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, 2026 and 2025

(With Independent Auditors' Report Thereon)

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

Table of Contents

* * * * * *

EFPR GROUP, CPAs PLLC
Certified Public Accountants

6390 Main Street, Suite 200
Williamsville, New York 14221

P 716.634.0700
TF 800.546.7556
W EFPRadvisory.com

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 public benefit corporation of the State of New York, as of and for the years ended March 31, 2026 and 2025, 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, 2026 and 2025, 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.

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 41 through 43 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 Governmental Accounting Standards Board 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 audits 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 accompanying Schedules 1 through 4 are 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 29, 2026 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 29, 2026

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Management's Discussion and Analysis
March 31, 2026 and 2025

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, 2026 (fiscal year 2026) and March 31, 2025 (fiscal year 2025). We encourage readers to consider the MD&A in conjunction with the 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 in and along the Hudson River from West 59th 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, 2026, the Trust has expended approximately $996 million 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 $982 million as of March 31, 2025.

As of March 31, 2026, almost all the areas of the public park envisioned by the Act are complete and serving the public. Two significant additional areas of the park are currently in design: the Estuarium, a long-planned river research and education center in Tribeca, and the park area from West 29th Street to West 44th Street, excluding Pier 76. As a designated "park/commercial" pier under the Act, Pier 76's eventual redevelopment, including partially as public open space, will be subject to additional planning processes in the future. The same is true for Pier 40. The Trust is also still working with other agencies on the esplanade and bikeway improvements north of Pier 97.

The status of Park build-out as of June 2026 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 and the City of New York (the City), with supplemental monies also received from the federal government, private sources inclusive of philanthropic contributions, discretionary grant allocations from elected officials, allocation of development rights transaction proceeds for specific projects, and restricted settlement funds, including towards the future estuarium, which is currently in design.

From inception in 1999 to the present day, the Trust has not received funding for operating or ordinary maintenance costs from either the City or the State. 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 revenue generated from within the Park. As in the past, the primary sources of operating revenue in fiscal year 2026 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 that was self-generated, or generated in conjunction with others, such as contributions from Hudson River Park Friends (Friends), interest income, foundation support, private philanthropic contributions and grants.

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. Recurring funding sources to support continuing capital maintenance of the Park's physical assets remains the Trust's most significant long-term financial challenge as relates to the Act's goal of financial self-sufficiency.

Overview of Financial Statements

The financial statements consist of three main parts and include information for fiscal years 2026 and 2025. The three sections are (1) statements of net position (akin to 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), and provide the basis for evaluating the Trust's capital structure and assessing its liquidity and financial flexibility. The statements of revenue, expenses, and changes in net position present the Trust's operating and non-operating results for the fiscal year. They show how revenues and expenses affected the Trust's overall financial position, including the extent to which operating costs were supported by self-generated revenue and external funding. These statements also highlight year-over-year changes in financial performance and the factors driving those results.

The statements of cash flows provide 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 cash was 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 2026 and 2025 in the format of the Trust's approved annual budget.

Further financial information for the Trust, including its budgets for fiscal years 2026 and 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. The Notes include brief descriptions that provide further context for the relevant GASB statements.

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 Statement No. 87 - "Leases" (GASB 87) and GASB Statement No. 94 - "Public - Private and Public - Public Partnerships and Availability to Payment Arrangements" (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, 2026, 2025 and 2024, 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.

	2026	2025	Change	2025	2024	Change
Assets	$ 1,045,841,534	1,035,986,029	9,855,505	1,035,986,029	1,028,137,757	7,848,272
Leases receivable - GASB 87 & 94	400,106,207	405,104,250	(4,998,043)	405,104,250	402,275,284	2,828,966
Interest receivable - GASB 94	32,399,593	27,203,271	5,196,322	27,203,271	21,842,954	5,360,317
Total assets	1,478,347,334	1,468,293,550	10,053,784	1,468,293,550	1,452,255,995	16,037,555
Deferred outflows of resources - pension - ERS	2,510,759	3,175,909	(665,150)	3,175,909	3,656,922	(481,013)
Total liabilities	43,306,479	41,395,505	1,910,974	41,395,505	45,136,056	(3,740,551)
Deferred inflows of resources:						
Pension - ERS	304,392	1,897,511	(1,593,119)	1,897,511	397,675	1,499,836
Unearned revenue	2,916,000	3,351,942	(435,942)	3,351,942	596,728	2,755,214
Lease rents - GASB 87 & 94	355,848,990	366,869,158	(11,020,168)	366,869,158	370,159,684	(3,290,526)
Total deferred inflows of resources	359,069,382	372,118,611	(13,049,229)	372,118,611	371,154,087	964,524
Total net position	$ 1,078,482,232	1,057,955,343	20,526,889	1,057,955,343	1,039,622,774	18,332,569

Fiscal Year Ended March 31, 2026

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) Leases Receivable and Note (8) Public-Private Partnerships Receivable. 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.

As summarized in the table above and detailed in the statements of net position, the Trust's total assets increased by 0.7% from fiscal year 2025 to 2026, with total assets of $1.478 billion in fiscal year 2026, up from $1.468 billion in fiscal year 2025. After several consecutive years of heavy spending on new park construction resulting in the completion of new park assets now in service, spending on new construction declined in fiscal year 2026. In fiscal year 2026, the Trust spent $14.1 million on capital construction. Recent completion of various projects resulted in the Trust having depreciable capital assets of $754.7 million as of March 31, 2026 after factoring in depreciation.

Construction in progress at the end of fiscal year 2026 consisted primarily of the Pier 97 park building, which is currently awaiting final inspections. The ongoing design of certain remaining areas of the park, including the Estuarium and the upland area between W 29th and W 44th Streets, and the growing capital maintenance program at Pier 40, round out the construction in progress at the end of fiscal year 2026.

At Pier 40, progress in fiscal year 2026 continued with respect to addressing structural issues, upgrading the fire suppression system, and other necessary capital maintenance. At Pier 45, the boardwalk decking was replaced and roof conditions at park boathouses were also completed. Collectively, these other smaller projects resulted in a $13.5 million increase in construction in progress in fiscal year 2026.

Investments increased by 3.5%, attributable to delays in commencing budgeted capital maintenance projects and funds remaining in the invested reserves.

Deferred outflows of resources represent a use of net position that applies to future periods. The pension deferred outflow of resources of $2.51 million as of March 31, 2026, as reported under GASB Statement No. 68 - "Accounting and Reporting for Pensions" (GASB 68), is down 20.9% from the prior fiscal year. The Trust does not control this amount, as the Trust's proportionate share of post-employment benefit obligations is defined by the performance of the New York State and Local Employees' Retirement System.

The Trust's total liabilities on March 31, 2026, were $43.3 million, an increase of 4.6%. A decrease of $1.3 million in accounts payable, was offset by an increase of $3.2 million in accrued expenses, other postemployment benefits obligation and net pension liability - proportionate share - ERS.

Deferred inflows of resources represent increases in net position that relate to future periods. As of March 31, 2026, deferred inflows of resources totaled $359.1 million, a decrease from $372.1 million in the prior fiscal year. All categories declined year over year, including pension-ERS, unearned revenue, lease rents reported under GASB 87, and public-private partnership deferred inflows reported under GASB 94.

