated to purchase Bonds, and may cease doing so at any time without notice. The Remarketing Agent may also make a market in the Bonds by routinely purchasing and selling Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agent is not required to make a market in the Bonds. The Remarketing Agent may also sell any Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Bonds. The purchase of Bonds by the Remarketing Agent may create the appearance that there is greater third party demand for the Bonds in the market than is actually the case. The practices described above also may result in fewer Bonds being tendered in a remarketing.

Bonds May be Offered at Different Prices on Any Date Including an Interest Rate Determination Date. Pursuant to the Certificate and the applicable Remarketing Agreement, the Remarketing Agent is required to determine the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of the Bonds it remarkets at par plus accrued interest, if any, on the applicable interest rate determination date. The interest rate will reflect, among other factors, the level of market demand for such Bonds (including whether the Remarketing Agent is willing to purchase Bonds for its own account). There may or may not be Bonds tendered and remarketed on an interest rate determination date, the Remarketing Agent may or may not be able to remarket any Bonds tendered for purchase on such date at par and the Remarketing Agent may sell Bonds at varying prices to different investors on such date or any other date. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the Bonds it remarkets at the remarketing price. In the event the Remarketing Agent owns any Bonds for its own account, it may, in its sole discretion, in a secondary market transaction outside the tender process, offer such Bonds on any date, including the interest rate determination date, at a discount to par to some investors.

The Ability to Sell the Bonds Other Than Through the Tender Process May Be Limited. The Remarketing Agent may buy and sell Bonds other than through the tender process. However, it is not obligated to do so and may cease doing so at any time without notice and may require Holders that wish to tender their Bonds to do so through the Tender Agent with appropriate notice. Thus, investors who purchase the Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Bonds other than by tendering the Bonds in accordance with the tender process. Each Liquidity Facility is only available to purchase Bonds of the applicable Subseries tendered in accordance with the tender process.

The Remarketing Agent May Cease Remarketing the Bonds. Under certain circumstances the Remarketing Agent may cease remarketing the Bonds, subject to the terms of the applicable Remarketing Agreement.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, acts as securities depository for the Bonds. Reference to the Bonds under this caption "Book-Entry Only System" shall mean all Bonds held through DTC. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each subseries and maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (under this caption, "*Book-Entry Only System*," a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an omnibus proxy (the "Omnibus Proxy") to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption notices will be sent to DTC. If less than all of the Bonds within a subseries are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such subseries to be redeemed.

Payment of redemption proceeds and principal and interest on and Purchase Price of the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or its Fiscal Agent, The Bank of New York Mellon, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Fiscal Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Fiscal Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Tender Agent and the Remarketing Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Tender Agent's DTC account.

The services of DTC as securities depository with respect to the Bonds of a Subseries may be discontinued at any time by giving reasonable notice to the City or the Fiscal Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates of such Subseries will be printed and delivered.

No assurance can be given by the City that DTC will make prompt transfer of payments to the Participants or that Participants will make prompt transfer of payments to Beneficial Owners. The City is not responsible or liable for payment by DTC or Participants or for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or Participants.

For every transfer and exchange of the Bonds, the Beneficial Owners may be charged a sum sufficient to cover any tax, fee or other charge that may be imposed in relation thereto.

Unless otherwise noted, certain of the information contained under this caption "*Book-Entry Only System*" has been extracted from information furnished by DTC. Neither the City nor the Underwriters of the Bonds makes any representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

SECTION III: MISCELLANEOUS

Supplemental Certificates

For any one or more of the following purposes and at any time or from time to time, the City may enter into a supplement to the Certificate:

(a) to cure any ambiguity, supply any omission or cure or correct any defect or inconsistent provision relating to the Bonds;

(b) to identify particular Bonds for purposes not inconsistent with the Certificate, including credit or liquidity support, remarketing, serialization and defeasance; or

(c) to insert such provisions with respect to the Bonds as are necessary or desirable and are not to the prejudice of the Bondholders.

Each supplement is conditioned upon delivery to the City of a Favorable Opinion of Bond Counsel.

Tax Matters

In the opinion of Norton Rose Fulbright US LLP, New York, New York, and Bryant Rabbino LLP, New York, New York, as Co-Bond Counsel to the City ("Co-Bond Counsel"), interest on the Bonds will be exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

The City will covenant in a tax certificate to comply with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), relating to the exclusion from gross income of the interest on the Bonds for purposes of federal income taxation. In the opinion of Co-Bond Counsel, assuming compliance by the City with such covenants, interest on the Bonds will be excludable from the gross income of the owners thereof for purposes of federal income taxation. Failure by the City to comply with such covenants may cause interest on the Bonds to be includable in the gross income of the owners thereof retroactive to the date of the issue of the Bonds. Further, Co-Bond Counsel will render no opinion as to the effect on the exclusion from gross income of interest on the Bonds of any action (including without limitation a change in the interest rate mode with respect to any of the Bonds) taken or not taken after the date of such opinion without the approval of Co-Bond Counsel.

In the opinion of Co-Bond Counsel, interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals. The Code contains other provisions that could result in tax consequences, upon which no opinion will be rendered by Co-Bond Counsel, as a result of ownership of the Bonds or the inclusion in certain computations of interest that is excluded from gross income.

For taxable years beginning after 2022, the Code imposes a minimum tax of 15 percent on the adjusted financial statement income of certain large corporations, generally consisting of corporations (other than S corporations, regulated investment companies and real estate investment trusts) with more than $1 billion in average annual adjusted financial statement income, determined over a three-year period. For this purpose, adjusted financial statement income generally consists of the net income or loss of the taxpayer set forth on the taxpayer's applicable financial statement for the taxable year, subject to various adjustments, but is not reduced for interest earned on tax-exempt obligations, such as the Bonds. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential consequences of owning the Bonds.

Co-Bond Counsel's opinions are not a guarantee of a result, but represent their legal judgment based upon their review of existing statutes, regulations, published rulings and court decisions and the covenants of the City described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinions of Co-Bond Counsel, and Co-Bond Counsel's opinions are not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Bonds is commenced, under current procedures the IRS is likely to treat the City as the "taxpayer," and the owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the City may have different or conflicting interests from the owners of the Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

Except as described above, Co-Bond Counsel will express no opinion with respect to any federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust (FASIT), corporations subject to the alternative minimum tax on adjusted financial statement income, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax- exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change so as to reduce or eliminate the benefit to holders of the Bonds of the exclusion of interest thereon from gross income for federal income tax purposes. Proposed legislative or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed changes in tax law.

Legal Opinions

The legality of the authorization and issuance of the Bonds will be affirmed by the approving legal opinions of Norton Rose Fulbright US LLP and Bryant Rabbino LLP, Co-Bond Counsel to the City. Reference should be made to the forms of such opinions as set forth in Appendix C hereto for the matters covered by such opinions and the scope of Co-Bond Counsel's engagement in relation to the issuance of the Bonds.

Certain legal matters will be passed upon for the City by its Corporation Counsel.

Orrick, Herrington & Sutcliffe LLP, New York, New York, and Law Offices of Joseph C. Reid, P.A., New York, New York, Co-Special Disclosure Counsel to the City, will pass upon certain legal matters in connection with the preparation of this Official Statement.

Certain legal matters will be passed upon for the Underwriters by Bracewell LLP, New York, New York, and Hardwick Law Firm, LLC, New York, New York, Co-Counsel for the Underwriters.

Certain legal matters for each Liquidity Provider will be passed upon by its respective special counsel.

Underwriting

The Subseries A-3 Bonds are being purchased for reoffering by TD Securities (USA) LLC who has agreed, subject to certain conditions, to purchase the Subseries A-3 Bonds from the City at an aggregate underwriter's discount of $11,077.50 (inclusive of expenses) and to make an initial public offering of the Subseries A-3 Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover page of this Official Statement. TD Securities (USA) LLC will be obligated to purchase all the Subseries A-3 Bonds if any such Subseries A-3 Bonds are purchased.

The Subseries A-4 Bonds are being purchased for reoffering by TD Securities (USA) LLC who has agreed, subject to certain conditions, to purchase the Subseries A-4 Bonds from the City at an aggregate underwriter's discount of $6,077.50 (inclusive of expenses) and to make an initial public offering of the Subseries A-4 Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover page of this Official Statement. TD Securities (USA) LLC will be obligated to purchase all the Subseries A-4 Bonds if any such Subseries A-4 Bonds are purchased.

The delivery of the Adjustable Rate Bonds is contingent upon the delivery of the City's Fixed Rate Bonds described in the Fixed Rate Official Statement.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the City for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the City.

THE CITY OF NEW YORK

APPENDIX A

DEFINITIONS

"*Adjustable Rate Bonds*" means the Multi-Modal Bonds that are not Auction Rate Bonds.

"*Authorized Denominations*" means during any Daily Rate Period, Two-Day Rate Period, Commercial Paper Rate Period, or Weekly Rate Period, $100,000 or any integral multiple of $5,000 in excess of $100,000.

"*Authorized Officer*" means the Deputy Comptroller for Public Finance of the City and, when used with reference to the performance of any act, the discharge of any duty or the execution of any certificate or other document, any officer, employee or other person authorized to perform such act, discharge such duty or execute such certificate or other document.

"*Authorizing Document*" means the Certificate of the Deputy Comptroller for Public Finance of the City of New York With Respect to the Bonds, dated September 8, 2022.

"*Bank Bond*" or "*Purchased Bond*" means any Multi-Modal Bond purchased and held pursuant to a Standby Agreement. The terms of Purchased Bonds are not described in detail in this Official Statement.

"*Bondholder*" or "*Holder*" or "*Owner*" means any person who shall be the registered owner of any Multi-Modal Bonds.

"*Bonds*" means the City's General Obligation Bonds, Fiscal 2023 Series A, Subseries A-3 and A-4.

"*Book Entry Form*" or "*Book Entry System*" means a form or system under which physical Multi-Modal Bond certificates in fully registered form are registered only in the name of the Securities Depository, with the physical certificates "immobilized" in the custody of the Securities Depository or pursuant to its procedures.

"*Business Day*" means a day other than (i) a Saturday and Sunday or (ii) a day on which the City, the New York Stock Exchange, the Federal Reserve Bank of New York, the Fiscal Agent, the Tender Agent, the Remarketing Agent or banks and trust companies in New York, New York, or any city where draws upon a Credit Facility or Liquidity Facility will be made, are authorized or required to remain closed.

"*Certificate*" means the Authorizing Document with all Exhibits, Schedules, appendices and related proceedings, including the Bonds and all supplemental certificates.

"*Commercial Paper Mode*" means a Rate Mode in which a Multi-Modal Bond for its Commercial Paper Rate Period bears interest at a Commercial Paper Rate.

"*Commercial Paper Rate*" means each rate at which a Multi-Modal Bond bears interest during a Commercial Paper Rate Period.

"*Commercial Paper Rate Period*" means, with respect to a particular Multi-Modal Bond, a period of one to 365 days during which such Bond bears interest at a Commercial Paper Rate; and the first day immediately following the last day of each Commercial Paper Rate Period shall be a Business Day and, with respect to at least the amount of such Bonds to be redeemed by mandatory redemption, shall be not later than the redemption date.

"*Conversion*" means a change in the Rate Mode or Reset Date of a Multi-Modal Bond. To "Convert" is the act of Conversion.

"*Conversion Date*" means the Business Day of a Conversion or proposed Conversion, which shall be an eligible Optional Redemption Date for the Rate Mode in effect.

"*Conversion Notice*" means a notice of a change in the Rate Mode.

"*Credit Facility*" means a Standby Agreement that specifies no Liquidity Conditions and provides for the purchase of Bonds in the event of the City's failure to pay interest or principal when due.

"*Daily Rate*" means the rate at which Multi-Modal Bonds bear interest during a Daily Rate Period.

"*Daily Rate Mode*" means a Rate Mode in which Multi-Modal Bonds bear interest at a Daily Rate.

"*Daily Rate Period*" means a period commencing on one Business Day and extending to, but not including, the next succeeding Business Day, during which Multi-Modal Bonds bear interest at the Daily Rate.

"*Default Notice*" means a notice given by a Standby Purchaser pursuant to a Standby Agreement to the effect that an event of default thereunder has occurred and that the Standby Agreement issued by such Standby Purchaser will terminate on the date specified in such notice or any comparable notice.

"*Direct Participant*" means a participant in the book-entry system of recording ownership interests in the Multi-Modal Bonds.

"*DTC*" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as Depository for the Multi-Modal Bonds, or any successor Depository for any Multi-Modal Bonds; and includes each nominee thereof.

"*Electronic Means*" means facsimile transmission, email transmission or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other Electronic Means.

"*Expiration Date*" means the fixed date on which a Standby Agreement will expire, as such date may be extended from time to time; and includes the date of an early termination of a Standby Agreement caused by the City (excluding a Termination Date).

"*Favorable Opinion of Bond Counsel*" shall mean an opinion or opinions of nationally recognized bond counsel to the effect that the action proposed to be taken is authorized or permitted by the Certificate and will not adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation.

"*Fiduciary*" means each Fiscal Agent, Paying Agent or Tender Agent.

"*Fiscal Agent*" means The Bank of New York Mellon and its successors as the City's fiscal agent.

"*Fitch*" means Fitch Ratings, Inc., and its successors and assigns; references to Fitch are effective so long as Fitch is a Rating Agency.

"*Initial Period*" means a period specified by the City, beginning on the Issue Date or a Conversion Date. The day following an Initial Period shall be a Business Day and shall not be treated as a Conversion Date.

"*Initial Rate*" means each rate of interest to be paid in an Initial Period as set forth in the Certificate.

"*Interest Payment Date*" means with respect to (a) any Daily Rate Period, any Two-Day Rate Period, any Weekly Rate Period, or any case not specified, the first Business Day of each month; (b) any Commercial Paper Rate Period, the first Business Day of each month and the Business Day following the last day of the Rate Period; or (c) any Rate Period, as may be specified by the City. With respect to all Multi-Modal Bonds, interest shall be payable on each Mandatory Tender Date, redemption date or maturity date.

"*Issue Date*" means the date of initial delivery of the Bonds.

"*LFL*" means the Local Finance Law of the State, as in effect from time to time.

"*Liquidity Condition*" means an event of immediate termination or suspension as specified in a Liquidity Facility, upon the occurrence of which the Standby Purchaser is not obligated to purchase Liquidity Enhanced Bonds, and, accordingly, such Bonds are not subject to optional tender for purchase.

"*Liquidity Enhanced Bonds*" means the Multi-Modal Bonds bearing interest in the Daily Rate Mode, Two-Day Mode, Weekly Rate Mode or Commercial Paper Mode.

"*Liquidity Facility*" means a Standby Agreement that is not a Credit Facility.

"*Mandatory Redemption Date*" means, unless otherwise specified by the City, in each year so specified in the Bonds in the Daily Rate Mode, the Two-Day Mode, the Weekly Rate Mode or the Commercial Paper Mode, or in any case not specified, the first Business Day in the Maturity Month (which will be an Interest Payment Date).

"*Mandatory Tender Date*" means any date on which a Multi-Modal Bond is subject to mandatory tender in accordance with the Certificate.

"*Maturity Month*" and "*Opposite Month*" mean the respective months indicated below:

Maturity Month	**Opposite Month**
September	March

"*Maximum Rate*" means, with respect to the Bonds, 9%, or such Maximum Rate not exceeding 25% as may be specified by the City.

"*Moody's*" means Moody's Investors Service, and its successors and assigns; references to Moody's are effective so long as Moody's is a Rating Agency.

"*Multi-Modal Bonds*" means the Bonds.

"*Optional Redemption Date*" means: (i) for Bonds in the Daily Rate Mode, Weekly Rate Mode or Two-Day Mode, any Business Day and (ii) for Bonds in the Commercial Paper Mode, each Mandatory Tender Date.

"*Optional Tender Date*" means any Business Day during a Daily Rate Period, Two-Day Rate Period or Weekly Rate Period.

"*Paying Agent*" means the Fiscal Agent and any additional paying agent for the Multi-Modal Bonds designated by the City.

"*Purchase Price*" means, on any Tender Date, 100% of the principal amount of any Tendered Bond, plus (if not otherwise provided for) accrued and unpaid interest thereon.

"*Rate*" means the rate of interest payable on a Bond.

"*Rate Mode*" or "*Mode*" means the Daily Rate Mode, Two-Day Mode, Commercial Paper Rate Mode or Weekly Rate Mode.

"*Rate Period*" means any Initial Period, Daily Rate Period, Two-Day Rate Period, Commercial Paper Rate Period or Weekly Rate Period.

"*Rating Agency*" means each nationally recognized statistical rating organization that has, at the request of the City, a short-term rating in effect for the Multi-Modal Bonds.

"*Rating Confirmation*" means a written notice from each Rating Agency that its rating on the Multi-Modal Bonds will not be suspended, withdrawn or reduced solely as a result of action proposed to be taken under the Certificate.

"*Record Date*" means, with respect to each Interest Payment Date (unless otherwise specified by the City), for each Initial Period, Daily Rate Period, Two-Day Rate Period, Commercial Paper Rate Period or Weekly Rate Period, the close of business on the Business Day preceding such Interest Payment Date.

"*Remarketing Agent*" means each remarketing agent appointed and serving in such capacity.

"*Remarketing Agreement*" means each Remarketing Agreement between the City and the Remarketing Agent, as in effect from time to time.

"*Reset Date*" means the date on which the interest rate on a Multi-Modal Bond is to be effective.

"*S&P*" means S&P Global Ratings and its successors and assigns; references to S&P are effective so long as S&P is a Rating Agency.

"*Securities Depository*" or "*Depository*" or "*DTC*" means The Depository Trust Company and its nominees, successors and assigns or any other securities depository selected by the City which agrees to follow the procedures required by such securities depository in connection with the Multi-Modal Bonds.

"*Standby Agreement*" means an agreement providing, to the extent required by the LFL, for the purchase of any Liquidity Enhanced Bonds, as in effect from time to time.

"*Standby Purchaser*," "*Credit Facility Provider*," "*Liquidity Provider*," "*Provider*" or "*Bank*" means any provider of a Standby Agreement then in effect.

"*Subseries*" shall mean the Subseries A-3 or A-4 Bonds.

"*Tender Agent*" means the Fiscal Agent and any additional Tender Agent appointed by the City.

"*Tender Date*" means each Optional Tender Date or Mandatory Tender Date.

"*Tender Notice*" means the notice delivered by the Holder of a Bond subject to optional tender pursuant to the Certificate.

"*Tendered Bond*" means a Bond mandatorily tendered or tendered at the option of the Holder thereof for purchase in accordance with the Certificate, including a Bond deemed tendered, but not surrendered on the applicable Tender Date.

"*Termination Date*" means the date on which a Standby Agreement will terminate as set forth in a Default Notice delivered by the Standby Purchaser in accordance with the Standby Agreement.

"*Two-Day Mode*" means a Rate Mode in which Multi-Modal Bonds bear interest at a Two-Day Rate.

"*Two-Day Rate*" means the rate at which Multi-Modal Bonds bear interest during a Two-Day Rate Period.

"*Two-Day Rate Period*" means a period during which Multi-Modal Bonds bear interest at the Two-Day Rate.

"*Weekly Rate*" means the rate at which Multi-Modal Bonds bear interest during a Weekly Rate Period.

"*Weekly Rate Mode*" means a Rate Mode in which a Multi-Modal Bonds bear interest at a Weekly Rate.

"*Weekly Rate Period*" means a period of 7 days commencing on the Issue Date, on a Conversion Date or on the date (Thursday unless otherwise specified by the City) following an Initial Period or a Weekly Rate Period.

"*Written Notice*," "*written notice*" or "*notice in writing*" means notice in writing which may be delivered by hand or first class mail and includes Electronic Means.

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APPENDIX B

MULTI-MODAL BONDS

The Multi-Modal Bonds are subject to the provisions summarized below. Capitalized terms used in this "APPENDIX B—MULTI-MODAL BONDS" which are not otherwise defined in the Official Statement are defined in "APPENDIX A—DEFINITIONS."

General

The Multi-Modal Bonds are subject to mandatory tender for purchase as described under "Mandatory Tender for Purchase" and, if such Bonds are in a Daily Rate Mode, Two-Day Mode or Weekly Rate Mode, are subject to optional tender for purchase as described under "Optional Tender for Purchase." The Multi-Modal Bonds of a Subseries will continue in a Rate Mode until converted to another Rate Mode and will bear interest at a rate determined in accordance with the procedures for determining the interest rate during such Rate Mode. See "Conversion to an Alternate Rate Mode" and "Interest Rates and Reset Dates" below.

During any Initial Period for the Liquidity Enhanced Bonds, a Daily Rate Period, a Two-Day Rate Period, a Commercial Paper Rate Period or a Weekly Rate Period, interest will be computed on the basis of a 365-day or 366-day year for the actual number of days elapsed.

Interest on the Multi-Modal Bonds will be the interest accruing and unpaid through and including the day preceding the Interest Payment Date and will be payable on each Interest Payment Date to the registered owner thereof as shown on the registration books kept by the Fiscal Agent at the close of business on the applicable Record Date.

Conversion to an Alternate Rate Mode

Subject to the conditions in the Certificate, the City may Convert all or a portion of the Multi-Modal Bonds in one Rate Mode to a different Rate Mode by delivering a Conversion Notice to, as applicable, the Remarketing Agent, the applicable Standby Purchaser, DTC, the Fiscal Agent and the Tender Agent specifying the Subseries of Multi-Modal Bonds to be converted, the Conversion Date and the Rate Mode expected to be effective on the Conversion Date. The City must deliver such Conversion Notice not less than 15 days prior to the Conversion Date.

The Tender Agent, no later than one Business Day after receipt of the Conversion Notice, is to give Written Notice to the Holders of the Bonds to be converted, which notice must state (i) the Conversion Date; (ii) that the Rate Mode will not be converted unless the City receives on the Conversion Date a Favorable Opinion of Bond Counsel; (iii) the name and address of the principal corporate trust offices of the Fiscal Agent and Tender Agent; (iv) whether the Bonds to be converted will be subject to mandatory tender for purchase on the Conversion Date; and (v) that upon the Conversion, if there is on deposit with the Tender Agent on the Conversion Date an amount sufficient to pay the Purchase Price of the Multi-Modal Bonds so tendered and converted, such Bonds not delivered to the Tender Agent on the Conversion Date will be deemed to have been properly tendered for purchase and will cease to represent a right on behalf of the Holder thereof to the payment of principal of or interest thereon and shall represent only the right to payment of the Purchase Price on deposit with the Tender Agent, without interest accruing thereon from and after the Conversion Date.

If less than all of the Multi-Modal Bonds of a Subseries then subject to a particular Rate Mode are to be converted to a new Rate Mode, the particular Multi-Modal Bonds which are to be converted to a new Rate Mode will be selected by the Fiscal Agent (or, if the City so elects, the City) subject to the provisions of the Certificate regarding Authorized Denominations.

If a Favorable Opinion of Bond Counsel cannot be obtained, or if the election to convert was withdrawn by the City, or if the Remarketing Agent has notified the Fiscal Agent, the City and the applicable Standby Purchaser that it has been unable to remarket the Multi-Modal Bonds on the Conversion Date, the affected Multi-Modal Bonds will bear interest in the Rate Mode previously in effect or, with a Favorable Opinion of Bond Counsel, any other Rate Mode selected by the City to which such Bonds are duly converted.

Interest Rates and Reset Dates

General. The rate at which the Adjustable Rate Bonds will bear interest during any Rate Period will be the rate of interest that, if borne by the Adjustable Rate Bonds for such Rate Period, in the judgment of the Remarketing Agent, having due regard for the prevailing financial market conditions for bonds or other securities which are comparable as to federal income tax treatment, credit and maturity or tender dates with the federal income tax treatment, credit and maturity or tender dates of the Adjustable Rate Bonds, would be the lowest interest rate that would enable the Adjustable Rate Bonds to be sold at a price equal to the principal amount thereof, plus accrued interest thereon, if any. No Rate Period for Liquidity Enhanced Bonds of a Subseries will extend beyond the scheduled Expiration Date of the Standby Agreement then in effect.

Maximum Rate. The Bonds may not bear interest at a rate greater than the Maximum Rate.

Daily Rate. The Daily Rate for any Business Day is to be determined by the Remarketing Agent and announced by 10:00 a.m., New York City time, on such Business Day. For any day which is not a Business Day, the Daily Rate will be the Daily Rate for the immediately preceding Business Day.

If (i) a Daily Rate for a Daily Rate Period has not been determined by the Remarketing Agent, (ii) no Remarketing Agent is serving under the Certificate, (iii) the Daily Rate so established is held to be invalid or unenforceable with respect to a Daily Rate Period, or (iv) pursuant to the Remarketing Agreement the Remarketing Agent is not then required to establish a Daily Rate, then the Daily Rate for such Daily Rate Period shall continue in effect for two weeks, and thereafter such Bonds shall bear interest at the Maximum Rate until a Rate has been duly established by the Remarketing Agent.

Two-Day Rate. When interest on a Subseries of Adjustable Rate Bonds is payable at a Two-Day Rate, the Remarketing Agent will set a Two-Day Rate on or before 10:00 a.m., New York City time, on the first day of a period during which such Bonds bear interest at a Two-Day Rate and on each Monday, Wednesday and Friday thereafter so long as interest on such Bonds is to be payable at a Two-Day Rate or, if any Monday, Wednesday or Friday is not a Business Day, on the next Monday, Wednesday or Friday that is a Business Day. The Two-Day Rate set on any Business Day will be effective as of such Business Day and will remain in effect until the next day on which a Two-Day Rate is required to be set in accordance with the preceding sentence.

If (i) a Two-Day Rate for a Two-Day Rate Period has not been determined by the Remarketing Agent, (ii) no Remarketing Agent is serving under the Certificate, (iii) the Two-Day Rate determined by the Remarketing Agent is held to be invalid or unenforceable or (iv) pursuant to the Remarketing Agreement the Remarketing Agent is not then required to establish a Two-Day Rate, then the Two-Day Rate for such Two-Day Rate Period shall continue in effect for two weeks, and thereafter such Bonds shall bear interest at the Maximum Rate until a Rate has been duly established by the Remarketing Agent.

Weekly Rate. Unless otherwise provided by the City pursuant to the Certificate, the Weekly Rate is to be determined by the Remarketing Agent and announced by 10:00 a.m., New York City time, on the first day of the Weekly Rate Period. The Weekly Rate Period means a period commencing on the day specified by the City and extending to and including the sixth day thereafter, e.g. if commencing on a Thursday then extending to and including the next Wednesday.

If (i) a Weekly Rate has not been determined by the Remarketing Agent, (ii) no Remarketing Agent is serving under the Certificate, (iii) the Weekly Rate determined by the Remarketing Agent is held to be invalid or unenforceable with respect to a Weekly Rate Period, or (iv) pursuant to the Remarketing Agreement, the Remarketing Agent is not then required to establish a Weekly Rate, then the Weekly Rate for such Weekly Rate Period shall continue in effect for two weeks, and thereafter, such Bonds will bear interest at the Maximum Rate until a Rate has been duly established by the Remarketing Agent.

Commercial Paper Rate. The Commercial Paper Rate Period for each Adjustable Rate Bond in a Commercial Paper Rate Mode is to be determined by the Remarketing Agent and announced by 12:30 p.m., New York City time, on the first day of each Commercial Paper Rate Period. Commercial Paper Rate Periods may be from 1 to 365 days.

If the Remarketing Agent fails to specify the next succeeding Commercial Paper Rate Period, such Commercial Paper Rate Period will be the shorter of (i) seven days or (ii) the period remaining to but not including the maturity or redemption date of such Bond. Each Adjustable Rate Bond in a Commercial Paper Mode is to bear interest during a particular Commercial Paper Rate Period at a rate per annum equal to the interest rate determined above corresponding to the Commercial Paper Rate Period. An Adjustable Rate Bond can have a Commercial Paper Rate Period and bear interest at a Commercial Paper Rate that differs from other Adjustable Rate Bonds in the Commercial Paper Rate Mode.

If (i) a Commercial Paper Rate for a Commercial Paper Rate Period has not been determined by the Remarketing Agent, (ii) no Remarketing Agent is serving under the Certificate, (iii) the Commercial Paper Rate determined by the Remarketing Agent is held to be invalid or unenforceable with respect to a Commercial Paper Rate Period, or (iv) pursuant to the Remarketing Agreement, the Remarketing Agent is not then required to establish a Commercial Paper Rate, the Commercial Paper Rate for such Commercial Paper Rate Period will continue in effect on such Bonds for two weeks, and thereafter, such Bonds will bear interest at the Maximum Rate until a Rate has been duly established by the Remarketing Agent.

Optional Tender for Purchase

If a Subseries of Adjustable Rate Bonds is supported by a Credit Facility, or by a Liquidity Facility and no Liquidity Condition is in effect, an Adjustable Rate Bond of such Subseries or any portion thereof equal to an Authorized Denomination may be tendered for purchase, at the Purchase Price, at the option of its registered owner on any Business Day during a Daily Rate Mode, Two-Day Mode or Weekly Rate Mode upon giving notice of the registered owner's election to tender in the manner and at the times described below. Notice of an election to tender an Adjustable Rate Bond registered in the name of DTC is to be given by the Direct Participant on behalf of the Beneficial Owner of the Adjustable Rate Bond and will not be given by DTC. Notice of the election to tender for purchase of an Adjustable Rate Bond registered in any other name is to be given by the registered owner of such Adjustable Rate Bond or its attorney-in-fact.

A Direct Participant or the registered owner of an Adjustable Rate Bond must give written notice of its irrevocable election to tender such Adjustable Rate Bond or a portion thereof for purchase at its option to the Tender Agent with a copy to the Remarketing Agent at their respective principal offices, in the case of Adjustable Rate Bonds bearing interest in a Daily Rate Mode, by no later than 10:30 a.m. on the Optional Tender Date, in the case of Adjustable Rate Bonds bearing interest in a Two-Day Mode, not later than 3:00 p.m. on a Business Day at least two Business Days prior to the Optional Tender Date, and in the case of Adjustable Rate Bonds bearing interest in a Weekly Rate Mode, by no later than 5:00 p.m., New York City time, on a Business Day at least seven days prior to the Optional Tender Date. In addition, the registered owner of an Adjustable Rate Bond is required to deliver such Adjustable Rate Bond to the Tender Agent at its principal corporate trust office at or prior to 1:00 p.m., New York City time, on such Optional Tender Date.

Mandatory Tender for Purchase

The Multi-Modal Bonds of a series or subseries are subject to mandatory tender and purchase at the Purchase Price on the following dates (each, a "Mandatory Tender Date"):

(a) except when a Liquidity Condition is in effect, on each Conversion Date except a Conversion of all (but not less than all) of a Subseries between Daily Rates, Two-Day Rates and Weekly Rates;

(b) except when a Liquidity Condition is in effect, on the Business Day following each Rate Period for the Adjustable Rate Bonds of such Subseries in the Commercial Paper Mode;

(c) except when a Liquidity Condition is in effect, on a Business Day specified by the Tender Agent, at the direction of the City, but in any event not less than one Business Day prior to the substitution of a Standby Agreement (including assignments) or the Expiration Date of any Standby Agreement prior to the maturity of the related Bonds (which Standby Agreement will be drawn upon to pay the Purchase Price of unremarketed Tendered Bonds), unless a substitution is occurring and Rating Confirmation has been received from each Rating Agency;

(d) except when a Liquidity Condition is in effect, on a Business Day that is not less than one Business Day prior to the Termination Date of a Standby Agreement relating to a Subseries of Adjustable Rate Bonds specified in a Default Notice delivered in accordance with the Standby Agreement.

Should a Credit Facility be in effect for a Subseries of Bonds, in addition to the preceding, upon any failure by the City to provide funds to the Fiscal Agent for the timely payment of principal or interest on the maturity or mandatory redemption date or Interest Payment Date for such Subseries of Bonds, the Tender Agent shall cause a draw to be made upon such Credit Facility for the immediate purchase of the applicable Bonds and notice of mandatory tender to be given to each Holder of such Bonds.

The Adjustable Rate Bonds of a Subseries are also subject to mandatory tender for purchase on any Optional Redemption Date, upon 10 days' notice to Holders of such Bonds, if the City has provided a source of payment therefor in accordance with the Certificate and State law; under such circumstances, the Purchase Price is not payable by the Liquidity Facility or Credit Facility.

Whenever Adjustable Rate Bonds are to be tendered for purchase in accordance with (a) above, the Tender Agent is to give notice to the Holders of such Adjustable Rate Bonds indicating that such Bonds are subject to mandatory tender for purchase on the date specified in such notice. The failure of any Holder of any portion of Adjustable Rate Bonds to receive such notice will not affect the validity of such Conversion to a new Rate Mode.

Whenever Adjustable Rate Bonds are to be tendered for purchase in accordance with (c) or (d) above, the Tender Agent is to give notice to the Holders of such Adjustable Rate Bonds indicating that such Bonds are subject to mandatory tender for purchase on the date specified in such notice. The Tender Agent is to give such notice by first-class mail and not less than five calendar days prior to the Expiration Date or Termination Date. The failure of any Holder of any portion of such Adjustable Rate Bonds to receive such notice will not affect the validity of the proceedings in connection with the effectiveness of the affected Standby Agreement.

Bonds Deemed Purchased

The Adjustable Rate Bonds or portions thereof required to be purchased upon a tender at the option of the registered owner thereof or upon a mandatory tender will be deemed to have been tendered and purchased for all purposes of the Certificate, irrespective of whether such Adjustable Rate Bonds have been presented and surrendered to the Tender Agent, if on the Tender Date money sufficient to pay the Purchase Price thereof is held by the Tender Agent. The former registered owner of a Tendered Bond or an Adjustable Rate Bond deemed to have been tendered and purchased will have no claim thereunder or under the Certificate or otherwise for payment of any amount other than the Purchase Price.

Purchase Price and Payment

On each Tender Date, a Tendered Bond will be purchased at the applicable Purchase Price. The Purchase Price of a Tendered Bond is the principal amount of the Adjustable Rate Bond to be tendered or the amount payable to the registered owner of a Bank Bond following receipt by such owner of a purchase notice from the Remarketing Agent, plus accrued and unpaid interest from the immediately preceding Interest Payment Date.

The Purchase Price of a Tendered Bond held in a book-entry-only system will be paid, in same-day funds, to DTC in accordance with DTC's standard procedures for effecting same-day payments, as described herein under the heading "Book-Entry Only System." Payment will be made without presentation and surrender of the Tendered Bonds to the Tender Agent and DTC will be responsible for effecting payment of the Purchase Price to the DTC Participants.

The Purchase Price of any other Adjustable Rate Bond will be paid, in same-day funds, only after presentation and surrender of the Adjustable Rate Bond to the Tender Agent at its designated office. Payment will be made by 3:00 p.m., New York City time, on the Tender Date on which an Adjustable Rate Bond is presented and surrendered to the Tender Agent.

The Purchase Price is payable solely from, and in the following order of priority, the proceeds of the remarketing of Adjustable Rate Bonds tendered for purchase, money made available by the Standby Purchaser under the Standby Agreement then in effect, and money furnished by or on behalf of the City (which has no obligation to do so).

No Extinguishment

Adjustable Rate Bonds held by any Standby Purchaser or by a Fiduciary for the account of any Standby Purchaser following payment of the Purchase Price of such Bonds by the Fiduciary with money provided by any Standby Purchaser shall not be deemed to be retired, extinguished or paid and shall for all purposes remain outstanding.

Liquidity Conditions

Upon the occurrence of a suspension condition, as specified in a Liquidity Facility, the Standby Purchaser's obligations to purchase the related Bonds shall immediately be suspended (but not terminated) without notice or demand to any person and thereafter the Standby Purchaser shall be under no obligation to purchase such Bonds (nor shall such Bonds be subject to optional or mandatory tender for purchase) unless and until the Standby Purchaser's commitment is reinstated pursuant to the related Liquidity Facility. Promptly upon the occurrence of such suspension condition, the Standby Purchaser shall notify the City, the Tender Agent and the Remarketing Agent of such suspension in writing and the Tender Agent shall promptly relay such notice to the affected Bondholders upon receipt; but the Standby Purchaser shall incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure shall in no way affect the suspension of its obligation to purchase such Bonds. If the suspension condition shall be cured as described in the related Liquidity Facility, the obligations of the Standby Purchaser under such Liquidity Facility shall be reinstated (unless the Standby Purchaser's obligations shall have expired or shall otherwise have been terminated or suspended as provided in such Liquidity Facility).

Upon the occurrence of an event of immediate termination, as specified in a Liquidity Facility, a Standby Purchaser's obligation under such Liquidity Facility to purchase the related Bonds shall immediately terminate without notice or demand to any person, and thereafter the Standby Purchaser shall be under no obligation to purchase such Bonds (nor shall such Bonds be subject to optional or mandatory tender for purchase). Promptly upon the occurrence of such event the affected Standby Purchaser shall give written notice of the same to the City, the Tender Agent and the Remarketing Agent and the Tender Agent shall promptly relay such notice to the affected Bondholders upon receipt; but the affected Standby Purchaser shall incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure shall in no way affect the termination of its obligation to purchase such Bonds.

Inadequate Funds for Tender

If the funds available for purchase of Tendered Bonds are inadequate for the purchase of all such Bonds tendered on any Tender Date, or a Liquidity Condition shall exist under a Liquidity Facility, then the affected Holders shall not have the right to require the City or other persons to repurchase such Bonds and the Tender Agent shall give written notice to all affected Bondholders. However, such Holders may submit their Bonds for remarketing pursuant to the procedures described herein and the Certificate and Remarketing Agreement. Any such Bonds that cannot be remarketed shall immediately be returned to the owners thereof and shall bear interest from such Tender Date at the Maximum Rate payable on the first Business Day of each month. Under a Credit Facility, or a Liquidity Facility as long as no Liquidity Condition exists, the obligation to deposit funds in sufficient amounts to purchase such Bonds pursuant to the applicable Standby Agreement shall remain enforceable, and shall only be discharged at such time as funds are deposited with the Tender Agent in an amount sufficient, with the proceeds of remarketing, to purchase all such Bonds that were required to be purchased on such Tender Date, together with any interest which has accrued to the subsequent purchase date.

Remarketing of Bonds Upon Tender

Pursuant to the Remarketing Agreement, the Remarketing Agent is required to use its best efforts to remarket a Tendered Bond on its Tender Date at a price equal to the Purchase Price. The Remarketing Agreement sets forth, among other things, certain conditions to the Remarketing Agent's obligation to remarket Tendered Bonds.

On each Tender Date, the Remarketing Agent is to give notice by Electronic Means to the related Liquidity Provider, the Fiscal Agent, the Tender Agent and the City specifying the principal amount of Tendered Bonds for which it has arranged a remarketing, along with the principal amount of Tendered Bonds, if any, for which it has not arranged a remarketing, and shall transfer to the Tender Agent the proceeds of the remarketing of the Tendered Bonds. The Tender Agent is, on such Tender Date, to obtain funds under the applicable Standby Agreement in accordance with its terms in an amount equal to the difference between the Purchase Price of the Tendered Bonds subject to purchase and the remarketing proceeds available to the Tender Agent.

Defeasance

For the purpose of determining whether Multi-Modal Bonds shall be deemed to have been defeased, the interest to come due on such Multi-Modal Bonds shall be calculated at the Maximum Rate; and if, as a result of such Multi-Modal Bonds having borne interest at less than the Maximum Rate for any period, the total amount on deposit for the payment of interest on such Multi-Modal Bonds exceeds the total amount required, the balance shall be paid to the City. In addition, Multi-Modal Bonds shall be deemed defeased only if there shall have been deposited in trust money in an amount sufficient for the timely payment of the maximum Purchase Price that could become payable to the Bondholders upon the exercise of any applicable optional or mandatory tender for purchase.

Liquidity Facility

For each Subseries of Adjustable Rate Bonds that is not defeased and is subject to optional or mandatory tender for purchase, the City shall, as required by law, keep in effect one or more Standby Agreements for the benefit of the Bondholders of such Subseries, which shall require a financially responsible party or parties other than the City to purchase all or any portion of such Adjustable Rate Bonds duly tendered by the holders thereof for repurchase prior to the maturity of such Adjustable Rate Bonds. A financially responsible party or parties, for the purposes of this paragraph, shall mean a person or persons determined by the Mayor and the Comptroller of the City to have sufficient net worth and liquidity to purchase and pay for on a timely basis all of the Adjustable Rate Bonds which may be tendered for repurchase by the holders thereof.

Each owner of an Adjustable Rate Bond bearing interest at a Daily, Two-Day or Weekly Rate will be entitled to the benefits and subject to the terms of the Liquidity Facility or Credit Facility for such Bond. Under such Credit Facility or Liquidity Facility, the Bank agrees to make available to the Tender Agent, upon receipt of an appropriate demand for payment, the Purchase Price for Adjustable Rate Bonds of the stated Subseries.

Mandatory purchase by a Bank of Adjustable Rate Bonds shall occur under the circumstances provided therefor, including, so long as a Credit Facility is provided or no Liquidity Condition exists, failure to extend or replace the Credit Facility or Liquidity Facility relating to such Subseries of Adjustable Rate Bonds, and (at the option of the Bank) other events, including without limitation breaches of covenants, defaults on other bonds of the City or other entities, and events of insolvency. Notwithstanding the other provisions of the Adjustable Rate Bonds and the Certificate, upon the purchase of an Adjustable Rate Bond by a Bank, all interest accruing thereon from the last date for which interest was paid shall accrue for the benefit of and be payable to such Bank.

The City shall give Written Notice to each affected Bondholder (a) at least 10 days prior to the effective date of (i) an amendment to the Liquidity Conditions in a Liquidity Facility or (ii) the substitution of a Credit Facility or Liquidity Facility and (b) not later than 10 days after the execution of an extension of a Credit Facility or Liquidity Facility.

The obligation of the Bank to purchase Adjustable Rate Bonds pursuant and subject to the terms and conditions of the Credit Facility or Liquidity Facility for such Bonds is effective so long as a Credit Facility or

Liquidity Facility is provided and, in the case of a Liquidity Facility, there exists no Liquidity Condition. The obligation of the City to repay amounts advanced by the Bank in respect of such Bank's purchase of Adjustable Rate Bonds shall be evidenced by the Bonds so purchased by such Bank.

APPENDIX C

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September 8, 2022

Honorable Brad Lander
Comptroller
The City of New York Municipal Building
New York, New York 10007

Dear Comptroller Lander:

We have acted as Co-Bond Counsel to The City of New York (the "City"), a municipal corporation of the State of New York (the "State"), in connection with the issuance by the City on the date hereof of its General Obligation Bonds, Fiscal 2023 Subseries A-3 and A-4 (collectively, the "Bonds").

The Bonds are issued pursuant to the Constitution of the State, the Local Finance Law of the State, and the Charter of the City, and in accordance with a certificate of the Deputy Comptroller for Public Finance of the City dated the date hereof and related proceedings. We have examined, and in expressing the opinions hereinafter described we rely upon, certificates of the City and such other agreements, documents and matters as we deem necessary to render our opinions. We have not undertaken an independent investigation of the matters described or contained in the foregoing certificates, agreements and documents. We have assumed, without undertaking to verify, the authenticity of all documents submitted to us as originals, the conformity to originals of all documents submitted to us as certified copies, the genuineness of all signatures, the due and legal execution and delivery thereof by, and validity against, any parties other than the City, and the accuracy of the statements contained in such documents.

Based upon the foregoing and our examination of existing law, we are of the opinion that:

1. The Bonds have been duly authorized, executed and issued in accordance with the Constitution and statutes of the State and the Charter of the City and constitute valid and legally binding obligations of the City for the payment of which the City has validly pledged its faith and credit, and all real property within the City subject to taxation by the City is subject to the levy by the City of ad valorem taxes, without limit as to rate or amount, for payment of the principal of and interest on the Bonds.

2. Interest on the Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

3. The City has covenanted in a tax certificate dated the date hereof to comply with certain provisions of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), relating to the exclusion from gross income of the interest on the Bonds for purposes of federal income taxation. Assuming compliance by the City with such covenants, interest on the Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes.

4. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals. The Code contains other provisions that could result in tax consequences, upon which we render no opinion, as a result of ownership of such Bonds or the inclusion in certain computations (including, without limitation, those related to the alternative minimum tax on the adjusted financial statement income of certain corporations) of interest that is excluded from gross income.

We express no opinion with respect to any other federal, state or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Furthermore, we express no opinion as to the effect on the exclusion from gross income of interest on the Bonds of any action (including without limitation a change in the interest rate mode with respect to any of the Bonds) taken or not taken after the date of this opinion without our approval. Ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, "S" corporations with subchapter C earnings and profits, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income tax credit, corporations subject to the alternative minimum tax on adjusted financial statement income, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable, and the enforcement of related contractual and statutory covenants of the City and the State may also be subject to the exercise of the State's police powers and of judicial discretion in appropriate cases.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Very truly yours,

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September 8, 2022

Honorable Brad Lander
Comptroller
The City of New York
Municipal Building
New York, New York 10007

Dear Comptroller Lander:

We have acted as Co-Bond Counsel to The City of New York (the "City"), a municipal corporation of the State of New York (the "State"), in connection with the issuance by the City on the date hereof of its General Obligation Bonds, Fiscal 2023 Subseries A-3 and A-4 (collectively, the "Bonds").

The Bonds are issued pursuant to the Constitution of the State, the Local Finance Law of the State, and the Charter of the City, and in accordance with a certificate of the Deputy Comptroller for Public Finance of the City dated the date hereof and related proceedings. We have examined, and in expressing the opinions hereinafter described we rely upon, certificates of the City and such other agreements, documents and matters as we deem necessary to render our opinions. We have assumed, with your permission, that capital projects of the City to be financed with proceeds of the Bonds, and reviewed by other bond counsel for the City, have been properly designated by the City in the City's financial management system as eligible for financing with such proceeds under applicable State law, including the Local Finance Law, and under the Code (as defined below). We have not undertaken an independent investigation of the matters described or contained in the foregoing certificates, agreements and documents. We have assumed, without undertaking to verify, the authenticity of all documents submitted to us as originals, the conformity to originals of all documents submitted to us as certified copies, the genuineness of all signatures, the due and legal execution and delivery thereof by, and validity against, any parties other than the City, and the accuracy of the statements contained in such documents.

Based upon the foregoing and our examination of existing law, we are of the opinion that:

1. The Bonds have been duly authorized, executed and issued in accordance with the Constitution and statutes of the State and the Charter of the City and constitute valid and legally binding obligations of the City for the payment of which the City has validly pledged its faith and credit, and all real property within the City subject to taxation by the City is subject to the levy by the City of ad valorem taxes, without limit as to rate or amount, for payment of the principal of and interest on the Bonds.

2. Interest on the Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

3. The City has covenanted in a tax certificate dated the date hereof to comply with certain provisions of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), relating to the exclusion from gross income of the interest on the Bonds for purposes of federal income taxation. Assuming compliance by the City with such covenants, interest on the Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes.

4. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals. The Code contains other provisions that could result in tax consequences, upon which we render no opinion, as a result of ownership of such Bonds or the inclusion in certain computations (including, without limitation, those related to the alternative minimum tax on the adjusted financial statement income of certain corporations) of interest that is excluded from gross income.

We express no opinion with respect to any other federal, state or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Furthermore, we express no opinion as to the effect on the exclusion from gross income of interest on the Bonds of any action (including without limitation a change in the interest rate mode with respect to any of the Bonds) taken or not taken after the date of this opinion without our approval. Ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, "S" corporations with subchapter C earnings and profits, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income tax credit, corporations subject to the alternative minimum tax on adjusted financial statement income, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable, and the enforcement of related contractual and statutory covenants of the City and the State may also be subject to the exercise of the State's police powers and of judicial discretion in appropriate cases.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Very truly yours,

APPENDIX D

THE LIQUIDITY PROVIDERS

The information under this Appendix D has been provided solely by the Liquidity Providers and is believed to be reliable. This information has not been verified independently by the City or the Underwriters. The City and the Underwriters make no representation whatsoever as to the accuracy, adequacy or completeness of such information.

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CERTAIN INFORMATION CONCERNING
BANK OF MONTREAL

Bank of Montreal (the *"Bank"*) (NYSE, TSX: BMO) is a highly diversified financial services provider based in North America. BMO provides a broad range of products and services directly and through Canadian and non-Canadian subsidiaries, offices, and branches. As at October 31, 2021, BMO had over 12 million customers and approximately 44,000 full-time equivalent employees. The Bank has approximately 1,400 bank branches and more than 4,800 automated banking machines, as well as online and mobile digital banking platforms in Canada and the United States. It operates internationally in major financial markets and trading areas through its offices in a number of jurisdictions around the world. BMO Financial Corp. (BFC) is based in Chicago and wholly-owned by Bank of Montreal. BFC operates primarily through its subsidiary BMO Harris Bank N.A. (BHB), which provides banking, financing, investing, and cash management services in the United States. BMO provides a full range of investment dealer services through entities, including BMO Nesbitt Burns Inc., a major fully integrated Canadian investment dealer, and BMO Capital Markets Corp., Bank of Montreal's wholly-owned registered broker dealer in the United States. BMO conducts business through three operating groups: Personal and Commercial Banking (P&C), made up of Canadian P&C and U.S. P&C; BMO Wealth Management; and BMO Capital Markets.

Bank of Montreal started business in Montreal in 1817 and was incorporated in 1821 by an Act of Lower Canada as the first Canadian chartered bank. Since 1871, the Bank has been a chartered bank under the Bank Act (Canada) (the Bank Act), and is named in Schedule I of the Bank Act. The Bank Act is the charter of the Bank and governs its operations. The Bank's head office is 129 rue Saint Jacques, Montreal, Quebec, H2Y 1L6. Its executive offices are 100 King Street West, 1 First Canadian Place, Toronto, Ontario, M5X 1A1.

The Bank's annual consolidated financial statements, accompanying management's discussion and analysis, annual information form, quarterly financial statements, interim filings, and certain other financial information relating to the Bank are available on SEDAR (http://www.sedar.com), EDGAR (http://www.sec.gov) and on the Bank's website (http://www2.bmo.com/ir), or will be provided without charge upon written request directed to: Bank of Montreal, Corporate Secretary's Department, 1 First Canadian Place, 21st Floor, Toronto, Ontario M5X 1A1. The financial information referenced in this paragraph is *not* incorporated by reference into this Appendix D.

The Standby Bond Purchase Agreement will be solely an obligation of the Bank, and will not be an obligation of, or otherwise guaranteed by, any other member of BMO Financial Group, and no assets of BMO Financial Group (other than those of the Bank) or any affiliate of the Bank will be pledged to the payment thereof.

The above information has been supplied by the Bank. The delivery of the information in this Appendix D shall not create any implication that there has been no change in the affairs of the Bank since the date such information was provided by the Bank, or that the information contained or referred to in this Appendix D is correct as of any time subsequent to the date it was provided by the Bank.

