



CENTRAL PARK CONSERVANCY, INC.

Financial Statements

June 30, 2021 and 2020

(With Independent Auditors' Report Thereon)



KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

Independent Auditors' Report

The Board of Trustees
Central Park Conservancy, Inc.:

We have audited the accompanying financial statements of the Central Park Conservancy, Inc. (the Conservancy), which comprise the balance sheets as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Conservancy's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Central Park Conservancy, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

KPMG LLP

November 19, 2021

CENTRAL PARK CONSERVANCY, INC.

Balance Sheets

June 30, 2021 and 2020

(Dollars in thousands)

Assets	2021	2020
Cash	\$ 1,278	3,994
Short-term investments (note 3)	54,773	52,366
Short-term investments, Harlem Meer Outdoor Center (note 3)	46,824	30,417
Accounts receivable (note 11)	7,189	8,518
Prepaid expenses and other assets	1,822	1,350
Contributions receivable, net (note 4)	14,315	18,493
Contributions receivable, Harlem Meer Outdoor Center, net (note 4)	42,221	399
Investments held by endowment (note 3)	306,200	227,586
Other long-term investments (note 3)	20,804	38,970
Investments held under split-interest agreements	1,633	1,611
457(b) deferred compensation plan (note 9)	3,002	2,488
Fixed assets, net (note 5)	2,407	3,281
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Total assets	\$ 502,468	389,473
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Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 11,737	8,512
Deferred revenue	1,252	1,644
Deferred revenue, Harlem Meer Outdoor Center (note 13)	—	30,220
Liabilities under split-interest agreements	993	1,049
Other liabilities	77	278
Loan payable (note 10(b))	5,428	5,374
457(b) deferred compensation plan liability (note 9)	3,002	2,488
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Total liabilities	22,489	49,565
	<hr/>	<hr/>
Net assets:		
Without donor restrictions:		
Available for operations	7,476	8,185
Held for long term purposes (notes 6 and 7)	21,295	16,450
Board designated as quasi-endowments (notes 6, 7 and 12)	78,267	64,612
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Total net assets without donor restrictions	107,038	89,247
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With donor restrictions:		
Time and purpose (notes 6 and 7)	61,897	91,044
Time and purpose – Harlem Meer Outdoor Center (note 6)	88,618	—
For endowment (notes 6 and 7)	222,426	159,617
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Total net assets with donor restrictions	372,941	250,661
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Total net assets	479,979	339,908
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Total liabilities and net assets	\$ 502,468	389,473
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See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Statement of Activities

Year ended June 30, 2021

(with comparative summarized totals for 2020)

(Dollars in thousands)

	Without donor restrictions			With donor restrictions	Total	
	Operations	Board designated	Total		2021	2020
Revenue, gains (losses), and other support:						
Contributions (note 4)	\$ 20,156	8,122	28,278	9,435	37,713	34,720
Contributions, Harlem Meer Outdoor Center (note 13)	—	—	—	92,970	92,970	3,937
Revenue from the City of New York:						
Contract revenue (note 11)	7,683	—	7,683	—	7,683	8,888
Project revenue (note 11)	6,712	—	6,712	—	6,712	4,121
Special events revenue	4,422	—	4,422	—	4,422	1,370
Less expenses incurred for direct donor benefits	(801)	—	(801)	—	(801)	(801)
Special events revenue, net	3,621	—	3,621	—	3,621	569
Investment return, net	(23)	16,712	16,689	47,261	63,950	(4,996)
Change in value of split-interest agreements	—	(74)	(74)	—	(74)	(25)
Other (note 8)	873	—	873	—	873	2,075
Total revenue and gains	39,022	24,760	63,782	149,666	213,448	49,289
Net assets released from restrictions:						
Contributions and other revenue	26,936	(6,055)	20,881	(20,881)	—	—
Release from restrictions Harlem Meer Outdoor Center (note 13)	4,152	—	4,152	(4,152)	—	—
Administrative cost recovery	2,558	(205)	2,353	(2,353)	—	—
Total net assets released from restrictions	33,646	(6,260)	27,386	(27,386)	—	—
Total revenue, gains, and other support	72,668	18,500	91,168	122,280	213,448	49,289
Expenses:						
Program services:						
Planning, design, and construction:						
Core planning, design and construction	20,666	—	20,666	—	20,666	15,400
Harlem Meer Outdoor Center (note 13)	4,152	—	4,152	—	4,152	3,937
Park operations:						
Horticulture, maintenance, and operations	22,952	—	22,952	—	22,952	24,431
Visitor experience	3,466	—	3,466	—	3,466	4,190
Helping other parks	2,997	—	2,997	—	2,997	3,129
Total program services	54,233	—	54,233	—	54,233	51,087
Supporting services:						
Fund-raising	7,551	—	7,551	—	7,551	7,852
Management and general	11,593	—	11,593	—	11,593	11,288
Total supporting services	19,144	—	19,144	—	19,144	19,140
Total expenses	73,377	—	73,377	—	73,377	70,227
(Decrease) increase in net assets	(709)	18,500	17,791	122,280	140,071	(20,938)
Net assets at beginning of year	8,185	81,062	89,247	250,661	339,908	360,846
Net assets at end of year	\$ 7,476	99,562	107,038	372,941	479,979	339,908

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Statement of Activities

Year ended June 30, 2020

(Dollars in thousands)