As explained in Notes (5) and (10) to the financial statements, the OPEB and future pension liability calculations are 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.

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 $20.5 million, or 1.9%, to $1.08 billion in fiscal year 2026. 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, and with inherited legacy assets such as a historic bulkhead and aged pier structures including Pier 40, the Trust's primary unfunded liability is the substantial cost of future capital maintenance required to get and keep such structures in a state of good repair. For Pier 40, the Trust's principal funding source for this work in recent years has been from the proceeds of $100 million in development rights sales, though such funds have now dwindled as necessary pile and other infrastructure repairs have been implemented. At Pier 40 and throughout the Park, the Trust has also invested some of its reserves for marine repairs and other capital maintenance over the years. Portions of the built park are now in service for over 25 years 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. Current capital maintenance needs at Pier 40 encompass a wide variety of repair categories, including roof sections, the loading dock, fire safety infrastructure and structural repairs in the parking garage. Addressing these needs will require use of some of the Trust's reserves, now that the dedicated air rights funds from a previous transaction are expected to be depleted in fiscal year 2027. 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 State and 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, 2025

As summarized in the table above and detailed in the statements of net position, the Trust's total assets increased by 1.1% from fiscal year 2024 to 2025, with total assets of $1.468 billion in fiscal year 2025, up from $1.452 billion in fiscal year 2024. The Trust began the fiscal year with $65.4 million of construction in progress and spent another $15.5 million on capital construction in fiscal year 2025. By the end of fiscal year 2025, the Trust had substantially completed multiple major projects, including the Gansevoort Peninsula and Pier 97, as well as some smaller projects and capital maintenance at Pier 40 and other locations, leaving $21.7 million of construction in progress. These completed projects increased depreciable capital assets by $40.4 million, after factoring in depreciation, the Trust had capital assets of $774.6 million as of March 31, 2025. Investments increased by 14%, mainly as a result of non-recurring payments and additional surplus. The remaining increase in total assets was primarily due to GASB 87 and 94 reporting requirements with respect to disclosure of non-cash increases in leases and interest receivables.

Deferred outflows of resources represent a use of net position that applies to future periods. The pension deferred outflow of resources of $3.2 million as of March 31, 2025, as reported under GASB 68, was down 13% from the prior fiscal year. The Trust does not control this amount, as the Trust's proportionate share of post-employment benefit obligations is defined by the performance of the New York State and Local Employees' Retirement System.

The Trust's total liabilities on March 31, 2025, were $41.4 million, a decrease of 8.3%. A decrease of $7 million in accounts payable, accrued expenses and net pension liability - proportionate share - ERS, was offset by an increase of $3.3 million in other postemployment benefits obligation.

Deferred inflows of resources represent increases in net position that apply to future periods. The Trust had $372.1 million of deferred inflows of resources as of March 31, 2025, up marginally from $371.2 million in the prior fiscal year. Pension - ERS, unearned revenue and lease rents as reported under GASB 87 deferred inflows increased, offset by an almost equal decrease in public-private partnerships deferred inflows reported under GASB 94.

Overall, the Trust's net position represents assets less liabilities, adjusted for deferred inflows and outflows of resources. Compared to fiscal year 2024, the total net position increased by $18.3 million, or 1.8%, to $1.06 billion in fiscal year 2025. 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.

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, 2026, 2025 and 2024. 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.

In fiscal year 2025, the results for fiscal year 2024 were restated to consolidate all GASB 87 and 94 lease revenues into one line, which required reducing the amount of parking revenues originally presented in the fiscal year audited financials and moving the corresponding dollar amount into this new consolidated line. There was no change to the total operating revenue, total operating expense, operating income or change in net position as a result of this restatement.

	2026	2025	Change	2025	2024	Change
General operating revenue	$ 41,791,681	42,107,613	(315,932)	42,107,613	55,768,202	(13,660,589)
Lease revenue - GASB 87 & 94	10,642,409	11,243,409	(601,000)	11,243,409	12,228,503	(985,094)
Total operating revenue	52,434,090	53,351,022	(916,932)	53,351,022	67,996,705	(14,645,683)
Operating expenses	33,943,830	32,710,617	1,233,213	32,710,617	32,405,612	305,005
Other postemployment benefits and pension - GASB 68 & 75	493,781	3,678,585	(3,184,804)	3,678,585	1,402,969	2,275,616
Total operating expenses	34,437,611	36,389,202	(1,951,591)	36,389,202	33,808,581	2,580,621
Operating income	17,996,479	16,961,820	1,034,659	16,961,820	34,188,124	(17,226,304)
Non-operating revenue	22,872,335	21,447,868	1,424,467	21,447,868	37,203,019	(15,755,151)
Non-operating expense - depreciation and amortization	20,341,925	20,077,119	264,806	20,077,119	17,106,787	2,970,332
Total non-operating income	2,530,410	1,370,749	1,159,661	1,370,749	20,096,232	(18,725,483)
Change in net position	$ 20,526,889	18,332,569	2,194,320	18,332,569	54,284,356	(35,951,787)

Fiscal Year Ended March 31, 2026

In fiscal year 2026, general operating revenue was $41.8 million, 0.8% lower than the prior fiscal year, primarily due to the Pier 76 tenant vacating the space in the fourth quarter of fiscal year 2026 and the reduction in available parking spaces at the Pier 40 garage caused by ongoing construction. Revenues from tenant leases, permits, and concessions increased by 0.1% to $25.4 million, while parking revenues decreased to $14.2 million, a 2.9% year-over-year reduction. Fees and other revenues, including event fees, sponsorships, and field permit fees, increased by 3.7% to $2.2 million.

Reportable GASB 87 and GASB 94 lease revenue, which is non-cash lease revenue attributable to qualifying lease arrangements, decreased 5.3% to $10.6 million in fiscal year 2026. Changes in post-employment benefits, combined with operating revenue and other operating revenue, resulted in an overall increase in total operating revenue to $51.9 million. However, as previously noted, the $10.6 million reported in the other revenue category was not available to the Trust, and the Trust could not borrow against these revenues.

Operating expenses between fiscal year 2026 and 2025 increased by 3.8%, to $33.9 million. Two categories, employee compensation and benefits, and park programs and maintenance together account for 78% of operating expenses. Park maintenance covers both internal and outside contract costs for sanitation, security, and maintenance of grounds, equipment and facilities. The Park's high levels of cleanliness, safety and programming were maintained in fiscal year 2026 despite continuing price increases and responsibilities associated with caring for a larger park footprint due to new park sections coming on line following construction. The final component of operating expenses, general and administrative expenses, was virtually flat year-over-year.

Non-operating revenue increased 6.6% to $22.9 million in fiscal year 2026, reflecting the completion of various park areas and the corresponding drawdowns of State and City construction appropriations designated for new construction and capital maintenance. As various park areas were completed between fiscal years 2025 and 2026, appropriations from the State and City for new construction increased to $10.1 million in fiscal year 2026 from $7.6 million in fiscal year 2025. The next largest component of non-operating revenue, realized gain on investments, is $8.4 million, down 9.1% from the prior fiscal year. The non-operating expense of depreciation and amortization increased 1.3% to $20.3 million in fiscal year 2026, as construction was completed and the Trust added additional assets.

