

**RIVERSIDE PARK CONSERVANCY, INC.
AND AFFILIATE**

**Consolidated Financial Statements
For the Years Ended
December 31, 2021
and
December 31, 2020**

Independent Auditor's Report

To the Board of Directors of
Riverside Park Conservancy, Inc. and Affiliate

Opinion

We have audited the accompanying consolidated financial statements of Riverside Park Conservancy, Inc. and Affiliate (the "Conservancy") which comprise the consolidated statement of financial position as of December 31, 2021 and December 31, 2020 and the related consolidated statements of activities, functional expenses and cash flows for the years then ended and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Conservancy as of December 31, 2021 and December 31, 2020 and the results of their activities and their cash flows 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Conservancy 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Conservancy's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted 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, including omissions, 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 consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Conservancy'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Conservancy'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 audit.

Condon O'Meara McGrath & Donnelly LLP

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

Consolidated Statement of Financial Position

Assets

	December 31	
	2021	2020
Current assets		
Cash and cash equivalents	\$ 7,950,540	\$ 6,658,444
Contributions receivable – current	732,121	360,513
Prepaid expenses and other assets	<u>15,745</u>	<u>11,357</u>
Total current assets	<u>8,698,406</u>	<u>7,030,314</u>
Contributions receivable – net	<u>238,901</u>	<u>47,733</u>
Investments, at fair value	<u>2,433,793</u>	<u>1,643,542</u>
Property and equipment, at cost		
Furniture and equipment	49,730	49,730
Leasehold improvements	<u>20,350</u>	<u>20,350</u>
Sub-total	70,080	70,080
Less: accumulated depreciation and amortization	<u>67,597</u>	<u>64,778</u>
Net property and equipment	<u>2,483</u>	<u>5,302</u>
Total assets	<u>\$ 11,373,583</u>	<u>\$ 8,726,891</u>

Liabilities and Net Assets

Current liabilities		
Accounts payable and accrued expenses	\$ 977,571	\$ 848,544
Deferred RPC – South maintenance fees and other	<u>1,112,221</u>	<u>625,322</u>
Total current liabilities	<u>2,089,792</u>	<u>1,473,866</u>
Net assets		
Without donor restrictions	3,093,491	2,209,007
With donor restrictions	<u>6,190,300</u>	<u>5,044,018</u>
Total net assets	<u>9,283,791</u>	<u>7,253,025</u>
Total liabilities and net assets	<u>\$ 11,373,583</u>	<u>\$ 8,726,891</u>

See notes to consolidated financial statements.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

Consolidated Statement of Activities

Year Ended December 31

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue						
Contributions	\$ 2,621,323	\$ 2,513,459	\$ 5,134,782	\$ 2,045,424	\$ 3,182,030	\$ 5,227,454
RPC-South maintenance fees	1,599,916	-	1,599,916	1,555,123	-	1,555,123
Special events proceeds (net of direct expenses of \$103,205 for 2021 and \$6,100 for 2020)	538,607	-	538,607	422,270	-	422,270
Interest and dividends	1,121	32,158	33,279	1,301	37,017	38,318
RCTA fees	660,691	-	660,691	346,218	-	346,218
Sports camp fees	1,246,187	-	1,246,187	50	-	50
Other	74,552	-	74,552	656,231	-	656,231
Net assets released from restrictions	<u>1,685,030</u>	<u>(1,685,030)</u>	<u>-</u>	<u>2,234,607</u>	<u>(2,234,607)</u>	<u>-</u>
Total public support and revenue	<u>8,427,427</u>	<u>860,587</u>	<u>9,288,014</u>	<u>7,261,224</u>	<u>984,440</u>	<u>8,245,664</u>
Expenses						
Program services						
Field operations and volunteers	3,271,909	-	3,271,909	2,827,451	-	2,827,451
Public programs and events	1,885,401	-	1,885,401	466,896	-	466,896
Design and construction	<u>957,468</u>	<u>-</u>	<u>957,468</u>	<u>1,356,874</u>	<u>-</u>	<u>1,356,874</u>
Total program services	<u>6,114,778</u>	<u>-</u>	<u>6,114,778</u>	<u>4,651,221</u>	<u>-</u>	<u>4,651,221</u>
Supporting activities						
Management and general	904,469	-	904,469	855,506	-	855,506
Fundraising	<u>523,877</u>	<u>-</u>	<u>523,877</u>	<u>496,817</u>	<u>-</u>	<u>496,817</u>
Total supporting activities	<u>1,428,346</u>	<u>-</u>	<u>1,428,346</u>	<u>1,352,323</u>	<u>-</u>	<u>1,352,323</u>
Total expenses	<u>7,543,124</u>	<u>-</u>	<u>7,543,124</u>	<u>6,003,544</u>	<u>-</u>	<u>6,003,544</u>
Increase in net assets from operating activities	884,303	860,587	1,744,890	1,257,680	984,440	2,242,120
Non-operating activities						
Realized and unrealized gain on investments	<u>181</u>	<u>285,695</u>	<u>285,876</u>	<u>298</u>	<u>188,492</u>	<u>188,790</u>
Increase in net assets	884,484	1,146,282	2,030,766	1,257,978	1,172,932	2,430,910
Net assets, beginning of year	<u>2,209,007</u>	<u>5,044,018</u>	<u>7,253,025</u>	<u>951,029</u>	<u>3,871,086</u>	<u>4,822,115</u>
Net assets, end of year	<u>\$ 3,093,491</u>	<u>\$ 6,190,300</u>	<u>\$ 9,283,791</u>	<u>\$ 2,209,007</u>	<u>\$ 5,044,018</u>	<u>\$ 7,253,025</u>