	Without donor restrictions			With donor restrictions	Total 2020
	Operations	Board designated	Total		
Revenue, gains (losses), and other support:					
Contributions (note 4)	\$ 22,684	610	23,294	11,426	34,720
Contributions, Harlem Meer Outdoor Center (note 13)	—	—	—	3,937	3,937
Revenue from the City of New York:					
Contract revenue (note 11)	8,888	—	8,888	—	8,888
Project revenue (note 11)	4,121	—	4,121	—	4,121
Special events revenue	1,370	—	1,370	—	1,370
Less expenses incurred for direct donor benefits	(801)	—	(801)	—	(801)
Special events revenue, net	569	—	569	—	569
Investment return, net	1,454	(683)	771	(5,767)	(4,996)
Change in value of split-interest agreements	—	(25)	(25)	—	(25)
Other (note 8)	2,075	—	2,075	—	2,075
Total revenue and gains (losses)	39,791	(98)	39,693	9,596	49,289
Net assets released from restrictions:					
Contributions and other revenue	22,304	(4,130)	18,174	(18,174)	—
Release from restrictions Harlem Meer Outdoor Center (note 13)	3,937	—	3,937	(3,937)	—
Administrative cost recovery	2,343	(447)	1,896	(1,896)	—
Total net assets released from restrictions	28,584	(4,577)	24,007	(24,007)	—
Total revenue, gains (losses), and other support	68,375	(4,675)	63,700	(14,411)	49,289
Expenses:					
Program services:					
Planning, design, and construction:					
Core planning, design and construction	15,400	—	15,400	—	15,400
Harlem Meer Outdoor Center (note 13)	3,937	—	3,937	—	3,937
Park operations:					
Horticulture, maintenance, and operations	24,431	—	24,431	—	24,431
Visitor experience	4,190	—	4,190	—	4,190
Helping other parks	3,129	—	3,129	—	3,129
Total program services	51,087	—	51,087	—	51,087
Supporting services:					
Fund-raising	7,852	—	7,852	—	7,852
Management and general	11,288	—	11,288	—	11,288
Total supporting services	19,140	—	19,140	—	19,140
Total expenses	70,227	—	70,227	—	70,227
Decrease in net assets	(1,852)	(4,675)	(6,527)	(14,411)	(20,938)
Net assets at beginning of year	10,037	85,737	95,774	265,072	360,846
Net assets at end of year	\$ 8,185	81,062	89,247	250,661	339,908

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Statement of Functional Expenses

Year ended June 30, 2021
(with comparative summarized totals for 2020)

(Dollars in thousands)

	Program services					Supporting services				Total	
	Planning, design and construction		Park operations			Total	Fund-raising	Management and general	Total	2021	2020
	Core planning, design, and construction	Harlem Meer Outdoor Center	Horticulture, maintenance, and operations	Visitor experience	Helping other parks						
Salaries and related expenses:											
Salaries	\$ 2,535	392	11,690	1,889	1,446	17,952	2,977	5,745	8,722	26,674	27,885
Payroll taxes and employee benefits	726	117	3,549	568	428	5,388	869	1,583	2,452	7,840	8,279
Total salaries and related expenses	3,261	509	15,239	2,457	1,874	23,340	3,846	7,328	11,174	34,514	36,164
Contracted services:											
Construction and design	14,370	51	309	—	—	14,730	—	—	—	14,730	8,986
Landscape	—	—	1,846	—	—	1,846	—	—	—	1,846	1,998
Facilities maintenance	15	—	988	10	34	1,047	33	10	43	1,090	1,261
Consulting	1,444	3,581	183	264	349	5,821	1,155	2,635	3,790	9,611	9,906
Mailings	—	—	—	—	—	—	477	14	491	491	491
Other	3	—	2	9	6	20	750	137	887	907	1,153
Total contracted services	15,832	3,632	3,328	283	389	23,464	2,415	2,796	5,211	28,675	23,795
Grant awards	12	—	110	4	162	288	—	—	—	288	413
Materials, equipment, and supplies	538	6	1,291	134	22	1,991	113	28	141	2,132	2,809
Printing and publications	10	2	5	40	3	60	159	59	218	278	288
Conferences, conventions, and meetings	8	—	25	15	30	78	8	79	87	165	464
Postage, shipping, and messenger	47	3	51	15	3	119	230	23	253	372	300
Travel	1	—	21	1	—	23	2	4	6	29	60
Equipment maintenance and rentals	262	—	1,006	130	121	1,519	355	167	522	2,041	1,483
Insurance	91	—	142	57	62	352	182	57	239	591	424
Occupancy	228	—	476	190	209	1,103	609	193	802	1,905	1,791
Advertising	—	—	1	10	8	19	120	275	395	414	205
Miscellaneous	26	—	461	25	16	528	64	214	278	806	488
Bad debt	—	—	—	—	—	—	—	161	161	161	367
Contributed services	73	—	156	68	47	344	152	73	225	569	833
	1,296	11	3,745	689	683	6,424	1,994	1,333	3,327	9,751	9,925
Total expenses before depreciation and amortization	20,389	4,152	22,312	3,429	2,946	53,228	8,255	11,457	19,712	72,940	69,884
Depreciation and amortization	277	—	640	37	51	1,005	97	136	233	1,238	1,144
Total expenses inclusive of direct donor benefits	20,666	4,152	22,952	3,466	2,997	54,233	8,352	11,593	19,945	74,178	71,028
Less: Expenses incurred for direct donor benefits						—	(801)		(801)	(801)	(801)
Total expenses – 2021	\$ 20,666	4,152	22,952	3,466	2,997	54,233	7,551	11,593	19,144	73,377	
Total expenses – 2020	\$ 15,400	3,937	24,431	4,190	3,129	51,087	7,852	11,288	19,140		70,227

