HUDSON RIVER PARK TRUST

(A Public Benefit Corporation of the State of New York)

Management's Discussion and Analysis,
Financial Statements and
Supplemental Information

March 31, 2024 and 2023

(With Independent Auditors' Report Thereon)

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Hudson River Park Trust:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Hudson River Park Trust (the Trust), a New York State public benefit corporation, as of and for the years ended March 31, 2024 and 2023, and the related notes to financial statements, which collectively comprise the Trust's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Trust, as of March 31, 2024 and 2023, and the changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in note 2(o) to the financial statements, the Trust adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 94 - "Public-Private and Public-Public Partnerships and Availability Payment Arrangements," during the year ended March 31, 2024. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the additional information on pages 44 - 46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Trust's basic financial statements. The accompanying Schedules 1 through 4 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 20, 2024 on our consideration of the Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Trust's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 20, 2024

The following Management's Discussion and Analysis (MD&A) of the financial statements for Hudson River Park Trust (the Trust) provides an overview of activities and financial performance for the fiscal years ended March 31, 2024 (fiscal year 2024) and March 31, 2023 (fiscal year 2023). We encourage readers to consider the MD&A in conjunction with the basic financial statements, related notes and supplementary information, each of which follow this section, to fully understand the Trust's financial position and results of operations.

Organizational Overview and Primary Funding

The Trust is a New York State (the State) public benefit corporation created in 1998 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), a waterfront park and estuarine sanctuary running along the Hudson River from West 59^{th} Street south to Battery Park City. The Trust's mission 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 river in New York City for residents and visitors to the area. A 13-member board of directors governs the Trust, with the Governor and Mayor each appointing 5 members and the Manhattan Borough President appointing 3 members. Additional information on the Trust's board of directors can be found on the Trust's website at https://hudsonriverpark.org/about-us/hudson-river-park-trust/hudson-river-park-trust-board-of-directors/.

As of March 31, 2024, approximately $966.5 million has been expended on new Park construction, capital maintenance, and the construction of facilities serving certain not-for-profit and public sector users, such as the Intrepid Museum at Pier 86 and the New York City Fire Department Marine Division at Pier 53. This number was $914.6 million as of March 31, 2023.

As of March 31, 2024, most of the areas of the public park envisioned by the Act are either complete or nearing the end of construction. The Park expanded greatly in fiscal year 2024, with the new 5.5-acre Gansevoort Peninsula substantially completed and opened in September 2023, the Pier 26 Science Play area opened in January 2024, and the refurbished Chelsea Waterside Park fully reopened in June 2023. The new Pier 97 partially opened to the public in December 2023 and is slated for substantial completion in fiscal year 2025. There was also significant progress in the planning and design of the remaining areas of the park, including: the Estuarium, a long-planned new environmental education and science building upland of Pier 26; the upland area between W 29^{th} and W 46^{th} Streets; and continuing refurbishment of Pier 40 infrastructure. The status of Park build-out as of June 2024 is detailed in the Trust's annual Financing Plan, which may be found at https://hudsonriverpark.org/about-us/public-information/financial-and-budget-information/.

Capital funds associated with new Park construction have been provided primarily by the State of New York (the State) and the City of New York (the City), with supplemental monies received from the Federal government, private sources inclusive of philanthropic contributions, discretionary grant allocations from elected officials, and allocation of development rights transaction proceeds. In addition, the Trust has received restricted funding as a beneficiary in connection with certain litigation and administrative settlement agreements earmarked for specific improvements within the Park at Pier 97, Gansevoort Peninsula and the Pier 26 Estuarium.

The Act states that, to the extent practicable and consistent with public interest and limitations placed on commercial activity, the costs of the operation and maintenance of the Park should be paid by revenues generated from within the Park. As in the past, the primary sources of operating revenue in fiscal year 2024 were lease rents (including payments in lieu of real estate taxes, or PILOT), occupancy permit and concession fees for park and commercial use facilities, parking revenue from the Pier 40 garage and certain user fees. This operating revenue was supplemented by non-operating revenue from outside the Park that was self-generated, or generated in conjunction with others, such as contributions from Hudson River Park Friends (HRPF), interest income, foundation support, private contributions and grants. From founding to present day, the Trust has not received funds to support direct operating or ordinary maintenance costs from either the City or the State.

In addition to presenting an overview of activities and financial performance, this MD&A provides an analysis of how the costs of operation and maintenance of the Park, including capital maintenance not treated as an operating expense in the financials, are being supported by self-generated revenue in furtherance of the legislative goal of financial self-sufficiency. Identifying recurring funding sources to support continuing capital maintenance of the Park's physical assets remains the Park's most significant long-term financial challenge.

Overview of Financial Statements

The basic financial statements consist of three main parts and include information for fiscal years 2024 and 2023. The three sections are (1) statements of net position (like a balance sheet), (2) statements of revenue, expenses, and changes in net position (akin to an income statement), and (3) statements of cash flows.

The statements of net position include all the Trust's investments in resources (assets) and payment obligations to vendors and contractors (liabilities). It also provides the basis for evaluating the Trust's capital structure and for assessing its liquidity and financial flexibility. All the Trust's revenue and expenses are accounted for in the statements of revenue, expenses, and changes in net position. These statements measure the success of the Trust's operations over the past year and can be used to determine the degree to which the Trust has recovered its costs through its operating revenue and external revenue sources. The final section is the statements of cash flows, which provides information about the Trust's sources and uses of cash during the reporting period. The statements of cash flows report cash receipts, cash payments and net changes in cash resulting from operations, capital financing (primarily construction activity) and investing activities. They provide answers to such questions as where cash came from, what was cash used for, and the change in cash balance during the reporting periods.

Following the statements are the notes to financial statements (Notes), required supplementary information (RSI), schedule of changes in the Trust's Total Other Postemployment Benefits (OPEB) liability and related ratios, schedule of a proportionate share of the net pension asset (liability), and schedule of employer pension contributions. Following the RSI schedules is Supplementary Information consisting of four schedules that present financial results for fiscal years 2024 and 2023 in the format of the Trust's approved annual budget.

Further information concerning the Trust's current budget for fiscal year 2025 is available at: https://hudsonriverpark.org/about-us/public-information/financial-and-budget-information/.

The Trust adheres to the Governmental Accounting Standards Board (GASB) provisions consistent with regulations promulgated by the New York State Office of the Comptroller relating to accounting, reporting, and supervision requirements for public authorities. GASB Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" - established standards of financial accounting and financial reporting for defined benefit OPEB. As detailed in the Notes section, this is reported as an unfunded future liability since the Trust contributes only enough money to satisfy current obligations on a "pay-as-you-go" basis.

The Trust also previously implemented GASB Statement No. 68 - "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27" and GASB Statement No. 71 - "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment to GASB Statement No. 68." As further detailed in the Notes section, the implementation of these two statements resulted in the reporting of deferred outflows of resources, deferred inflows of resources, and an unfunded asset (liability) related to the Trust's participation in the New York State and Local Employees' Retirement System (ERS). The amount recorded relates to the Trust's proportionate share obligation of ERS and is based on the financial performance of ERS. Annual changes in this unfunded ERS asset (liability) are not within the control of the Trust.

In fiscal year 2023, the Trust implemented GASB Statement No. 87 - "Leases" (GASB 87), the first year in which it was required to do so. As further detailed in the Notes section, GASB 87 changed the accounting and financial reporting standard for leases, establishing a uniform set of reporting requirements for all entities, based on the principle that leases are financings of the right to use an asset.

Compliance with GASB 87 requires the Trust to recognize an assumed full present value of each lease from commencement as a receivable and as a deferred inflow of resources. The reported lease receivable is amortized over the life of the lease and interest revenue is recognized over the term of the lease.

In fiscal year 2024, the Trust implemented GASB Statement No. 94 - "Public-Private and Public-Public Partnerships and Availability Payment Arrangements" (GASB 94). This is the first fiscal year in which reporting is required under GASB.

GASB 94 mirrors GASB 87 in its intent to require reporting of initial and subsequent measurement of liability and right-to-use assets. It identifies arrangements meeting the GASB definition of Public-Private and Public-Public Partnerships and Availability Payment Arrangements, some of which might have previously been reported as lease arrangements under GASB 87. In the prior fiscal year, the Trust included two leases in the reporting for GASB 87 that are now reclassified under GASB 94. This reclassification causes no net change in the financial results, as there is no difference in the method of required calculations between GASB 87 and GASB 94 for these two arrangements.

Further GASB 87 reporting in Note (7) Lease Receivable has been updated in fiscal year 2024 and Note (8) Public-Private Partnerships Receivable has been added to reflect the addition of GASB 94 reporting in fiscal year 2024. The Trust has no reportable arrangements falling under GASB Statement No. 96 - "Subscription-Based Information Technology Arrangements" (GASB 96), as the terms for information technology subscription agreements are not reportable given their short durations.

The audited results of fiscal year 2022 were restated in the fiscal year 2023 Financial Statements, reflecting the new GASB 87 accounting standard. The presentation of both the fiscal year 2023 and 2022 results has been updated in the current financials to reflect the addition of GASB 94 reporting.

The Trust, by statute, is not permitted to issue bonds, contract to pay debt service, or otherwise borrow. Therefore, borrowing against receivables is not permitted. Annual Trust budgets must reflect actual projected lease income for each year, rather than the amounts recorded as receivables for accounting purposes, such as those assumed for the purposes of GASB 87 and GASB 94, which reflect the assumed income over the full term of qualifying leases. Thus, the GASB 87 and GASB 94 reporting requirements do not have any potential to tangibly affect Trust finances.

Statements of Net Position

The following table summarizes the Trust's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of March 31, 2024, 2023 and 2022, under the accrual basis of accounting. The results reflect the requirements of GASB 87 and GASB 94 with respect to reporting of assumed full-life value of leases and leases classified as public-private partnerships.

	2024	2023	Change	2023	2022	Change
Assets	$ 1,028,137,757	992,199,655	35,938,102	992,199,655	948,927,793	43,271,862
Leases receivable - GASB 87 & 94	402,275,284	371,282,906	30,992,378	371,282,906	230,511,334	140,771,572
Interest receivable - GASB 94	21,842,954	15,393,069	6,449,885	15,393,069	10,729,293	4,663,776
Total assets	1,452,255,995	1,378,875,630	73,380,365	1,378,875,630	1,190,168,420	188,707,210
Deferred outflows of resources - pensions - ERS	3,656,922	3,875,073	(218,151)	3,875,073	5,391,648	(1,516,575)
Total liabilities	45,136,056	45,086,713	49,343	45,086,713	55,300,558	(10,213,845)
Deferred inflows of resources:						
Pensions - ERS	397,675	6,266,428	(5,868,753)	6,266,428	6,587,134	(320,706)
Appropriations	-	-	-	-	1,876,354	(1,876,354)
Unearned revenue	596,728	558,021	38,707	558,021	-	558,021
Lease rents - GASB 87 & 94	370,159,684	345,501,123	24,658,561	345,501,123	209,511,595	135,989,528
Total deferred inflows of resources	371,154,087	352,325,572	18,828,515	352,325,572	217,975,083	134,350,489
Total net position	$ 1,039,622,774	985,338,418	54,284,356	985,338,418	922,284,427	63,053,991

Fiscal Year Ended March 31, 2024

The net effect of GASB 87 and GASB 94 reporting is to add a lease receivable equal to the present value of all known future payments for the life of the lease for qualifying agreements, as described in Note (7) Lease Receivables and Note (8) Public-Private Partnerships Receivables. An interest receivable is also added. Both are non-cash additions to assets representing future payments due to the Trust under the life of the leases. The adoption of GASB 94 in fiscal year 2024 reporting represents a reallocation of qualifying public-private partnership leases from the GASB 87 category to GASB 94, but does not result in a change in the financial results reported.

