



Hudson River Park Trust

**FISCAL YEAR 2017**

**APPROVED BUDGET**

Approved budget is available at Trust main office and on its website  
<http://www.hudsonriverpark.org/about-us/hrpt/financial-and-budget-information/>

# HUDSON RIVER PARK TRUST - APPROVED FY 2017 BUDGET

## INDEX OF TABLES

EXHIBIT 1 - REVENUE AND OPEX (COMPARISON FY APPROVED 2017, APPROVED 2016, PROJECTED ACTUAL 2016)	Page 3
EXHIBIT 2- SUMMARY REPORT - HUDSON RIVER PARK TRUST - 2017 APPROVED BUDGET VS. 2016 APPROVED BUDGET	Page 4
EXHIBIT 2- SUMMARY REPORT - CHART 1	Page 5
EXHIBIT 2- SUMMARY REPORT - CHART 2	Page 6
EXHIBIT 3 - BUDGET SUMMARY (COMPARISON FY 2017 APPROVED VS FY 2016 APPROVED)	Page 7
EXHIBIT 3 - BUDGET SUMMARY CHART	Page 8
EXHIBIT 4 - REVENUE (COMPARISON FY 2017 APPROVED VS FY 2016 APPROVED)	Page 9
EXHIBIT 4 - REVENUE CHART	Page 10
EXHIBIT 5 - PERSONNEL SERVICES (COMPARISON FY 2017 APPROVED VS FY 2016 APPROVED)	Page 11
EXHIBIT 5 - PERSONNEL SERVICES CHART	Page 12
EXHIBIT 6 - OTHER THAN PERSONNEL SERVICES (COMPARISON FY2017 APPROVED VS FY2016 APPROVED VS FY2016 PROJECTED ACTUAL)	Page 13
EXHIBIT 6 - OTHER THAN PERSONNEL SERVICES CHART	Page 14
EXHIBIT 7 - CAPITAL EXPENSES & CAPITAL MAINTENANCE FY 2017 APPROVED	Page 15
EXHIBIT 7 - CAPITAL EXPENSES & CAPITAL MAINTENANCE CHART	Page 16
BUDGET NARRATIVE	Page 17-27

HUDSON RIVER PARK TRUST - FY 2017 APPROVED BUDGET

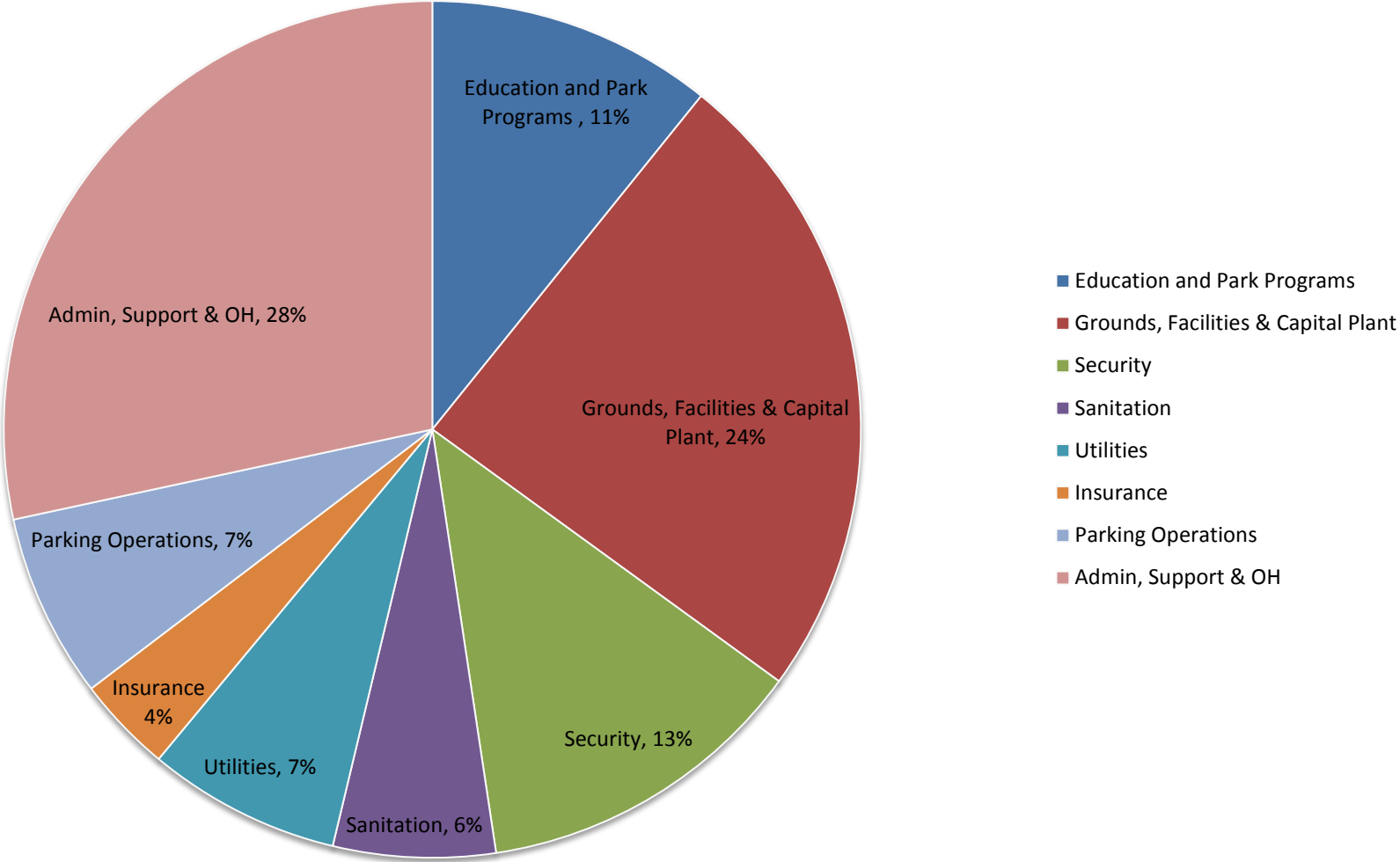
EXHIBIT 1 - REVENUE AND OPEX (COMPARISON FY APPROVED 2017, APPROVED 2016, PROJECTED ACTUAL 2016)

	APPROVED FY2017	APPROVED FY2016	PROJECTED ACTUAL FY2016 (PRELIMINARY)
<b>REVENUE</b>			
<b>LEASE &amp; OCCUPANCY PERMITS</b>	<b>\$14,094,411</b>	<b>\$9,917,905</b>	<b>\$14,076,614</b>
<b>PARKING, &amp; FEE REVENUE</b>			
FEES - GEN'L	\$1,500,000	\$1,700,000	\$2,500,465
FIELD FEES	\$250,000	\$300,000	\$297,324
PARKING INCOME (NET OF TAXES)	\$6,057,965	\$6,172,149	\$6,292,801
<b>PARKING &amp; FEE REVENUE</b>	<b>\$7,807,965</b>	<b>\$8,172,149</b>	<b>\$9,090,590</b>
<b>OTHER REVENUE</b>			
INTEREST	\$115,000	\$121,000	\$108,032
CONTRIBUTIONS	\$1,000,000	\$1,000,000	\$1,058,175
SPONSORSHIPS	\$600,000	\$400,000	\$647,325
OTHER INCOME	\$150,000	\$125,000	\$162,708
GRANTS	\$25,000	\$50,000	\$12,200
<b>TOTAL OTHER REVENUE</b>	<b>\$1,890,000</b>	<b>\$1,696,000</b>	<b>\$1,988,440</b>
<b>TOTAL REVENUE</b>	<b>\$23,792,376</b>	<b>\$19,786,054</b>	<b>\$25,155,643</b>
<b>EXPENSES</b>			
PAYROLL REG-FULL	\$5,438,466	\$5,063,896	\$4,765,663
PAYROLL - OVERTIME	\$83,688	\$68,500	\$67,180
PAYROLL PART TIME & SEASONALS	\$443,863	\$427,976	\$395,863
<b>SUBTOTAL DIRECT PAYROLL</b>	<b>\$5,966,016</b>	<b>\$5,560,372</b>	<b>\$5,228,706</b>
FRINGE-WORKERS COMP.	\$138,770	\$98,762	\$92,871
FRINGE- STATE UNEMP.	\$83,343	\$80,095	\$75,318
FRINGE - RETIRE. CONTRIB.	\$815,718	\$812,225	\$763,778
FRINGE-FICA	\$400,252	\$388,263	\$365,104
FRINGE- MEDICAL	\$801,736	\$759,087	\$693,326
FRINGE - OTHER	\$218,334	\$218,838	\$205,784
<b>SUBTOTAL FRINGE BENEFITS</b>	<b>\$2,458,153</b>	<b>\$2,357,269</b>	<b>\$2,196,181</b>
<b>TOTAL PERSONNEL SERVICES</b>	<b>\$8,424,169</b>	<b>\$7,917,641</b>	<b>\$7,424,886</b>
<b>OTHER THAN PERSONAL SERVICES (OTPS)</b>			
INSURANCE ( NET OF STATE IN CITY REIMBURSEMENT)	\$748,054	\$717,650	\$650,482
JANITORIAL/SANITATION	\$1,260,000	\$1,100,000	\$1,065,472
LEGAL FEE	\$905,000	\$970,000	\$500,000
LIGHT POWER & UTILITIES	\$1,577,000	\$1,622,000	\$1,621,000
PIER 40 PARKING MANAGEMENT	\$1,264,724	\$971,873	\$831,220
SECURITY	\$2,600,000	\$2,600,000	\$2,475,000
OTHER OTPS	\$3,825,101	\$3,623,932	\$3,484,809
<b>SUBTOTAL OTPS</b>	<b>\$12,179,879</b>	<b>\$11,605,455</b>	<b>\$10,627,982</b>
<b>TOTAL OPEX (PERSONNEL AND OTPS)</b>	<b>\$20,604,048</b>	<b>\$19,523,096</b>	<b>\$18,052,869</b>
<b>NOI / OPERATING SURPLUS (PRE CAPx, NON-CASH EXPENSES)</b>	<b>\$3,188,328</b>	<b>\$262,958</b>	<b>\$7,102,774</b>
CAPITAL MAINTENANCE (CAPm)	\$3,892,970	\$6,857,690	\$4,000,000
EQUIPMENT (CAPx)	\$850,500	\$493,000	\$425,000
<b>SUBTOTAL OF CAPx AND CAPm</b>	<b>\$4,743,470</b>	<b>\$7,350,690</b>	<b>\$4,425,000</b>
<b>OPERATING SURPLUS (DEFICIT) AFTER CAPx &amp; CAPm</b>	<b>(\$1,555,142)</b>	<b>(\$7,087,732)</b>	<b>\$2,677,774</b>
NON-CASH, NON-OPERATING EXPENSES			
OTHER POST EMPLOYMENT BENEFITS	\$1,250,215	\$1,213,801	\$1,213,801
DEPRECIATION	\$11,060,719	\$10,738,562	\$10,024,277
<b>SUBTOTAL NON-CASH, NON-OPERATING EXPENSES</b>	<b>\$12,310,934</b>	<b>\$11,952,363</b>	<b>\$11,238,078</b>
<b>NOI (AFTER NON-CASH, NON-OPERATING EXPENSES)</b>	<b>(\$9,122,606)</b>	<b>(\$11,689,405)</b>	<b>(\$4,135,304)</b>