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Statement of Functional Expenses

Year ended June 30, 2020

(Dollars in thousands)

	Program services					Supporting services				Total 2020
	Planning, design and construction		Park operations			Fund- raising	Management and general	Total		
	Core planning, design, and construction	Harlem Meer Outdoor Center	Horticulture, maintenance, and operations	Visitor experience	Helping other parks				Total	
Salaries and related expenses:										
Salaries	\$ 2,694	363	12,897	2,117	1,335	19,406	3,106	5,373	8,479	27,885
Payroll taxes and employee benefits	804	104	3,870	628	386	5,792	945	1,542	2,487	8,279
Total salaries and related expenses	3,498	467	16,767	2,745	1,721	25,198	4,051	6,915	10,966	36,164
Contracted services:										
Construction and design	8,633	8	345	—	—	8,986	—	—	—	8,986
Landscape	—	—	1,998	—	—	1,998	—	—	—	1,998
Facilities maintenance	18	—	1,109	13	68	1,208	40	13	53	1,261
Consulting	1,460	3,447	146	172	349	5,574	1,265	3,067	4,332	9,906
Mailings	—	—	—	—	—	—	479	12	491	491
Other	8	—	4	39	5	56	941	156	1,097	1,153
Total contracted services	10,119	3,455	3,602	224	422	17,822	2,725	3,248	5,973	23,795
Grant awards	66	—	134	—	213	413	—	—	—	413
Materials, equipment, and supplies	707	—	1,399	529	29	2,664	117	28	145	2,809
Printing and publications	33	8	2	54	8	105	139	44	183	288
Conferences, conventions, and meetings	16	2	52	18	157	245	27	192	219	464
Postage, shipping, and messenger	41	1	54	28	1	125	156	19	175	300
Travel	6	4	16	2	8	36	17	7	24	60
Equipment maintenance and rentals	131	—	717	104	103	1,055	288	140	428	1,483
Insurance	57	—	104	42	46	249	133	42	175	424
Occupancy	215	—	448	179	197	1,039	573	179	752	1,791
Advertising	—	—	—	13	14	27	157	21	178	205
Miscellaneous	42	—	193	57	18	310	70	108	178	488
Bad debt	92	—	225	—	50	367	—	—	—	367
Contributed services	118	—	190	167	96	571	144	118	262	833
Total expenses before depreciation and amortization	15,224	15	3,534	1,193	940	7,206	1,821	898	2,719	9,925
Depreciation and amortization	259	—	528	28	46	861	56	227	283	1,144
Total expenses inclusive of direct donor benefits	15,400	3,937	24,431	4,190	3,129	51,087	8,653	11,288	19,941	71,028
Less: Expenses incurred for direct donor benefits	—	—	—	—	—	—	(801)	—	(801)	(801)
Total expenses – 2020	\$ 15,400	3,937	24,431	4,190	3,129	51,087	7,852	11,288	19,140	70,227

CENTRAL PARK CONSERVANCY, INC.

Statements of Cash Flows

Years ended June 30, 2021 and 2020

(Dollars in thousands)

	2021	2020
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 140,071	(20,938)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,238	1,144
Net (appreciation) depreciation in fair value on investments	(63,950)	4,996
Change in value of split-interest agreements	74	25
Contributions and earnings with restrictions, classified as financing activities	(7,154)	(1,665)
Changes in operating assets and liabilities:		
Decrease in accounts receivable	1,329	3,047
(Increase) decrease in prepaid expenses and other assets	(472)	85
(Increase) decrease in contributions receivable, net of amounts classified as financing activities	(37,644)	860
Increase (decrease) in accounts payable and accrued expenses	3,225	(2,700)
(Decrease) increase in deferred revenue	(30,612)	18,751
Decrease in other liabilities	(147)	(214)
Net cash provided by operating activities	5,958	3,391
Cash flows from investing activities:		
Proceeds from sale of investments	166,260	153,334
Purchases of investments	(181,668)	(160,023)
Acquisition of fixed assets	(364)	(1,590)
Net cash used in investing activities	(15,772)	(8,279)
Cash flows from financing activities:		
Contributions and earnings with restrictions	7,154	1,665
Decrease in contributions receivable with restrictions	—	173
Proceeds from loan payable	—	5,361
Net change in liabilities under split-interest agreements	(56)	(76)
Net cash provided by financing activities	7,098	7,123
Net (decrease) increase in cash	(2,716)	2,235
Cash at beginning of year	3,994	1,759
Cash at end of year	\$ 1,278	3,994

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

(1) Organization

The Central Park Conservancy, Inc. (the Conservancy) is a not-for-profit organization incorporated under the laws of New York State and is a tax-exempt organization under the Internal Revenue Code.

The Conservancy is funded primarily from contributions made by individuals, corporations, and foundations within the metropolitan area, as well as project and contract revenue from the City of New York, Department of Parks and Recreation. These amounts are used to fund capital improvements, provide horticultural care and maintenance, and offer programs for volunteers and visitors of Central Park. Additionally, through the Central Park Conservancy Institute for Urban Parks, the Conservancy provides training and maintenance support in other NYC parks and other urban parks nationally. The capital improvements are not capitalized assets of the Conservancy but are assets of the City of New York.