As summarized in the table above and detailed in the statements of net position, the Trust's total assets increased by 5.3% from fiscal year 2023 to 2024, with total assets of $1.45 billion in fiscal year 2024, up from $1.38 billion in fiscal year 2023. The Trust began the fiscal year with $121.2 million of construction in progress and spent another $51.9 million on capital construction in fiscal year 2024. By the end of fiscal year 2024, the Trust had substantially completed multiple major projects detailed in the following paragraph, leaving $65.4 million of construction in progress. These completed projects increased depreciable capital assets; after factoring in depreciation, the Trust had capital assets of $734.2 million as of March 31, 2024.

The new 5.5-acre Gansevoort Peninsula park area was substantially completed in September 2023; the Pier 26 Science Playground opened in January 2024; and the refurbished Chelsea Waterside Park inclusive of a new public restroom building and upgraded picnic and field areas fully reopened in June 2023, all adding to completed Park assets in fiscal year 2024. At Pier 40, various safety improvements in the parking garage, including inspections and repairs required for codes, were also implemented. A number of smaller projects also contributed to this $91.5 million increase in capital assets.

The remaining increase in total assets is primarily due to GASB 87 and 94 reporting requirements with respect to disclosure of non-cash increases in leases and interest receivables in addition to new leases. As previously stated, fiscal year 2024 is the first year of adoption of GASB 94, resulting in new reporting for lease revenue and interest under GASB 94 for some leases originally included in GASB 87, but causing no cumulative change in reported results.

Construction in progress consists primarily of work at the new Pier 97, slated for substantial completion in fiscal year 2025, along with the design of certain remaining areas of the park, including the Estuarium, the upland area between W 29th and W 46th Streets, the continuing refurbishment of portions of Pier 40, including fire safety upgrades and work within the parking garage, and a number of smaller capital projects throughout the Park, such as the replacement of the decking at Pier 45.

Deferred outflows of resources represent a use of net position that applies to future periods. The pension deferred outflow of resources of $3.7 million as of March 31, 2024, as reported under GASB Statement No. 68, is nearly unchanged from the prior fiscal year. The Trust's total liabilities on March 31, 2024 were $45.1 million, nearly unchanged compared to the prior fiscal year, as a $6.5 million increase in the Trust's proportionate share of the net pension asset (liability), a minor increase in other post-employment benefits obligation, and a $1 million increase in accrued expenses was offset by a $6.3 million decrease in accounts payable.

As explained in Notes (5) and (10) to the financial statements, the OPEB and future pension liability calculation is sensitive to a number of assumptions, including the Trust' proportionate share of the ERS net pension asset (liability), the discount rate used to determine the present value of future pension costs, and health care cost trends. A higher discount rate decreases the present value of the obligation, as less funds are needed today to generate the targeted pension plan return and meet future retiree health costs for current and retired employees. While the Trust is not required to establish a funded set-aside, the magnitude and high variability of this potential obligation informs management in determining the application of the Trust's available reserve position.

Deferred inflows of resources represent increases in net position that apply to future periods. The Trust had $371.2 million of deferred inflows of resources as of March 31, 2024, primarily due to $370.2 million in lease payments reportable as deferred inflows of resources under GASB 87 and GASB 94. This increased from $345.5 million the prior year, due to the addition of several leases under GASB 87.

Overall, the Trust's net position represents assets less liabilities, adjusted for deferred inflows and outflows of resources. Compared to the prior fiscal year, the total net position increased by $54.3 million, or 5.5%, to $1.04 billion in fiscal year 2024. The net position is divided into three categories: completed construction and construction in progress, restricted assets, and unrestricted assets inclusive of the Trust's reserves.

As a park located in and adjacent to water, the Trust's primary unfunded liability is the substantial cost of future capital maintenance required to keep marine structures, such as piers and bulkheads, in a state of good repair. The Trust's principal funding source for this work in recent years has been from the proceeds of $100 million in development rights sales from Pier 40, though the Trust has also invested its reserves for marine repairs at locations other than Pier 40 over the years. Portions of the built park are now approaching 25 years of service and, as structures continue to age, it is likely that the Trust will need to depend more heavily on reserves to fund future capital maintenance work. Continuing capital maintenance addressing a wide variety of structural issues at Pier 40, including the roof, loading dock, façade, fire safety infrastructure and parking garage, will also require use of the Trust's reserves, now that the dedicated air rights funds from a previous transaction are close to depletion. No further development rights sales may occur at Pier 40 pursuant to agreements reached as part of the previous transaction.

Furthermore, the Trust must finance construction from reserves on hand, rather than borrowing for construction financing, even when the costs of construction are reimbursed from outside resources such as New York State and New York City capital funding, due to the statutory prohibition on the issuance of Trust debt. The Trust must maintain high levels of reserves to accommodate funding of the capital program, working capital, emergency reserves, reserves for economic uncertainties such as the recent pandemic, capital maintenance reserves and reserves for future unfunded liabilities.

Fiscal Year Ended March 31, 2023

The Trust's total assets increased by 15.8% from fiscal year 2022 to 2023, with total assets of $1.38 billion in fiscal year 2023, up from $1.19 billion in fiscal year 2022. Demonstrating the impact of GASB 87 and GASB 94, total assets would have been $992 million for fiscal year 2023 and were $949 million in fiscal year 2022, prior to restatement due to adoption of GASB 87. Fiscal year 2023 was the first year of adoption of GASB 87 by the Trust and resulted in a restatement of the results of fiscal year 2022.

A combined lease and interest receivable increase of $145 million in fiscal year 2023 over fiscal year 2022 accounted for most of the increase in total assets as reported under the GASB 87 and GASB 94 regulations. A new lease with Chelsea Piers (Piers 59, 60 and 61) was signed during fiscal year 2023, terminating the old agreement and eliminating accounting for future rent due under the old agreement in fiscal year 2022. The combined lease and interest receivable reported under GASB 87 and GASB 94 in fiscal year 2023 accounts for increased payments due through the end of the new Chelsea Piers lease, 2065, an extension from the prior lease termination date of 2043. This lease has now been reclassified under GASB 94, and the presentation of both fiscal year 2023 results and fiscal year 2022 results has been updated in the current fiscal year 2024 financials.

The balance of the year over year increase in total assets from 2022 to 2023 reflects a $40.2 million increase in construction in progress and depreciable capital assets from 2022 to 2023. As of the end of fiscal year 2023, the Trust was constructing several major capital projects: new construction at Gansevoort Peninsula, Pier 97 and the Science Play Area, all originally projected to open in fiscal year 2024, along with the major refurbishment of Chelsea Waterside Park, inclusive of a new restroom building. Major capital repairs to pilings at Pier 40 were also completed in fiscal year 2023. Multiple smaller projects also contributed to this increase.

Deferred outflows of resources represent a use of net position that applies to future periods. The pension deferred outflow of resources of $3.9 million at March 31, 2023 required under GASB Statement No. 68, decreased by $1.5 million from the prior fiscal year. As discussed above, this decrease results primarily from the net difference between projected and actual financial performance of ERS and is not within the control of Trust management.

The Trust's total liabilities on March 31, 2023 were $45.1 million, a decrease of $10.2 million, or 18.5% compared to the prior fiscal year. This was primarily attributable to a $9.3 million decrease in other postemployment benefits obligation to $23.1 million on March 31, 2023, from $32.4 million on March 31, 2022.

Deferred inflows of resources represent increases in net position that apply to future periods. The Trust had $352.3 million of deferred inflows of resources as of March 31, 2023, primarily due to $345.5 million in lease payments reportable as deferred inflows of resources under GASB 87and GASB 94. This increased from $209.5 million the prior year, due to the execution of a new extended Chelsea Piers lease in fiscal year 2023 and the termination of the prior lease as described above.

Overall, the Trust's net position represents assets less liabilities, adjusted for deferred inflows and outflows of resources. Compared to the prior fiscal year, the total net position increased by $63 million, or 6.8%, to $985.3 million in fiscal year 2023. The net position at the end of fiscal year 2023 was distributed as net investment in completed capital assets and construction in progress of $763.8 million, restricted funds for capital expenditures of $90.7 million, and unrestricted funds of $130.8 million allocated for working capital, emergency reserves, reserves for economic uncertainties, future capital maintenance and future unfunded liabilities.

Investment in capital assets net of depreciation increased by $40.2 million, reflecting a high level of new construction and capital maintenance activity during fiscal year 2023. Restricted funds for capital expenditures decreased by $12.7 million as restricted funds were expended on designated capital projects (and thereby recognized as capital assets).

In fiscal year 2023, the Trust spent $34.2 million on new construction and $21.2 million on capital maintenance, for a total of $55.4 million. Cumulative investment in capital assets net of depreciation in fiscal year 2023 included approximately $642.7 million of completed Park improvements, just under $1 million of equipment, and $121.2 million of construction in progress. Construction in progress at the end of the fiscal year, including associated design work, increased by $17.1 million in fiscal year 2023, with significant new construction on Gansevoort Peninsula, Pier 97 and the Science Play Area underway, along with continuing capital maintenance work at Pier 40 and Chelsea Waterside Park, and assorted smaller capital maintenance projects.

Statements of Revenue, Expenses, and Changes in Net Position

The table below summarizes information detailed in the statements of revenue, expenses, and changes in net position for the fiscal years ended March 31, 2024, 2023 and 2022. Additional information on operating and non-operating revenues, operating expenses, and the capital maintenance portion of construction expenditures, is found in the Supplementary Information schedules. The Supplementary Information schedules correspond to the format of the Trust's approved budget.

The presentation of the results for fiscal year 2023 and 2022 reflect the current adoption of both GASB 87 and GASB 94 reporting.