CERTAIN INFORMATION CONCERNING TD BANK, N.A.

TD Bank, N.A. (the "Bank") is a national banking association organized under the laws of the United States, with its main office located in Wilmington, Delaware. The Bank is an indirect, wholly-owned subsidiary of The Toronto-Dominion Bank ("TD") and offers a full range of banking services and products to individuals, businesses and governments throughout its market areas, including commercial, consumer and trust services and indirect automobile dealer financing. The Bank operates banking offices in Connecticut, Delaware, the District of Columbia, Florida, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, North Carolina, New York, Pennsylvania, Rhode Island, South Carolina, Vermont and Virginia. As of June 30, 2022, the Bank had consolidated assets of $405.2 billion, consolidated deposits of $356.4 billion and stockholder's equity of $43.5 billion, based on regulatory accounting principles.

Additional information regarding the foregoing, and the Bank and TD, is available from the filings made by TD with the U.S. Securities and Exchange Commission (the "SEC"), which filings can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. In addition, the SEC maintains a website at http://www.sec.gov, which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC.

The information concerning TD and the Bank contained herein is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced herein.

The Standby Bond Purchase Agreement has been delivered by the Bank and is the obligation of the Bank and not TD.

The Bank will provide copies of the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

TD Bank, N.A.
1701 Route 70 East
Cherry Hill, New Jersey 08034
Attn: Corporate and Public Affairs

Information regarding the financial condition and results of operations of the Bank is contained in the quarterly Call Reports of the Bank delivered to the Comptroller of the Currency and available online at https://cdr.ffiec.gov/public. General information regarding the Bank may be found in periodic filings made by TD with the SEC. TD is a foreign issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare certain filings with the SEC in accordance with the disclosure requirements of Canada, its home country. Canadian disclosure requirements are different from those of the United States. TD's financial statements are prepared in accordance with International Financial Reporting Standards, and may be subject to Canadian auditing and auditor independence standards, and thus may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles.

The delivery hereof shall not create any implication that there has been no change in the affairs of TD or the Bank since the date hereof, or that the information contained or referred to in this Appendix D is correct as of any time subsequent to its date.

NEITHER TD NOR ANY OTHER SUBSIDIARY OF TD OTHER THAN THE BANK IS OBLIGATED TO MAKE AMOUNTS AVAILABLE UNDER THE STANDBY BOND PURCHASE AGREEMENT.

The Bank is responsible only for the information contained in this section of the Official Statement and did not participate in the preparation of, or in any way verify the information contained in, any other part of the Official

Statement. Accordingly, the Bank assumes no responsibility for and makes no representation or warranty as to the accuracy or completeness of information contained in any other part of the Official Statement.

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Supplement dated September 2, 2022

to the Official Statement, dated August 18, 2022
Relating to

$1,075,000,000

The City of New York
General Obligation Bonds, Fiscal 2023 Series A
$950,000,000 Tax-Exempt Bonds, Subseries A-1
$125,000,000 Taxable Bonds, Subseries A-2

The above-referenced Official Statement is hereby supplemented to include the following in "SECTION VII: FINANCIAL PLAN—Certain Reports":

On August 24, 2022, the City Comptroller released a report entitled "Comments on New York City's Fiscal Year 2023 Adopted Budget." The report notes that while there are meaningful signs of continued recovery from the pandemic in the City, high inflation is eroding real wages and decreasing purchasing power, rising interest rates risk increasing the likelihood of an economic downturn, and stock market performance is a concern for the City's economic activity, tax revenues and pension portfolios. The Comptroller's Office recommends that the percentage of City tax revenues set aside for long-term reserves rise to 16% in order to be able to weather the full length of an economic recession. The report also notes that the impact of higher collective bargaining patterns could be sizable but is not currently quantifiable, and that the State Legislature approved legislation to reduce class sizes, which if signed by the Governor would create further pressures on the Financial Plan in the outyears.

In the report, the City Comptroller projects net risks of $869 million, $2.22 billion, $3.35 billion and $5.57 billion in fiscal years 2023 through 2026, respectively, which, when added to the results projected in the Financial Plan would result in gaps of $869 million, $6.43 billion, $7.07 billion and $9.55 billion in fiscal years 2023 through 2026, respectively. The differences from the Financial Plan projections result in part from the City Comptroller's net expenditure projections, which are higher than the Financial Plan projections by $906 million, $2.39 billion, $4.08 billion, and $6.03 billion in fiscal years 2023 through 2026, respectively, as a result of: (i) additional overtime expenditures of $458 million in fiscal year 2023 and $150 million in each of fiscal years 2024 through 2026; (ii) increased expenditures associated with increases in charter school tuition rates of $278 million, $430 million and $723 million in fiscal years 2024 through 2026, respectively; (iii) increased expenditures associated with providing services to students with disabilities of $300 million in each of fiscal years 2023 through 2026; (iv) increased expenditures associated with student transportation of $75 million, $125 million and $175 million in fiscal years 2024 through 2026, respectively; (v) increased expenditures associated with the expansion of pre-K for three year old children of $376 million in fiscal year 2026; (vi) increased expenditures associated with the expansion of pre-K special education of $47 million and $95 million in fiscal years 2025 and 2026, respectively; (vii) increased expenditures related to provision of mental health services by DOE of $37 million and $86 million in fiscal years 2025 and 2026, respectively; (viii) increased expenditures relating to the expansion of community schools of $27 million and $54 million in fiscal years 2025 and 2026, respectively; (ix) increased costs associated with the expansion of the DOE summer academic and enrichment program of $176 million in each of fiscal years 2025 and 2026; (x) increased school nursing expenditures of $49 million in each of fiscal years 2025 and 2026; (xi) increased Public Health Corps expenditures of $13 million and $49 million in fiscal years 2025 and 2026, respectively; (xii) increased expenditures to fund the Fire Department's mental health response program of $37 million in each of fiscal years 2024 through 2026; (xiii) increased public assistance costs of $50 million in each of fiscal years 2023 through 2026; (xiv) increased homeless shelter operation expenditures of $109 million in fiscal year 2023 and $120 million in each of fiscal years 2024 through 2026; (xv) increased expenditures associated with rental assistance of $227 million in each of fiscal years 2024 through 2026; (xvi) increased costs of providing MTA paratransit funding of $55 million, $77 million, $91 million and $105 million in fiscal years 2023 through 2026, respectively; (xvii) increased expenditures associated with paying prevailing wage rates for homeless shelter security guards of $64 million in each of fiscal years 2024 through 2026; (xviii) increased estimates for pension contributions of $874 million, $1.99 billion and $3.05 billion in fiscal years 2024 through 2026, respectively, resulting from a shortfall in pension investment returns against the actuarial interest rate assumption; (xix) increased expenditures associated with the State's foster care reimbursement rate of $59 million in fiscal year 2023 and $117 million in each of fiscal years 2024 through 2026; and (xx) increased expenditures for higher pay rates for court appointed counsel of $100 million in each of fiscal years 2023 through 2026. The report also projects: (i) anticipated debt service savings from lower interest rates on variable rate bonds of $75 million in each of fiscal years 2023 through 2026; and (ii) decreased expenditures of $150 million in fiscal year 2023 relating to enhanced federal Medicaid assistance.

The differences from the Financial Plan projections also result in part from the City Comptroller's net revenue projections, which are higher than the Financial Plan projections by $37 million, $171 million, $725 million and $462 million in fiscal years 2023 through 2026, respectively. The report projects that: (i) property tax revenues will be higher by $306 million, $245 million, $629 million and $943 million in fiscal years 2023 through 2026, respectively; (ii) personal income tax revenues will be lower by $584 million and $357 million in fiscal years 2023 and 2024, respectively, and higher by $278 million and $208 million in fiscal years 2025 and 2026, respectively; (iii) business tax revenues will be lower by $194 million, $2 million, $119 million and $301 million in fiscal years 2023 through 2026, respectively; (iv) sales tax revenues will be higher by $50 million and $58 million in fiscal years 2023 and 2024, respectively, and lower by $74 million and $229 million in fiscal years 2025 and 2026 respectively; (v) real estate transaction-related tax revenues will be higher by $146 million in fiscal year 2023 and lower by $92 million, $312 million and $480 million in fiscal years 2024 through 2026, respectively; (vi) other tax revenue will be lower by $39 million and $35 million in fiscal years 2023 and 2024, respectively, and higher by $16 million and $17 million in fiscal years 2025 and 2026, respectively; (vii) revenues from audit collections will be higher by $251 million in each of fiscal years 2023 through 2025 and $250 million in fiscal year 2026; and (viii) non-tax revenues will be higher by $101 million, $103 million, $56 million and $54 million in fiscal years 2023 through 2026, respectively.

On August 18, 2022, the OSDC released a report on the Financial Plan titled "Review of the Financial Plan of the City of New York." The report notes that a risk of recession exists, and revenue projections in the Financial Plan do not take into account a recession. In addition, factors that contributed to positive operating results in fiscal year 2022 (including tax revenue collections that exceeded projections, additional extraordinary federal aid, record pension returns and savings from lower-than-planned staffing levels) have begun to reverse; new programs funded only in fiscal year 2023 were created, which represent new fiscal cliffs; and the City could incur collective bargaining costs beyond those assumed in the Financial Plan pending the outcome of ongoing negotiations, if wages were to rise at the projected inflation rate without offsetting savings.

In quantifying certain risks and offsets to the Financial Plan, the report identifies net offsets of $744 million in fiscal year 2022 and net risks of $589 million, $2.044 billion, $3.817 billion and $5.907 billion in fiscal years 2023 through 2026, respectively. When combined with the results projected in the Financial Plan, the report estimates a surplus of $744 million in fiscal year 2022 and budget gaps of $589 million, $6.254 billion, $7.531 billion and $9.887 billion in fiscal years 2023 through 2026, respectively.

The risks to the Financial Plan identified in the report include: (i) increased costs of providing MTA bus subsidies of $21 million, $56 million, $152 million and $285 million in fiscal years 2023 through 2026, respectively; (ii) increased costs of providing MTA paratransit funding of $21 million, $54 million, $76 million, $90 million and $104 million in fiscal years 2022 through 2026, respectively; (iii) increased expenditures related to impact of the State budget of $66 million in fiscal year 2023 and $124 million in each of fiscal years 2024 through 2026; (iv) increased expenditures associated with providing prevailing wages for Department of Homeless Services security guards of $66 million in each of fiscal years 2024 through 2026; (v) increased expenditures related to foster care of $120 million in each of fiscal years 2024 through 2026; (vi) increased expenditures for emergency family assistance of $134 million in each of fiscal years 2024 through 2026; (vii) increased expenditures related to the early childhood intervention program of $45 million in each of fiscal years 2024 through 2026; (xiii) increased expenditures to fund school health programs of $39 million in each of fiscal years 2024 through 2026; (ix) increased expenditures to fund universal access to legal counsel in housing court of $16 million in fiscal year 2026; (x) increased expenditures to fund the emergency rental assistance program of $227 million in each of fiscal years 2024 through 2026; (xii) increased expenditures to fund the Public Health Corps of $13 million, $25 million and $61 million in fiscal years 2024 through 2026, respectively; (xii) increased expenditures associated with providing services to students with disabilities of $142 million in fiscal year 2022 and $362 million in each of fiscal years 2023 through 2026; (xiii) increased expenditures associated with increases in charter school tuition rates of $278 million, $430 million and $723 million in fiscal years 2024 through 2026, respectively; (xiv) increased expenditures for universal early childhood education for three-year-olds of $376 million in fiscal year 2026; (xv) increased expenditures for certain other education initiatives of $210 million and $352 million in fiscal years 2025 and 2026, respectively; (xvi) increased uniform services overtime costs of $461 million, $459 million, $460 million and $463 million in fiscal years 2023 through 2026, respectively; and (xvii) increased estimates for pension contributions of $870 million, $1.983 billion and $3.035 billion in fiscal years 2024 through 2026, respectively, resulting from a shortfall in pension investment returns against the actuarial interest rate assumption.

The report also identifies: (i) increased property tax revenues of $75 million, $150 million and $225 million in fiscal years 2024 through 2026, respectively; (ii) increased non-property tax revenue of $900 million, $250 million, $750 million, $500 million and $400 million in fiscal years 2022 through 2026, respectively; (iii) additional debt service savings of $125 million in fiscal year 2023; and (iv) a potential reduction in costs associated with the MTA bus subsidies of $37 million in fiscal year 2022.

On August 30, 2022, the Control Board released a report on the Financial Plan titled "Staff Report Review of FYs 2022-2026 Financial Plan". The report notes that the City's economic growth appears poised for a slowdown in 2022, though economic indicators are mixed. While the local unemployment rate is falling, total payroll employment is rising, tourism is improving and building permits are increasing, the metro area inflation rate and Manhattan office vacancy rate are at record levels. The report cites COVID-19, the war in Ukraine, high inflation, supply chain problems and rising interest rates as continued risks to the Financial Plan. The Control Board estimates an aggregate negative return in the City's pension funds of nine percent, equating to a shortfall of 16 percent against the actuarial interest rate of seven percent, and estimates a loss of about $36 billion in fiscal year 2022. As a result, increased pension contributions are the primary driver of the Control Board's forecasted budget gaps in fiscal years 2024 through 2026. The report also notes that the City has yet to allocate funding to pay for recurring programs and initiatives financed with federal pandemic aid beyond fiscal year 2025. The Control Board urges the City to maintain a budget practice of making annual contributions to the RHBT, to continue to generate substantial programs to eliminate budget gaps, and to consider establishing a realistic capital plan that can be practically undertaken and managed.

The Control Board report identifies estimated net risks to the Financial Plan of $38 million, $393 million, $1.18 billion, $2.27 billion and $3.24 billion in fiscal years 2022 through 2026, respectively, resulting in budget gaps of $38 million, $393 million, $5.39 billion, $5.98 billion and $7.22 billion in fiscal years 2022 through 2026, respectively. Such net risks result from: (i) increases in property tax revenues of $100 million, $150 million and $200 million in fiscal years 2024 through 2026, respectively; (ii) increases in non-property tax revenues of $200 million, $250 million, $250 million and $300 million in fiscal years 2023 through 2026, respectively; (iii) increases in uniformed services overtime expenses of $38 million, $593 million, $643 million, $644 million and $644 million in fiscal years 2022 through 2026, respectively; and (iv) increased pension fund contributions of $887 million, $2.02 billion and $3.10 billion in fiscal years 2024 through 2026, respectively.

The above-referenced Official Statement is hereby supplemented to amend and restate in its entirety the information included in "SECTION X: OTHER INFORMATION—Litigation—*Taxes*—4.":

4. Section 1518 of the City Charter provides that tax warrants authorizing the imposition of property taxes by the City are to be signed by the Public Advocate and counter-signed by the City Clerk. On July 1, 2020, Public Advocate Jumaane Williams announced he would not sign tax warrants for City property taxes for policy reasons related to the City budget but unrelated to the imposition of property taxes. On March 8, 2021, the Public Advocate filed an Article 78 petition in New York State Supreme Court in New York County asking the Court to issue an order prohibiting the City from filing borough property tax assessment rolls and warrants or issuing adjusted property tax bills and quarterly statements unless the related tax warrants have been signed by the Public Advocate and countersigned by the City Clerk. The City maintains that the City Charter requirement that the Public Advocate sign the tax warrants is ministerial in nature and that the Public Advocate does not have the power to delay, hinder, or prevent the City's duly authorized and required collection of property taxes. The City issued property tax bills and collected taxes in fiscal years 2021 and 2022 and has continued to issue property tax bills and collect taxes in fiscal year 2023. On July 29, 2022, the Court issued a decision that held that the Public Advocate is required by the Charter to sign warrants, ordered the Public Advocate to sign tax warrants upon receiving them in accordance with section 1518 of the Charter, but also held that the City shall not file assessment rolls and issue tax bills without a warrant signed by the Public Advocate and counter-signed by the City Clerk in accordance with such section. The City served notice of entry on August 2, 2022, giving the parties 30 days to notice an appeal. Neither party filed a notice of appeal within said 30-day period. Subsequently, the Public Advocate signed the property tax warrants for fiscal years 2021, 2022 and 2023.

[End of Supplement]

NEW ISSUE

In the opinion of Norton Rose Fulbright US LLP and Bryant Rabbino LLP, Co-Bond Counsel, interest on the Bonds will be exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including the City, and assuming continuing compliance with the provisions of the Internal Revenue Code of 1986, as amended, with respect to the Tax-Exempt Bonds, as described herein, interest on the Tax-Exempt Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes. Interest on the Taxable Bonds will be includable in gross income for federal income tax purposes. See "SECTION X: OTHER INFORMATION—Tax Matters" herein for further information.

$1,075,000,000
THE CITY OF NEW YORK
General Obligation Bonds, Fiscal 2023 Series A
$950,000,000 Tax-Exempt Bonds, Subseries A-1
$125,000,000 Taxable Bonds, Subseries A-2

Dated: Date of Delivery **Due:** As shown on the inside cover page

The Bonds will be issued as registered bonds. The Bonds will be registered in the nominee name of The Depository Trust Company, New York, New York, which will act as securities depository for the Bonds.

Interest on the Bonds will be payable on each March 1 and September 1, commencing March 1, 2023. The Bonds can be purchased in principal amounts of $5,000 or any integral multiple thereof. Other terms of the Bonds including redemption provisions are described herein. *A detailed schedule of the Bonds is set forth on the inside cover page.*

The Tax-Exempt Bonds are offered subject to prior sale, when, as and if issued by the City and accepted by the Underwriters. The Taxable Bonds are being sold by public letting on the basis of electronic competitive bids in accordance with the Notice of Sale dated August 9, 2022, as supplemented. The issuance of the Bonds is subject to the approval of the legality of the Bonds by Norton Rose Fulbright US LLP, New York, New York, and Bryant Rabbino LLP, New York, New York, Co-Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the City by its Corporation Counsel. Certain legal matters in connection with the preparation of this Official Statement will be passed upon for the City by Orrick, Herrington & Sutcliffe LLP, New York, New York, and Law Offices of Joseph C. Reid, P.A., New York, New York, Co-Special Disclosure Counsel to the City. Certain legal matters will be passed upon for the Underwriters and the Original Purchaser by Bracewell LLP, New York, New York, and Hardwick Law Firm, LLC, New York, New York, Co-Counsel to the Underwriters and the Original Purchaser. It is expected that the Bonds will be available for delivery in New York, New York, on or about September 8, 2022.

Jefferies

BofA Securities	**Citigroup**	**J.P. Morgan**
Loop Capital Markets	**Ramirez & Co., Inc.**	**RBC Capital Markets**
Siebert Williams Shank & Co., LLC		**Wells Fargo Securities**

Academy Securities Inc.	**Barclays**	**Blaylock Van, LLC**
BNY Mellon Capital Markets, LLC	**Cabrera Capital Markets LLC**	**Drexel Hamilton, LLC**
Fidelity Capital Markets	**Goldman Sachs & Co. LLC**	**Great Pacific Securities**
Janney Montgomery Scott	**Morgan Stanley**	**Oppenheimer & Co.**
Raymond James	**Rice Financial Products Company**	**Roosevelt & Cross Incorporated**
Stern Brothers & Co.	**Stifel, Nicolaus & Company, Incorporated**	**TD Securities**
	UBS	

August 18, 2022

$1,075,000,000 General Obligation Bonds, Fiscal 2023 Series A[(1)]

Base CUSIP[(2)]**: 64966Q**

Base ISIN[(2)]**: US64966Q**

$950,000,000
Subseries A-1 Tax-Exempt Bonds

September 1,	Principal Amount	Interest Rate	Yield	CUSIP[(2)] Suffix
2024	$24,720,000	5%	2.10%	E48
2025	25,955,000	5	2.15	E55
2026	30,980,000	5	2.19	E63
2027	32,530,000	5	2.25	E71
2028	34,155,000	5	2.36	E89
2029	28,080,000	5	2.49	E97
2033	42,360,000	5	3.00[(3)]	F21
2034	44,475,000	5	3.13[(3)]	F39
2035	46,700,000	5	3.24[(3)]	F47
2036	49,035,000	5	3.33[(3)]	F54
2037	51,485,000	5	3.41[(3)]	F62
2038	54,060,000	5	3.50[(3)]	F70
2039	56,765,000	5	3.54[(3)]	F88
2040	59,605,000	5¼	3.53[(3)]	F96
2041	31,000,000	5	3.65[(3)]	G20
2041	31,730,000	5¼	3.60[(3)]	G38
2042	38,000,000	5	3.69[(3)]	G46
2042	26,955,000	5¼	3.64[(3)]	G53
2043	65,540,000	5¼	3.66[(3)]	G61

$175,870,000 4% Subseries A-1 Term Bonds due September 1, 2046, Price 97.00%, CUSIP No.[(2)] **64966QG79**

$125,000,000
Subseries A-2 Taxable Bonds

September 1,	Principal Amount	Interest Rate	Price	CUSIP[(2)] Suffix	ISIN[(2)] Suffix
2029	$7,780,000	3.90%	100%	D80	D807
2030	37,570,000	4	100	D98	D989
2031	39,045,000	4.10	100	E22	E227
2032	40,605,000	4.15	100	E30	E300

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(1) In addition to the $1,075,000,000 aggregate principal amount of the Bonds, the City expects to issue $300,000,000 aggregate principal amount of its tax-exempt Fiscal 2023 Series A, Subseries A-3 and Subseries A-4 multi-modal variable rate bonds (the "Adjustable Rate Bonds") simultaneously therewith. The Adjustable Rate Bonds will be offered by a separate official statement and are not offered hereby.

(2) CUSIP® is a registered trademark of the American Bankers Association. CUSIP® and ISIN data herein are provided by CUSIP Global Services ("CGS"), managed on behalf of the American Bankers Association by FactSet Research Systems Inc. These data are not intended to create a database and do not serve in any way as a substitute for the CGS database. CUSIP® and ISIN numbers listed above have been assigned by an independent company not affiliated with the City and are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds, and neither the City nor the Underwriters make any representation with respect to such numbers or undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP® and/or ISIN number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

(3) Priced to the first optional call date on September 1, 2032.

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No dealer, broker, salesperson or other person has been authorized by the City, the Underwriters or the Original Purchaser to give any information or to make any representations in connection with the Bonds or the matters described herein, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City, the Underwriters or the Original Purchaser. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the matters described herein since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. The Underwriters and the Original Purchaser may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriters or the Original Purchaser. No representations are made or implied by the City, the Underwriters or the Original Purchaser as to any offering of any derivative instruments.

The factors affecting the City's financial condition are complex. This Official Statement should be considered in its entirety and no one factor considered less important than any other by reason of its location herein. Where agreements, reports or other documents are referred to herein, reference should be made to such agreements, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

This Official Statement contains forecasts, projections and estimates that are based on expectations and assumptions which existed at the time such forecasts, projections and estimates were prepared. In light of the important factors that may materially affect economic conditions in the City, the inclusion in this Official Statement of such forecasts, projections and estimates should not be regarded as a representation by the City, its independent auditors, the Underwriters or the Original Purchaser that such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results. If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the City. These forward-looking statements speak only as of the date they were prepared. The City disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the City's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based between modifications to the City's financial plan required by law.

Grant Thornton LLP, the City's independent auditor, has not reviewed, commented on or approved, and is not associated with, this Official Statement. The report of Grant Thornton LLP relating to the City's financial statements for the fiscal years ended June 30, 2021 and 2020, which is a matter of public record, is included in the Annual Report for the fiscal year ended June 30, 2021, which is included by specific reference in this Official Statement. However, Grant Thornton LLP has not performed any procedures on any financial statements or other financial information of the City, including without limitation any of the information contained, or included by specific reference, in this Official Statement, since the date of such report and has not been asked to consent to the inclusion of its report in this Official Statement.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of Rule 15c2-12 adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule").

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS AND THE ORIGINAL PURCHASER MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THIS OFFICIAL STATEMENT AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

INFORMATION CONCERNING OFFERING RESTRICTIONS IN CERTAIN JURISDICTIONS OUTSIDE THE UNITED STATES

THE CITY OF NEW YORK (REFERRED TO IN THESE LEGENDS AS THE "ISSUER") MAKES NO REPRESENTATION AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION. REFERENCES UNDER THIS CAPTION TO "BONDS" OR "SECURITIES" MEAN THE BONDS OFFERED HEREBY, AND REFERENCES TO THE "UNDERWRITERS" MEAN THE UNDERWRITERS AND THE ORIGINAL PURCHASER.

MINIMUM UNIT SALES

THE BONDS WILL TRADE AND SETTLE ON A UNIT BASIS (ONE UNIT EQUALING ONE BOND OF $5,000 PRINCIPAL AMOUNT). FOR ANY SALES MADE OUTSIDE THE UNITED STATES, THE MINIMUM PURCHASE AND TRADING AMOUNT IS 30 UNITS (BEING 30 BONDS IN AN AGGREGATE PRINCIPAL AMOUNT OF $150,000).

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA ("EEA")

THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY EEA RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, AN "EEA RETAIL INVESTOR" MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, "MIFID II"); (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (THE "INSURANCE DISTRIBUTION DIRECTIVE"), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129 (THE "EU PROSPECTUS REGULATION"). CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO. 1286/2014 (AS AMENDED, THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY EEA RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY EEA RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

EACH SUBSCRIBER FOR OR PURCHASER OF THE BONDS LOCATED WITHIN THE EEA WILL BE DEEMED TO HAVE REPRESENTED, ACKNOWLEDGED AND AGREED THAT IT IS A "QUALIFIED INVESTOR" AS DEFINED IN THE EU PROSPECTUS REGULATION. THE ISSUER AND EACH UNDERWRITER AND OTHERS WILL RELY ON THE TRUTH AND ACCURACY OF THE FOREGOING REPRESENTATION, ACKNOWLEDGEMENT AND AGREEMENT.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM ("UK")

THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY UK RETAIL INVESTOR IN THE UK. FOR THESE PURPOSES A "UK RETAIL INVESTOR" MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) 2017/565 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (AS AMENDED, THE "EUWA"); OR (II) A CUSTOMER WITHIN THE MEANING OF PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, THE "FSMA") AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA; OR (III) NOT A "QUALIFIED INVESTOR" AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA (THE "UK PROSPECTUS REGULATION"). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (AS AMENDED, THE "UK PRIIPS REGULATION") FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO UK RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY UK RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

EACH SUBSCRIBER FOR OR PURCHASER OF THE BONDS LOCATED WITHIN THE UNITED KINGDOM WILL BE DEEMED TO HAVE REPRESENTED, ACKNOWLEDGED AND AGREED THAT IT IS A "QUALIFIED INVESTOR" AS DEFINED IN THE UK PROSPECTUS REGULATION. THE ISSUER AND EACH UNDERWRITER AND OTHERS WILL RELY ON THE TRUTH AND ACCURACY OF THE FOREGOING REPRESENTATION, ACKNOWLEDGEMENT AND AGREEMENT.

UK RESTRICTIONS ON SALES - THE BONDS MUST NOT BE OFFERED OR SOLD AND THIS OFFICIAL STATEMENT AND ANY OTHER DOCUMENT IN CONNECTION WITH THE OFFERING AND ISSUANCE OF THE BONDS MUST NOT BE COMMUNICATED OR CAUSED TO BE COMMUNICATED IN THE UNITED KINGDOM EXCEPT TO PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND QUALIFY AS INVESTMENT PROFESSIONALS UNDER ARTICLE 19 (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, (AS AMENDED, THE "ORDER") OR ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A)-(D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER OR WHO OTHERWISE FALL WITHIN AN EXEMPTION SET FORTH IN SUCH ORDER SUCH THAT SECTION 21(1) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, "FSMA") DOES NOT APPLY TO THE ISSUER OR ARE PERSONS TO WHOM THIS OFFICIAL STATEMENT OR ANY OTHER SUCH DOCUMENT MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS OFFICIAL STATEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

ADDITIONAL NOTICE TO PROSPECTIVE INVESTORS

THIS OFFICIAL STATEMENT DOES NOT COMPRISE A PROSPECTUS WITH REGARD TO THE ISSUER OR THE BONDS FOR THE PURPOSES OF THE EU PROSPECTUS REGULATION IN RESPECT OF THE EAA OR UNDER THE UK PROSPECTUS REGULATION IN RESPECT OF THE UK. ACCORDINGLY, ANY PERSON MAKING OR INTENDING TO MAKE ANY OFFER IN THE EEA OR THE UNITED KINGDOM OF THE BONDS SHOULD ONLY DO SO IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE ISSUER OR ANY OF THE UNDERWRITERS TO PROVIDE A PROSPECTUS FOR SUCH OFFER. NEITHER THE ISSUER NOR THE UNDERWRITERS HAVE

AUTHORIZED, NOR DO THEY AUTHORIZE, THE MAKING OF ANY OFFER OF BONDS THROUGH ANY FINANCIAL INTERMEDIARY, OTHER THAN OFFERS MADE BY THE UNDERWRITERS, WHICH CONSTITUTE THE FINAL PLACEMENT OF THE BONDS CONTEMPLATED IN THIS OFFICIAL STATEMENT.

NOTICE TO PROSPECTIVE INVESTORS IN TAIWAN (THE REPUBLIC OF CHINA)

THE OFFER OF THE BONDS HAS NOT BEEN AND WILL NOT BE REGISTERED WITH THE FINANCIAL SUPERVISORY COMMISSION OF TAIWAN (THE "FSC") PURSUANT TO APPLICABLE SECURITIES LAWS AND REGULATIONS OF TAIWAN AND THE BONDS, INCLUDING ANY COPY OF THIS OFFICIAL STATEMENT OR ANY OTHER DOCUMENTS RELATING TO THE BONDS, MAY NOT BE OFFERED, SOLD, DELIVERED OR DISTRIBUTED WITHIN TAIWAN (THE REPUBLIC OF CHINA) THROUGH A PUBLIC OFFERING OR IN CIRCUMSTANCES WHICH CONSTITUTE AN OFFER WITHIN THE MEANING OF THE SECURITIES AND EXCHANGE ACT OF TAIWAN THAT REQUIRES THE REGISTRATION WITH OR APPROVAL OF THE FSC. NO PERSON OR ENTITY IN TAIWAN (THE REPUBLIC OF CHINA) HAS BEEN AUTHORIZED TO OFFER, SELL, DISTRIBUTE, GIVE ADVICE REGARDING OR OTHERWISE INTERMEDIATE THE OFFERING, SALE OR DISTRIBUTION OF THE BONDS UNLESS THE BONDS OFFERED OR SOLD TO QUALIFIED INVESTORS IN TAIWAN ARE THROUGH TAIWAN LICENSED FINANCIAL INSTITUTIONS TO THE EXTENT PERMITTED UNDER RELEVANT TAIWAN LAWS OR REGULATIONS. TAIWAN INVESTORS WHO SUBSCRIBE AND PURCHASE THE BONDS SHALL COMPLY WITH ALL RELEVANT SECURITIES, TAX AND FOREIGN EXCHANGE LAWS AND REGULATIONS IN EFFECT IN TAIWAN.

NOTICE TO INVESTORS IN SWITZERLAND

THE BONDS MAY NOT BE PUBLICLY OFFERED IN SWITZERLAND AND WILL NOT BE LISTED ON THE SIX SWISS EXCHANGE ("*SIX*") OR ON ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A PROSPECTUS OR A KEY INFORMATION DOCUMENT WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON FINANCIAL SERVICES ("*FINSA*") OR A LISTING PROSPECTUS WITHIN THE MEANING OF THE SIX LISTING RULES OR THE LISTING RULES OF ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. NEITHER THIS OFFICIAL STATEMENT NOR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE BONDS OR THE OFFERING MAY BE PUBLICLY OFFERED OR OTHERWISE MADE PUBLICLY AVAILABLE IN SWITZERLAND. ACCORDINGLY, THIS OFFICIAL STATEMENT MAY BE COMMUNICATED IN OR FROM SWITZERLAND TO A LIMITED NUMBER OF SELECTED INVESTORS ONLY.

NONE OF THIS OFFICIAL STATEMENT OR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE OFFERING, THE ISSUER OR THE BONDS HAVE BEEN OR WILL BE FILED WITH OR APPROVED BY ANY SWISS REGULATORY AUTHORITY. IN PARTICULAR, THIS OFFICIAL STATEMENT WILL NOT BE FILED WITH, AND THE BONDS WILL NOT BE SUPERVISED BY, THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY ("FINMA").

THE BONDS DO NOT CONSTITUTE COLLECTIVE INVESTMENTS SCHEMES WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). ACCORDINGLY, INVESTORS ARE EXPOSED TO THE DEFAULT RISK OF THE ISSUER AND DO NOT HAVE THE BENEFIT OF THE SPECIFIC INVESTOR PROTECTION PROVIDED UNDER THE CISA.

NOTICE TO PROSPECTIVE INVESTORS IN HONG KONG

THE CONTENTS OF THIS OFFICIAL STATEMENT HAVE NOT BEEN REVIEWED OR APPROVED BY ANY REGULATORY AUTHORITY IN HONG KONG. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFER OF THE BONDS. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFERING CONTEMPLATED IN THIS OFFICIAL

STATEMENT. IF YOU ARE IN ANY DOUBT ABOUT ANY OF THE CONTENTS OF THIS OFFICIAL STATEMENT, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

THE BONDS MAY NOT BE OFFERED OR SOLD IN HONG KONG BY MEANS OF ANY DOCUMENT OTHER THAN (I) IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (CAP. 32 OF THE LAWS OF HONG KONG) ("CWUMPO") OR WHICH DO NOT CONSTITUTE AN INVITATION TO THE PUBLIC WITHIN THE MEANING OF THE SECURITIES AND FUTURES ORDINANCE (CAP. 571 OF THE LAWS OF HONG KONG) ("SFO"), OR (II) TO "PROFESSIONAL INVESTORS" AS DEFINED IN THE SFO AND ANY RULES MADE THEREUNDER, OR (III) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THE DOCUMENT BEING A "PROSPECTUS" AS DEFINED IN THE CWUMPO. NO ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE BONDS MAY BE ISSUED OR MAY BE IN THE POSSESSION OF ANY PERSON FOR THE PURPOSE OF ISSUE (IN EACH CASE WHETHER IN HONG KONG OR ELSEWHERE), WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC IN HONG KONG (EXCEPT IF PERMITTED TO DO SO UNDER THE LAWS OF HONG KONG) OTHER THAN WITH RESPECT TO BONDS WHICH ARE OR ARE INTENDED TO BE DISPOSED OF ONLY TO PERSONS OUTSIDE HONG KONG OR ONLY TO "PROFESSIONAL INVESTORS" IN HONG KONG AS DEFINED IN THE SFO AND ANY RULES MADE THEREUNDER.

NOTICE TO PROSPECTIVE INVESTORS IN JAPAN

THE PRIMARY OFFERING OF THE BONDS AND THE SOLICITATION OF AN OFFER FOR ACQUISITION THEREOF IN JAPAN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER PARAGRAPH 1, ARTICLE 4 OF THE FINANCIAL INSTRUMENTS AND EXCHANGE ACT OF JAPAN (NO. 25 OF 1948, AS AMENDED, THE "FIEA"). AS IT IS A PRIMARY OFFERING, IN JAPAN, THE BONDS MAY ONLY BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY TO, OR FOR THE BENEFIT OF CERTAIN QUALIFIED INSTITUTIONAL INVESTORS AS DEFINED IN THE FIEA ("QIIS"). A QII WHO PURCHASED OR OTHERWISE OBTAINED THE BONDS CANNOT RESELL OR OTHERWISE TRANSFER THE BONDS IN JAPAN TO ANY PERSON EXCEPT ANOTHER QII.

OTHER THAN THE PRIMARY OFFERING OF THE BONDS AND THE SOLICITATION OF AN OFFER FOR ACQUISITION THEREOF ABOVE OR PURSUANT TO OTHER EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF, AND OTHERWISE IN COMPLIANCE WITH, THE FIEA AND ANY OTHER APPLICABLE LAWS, REGULATIONS AND MINISTERIAL GUIDELINES OF JAPAN, NEITHER THE BONDS NOR ANY INTEREST THEREIN MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN,OR TO, OR FOR THE BENEFIT OF, ANY "RESIDENT" OF JAPAN (AS DEFINED UNDER ITEM 5, PARAGRAPH 1, ARTICLE 6 OF THE FOREIGN EXCHANGE AND FOREIGN TRADE ACT (ACT NO. 228 OF 1949, AS AMENDED)) OR TO OTHERS FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN.

NOTICE TO PROSPECTIVE INVESTORS IN CANADA

THE BONDS MAY BE SOLD ONLY TO PURCHASERS PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPAL THAT ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE BONDS MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS.

SECURITIES LEGISLATION IN CERTAIN PROVINCES OR TERRITORIES OF CANADA MAY PROVIDE A PURCHASER WITH REMEDIES FOR RESCISSION OR DAMAGES IF THIS OFFICIAL STATEMENT (INCLUDING ANY AMENDMENT THERETO) CONTAINS A MISREPRESENTATION, PROVIDED THAT THE REMEDIES FOR RESCISSION OR DAMAGES ARE EXERCISED BY THE PURCHASER WITHIN THE TIME LIMIT PRESCRIBED BY THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY. THE PURCHASER SHOULD REFER TO ANY APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY FOR PARTICULARS OF THESE RIGHTS OR CONSULT WITH A LEGAL ADVISOR.

PURSUANT TO SECTION 3A.3 (OR, IN THE CASE OF SECURITIES ISSUED OR GUARANTEED BY THE GOVERNMENT OF A NON-CANADIAN JURISDICTION, SECTION 3A.4) OF NATIONAL INSTRUMENT 33-105 UNDERWRITING CONFLICTS ("NI 33-105"), THE UNDERWRITERS ARE NOT REQUIRED TO COMPLY WITH THE DISCLOSURE REQUIREMENTS OF NI 33-105 REGARDING UNDERWRITER CONFLICTS OF INTEREST IN CONNECTION WITH THIS OFFERING.

NOTICE TO PROSPECTIVE INVESTORS IN SOUTH KOREA

THIS OFFICIAL STATEMENT IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSIDERED AS, A PUBLIC OFFERING OF SECURITIES IN SOUTH KOREA FOR THE PURPOSES OF THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT OF KOREA. THE BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE FINANCIAL SERVICES COMMISSION OF SOUTH KOREA FOR PUBLIC OFFERING IN SOUTH KOREA UNDER THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT AND ITS SUBORDINATE DECREES AND REGULATIONS (COLLECTIVELY, THE "FSCMA"). THE BONDS MAY NOT BE OFFERED, REMARKETED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, OR OFFERED, REMARKETED OR SOLD TO ANY PERSON FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN SOUTH KOREA OR TO ANY RESIDENT OF SOUTH KOREA (AS DEFINED IN THE FOREIGN EXCHANGE TRANSACTIONS LAW OF SOUTH KOREA AND ITS SUBORDINATE DECREES AND REGULATIONS (COLLECTIVELY, THE "FETL")) WITHIN ONE YEAR OF THE ISSUANCE OF THE BONDS, EXCEPT AS OTHERWISE PERMITTED UNDER APPLICABLE SOUTH KOREAN LAWS AND REGULATIONS, INCLUDING THE FSCMA AND THE FETL.

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OFFICIAL STATEMENT OF
THE CITY OF NEW YORK

This Official Statement provides certain information concerning The City of New York (the "City") in connection with the sale of $1,075,000,000 aggregate principal amount of the City's General Obligation Bonds, Fiscal 2023 Series A (the "Bonds"), consisting of $950,000,000 tax-exempt bonds, Subseries A-1 (the "Subseries A-1 Bonds" or the "Tax-Exempt Bonds") and $125,000,000 taxable bonds, Subseries A-2 (the "Subseries A-2 Bonds" or the "Taxable Bonds"). Concurrently with the delivery of the Bonds, the City expects to issue $300,000,000 aggregate principal amount of its tax-exempt Fiscal 2023 Series A, Subseries A-3 and Subseries A-4 multi-modal variable rate bonds (the "Adjustable Rate Bonds"), which will be offered by a separate official statement and are not offered hereby.

The factors affecting the City's financial condition described throughout this Official Statement are complex and are not intended to be summarized in the Introductory Statement below. The economic and financial condition of the City may be affected by various changes in laws, including tax law, financial, social, economic, political, geo-political and environmental factors, cybersecurity threats, terrorist events, hostilities or war, outbreak of infectious diseases, and other factors which could have a material effect on the City's economic and financial condition. For a discussion of additional factors affecting the City's financial condition, see below under "INTRODUCTORY STATEMENT," "SECTION I: RECENT FINANCIAL DEVELOPMENTS—COVID-19" and "SECTION VII: FINANCIAL PLAN—Assumptions." This Official Statement should be read in its entirety.

Because the City is a large and complex entity, information about it changes on an ongoing basis. This Official Statement has been updated to include certain information reflecting changes since the Preliminary Official Statement dated August 9, 2022. "SECTION I: RECENT FINANCIAL DEVELOPMENTS—COVID-19" has been updated to reflect the extension of the state of emergency declared in the State. Paragraph 4 under "SECTION X: OTHER INFORMATION—Litigation—*Taxes*" and paragraph 11 under "SECTION X: OTHER INFORMATION—Litigation—*Miscellaneous*" have been updated to describe recent litigation developments. "SECTION X: OTHER INFORMATION—Tax Matters" and the forms of opinions of Co-Bond Counsel to the City set forth in Appendix C hereto have been updated to reflect the provisions of the U.S. Inflation Reduction Act enacted on August 16, 2022.

INTRODUCTORY STATEMENT

The Bonds are general obligations of the City for the payment of which the City has pledged its faith and credit. All real property subject to taxation by the City is subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, to pay the principal of, applicable redemption premium, if any, and interest on the Bonds.

The City, with an estimated population of approximately 8.5 million as of July 2021, is an international center of business and culture. Its non-manufacturing economy is broadly based, with the banking, securities, insurance, technology, information, publishing, fashion, design, retailing, education and health care industries accounting for a significant portion of the City's total employment earnings. Additionally, the City is a leading tourist destination. Manufacturing activity in the City is conducted primarily in apparel and printing.

For each of the 1981 through 2021 fiscal years, the City's General Fund had an operating surplus, before discretionary and other transfers, and achieved balanced operating results as reported in accordance with generally accepted accounting principles ("GAAP"), after discretionary and other transfers and except for the application of Governmental Accounting Standards Board ("GASB") Statement No. 49 ("GASB 49") and without regard to changes in certain fund balances described in GML Section 25 (as defined below), as described below. City fiscal years end on June 30 and are referred to by the calendar year in which they end. The City has been required to close substantial gaps between forecast revenues and forecast expenditures in order to maintain balanced operating results. There can be no assurance that the City will continue to maintain balanced operating results as required by New York State (the "State") law without proposed tax or other revenue increases or reductions in City services or entitlement programs, which could adversely affect the City's economic base.

As required by the New York State Financial Emergency Act For The City of New York (the "Financial Emergency Act" or the "Act") and the New York City Charter (the "City Charter"), the City prepares a four-year annual financial plan, which is reviewed and revised on a quarterly basis and which includes the City's capital, revenue and expense projections and outlines proposed gap-closing programs for years with projected budget gaps. The City's current financial plan projects budget balance in the 2022 and 2023 fiscal years in accordance with GAAP except for the application of GASB 49 and without regard to changes in certain fund balances pursuant to GML Section 25 (as defined below). In 2010, the Financial Emergency Act was amended to waive the budgetary impact of GASB 49 by enabling the City to continue to finance with bond proceeds certain pollution remediation costs. In 2019, Section 25 of the State General Municipal Law ("GML Section 25") was amended to address the application to the City of GASB Statement No. 84, which contained updated requirements for fiduciary funds of state and local governments. Pursuant to GML Section 25, the City may, without violating Expense Budget (as defined below) balance requirements, carry forward to a subsequent fiscal year unspent fund balances that are restricted as to their use by requirements of State or federal law or regulation or by requirements of private or other governmental parties. The City may also continue to carry forward unspent balances held in its Health Stabilization Fund, School Crossing Guards Health Insurance Fund and Management Benefits Fund. The City's current financial plan projects budget gaps for the 2024 through 2026 fiscal years. A pattern of current year balance and projected future year budget gaps has been consistent through the entire period since 1982, during which the City has achieved an excess of revenues over expenditures, before discretionary and other transfers, for each fiscal year. For information regarding the current financial plan, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS" and "SECTION VII: FINANCIAL PLAN." For information regarding the June 2010 amendment of the Financial Emergency Act with respect to the application of GASB 49 to the City budget, see "SECTION III: GOVERNMENT AND FINANCIAL CONTROLS." The City is required to submit its financial plans to the New York State Financial Control Board (the "Control Board"). For further information regarding the Control Board, see "SECTION III: GOVERNMENT AND FINANCIAL CONTROLS—City Financial Management, Budgeting and Controls—*Financial Review and Oversight*."

For its normal operations, the City depends on aid from the State both to enable the City to balance its budget and to meet its cash requirements. There can be no assurance that there will not be delays or reductions in State aid to the City from amounts currently projected; that State budgets for future State fiscal years will be adopted by the April 1 statutory deadline, or interim appropriations will be enacted; or that any such reductions or delays will not have adverse effects on the City's cash flow or expenditures. In addition, the City and the State have made various assumptions with respect to federal aid. Future federal actions or inactions could have adverse effects on the City, both directly and indirectly through State aid to localities reductions that will need to be taken in the absence of additional federal aid to the State. See "SECTION I: RECENT FINANCIAL DEVELOPMENTS—2022-2026 Financial Plan."

The Mayor is responsible for preparing the City's financial plan which relates to the City and certain entities that receive funds from the City. The financial plan is modified quarterly. The City's projections set forth in the financial plan are based on various assumptions and contingencies which are uncertain and which may not materialize. Such assumptions and contingencies include the condition of the international, national, regional and local economies, the provision of State and federal aid, the impact on City revenues and expenditures of any future federal or State legislation and policies affecting the City and the cost of pension structures and healthcare. See "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

Implementation of the financial plan is dependent on the City's ability to market successfully its bonds and notes. Implementation of the financial plan is also dependent upon the ability to market the securities of other financing entities including the New York City Municipal Water Finance Authority (the "Water Authority") and the New York City Transitional Finance Authority ("TFA"). See "SECTION VII: FINANCIAL PLAN—Financing Program." The success of projected public sales of City, Water Authority, TFA and other bonds and notes will be subject to prevailing market conditions. Future developments in the financial markets generally, as well as future developments concerning the City, and public discussion of such developments, may affect the market for outstanding City general obligation bonds and notes.

The City Comptroller and other agencies and public officials, from time to time, issue reports and make public statements which, among other things, state that projected revenues and expenditures may be different from those forecast in the City's financial plans. See "SECTION VII: FINANCIAL PLAN—Certain Reports."

SECTION I: RECENT FINANCIAL DEVELOPMENTS

For the 2021 fiscal year, the City's General Fund had a total surplus of $6.1 billion, before discretionary and other transfers, and achieved balanced operating results in accordance with GAAP, except for the application of GASB 49 and without regard to changes in certain fund balances pursuant to GML Section 25 as described above, after discretionary and other transfers. The 2021 fiscal year was the forty-first consecutive year that the City achieved balanced operating results when reported in accordance with GAAP, except for the application of GASB 49 and without regard to changes in certain fund balances pursuant to GML Section 25 as described above.

2022-2026 Financial Plan

On June 30, 2021, the City submitted to the Control Board the financial plan for the 2022 through 2025 fiscal years (the "June 2021 Financial Plan"), which was consistent with the City's capital and expense budgets as adopted for the 2022 fiscal year. Subsequently, the June 2021 Financial Plan was modified during the 2022 fiscal year. On June 13, 2022, the City submitted to the Control Board the financial plan for the 2023 through 2026 fiscal years, which is consistent with the City's capital and expense budgets as adopted for the 2023 fiscal year, and a further modification to the June 2021 Financial Plan with respect to the 2022 fiscal year (together, the "Financial Plan").

The Financial Plan projects revenues and expenses for the 2022 and 2023 fiscal years balanced in accordance with GAAP, except for the application of GASB 49 and without regard to changes in certain fund balances pursuant to GML Section 25, and projects gaps of approximately $4.21 billion, $3.71 billion, and $3.98 billion in fiscal years 2024 through 2026, respectively. The June 2021 Financial Plan had projected revenues and expenses for the 2022 fiscal year balanced in accordance with GAAP, except for the application of GASB 49 and without regard to changes in certain fund balances pursuant to GML Section 25, and had projected gaps of approximately $4.05 billion, $3.84 billion and $4.07 billion in fiscal years 2023 through 2025, respectively.

The Financial Plan reflects, since the June 2021 Financial Plan, increases in projected net revenues of $7.02 billion, $2.87 billion, $1.12 billion and $931 million in fiscal years 2022 through 2025, respectively. Changes in projected revenues include: (i) increases in real property tax revenues of $123 million, $1.23 billion, $1.39 billion and $1.12 billion in fiscal years 2022 through 2025, respectively; (ii) increases in personal income tax revenues of $2.73 billion and $556 million in fiscal years 2022 and 2023, respectively, and decreases in personal income tax revenues of $436 million and $387 million in fiscal years 2024 and 2025, respectively; (iii) increases in business tax revenues of $1.39 billion and $2 million in fiscal years 2022 and 2023, respectively, and decreases in business tax revenues of $307 million and $186 million in fiscal years 2024 and 2025, respectively; (iv) increases in sales tax revenues of $926 million and $262 million in fiscal years 2022 and 2023, respectively, and decreases in sales tax revenues of $21 million and $78 million in fiscal years 2024 and 2025, respectively; (v) increases in real estate transaction tax revenues of $1.02 billion, $102 million, $164 million and $215 million in fiscal years 2022 through 2025, respectively; (vi) increases in hotel tax revenues of $108 million, $118 million, $100 million and $49 million in fiscal years 2022 through 2025, respectively; (vii) decreases in State School Tax Relief Program (the "STAR Program") revenues of $3 million in fiscal year 2022 and $6 million in each of fiscal years 2023 through 2025; (viii) decreases in other tax revenues of $25 million, $62 million and $85 million in fiscal years 2022, 2024, and 2025, respectively, and an increase in other tax revenues of $52 million in fiscal year 2023; and (ix) a decrease in tax audit revenue of $50 million in fiscal year 2022.

Changes in projected revenues also include (i) net increases in non-tax revenues of $55 million, $300 million, $294 million and $293 million in fiscal years 2022 through 2025, respectively; (ii) increases in unrestricted American Rescue Plan Act ("ARPA") and Federal Emergency Management Agency ("FEMA") revenues of $792 million and $252 million in fiscal years 2022 and 2023, respectively; (iii) increases in revenues included in the Program to Eliminate the Gap and the Citywide Savings Program (together, the "PEG") of $19 million, $14 million, $9 million and $9 million in fiscal years 2022 through 2025, respectively; and (iv) an increase in the reserve for disallowances against categorial grants of $60 million in fiscal year 2023.