The Conservancy entered into a sole source agreement with the City of New York, Department of Parks and Recreation, to reconstruct the pool and ice rink facilities at the Harlem Meer. With an estimated cost of \$150 million, the Conservancy secured pledge agreements with four donors to provide \$100 million (collectively) in funding to be paid over a five-year period. In addition to the donor contributions, the City of New York has committed \$50 million in funding to support design and construction services. The Harlem Meer Outdoor Center project is expected to span five years with an estimated completion date in 2026. Upon completion, the Conservancy will continue to manage operations at the Harlem Meer Outdoor Center in accordance with the management agreement.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) Basis of Presentation

Net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Conservancy and changes therein are classified and reported as follows:

Net Assets without donor restrictions are categorized as follows:

- Available for operations are net assets not subject to donor-imposed restrictions or Board designations; and
- Board designated held for long term purposes are net assets designated by the Board to be used for particular purposes; and
- Board designated as quasi-endowment net assets include net assets designated by the Board to be treated as endowment and these amounts also include related appreciation on investments.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

Net Assets with donor restrictions are categorized as follows:

- Time and purpose net assets are subject to donor-imposed restrictions that will be met either by actions of the Conservancy and/or the passage of time; and
- Endowment net assets permit the Conservancy to use all or part of the income earned on related investments for general or specific purposes but require the Conservancy to hold the original gift in perpetuity. Both the original gift and the appreciation on investment are included in this category.

Revenues, gains (losses), and other support are reported as increases (decreases) in net assets without restrictions unless their use is limited by explicit donor-imposed restrictions or by law. Expenses are reported as decreases in net assets without restrictions. Expirations of restrictions on net assets with restrictions (i.e., the donor-imposed stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

(c) Contributions

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period in which the pledge or cash is received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows, net of allowances. Conditional promises to give are not recognized until they become unconditional.

A contribution, gift or grant is conditional if an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. The presence of both a barrier and a right of return or right of release indicates that a recipient's contribution, gift, or grant is not recognized until it becomes unconditional, that is, when the barrier(s) in the agreement are overcome.

(d) Fair Value Measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Conservancy discloses fair value measurements by level in a hierarchy within the scope of US GAAP, that maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are:

Level 1 Inputs that reflect unadjusted quoted or published prices in active markets for identical assets or liabilities that the Conservancy has the ability to access at the measurement date.

Level 2 Inputs other than quoted or published prices included in Level 1 that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 Inputs that are unobservable.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

(e) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value based upon quoted market prices with gains and losses included in the statements of activities. Donated securities are measured at fair value at the date of the contribution.

The Conservancy follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* (ASC Topic 820), relating to certain investments in funds that do not have readily determinable fair values, including private equities, hedge funds, real estate, and other funds (alternative investments). ASC Topic 820 allows for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value using net asset value per share or its equivalent, as provided by the investment managers. The Conservancy reviews and evaluates the reasonableness of the valuations and assumptions used by the investment managers in determining the net asset values of these investments. These estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed.

(f) Income Taxes

The Conservancy follows the provisions of ASC Topic 740, *Implementation Guidance on Accounting for Uncertainty in Income Taxes and Disclosure Amendments for Nonpublic Entities* (ASC Topic 740), in conjunction with its adoption of Financial Accounting Standards Board (FASB) Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (now included in Accounting Standards Codification (ASC) Subtopic 740-10, *Income Taxes – Overall*). The Conservancy recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Income generated from activities unrelated to the Conservancy's exempt purpose is subject to tax. The Conservancy did not have any material unrelated business income tax liabilities for the years ended June 30, 2021 and 2020.

(g) Fixed Assets

Fixed assets are recorded at cost. Furniture and equipment are depreciated using the straight-line method over their estimated useful lives. Leasehold improvements are amortized over the term of the lease or life of the asset, whichever is shorter.

(h) Split-Interest Agreements

The Conservancy's split-interest agreements with donors consist primarily of charitable gift annuities and irrevocable charitable remainder trusts for which the Conservancy serves as trustee. Assets are invested and payments are made to donors and/or other beneficiaries in accordance with the respective agreements. The investments held under split-interest agreements are invested principally in mutual funds, which are valued as of June 30 using level 1 inputs in the fair value hierarchy.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

Contribution revenue for charitable gift annuities and charitable remainder trusts is recognized at the date the agreement is established, net of the liability recorded for the present value of the estimated future payments to be made to the respective donors and/or other beneficiaries.

The present value of payments to beneficiaries of charitable gift annuities and charitable remainder trusts is calculated using discount rates, which represent the risk-adjusted rates in existence at the date of the gift. Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as increases or decreases in the respective net asset class in the accompanying statements of activities.

(i) Cash and Cash Equivalents

For the purpose of the statements of cash flows, the Conservancy considers highly liquid investments purchased with an original maturity of three months or less, other than those held in the investment portfolio, to be cash equivalents.

(j) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the allowances for doubtful accounts, the valuation of investments, and the allocation of functional expenses.

(k) Functional Allocation of Expenses

The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Conservancy are reported as expenses of those functional areas. A portion of administration and technology costs that benefit multiple functional areas (indirect costs) have been allocated across programs and other supporting services based on headcount.

Program services include planning, design and construction and the Harlem Meer Outdoor Center. The Harlem Meer Outdoor Center project will have a four year duration and is reported separately because of the scale of the project as compared to historical projects. Park operations include horticulture, maintenance and operations, visitor experience and helping other parks.

(l) Risks and Uncertainties

The Conservancy invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the balance sheets.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

COVID-19 has continued to impact the operations of the Conservancy, which performs an 'essential' function for the City of New York (as defined by NYS Executive order 202.6) by maintaining Central Park. The Park has remained open throughout the crisis, during which use has continued at a high level as the Park has continued to be a refuge vital to the health of New Yorkers. Failure to maintain the Park at current levels could negatively impact the Conservancy's significant investment and may cause irreparable reputational damage with its donors and the public.