See notes to consolidated financial statements.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

Consolidated Statement of Functional Expenses
Year Ended December 31, 2021
(with summarized comparative information for 2020)

	2021							2020		
	Program Services				Supporting Activities			Direct Costs of Special Events	Total Expenses	Total Expenses
	Field Operations and Volunteers	Public Programs and Events	Design and Construction	Total	Management and General	Fundraising	Total			
Salaries	\$ 1,397,744	\$ 408,059	\$ 39,054	\$1,844,857	\$ 430,753	\$ 342,897	\$ 773,650	\$ -	\$2,618,507	\$2,181,222
Payroll taxes and employee benefits	308,726	88,529	2,988	400,243	93,451	74,392	167,843	-	568,086	506,564
Total salaries and related costs	1,706,470	496,588	42,042	2,245,100	524,204	417,289	941,493	-	3,186,593	2,687,786
Professional fees	22,296	98,534	-	120,830	237,535	6,021	243,556	-	364,386	258,440
Contractors – RSPOA	850,777	-	-	850,777	-	-	-	-	850,777	855,228
Occupancy	37,176	10,558	-	47,734	11,146	8,872	20,018	-	67,752	67,752
Office expenses	134,034	8,638	-	142,672	25,256	25,561	50,817	-	193,489	169,112
Insurance	10,329	-	-	10,329	3,096	2,465	5,561	-	15,890	12,254
Park supplies	204,479	-	-	204,479	21,420	3,000	24,420	-	228,899	126,320
Park improvements	194,320	18,289	915,426	1,128,035	704	-	704	-	1,128,739	1,439,984
Sports camp	-	1,122,558	-	1,122,558	25,749	-	25,749	-	1,148,307	18,576
RPC – South	102,840	80,137	-	182,977	-	5,000	5,000	-	187,977	279,287
Exhibits rental and other costs	-	-	-	-	-	-	-	103,205	103,205	-
Other	9,188	50,099	-	59,287	52,540	55,669	108,209	-	167,496	92,086
Depreciation and amortization	-	-	-	-	2,819	-	2,819	-	2,819	2,819
Total expenses	3,271,909	1,885,401	957,468	6,114,778	904,469	523,877	1,428,346	103,205	7,646,329	6,009,644
Less expenses deducted directly on the consolidated statement of activities										
Direct costs of special events	-	-	-	-	-	-	-	(103,205)	(103,205)	(6,100)
Total expenses reported by function on the consolidated statement of activities	\$3,271,909	\$1,885,401	\$ 957,468	\$6,114,778	\$ 904,469	\$ 523,877	\$1,428,346	\$ -	\$7,543,124	\$6,003,544

See notes to consolidated financial statements.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