The change in net position at the end of fiscal year 2026 is an increase of $20.5 million. This is higher than the $18.3 million change in net position realized at the end of fiscal year 2025, due to higher balances of State and City appropriations revenue for then active capital project contributions.

Fiscal Year Ended March 31, 2025

As noted in last year's MD&A, the results for fiscal year 2024 were restated to consolidate all GASB 87 and GASB 94 lease revenues into a single line. This restatement required reducing the amount of parking revenue originally presented in the audited financial statements and reclassifying the corresponding dollar amount into the new consolidated lease-revenue line. The restatement did not change total operating revenue, total operating expenses, operating income, or the change in net position.

In fiscal year 2025, general operating revenue was $42.1 million, 25% less than in the prior fiscal year. However, $17.2 million of fiscal year 2024 operating revenue resulted from two (2) one-time, non-recurring payments to the Trust. Without consideration of these one-time payments, general operating revenue grew by 10% year-over-year in fiscal year 2025. The year-over-year comparisons in this section exclude the $17.2 million in one-time, non-recurring revenue from the fiscal year 2024 figures, providing a more direct basis for annual comparison.

Revenues from tenant leases, permits and concessions grew modestly, up 1.8% to $25.4 million in fiscal year 2025. Revenues from parking operations grew significantly to $14.6 million, a 27% year-over-year increase in fiscal 2025. This increase is the result of a parking rate increase effective January 1, 2024, and also reflects active parking facility management with continued high levels of occupancy at the Pier 40 Parking Garage. The final category of operating revenues is fees and other revenues, which decreased 1.9% to $2.2 million. This includes event fees, sponsorships and field permit fees.

Reportable GASB 87 and GASB 94 lease revenue, which is non-cash lease revenue attributable to qualifying lease arrangements, decreased 8.1% to $11.2 million in fiscal year 2025. This resulted in an increase of 5.6% in total operating revenue to $53.7 million, though as previously noted, the revenues are not currently available to the Trust and the Trust cannot borrow against these revenues.

Operating expenses increased by less than 1% to $32.7 million. Two categories, employee compensation and benefits, and park programs and maintenance together account for 76% of operating expenses. Park maintenance covers internal and outside contract costs for sanitation, security, and maintenance of grounds, equipment and facilities. The final component of operating expenses, general and administrative expenses, was virtually flat year-over-year.

Other postemployment benefits and pensions as reported under GASB 68 and GASB Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" (GASB 75) increased to a non-cash expense level of $3.7 million, accounting for 88% of the increase in total operating expenses in fiscal year 2025 over the prior fiscal year. Even with this increased non-cash expense, operating income rose by 1.7% to $17.3 million in fiscal year 2025.

Non-operating revenue decreased 42% to $21.4 million in fiscal year 2025. As various park areas were completed between fiscal years 2024 and 2025, appropriations from the State and City for new construction decreased to $7.6 million in fiscal year 2025 from $24.1 million in fiscal year 2024, reflecting changes in construction status rather than reductions in State and City funding. The next largest component of non-operating revenue, realized gain on investments, is $9.2 million, up 23% from the prior fiscal year. The non-operating expense of depreciation and amortization increased 17.4% to $20.1 million in fiscal year 2025, as construction was completed and the Trust added additional assets.

The change in net position at the end of fiscal year 2025 is an increase of $18.3 million. This is smaller than the $54.3 million change in net position realized at the end of fiscal year 2024, which contained two nonrecurring payments and higher balances of State and City appropriations revenue for then active capital project contributions in that fiscal year.

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

The purpose of this portion of the MD&A is to assess financial results in the context of the Trust's legislated goal of operational self-sufficiency. While the Act provides for the primary source of funding for the construction of the Park to come from the State and City, it specifies that costs associated with operation and maintenance of the Park should, to the extent practicable, be self-generated. To accomplish this, the Act provides the Trust with certain tools including the ability to have certain types of commercial occupancies in specific areas.

The table below summarizes the Trust's operating revenue and self-generated non-operating revenue (primarily interest, contributions and grants 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, 2026, 2025 and 2024.

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 including both personnel and other than personal services (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.

	2026	2025	2024
Operating revenue	$ 41,791,681	42,107,613	55,768,202
Self-generated portion of non-operating revenue	9,273,480	7,336,203	5,085,054
Total revenue	51,065,161	49,443,816	60,853,256
Direct park operating expenses	28,418,490	26,821,211	26,697,567
Other park operating expenses	7,339,385	7,679,195	7,553,148
Reimbursable operating expenses	(6,284,489)	(6,014,559)	(5,920,258)
Net operating expenses	29,473,386	28,485,847	28,330,457
Surplus before capital maintenance and capital equipment	21,591,775	20,957,969	32,522,799
Equipment CAPx	530,640	1,263,853	954,619
Upland and park piers CAPm	2,251,606	1,382,661	3,387,252
Marine structures other than pier 40 CAPm	1,310,793	726,721	440,928
Pier 40 CAPm	7,474,044	1,787,064	5,513,998
Gross amount CAPx and CAPm	11,567,083	5,160,299	10,296,797
Reimbursable CAPx and CAPm from restricted funds (NON-GOV)	6,965,973	1,909,882	6,596,611
Reimbursable CAPx and CAPm from GOV appropriations	1,979,439	374,473	1,077,350
Reimbursable CAPx and CAPm	8,945,412	2,284,355	7,673,961
CAPx and CAPm net of reimbursement	2,621,671	2,875,944	2,622,836
Surplus (deficit) after CAPx and CAPm without reimbursement	10,024,692	15,797,670	22,226,002
Surplus after CAPx and CAPm net of reimbursement	$ 18,970,104	18,082,025	29,899,963

As depicted in the table above and detailed in Supplementary Information Schedule 1, prior to consideration of capital maintenance, the Trust generated a $21.6 million surplus of self-generated revenue in excess of net operating costs in fiscal year 2026. Self-generated revenue increased by $1.6 million or 3.3%, to $51.1 million compared to fiscal year 2025 revenue. Net operating expenses of $29.5 million in fiscal year 2026 increased 3.5% over the prior fiscal year.

On the revenue side, fiscal year 2026 lease revenues decreased due to the Pier 76 vacancy that began in the fourth quarter. Parking revenues also declined because construction at Pier 40 reduced the number of available parking spaces compared to fiscal year 2025. Despite these reductions, overall Trust revenue increased as a result of higher event fees and stronger interest earnings.

Total operating expenses increased year-over-year, driven partially by higher janitorial and sanitation costs resulting from expanded service levels and revised contract pricing. At the same time, ongoing challenges in filling vacant positions, along with intentional delays in hiring certain new roles, kept staffing expenses below the fiscal year 2026 budget. In addition, several other expected expenses related to capital maintenance were delayed due to procurement requirements, regulatory approvals, and other timing factors. These delays resulted in overall fiscal year 2026 spending under budget, even as certain categories experienced cost increases.

On the revenue side, fiscal year 2025 lease revenues benefited from an unexpected increase in Payments in Lieu of Taxes (PILOT) from one tenant based on an amount established by the New York City Department of Finance, continued occupancy of a tenant at Pier 76, and higher revenue from fees, among others.

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).