In March 2020, state and local governments in New York declared a State of Emergency and issued a Civil Order of Shutdown. The restrictions imposed by these orders resulted in the closure of all concessions in Central Park and imposed prohibitions on large public gatherings, which forced the Conservancy to cancel all its spring and summer fundraising events.

These restrictions continued in FY 2021 causing a reduction in concessions and other revenue (gift shops, retail stores, and tours). Concessions remained closed through October and were not reopened until November 2020 at limited capacity. Contribution revenue was impacted due to social distancing restrictions that limited the scale of event-based fundraising and operations contract payment to the Conservancy decreased due to changes in the management agreement with the City of New York.

The Conservancy voluntarily implemented the following budget austerity measures: (a) a hiring freeze was implemented; (b) all employee salaries were frozen; (c) executive compensation was reduced; and (d) non-personnel operating costs (including contracted services and consulting services) were limited. Notwithstanding implementation of the foregoing austerity measures, the Conservancy continued to maintain Central Park at pre-pandemic levels as required under its Management Agreement with the City of New York and the Department of Parks and Recreation and continued to provide operational support and perform maintenance work in under-resourced NYC parks in all five boroughs across NYC, incurring additional expenses to help maintain these parks at pre-COVID levels.

The COVID-19 pandemic has negatively affected national, state, and local economies and global financial markets. While the financial impact on the Conservancy cannot be quantified at this time, we do not anticipate that the pandemic will have a material adverse effect on the current and future financial profile and operating performance of the Conservancy. The Conservancy continues to monitor the course of the pandemic and is prepared to take additional measures to protect the health of New Yorkers and promote the continuity of the Conservancy's mission.

(m) Adoption of Accounting Pronouncements

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASU 2018-18). This Update helps an entity evaluate whether it should account for a grant (or similar transaction) as a contribution or as an exchange transaction. The Update also clarifies and expands the criteria for determining whether a contribution is conditional, which may delay recognition of contribution revenue, adopted in fiscal year 2020, or, the recognition provision of expenses, adopted in fiscal year 2021. The Conservancy adopted ASU 2018-18 for the year ending June 30, 2021. The adoption of this ASU did not have a significant impact on the Conservancy's financial statements.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

(n) Recent Accounting Pronouncements

In addition, the FASB issued ASU 2016-02: *Leases*. The FASB is issuing this Update to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this Update are effective for public business entities in fiscal years beginning after December 15, 2018 (calendar 2019 and fiscal 2020 year-ends). All other entities must apply the amendments in this Update in fiscal years beginning after December 15, 2019 (calendar 2020 and fiscal 2021 year-ends). In response to the ongoing impacts of the coronavirus (COVID-19) pandemic, the FASB issued ASU 2020-05: *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842), Effective Dates for Certain Entities*, which provides all other entities with the optional deferral of the effective date for this ASU to fiscal years beginning after December 15, 2021 (calendar 2021 and fiscal 2023 year-ends). The Conservancy is currently evaluating the impact on the financial statements.

(o) Reclassifications

Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 presentation.

(3) Investments

All investments are considered level 1 in the fair value hierarchy, except for investments reported at net asset value (or its equivalent).

A summary of the fair value of investments at June 30, 2021 and 2020 is as follow:

	<u>2021</u>	<u>2020</u>
Short-term investments:		
Money market funds	\$ 54,773	52,366
Money market funds, Harlem Meer Outdoor Center	<u>46,824</u>	<u>30,417</u>
	<u>\$ 101,597</u>	<u>82,783</u>
Investments held for endowment:		
U.S. Treasury money market funds	\$ 15,181	12,210
Domestic equities	24,445	18,394
Foreign equities	<u>35,414</u>	<u>21,441</u>
	<u>75,040</u>	<u>52,045</u>

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

	<u>2021</u>	<u>2020</u>
Investments reported at NAV (or its equivalent):		
Real estate	\$ 48,441	41,042
Absolute return	84,880	75,702
Private equities	44,030	22,729
Public equities	45,567	30,386
Natural resources	<u>8,242</u>	<u>5,682</u>
Total investments reported at NAV (or its equivalent)	<u>231,160</u>	<u>175,541</u>
Total investments held for endowment	\$ <u>306,200</u>	<u>227,586</u>
Other long term investments:		
U.S. Treasury money market funds	\$ 1,219	255
U.S. Treasury bonds	<u>19,585</u>	<u>20,872</u>
	<u>20,804</u>	<u>21,127</u>
Investments reported at NAV (or its equivalent):		
Absolute return	—	1,222
Private equities	—	5,189
Other	<u>—</u>	<u>11,432</u>
Total investments reported at NAV (or its equivalent)	<u>—</u>	<u>17,843</u>
Total other long term investments	\$ <u>20,804</u>	<u>38,970</u>

Included in investments held for endowment are amounts that have been appropriated by the Board and spent in accordance with the endowment purpose of \$5,520 and \$3,272, at June 30, 2021 and 2020 respectively, that have not yet been drawn and remain as part of the investment portfolio (see note 12).