Consolidated Statement of Functional Expenses
Year Ended December 31, 2020

	2020								
	Program Services				Supporting Activities				
	Field Operations and Volunteers	Public Programs and Events	Design and Construction	Total	Management and General	Fundraising	Total	Direct Costs of Special Events	Total Expenses
Salaries	\$ 1,132,854	\$ 249,030	\$ 10,000	\$1,391,884	\$ 441,194	\$ 348,144	\$ 789,338	\$ -	\$2,181,222
Payroll taxes and employee benefits	264,650	57,834	765	323,249	102,462	80,853	183,315	-	506,564
Total salaries and related costs	1,397,504	306,864	10,765	1,715,133	543,656	428,997	972,653	-	2,687,786
Professional fees	21,676	33,235	-	54,911	189,963	13,566	203,529	-	258,440
Contractors – RSPOA	855,228	-	-	855,228	-	-	-	-	855,228
Occupancy	35,499	7,735	-	43,234	13,704	10,814	24,518	-	67,752
Office expenses	88,283	17,371	-	105,654	40,653	22,805	63,458	-	169,112
Insurance	6,421	1,399	-	7,820	2,478	1,956	4,434	-	12,254
Park supplies	115,079	-	-	115,079	10,464	582	11,046	-	126,125
Park improvements	76,638	15,168	1,346,109	1,437,915	2,069	-	2,069	-	1,439,984
Sports camp	-	18,576	-	18,576	-	-	-	-	18,576
RPC – South	222,630	26,182	-	248,812	30,475	-	30,475	-	279,287
Other	8,493	40,366	-	48,859	19,225	18,097	37,322	6,100	92,281
Depreciation and amortization	-	-	-	-	2,819	-	2,819	-	2,819
Total expenses	2,827,451	466,896	1,356,874	4,651,221	855,506	496,817	1,352,323	6,100	6,009,644
Less: expenses deducted directly on the consolidated statement of activities									
Direct costs of special events	-	-	-	-	-	-	-	(6,100)	(6,100)
Total expenses reported by function on the consolidated statement of activities	\$2,827,451	\$ 466,896	\$ 1,356,874	\$4,651,221	\$ 855,506	\$ 496,817	\$1,352,323	\$ -	\$6,003,544

See notes to consolidated financial statements.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

Consolidated Statement of Cash Flows

	Year Ended	
	December 31	
	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Increase in net assets	\$2,030,766	\$2,430,910
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	2,819	2,819
Donated stocks	(1,509,275)	(1,861,836)
Proceeds from sale of donated stocks	1,509,275	1,861,836
Realized and unrealized (gain) on investments	(285,876)	(188,790)
(Increase) decrease in assets		
Contributions receivable	(562,776)	80,300
Prepaid expenses and other assets	(4,388)	(11,357)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	129,027	(76,303)
Deferred RPC – South maintenance fees and other	<u>486,899</u>	<u>209,918</u>
Net cash provided by operating activities	<u>1,796,471</u>	<u>2,447,497</u>
Cash flows from investing activities		
Purchases of investments	(2,048,653)	(1,885,550)
Proceeds from sale of investments	1,509,274	1,861,836
Net change in money market funds	<u>35,004</u>	<u>38,188</u>
Net cash provided by (used in) investing activities	<u>(504,375)</u>	<u>14,474</u>
Net increase in cash and cash equivalents	1,292,096	2,461,971
Cash and cash equivalents, beginning of year	<u>6,658,444</u>	<u>4,196,473</u>
Cash and cash equivalents, end of year	<u>\$7,950,540</u>	<u>\$6,658,444</u>

See notes to consolidated financial statements.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE**Notes to Consolidated Financial Statements
December 31, 2021 and December 31, 2020****Note 1 – Nature of organizations**Riverside Park Conservancy, Inc.

Riverside Park Conservancy, Inc. (the “Conservancy”) is a private, not-for-profit corporation established in 1986. The Conservancy was organized to help restore, maintain and improve Riverside Park (the “Park”). Stretching four miles along the Hudson River from 72nd Street to 153rd Street on Manhattan’s Upper West Side, Riverside Park’s over 330 acres provide recreation and relaxation for a very diverse population. More recently, the Conservancy has helped care for New York City parks adjacent to the Park, specifically Riverside Park South, Sakura Park, West Harlem Piers Park, and a portion of Fort Washington Park, in total an area spanning six miles from 59th Street to 181st Street.