The Financial Plan reflects the impact of a proposal from the City Council for a one-time property tax rebate of $150 per eligible property, which would cost $90 million in fiscal year 2022. The rebate has been authorized by the State, as required, but has not yet been approved through local law by the City Council.

The Financial Plan also reflects, since the June 2021 Financial Plan, increases in projected net expenditures of $903 million, $4.93 billion, $1.49 billion and $576 million in fiscal years 2022 through 2025, respectively. Changes in projected expenditures include: (i) increases in agency expenses of $1.54 billion, $5.15 billion, $3.10 billion and $2.74 billion in fiscal years 2022 through 2025, respectively; (ii) decreases in expenses included in the PEG of $1.43 billion, $1.23 billion, $1.12 billion and $1.08 billion in fiscal years 2022 through 2025, respectively; (iii) increases in labor expenses due to the elimination of previously proposed labor savings of $1.0 billion in each of fiscal years 2023 through 2025; (iv) increases to labor reserves of $300 million, $609 million, $967 million and $1.25 billion in fiscal years 2022 through 2025, respectively; (v) a decrease of $60 million in fiscal year 2022 reflecting reimbursement of expenditures with federal aid; (vi) decreases in pension contributions of $310 million, $1.06 billion, $1.96 billion, and $2.78 billion in fiscal years 2022 through 2025, respectively, primarily as a result of higher than-expected pension investment return in fiscal year 2021; (vii) a decrease in the general reserve of $280 million in fiscal year 2022 and increases in the general reserve of $555 million, $200 million and $200 million in fiscal years 2023 through 2025, respectively; (viii) a decrease of $200 million in fiscal year 2022 reflecting a re-estimate of prior years' expenses and receivables, (ix) a deposit to the Rainy Day Fund of $950 million in fiscal year 2022; (x) an increase of expenses related to certain City Council initiatives of $536 million in fiscal year 2023; and (xi) a deposit to the Retiree Health Benefits Trust of $750 million in fiscal year 2022. For more information on changes to pension assumptions, see "SECTION IX: PENSION SYSTEMS AND OPEB."

The PEG savings described above are based on four categories of initiatives designed to close the gap between expenses and revenues: (i) efficiency initiatives designed to improve the City's finances without reducing services; (ii) expense re-estimates due to a delay in spending or lower than expected costs; (iii) grant revenue re-estimates and increases in City revenues; and (iv) reductions in debt service costs of $355 million, $637 million, $703 million and $756 million in fiscal years 2022 through 2025, respectively, primarily as a result of lower interest rates and debt refinancing.

The Financial Plan reflects, since the June 2021 Financial Plan, provision of $6.11 billion for the prepayment in fiscal year 2022 of fiscal year 2023 expenses and an expenditure reduction of $6.11 billion in fiscal year 2023.

The Financial Plan assumes total federal aid of $19.14 billion, $9.28 billion, $8.68 billion, $7.96 billion and $6.97 billion in fiscal years 2022 through 2026, respectively.

The Financial Plan reflects real property tax lien sale revenue of $87 million in fiscal year 2022. The Financial Plan assumes the continued sale of real property tax liens through the lien sale program in each fiscal year, although the authorization to sell real property tax liens expired on March 1, 2022. The Financial Plan further assumes that real property tax delinquencies as a percentage of property tax levy will change from 2.0% in fiscal year 2021 to 1.6%, 1.6%, 1.6%, 1.7% and 1.7% in fiscal years 2022 through 2026, respectively. In the event that the program is not re-authorized, real property tax delinquencies could increase beyond the rates assumed in the Financial Plan. Each 1% increase in delinquencies would reduce property tax revenues by approximately $316 million in fiscal year 2022, $339 million in fiscal year 2023, $344 million in fiscal year 2024, $347 million in fiscal year 2025 and $348 million in fiscal year 2026. For further information, see "SECTION IV: SOURCES OF CITY REVENUES—Collection of the Real Estate Tax."

The Financial Plan reflects funding for annual 1.25% wage increases following the expiration of the current labor contracts covering the 2017-2021 round of collective bargaining. Each additional annual 1% wage increase will cost approximately $450 million per fiscal year beyond the amounts assumed in the Financial Plan. For further information, see "SECTION VII: FINANCIAL PLAN—Assumptions—*Expenditure Assumptions*—1. PERSONAL SERVICES COSTS."

The Financial Plan does not reflect the potential impact of litigation challenging the process by which the fiscal year 2023 budget for the Department of Education ("DOE") was adopted. The DOE budget for fiscal year 2023 included adjustments in funding compared to the fiscal year 2022 budget relating to declines in enrollment. The results of such budget adjustments resulted in some schools receiving less funding in fiscal year 2023 than they did in fiscal year 2022. On August 5, 2022, a court order was issued vacating the DOE's fiscal year 2023 budget and ordering that DOE spending levels revert back to those in the fiscal year 2022 budget, until such time that there is a budget modification approved by the City Council. The court order is stayed pending further hearings. The impact of this litigation on the City's budget is not known at this time, but could be significant. See "SECTION X: OTHER INFORMATION—Litigation—*Miscellaneous*."

The Financial Plan does not reflect the impact of an estimated 8.65% negative pension investment return in fiscal year 2022, the result of which will require increased contributions by the City of $861 million, $1.97 billion, and $3.02 billion in fiscal years 2024 through 2026. For more information on pensions, see "SECTION IX: PENSION SYSTEMS AND OPEB."

The Financial Plan also does not reflect the impact of a State requirement that the City increase its share of funding of the MTA's net paratransit operating deficit from 33% to 50%. The Financial Plan reflects $179 million in fiscal year 2022 and $175 million in each of fiscal years 2023 through 2026 to cover the City's contributions for paratransit services compared to MTA's estimates of such costs of $179 million, $278 million, $294 million, $310 million and $327 million in such fiscal years. The Financial Plan further does not reflect full funding to cover projected increases in the annual operating deficit of the MTA Bus Company, which the City is obligated to fund. The Financial Plan reflects $501 million in fiscal year 2022, $487 million in fiscal year 2023 and $478 million in each of fiscal years 2024 through 2026, compared to MTA's estimate of such costs of $569 million, $786 million, $785 million, $793 million and $804 million in fiscal years 2022 through 2026, respectively. For further information on New York City Transit, see "SECTION VII: FINANCIAL PLAN—Assumptions—*New York City Transit*."

The Financial Plan reflects an appropriation of $50 million in fiscal year 2022 to a program administrator to support the restructuring of loans to the owners of up to 4,000 taxi medallions to terms that are more affordable to the medallion owners. The $50 million appropriation in fiscal year 2022 supplements a previously paid grant from the City of $65 million for the same purpose. The funds will be used by the program administrator to cover shortfalls in amounts owed by taxi medallion owners on defaulted restructured loans to the extent such shortfall is not covered by the sale of the related medallions. In addition, the City has undertaken, subject to appropriation, to make additional funding in the future to the program administrator for this purpose. Based on the expected maximum restructured loan amount and current market conditions affecting the sale of medallions, the remaining shortfall of each defaulted loan after the sale of the associated medallion could be up to $60,000. Such amount will vary based on future market conditions.

The State Budget also mandates that adoption, foster care, and related service providers be compensated at 100% of maximum State aid rates. Such mandate reflects the requirements of a recent lawsuit. The legislation requires increased City funding for such services of up to $58.5 million in fiscal year 2023 and $117 million per fiscal year starting in fiscal year 2024, which is not reflected in the Financial Plan.

The Financial Plan does not reflect future increases in the charter school per-pupil tuition rate, which, if not offset by changes to State education aid to the City that occur each year during the State budget process, are preliminarily estimated to cost the City $278 million in fiscal year 2024, $430 million in fiscal year 2025 and $723 million in fiscal year 2026. Final figures that would determine the actual costs to the City for each fiscal year will not be finalized until the time of the State budget process applicable for such fiscal year.

The Financial Plan does not fully reflect likely future costs for pupil transportation and legally mandated tuition for special education students unilaterally placed by their families in private school settings. The City is closely monitoring these costs and while a number is not currently known, they are likely to be significant.

The Financial Plan does not reflect a potential need for additional funding for uniform services overtime costs in fiscal year 2023. The amount of such potential increase is not known at this time, but is estimated to exceed $100 million.

The Financial Plan does not reflect the potential costs from a New York State Court decision issued in July 2022 which increased the statutory rate per hour for court appointed counsel from of $75 per hour to $158 per hour. The City is considering all of its options regarding the decision. If the $158 per hour rate remains, such rate would result in increased costs to the City of approximately $100 million per year, unless offset by funding from the State.

The Financial Plan assumes that the City's direct costs (including costs of New York City Health and Hospitals ("NYCHH") and New York City Housing Authority ("NYCHA")) as a result of Superstorm Sandy ("Sandy") will largely be paid from non-City sources, primarily the federal government. In addition to such direct costs, the City is delivering Sandy-related disaster recovery assistance services, benefiting impacted communities, businesses, homeowners and renters ("Community Costs"). Although the City anticipates that funding for Community Costs will be primarily reimbursed with federal funds, the City may be responsible for up to approximately $150 million of additional Community Costs, which are not currently reflected in the Financial Plan. For further information, see "SECTION X: OTHER INFORMATION—Environmental Matters."

On January 31, 2019, NYCHA, the City and the U.S. Department of Housing and Urban Development ("HUD") entered into an agreement (the "HUD Agreement") relating to lead-based paint and other health and safety concerns in NYCHA's properties. The HUD Agreement established a framework by which NYCHA will continue to evaluate and progress towards compliance with federal requirements. Pursuant to the HUD Agreement, a federal monitor, with access to NYCHA information and personnel, has been appointed to oversee NYCHA's compliance with the terms of the agreement and federal regulations. The federal monitor has issued and will continue to issue quarterly reports on NYCHA's compliance with the HUD Agreement. Also pursuant to the HUD Agreement, the City has committed $1.7 billion in additional capital funds in the 2022-2026 Capital Commitment Plan (defined herein), with an additional $1.1 billion in City capital funds reflected in the remaining years of the Ten-Year Capital Strategy for fiscal years 2027 through 2031. NYCHA subsequently announced that it may be out of compliance with a number of federal regulations beyond the regulations concerning lead-based paint and other health and safety concerns that were the subject of the HUD Agreement and is working to assess the extent of any such noncompliance. NYCHA's 2017 Physical Needs Assessment estimated its projected capital costs at approximately $32 billion over the next five years. In January 2020, NYCHA's Chairman and Chief Executive Officer stated that such costs were $40 billion. NYCHA is in the process of recapitalizing roughly 62,000 of its units through the Permanent Affordability Commitment Together program, which leverages project-based Section 8 subsidy and partnerships with private and non-profit development partners to make repairs. As of February 2022, approximately 35,000 units are in some stage of the conversion process. In June 2022, the State enacted legislation creating the New York City Housing Preservation Trust, which will leverage federal funding to borrow money for the improvement of an additional approximately 25,000 public housing units. The New York City Housing Preservation Trust is not funded by the City and is not reflected in the Financial Plan.

State legislation provides for congestion tolling for vehicles entering a designated congestion zone in Manhattan below 60th Street, the revenues from which will be directed to the MTA for transit improvements. Details of the plan, including pricing, have yet to be determined, but it is currently expected that the start date will occur in 2023. For further information, see "SECTION VII: FINANCIAL PLAN—Assumptions—*New York City Transit*."

The New York City Advisory Commission on Property Tax Reform was established in 2018 to consider changes to the City's property taxation system, without reducing property tax revenues to the City. The commission released its report in December 2021 with recommendations which, among other things, would align the taxable value of certain properties more closely with market value. The commission's recommendations, which have not yet been acted upon, would require State legislation if they were to be implemented.

The outbreak of the monkeypox virus has been declared a "public health emergency of international concern" by the World Health Organization. A state of emergency was declared in the State on July 29, 2022 and in the City on August 1, 2022, and the United States declared monkeypox to be a public health emergency on August 4, 2022. The potential impact on the City and the Financial Plan cannot be predicted at this time.

From time to time, the City Comptroller, the Control Board staff, the Office of the State Deputy Comptroller for the City of New York ("OSDC"), the Independent Budget Office ("IBO") and others issue reports and make public statements regarding the City's financial condition, commenting on, among other matters, the City's financial plans, projected revenues and expenditures and actions by the City to eliminate projected operating deficits. It is reasonable to expect that reports and statements will continue to be issued and may contain different perspectives on the City's budget and economy and may engender public comment. For information on reports issued on the April Financial Plan and to be issued on the Financial Plan by the City Comptroller and others reviewing, commenting on and identifying various risks therein, see "SECTION VII: FINANCIAL PLAN—Certain Reports."

COVID-19

The City has been severely affected by the coronavirus disease, referred to herein as "COVID-19." A state of emergency remains in effect for both the City and the State. The City's state of emergency was extended through August 25, 2022; the State's was extended through September 12, 2022. Each declaration has been extended approximately monthly during the pandemic and may be extended beyond the current expiration dates. During periods of the COVID-19 pandemic, many businesses in the City were ordered to close, public schools moved to remote learning, limitations were imposed on large gatherings, and certain vaccination requirements and mask mandates were put in place.

The reduction in business activity, travel and tourism resulting from the pandemic had a severe impact on the City's retail, cultural, hospitality and entertainment sectors. Hotel occupancy declined drastically, as did arrivals to City airports. As a result of the COVID-19 pandemic, unemployment rates throughout the City increased substantially and currently remain above pre-pandemic levels. To date, the City has recovered approximately 79% of jobs lost during the pandemic. See "APPENDIX A—ECONOMIC AND DEMOGRAPHIC INFORMATION—Unemployment." Certain real estate sectors have sustained losses as a result of the business distress caused by COVID-19. Higher unemployment as well as increased numbers of employees working from home due to the pandemic have stressed the City's office market. The pandemic has also reduced income for retail stores and hotels. Property tax revenues declined during the pandemic and are projected to remain approximately flat for fiscal years 2024 through 2026. Uncertainties remain for commercial office markets as future demand may depend on decisions of major office tenants regarding density, remote work and relocation of operations out of the City. The pandemic has also resulted in a decline in the City's estimated population. The United States Census Bureau estimates the City's population to be 8,467,513 as of July 2021, which shows a decline of 336,677 City residents as compared to the 2020 Census.

Cases, hospitalizations and death rates in the City have fluctuated since the beginning of the pandemic. As of August 8, 2022, a total of 7,362,655 or approximately 88% of City residents have received at least one dose of one of the three U.S. Food and Drug Administration approved vaccines and 6,601,941 or approximately 79% of City residents have completed the primary series of vaccinations (a two-dose series of the Moderna or Pfizer vaccine, or a single-dose of the Johnson & Johnson vaccine). As of August 8, 2022, a total of 3,300,443 additional doses have been administered in the City beyond the primary series. All data on City vaccinations referenced above are from the City Department of Health and Mental Hygiene which makes its vaccination rate calculations using City population estimates from the United States Census Bureau as of July 2019.

The future course of the pandemic is uncertain and will be determined by many factors, including vaccination rates, the effectiveness of vaccines in preventing infections, hospitalizations and deaths, adherence to public health mitigation measures (including masks and social distancing) and the emergence of new virus variants. There can be no assurance that the City will not experience future surges or that rates of cases, hospitalizations and deaths will not increase significantly in the future. There can be no assurances as to what further impacts the pandemic may have on the City's population and economy or that new pandemic-related restrictions will not be imposed in the future. The ultimate impact of the COVID-19 pandemic on the City's economy and the amount and timing of collections of City revenues cannot be determined at this time. Additional changes in employment and earnings subject to personal income tax, as well as reductions in economic activity subject to sales tax, may occur, including, but not limited to, reductions in personal income tax due to changes in residency status resulting from remote work outside the city and other employment-related changes. No assurance can be provided that the COVID-19 pandemic and resulting economic disruption will not result in revenues to the City that are lower than projected herein.

The State

The State ended its 2022 fiscal year with a balance of $33.1 billion in its general fund (the "General Fund"), an increase of $23.9 billion from fiscal year 2021. The State Legislature completed action on the approximately $220 billion State Budget in April 2022. The State Budget provides for balanced operations on a cash basis in the State's general fund ("General Fund"), as required by law. The State released its Annual Information Statement, which reflects the State Budget and the State's financial plan for fiscal years 2023-2027 (the "State Financial Plan"), on June 29, 2022 (the "Annual Information Statement"). In July 2022, the State released the First Quarterly Update to the State Financial Plan (the "First Quarterly Update"), and plans to reflect the First Quarterly Update in its next update to the Annual Information Statement.

In the First Quarterly Update, the State projects a balanced budget, on a cash basis, in fiscal year 2023, and General Fund gaps of $310 million, $3.6 billion, $3.5 billion and $6.2 billion in fiscal years 2024 through 2027, respectively. The State's projections for fiscal year 2023 and thereafter reflect an assumption that the Governor will continue to propose, and the State Legislature will continue to enact, balanced budgets in future years that limit annual growth in State operating funds to no greater than 2%.

The Annual Information Statement and the First Quarterly Update reflect assumptions at their times of publication concerning the financial impact of the COVID-19 pandemic. The Annual Information Statement and the First Quarterly Update state that State revenue sources, including personal income, consumption, and business tax collections, may be adversely affected by the long-term impact of COVID-19 on a range of activities and behaviors, including commuting patterns, remote working and education, business activity, social gatherings, tourism, public transportation and aviation, and it is not possible to assess or forecast the effects of such changes, if any, at the respective times of publication.

The Annual Information Statement and the First Quarterly Update identify a number of additional risks inherent in the implementation of the State Financial Plan. Such risks include, but are not limited to, the condition of the national and State economies, and the collection of economically sensitive tax receipts in the amounts projected; national and international events; inflation; consumer confidence; commodity prices; supply chain disruptions; major terrorist events; hostilities or war; climate change and extreme weather events; severe epidemic or pandemic events; cybersecurity threats; federal funding laws and regulations; financial sector compensation; monetary policy affecting interest rates and the financial markets; credit rating agency actions; the impact of financial and real estate market developments on bonus income and capital gains realizations; technology industry developments and employment; the effect of household debt on consumer spending and State tax collections; the outcome of litigation and other claims affecting the State; wage and benefit increases for State employees that exceed projected annual costs; changes in the size of the State's workforce; the realization of the projected rate of return for pension fund assets and current assumptions with respect to wages for State employees affecting the State's required pension fund contributions; the willingness and ability of the federal government to provide the aid projected in the State Financial Plan; the ability of the State to implement cost reduction initiatives, including reduction in State agency operations, and the success with which the State controls expenditures; unanticipated growth in Medicaid program costs; and the ability of the State and public authorities to issue securities successfully in the public credit markets.

SECTION II: THE BONDS

General

The Bonds will be general obligations of the City issued pursuant to the Constitution and laws of the State, including the Local Finance Law (the "LFL"), and the City Charter and in accordance with bond resolutions of the Mayor and a certificate of the Deputy Comptroller for Public Finance (with related proceedings, the "Certificate"). The Bonds will mature and bear interest as described on the cover and inside cover page of this Official Statement. Interest on the Bonds, calculated on the basis of a 360-day year of 30-day months, will be payable to the registered owners thereof as shown on the registration books of the City on the Record Date, the fifteenth day of the calendar month immediately preceding the applicable interest payment date.

The State Constitution requires that the City pledge its faith and credit to the payment of its bonds and notes. All real property subject to taxation by the City will be subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, to pay the principal of and interest on the Bonds. The City is not permitted by the State Constitution to issue revenue bonds.

Payment Mechanism

Pursuant to the Financial Emergency Act, a general debt service fund (the "General Debt Service Fund" or the "Fund") has been established for City bonds and certain City notes. Pursuant to the Act, payments of the City real estate tax must be deposited upon receipt in the Fund, and retained under a statutory formula, for the payment of debt service (with exceptions for debt service, such as principal of seasonal borrowings, that is set aside under other procedures). The statutory formula has in recent years resulted in retention of sufficient real estate taxes to comply with the City Covenants (as defined in "—Certain Covenants and Agreements"). If the statutory formula does not result in retention of sufficient real estate taxes to comply with the City Covenants, the City will comply with the City Covenants either by providing for early retention of real estate taxes or by making cash payments into the Fund. The principal of and interest on the Bonds will be paid from the Fund until the Act terminates, and thereafter from a separate fund maintained in accordance with the City Covenants. Since its inception in 1978, the Fund has been fully funded at the beginning of each payment period.

If the Control Board determines that retentions in the Fund are likely to be insufficient to provide for the debt service payable therefrom, it must require that additional real estate tax revenues be retained or other cash resources of the City be paid into the Fund. In addition, the Control Board is required to take such action as it determines to be necessary so that the money in the Fund is adequate to meet debt service requirements. For information regarding the termination date of the Act, see "SECTION III: GOVERNMENT AND FINANCIAL CONTROLS—City Financial Management, Budgeting and Controls—*Financial Emergency Act and City Charter*."

Enforceability of City Obligations

As required by the State Constitution and applicable law, the City pledges its faith and credit for the payment of the principal of and interest on all City indebtedness. Holders of City debt obligations have a contractual right to full payment of principal and interest when due. If the City fails to pay principal or interest, the holder has the right to sue and is entitled to the full amount due, including interest to maturity at the stated rate and at the rate authorized by law thereafter until payment. Under the New York General Municipal Law, if the City fails to pay any money judgment, it is the duty of the City to assess, levy and cause to be collected amounts sufficient to pay the judgment. Decisions indicate that judicial enforcement of statutes such as this provision in the New York General Municipal Law is within the discretion of a court. Other judicial decisions also indicate that a money judgment against a municipality may not be enforceable against municipal property devoted to public use.

The rights of the owners of Bonds to receive interest, principal and applicable redemption premium, if any, from the City could be adversely affected by a restructuring of the City's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of City securities (including the Bonds) to payment from money retained in the Fund or from other sources would be recognized if a petition were filed by or on behalf of the City under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights;

such money might then be available for the payment of all City creditors generally. Judicial enforcement of the City's obligation to make payments into the Fund, of the obligation to retain money in the Fund, of the rights of holders of bonds and notes of the City to money in the Fund, of the obligations of the City under the City Covenants and of the State under the State Pledge and Agreement (in each case, as defined in "—Certain Covenants and Agreements") may be within the discretion of a court. For further information concerning rights of owners of Bonds against the City, see "SECTION VIII: INDEBTEDNESS—Indebtedness of the City and Certain Other Entities."

Certain Covenants and Agreements

The City will covenant that: (i) a separate fund or funds for the purpose of paying principal of and interest on bonds and interest on notes of the City (including required payments into, but not from, City sinking funds) shall be maintained by an officer or agency of the State or by a bank or trust company; and (ii) not later than the last day of each month, there shall be on deposit in a separate fund or funds an amount sufficient to pay principal of and interest on bonds and interest on notes of the City due and payable in the next succeeding month. The City currently uses the debt service payment mechanism described above to perform these covenants. The City will further covenant in the Bonds to provide a general reserve for each fiscal year to cover potential reductions in its projected revenues or increases in its projected expenditures during each such fiscal year, to comply with the financial reporting requirements of the Act, as in effect from time to time, and to limit its issuance of bond anticipation notes and tax anticipation notes as required by the Act, as in effect from time to time, and to include as terms of the Bonds the applicable multi-modal provisions and to comply with such provisions and with the statutory restrictions on multi-modal rate bonds in effect from time to time.

The State pledges and agrees in the Financial Emergency Act that the State will not take any action that will impair the power of the City to comply with the covenants described in the preceding paragraph (the "City Covenants") or any right or remedy of any owner of the Bonds to enforce the City Covenants (the "State Pledge and Agreement"). The City will covenant to make continuing disclosure with respect to the Bonds (the "Undertaking") to the extent summarized in "SECTION X: OTHER INFORMATION—Continuing Disclosure Undertaking." In the opinion of Co-Bond Counsel, the enforceability of the City Covenants, the Undertaking and the State Pledge and Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of the State's police powers and of judicial discretion in appropriate cases. The City Covenants, the Undertaking and the State Pledge and Agreement shall be of no force and effect with respect to any Bond if there is a deposit in trust with a bank or trust company of sufficient cash or equivalents to pay when due all principal of, applicable redemption premium, if any, and interest on such Bond.

Use of Proceeds

The proceeds of the Bonds will be used for capital purposes and for the payment of certain costs of issuance.

Mandatory Sinking Fund Redemption of Subseries A-1 Bonds

The Subseries A-1 Bonds maturing on September 1, 2046 are subject to mandatory redemption prior to maturity in part, by lot, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, on September 1 in the years and in the respective principal amounts, as follows.

Bonds Maturing September 1, 2046

Year	Amount
2044	$72,705,000
2045	75,610,000
2046[(1)]	27,555,000

(1) Stated maturity.

The City may from time to time purchase Subseries A-1 Bonds subject to sinking fund installments and apply such Subseries A-1 Bonds so purchased as a credit, at 100% of the principal amount thereof, against and in fulfillment of succeeding sinking fund installments as the City may direct. To the extent that the City's obligation to make sinking fund installments in a particular year is fulfilled through such purchases, the likelihood of redemption through mandatory sinking fund installments of Subseries A-1 Bonds will be reduced for such year.

Optional Par Redemption and Mandatory Tender of Subseries A-1 Bonds

The Subseries A-1 Bonds maturing after September 1, 2032 are subject to redemption or mandatory tender, at the option of the City, in whole or in part, on any date (the "Call Date") on or after September 1, 2032 upon 30 days' notice, at a price of 100% of their principal amount plus accrued interest to the Call Date.

Any Subseries A-1 Bonds that are escrowed to maturity will remain subject to optional redemption or mandatory tender by the City.

Make-Whole Optional Redemption and Mandatory Tender of Subseries A-2 Bonds

Make-Whole Optional Redemption and Mandatory Tender. The Subseries A-2 Bonds are subject to redemption or mandatory tender at the option of the City, in whole or in part, on any date, at a redemption price equal to the greater of:

(a) the issue price set forth on the inside cover page hereof (but not less than 100%) of the principal amount of such Subseries A-2 Bonds to be redeemed or tendered; or

(b) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Subseries A-2 Bonds to be redeemed or tendered, not including any portion of those payments of interest accrued and unpaid as of the date on which such Subseries A-2 Bonds are to be redeemed or tendered, discounted to the date on which such Subseries A-2 Bonds are to be redeemed or tendered on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus 25 basis points;

plus in each case accrued interest to the redemption or tender date.

"Treasury Rate" means, with respect to any redemption or tender date for a particular Subseries A-2 Bond, the yield to maturity as of such redemption or tender date of United States Treasury securities with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days, but not more than 60 calendar days, prior to the redemption or tender date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption or tender date to the maturity date of the Subseries A-2 Bond to be redeemed or tendered.

Any Subseries A-2 Bonds that are escrowed to maturity will remain subject to optional redemption or mandatory tender by the City.

Tender of Multi-Modal Bonds in the Fixed Rate Mode

The Bonds are being issued as multi-modal bonds in the Fixed Rate Mode. The City may cause a mandatory tender of the Bonds at the applicable optional redemption price on any date such Bonds are subject to optional redemption by giving 30 days' written notice to the Holders, subject to the City's providing a source of payment therefor in accordance with law. If notice of mandatory tender has been given and funds prove insufficient, the Bonds not purchased shall continue in the Fixed Rate Mode, without change in interest rate, maturity date or other terms. Other modes to which the Bonds may be converted following a mandatory tender are not described in this Official Statement.

Notice of Redemption or Tender; Selection of Bonds to be Redeemed or Tendered

On or after any redemption date or successful tender date, interest will cease to accrue on the Bonds called for redemption or successfully tendered.

The particular series and subseries, if applicable, maturities, amounts and interest rates of the Bonds to be redeemed or called for mandatory tender at the option of the City will be determined by the City in its sole discretion.

Notice of redemption or tender will be given by mail to the Holders of the Bonds to be redeemed or tendered not less than 30 days prior to the date set for redemption or tender. Failure by a particular Holder to receive notice, or any defect in the notice to such Holder, will not affect the redemption or purchase of any other Bond.

If less than all of the Bonds of a series and maturity, amount and interest rate are called for prior redemption or tender, such Bonds will be selected for redemption or tender, in accordance with DTC procedures, by lot.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, acts as securities depository for the Bonds. Reference to the Bonds under this caption "Book-Entry Only System" shall mean all Bonds held through DTC. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds of a series or subseries, each in the aggregate principal amount of such maturity, and will be deposited with DTC. Purchasers may own beneficial interests in the Bonds through DTC, Clearstream Banking, S.A. ("Clearstream") or Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear").

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (under this caption, "Book-Entry Only System," a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial

Owners. The Direct Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an omnibus proxy (the "Omnibus Proxy") to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption notices will be sent to DTC. If less than all of the Bonds within a series, subseries, maturity or interest rate are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series, subseries, maturity or interest rate to be redeemed.

Payment of redemption proceeds and principal and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or its Fiscal Agent, The Bank of New York Mellon, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Fiscal Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Fiscal Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

The services of DTC as securities depository with respect to the Bonds of a series or subseries may be discontinued at any time by giving reasonable notice to the City or the Fiscal Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates of such series or subseries will be printed and delivered.

No assurance can be given by the City that DTC will make prompt transfer of payments to the Participants or that Participants will make prompt transfer of payments to Beneficial Owners. The City is not responsible or liable for payment by DTC or Participants or for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or Participants.

For every transfer and exchange of the Bonds, the Beneficial Owners may be charged a sum sufficient to cover any tax, fee or other charge that may be imposed in relation thereto.

Unless otherwise noted, certain of the information contained under this caption "Book-Entry Only System" has been extracted from information furnished by DTC. Neither the City nor the Underwriters make any representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

Global Clearance Procedures

Euroclear and Clearstream. Euroclear and Clearstream have advised the City as follows:

Euroclear and Clearstream each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system, either directly or indirectly.

Clearing and Settlement Procedures. The Bonds sold in offshore transactions will be initially issued to investors through the book-entry facilities of DTC, or Clearstream and Euroclear in Europe if the investors are participants in those systems, or indirectly through organizations that are participants in the systems. For any of such Bonds, the record holder will be DTC's nominee. Clearstream and Euroclear will hold omnibus positions on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositories.

The depositories, in turn, will hold positions in customers' securities accounts in the depositories' names on the books of DTC. Because of time zone differences, the securities account of a Clearstream or Euroclear participant as a result of a transaction with a participant, other than a depository holding on behalf of Clearstream or Euroclear, will be credited during the securities settlement processing day, which must be a business day for Clearstream or Euroclear, as the case may be, immediately following the DTC settlement date. These credits or any transactions in the securities settled during the processing will be reported to the relevant Euroclear participant or Clearstream participant on that business day. Cash received in Clearstream or Euroclear as a result of sales of securities by or through a Clearstream participant or Euroclear participant to a DTC Participant, other than the depository for Clearstream or Euroclear, will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Transfers between participants will occur in accordance with DTC rules. Transfers between Clearstream participants or Euroclear participants will occur in accordance with their respective rules and operating procedures. Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream participants or Euroclear participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by the relevant depositories; however, cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in the system in accordance with its rules and procedures and within its established deadlines in European time. The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its depository to take action to effect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in accordance with normal procedures for same day funds settlement applicable to DTC. Clearstream participants or Euroclear participants may not deliver instructions directly to the depositories.

The City will not impose any fees in respect of holding the Bonds; however, holders of book-entry interests in the Bonds may incur fees normally payable in respect of the maintenance and operation of accounts in the DTC, Euroclear and Clearstream.

Initial Settlement. Interests in the Bonds will be in uncertified book-entry form. Purchasers electing to hold book-entry interests in the Bonds through Euroclear and Clearstream accounts will follow the settlement procedures applicable to conventional Eurobonds. Book-entry interests in the Bonds will be credited to Euroclear and Clearstream participants' securities clearance accounts on the business day following the date of delivery of the Bonds against payment (value as on the date of delivery of the Bonds). DTC participants acting on behalf of purchasers electing to hold book-entry interests in the Bonds through DTC will follow the delivery practices applicable to securities eligible for DTC's Same Day Funds Settlement system. DTC participants' securities accounts will be credited with book-entry interests in the Bonds following confirmation of receipt of payment to the City on the date of delivery of the Bonds.

Secondary Market Trading. Secondary market trades in the Bonds will be settled by transfer of title to book- entry interests in Euroclear, Clearstream or DTC, as the case may be. Title to such book-entry interests will pass by registration of the transfer within the records of Euroclear, Clearstream or DTC, as the case may be, in accordance with their respective procedures. Book-entry interests in the Bonds may be transferred within Euroclear and within Clearstream and between Euroclear and Clearstream in accordance with procedures established for these purposes by Euroclear and Clearstream. Book-entry interests in the Bonds may be transferred within DTC in accordance with procedures established for this purpose by DTC. Transfer of book- entry interests in the Bonds between Euroclear or Clearstream and DTC may be effected in accordance with procedures established for this purpose by Euroclear, Clearstream and DTC.

Special Timing Considerations. Investors should be aware that investors will only be able to make and receive deliveries, payments and other communications involving the Bonds through Euroclear or Clearstream on days when those systems are open for business. In addition, because of time-zone differences, there may be complications with completing transactions involving Clearstream and/or Euroclear on the same business day as in the United States. U.S. investors who wish to transfer their interests in the Bonds, or to receive or make a payment or delivery of Bonds, on a particular day, may find that the transactions will not be performed until the next business day in Luxembourg if Clearstream is used, or Brussels if Euroclear is used.

General. Neither Euroclear or Clearstream is under any obligation to perform or continue to perform the procedures referred to above, and such procedures may be discontinued at any time.

Neither the City nor any of its agents will have any responsibility for the performance by Euroclear or Clearstream or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their operations or the arrangements referred to above.

The information in this subsection concerning DTC, Euroclear and Clearstream has been obtained from sources that the City, the Underwriters and the Original Purchaser believe to be reliable, but none of the City, the Underwriters or the Original Purchaser take any responsibility for the accuracy thereof or make any representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

SECTION III: GOVERNMENT AND FINANCIAL CONTROLS

Structure of City Government

The City of New York is divided into five counties, which correspond to its five boroughs. The City, however, is the only unit of local government within its territorial jurisdiction with authority to levy and collect taxes, and is the unit of local government primarily responsible for service delivery. Responsibility for governing the City is currently vested by the City Charter in the Mayor, the City Comptroller, the City Council, the Public Advocate and the Borough Presidents.

— *The Mayor*. Eric Adams, the Mayor of the City, took office on January 1, 2022. The Mayor is elected in a general election for a four-year term and is the chief executive officer of the City. The Mayor has the power to appoint the commissioners of the City's various departments. The Mayor is responsible for preparing and administering the City's annual Expense and Capital Budgets (as defined below) and financial plan. The Mayor has the power to veto local laws enacted by the City Council, but such a veto may be overridden by a two-thirds vote of the City Council. The Mayor has powers and responsibilities relating to land use and City contracts and all residual powers of the City government not otherwise delegated by law to some other public official or body. The Mayor is also a member of the Control Board.

— *The City Comptroller*. Brad Lander, the Comptroller of the City, took office on January 1, 2022. The City Comptroller is elected in a general election for a four-year term and is the chief fiscal officer of the City. The City Comptroller has extensive investigative and audit powers and responsibilities which include keeping the financial books and records of the City. The City Comptroller's audit responsibilities include a program of performance audits of City agencies in connection with the City's management, planning and control of operations. In addition, the City Comptroller is required to evaluate the Mayor's budget, including the assumptions and methodology used in the budget. The Office of the City Comptroller is responsible under the City Charter and pursuant to State law and City investment guidelines for managing and investing City funds for operating and capital purposes. The City Comptroller is also a member of the Control Board and is a trustee, the custodian and the delegated investment advisor of the City's five pension systems.

— *The City Council*. The City Council is the legislative body of the City and consists of the Public Advocate and 51 members elected for four-year terms who represent various geographic districts of the City. Under the City Charter, the City Council must annually adopt a resolution fixing the amount of the real estate tax and adopt the City's annual Expense Budget and Capital Budget. The City Council does not, however, have the power to enact local laws imposing other taxes, unless such taxes have been authorized by State legislation. The City Council has powers and responsibilities relating to franchises and land use and as provided by State law.

— *The Public Advocate*. Jumaane Williams was elected as Public Advocate in a special election and took office in March 2019 to hold office until December 31, 2019. Through a second special election held in November 2019, Mr. Williams was elected to complete the remainder of a four year term which began on January 1, 2018. Mr. Williams was elected to a second term commencing on January 1, 2022. The Public Advocate is elected in a general election for a four-year term. The Public Advocate is first in the line of succession to the Mayor in the event of the disability of the Mayor or a vacancy in the office, pending an election to fill the vacancy. The Public Advocate appoints a member of the City Planning Commission and has various responsibilities relating to, among other things, monitoring the activities of City agencies, the investigation and resolution of certain complaints made by members of the public concerning City agencies and ensuring appropriate public access to government information and meetings.

— *The Borough Presidents*. Each of the City's five boroughs elects a Borough President who serves for a four-year term concurrent with other City elected officials. The Borough Presidents consult with the Mayor in the preparation of the City's annual Expense Budget and Capital Budget. Five percent of discretionary increases proposed by the Mayor in the Expense Budget and, with certain exceptions, five percent of the appropriations supported by funds over which the City has substantial discretion proposed by the Mayor in the Capital Budget, must be based on appropriations proposed by the Borough Presidents. Each Borough President also appoints one member to the Panel for Educational Policy (as described below) and has various responsibilities relating to, among other things, reviewing and making recommendations regarding applications for the use, development or improvement of land located within the borough, monitoring and making recommendations regarding the performance of contracts providing for the delivery of services in the borough and overseeing the coordination of a borough-wide public service complaint program.

On November 2, 2010, the City Charter was amended to provide that no person shall be eligible to be elected to or serve in the office of Mayor, Public Advocate, City Comptroller, Borough President or Council member if that person has previously held such office for two or more consecutive full terms, unless one full term or more has elapsed since that person last held such office. Such term limit applies only to officials first elected to office on or after November 2, 2010.

City Financial Management, Budgeting and Controls

The Mayor is responsible under the City Charter for preparing the City's annual expense and capital budgets (as adopted, the "Expense Budget" and the "Capital Budget," respectively, and collectively, the "Budgets") and for submitting the Budgets to the City Council for its review and adoption. The Expense Budget covers the City's annual operating expenditures for municipal services, while the Capital Budget covers expenditures for capital projects, as defined in the City Charter. Operations under the Expense Budget must reflect the aggregate expenditure limitations contained in financial plans.

The City Council is responsible for adopting the Expense Budget and the Capital Budget. Pursuant to the City Charter, the City Council may increase, decrease, add or omit specific units of appropriation in the Budgets submitted by the Mayor and add, omit or change any terms or conditions related to such appropriations. The City Council is also responsible, pursuant to the City Charter, for approving modifications to the Expense Budget and adopting amendments to the Capital Budget beyond certain latitudes allowed to the Mayor under the City Charter. However, the Mayor has the power to veto any increase or addition to the Budgets or any change in any term or condition of the Budgets approved by the City Council, which veto is subject to an override by a two-thirds vote of the City Council, and the Mayor has the power to implement expenditure reductions subsequent to adoption of the Expense Budget in order to maintain a balanced budget. In addition, the Mayor has the power to determine the non-property tax revenue forecast on which the City Council must rely in setting the property tax rates for adopting a balanced City budget.

Office of Management and Budget

The City's Office of Management and Budget ("OMB"), with a staff of approximately 400, is the Mayor's primary advisory group on fiscal issues and is also responsible for the preparation, monitoring and control of the City's Budgets and four-year financial plans which encompass the City's revenue, expenditure, cash flow and capital projections. In addition, OMB is responsible for the preparation of a Ten-Year Capital Strategy.

State law and the City Charter require the City to maintain its Expense Budget balanced when reported in accordance with GAAP with the exception of GASB 49 and without regard to changes in certain fund balances pursuant to GML Section 25. All Covered Organizations (as defined below) are also required to maintain budgets that are balanced when reported in accordance with GAAP. From time to time certain Covered Organizations have had budgets providing for operations on a cash basis but not balanced under GAAP.

To assist in achieving the goals of the financial plan and budget, the City reviews its financial plan periodically and, if necessary, prepares modifications to incorporate actual results and revisions to projections and assumptions to reflect current information. The City's revenue projections are continually reviewed and periodically updated with the benefit of discussions with a panel of private economists analyzing the effects of changes in economic indicators on City revenues and information from various economic forecasting services.

Office of the Comptroller

The City Comptroller is the City's chief fiscal officer and is responsible under the City Charter for reviewing and commenting on the City's Budgets and financial plans, including the assumptions and methodologies used in their preparation. The City Comptroller, as an independently elected public official, is required to report annually to the

City Council on the state of the City's economy and finances and periodically to the Mayor and the City Council on the financial condition of the City and to make recommendations, comments and criticisms on the operations, fiscal policies and financial transactions of the City. Such reports, among other things, have differed with certain of the economic, revenue and expenditure assumptions and projections in the City's financial plans and Budgets. See "SECTION VII: FINANCIAL PLAN—Certain Reports."

The Office of the City Comptroller establishes the City's accounting and financial reporting practices and internal control procedures. The City Comptroller is also responsible for the preparation of the City's annual financial statements, which, since 1978, have been required to be reported in accordance with GAAP.

The Annual Comprehensive Financial Report of the Comptroller (the "Annual Report") for the 2021 fiscal year, which includes, among other things, the City's financial statements for the 2021 and 2020 fiscal years, was issued on October 29, 2021. The Annual Report for the 2021 fiscal year received the Government Finance Officers Association award of the Certificate of Achievement for Excellence in Financial Reporting, the forty-second consecutive year the Annual Report has won such award.

All contracts for goods and services requiring the expenditure of City monies must be registered with the City Comptroller. No contract can be registered unless funds for its payment have been appropriated by the City Council or otherwise authorized. The City Comptroller also prepares vouchers for payments for such goods and services and cannot prepare a voucher unless funds are available in the Budgets for its payment.

The City Comptroller is also required by the City Charter to audit all City agencies and has the power to audit all City contracts. The Office of the Comptroller conducts both financial and management audits and has the power to investigate corruption in connection with City contracts or contractors.

The Mayor and City Comptroller are responsible for the issuance of City indebtedness. The City Comptroller oversees the payment of such indebtedness and is responsible for the custody of certain currently inactive sinking funds.

Financial Reporting and Control Systems

Since 1978, the City's financial statements have been required to be audited by independent certified public accountants and to be presented in accordance with GAAP. The City has completed forty-one consecutive fiscal years with a General Fund surplus when reported in accordance with then applicable GAAP, except with regard to the application of GASB 49 and without regard to changes in certain fund balances pursuant to GML Section 25 as described herein.

Both OMB and the Office of the Comptroller utilize a financial management system which provides comprehensive current and historical information regarding the City's financial condition. This information, which is independently evaluated by each office, provides a basis for City action required to maintain a balanced budget and continued financial stability.

The City's operating results and forecasts are analyzed, reviewed and reported on by each of OMB and the Office of the Comptroller as part of the City's overall system of internal control. Internal control systems are reviewed regularly, and the City Comptroller requires an annual report on internal control and accountability from each agency. Comprehensive service level and productivity targets are formulated and monitored for each agency by the Mayor's Office of Operations and reported publicly in a semiannual management report.

The City has developed and utilizes a cash forecasting system which forecasts its daily cash balances. This enables the City to predict its short-term borrowing needs and maximize its return on the investment of available cash balances. Monthly statements of operating revenues and expenditures, capital revenues and expenditures and cash flow are reported after each month's end, and major variances from the financial plan are identified and explained.

City funds held for operating and capital purposes are managed by the Office of the City Comptroller, with specific guidelines as to investment vehicles. The City invests primarily in obligations of the United States

Government, its agencies and instrumentalities, high grade commercial paper and repurchase agreements with primary dealers. The repurchase agreements are collateralized by United States Government treasuries, agencies and instrumentalities, held by the City's custodian bank and marked to market daily.

More than 97% of the aggregate assets of the City's five defined benefit pension systems are managed by outside managers, supervised by the Office of the City Comptroller, and the remainder is held in cash or managed by the City Comptroller. Allocations of investment assets are determined by each fund's board of trustees. As of June 30, 2022, aggregate pension assets were allocated approximately as follows: 27% U.S. equity; 27% fixed income; 16% international equity; 10% private equity; 9% alternative credit; 7% private real estate; 2% infrastructure investments; 1% hedge funds; and 1% cash (percentages may not add to 100% due to rounding).

Financial Emergency Act and City Charter

The Financial Emergency Act requires that the City submit to the Control Board, at least 50 days prior to the beginning of each fiscal year (or on such other date as the Control Board may approve), a financial plan for the City and certain State governmental agencies, public authorities or public benefit corporations which receive or may receive monies from the City directly, indirectly or contingently (the "Covered Organizations") covering the four-year period beginning with such fiscal year. The New York City Transit Authority and the Manhattan and Bronx Surface Transit Operating Authority (collectively, "New York City Transit" or "NYCT" or "Transit Authority"), NYCHH and NYCHA are examples of Covered Organizations. The Act requires that the City's four-year financial plans conform to a number of standards. Subject to certain conditions, the Financial Emergency Act and the City Charter require the City to prepare and balance its budget covering all expenditures other than capital items so that the results of such budget will not show a deficit when reported in accordance with GAAP. Provision must be made, among other things, for the payment in full of the debt service on all City securities. The budget and operations of the City and the Covered Organizations must be in conformance with the financial plan then in effect.

From 1975 to June 30, 1986, the City was subject to a Control Period, as defined in the Act, which was terminated upon the satisfaction of the statutory conditions for termination, including the termination of all federal guarantees of obligations of the City, a determination by the Control Board that the City had maintained a balanced budget in accordance with GAAP for each of the three immediately preceding fiscal years and a certification by the State and City Comptrollers that sales of securities by or for the benefit of the City satisfied its capital and seasonal financing requirements in the public credit markets and were expected to satisfy such requirements in the 1987 fiscal year. With the termination of the Control Period, certain Control Board powers were suspended including, among others, its power to approve or disapprove certain contracts (including collective bargaining agreements), long-term and short-term borrowings, and the four-year financial plan and modifications thereto of the City and the Covered Organizations. Pursuant to the Act and the City Charter, the City is required to develop a four-year financial plan each year and to modify the plan as changing circumstances require. Under current law, prior to July 1, 2008, the Control Board was required to reimpose a Control Period upon the occurrence or substantial likelihood and imminence of the occurrence of any one of certain events specified in the Act. These events were (i) failure by the City to pay principal of or interest on any of its notes or bonds when due or payable, (ii) the existence of a City operating deficit of more than $100 million, (iii) issuance by the City of notes in violation of certain restrictions on short-term borrowing imposed by the Act, (iv) any violation by the City of any provision of the Act which substantially impaired the ability of the City to pay principal of or interest on its bonds or notes when due and payable or its ability to adopt or adhere to an operating budget balanced in accordance with the Act, or (v) joint certification by the State and City Comptrollers that they could not at that time make a joint certification that sales of securities in the public credit market by or for the benefit of the City during the immediately preceding fiscal year and the current fiscal year satisfied its capital and seasonal financing requirements during such period and that there was a substantial likelihood that such securities could be sold in the general public market from the date of the joint certification through the end of the next succeeding fiscal year in amounts that would satisfy substantially all of the capital and seasonal financing requirements of the City during such period in accordance with the financial plan then in effect.

In 2003, the State Legislature amended the Act to change its termination date from the *earlier* of July 1, 2008 or the date on which certain bonds are discharged to the *later* of July 1, 2008 or the date on which such bonds are discharged. The bonds referred to in the amended section of the Act are all bonds containing the State pledge and agreement authorized under section 5415 of the Act (the "State Covenant").

The State Covenant is authorized to be included in bonds of the City. Since the 2003 enactment of this amendment to the Act, the City has not issued bonds containing the State Covenant. However, many City bonds issued prior to the amendment do contain the State Covenant. Because the City has issued such bonds with maturities as long as 40 years, the effect of the amendment was to postpone termination of the Act from July 1, 2008 to 2037 (or earlier if all City bonds containing the State Covenant are discharged). The State Legislature could, without violation of the State Covenant contained in the City's outstanding bonds, enact legislation that would terminate the Control Board and the Act because, at the time of issuance of those bonds, the latest termination date of the Act was July 1, 2008.

While the State Legislature amended the Act to extend the termination date of the Control Board, the power to impose or continue a Control Period terminated July 1, 2008. The power to impose or continue a Control Period is covered by a section of the Act that provides that no Control Period shall continue beyond July 1, 2008. The State Legislature did not amend this provision. Therefore, under current law, although the Act continues in effect, no Control Period may be imposed.

Financial Review and Oversight

The Control Board, with the OSDC, reviews and monitors revenues and expenditures of the City and the Covered Organizations. In addition, the IBO has been established pursuant to the City Charter to provide analysis to elected officials and the public on relevant fiscal and budgetary issues affecting the City.

The Control Board is required to: (i) review the four-year financial plan of the City and of the Covered Organizations and modifications thereto; (ii) review the operations of the City and the Covered Organizations, including their compliance with the financial plan; and (iii) review certain contracts, including collective bargaining agreements, of the City and the Covered Organizations. The requirement to submit four-year financial plans and budgets for review was in response to the severe financial difficulties and loss of access to the credit markets encountered by the City in 1975. The Control Board must reexamine the financial plan on at least a quarterly basis to determine its conformance to statutory standards.

The *ex officio* members of the Control Board are the Governor of the State of New York (Chairman); the Comptroller of the State of New York; the Mayor of The City of New York; and the Comptroller of The City of New York. In addition, there are three private members appointed by the Governor. The Executive Director of the Control Board is appointed jointly by the Governor and the Mayor. The Control Board is assisted in the exercise of its responsibilities and powers under the Financial Emergency Act by the State Deputy Comptroller for The City of New York.

SECTION IV: SOURCES OF CITY REVENUES

The City derives its revenues from a variety of local taxes, user charges and miscellaneous revenues, as well as from federal and State unrestricted and categorical grants. State aid as a percentage of the City's revenues has remained relatively constant over the period from 1980 to 2021, while federal aid has been sharply reduced. The City projects that local revenues will provide approximately 67.3% of total revenues in the 2022 fiscal year, while federal aid, including categorical grants, will provide 17.9%, and State aid, including unrestricted aid and categorical grants, will provide 14.8%. Adjusting the data for comparability, local revenues provided approximately 60% of total revenues in 1980, while federal and State aid each provided approximately 20%. A discussion of the City's principal revenue sources follows. For additional information regarding assumptions on which the City's revenue projections are based, see "SECTION VII: FINANCIAL PLAN—Assumptions." For information regarding the City's tax base, see "APPENDIX A—ECONOMIC AND DEMOGRAPHIC INFORMATION."