Under the terms of the limited partnership agreements, the Conservancy is obligated to periodically advance additional funding for its partnership investments. The unfunded commitments have not been recorded as a liability in the accompanying balance sheets. Such commitments generally have fixed expiration dates or other termination clauses. The Conservancy maintains sufficient liquidity in its investment portfolio to cover such calls. As of June 30, 2021, the Conservancy committed approximately 71% of the total investment balance (excluding short-term investments) in alternative investments.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

The following table presents the strategies and related redemption information and unfunded commitments to the Conservancy's investments held for endowment measured at net asset value as of June 30, 2021:

	2021			
	<u>Fair value</u>	<u>Unfunded commitments</u>	<u>Redemption frequency</u>	<u>Redemption notice period</u>
Investments held for endowment at NAV:				
Real estate	\$ 48,441	16,314	None	None
Absolute return	84,880	23,141	None, monthly, quarterly, biennial	None, 45 days, 90 days
Private equities	44,030	30,993	None	None
Public equities	45,567	—	Weekly, monthly, quarterly	7 days, 45 days, 60 days
Natural resources	8,242	715	None, annual	None, 60 days
	<u>\$ 231,160</u>	<u>71,163</u>		

Other Long-Term Investments

During fiscal year 2013, one board member made a contribution of \$100,000 to the Conservancy and required that \$50,000 of the gift be invested in specific alternative investment funds (the Funds) that are managed by his firm and charged usual and customary fees.

Notwithstanding any provisions of any of the invested Funds, or any rights set forth in any Fund's Offering Memorandum or Articles of Association to the contrary, the Conservancy agreed not to submit requests for redemption until 2018 without obtaining the mutual consent of the donor and the Conservancy. Furthermore, in years 2018 through 2022, the Conservancy agreed that it shall (i) only submit requests for redemption of no more than 10% of the balance of the total of its investment in all funds valued at the end of the prior year, and (ii) use such redemptions strictly for capital expenditures (and related operating expenses) unless the mutual consent of the Donor and the Conservancy is obtained.

During fiscal year 2021, notwithstanding the agreed-upon terms of the gift, the fund manager compulsorily redeemed 100% of the Conservancy's remaining investment in the Funds. The value of the funds at the redemption date was \$18,325. Total redemptions over the life of the investment were \$25,994.

As of the balance sheet date, the Conservancy no longer has any investment in the Funds.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

(4) Contributions Receivable

Contributions receivable at June 30, 2021 and 2020 are due to be collected as follows:

	2021	2020
Less than one year	\$ 10,538	7,267
One to five years	3,804	9,956
Five years and thereafter	397	1,868
	14,739	19,091
Allowance	(288)	(288)
Discount to present value (at rates ranging from 0.31% to 2.78%)	(136)	(310)
Contributions receivable, net	\$ 14,315	18,493
Harlem Meer Outdoor Center:		
Less than one year	21,169	250
One to five years	21,356	150
	42,525	400
Discount to present value (at rates ranging from 0.31% to 1.83%)	(304)	(1)
Contributions receivable, Harlem Meer Outdoor Center, net	\$ 42,221	399

Three donors comprised approximately 7.0% and 9.9% of operating contribution revenue for the years ended June 30, 2021 and 2020, respectively. Three donors comprised approximately 89% of Harlem Meer Outdoor Center contribution revenue for the year ended June 30, 2021.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

(5) Fixed Assets

A summary of fixed assets at June 30, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>	Estimated useful lives
Furniture and fixtures	\$ 1,510	1,510	5 to 10 years
Office and field equipment	10,034	9,670	3 to 5 years
Leasehold improvements	<u>2,518</u>	<u>2,518</u>	10 years
	14,062	13,698	
Less accumulated depreciation and amortization	<u>(11,655)</u>	<u>(10,417)</u>	
	<u>\$ 2,407</u>	<u>3,281</u>	

(6) Net Assets

(a) Without Donor Restrictions

Available for the following purposes at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Held for long term purposes:		
Planning, design, and construction	\$ <u>21,295</u>	<u>16,450</u>
Board designated as quasi-endowments:		
Planning, design, and construction	\$ 15,319	12,637
Horticulture, maintenance, and operations	12,215	10,140
Visitor experience	159	131
General purposes	<u>50,574</u>	<u>41,704</u>
	\$ <u>78,267</u>	<u>64,612</u>

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

(b) With Donor Restrictions

Available for the following purposes at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Time and purpose:		
Planning, design, and construction	\$ 47,834	80,782
Planning, design, and construction, Harlem Meer Outdoor Center	88,618	—
Horticulture, maintenance, and operations	8,701	1,361
Visitor experience	588	825
Helping other parks	3,534	3,872
General purposes	1,240	4,204
	<u>\$ 150,515</u>	<u>91,044</u>
For endowment:		
Horticulture, maintenance, and operations	\$ 173,827	138,363
Visitor experience	9,883	8,162
General purposes	38,716	13,092
	<u>\$ 222,426</u>	<u>159,617</u>

(7) Endowment Funds

The Conservancy's endowment consisted of 91 and 89 individual funds at June 30, 2021 and 2020, respectively, established for a variety of purposes including both donor-restricted endowment funds and funds designated by the Board of the Conservancy to be treated as endowments (quasi-endowment).

The Conservancy's management and investment of donor-restricted endowment funds have historically been subject to the provisions of the Uniform Management of Institutional Funds Act (UMIFA) and the New York State Trust Laws. In 2006, the Uniform Law Commission approved the model act, the Uniform Prudent Management of Institutional Funds Act (UPMIFA), which serves as a guideline for states to use in enacting legislation. Among UPMIFA's most significant changes was the elimination of UMIFA's important concept of historical dollar-value threshold, the amount below which an organization could not spend from the fund in favor of a more robust set of guidelines about what constitutes prudent spending. In fiscal year 2011, New York State enacted the New York Prudent Management of Institutional Funds Act (NYPMIFA).