The Conservancy’s goals are to raise private funds for the Park, serve as its advocate, and educate the public about the park, strengthening the constituency for its long-term preservation. The Conservancy manages park projects such as restoring pathways and facilities, resurfacing playing fields and dog runs, and rehabilitating large horticulture areas. It also supports park users at playgrounds, tennis courts and community gardens and sponsors free programming and events.

The Conservancy directly supports the ongoing care of the Park by directing an extensive corps of volunteers, one of the largest in the City of New York, and with a staff of full time, year round gardeners and field technicians who provide specialized care to sustain the Park’s continuing restoration.

The Conservancy works in partnership with the New York City Department of Parks and Recreation and uses the grounds and facilities of Riverside Park to further its exempt purpose. The Park is owned by the City of New York. All improvements made by the Conservancy to the Park inure to the benefit of New York City.

Riverside Tennis Association, LLC

The Riverside Tennis Association, LLC (the “RTA”) was founded in the early 1980’s in order to protect the 10 public clay tennis courts in Riverside Park at 97th Street along the Hudson River. The Conservancy is the sole member of the RTA.

Note 2 – Summary of significant accounting policiesPrinciples of consolidation

The accompanying consolidated financial statements include the activity of both entities. All material intercompany accounts and transactions have been eliminated in consolidation.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE**Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020****Note 2 – Summary of significant accounting policies (continued)**Net assets

The Conservancy reports information regarding its consolidated financial position and consolidated activities into two classes of net assets as follows:

Without donor restrictions

Net assets that are not subject to donor imposed restrictions and are available for operations.

With donor restrictionsTemporary donor restrictions

Net assets that are subject to specific donor imposed restrictions that are expected to be satisfied by passage of time or performance of activities.

Perpetual donor restrictions

Net assets that are subject to donor imposed stipulations that must remain intact in perpetuity.

Cash equivalents

The Conservancy considers highly liquid assets with original maturities of 90 days or less to be cash equivalents, unless such assets are held as part of its investment strategy in which case these assets are included in investments.

Investments

The fair value of the investments is based on publicly quoted prices. The cost of investments sold is determined on an average cost basis. Investment return is allocated between net assets without donor restrictions and with donor restrictions (temporary donor restrictions).

Fair value measurements

For assets measured at fair value on a recurring basis as of December 31, 2021 and December 31, 2020, accounting principles generally accepted in the United States of America require quantitative disclosures about the fair value measurements separately for each major class of assets. The Conservancy's investments have all been classified in the highest level of hierarchy (Level 1). Its quoted prices are in active markets for identical assets.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE**Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020****Note 2 – Summary of significant accounting policies (continued)**Allowance for doubtful accounts

As of December 31, 2021 and December 31, 2020, the Conservancy has determined that its accounts and contribution receivable are all collectible and an allowance for any possible uncollectible receivables is not necessary. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Contributions receivable

Contributions including unconditional promises to give are recognized as revenue in the period received and when the conditions on which they depend have been substantially met. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Property and equipment

Expenditures of property and equipment, that the Conservancy retains title to and leasehold improvements which benefit future periods, above a nominal amount and with a useful life greater than one year, are capitalized at cost, or if donated, at the estimated fair value at the time of donation. Depreciation and amortization is computed using the straight-line method over the assets estimated useful life or the life of the lease, which range from five to seven years.

Contributions

Contributions and grants received including unconditional promises to give, are recorded as support without donor restrictions or with donor restrictions, depending on the existence or absence of donor restrictions, at the time of receipt or promise. Donor-restricted contributions that have their restriction met within the fiscal year are reported as support without donor restrictions. Restrictions that are not met are reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Bequests are recorded as revenue when a legally binding obligation is received and when a fair value can be reasonably determined.

Revenue recognition

RPC-South maintenance fees are recognized as revenue when the Conservancy incurs expenses related to the agreement with Riverside South Property Owners Association, Inc. Amounts received in advance of such revenue recognition are reflected as deferred revenue on the consolidated statement of financial position. Sports camp fees are recognized as revenue over the period of the applicable sports camp.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE**Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020****Note 2 – Summary of significant accounting policies (continued)**In-kind services

Organizations are required to recognize contributions of services if they create or enhance non-financial assets, or require specialized skills, are provided by individuals possessing those skills and typically would have been purchased if not provided in-kind. Board members and other individuals volunteer their time and perform a variety of tasks that assist the Conservancy. These services do not meet the criteria to be recorded and have not been included in the consolidated financial statements.