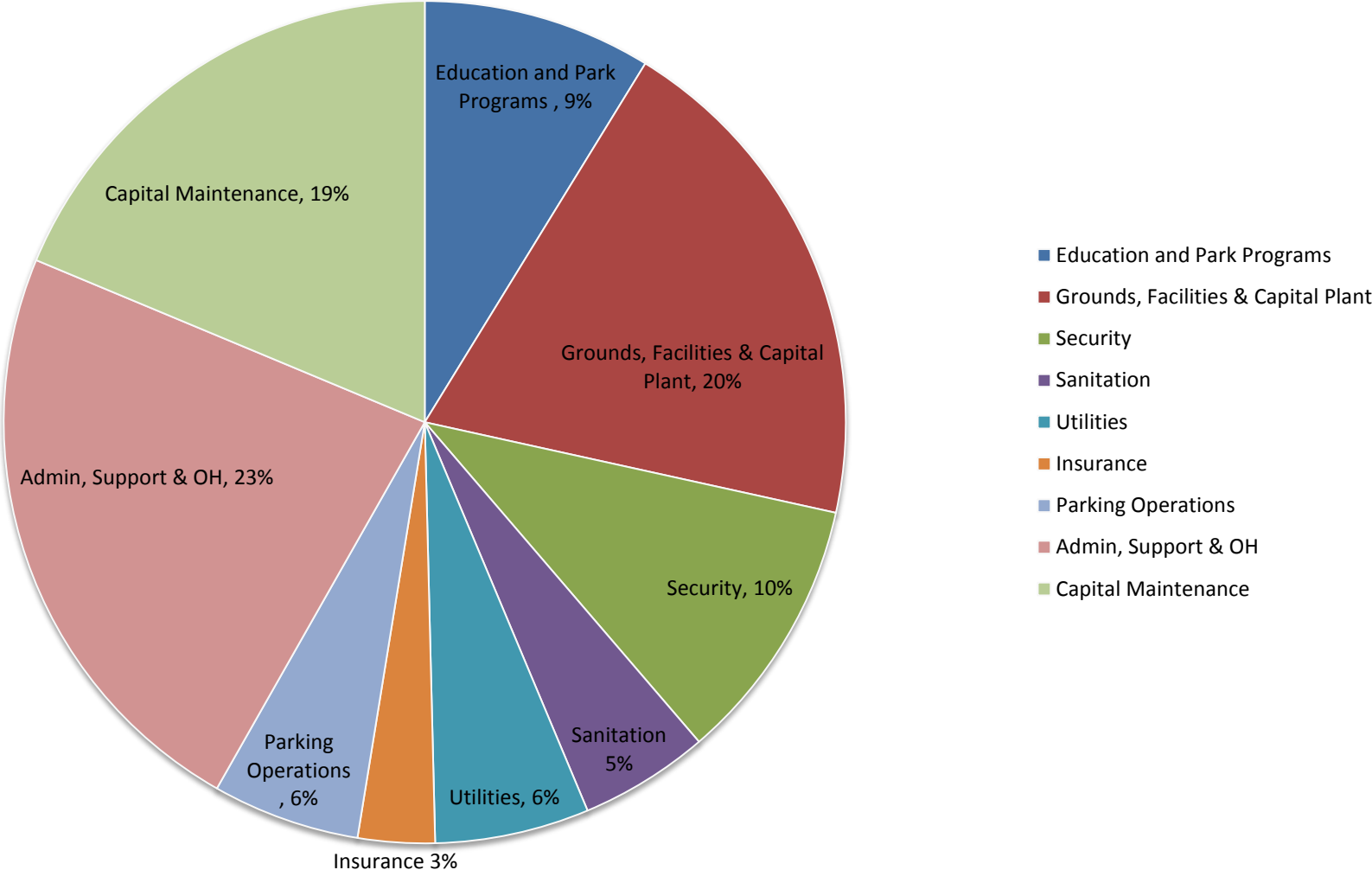
EXHIBIT 2-SUMMARY REPORT - HUDSON RIVER PARK TRUST - 2017 APPROVED BUDGET VS. 2016 APPROVED BUDGET

HUDSON RIVER PARK FISCAL SUMMARY	Note	APPROVED	ACTUAL	% Change in Budget
		2017 FY Budget	2016 FY Budget	
<b>OPERATING REVENUE</b>	<b>1</b>	\$23,792,376	\$19,786,054	20%
<b>DIRECT PARK OPERATIONS</b>				
EDUCATION AND PARK PROGRAMS		\$2,224,699	\$2,006,107	11%
GROUND, FACILITIES & CAPITAL PLANT		\$4,987,209	\$4,930,946	1%
SECURITY		\$2,600,000	\$2,600,000	0%
SANITATION		\$1,260,000	\$1,100,000	15%
UTILITIES		\$1,502,000	\$1,502,000	0%
INSURANCE (a)		\$748,054	\$717,650	4%
<b>TOTAL DIRECT PARK OPERATIONS</b>		<b>\$13,321,961</b>	<b>\$12,856,703</b>	<b>4%</b>
<b>PARKING OPERATIONS</b>		<b>\$1,435,224</b>	<b>\$1,178,573</b>	<b>22%</b>
<b>ADMIN, SUPPORT &amp; OH</b>		<b>\$5,846,862</b>	<b>\$5,487,820</b>	<b>7%</b>
<b>TOTAL OPERATING (OPEX)</b>	<b>2</b>	<b>\$20,604,048</b>	<b>\$19,523,096</b>	<b>6%</b>
<b>OPERATING SURPLUS (DEFICIT)</b>		<b>\$3,188,328</b>	<b>\$262,958</b>	
<b>CAPx AND CAPm</b>	<b>3</b>	<b>\$4,743,470</b>	<b>\$7,350,690</b>	<b>-35%</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>		<b>(\$1,555,142)</b>	<b>(\$7,087,732)</b>	
<b>NON OPERATING EXPENSE</b>	<b>4</b>	<b>\$12,310,934</b>	<b>\$11,952,363</b>	<b>3%</b>
<b>NOI (AFTER NON CASH TRANSACTIONS)</b>		<b>(\$9,122,606)</b>	<b>(\$11,689,405)</b>	
<b>Notes</b>				
		<b>2017 FY Budget</b>	<b>2016 FY Budget</b>	<b>% Change in Budget</b>
1 - Included in Operating Revenue				
Lease and Occupancy Permits		\$14,094,411	\$9,917,905	42%
Parking (b)		\$6,057,965	\$6,172,149	-2%
Fees		\$1,750,000	\$2,000,000	-13%
Contributions (c )		\$1,000,000	\$1,000,000	0%
Other (d)		\$890,000	\$696,000	28%
2 - Included in OPEX				
Payroll		\$5,966,016	\$5,560,372	7%
Fringe Benefits		\$2,458,153	\$2,357,269	4%
Total Personnel		<b>\$8,424,169</b>	<b>\$7,917,641</b>	<b>6%</b>
Full Time Permanent Employees (e )		<b>68</b>	<b>68</b>	
3 - Included in CAPM (f)				
Equipment (Incl replacements)		\$850,500	\$493,000	73%
Upland and Park Piers		\$1,882,970	\$2,762,690	-32%
Marine Structures		\$600,000	\$1,275,000	-53%
Pier 40		\$1,410,000	\$2,220,000	-36%
Sandy Repairs (Net FEMA)		-	\$600,000	-100%
4 - Non operating cost				
Other Post Employment Benefits		\$1,250,215	\$1,213,801	3%
Depreciation ( CAPx and CAPm)		\$11,060,719	\$10,738,562	3%
Total non operating cost		<b>\$12,310,934</b>	<b>\$11,952,363</b>	<b>3%</b>

