



**MINUTES OF THE
AUDIT COMMITTEE
AND
FINANCE & INVESTMENT COMMITTEE
JOINT MEETING**

**January 29, 2020 at 10:00 am
Pier 40, 353 West Street
New York, New York 10014**

Attendees:

Directors: Diana L. Taylor, Jeffrey Kaplan, Michael Kuh, Jon Halpern; Purnima Kapur and Pedram Mahdavi by phone

HRPT Staff: Madelyn Wils, Daniel Kurtz, Sikander Zuberi, Noreen Doyle, Christine Fazio

Madelyn Wils informed the Directors of the plan to create a joint task force, including representatives from Community Boards 1, 2, and 4, the Advisory Council, elected officials, and Hudson River Park Friends, to address the planning for Piers 40 and 76, including any recommendations necessary to amend the Hudson River Park Act. Ms. Wils informed the Directors that there would be a number of meetings held to discuss the planning for these two piers and she encouraged the Directors to participate in such meetings.

Daniel Kurtz discussed the Hudson River Park Trust's Draft Preliminary Budget for Fiscal Year 2021 that was previously distributed to all members of the Audit Committee and Finance & Investment Committee. The discussion focused on Exhibit 1 – Revenue and OPEX table at page 3 of the preliminary budget. Mr. Kurtz first summarized the projected FY2020 actual revenue and expenses as compared to the Budget approved for FY 2020. He explained that revenues for 2020 were somewhat higher than budgeted due to higher fees from Trust permittees and concessionaires, and expenses were somewhat less than budgeted due to certain staff positions not being filled and less use of outside consultants and law firms than originally budgeted. Mr. Kurtz then addressed the preliminary budget for FY2021. The budget projects an approximate 5% increase in revenue based on slight increases in rents and fees and an approximate 19% percent increase in expenses. Mr. Kurtz explained that the Trust intended to hire nine new employees because the Park is growing, for an approximate 10% increase in personnel costs compared to last year's budget.

Mr. Kurtz discussed the capital maintenance expenditure, which has increased by 69% from the last fiscal year budget, and is mostly reimbursable. The net capital maintenance & equipment cost will be \$5.5 million, which will be booked as an asset on the statement of net position (Balance Sheet) and will be depreciated over the years.

The Directors asked a number of questions and discussed the operating budget and revenue sources and capital expenditures in detail. Mr. Kurtz and Mr. Zuberi explained that the preliminary budget will be posted on the Trust's website. Ms. Doyle explained that the Trust is working on the Hudson River Park Finance Plan for FY 20-21, and that will be shared with the Committees' members as well prior to being posted on the Trust's website as required by the Hudson River Park Act.

The meeting was adjourned at 11:30 am.