Pursuant to the investment policy approved by the Board, the Conservancy has interpreted the NYPMIFA as allowing the Conservancy to appropriate for expenditure or accumulate so much of a donor-restricted endowment fund as the Conservancy deems prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument absent explicit donor stipulations to the contrary.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

The Conservancy's Board of Trustees has authorized a policy designed to preserve the value of these pooled investments in real terms (after inflation) and provide a predictable flow of funds to support operations. The Conservancy's investment pool includes contributions, interest, dividends, and realized and unrealized gains and losses, net of investment management fees. The policy permits the use of a spending rate of up to a maximum of 6% applied to a moving average of the value of the investment pool as of December 31 of the five previous years. In both fiscal years 2021 and 2020, the Conservancy utilized a rate of 4.5% of the total investment pool. In fiscal years 2021 and 2020, the related amounts that were appropriated for use to support operations were \$9,588 and \$9,335, respectively.

In general terms, the Conservancy's investment objective is to seek maximum total return—defined as dividend and interest earnings plus any appreciation in market value—consistent with agreed-upon levels of risk. More specifically, the Conservancy seeks returns large enough to provide an additional return beyond the sum of the current spending rate and provisions for inflation.

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or the law requires to retain as a fund of perpetual duration. This results from unfavorable market fluctuations subsequent to the investment of contributions with donor restrictions. Any changes to the fair value of such deficiencies are included in the net assets with donor restrictions. There were no such deficiencies at June 30, 2021 and 2020.

The following tables reflect the activity in the net asset classes of the Conservancy's donor-restricted and board-designated endowment funds:

		Year ended June 30, 2021			Total
		Without donor restrictions	With donor restrictions		
			To time and purpose	Accumulated gains	
Net assets, June 30, 2020	\$	64,612	111,405	48,212	224,229
Investment return, net		16,561	43,975	3,003	63,539
Contributions and other transfers		37	22,476	—	22,513
Appropriation of endowment assets for expenditure		(2,943)	(6,645)	—	(9,588)
Net assets, June 30, 2021	\$	<u>78,267</u>	<u>171,211</u>	<u>51,215</u>	<u>300,693</u>
Composition of net assets as of June 30, 2021:					
Held for endowment	\$	—	171,211	51,215	222,426
Board-designated as quasi endowment funds		<u>78,267</u>	<u>—</u>	<u>—</u>	<u>78,267</u>
	\$	<u>78,267</u>	<u>171,211</u>	<u>51,215</u>	<u>300,693</u>

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

	Year ended June 30, 2020			
	Without donor restrictions	With donor restrictions		Total
		To time and purpose	Accumulated gains	
Net assets, June 30, 2019	\$ 68,188	107,082	55,705	230,975
Investment return, net	(783)	(741)	(984)	(2,508)
Contributions and other transfers	33	5,064	—	5,097
Appropriation of endowment assets for expenditure	(2,826)	—	(6,509)	(9,335)
Net assets, June 30, 2020	<u>\$ 64,612</u>	<u>111,405</u>	<u>48,212</u>	<u>224,229</u>
Composition of net assets as of June 30, 2020:				
Held for endowment	\$ —	111,405	48,212	159,617
Board-designated as quasi endowment funds	64,612	—	—	64,612
	<u>\$ 64,612</u>	<u>111,405</u>	<u>48,212</u>	<u>224,229</u>

(8) Other Revenue

A summary of other revenue at June 30, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Merchandise sales, program revenue, and fees	\$ 304	1,242
Contributed services and facilities	569	833
	<u>\$ 873</u>	<u>2,075</u>

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

The fair value of the contributed services and facilities is included as other revenue and allocated to functional expenses in the statements of activities as follows:

	<u>2021</u>	<u>2020</u>
Planning, design and construction	\$ 73	118
Horticulture, maintenance and operations	156	190
Visitor experience	68	167
Helping other parks	47	96
Fund-raising	152	144
Management and general	<u>73</u>	<u>118</u>
	<u>\$ 569</u>	<u>833</u>

In addition, many individuals have volunteered their time to the Conservancy. The value of these services is not included in the accompanying financial statements.

(9) Retirement Plan

The Conservancy has a defined-contribution retirement plan (the Plan) under Section 403(b) of the Internal Revenue Code in which all employees, as defined, are eligible to participate. Participants may make voluntary contributions, subject to plan limitations, to be applied toward the mutual fund platform.

The Conservancy is obligated to contribute 5% of the employee's base compensation, for all eligible employees, as defined. The Conservancy is also obligated to match employee contributions up to a maximum of 1% of the employee's base compensation, for all eligible employees, as defined. For the years ended June 30, 2021, and 2020, the Conservancy contributed \$1,306 and \$1,437, respectively, to the Plan on behalf of its employees. All contributions vest immediately.

The Conservancy has a deferred compensation plan (the Plan) under Section 457(b) of the Internal Revenue Code. For the years ended June 30, 2021 and 2020, a contribution for each executive of \$19.5 was contributed, as defined in the Plan. For the years ended June 30, 2021 and 2020, the Conservancy contributed \$351 and \$215, for 18 and 11 executives, respectively, to the Plan.

(10) Commitments and Contingencies

(a) Paycheck Protection Program (PPP) Loan

On April 10, 2020, the Conservancy received loan proceeds in the amount of \$5,361 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business.