Functional expenses

The cost of providing the various programs and other activities has been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting activities benefited. Expenses attributable to more than one functional category are allocated using a variety of cost allocation techniques primarily consisting of salary and wages and time and effort reporting.

Use of estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements. Actual results could differ from these estimates.

Concentrations of credit risk

The Conservancy's financial instruments that are potentially exposed to concentrations of credit risk consist of cash, cash equivalents, receivables and investments. The Conservancy places its cash and cash equivalents with what it believes to be quality financial institutions. At times, cash balances were in excess of the FDIC insurance limit. However, the Conservancy has not experienced any losses in these accounts to date. The Conservancy closely monitors the collectability of its receivables. The Conservancy's investments are subject to various risks such as interest rate, market volatility, liquidity and credit. Due to the level of uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the consolidated statement of financial position at December 31, 2021. The Conservancy routinely assesses the financial strength and diversification of its investment portfolio. As a result, management believes concentrations of credit risk are limited.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

**Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020**

Note 2 – Summary of significant accounting policies (continued)

Subsequent events

The Conservancy has evaluated events and transactions for potential recognition or disclosure through October 24, 2022, which is the date the consolidated financial statements were available to be issued.

Note 3 – Liquidity and availability of financial assets

The Conservancy's working capital and cash flows have seasonal fluctuations during the year primarily attributable to the annual cash receipts for contributions and RPC-South maintenance fees.

The following is a summary of the financial assets as of December 31, 2021 and December 31, 2020 that are available to meet cash needs for general expenditures within one year of the consolidated statement of financial position date:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 7,950,540	\$ 6,658,444
Contributions receivable – current	<u>732,121</u>	<u>360,513</u>
Total financial assets	8,682,661	7,018,957
Less: Assets with perpetual donor restrictions	<u>(537,000)</u>	<u>(537,000)</u>
Total	<u>\$ 8,145,661</u>	<u>\$ 6,481,957</u>

Note 4 – Contributions receivable

Contributions receivable are unconditional promises to make donations to the Conservancy. The Conservancy discounts its receivables to their present value using rates of 3.25% and 4.75%. Contributions receivable are expected to be received as follows:

	<u>Amount</u>
Due within 1 year	\$ 732,121
Due within 1 to 5 years	<u>265,000</u>
Sub-total	997,121
Less: amount to reduce contributions receivable to their present value	<u>(26,099)</u>
Total	<u>\$ 971,022</u>

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

**Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020**

Note 5 – Investments

The following is a summary of the investments at fair value held by the Conservancy as of December 31, 2021 and December 31, 2020:

	<u>2021</u>	<u>2020</u>
Money market funds	\$ 183,669	\$ 218,673
Common stocks	2,483	685
Vanguard 500 stock index fund	1,481,958	849,683
Vanguard total stock market ETF	228,867	176,662
Vanguard growth ETF	2,504	1,967
Vanguard long-term bond index fund	385,347	395,872
Vanguard short-term bond index fund	<u>148,965</u>	<u>-</u>
Total	<u>\$2,433,793</u>	<u>\$1,643,542</u>

Note 6 – Commitments

Office and storage space

The Conservancy leases office and storage space under non-cancelable operating leases expiring on October 31, 2025. The Conservancy's annual rent is equal to the Conservancy's proportionate share of the landlord's carrying, maintenance, operating and depreciation charges, along with the scheduled contributions to the landlord's capital improvement funds. The Conservancy's proportionate share of its expenses is based on its proportionate share of its square footage in the building, as defined in the agreement. The annual rent is also subject to an annual increase based on the increase in the landlord's expenses. Rent expense for the years ended December 31, 2021 and December 31, 2020 is \$67,752.

License agreement

The Conservancy and the New York City Department of Parks and Recreation ("Parks") entered into a licensing agreement on March 31, 2006 which granted the Conservancy a license to maintain, operate, improve and provide programming in Riverside Park. The license agreement has had subsequent extensions and was extended again on January 6, 2020 for ten years. The agreement is subject to certain terms and conditions and further subject to two additional five-year renewals at the discretion of Parks and upon request by the Conservancy.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE**Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020****Note 6 – Commitments (continued)****Park maintenance funding agreement**

The Conservancy entered into an agreement with Riverside South Property Owners Association, Inc., a New York State not-for-profit corporation, (“RSPOA”) for the maintenance, operations and programming of Riverside Park South. The agreement was automatically renewed on January 1, 2021 for a sixty-month period. Unless terminated, the agreement shall automatically renew for successive sixty-month periods. RSPOA shall remit payments to the Conservancy on a quarterly basis as outlined in the agreement. Each quarterly payment shall equal one quarter of the operating costs set forth in the budget plan for such year (the “Annual Maintenance Contribution”). In addition, the Conservancy’s annual compensation for the services provided shall be an amount equal to 4.25% of the Annual Maintenance Contribution for the applicable year.