Real Estate Tax

The real estate tax, the single largest source of the City's revenues, is the primary source of funds for the City's General Debt Service Fund. The City expects to derive approximately 43.0% of its total tax revenues and 26.4% of its total revenues for the 2022 fiscal year from the real estate tax. For information concerning tax revenues and total revenues of the City for prior fiscal years, see "SECTION VI: FINANCIAL OPERATIONS—2017-2021 Summary of Operations."

The State Constitution authorizes the City to levy a real estate tax without limit as to rate or amount (the "debt service levy") to cover scheduled payments of the principal of and interest on indebtedness of the City. However, the State Constitution limits the amount of revenue which the City can raise from the real estate tax for operating purposes (the "operating limit") to 2.5% of the average full value of taxable real estate in the City for the current and the last four fiscal years, which amount may be further limited by the State Constitution or laws. On June 24, 2011 the Governor signed into law the State's tax levy limitation law which restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a municipality in a particular year. Such law does not apply to the City. Since the enactment of the tax levy limitation law, legislation applying such law to the City has been proposed from time to time but has never passed. Were it to be enacted into law, it would have a material adverse impact on projected City revenues. The table below sets forth the percentage the debt service levy represents of the total levy. The City Council has adopted a distinct tax rate for each of the four categories of real property established by State legislation.

On April 24, 2017, a lawsuit was filed challenging the City's real property tax system and valuation methodology. See "SECTION X: OTHER INFORMATION—Litigation—*Taxes*."

On May 31, 2018, former Mayor de Blasio and former Speaker of the City Council Johnson established the Commission to consider changes to the City's property taxation system, without reducing property tax revenues to the City. See "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

COMPARISON OF REAL ESTATE TAX LEVIES, TAX LIMITS AND TAX RATES

Fiscal Year	Total Levy[(1)]	Levy Within Operating Limit	Debt Service Levy[(2)]	Debt Service Levy as a Percentage of Total Levy	Operating Limit	Levy Within Operating Limit as a Percentage of Operating Limit	Rate Per $100 of Full Valuation[(3)]	Average Tax Rate Per $100 of Assessed Valuation
	(Dollars in Millions, except for Tax Rates)							
2018	$ 27,726.2	$ 24,005.2	$ 2,599.9	9.4%	$ 24,448.7	98.2%	$ 2.38	$ 12.28
2019	29,574.7	26,274.6	2,095.6	7.1	26,437.7	99.4	2.36	12.28
2020	31,629.8	27,803.8	2,448.5	7.7	28,936.2	96.1	2.30	12.28
2021	33,371.4	28,960.9	2,872.0	8.6	30,614.3	94.6	2.34	12.28
2022	31,636.0	29,341.6	852.1	2.7	31,695.2	92.6	2.36	12.28
2023	33,853.7	31,383.4	905.4	2.7	31,714.4	99.0	2.39	12.28

(1) Based on tax rates approved by the City Council.
(2) The debt service levy includes a portion of the total reserve for uncollected real estate taxes.
(3) Full valuation is based on the special equalization ratios (discussed below) and the billable assessed valuation. Special equalization ratios and full valuations are revised periodically as a result of surveys by the State Office of Real Property Tax Services.

Assessment

The City has traditionally assessed real property at less than market value. The State Office of Real Property Tax Services (the "State Office") is required by law to determine annually the relationship between taxable assessed value and market value which is expressed as the "special equalization ratio." The special equalization ratio is used to compute full value for the purpose of measuring the City's compliance with the operating limit and general debt limit. For a discussion of the City's debt limit, see "SECTION VIII: INDEBTEDNESS—Indebtedness of the City and Certain Other Entities—*Limitations on the City's Authority to Contract Indebtedness*." The ratios are calculated by using the most recent market value surveys available and a projection of market value based on recent survey trends, in accordance with methodologies established by the State Office from time to time. Ratios, and therefore full values, may be revised when new surveys are completed. The ratios and full values shown in the table below, which were used to compute the 2023 fiscal year operating limit and general debt limit, have been established by the State Office and include the results of the fiscal year 2021 market value survey.

BILLABLE ASSESSED AND FULL VALUE OF TAXABLE REAL ESTATE[(1)]

Fiscal Year	Billable Assessed Valuation of Taxable Real Estate[(2)]	÷	Special Equalization Ratio	=	Full Valuation[(2)]
2019................	$ 240,777,862,121		0.1956		$ 1,230,970,665,240
2020................	257,509,634,870		0.2004		1,284,978,217,914
2021................	271,688,749,747		0.2307		1,177,671,216,935
2022................	257,560,316,555		0.2039		1,263,169,772,217
2023................	275,614,595,502		0.1947		1,415,586,006,687
				Average:	$ 1,274,475,175,799

(1) Also assessed by the City, but excluded from the computation of taxable real estate, are various categories of property exempt from taxation under State law. For the 2022 fiscal year, the billable assessed value of all real estate (taxable and exempt) was $417.8 billion, comprised of $136.88 billion of fully exempt real estate, $71.6 billion of partially taxable real estate (including both taxable and exempt real estate) and $209.4 billion of fully taxable real estate.
(2) Figures are based on estimates of the special equalization ratio which are revised annually. These figures are derived from official City Council Tax Resolutions adopted with respect to the 2023 fiscal year. These figures differ from the assessed and full valuation of taxable real estate reported in the Annual Report, which excludes veterans' property subject to tax for school purposes and is based on estimates of the special equalization ratio which are not revised annually.

State law provides for the classification of all real property in the City into one of four statutory classes. Class one primarily includes one-, two- and three-family homes; class two includes certain other residential property not included in class one; class three includes most utility real property; and class four includes all other real property. The total tax levy consists of four tax levies, one for each class. Once the tax levy is set for each class, the tax rate for each class is then fixed annually by the City Council by dividing the levy for such class by the billable assessed value for such class.

Assessment procedures differ for each class of property. For fiscal year 2023, class one was assessed at approximately 6% of market value and classes two, three and four were each assessed at 45% of market value. In addition, individual assessments on class one parcels cannot increase by more than 6% per year or 20% over a five-year period. Market value increases and decreases for most of class two and all of class four are phased in over a period of five years. Increases in class one market value in excess of applicable limitations are not phased in over subsequent years. There is also no phase in for class three property.

Class two and class four real property have three assessed values: actual, transitional and billable. Actual assessed value is established for all tax classes without regard to the five-year phase-in requirement applicable to most class two and all class four properties. The transitional assessed value reflects this phase-in. Billable assessed value is the basis for tax liability and is the lower of the actual or transitional assessment.

The share of the total levy that can be borne by each class is regulated by the provisions of the State Real Property Tax Law. Each class share of the total tax levy is updated annually to reflect new construction, demolition, alterations or changes in taxable status and is subject to limited adjustment to reflect market value changes among the four classes. Class share adjustments are limited to a 5% maximum increase per year. Maximum class increases below 5% must be, and typically are, approved by the State Legislature. For fiscal year 2023, tax rates were set on June 30, 2022 and reflect a 0% limitation on class share adjustment. The average tax rate for fiscal year 2023 was maintained at $12.28 per $100 of assessed value. Property tax bills were sent out during the second week of June 2022 with fiscal year 2022 tax rates, which will be revised with the new tax rates for fiscal year 2023 and will be sent out to taxpayers in November 2022.

City real estate tax revenues may be reduced in future fiscal years as a result of tax refund claims asserting overvaluation, inequality of assessment and illegality. The State Office annually certifies various class ratios and class equalization rates relating to the four classes of real property in the City. "Class ratios" are determined for each class by the State Office by calculating the ratio of assessed value to market value. Various proceedings challenging assessments of real property for real estate tax purposes, and one action challenging the constitutionality of the real property tax system, are pending. For further information regarding the City's potential exposure in certain of these proceedings, see "SECTION X: OTHER INFORMATION—Litigation—*Taxes*" and "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note D.5."

Trend in Taxable Assessed Value

State law provides for increases in assessed values of most properties to be phased into property tax bills over five-year periods. The billable assessed valuation, as determined by the City Department of Finance, rose to $224.5 billion, $239.7 billion, $256.6 billion and $270.8 billion for fiscal years 2018 through 2021, respectively, and declined to $256.7 billion for fiscal year 2022. The billable assessed value rebounded in 2023 to $274.8 billion. The billable assessed valuations are forecast to grow by 1.6%, 0.9% and 0.4% in fiscal years 2024 through 2026, respectively.

Taxable billable assessed value is the basis for determining the tax levy. It is based on the lower of the actual (45% of the current year market value) or transitional assessed value (which is the cumulative value of the phase-ins from the 5 year market value changes). In fiscal year 2022, the significant decline in market values caused an increased number of properties to be assessed at their actual assessed value (instead of transitional assessed value). The declines for such properties were recognized in one year, which resulted in a steeper decline in billable assessed value in fiscal year 2022 than would have happened if such properties were valued at their transitional assessed values, whereby the declines would have been phased in over 5 years. In fiscal year 2023, with the increase in market value, many properties went back to the transitional assessed value. If the market values were to decline in the upcoming years for those properties, they could revert to being assessed at their actual assessed value.

Collection of the Real Estate Tax

Real estate tax payments are due each July 1 and January 1. Owners of all properties assessed at $250,000 or less are eligible to make tax payments in quarterly installments on July 1, October 1, January 1 and April 1. An annual interest rate as approved by the City Council is imposed upon late payments on properties with an assessed value of $250,000 or less and between $250,000 to $450,000 except in the case of (i) any parcel with respect to which the real estate taxes are held in escrow and paid by a mortgage escrow agent and (ii) parcels consisting of vacant or unimproved land. In addition, a separate annual interest rate as approved by the City Council is imposed upon late payments on all other properties.

In fiscal year 2020, the annual interest rates on late payments were 7% on properties with an assessed value of $250,000 or less, except in the cases set forth in clauses (i) and (ii) of the preceding paragraph, and 18% on all other properties. For the first quarter of 2021, in order to provide relief to property owners due to the impact of COVID-19, the City lowered the above-referenced late payment rates for certain eligible property owners to rates between 0% and 7.5%, in each case depending on the assessed value of the property and whether a COVID-19 related payment deferral was requested by the owner and granted by the City. For the second through fourth quarters of fiscal year 2021, such late payment rates were 5% on properties with an assessed value of $250,000 or less, and 18% on all other properties. In June 2021, the City released the following rates for fiscal year 2022: (i) for owners of property with an assessed value of less than $250,000, the late payment interest rate has been decreased from 5% to 3%; (ii) for owners of property with an assessed value between $250,000 to $450,000, the late payment interest rate has been decreased from 18% to 6%; and (iii) for all other owners, the late payment interest rate has been decreased from 18% to 13%. In June 2022, the City released the following rates for fiscal year 2023: (i) for owners of property with an assessed value of less than $250,000, the late payment interest rate has been increased from 3% to 4%; (ii) for owners of property with an assessed value between $250,000 to $450,000, the late payment interest rate has been increased from 6% to 7%; and (iii) for all other owners, the late payment interest rate has been increased from 13% to 14%.

The City primarily uses two methods to enforce the collection of real estate taxes, foreclosure by in rem proceedings and the sale of real estate tax liens. The City is entitled to foreclose delinquent tax liens by in rem proceedings after one year of delinquency with respect to properties other than one- and two-family dwellings and condominium apartments for which the annual tax bills do not exceed $2,750, as to which a three-year delinquency rule is in effect. The City's authority, pursuant to local law, to sell real estate tax liens has expired and been renewed numerous times over the years. While the City's current authorization expired on March 1, 2022, planning and discussions for potential renewal of lien sale authorization are ongoing. The Financial Plan assumes such authorization is renewed through fiscal year 2026. The most recent tax lien sale occurred in December 2021. Prior to its recent expiration, the City was authorized to sell real estate tax liens on class one properties which are delinquent for at least three years and class two, three and four properties which are delinquent for at least one year.

The real estate tax is accounted for on a modified accrual basis in the General Fund. Revenue accrued is limited to prior year payments received, offset by refunds made, within the first two months of the following fiscal year. In deriving the real estate tax revenue forecast, a reserve is provided for cancellations or abatements of taxes and for nonpayment of current year taxes owed and outstanding as of the end of the fiscal year.

The following table sets forth the amount of delinquent real estate taxes (owed and outstanding as of the end of the fiscal year of levy) for each of the fiscal years indicated. Delinquent real estate taxes do not include real estate taxes subject to cancellation or abatement under various exemption or abatement programs. Delinquent real estate taxes generally increase during a recession and when the real estate market deteriorates. Delinquent real estate taxes generally decrease as the City's economy and real estate market recover. For additional information on real property tax delinquencies, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

From time to time, the City sells tax liens to separate statutory trusts. In fiscal years 2017 through 2021, the City's tax lien program resulted in net proceeds of approximately $95.5 million, $101.1 million, $60.8 million, $96.7 million and $11.7 million, respectively. Fiscal year 2020 includes the sale proceeds of the fiscal year 2019 tax lien sale, which closed in fiscal year 2020, and the receipt of approximately $50 million from trusts established in connection with prior lien sales. Due to the outbreak of COVID-19, the tax lien sale for fiscal year 2020 did not occur. The Financial Plan includes the impacts of the delay of the fiscal year 2020 and fiscal year 2021 tax lien sales to fiscal year 2022. See "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

REAL ESTATE TAX COLLECTIONS AND DELINQUENCIES

Fiscal Year	Tax Levy[1]	Tax Collections on Current Year Levy	Tax Collections as Percentage of Tax Levy	Prior Year (Delinquent Tax) Collections	Refunds	Cancellations, Net Credits, Abatements, Exempt Property Restored and Shelter Rent	Delinquent as of End of Fiscal Year	Delinquency as a Percentage of Tax Levy	Lien Sale Program
				(Dollars In Millions)					
2018	$ 27,726.2	$ 26,166.0	94.4%	$ 324.0	$ (372.2)	$ (1,219.2)	$ (341.0)	1.23%	$ 101.1
2019	29,574.7	27,681.2	93.6	338.8	(377.4)	(1,529.1)	(364.4)	1.24	60.8
2020	31,629.8	29,532.2	93.4	370.7	(349.1)	(1,513.7)	(583.9)	1.84	96.7
2021	33,371.4	31,240.3	93.6	470.7	(411.3)	(1,605.4)	(672.6)	2.02	11.7
2022[2]	31,636.0	29,402.9	92.9	497.0	(490.0)	(1,722.1)	(511.0)	1.62	87.0
2023[2]	33,853.7	31,277.4	92.4	320.0	(400.0)	(2,023.2)	(553.0)	1.63	80.0

(1) As approved by the City Council.
(2) Forecast.

Other Taxes

The City expects to derive 57% of its total tax revenues for the 2022 fiscal year from a variety of taxes other than the real estate tax, such as: (i) the 4.5% sales and compensating use tax, which commenced August 1, 2009, in addition to the 4% sales and use tax imposed by the State upon receipts from retail sales of tangible personal property and certain services in the City; (ii) the personal income tax on City residents; (iii) a general corporation tax levied on the income of corporations doing business in the City; and (iv) a banking corporation tax imposed on the income of banking corporations doing business in the City.

State legislation was enacted in 2022 creating a pass-through entity tax on certain partnerships and S-corporations that elect to pay such tax. Starting with fiscal year 2023, all references to personal income taxes also include such pass-through entity tax. Partners or shareholders of such partnerships or S corporations that elect to pay the new tax will receive an equivalent credit against their personal income tax. The pass-through entity tax will be collected and paid first to the TFA in the same manner as the personal income tax. The aggregate personal income tax credits will be equivalent to the pass-through entity tax liability of the entities that elect to pay the pass-through entity tax. Therefore, the change is expected to be revenue neutral to the City on a multi-year basis.

For local taxes other than the real estate tax, the City may adopt and amend local laws for the levy of local taxes to the extent authorized by the State. This authority can be withdrawn, amended or expanded by State legislation.

Revenues from taxes other than the real estate tax in the 2021 fiscal year increased by $796 million from the 2020 fiscal year. The following table sets forth, by category, revenues from taxes, other than the real estate tax, for each of the City's 2017 through 2021 fiscal years.

	2017	2018	2019	2020	2021
			(In Millions)		
Personal Income[(1)]	$ 11,230	$ 13,372	$ 13,344	$ 13,551	$ 15,101
General Corporation	3,527	3,454	4,269	4,547	5,129
Banking Corporation[(2)]	(82)	(17)	(70)	(38)	(110)
Unincorporated Business Income	2,005	2,182	2,029	1,939	2,077
Sales[(3)]	7,017	7,443	7,810	7,372	6,553
Commercial Rent	816	853	907	864	869
Real Property Transfer	1,415	1,388	1,547	1,135	1,045
Mortgage Recording	1,118	1,050	1,097	975	897
Utility	371	371	369	356	356
Cigarette	37	36	30	25	22
Hotel	579	597	625	468	85
All Other[(4)]	654	630	833	1,054	907
Audits	1,296	1,337	818	1,026	1,139
Total	$ 29,983	$ 32,696	$ 33,609	$ 33,274	$ 34,070

Note: Totals may not add due to rounding.

(1) Personal Income includes the personal income tax revenues of $297 million, $181 million, $444 million, $512 million and $276 million in fiscal years 2017 through 2021, respectively, retained by the TFA for funding requirements associated with TFA Future Tax Secured Bonds. Personal income taxes flow directly from the State to the TFA, and from the TFA to the City only to the extent not required by the TFA for debt service, operating expenses and contractual and other obligations incurred pursuant to the TFA indenture. In fiscal year 2017, Personal Income includes $166 million which was provided to the City by the State as a reimbursement for the reduced personal income tax revenues resulting from the STAR Program.

(2) With the enactment of corporate tax reform that merged the general corporation tax with the banking corporation tax in 2015, most banking corporation tax payments are now being reported as business corporation taxes. However, refunds arising from prior year returns filed as banking corporation taxes are still paid out as refunds under the banking corporation tax. In fiscal years 2017, 2018, 2019, 2020 and 2021, the amount refunded exceeded the gross receipts resulting in net negative revenues for such fiscal years.

(3) A portion of sales tax revenues payable to the City would be paid to the TFA if personal income tax revenues did not satisfy specified debt service ratios.

(4) All Other includes, among others, beer and liquor taxes and the automobile use tax, but excludes the STAR Program aid of $370 million, $189 million, $181 million, $165 million and $154 million in fiscal years 2017 through 2021, respectively.

Miscellaneous Revenues

Miscellaneous revenues include revenue sources such as charges collected by the City for the issuance of licenses, permits and franchises, interest earned by the City on the investment of City cash balances, tuition and fees at the Community Colleges, reimbursement to the City from the proceeds of water and sewer rates charged by the New York City Water Board (the "Water Board") for costs of delivery of water and sewer services and paid to the City by the Water Board for its lease interest in the water and sewer system, rents collected from tenants in City-owned property and from The Port Authority of New York and New Jersey (the "Port Authority") with respect to airports and the collection of fines. The following table sets forth amounts of miscellaneous revenues for each of the City's 2017 through 2021 fiscal years.

	2017	2018	2019	2020	2021
			(In Millions)		
Licenses, Permits and Franchises	$ 770	$ 776	$ 802	$ 699	$ 625
Interest	73	125	226	137	15
Charges for Services	1,033	1,027	1,030	951	863
Water and Sewer	1,385	1,390	1,470	1,615	1,687
Rental	253	261	273	258	233
Fines and Forfeitures	985	1,027	1,109	1,079	1,036
Other	565	413	1,087	530	709
Total	$ 5,064	$ 5,019	$ 5,997	$ 5,269	$ 5,168

Note: Totals may not add due to rounding.

Rental income in fiscal years 2017 through 2021 includes approximately $144.5 million, $153.6 million, $153.6 million, $153.6 million and $163.6 million, respectively, in Port Authority lease payments for the City airports.

Fees and charges collected from the users of the water and sewer system of the City are revenues of the Water Board, a body corporate and politic, constituting a public benefit corporation, all of the members of which are appointed by the Mayor. The Water Board currently holds a long-term leasehold interest in the water and sewer system pursuant to a lease between the Water Board and the City.

Other miscellaneous revenues for fiscal years 2017 through 2021 include $100.3 million, $108.7 million, $103 million, $118 million and $127.6 million, respectively, of tobacco settlement revenues ("TSRs") from the settlement of litigation with certain cigarette manufacturers that were not retained by TSASC. Other miscellaneous revenues for fiscal years 2017 through 2021 do not include TSRs retained by TSASC for debt service and operating expenses totaling $60 million, $65 million, $61 million, $70 million and $76 million, respectively. Pursuant to the TSASC indenture, less than 40% of the TSRs are pledged to the TSASC bondholders and the remainder flow to the City. For further information see "SECTION VII: FINANCIAL PLAN—Assumptions—*Revenue Assumptions*—4. MISCELLANEOUS REVENUES" and "SECTION VIII: INDEBTEDNESS—Indebtedness of the City and Certain Other Entities."

Other miscellaneous revenues for fiscal year 2017 include $78 million from the Department of Education and $30 million from the sale of the Brooklyn Heights library development rights. Other miscellaneous revenues for fiscal year 2018 include $39 million from affordable housing development fees.

Other miscellaneous revenues for fiscal year 2019 include $78 million and $142 million from a deferred prosecution agreement under the Manhattan District Attorney's office and the US Department of Justice related to sanctions violations by Societe Generale and Standard Chartered Bank, and the sale of a building located at 101 Barclay Street for $117 million.

Other miscellaneous revenues for fiscal year 2020 include $45 million from the refund from a collateral reserve relating to an insurance policy issued by Chubb Insurance and $10.8 million from a rental payment from the United Nation Development Corporation.

Other miscellaneous revenues for fiscal year 2021 include $212.4 million in debt service reimbursements from NYCHH, a $40 million payment from the New York City Housing Development Corporation to purchase the residual interest in certain loans owned by the City, and $40.2 million from a settlement of litigation with the United States Postal Service relating to the delivery of untaxed cigarettes.

Unrestricted Intergovernmental Aid

Unrestricted federal and State aid are not subject to any substantial restriction as to their use and are used by the City as general support for its Expense Budget. For a further discussion of federal and State aid, see "SECTION VII: FINANCIAL PLAN—Assumptions—*Revenue Assumptions*—5. FEDERAL AND STATE CATEGORICAL GRANTS."

The following table sets forth amounts of unrestricted federal and State aid received by the City in each of its 2017 through 2021 fiscal years.

	2017	2018	2019	2020	2021
			(In Millions)		
Unrestricted Intergovernmental Aid	$59	$0	$151	$11	$1

Federal and State Categorical Grants

The City makes certain expenditures for services required by federal and State mandates which are then wholly or partially reimbursed through federal and State categorical grants. State categorical grants are received by the City primarily in connection with City welfare, education, higher education, health and mental health expenditures. The City also receives substantial federal categorical grants in connection with the federal Community Development Block Grant Program ("Community Development"). The federal government also provides the City with substantial public assistance, social service and education grants as well as reimbursement for all or a portion of certain costs incurred by the City in maintaining programs in a number of areas, including housing, criminal justice and health. All City claims for federal and State grants are subject to subsequent audit by federal and State authorities. Certain claims submitted to the State Medicaid program by the City are the subject of investigation by the Office of the Inspector General of the United States Department of Health and Human Services ("OIG"). For a discussion of claims for which a final audit report has been issued by OIG, see "SECTION X: OTHER INFORMATION—Litigation—*Miscellaneous*." The City provides a reserve for disallowances resulting from these audits which could be asserted in subsequent years. Federal grants are also subject to audit under the Single Audit Act Amendments of 1996. For a further discussion of federal and State categorical grants, see "SECTION VII: FINANCIAL PLAN—Assumptions—*Revenue Assumptions*—5. FEDERAL AND STATE CATEGORICAL GRANTS." For information regarding certain recent developments relating to federal aid, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

The following table sets forth amounts of federal and State categorical grants received by the City for each of the City's 2017 through 2021 fiscal years.

	2017	2018	2019	2020	2021
			(In Millions)		
Federal[1]					
Community Development[2]	$ 1,108	$ 1,081	$ 506	$ 558	$ 693
Social Services	3,454	3,362	3,553	2,918	3,232
Education	1,709	1,786	1,876	1,672	2,498
Other[3]	1,656	1,737	1,784	4,433	6,197
Total	$ 7,927	$ 7,966	$ 7,719	$ 9,581	$ 12,620
State					
Social Services	$ 1,709	$ 1,611	$ 1,698	$ 1,750	$ 1,834
Education	10,250	10,710	11,185	11,493	10,633
Higher Education	248	255	263	246	231
Health and Mental Health	573	535	523	428	423
Other	1,210	1,342	1,301	1,417	1,476
Total	$ 13,990	$ 14,453	$ 14,970	$ 15,334	$ 14,597

(1) Federal funding includes amounts received under the American Recovery and Reinvestment Act of $199.8 million, $198 million, $197 million, $186 million and $181 million in fiscal years 2017 through 2021, respectively.

(2) Amounts represent actual funds received and may be lower or higher than the appropriation of funds actually provided by the federal government for the particular fiscal year due either to underspending or the spending of funds carried forward from prior fiscal years. Community Development includes $874.8 million, $884.4 million, $432.6 million, $215.2 million and $204.1 million in fiscal years 2017 through 2021, respectively, in disaster recovery funding for storm damage remediation as a result of Superstorm Sandy.

(3) Other includes $1.378 billion and $2.713 billion in fiscal years 2020 and 2021, respectively, of FEMA funding for the City's response to the COVID-19 pandemic.

SECTION V: CITY SERVICES AND EXPENDITURES

Expenditures for City Services

Three types of governmental agencies provide public services within the City's borders and receive financial support from the City. One category is the mayoral agencies established by the City Charter which include, among others, the Police, Fire and Sanitation Departments. Another is the independent agencies which are funded in whole or in part through the City Budget by the City but which have greater independence in the use of appropriated funds than the mayoral agencies. Included in this category are certain Covered Organizations such as NYCHH and the Transit Authority. A third category consists of certain public benefit corporations ("PBCs") which were created to finance the construction of housing, hospitals, dormitories and other facilities and to provide other governmental services in the City. The legislation establishing this type of agency contemplates that annual payments from the City, appropriated through its Expense Budget, may or will constitute a substantial part of the revenues of the agency. Included in this category is, among others, the City University Construction Fund ("CUCF"). For information regarding expenditures for City services, see "SECTION VI: FINANCIAL OPERATIONS—2017-2021 Summary of Operations."

Federal and State laws require the City to provide certain social services for needy individuals and families who qualify for such assistance. The City receives federal Temporary Assistance for Needy Families ("TANF") block grant funds through the State for the Family Assistance Program. The Family Assistance Program provides benefits for households with minor children subject, in most cases, to a five-year time limit. The Safety Net Assistance Program provides benefits for adults without minor children, families who have reached the Family Assistance Program time limit, and others, including certain immigrants, who are ineligible for the Family Assistance Program but are eligible for public assistance. Historically, the cost of the Safety Net Assistance Program was borne equally by the City and the State. In the 2011-2012 State Budget the State implemented new funding formulas, increasing the City share of the Safety Net Assistance Program to 71% and eliminating the City Share of 25% for the Family Assistance Program by fully funding it with TANF block grant funds.

The City also provides funding for many other social services, such as day care, foster care, family planning, services for the elderly and special employment services for welfare recipients, some of which are mandated, and may be wholly or partially subsidized, by either the federal or State government. See "SECTION VII: FINANCIAL PLAN—Assumptions—*Revenue Assumptions*—5. FEDERAL AND STATE CATEGORICAL GRANTS."

In July 2002, the Board of Education was replaced by the City's Department of Education (the "DOE") which is overseen by a Chancellor, appointed by the Mayor, and the 13-member Panel for Educational Policy where the Mayor appoints eight members including the Chancellor, and the Borough Presidents each appoint one member. Pursuant to the State law, the Panel for Education Policy will be expanded, effective January 15, 2023. As expanded, the panel will be comprised of 23 members, with the Mayor appointing 13 members, the Borough Presidents each appointing one member, and five members elected from each borough by community education council presidents (community education councils are comprised mostly of public school parents who are elected to serve). Each elected and appointed member will serve a one-year term that can be renewed annually. The Chancellor and Comptroller will serve as ex-officio non-voting members. The number of pupils in the school system is estimated to be 989,399 in fiscal year 2022 and approximately 1 million in each of the 2023 through 2026 fiscal years. Enrollment began declining before the onset of COVID-19 and this trend accelerated during the pandemic. Actual enrollment in fiscal years 2017 through 2021 has been 1,086,672, 1,082,555, 1,074,318, 1,071,337 and 1,034,159, respectively. See "SECTION VII: FINANCIAL PLAN—Assumptions—*Expenditure Assumptions*—2. OTHER THAN PERSONAL SERVICES COSTS—*Department of Education*." The City's system of higher education, consisting of its Senior Colleges and Community Colleges, is operated under the supervision of the City University of New York ("CUNY"). The City is projected to provide approximately 40.6% of the costs of the Community Colleges in the 2022 fiscal year. Community Colleges are also supported by federal, intra-city, and other categorical funding, as well as the tuition they collect. The State has full responsibility for the costs of operating the Senior Colleges, although the City is required initially to fund these costs which are then reimbursed by the State.

The City administers health services programs for the care of the physically and mentally ill and the aged. NYCHH maintains and operates the City's 10 municipal acute care hospitals, five long-term care facilities, six free standing diagnostic and treatment centers, a certified home health-care program, many hospital-based and neighborhood clinics and a health maintenance organization. NYCHH is funded primarily by third party reimbursement collections from Medicare and Medicaid and by payments from bad debt/charity care pools, with significant contributions from the City. See "SECTION VII: FINANCIAL PLAN—Assumptions—*Expenditure Assumptions*—2. OTHER THAN PERSONAL SERVICES COSTS—*New York City Health and Hospitals*."

Medicaid provides basic medical assistance to needy persons. The City is required by State law to furnish medical assistance through Medicaid to all City residents meeting eligibility requirements established by the State. Prior to State legislation in fiscal year 2006 capping City Medicaid payments, the State had assumed 81.2% of the non-federal share of long-term care costs, all of the costs of providing medical assistance to the mentally disabled, and 50% of the non-federal share of Medicaid costs for all other clients. As a result of State legislation in fiscal years 2006 and 2012 capping City Medicaid payments, the State percentage of the non-federal share may vary. The federal government pays 50% of Medicaid costs for federally eligible recipients and a higher share for federally eligible childless adults.

The City's Expense Budget increased during the five-year period ended June 30, 2020, due to, among other factors, the increasing costs of pensions and Medicaid, the costs of labor settlements and the impact of inflation on various other than personal services costs.

Employees and Labor Relations

Employees

The following table presents the number of full-time and full-time equivalent employees of the City, including the mayoral agencies, the DOE and CUNY, at the end of each of the City's 2017 through 2021 fiscal years.

	2017	2018	2019	2020	2021
Education	144,740	146,134	146,776	147,792	144,323
Police	52,976	53,755	53,486	53,416	50,496
Social Services, Homeless and Children's Services	22,047	22,003	22,145	21,698	20,781
City University Community Colleges and Hunter Campus Schools	9,184	9,414	9,385	8,314	7,646
Environmental Protection and Sanitation	16,000	16,152	16,545	16,031	15,162
Fire	17,463	17,228	17,405	17,480	17,140
All Other	59,997	60,983	60,997	59,305	57,313
Total	322,407	325,669	326,739	324,036	312,861

The following table presents the number of full-time employees of certain Covered Organizations, as reported by such Organizations, at the end of each of the City's 2017 through 2021 fiscal years.

	2017	2018	2019	2020	2021
Transit Authority	48,495	49,415	49,283	47,056	45,041
Housing Authority	10,737	10,491	10,597	11,024	11,655
NYCHH	36,213	35,484	36,735	38,918	39,193
Total[(1)]	95,445	95,390	96,615	96,998	95,889

(1) The definition of "full-time employees" varies among the Covered Organizations and the City.

The foregoing tables include persons whose salaries or wages are paid by certain public employment programs, including programs funded under the Workforce Investment Act, which support employees in non-profit and State agencies as well as in the mayoral agencies and the Covered Organizations.

Labor Relations

Substantially all of the City's employees are members of labor unions. For those employees, wages, hours or working conditions may be changed only as provided for under collective bargaining agreements. Although State law prohibits strikes by municipal employees, strikes and work stoppages by employees of the City and the Covered Organizations have occurred.

Collective bargaining for City employees is under the jurisdiction of either the New York City Office of Collective Bargaining, which was created under the New York City Collective Bargaining Law, or the New York State Public Employment Relations Board ("PERB"), which was created under the State Employees Fair Employment Act. Collective bargaining matters relating to police, firefighters and pedagogical employees are under the jurisdiction of PERB. Under applicable law, the terms of future wage settlements could be determined through an impasse procedure which, except in the case of pedagogical employees, can result in the imposition of a binding decision. Pedagogical employees do not have access to binding arbitration but are covered by a fact- finding impasse procedure under which a binding decision may not be imposed. Although the impasse procedure may not impose a binding settlement, it may influence ongoing collective bargaining.

In 2021, the City and the Municipal Labor Committee ("MLC") agreed to implement a Medicare Advantage Plus plan for City retirees in order to generate significant savings in retiree health benefit costs, estimated to be worth $600 million per year. The City and the MLC further agreed that those savings would be earmarked for contribution to the Health Insurance Stabilization Fund, a trust and agency account jointly administered by the City and the MLC since 1986 for the purpose of moderating volatility in the cost to the City of pre-Medicare health coverage expenses, the balance of which has been declining in recent years The implementation of the Medicare Advantage Plus plan was challenged in litigation. The court concluded that, although the City could proceed with the implementation of the Medicare Advantage Plus plan, it could not charge retirees who chose to remain in Senior Care (the current Medicare wrap plan) a monthly premium as was originally planned. The court's decision, if not overturned, would result in the elimination of the projected savings from the plan. The City has appealed that decision. For further information, see "LITIGATION." While the litigation has continued to delay the implementation of the Medicare Advantage plan, the City is now in the process of selecting a new insurance carrier, with the intention of implementing the plan in 2023. Without the intended savings from the Medicare Advantage Plus plan, the Health Insurance Stabilization Fund could be fully drawn as soon as the end of 2022. The City and the MLC are currently negotiating a resolution to the situation via health reforms, but it is too early to predict the outcome given the range of possibilities. If the Health Insurance Stabilization Fund were fully drawn, there could be a significant shift in costs to City employees in the form of additional health coverage fees, reduction in benefits, or the assumption of significant costs by the City.

For information regarding the City's assumptions with respect to the current status of the City's agreements with its labor unions, the cost of future labor settlements and related effects on the Financial Plan, see "SECTION VII: FINANCIAL PLAN—Assumptions—*Expenditure Assumptions*—1. PERSONAL SERVICES COSTS."

Pensions

The City maintains a number of pension systems providing benefits for its employees and employees of various independent agencies (including certain Covered Organizations). For further information regarding the City's pension systems and the City's obligations thereto, see "SECTION IX: PENSION SYSTEMS AND OPEB."

Capital Expenditures

The City makes substantial capital expenditures to reconstruct, rehabilitate and expand the City's infrastructure and physical assets, including City mass transit facilities, water and sewer facilities, streets, bridges and tunnels, and to make capital investments that will improve productivity in City operations. For additional information regarding the City's infrastructure, physical assets and capital program, see "SECTION VII: FINANCIAL PLAN—Long-Term Capital Program" and "—Financing Program."

The City utilizes a three-tiered capital planning process consisting of the Ten-Year Capital Strategy (previously, the Ten-Year Capital Plan), the four-year capital plan and the current-year Capital Budget. The Ten-Year Capital Strategy, which is published once every two years in conjunction with the Executive Budget as required by the City Charter, is a long-term planning tool designed to reflect fundamental allocation choices and basic policy objectives. The four-year capital plan, which is updated three times a year, as required by the City Charter, translates mid-range policy goals into specific projects. The Capital Budget defines for each fiscal year specific projects and the timing of their initiation, design, construction and completion.

On April 26, 2021, the City published the Ten-Year Capital Strategy for fiscal years 2022 through 2031. The Ten-Year Capital Strategy totals $133.7 billion, of which approximately 97% would be financed with City funds.

The Ten-Year Capital Strategy includes, among other items: (i) $23.0 billion to construct new schools and improve existing educational facilities, including CUNY; (ii) $22.7 billion for improvements to the water and sewer system; (iii) $15.1 billion for expanding and upgrading the City's housing stock; (iv) $10.2 billion for reconstruction or resurfacing of City streets; (v) $1.7 billion for continued City-funded investment in mass transit; (vi) $11.1 billion for the continued reconstruction and rehabilitation of all four East River bridges and 108 other bridge structures; (vii) $10.0 billion to design and construct new jail facilities as well as to upgrade equipment, vehicles, and necessary systems; and (viii) $2.5 billion for construction and improvement of court facilities.

For a discussion of the City's debt limit, see "SECTION VIII: INDEBTEDNESS—Indebtedness of the City and Certain Other Entities—*Limitations on the City's Authority to Contract Indebtedness*."

Those programs in the Ten-Year Capital Strategy financed with City funds are currently expected to be funded primarily from the issuance of bonds by the City, the Water Authority and the TFA. From time to time, during recessionary periods when operating revenues have come under increasing pressure, capital funding levels have been reduced from those previously contemplated in order to reduce debt service costs. For information concerning the City's long-term financing program for capital expenditures, see "SECTION VII: FINANCIAL PLAN—Financing Program."

The City's capital expenditures, including expenditures funded by State and federal grants, totaled $48.5 billion during the 2017 through 2021 fiscal years. City-funded expenditures, which totaled $43.5 billion during the 2017 through 2021 fiscal years, have been financed through the issuance of bonds by the City, the TFA and the Water Authority. The following table summarizes the major categories of capital expenditures in the City's 2017 through 2021 fiscal years.

	2017	**2018**	**2019**	**2020**	**2021**	**Total**
			(In Millions)			
Education	$ 2,706	$ 2,353	$ 2,830	$ 2,853	$ 2,374	$ 13,116
Environmental Protection	1,454	1,688	1,992	1,846	1,816	8,796
Transportation	1,139	1,461	1,301	1,341	1,187	6,429
Transit Authority(1)	91	55	311	95	79	631
Housing	950	1,412	1,681	904	1,143	6,090
Hospitals	130	217	306	363	441	1,457
Sanitation	324	290	243	202	252	1,311
All Other(2)	2,032	2,164	2,185	2,169	2,140	10,690
Total Expenditures(3)	$ 8,826	$ 9,640	$ 10,848	$ 9,774	$ 9,431	$ 48,519
City-funded Expenditures(4)	$ 7,444	$ 8,887	$ 9,278	$ 9,331	$ 8,579	$ 43,519

(1) Excludes the Transit Authority's non-City portion of the MTA capital program.
(2) All Other includes, among other things, parks, correction facilities, public structures and equipment.
(3) Total Expenditures for the 2017 through 2021 fiscal years include City, State and federal funding and represent amounts which include an accrual for work-in-progress. These figures are derived from the Annual Report.
(4) City-funded Expenditures do not include accruals, but represent actual cash disbursements occurring during the fiscal year.

The City annually issues a condition assessment and a proposed maintenance schedule for the major portion of its assets and asset systems which have a replacement cost of $10 million or more and a useful life of at least ten years, as required by the City Charter. For information concerning a report which sets forth the recommended capital investment to bring certain identified assets of the City to a state of good repair, see "SECTION VII: FINANCIAL PLAN—Long-Term Capital Program."

SECTION VI: FINANCIAL OPERATIONS

The City's Annual Report for the fiscal year ended June 30, 2021 is included by specific reference in this Official Statement as "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT." The Annual Report for the fiscal year ended June 30, 2021 is available for inspection at the Office of the City Comptroller and at https://comptroller.nyc.gov/reports/comprehensive-annual-financial-reports/ and is available on EMMA (as defined herein) (https://emma.msrb.org). For a summary of the City's significant accounting policies, see "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note A." For a summary of the City's operating results for the previous five fiscal years, see "2017-2021 Summary of Operations" below.

Except as otherwise indicated, all of the financial data relating to the City's operations contained herein, although derived from the City's books and records, are unaudited. In addition, neither the City's independent auditors, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the Financial Plan or other estimates or projections contained elsewhere herein, nor have they expressed any opinion or any other form of assurance on such prospective financial information or its achievability, and assume no responsibility for, and disclaim any association with, all such prospective financial information.

The Financial Plan is prepared in accordance with standards set forth in the Financial Emergency Act and the City Charter. The Financial Plan contains projections and estimates that are based on expectations and assumptions which existed at the time such projections and estimates were prepared. The estimates and projections contained in this Section and elsewhere herein are based on, among other factors, evaluations of historical revenue and expenditure data, analyses of economic trends and current and anticipated federal and State legislation affecting the City's finances. The City's financial projections are based upon numerous assumptions and are subject to certain contingencies and periodic revisions which may involve substantial change. This prospective information is not fact and should not be relied upon as being necessarily indicative of future results. The City makes no representation or warranty that these estimates and projections will be realized. The estimates and projections contained in this Section and elsewhere herein were not prepared with a view towards compliance with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information.

2017-2021 Summary of Operations

The following table sets forth the City's results of operations for its 2017 through 2021 fiscal years in accordance with GAAP, after discretionary and other transfers and except for the application of GASB 49 and without regard to changes in certain fund balances described in GML Section 25.

The information regarding the 2017 through 2021 fiscal years has been derived from the City's audited financial statements and should be read in conjunction with the notes accompanying this table and the City's 2020 and 2021 financial statements included in "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT." The 2017 through 2019 financial statements are not separately presented herein. For further information regarding the City's revenues and expenditures, see "SECTION IV: SOURCES OF CITY REVENUES" and "SECTION V: CITY SERVICES AND EXPENDITURES."

	Fiscal Year[(1)]				
	Actual				
	2017	2018	2019	2020	2021
	(In Millions)				
Revenues and Transfers					
Real Estate Tax[(2)]	$ 24,679	$ 26,408	$ 27,885	$ 29,816	$ 31,464
Other Taxes[(3)(4)]	29,983	32,696	33,609	33,274	34,070
Miscellaneous Revenues[(3)]	5,064	5,019	5,997	5,269	5,168
Other Categorical Grants	1,208	1,255	1,340	1,105	1,177
Unrestricted Federal and State Aid	59	—	151	5	1
Federal Categorical Grants	7,927	7,966	7,719	9,561	12,620
State Categorical Grants	13,990	14,453	14,970	15,334	14,597
Disallowances Against Categorical Grants	558	139	113	299	(24)
Total Revenues and Transfers[(5)]	$ 83,468	$ 87,936	$ 91,784	$ 94,385	$ 99,073
Expenditures and Transfers					
Social Services	$ 14,485	$ 15,208	$ 15,833	$ 15,631	$ 15,475
Board of Education	23,318	25,026	26,905	27,903	28,288
City University	1,067	1,087	1,114	1,117	1,060
Public Safety and Judicial	9,694	10,024	10,358	10,791	10,548
Health Services	2,233	2,401	2,656	2,520	4,554
Pensions[(6)]	9,281	9,513	9,829	9,672	9,334
Debt Service[(3)(7)]	5,890	6,673	6,373	6,554	8,193
All Other[(8)]	17,495	17,999	18,711	20,192	21,616
Total Expenditures and Transfers[(5)]	$ 83,463	$ 87,931	$ 91,779	$ 94,380	$ 99,068
Surplus[(9)]	$ 5	$ 5	$ 5	$ 5	$ 5

(1) The City's results of operations refer to the City's General Fund revenues and transfers reduced by expenditures and transfers. The revenues and assets of PBCs included in the City's audited financial statements do not constitute revenues and assets of the City's General Fund, and, accordingly, the revenues of such PBCs are not included in the City's results of operations. Expenditures required to be made and revenues earned by the City with respect to such PBCs are included in the City's results of operations. For further information regarding the particular PBCs included in the City's financial statements, see "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note A."

(2) In fiscal years 2017 through 2021, Real Estate Tax includes $204 million, $188.7 million, $181.3 million, $165.5 million and $153.5 million, respectively, which was provided to the City by the State as a reimbursement for the reduced property tax revenues resulting from the State's STAR Program.

(3) Other Taxes includes as revenues to the City the personal income tax revenues retained by the TFA of $297 million, $181 million, $444 million, $512 million and $276 million in fiscal years 2017 through 2021, respectively. Debt Service includes as a debt service expense the funding requirements associated with TFA Future Tax Secured Bonds of $297 million, $181 million, $444 million, $512 million and $276 million in fiscal years 2017 through 2021, respectively. Debt Service does not include debt service on TSASC bonds. Miscellaneous Revenues includes TSRs that are not retained by TSASC for debt service and operating expenses.

(4) Other Taxes includes tax audit revenues. For further information regarding the City's revenues from Other Taxes, see "SECTION IV: SOURCES OF CITY REVENUES—Other Taxes."

(5) Total Revenues and Transfers and Total Expenditures and Transfers exclude Inter-Fund Revenues.

(6) For information regarding pension expenditures, see "SECTION X: OTHER INFORMATION."

(7) Debt Service includes discretionary transfers of $1.560 billion, $1.902 billion, $1.702 billion, $1.269 billion and $3.0 billion into the General Debt Service Fund in fiscal years 2017 through 2021, respectively, and grants from the City to the TFA of $1.909 billion, $2.174 billion, $2.319 billion, $2.550 billion and $2.682 billion in fiscal years 2017 through 2021, respectively, which were used by the TFA to pay debt service in the following fiscal year thereby decreasing the TFA funding requirements.

(8) All Other includes payments into the Retiree Health Benefits Trust of $100 million, $100 million, $100 million and $425 million in fiscal years 2017, 2018, 2019 and 2021, respectively, a payment from the Retiree Health Benefits Trust of approximately $1 billion in the Retiree Health Benefits Trust to pay for OPEB costs in fiscal year 2020, and payment of $200 million of subsidies to NYCHH in fiscal year 2019 otherwise due in fiscal year 2020.

(9) Surplus is the surplus after discretionary and other transfers and expenditures. The City had general fund operating revenues exceeding expenditures of $4.185 billion, $4.581 billion, $4.226 billion, $3.824 billion and $6.112 billion before discretionary and other transfers and expenditures for the 2017 through 2021 fiscal years, respectively. Discretionary and other transfers are included in Debt Service and All Other.

Forecast of 2022 Results

The following table compares the forecast for the 2022 fiscal year contained in the financial plan, submitted to the Control Board in June 2021 (the "June 2021 Forecast"), with the forecast contained in the Financial Plan, which was submitted to the Control Board on June 13, 2022 (the "June 2022 Forecast"). Each forecast was prepared on a basis consistent with GAAP except for the application of GASB 49 and without regard to changes in certain fund balances described in GML Section 25. For information regarding recent developments, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

	June 2021 Forecast	June 2022 Forecast	Increase/(Decrease) from June 2021 Forecast
		(In Millions)	
REVENUES			
Taxes			
General Property Tax	$ 29,284	$ 29,497	$ 213(1)
Other Taxes	32,151	38,199	6,048(2)
Tax Audit Revenues	921	871	(50)
Subtotal – Taxes	$ 62,356	$ 68,567	$ 6,211
Miscellaneous Revenues	6,873	7,351	478(3)
Unrestricted Intergovernmental Aid	—	792	792(4)
Less: Intra-City Revenue	(1,891)	(2,295)	(404)
Disallowances Against Categorical Grants	(15)	(75)	(60)
Subtotal – City Funds	$ 67,323	$ 74,340	$ 7,017
Other Categorical Grants	1,025	942	(83)
Inter-Fund Revenues	725	655	(70)
Federal Categorical Grants	13,697	19,140	5,443(5)
State Categorical Grants	15,953	16,483	530(6)
Total Revenues	$ 98,723	$ 111,560	$ 12,837
EXPENDITURES			
Personal Services			
Salaries and Wages	$ 31,423	$ 31,328	$ (95)
Pensions	10,037	9,727	(310)(7)
Fringe Benefits	12,377	12,217	(160)(8)
Retiree Health Benefits Trust	—	750	750(9)
Subtotal – Personal Services	$ 53,837	$ 54,022	$ 185
Other Than Personal Services			
Medical Assistance	6,546	6,484	(62)
Public Assistance	1,651	1,660	9
All Other	36,858	43,555	6,697(10)
Subtotal – Other Than Personal Services	$ 45,055	$ 51,699	$ 6,644
Debt Service	7,029	6,657	(372)(11)
FY 2021 Budget Stabilization	(6,107)	(6,107)	—(12)
FY 2022 Budget Stabilization	—	6,114	6,114(13)
Capital Stabilization Reserve	—	—	—
General Reserve	300	20	(280)
Deposit to Rainy Day Fund	500	1,450	950(14)
Less: Intra-City Revenue	(1,891)	(2,295)	(404)
Net Total Expenditures	$ 98,723	$ 111,560	$ 12,837

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(1) The increase in General Property Tax is from lower reserve for collectibles of $167 million, higher collections from prior year delinquencies of $130 million and higher than expected proceeds from the lien sale of $6 million offset by higher expected issuance of refunds of $90 million and a proposed property tax rebate of $90 million.

(2) The increase in Other Taxes is due to increases of $2,725 million in personal income tax, $1,022 million in general corporation tax, $926 million in sales tax, $646 million in real property transfer tax, $376 million in mortgage recording tax, $363 million in unincorporated business tax, $108 million in hotel tax, $18 million in utility tax and $1 million in cigarette tax, offset by decreases of $25 million in other taxes, $20 million in commercial rent tax and $3 million in STAR Program aid.

(3) The increase in Miscellaneous Revenues is due to increases of $404 million in intra-city revenues, $137 million in fines and forfeitures, $72 million in miscellaneous and other revenues, $30 million in water and sewer charges, $5 million in license revenues and $4 million in interest offset by decreases of $149 million in charges for services, $17 million in franchises, $6 million in permit revenues and $2 million in rental income.

(4) The increase in Unrestricted Intergovernmental Aid is due to increases in federal funding for COVID-related costs in prior years.

(5) The increase in Federal Categorical Grants is due to increases of $3.877 billion in funding relating to the outbreak of COVID-19, $279 million in health and mental hygiene funding, $278 million in community development funding, primarily disaster recovery funding, $188 million in police funding, $168 million in housing preservation and development funding, $115 million in social services funding, $108 million in homeless services funding, $107 million in education funding, $105 million in transportation department funding, $60 million in fire department funding, $37 million in youth and community development funding, $23 million in department for the aging funding, $21 million in department of small business services funding, $20 million in NYCHH funding, $15 million in department of design and construction funding, $10 million in emergency management funding, and $32 million in other agencies funding.

(6) The increase in State Categorical Grants is due to increases of $222 million in education funding, $128 million in miscellaneous agency funding, $44 million in children services funding, $40 million in in health and mental hygiene funding, $21 million in police funding, $16 million in transportation department funding, $15 million in district attorney funding, $11 million in board of elections funding, $11 million in sanitation department funding and $22 million in other agencies funding.