# 2017 DISTRIBUTION OF EXPENSES (EXCLUDES CAPM)



# 2017 DISTRIBUTION OF EXPENSES (INCLUDES CAPM)

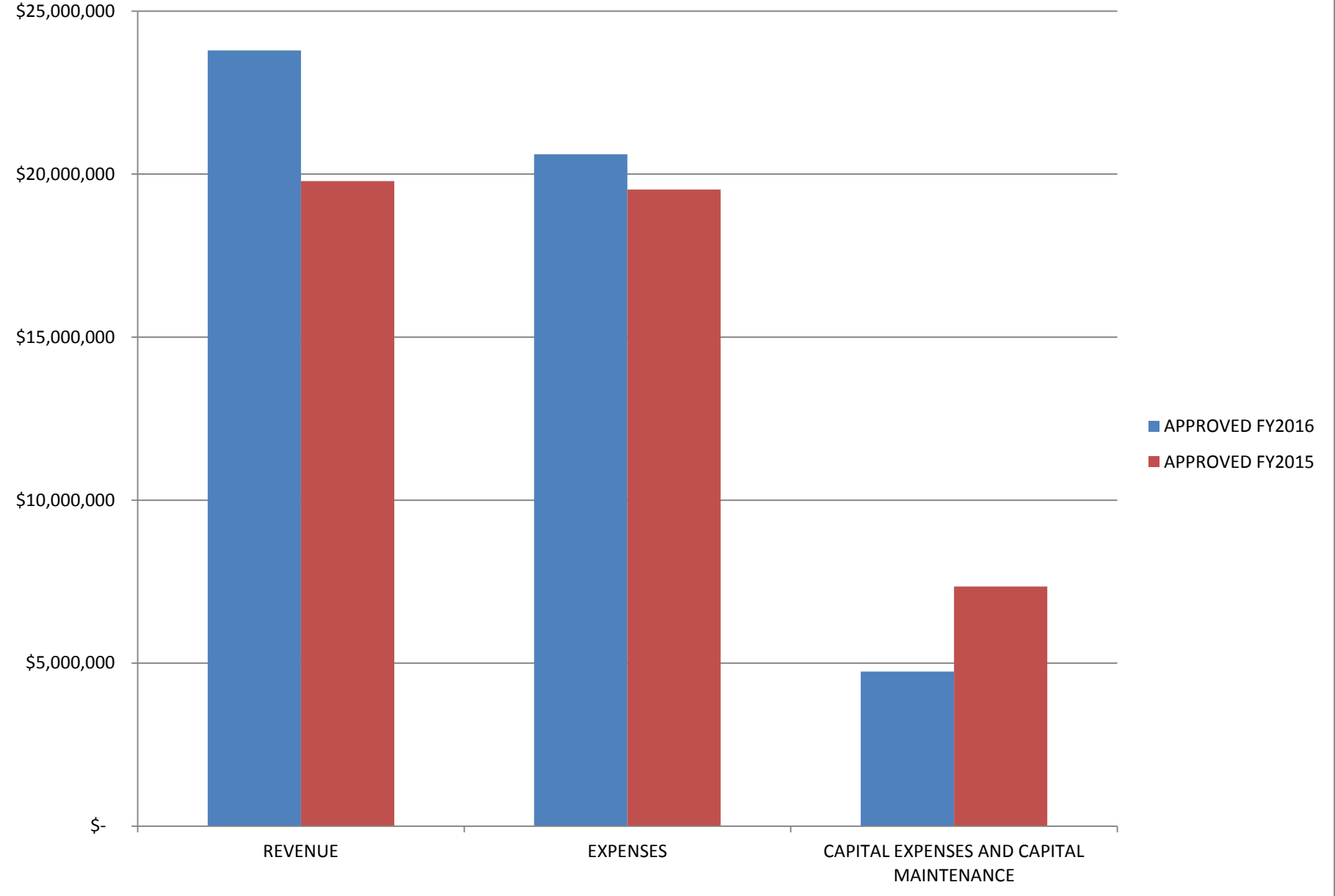


**HUDSON RIVER PARK TRUST - FY 2017**

**EXHIBIT 3 - BUDGET SUMMARY (COMPARISON FY 2017 APPROVED VS FY 2016 APPROVED)**

	<b>APPROVED BUDGET FY 2017</b>	<b>APPROVED BUDGET FY 2016</b>	<b>CHANGE</b>	<b>PCT CHANGE</b>
<b>OPERATING REVENUE (see Exhibit 4)</b>				
TOTAL LEASE, OCCUPANCY, FEES AND PARKING	\$21,902,376	\$18,090,054	\$3,812,322	21%
TOTAL OTHER REVENUE	\$1,890,000	\$1,696,000	\$194,000	11%
<b>TOTAL OPERATING REVENUE</b>	<b>\$23,792,376</b>	<b>\$19,786,054</b>	<b>\$4,006,322</b>	<b>20%</b>
<b>PERSONNEL EXPENSES (see Exhibit 5)</b>				
PAYROLL	\$5,966,016	\$5,560,372	\$405,644	7%
FRINGE BENEFITS	<u>\$2,458,153</u>	<u>\$2,357,269</u>	<u>\$100,884</u>	<u>4%</u>
<b>TOTAL PERSONNEL</b>	<b>\$8,424,169</b>	<b>\$7,917,641</b>	<b>\$506,528</b>	<b>6%</b>
<b>OTHER THAN PERSONAL SERVICES (see Exhibit 6)</b>	<b>\$12,179,879</b>	<b>\$11,605,455</b>	<b>\$574,424</b>	<b>5%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$3,188,328</b>	<b>\$262,958</b>	<b>\$2,925,370</b>	
<b>CAPITAL EXPENSES (see Exhibit 7)</b>				
CAPITAL EXPENSES - EQUIPMENT	\$850,500	\$493,000	\$357,500	73%
CAPITAL MAINTENANCE - UPLAND AND PARK PIERS	\$1,882,970	\$2,762,690	(\$879,720)	-32%
CAPITAL MAINTENANCE - MARINE	\$600,000	\$1,275,000	(\$675,000)	-53%
CAPITAL MAINTENANCE & IMPROVEMENTS- PIER 40	\$1,410,000	\$2,220,000	(\$810,000)	-36%
CAPITAL MAINTENANCE HURRICANE REPAIR (HRPT SHARE)	-	<u>\$600,000</u>	<u>(\$600,000)</u>	<u>-100%</u>
<b>TOTAL CAPITAL EXPENSES AND CAPITAL MAINTENANCE</b>	<b>\$4,743,470</b>	<b>\$7,350,690</b>	<b>(\$2,607,220)</b>	<b>-35%</b>
<b>TOTAL OPEX AND CAPEX</b>	<b>25,347,518</b>	<b>26,873,786</b>	<b>(\$1,526,268)</b>	<b>-6%</b>
<b>OPERATING INCOME LESS CAPEX</b>	<b>(\$1,555,142)</b>	<b>(\$7,087,732)</b>	<b>\$5,532,590</b>	<b>-78%</b>