Note 7 – Retirement plan

The Conservancy maintains a 401(k) plan (the “Plan”) for all eligible employees. Employees may make contributions to the Plan in accordance with limits established by the Internal Revenue Service. The Conservancy does not contribute to the Plan.

Note 8 – Litigation

The Conservancy is currently involved in legal proceedings arising in the ordinary course of business. The Conservancy believes it has defenses for these proceedings and is vigorously defending the actions. In the opinion of management, after consultation with outside legal counsel, the final disposition of these matters will not have a material effect on the Conservancy’s consolidated financial statements. In the above proceedings, the Conservancy has been notified by the City of New York Legal Department that it will defend the Conservancy and pay on its behalf any judgment arising out of the proceedings.

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020

Note 9 – Net assets with donor restrictions

Temporary donor restrictions

The following summarizes the changes in net assets with temporary donor restrictions for the years ended December 31, 2021 and December 31, 2020:

	2021			
	Balance, December 31 2020	Contributions and investment return	Net assets released	Balance, December 31 2021
Programs:				
Hungarian Memorial	\$ 358,593	\$ 68,233	\$ (2,831)	\$ 423,995
Warsaw Ghetto Memorial Plaza (including unspent investment return)	184,432	67,099	(31,330)	220,201
72 nd Street Dog Run	76,628	5,360	(55)	81,933
Summer on Hudson	75,168	155	(16,303)	59,020
Volunteer	129,251	38,380	(65,862)	101,769
76 th Street Playground	53,958	-	-	53,958
91 st Street Hippo Playground	16,700	1,125	-	17,825
116 th - 125 th Street Bird Sanctuary	209,071	-	(100,914)	108,157
Greenway Slope Restoration	526,302	191,125	(125,731)	591,696
Moskin Project	-	20,975	(17,586)	3,389
83 rd Street Stairs	-	942,480	(15,000)	927,480
Firemen's Monument	-	8,625	(8,064)	561
Sustainability Plan	-	1,018,687	-	1,018,687
Multisports Courts	-	57,800	-	57,800
Lawn Gifts	-	100	-	100
General operating support	-	30,000	-	30,000
Field House	42,383	-	(42,383)	-
83 rd St. Bike Path Project	40,685	-	(10,629)	30,056
Slope Restoration	190,000	-	-	190,000
Program service (general) – Booth				
Ferris Foundation	154,538	-	(21,086)	133,452
110-115 Step Ramps	102,994	-	(102,994)	-
95th and 97th Streets Paving	40,989	-	(40,989)	-
80th-83rd Street pathway	150,333	-	(130,673)	19,660
138th Street pathway	7,442	-	-	7,442
Weed tree removal 97th-120th Streets	55,000	-	(55,000)	-
107th Street stairs	884,400	-	(656,561)	227,839
Green relieve and recovery grant	46,935	-	(46,935)	-
Other programs	627,708	178,629	(187,933)	618,404
Unspent investment return earned on endowment funds	<u>533,508</u>	<u>202,539</u>	<u>(6,171)</u>	<u>729,876</u>
Total	<u>\$ 4,507,018</u>	<u>\$ 2,831,312</u>	<u>\$ (1,685,030)</u>	<u>\$ 5,653,300</u>

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020

Note 9 – Net assets with donor restrictions (continued)

Temporary donor restrictions (continued)