(7) The decrease in Pensions is primarily due to the elimination of the budget reserve in fiscal year 2022 for potential costs that could arise from a pending audit of actuarial assumptions.

(8) The decrease in Fringe Benefits is primarily due to a reduction in City headcount in fiscal year 2022.

(9) The increase in Retiree Health Benefits reflects a contribution of an additional $750 million into the Retiree Health Benefits Trust in fiscal year 2022. See "SECTION IX: PENSION SYSTEMS AND OPEB—Other Post-Employment Benefits."

(10) The increase in Other Than Personal Services—All Other is due to expense increases to be funded in part by $6.697 billion of Federal Categorical Grants, $643 million of State Categorical Grants, $544 million of other funds and $415 million of City Funds.

(11) The decrease in General Obligation, Lease and TFA Debt Service is primarily due to savings from refinancing transactions executed in fiscal year 2022 and lower actual interest rates on floating rate obligations.

(12) FY 2021 Budget Stabilization reflects, in fiscal year 2021, the discretionary transfer of $3.0 billion into the General Debt Service Fund and a grant of $2.68 billion to the TFA, each for debt service due in fiscal year 2022, and the discretionary transfer of $425 million into the Retiree Health Benefits Trust.

(13) FY 2022 Budget Stabilization reflects, in fiscal year 2022, the discretionary transfer of $3.318 billion into the General Debt Service Fund, a grant of $1.964 billion to the TFA, and a $40 million pre-payment of conduit debt service, each for debt service due in fiscal year 2023, and the discretionary transfer of $792 million into the Retiree Health Benefits Trust. See "SECTION IX: PENSION SYSTEMS AND OPEB—Other Post-Employment Benefits."

(14) The increase in Rainy Day Fund reflects a contribution of an additional $950 million into the fund in fiscal year 2022.

SECTION VII: FINANCIAL PLAN

The following table sets forth the City's projected operations on a basis consistent with GAAP, except for the application of GASB 49 and without regard to changes in certain fund balances described in GML Section 25, for the 2022 through 2026 fiscal years as contained in the Financial Plan. This table should be read in conjunction with the accompanying notes, "Actions to Close the Remaining Gaps" and "Assumptions" below. For information regarding recent developments, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

	Fiscal Years(1)(2)				
	2022	2023	2024	2025	2026
			(In Millions)		
REVENUES					
Taxes					
General Property Tax(3)	$ 29,497	$ 31,277	$ 31,871	$ 32,006	$ 32,018
Other Taxes(4)	38,199	35,751	35,795	37,346	38,778
Tax Audit Revenue	871	721	721	721	721
Subtotal – Taxes	$ 68,567	$ 67,749	$ 68,387	$ 70,073	$ 71,517
Miscellaneous Revenues(5)	7,351	7,311	7,255	7,262	7,283
Unrestricted Intergovernmental Aid	792	252	-	-	-
Less: Intra-City Revenue	(2,295)	(1,974)	(1,939)	(1,929)	(1,929)
Disallowances Against Categorical Grants	(75)	(15)	(15)	(15)	(15)
Subtotal – City Funds	$ 74,340	$ 73,323	$ 73,688	$ 75,391	$ 76,856
Other Categorical Grants	942	1,029	1,016	1,015	1,012
Inter-Fund Revenues(6)	655	736	732	731	731
Federal Categorical Grants	19,140	9,284	8,676	7,958	6,974
State Categorical Grants	16,483	16,752	16,890	17,134	17,188
Total Revenues	$111,560	$101,124	$101,002	$102,229	$102,761
EXPENDITURES					
Personal Service					
Salaries and Wages	$ 31,328	$ 31,668	$ 31,973	$ 32,453	$ 33,050
Pensions	9,727	9,414	8,702	7,814	6,933
Fringe Benefits	12,217	12,640	13,756	14,720	15,437
Retiree Health Benefits Trust	750	—	—	—	—
Subtotal – Personal Service	$ 54,022	$ 53,722	$ 54,431	$ 54,987	$ 55,420
Other Than Personal Service					
Medical Assistance	6,484	6,564	6,385	6,385	6,385
Public Assistance	1,660	1,650	1,650	1,650	1,650
All Other(7)	43,555	37,718	35,149	34,803	34,391
Subtotal – Other Than Personal Service	$ 51,699	$ 45,932	$ 43,184	$ 42,838	$ 42,426
Debt Service(8)	6,657	7,753	8,086	8,597	9,374
FY 2021 Budget Stabilization & Discretionary Transfers(9)	(6,107)	-	-	-	-
FY 2022 Budget Stabilization(10)	6,114	(6,114)	-	-	-
Capital Stabilization Reserve(11)	-	250	250	250	250
General Reserve	20	1,555	1,200	1,200	1,200
Deposit to the Rainy Day Fund(12)	1,450	-	-	-	-
Less: Intra-City Expenses	(2,295)	(1,974)	(1,939)	(1,929)	(1,929)
Total Expenditures	$111,560	$101,124	$105,212	$105,943	$106,741
Gap to be Closed	$ —	$ —	$ (4,210)	$ (3,714)	$ (3,980)

(1) The four year financial plan for the 2023 through 2026 fiscal years, as submitted to the Control Board on June 13, 2022, contained the following projections for the 2023-2026 fiscal years: (i) for 2023, total revenues of $101.123 billion and total expenditures of $101.124 billion; (ii) for 2024, total revenues of $101.002 billion and total expenditures of $105.212 billion, with a gap to be closed of $4.210 billion; (iii) for 2025, total revenues of $102.229 billion and total expenditures of $105.943 billion, with a gap to be closed of $3.714 billion; and (iv) for 2026, total revenues of $102.761 billion and total expenditures of $106.741 billion, with a gap to be closed of $3.980 billion.

Footnotes continued on next page

The four year financial plan for the 2022 through 2025 fiscal years, as submitted to the Control Board on June 30, 2021, contained the following projections for the 2022-2025 fiscal years: (i) for 2022, total revenues of $98.723 billion and total expenditures of $98.723 billion; (ii) for 2023, total revenues of $97.724 billion and total expenditures of $101.775 billion, with a gap to be closed of $4.051 billion; (iii) for 2024, total revenues of $99.516 billion and total expenditures of $103.353 billion, with a gap to be closed of $3.837 billion; and (iv) for 2025, total revenues of $100.960 billion and total expenditures of $105.029 billion, with a gap to be closed of $4.069 billion.

The four year financial plan for the 2020 through 2023 fiscal years, as submitted to the Control Board on June 19, 2019, contained the following projections for the 2020-2023 fiscal years: (i) for 2020, total revenues of $92.772 billion and total expenditures of $92.772 billion; (ii) for 2021, total revenues of $94.421 billion and total expenditures of $97.942 billion, with a gap to be closed of $3.521 billion; (iii) for 2022, total revenues of $96.992 billion and total expenditures of $99.871 billion, with a gap to be closed of $2.879 billion; and (iv) for 2023, total revenues of $99.352 billion and total expenditures of $102.493 billion, with a gap to be closed of $3.141 billion.

(2) The Financial Plan combines the operating revenues and expenditures of the City, the DOE and CUNY. The Financial Plan does not include the total operations of NYCHH, but does include the City's subsidy to NYCHH and the City's share of NYCHH revenues and expenditures related to NYCHH's role as a Medicaid provider. Certain Covered Organizations and PBCs which provide governmental services to the City, such as the Transit Authority, are separately constituted and their revenues, are not included in the Financial Plan; however, City subsidies and certain other payments to these organizations are included. Revenues and expenditures are presented net of intra-City items, which are revenues and expenditures arising from transactions between City agencies.

(3) For a description of the STAR Program, and other real estate tax assumptions, see "SECTION VII: FINANCIAL PLAN—Assumptions—*Revenue Assumptions*—2. REAL ESTATE TAX."

(4) Personal income taxes flow directly from the State to the TFA, and from the TFA to the City only to the extent not required by the TFA for debt service, reserves, operating expenses and contractual and other obligations incurred pursuant to the TFA indenture. Sales taxes will flow directly from the State to the TFA to the extent necessary to provide statutory coverage. Other Taxes includes amounts that are expected to be retained by the TFA for its funding requirements associated with TFA Future Tax Secured Bonds. Starting with fiscal year 2023, personal income taxes also includes the newly enacted pass-through entity tax. see "SECTION IV: SOURCES OF CITY REVENUES—Other Taxes."

(5) Miscellaneous Revenues reflects the receipt by the City of TSRs not used by TSASC for debt service and other expenses. For information on TSASC, see "SECTION IV: SOURCES OF CITY REVENUES—Miscellaneous Revenues."

(6) Inter-Fund Revenues represents General Fund expenditures, properly includable in the Capital Budget, made on behalf of the Capital Projects Fund pursuant to inter-fund agreements.

(7) For a discussion of the categories of expenditures in Other Than Personal Services—All Other, see "SECTION VII: FINANCIAL PLAN—Assumptions—*Expenditure Assumptions*—2. OTHER THAN PERSONAL SERVICES COSTS."

(8) For a discussion of the debt service in General Obligation, Lease and TFA Debt Service, see "SECTION VII: FINANCIAL PLAN—Assumptions—*Expenditure Assumptions*—3. GENERAL OBLIGATION, LEASE AND TFA DEBT SERVICE."

(9) FY 2021 Budget Stabilization reflects, in fiscal year 2021, the discretionary transfer of $3.0 billion into the General Debt Service Fund and a grant of $2.68 billion to the TFA, each for debt service due in fiscal year 2022, and the discretionary transfer of $425 million into the Retiree Health Benefits Trust.

(10) FY 2022 Budget Stabilization reflects, in fiscal year 2022, the discretionary transfer of $3.318 billion into the General Debt Service Fund, a grant of $1.964 billion to the TFA, and a $40 million pre-payment of conduit debt service, each for debt service due in fiscal year 2023, and the discretionary transfer of $792 million into the Retiree Health Benefits Trust.

(11) The Capital Stabilization Reserve reflects a capital reserve which will be available to make capital projects more efficient or for debt retirement in an economic downturn.

(12) The Rainy Day Fund reflects an expense reserve funded with prior and current year surpluses. No more than fifty percent of the total amount of such fund may be withdrawn in any fiscal year unless the Mayor has certified that there is a compelling fiscal need.

Implementation of various measures in the Financial Plan may be uncertain. If these measures cannot be implemented, the City will be required to take actions to decrease expenditures or increase revenues to maintain a balanced financial plan. See "Assumptions" and "Certain Reports" below.

Actions to Close the Remaining Gaps

Although the City has maintained balanced budgets in each of its last 41 fiscal years, except for the application of GASB 49 with respect to fiscal years 2010 through 2021, and without regard to changes in certain fund balances described in GML Section 25 in fiscal years 2020 and 2021, and is projected to achieve balanced operating results for the 2022 fiscal year, except for the application of GASB 49 and without regard to changes in certain fund balances described in GML Section 25, there can be no assurance that the Financial Plan or future actions to close projected outyear gaps can be successfully implemented or that the City will maintain a balanced budget in future years without additional federal or State aid, revenue increases or expenditure reductions. Additional tax increases and reductions in essential City services could adversely affect the City's economic base.

Revenue Stabilization Fund

The Revenue Stabilization Fund (referred to herein as the Rainy Day Fund) was established in fiscal year 2021. It includes both prior year surpluses as well as additional amounts added pursuant to the City budget process. No more than fifty percent of the total amount of such fund may be withdrawn in any fiscal year unless the Mayor has certified that there is a compelling fiscal need. The current balance in the Rainy Day Fund is $1.949 billion, reflecting a deposit of $1.45 billion to the Rainy Day Fund in fiscal year 2022.

Assumptions

The Financial Plan is based on numerous assumptions, including the condition of the City's and the region's economies and the concomitant receipt of economically sensitive tax revenues in the amounts projected. The Financial Plan is subject to various other uncertainties and contingencies relating to, among other factors, the extent, if any, to which wage increases for City employees exceed the annual wage costs assumed; realization of projected earnings for pension fund assets and current assumptions with respect to wages for City employees affecting the City's required pension fund contributions; the willingness and ability of the State to provide the aid contemplated by the Financial Plan and to take various other actions to assist the City; the ability of NYCHH and other such entities to maintain balanced budgets; the willingness of the federal government to provide the amount of federal aid contemplated in the Financial Plan; the impact on City revenues and expenditures of federal and State legislation affecting Medicare or other entitlement programs; adoption of the City's budgets by the City Council in substantially the forms submitted by the Mayor; the ability of the City to implement cost reduction initiatives, and the success with which the City controls expenditures; the impact of conditions in the real estate market on real estate tax revenues; the ability of the City and other financing entities to market their securities successfully in the public credit markets; the impact of the outbreak of COVID-19; and the extension of the authorization to sell real property tax liens. See "SECTION I: RECENT FINANCIAL DEVELOPMENTS." Certain of these assumptions are reviewed in reports issued by the City Comptroller and other public officials. See "SECTION VII: FINANCIAL PLAN—Certain Reports."

The projections and assumptions contained in the Financial Plan are subject to revision, which may be substantial. No assurance can be given that these estimates and projections, which include actions the City expects will be taken but are not within the City's control, will be realized. For information regarding certain recent developments, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

Revenue Assumptions

1. GENERAL ECONOMIC CONDITIONS

The Financial Plan assumes an increase in economic activity in calendar year 2021 compared to calendar year 2020. The following table presents a forecast of the key economic indicators for the calendar years 2021 through 2026. This forecast is based upon information available in April 2022.

FORECAST OF KEY ECONOMIC INDICATORS

	Calendar Years						
	2021	**2022**	**2023**	**2024**	**2025**	**2026**	**1979-2020**
U.S. ECONOMY							
Real GDP (billions of 2012 dollars):	$19,428	$20,078	$20,620	$21,209	$21,799	$22,337	
Percent Change	5.7	3.3	2.7	2.9	2.8	2.5	2.5%
Non-Agricultural Employment (millions)	146.1	151.8	153.8	155.1	156.3	157.5	
Level Change	4.0	5.7	2.0	1.2	1.3	1.2	
Percent Change	2.8	3.9	1.3	0.8	0.8	0.8	1.1%
CPI-All Urban (1982-84=100)	271.0	287.7	295.2	301.5	307.9	314.8	
Percent Change	4.7	6.2	2.6	2.1	2.1	2.2	3.1%
Wage Rate ($ per year)	70,682	74,567	78,083	81,498	85,003	88,587	
Percent Change	6.4	5.5	4.7	4.4	4.3	4.2	3.9%
Personal Income ($ billions)	21,077	21,538	22,799	24,075	25,398	26,709	
Percent Change	7.4	2.2	5.9	5.6	5.5	5.2	5.6%
Pre-Tax Corp Profits ($ billions)	2,978	3,025	3,023	3,202	3,461	3,703	
Percent Change	36.3	1.6	0.0	5.9	8.1	7.0	5.0%
Unemployment Rate (Percent)	5.4	3.6	3.6	3.7	3.7	3.6	6.2% avg

	Calendar Years						
	2021	2022	2023	2024	2025	2026	1979-2020
10-year Treasury Bond Rate	1.4	2.1	2.8	3.1	3.1	3.1	6.0% avg
Federal Funds Rate	0.1	0.8	2.0	2.5	2.6	2.6	4.7% avg
NYC ECONOMY							
Real Gross City Product (billions of 2012 dollars):	890.3	937.1	967.9	998.8	1,029.6	1,057.9	
Percent Change	7.6	5.3	3.3	3.2	3.1	2.7	2.2%
Non-Agricultural Employment (thousands)	4,238	4,438	4,566	4,665	4,760	4,854	
Level Change	86.6	199.6	128.4	99.1	94.9	93.5	
Percent Change	2.1	4.7	2.9	2.2	2.0	2.0	0.6%
CPI- All Urban NY-NJ Area (1982-84=100)	292.3	306.8	313.9	320.5	327.6	335.1	
Percent Change	3.3	5.0	2.3	2.1	2.2	2.3	3.3%
Wage Rate ($ per year)	113,784	115,768	117,167	119,308	122,763	125,930	
Percent Change	7.0	1.7	1.2	1.8	2.9	2.6	4.8%
Personal Income	714.7	716.8	751.8	789.6	830.4	870.4	
Percent Change	5.5	0.3	4.9	5.0	5.2	4.8	5.6%
NYC REAL ESTATE MARKET							
Manhattan Primary Office Market							
Asking Rental Rate ($ per square feet)	76.3	71.0	70.7	70.8	73.5	75.1	
Percent Change	-4.9	-6.9	-0.5	0.2	3.9	2.1	2.3%
Vacancy Rate – Percent	19.6	22.8	23.1	22.1	20.2	20.4	10.6% avg

Source: OMB

2. REAL ESTATE TAX

Projections of real estate tax revenues are based on a number of assumptions, including, among others, assumptions relating to the tax rate, the assessed valuation of the City's taxable real estate, the delinquency rate, debt service needs, a reserve for uncollectible taxes, the operating limit and the impact of the outbreak of COVID-19. See "SECTION IV: SOURCES OF CITY REVENUES—Real Estate Tax." Real Estate Tax revenue projections for fiscal years 2023 through 2026 reflect certain City tax programs proposed by the Mayor and adopted by the New York State legislature. The adoption of such proposals is estimated to reduce real estate tax revenues by $25 million per fiscal year, starting in fiscal year 2023. Real Estate Tax revenue projections also reflect the cost of a proposed property tax rebate program amounting to $90 million in fiscal year 2022. For more information on the changes, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

Projections of real estate tax revenues include net revenues from the sale of real property tax liens of $87 million in fiscal year 2022 and $80 million in each of fiscal years 2023 through 2026. Projections of real estate tax revenues include the effects of the STAR Program which will reduce the real estate tax revenues by an estimated $146 million, $144 million, $142 million, $140 million and $138 million in fiscal years 2022 through 2026, respectively. Projections of real estate tax revenues reflect the estimated cost of extending the current tax reduction for owners of cooperative and condominium apartments amounting to $644 million, $668 million, $671 million, $677 million and $684 million in fiscal years 2022 through 2026, respectively.

The delinquency rate was 1.3% in fiscal year 2017, 1.2% in fiscal year 2018, 1.2% in fiscal year 2019, 1.8% in fiscal year 2020 and 2.0% in fiscal year 2021. The Financial Plan projects delinquency rates of 1.6% in fiscal year 2022, 1.6% in fiscal year 2023, 1.6% in fiscal year 2024 and 1.7% in each of fiscal years 2025 and 2026. For information concerning the delinquency rates for prior years, see "SECTION IV: SOURCES OF CITY REVENUES—Real Estate Tax—*Collection of the Real Estate Tax*." For a description of proceedings seeking real estate tax refunds from the City, see "SECTION X: OTHER INFORMATION—Litigation—*Taxes*." For information on the potential impact of the lapse of lien sale authorization on real property tax delinquencies, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

On April 24, 2017, a lawsuit was filed challenging the City's real property tax system and valuation methodology. See "SECTION X: OTHER INFORMATION—Litigation—*Taxes*."

3. OTHER TAXES

The following table sets forth amounts of revenues (net of refunds) from taxes other than the real estate tax projected to be received by the City in the Financial Plan. The amounts set forth below exclude the Criminal Justice Fund and audit revenues. Other taxes revenue projections for fiscal years 2023 through 2026 reflect certain City tax programs proposed by the Mayor and enacted as part of the release of the State Budget in April 2022. Such programs are estimated to reduce personal income taxes by $250 million per fiscal year and business tax revenues by $25 million per fiscal year, starting in fiscal year 2023. For more information on the changes, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

	2022	**2023**	**2024**	**2025**	**2026**
			(In Millions)		
Personal Income[(1)]	$16,552	$15,284	$14,844	$15,462	$15,869
General Corporation	5,400	4,537	4,294	4,444	4,724
Banking Corporation	—	—	—	—	—
Unincorporated Business Income	2,368	2,178	2,281	2,366	2,463
Sales[(2)]	8,349	8,601	8,971	9,423	9,954
Commercial Rent	860	862	863	866	868
Real Property Transfer	1,801	1,395	1,529	1,636	1,688
Mortgage Recording	1,270	961	1,015	1,087	1,118
Utility	385	379	395	403	418
Cigarette	20	18	17	16	16
Hotel Tax[(3)]	323	468	620	679	799
All Other[(4)]	955	1,067	965	963	961
Total	$38,290	$35,750	$35,794	$37,345	$38,778

Note: Totals may not add due to rounding.

(1) Personal Income includes $175 million, $1.416 billion, $3.426 billion, $3.721 billion and $4.239 billion of personal income tax revenues projected to be retained by the TFA for debt service and other expenses in fiscal years 2022 through 2026, respectively. Starting with fiscal year 2023, personal income taxes also includes the newly enacted pass-through entity tax. see "SECTION IV: SOURCES OF CITY REVENUES—Other Taxes."

(2) Sales Tax reflects the imposition of sales tax on certain additional internet sales and providing that sales tax revenues in the amount of $172 million in State fiscal year 2022 and thereafter increasing by one percent per year, will be directed to the MTA for transit improvements. In addition, fiscal years 2022 through 2025 reflect a State intercept of $150 million per fiscal year to fund the "Distressed Provider Assistance Account" to provide assistance to hospitals and nursing homes. For more information, see "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

(3) Hotel Tax includes the impact of an additional temporary hotel occupancy tax of 0.875 percent resulting in additional revenues of $32 million, $52 million, $77 million, $94 million and $97 million in fiscal years 2022 through 2026, respectively.

(4) All Other includes, among others, beer and liquor taxes and the automobile use tax. All Other also includes $146 million, $144 million, $142 million, $140 million and $138 million in fiscal years 2022 through 2026, respectively, to be provided to the City by the State as reimbursement for the reduced property tax resulting from the STAR Program.

The Financial Plan reflects the following assumptions regarding projected baseline revenues from Other Taxes: (i) with respect to the personal income tax, a 9.6 percent growth in fiscal year 2022 revenues reflecting strong Wall Street profits, a decline in 2023 and 2024 as Wall Street profits drop back to historical averages from the high levels and continued moderate growth on average in fiscal years 2025 through 2026; (ii) with respect to the business corporation tax, an increase in revenue in fiscal year 2022 and a decline in 2024 reflecting economic headwinds from the Russia-Ukraine conflict, a less stellar outlook for Wall Street profits followed by a moderate growth in fiscal years 2025 and 2026; (iii) with respect to the unincorporated business income tax, strong growth in fiscal year 2022 reflecting improved economic conditions in the City, a decline in 2023 reflecting slower economic growth and a return to moderate growth in fiscal years 2024 through 2026; (iv) with respect to the sales tax, a strong rebound in growth in fiscal year 2022 from increased consumer spending due to pent-up demand along with strong growth in the tourism, hospitality and entertainment industries, growth moderates in fiscal years 2023 through 2026; (v) with respect to the real property transfer tax, a very strong rebound in fiscal year 2022 for the residential activity from the pent-up demand from prior year's lost sales as well as a surge in commercial transactions towards the end of calendar year 2021, dampened growth in 2023 reflecting forecasted rising interest rates, with growth returning in fiscal years 2024 to 2026 reflecting steady economic growth; (vi) with respect to the mortgage recording tax, a strong rebound in fiscal year 2022, with rising interest rates dampening growth in 2023 before growth returns to the long-term trend in fiscal years 2024 through 2026 reflecting steady economic growth; and (vii) with respect to the commercial rent tax, a decline in 2022 reflecting high vacancy rates for commercial office space in Manhattan and flat growth from fiscal years 2023 through 2026, as uncertainties remain about office space use.

4. MISCELLANEOUS REVENUES

The following table sets forth amounts of miscellaneous revenues projected to be received by the City in the Financial Plan.

	2022	2023	2024	2025	2026
			(In Millions)		
Licenses, Permits and Franchises	$ 640	$ 737	$ 694	$ 691	$ 696
Interest Income	13	107	161	195	217
Charges for Services	871	1,029	1,033	1,033	1,033
Water and Sewer Payments(1)	1,667	1,801	1,752	1,739	1,733
Rental Income	246	250	250	250	250
Fines and Forfeitures	1,204	1,076	1,090	1,090	1,090
Other	415	337	336	335	335
Intra-City Revenues	2,295	1,974	1,939	1,929	1,929
	$ 7,351	$ 7,311	$ 7,255	$ 7,262	$ 7,283

(1) Received from the Water Board. The Financial Plan does not include any requests by the City for rental payments from the Water Board. For further information regarding the Water Board, see "SECTION VII: FINANCIAL PLAN—Financing Program."

Rental Income reflects approximately $160.5 million in fiscal year 2022 and $162.4 million in each of fiscal years 2023 through 2026 for lease payments for the City's airports.

Other reflects $130.9 million, $119.9 million, $119.2 million, $118.6 million and $118.2 million of projected resources in fiscal years 2022 through 2026, respectively, from the receipt by the City of TSRs. For more information, see "SECTION IV: SOURCES OF CITY REVENUES—Miscellaneous Revenues." Economic and legal uncertainties relating to the tobacco industry and the settlement may significantly affect the receipt of TSRs by TSASC and the City.

5. FEDERAL AND STATE CATEGORICAL GRANTS

The following table sets forth amounts of federal and State categorical grants projected to be received by the City in the Financial Plan.

	2022	2023	2024	2025	2026
			(In Millions)		
Federal					
Community Development	$ 617	$ 256	$ 252	$ 239	$ 239
Social Services	3,552	3,216	3,449	3,447	3,444
Education	5,184	3,710	3,323	2,431	1,901
Other	9,787	2,102	1,652	1,841	1,390
Total	$ 19,140	$ 9,284	$ 8,676	$ 7,958	$ 6,974
State					
Social Services	$ 1,878	$ 1,883	$ 1,858	$ 1,854	$ 1,848
Education	12,183	12,480	12,695	12,887	12,887
Higher Education	278	276	276	276	276
Health and Mental Hygiene	556	540	576	576	576
Other	1,588	1,573	1,485	1,541	1,601
Total	$ 16,483	$ 16,752	$ 16,890	$ 17,134	$ 17,188

The Financial Plan assumes that all existing federal and State categorical grant programs will continue, unless specific legislation provides for their termination or adjustment, and assumes increases in aid where increased costs are projected for existing grant programs. For information concerning federal and State aid and the possible impacts on the Financial Plan, see "INTRODUCTORY STATEMENT" and "SECTION I: RECENT FINANCIAL DEVELOPMENTS."

As of May 31, 2022, approximately 17.1% of the City's full-time and full-time equivalent employees (consisting of employees of the mayoral agencies and the DOE) were paid by Community Development funds, water and sewer funds and from other sources not funded by unrestricted revenues of the City.

A major component of federal categorical aid to the City is the Community Development program. Pursuant to federal legislation, Community Development grants are provided to cities primarily to aid low and moderate income persons by improving housing facilities, parks and other improvements, by providing certain social programs and by promoting economic development. These grants are based on a formula that takes into consideration such factors as population, age of housing and poverty.

The City's receipt of categorical aid is contingent upon the satisfaction of certain statutory conditions and is subject to subsequent audits, possible disallowances and possible prior claims by the State or federal governments. The general practice of the State and federal governments has been to deduct the amount of any disallowances against the current year's payment, although in some cases the City remits payment for disallowed amounts to the grantor. Substantial disallowances of aid claims may be asserted during the course of the Financial Plan. The City estimates probable amounts of disallowances of recognized grant revenues and makes the appropriate adjustments to recognized grant revenue for each fiscal year. The amounts of such downward adjustments to revenue for disallowances attributable to prior years increased from $124 million in the 1977 fiscal year to $542 million in the 2006 fiscal year. The amounts of such disallowances were $103 million and $114 million in fiscal years 2007 and 2008, respectively. There were no adjustments for estimated disallowances in fiscal years 2009 and 2010. In fiscal year 2011 the downward adjustment for disallowances was $113 million and in fiscal year 2012 an upward adjustment of $166 million was made, reflecting a reduced estimate of disallowances attributable to prior years as of June 30, 2012. In fiscal years 2013, 2014, 2015, 2016, 2020 and 2021, downward adjustments of $59 million, $19 million, $110 million, $1 million, $5 million and $24 million, respectively, were made. In fiscal years 2017, 2018 and 2019, upward adjustments of $558 million, $139 million and $113 million, respectively, were made. As of June 30, 2021, the City had an accumulated reserve of $298 million for all disallowances of categorical aid.

Expenditure Assumptions

1. PERSONAL SERVICES COSTS

The following table sets forth projected expenditures for personal services costs contained in the Financial Plan.

	2022	2023	2024	2025	2026
			(In Millions)		
Wages and Salaries	$ 30,395	$ 30,263	$ 30,047	$ 29,881	$ 29,808
Pensions	9,727	9,414	8,702	7,814	6,933
Other Fringe Benefits	12,217	12,640	13,756	14,720	15,437
Reserve for Collective Bargaining	933	1,405	1,926	2,572	3,242
Retiree Health Benefits Trust	750	-	-	-	-
Total	$ 54,022	$ 53,722	$ 54,431	$ 54,987	$ 55,420

The Financial Plan projects that the authorized number of City-funded full-time and full-time equivalent employees will increase from an estimated level of 267,511 as of June 30, 2022 to an estimated level of 271,819 by June 30, 2026.

Other Fringe Benefits includes $3.154 billion, $3.221 billion, $3.427 billion, $3.594 billion and $3.754 billion in fiscal years 2022 through 2026, respectively, for post-employment benefits other than pensions ("OPEB") expenditures for current retirees, which costs are currently paid by the City on a pay-as-you-go basis. For information on deposits to the Retiree Health Benefits Trust to fund a portion of the future cost of OPEB for current and future retirees, see "SECTION VI: FINANCIAL OPERATIONS—2017-2021 Summary of Operations."

The Financial Plan reflects contract settlements with 93% of the City's unionized workforce for the 2017-2021 round of collective bargaining. The Financial Plan reflects funding for a cumulative 7.95% for unsettled unions for such round based on the applicable civilian pattern as established by the DC 37 and UFT deals or the uniform pattern based on the Uniformed Officers Coalition settlement. All contract settlements also include health insurance savings as part of a 2018 agreement between the City and the MLC (the "2018 MLC Agreement"), in addition to those previously agreed upon.

The amounts in the Financial Plan reflect the offsets from health insurance savings of $600 million in fiscal year 2022 and thereafter. These savings are pursuant to the 2018 MLC Agreement. The City has the right to enforce the agreement through a binding arbitration process.

These savings are in addition to the $3.4 billion of health insurance savings the City achieved in fiscal years 2015 through 2018, $1.3 billion of which are recurring, which were negotiated pursuant to a previous MLC agreement.

The Financial Plan reflects funding of annual 1.25% wage increases following the expiration of the current labor contracts covering the 2017-2021 round of collective bargaining. Each annual 1% wage increase will cost approximately $450 million per fiscal year.

For a discussion of the City's pension systems, see "SECTION IX: PENSION SYSTEMS AND OPEB" and "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note E.5."

2. OTHER THAN PERSONAL SERVICES COSTS

The following table sets forth projected other than personal services ("OTPS") expenditures contained in the Financial Plan.

	2022	2023	2024	2025	2026
			(In Millions)		
Administrative OTPS and Energy	$ 34,443	$ 30,360	$ 28,442	$ 28,390	$ 28,002
Public Assistance	1,660	1,650	1,650	1,650	1,650
Medical Assistance	6,484	6,564	6,385	6,385	6,385
NYCHH Support	2,704	1,087	917	916	880
Other	6,408	6,271	5,790	5,497	5,509
Total	$ 51,699	$ 45,932	$ 43,184	$ 42,838	$ 42,426

Administrative OTPS and Energy

The Financial Plan contains estimates of the City's administrative OTPS expenditures for general supplies and materials, equipment and selected contractual services, and the impact of agency gap-closing actions relating to such expenditures in the 2022 fiscal year. Thereafter, OTPS administrative expenditures are projected to remain the same in fiscal year 2023 and, to account for inflation, administrative OTPS expenditures are projected to rise by 2.5% annually in fiscal years 2024 through 2026. Energy costs for each of the 2022 through 2026 fiscal years are assumed to vary annually, with total energy expenditures projected at $1.07 billion in fiscal year 2022 and increasing to $1.20 billion by fiscal year 2026.

Public Assistance

Of total cash assistance expenditures in the City, the City-funded portion is projected to be $913 million in fiscal year 2022 and $891 million in each of fiscal years 2023 through 2026.

Medical Assistance

Medical assistance payments projected in the Financial Plan consist of payments to voluntary hospitals, skilled nursing facilities, intermediate care facilities, home care providers, pharmacies, managed care organizations, physicians and other medical practitioners. The City-funded portion of medical assistance payments is estimated at $6.4 billion for the 2022 fiscal year.

The City-funded portion of medical assistance payments is expected to be $6.5 billion in fiscal year 2023 and $6.3 billion in each of fiscal years 2024 through 2026. Such payments include the City's capped share of local Medicaid expenditures as well as Supplemental Medicaid payments to NYCHH.

New York City Health and Hospitals

NYCHH, which provides essential services to over 1.1 million New Yorkers annually, faces near- and long-term financial challenges resulting from, among other things, changes in hospital reimbursement under the Affordable Care Act and the statewide transition to managed care. On April 26, 2016, the City released "One New York: Health Care for Our Neighborhoods," a report outlining the City's plan to address NYCHH's financial shortfall.

In May 2022, NYCHH released a cash-based financial plan, which projected City-funded expenditures of $2.3 billion in fiscal year 2022, $1.1 billion in fiscal year 2023, $912 million in fiscal year 2024 and $911 million in each of fiscal years 2025 and 2026, in addition to the forgiveness of debt service for fiscal years 2022 through 2026 and the City's contribution to supplemental Medicaid payments which is consistent with the City's Financial Plan. NYCHH's financial plan projected total receipts of $12.8 billion, $9.8 billion, $9.2 billion, $9.0 billion and $8.7 billion, and total disbursements of $12.7 billion, $9.8 billion, $9.2 billion, $9.1 billion and $9.3 billion in fiscal years 2022 through 2026, respectively.

NYCHH relies on significant projected revenue from Medicaid, Medicare and other third-party payor programs. Future changes to such programs could have adverse impacts on NYCHH's financial condition.

Other

The projections set forth in the Financial Plan for OTPS-Other include the City's contributions to NYCT, NYCHA and CUNY and subsidies to libraries and various cultural institutions. They also include projections for the cost of future judgments and claims which are discussed below under "Judgments and Claims." In the past, the City has provided additional assistance to certain Covered Organizations which had exhausted their financial resources prior to the end of the fiscal year. No assurance can be given that similar additional assistance will not be required in the future.

New York City Transit

NYCT operates under its own section of the Financial Plan as a Covered Organization. An accrual-based financial plan for NYCT covering its 2021 through 2025 fiscal years was published in July 2022 (the "2022 NYCT Financial Plan"). The NYCT fiscal year coincides with the calendar year. The 2022 NYCT Financial Plan reflects the negative impacts of the COVID-19 pandemic on MTA costs, ridership, and farebox revenue. The 2022 NYCT Financial Plan reflects City assistance to the NYCT operating budget of $461.0 million in 2022, increasing to $538.8 million in 2026. In addition, the 2022 NYCT Financial Plan projects real estate transfer tax revenue dedicated for NYCT use of $696.0 million in 2022 and $533.1 million in 2023, increasing to $631.7 million by 2026. The 2022 NYCT Financial Plan includes decreased expected farebox revenue based on projected lower ridership. The 2022 NYCT Financial Plan reflects $9.4 billion in revenues and $16.3 billion in expenses for 2022, leaving a budget gap of $6.9 billion. After accounting for accrual adjustments and cash carried over from 2021, there are projected operating budget gaps of $3.2 billion in 2022, $6.9 billion in 2023, $10.4 billion in 2024, $14.1 billion in 2025 and $18.0 billion in 2026. These figures do not reflect the receipt of approximately $7 billion in federal aid for the ARPA, which is expected largely to offset the projected 2022 and outyear deficits.

In 2009, a Payroll Mobility Tax ("PMT") was enacted into State law to provide $0.34 for every $100 of payroll in the MTA's twelve-county service area. The PMT is currently expected to generate revenues for NYCT in the amount of $493 million in 2022, increasing to $729 million in 2026.

The MTA faces serious budget shortfalls from historic declines in fare and tax revenues due to the COVID-19 pandemic and its effects on the region. Federal aid has allowed the MTA to close the deficit through 2024, but multi-billion dollar out-year deficits remain in 2025 and beyond. The City's payments to the MTA remain dependent on future uncertainties such as additional federal funding, ridership trends, and service adjustments.

The 2015-2019 Capital Program currently includes $33.9 billion for all MTA agencies, including $16.7 billion to be invested in the NYCT core system and $1.7 billion for NYCT network expansion.

The State has agreed to contribute $9.1 billion towards the 2015-2019 Capital Program. The City has agreed to contribute $2.656 billion. Of the City's contribution, $2.056 billion has been reflected in the City's capital commitment plan, including $164.0 million for the Subway Action Plan. The remaining $600.0 million will come from joint ventures, such as development deals, which will not flow through the City budget.

On September 19, 2019, the MTA released its 2020-2024 Capital Program, which took effect by default in January 2020. The program includes $54.8 billion for all MTA agencies, including $37.3 billion to be invested in subways and $3.5 billion for buses. The entire 2020-2024 Capital Program was placed on hold in 2020 but resumed upon the announcement of $6.5 billion in federal aid in the ARPA in March of 2021. In December 2021 and July 2022, the MTA board approved two amendments to the 2020-2024 Capital Program, raising the total to $55.4 billion.

Legislation adopted in 2019 includes the enactment of congestion tolling for vehicles entering a designated congestion zone in Manhattan below 60th Street, the revenues from which will be directed to the MTA for transit improvements. In July 2022 the MTA board voted to empanel the Traffic Mobility Review Board. The 2022 NYCT

Financial Plan anticipates that the MTA will begin receiving revenue from congestion tolling starting with $250 million in 2023 before $1 billion each following year, though most details are yet to come.

In addition, the State 2020 Budget included legislation authorizing the imposition of sales tax on certain additional internet sales and providing that City sales tax revenues in the amount of $127.5 million in State fiscal year 2020 (reflecting the portion of the year in which it is effective) and $170 million in State fiscal year 2021 and thereafter increasing by one percent per year, will be directed to the MTA for transit improvements. Revenues from such additional sales tax are currently estimated to be $170 million per year and are in addition to existing sales taxes attributable to certain other internet transactions. Additionally, such legislation provided that State sales tax revenues in the amount of $112.5 million in State fiscal year 2020 and $150 million in State fiscal year 2021 and thereafter increasing by one percent per year, will be directed to the MTA for transit improvements. The State 2020 Budget also included legislation increasing real estate transfer taxes on properties valued at more than $2 million, which will also be directed to the MTA for transit improvements.

The State 2021 Budget requires the City to contribute $3 billion towards the 2020-2024 Capital Program concurrent with the State's $3 billion contribution. Neither the City nor the State can use operating funds dedicated to the MTA to supplant their capital commitment and must pay on a schedule determined by the State Budget Director. The City has appropriated this $3 billion and this is anticipated to be spent within the years of the Ten-Year Capital Strategy. $1,5 billion of the funding is currently in the City's capital commitment plan, with an additional $1.5 billion expected to be added for fiscal year 2024 in the next commitment plan, consistent with the State's revised spending schedule.

The State 2021 Budget included a requirement that the City increase its funding of the MTA's net paratransit operating deficit from 33% to 50%. The City's Financial Plan reflects $179 million in fiscal year 2022 and $175 million in each of fiscal years 2023 through 2026 to cover the City's contributions for paratransit services, compared to MTA's estimates of $179 million, $278 million, $294 million, $310 million and $327 million in fiscal years 2022, 2023, 2024, 2025 and 2026, respectively. Spending on paratransit is significantly impacted by ridership levels, and it is unknown what the long-term impacts of COVID-19 will be on usage. The City will continue to monitor the anticipated paratransit costs for future years.

Department of Education

State law requires the City to provide City funds for the DOE each year in an amount not less than the amount appropriated for the preceding fiscal year, excluding amounts for debt service and pensions for the DOE. Such City funding must be maintained, unless total City funds for the fiscal year are estimated to be lower than in the preceding fiscal year, in which case the mandated City funding for the DOE may be reduced by an amount up to the percentage reduction in total City funds.

Judgments and Claims

In the fiscal year ended on June 30, 2021, the City expended $617.9 million for judgments and claims. The Financial Plan includes provisions for judgments and claims of $1.3 billion, $1.2 billion, $1.2 billion, $877.2 million and $823.2 million for the 2022 through 2026 fiscal years, respectively. These projections incorporate a substantial amount of claims costs attributed to NYCHH, estimated to be $140 million in each year of the Financial Plan, for which NYCHH reimburses the City unless otherwise forgiven by the City, which was the case in fiscal years 2013 and 2016. The City is a party to numerous lawsuits and is the subject of numerous claims and investigations. The City has estimated that its potential future liability on account of outstanding claims against it as of June 30, 2021 amounted to approximately $6.9 billion. This estimate was made by categorizing the various claims and applying a statistical model, based primarily on actual settlements by type of claim during the preceding ten fiscal years, and by supplementing the estimated liability with information supplied by the City's Corporation Counsel. For further information regarding certain of these claims, see "SECTION X: OTHER INFORMATION—Litigation."

In addition to the above claims, numerous real estate tax *certiorari* proceedings involving allegations of inequality of assessment, illegality and overvaluation are currently pending against the City. The City's Financial Statements for the fiscal year ended June 30, 2021 include an estimate that the City's liability in the *certiorari* proceedings, as of June 30, 2021, could amount to approximately $1.23 billion. Provision has been made in the Financial Plan for estimated refunds of $490 million in fiscal year 2022 and $400 million in each of fiscal years 2023 through 2026. For further information concerning these claims, certain remedial legislation related thereto and the City's estimates of potential liability, see "SECTION X: OTHER INFORMATION—Litigation—Taxes" and "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note D.5."

3. GENERAL OBLIGATION, LEASE AND TFA DEBT SERVICE

Debt service estimates for fiscal years 2022 through 2026 include debt service on outstanding general obligation bonds and conduit debt, and the funding requirements associated with outstanding TFA Future Tax Secured Bonds, and estimates of debt service costs of, or funding requirements associated with, future general obligation, conduit and TFA Future Tax Secured debt issuances based on projected future market conditions. Such debt service estimates also include estimated payments pursuant to interest rate exchange agreements but do not reflect receipts pursuant to such agreements.

In July 2009, the State amended the New York City Transitional Finance Authority Act to expand the borrowing capacity of the TFA by providing that it may have outstanding $13.5 billion of Future Tax Secured Bonds (excluding Recovery Bonds) and may issue additional Future Tax Secured Bonds provided that the amount of such additional bonds, together with the amount of indebtedness contracted by the City, does not exceed the debt limit of the City. The City currently expects to continue to finance approximately half of its capital program through the TFA, exclusive of Department of Environmental Protection capital budget items financed by the Water Authority.

The Financial Plan reflects general obligation debt service of $3.70 billion, $4.23 billion, $4.54 billion, $4.76 billion and $5.02 billion in fiscal years 2022 through 2026, respectively, conduit debt service of $100 million, $147 million, $118 million, $117 million and $116 million in fiscal years 2022 through 2026, respectively, and TFA debt service of $2.86 billion, $3.38 billion, $3.43 billion, $3.72 billion and $4.24 billion in fiscal years 2022 through 2026, respectively, in each case prior to giving effect to prepayments. Such debt service requirements are projected to be below 15% of projected City tax revenues for each year of the Financial Plan.

Certain Reports

On May 24, 2022, the City Comptroller released a report entitled "Comments on New York City's Executive Budget for Fiscal Year 2023 and Financial Plan for Fiscal Years 2022-2026". The report notes that the City is at a pivotal fiscal moment with tax revenues for the current fiscal year coming in far above expectations, yielding the City a substantial surplus. However, this trend is not expected to continue.

The Comptroller's Office generally agrees with the City's economic outlook in the April Financial Plan, although its tax revenue projections exceed the City's projections in the April Financial Plan by $3.3 billion in fiscal year 2022 and $1.2 billion in fiscal year 2023, with the City understating projected personal income tax receipts for both fiscal years 2022 and 2023. The Comptroller's Office expects the City's unaccounted expenditures to grow to $3.6 billion by fiscal year 2026. Additionally, the report states that the April Financial Plan does not contain sufficient contributions to the Revenue Stabilization Fund in light of the City's projected $3.1 billion surplus for fiscal year 2022, and recommends an additional contribution of $1.8 billion by the end of fiscal year 2022.

In the report, the City Comptroller projects net offsets of $3.06 billion in fiscal year 2022 and $400 million in fiscal year 2023, and net risks of $1.05 billion, $1.35 billion and $2.73 billion in fiscal years 2024 through 2026, respectively, which, when added to the results projected in the April Financial Plan, would result in surpluses of $3.06 billion in fiscal year 2022 and $400 million in fiscal year 2023, and gaps of $4.98 billion, $4.74 billion and $6.48 billion in fiscal years 2024 through 2026, respectively.

The differences from the April Financial Plan projections result in part from the City Comptroller's net expenditure projections, which are higher than the April Financial Plan projections by $164 million, $922 million, $1.67 billion, $2.48 billion and $3.62 billion in fiscal years 2022 through 2026, respectively, as a result of: (i) additional overtime expenditures of $252 million and $383 million in fiscal years 2022 and 2023, respectively, and $150 million in each of fiscal years 2024 through 2026; (ii) increased expenditures associated with increases in charter school tuition rates of $196 million, $266 million and $467 million in fiscal years 2024 through 2026, respectively;

(iii) increased expenditures associated with providing services to students with disabilities of $100 million in fiscal year 2022 and $300 million in each of fiscal years 2023 through 2026; (iv) increased expenditures associated with the expansion of pre-K for three year old children of $376 million in fiscal year 2026; (v) increased expenditures associated with the expansion of special education pre-K of $47 million and $95 million in fiscal years 2025 and 2026, respectively; (vi) increased expenditures related to provision of mental health services by DOE of $37 million and $86 million in fiscal years 2025 and 2026, respectively; (vii) increased expenditures relating to the expansion of community schools of $27 million and $54 million in fiscal years 2025 and 2026, respectively; (viii) increased costs associated with the expansion of the DOE summer academic and enrichment program of $176 million in each of fiscal years 2025 and 2026; (ix) increased school nursing expenditures of $49 million in each of fiscal years 2025 and 2026; (x) increased Public Health Corp expenditures of $13 million and $49 million in fiscal years 2025 and 2026, respectively; (xi) increased Fire Department expenditures related to mental health of $37 million in each of fiscal years 2024 through 2026; (xii) increased public assistance costs of $50 million in each of fiscal years 2023 through 2026; (xiii) increased homeless shelter operation expenditures of $109 million in fiscal year 2023 and $120 million in each of fiscal years 2024 through 2026; (xiv) increased expenditures associated with rental assistance of $108 million in fiscal year 2023 and $27 million in each of fiscal years 2024 through 2026; (xv) increased costs of providing MTA Paratransit Funding of $28 million, $55 million, $77 million, $91 million and $105 million in fiscal years 2022 through 2026, respectively; (xvi) increased expenditures associated with paying prevailing wage rates for homeless shelter security guards of $32 million in each of fiscal years 2024 through 2026; (xvii) increased expenditures associated with the State's foster care reimbursement rate of $59 million in fiscal year 2022, and $117 million in each of fiscal years 2023 through 2026; (xviii) increased costs of $335 million, $670 million and $1 billion in fiscal years 2024 through 2026, respectively, due to lower projected pension fund investment returns; and (xix) increased expenditures resulting from the State's change to pension benefits of $25 million in each of fiscal years 2023 through 2026. The report also projects: (i) anticipated debt service savings from lower interest rates on variable rate bonds of $75 million in each of fiscal years 2023 through 2026; (ii) decreased expenditures of $225 million in fiscal year 2022 and $150 million in fiscal year 2023 relating to enhanced federal Medicaid assistance; and (iii) decreased expenditures of $50 million in fiscal year 2022 resulting from the take-down of the general reserve fund.

The differences from the April Financial Plan projections also result in part from the City Comptroller's net revenue projections, which are higher than the April Financial Plan projections by $3.23 billion in fiscal year 2022, $1.32 billion in fiscal year 2023, $620 million in fiscal year 2024, $1.135 billion in fiscal year 2025 and $889 million in fiscal year 2026. The report projects that: (i) property tax revenues will be higher by approximately $233 million, $283 million, $424 million, $809 million and $1.12 billion in fiscal years 2022 through 2026, respectively; (ii) personal income tax revenues will be higher by $1.77 billion in fiscal year 2022 and $209 million in fiscal year 2023, lower by $357 million in fiscal year 2024, then higher by $278 million and $208 million in fiscal years 2025 and 2026, respectively; (iii) business tax revenues will be higher by $910 million in fiscal year 2022 and $56 million in fiscal year 2023, and lower by $2 million, $119 million and $301 million in fiscal years 2024 through 2026, respectively; (iv) sales tax revenues will be higher by $216 million, $276 million, $295 million, $174 million and $33 million in fiscal years 2022 through 2026 respectively; (v) real estate transaction-related tax revenues will be higher by $144 million and $146 million in fiscal years 2022 and 2023, respectively, and lower by $92 million, $312 million and $480 million in fiscal years 2024 through 2026, respectively; (vi) other tax revenue will be lower by $13 million in fiscal year 2022; (vii) revenues from audit collections will be $250 million higher in each of fiscal years 2023 through 2026; and (viii) non-tax revenues will be lower by $36 million in fiscal year 2022 and higher by $101 million, $103 million, $56 million and $54 million in fiscal years 2023 through 2026, respectively.

The City Comptroller expects to release a report on the Financial Plan in August 2022.

In May 2022, the OSDC released a report on the April Financial Plan titled "Review of the Financial Plan of the City of New York." The report notes that the April Financial Plan signifies a remarkable turnaround since adoption of the fiscal year 2022 budget in June 2021, and despite an economic recovery in the City that has lagged the nation's, the City has benefitted from strong unanticipated tax collections and savings in pension contributions from asset gains in fiscal year 2021. The report quantifies certain risks and offsets to the April Financial Plan. The report identifies net offsets of $2.44 billion in fiscal year 2022 and $132 million in fiscal year 2023, and net risks of $704 million, $952 million and $1.85 billion in fiscal years 2024 through 2026, respectively. When combined with the results projected in the April Financial Plan, the report estimates surpluses of $2.44 billion in fiscal year 2022 and $132 million in fiscal year 2023, with budget gaps of $4.64 billion, $4.34 billion and $5.60 billion in fiscal years 2024 through 2026, respectively.