# SUMMARY



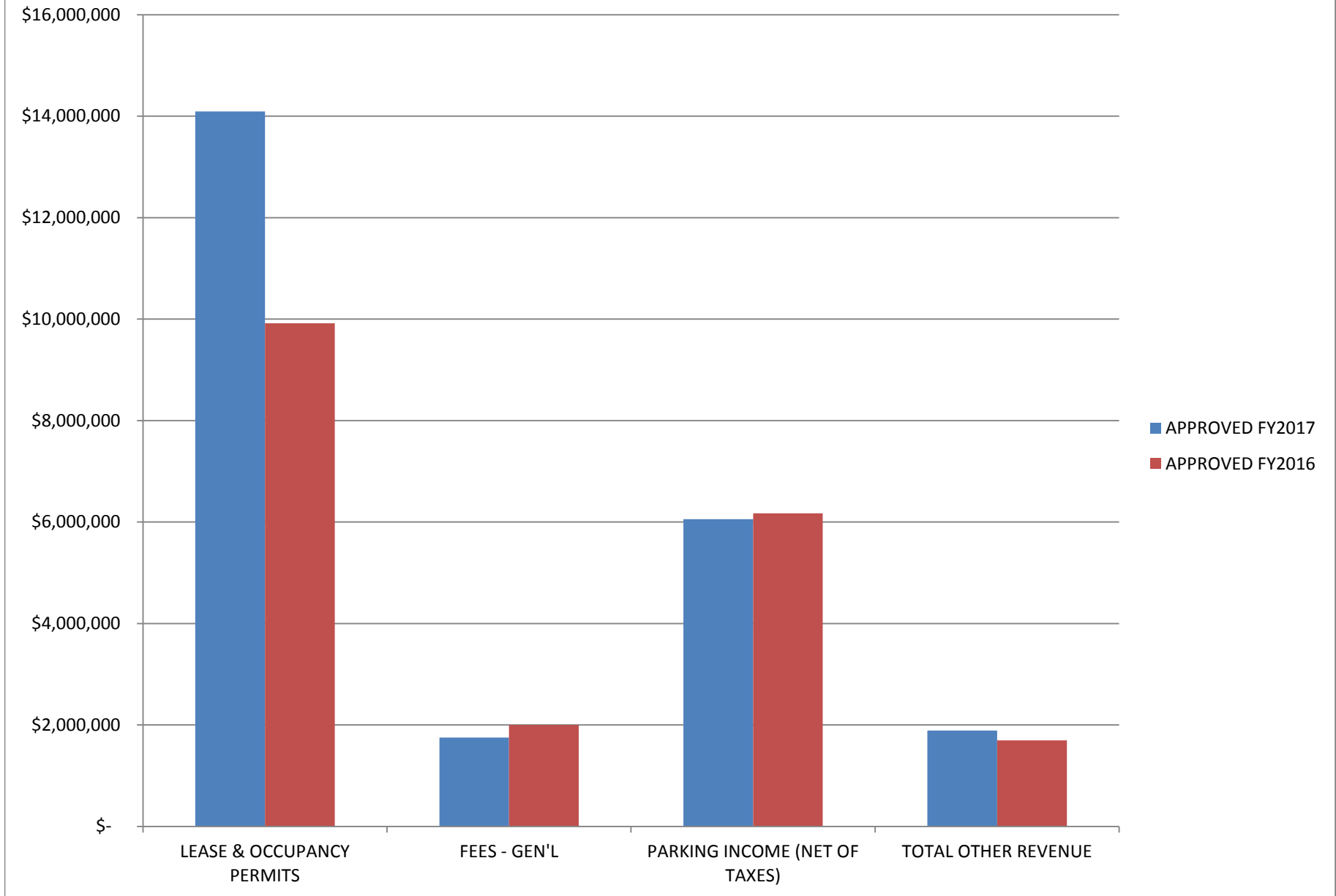


HUDSON RIVER PARK TRUST - FY 2017

EXHIBIT 4 - REVENUE (COMPARISON FY 2017 APPROVED VS FY 2016 APPROVED)

	APPROVED FY 2017	APPROVED FY 2016	\$ CHANGE	% CHANGE
<b>LEASE &amp; OCCUPANCY PERMITS</b>	<b>\$14,094,411</b>	<b>\$9,917,905</b>	<b>\$4,176,506</b>	<b>42%</b>
<b>PARKING, &amp; FEE REVENUE</b>				
FEES - GEN'L	\$1,500,000	\$1,700,000	(\$200,000)	-12%
FIELD FEES	\$250,000	\$300,000	(\$50,000)	-17%
PARKING INCOME (NET OF TAXES)	<u>\$6,057,965</u>	<u>\$6,172,149</u>	<u>(\$114,184)</u>	<u>-2%</u>
<b>PARKING &amp; FEE REVENUE</b>	<b>\$7,807,965</b>	<b>\$8,172,149</b>	<b>(\$364,184)</b>	<b>-4%</b>
<b>OTHER REVENUE</b>				
INTEREST	\$115,000	\$121,000	(\$6,000)	-5%
CONTRIBUTIONS	\$1,000,000	\$1,000,000	\$0	0%
SPONSORSHIPS	\$600,000	\$400,000	\$200,000	50%
OTHER INCOME	\$150,000	\$125,000	\$25,000	20%
GRANTS	<u>\$25,000</u>	<u>\$50,000</u>	<u>(\$25,000)</u>	<u>-50%</u>
<b>TOTAL OTHER REVENUE</b>	<b>\$1,890,000</b>	<b>\$1,696,000</b>	<b>\$194,000</b>	<b>11%</b>
<b>TOTAL REVENUE</b>	<b>\$23,792,376</b>	<b>\$19,786,054</b>	<b>\$4,006,322</b>	<b>20%</b>

# REVENUE

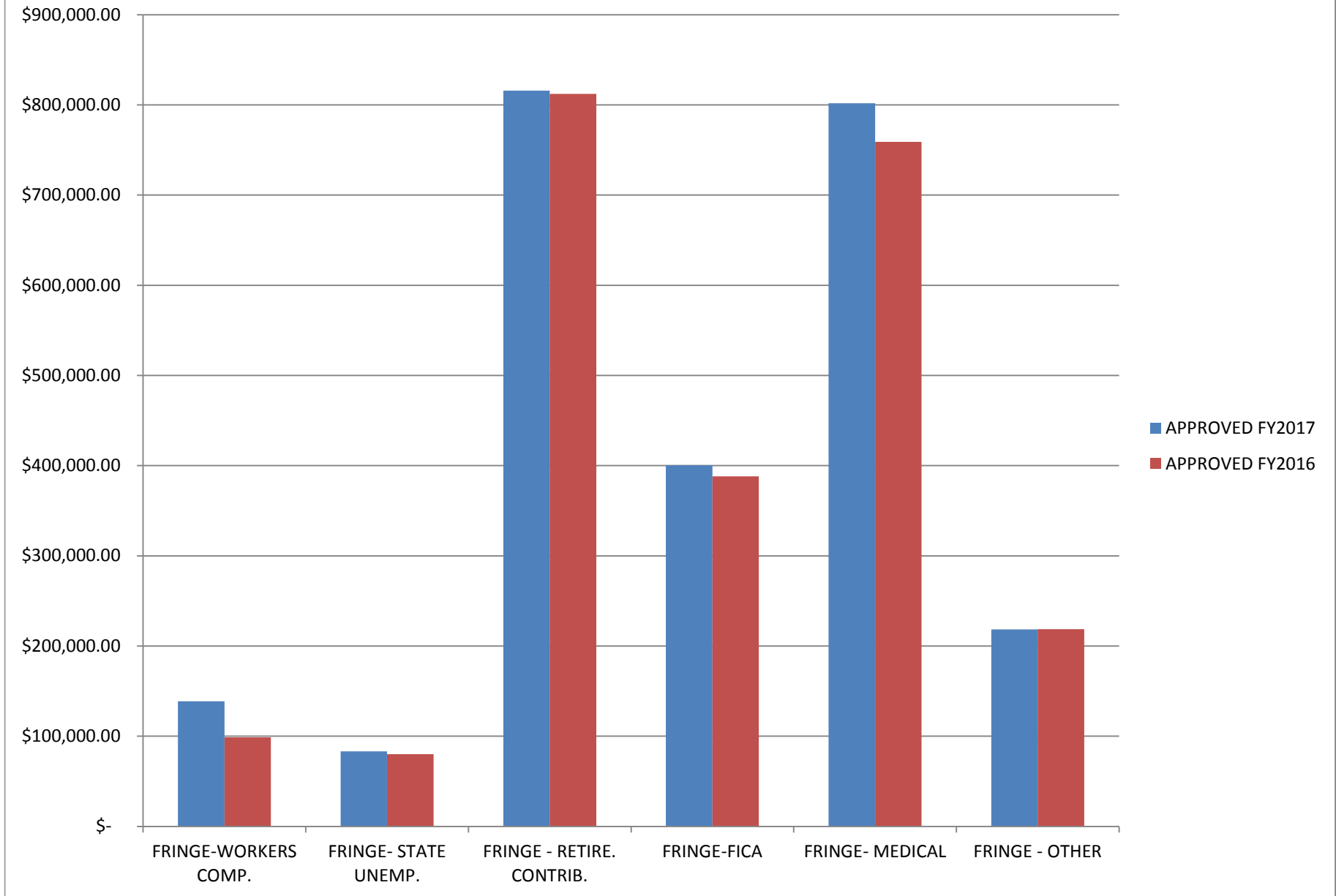


**HUDSON RIVER PARK TRUST - FY 2017**

**EXHIBIT 5 - PERSONNEL SERVICES (COMPARISON FY 2017 APPROVED VS FY 2016 APPROVED)**

	<b>APPROVED FY2017</b>	<b>APPROVED FY2016</b>	<b>\$ CHANGE</b>	<b>PCT CHANGE</b>
PAYROLL REG-FULL TIME	\$ 5,438,466	\$ 5,063,896	\$ 374,569	7%
PAYROLL - OVERTIME	\$ 83,688	\$ 68,500	\$ 15,188	22%
PAYROLL PART TIME & SEASONALS	\$ 443,863	\$ 427,976	\$ 15,888	4%
<b>SUBTOTAL PAYROLL</b>	<b>\$ 5,966,016</b>	<b>\$ 5,560,372</b>	<b>\$ 405,644</b>	<b>7%</b>
TUITION REIMBURSEMENT	\$ 12,500	\$ 12,500	\$ -	0%
FRINGE-VISION CARE	\$ 4,955	\$ 4,591	\$ 364	8%
FRINGE-DENTAL	\$ 48,000	\$ 48,000	\$ (0)	0%
FRINGE-WORKERS COMP.	\$ 138,770	\$ 98,762	\$ 40,008	41%
FRINGE- STATE UNEMP.	\$ 83,343	\$ 80,095	\$ 3,248	4%
FRINGE- DISABILITY	\$ 28,000	\$ 28,000	\$ -	0%
FRINGE - RETIRE. CONTRIB.	\$ 815,718	\$ 812,225	\$ 3,492	0%
FRINGE-FICA	\$ 400,252	\$ 388,263	\$ 11,989	3%
FRINGE-TRANSIT CHECK	\$ 72,360	\$ 74,520	\$ (2,160)	-3%
FRINGE- MEDICAL	\$ 801,736	\$ 759,087	\$ 42,650	6%
FRINGE - NY METRO - M TAX	\$ 49,519	\$ 48,227	\$ 1,292	3%
FRINGE - FLEXIBLE SPENDING	\$ 3,000	\$ 3,000	\$ -	0%
<b>FRINGE BENEFITS</b>	<b>\$ 2,458,153</b>	<b>\$ 2,357,269</b>	<b>\$ 100,884</b>	<b>4%</b>
<b>TOTAL PERSONNEL SERVICES</b>	<b>\$ 8,424,169</b>	<b>\$ 7,917,641</b>	<b>\$ 506,528</b>	<b>6%</b>