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 $11.6 million in fiscal year 2026, an increase of 124.2% compared to the prior fiscal year. This increase largely reflects the status of Pier 40 structural and fire suppression systems work progressing at a significantly faster pace than expected. Spending on these capital maintenance projects is expected to further accelerate in fiscal year 2027.

In recent years, to the extent available, the Trust has been able to use restricted Park funds achieved from the sale of certain development rights for capital maintenance to the extent available; however, such 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, so 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. In fiscal year 2026, the Trust self-funded $2.6 million of total capital maintenance expenditures from these reserves. This figure is expected to increase significantly over the next several years as restricted funds available from the previous transfer of development rights at Pier 40 will be depleted on major Pier 40 projects that have now commenced.

It should be noted that appropriation revenue is dependent on annual State and City budgets and is only available for designated capital projects on a project-by-project basis. The availability of funds from development rights transfer sales is transaction-based and dependent on the number of eligible receiving sites, market conditions, and completion of the City's land use review procedure. Pursuant to the Act, use of development rights proceeds is also geographically restricted.

The Trust ended the fiscal year with a $19 million surplus after reimbursement for eligible operating and capital expenses from available government and restricted funds. 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. By statute, the Trust is not permitted to issue debt and is therefore heavily reliant on Trust reserves for capital maintenance funding, cashflow maintenance and occasional other needs.

Expenditures in future years are likely to exceed annual surpluses because of anticipated infrastructure repair needs associated with aging capital assets, and Trust surpluses, such as those generated in fiscal years 2026, 2025 and 2024, cannot be assumed in future years. 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 (possibly resulting in reductions to key services such as sanitation, security and Park programs). Future redevelopment of Pier 76 for its legislatively intended mix of public park space and revenue-generating use remains important for long-term park care.

Lastly, as shown on Supplementary Information Schedule 3 which includes non-operating results, the Trust had a surplus in fiscal year 2026 of $756.1 thousand, 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 an increase in expense for accrued pension liability and OPEB, a number that has recently fluctuated widely from year to year, and an increase in depreciation as new park construction is completed, increasing the impact of depreciation.

Cash Flows, Reserve Balances for Fiscal Year 2026

Net cash provided by operating activities decreased by 55.5%, falling to $5.6 million in fiscal year 2026 from $12.5 million in fiscal year 2025. Lease-related cash flows remained stable, while parking revenue declined slightly from the prior year due to construction activities affecting occupancy. The most significant change came from fees and other revenues, including outside contributions and grants, which saw the largest year-over-year decrease and reduced the net cash contribution compared with the adjusted fiscal year 2025 value. Cash payments to vendors decreased 0.8%, reflecting lower construction spending as major capital projects neared completion and upcoming projects remained in design phases.

Cash flows from capital financing activities show a 121.7% increase in cash flows, resulting in $1.8 million of net cash provided in fiscal year 2026. This shift was driven primarily by the one-time Air Rights contribution received in fiscal year 2026 and the timing of reimbursements for capital projects.

On March 31, 2026, the Trust held $55.1 million in collateralized bank accounts and $192.5 million in investment accounts, totaling $247.6 million. Of this amount, $68.1 million was restricted for designated capital construction projects (see Note 9 – Restricted for Capital Expenditures). The remaining $179.5 million supported $43.3 million in current payables, contract accruals, and future OPEB and pension liabilities, with $136.2 million for working capital, future operating cost increases, contingencies, and unfunded capital maintenance needs. As a reminder, the Trust cannot borrow for construction financing, making strong reserve levels essential to fund capital work prior to reimbursement from State, City, or federal sources.

Subsequent Events

The are no material subsequent events to report as of the date of these financial statements.

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 Corporate Treasurer, 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, 2026 and 2025

	2026	2025
Assets:		
Cash and equivalents	$ 55,149,746	46,823,547
Accounts receivable	3,646,069	2,632,067
Prepaid expenses	4,568,309	4,329,914
Investments	192,538,887	185,981,749
Leases receivable - GASB 87	71,002,066	76,000,109
Public-private partnerships receivable - GASB 94	329,104,141	329,104,141
Interest receivable - GASB 94	32,399,593	27,203,271
Construction in progress	35,192,140	21,661,084
Depreciable capital assets, net	754,746,383	774,557,668
Total assets	1,478,347,334	1,468,293,550
Deferred outflows of resources - pension - ERS	2,510,759	3,175,909
Liabilities:		
Accounts payable	4,834,015	6,141,932
Accrued expenses	6,986,777	5,189,636
Net pension liability - proportionate share - ERS	3,765,379	3,123,157
Other postemployment benefits obligation	27,720,308	26,940,780
Total liabilities	43,306,479	41,395,505
Deferred inflows of resources:		
Pension - ERS	304,392	1,897,511
Unearned revenue	2,916,000	3,351,942
Lease rents	55,428,089	61,218,662
Public-private partnerships	300,420,901	305,650,496
Total deferred inflows of resources	359,069,382	372,118,611
Contingencies (note 11)		
Net position:		
Net investment in capital assets	789,938,523	796,218,752
Restricted for capital expenditures	68,095,017	70,662,539
Unrestricted	220,448,692	191,074,052
Total net position	$ 1,078,482,232	1,057,955,343

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, 2026 and 2025

	2026	2025
General operating revenue:		
Lease revenue	$ 25,393,328	25,364,131
Parking revenue	14,160,391	14,585,279
Fees and other revenue	2,237,962	2,158,203
Total general operating revenue	41,791,681	42,107,613
General operating expenses:		
Employee compensation and benefits	13,296,672	12,273,311
Park programs and maintenance	13,097,906	12,670,625
General and administrative	7,549,252	7,766,681
Total general operating expenses	33,943,830	32,710,617
Total general operating income	7,847,851	9,396,996
Other operating revenue (expenses):		
Lease revenue - GASB 87	792,530	889,897
Public-private partnerships - GASB 94	9,849,879	10,353,512
Other postemployment benefits and pensions - GASB 68 and 75	(493,781)	(3,678,585)
Total other income	10,148,628	7,564,824
Operating income	17,996,479	16,961,820
Non-operating revenue:		
Appropriations revenue	10,109,788	7,619,837
Air rights	2,000,000	1,000,000
Reimbursement	1,158,271	852,950
Settlements and grants	415,717	691,325
Contributions	1,640,995	1,731,899
Interest and realized gain on investments	8,407,129	9,243,752
Unrealized gain (loss) on investments	(859,565)	308,105
Total non-operating revenue	22,872,335	21,447,868
Non-operating expense - depreciation and amortization	20,341,925	20,077,119
Total non-operating income	2,530,410	1,370,749
Change in net position	20,526,889	18,332,569
Net position at beginning of year	1,057,955,343	1,039,622,774
Net position at end of year	$ 1,078,482,232	1,057,955,343