The risks to the April Financial Plan identified in the report include: (i) increased costs of providing MTA bus subsidies of $15 million, $61 million, $91 million and $112 million in fiscal years 2023 through 2026, respectively; (ii) increased costs of providing MTA paratransit funding of $28 million, $55 million, $77 million, $91 million and $98 million in fiscal years 2022 through 2026, respectively; (iii) increased expenditures related to impact of the State budget of $90 million in fiscal year 2023 and $150 million in each of fiscal years 2024 through 2026; (iv) increased costs of judgments and claims against the City of $141 million in fiscal year 2023 and $90 million in fiscal year 2024; (v) increased expenditures associated with providing prevailing wages for Department of Homeless Services security guards of $33 million in each of fiscal years 2024 through 2026; (vi) increased expenditures related to foster care of $60 million in each of fiscal years 2024 through 2026; (vii) increased expenditures for emergency family assistance of $67 million in each of fiscal years 2024 through 2026; (viii) increased expenditures related to the early childhood intervention program of $25 million in fiscal year 2023 and $45 million in each of fiscal years 2024 through 2026; (ix) increased expenditures to fund school health programs of $20 million in fiscal year 2023 and $39 million in each of fiscal years 2024 through 2026; (x) increased expenditures associated with emergency assistance to families to address homelessness of $67 million in each of fiscal years 2024 through 2026; (xi) increased expenditures to fund universal access to legal counsel in housing court of $16 million in fiscal year 2026; (xii) increased expenditures to fund the emergency rental assistance program of $108 million in fiscal year 2023 and $227 million in each of fiscal years 2024 through 2026; (xiii) increased expenditures to fund the Public Health Corps of $13 million, $25 million and $61 million in fiscal years 2024 through 2026; (xiv) increased expenditures associated with providing services to students with disabilities of $142 million in fiscal year 2022 and $362 million in each of fiscal years 2023 through 2026; (xv) increased expenditures associated with increases in charter school tuition rates of $196 million, $266 million and $467 million in fiscal years 2024 through 2026, respectively; (xvi) increased expenditures for universal early childhood education for three-year-olds of $376 million in fiscal year 2026; (xvii) increased expenditures for certain other education initiatives of $210 million and $352 million in fiscal years 2025 and 2026, respectively; and (xviii) increased uniform services overtime costs of $251 million, $441 million, $459 million, $461 million and $464 million in fiscal years 2022 through 2026, respectively.

The report also identifies: (i) increased property tax revenues of $200 million in fiscal year 2023, $250 million in fiscal year 2024 and $300 million in each of fiscal years 2025 and 2026; (ii) increased non-property tax revenue of $2.40 billion, $925 million, $925 million, $875 million and $775 million in fiscal years 2022 through 2026, respectively; (iii) savings from staff vacancies of $200 million in fiscal year 2022; (iv) savings from enhanced federal funding for Medicaid of $223 million in fiscal year 2022 and $148 million in fiscal year 2023; (v) additional debt service savings of $115 million in fiscal year 2023; and (vi) a potential reduction in costs associated with the MTA bus subsidies of $37 million in fiscal year 2022.

The OSDC expects to release a report on the Financial Plan in August 2022.

On May 27, 2022, the Control Board released a report on the April Financial Plan titled "Staff Report April Modification FYs 2022-2026". The report notes that the City's economic conditions have improved though full economic recovery to pre-pandemic levels remains distant, with risks from the Covid-19 pandemic, high inflation, rising interest rates and war in Ukraine persisting. The April Financial Plan assumes steady revenue growth of 0.9% over the plan period of fiscal years 2023 through 2026 while total funded expenditures over the same period are expected to grow by an average of 2.1% annually; a growth-rate disparity creating budget gaps of $3.9 billion, $3.4 billion and $3.7 billion in fiscal years 2024 through 2026, respectively. The Control Board's risk analysis of the April Financial Plan suggests that these budget gaps could rise if revenue growth continues to be outpaced by greater growth of funded expenditures.

The Control Board report identifies estimated net offsets to risks to the April Financial Plan of $516 million in fiscal year 2022 and net risks to the April Financial Plan of $29 million, $240 million, $190 million and $90 million in fiscal years 2023 through 2026, respectively, resulting in a budget surplus of $516 million in fiscal year 2022 and budget gaps of $29 million, $4.18 billion, $3.58 billion and $3.84 billion in fiscal years 2023 through 2026, respectively. Such net offsets and risks result from: (i) increases in property tax revenues of $150 million, $200 million, $250 million and $300 million in fiscal years 2023 through 2026, respectively; (ii) increases in non-property tax revenues of $750 million, $500 million, $250 million, $250 million and $300 million in fiscal years 2022 through 2026, respectively; and (iii) decreased uniformed services overtime expenses of $234 million and $679 million in fiscal years 2023 and 2024, respectively, and $690 million in each of fiscal years 2024 through 2026.

The Control Board expects to release a report on the Financial Plan in August 2022.

Long-Term Capital Program

The City makes substantial capital expenditures to reconstruct and rehabilitate the City's infrastructure and physical assets, including City mass transit facilities, water and sewer facilities, streets, bridges and tunnels, and to make capital investments that will improve productivity in City operations.

The City utilizes a three-tiered capital planning process consisting of the Ten-Year Capital Strategy, the four-year capital plan and the current-year Capital Budget. The Ten-Year Capital Strategy is a long-term planning tool designed to reflect fundamental allocation choices and basic policy objectives. The four-year capital plan, which is updated three times a year as required by the City Charter, translates mid-range policy goals into specific projects. The Capital Budget defines specific projects and the timing of their initiation, design, construction and completion. On April 26, 2022, the City released the five-year capital commitment plan for fiscal years 2022 through 2026 which covers the current fiscal year and the four-year capital plan for fiscal years 2023 through 2026 (the "2022-2026 Capital Commitment Plan").

City-funded commitments, which were $344 million in fiscal year 1979, are projected to reach $11.7 billion in fiscal year 2022. City-funded expenditures are forecast at $9.4 billion in fiscal year 2022; total expenditures are forecast at $10.3 billion in fiscal year 2022. For additional information concerning the City's capital expenditures and the Ten-Year Capital Strategy covering fiscal years 2022 through 2031, see "SECTION V: CITY SERVICES AND EXPENDITURES—Capital Expenditures."

See "INTRODUCTORY STATEMENT" and "SECTION VIII: INDEBTEDNESS—Indebtedness of the City and Certain Other Entities—*Limitations on the City's Authority to Contract Indebtedness*."

The following table sets forth the major areas of capital commitment projected in the 2022-2026 Capital Commitment Plan.

2022-2026 CAPITAL COMMITMENT PLAN

	2022		2023		2024		2025		2026		TOTALS	
	(In Millions)											
	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds	City Funds	All Funds
Mass Transit[1]	$ 810	$ 841	$ 130	$ 139	$ 40	$ 40	$ 500	$ 500	$ 790	$ 790	$ 2,270	$ 2,310
Roadway, Bridges	1,116	1,506	1,663	1,952	1,758	1,898	2,865	2,997	2,477	2,633	9,878	10,986
Environmental Protection[2]	2,290	2,345	2,390	2,502	3,251	3,369	2,591	2,657	2,917	3,046	13,440	13,919
Education	4,326	4,206	5,888	5,938	4,718	4,778	1,240	1,240	1,222	1,222	17,393	17,383
Housing	1,485	1,517	2,067	2,099	1,622	1,654	1,650	1,682	2,075	2,107	8,898	9,058
Sanitation	182	184	349	351	647	655	433	433	291	291	1,901	1,914
City Operations/Facilities	5,894	6,550	7,261	7,859	7,249	7,732	7,888	8,368	5,382	5,630	33,675	36,139
Economic Development	596	702	786	960	452	455	550	563	487	493	2,872	3,174
Subtotal Commitments	16,698	17,849	20,534	21,800	19,737	20,584	17,717	18,439	15,640	16,211	90,326	94,884
Reserve for Unattained Commitments	(5,043)	(5,043)	(3,072)	(3,072)	(1,633)	(1,633)	136	136	775	775	(8,838)	(8,838)
Total Commitments[3]	$11,655	$12,806	$17,461	$18,728	$18,104	$18,949	$17,853	$18,576	$16,415	$16,986	$81,488	$86,045
Total Expenditures[4]	$ 9,371	$10,275	$10,869	$12,144	$12,232	$13,281	$13,810	$14,901	$14,393	$15,379	$60,675	$65,980

Note: Individual items may not add to totals due to rounding.

(1) Excludes NYCT's non-City portion of the MTA capital program.

(2) Includes water supply, water mains, water pollution control, sewer projects and related equipment.

(3) Commitments represent contracts registered with the City Comptroller, except for certain projects which are undertaken jointly by the City and State.

(4) Expenditures represent cash payments and appropriations planned to be expended for capital costs, excluding amounts for original issue discount.

Currently, if all City capital projects were implemented, expenditures would exceed the City's financing projections in the current fiscal year and subsequent years. The City has therefore established capital budgeting priorities to maintain capital expenditures within the available long-term financing. Due to the size and complexity of the City's capital program, it is difficult to forecast precisely the timing of capital project activity so that actual capital expenditures may vary from the planned annual amounts.

The Ten-Year Capital Strategy reflects approximately $1.6 billion for reconstruction work on the Brooklyn Queens Expressway between Sands Street and Atlantic Avenue, including the Triple Cantilever. On August 4, 2021, former Mayor de Blasio announced a plan for a series of improvements to the Triple Cantilever structure, along with certain changes in use, which would replace the larger reconstruction project and are intended to extend the useful life of the existing asset by approximately twenty years. The cost and scope of such improvements are uncertain at this time, but are estimated to be between $500 million and $750 million. The City will continue to study what improvements will be required to be implemented beyond such twenty year period, the costs of which are expected to be substantial.

The City's Department of Housing Preservation and Development ("HPD") promotes the quality and affordability of the City's housing and the strength and diversity of its many neighborhoods. From 2014-2021 the City financed over 200,000 affordable units across all five boroughs. The 2022-2026 Capital Commitment Plan includes sufficient resources for HPD to continue current production trends.

In December 2021, the City issued an Asset Information Management System Report (the "AIMS Report"), which is its annual assessment of the asset condition and a proposed maintenance schedule for its assets and asset systems which have a replacement cost of $10 million or more and a useful life of at least ten years, as required by the City Charter. This report does not reflect any policy considerations which could affect the appropriate amount of investment, such as whether there is a continuing need for a particular facility or whether there have been changes in the use of a facility. The AIMS Report estimated that $10.36 billion in capital investment would be needed for fiscal years 2023 through 2026 to bring the assets to a state of good repair. The report also estimated that $709 million, $252 million, $305 million and $273 million should be spent on maintenance in fiscal years 2023 through 2026, respectively.

The recommended capital investment for each inventoried asset is not readily comparable to the capital spending allocated by the City in the 2022-2026 Capital Commitment Plan and the Ten-Year Capital Strategy. Only a portion of the funding set forth in the 2022-2026 Capital Commitment Plan is allocated to specifically identified assets, and funding in the subsequent years of the Ten-Year Capital Strategy is even less identifiable with individual assets. Therefore, there is a substantial difference between the amount of investment recommended in the report for all inventoried City assets and amounts allocated to the specifically identified inventoried assets in the 2022-2026 Capital Commitment Plan. The City also issues an annual report (the "Reconciliation Report") that compares the recommended capital investment with the capital spending allocated by the City in the four-year capital plan to the specifically identified inventoried assets.

The most recent Reconciliation Report, issued in October 2021, concluded that the capital investment in the five-year capital plan for fiscal years 2022 through 2026, released on April 26, 2021, for the specifically identified inventoried assets, funded 68% of the total investment recommended in the preceding AIMS Report issued in May 2021. Capital investment allocated in the Ten-Year Capital Strategy published in April 2021 funded an additional portion of the recommended investment. In the same Reconciliation Report, OMB estimated that 55% of the expense maintenance levels recommended were included in the financial plan.

Financing Program

The following table sets forth the amount of bonds issued and expected to be issued during the 2022 through 2026 fiscal years (as set forth in the Financial Plan) to implement the 2022-2026 Capital Commitment Plan. See "SECTION VIII: INDEBTEDNESS—Indebtedness of the City and Certain Other Entities." From time to time, the City and its related issuers also issue bonds to refinance existing debt for economic savings. Such refunding bonds are not included in the following table.

2022-2026 FINANCING PROGRAM

	2022	2023	2024	2025	2026	Total
			(In Millions)			
City General Obligation Bonds	$ 2,580	$ 5,300	$ 5,080	$ 5,800	$ 5,980	$ 24,740
TFA Future Tax Secured Bonds	3,650	3,825	5,080	5,800	5,980	24,335
Water Authority Bonds	1,550	1,318	1,746	1,962	2,116	8,692
Total	**$ 7,780**	**$ 10,443**	**$ 11,906**	**$ 13,562**	**$ 14,076**	**$ 57,767**

Note: Totals may not add due to rounding.

The City's financing program includes the issuance of water and sewer revenue bonds by the Water Authority which is authorized to issue bonds to finance capital investment in the City's water and sewer system. Pursuant to State law, debt service on Water Authority indebtedness is secured by water and sewer fees paid by users of the water and sewer system. Such fees are revenues of the Water Board, which holds a lease interest in the City's water and sewer system. After providing for debt service on obligations of the Water Authority and certain incidental costs, the revenues of the Water Board are paid to the City to cover the City's costs of operating the water and sewer system and as rental for the system. In fiscal years 2017, 2018 and 2019, the City did not request the rental payment due to the City from the Water Board. In fiscal years 2020 and 2021, on account of the outbreak of COVID-19, the City requested rental payments of $128 million and $137 million, respectively. The Financial Plan reflects no additional rental payment requests for fiscal years 2022 through 2026. The City's Ten-Year Capital Strategy applicable to the City's water and sewer system covering fiscal years 2022 through 2031, projects City-funded water and sewer investment (which is expected to be financed with proceeds of Water Authority debt) at approximately $24.3 billion. The 2022-2026 Capital Commitment Plan reflects total anticipated City-funded water and sewer commitments of $14.4 billion which are expected to be financed with the proceeds of Water Authority debt.

The TFA is authorized to have outstanding $13.5 billion of Future Tax Secured Bonds (excluding Recovery Bonds). The TFA may have outstanding Future Tax Secured Bonds in excess of $13.5 billion provided that the amount of the Future Tax Secured Bonds, together with the amount of indebtedness contracted by the City, do not exceed the debt limit of the City. The City recently sought $19 billion of additional borrowing capacity for the TFA. Although the legislation authorizing such additional capacity was not enacted, the City intends to seek additional TFA borrowing capacity in the future, which would not be subject to the debt limit of the City. Future Tax Secured Bonds are issued for general City capital purposes and are secured by the City's personal income tax revenues and, to the extent such revenues do not satisfy specified debt ratios, sales tax revenues. In addition, the TFA is authorized to have outstanding $9.4 billion of Building Aid Revenue Bonds to pay for a portion of the City's five-year educational facilities capital plan. Building Aid Revenue Bonds are secured by State building aid, which the Mayor has assigned to the TFA.

Implementation of the financing program is dependent upon the ability of the City and other financing entities to market their securities successfully in the public credit markets which will be subject to prevailing market conditions at the times of sale. No assurance can be given that the credit markets will absorb the projected amounts of public bond sales. A significant portion of bond financing is used to reimburse the City's General Fund for capital expenditures already incurred. If the City and such other entities are unable to sell such amounts of bonds, it would have an adverse effect on the City's cash position. In addition, the need of the City to fund future debt service costs from current operations may also limit the City's capital program. The Ten-Year Capital Strategy for fiscal years 2022 through 2031 totals $133.7 billion, of which approximately 97% is to be financed with funds borrowed by the City and such other entities. See "INTRODUCTORY STATEMENT" and "SECTION VIII: INDEBTEDNESS—Indebtedness of the City and Certain Other Entities—*Limitations on the City's Authority to Contract Indebtedness*." Congressional developments affecting federal taxation generally could reduce the market value of tax-favored investments and increase the debt-service costs of carrying out the major portion of the City's capital plan which is currently eligible for tax-exempt financing.

Interest Rate Exchange Agreements

In an effort to manage its borrowing costs over the life of its bonds, the City began entering into interest rate exchange agreements commencing in fiscal year 2003. For a description of such agreements, see "APPENDIX B—

ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note A.12." As of June 30, 2022, the aggregate notional amount of the City's interest rate exchange agreements was $404,850,000 and the total marked-to-market value of such agreements was ($19,455,772).

In addition, in connection with its Courts Facilities Lease Revenue Bonds (The City of New York Issue) Series 2005A and B, the Dormitory Authority of the State of New York ("DASNY") entered into interest rate exchange agreements with Goldman Sachs Mitsui Marine Derivative Products, L.P. and JPMorgan Chase Bank, National Association. The City is obligated, subject to appropriation, to make lease payments to DASNY reflecting DASNY's obligations under these interest rate exchange agreements. Under such agreements, with a notional amount of $125,500,000, an effective date of June 15, 2005 and a termination date of May 15, 2039, DASNY pays a fixed rate of 3.017% and receives payments based on a LIBOR-indexed variable rate. As of June 30, 2022, the total marked-to-market value of the DASNY agreements was ($16,438,617).

Seasonal Financing Requirements

The City since 1981 has fully satisfied its seasonal financing needs, when necessary, in the public credit markets, repaying all short-term obligations within their fiscal year of issuance. The City has not issued short- term obligations to finance projected cash flow needs since fiscal year 2004. The City regularly reviews its cash position and the need for short-term borrowing. The Financial Plan does not reflect the issuance of short-term obligations.

SECTION VIII: INDEBTEDNESS

Indebtedness of the City and Certain Other Entities

Outstanding City and PBC Indebtedness

The following table sets forth outstanding City and PBC indebtedness as of June 30, 2022. "City indebtedness" refers to general obligation debt of the City, net of reserves. "PBC indebtedness" refers to obligations of the City, net of reserves, to the following PBCs: the New York City Educational Construction Fund ("ECF"), and DASNY (for health facilities, court facilities and CUCF as described below). PBC indebtedness is not debt of the City. However, the City has entered into agreements to make payments, subject to appropriation, to PBCs to be used for debt service on certain obligations constituting PBC indebtedness. Neither City indebtedness nor PBC indebtedness includes outstanding debt of the TFA or TSASC, which are not obligations of, and are not paid by, the City; nor does such indebtedness include obligations of the Hudson Yards Infrastructure Corporation ("HYIC"), for which the City has agreed to pay, as needed and subject to appropriation, interest on but not principal of such obligations.

	(In Thousands)	
Gross City Long-Term Indebtedness	$ 38,844,574	
Less: Assets Held for Debt Service[(1)]	(3,317,690)	
Net City Long-Term Indebtedness		35,526,884
PBC Indebtedness		
Bonds Payable	323,750	
Capital Lease Obligations	633,520	
Gross PBC Indebtedness	957,270	
Less: Assets Held for Debt Service	(91,094)	
Net PBC Indebtedness		866,176
Combined Net City and PBC Indebtedness		$ 36,393,060

(1) Assets Held for Debt Service consists of General Debt Service Fund assets.

Trend in Outstanding Net City and PBC Indebtedness

The following table shows the trend in the outstanding net City and PBC indebtedness as of June 30 of each of the fiscal years 2013 through 2022.

	City Indebtedness			
	Long-Term	Short-Term	PBC Indebtedness[(1)]	Total
	(In Millions)			
2013	$ 38,844	—	$ 1,413	$ 40,257
2014	41,033	—	1,347	42,380
2015	38,497	—	1,261	39,758
2016	36,147	—	1,236	37,383
2017	36,324	—	1,182	37,506
2018	36,725	—	1,155	37,880
2019	35,817	—	997	36,813
2020	37,515	—	935	38,450
2021	35,574	—	977	36,552
2022	35,527	—	866	36,393

(1) Includes obligations of New York State Urban Development Corporation ("UDC") through June 30, 2016.

Rapidity of Principal Retirement

The following table details, as of June 30, 2022, the cumulative percentage of total City indebtedness that is scheduled to be retired in accordance with its terms in each prospective five-year period.

Period	Cumulative Percentage of Debt Scheduled for Retirement
5 years	30.82%
10 years	54.78
15 years	74.05
20 years	87.90
25 years	97.02
30 years	100.00

City and PBC Debt Service Requirements

The following table summarizes future debt service requirements, as of June 30, 2022, on City and PBC indebtedness.

	City Long-Term Debt		PBC		
Fiscal Years	Principal	Interest	Indebtedness	Interest	Total
			(In Thousands)		
2023	$ 2,449,561	$ 1,582,504	$ 87,730	$ 45,704	$ 4,165,499
2024	2,514,111	1,492,376	64,463	41,364	4,112,313
2025	2,436,016	1,385,016	63,993	38,373	3,923,397
2026 through 2147	31,444,886	12,167,334	741,085	272,128	44,625,433
Total	$38,844,574	$16,627,230	$957,270	$397,568	$56,826,642

Certain Debt Ratios

The following table sets forth the approximate ratio of City net general obligation bonded debt to assessed taxable property value as of June 30 of each of the fiscal years 2012 through 2021.

Fiscal Year	City General Obligation Bonded Debt(1)	Debt Service Restricted Cash(2)	City General Obligation Bonded Debt Net of Debt Service Restricted Cash	City Net General Obligation Bonded Debt as a Percentage of Assessed Taxable Value of Property(3)	Per Capita
	(In Millions)	(In Millions)	(In Millions)		
2012	$ 42,286	$ 1,374	$ 40,912	23.88%	$ 4,902
2013	41,592	2,766	38,826	21.68	4,624
2014	41,665	639	41,026	21.57	4,864
2015	40,460	1,970	38,490	18.97	4,548
2016	38,073	1,775	36,298	16.68	4,286
2017	37,891	1,583	36,308	15.48	4,303
2018	38,628	1,922	36,706	14.60	4,375
2019	37,519	1,727	35,792	13.37	4,293
2020	38,784	1,277	37,507	13.35	4,499
2021	38,574	3,005	35,569	12.21	4,266

Source: Annual Report for the fiscal year ended June 30, 2021; New York City Comptroller's Office.

(1) General Obligation Bonded Debt is presented at par value and does not reflect GASB 44 reporting methodology netting premium and discount. See "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note D.5—*Changes in Long-term liabilities*."

(2) Primarily comprised of restricted cash and investments held in the General Debt Service Fund.

(3) Based on full valuations for each fiscal year derived from the application of the special equalization ratio reported by the State Office of Real Property Tax Services for such fiscal year.

Indebtedness of the City and Related Issuers

The following table sets forth obligations of the City and other issuers as of June 30 of each of the fiscal years 2012 through 2021. General obligation bonds are debt of the City. Although IDA Stock Exchange bonds and PBC indebtedness are not debt of the City, the City has entered into agreements to make payments, subject to appropriation, to the respective issuers to be used for debt service on the indebtedness included in the following table. ECF bonds are also not debt of the City. ECF bonds are expected to be paid from revenues of ECF, provided, however, that if such revenues are insufficient, the City has agreed to make payments, subject to appropriation, to ECF for debt service on its bonds. Indebtedness of the TFA and TSASC does not constitute debt of, and is not paid by, the City.

Fiscal Year	General Obligation Bonds	ECF	TFA	TSASC	HYIC	Capital Lease Obligations[1]	IDA Stock Exchange
2012	$ 42,286	$ 274	$ 26,268	$ 1,253	$ 3,000	$ 1,818	$ 95
2013	41,592	268	29,202	1,245	3,000	1,739	93
2014	41,665	266	31,038	1,228	3,000	1,701	90
2015	40,460	264	33,850	1,222	3,000	1,639	87
2016	38,073	240	37,358	1,145	3,000	1,571	84
2017	37,891	236	40,696	1,089	2,751	1,549	80
2018	38,628	231	43,355	1,071	2,724	1,659	77
2019	37,519	218	46,624	1,053	2,724	1,553	62
2020	38,784	213	48,978	1,023	2,724	1,547	60
2021	38,574	302	49,957	993	2,677	1,599	57

Source: Annual Report for the fiscal year ended June 30, 2021; New York City Comptroller's Office.

(1) Includes approximately $707 million for leases with PBCs and approximately $891 million for leases for various city agencies – largely for office space – in accordance with Financial Accounting Standards Board Statement No. 13. The City will implement GASB 87 with respect to leases commencing with its fiscal year 2022 financial statements, which the City expects will result in the re-characterization of certain contracts as long-term liabilities.

As of June 30, 2022, approximately $38.84 billion of City general obligation bonds were outstanding. For information regarding the City's variable rate bonds, see APPENDIX D hereto.

Currently, HYIC has outstanding approximately $2.55 billion aggregate principal amount of bonds. In addition, HYIC has entered into a term loan facility with Bank of America, N.A. pursuant to which HYIC may draw up to an aggregate amount of $380 million, approximately $4.5 million of which has been drawn. The term loan facility has a scheduled maturity of June 30, 2027. HYIC expects to issue bonds to repay such term loan facility or further extend the maturity date prior to the scheduled maturity. The bonds financed the extension of the Number 7 subway line and other public improvements in the Hudson Yards area, and the term loan will be used to finance any remaining costs of completion of the original project and the expansion of the park in the Hudson Yards area. HYIC's bonds and, on a subordinate basis, draws under the term loan facility are secured by and payable from payments in lieu of taxes and other revenues generated by development in the Hudson Yards area. To the extent payments in lieu of taxes and other HYIC revenues are insufficient to pay interest on the HYIC bonds or the term loan, the City has agreed to pay the amount of any shortfall in interest, subject to appropriation. The Financial Plan does not reflect the need for such interest support payments. The City has no obligation to pay the principal of such bonds or of such term loan.

Certain Provisions for the Payment of City Indebtedness

The State Constitution requires the City to make an annual appropriation for: (i) payment of interest on all City indebtedness; (ii) redemption or amortization of bonds; and (iii) redemption of short-term indebtedness issued in anticipation of the collection of taxes or other revenues, such as tax anticipation notes ("TANs") and revenue anticipation notes ("RANs") which (with permitted renewals thereof) are not retired within five years of the date of original issue. If this appropriation is not made, a sum sufficient for such purposes must be set apart from the first revenues thereafter received by the City and must be applied for these purposes.

The City's debt service appropriation would provide for the interest on, but not the principal of, short-term indebtedness, if any. If such principal were not provided for from the anticipated sources, it would be, like debt service on City bonds, a general obligation of the City.

Pursuant to the Financial Emergency Act, a general debt service fund (the "General Debt Service Fund" or the "Fund") has been established for the purpose of paying Monthly Debt Service, as defined in the Act. In addition, as required under the Act, accounts have been established by the State Comptroller within the Fund to pay the principal of City TANs and RANs when outstanding. For the expiration date of the Financial Emergency Act, see "SECTION III: GOVERNMENT AND FINANCIAL CONTROLS—City Financial Management, Budgeting and Controls—*Financial Emergency Act and City Charter*."

Limitations on the City's Authority to Contract Indebtedness

The Financial Emergency Act imposes various limitations on the issuance of City indebtedness. No TANs may be issued by the City which would cause the principal amount of such issue of TANs to exceed 90% of the "available tax levy," as defined in the Act, with respect to such issue; TANs and renewals thereof must mature not later than the last day of the fiscal year in which they were issued. No RANs may be issued by the City which would cause the principal amount of RANs outstanding to exceed 90% of the "available revenues," as defined in the Act, for that fiscal year; RANs must mature not later than the last day of the fiscal year in which they were issued; and in no event may renewals of RANs mature later than one year subsequent to the last day of the fiscal year in which such RANs were originally issued. No bond anticipation notes ("BANs") may be issued by the City in any fiscal year which would cause the principal amount of BANs outstanding, together with interest due or to become due thereon, to exceed 50% of the principal amount of bonds issued by the City in the twelve months immediately preceding the month in which such BANs are to be issued.

The State Constitution provides that, with certain exceptions, the City may not contract indebtedness, including contracts for capital projects to be paid with the proceeds of City bonds ("contracts for capital projects"), in an amount greater than 10% of the average full value of taxable real estate in the City for the most recent five years (the "general debt limit"). See "SECTION IV: SOURCES OF CITY REVENUES—Real Estate Tax—Assessment." Certain indebtedness ("excluded debt") is excluded in ascertaining the City's authority to contract indebtedness within the constitutional limit. TANs, RANs and BANs, and long-term indebtedness issued for specified purposes are considered excluded debt. The City's authority for variable rate bonds is currently limited, with statutory exceptions, to 25% of the general debt limit. The State Constitution also provides that, subject to legislative implementation, the City may contract indebtedness for low-rent housing, nursing homes for persons of low income and urban renewal purposes in an amount not to exceed 2% of the average assessed valuation of the taxable real estate of the City for the most recent five years (the "2% debt limit"). Excluded from the 2% debt limit, after approval by the State Comptroller, is indebtedness for certain self-supporting programs aided by City guarantees or loans.

Water Authority and TSASC indebtedness and the City's commitments with other PBCs or related issuers are not chargeable against the City's constitutional debt limit. The TFA and TSASC were created to provide financing for the City's capital program. Without the TFA and TSASC, or other legislative relief, new contractual commitments for the City's general obligation financed capital program would have been virtually brought to a halt during the financial plan period beginning early in the 1998 fiscal year. As of June 30, 2022, TSASC has approximately $966 million of bonds outstanding that are payable from TSRs. The TFA is permitted to have outstanding $13.5 billion of Future Tax Secured Bonds (excluding Recovery Bonds) and the TFA may have outstanding Future Tax Secured Bonds in excess of $13.5 billion, provided that the amount of such additional Future Tax Secured Bonds, together with the amount of indebtedness contracted by the City, do not exceed the debt limit of the City. Future Tax Secured Bonds are secured by the City's personal income tax revenues and sales tax revenues, if personal income tax revenues do not satisfy specified debt ratios. The TFA, as of June 30, 2022, has outstanding approximately $43.52 billion of Future Tax Secured Bonds (excluding Recovery Bonds). The TFA is authorized to have outstanding $9.4 billion of Building Aid Revenue Bonds, which are secured by State building aid and are not chargeable against the City's constitutional debt limit.

The following table sets forth the calculation of debt-incurring power as of July 1, 2022.

	As of July 1, 2022 (In Thousands)	
Total City Debt-Incurring Power under General Debt Limit		$127,447,518
Gross Debt-Funded[1]	$38,787,123	
Less: Excluded Debt	(27,356)	
	38,759,767	
Less: Appropriations for Payment of Principal	(2,447,167)	
	36,312,600	
Contracts and Other Liabilities, Net of Prior Financings Thereof	19,800,750	
Less: Total City Indebtedness		(56,113,350)
Less: TFA Debt Outstanding above $13.5 billion		(29,828,690)
Debt-Incurring Power		$41,505,478

Note: Numbers may not add due to rounding.
(1) Debt issued at an original issue discount is reflected at the discounted amount rather than the par amount.

As of April 26, 2022, the combined TFA and City debt-incurring capacity for fiscal year 2026 is projected to decrease to $12.1 billion. Such projection is based on current forecasts of both real property values and City capital commitments, each of which may differ from actual results. Capital commitments have historically been below projections. See "SECTION VII: FINANCIAL PLAN—Financing Program."

Federal Bankruptcy Code

Under the Federal Bankruptcy Code, a petition may be filed in the federal bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. The filing of such a petition would operate as a stay of any proceeding to enforce a claim against the City. Under such circumstances, the Federal Bankruptcy Code requires the municipality to file a plan for the adjustment of its debts, which may modify or alter the rights of creditors and may provide for the municipality to issue indebtedness, which could have priority over existing creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite majority of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it. Pursuant to authorization by the State, each of the City and the Control Board, acting on behalf of the City pursuant to the Financial Emergency Act, has the legal capacity to file a petition under the Federal Bankruptcy Code. For the expiration date of the Financial Emergency Act, see "SECTION III: GOVERNMENT AND FINANCIAL CONTROLS—City Financial Management, Budgeting and Controls—*Financial Emergency Act and City Charter*."

Public Benefit Corporation Indebtedness

City Financial Commitments to PBCs

PBCs are corporate governmental agencies created by or under State law to finance and operate projects of a governmental nature or to provide governmental services. Generally, PBCs issue bonds and notes to finance construction of housing, hospitals, dormitories and other facilities and receive revenues from the collection of fees, charges or rentals for the use of their facilities, including subsidies and other payments from the governmental entity whose residents have benefited from the services and facilities provided by the PBC. These bonds and notes do not constitute debt of the City.

The City has undertaken various types of financial commitments with certain PBCs which, although they do not represent City indebtedness, have a similar budgetary effect. The principal forms of the City's financial commitments with respect to PBC debt obligations are as follows:

1. *Capital Lease Obligations*—These are leases of facilities by the City or a Covered Organization, entered into with PBCs, under which the City has no liability beyond monies legally available for lease payments. State

law generally provides, however, that in the event the City fails to make any required lease payment, the amount of such payment will be deducted from State aid otherwise payable to the City and will be paid to the PBC.

2. *Executed Leases*—These are leases pursuant to which the City is legally obligated to make the required rental payments.

3. *Capital Reserve Fund Arrangements*—Under these arrangements, State law requires the PBC to maintain a capital reserve fund in a specified minimum amount to be used solely for the payment of the PBC's obligations. State law further provides that in the event the capital reserve fund is depleted, State aid otherwise payable to the City may be paid to the PBC to restore such fund.

Certain PBCs are further described below.

New York City Educational Construction Fund

As of June 30, 2022, $297.1 million principal amount of ECF bonds to finance costs related to the school portions of combined occupancy structures was outstanding. Under ECF's leases with the City, debt service on the ECF bonds is payable by the City to the extent third party revenues are not sufficient to pay such debt service.

Dormitory Authority of the State of New York

As of June 30, 2022, $260.3 million principal amount and $392.4 million principal amount of DASNY bonds issued to finance the design, construction and renovation of court facilities and health facilities, respectively, in the City were outstanding. The court facilities and health facilities are leased to the City by DASNY, with lease payments made by the City in amounts sufficient to pay debt service on DASNY bonds and certain fees and expenses of DASNY.

City University Construction Fund

As of June 30, 2022, approximately $26.6 million principal amount of DASNY bonds, relating to Community College facilities, subject to capital lease arrangements was outstanding. The City and the State are each responsible for approximately one-half of the CUCF's annual rental payments to DASNY for Community College facilities which are applied to the payment of debt service on the DASNY's bonds issued to finance the leased projects plus related overhead and administrative expenses of DASNY.

For further information regarding the particular PBCs included in the City's financial statements, see "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note A."

SECTION IX: PENSION SYSTEMS AND OPEB

Pension Systems

The City maintains five actuarial pension systems, providing benefits for its employees and employees of various independent agencies (including certain Covered Organizations). Such systems consist of the New York City Employees' Retirement System ("NYCERS"), the Teachers' Retirement System of the City of New York ("TRS"), the New York City Board of Education Retirement System ("BERS"), the New York City Police Pension Fund ("PPF") and the New York City Fire Pension Fund ("FPF") (together, the New York City Retirement Systems, "NYCRS"). Members of these actuarial pension systems are categorized into tiers depending on date of membership. The systems combine features of defined benefit pension plans with those of defined contribution pension plans. Three of the five actuarial pension systems (NYCERS, TRS and BERS) are cost-sharing multiple employer systems that include public employees who are not City employees. Each public employer in these multiple employer systems has primary responsibility for funding and reporting in the employer's financial statements on its share of the systems' liabilities. Total membership in the City's five actuarial pension systems on June 30, 2020 consisted of 390,670 active employees, 377,976 retirees and beneficiaries receiving benefits and other vested members terminated but not receiving benefits, and 48,001 other inactives. Of the total membership of 816,647, City membership was 624,129. The City also contributes to three other pension systems, maintains a closed non-actuarial retirement program for certain retired individuals not covered by the five actuarial pension systems, provides other supplemental benefits to retirees and makes contributions to certain union annuity funds.

Each of the City's five actuarial pension systems is managed by a board of trustees which includes representatives of the City and the employees covered by such system. The City Comptroller is the custodian of, and has been delegated investment responsibilities for, the actuarial pension systems, subject to the policies established by the boards of trustees of the systems and State law. The City Actuary (the "Actuary"), an independent professional who is also the Chief Actuary of each of the five actuarial pension systems, determines annual employer contributions and prepares other actuarial analyses and reports that are used by the City for Financial Plan and financial reporting purposes, as further described below. The State Constitution provides that pension rights of public employees are contractual and shall not be diminished or impaired. Constitutional protection applies only to the basic pension benefits provided through each pension system's Qualified Pension Plan ("QPP") and does not extend to the Variable Supplements Funds ("VSFs") or Tax-Deferred Annuity Programs ("TDA Programs") that are also administered by some of the pension systems, as discussed below.

City Pension Contributions

The City has consistently made its full statutorily required pension contributions based on then-current actuarial valuations. For fiscal years 2020 and 2021, the City's pension contributions for the five actuarial pension systems, plus other pension expenditures, were approximately $9.8 billion and $9.4 billion, respectively, and were in addition to employee contributions. For fiscal years 2020 and 2021, 53% and 49% of the City pension contributions for such years, respectively, were attributable to the amortizations of Unfunded Accrued Liability ("UAL") described herein, see "—*Actuarial Assumptions and Methods*" below.

For the 2021 fiscal year, the City's total annual pension contribution expenditures, including pension costs not associated with the five actuarial pension systems, plus Social Security tax payments by the City for the year, were approximately 39% of total wage and salary costs. In addition, contributions are made by certain component units of the City and other government units directly to the three cost-sharing multiple employer actuarial pension systems on behalf of their participating employees and retirees.

Annual pension contributions for each system are determined by the Actuary using actuarial methods and assumptions that provide for orderly budgeting and planning, and that differ from the assumptions and methodologies used in financial reporting. The annual statutorily required pension contribution has four major cost components: (i) the service or normal cost, which is the cost of the future liability associated with pension benefits earned that year; (ii) scheduled amortization of the initial UAL established as of June 30, 2010; (iii) amortization of positive or negative adjustments to UAL from factors such as net investment returns above or below the assumed rate of return, changes in or deviations from actuarial assumptions and methods, and changes in benefits; and (iv) administrative expenses. Investment earnings reflect the impact of transfers within each pension system between the QPP and other employee benefit funds, including TDA Programs and VSFs, and within each QPP with regard to certain supplemental, voluntary member contribution accounts, as discussed below.

For further information on phasing in of changes in UAL, see "—*Actuarial Assumptions and Methods*" below. For further information on potential transfers within the pension systems, see "—*Fiduciary Fund Reporting*" below.

Each year, the Actuary provides each NYCRS with preliminary and final appropriation amounts equal to the statutorily required pension contribution for its respective QPP. For the NYCRS that are multi-employer plans, the Actuary also provides a schedule of allocations among the participating employers. Interest is charged on late payments, if any.

The New York City Off-Track Betting Corporation ("OTB") was a participating employer in NYCERS. OTB, which operated off-track betting facilities in the City, functioned under the direction of a board appointed by the Governor with input from leaders of the State Legislature at the time it ceased operations in December 2010. The pension obligations of OTB have continued to accrue since it ceased operations, and the cumulative unfunded liability as of January 1, 2019 was approximately $132 million. The City had been paying half of OTB's required contributions, which is equal to (1) an amortization of this unfunded liability over 15 years beginning in fiscal year 2019 and (2) the regular costs for the fiscal year. Beginning in fiscal year 2021, the Actuary has begun including the other half of OTB's required contributions as well in the City's required contribution to NYCERS. The City will continue to seek full reimbursement from the State for any OTB contributions made by the City.

The following tables summarize the components of City pension contributions by system for fiscal years 2020, 2021 and 2022 (Preliminary).

New York City Retirement Systems
Components of Employer Contribution—City Share
Fiscal Year 2020
($ in Millions)

	NYCERS[1]	TRS[2]	BERS[3]	POLICE	FIRE
Entry age Normal Cost	$ 878.5	$ 1,317.3	$ 139.0	$ 1,485.7	$ 592.0
Initial UAAL Contribution	1,059.9	1,905.2	124.9	1,257.4	675.3
Subsequent UAAL Contribution	112.1	235.9	(21.6)	(308.4)	144.6
Administrative Expenses	36.0	54.5	15.1	24.2	7.3
Interest on Late Employer Contributions	—	—	—	—	—
Total	$ 2,086.5	$ 3,512.9	$ 257.4	$ 2,458.9	$1,419.2

Fiscal Year 2021
($ in Millions)

	NYCERS[1]	TRS[2]	BERS[3]	POLICE	FIRE
Entry age Normal Cost	$ 899.4	$ 1,358.1	$ 145.6	$ 1,532.6	$ 606.2
Initial UAAL Contribution	1,089.8	1,962.3	128.6	1,295.1	695.6
Subsequent UAAL Contribution	178.4	(314.9)	(111.2)	(423.2)	123.9
Administrative Expenses	50.3	55.7	19.9	33.2	11.3
Interest on Late Employer Contributions	—	—	—	—	—
Total	$ 2,217.9	$ 3,061.2	$ 182.9	$ 2,437.7	$1,437.0

Fiscal Year 2022 (Preliminary)
($ in Millions)

	NYCERS[(1)]	TRS[(2)]	BERS[(3)]	POLICE	FIRE
Entry age Normal Cost	$ 902.7	$ 1,365.9	$ 163.5	$ 1,516.1	$ 603.6
Initial UAAL Contribution	1,130.2	2,021.4	132.5	1,333.9	716.4
Subsequent UAAL Contribution	202.4	(216.8)	(59.1)	(390.6)	116.5
Administrative Expenses	47.4	56.4	25.4	30.7	10.5
Interest on Late Employer Contributions	—	—	—	—	—
Total	$ 2,282.7	$ 3,226.9	$ 262.3	$ 2,490.1	$1,447.0

(1) Includes New York City School Construction Authority, Transit Police, CUNY Community Colleges and OTB.
(2) Includes CUNY Community Colleges. Does not reflect the credit for the Annuity Savings Accumulation Fund contribution paid by the DOE.
(3) Includes New York City School Construction and CUNY Community Colleges.

The Financial Plan reflects projected City pension contributions of $9.727 billion, $9.414 billion, $8.702 billion, $7.814 billion and $6.933 billion for fiscal years 2022 through 2026, respectively. These projections in the Financial Plan are based on the valuation from the Actuary as of June 30, 2021. The pension contributions projected in the Financial Plan reflect changes to funding assumptions and methods implemented in 2021, known as the "Revised 2021 A&M", as discussed below. The Financial Plan also includes the recent change in State law, which reduced the time for employees to vest in certain public pensions systems from ten years to five years, which is estimated to cost the City $24.5 million per fiscal year.

The Financial Plan also reflects costs of legislation related to COVID-19 (which established additional accidental death benefits for families of public employees who die due to the disease and contracted the disease within 45 days of reporting to work), costs associated with a proposed change to keep NYCERS, TRS and BERS in compliance with the Older Workers Benefit Protection Act ("OWBPA") (effective beginning with Fiscal Year 2022), and a change in the method for determining the Actuarial Value of Assets for TRS and BERS (effective beginning with Fiscal Year 2021). Investment earnings vary by system and are calculated differently from the investment performance reported by the City Comptroller's office, as described below.

The City Comptroller's office reports investment returns using the time-weighted calculation methodology, which facilitates measurement of relative performance across systems. Using this methodology, aggregate returns on investment assets advised by the Comptroller's office for fiscal years 2017 to 2022 were 12.95%, 8.67%, 7.24%, 4.44%, 25.85% and negative 8.65% (preliminary), respectively. Returns are net of all investment manager fees. These returns varied by pension system. These reported returns refer only to those investment assets of the pension systems for which the City Comptroller's office is the investment advisor. These investment assets exclude certain QPP funds advised outside the City Comptroller's office, and include pension system assets outside the QPPs. The returns do not reflect the impact of transfers within each pension system between the QPP and other employee benefit funds, such as TDAs and VSFs, or within each QPP with regard to certain supplemental, voluntary member contribution accounts. Such transfers can be material, and, as such, the earnings used by the Actuary in determining required City contributions may differ materially from the earnings implied by the investment-only rates of return above.

Actuarial Assumptions and Methods

This section describes the actuarial assumptions and methods used for determining the City's pension contributions. As mentioned previously, these actuarial assumptions and methods may differ from those used for financial reporting, or for other pension system administrative purposes.

An actuarial valuation requires an initial set of information and assumptions about future events. Pursuant to the City Charter, studies of the actuarial assumptions used to value liabilities of the five actuarial pension systems are conducted by an independent actuarial firm every two years. Such studies assess the reasonableness of the Actuary's calculations of the employer contributions and make recommendations about actuarial methods and assumptions. The

Actuary may recommend changes to methods and assumptions based on these studies. Bolton, Inc., an independent actuarial firm, completed their final reports in June 2019. Partially as a result of this study, the Actuary recommended changes to several of the assumptions for each of the NYCRS. This set of actuarial assumptions and methods are referred to as the "2019 A&M" and were used by the Actuary for determining employer contributions to the NYCRS, and where applicable, Net Pension Liabilities of the NYCRS, beginning in fiscal year 2019.

The complete set of actuarial assumptions used for each of the NYCRS can be found in the actuarial valuation reports on the web site of the New York City Office of the Actuary (www.nyc.gov/actuary). Such website, and the information and links contained therein, are not incorporated into, and are not part of, this Official Statement. The actuarial methods and assumptions currently in effect include an actuarial interest (discount) rate assumption of 7% per annum which is based on expected investment earnings net of investment expenses, the Society of Actuaries MP-2020 mortality improvement scale and the use of the Entry Age Actuarial Cost Method. The initial UAL recognized as of June 30, 2010 is being amortized, with interest of 7% through City contributions over a 22-year period that commenced in fiscal year 2012 with dollar payments increasing at a rate of 3% per year.

Also under the current funding method, emerging unfunded liabilities are recognized and amortized over closed, fixed periods using level dollar payments. Future UAL attributable to actuarial gains and losses is amortized over 15 years; future UAL attributable to changes in actuarial assumptions and methods is amortized over 20 years; and future changes in UAL attributable to benefit improvements is generally amortized over periods reasonably consistent with the remaining working lifetimes of those impacted.

Regarding the asset valuation method, effective June 30, 2019 the Actuary reset the actuarial value of assets equal to the market value of assets. Subsequent to that date, investment earnings above or below expectation are reflected in City pension contributions in two stages: first, the annual earnings above or below expectation are phased in to the actuarial value of assets over a five-year period, with 20% of the total recognized each year. This five-year smoothing period was changed from a six-year smoothing period beginning with investment earnings generated during fiscal year 2020. Second, the portion recognized in each year is then amortized over a 15-year period for the purpose of calculating the City's annual pension contributions. The Actuary uses investment earnings in this calculation and does not calculate an investment rate of return.

The actuarial method also includes the continued use of the One Year Lag methodology, where census data and asset information as of the June 30 second preceding a fiscal year is used to determine the employer contribution for that fiscal year. For example, for the fiscal year 2022 pension contribution calculation, employee data and the Actuarial Value of Assets as of June 30, 2020 were used.

Financial Reporting

City Pension Fund Financial Reporting

The City accounts for its pensions consistent with the requirements of GASB. In fiscal year 2014, the City implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions ("GASB 68"). The GASB 68 standards apply to actuarial calculations for financial reporting but not to the actuarial calculation of annual City employer pension contributions, which continue to be determined as described above.

In broad terms, GASB 68 separates pension accounting in the City's government-wide financial statements from the phased or smoothed asset and liability figures that the Actuary uses in determining the City's annual pension contributions, as described above. For financial reporting purposes, most changes in assets and liabilities are reflected in the year in which they occur. As a result, pension fund accounting under GASB 68 has increased year-to-year volatility in reported net pension liability. Under GASB 68, net pension liabilities are reported on employers' Government-Wide Statements of Net Assets when the fair value of pension assets falls short of actuarially calculated liabilities, when both are measured as of the same date (fiscal year end). For the cost-sharing multiple employer pension systems, only the City share of net pension liabilities is reported in the Government-Wide Statement of Net Assets. As reported in the Government-Wide financial statements for fiscal years 2017 through 2021, the City membership (active, inactive and retired) and the City's share of total pension liability, Plan fiduciary net position, net pension liability, and plan fiduciary net position as a percent of total pension liability, aggregated across the five pension systems, were as follows:

Summary of City Pension Information, Fiscal Years 2017-2021[1]
(Dollars in billions)

	2017	2018	2019	2020	2021
City Membership (active, inactive, retired)[2]	559,210	572,755	609,420	619,659	624,129
Total Pension Liability (TPL)	$ 195.2	$ 198.2	$ 203.1	$ 210.7	$ 221.1
Less Plan Fiduciary Net Position (PFNP)	138.9	150.4	159.8	164.3	211.5
Net Pension Liability (NPL)	$ 56.3	$ 47.8	$ 43.3	$ 46.4	$ 9.6
PFNP as percent of TPL	65.6%	71.2%	75.9%	78.7%	95.7%

Source: NYC Annual Reports

(1) Data are aggregated across the five pension systems. Funding amounts and percentages vary between systems. Data for NYCERS, PPF, and FPF include the QPP and VSFs, and data for TRS and BRS are QPP only.

(2) Membership data for fiscal year 2017 and 2018 is as of the June 30th of two years prior. Membership data for fiscal year 2019 through 2021 is as of June 30th of the prior year as a result of a change in methodology beginning with fiscal year 2019.

The reported net pension liabilities do not include future payments on fixed return TDA funds, described below, where the statutory rate of interest for members is higher than the assumed 7% return on QPP assets.

For further information see "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT."

Fiduciary Fund Reporting

The fiscal year 2021 Annual Report contains Fiduciary Funds financial statements for each of the five actuarial pension systems. These financial statements report on the entirety of the five systems, not just the City share. Each of the five actuarial pension systems administers programs in addition to its respective QPP, and these programs are also reported as part of each system's financial statements in the Fiduciary Fund financial statements. The City Annual Reports for fiscal years 2017 through 2021 report a net position (assets plus deferred outflows, less liabilities and deferred inflows), for the five actuarial pension systems, in aggregate, restricted for QPPs, restricted for TDAs, and restricted for VSFs as shown in the following chart. For further information, see "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Pension and Other Employee Benefit Trust Funds Combining Statement of Fiduciary Net Position."

New York City Retirement Systems
Aggregate Net Position,
Fiscal Years 2017-2021
(In Millions)

	2017	2018	2019	2020	2021
Net Position:					
Restricted for QPPs.	$163,025.5	$175,638.0	$185,963.2	$190,773.8	$241,500.2
Restricted for VSFs.	4,911.9	5,926.4	6,135.8	6,137.3	7,893.2
Restricted for TDAs	32,851.8	35,349.8	37,460.8	39,360.3	45,503.2
Total Net Position.	$200,789.2	$216,914.2	$229,559.8	$236,271.3	$294,896.7

Source: NYC Annual Reports

In addition to the QPPs, TRS and BERS administer TDA Programs. Benefits provided under the TDA programs are derived from members' accumulated contributions. No direct contributions are provided by employers. However certain investment and benefit options, if selected by TDA members, may indirectly affect employer financial obligations, as described below. As of June 30, 2020 and 2021, the total fiduciary net position restricted for TDA benefits was $39.4 billion and $45.5 billion, respectively. Each of the TDA Programs has at least two investment options, broadly categorized as a fixed return fund and one or more variable return funds.

