



CENTRAL PARK CONSERVANCY, INC.

Financial Statements

June 30, 2025 and 2024

(With Independent Auditors' Report Thereon)



KPMG LLP
Two Manhattan West
375 9th Avenue, 17th Floor
New York, NY 10001

Independent Auditors' Report

The Board of Trustees
Central Park Conservancy, Inc.:

Opinion

We have audited the financial statements of Central Park Conservancy, Inc. (the Conservancy), which comprise the balance sheets as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Conservancy as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the 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 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.

KPMG LLP

New York, New York
November 17, 2025

CENTRAL PARK CONSERVANCY, INC.

Balance Sheets

June 30, 2025 and 2024

(Dollars in thousands)

Assets	2025	2024
Cash	\$ 23,789	23,117
Short-term investments	20,006	20,123
Short-term investments, Davis Center	24,348	59,186
Accounts receivable	14,245	14,671
Accounts receivable, Davis Center	3,000	3,000
Prepaid expenses and other assets	1,667	2,005
Contributions receivable, net	84,330	86,895
Investments held by endowment	467,892	393,593
Other long-term investments	41,473	39,370
Investments held under split-interest agreements	1,139	1,171
457(b) deferred compensation plan	4,617	4,081
Fixed assets, net	20,861	10,245
Right-of-use asset – operating lease	19,725	19,966
Total assets	<u>\$ 727,092</u>	<u>677,423</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 22,216	21,941
Deferred revenue	2,969	1,244
Liabilities under split-interest agreements	733	815
457(b) deferred compensation plan liability	4,617	4,081
Operating lease liability	27,191	27,275
Total liabilities	<u>57,726</u>	<u>55,356</u>
Net assets:		
Without donor restrictions:		
Available for operations	8,338	8,091
Held for long-term purposes	65,776	46,606
Board-designated as quasi-endowments	128,714	115,313
Total net assets without donor restrictions	<u>202,828</u>	<u>170,010</u>
With donor restrictions:		
Time and purpose	76,880	94,040
Time and purpose, Davis Center	26,583	59,628
For endowment	363,075	298,389
Total net assets with donor restrictions	<u>466,538</u>	<u>452,057</u>
Total net assets	<u>669,366</u>	<u>622,067</u>
Total liabilities and net assets	<u>\$ 727,092</u>	<u>677,423</u>

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Statement of Activities

Year ended June 30, 2025

(with comparative summarized totals for 2024)

(Dollars in thousands)

	Without donor restrictions			With donor restrictions	Total	
	Operations	Board designated	Total		2025	2024
Operating activities:						
Revenue, gains, and other support:						
Contributions	\$ 28,289	4,710	32,999	70,707	103,706	119,517
Revenue from the City of New York:						
Contract revenue	16,000	—	16,000	—	16,000	15,994
Project revenue, Davis Center	4	—	4	—	4	20,418
Project revenue	12,848	—	12,848	—	12,848	5,107
Special events revenue	7,318	—	7,318	—	7,318	7,376
Less expenses incurred for direct donor benefits	(2,304)	—	(2,304)	—	(2,304)	(2,259)
Special events revenue, net	5,014	—	5,014	—	5,014	5,117
Investment return, net	3,081	17,239	20,320	45,633	65,953	51,273
Other	3,059	—	3,059	—	3,059	3,691
Employee Retention Credit	—	—	—	—	—	4,398
Total revenue and gains	68,295	21,949	90,244	116,340	206,584	225,515
Net assets released from restrictions:						
Contributions and other revenue	51,082	10,644	61,726	(61,726)	—	—
Release from restrictions, Davis Center	30,483	—	30,483	(30,483)	—	—
Administrative cost recovery	9,653	(3)	9,650	(9,650)	—	—
Total net assets released from restrictions	91,218	10,641	101,859	(101,859)	—	—
Total revenue, gains, and other support	159,513	32,590	192,103	14,481	206,584	225,515
Expenses:						
Program services:						
Planning, design, and construction:						
Core planning, design, and construction	49,620	—	49,620	—	49,620	30,910
Davis Center	30,487	—	30,487	—	30,487	39,191
Park operations:						
Horticulture, maintenance, and operations	41,683	—	41,683	—	41,683	36,680
Public engagement	8,445	—	8,445	—	8,445	7,328
Helping other parks	2,530	—	2,530	—	2,530	2,297
Total program services	132,765	—	132,765	—	132,765	116,406
Supporting services:						
Fundraising	9,994	—	9,994	—	9,994	9,694
Management and general	16,507	—	16,507	—	16,507	16,317
Total supporting services	26,501	—	26,501	—	26,501	26,011
Total expenses	159,266	—	159,266	—	159,266	142,417
Increase in net assets from operating activities	247	32,590	32,837	14,481	47,318	83,098
Non-operating activities:						
Change in value of split-interest agreements	—	(19)	(19)	—	(19)	(68)
Decrease in net assets from non-operating activities	—	(19)	(19)	—	(19)	(68)
Increase in net assets	247	32,571	32,818	14,481	47,299	83,030
Net assets at beginning of year	8,091	161,919	170,010	452,057	622,067	539,037
Net assets at end of year	\$ 8,338	194,490	202,828	466,538	669,366	622,067