	2024	2023	Change	2023	2022	Change
General operating revenue	$ 55,918,436	35,364,094	20,554,342	35,364,094	33,267,649	2,096,445
Lease revenue - GASB 87 & 94	12,078,269	10,631,234	1,447,035	10,631,234	4,484,109	6,147,125
Total operating revenue	67,996,705	45,995,328	22,001,377	45,995,328	37,751,758	8,243,570
Operating expenses	32,405,612	28,295,466	4,110,146	28,295,466	26,237,563	2,057,903
Other postemployment benefits and pensions - GASB 68 & 75	1,402,969	(9,863,884)	11,266,853	(9,863,884)	3,030,633	(12,894,517)
Total operating expenses	33,808,581	18,431,582	15,376,999	18,431,582	29,268,196	(10,836,614)
Operating income	34,188,124	27,563,746	6,624,378	27,563,746	8,483,562	19,080,184
Non-operating revenue	37,203,019	51,647,058	(14,444,039)	51,647,058	38,665,055	12,982,003
Non-operating expense - depreciation and amortization	17,106,787	16,156,813	949,974	16,156,813	15,523,058	633,755
Total non-operating income	20,096,232	35,490,245	(15,394,013)	35,490,245	23,141,997	12,348,248
Change in net position	$ 54,284,356	63,053,991	(8,769,635)	63,053,991	31,625,559	31,428,432

Fiscal Year Ended March 31, 2024

General operating revenue increased by 58% to $55.9 million in fiscal year 2024, with $17.2 million of this increase, or 84%, due to two (2) one-time, unanticipated revenue payments received in fiscal year 2024. The first was a payment of $8.5 million received from Chelsea Piers in December 2023, pursuant to a qualifying transaction fee under an added provision of the new Chelsea Piers lease executed in fiscal year 2023. The second one-time payment of $8.7 million was received from Amtrak in March 2024 as consideration for the granting of a permanent easement under the Park for the new Hudson Tunnel.

The balance of the increase in general operating revenue is a $2.1 million increase in revenues, to $24.9 million, from tenant leases, permits and concessions due to percentage rent payments, a return to full payments under an existing lease, and annual rent increases. Parking operations also significantly contributed to the increase in general operating revenue with an 11.6% increase to $11.6 million in parking revenues; the Trust actively managed the Pier 40 garage operations, achieving occupancy rates consistently in excess of 95% during the 2024 fiscal year. In addition, the Trust increased monthly parking fees as a market adjustment effective January 2024.

GASB 87 and GASB 94 lease revenue, non-cash lease revenue attributable to qualifying lease arrangements, increased $1.4 million, or 14%, to $12.1 million due primarily to the addition of several qualifying tenant leases. This results in an increase of 48% in total operating revenue of $22 million to $68 million, a number which includes $17.2 million of non-recurring cash payments and $12.1 million of non-cash lease revenues reported under GASB 87 and GASB 94.

Operating expenses increased by $4.1 million, or 14%, to $32.4 million. The Trust had an 11% increase in total employee compensation and benefits, a result of increased staffing numbers supporting increased Park spaces, higher salaries in a tighter labor environment, and health and pension benefits cost increases of 15%.

The costs of park maintenance and programs, inclusive of those for outside services including sanitation, security, and maintenance of grounds, equipment and facilities, is the other major component of operating expenses. These rose by 21% to $12.5 million in fiscal year 2024, as the newly opened Gansevoort Peninsula and the reopened Chelsea Waterside Park include amenities like dog runs, restrooms and large playing fields requiring expanded sanitation, horticulture, maintenance and security services. This category also includes the cost of programming in the park, such as the robust series of outdoor and indoor park events, as well as programming and operating mission-focused spaces like the River Project's Wet Lab and Pier 57 Discovery Tank. The Trust conducted over 400 public programs and events in fiscal year 2024.

Other postemployment benefits and pensions as reported under GASB 68 and 75 returned to a non-cash expense level of $1.4 million after being a negative expense, or a net addition to income, of $9.9 million in the previous fiscal year. This is 73% of the 83% increase in total operating expenses to $33.8 million in fiscal year 2024. Taking into account these expenses, operating income rose by 24% to $34.2 million in fiscal year 2024.

Non-operating revenue decreased 28% to $37.2 million in fiscal year 2024. The largest component, appropriations revenue, decreased $18.3 million in fiscal year 2024 to $24.1 million, reflecting lower State and City expenditures on new park construction in fiscal year 2024, while the overall State and City contributions to the total cost of each major capital project remained unchanged. The Gansevoort Peninsula project and a portion of the Pier 97 project were completed in fiscal year 2024 and approximately 25% of the spending on the Pier 97 project and a few smaller projects remained under construction at the end of fiscal year 2024. This reduction was offset by a 20% increase in outside contributions, including a $1.9 million cash contribution from Hudson River Park Friends.

Non-operating expense - depreciation and amortization, increased as construction was completed and the Trust added additional assets. Total non-operating income primarily reflects the reduction in non-operating revenue described in the previous paragraph, for an increase in net position at the end of the fiscal year of $54.3 million. This is smaller than the $63 million increase realized at the end of fiscal year 2023, primarily reflecting the change in GASB pension calculations, a factor not under the control of the Trust.

Fiscal Year Ended March 31, 2023

Operating revenue is generated within the Park from lease and other occupancy agreements, parking charges, user fees, and sponsorships. Total operating revenue in fiscal year 2023 from all sources was $46 million (inclusive of non-cash lease revenue of $10.6 million with the adoption of GASB 87), compared to $37.8 million in fiscal year 2022 (with non-cash lease revenue of $4.5 million), a year over year total revenue increase of $8.2 million, or 22% (or 6.3% increase without non-cash lease revenue). Non-cash lease revenue increased from fiscal year 2022 to 2023 due to the termination of the previous Chelsea Piers lease and the signing of a new lease during fiscal year 2023, with higher annual payments and a longer total lease term. Additionally, the Trust continued to see the effects of recovery from Covid with respect to certain lease and permit payments.

In fiscal year 2023 approximately 65% or $23 million of general operating revenue was derived from leases and other occupancy agreements; 29.5%, or $10.4 million, from Pier 40 parking charges (net of local and state taxes); and 5.5%, or $2 million, from user fees and other sources, including sponsorships. By way of comparison, the proportionate share derived from occupancy agreements, parking and user fees were 65%, 28% and 7.2%, respectively, in fiscal year 2022, as restated.

Income from leases increased in fiscal year 2023 reflecting the new Chelsea Piers lease and the fact that payments over the full life of the previous lease are not reflected in the restatement, as the prior lease was terminated and replaced in 2023. While concession and occupancy permits revenue continued to remain steady through fiscal year 2023, parking garage revenue at Pier 40 grew by 13% year over year, as parking spaces temporarily closed due to construction activity returned to the inventory and the parking garage reached an occupancy rate of nearly 95% by the end of the fiscal year due to the Trust's active management of this asset.

Total operating expenses in fiscal year 2023 totaled $18.4 million, a decrease of $10.8 million or 37% from the prior fiscal year. The change in non-cash OPEB and net pension liability is the biggest contributor to the year-over-year decrease in total operating expenses, with a decrease from $3 million in fiscal year 2022 to a negative $9.9 million OPEB and pension benefit expense, a decrease in net pension expenses of over 4 times the expense (and, in fact, a net positive this year due to current actuarial valuation). Please refer to Notes (5) and (10) in the Notes to Financial Statements for a complete explanation of these valuations.

Park programs and maintenance expenses increased by $1.5 million in fiscal year 2023, or 17.4%, with a full post-pandemic return to in-person events. More activities required more sanitation, maintenance and security services, along with greater staffing needs. Employee compensation and benefits expense increased only slightly in fiscal year 2023, with a $315,000, or 3% increase from fiscal year 2022, for a total of $10.9 million, as a number of positions were vacant throughout the year.

Certain other than personal services (OTPS) operating expenses were subject to cost reimbursement arrangements, primarily with the State and City, as detailed further in the Supplementary Information schedules. Liability insurance reimbursement consisted of both direct State payment and a recoverable credit for contracted public safety services by the City. Contracted vendor costs associated with the maintenance of the Route 9A median were reimbursed by the State. Total reimbursable and recoverable OTPS operating expenses in fiscal year 2023 for both liability insurance and maintenance costs were $6.8 million, compared to $6.4 million for fiscal year 2022.

Non-operating revenue increased 33.6% to $51.6 million in fiscal year 2023, with appropriations revenue increasing from $37 million in fiscal year 2022 to $42.4 million in fiscal year 2023 due to State and City contributions for new park construction, a $1 million supplemental payment pursuant to a previous air rights sale (a payment due upon occupancy), and an almost 50% increase in interest earned on reserves to $3.9 million, reflecting a higher interest rate environment.

As shown on the Statements of Revenue, Expenses and Changes in Net Position, which includes non-cash OPEB and pension expenses (a net positive expense in fiscal year 2023 due to actuarial valuations and pension funding levels of 103.7%), the Trust recorded an operating surplus of $27.6 million in fiscal year 2023, as compared to $8.5 million in fiscal year 2022.

Including all $51.6 million of non-operating revenue such as governmental appropriations, reimbursements, and realized and unrealized gains and losses from investments, along with $16.2 million of non-operating depreciation expense, the Trust generated an increase in its net position of $63 million in fiscal year 2023. The Trust's net position, which was $922.3 million at the end of fiscal year 2022, increased to $985.3 million, reflecting a combination of new park construction, a reduction in pension expenses, and the adoption of GASB 87.

Self-Generated Revenue, Park Operating Expenses and Capital Maintenance Costs

The table below summarizes the Trust's operating revenue and self-generated non-operating revenue (primarily interest and contribution revenue), direct Park operating expenses, other Park operating expenses (parking garage and general and administrative costs), reimbursable revenue that offsets certain OTPS operating expenses, capital maintenance (CAPm) and capital equipment (CAPx) outlays, reimbursements for CAPm from appropriations and restricted funds, and the resulting pro-forma surplus/deficit for the fiscal years ended March 31, 2024, 2023 and 2022.

The table below corresponds to the Trust's approved budget format presented in the Supplementary Information schedules. Adjustments due to GASB pension, other postemployment benefits and lease accounting rules are not included in these schedules. It should be noted that, following Trust policy, the full actuarially required pension contribution and the Trust portion of annual retiree health benefits are included in direct park operating expenses.

The Supplementary Information schedules show operating expenses which include both personnel and OTPS costs for each of the Trust's principal functional activities: education and Park programs; grounds, facilities, and capital plant; public safety and security; sanitation; utilities; insurance; parking; and administrative support and overhead. The pro-forma use of the terms "surplus" and "deficit" is associated with the Trust budget format presented in the Supplementary Information schedules and on the Trust's website. The surplus and deficit amounts are different from "operating income" and "change in net position" as used in the statements of revenue, expenses, and changes in net position, though they are reconciled to those figures in the notes to the Supplementary Information schedules.

The purpose of this portion of the MD&A is to assess financial results in the context of the legislative goal of self-sufficiency. While the enabling legislation of the Trust acknowledges that the primary source of funding for the construction of the new Park is to come from the State and City, revenue for the operation and maintenance of the Park is, to the extent practicable, to be self-generated.