Deposits from members' TDA Program accounts into the fixed return funds are used by the respective QPP to purchase investments, and such TDA Program accounts are credited with a statutory rate of interest, currently 7% for United Federation of Teachers members and 8.25% for all other members. If earnings on the respective QPP are less than the amount credited to the TDA Program members' accounts, the higher cost to the QPP could require additional payments by the City to the pension funds. If the earnings are higher, then lower payments by the City to the pension funds could be required. The Actuary recognizes the difference between the guaranteed rate of 8.25% and the actuarial interest rate of 7.0% in the calculation of the employer contributions to the QPPs each year.

All investment securities purchased and invested by the QPPs with TDA Programs' fixed return funds' balances are owned and reported by the QPP. A receivable due from the respective QPP equal in amount to the aggregate original principal amounts contributed by TDA Programs' members to the respective fixed return funds, plus accrued interest at the statutory rate, is owned by each of the TDA Programs. The balances of TDA Program fixed return funds held by the TRS QPP as of June 30, 2020 and 2021 were $27.7 billion and $30.0 billion, respectively, and interest paid on TDA Program fixed return funds by the TRS QPP for the years then ended were $1.8 billion and $2.0 billion, respectively. The balances of TDA Program fixed return funds held by the BERS QPP as of June 30, 2020 and 2021 were $2.0 billion and $2.2 billion, respectively, and interest paid on TDA Program fixed return funds by the BERS QPP for the years then ended were $155.7 million and $171.8 million, respectively. Deposits from members' TDA Program accounts into the variable return funds are credited with actual returns on the underlying investments of the specific fund selected. Members may reallocate all or a part of their TDA Program contributions between the fixed and variable return funds on a quarterly basis. Retired TDA members may make withdrawals from their TDA accounts or elect to take the balance in the form of an annuity that is calculated based on a statutory rate of interest and mortality assumptions, which are separate and different from the mortality assumptions used in pension liability calculations. Once an annuity has been selected by a member, the payment of those benefits is guaranteed by the QPP.

In addition, certain Tier I and Tier II pension plan members have the right to make supplemental, voluntary member contributions into the QPPs. These contributions are credited with interest at rates set by statute or, for certain employees that may choose variable return investments, the actual return, and may be withdrawn or annuitized at retirement. In general, the assets and liabilities associated with these member contributions are included in the reported assets and actuarially-determined net pension obligations of the respective plans. There were approximately 190 active Tier I and Tier II members remaining in TRS and BERS as of June 30, 2021.

Ultimately, investment earnings of the fixed rate funds that are less than the amounts credited to the members could result in additional required contributions by the City to the pension funds and investment earnings that are greater than the amounts credited to the members could result in lower required contributions by the City to the pension funds.

Pursuant to State law, certain retirees of NYCERS, PPF and FPF are eligible to receive scheduled supplemental benefits from VSFs. Where assets in the VSFs are insufficient, NYCERS, PPF and FPF are required to transfer assets to their respective VSFs to fund those payments that are statutorily guaranteed. The effects of these transfers are included by the Office of the Actuary in calculating required employer contributions to the pension funds. However under current State law, the VSFs are not pension funds or retirement systems and are subject to change by the State Legislature.

For further information regarding the City's pension systems see "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note E.5," "—Pension and Other Employee Benefit Trust Funds—Combining Statement of Fiduciary Net Position" and "—Required Supplementary Information."

Other Post-Employment Benefits

Post-employment benefits other than pensions (referred to as OPEB), which include health insurance, Medicare Part B premium reimbursements and welfare fund contributions, are provided to eligible retirees of the City and their eligible beneficiaries and dependents.

City OPEB Contributions

OPEB costs are currently paid in each fiscal year on a pay-as-you-go basis. The vast majority of such payments are made through the Retiree Health Benefits Trust ("RHBT") discussed below. The City is not required by law or contractual agreement to fund the OPEB obligation other than the pay-as-you-go amounts necessary to provide current benefits to eligible retirees of the City and their eligible beneficiaries and dependents. OPEB costs were $2.795 billion for fiscal year 2021, and are projected at $3.154 billion, $3.221 billion, $3.427 billion, $3.594 billion and $3.754 billion for fiscal years 2022 through 2026, respectively.

In 2006, the City created the RHBT which is used to receive, hold, and disburse assets accumulated to address the OPEB liabilities. Amounts contributed to the RHBT by the City are held in an irrevocable trust and may not be used for any purpose other than to fund the costs of health and welfare benefits of its eligible participants. The RHBT balance is maintained via the City's annual pay-as-you-go funding contributions. In certain fiscal years the City has paid into the RHBT less than the corresponding fiscal year's health and welfare benefits costs, with the balance paid out of the RHBT. This reduces the balance of the RHBT. In other years the City has paid into the trust more than the corresponding fiscal year's health and welfare costs. This increases the balance of the RHBT. In fiscal year 2020, the City drew down approximately $1 billion in assets, reducing the pay-go by that amount. In fiscal year 2022, the City contributed the remaining balance of the projected OPEB costs for such year, after accounting for the pre-payment made in fiscal year 2021, and contributed a further $750 million in excess of costs due for fiscal year 2022. The Financial Plan also reflects payment by the City in fiscal year 2022 of $792 million for OPEB costs otherwise due in fiscal year 2023. The following table shows the net position of the RHBT as of the end of each of fiscal years 2016 through 2021.

Retiree Health Benefits Trust
Net Position
(In Millions)

2016	$4,036
2017	4,654
2018	4,766
2019	4,680
2020	3,800
2021	4,221

Source: NYC Annual Reports

Actuarial Assumptions and Methods

GASB 74 applies to financial reporting by post-employment benefit plans and GASB 75 covers reporting on post-employment benefit plans by employers. The City implemented GASB 74 and GASB 75 for its financial statements beginning in fiscal year 2017. The fiscal year 2021 Annual Report reported the City's net OPEB liabilities as $109.5 billion and $118.0 billion as of June 30, 2020 and 2021, respectively.

The actuarial assumptions and methods used in the OPEB valuations are a combination of those used in the NYCRS pension valuations, such as the Entry Age Actuarial Cost Method, and certain demographic and economic assumptions proposed by the Actuary that were adopted by each respective Board of Trustees of NYCRS during fiscal year 2019, in addition to those specific to the OPEB valuations, such as the discount rate described below. On July 27, 2021, the Actuary issued the Revised 2021 A&M, which amends certain assumptions and methods from the 2019 A&M. See "City Pension Contributions—Actuarial Assumptions and Methods" above. As required under GASB 75, the net OPEB liability attributable to benefit changes is now recognized in the current reporting period, investment earnings above or below expectations are recognized over a five year period, and other actuarial liability gains and losses are amortized over the average remaining working lifetimes of all plan members, including inactive plan members. In addition, as required under GASB 75, OPEB valuations assume a discount rate based on a long-term expected rate of return on assets and the index rate for certain highly rated municipal bonds. The fiscal year 2021 OPEB measurement assumed a discount rate of 2.19% per annum.

Summary OPEB Information

As reported in the City's financial statements, the following table summarizes City OPEB information for fiscal years 2019 through 2021.

Summary of City OPEB Information, Fiscal Years 2019 - 2021
(Dollars in billions)

	2019	2020	2021
Participants (active/inactive plan members receiving or eligible to receive benefits)	583,645	596,681	569,872
Total OPEB Liability (TOL)	$ 112.47	$ 113.26	$ 122.20
Less Fiduciary Net Position (FNP)	(4.68)	(3.80)	(4.22)
Net OPEB Liability (NOL)	107.79	109.46	117.98
FNP as percent of TOL	4.2%	3.4%	3.5%
Covered Employee Payroll	$ 27.76	$ 28.20	$ 29.20
NOL as a percent of Covered Employee Payroll	388.3%	388.1%	404.0%

Source: NYC Annual Reports. Totals may not add due to rounding.

For further information regarding OPEB, see "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note E.4," "—Pension and Other Employee Benefit Trust Funds—Combining Statement of Fiduciary Net Position" and "—Required Supplementary Information."

SECTION X: OTHER INFORMATION

Litigation

The following paragraphs describe certain material legal proceedings and claims involving the City and Covered Organizations other than routine litigation incidental to the performance of their governmental and other functions and certain other litigation arising out of alleged constitutional violations, torts, breaches of contract and other violations of law and condemnation proceedings. While the ultimate outcome and fiscal impact, if any, on the City of the proceedings and claims described below are not currently predictable, adverse determinations in certain of them might have a material adverse effect upon the City's ability to carry out the Financial Plan. The City has estimated that its potential future liability on account of outstanding claims against it as of June 30, 2021 amounted to approximately $6.9 billion. See "SECTION VII: FINANCIAL PLAN—Assumptions—*Expenditure Assumptions*—2. OTHER THAN PERSONAL SERVICES COSTS—Judgments and Claims."

The City has received in excess of 112 notices of claim from putative plaintiffs, been named as a defendant in approximately 31 legal actions, and received approximately 2,230 workers' compensation claims to date relating to the COVID-19 outbreak in the City. The notices of claim and legal actions include claims that wrongful actions or omissions of the City and/or certain City restrictions related to COVID-19 have resulted in severe medical, psychological and economic damages and/or death. The workers' compensation claims are governed by a no-fault system in which the City, as the claimant's employer, provides wage replacement benefits and medical care for work-related illnesses if the City accepts the employee's claim or the claimant obtains a judgment from the New York State Workers' Compensation Board. Going forward, the City expects to receive additional legal and workers' compensation claims related to COVID-19. The City cannot predict its potential monetary liability from such claims at this time or whether such liability will have a material effect on the finances of the City.

Taxes

1. Numerous real estate tax certiorari proceedings alleging overvaluation, inequality and illegality are pending against the City. Based on historical settlement activity, and including an estimated premium for inequality of assessment, the City estimates its potential future liability for outstanding certiorari proceedings to be $1.255 billion at June 30, 2021. For a discussion of the City's accounting treatment of its inequality and overvaluation exposure, see "APPENDIX B—ANNUAL COMPREHENSIVE FINANCIAL REPORT—Notes to Financial Statements—Note D.5."

2. Con Edison has challenged the assessments of certain of its properties in two separate actions. Con Edison has challenged the City's real property tax assessments on its Manhattan power plants and equipment for tax years 1994/95 through 2020/21 and the State's valuation of its special franchise for its electric, gas and steam equipment located in the public right of way throughout the five boroughs. As of February 2022 there are seven tax years pending in the special franchise litigation, 2013/14-2016/17 and 2018/19-2020/21. Con Edison and the City have settled the East 60th Street Steam Plant. A monetary settlement in the approximate amount of $5,000,000 will be made from City monies appropriated for such expenditures by early 2022. The remaining challenges could result in substantial real property tax refunds for taxes paid in fiscal years 2022 and beyond. The special franchise trial covering tax years 2013/14 through 2016/17, originally scheduled to begin March 7, 2022, has been rescheduled to November 10, 2022.

3. Tax Equity Now New York LLC (composed of certain advocacy groups and owners and tenants of properties in the City) commenced an action in New York State Supreme Court on April 24, 2017 against the City and the State. The action alleges that the City's real property tax system violates the State and federal constitutions as well as the Fair Housing Act. The action further alleges the valuation methodology as mandated by certain provisions of the State Real Property Tax Law results in a disparity and inequality in the amount of taxes paid by Black and Hispanic Class 1 property owners and renters. The City and State defendants moved to dismiss the case. In September 2018, the Court denied the City's motion to dismiss the complaint and partially granted the State's motion to dismiss the complaint. The City and State both appealed the lower court decision and the City made a motion before the trial court for a declaration that a statutory stay of the lower court proceeding was in effect by virtue of its filing the Notice of Appeal, or in the alternative, for a discretionary stay of all proceedings pending the appeal. The stay was granted. All parties appealed the lower court decision on the motion to dismiss, and after briefing and argument, the First Department granted the City's and the State's motions to dismiss and dismissed all claims against both the City and the State. In September 2020, the New York Court of Appeals dismissed the plaintiff's purported appeal as of right of the First

Department ruling. On August 9, 2021, the plaintiff filed, in the Appellate Division, a motion for leave to appeal and on August 20, 2021, the City filed a response in opposition thereto. The Appellate Division denied the plaintiff's motion for leave to appeal to the Court of Appeals. On December 1, 2021 the plaintiff served and filed a motion seeking leave to appeal directly from the Court of Appeals. The City and State submitted their respective opposition papers. On April 28, 2022, the Court of Appeals granted the plaintiff's motion for leave to appeal. Plaintiff filed an appeal brief on July 27, 2022. Response briefs from the City and State are due on September 12, 2022, though the City and State intend to request an extension for their filings through and including October 27, 2022.

4. The City Charter provides that tax warrants authorizing the imposition of property taxes by the City are to be signed by the Public Advocate and counter-signed by the City Clerk. On July 1, 2020, Public Advocate Jumaane Williams announced he would not sign tax warrants for City property taxes for policy reasons related to the City budget but unrelated to the imposition of property taxes. On March 8, 2021, the Public Advocate filed an Article 78 petition in New York State Supreme Court in New York County asking the Court to issue an order prohibiting the City from filing borough property tax assessment rolls and warrants or issuing adjusted property tax bills and quarterly statements unless the related tax warrants have been signed by the Public Advocate and countersigned by the City Clerk. The City maintains that the City Charter requirement that the Public Advocate sign the tax warrants is ministerial in nature and that the Public Advocate does not have the power to delay, hinder, or prevent the City's duly authorized and required collection of property taxes. The City issued property tax bills and collected taxes in fiscal year 2021 and continued to issue property tax bills and collect taxes in fiscal year 2022. On July 29, 2022, the Court issued a decision that held that the Public Advocate is required by the Charter to sign warrants and ordered the Public Advocate to sign tax warrants upon receiving them in accordance with the Charter. The decision also held that the City shall not file assessment rolls or issue adjusted tax bills without a warrant signed by the Public Advocate and counter-signed by the City Clerk. The City served notice of entry on August 2, 2022, giving the parties 30 days to notice an appeal. The Public Advocate and the City Clerk have signed warrants for fiscal years 2021 and 2022. To date, the Public Advocate has not signed the warrants for fiscal year 2023. However, pursuant to section 1516-a of the City Charter, which authorizes the City to collect property taxes using estimated tax rates, quarterly billing and collection of real property taxes due on October 1, 2022 will continue uninterrupted. The City expects to resolve the issue of the unsigned fiscal year 2023 tax warrants prior to the billing and collection of property taxes due on January 1, 2023.

Miscellaneous

1. In 1996, a class action was brought against the New York City Board of Education (the "BOE") and the State in federal district court of the Southern District of New York under Title VII of the Civil Rights Act of 1964 alleging that the use by the Board of Education of a teacher certification examination mandated by the State from 1996 to 2004, the Liberal Arts and Science Test ("LAST"), and a second version of the teacher certification examination mandated by the State from 2004 to 2014, the Liberal Arts and Science Test 2 ("LAST-2"), had a disparate impact on minority candidates. In 2006, the United States Court of Appeals for the Second Circuit dismissed the claims against the State. The District Court ruled in 2012 and 2015, respectively, that each of LAST and LAST-2 violated Title VII because it did not measure the skills necessary to do the job. Currently, approximately 4,700 LAST and LAST-2 class members have submitted claim forms and may be eligible for damages. Approximately 2,280 judgments have been entered in favor of the claimants totaling approximately $609 million. The Second Circuit denied 347 of the City's appeals and the parties stipulated that the remainder of judgments appealed after September 3, 2019 would remain in effect as if they had also been affirmed. With the assistance of the court appointed Special Master, the parties have reached an agreement to limit the number of the judgments that would need to be paid in any given fiscal year. The maximum dollar value of judgments to be paid by the BOE would be limited as follows: In fiscal year 2022– a maximum of $345 million; in fiscal year 2023 – a maximum of $410 million; in fiscal year 2024 – a maximum of $360 million; in fiscal year 2025 – a maximum of $360 million; in fiscal year 2026 – a maximum of approximately $183 million; in fiscal year 2027 – a maximum of approximately $83 million; and in fiscal year 2028 – a maximum of approximately $33 million. The agreement is a cap on payments of judgments entered against the BOE and is not an agreement to compromise claims. BOE will continue to contest individual claims presented to the Special Master. The Special Master will regulate the number of judgments entered against BOE to ensure that the aforementioned caps are not exceeded in any fiscal year.

2. On January 31, 2017, a putative class action was filed in State Supreme Court, Queens County, alleging numerous commercial claims in connection with the November 2013 auctions of wheelchair accessible taxi medallions. In September 2017, the Court dismissed all but a breach of contract rescission and implied covenant of

good faith and fair dealing claims and that decision has been appealed by both sides. The Court also denied plaintiffs' motion for class certification as premature. On December 30, 2020, the Appellate Division, Second Department ruled that the plaintiff's causes of action should have been dismissed in their entirety. On October 12, 2021, the New York Court of Appeals granted the plaintiffs' leave for appeal and appellate briefs by both sides were fully filed by mid-April 2022.

On June 21, 2017, a second putative class action was filed in State Supreme Court, Queens County, also alleging numerous commercial claims in connection with the February 2014 auctions of wheelchair accessible taxi medallions. In November 2017, the Court dismissed the action, and plaintiffs moved to reargue. In March 2019, the Court granted the plaintiffs' motion to reargue the action, and reinstated the implied covenant, rescission and New York State General Business Law claims. In November 2019, the Court granted plaintiffs' motion for class certification. At present, the Court in this filed action has defined the class as all purchasers at the 2013 and 2014 auctions, and their successors or assigns. If the class were to prevail on any of the remaining claims, damages of several hundred million dollars could be sought. On March 16, 2020, the Court denied the plaintiffs' motion for partial summary judgment and on October 1, 2020, the Court granted in part, and denied in part, the City's summary judgment motion, allowing the rescission and implied covenant of good faith and fair dealing claims to proceed to trial. The class certification and summary judgment decisions have been appealed, and are fully briefed and pending before the Appellate Division, Second Department. On July 9, 2021, the City filed a motion to renew its summary judgment motion in light of the binding precedent by the Appellate Division, Second Department from the first filed action.

3. In a putative class action, Soybel et al. v City of New York, on April 6, 2021 medallion owners who purchased taxi medallions filed claims against the City and former City officials, alleging improper conduct in connection with the sale of taxi medallions from 2004-2017. Plaintiffs allege that the City engaged in a scheme to artificially inflate the value of taxi medallions through fraudulent, collusive, and deceptive means to maximize its profit through actions to artificially inflate the "upset price" for medallions at auction, allowed collusive bidding at auction to drive up an artificial "floor" for future medallion transactions, published deliberately false and misleading average sales prices for secondary market transactions, deliberately concealed an internal report on medallion values, and launched a false and misleading advertising campaign for medallion sales. Plaintiffs allege that the City engaged in a conspiracy in violation of the Racketeering Influenced and Corrupt Organization statute, violated federal antitrust laws, and that the City's actions constituted unjust enrichment under state law. The case also names as defendants certain purchasers of the medallions. Plaintiffs seek compensatory and treble damages in the amount of $2.6 billion, plus punitive damages against the individually-named City officials and attorneys' fees and costs. The City will vigorously challenge the claims made in the action. The City's motion to dismiss is fully briefed, and oral argument was held on May 24, 2022.

4. In June, 2018, a class action on behalf of blind and visually impaired persons commenced in the United States District Court for the Southern District of New York (American Council of the Blind, et al. v. City of New York, et al.) and by Order dated July 22, 2019 the class was certified. The plaintiffs alleged that the City is violating the Americans with Disabilities Act, the Rehabilitation Act and the New York City Human Rights Law by not installing Accessible Pedestrian Signals ("APS") at all intersections that have a pedestrian control signal for sighted pedestrians. Plaintiffs further argued that under these statutes the City is required at a minimum to install APS whenever it installs a new pedestrian control signal and to install APS whenever it alters an existing pedestrian control signal. By Opinion and Order dated October 20, 2020, the Court granted plaintiffs' motion for partial summary judgment as to liability in most respects. The Court determined that the current amount of APS in the City did not provide the plaintiffs with meaningful access under the Americans with Disabilities Act, the Rehabilitation Act and the New York City Human Rights Law. By Order and Opinion dated December 27, 2021, the Court set forth its adopted remedial plan, which was divided into two phases. Phase one requires that 70% of signalized intersections be outfitted with APS within 10 years and phase two requires the remaining signalized intersections to be outfitted with APS within the following 5 years. The City and DOT can seek to show meaningful access has been achieved after phase one and therefore not complete phase two. The Court further ordered the parties to confer on choosing a monitor and to submit a joint proposed remedial order. The parties submitted a joint proposed remedial order to the Court on March 11, 2022 and the Court issued the Remedial Order on March 18, 2022. The current estimate of the City's costs for compliance with the Remedial Order is approximately $1.2 billion over a 15-year period. Such amount will be funded primarily out of the Capital Budget, approximately $330 million of which is currently included in the City's Ten-Year Capital Strategy.

5. In 2010, a single claimant sued the City for improper jail detention resulting from the City honoring a federal ICE detainer request. By 2017, the Court certified a class of similarly situated individuals who were allegedly

wrongfully detained in City jails between 2007 and 2012. Various courts around the country, over the same time period, determined that holding detainees based on an ICE detainer request was unconstitutional, except under certain limited circumstances. During discovery, plaintiffs have asserted that potentially over 14,000 individuals were held in City jails in alleged contravention of these circumstances, allegedly totaling approximately 86,000 additional days of over-detention. The City is pursuing settlement of the suit. It is too early at this stage of the litigation to provide an accurate estimate of the potential cost to the City; however, the exposure could be substantial.

6. In a putative class action filed in September 2020 in New York County Supreme Court, Mulhadzhanov v. City, plaintiffs challenged the processing of vehicular speeding tickets issued by the City under the Speed Camera Program authorized pursuant to VTL section 1180-b. Plaintiffs claimed, among other things, that certificates issued by the City to verify speeding violations were not notarized as plaintiffs allege is required by VTL section 1180-b(d) and therefore said certificates and the related fines were invalid. Plaintiffs seek refunds of fines paid under the Speed Camera Program from August 2013 to August 2018 and from July 2019 to present. If a class were to be certified by the Court and the City was ordered to pay refunds for fiscal year 2014 to fiscal year 2020 for said violations, the potential monetary liability could be substantial. The City defendants filed a motion to dismiss in December 2020. The plaintiff filed an opposition to the motion, and the City's reply was filed on October 15, 2021. The court's decision is pending.

7. In 2019, New York State enacted the Child Victims Act which eliminated various procedural requirements in actions where a plaintiff alleges sexual abuse that occurred when the plaintiff was under 18 years of age. To date, the City has been named as a defendant in approximately 1,030 cases authorized by the Act, which claims are related to the alleged sexual abuse of children in either the City's Department of Education or foster care system. Initial, limited discovery demands have been incorporated into a court order and more complete demands have been issued, and discovery is underway in many cases. To date, the City has settled approximately 33 of the cases. It is too early at this stage of the litigation to provide an accurate estimate of the potential cost to the City; however, the exposure could be substantial in each of the future years during which settlements are reached.

8. On October 17, 2017, three plaintiffs commenced a putative proposed class action, Lynch et al. v. City, 17-cv-7577, asserting causes of action under the Fourth and Fourteenth Amendments of the United States Constitution, 42 U.S.C. Section 1983, and false imprisonment under New York State common law. Each plaintiff was held in the custody of New York City Department of Corrections ("DOC") as a pretrial detainee, received a judicial order fixing bail, posted bail, and alleges that they were not released from DOC custody within a reasonable time thereafter. The complaint references local laws of the City which mandate specific timeframes for pre-trial release, among other related requirements. Plaintiffs seek compensatory damages. The City filed a motion to dismiss, which the Court denied. The City filed an answer and since then, the City has provided substantial discovery, a significant amount of which took place in the first half of 2021 and which led to the parties entering settlement discussions. Based upon the discovery conducted to date, the potential number of individuals included in the settlement class could be approximately 90,000 for the period of October 2014 through present. Since late April 2021, the parties have submitted a series of joint status reports regarding settlement discussions to the Court as the parties continue negotiations. The parties are now negotiating the scope and logistics of notice and the specific administrator who will facilitate, among other things, notice and class member identification and confirmation. The City has agreed to a payment amount of $3,500 per instance of over-detention for the individuals ultimately included in the settlement class. Settlement payments are expected to be made only to those individuals from the settlement class who are able to be located and who respond appropriately to the notice of settlement. It is too early at this stage of the settlement discussions to provide an accurate estimate of the potential cost to the City; however, the exposure could be substantial.

9. On September 26, 2021 a group of City retirees challenged the City's implementation of its Medicare Advantage Plus plan, which was intended to generate savings in retiree health benefit costs. The State Supreme Court concluded that, although the City could proceed with the implementation of the Medicare Advantage Plus plan, it could not charge retirees enrolled in Senior Care a co-premium to stay in that plan. The City appealed that decision on March 4, 2022. On July 15, 2022, the contract awardee, Anthem Insurance, Inc. d/b/a Empire BlueCross BlueShield Retiree Solutions, that was to provide the Medicare Advantage Plus Plan challenged in this litigation, advised the City that it would no longer participate in offering the plan because of delays and uncertainties regarding its effective date. The City is discussing potential implications that this development may have upon its City's appeal and the respondent's cross-appeal. For further information, see "SECTION V: CITY SERVICES AND EXPENDITURES—Employees and Labor Relations—*Labor Relations*."

10. On September 30, 2021, plaintiffs, the New York County Lawyers Association, on behalf of a group of County Bar Associations, commenced an action in New York County Supreme Court, alleging state and federal constitutional violations based on the alleged inadequacy of hourly compensation rates for the legal fees paid to attorney members of the 18-B Assigned Counsel Panels, which provide legal representation in New York State Courts to children and indigent adults pursuant to Article 18-B of the County Law of New York State "Article 18-B"). Plaintiffs allege that the current rates and per case-caps set by Article 18-B ($60 per hour for misdemeanors; $75 per hour for all other matters, with per-case caps of $2400 for misdemeanors and $4400 for all other matters absent a judicial finding of extraordinary circumstances warranting waiver of such caps) have not been adjusted for approximately 20 years and are insufficient to permit lawyers in the various assigned counsel panels to adequately represent their clients. On July 25, 2022, the Court issued a preliminary injunction, raising the assigned counsel rates to $158 per hour for all matters – the rate provided to federal criminal defenders under federal law – but with no other changes to the existing statutory framework. Under the current statutory system, State Finance Law section 98-B obligates the State to provide $40 million annually to the City as the State's share of the costs of the 18-b Plan, so long as the City's share of costs is no less than the City's program costs in FY 2010 – a contingency that the City has met. Even before the July 2022 court-ordered rate increase, the City's share in recent years approximated, and frequently exceeded, the State's share of program costs. With the rates now raised to $158 an hour for all matters, all increased program costs will be borne by the City. While per-case caps remain in place, courts continue to have the discretion to find "extraordinary circumstances" to justify a waiver. Cumulatively, the hourly rate increase and the possible increased waiver of per-case caps, together with the fact that the State has not been ordered to provide increased funding for the assigned counsel program, means that the cost to the City of the recent rate increase could be substantial.

11. On July 18, 2022, petitioners, purporting to be acting on behalf of City public school teachers and parents and guardians of public school students, commenced an Article 78 proceeding in New York County Supreme Court, *Tucker v. City and Department of Education* ("DOE"), requesting a temporary restraining order against the City and DOE (collectively, "Respondents"), and seeking to annul the City's fiscal year 2023 budget and requiring a revote by the City Council on the DOE fiscal year 2023 budget. Petitioners allege that Respondents did not comply with procedures allegedly required by NY Education Law §§ 2590-p and 2590-q because the DOE's Panel on Educational Policy did not conduct a hearing and vote to approve the DOE's estimated budget prior to the City Council's vote to adopt the City's budget. On August 5, 2022 the Court issued an order vacating the City fiscal year 2023 budget as it relates to expenditures by the DOE, and reverting all such spending levels back to the levels in the City fiscal year 2022 budget. The order further held that if the City and Mayor amend the fiscal year 2023 budget in accordance with the decision and applicable law, the DOE spending levels would no longer be subject to those contained in the fiscal year 2022 budget. On August 5, 2022, the City filed a Notice of Appeal. Upon a motion filed by the City on August 9, 2022, a Justice of the Appellate Division, First Department, recognized that any operational or spending changes required by the Supreme Court ruling were subject to an automatic stay pending appeal. The Court referred the motion to a panel of the Appellate Division for determination following submission which is currently due on August 22, 2022. On August 14, 2022 petitioners cross-moved to vacate the stay, and a Justice of the Court denied that application the following day. In addition, the Court ordered an expedited briefing schedule on the City's underlying appeal. The Court ordered the City to perfect its appeal by August 23, 2022; petitioners to file their response by August 31, 2022; and the City to file its reply by September 8, 2022. The Court will hear the appeal on the September Term of the Court.

Environmental Matters

The City has more than 500 miles of coastline, bordering the Atlantic Ocean as well as rivers, bays, and inlets. Two of its five Boroughs, Manhattan and Staten Island, are islands and water forms the principal boundary of the remaining three. As a result, the City is directly affected by rising sea levels and exposed to intensifying coastal storms.

Storms

On Monday, October 29, 2012, Sandy hit the Mid-Atlantic East Coast. The storm caused widespread damage to the coastal and other low lying areas of the City and power failures in various parts of the City, including most of downtown Manhattan. On January 29, 2013, President Obama signed legislation providing for approximately $50.5 billion in storm-related aid for the region affected by the storm. Although it is not possible for the City to quantify the full, long-term impact of the storm on the City and its economy, the current estimate of the direct costs to the City, NYCHH and NYCHA is approximately $10.7 billion (comprised of approximately $1.8 billion of expense costs and approximately $8.9 billion of capital project costs). Such direct costs represent funding for emergency response, debris removal, emergency protective measures, repair of damaged infrastructure and long-term hazard mitigation investments. In addition to such direct costs, the City is delivering Sandy-related disaster recovery assistance services, benefiting impacted communities, businesses, homeowners and renters ("Community Costs"). The City anticipates that funding for Community Costs will be primarily reimbursed with federal funds. However, the City is responsible for $134 million of such Community Costs, which are reflected in the Financial Plan. In addition, the City may be responsible for up to approximately $150 million of additional Community Costs, which are not reflected in the Financial Plan.

The Financial Plan assumes that the direct costs described above will largely be paid from non-City sources, primarily the federal government, and that the Community Costs described above will be primarily reimbursed by federal funds. The City expects reimbursements to come from two separate federal sources of funding, FEMA and HUD. The City has secured approximately $10.7 billion in FEMA assistance and other federal emergency response grants ("FEMA Funding"). The maximum reimbursement rate from FEMA is 90% of total costs. Other federal emergency response grants may have larger local share percentages. The City expects to use $720 million of Community Development Block Grant Disaster Recovery funding allocated by HUD to meet the local share requirements of the FEMA funding, as well as recovery work not funded by FEMA or other federal sources. This allocation would be available to fill gaps in such FEMA funding. As of June 30, 2022, the City, NYCHH and NYCHA have received $4.5 billion in reimbursements from FEMA for the direct costs described above. In addition to the FEMA Funding described above, HUD has made available over $4.4 billion for Community Costs, of which approximately $3.8 billion has been received through June 30, 2022. No assurance can be given that the City will be reimbursed for all of its costs or that such reimbursements will be received within the time periods assumed in the Financial Plan. There is no assurance, if the City were to experience a similar storm in the future, that non-City sources, including the federal government, would pay the costs.

On September 1, 2021, Hurricane Ida hit the Mid-Atlantic East Coast as a post-tropical cyclone ("Ida"), bringing significant rainfall and resulting in severe flooding in parts of the City, including inland areas. Rainfall from Ida exceeded the previous record for the most single-hour rainfall in the City and for the first time the National Weather Service declared a flash flood emergency in the City. Ida resulted in the deaths of 13 people in the City, 11 of which occurred in basement housing units. On September 3, 2021, former Mayor de Blasio announced a climate-driven rain response plan, which includes developing improved storm warning systems and the creation of the Extreme Weather Response Taskforce composed of representatives from several different City agencies, including DEP, the Department of Transportation, Emergency Management and the Department of Sanitation. On September 27, 2021, the taskforce released its report, *The New Normal: Combating Storm-Related Extreme Weather in New York City.* The report's recommendations, among others, include (i) improvements to emergency preparedness and response, (ii) protecting occupants of basement apartments and (iii) expediting both short-term and long-term investments in infrastructure, including sewers and prevention of flooding in inland communities. The total costs of implementing all of the report's recommendations would be substantial and in some cases would require State and federal funding. To support the report's recommendations, the City's Capital Commitment Plan released in October 2021, along with the modified projections of capital commitments through fiscal year 2031 which was issued alongside the Capital Commitment Plan, increased $2.5 billion and accelerated to fiscal years 2022 through 2024 approximately $200 million in capital funding previously expected to be spent in fiscal years 2025 through 2028. Approximately $2.1 billion of the new capital spending, and all of the accelerated funding, are in DEP's capital budget to be funded by the City's water and sewer system through bonds issued by the City's Water Authority. The new and accelerated DEP funding will be used for, among other initiatives, the installation of both new and replacement sewers, including high level storm sewers and other projects that expand drainage capacity, along with green infrastructure projects such as bioswales and cloudburst drainage solutions. The remaining $400 million is to be funded through the City's Capital Budget. The City's Capital Commitment Plan released in April 2022 continues to reflect the funding changes described herein. The extent to which funding would be available from State or federal sources is not known at this time.

Climate Change

Since 2007, the City has been working on strategic planning, recognizing the challenges that climate change presents for City operations and infrastructure. Among other things, the City created the New York City Panel on Climate Change ("NPCC"), a body of more than a dozen leading independent climate and social scientists appointed by the Mayor. Since 2008, NPCC has analyzed climate trends, developed projections, explored key impacts, and advised on response strategies for City planning. The NPCC has identified that the City is already experiencing the impacts of climate change and projects dramatic impacts from climate change on the City in the future.

NPCC projections form the basis for the City's climate resiliency planning, which involves coordination and cooperation with multiple public and private stakeholders, and expansion of ongoing maintenance and development, as well as specific initiatives such as those described below.

Building on NPCC's recommendations and the City's strategic planning, the City is in the process of implementing, over the next ten years, climate resiliency projects costing in excess of $20 billion, most of which are dedicated to areas previously affected by Sandy and some of which are directed toward mitigating the risks identified in the NPCC Reports. Such plans include both stand-alone resiliency projects and the integration of resiliency protection into the City's ongoing investments. These projects are in various stages of feasibility review, design and construction and/or implementation. Funding for these projects is expected to come from City, State and federal sources. Some projects are expected to require additional funding to the extent that they are in the planning stages or current funding does not provide for the costs of construction.

Several major coastal resiliency projects are currently underway throughout the City, including the East Side Coastal Resiliency Project ("ESCR"), the South Shore of Staten Island Coastal Storm Risk Management Project (the "Staten Island Project") and the Rockaways Shorefront and Back Bay Projects (the "Rockaways Project").

Through ESCR, which broke ground in 2021, the City is constructing an integrated coastal flood protection system for which it will seek FEMA accreditation, create resilient open spaces, and improve waterfront access on Manhattan's east side, from East 25th Street at the north to Montgomery Street at the south. The City anticipates the entire flood protection system will be in place and operational by the 2023 Atlantic hurricane season. The expected cost of ESCR is $1.97 billion, which is fully funded through a combination of City, federal and other funding. Other projects in Lower Manhattan include flood walls and deployable flip-up barriers to protect the Two Bridges neighborhood, which lies south of Montgomery Street at the north to the Brooklyn Bridge at the south, developing a plan that contemplates extending the Manhattan shoreline from the Brooklyn Bridge to the Battery into the East River to protect the Seaport and Financial District area, and an elevated waterfront esplanade in the Battery and flood barriers in Battery Park City.

The Staten Island Project, which is being designed and constructed by the U.S. Army Corps of Engineers ("USACE"), will create a 5.5-mile line of coastal protection on Staten Island between Fort Wadsworth and Oakwood Beach. USACE currently estimates that the project will cost at least double the prior estimate of $615 million. The City is responsible for 10.5% of the project costs, and the remaining project costs are to be paid for with federal and State funds. As required USACE is in the process of seeking Congressional approval for the costs in excess of the prior estimate. USACE expects to bid out contracts for the project in 2022.

The Rockaways Project, which is also being designed and constructed by USACE, consists of coastal protection elements on the Atlantic shorefront and on the Jamaica Bay side of the Rockaways. Construction has begun on the project, which will be fully funded by the federal government, with an expected cost of approximately $590 million.

In 2015, FEMA issued preliminary updated flood insurance rate maps (FIRMs), which would have expanded the 100-year floodplain beyond the areas designated in the flood maps issued in 2007. The City appealed the 2015 preliminary flood maps challenging the modeling FEMA used to develop them. The 2015 preliminary flood maps were adopted into the building code, but the prior 2007 flood maps remain in effect for flood insurance purposes. In 2016, FEMA agreed with the City's appeal, and the City is currently working with FEMA to update the maps. FEMA's new maps are expected to generally expand the 100-year floodplain from the 2007 flood maps and may cover different areas than the 2015 preliminary flood maps. Such expansion could negatively impact property values in those newly designated areas. In addition, an increase in areas of the City susceptible to flooding resulting from climate change could result in greater recovery costs to the City if flooding were to occur within such larger areas.

Additional resiliency projects will be implemented in the coming years, addressing risks identified in the NPCC Reports including coastal storms, sea level rise, extreme heat and intense rainfall.

Despite the efforts described above, the magnitude of the impact on the City's operations, economy, or financial condition from climate change is indeterminate and unpredictable. No assurance can be given that the City will not encounter natural disaster risks, such as hurricanes, tropical storms, heatwaves or catastrophic sea level rise in the future, or that such risks will not have an adverse effect on the operations, economy or financial condition of the City.

Superfund Designations

On March 2, 2010, the United States Environmental Protection Agency ("EPA") listed the Gowanus Canal (the "Canal"), a waterway located in the City, as a federal Superfund site under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"). EPA considers the City a potentially responsible party ("PRP") under CERCLA, based on contaminants from currently and formerly City-owned and operated properties, as well as from the City's combined sewer overflows ("CSOs"). On September 30, 2013 EPA issued the Record of Decision ("ROD") for the Canal, setting forth requirements for dredging contaminated sediment in the Canal and covering it with a cap as well as source control requirements. Separate from the in-Canal remedy, the ROD also requires that two CSO retention tanks be constructed as part of the source control component of the remedy. The City anticipates that the actual cleanup costs – including both the in-Canal portion and the CSO portion – will substantially exceed EPA's original cost estimate for the ROD.

On May 28, 2014, EPA issued a unilateral administrative order ("2014 Unilateral Order") requiring the City to design the CSO retention tanks and other storm water control measures, and remediation of the First Street basin (a currently filled-in portion of the Canal). On June 9, 2016, USEPA and the City entered into an Administrative Settlement Agreement and Order ("Administrative Order"), under which the City agreed to milestones relating to the design of one of the CSO tanks. The City estimates that the tanks will actually cost approximately $1.3 billion, which is included in the City's capital plan. The City has notified EPA of potential delays due to the COVID-19 pandemic and is monitoring impacts on its ability to meet the requirements of the ROD. The New York City Department of Environmental Protection ("DEP") is in discussions with EPA to resolve these issues and is subject to penalties under the Unilateral Order and CERCLA.

On March 29, 2021, USEPA issued a Unilateral Order to the City, requiring the City to complete design and construction of both CSO tanks by March 2029; to complete design and construction of a new bulkhead at the City-owned Salt Lot at 2nd Avenue in Brooklyn by August 2023; and to implement additional stormwater controls in the Canal sewershed. The City has informed USEPA that it would complete the design and construction of the CSO tanks as required in the 2021 Unilateral Order, but that it would likely be unable to meet the deadlines imposed in the Order. Based on the concerns the City raised about the 2021 Unilateral Order, USEPA delayed the effective date of the 2021 Unilateral Order and modified the 2021 Unilateral Order in certain respects, but declined to extend the design and construction schedules. The 2021 Unilateral Order took effect on June 30, 2021. The City is subject to penalties stemming from alleged violations of the 2014 Unilateral Order and the Administrative Order, and may also be subject to fines and/or penalties stemming from the 2021 Unilateral Order if it does not meet the design and/or construction deadlines set forth therein.

On January 28, 2020, EPA issued a new Unilateral Order to the six largest PRPs, including the City and National Grid, requiring these parties to implement the in-Canal remedy (consisting of dredging and capping of sediments) in the upper reach of the Canal. EPA estimates that the cost of this work, the first of the three phases, is $125 million, an estimate that the City believes is low. The City's liability for the in-Canal work is unknown at this time, and may ultimately be determined through litigation.

On September 27, 2010, EPA listed Newtown Creek, the waterway on the border between Brooklyn and Queens, New York, as a Superfund site. On April 6, 2010, EPA notified the City that EPA considers the City a PRP under CERCLA for hazardous substances in Newtown Creek. In its Newtown Creek PRP notice letter, EPA identified historical City activities that filled former wetlands and low lying areas in and around Newtown Creek and releases from formerly City-owned and operated facilities, including municipal incinerators, as well as discharges from sewers and CSO outfalls, as potential sources of hazardous substances in Newtown Creek. In July, 2011, the City entered into an Administrative Settlement Agreement and Order on Consent with EPA and five other PRPs to conduct an investigation of conditions in Newtown Creek and evaluate feasible remedies. The investigation and feasibility study is expected to take approximately eleven years. The City's share will be determined in a future allocation proceeding.

The settlement does not cover any remedy that may ultimately be chosen by EPA to address the contamination identified as a result of the investigation and evaluation.

On May 12, 2014, EPA listed the former Wolff-Alport Chemical Company site ("Wolff-Alport Site") in Ridgewood, Queens, as a Superfund site. The designation is based on radioactive contamination resulting from the operations of the Wolff-Alport Chemical Company during the 1920s to 1950s, which, among other things, disposed of radioactive material on-site, on the adjacent right-of-way, and via the sewer system. In 2013, EPA, in cooperation with City and State agencies, completed a response action to implement certain interim remedial measures at the Wolff-Alport Site to address the site's short-term public health risks. In 2015 to 2017, EPA undertook a remedial investigation and feasibility study that assessed, among other things, impacts to the sewer system and City right-of-way from operations at the Wolff-Alport Site, and evaluated a range of remedial alternatives. In September 2017, EPA issued its ROD identifying its selected remedy. The ROD requires jet washing and replacement of sewers, and excavation of contaminated portions of the right-of-way. EPA estimated work for the entire Wolff-Alport Site to cost $39 million. The City anticipates that the costs for work in the sewers and the right-of-way could significantly exceed that estimate. In December 2017, EPA notified the City of its status as a PRP for the work on City property and sought to have the City perform some of the work. In February 2018, the City notified EPA that, subject to certain conditions, it was willing to undertake such work and, on September 24, 2019, EPA issued a unilateral administrative order requiring the City to conduct additional pre-design investigatory work and develop a Remedial Design consistent with the ROD.

The National Park Service ("NPS") is undertaking a CERCLA removal action at Great Kills Park on Staten Island to address radioactive contamination that has been detected at the site. Great Kills Park was owned by the City until roughly 1972, when it was transferred to NPS for inclusion in the Gateway National Recreation Area. While owned by the City, the site was used as a sanitary landfill, and the park was also expanded using urban fill. NPS believes that the radioactive contamination is the result of City activities and that the City is therefore liable for the investigation and remediation under CERCLA. The City has negotiated a settlement with NPS to address a remedial investigation and feasibility study. No other PRPs have been identified at this time.

Under CERCLA, a responsible party may be held responsible for monies expended for response actions at a Superfund site, including investigative, planning, removal, remedial and EPA enforcement actions. A responsible party may also be ordered by EPA to take response actions itself. Responsible parties include, among others, past or current owners or operators of a facility from which there is a release of a hazardous substance that causes the incurrence of response costs. The nature, extent, and cost of response actions at either the Canal, Newtown Creek, the Wolff-Alport site or Great Kills Park, the contribution, if any, of discharges from the City's sewer system or other municipal operations, and the extent of the City's liability, if any, for monies expended for such response actions, will likely not be determined for several years and could be material.

Cybersecurity

The City relies on a large and complex technology environment to conduct its operations. As a recipient and provider of personal, private or sensitive information, the City and its agencies and offices face multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems. The City's Office of Cyber Command ("Cyber Command"), which was created in 2017, is charged with setting information security policies and standards for the City, directing the City's citywide cyber defense and incident response, deploying defensive technical and administrative controls and providing guidance to the Mayor and City agencies on cyber defense. In January 2022, Cyber Command became part of the City's Office of Technology and Innovation ("OTI") (formerly the Department of Information Technology and telecommunications).

Cyber Command has over 100 full-time employees and works with designated cybersecurity contacts at each City agency as part of the Citywide Cybersecurity Program. The Financial Plan reflects funding for Cyber Command of $123 million in fiscal year 2022 and $127 million in each of fiscal years 2023 through 2026. Such funding does not account for cybersecurity funding at other City agencies. Cyber Command is built around three core cybersecurity functions: threat management, which manages incident response and cyber threat intelligence; security sciences, which manages strategic and tactical cyber defense technologies and initiatives; and urban technology, which identifies unpatched systems in the City's networks and helps agencies prioritize remediation efforts on those systems.

In carrying out its functions, Cyber Command works with a range of City, State, and federal law enforcement agencies, including the New York City Police Department and the Federal Bureau of Investigation's Joint Terrorism Task Force. In February 2022, the City and the State, along with the mayors of Albany, Buffalo, Rochester, Syracuse, and Yonkers, unveiled the Joint Security Operations Center. The center should enhance coordination of cybersecurity efforts across the State, helping to foster collaboration among city, State, and federal entities. Cyber Command also regularly works with other states and municipalities throughout the country to share cybersecurity threat intelligence and best practices, as well as with non-governmental entities such as utilities, telecommunications providers and financial services companies for the purpose of enhancing collective cyber defenses. The City has developed standard cybersecurity policies and standards for third party vendors of the City to follow, and security provisions for contracts with vendors, which help ensure that the City is notified of cyber breaches and suspected cyber breaches of a vendor's network environment. The City has also developed a Citywide Incident Response Policy, which requires City agencies to develop incident response plans in accordance with Cyber Command policies and standards.

While the City conducts periodic tests and reviews of its networks, no assurances can be given that such security and operational control measures will be successful in guarding against all cyber threats and attacks. New technical cyber vulnerabilities are discovered in the United States daily. In addition, cyber attacks have become more sophisticated and increasingly are capable of impacting municipal control systems and components. The techniques used to obtain unauthorized access to, or to disable or degrade, electronic networks, computers, systems and solutions are rapidly evolving and have become increasingly complex and sophisticated. In addition, there is heightened risk due to an increase in remote access to City systems by City employees as a result of the outbreak of COVID-19. As cybersecurity threats continue to evolve, the City may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks. The results of any successful attack on the City's computer and information technology systems could impact its operations and damage the City's digital networks and systems, and the costs of remedying any such damage could be substantial. Consistent with the City's general policy to self-insure, the City does not carry insurance against cyber attacks.

On Saturday, June 5, 2021, Cyber Command detected unusual activity on one server located within the City Law Department's information technology systems and promptly determined, with the assistance of the Law Department, a third-party had accessed the server in an unauthorized manner. Consistent with the City's Cybersecurity Incident Response protocols, Cyber Command, OTI, and the Law Department took immediate action to contain the server, identify any additional impacted systems and contain such systems, and engaged in various defensive measures to address the unauthorized activity, including, without limitation, temporarily disabling remote access capability to the Law Department's network and blocking incoming connections from the remote access systems. The disabling and blocking resulted in the inability of Law Department employees to remotely access the Law Department network, although such employees could continue to access the network while present at the Law Department's offices. Such disabling and blocking remained in effect as the City implemented certain security measures which led to continued business interruption. Due to certain COVID restrictions and the remote nature of certain Law Department work, the inability to access the network remotely led to temporary, significant business interruption. Beginning on September 13, 2021, all mayoral agency employees, including Law Department employees, have returned to full in-person work. With the replacement of components and system upgrades, full functionality of the Law Department's computer network is substantially complete. Cyber Command's investigation has found no evidence of data exfiltration or unauthorized encryption of City information technology systems or the presence of ransomware.

The DOE investigated a cybersecurity incident at Illuminate Education, a third-party vendor that provided cloud-based services to some DOE schools. Illuminate advised DOE that between December 28, 2021 and January 8, 2022, certain of Illuminate's databases that contained confidential student information were subject to unauthorized access. Illuminate has stated that no financial account information or social security numbers were affected in this incident, and no DOE computer systems were affected. DOE directed all schools to cease using any Illuminate products and services after June 30, 2022.

Tax Matters

The Bonds—New York Personal Income Tax Exemption

In the opinion of Norton Rose Fulbright US LLP, New York, New York, and Bryant Rabbino LLP, New York, New York, as Co-Bond Counsel to the City ("Co-Bond Counsel"), interest on the Bonds will be exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

Tax-Exempt Bonds

The City will covenant in a tax certificate to comply with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), relating to the exclusion from gross income of the interest on the Tax-Exempt Bonds for purposes of federal income taxation. In the opinion of Co-Bond Counsel, assuming compliance by the City with such covenants, interest on the Tax-Exempt Bonds will be excludable from the gross income of the owners thereof for purposes of federal income taxation. Failure by the City to comply with such covenants may cause interest on the Tax-Exempt Bonds to be includable in the gross income of the owners thereof retroactive to the date of the issue of the Tax-Exempt Bonds. Further, Co-Bond Counsel will render no opinion as to the effect on the exclusion from gross income of interest on the Tax-Exempt Bonds of any action (including without limitation a change in the interest rate mode with respect to any of the Tax-Exempt Bonds) taken or not taken after the date of such opinion without the approval of Co-Bond Counsel.

In the opinion of Co-Bond Counsel, interest on the Tax-Exempt Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals. The Code contains other provisions that could result in tax consequences, upon which no opinion will be rendered by Co-Bond Counsel, as a result of ownership of the Tax-Exempt Bonds or the inclusion in certain computations of interest that is excluded from gross income.

For taxable years beginning after 2022, the Code imposes a minimum tax of 15 percent on the adjusted financial statement income of certain large corporations, generally consisting of corporations (other than S corporations, regulated investment companies and real estate investment trusts) with more than $1 billion in average annual adjusted financial statement income, determined over a three-year period. For this purpose, adjusted financial statement income generally consists of the net income or loss of the taxpayer set forth on the taxpayer's applicable financial statement for the taxable year, subject to various adjustments, but is not reduced for interest earned on tax-exempt obligations, such as the Tax-Exempt Bonds. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential consequences of owning the Tax-Exempt Bonds.