	2020				
	Balance, December 31 2019	Contributions and investment return	Net assets released	Interfund transfer	Balance, December 31 2020
Programs:					
Hungarian Memorial Warsaw Ghetto Memorial Plaza (including unspent investment return)	\$ 313,367	\$ 45,726	\$ (500)	\$ -	\$ 358,593
72 nd Street Dog Run	142,469	42,163	(200)	-	184,432
Summer on the Hudson	85,551	4,650	(13,573)	-	76,628
Volunteer	60,915	80	(4,345)	18,518	75,168
Summer on the Hudson Troops for Fitness	126,366	30,006	(27,121)	-	129,251
76 th Street Playground	40,238	-	(21,720)	(18,518)	-
91 st Street Hippo Playground	53,958	-	-	-	53,958
116 th - 125 th Street Bird Sanctuary	16,560	140	-	-	16,700
Greenway Slope Restoration	309,551	-	(100,480)	-	209,071
Field House	492,689	223,010	(189,397)	-	526,302
83 rd St. Bike Path Project	323,510	-	(281,127)	-	42,383
Slope Restoration	78,730	14,350	(52,395)	-	40,685
Program service (general) – Booth Ferris Foundation	200,000	-	(10,000)	-	190,000
110-115 Step Ramps	55,759	100,000	(1,221)	-	154,538
95th and 97th Streets Paving	-	626,340	(523,346)	-	102,994
80th - 83rd Street Pathway	-	628,989	(588,000)	-	40,989
138th street pathway	-	152,000	(1,667)	-	150,333
Weed tree removal	-	47,817	(40,375)	-	7,442
97th-120th Streets	-	55,000	-	-	55,000
107th Street stairs	-	884,400	-	-	884,400
Green relieve and recovery grant	-	80,000	(33,065)	-	46,935
Other programs	562,786	331,409	(266,487)	-	627,708
Unspent investment return earned on endowment funds	471,637	141,459	(79,588)	-	533,508
Total	<u>\$ 3,334,086</u>	<u>\$ 3,407,539</u>	<u>\$ (2,234,607)</u>	<u>\$ -</u>	<u>\$ 4,507,018</u>

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE

Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020

Note 9 – Net assets with donor restrictions (continued)

Perpetual donor restrictions – endowment funds

The Conservancy acts prudently when making decisions to spend or accumulate perpetual donor restricted endowment assets and in doing so, considers a number of factors including the duration and preservation of its perpetual donor restricted endowment funds. The Conservancy classifies as perpetual restricted net assets the original value of gifts donated to the endowment.

The Conservancy’s long-term assets are invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of the Conservancy, the Board of Directors takes into account a number of factors including the financial needs and circumstances of the Conservancy, the time horizon available for investment, the nature of the Conservancy’s cash flows and liabilities, and other factors that affect their risk tolerance.

The investment return generated from its perpetual restricted funds is recorded as temporary restricted support until such time as appropriated by the Board of Directors or until it is spent in accordance with the donor’s terms.

From time to time the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or New York Prudent Management of Institutional Funds Act requires. There were no such deficiencies as of December 31, 2021 and December 31, 2020.

The net assets with perpetual donor restrictions consist of the following as of December 31, 2021 and December 31, 2020:

103 rd and 107 th Street Ballfields Endowment	\$ 200,000
Peter Jay Sharp Volunteer House	100,000
Volunteer Grant Program	75,000
Alex and Thelma Schwarz Fund	50,000
Neufeld Playground at 76 th Street	50,000
Ralph Ellison Memorial	50,000
Firemen’s Memorial Island	<u>12,000</u>
Total	<u>\$ 537,000</u>

RIVERSIDE PARK CONSERVANCY, INC. AND AFFILIATE**Notes to Consolidated Financial Statements (continued)
December 31, 2021 and December 31, 2020****Note 10 – SBA PPP**

During 2020, the Conservancy applied for and received a loan under the Paycheck Protection Program (“PPP”) which is a business loan program established by the Coronavirus Aid, Relief, and Economic Security Act. The total amount received under this program was \$524,900. Subject to the terms of the PPP loan, the Conservancy was eligible for forgiveness of the loan proceeds in an amount equal to the total spent on qualifying expenditures as outlined in the agreement. On November 5, 2020, the PPP Loan was fully forgiven and was considered paid in full. As a result, the Conservancy recorded the forgiveness in the 2020 consolidated statement of activities.

Note 11 – Tax status

The Conservancy is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, the Conservancy has been determined by the Internal Revenue Service to be a publicly supported organization, and not a private foundation, within the meaning of Section 509(a)(1) of the Code. The RTA is a limited liability corporation. Since the Conservancy is the sole member of the RTA, it is considered a disregarded entity for tax purposes.