	2024	2023	2022
Operating revenue	$ 55,918,436	35,364,094	33,267,649
Self-generate portion of non-operating revenue	5,085,054	4,715,480	1,760,661
Total revenue	61,003,490	40,079,574	35,028,310
Direct park operating expenses	26,697,567	23,950,810	21,893,554
Other park operating expenses	7,553,148	6,516,656	6,442,311
Reimbursable operating expenses	(5,920,258)	(6,789,792)	(6,444,514)
Net operating expenses	28,330,457	23,677,674	21,891,351
Surplus before capital maintenance and capital equipment	32,673,033	16,401,900	13,136,959
Equipment CAPx	954,619	950,648	828,994
Upland and park piers CAPm	3,387,252	13,668,730	6,263,483
Marine structures other than pier 40 CAPm	440,928	2,797,432	611,937
Pier 40 CAPm	5,513,998	4,737,982	25,584,114
Gross amount CAPx and CAPm	10,296,797	22,154,792	33,288,528
Reimbursable CAPx and CAPm from restricted funds (NON-GOV)	6,596,611	13,317,844	21,601,910
Reimbursable CAPx and CAPm from GOV appropriations	1,077,350	3,052,951	5,106,585
Reimbursable CAPx and CAPm	7,673,961	16,370,795	26,708,495
CAPx and CAPm net of reimbursement	2,622,836	5,783,997	6,580,033
Surplus (deficit) after CAPx and CAPm without reimbursement	22,376,236	(5,752,892)	(20,151,569)
Surplus after CAPx and CAPm net of reimbursement	$ 30,050,197	10,617,903	6,556,926

As depicted in the table above and detailed in Supplementary Information Schedule 1, prior to consideration of capital maintenance, the Trust generated a $32.7 million surplus of self-generated revenue in excess of net operating costs in fiscal year 2024. Self-generated revenue increased by $20.9 million or 52%, to $61 million, while net operating expenses increased by $4.7 million, or 19.6%, to $28.3 million.

This surplus was $16.3 million greater than the similarly calculated surplus for the prior year. As previously noted, fiscal year 2024 revenue included two one-time payments totaling $17.2 million that will not recur. Adjusted for these one-time payments, the surplus would total $15.5 million, primarily reflecting increased operating costs associated with operating expanded park areas and facilities and higher costs of the new park security contract.

As noted above, the Trust endeavors to add to its capital reserves on a continuing basis, as the high costs of capital maintenance were not anticipated when Hudson River Park was being planned. Capital maintenance is a major repair or replacement of a deteriorated existing capital asset, such as a building roof, pier pile, bulkhead, floating dock, or recreational assets such as playgrounds, fields, or courts. These assets have a useful life of more than five years after project completion. Capital maintenance is recorded on the financial statements as either a "construction in progress" asset or an improvement (but not an operating expense).

In this section of the MD&A, the Trust elects to use the annual outlay for capital maintenance and capital equipment rather than book depreciation, when discussing the annual net deficit/surplus. Management believes this approach illustrates the extent to which the legislative goal of financial self-sufficiency is achieved within the reporting fiscal year, as capital maintenance needs to be funded regardless of depreciation accruals. For the purpose of this discussion, capital equipment acquired to replace existing equipment that is in poor condition or obsolete is combined with capital maintenance.

As shown on Supplementary Information Schedule 2, gross capital maintenance and equipment costs were $10.3 million in fiscal year 2024, a decrease of $11.9 million, or 54%, compared to the prior fiscal year. This reflects the staffing constraints associated with prioritizing the completion of major new capital projects over certain capital maintenance projects that had been expected to commence in the fiscal year. It is expected that spending on these capital maintenance projects will accelerate as current major new construction projects are completed in fiscal year 2025 and projects are undertaken based on code requirements for the parking garage.

To the extent available, the Trust uses restricted Park funds achieved from the sale of eligible development rights for capital maintenance; however sales cannot be predicted or relied upon. The Trust also seeks discretionary appropriations from elected officials for specific capital maintenance projects and has periodically received State and City capital funds for large infrastructure projects as well. The balance of capital maintenance expenditures must be funded from excess annual operating revenues or Trust reserves. In fiscal year 2024, the Trust self-funded $2.6 million of total capital maintenance expenditures from these reserves, and this figure is expected to increase substantially in fiscal year 2025.

Due to the two one-time payments totaling $17.2 million, along with capital maintenance spending for the reasons identified above, the Trust ended the fiscal year with a $30.1 million surplus after reimbursement for capital maintenance from available government and restricted funds. The fiscal year 2024 surplus would have been $12.9 million without the one-time revenue payments from Chelsea Pier transaction rent and the payment associated with an easement for the Hudson Tunnel received in fiscal year 2024. Now that the restricted $100 million in funding from the previous Pier 40 development rights sale has been significantly spent down due to the completion of the pile repair program and other infrastructure projects, the Trust expects to need to draw on reserves for various necessary infrastructure projects identified for this large pier.

It should be noted that appropriation revenue is dependent on annual State and City budgets and is only available on a project-by-project basis. The availability of air rights sale funds is transaction-based and dependent on the number of eligible receiving sites, market conditions, and completion of the City's land use review procedure. Thus, Trust surpluses such as those generated in fiscal years 2024, 2023 and 2022 cannot be assumed in future years. As is the Trust's practice, these annual surpluses, when generated, are reserved for future unfunded capital maintenance and other extraordinary and unexpected expenses. By way of example, the Trust funded approximately $40 million of repairs from damage caused by Tropical Storm Irene and Superstorm Sandy but waited 10 years for full reimbursement from FEMA. In addition, during the onset of the Covid 19 pandemic, the Trust used reserves to maintain staffing levels and operational expenditures in support of public health needs.

Expenditures in future years are likely to again exceed annual surpluses because of other infrastructure repair needs. As noted above, the Trust has not yet achieved sustainable and long-term financial self-sufficiency with respect to these long-term capital maintenance needs. Failure to realize new revenue sources may eventually necessitate deferring essential capital maintenance (degrading the quality of Park physical assets) or diverting operating income to urgent repairs (resulting in reductions to key services such as sanitation, security and Park programs). This parkwide challenge was in the Trust's rationale for convening the 2023 Pier 76 Task Force consisting of Trust board and staff, City and State officials, community leaders and elected representatives. The Task Force explored ideas for how this large site might someday fulfill its dual intended purposes under the Trust's enabling statute: new public open space and recurring revenue in support of the Park's overall care and maintenance.

Lastly, as shown on Supplementary Information Schedule 3 which includes non-operating results, the Trust had a surplus in fiscal year 2024 of $14.2 million after the inclusion of non-operating OPEB and accrued pension liability costs and expensing non-operating depreciation. In this schedule, depreciation is expensed, and capital maintenance is not deducted. The primary year-over-year difference in these non-operating expenses is the very significant increase in expense for accrued pension liability and a smaller increase for other post-employment benefits (OPEB), a number that has recently fluctuated widely from year to year.

Cash Flows, Reserve Balances

The Statement of Cash Flows shows that net cash provided by operating activities increased by 52% to $14.5 million in fiscal year 2024 from $9.5 million in fiscal year 2023. The increase in lease revenues, parking revenues, fees and other revenues, such as outside contributions and grants, outpaced the increased outlays on personnel and vendors, generating this net contribution to the park's cash position. Cash payments increased in the vendors category by 76%, reflecting increased services and programs, portions of which are offset by outside grants and reimbursements, while others reflect increased expenses associated with an expanded park.

Cash flows from capital financing activities show a net increase in cash used in capital financing activities of 140%, or $14.6 million in fiscal year 2024. The Trust spent more of its own capital and restricted funds on capital construction during this year, as anticipated in the multi-year capital improvement program set forth in the Financing Plan available on the Trust's website.

On March 31, 2024, the Trust held $56.4 million in collateralized bank accounts and $162.5 million in investment accounts. Of this combined $218.9 million, $70.4 million was restricted for designated capital construction projects. Additional details on the sources of these funds restricted for capital expenditures are available in Note (9) Restricted for Capital Expenditures, in the Notes section. The balance of $148.5 million was allocated for $45.1 million of current payables, contract accruals, and future OPEB and pension liabilities, with the remaining $103.4 million designated for working capital and reserves for meeting future operating expense increases, unforeseen contingencies and future unfunded capital maintenance. Once again, it is worth noting that the Trust cannot borrow for construction financing, requiring reserves to fund capital expenditures prior to reimbursement from any State, City or federal source.

Subsequent Events

On June 7, 2024, the New York State Legislature passed a bill amending the Hudson River Park Act. It allows for additional commercial uses at Pier 76 and preserves the requirement that 50% or more of the pier is dedicated to park uses. These changes emerged from the 2023 Pier 76 community task force addressing potential development goals and revenue generation possibilities for the Pier. The bill also mandates that the Trust convene a task force associated with future planning associated with the heliport use. The bill will now be sent to the Governor for consideration.

Contacting the Trust's Financial Management

This MD&A is intended to provide a general overview of the Trust's finances. Questions concerning any of the information provided herein, or requests for additional information, should be addressed to the Chief Financial Officer, Hudson River Park Trust, Pier 40, 2nd Floor, 353 West Street, New York, New York 10014.

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Statements of Net Position
March 31, 2024 and 2023

	2024	2023
Assets:		
Cash and equivalents	$ 56,355,762	55,758,137
Accounts receivable	5,468,012	3,890,964
Prepaid expenses	4,221,629	2,054,927
Investments	162,528,894	164,877,478
Leases receivable - GASB 87	73,171,143	42,178,765
Public-private partnerships receivable - GASB 94	329,104,141	329,104,141
Interest receivable - GASB 94	21,842,954	15,393,069
Net pension asset - proportionate share - ERS	-	1,777,910
Construction in progress	65,408,985	121,185,343
Depreciable capital assets, net	734,154,475	642,654,896
Total assets	1,452,255,995	1,378,875,630
Deferred outflows of resources - pensions - ERS	3,656,922	3,875,073
Liabilities:		
Accounts payable	8,475,325	14,773,322
Accrued expenses	8,294,530	7,222,851
Net pension liability - proportionate share - ERS	4,769,911	-
Other postemployment benefits obligation	23,596,290	23,090,540
Total liabilities	45,136,056	45,086,713
Deferred inflows of resources:		
Pensions - ERS	397,675	6,266,428
Unearned revenue	596,728	558,021
Lease rents - GASB 87	59,279,593	29,391,437
Public-private partnerships - GASB 94	310,880,091	316,109,686
Total deferred inflows of resources	371,154,087	352,325,572
Contingencies (note 11)		
Net position:		
Net investment in capital assets	799,563,460	763,840,239
Restricted for capital expenditures	70,361,383	90,737,461
Unrestricted	169,697,931	130,760,718
Total net position	$ 1,039,622,774	985,338,418

See accompanying notes to financial statements.