# FRINGE

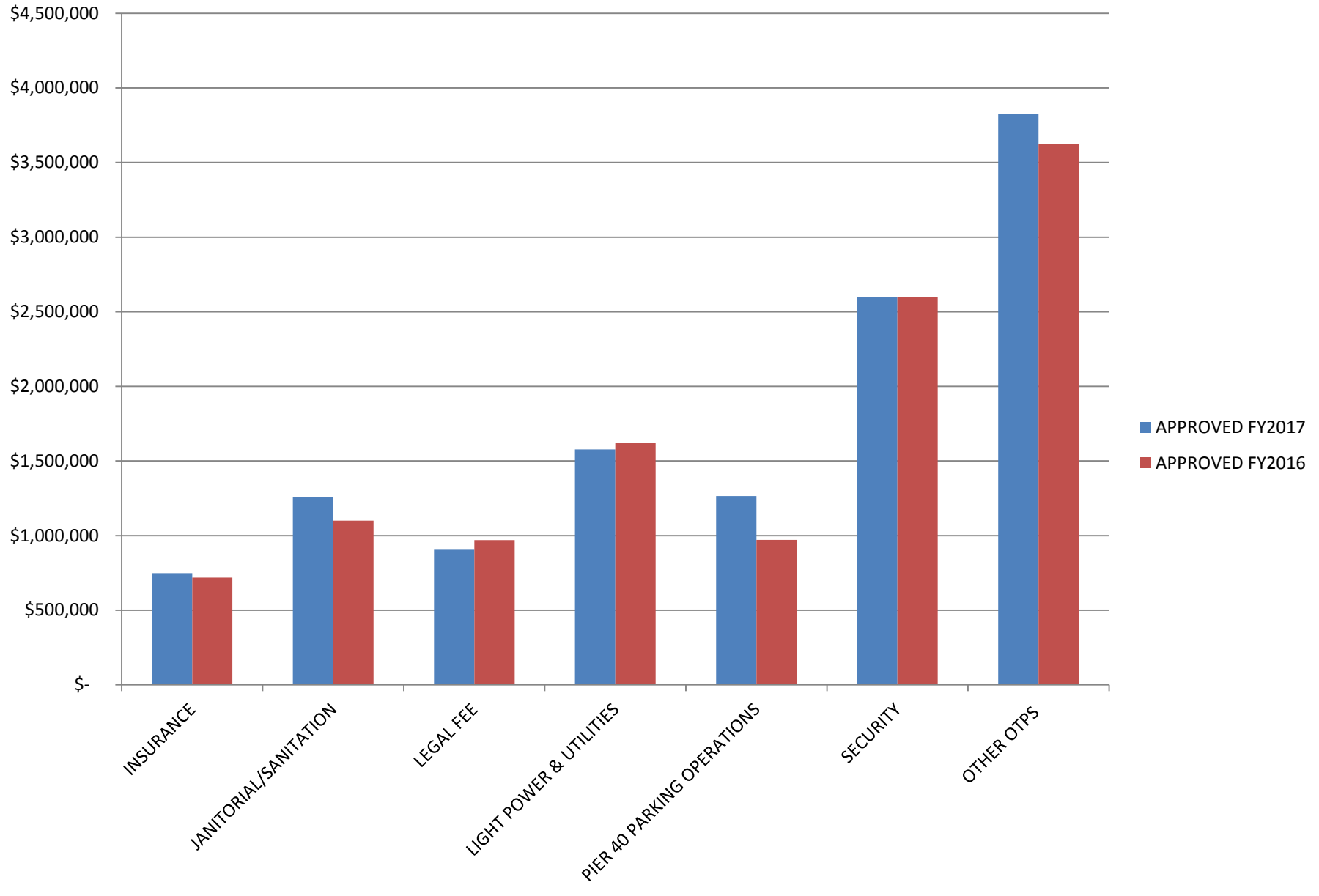


HUDSON RIVER PARK TRUST - FY 2017

EXHIBIT 6 - OTHER THAN PERSONNEL SERVICES (OTPS) (COMPARISON FY 2017 APPROVED VS FY 2016 APPROVED)

BUDGET CATEGORY	APPROVED FY 2017	APPROVED FY2016	\$ CHANGE	PCT CHANGE	BUDGET CATEGORY	APPROVED FY 2017	APPROVED FY2016	\$ CHANGE	PCT CHANGE
PROMOTION	133,683	143,183	(9,500)	-7%	PAYROLL FEES	30,000	27,500	2,500	9%
AUDITING FEE	130,000	130,000	0	0%	PERFORMERS	28,000	61,483	(33,483)	-54%
AUTO MTNCE. & GASOLINE	84,000	58,650	25,350	43%	PHOTOGRAPHER	3,000	2,750	250	9%
AUTO SERVICE	45,000	60,000	(15,000)	N/A	PLANT MATERIALS	95,000	102,000	(7,000)	-7%
FUEL	55,000	66,500	(11,500)	N/A	POSTAGE	21,750	21,000	750	4%
BANK FEES	2,000	750	1,250	167%	PRINTING & REPRODUCTION	163,500	169,000	(5,500)	-3%
BUSINESS MEALS	2,250	2,250	0	0%	REPAIRS & MTNCE - BLDG	134,500	120,000	14,500	12%
COMPUTER CONSULTANT	10,000	32,500	(22,500)	-69%	REPAIRS & MTNCE - MARINE	40,000	25,000	15,000	60%
COMPUTER HARDWARE	35,000	50,000	(15,000)	-30%	REPAIRS & MTNCE- EQUIPT	68,260	52,710	15,550	30%
COMPUTER SOFTWARE	192,625	171,925	20,700	12%	REPAIRS & MTNCE- OFFICE	1,000	2,000	(1,000)	N/A
EDUCATIONAL TRAINING	34,000	29,500	4,500	15%	REPAIRS & MTNCE-OTHER	36,500	43,000	(6,500)	-15%
EMPLOYEE RECRUITMENT	5,000	5,000	0	0%	REPAIR & MAINT REC FACILITIES	15,000	15,000	-	N/A
FEES & MEMBERSHIP	9,000	6,250	2,750	44%	SECURITY EQUIPMENT	35,000	48,100	(13,100)	N/A
GENERAL CONSULTANT	838,923	691,000	147,923	21%	SEMINARS & CONFERENCES	10,000	4,250	5,750	135%
INTERNET	48,120	34,320	13,800	40%	SIGNS & BANNERS	74,500	76,000	(1,500)	-2%
LANDSCAPING	51,000	51,500	(500)	-1%	SUBSCRIPTION	26,200	11,150	15,050	135%
LEASE EQUIPMENT/RENTAL	110,300	96,300	14,000	15%	SUPPLIES	255,500	250,300	5,200	2%
TRAVEL	13,500	9,000	4,500	50%	TELEPHONE EQUIP/ACCESSORIES	25,000	30,600	(5,600)	-18%
MEETING EXPENSES	5,000	5,000	0	0%	TELEPHONE & ELECTRONIC COMMUNICATIONS	111,490	87,460	24,030	27%
MISC EXPENSE	15,000	15,100	(100)	-1%	TOOLS	20,000	20,000	-	0%
MOVIES	13,000	13,000	0	0%	TOOLS REPAIR	2,000	5,500	(3,500)	N/A
OFFICE SUPPLY	50,000	40,000	10,000	25%	TRAFFIC CONTROL EQUIPMENT	7,500	5,000	2,500	N/A
OTHER EXPENSES	3,800	3,050	750	25%	UNIFORM	34,500	34,500	-	0%
OTHER OUTSIDE SERVICES	681,500	676,650	4,850	1%	VOLUNTEER EXPENSE	8,000	8,000	-	N/A
OVERNIGHT MAIL	11,200	10,200	1,000	10%					
					<b>TOTAL OTPS</b>	<b>3,825,101</b>	<b>3,623,932</b>	<b>201,169</b>	<b>6%</b>