The Conservancy used the proceeds for qualifying payroll costs consistent with the PPP guidance. After the June 30, 2021 reporting period, the Conservancy's Payroll Protection Program (PPP) loan and related accrued interest were fully authorized for forgiveness by the Small Business Administration.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

(b) Lease

Effective July 1, 2011, the Conservancy extended the terms of its existing lease agreement to include additional office space in New York City. The extension expires in 2023. Annual lease payments include minimum base rent subject to escalation charges and a proportionate share of any increase in real estate taxes.

Future minimum lease payments are as follows:

	<u>Amount</u>
Year ending June 30:	
2022	\$ 1,385
2023	<u>1,038</u>
	<u>\$ 2,423</u>

Rent expense for the years ended June 30, 2021 and 2020, was \$1,456 and \$1,367, respectively.

(c) Other

The Conservancy is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of the Conservancy's management, the ultimate disposition of these matters will not have a material adverse effect on the Conservancy's financial condition. As described in an agreement between the City of New York, Department of Parks and Recreation, and the Conservancy dated April 28, 2006 and renewed May 13, 2013, the City of New York has agreed to indemnify and hold harmless the Conservancy for all services performed and activities conducted by the Conservancy pursuant to the agreement.

(11) Contract Revenue

In May 2013, the City of New York (the City) awarded a new management agreement to the Conservancy, affirming its more than 33-year partnership with the Conservancy in jointly managing Central Park. Pursuant to the agreement, the Conservancy is responsible for operating, maintaining, repairing and restoring Central Park, along with certain areas outside Central Park, for a ten-year period, July 1, 2013 through June 30, 2023, with two additional 5-year renewal terms, upon the agreement of the parties.

Under the agreement, the Conservancy must raise and expend annually a minimum of \$7 million with respect to maintenance, repairs, programming, visitor services, landscaping and renovations. In exchange for meeting this requirement, the City will pay the Conservancy a minimum of \$2 million plus an amount equal to 50% of annual concession revenues derived by the City from concessions and special events in Central Park. The contractual arrangement may only be terminated under specific conditions outlined in the agreement.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

The Conservancy recognizes revenue in connection with this contract as expenditures are made for specific services. In fiscal years 2021 and 2020, the Conservancy recognized as revenue and expended \$7,683 and \$8,888, respectively, related to the contract. At June 30, 2021 and 2020, the related receivable was \$3,841 and \$4,444, respectively.

Project Revenue

In May 2013, the Conservancy entered into a ten-year contract for capital projects with the City of New York and the Department of Parks and Recreation for restoration projects throughout the Park. Payment is on a reimbursement basis for eligible expenses incurred by the Conservancy, with the funds made available at a rate of up to \$6,000 per year beginning July 1, 2014 and expiring June 30, 2023. The Conservancy recognizes revenue in connection with this contract as expenditures are made. In fiscal year 2021 and 2020, the Conservancy recognized and expended \$6,712 and \$4,121, respectively, for project revenue. At June 30, 2021 and 2020, the related receivable was \$2,986 and \$3,494, respectively.

(12) Liquidity and Availability

The Conservancy manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures. The following schedule reflects the Conservancy's financial assets available for general expenditure within one year from June 30, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Cash and short-term investments	\$ 55,955	56,300
Cash and short-term investments		
Harlem Meer Outdoor Center	46,920	30,477
Accounts receivable, due within one year	7,189	8,518
Contributions receivable, due within one year	10,538	7,267
Contributions receivable, due within one year,		
Harlem Meer Outdoor Center	21,169	250
Net endowment appropriation, not yet drawn (note 3)	5,520	3,272
Subsequent year endowment appropriation	11,401	9,589
	<u>158,692</u>	<u>115,673</u>
Total financial assets available within one year	\$	

Additionally, at June 30, 2021 and 2020, the Conservancy had \$78,267 and \$64,612, respectively, of board designated funds being treated as quasi-endowments that are invested for long term appreciation and current income but remain available and may be spent at the discretion of the Board.

(13) Harlem Meer Outdoor Center

In February 2019, the Conservancy entered into pledge agreements with four donors to provide \$100 million (collectively) in funding to be paid over a five-year period for the construction, operation and management of a new pool and ice rink. The pledge agreements contained provisions that the Conservancy viewed as conditional promises. Pledge payments received prior to meeting conditional promises were recorded as deferred revenue in the amount of \$21,000 and \$15,000 for fiscal years 2020 and 2019, respectively.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2021 and 2020

(Dollars in thousands)

In fiscal year 2021, the Conservancy met the donor-imposed conditions to recognize pledged contributions for the Harlem Meer Outdoor Center as revenue in accordance with generally accepted accounting principles. For Harlem Meer Outdoor Center, the Conservancy recognized \$92,970, adjusted for net present value and changes in investment. Approximately \$6,215 in revenue was recognized in previous years for the Harlem Meer Outdoor Center planning expenses.

(14) Subsequent Events

In connection with the preparation of the financial statements, the Conservancy evaluated subsequent events after the balance sheet date of June 30, 2021 through November 19, 2021, which was the date the financial statements were available to be issued.

On June 30, 2021, the Conservancy reported a loan payable of \$5,361, and accrued interest expense of \$67 related to the Payroll Protection Program (PPP), summarized in Note 10 (a). On August 6, 2021, JP Morgan Chase, the lending institution, notified the Conservancy that the Small Business Administration authorized full forgiveness of the Conservancy's PPP loan and accrued interest.

Having met required forgiveness restrictions and in accordance with revenue recognition criteria established by the Accounting Standards Update (ASU), Topic 958, the Conservancy recognized the total PPP principal loan amount and interest as grant revenue in August 2021.