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, 2026 and 2025

	2026	2025
Cash flows from operating activities:		
Cash receipts from:		
Lease revenue	$ 25,156,513	24,811,076
Parking revenue	14,160,391	14,585,279
Fees and other revenue	1,604,739	7,690,887
Cash payments to:		
Personnel service	(13,184,471)	(12,246,660)
Vendors	(22,167,871)	(22,335,945)
Net cash provided by operating activities	5,569,301	12,504,637
Cash flows from capital financing activities:		
Appropriations revenue	8,130,349	7,619,837
Air rights revenue	2,000,000	1,000,000
Reimbursement	1,981,766	1,228,080
Settlements and grants	415,717	691,325
Contributions	1,640,995	1,731,899
Expenses for construction in progress	(12,315,428)	(19,143,142)
Additions to property	-	(125,835)
Additions to equipment	(86,927)	(1,138,018)
Net cash provided by (used in) capital financing activities	1,766,472	(8,135,854)
Cash flows from investing activities:		
Sales of investments	291,520,807	382,401,038
Purchase of investments	(297,126,212)	(399,879,002)
Earnings on investments	6,595,831	3,576,966
Net cash provided by (used in) investing activities	990,426	(13,900,998)
Net change in cash and equivalents	8,326,199	(9,532,215)
Cash and equivalents at beginning of year	46,823,547	56,355,762
Cash and equivalents at end of year	$ 55,149,746	46,823,547

(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

		2026	2025
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$	17,996,479	16,961,820
Adjustments to reconcile operating income to net cash provided by operating activities - changes in:			
Accounts receivable		437,250	1,976,379
Prepaid expenses		(238,395)	(108,285)
Leases receivable		4,998,043	(2,828,966)
Interest receivable		(5,196,322)	(5,360,317)
Deferred outflows of resources - pensions		665,150	481,013
Accounts payable		(1,307,917)	(2,333,393)
Accrued expenses		137,800	569,690
Net pension liability - proportionate share - ERS		642,222	(1,646,754)
Other postemployment benefits obligation		779,528	3,344,490
Deferred inflows of resources - pension		(1,593,119)	1,499,836
Deferred inflows of resources - unearned revenue		(731,250)	3,239,650
Deferred inflows of resources - lease rents		(5,790,573)	1,939,069
Deferred inflows of resources - public-private partnerships		(5,229,595)	(5,229,595)
Net cash provided by operating activities	$	5,569,301	12,504,637

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, initially. This date was subsequently extended to March 31, 2112 in an amendment to the Act in 2013. 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.

Funding for the Park's construction has been provided through multiple public sources, supplemented by private funding for certain specific projects. As of March 31, 2026, the State and City have jointly committed approximately $689 million to the Trust. In addition, the U.S. Department of Housing and Urban Development (HUD) has provided approximately $110.7 million, including $30.7 million for the replacement of Pier 86 (leased to the Intrepid Museum) and $80 million through the Lower Manhattan Development Corporation for capital projects within the 9/11 community development catchment area. Additional historic funding sources include approximately $24.4 million from the New York City Council and the Manhattan Borough President through their discretionary funding programs. As of March 31, 2026, approximately $157 million remains undrawn from the City and State funds. In addition, the Trust will receive revenue from other revenue streams, including leases and interest on short-term investments. Moreover, it retains the authority to accept contributions aligned with its mission and to receive 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, 2026 and 2025. Total financial institution (bank) balances at March 31, 2026 and 2025 amounted to $55,727,612 and $46,888,120, respectively. Total deposits as categorized on the previous page are as follows:

		2026	2025
(i)	$	55,727,612	46,888,120
(ii)		-	-
(iii)		-	-
	$	55,727,612	46,888,120

Cash and equivalents at March 31, 2026 and 2025 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, 2026, interest received on investments was $7,216,768, the realized gain for the year was $1,190,361, and unrealized loss was $859,565. During the year ended March 31, 2025, interest received on investments was $4,912,979, the realized gain for the year was $4,330,773, and unrealized gain was $308,105.

(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 - Pension - 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 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 - Pension - ERS

The first item is related to pensions and represents changes in the Trust's proportion of the collective net pension liability 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 the State and the City 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.

(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, 2026 consist of the following:

	Maturity	Rate	Fair value	Fair value Hierarchy
U.S. Treasuries	Less than 6 months	0.750% to 4.875%	$ 36,364,057	Level 2
U.S. Treasuries	6 months to 1 year	4.125%	13,083,819	Level 2
U.S. Treasuries	1 to 5 years	3.500% to 4.500%	130,244,417	Level 2
U.S. Treasuries	More than 5 years	4.000%	4,002,625	Level 2
City of New York Bonds	6 months to 1 year	4.542%	653,094	Level 2
New York State Bonds	1 to 5 years	2.450%	102,082	Level 2
Money market funds with investments in U.S. Government debt			8,088,793	Level 2
			$ 192,538,887	

(3) Fair Value of Investments, Continued

Investment securities at March 31, 2025 consist of the following:

	Maturity	Rate	Fair value	Fair value Hierarchy
U.S. Treasuries	Less than 6 months	0.250% to 4.250%	$ 13,911,650	Level 2
U.S. Treasuries	6 months to 1 year	0.250 % to 5.000%	100,683,237	Level 2
U.S. Treasuries	1 to 5 years	0.750% to 4.875%	27,536,747	Level 2
City of New York Bonds	Less than 6 months	2.280%	1,489,230	Level 2
Money market funds with investments in U.S. Government debt			42,360,885	Level 2
			$ 185,981,749	

(4) Capital Assets

Capital assets at March 31, 2026 and 2025 consist of the following:

	2026				
	Balance at March 31,2025	Additions	Transfers	Retirements	Balance at March 31,2026
Capital assets:					
Non-depreciable or amortizable assets-construction in progress	$ 21,661,084	13,531,056	-	-	35,192,140
Depreciable and amortizable assets:					
Pier improvements	960,256,046	-	-	-	960,256,046
Machinery and equipment	7,411,366	451,038	-	-	7,862,404
Computer equipment	2,122,611	6,462	-	-	2,129,073
Software	1,816,938	-	-	-	1,816,938
Automobiles	3,084,264	73,140	-	-	3,157,404
Furniture and fixtures	564,804	-	-	-	564,804
Office renovation	528,746	-	-	-	528,746
Total depreciable and amortizable assets	975,784,775	530,640	-	-	976,315,415

(4) Capital Assets, Continued

	2026				
	Balance at March 31,2025	Additions	Transfers	Retirements	Balance at March 31,2026
Accumulated depreciation and amortization:					
Pier improvements	$ 189,749,475	19,325,428	-	-	209,074,903
Machinery and equipment	5,604,459	691,781	-	-	6,296,240
Computer equipment	1,535,087	101,112	-	-	1,636,199
Software	1,692,672	76,683	-	-	1,769,355
Automobiles	1,724,405	125,944	-	-	1,850,349
Furniture and fixtures	425,285	19,404	-	-	444,689
Office renovation	495,724	1,573	-	-	497,297
Total accumulated depreciation and amortization	201,227,107	20,341,925	-	-	221,569,032
Total capital assets being depreciated and amortized, net	774,557,668	(19,811,285)	-	-	754,746,383
Capital assets, net	$ 796,218,752	(6,280,229)	-	-	789,938,523