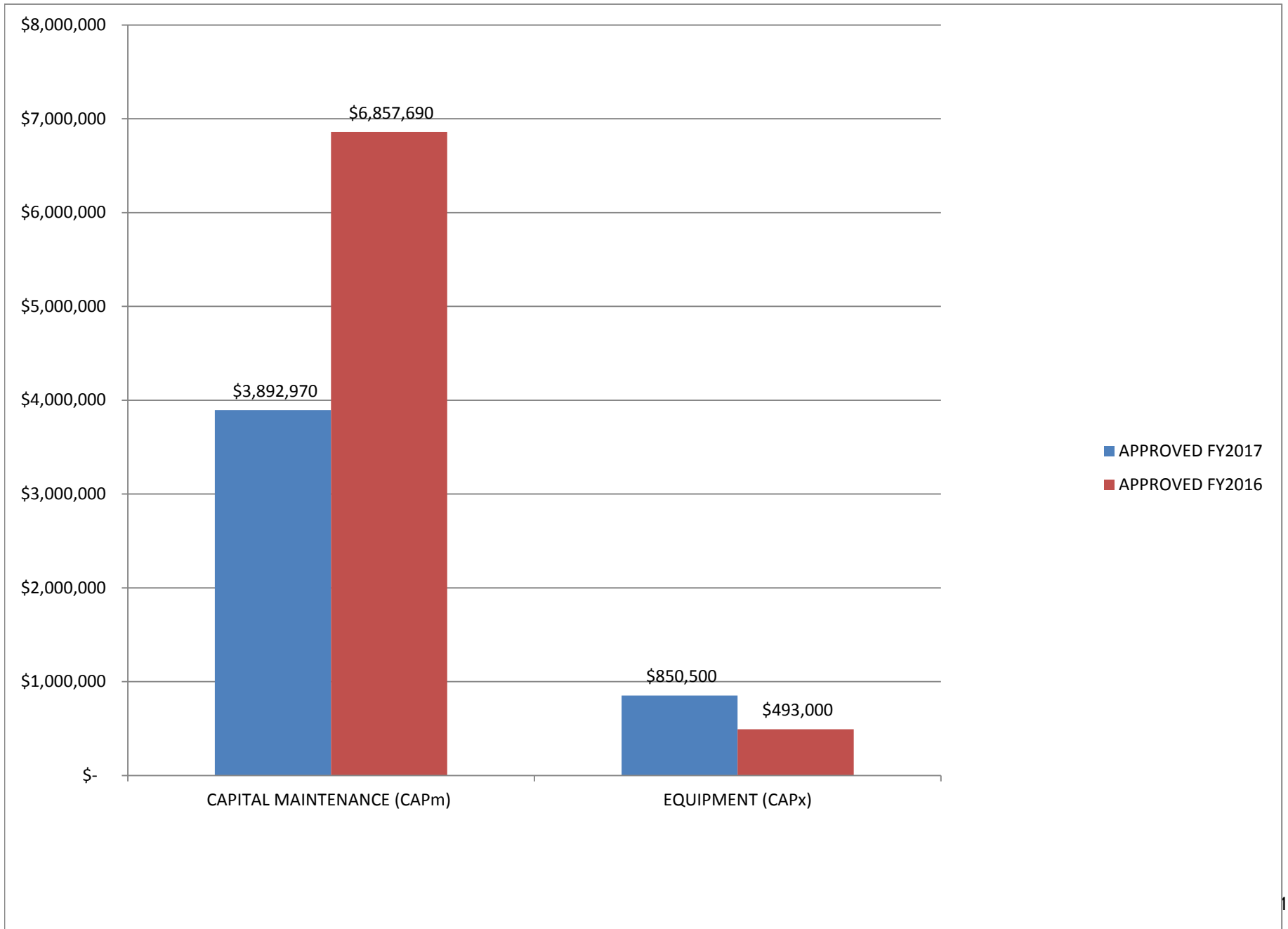
# OTPS



**HUDSON RIVER PARK TRUST -FY 2017**

**EXHIBIT 7 - CAPITAL EXPENSES & CAPITAL MAINTENANCE FY 2017 APPROVED**

<b>Capital Equipment &amp; Other</b>		<b>Capital Maintenance Marine</b>	
Horticulture Equipment	75,000	Marine Structures Repairs	7,150,000
Operations Vehicles	69,000	Marine Engineer Inspections and Misc Repairs	400,000
MIS Equipment	10,000	Marine Engineering Analysis	489,372
IT Hardware	162,500	Funding from Non-HRPT Sources	<u>(7,439,372)</u>
Security Cameras	350,000	<b>Subtotal</b>	<b>600,000</b>
Equipment Other	184,000		
Funding from Non-HRPT Sources	<u>-</u>		
<b>Subtotal</b>	<b>850,500</b>		
<b>Capital Maintenance - Upland Park and Piers</b>		<b>Capital Maintenance &amp; Improvements- Buildings Pier 40</b>	
Park Lighting	825,000	Sanitary & Plumbing Other	1,100,000
Playground & Recreation Facility Restoration	1,555,000	Fire Protection	3,300,000
Park Furniture, Railing and Fencing	310,500	Lighting	35,000
Maintenance Facilities Repairs & Upgrades	255,000	Railings, Doors and Façade	10,000
Plumbing and Utility Repairs	-	Fields and recreational repairs	75,000
Grounds	215,000	Garage Other	525,000
Paving and Surfaces	639,300	Building Other	185,000
Infrastructure Repairs, Other	1,039,300	Professional Services	-
Professional Services	112,170	Funding from Non-HRPT Sources	<u>(3,820,000)</u>
Funding from Non-HRPT Sources	<u>(3,068,300)</u>	<b>Subtotal</b>	<b>1,410,000</b>
<b>Subtotal</b>	<b>1,882,970.00</b>		
		<b>Total Capital Maintenance &amp; Equipment</b>	<b>4,743,470</b>





**March 28<sup>th</sup>, 2016**  
**Hudson River Park Trust**  
**Proposed Budget and Financial Plan Format, Supporting Documentation and Monitoring –**  
**Public Authorities**  
**(Statutory Authority: Constitution, article 10, §5; State Finance Law §8[14])**

**§ 203.6 (a) An explanation of the public authority's relationship with the unit or units of government, if any, on whose behalf or for whose benefit the authority was established.**

The Trust is a New York State (the State) public benefit corporation created under the Hudson River Park Act (the Act) and regulated as a State authority under the State's Public Authorities Law. The Trust is charged with the planning, construction, operation and maintenance of Hudson River Park (the Park), extending from 59<sup>th</sup> Street to Battery Park City. The mission of the Trust is to encourage, promote and expand public access to the Hudson River, promote water-based recreation, and enhance the natural, cultural, and historic aspects of the Hudson river in New York City for residents and visitors to the area.

The Trust is governed by a 13 member board of directors with the Governor and Mayor each appointing 5 members and the Manhattan Borough President appointing 3 members.

The Act also states that, to the extent practicable and consistent with the public interest and limitations placed on commercial activity, the costs of the operation and maintenance of the Park should be paid by revenues generated within the Park. The primary sources of such revenue are lease rents and occupancy permit fees, parking revenue from the Pier 40 garage, and certain user fees. This revenue is supplemented by contributions generated by private fundraising, Friends of Hudson River Park (FoHRP), and foundation support. New Park construction is funded primarily through budget appropriations by the City and the State.

**§ 203.6 (b) A description of the budget process, including the dates of key budget decisions.**

Budget development starts at the beginning of the third fiscal quarter with a comparison of projected actual expenses to current year budget and expenditure recommendations from individual department heads for the next year. An analysis of fixed and contractually obligated expenses, and a review of revenue generated by existing (current fiscal year) and projected (next fiscal year) leases, permits, and operating revenue such as fees and parking charges is performed by the Vice President of Finance with relevant Department Heads. Where possible, adjustments to expenses are performed such that efficiencies are achieved; unnecessary expenses and unused budget lines are eliminated or reduced.

## **Hudson River Park Trust – Expense and Revenue Budgeting Process**

Following is the Finance Department internal procedure for establishing Fiscal Year Budget April 1 to March 31.

1) Budget vs. Actual variance report is generated for each department by the Vice President of Finance.

Sources of information utilized to prepare the budget:

- Approved budgets for current year
- Current year expenditure information to date from the Trust's Great Plains accounting system

2) The Vice President of Finance distributes budget forms (in Excel) with instructions to the Department heads on how to present their budget recommendations for the upcoming Fiscal Year. The forms include all expenditure account codes used in the current budget year, the current year actual (year to date), projected actual, and a blank column for the request for the next budget year. The form also provides an opportunity for the Department heads to explain or justify new types of proposed expenditures or to further explain large increases or decreases. Proposed equipment lists (generally for IT and motor pool) are prepared separately.

3) Department heads submit their estimates and discuss budget requests with the Vice President of Finance, with requests modified at a budget meeting. New needs requiring justifications are discussed at the meeting, and continuing operations are reviewed for current expenditure level and reasons for incremental increases or decreases. Unused lines appearing in prior year departmental budgets are generally eliminated. Discretionary expenditure levels (e.g., programmatic items) are evaluated separately from generally fixed expenses lines (e.g., insurance and utilities). The Vice President of Finance then aggregates all departmental proposals to evaluate and compare with prior year expenditure levels on agency-wide basis. This also involves assessing whether the total of all departmental estimates is greater than projected financial revenue resources and then developing a tentative/proposed budget that provides necessary expenditure levels within the limits of available resources.

4) Capital maintenance is treated as a new expenditure each budget year and reviewed with the Facilities, Operations and Design & Construction department staff. Capital maintenance expenditures in excess of net operating income are analyzed to determine whether deferrals are possible, and whether outside funding is available.

