



AUDIT COMMITTEE MEETING
June 25, 2024 at 9:30 AM

Pier 40, 353 West Street
Room 223 – Design & Construction
Conference Room
New York, NY 10014

MINUTES

Attendees

Directors: I.D. Aruede (via Zoom), Jeffrey LeFrancois, Jeffrey Kaplan (via Zoom). Governor Hochul announced a state of emergency for NY County on June 22, 2025, that is still in effect therefore the in-person requirement for this meeting is waived. There is a quorum.

Staff: Kimberly Quinones, Sikander Zuberi, Noreen Doyle, Robert Atterbury, Robert Rodrigues (via Zoom)

Auditor: Jeff Jones of EFPR (via ZOOM)

Kimberly Quinones introduced the meeting stating that the only agenda item was to review the draft FY 2025 Financial Audit as prepared by the Trust’s outside auditors, EFRP Group. She then introduced Jeff Jones who summarized the draft audit, using the handout attached hereto.

EFPR began that the financial statements and auditors’ report had been reviewed by Trust management and that EFPR was providing an unmodified (or a “clean”) opinion on the Trust’s financial statements: there were no material weaknesses or significant deficiencies noted in the Trust’s internal controls over financial reporting or with the Trust’s compliance with laws, rules, grant agreements or contracts that would affect the financial statements. The Trust’s investments comply with New York State regulations.

The Auditors then provided an overview of the Trust’s Statements of Net Position and Statements of Revenue, Expenses and Changes in Net Position for FY 2025. The Directors asked questions regarding upcoming GASB accounting standards that

could affect the Trust. Mr. Jones directed them to Note (13) of the financials discussing Statement No. 102 regarding Risk Disclosures, effective for fiscal years beginning after June 15, 2024 (fiscal year 2026 for the Trust); and Statement No. 103 regarding Financial Model Reporting Improvements and Statement No. 104 regarding Disclosure of Capital Assets, both effective for fiscal years beginning after June 15, 2025 (fiscal year 2027 for the Trust).

Ms. Quinones explained that the Auditors would finalize the audit and it would be shared with the Authorities Budget Office and posted on the Trust's website and thus would be available to the public by the end of the month.

Upon a properly called motion, the Audit Committee members unanimously adopted the following resolution:

RESOLVED, based on the draft Independent Auditors Report and Financial Statements for March 31, 2025 as shared with the Audit Committee at its meeting of June 25, 2025, the Committee hereby accepts the Audit Report for FY 2025 and authorizes the Trust to proceed with filing such final Audit Report in accordance with New York State requirements.

The meeting adjourned at 10:00 am.



HUDSON RIVER PARK TRUST BOARD SUMMARY

March 31, 2025

- Financial Statements and Auditors' Reports were reviewed by the Trust's management.
- Unmodified (i.e. unqualified or "clean") opinion to be issued on the Trust's financial statements.
- No material weaknesses or significant deficiencies were noted in the Trust's internal controls over financial reporting or in the Trust's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements.
- The Trust complied in all material respects with the compliance requirements identified as subject to audit in Section 2925(3)(f) of the New York State Public Authorities Law and Title 2 Section 201.3 of the New York Codes, Rules and Regulations.
- Net position increased \$18,332,569 to a total of \$1,057,955,343 as of March 31, 2025.
- Total assets amounted to \$1,468,293,550 at March 31, 2025, representing a 1.1% increase from the prior year. The increase was mainly a result of the increases in the Trust's investment balances at March 31, 2025.
- Total deferred outflows of resources amounted to \$3,175,909 at March 31, 2025, representing a 13.2% decrease from the prior year. The decrease was a result of the changes in the actuarial assumptions related to the pension system.
- Total liabilities amounted to \$41,395,505 at March 31, 2025, representing an 8.3% decrease from the prior year. The decrease was a result of a decrease in the Trust's accounts payable, accrued expenses and changes in Trust's proportionate share of the net pension liability, offset in part by an increase in OPEB.
- Total deferred inflows of resources amounted to \$372,118,611 at March 31, 2025, representing a 0.3% increase from the prior year. The increase was mainly a result of the Trust receiving a payment from Amtrak for a use and occupancy permit that will begin to be recognized during 2025-2026, offset in part of the changes in deferred inflows of resources related to GASB 87 and 94.
- Total revenue amounted to \$74,798,890 during the year ended March 31, 2025, representing a 28.9% decrease from the prior year. The decrease is mainly a result of two one-time payments received in the prior year, as well as a decrease in appropriations revenue from New York State and the City of New York, in line with the decrease in current year construction.
- Total expenses amounted to \$56,466,321 during the year ended March 31, 2025, representing a 10.9% increase from the prior year. The increase is mainly a result of the actuarial assumptions related the pension system and OPEB, in addition to the increase in current year depreciation and amortization expense.

- The following summarizes the changes in the Statements of Revenue, Expenses and Changes in Net Position:

	<u>2025</u>	<u>2024</u>	<u>Change</u>
General operating revenue:			
Lease revenue	\$ 25,364,131	33,405,958	(8,041,827)
Parking revenue	14,585,279	11,492,260	3,093,019
Fees and other revenue	<u>2,158,203</u>	<u>10,869,984</u>	<u>(8,711,781)</u>
Total general operating revenue	<u>42,107,613</u>	<u>55,768,202</u>	<u>(13,660,589)</u>
General operating expenses:			
Employee compensation and benefits	12,273,311	12,129,940	143,371
Park programs and maintenance	12,670,625	12,467,177	203,448
General and administrative	<u>7,766,681</u>	<u>7,808,495</u>	<u>(41,814)</u>
Total general operating expenses	<u>32,710,617</u>	<u>32,405,612</u>	<u>305,005</u>
Total general operating income	<u>9,396,996</u>	<u>23,362,590</u>	<u>(13,965,594)</u>
Other operating revenue (expenses):			
Lease revenue - GASB 87	889,897	4,734,548	(3,844,651)
Public-private partnerships - GASB 94	10,353,512	7,493,955	2,859,557
Other postemployment benefits and pensions - GASB 68 and 75	<u>(3,678,585)</u>	<u>(1,402,969)</u>	<u>(2,275,616)</u>
Total other income	<u>7,564,824</u>	<u>10,825,534</u>	<u>(3,260,710)</u>
Operating income	<u>16,961,820</u>	<u>34,188,124</u>	<u>(17,226,304)</u>
Non-operating revenue:			
Appropriations revenue	7,619,837	24,122,308	(16,502,471)
Air rights	1,000,000	-	1,000,000
Reimbursement	852,950	2,103,055	(1,250,105)
Settlements and grants	811,325	157,972	653,353
Contributions	1,611,899	2,108,468	(496,569)
Realized gain on investments	9,243,752	7,491,165	1,752,587
Unrealized gain on investments	<u>308,105</u>	<u>1,220,051</u>	<u>(911,946)</u>
Total non-operating revenue	<u>21,447,868</u>	<u>37,203,019</u>	<u>(15,755,151)</u>
Non-operating expense - depreciation and amortization	<u>20,077,119</u>	<u>17,106,787</u>	<u>2,970,332</u>
Total non-operating income	<u>1,370,749</u>	<u>20,096,232</u>	<u>(18,725,483)</u>
Change in net position	18,332,569	54,284,356	(35,951,787)
Net position at beginning of year	<u>1,039,622,774</u>	<u>985,338,418</u>	<u>54,284,356</u>
Net position at end of year	<u>\$ 1,057,955,343</u>	<u>1,039,622,774</u>	<u>18,332,569</u>