	2025				
	Balance at March 31,2024	Additions	Transfers	Retirements	Balance at March 31,2025
Capital assets:					
Non-depreciable or amortizable assets-construction in progress	$ 65,408,985	15,468,558	(59,216,459)	-	21,661,084
Depreciable and amortizable assets:					
Pier improvements	901,039,587	-	59,216,459	-	960,256,046
Machinery and equipment	6,730,195	681,171	-	-	7,411,366
Computer equipment	1,931,523	191,088	-	-	2,122,611
Software	1,816,938	-	-	-	1,816,938
Automobiles	2,818,505	265,759	-	-	3,084,264
Furniture and fixtures	438,969	125,835	-	-	564,804
Office renovation	528,746	-	-	-	528,746
Total depreciable and amortizable assets	915,304,463	1,263,853	59,216,459	-	975,784,775
Accumulated depreciation and amortization:					
Pier improvements	170,693,896	19,055,579	-	-	189,749,475
Machinery and equipment	4,910,312	694,147	-	-	5,604,459
Computer equipment	1,420,460	114,627	-	-	1,535,087
Software	1,615,991	76,681	-	-	1,692,672
Automobiles	1,591,471	132,934	-	-	1,724,405
Furniture and fixtures	423,707	1,578	-	-	425,285
Office renovation	494,151	1,573	-	-	495,724
Total accumulated depreciation and amortization	181,149,988	20,077,119	-	-	201,227,107
Total capital assets being depreciated and amortized, net	734,154,475	(18,813,266)	59,216,459	-	774,557,668
Capital assets, net	$ 799,563,460	(3,344,708)	-	-	796,218,752

(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, 2026 and 2025 amounted to $497,558 and $492,627, respectively. The Trust total OPEB liability of $27,720,308 and $26,940,780 was measured as of March 31, 2026 and 2025 and was determined by an actuarial valuation as of March 31, 2026. 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, 2026, the actuarial valuation date, was as follows:

Active employees	77
Retired employees	22
Spouses of employees	35
Total	134

Actuarial Assumptions and Other Inputs

The total OPEB liability for the year ended March 31, 2026 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	4.56%
Healthcare cost trend rates	5.80% for 2026, decreasing to an ultimate rate of 4.10%

Changes in the Total OPEB Liability

	2026	2025
Total OPEB liability at beginning of year	$ 26,940,780	23,596,290
Changes for the year:		
Service cost	1,263,852	1,163,620
Interest on total OPEB liability	1,272,117	1,037,033
Differences between actual and expected experience	(1,216,716)	3,053,574
Changes in assumptions	(42,167)	(1,417,110)
Benefit payments	(497,558)	(492,627)
Total changes	779,528	3,344,490
Total OPEB liability at end of year	$ 27,720,308	26,940,780

(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, 2026, 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 (3.56%) or 1-percentage-point higher (5.56%) than the current discount rate:

	1% Decrease (3.56%)	Discount Rate (4.56%)	1% Increase (5.56%)
Total OPEB liability	$ 32,437,285	27,720,308	23,930,213

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, 2026, 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	$ 21,052,949	27,720,308	36,842,775

(6) Related Party Transactions

Related party transactions as of and for the years ended March 31, 2026 and 2025 consist of the following:

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

At March 31, 2026 and 2025, the Trust had requested $10,109,788 and $7,619,837, 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 five year contract was signed with the New York Parks Department. During the years ended March 31, 2026 and 2025, the Trust incurred expenses of $4,252,978 and $4,219,470, respectively.

The Trust has an agreement for property maintenance services with the New York State Department of Transportation. At March 31, 2026 and 2025, these services, including accounts receivable, amounted to $978,783 and $815,815, respectively.

(6) Related Party Transactions, Continued

(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) Leases 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 previously implemented GASB Statement No. 87 and used the payment schedules for those leases 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
2027	$ 6,714,727	2,126,231	8,840,958
2028	6,661,303	1,940,436	8,601,739
2029	6,440,335	1,748,561	8,188,896
2030	6,975,778	1,568,941	8,544,719
2031	7,026,288	1,383,193	8,409,481
2032 - 2036	25,405,722	4,054,090	29,459,812
2037 - 2041	11,232,596	993,766	12,226,362
2042 - 2045	545,317	43,065	588,382
Total	$ 71,002,066	13,858,283	84,860,349

(7) Leases Receivable, Continued

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

Year ending		Revenue
2027	$	6,988,570
2028		6,988,570
2029		6,184,603
2030		6,184,603
2031		5,955,584
2032 - 2036		17,599,047
2037 - 2041		5,099,707
2042 - 2045		427,405
Total	$	55,428,089

(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 previously implemented GASB Statement No. 94 and used the payment schedules for those PPPs 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
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		(4,182,148)	12,845,039	8,662,891
2031		(4,023,498)	12,765,374	8,741,876
2032 - 2036		(18,530,919)	62,503,254	43,972,335
2037 - 2041		(16,124,771)	59,912,558	43,787,787
2042 - 2046		(8,077,571)	56,696,350	48,618,779
2047 - 2051		1,202,963	52,702,725	53,905,688
2052 - 2056		11,644,023	47,742,706	59,386,729

(8) Public-Private Partnerships Receivable, Continued

Year ending	Principal	Interest	Total
2057 - 2061	$ 42,569,332	41,581,164	84,150,496
2062 - 2066	53,461,365	33,925,504	87,386,869
2067 - 2071	(1,981,370)	28,061,689	26,080,319
2072 - 2076	3,293,081	26,695,536	29,988,617
2077 - 2081	10,806,827	25,059,606	35,866,433
2082 - 2086	18,140,023	23,100,625	41,240,648
2087 - 2091	26,671,946	20,754,799	47,426,745
2092 - 2096	36,595,020	17,945,738	54,540,758
2097 - 2101	48,139,907	14,581,964	62,721,871
2102 - 2106	61,576,213	10,553,938	72,130,151
2107 - 2111	77,219,185	5,730,489	82,949,674
2112 - 2113	37,422,630	734,222	38,156,852
Total	$ 361,503,734	592,873,434	954,377,168

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

Year ending	Revenue
2027	$ 5,229,595
2028	5,229,595
2029	5,229,595
2030	5,229,595
2031	5,229,595
2032 - 2036	26,147,975
2037 - 2041	26,147,975
2042 - 2046	26,147,975
2047 - 2051	26,147,975
2052 - 2056	26,147,975
2057 - 2061	26,147,975
2062 - 2066	26,147,975
2067 - 2071	9,706,075
2072 - 2076	9,706,075
2077 - 2081	9,706,075
2082 - 2086	9,706,075
2087 - 2091	9,706,075
2092 - 2096	9,706,075
2097 - 2101	9,706,075
2102 - 2106	9,706,075
2107 - 2111	9,706,075
2112 - 2113	3,882,426
Total	$ 300,420,901

(9) Restricted for Capital Expenditures

Net position restricted for capital expenditures at March 31, 2026 and 2025 is summarized as follows:

Source		2026	2025
New York State Department of Environmental Conservation	$	4,868,319	4,708,502
Sale of development rights - Pier 40		15,796,929	17,931,173
Sale of development rights - Chelsea		45,979,620	42,535,854
Other		1,450,149	5,487,010
Total restricted for capital expenditures	$	68,095,017	70,662,539

(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 defined benefit pension plan. 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 Fund (the Fund), which was established to hold all assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund 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 System also participates in the Public Employees Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications 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% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3% to 6% of their salary for their entire length of service. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

(10) Retirement Plan, Continued

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

At March 31, 2026 and 2025, the Trust reported the following for its proportionate share of the net pension System. The net pension System was measured as of March 31, 2025 and 2024, respectively. The total pension liability used to calculate the net pension System was determined by an actuarial valuation. The Trust's proportionate share of the net pension System 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 the System in reports provided to the Trust.