- 5) The revenue budget is prepared based on
  - (a) projected lease rent and permit fees, for both existing contracts and reasonably expected new contracts
  - (b) garage revenue based on current year occupancy and rates, calendar year budget prepared by HRPT's independent parking consultant, and expected parking space availability
  - (c) field fees, generally at current year level
  - (d) event fees based upon expected availability of venues, and
  - (e) expected contributions after consultation with Friends of Hudson River Park (FoHRP).
  
- 6) The personnel services budget is prepared after consultation with department heads on staffing levels and needs for both seasonal and permanent positions. Any changes in permanent staffing needs are then discussed with the Executive Vice Presidents, Director of Human Resources, and President/Chief Executive Officer (CEO). Health and other fringe benefit costs are analyzed on an employee-by-employee basis.
  
- 7) Once the department budgets are tentatively set and personnel and capital maintenance needs are assessed, the Chief Financial Officer (CFO) reviews them to ensure they are complete, reasonable, and mathematically accurate.
  
- 8) After all information is gathered; the Vice President of Finance uses the information from the budget forms to prepare the tentative/proposed budget and meets with the Chief Financial Officer and Chief Executive Officer.
  
- 9) Once the proposed budget is reviewed by the Chief Financial Officer and Chief Executive Officer, it goes to the Audit/Finance committees for review and comments. Attending the Audit/Finance committee meeting are the Chief Financial Officer, Chief Executive Officer, Executive Vice President, General Counsel, Vice President of Finance and board committee members.
  
- 10) The proposed budget is posted on the Trust's website and posted for public inspection at locations within the Park.
  
- 11) The proposed budget receives final review by the Audit/Finance committee which then refers the budget to the full Board for its approval.

### **Park Programs Department**

In December 2015, the Vice President of Public Programs met with the Vice President of Finance to review the department's FY 2016 operating budget as of October 2015; confirmed projections for the remainder of the fiscal year; and presented recommendations for the FY 2017 operating budget for review and approval.

A detailed timeline follows:

- First budget review between Public Programs and Finance took place on December 21<sup>st</sup>, 2015
- Public Programs staff reviewed the budget and recommended changes on December 23<sup>rd</sup>, 2015
- Initial changes to individual line items were submitted to the Finance department on January 5<sup>th</sup>, 2016
- A final review of the budget by Public Programs and Finance took place on January 13<sup>th</sup>, 2016

### **Operation and Facilities Departments**

In December 2015, the Vice President of Operations and Senior Director of Facilities Department met with the Vice President of Finance to review the department's FY 2016 operating budget as of October 2015; confirmed projections for the remainder of the fiscal year; and presented recommendation for the FY 2017 operating budget for review and approval.

A detailed timeline follows:

- First budget materials provided for review were sent to the department heads on November 24<sup>th</sup>, 2015
- Initial changes to individual line items and categories were submitted to and reviewed with Finance on January 6<sup>th</sup>, 2016
- Changes and comments resulting from the meeting were submitted to Finance on January 12<sup>th</sup>, 2016
- A final review of the budget by Operation and Facilities and Finance took place on January 12<sup>th</sup>, 2016

### **Information Technology Department (IT)**

In December 2015, the Chief Information Officer of Information Technology department met with the Vice President of Finance to review the department's FY 2016 operating budget as of October 2015; confirmed projections for the remainder of the fiscal year; and presented recommendations for the FY 2017 operating budget for review and approval.

A detailed timeline follows:

- First budget review between IT and Finance took place on December 7<sup>th</sup>, 2015
- IT staff reviewed the budget and recommended changes were agreed to by the staff on December 10<sup>th</sup>, 2015
- Initial changes to individual line items were submitted to the Finance department on December 29<sup>th</sup>, 2015
- A final review of the budget by IT and Finance took place on January 11<sup>th</sup>, 2016

## **Legal Department**

In January 2016, the General Counsel & Deputy Counsel of Legal department met with the Vice President of Finance to review the department's FY 2016 operating budget as of October 2015; confirmed projections for the remainder of the fiscal year; and presented recommendation for the FY 2017 operating budget for review and approval.

A detailed timeline follows:

- First budget review between Legal and Finance took place on January 4<sup>th</sup>, 2016
- Legal staff reviewed the budget and recommended changes were agreed to by the staff on January 5<sup>th</sup>, 2016
- Initial changes to individual line items were submitted to the Finance department on January 6<sup>th</sup>, 2016
- Additional changes were submitted to Finance on January 18<sup>th</sup>, 2016
- A final review of the budget by Legal and Finance took place on January 18<sup>th</sup>, 2016

## **Education Department**

In January 2016, the Vice President of Education department met with the Vice President of Finance to review the department's FY 2016 operating budget as of December 2015; confirmed projections for the remainder of the fiscal year, and presented recommendation for the FY 2017 operating budget for review and approval.

A detailed timeline follows:

- First budget review between Education and Finance took place on January 7<sup>th</sup>, 2016
- Education staff reviewed the budget and recommended changes were agreed to by the staff on January 7<sup>th</sup>, 2016
- Initial changes to individual line items were submitted to the Finance department on January 7<sup>th</sup>, 2016
- A final review of the budget by Education and Finance took place on January 7<sup>th</sup>, 2016

## **Administration Department**

In January 2016, the Chief Financial Officer met with the Vice President of Finance to review the department's FY 2016 operating budget as of December 2015; confirmed projections for the remainder of the fiscal year; and work together on the FY 2017 operating budget for review and approval by the Chief Executive Officer.

A detailed timeline follows:

- First budget review meeting took place on January 18<sup>th</sup>, 2016
- Chief Financial Officer reviewed the budget with the President and changes were made on January 18<sup>th</sup>, 2016

- A final review of the budget took place on January 18<sup>th</sup>, 2016
- Supplemental items were added to the budget on March 14<sup>th</sup>, 2016

### **Lease and Parking Revenue**

In January 2016, the Assistant Vice President of real estate was advised by the Vice President of Finance to work on the FY budget 2017 lease/occupancy agreement revenue schedule.

The Assistant Vice President follows listed procedure to generate lease/occupancy agreement schedules.

- Use current fiscal year lease/occupancy agreement revenue schedule and provide line by line review for each tenant.
- Review lease/occupancy agreements for escalation clauses
- Review the term/length of the lease/occupancy agreements
- Calculate escalation based on the terms of lease/occupancy agreement. Some are based on percentage and others are based on Consumer Product Index adjustment
- Calculate pilot fees by referencing NYC Department of Finance website for existing and tentative assessed value and tax rates
- Calculate estimates for percentage revenue based on the current year actuals for leases/occupants that pay on percentage of their gross income
- Estimate rental/fee revenues based on new potential lease/occupancy agreement
- Generate a new lease/occupancy agreement schedule for upcoming year

To have better control over income, property manager meets a member of finance department on monthly basis to review the accounts receivable aging report and reconciles lease schedule with sales report.

A final review of the lease schedule took place on March 28, 2016 between Vice President of Finance and the Chief Financial Officer and revision was made to incorporate reasonably expected new lease revenue from Super 57 LLC for Pier 57 as such lease was scheduled for approval by the Board of Directors on March 30, 2016. As part of the Lease approval of Pier 57 with Super P57 LLC, the Trust will receive payment of \$5,956,394.00 as a prepaid construction period rent for the period April 1, 2016 to March 31st, 2018. As required by generally accepted accounting principles, the Trust will book half of this payment as unearned revenue on its statement of net position (balance sheet) and the other half as rent revenue in Fiscal Year 2017 on its statement of activities (income statement).

### **Design and Construction Department**

In January 2016, the Vice President of Design and Construction department met with Vice President of Finance to review the department's FY 2016 operating budget as of December 2015; confirmed

projections for the remainder of the fiscal year; and presented the recommendation for the FY 2017 operating budget for review and approval.

A detailed timeline follows:

- First budget review between Finance and Design and Construction took place on January 7<sup>th</sup>, 2016
- Design and Construction head reviewed the budget and recommended changes on January 7<sup>th</sup>, 2016
- A final review of the budget by Design and Construction and Finance took place on January 18<sup>th</sup>, 2016

Capital maintenance requirements for the following fiscal year are discussed on weekly basis as part of the Senior staff meetings. The compiled list is first reviewed in September among the Executive Vice Presidents, Vice President of design and construction, Senior Engineer of design and construction, and department heads of the Operations and Facilities departments. Potential capital maintenance projects are evaluated for cost and urgency. After the analyzed list is completed, recommendations are presented to the Chief Executive Officer for inclusion in the annual operating budget.

The annual capital construction plan is considered as part of the 10 year capital plan for the completion of the Park that is maintained by the Chief Financial Officer and revised as necessary to reflect funding opportunities, changes to the scope(s) of planned capital projects, and the capacity of staff to contract and manage work. The plan is set prior to beginning of the fiscal year, but remains subject to revision.

**§ 203.6 (c) A description of the principal budget assumptions, including sources of revenue, staffing, and future collective bargaining costs, and programmatic goals.**

For FY 2017 operating revenues of approximately \$23.79 million is projected to be approximately \$3.18 million greater than operating expenses of approximately \$20.60 million. This operating surplus will be applied to unfunded costs attributable to ongoing capital maintenance needs and the Trust's remaining share of Hurricane Sandy related recovery expenses which together total approximately \$4.74 million. To the extent that budgeted operating and capital maintenance expenses are authorized and fully expended during the fiscal year, and no additional operating revenue, capital grants or contributions are secured, the Trust is projected to experience a \$1.55 million reduction in its reserve funds in FY 2017.