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Statements of Revenue, Expenses and Changes in Net Position
Years ended March 31, 2024 and 2023

	2024		2023
General operating revenue:			
Lease revenue	$ 33,405,958	*	22,971,136
Parking revenue	11,642,494		10,431,318
Fees and other revenue	10,869,984	*	1,961,640
Total general operating revenue	55,918,436		35,364,094
General operating expenses:			
Employee compensation and benefits	12,129,940		10,945,508
Park programs and maintenance	12,467,177		10,274,901
General and administrative	7,808,495		7,075,057
Total general operating expenses	32,405,612		28,295,466
Total general operating income	23,512,824		7,068,628
Other operating revenue (expenses):			
Lease revenue - GASB 87	4,584,314		3,469,593
Public-private partnerships - GASB 94	7,493,955		7,161,641
Other postemployment benefits and pensions - GASB 68 and 75	(1,402,969)		9,863,884
Total other income	10,675,300		20,495,118
Operating income	34,188,124		27,563,746
Non-operating revenue:			
Appropriations revenue	24,122,308		42,423,189
Air rights	-		1,000,000
Reimbursement	2,103,055		1,966,388
Settlements and grants	157,972		626,875
Contributions	2,108,468		1,763,886
Realized gain on investments	7,491,165		3,863,673
Unrealized gain on investments	1,220,051		3,047
Total non-operating revenue	37,203,019		51,647,058
Non-operating expense - depreciation and amortization	17,106,787		16,156,813
Total non-operating income	20,096,232		35,490,245
Change in net position	54,284,356		63,053,991
Net position at beginning of year	985,338,418		922,284,427
Net position at end of year	$ 1,039,622,774		985,338,418

*Includes one-time payments as described in the Management's Discussion and Analysis. These payments are not reoccurring.

See accompanying notes to financial statements.

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Statements of Cash Flows
Years ended March 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Cash receipts from:		
Lease revenue	$ 33,176,595	24,380,325
Parking revenue	11,492,260	10,190,318
Fees and other revenue	10,616,455	2,142,267
Cash payments to:		
Personnel service	(12,041,748)	(10,938,338)
Vendors	(28,730,932)	(16,251,734)
Net cash provided by operating activities	14,512,630	9,522,838
Cash flows from capital financing activities:		
Appropriations revenue	24,297,844	40,008,270
Air rights revenue	-	1,000,000
Reimbursement	316,871	1,793,090
Settlements and grants	157,972	626,875
Contributions	2,108,468	1,763,886
Expenditures for construction in progress	(50,882,460)	(54,309,583)
Additions to property	(18,881)	(1,201,883)
Additions to equipment	(954,619)	(76,716)
Net cash used in capital financing activities	(24,974,805)	(10,396,061)
Cash flows from investing activities:		
Sales of investments	401,039,865	421,205,585
Purchase of investments	(391,738,879)	(422,138,650)
Earnings on investments	1,758,814	1,628,892
Net cash provided by investing activities	11,059,800	695,827
Net change in cash and equivalents	597,625	(177,396)
Cash and equivalents at beginning of year	55,758,137	55,935,533
Cash and equivalents at end of year	$ 56,355,762	55,758,137

(Continued)

See accompanying notes to financial statements.

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Statements of Cash Flows, Continued

		2024	2023
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$	34,188,124	27,563,746
Adjustments to reconcile operating income to net cash provided by operating activities - changes in:			
Accounts receivable		72,307	(394,619)
Prepaid expenses		(2,166,702)	2,765,629
Leases receivable		(30,992,378)	3,917,146
Public-private partnerships receivable		-	(144,688,718)
Interest receivable		(6,449,885)	(4,663,776)
Deferred outflows of resources - pensions		218,151	1,516,575
Accounts payable		(6,297,997)	(1,849,026)
Accrued expenses		97,631	188,791
Net pension liability - proportionate share - ERS		6,547,821	(1,799,863)
Other postemployment benefits obligation		505,750	(9,259,890)
Deferred inflows of resources - pensions		(5,868,753)	(320,706)
Deferred inflows of resources - unearned revenue		-	558,021
Deferred inflows of resources - lease rents		29,888,156	(3,469,595)
Deferred inflows of resources - public-private partnerships		(5,229,595)	139,459,123
Net cash provided by operating activities	$	14,512,630	9,522,838

See accompanying notes to financial statements.

(1) Organization

Hudson River Park Trust (the Trust) is a public benefit corporation authorized under the Hudson River Park Act (the Act) approved by the Senate and the Assembly of the State of New York (the State). The Act also created the Hudson River Park (the Park). The Park is an area, generally, from the northern boundary of Battery Park City to the northern boundary of 59th Street in New York City (the City) between the United States pier-head line and West Street, Eleventh Avenue, or Twelfth Avenue, whichever is more westerly. As a public benefit corporation, the Trust is exempt from any and all Federal, State and City income and franchise taxes and sales taxes.

The Trust has authority over the planning, construction, operation, and maintenance of the Park. It replaces such authority formerly granted to the New York State Department of Transportation, the New York State Urban Development Corporation, and the Hudson River Park Conservancy. In doing so, the Trust succeeded its predecessors in all contracts, leases, licenses, and other obligations related to the Park, excluding debt and financial obligations to other public benefit corporations or governmental entities.

The Trust is a joint venture of the City and the State. Under the Act, the State and City, with respect to its real property in the Park, granted the Trust a possessory interest in such real property for a term not to exceed 99 years. Title to any real property within the Park currently held by the State or the City remains with those entities.

The Trust's Board is comprised of 13 members. The Governor and the Mayor each appoint five members and the Manhattan Borough President appoints three members. The Trust came into existence upon the appointment of eight of its 13 member board. The first eight appointments occurred on March 4, 1999. Accordingly, the by-laws of the Trust established the fiscal year as April 1st through March 31st.

To finance the construction of the Park, the State and the City have together pledged approximately $595 million to the Trust. Funding provided by the U.S. Department of Housing and Urban Development (HUD) has amounted to approximately $110.7 million, including $30.7 million for the replacement of Pier 86 leased to the Intrepid Museum and $80 million passed through the Lower Manhattan Development Corporation for capital construction in the 9/11 community development catchment area. As of March 31, 2024, the amount which has not been drawn down from the City and State combined is approximately $75 million. The Trust has received approximately $24 million between the New York City Council and the Manhattan Borough President as appropriations for specific projects. In addition, the Trust will receive revenues from leases and interest on short-term investments. Furthermore, the Trust has authority to accept contributions for its purpose and to accept appropriations and grants from Federal, State and local governments.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements of the Trust have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applied to government units, as modified by the State and the City regarding the definition of capital expenditures. De minimis costs associated with salaries of employees of the Trust directly or indirectly involved with managing or accounting for construction activities are expensed as incurred. Such costs would be capitalizable, as construction in progress, under accounting principles generally accepted in the United States of America. The more significant accounting policies are described below.

(b) Net Position

The Trust's resources are classified into the following net position categories:

Net investment in capital assets - Capital assets attributable to the acquisition, construction, or improvement of those assets.

Restricted for capital expenditures - Net position whose use is subject to externally imposed stipulations that can be fulfilled by the actions of the Trust or the passage of time.

Unrestricted - All other net position, including net position designated by actions, if any, of the Trust's Board of Directors.

(c) Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(d) Cash and Equivalents

For purposes of the statements of cash flows, cash and equivalents includes money market accounts and any highly liquid debt instruments purchased with a maturity of three months or less, that are:

(i) Insured or collateralized with securities held by the entity or by its agent in the entity's name, or

(ii) Collateralized with securities held with by the pledging financial institution's trust department or agency in the entity's name, or

(iii) Uncollateralized.

(2) Summary of Significant Accounting Policies, Continued

(d) Cash and Equivalents, Continued

Deposits in bank accounts and investments in the Trust's name in financial institutions are covered by federal depository insurance and other collateral which has been assigned to funds over the Federal Deposit Insurance Corporation coverage at March 31, 2024 and 2023. Total financial institution (bank) balances at March 31, 2024 and 2023 amounted to $56,973,784 and $57,924,684, respectively. Total deposits as categorized on the previous page are as follows:

		2024	2023
(i)	$	56,973,784	57,924,684
(ii)		-	-
(iii)		-	-
	$	56,973,784	57,924,684

Cash and equivalents at March 31, 2024 and 2023 consists of interest bearing and non-interest bearing checking accounts.

(e) Investments

Investments are reported at fair value in the statements of net position, and investment income, including changes in fair value, are reported as revenue in the statements of revenue, expenses and changes in net position. During the year ended March 31, 2024, interest received on investments was $2,818,614, the realized gain for the year was $4,672,551, and unrealized gains were $1,220,051. During the year ended March 31, 2023, interest received on investments was $2,324,719, the realized gain for the year was $1,538,954, and unrealized gains were $3,047.

(f) Accounts Receivable

Accounts receivable are comprised of amounts due on leases and reimbursable construction costs from the Federal, State and City governments.

(g) Construction in Progress

Construction in progress includes all costs and expenditures incurred for suppliers and contractors associated with the planning, development, and construction of the Park as authorized by the Act. These expenditures include the costs of environmental studies necessary for obtaining permits, design and engineering costs, and legal costs related to the construction of the Park. These will become property and equipment and subject to depreciation expense upon completion.

(2) Summary of Significant Accounting Policies, Continued

(h) Capital Assets

Capital assets are recorded at cost or at fair market value in the case of donated equipment. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statements of revenue, expenses and changes in net position. Depreciation is calculated on a straight-line basis ranging from 3 - 50 years, which is the estimated useful life of the assets.

(i) Deferred Outflows of Resources - Pensions - ERS

In the statements of net position, in addition to assets, the Trust will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Trust has two items that qualify for reporting in this category. The first item is related to pensions reported in the statements of net position. This represents the effect of the net change in the Trust’s proportion of the collective net pension asset or liability and difference during the measurement period between the Trust’s contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item is the Trust contributions to the pension system (ERS System) subsequent to the measurement date.

(j) Deferred Inflows of Resources

In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Trust has four items that qualify for reporting in this category.

(i) Deferred Inflows of Resources - Pensions - ERS

The first item is related to pensions and represents changes in the Trust’s proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the Trust’s contributions and its proportion share of total contributions to the pension system not included in pension expense.

(ii) Deferred Inflows of Resources - Unearned Revenue

The second item in deferred inflows of resources consists of funds received by the Trust that will be earned in a future period.

(iii) Deferred Inflows of Resources - Lease Rents

The third item in deferred inflows of resources consists of long-term lease revenue.

(2) Summary of Significant Accounting Policies, Continued

(j) Deferred Inflows of Resources, Continued

(iv) Deferred Inflows of Resources - Public-Private Partnerships

The fourth item in deferred inflows of resources consists of long-term revenue from public-private partnership arrangements.