Actuarial valuation date	4/1/2024	4/1/2023
Net pension liability	$ 3,765,379	3,123,157
Trust's proportion of the System's net pension liability	0.0219610%	0.0212113%
Change in proportion since prior measurement date	(0.0007497)	(0.0010322)

For the years ended March 31, 2026 and 2025, the Trust recognized pension expense of $754,447 and $1,277,127, respectively, for the System in the statements of revenue, expenses and changes in net position. At March 31, 2026 and 2025, the Trust's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2026		2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 934,592	44,085	1,005,966	85,160
Changes of assumptions	157,912	-	1,180,796	-
Net difference between projected and actual earnings on pension plan investments	295,421	-	-	1,525,646
Changes in proportion and differences between the Trust's contributions and proportionate share of contributions	82,638	260,307	48,096	286,705
Trust's contributions subsequent to the measurement date	1,040,196	-	941,051	-
Total	$ 2,510,759	304,392	3,175,909	1,897,511

(10) Retirement Plan, Continued

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

Trust contributions subsequent to the measurement date will be recognized as a reduction of the net pension System in the year ending March 31, 2027. 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	
2027	$ 570,130
2028	914,488
2029	(353,558)
2030	35,111
Total	$ 1,166,171

(c) Actuarial Assumptions

The total pension liability at March 31, 2025 was determined using a roll forward procedure to advance the liability calculated using system assumptions and member demographics from the actuarial valuation completed as of April 1, 2024. Economic assumptions used in the April 1, 2024 actuarial valuation include:

Measurement date	March 31, 2025
Actuarial valuation date	April 1, 2024
Investment rate of return (net of investment expense, including inflation)	5.9%
Salary increases	4.3%
Inflation	2.9%
Cost-of-living adjustments	1.5%

To set the long-term rate of return on pension plan investments, consideration was given to a building-block method using best-estimate ranges of expected future real rates at return (expected return, net of investment expenses and inflation) 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.

Demographic assumptions used in the April 1, 2024 actuarial valuation are based on the results of an actuarial experience study completed April 1, 2021. Demographic assumptions are primarily based on System experience over the period April 1, 2015 - March 31, 2020. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries' Scale MP-2021.

(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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic equity	25%	3.54%
International equity	14%	6.57%
Private equity	15%	7.25%
Real estate	12%	4.95%
Opportunistic/ARS portfolio	3%	5.25%
Credit	4%	5.40%
Real assets	4%	5.55%
Fixed income	22%	2.00%
Cash	1%	0.25%
	100%	

*The real rate of return is net of the long-term inflation assumption of 2.9%.

(d) Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. 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 liability.

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

The following presents the Trust's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Trust's proportionate share of the net pension 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:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension asset (liability)	$ (10,897,479)	(3,765,379)	2,189,930

(10) Retirement Plan, Continued

(f) Pension Plan Fiduciary Net Position

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

	(Dollars in Millions)	
Valuation date	4/1/2024	4/1/2023
Employers' total pension liability	$ 247,600	240,697
Plan net position	(230,454)	(225,973)
Employers' net pension liability	$ 17,146	14,724
Ratio of fiduciary net position to the Employers' total pension liability	93.08%	93.88%

(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, 2026 and 2025 represent the projected employer contribution for the period of April 1, 2025 through March 31, 2026 and April 1, 2024 through March 31, 2025, respectively based on paid ERS wages multiplied by the employer's contribution rate, by tier. Retirement contributions paid to the System for the years ended March 31, 2026 and 2025 were $1,040,196 and $941,051, respectively.

(11) Contingencies

Contingencies at March 31, 2026 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.

(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.

(11) Contingencies, Continued

(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. The original 18 cases have been consolidated into one action for joint discovery and trial. As of the issuance date of these financial statements, discovery is continuing. The Trust carries liability insurance that covers a portion of the contingent liability.

(12) Contributions

Contributions received for the years ended March 31, 2026 and 2025 consist of the following:

	2026	2025
Hudson River Park Friends	$ 1,464,040	1,701,000
Other	176,955	30,899
	$ 1,640,995	1,731,899

(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. 103 - Financial Reporting Model Improvements. Effective for fiscal years beginning after June 15, 2025.

Statement No. 104 - Disclosure of Certain Capital Assets. Effective for fiscal years beginning after June 15, 2025.

Statement No. 105 - Subsequent Events. Effective for fiscal years beginning after June 15, 2026.

(14) Certain Risk Disclosures

Concentrations - Workforce Covered by Collective Bargaining Agreements

The Trust has collective bargaining agreements which dictate employment terms, including payroll and related expenses, as well as benefits. The collective bargaining agreements are maintained by the Trust and available upon request.

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, 2026

Total OPEB liability:	2026	2025	2024	2023	2022	2021	2020	2019
Service cost	$ 1,263,852	1,163,620	1,309,106	2,138,610	1,894,857	1,164,880	1,164,880	1,106,111
Interest on total OPEB liability	1,272,117	1,037,033	979,822	631,232	735,888	852,190	668,458	594,911
Differences between actual and expected experience	(1,216,716)	3,053,574	(650,218)	(381,678)	(2,372,461)	(1,167,781)	(502,740)	192,206
Changes in assumptions	(42,167)	(1,417,110)	(715,784)	(11,280,448)	3,454,908	6,285,078	3,841,970	(493,708)
Benefit payments	(497,558)	(492,627)	(417,176)	(367,606)	(258,282)	(210,365)	(203,374)	(285,696)
Net change in total OPEB liability	779,528	3,344,490	505,750	(9,259,890)	3,454,910	6,924,002	4,969,194	1,113,824
Total OPEB liability - beginning	26,940,780	23,596,290	23,090,540	32,350,430	28,895,520	21,971,518	17,002,324	15,888,500
Total OPEB liability - ending	$ 27,720,308	26,940,780	23,596,290	23,090,540	32,350,430	28,895,520	21,971,518	17,002,324
Covered payroll	$ 7,059,521	7,097,483	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	392.7%	379.6%	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:

2026	2025	2024	2023	2022	2021	2020	2019
4.56%	4.55%	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, 2026

NYSERS Pension Plan

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Trust's proportion of the net pension asset (liability)	0.0219610%	0.0212113%	0.0222435%	0.0217492%	0.0220465%	0.0206192%	0.0192262%	0.0192998%	0.0178503%	0.0188732%
Trust's proportionate share of the net pension asset (liability)	$ (3,765,379)	(3,123,157)	(4,769,911)	1,777,910	(21,953)	(5,460,071)	(1,362,236)	(622,889)	(1,677,257)	(3,029,206)
Trust's covered payroll	$ 7,059,521	7,097,483	6,487,137	6,337,566	6,359,016	6,223,908	5,696,661	5,152,017	4,727,541	4,423,662
Trust's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	53.34%	44.00%	73.53%	28.05%	0.35%	87.73%	23.91%	12.09%	35.48%	68.48%
Plan fiduciary net position as a a percentage of the total pension asset (liability)	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

HUDSON RIVER PARK TRUST
Required Supplementary Information
Schedule of Employer Pension Contributions
Year ended March 31, 2026