The discussion below and attached exhibits compare the proposed FY 2017 budget, the approved FY 2016 budget, and estimated actual revenue and expenses for FY 2016. Please note that the projected actual expenses for FY 2016 are preliminary and subject to revision as some payables have not yet been entered into the accounting system and a number of accruals will

require further adjustment. Staff will provide final actuals to the Audit (Finance) Committee and full Board when the fiscal year is closed and audited. In general, projected actual operating results for FY 2016 are expected to be more favorable than budget due to: (1) a positive variance in lease revenue due a one-time payment by Chelsea Piers of PILOT fees in connection with a refinancing as required under its lease; (2) greater success in securing sponsorships; (4) reduced personnel expenses due to temporarily unfilled, but budgeted, positions; (4) outside legal counsel fees being less than budgeted with a portion of such expenditures reimbursable from third parties; (5) decreased ordinary operating and capital maintenance costs as several projects were deferred to FY 2017; and (6) reduced security costs related to NYC Parks Enforcement Patrol staffing resulting from a deferred contract start date. In addition, Hurricane Sandy/Irene repair costs (net) were less than budgeted because of: (a) delays in permitting, engineering, designing and bidding some elements of infrastructure work, and (b) a pledge by the State to cover a portion of costs not reimbursed by FEMA. As a consequence of all of these factors, we anticipate, on a net basis, an FY 2016 operating income (NOI) surplus of \$7.1 million rather than a surplus of \$262,958 as budgeted.

Budget Information is presented in the following order (attached):

**Exhibit 1** lists important budget categories and amounts for the proposed FY 2017 budget, budget FY 2016 and projected actual (preliminary) FY 2016 results. The net operating loss after capital maintenance (CAPm), capital equipment expenditures (CAPx) and net Hurricane Sandy/Irene costs represents the Trust's true "bottom line." Please note that, for accounting purposes under GASB, most CAPm and CAPx are treated as investments in assets and not expenses. Exhibit 1 is the only exhibit which shows projected actual results; all other exhibits compare proposed FY2017 budget categories with the approved FY 2016 budget. For the reasons cited above, total revenue for FY 2016 is projected to be \$5.37 million greater and total operating expenses \$1.47 million less than budgeted.

**Exhibit 2** and accompanying pie chart provide the functional distribution of revenue and expenses for the proposed FY 2017 budget. On a year over year basis, revenue from leases, occupancy permits and fees is budgeted to increase by 45% and parking revenue to decrease by 2% since the NYC Department of Sanitation will no longer be contracting in bulk for parking spaces on behalf of UPS now that construction at their site has concluded; and contributions from FoHRP are budgeted at the same amount. The portions of the expense budget represented by direct Park operations, parking, administration (including IT and legal), labor costs and different categories of revenue are highlighted. Within the functional programmatic budget categories, expenditures for education and Park programs are budgeted to increase by 11%. Please note that administration costs account for 23% of all expenses and 28% of operating expenses less CAPm, CAPx and hurricane repairs.

**Exhibit 3** and its accompanying bar chart provide a summary comparison showing differences between the proposed FY 2017 and approved FY 2016 budgets. The lease and occupancy permit revenue category shows an increase of 42% due to the increase of PILOT (Payments in Lieu of



Taxes) fees from Chelsea Piers by 1 million and reasonably expected revenue from Pier 57 lease of 2.97 million. The budget for capital maintenance for equipment shows the largest proposed increase (73%), mostly due to the planned park-wide security camera project.

**Exhibit 4** and its accompanying bar chart present the proposed FY 2017 and approved FY 2016 revenue categories showing an overall increase of 6%. Lease and occupancy permit revenue is budgeted to increase by \$4,176,506, or 42%, to \$14 million in FY 2017. The largest single source of lease revenue, including payment-in-lieu of real estate taxes (PILOT) based on the January tentative property assessment, is from Chelsea Piers. Chelsea Piers accounts for almost half of budgeted lease revenue. Other significant lease revenue sources include Con Edison (at Pier 98), Circle Line and expected new lease revenue from Super 57 LLC for Pier 57. Please note that we have budgeted a 5% allowance for vacancy and collections on lease and occupancy permit revenue. The Trust's budget for Event fees is projected to decrease in FY 2017 because the concert series previously located on Pier 97 is discontinued.

**Exhibit 5** and accompanying bar chart compare proposed FY 2017 and approved FY 2016 budgets for personnel services including both direct payroll (7% increase) and fringe benefits (4% increase). The increase in the personnel services budget reflects (1) budgeting for potential promotions (2) an anticipated overall increase in staff compensation levels and (3) an anticipated extension of an existing labor agreement with new compensation terms.

**Exhibit 6** and accompanying bar chart list Other than Personnel Services (OTPS) not otherwise included for the proposed FY 2017 and approved FY 2016 budget. Please note that the categories for certain expenses compared to prior years have been modified, discontinued, or moved to capital maintenance. Total OTPS expenses for FY 2017 are proposed to be increased by 6% as compared to the prior year budget.

**Exhibit 7** lists capital expenditures budgeted for equipment & software and capital maintenance. We provide a separate breakdown for capital maintenance for upland parks and piers (\$1.8 million), marine (\$600 thousand), and Pier 40 (\$1.4 million). Budgeted amounts are net of anticipated funding from NYC, NYS and other sources.

#### **§ 203.6 (d) A self-assessment of budgetary risks.**

The Authority prepares a self-assessment of budgetary risks and reviews it on an annual basis with the Finance Committee before the new fiscal year budget is recommended for approval by the full Board of Directors.

#### **§ 203.6 (e) A revised forecast of the current year's budget.**

The Authority did not revise the budget during the current fiscal year.

**§ 203.6 (f) A reconciliation that identifies all changes in estimates from the projections in the previously approved budget or plan.**

Variance over 10% is considered material for each revenue and cost line item and explanations are provided. There are no changes in budgetary estimates from the previously approved budget plan.

**§ 203.6 (g) A statement of the last completed fiscal year’s actual financial performance in categories consistent with the proposed budget or financial plan.**

	<u>Actual</u> <u>2015</u>	<u>Projected Actual</u> <u>2016</u>	<u>Budget</u> <u>2017</u>
<b>Operating revenue:</b>			
Lease & permit revenue	9,943,265	14,076,614	14,094,411
Parking revenue	6,541,525	6,292,801	6,057,965
Fees and other revenue	2,397,736	3,620,022	2,525,000
Contributions	1,037,388	1,058,175	1,000,000
Interest	115,021	108,032	115,000
<b>Total operating revenue</b>	<b>20,034,935</b>	<b>25,155,644</b>	<b>23,792,376</b>
<b>Operating expenses:</b>			
Employee compensation and benefits	7,119,644	7,424,887	8,424,169
Other Expenses	10,231,921	10,627,982	12,179,879
<b>Total Operating Expense Expense</b>	<b>17,351,565</b>	<b>18,052,869</b>	<b>20,604,048</b>

**§ 203.6 (h) A projection of the number of employees, including sources of funding, the numbers of full-time and full-time equivalents, and functional classifications.**

**The Organization:**

Full-time employees = 68

Part-time employees = 2

Seasonal employees = 32

Source of funding = HRPT Operating Revenue

**§ 203.6 (i) A statement of each revenue-enhancement and cost-reduction initiative that represents a component of any gap-closing program and the annual impact on revenues, expenses, and staffing.**

Not Applicable

**§ 203.6 (j) A statement of the source and amount of any material non-recurring resource that is planned for use in any given fiscal year.**

Not Applicable

**§ 203.6 (k) A statement of any transactions that shift material resources from one year to another and the amount of any reserves.**

Not applicable

**§ 203.6 (l) A statement of borrowed debt projected to be outstanding at the end of each fiscal year covered by the budget or financial plan; the planned use or purpose of debt issuances; scheduled debt service payments for both issued and proposed debt; the principal amount of proposed debt and assumed interest rate(s); debt service for each issuance as a percentage of total pledged revenues, listed by type or category of pledged revenues; cumulative debt service as a percentage of available revenues; and amount of debt that can be issued until legal limits are met.**

Not applicable

**§ 203.6 (m) A statement of the annual projected capital cost broken down by category and sources of funding, and for each capital project, estimates of the annual commitment, total project cost, expected date of completion and the annual cost for operating and maintaining those capital projects or capital categories that, when placed into service, are expected to have a material impact on the operating budget.**

<b>Hudson River Park Trust Capital Plan for fiscal Year 2017 ( Excludes capital Maintenance and Storm Recovery)</b>	
<b>Capital Project</b>	<b>Fy-17 Capital Projects Estimated Amount</b>
Morton Street Bulk Head	\$6,500,000
Marine Portion of Riverside Connector	\$176,061
Riverside Connector (N. Side of Pier 98 to N. Side of Pier 99)	\$860,966
Pier 40 Sprinkler& Life Safety systems	\$2,000,000
Parkwide Signage	\$2,000,000
Pier 26 and N. Moore Upland Area (Design Cost)	\$3,688,761
Pier 26 Estuarium ( Design Cost)	\$1,500,000
Pier 54 Esplanade- CMAQ	\$12,000,000
	\$28,725,788