(k) Revenue Recognition

Appropriations revenues are recognized upon requisition by the Trust for identified capital commitments approved by the State and City. Such revenue is restricted to specific capital expenditures authorized by the Act. Lease revenues are recognized as rental payments become due over the life of the lease. Rental payments received in advance are deferred until earned. Escalations based upon consumer price indices are recognized prospectively over the remainder of the lease. All leases between the Trust and the tenants of the property are operating leases. Lease revenues and other revenues may be used for Trust operations, as well as for capital expenditures. Reimbursement revenues consist of amounts received as the result of State and Federal awards. Contributions are amounts receivable for donor restricted purposes or unrestricted purposes.

(l) Non-operating Revenue

The Trust's non-operating revenue consists of a mix of restricted and unrestricted funds and includes appropriation revenue from NYS and NYC for certain capitally eligible construction projects. Air right assets, as well as certain grants and contributions, are similarly restricted.

(m) Subsequent Events

The Trust has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(n) Income Taxes

The Trust is a Public Benefit Corporation of the State of New York. As such income earned in the exercise of its essential governmental function is exempt from State and Federal income taxes.

(o) Recent Accounting Standards Adopted

For the year ended March 31, 2024, the Trust adopted GASB Statement No. 94 - "Public-Private and Public-Public Partnerships and Availability Payment Arrangements." This Statement provides guidance to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. These financial statements and notes reflect the adoption of this new Standard.

(p) Reclassifications

Reclassifications have been made to certain 2023 balances in order to conform them to the 2024 presentation.

(3) Fair Value of Investments

Authorization of investments in securities is governed by written internal guidelines, statutes and State guidelines.

The Trust recognizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable in puts.

Investment securities at March 31, 2024 consist of the following:

	Maturity	Rate	Fair value	Fair value Hierarchy
U.S. Treasuries	Less than 6 months	0.375% to 2.125%	$ 11,486,484	Level 2
U.S. Treasuries	6 months to 1 year	1.375% to 2.000%	24,889,607	Level 2
U.S. Treasuries	1 to 5 years	0.250% to 0.500%	21,382,700	Level 2
New York State Urban Development Corporation Bonds	6 months to 1 year	0.870%	1,382,746	Level 2
City of New York Bonds	1 to 5 years	2.280%	1,446,270	Level 2
Money market funds with investments in U.S. Government debt			101,941,087	Level 2
			$ 162,528,894	

(3) Fair Value of Investments, Continued

Investment securities at March 31, 2023 consist of the following:

	Maturity	Rate	Fair value	Fair value Hierarchy
U.S. Treasuries	Less than 6 months	0.125% to 2.750%	$ 26,702,063	Level 2
U.S. Treasuries	6 months to 1 year	0.750% to 2.250%	17,541,667	Level 2
U.S. Treasuries	1 to 5 years	0.250% to 1.500%	23,949,377	Level 2
New York State Bonds	6 months to 1 year	0.530%	1,348,154	Level 2
New York State Urban Development Corporation Bonds	1 to 5 years	0.870%	1,346,573	Level 2
City of New York Bonds	1 to 5 years	2.280%	1,424,940	Level 2
Federal Home Loan Bank Discount Notes	Less than 6 months		36,473,938	Level 2
Money market funds with investments in U.S. Government debt			56,090,766	Level 2
			$ 164,877,478	

(4) Capital Assets

Capital assets at March 31, 2024 and 2023 consist of the following:

	2024				
	Balance at March 31,2023	Additions	Transfers	Retirements	Balance at March 31,2024
Capital assets:					
Non-depreciable or amortizable assets-construction in progress	$ 121,185,343	51,856,508	(107,632,866)	-	65,408,985
Depreciable and amortizable assets:					
Pier improvements	793,387,840	18,881	107,632,866	-	901,039,587
Machinery and equipment	6,387,978	342,217	-	-	6,730,195
Computer equipment	1,548,279	383,244	-	-	1,931,523
Software	1,816,938	-	-	-	1,816,938
Automobiles	2,589,347	229,158	-	-	2,818,505
Furniture and fixtures	438,969	-	-	-	438,969
Office renovation	528,746	-	-	-	528,746
Total depreciable and amortizable assets	806,698,097	973,500	107,632,866	-	915,304,463

(4) Capital Assets, Continued

	2024				
	Balance at March 31,2023	Additions	Transfers	Retirements	Balance at March 31,2024
Accumulated depreciation and amortization:					
Pier improvements	$ 154,459,026	16,234,870	-		170,693,896
Machinery and equipment	4,261,893	648,419	-	-	4,910,312
Computer equipment	1,307,344	113,116	-	-	1,420,460
Software	1,609,036	6,955	-	-	1,615,991
Automobiles	1,491,637	99,834	-	-	1,591,471
Furniture and fixtures	422,280	1,427	-	-	423,707
Office renovation	491,985	2,166	-	-	494,151
Total accumulated depreciation and amortization	164,043,201	17,106,787	-	-	181,149,988
Total capital assets being depreciated and amortized, net	642,654,896	(16,133,287)	107,632,866	-	734,154,475
Capital assets, net	$ 763,840,239	35,723,221	-	-	799,563,460

	2023				
	Balance at March 31,2022	Additions	Transfers	Retirements	Balance at March 31,2023
Capital assets:					
Non-depreciable or amortizable assets-construction in progress	$ 104,109,183	55,037,816	(37,961,656)	-	121,185,343
Depreciable and amortizable assets:					
Pier improvements	755,105,642	320,542	37,961,656	-	793,387,840
Machinery and equipment	5,645,620	742,358	-	-	6,387,978
Computer equipment	1,449,067	99,212	-	-	1,548,279
Software	1,816,057	881	-	-	1,816,938
Automobiles	2,481,150	108,197	-	-	2,589,347
Furniture and fixtures	431,560	7,409	-	-	438,969
Office renovation	528,746	-	-	-	528,746
Total depreciable and amortizable assets	767,457,842	1,278,599	37,961,656	-	806,698,097
Accumulated depreciation and amortization:					
Pier improvements	139,073,994	15,385,032	-	-	154,459,026
Machinery and equipment	3,663,397	598,496	-	-	4,261,893
Computer equipment	1,214,063	93,281	-	-	1,307,344
Software	1,607,161	1,875	-	-	1,609,036
Automobiles	1,417,981	73,656	-	-	1,491,637
Furniture and fixtures	420,388	1,892	-	-	422,280
Office renovation	489,404	2,581	-	-	491,985
Total accumulated depreciation and amortization	147,886,388	16,156,813	-	-	164,043,201
Total capital assets being depreciated and amortized, net	619,571,454	(14,878,214)	37,961,656	-	642,654,896
Capital assets, net	$ 723,680,637	40,159,602	-	-	763,840,239

(5) Other Postemployment Benefits Obligation

The Trust provides continuation of medical coverage to employees who have completed 10 years of service with New York State and three years of service with the Trust at employee rates throughout retirement.

The Trust, on an annual basis, accrues the cost which represents the present value of the postemployment benefits to be paid over the actuarily estimated lives of the employees.

Total expenditures charged to general and administrative expense for the years ended March 31, 2024 and 2023 amounted to $417,176 and $367,606, respectively. At March 31, 2024 and 2023, the liability for active and retired employees included in other postemployment benefit obligation amounted to $23,596,290 and $23,090,540, respectively. There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

The number of participants as of March 31, 2024 was as follows:

Active employees	72
Retired employees	22
Spouses of employees	35
Total	129

Actuarial Assumptions and Other Inputs

The total OPEB liability in the March 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.50%
Discount rate	4.23%
Healthcare cost trend rates	4.20% to 4.70%

Changes in the Total OPEB Liability

	2024	2023
Total OPEB liability at beginning of year	$ 23,090,540	32,350,430
Changes for the year:		
Service cost	1,309,106	2,138,610
Interest on total OPEB liability	979,822	631,232
Differences between actual and expected experience	(650,218)	(381,678)
Changes in assumptions	(715,784)	(11,280,448)
Benefit payments	(417,176)	(367,606)
Total changes	505,750	(9,259,890)
Total OPEB liability at end of year	$ 23,596,290	23,090,540

(5) Other Postemployment Benefits Obligation, Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Trust at March 31, 2024, as well as what the Trust's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.23%) or 1-percentage-point higher (5.23%) than the current discount rate:

	1% Decrease (3.23%)	Discount Rate (4.23%)	1% Increase (5.23%)
Total OPEB liability	$ 27,993,000	23,596,290	20,119,300

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Costs Trend Rates

The following presents the total OPEB liability of the Trust at March 31, 2024, as well as what the Trust's total OPEB liability would be if it were calculated using a rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$ 18,019,080	23,596,290	31,220,120

(6) Related Party Transactions

Related party transactions as of and for the years ended March 31, 2024 and 2023 consist of the following:

(a) Affiliates of New York State and the City of New York

At March 31, 2024 and 2023, the Trust had requested $24,122,308 and $42,423,189, respectively, of funds appropriated by the State and City in accordance with the Act for the value of construction contracts authorized to date.

The Trust succeeded the State of New York under an agreement which allows the Port Authority of New York and New Jersey to use certain properties for no monthly rental payments.

Effective April 1, 2023, a new contract was signed with the City of New York Department of Parks and Recreation to provide security services in the park through March 31, 2028, with a maximum contract price of $23,531,262, reflecting the terms of a new collective bargaining agreement. During the years ended March 31, 2024 and 2023, the Trust incurred expenses of $4,617,145 and $3,348,354, respectively.

The Trust has an agreement for property maintenance services with the New York State Department of Transportation. At March 31, 2024 and 2023, the amounts included in accounts receivable amounted to $568,368 and $43,557, respectively.

(6) Related Party Transactions, Continued

(a) Affiliates of New York State and the City of New York, Continued

New York State Division of Homeland Security and Emergency Services agreed to provide the Trust the local match requirement of the Disaster Grants - Public Assistance (Presidentially Declared Disasters) funds. The Trust received the final payment in October 2022.

(b) New York City Related Parties

As a result of the Act, the Trust receives funds from several leases held by New York City agencies. New York City Economic Development Corporation (NYCEDC) collects rents and remits a portion of the monies to the Trust semi-annually on behalf of New York City.

All lease and permit revenue is considered unrestricted.

(7) Lease Receivable

The Trust has executed multiple non-cancellable lease agreements with commercial businesses, restaurants and non-profits, for buildings and spaces located on piers and upland areas throughout the park. The Trust implemented GASB Statement No. 87 for the fiscal year ended March 31, 2023 and used the payment schedules for those leases reportable under GASB Statement No. 87 to measure the lease receivable.

Calculations pursuant to GASB Statement No. 87 require an interest rate assumption for discounting of future lease payments. The Trust is not legally able to incur or issue debt and therefore does not have a directly measurable cost of borrowing. As a proxy, the Trust has used the Municipal Market Data (MMD) Index, as calculated on the lease commencement date for a maturity comparable to that of each lease, as the applicable interest rate. The interest rates range from 0.89% to 5.04%, depending on the commencement date and length of each lease.