NYSERS Pension Plan

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 1,040,196	941,051	728,449	642,186	890,656	781,031	717,973	666,639	636,752	600,181
Contributions in relation to the contractually required contribution	1,040,196	941,051	728,449	642,186	890,656	781,031	717,973	666,639	636,752	600,181
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
Trust's covered payroll	$ 7,059,521	7,097,483	6,487,137	6,337,566	6,359,016	6,223,908	5,696,661	5,152,017	4,727,541	4,423,662
Contributions as a percentage of covered payroll	14.73%	13.26%	11.23%	10.13%	14.01%	12.55%	12.60%	12.94%	13.47%	13.57%

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, 2026 and 2025

	2026	2025
Revenue:		
General operating revenue (note 1)	$ 41,791,681	42,107,613
Self-generated portion of non-operating revenue (note 2)	9,273,480	7,336,203
Total revenue	51,065,161	49,443,816
Expenses:		
Direct park operating expenses:		
Education and park programs	4,544,824	4,168,648
Grounds, facilities and capital plant	8,632,046	8,142,254
Public safety and security	4,252,978	4,219,470
Sanitation	2,631,370	1,854,040
Utilities	1,984,067	2,127,797
Insurance	6,373,205	6,309,002
Total direct park operating expenses	28,418,490	26,821,211
Other park operating expenses:		
Parking expenses	1,636,057	2,213,002
Admin, support and overhead expenses	5,703,328	5,466,193
Total other park operating expenses	7,339,385	7,679,195
Total expenses	35,757,875	34,500,406
Reimbursable operating expenses (note 4)	(6,284,489)	(6,014,559)
Net operating expenses	29,473,386	28,485,847
Surplus	$ 21,591,775	20,957,969

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, 2026 and 2025

	2026	2025
Surplus before capital maintenance and capital equipment	$ 21,591,775	20,957,969
Equipment capital maintenance	530,640	1,263,853
Upland and park piers capital maintenance	2,251,606	1,382,661
Marine structures other than Pier 40 capital maintenance	1,310,793	726,721
Pier 40 capital maintenance	7,474,044	1,787,064
Gross amount of capital maintenance and capital equipment without reimbursable	11,567,083	5,160,299
Surplus after capital maintenance and capital equipment reimbursable	10,024,692	15,797,670
Reimbursable capital maintenance and capital equipment from restricted funds (non-governmental)	6,965,973	1,909,882
Reimbursable capital maintenance and capital equipment from from appropriations (governmental)	1,979,439	374,473
Total reimbursable capital maintenance and capital equipment	8,945,412	2,284,355
Surplus after capital maintenance and capital equipment net of reimbursable	$ 18,970,104	18,082,025

Schedule 3

HUDSON RIVER PARK TRUST
(A Public Benefit Corporation of the State of New York)
Supplementary Information
Surplus (Deficit) After Non-Operating Costs
Years ended March 31, 2026 and 2025

	2026	2025
Surplus before capital maintenance and capital equipment	$ 21,591,775	20,957,969
Other and non-operating expenses:		
OPEB and accrued pension liability	493,781	3,678,585
Depreciation and amortization	20,341,925	20,077,119
Total other and non-operating expenses	20,835,706	23,755,704
Surplus (deficit) after non-operating costs	$ 756,069	(2,797,735)

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, 2026 and 2025

	2026	2025
Note 1 - included in general operating revenue:		
Lease and occupancy permits	$ 25,393,328	25,364,131
Parking	14,160,391	14,585,279
Fees	1,969,955	1,835,222
Sponsorship	124,917	54,208
Other income	143,090	268,773
Total general operating revenue	$ 41,791,681	42,107,613
Note 2 - included in non-operating revenue		
Interest	7,216,768	4,912,979
Contributions and grants	2,056,712	2,423,224
Total non-operating revenue	$ 9,273,480	7,336,203
Note 3 - included in three designated expense categories:		
Payroll	9,336,223	8,593,454
Fringe benefits	3,960,449	3,679,857
Total personnel	$ 13,296,672	12,273,311
Full time employees	81	81
Part-time employees	4	5
Note 4 - reimbursable operating expenses		
Insurance	5,182,774	5,113,682
Ground, facilities and capital plant	1,101,715	900,877
Total reimbursable operating expenses	$ 6,284,489	6,014,559

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

	2026	2025
Note 5 - reconciliation to operating income in statements of revenue, expenses, and changes in net position:		
Note 5a		
Surplus before capital maintenance and capital equipment	$ 21,591,775	20,957,969
OPEB and accrued pension asset/liability	(493,781)	(3,678,585)
Self generated portion of non-operating revenue (see note 2)	(9,273,480)	(7,336,203)
Reimbursable operating expenses (see note 4)	(6,284,489)	(6,014,559)
Lease revenue - GASB 87	792,530	889,897
Lease revenue - GASB 94	9,849,879	10,353,512
Insurance cost adjustment *	1,814,045	1,789,789
Operating income	$ 17,996,479	16,961,820
Note 5b		
Surplus (deficit) after non-operating expenses	756,069	(2,797,735)
Depreciation and amortization	20,341,925	20,077,119
Self-generated portion of non-operating revenue (see note 2)	(9,273,480)	(7,336,203)
Reimbursable operating expenses (see note 4)	(6,284,489)	(6,014,559)
Lease revenue - GASB 87	792,530	889,897
Lease revenue - GASB 94	9,849,879	10,353,512
Insurance cost adjustment *	1,814,045	1,789,789
Operating income	$ 17,996,479	16,961,820

* 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.

EFPR GROUP, CPAs PLLC
Certified Public Accountants

6390 Main Street, Suite 200
Williamsville, New York 14221

P 716.634.0700
TF 800.546.7556
W EFPRadvisory.com

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 public benefit corporation of the State of New York, as of and for the year ended March 31, 2026, and the related notes to financial statements, which collectively comprise the Trust's basic financial statements, and have issued our report thereon dated June 29, 2026.

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 29, 2026

EFPR GROUP, CPAs PLLC
Certified Public Accountants

6390 Main Street, Suite 200
Williamsville, New York 14221

P 716.634.0700
TF 800.546.7556
W EFPRadvisory.com

INDEPENDENT AUDITORS' REPORT ON INVESTMENT COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE INVESTMENT GUIDELINES

The Board of Directors
Hudson River Park Trust:

Report on Investment Compliance

Opinion on Investment Compliance

We have audited the Hudson River Park Trust (the Trust), a public benefit corporation of the State of New York, compliance with the types of 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 (the investment guidelines) that could have a direct and material effect on its investments for the year ended March 31, 2026.

In our opinion, the Trust complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its investments for the year ended March 31, 2026.

Basis for Opinion on Investment Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of the investment guidelines. Our responsibilities under those standards and the investment guidelines are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Trust and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance with the investment guidelines. Our audit does not provide a legal determination of the Trust's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Trust's investments.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Trust's compliance based on our audit. 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, Government Auditing Standards and the investment guidelines, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Trust's compliance with the requirements of the investment guidelines as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Trust's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Trust's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the investment guidelines, but not for the purpose of expressing an opinion on the effectiveness of Trust's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the investment guidelines. Accordingly, this report is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 29, 2026