



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

**January 25, 2021 at 12:30 pm
Pier 40, 353 West Street
New York, New York 10014
Virtual Zoom Meeting**

Attendees:

Directors: Jeffrey Kaplan, Basil Seggos, Michael Kuh, Aloysee Heredia Jarmoszuk, Purnima Kapur, Lowell Kern, and Pedram Mahdavi

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

Madelyn Wils thanked the Directors for joining the joint committees' meeting and then turned the discussion over to Daniel Kurtz to discuss the Hudson River Park Trust's Draft Preliminary Budget for Fiscal Year 2022 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 actual projected revenue for this fiscal year as compared to the actuals for FY 2020 and the Approved 2021 Budget, explaining that the loss of revenue this year is due to the COVID Pandemic. As the Trust expects there will continue to be less revenue generated from Trust tenants and concessionaires through the first quarter of FY 2022, the total revenue anticipated for FY 2022 is about \$27.2 million as compared to the approved FY 2021 budget of just under \$30.2 million. While the Trust is proposing a reduction in overall expenses for the next fiscal year, due to the high use of the Park as experienced during the pandemic and the opening of new pier areas such as Pier 26, the Preliminary Budget includes an increase in expenses related to janitorial, sanitation, and security services. The Trust's insurance is also higher given the large increase this fiscal year for the General Liability policies, however those costs are reimbursed by New York State and City.

Mr. Kurtz then discussed the capital expenses and maintenance expenditures provided at Exhibit 7 of the Preliminary Budget, with the majority of such costs being used for the Pier 40 building. He also addressed the Capital Plan and expected funding sources provided on the last page of the Preliminary Budget. It was noted that Pier 76 was not included in that table as State Parks is

expected to pay for the Pier 76 work related to the interim park uses. The Directors asked a number of questions and overall were satisfied with releasing the Preliminary Budget.

Mr. Kurtz explained that the Preliminary Budget and Financing Plan will be shared with all Directors before the January 28, 2021 Board meeting and the Preliminary Budget will be posted on the Trust's website and at various locations in the Park. The full Board would approve the final budget at the March Board meeting.

The Directors then went into Executive Session to address Real Estate Negotiation and Litigation matters.

This joint committees' meeting was for informational purposes and no resolutions were adopted.

The meeting was adjourned at 1:45 pm.