The following is the amortization schedule for the lease receivables:

Year ending		Principal	Interest	Total
2025	$	6,199,860	2,167,178	8,367,038
2026		5,389,650	1,997,158	7,386,808
2027		5,779,954	1,848,156	7,628,110
2028		5,624,576	1,694,214	7,318,790
2029		5,377,410	1,535,149	6,912,559
2030 - 2034		29,129,903	5,400,362	34,530,265
2035 - 2039		13,525,418	1,727,042	15,252,460
2040		2,144,372	65,738	2,210,110
Total	$	73,171,143	16,434,997	89,606,140

(7) Lease Receivable, Continued

The following is the amortization schedule for the deferred inflows of resources:

Year ending		Revenue
2025	$	6,645,857
2026		5,818,588
2027		5,818,588
2028		5,818,588
2029		5,073,339
2030 - 2034		22,843,575
2035 - 2039		6,195,543
2040 - 2043		1,065,515
Total	$	59,279,593

(8) Public-Private Partnerships Receivable

The Trust has executed two non-cancellable public-private partnership (PPP) agreements with private entities for buildings and spaces located on piers and upland areas throughout the park. The Trust implemented GASB Statement No. 94 for the fiscal year ended March 31, 2024 and used the payment schedules for those PPPs reportable under GASB Statement No. 94 to measure the lease receivable.

Calculations pursuant to GASB Statement No. 94 require an interest rate assumption for discounting of future PPP payments. The Trust is not legally able to incur or issue debt and therefore does not have a directly measurable cost of borrowing. As a proxy, the Trust has used the Municipal Market Data (MMD) Index, as calculated on the PPP commencement date for a maturity comparable to that of each PPP, as the applicable interest rate. The interest rates range from 3.67% to 4.55%, depending on the commencement date and length of each PPP.

The following is the amortization schedule for the PPP receivables:

Year ending		Principal	Interest	Total
2025	$	(5,360,316)	13,195,641	7,835,325
2026		(5,196,322)	13,131,437	7,935,115
2027		(4,959,446)	13,064,403	8,104,957
2028		(4,819,702)	12,994,413	8,174,711
2029		(4,539,356)	12,921,338	8,381,982
2030 - 2034		(18,779,815)	63,392,605	44,612,790
2035 - 2039		(18,176,818)	61,016,460	42,839,642
2040 - 2044		(12,216,980)	58,066,872	45,849,892
2045 - 2049		(2,219,955)	54,404,633	52,184,678
2050 - 2054		6,651,141	49,856,575	56,507,716

(8) Availability Payment Arrangements, Continued

Year ending	Principal	Interest	Total
2055 - 2059	$ 30,427,104	44,207,253	74,634,357
2060 - 2064	50,939,662	37,188,579	88,128,241
2065 - 2069	19,550,774	29,529,120	49,079,894
2070 - 2074	1,089,934	27,271,699	28,361,633
2075 - 2079	8,255,857	25,749,545	34,005,402
2080 - 2084	15,162,154	23,926,808	39,088,962
2085 - 2089	23,208,176	21,744,131	44,952,307
2090 - 2094	32,564,718	19,130,435	51,695,153
2095 - 2099	43,448,819	16,000,606	59,449,425
2100 - 2104	56,114,116	12,252,723	68,366,839
2105 - 2109	70,857,128	7,764,737	78,621,865
2110 - 2113	68,946,222	2,390,498	71,336,720
Total	$ 350,947,095	619,200,511	970,147,606

The following is the amortization schedule for the deferred inflows of resources:

Year ending	Revenue
2025	$ 5,229,595
2026	5,229,595
2027	5,229,595
2028	5,229,595
2029	5,229,595
2030 - 2034	26,147,975
2035 - 2039	26,147,975
2040 - 2044	26,147,975
2045 - 2049	26,147,975
2050 - 2054	26,147,975
2055 - 2059	26,147,975
2060 - 2064	26,147,975
2065 - 2069	16,282,835
2070 - 2074	9,706,075
2075 - 2079	9,706,075
2080 - 2084	9,706,075
2085 - 2089	9,706,075
2090 - 2094	9,706,075
2095 - 2099	9,706,075
2100 - 2104	9,706,075
2105 - 2109	9,706,075
2110 - 2113	7,764,856
Total	$ 310,880,091

(9) Restricted for Capital Expenditures

Net position restricted for capital expenditures at March 31, 2024 and 2023 is summarized as follows:

Source	2024	2023
City of New York	$ -	19,212,707
New York State Department of Environmental Conservation	4,528,985	4,379,113
Sale of development rights - Pier 40	20,484,199	24,612,199
Sale of development rights - Chelsea	40,070,387	37,430,281
Other	5,277,812	5,103,161
Total restricted for capital expenditures	$ 70,361,383	90,737,461

(10) Retirement Plan

(a) Plan Descriptions and Benefits Provided

The Trust participates in the New York State and Local Employees' Retirement System (ERS or the System). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Trust (the Trust), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Trust and is the administrative head of the System. System benefits are established under the provision of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Trust also participates in the Public Employees; Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/inex.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 and before April 1, 2012 who generally contribute 3.0 percent of their salary for their entire length of service. Those joining on or after April 1, 2012 are required to contribute between 3 and 6 percent, dependent on salary, throughout their working careers. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems fiscal year ending March 31.

(10) Retirement Plan, Continued

(b) Pension Asset (Liability), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At March 31, 2024 and 2023, the Trust reported the following asset (liability) for its proportionate share of the net pension asset (liability) for ERS. The net pension asset (liability) was measured as of March 31, 2023 and 2022. The total pension asset (liability) used to calculate the net pension asset (liability) was determined by an actuarial valuation. The Trust's proportionate share of the net pension asset (liability) was based on a projection of the Trust's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS in reports provided to the Trust.

Actuarial valuation date	4/1/2022	4/1/2021
Net pension asset (liability)	$(4,769,911)	1,777,910
Trust's proportion of the Plan's net pension asset (liability)	0.0222435%	0.0217492%
Change in proportion since prior measurement date	0.0004943	0.0002973

For the years ended March 31, 2024 and 2023, the Trust recognized pension expense of $1,621,436 and $38,226, respectively, for ERS. At March 31, 2024 and 2023, the Trust's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 508,033	133,957	134,644	174,640
Changes of assumptions	2,316,576	25,603	2,967,132	50,067
Net difference between projected and actual earnings on pension plan investments	-	28,023	-	5,821,910
Changes in proportion and differences between the Trust's contributions and proportionate share of contributions	102,864	210,092	131,111	219,811
Trust's contributions subsequent to the measurement date	729,449	-	642,186	-
Total	$ 3,656,922	397,675	3,875,073	6,266,428

(10) Retirement Plan, Continued

(b) Pension Asset (Liability), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension, Continued

Trust contributions subsequent to the March 31, 2023 measurement date will be recognized as a reduction of the net pension liability in the System year ending March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending	
2025	$ 594,091
2026	(283,315)
2027	935,318
2028	1,283,704
Total	$ 2,529,798

(c) Actuarial Assumptions

The total pension asset (liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension asset (liability) to the measurement date. The significant actuarial assumptions used in the valuations were as follows:

Measurement date	March 31, 2023	March 31, 2022
Actuarial valuation date	April 1, 2022	April 1, 2021
Investment rate of return (net of investment expense including inflation)	5.9%	5.9%
Salary scale	4.4%	4.4%
Inflation rate	2.9%	2.7%
Cost-of-living adjustments	1.5%	1.4%

Annuitant mortality rates are based on April 1, 2015 - April 1, 2020 System's experience with adjustments for mortality improvements based on MP-2021. The previous actuarial valuations as of April 1, 2020 used the same assumptions to measure the total pension liability.

The actuarial assumptions used in the April 1, 2022 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - April 1, 2020.

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

(10) Retirement Plan, Continued

(c) Actuarial Assumptions, Continued

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Measurement date	March 31, 2023	
	Target allocation	Long-term expected real rate of return*
Asset type:		
Domestic equity	32.00%	4.30%
International equity	15.00%	6.85%
Private equity	10.00%	7.50%
Real estate	9.00%	4.60%
Opportunistic/ARS portfolio	3.00%	5.38%
Credit	4.00%	5.43%
Real assets	3.00%	5.84%
Fixed income	23.00%	1.50%
Cash	1.00%	0.00%
	100.00%	

* The real rate of return is net of the long-term inflation assumption of 2.50%.

(d) Discount Rate

The actuarial discount rate used to calculate the total pension asset (liability) was 5.9% for March 31, 2023 and 2022. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset (liability).

(e) Sensitivity of the Proportionate Share of the Net Pension Asset (Liability) to the Discount Rate Assumption

The following presents the Trust's proportionate share of the net pension asset (liability) at March 31, 2024 calculated using the discount rate of 5.9%, as well as what the Trust's proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate that is 1-percentage point lower (4.9%) or 1-percentage point higher (6.9%) than the current rate:

(10) Retirement Plan, Continued

(e) Sensitivity of the Proportionate Share of the Net Pension Asset (Liability) to the Discount Rate Assumption, Continued

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension asset (liability)	$ (11,526,829)	(4,769,911)	876,280

(f) Pension Plan Fiduciary Net Position

The components of the current-year net pension asset (liability) of all participating employers as of the respective valuation dates, were as follows:

	(Dollars in Millions)	
Measurement date	3/31/2023	3/31/2022
Employers' total pension asset (liability)	$ (232,627)	(223,875)
Plan net position	211,183	232,050
Employers' net pension asset (liability)	$ (21,444)	8,175
Ratio of plan net position to the Employers' total pension asset (liability)	90.78%	103.65%

(g) Contributions to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Retirement contributions as of March 31, 2024 and 2023 represent the projected employer contribution for the period of April 1, 2023 through March 31, 2024 and April 1, 2022 through March 31, 2023, respectively based on paid ERS wages multiplied by the employer's contribution rate, by tier. This amount has been recorded as deferred outflows of resources in the accompanying financial statements. Retirement contributions paid to the System for the years ended March 31, 2024 and 2023 were $728,449 and $642,186, respectively.

(11) Contingencies

Contingencies at March 31, 2024 consist of the following:

(a) Litigation

The Trust is involved in various claims and lawsuits arising in the normal course of business. Management believes that any financial responsibility that may be incurred in settlement of such claims and lawsuits would not be material to the Trust's financial position.

(11) Contingencies, Continued

(b) Other

The Trust generates lease and parking revenue from waterfront properties which are inherently dependent on high levels of capital maintenance. A failure by the Trust or its tenants to address such maintenance could have a material effect on the value of the Trust's assets and its operating revenue. However, it is difficult to estimate the effect, if any, to the Trust's assets or operating revenue.

(c) Terrorist Attack of October 31, 2017

On October 31, 2017 a terrorist attack occurred on the State owned bikeway adjacent to Hudson River Park. There were previously 18 lawsuits filed against the Trust along with other defendants, including the City of New York and Home Depot. The original 18 cases have been consolidated into one action for joint discovery and trial. Subsequently, Home Depot had filed a motion to dismiss the claims, which the Court denied. As of the issuance date of these financial statements, Home Depot has filed a Notice of Appeal to this decision, which is pending. The Trust carries liability insurance that covers a portion of the contingent liability.