Co-Bond Counsel's opinions are not a guarantee of a result, but represent their legal judgment based upon their review of existing statutes, regulations, published rulings and court decisions and the covenants of the City described above. No ruling has been sought from the Internal Revenue Service (the "IRS" or the "Service") with respect to the matters addressed in the opinions of Co-Bond Counsel, and Co-Bond Counsel's opinions are not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax- exempt obligations. If an audit of the Tax-Exempt Bonds is commenced, under current procedures the IRS is likely to treat the City as the "taxpayer," and the owners of the Tax-Exempt Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Tax-Exempt Bonds, the City may have different or conflicting interests from the owners of the Tax-Exempt Bonds. Public awareness of any future audit of the Tax-Exempt Bonds could adversely affect the value and liquidity of the Tax-Exempt Bonds during the pendency of the audit, regardless of its ultimate outcome.

Except as described above, Co-Bond Counsel will express no opinion with respect to any federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Tax-Exempt Bonds. Prospective purchasers of the Tax-Exempt Bonds should be aware that the ownership of tax-exempt obligations such as the Tax-Exempt Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust (FASIT), corporations subject to the alternative minimum tax on adjusted financial statement income, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax- exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

The initial public offering price of certain Tax-Exempt Bonds (the "Discount Bonds") may be less than the amount payable on such Tax-Exempt Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. A portion of such original issue discount allocable to the holding period of such Discount Bond by the initial purchaser will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Tax-Exempt Bonds described above. Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bond, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Bond and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax- exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income. Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds.

The purchase price of certain Tax-Exempt Bonds (the "Premium Bonds") paid by an owner may be greater than the amount payable on such Tax-Exempt Bonds at maturity. An amount equal to the excess of a purchaser's tax basis in a Premium Bond over the amount payable at maturity constitutes premium to such purchaser. The basis for federal income tax purposes of a Premium Bond in the hands of such purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by a purchaser is determined by using such purchaser's yield to maturity. Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

Existing law may change so as to reduce or eliminate the benefit to holders of the Tax-Exempt Bonds of the exclusion of interest thereon from gross income for federal income tax purposes. Proposed legislative or administrative action, whether or not taken, could also affect the value and marketability of the Tax-Exempt Bonds. Prospective purchasers of the Tax-Exempt Bonds should consult with their own tax advisors with respect to any proposed changes in tax law.

Taxable Bonds

General. The following is a general summary of certain federal income tax consequences of the purchase and ownership of the Taxable Bonds. The discussion is based upon the Code, U.S. Treasury Regulations, rulings, and decisions now in effect, all of which are subject to change (possibly, with retroactive effect) or possibly differing interpretation. No assurances can be given that future changes in the law will not alter the conclusions reached herein.

The discussion below does not purport to deal with federal income tax consequences applicable to all categories of investors and generally does not address consequences relating to the disposition of a Taxable Bond by a Beneficial Owner thereof. Further, this summary does not discuss all aspects of federal income taxation that may be relevant to a particular investor in the Taxable Bonds in light of the investor's particular circumstances (for example, persons subject to the alternative minimum tax provisions of the Code), or to certain types of investors subject to special treatment under the federal income tax laws (including insurance companies, tax-exempt organizations and entities, financial institutions, broker-dealers, persons who have hedged the risk of owning the Taxable Bonds, traders in securities that elect to use a mark-to-market method of accounting, thrifts, regulated investment companies, pension and other employee benefit plans, partnerships and other pass-through entities, certain hybrid entities and owners of interests therein, persons who acquire Taxable Bonds in connection with the performance of services, or persons deemed to sell Taxable Bonds under the constructive sale provisions of the Code). The discussion below also does not discuss any aspect of state, local, or foreign law or U.S. federal tax laws other than U.S. federal income tax law. The summary is limited to certain issues relating to initial investors who will hold the Taxable Bonds as "capital assets" within the meaning of Section 1221 of the Code, and acquire such Taxable Bonds for investment and not as a dealer or for resale. This summary addresses certain federal income tax consequences applicable to Beneficial Owners of the Taxable Bonds who are United States persons within the meaning of Section 7701(a)(30) of the Code ("United States persons") and, except as discussed below, does not address any consequences to persons other than United States persons. Prospective investors should note that no rulings have been or will be sought from the Service with respect to any of the federal income tax consequences discussed below, and no assurance can be given that the Service will not take contrary positions.

ALL PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN, AND ANY OTHER TAX CONSEQUENCES TO THEM FROM THE PURCHASE, OWNERSHIP, AND DISPOSITION OF THE TAXABLE BONDS.

Stated Interest and Reporting of Interest Payments. The stated interest on the Taxable Bonds will be included in the gross income, as defined in Section 61 of the Code, of the Beneficial Owners thereof as ordinary income for federal income tax purposes at the time it is paid or accrued, depending on the tax accounting method applicable to the Beneficial Owners thereof. Subject to certain exceptions, the stated interest on the Taxable Bonds will be reported to the Service. Such information will be filed each year with the Service on Form 1099 which will reflect the name, address, and taxpayer identification number ("TIN") of the Beneficial Owner. A copy of Form 1099 will be sent to each Beneficial Owner of a Taxable Bond for federal income tax purposes.

Premium. If a Beneficial Owner purchases a Taxable Bond for an amount that is greater than its stated redemption price at maturity, such Beneficial Owner will be considered to have purchased the Taxable Bond with "amortizable bond premium" equal in amount to such excess. A Beneficial Owner may elect to amortize such premium using a constant yield method over the remaining term of the Taxable Bond and may offset interest otherwise required to be included in respect of the Taxable Bond during any taxable year by the amortized amount of such excess for the taxable year. Bond premium on a Taxable Bond held by a Beneficial Owner that does not make such an election will decrease the amount of gain or increase the amount of loss otherwise recognized on the sale, exchange, redemption or retirement of a Taxable Bond. However, if the Taxable Bond may be optionally redeemed after the Beneficial Owner acquires it at a price in excess of its stated redemption price at maturity, special rules would apply under the Treasury Regulations which could result in a deferral of the amortization of some bond premium until later in the term of the Taxable Bond. Any election to amortize bond premium applies to all taxable debt instruments held by the Beneficial Owner on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the Service.

Medicare Contribution Tax. Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of "modified adjusted gross income" of the individual over $200,000 for unmarried individuals ($250,000 for married couples filing a joint return and a surviving spouse). Beneficial Owners of the Taxable Bonds should consult with their own tax advisors concerning this additional tax, as it may apply to interest earned on the Taxable Bonds as well as gain on the sale of a Taxable Bond.

Backup Withholding. Under Section 3406 of the Code, a Beneficial Owner of the Taxable Bonds who is a United States person may, under certain circumstances, be subject to "backup withholding" (currently at a rate of 24 percent) on current or accrued interest on the Taxable Bonds or with respect to proceeds received from a disposition of the Taxable Bonds. This withholding applies if such Beneficial Owner of Taxable Bonds: (i) fails to furnish to the payor such Beneficial Owner's social security number or other TIN; (ii) furnishes the payor an incorrect TIN; (iii) fails to report interest properly; or (iv) under certain circumstances, fails to provide the payor or such Beneficial Owner's broker with a certified statement, signed under penalty of perjury, that the TIN provided to the payor or broker is correct and that such Beneficial Owner is not subject to backup withholding. To establish status as an exempt person, a Beneficial Owner will generally be required to provide certification on IRS Form W-9 (or substitute form).

Backup withholding will not apply, however, if the Beneficial Owner is a corporation or falls within certain tax-exempt categories and, when required, demonstrates such fact. BENEFICIAL OWNERS OF THE TAXABLE BONDS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THEIR QUALIFICATION FOR EXEMPTION FROM BACKUP WITHHOLDING AND THE PROCEDURE FOR OBTAINING SUCH EXEMPTION, IF APPLICABLE. The backup withholding tax is not an additional tax and taxpayers may use amounts withheld as a credit against their federal income tax liability or may claim a refund as long as they timely provide certain information to the Service.

Withholding on Payments to Nonresident Alien Individuals and Foreign Corporations. Under Sections 1441 and 1442 of the Code, nonresident alien individuals and foreign corporations are generally subject to withholding of U.S. federal income tax by the payor at the rate of 30 percent on periodic income items arising from sources within the United States, provided such income is not effectively connected with the conduct of a United States trade or business. Assuming the interest income of such a Beneficial Owner of the Taxable Bonds is not treated as effectively connected income within the meaning of Section 864 of the Code, such interest will be subject to 30 percent withholding, or any lower rate specified in an income tax treaty, unless such income is treated as "portfolio interest." Interest will be treated as portfolio interest if (i) the Beneficial Owner provides a statement to the payor certifying, under penalties of perjury, that such Beneficial Owner is not a United States person and providing the name and address of such Beneficial Owner, (ii) such interest is treated as not effectively connected with the Beneficial Owner's United States trade or business, (iii) interest payments are not made to a person within a foreign country which the Service has included on a list of countries having provisions inadequate to prevent United States tax evasion, (iv) interest payable with respect to the Taxable Bonds is not deemed contingent interest within the meaning of the portfolio debt provision, (v) such Beneficial Owner is not a controlled foreign corporation within the meaning of Section 957 of the Code, and (vi) such Beneficial Owner is not a bank receiving interest on the Taxable Bonds pursuant to a loan agreement entered into in the ordinary course of the bank's trade or business.

Assuming payments on the Taxable Bonds are treated as portfolio interest within the meaning of Sections 871 and 881 of the Code, then no withholding under Section 1441 and 1442 of the Code, and no backup withholding under Section 3406 of the Code is required with respect to Beneficial Owners or intermediaries who have furnished Form W-8 BEN, Form W-8 BEN-E, Form W-8 EXP, or Form W-8 IMY, as applicable, provided the payor has no actual knowledge or reason to know that such person is a United States person.

Foreign Account Tax Compliance Act. Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to a foreign financial institution, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, the Foreign Account Tax Compliance Act ("FATCA") imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest and principal under the Taxable Bonds and sales proceeds of Taxable Bonds held by or through a foreign entity. In general, withholding under FATCA currently applies to payments of U.S. source interest (including original issue discount) and will apply to "foreign passthru payments" but no earlier than two years after the date of publication of final regulations defining the term "foreign passthru payment." Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The preceding discussion of certain U.S. federal income tax consequences is for general information only and is not tax advice. Accordingly, each investor should consult its own tax advisor as to particular tax consequences to it of purchasing, owning, and disposing of the Taxable Bonds, including the applicability and effect of any state, local, or foreign tax laws, and of any proposed changes in applicable laws.

ERISA Considerations

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the Code generally prohibit certain transactions between employee benefit plans under ERISA or tax qualified retirement plans and individual retirement accounts under the Code (collectively, the "Plans") and persons who, with respect to a Plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of the Code. In addition, each fiduciary of a Plan ("Plan Fiduciary") must give appropriate consideration to the facts and circumstances that are relevant to an investment in the Bonds, including the role that such an investment in the Bonds would play in the Plan's overall investment portfolio. Each Plan Fiduciary, before deciding to invest in the Bonds, must be satisfied that such investment in the Bonds is a prudent investment for the Plan, that the investments of the Plan, including the investment in the Bonds, are diversified so as to minimize the risk of large losses and that an investment in the Bonds complies with the documents of the Plan and related trust, to the extent such documents are consistent with ERISA. All Plan Fiduciaries, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in any Bond.

Ratings

The Bonds have been rated "Aa2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"), "AA" (stable outlook) by S&P Global Ratings ("S&P"), "AA-" (positive outlook) by Fitch, Inc. ("Fitch") and "AA+" (stable outlook) by Kroll Bond Rating Agency ("Kroll"). Such ratings reflect only the views of Moody's, S&P, Fitch and Kroll from which an explanation of the significance of such ratings may be obtained. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely. Any such downward revision or withdrawal could have an adverse effect on the market prices of the Bonds. A securities rating is not a recommendation to buy, sell or hold securities.

Legal Opinions

The legality of the authorization and issuance of the Bonds will be affirmed by the approving legal opinions of Norton Rose Fulbright US LLP and Bryant Rabbino LLP, Co-Bond Counsel to the City. Reference should be made to the forms of such opinions as set forth in Appendix C hereto for the matters covered by such opinions and the scope of Co-Bond Counsel's engagement in relation to the issuance of the Bonds.

Certain legal matters are being passed upon for the City by its Corporation Counsel.

Orrick, Herrington & Sutcliffe LLP, New York, New York, and Law Offices of Joseph C. Reid, P.A., New York, New York, Co-Special Disclosure Counsel to the City, will pass upon certain legal matters in connection with the preparation of this Official Statement.

Certain legal matters will be passed upon for the Underwriters by Bracewell LLP, New York, New York, and Hardwick Law Firm, LLC, New York, New York, Co-Counsel for the Underwriters.

Underwriting

The Tax-Exempt Bonds are being purchased for reoffering by the Underwriters for whom Jefferies LLC, BofA Securities, Inc., Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Loop Capital Markets, LLC, RBC Capital Markets, LLC, Samuel A. Ramirez & Co., Inc., Siebert Williams Shank & Co., LLC and Wells Fargo Bank, National Association are acting as lead managers. The compensation for services rendered in connection with the underwriting of the Tax-Exempt Bonds will be $4,184,941.35, inclusive of expenses.

The Subseries A-2 Bonds will be purchased for reoffering by Citigroup Global Markets Inc., the Original Purchaser of such Bonds. The compensation for services rendered in connection with such Bonds will be $625,000.00, inclusive of expenses.

The issuance of each subseries of Bonds is contingent on the other subseries of Bonds being issued.

In addition, certain of the Underwriters have entered, and the Original Purchaser may have entered, into distribution agreements with other broker-dealers (that have not been designated by the City as Underwriters or are not the Original Purchaser) for the distribution of the Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter, or the Original Purchaser, will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The Underwriters, the Original Purchaser and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters, the Original Purchaser and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the City for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters, the Original Purchaser and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the City.

Continuing Disclosure Undertaking

As authorized by the Act, and to the extent that (i) Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as amended (the "1934 Act") requires the underwriters (as defined in the Rule) of securities offered hereby (under this caption, if subject to the Rule, the "securities") to determine, as a condition to purchasing the securities, that the City will covenant to the effect of the Undertaking, and (ii) the Rule as so applied is authorized by a federal law that as so construed is within the powers of Congress, the City agrees with the record and beneficial owners from time to time of the outstanding securities (under this caption, if subject to the Rule, "Bondholders") to provide:

(a) within 185 days after the end of each fiscal year, to the Electronic Municipal Market Access system ("EMMA") (www.emma.msrb.org) established by the Municipal Securities Rulemaking Board (the "MSRB"), core financial information and operating data for the prior fiscal year, including, (i) the City's audited general purpose financial statements, prepared in accordance with generally accepted accounting principles in effect from time to time, and (ii) material historical quantitative data on the City's revenues, expenditures, financial operations and indebtedness generally of the type found herein in Sections IV, V, VIII and IX, and under the caption "2017-2021 Summary of Operations" in Section VI, provided that if the inclusion or format of such information is changed or new information is added in such sections in any future official statement, thereafter the information provided to EMMA will contain or include by reference information of the type included in that official statement as so changed or added; and

(b) in a timely manner, not in excess of 10 Business Days after the occurrence of any event described below, notice to EMMA, of any of the following events with respect to the securities:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) modifications to rights of security holders, if material;

(8) Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the City; which event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City;

(13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional Fiscal Agent or the change of name of a Fiscal Agent, if material;

(15) incurrence of a Financial Obligation (as defined below) of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect Holders of the Bonds, if material;

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties; and

(c) failure of the City to comply with clause (a) above.

Event (3) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (3) may not be applicable, since the terms of the securities do not provide for "debt service reserves."

Events (4) and (5). The City does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the securities, unless the City applies for or participates in obtaining the enhancement.

Event (6) is relevant only to the extent interest on the securities is tax-exempt.

Event (8). The City does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not otherwise contingent upon the occurrence of an event, if (i) the terms, dates and amounts of redemption are set forth in detail in the final official statement (as defined in the Rule), (ii) the only open issue is which securities will be redeemed in the case of a partial redemption, (iii) notice of redemption is given to the Bondholders as required under the terms of the securities and (iv) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced prior to optional redemptions or security purchases.

Events (15) and (16). "Financial Obligation" (i) means a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B) but (ii) shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

No Bondholder may institute any suit, action or proceeding at law or in equity ("Proceeding") for the enforcement of the Undertaking or for any remedy for breach thereof, unless such Bondholder shall have filed with the Corporation Counsel of the City evidence of ownership and a written notice of and request to cure such breach, and the City shall have refused to comply within a reasonable time. All Proceedings shall be instituted only as specified herein, in the federal or State courts located in the Borough of Manhattan, State and City of New York, and for the equal benefit of all holders of the outstanding securities benefitted by the same or a substantially similar covenant, and no remedy shall be sought or granted other than specific performance of the covenant at issue.

Any amendment to the Undertaking may only take effect if:

(a) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City, or type of business conducted; the Undertaking, as amended, would have complied with the requirements of the Rule at the time of award of the securities after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and the amendment does not materially impair the interests of Bondholders, as determined by parties unaffiliated with the City (such as, but without limitation, the City's financial advisor or bond counsel); and the annual financial information containing (if applicable) the amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the "impact" (as that word is used in the letter from the staff of the SEC to the National Association of Bond Lawyers dated June 23, 1995) of the change in the type of operating data or financial information being provided; or

(b) all or any part of the Rule, as interpreted by the staff of the SEC at the date of the Undertaking, ceases to be in effect for any reason, and the City elects that the Undertaking shall be deemed terminated or amended (as the case may be) accordingly.

For purposes of the Undertaking, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares investment power which includes the power to dispose, or to direct the disposition of, such security, subject to certain exceptions, as set forth in the Undertaking. An assertion of beneficial ownership must be filed, with full documentary support, as part of the written request to the Corporation Counsel described above.

Financial Advisors

The City has retained Public Resources Advisory Group and Acacia Financial Group, Inc. to act as financial advisors with respect to the City's general obligation bond financing program and the issuance of the Bonds.

Financial Statements

The City's Annual Report for the fiscal year ended June 30, 2021 is included by specific reference in this Official Statement as APPENDIX B. Grant Thornton LLP, the City's independent auditor, has not reviewed, commented on or approved, and is not associated with, this Official Statement. The report of Grant Thornton LLP relating to the City's financial statements for the fiscal years ended June 30, 2021 and 2020, which is a matter of public record, is included in the Annual Report for the fiscal year ended June 30, 2021, which is included by specific reference in this Official Statement. However, Grant Thornton LLP has not performed any procedures on any financial statements or other financial information of the City, including without limitation any of the information contained, or included by specific reference, in this Official Statement, since the date of such report and has not been asked to consent to the inclusion of its report in this Official Statement.

Further Information

The references herein to, and summaries of, provisions of federal, State and local laws, including but not limited to the State Constitution, the Financial Emergency Act and the City Charter, and documents, agreements and court decisions, including but not limited to the Financial Plan, are summaries of certain provisions thereof. Such summaries do not purport to be complete and are qualified in their entirety by reference to such acts, laws, documents, agreements or decisions, copies of which are available for inspection during business hours at the office of the Corporation Counsel.

Copies of the most recent financial plan submitted to the Control Board are at www.nyc.gov/omb. Copies of the published Annual Comprehensive Financial Reports of the Comptroller are available at www.comptroller.nyc.gov or upon written request to the Office of the Comptroller, Deputy Comptroller for Public Finance, Municipal Building, One Centre Street, New York, New York 10007 and are available on EMMA (https://emma.msrb.org). Financial plans are prepared quarterly, and the Annual Comprehensive Financial Report of the Comptroller is published at the end of October of each year, as required by the City Charter.

Neither this Official Statement nor any statement which may have been made orally or in writing shall be construed as a contract or as a part of a contract with any purchaser or any holders of the Bonds.

THE CITY OF NEW YORK

APPENDIX A

ECONOMIC AND DEMOGRAPHIC INFORMATION

This section presents certain economic and demographic information about the City. All information is presented on a calendar year basis unless otherwise indicated. The data set forth are the latest available. Sources of information are indicated in the text or immediately following the tables. Although the City considers the sources to be reliable, the City has made no independent verification of the information provided by non-City sources and does not warrant its accuracy.

New York City Economy

The City has a diversified economic base, with a substantial volume of business activity in the financial, professional services, education, healthcare, hospitality, wholesale and retail trade, information services, and technology industries, and is the location of many securities, banking, law, accounting, new media, and advertising firms.

The City is a major seaport and focal point for international business. Many of the major corporations headquartered in the City are multinational in scope and have extensive foreign operations. Numerous foreign-owned companies in the United States are also headquartered in the City. These firms, which have increased substantially in number over the past decade, are found in all sectors of the City's economy, but are concentrated in trade, professional and business services, tourism and finance. The City is the location of the headquarters of the United Nations and several affiliated organizations maintain their principal offices in the City. A large diplomatic community exists in the City to staff the missions to the United Nations and the foreign consulates. No single assessed property in the City accounts for more than 0.5% of the City's real property tax revenue.

In recent years, technology, life sciences, and information companies have begun to employ an increasing portion of the City's workforce and the City has become a leading technology center over the past decade. In addition to startup companies, the largest technology firms have a significant presence in the City, both in terms of employees and office space. Biotech and life sciences firms draw talent from the City's world-class universities and health care organizations. These industries, which have seen record-setting venture capital investment in recent years, are attracted to the City due to many factors, including the concentration of advertising, media and financial businesses in the City.

Economic activity in the City has experienced periods of growth and recession and can be expected to experience periods of growth and recession in the future. The City experienced a recession in the early 1970s through the middle of that decade, followed by a period of expansion in the late 1970s through the late 1980s. The City fell into recession again in the early 1990s which was followed by an expansion that lasted until 2001. The economic slowdown that began in 2001 as a result of the September 11 attack, a national economic recession, and a downturn in the securities industry came to an end in 2003. Subsequently, Wall Street activity, tourism and the real estate market drove a broad-based economic recovery through most of 2007. The financial crisis spurred by the collapse of the housing market and subsequent Great Recession brought the expansion to a halt in 2008. By 2010, the City began to recover and enjoyed a robust 10-year economic expansion. Beginning in 2020, the City has encountered significant challenges to its economy as a result of the COVID-19 pandemic.

The United States Department of Commerce Bureau of Economic Analysis produces measures of Gross Domestic Product ("GDP") by metropolitan area. The New York metropolitan area – defined geographically as New York City; Long Island; the Lower Hudson Valley, New York; parts of Northern and Central New Jersey; and Pike County Pennsylvania – is the largest metropolitan economy in the United States.

	TOP TEN GDP BY METROPOLITAN AREA (millions of current dollars)					GDP PER CAPITA
	2016	2017	2018	2019	2020*	2020*
United States (metropolitan areas)	$16,765,528	$17,466,739	$18,415,354	$19,221,826	$18,820,862	$66,247
New York-Newark-Jersey City, NY-NJ-PA	1,638,129	1,690,245	1,790,858	1,872,166	1,809,323	94,608
Los Angeles-Long Beach-Anaheim, CA	910,277	957,632	1,006,225	1,055,570	1,007,037	76,815
Chicago-Naperville-Elgin, IL-IN-WI	647,456	667,153	701,955	721,907	692,988	73,670
San Francisco-Oakland-Berkeley, CA	472,396	519,359	562,046	595,295	588,336	125,260
Washington-Arlington-Alexandria, DC-VA-MD-WV	508,569	525,176	547,123	566,892	561,028	88,705
Dallas-Fort Worth-Arlington, TX	456,713	480,906	511,963	540,634	534,807	69,508
Houston-The Woodlands-Sugar Land, TX	453,324	473,076	505,890	509,312	488,165	68,232
Boston-Cambridge-Newton, MA-NH	418,290	434,283	462,230	488,174	480,307	98,460
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	414,884	418,696	435,424	450,742	439,055	71,883
Seattle-Tacoma-Bellevue, WA	336,257	360,611	393,635	419,475	426,940	106,241

Source: U.S. Bureau of Economic Analysis
* Advance statistics.

Personal Income

From 2010 through 2020 (the most recent year for which City personal income data are available), total personal income, unadjusted for the effects of inflation, grew at a compounded annual average rate of 4.9% and 4.5% for the City and the nation, respectively. The City's total personal income per capita grew at a compounded annual average rate of 4.8% per year for the same period. In 2020, total personal income per capita in the City exceeded that of the U.S. by 38%. The following table sets forth information regarding personal income in the City and the U.S. from 2010 to 2020.

PERSONAL INCOME(1)

Year	Total City ($ billions)	Per Capita City	Per Capita U.S.	Per Capita City as a Percent of U.S.
2010	$ 420.4	$ 51,328	$ 40,690	126%
2011	448.9	54,266	42,783	127
2012	470.4	56,362	44,614	126
2013	483.3	57,567	44,894	128
2014	507.9	60,218	47,017	128
2015	531.9	62,849	48,891	129
2016	557.5	65,833	49,812	132
2017	603.2	71,485	51,811	138
2018	624.5	74,378	54,098	137
2019	642.6	77,028	56,047	137
2020	677.6	82,097	59,510	138

Sources: U.S. Department of Commerce, Bureau of Economic Analysis and the Bureau of the Census.
(1) In current dollars. Personal Income is based on the place of residence and is measured from income which includes wages and salaries, supplements to wages and salaries, proprietors' income, personal dividend income, personal interest income, rental income of persons, and transfer payments.

Employment

The City is a leading center for the banking and securities industry, education, healthcare, life insurance, communications, publishing, fashion design, technology, information services, hospitality and retail fields. Over the past two decades the City has experienced a number of business cycles. From 1992 to 2000, the City added 456,500 private sector jobs (growth of 17%). From 2000 to 2003, the City lost 173,200 private sector jobs (decline of 5%). From 2003 to 2008, the City added 257,600 private sector jobs (growth of 9%). From 2008 to 2009, the City lost 103,200 private sector jobs (decline of 3%). From 2009 to 2019, the City added 918,400 private sector jobs (growth of 29%). From 2019 to 2020, the City lost 496,900 private sector jobs due to the COVID-19 pandemic. All such changes are based on average annual employment levels through and including the years referenced. As of June 2022, total employment in the City was 4,523,800 compared to 4,216,100 in June 2021 (growth of 7.3%) based on data provided by the New York State Department of Labor, which is not seasonally adjusted.

The table below shows the distribution of employment from 2012 to 2021.

EMPLOYMENT DISTRIBUTION

	Average Annual Employment (In thousands)									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Goods Producing Sectors										
Construction	116.2	122.3	129.3	139.4	147.3	152.5	158.9	161.3	138.9	141.0
Manufacturing	76.5	76.7	77.1	78.5	76.9	74.1	71.3	68.1	52.9	54.4
Service Producing Sectors										
Trade Transportation and Utilities	590.0	604.5	620.0	629.7	629.7	633.3	635.4	636.4	536.8	550.9
Information	177.6	182.4	189.7	195.0	199.8	207.4	213.1	220.6	207.8	221.6
Financial Activities	438.0	437.0	448.9	459.2	466.2	469.4	477.0	485.1	471.1	465.2
Professional and Business Services	616.5	637.5	660.9	689.0	708.9	726.2	746.1	772.3	710.8	723.3
Education and Health Services	805.9	831.6	867.3	898.1	930.1	963.6	1,008.3	1,055.4	1,009.7	1,039.0
Leisure and Hospitality	366.8	386.7	409.9	429.4	441.9	458.8	464.4	468.1	275.6	301.5
Other Services	170.5	175.1	180.5	186.1	190.7	192.3	193.7	195.7	162.5	167.2
Total Private	3,358.1	3,453.6	3,583.4	3,704.3	3,791.4	3,877.4	3,968.2	4,063.0	3,566.1	3,663.9
Government	570.6	570.6	573.3	579.5	583.7	584.7	584.7	587.1	585.6	574.4
Total	3,928.6	4,024.2	4,156.7	4,283.8	4,375.1	4,462.1	4,552.9	4,650.1	4,151.6	4,238.3

Note: Totals may not add due to rounding or subsector disclosure limitations.
Source: New York State Department of Labor. Data are presented using the North American Industry Classification System ("NAICS"). Not seasonally adjusted.

Sectoral Distribution of Employment and Earnings

In 2020, the City's service-producing sectors provided approximately 3.4 million jobs and accounted for approximately 81% of total employment. Employment levels in the service-producing sectors affect the total earnings as well as the average wage per employee because employee compensation in certain of those sectors, such as financial activities and professional and business services, tends to be considerably higher than in most other sectors. Moreover, average wage rates in these sectors are significantly higher in the City than in the nation. In the City in 2020, the employment share for the financial activities and professional and business services sectors was approximately 29% while the earnings share for those same sectors was approximately 46%. In the nation, those same service producing sectors accounted for approximately 20% of employment and 28% of earnings in 2020. Due to the earnings distribution in the City, sudden or large shocks in the financial markets may have a disproportionately adverse effect on the City relative to the nation.

The City's and the nation's employment and earnings by sector for 2020 are set forth in the following table.

SECTORAL DISTRIBUTION OF EMPLOYMENT AND EARNINGS IN 2020[(1)]

	Employment		Earnings[(2)]	
	NYC	U.S.	NYC	U.S.
Goods-Producing Sectors				
Mining and Logging	0.0%	0.4%	0.0%	1.4%
Construction	3.3%	5.1%	3.0%	6.3%
Manufacturing	1.3%	8.6%	0.8%	9.0%
Total Goods-Producing	4.6%	14.1%	3.8%	16.7%
Service-Producing Sectors				
Trade, Transportation and Utilities	12.9%	18.8%	8.2%	15.3%
Information	5.0%	1.9%	9.6%	3.8%
Financial Activities	11.3%	6.1%	24.1%	10.0%
Professional and Business Services	17.1%	14.3%	21.7%	18.1%
Education and Health Service	24.3%	16.4%	12.7%	13.1%
Leisure & Hospitality	6.6%	9.2%	3.5%	3.7%
Other Services	3.9%	3.7%	2.7%	3.4%
Total Service-Producing	81.3%	70.5%	82.5%	67.4%
Total Private Sector	85.9%	84.5%	87.6%	84.0%
Government	14.1%	15.5%	12.4%	16.0%

Note: Data may not add due to rounding or subsector disclosure limitations. Data are presented using NAICS.
Sources: The primary sources are the New York State Department of Labor; the U.S. Department of Labor, Bureau of Labor Statistics; and the U.S. Department of Commerce, Bureau of Economic Analysis.
(1) The sectoral distributions are obtained by dividing each industry's employment or earnings by total non-agricultural employment or earnings.
(2) Includes the sum of wage and salary disbursements, other labor income, and proprietors' income. The latest information available is 2020 data.

Unemployment

As of June 2022, the total unemployment rate in the City was 6.1%, compared to 10.6% in June 2021, based on data provided by the New York State Department of Labor, which is not seasonally adjusted.

The monthly unemployment rate of the City's resident labor force for 2020, 2021, and through June 2022 is shown in the following table.

MONTHLY UNEMPLOYMENT RATE[(1)]

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
2020	3.9	3.8	4.5	13.9	21.0	17.3	17.5	15.3	14.7	13.4	12.9	12.4
2021	13.3	12.8	11.3	10.9	10.2	10.6	10.1	9.5	8.2	7.7	7.0	6.7
2022	7.3	6.6	6.1	5.8	5.7	6.1						

Source: New York State Department of Labor and U.S. Department of Labor, Bureau of Labor Statistics.
(1) Percentage of civilian labor force unemployed: excludes those persons unable to work and discouraged workers (i.e., persons not actively seeking work because they believe no suitable work is available).

The average annual unemployment rate of the City's resident labor force is shown in the following table.

ANNUAL UNEMPLOYMENT RATE[(1)]
(Average Annual)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New York City	9.4	8.8	7.1	5.6	5.1	4.5	4.1	3.8	12.4	9.9
United States	8.1	7.4	6.2	5.3	4.9	4.4	3.9	3.7	8.1	5.3

Source: New York State Department of Labor and U.S. Department of Labor, Bureau of Labor Statistics.
(1) Percentage of civilian labor force unemployed: excludes those persons unable to work and discouraged workers (i.e., persons not actively seeking work because they believe no suitable work is available).

Public Assistance

As of May 2022, the number of persons receiving cash assistance in the City was 422,124 compared to 377,287 in May 2021. The following table sets forth the number of persons receiving public assistance in the City.

PUBLIC ASSISTANCE

(Annual Averages in Thousands)

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
341.8	346.9	350.5	351.7	353.9	356.0	342.3	361.9	370.5	366.3	356.1	334.7	363.7	372.3

Taxable Sales

The City is a major retail trade market with the greatest volume of retail sales of any city in the nation. The sales tax is levied on a variety of economic activities including retail sales, utility and communication sales, services and manufacturing. Taxable sales and purchases reflects data from the State Department of Taxation and Finance publication "Taxable Sales and Purchases, County and Industry Data." The yearly data presented in this paragraph and the table below covers the period from March 1 of the year prior to the listed year through the last day of February of the listed year. Between 2011 and 2020, total taxable sales volume growth rate averaged 5.5% primarily as a result of an increase in consumption as a result of local employment gains and the local and national economic recoveries, as well as two sales tax base expansions enacted by the City, effective August 1, 2009. In 2021, total taxable sales declined 24.2% due to the COVID-19 pandemic, but rebounded to near pre-pandemic levels in 2022 as the local economy continues to reopen and recover.

The following table illustrates the volume of sales and purchases subject to the sales tax from 2013 to 2022.

TAXABLE SALES AND PURCHASES SUBJECT TO SALES TAX
(In Billions)

Year(1)	Retail(2)	Utility & Communication Sales(3)	Services(4)	Manufacturing	Other(5)	All Total
2013	$41.2	$20.6	$39.2	$5.2	$23.3	$129.5
2014	46.1	22.8	43.9	5.6	20.7	139.1
2015	47.4	23.1	47.5	5.8	21.9	145.7
2016	47.8	22.1	51.1	5.7	23.2	149.9
2017	48.3	22.8	53.1	6.1	25.2	155.5
2018	49.8	23.2	55.4	6.8	27.4	162.4
2019	52.1	24.1	58.5	7.1	30.5	172.3
2020	55.4	25.5	61.1	7.6	33.0	182.6
2021	48.8	26.5	31.0	7.0	25.0	138.3
2022	62.0	29.3	49.8	8.0	32.9	182.1

Source: State Department of Taxation and Finance publication "Taxable Sales and Purchases, County and Industry Data." Totals may not add due to rounding. Data are presented using NAICS.

(1) The yearly data is for the period from March 1 of the year prior to the listed year through the last day of February of the listed year.

(2) Retail sales include building materials, general merchandise, food, auto dealers/gas stations, apparel, furniture, eating and drinking and miscellaneous retail.

(3) Utility and Communication Sales include both residential and non-residential electric, and residential and non-residential gas and communication.

(4) Services include business services, hotel occupancy services (stays for the first 90 days), and other services (auto repair, parking and others).

(5) Other includes construction, wholesale trade, arts, entertainment and recreation, and others. Also included in Other are local tax base components of City taxable sales and purchases which include Manhattan parking services, hotel occupancy services (stays from 91 to 180 days), and miscellaneous services (credit rating and reporting services, miscellaneous personal services, and other services). Other includes items previously identified as "City Other" except for residential utility, which is reflected in "Utility & Communication Sales."

Population

The City has been the most populous city in the United States since 1790. The City's population is larger than the combined populations of Los Angeles and Chicago, the two next most populous cities in the nation.

POPULATION

Year	Total Population
1970	7,894,862
1980	7,071,639
1990	7,322,564
2000	8,008,278
2010	8,175,133
2020	8,804,190

Note: Figures do not include an undetermined number of undocumented persons.
Source: U.S. Department of Commerce, Bureau of the Census.

The United States Census Bureau estimates the City's population to be 8,467,513 as of July 2021.

The following table sets forth the distribution of the City's population by age between 2000 and 2010.

DISTRIBUTION OF POPULATION BY AGE

	2000		2010	
Age		% of Total		% of Total
Under 5	540,878	6.8	517,724	6.3
5 to 14	1,091,931	13.6	941,313	11.5
15 to 19	520,641	6.5	535,833	6.6
20 to 24	589,831	7.4	642,585	7.9
25 to 34	1,368,021	17.1	1,392,445	17.0
35 to 44	1,263,280	15.8	1,154,687	14.1
45 to 54	1,012,385	12.6	1,107,376	13.5
55 to 64	683,454	8.5	890,012	10.9
65 and Over	937,857	11.7	993,158	12.1

Note: Applicable data from the 2020 United States Census is not yet available.
Source: U.S. Department of Commerce, Bureau of the Census.

Housing

In 2021, the housing stock in the City consisted of approximately 3,644,000 housing units, excluding certain special types of units primarily in institutions such as hospitals and universities ("Housing Units") according to the 2021 Housing and Vacancy Survey released May 16, 2022. The 2021 housing inventory represented an increase of approximately 175,000 units, or 5.0%, since 2017. The 2021 Housing and Vacancy Survey indicates that rental housing units continue to predominate in the City. Of all occupied housing units in 2021, approximately 31.2% were conventional home-ownership units, cooperatives or condominiums and approximately 68.8% were rental units. Due to changes in the inventory basis beginning in 2002, it is not possible to accurately compare Housing and Vacancy Survey results beginning in 2002 to the results of earlier Surveys until such time as the data is reweighted. The following table presents trends in the housing inventory in the City.

HOUSING INVENTORY
(In Thousands)

Ownership/Occupancy Status	1996	1999	2002	2005	2008	2011	2014	2017	2021
Total Housing Units	2,995	3,039	3,209	3,261	3,328	3,352	3,400	3,469	3,644
Owner Units	858	932	997	1,032	1,046	1,015	1,033	1,038	1,017
Owner-Occupied	834	915	982	1,010	1,019	984	1,015	1,006	986
Vacant for Sale	24	17	15	21	26	31	18	32	30
Rental Units	2,027	2,018	2,085	2,092	2,144	2,173	2,184	2,183	2,274
Renter-Occupied	1,946	1,953	2,024	2,027	2,082	2,105	2,109	2,104	2,171
Vacant for Rent	81	64	61	65	62	68	75	79	103
Vacant Not Available for Sale or Rent(1)	110	89	127	137	138	164	183	248	353

Note: Details may not add up to totals due to rounding.
Sources: U.S. Bureau of the Census, 1996, 1999, 2002, 2005, 2008, 2011, 2014, 2017 and 2021 New York City Housing and Vacancy Surveys.
(1) Vacant units.

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APPENDIX B

ANNUAL COMPREHENSIVE FINANCIAL REPORT

The Annual Report for the fiscal year ended June 30, 2021 is included by specific reference in this Official Statement as Appendix B. The report of Grant Thornton LLP relating to the City's financial statements for the fiscal years ended June 30, 2021 and 2020, which is a matter of public record, is included in the Annual Report for the fiscal year ended June 30, 2021, which is included by specific reference in this Official Statement. However, Grant Thornton LLP has not performed any procedures on any financial statements or other financial information of the City, including without limitation any of the information contained in this Official Statement, since the date of such report and has not been asked to consent to the inclusion of its report in this Official Statement.

The Annual Report for the fiscal year ended June 30, 2021 is available for inspection at the Office of the City Comptroller and at https://comptroller.nyc.gov/reports/annual-comprehensive-financial-reports// and is available on EMMA (https://emma.msrb.org).

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NORTON ROSE FULBRIGHT

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September 8, 2022

Honorable Brad Lander
Comptroller
The City of New York Municipal Building
New York, New York 10007

Dear Comptroller Lander:

We have acted as Co-Bond Counsel to The City of New York (the "City"), a municipal corporation of the State of New York (the "State"), in connection with the issuance by the City on the date hereof of its General Obligation Bonds, Fiscal 2023 Subseries A-1 (the "Tax-Exempt Bonds") and General Obligation Bonds, Fiscal 2023 Subseries A-2 (said Subseries A-2 Bonds, together with the Tax-Exempt Bonds, the "Bonds").

The Bonds are issued pursuant to the Constitution of the State, the Local Finance Law of the State, and the Charter of the City, and in accordance with a certificate of the Deputy Comptroller for Public Finance of the City dated the date hereof and related proceedings. We have examined, and in expressing the opinions hereinafter described we rely upon, certificates of the City and such other agreements, documents and matters as we deem necessary to render our opinions. We have not undertaken an independent investigation of the matters described or contained in the foregoing certificates, agreements and documents. We have assumed, without undertaking to verify, the authenticity of all documents submitted to us as originals, the conformity to originals of all documents submitted to us as certified copies, the genuineness of all signatures, the due and legal execution and delivery thereof by, and validity against, any parties other than the City, and the accuracy of the statements contained in such documents.

Based upon the foregoing and our examination of existing law, we are of the opinion that:

1. The Bonds have been duly authorized, executed and issued in accordance with the Constitution and statutes of the State and the Charter of the City and constitute valid and legally binding obligations of the City for the payment of which the City has validly pledged its faith and credit, and all real property within the City subject to taxation by the City is subject to the levy by the City of ad valorem taxes, without limit as to rate or amount, for payment of the principal of and interest on the Bonds.

2. Interest on the Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

3. The City has covenanted in a tax certificate dated the date hereof to comply with certain provisions of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), relating to the exclusion from gross income of the interest on the Tax-Exempt Bonds for purposes of federal income taxation. Assuming compliance by the City with such covenants, interest on the Tax-Exempt Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes.

4. Interest on the Tax-Exempt Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals. The Code contains other provisions that could result in tax consequences, upon which we render no opinion, as a result of ownership of such Tax-Exempt Bonds or the inclusion in certain computations (including, without limitation, those related to the alternative minimum tax on the adjusted financial statement income of certain corporations) of interest that is excluded from gross income.

We express no opinion with respect to any other federal, state or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Furthermore, we express no opinion as to the effect on the exclusion from gross income of interest on the Tax-Exempt Bonds of any action (including without limitation a change in the interest rate mode with respect to any of the Tax-Exempt Bonds) taken or not taken after the date of this opinion without our approval. Ownership of tax-exempt obligations such as the Tax-Exempt Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, "S" corporations with subchapter C earnings and profits, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income tax credit, corporations subject to the alternative minimum tax on adjusted financial statement income, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable, and the enforcement of related contractual and statutory covenants of the City and the State may also be subject to the exercise of the State's police powers and of judicial discretion in appropriate cases.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Very truly yours,

BRYANT RABBINO LLP
220 East 42nd Street, Suite 3101, New York, NY 10017
Tel: 212-967-1800 Fax: 212-967-1811
www.bryantrabbino.com

September 8, 2022

Honorable Brad Lander
Comptroller
The City of New York
Municipal Building
New York, New York 10007

Dear Comptroller Lander:

We have acted as Co-Bond Counsel to The City of New York (the "City"), a municipal corporation of the State of New York (the "State"), in connection with the issuance by the City on the date hereof of its General Obligation Bonds, Fiscal 2023 Subseries A-1 (the "Tax-Exempt Bonds") and General Obligation Bonds, Fiscal 2023 Subseries A-2 (said Subseries A-2 Bonds, together with the Tax-Exempt Bonds, the "Bonds").

The Bonds are issued pursuant to the Constitution of the State, the Local Finance Law of the State, and the Charter of the City, and in accordance with a certificate of the Deputy Comptroller for Public Finance of the City dated the date hereof and related proceedings. We have examined, and in expressing the opinions hereinafter described we rely upon, certificates of the City and such other agreements, documents and matters as we deem necessary to render our opinions. We have assumed, with your permission, that capital projects of the City to be financed with proceeds of the Bonds, and reviewed by other bond counsel for the City, have been properly designated by the City in the City's financial management system as eligible for financing with such proceeds under applicable State law, including the Local Finance Law, and, with respect to projects to be financed with proceeds of the Tax-Exempt Bonds, under the Code (as defined below). We have not undertaken an independent investigation of the matters described or contained in the foregoing certificates, agreements and documents. We have assumed, without undertaking to verify, the authenticity of all documents submitted to us as originals, the conformity to originals of all documents submitted to us as certified copies, the genuineness of all signatures, the due and legal execution and delivery thereof by, and validity against, any parties other than the City, and the accuracy of the statements contained in such documents.

Based upon the foregoing and our examination of existing law, we are of the opinion that:

1. The Bonds have been duly authorized, executed and issued in accordance with the Constitution and statutes of the State and the Charter of the City and constitute valid and legally binding obligations of the City for the payment of which the City has validly pledged its faith and credit, and all real property within the City subject to taxation by the City is subject to the levy by the City of ad valorem taxes, without limit as to rate or amount, for payment of the principal of and interest on the Bonds.

2. Interest on the Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

3. The City has covenanted in a tax certificate dated the date hereof to comply with certain provisions of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), relating to the exclusion from gross income of the interest on the Tax-Exempt Bonds for purposes of federal income taxation. Assuming compliance by the City with such covenants, interest on the Tax-Exempt Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes.

4. Interest on the Tax-Exempt Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals. The Code contains other provisions that could result in tax consequences, upon which we render no opinion, as a result of ownership of such Tax-Exempt Bonds or the inclusion in certain computations (including, without limitation, those related to the alternative minimum tax on the adjusted financial statement income of certain corporations) of interest that is excluded from gross income.

We express no opinion with respect to any other federal, state or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Furthermore, we express no opinion as to the effect on the exclusion from gross income of interest on the Tax-Exempt

Bonds of any action (including without limitation a change in the interest rate mode with respect to any of the Tax-Exempt Bonds) taken or not taken after the date of this opinion without our approval. Ownership of tax-exempt obligations such as the Tax-Exempt Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, "S" corporations with subchapter C earnings and profits, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income tax credit, corporations subject to the alternative minimum tax on adjusted financial statement income, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable, and the enforcement of related contractual and statutory covenants of the City and the State may also be subject to the exercise of the State's police powers and of judicial discretion in appropriate cases.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Very truly yours,

APPENDIX D

VARIABLE RATE BONDS

Variable Rate Demand Bonds

Series	Outstanding Principal Amount	Provider	Facility Type	Expiration[1]
2006E-2	$84,010,000	Bank of America, N.A.	LOC[2]	July 31, 2025
2006E-3	84,010,000	Bank of America, N.A.	LOC	July 31, 2025
2006E-4	84,005,000	Bank of America, N.A.	LOC	July 31, 2025
2006I-4	125,000,000	TD Bank, N.A.	LOC	May 24, 2024
2006I-8	50,000,000	State Street Bank and Trust Company	SBPA[3]	September 9, 2022
2008L-3	80,000,000	Bank of America, N.A.	LOC	July 29, 2024
2008L-4	100,000,000	US Bank, N.A.	LOC	June 8, 2023
2009B-3	100,000,000	TD Bank, N.A.	LOC	January 15, 2025
2010G-4	150,000,000	Barclays Bank, PLC	SBPA	March 29, 2024
2012A-4	100,000,000	MUFG Bank, LTD.	LOC	June 25, 2024
2012D-3A	76,665,000	The Bank of New York Mellon	SBPA	October 30, 2023
2012G-6	106,945,000	Mizuho Bank, Ltd.	LOC	March 15, 2024
2013A-2	100,000,000	Mizuho Bank, Ltd.	LOC	October 9, 2024
2013A-3	100,000,000	Mizuho Bank, Ltd.	LOC	October 9, 2024
2013A-4	75,000,000	Sumitomo Mitsui Banking Corporation	LOC	October 15, 2025
2013A-5	50,000,000	Sumitomo Mitsui Banking Corporation	LOC	October 15, 2025
2013F-3	180,000,000	Bank of America, N.A.	SBPA	March 13, 2026
2014D-4	100,000,000	TD Bank, N.A.	LOC	October 16, 2023
2014D-5	75,000,000	PNC Bank, National Association	LOC	October 13, 2022
2014I-2	100,000,000	JPMorgan Chase Bank, N.A.	SBPA	March 24, 2025
2014I-3	200,000,000	Citibank, N.A.	LOC	August 12, 2025
2015F-5	100,000,000	Barclays Bank, PLC	SBPA	June 18, 2024
2015F-6	100,000,000	JPMorgan Chase Bank, N.A.	SBPA	June 17, 2027
2017A-4	200,000,000	Citibank, N.A.	LOC	August 15, 2025
2017A-5	81,000,000	JPMorgan Chase Bank, N.A.	SBPA	July 31, 2026
2017A-6	50,000,000	JPMorgan Chase Bank, N.A.	SBPA	July 31, 2026
2017A-7	50,000,000	Bank of the West	LOC	August 15, 2025
2018B-4	100,000,000	Barclays Bank, PLC	SBPA	October 1, 2025
2018B-5	100,000,000	Barclays Bank, PLC	SBPA	October 1, 2025
2018E-5	50,000,000	TD Bank, N.A.	LOC	March 10, 2023
2019D-4	150,000,000	Barclays Bank, PLC	SBPA	December 16, 2022
2022D-3	200,000,000	State Street Bank and Trust Company	SBPA	May 26, 2027
2022D-4	100,000,000	State Street Bank and Trust Company	SBPA	May 26, 2027
	$ 3,401,635,000			

Index Rate Bonds[4]

Series		Outstanding Principal Amount	Step up Date
2006I-5	$	75,000,000	May 16, 2024
2006I-6		75,000,000	May 1, 2025
2012A-5		50,000,000	June 28, 2026
2012D-3B		50,000,000	June 28, 2026
2012G-5		75,000,000	September 22, 2023
2015F-7		50,000,000	June 28, 2026
2018E-4		200,000,000	March 1, 2023
	$	575,000,000	

Fixed Rate Stepped Coupon Bonds[5]

Series		Outstanding Principal Amount	Step up Date
2014D-3	$	196,920,000	February 1, 2024
2015F-4		85,730,000	December 1, 2025
	$	282,650,000	

Adjustable Rate Remarketed Securities℠[6]

Series		Outstanding Principal Amount
2020B-3	$	100,000,000
2021-2		129,675,000
2021-3		129,675,000
	$	359,350,000

Auction Rate Bonds

Series		Outstanding Principal Amount
Various	$	464,400,000

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(1) The City expects to renew or replace any expiring Letter of Credit or Standby Bond Purchase Agreement on or prior to its expiration date or convert the related bonds to another interest rate mode.

(2) Letter of Credit.

(3) Standby Bond Purchase Agreement.

(4) The City's index rate bonds pay interest based on a specified index. Such bonds also provide for an increased rate of interest commencing on an identified step up date if such bonds are not converted or refunded.

(5) The City's fixed rate step coupon bonds provide for an increased rate of interest commencing on the step up date if such bonds are not converted or refunded.

(6) The City's Adjustable Rate Remarketed Securities℠ provide for an increased rate of interest if tendered bonds cannot be remarketed for a specified number of days.

THE CITY OF NEW YORK • GENERAL OBLIGATION BONDS, FISCAL 2023 SERIES A, SUBSERIES A-3 AND A-4

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