(12) Contributions

Contributions received for the years ended March 31, 2024 and 2023 consist of the following:

	2024	2023
Friends of Hudson River Park Trust	$ 2,086,686	1,620,000
Other	21,782	143,886
	$ 2,108,468	1,763,886

(13) Accounting Standards Issued But Not Yet Implemented

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 99 - Omnibus 2022. Effective for various periods through fiscal years beginning after June 15, 2023.

Statement No. 101 - Compensated Absences. Effective for fiscal years beginning after December 15, 2023.

Statement No. 102 - Certain Risk Disclosures. Effective for fiscal years beginning after June 15, 2024.

Statement No. 103 - Financial Reporting Model Improvements. Effective for fiscal years beginning after June 15, 2025.

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Required Supplementary Information
Schedule of Changes in Trust's
Total OPEB Liability and Related Ratios
Year ended March 31, 2024

Total OPEB liability:	2024	2023	2022	2021	2020	2019
Service cost	$ 1,309,106	2,138,610	1,894,857	1,164,880	1,164,880	1,106,111
Interest on total OPEB liability	979,822	631,232	735,888	852,190	668,458	594,911
Differences between actual and expected experience	(650,218)	(381,678)	(2,372,461)	(1,167,781)	(502,740)	192,206
Changes in assumptions	(715,784)	(11,280,448)	3,454,908	6,285,078	3,841,970	(493,708)
Benefit payments	(417,176)	(367,606)	(258,282)	(210,365)	(203,374)	(285,696)
Net change in total OPEB liability	505,750	(9,259,890)	3,454,910	6,924,002	4,969,194	1,113,824
Total OPEB liability - beginning	23,090,540	32,350,430	28,895,520	21,971,518	17,002,324	15,888,500
Total OPEB liability - ending	$ 23,596,290	23,090,540	32,350,430	28,895,520	21,971,518	17,002,324
Covered payroll	$ 6,487,137	6,337,566	6,359,016	6,223,908	5,696,661	5,152,017
Total OPEB liability as a percentage of covered payroll	363.7%	364.3%	508.7%	464.3%	385.7%	330.0%

Notes to schedule:

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

2024	2023	2022	2021	2020	2019
4.23%	4.05%	1.84%	2.40%	2.60%	3.70%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the Trust is presenting information for those years for which information is available. There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

HUDSON RIVER PARK TRUST
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Asset (Liability)
Year ended March 31, 2024

NYSERS Pension Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Trust's proportion of the net pension asset (liability)	0.0222435%	0.0217492%	0.0220465%	0.0206192%	0.0192262%	0.0192998%	0.0178503%	0.0188732%	0.0186450%
Trust's proportionate share of the net pension asset (liability)	$ (4,769,911)	1,777,910	(21,953)	(5,460,071)	(1,362,236)	(622,889)	(1,677,257)	(3,029,206)	(629,872)
Trust's covered payroll	$ 6,487,137	6,337,566	6,359,016	6,223,908	5,696,661	5,152,017	4,727,541	4,423,662	4,391,701
Trust's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	73.53%	28.05%	0.35%	87.73%	23.91%	12.09%	35.48%	68.48%	14.34%
Plan fiduciary net position as a a percentage of the total pension asset (liability)	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.50%

Note to schedule:
This schedule is presented to illustrate the requirements to show information for 10 years. However, information is presented for those years that are available.

HUDSON RIVER PARK TRUST
Required Supplementary Information
Schedule of Employer Pension Contributions
Year ended March 31, 2024

NYSERS Pension Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 728,449	642,186	890,656	781,031	717,973	666,639	636,752	600,181	707,967	700,867
Contributions in relation to the contractually required contribution	728,449	642,186	890,656	781,031	717,973	666,639	636,752	600,181	707,967	700,867
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
Trust's covered payroll	$ 6,487,137	6,337,566	6,359,016	6,223,908	5,696,661	5,152,017	4,727,541	4,423,662	4,391,701	4,692,545
Contributions as a percentage of covered payroll	11.23%	10.13%	14.01%	12.55%	12.60%	12.94%	13.47%	13.57%	16.12%	14.94%

Schedule 1

HUDSON RIVER PARK TRUST

(A Public Benefit Corporation of the State of New York)

Supplementary Information

Trust Operating Activity by Budget Function

Years ended March 31, 2024 and 2023

	2024	2023
Revenue:		
General operating revenue (includes one-time payments) (note 1)	$ 55,918,436	35,364,094
Self-generated portion of non-operating revenue (note 2)	5,085,054	4,715,480
Total revenue	61,003,490	40,079,574
Expenses:		
Direct park operating expenses:		
Education and park programs	3,850,177	3,326,337
Grounds, facilities and capital plant	8,409,742	7,114,781
Public safety and security	4,617,145	3,348,354
Sanitation	1,914,839	1,540,646
Utilities	1,766,656	1,931,787
Insurance	6,139,008	6,688,905
Total direct park operating expenses	26,697,567	23,950,810
Other park operating expenses:		
Parking expenses	1,936,168	1,741,316
Admin, support and overhead expenses	5,616,980	4,775,340
Total other park operating expenses	7,553,148	6,516,656
Total expenses	34,250,715	30,467,466
Reimbursable operating expenses (note 4)	(5,920,258)	(6,789,792)
Net operating expenses	28,330,457	23,677,674
Surplus (deficit)	$ 32,673,033	16,401,900

Schedule 2

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Supplementary Information
Capital Maintenance and Capital Equipment
Years ended March 31, 2024 and 2023

	2024	2023
Surplus (deficit) before capital maintenance and capital equipment	$ 32,673,033	16,401,900
Equipment capital maintenance	954,619	950,648
Upland and park piers capital maintenance	3,387,252	13,668,730
Marine structures other than Pier 40 capital maintenance	440,928	2,797,432
Pier 40 capital maintenance	5,513,998	4,737,982
Gross amount of capital maintenance and capital equipment without reimbursable	10,296,797	22,154,792
Surplus (deficit) after capital maintenance and capital equipment before reimbursable	22,376,236	(5,752,892)
Reimbursable capital maintenance and capital equipment from restricted funds (non-governmental)	6,596,611	13,317,844
Reimbursable capital maintenance and capital equipment from from appropriations (governmental)	1,077,350	3,052,951
Total reimbursable capital maintenance and capital equipment	7,673,961	16,370,795
Surplus (deficit) after capital maintenance and capital equipment net of reimbursable	$ 30,050,197	10,617,903

Schedule 3

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Supplementary Information
Surplus (Deficit) After Non-Operating Expenses
Years ended March 31, 2024 and 2023

	2024	2023
Surplus (deficit) before capital maintenance and capital equipment	$ 32,673,033	16,401,900
Other and non-operating expenses:		
OPEB and accrued pension liability	1,402,969	(9,863,884)
Depreciation and amortization	17,106,787	16,156,813
Total other and non-operating expenses	18,509,756	6,292,929
Surplus (deficit) after non-operating expenses	$ 14,163,277	10,108,971

Schedule 4

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Supplementary Information
Notes to Supplementary Information
Years ended March 31, 2024 and 2023

	2024	2023
Note 1 - included in general operating revenue:		
Lease and occupancy permits (includes one-time payment)	$ 33,405,958	22,971,136
Parking	11,642,494	10,431,318
Fees (includes one-time payment)	10,181,108	1,362,350
Sponsorship	261,978	238,840
Other income	426,898	360,450
Total general operating revenue	$ 55,918,436	35,364,094
Note 2 - included in non-operating revenue		
Interest	2,818,614	2,324,719
Contributions and grants	2,266,440	2,390,761
Total non-operating revenue	$ 5,085,054	4,715,480
Note 3 - included in three designated expense categories:		
Payroll	8,558,130	7,783,196
Fringe benefits	3,571,811	3,162,312
Total personnel	$ 12,129,941	10,945,508
Full time employees	80	77
Part-time employees	2	4
Note 4 - reimbursable operating expenses		
Insurance	5,265,361	6,205,716
Ground, facilities and capital plant	654,897	584,077
Total reimbursable operating expenses	$ 5,920,258	6,789,793
Note 5 - reconciliation to operating income in statements of revenue, expenses, and changes in net position:		
Note 5a		
Surplus (deficit) before capital maintenance and capital equipment	32,673,033	16,401,900
OPEB and accrued pension asset/liability	(1,402,969)	9,863,884
Self-generated portion of non-operating revenue (note 2)	(5,085,054)	(4,715,480)
Reimbursable operating expenses (note 4)	(5,920,258)	(6,789,792)
Lease revenue - GASB 87	4,584,314	3,469,593
Public-private partnerships - GASB 94	7,493,955	7,161,641
Insurance cost adjustment *	1,845,103	2,172,000
Operating income	$ 34,188,124	27,563,746

(Continued)

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Supplementary Information
Notes to Supplementary Information, Continued

Note 5b

	2024	2023
Surplus (deficit) after non-operating expenses	$ 14,163,277	10,108,971
Depreciation and amortization	17,106,787	16,156,813
Self-generated portion of non-operating revenue (note 2)	(5,085,054)	(4,715,480)
Reimbursable operating expenses (note 4)	(5,920,258)	(6,789,792)
Lease revenue - GASB 87	4,584,314	3,469,593
Public-private partnerships - GASB 94	7,493,955	7,161,641
Insurance cost adjustment *	1,845,103	2,172,000
Operating income	$ 34,188,124	27,563,746

* Insurance cost subtracted from General and Administrative Operating Expense in the statements as a result of the credit provided by the City of New York for park security.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors
Hudson River Park Trust:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Hudson River Park Trust (the Trust), a New York State public benefit corporation, as of and for the year ended March 31, 2024, and the related notes to financial statements, which collectively comprise the Trust's basic financial statements, and have issued our report thereon dated June 20, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Trust's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, we do not express an opinion on the effectiveness of the Trust's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Trust's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Trust's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Trust's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 20, 2024

EFPR GROUP, CPAs PLLC

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REPORT ON INVESTMENT COMPLIANCE WITH SECTION 201.3
OF TITLE TWO OF THE OFFICIAL COMPILATION OF CODES,
RULES AND REGULATIONS OF THE STATE OF NEW YORK

The Board of Directors
Hudson River Park Trust:

We have examined the compliance with Section 201.3 of Title Two of the Official Compilation of Codes, Rules and Regulations of New York State related to investments (investment guidelines) of the Hudson River Park Trust (the Trust), a New York State public benefit corporation, for the year ended March 31, 2024. The Trust's management is responsible for the Trust's compliance with the specified requirements. Our responsibility is to express an opinion on the Trust's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Trust complied with the specified requirements, in all material respects. An examination involves performing procedures to obtain evidence about whether the Trust complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Trust complied, in all material respects, with the investment guidelines for the year ended March 31, 2024.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 20, 2024