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Statement of Activities

Year ended June 30, 2024

(Dollars in thousands)

	Without donor restrictions			With donor restrictions	Total
	Operations	Board designated	Total		2024
Operating activities:					
Revenue, gains, and other support:					
Contributions	\$ 21,795	9,672	31,467	88,050	119,517
Revenue from the City of New York:					
Contract revenue	15,994	—	15,994	—	15,994
Project revenue, Davis Center	20,418	—	20,418	—	20,418
Project revenue	5,107	—	5,107	—	5,107
Special events revenue	7,376	—	7,376	—	7,376
Less expenses incurred for direct donor benefits	(2,259)	—	(2,259)	—	(2,259)
Special events revenue, net	5,117	—	5,117	—	5,117
Investment return, net	2,314	13,241	15,555	35,718	51,273
Other	3,691	—	3,691	—	3,691
Employee Retention Credit	4,398	—	4,398	—	4,398
Total revenue and gains	78,834	22,913	101,747	123,768	225,515
Net assets released from restrictions:					
Contributions and other revenue	38,661	7,762	46,423	(46,423)	—
Release from restrictions, Davis Center	18,772	—	18,772	(18,772)	—
Administrative cost recovery	6,310	(744)	5,566	(5,566)	—
Total net assets released from restrictions	63,743	7,018	70,761	(70,761)	—
Total revenue, gains, and other support	142,577	29,931	172,508	53,007	225,515
Expenses:					
Program services:					
Planning, design, and construction:					
Core planning, design, and construction	30,910	—	30,910	—	30,910
Davis Center	39,191	—	39,191	—	39,191
Park operations:					
Horticulture, maintenance, and operations	36,680	—	36,680	—	36,680
Public engagement	7,328	—	7,328	—	7,328
Helping other parks	2,297	—	2,297	—	2,297
Total program services	116,406	—	116,406	—	116,406
Supporting services:					
Fundraising	9,694	—	9,694	—	9,694
Management and general	16,317	—	16,317	—	16,317
Total supporting services	26,011	—	26,011	—	26,011
Total expenses	142,417	—	142,417	—	142,417
Increase in net assets from operating activities	160	29,931	30,091	53,007	83,098
Non-operating activities:					
Change in value of split-interest agreements	—	(68)	(68)	—	(68)
Decrease in net assets from non-operating activities	—	(68)	(68)	—	(68)
Increase in net assets	160	29,863	30,023	53,007	83,030
Net assets at beginning of year	7,931	132,056	139,987	399,050	539,037
Net assets at end of year	\$ 8,091	161,919	170,010	452,057	622,067

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Statement of Functional Expenses

Year ended June 30, 2025
(with comparative summarized totals for 2024)

(Dollars in thousands)

	Program services					Supporting services						
	Planning, design and construction		Park operations			Total	Management and general		Total	Total		
	Core planning, design, and construction	Davis Center	Horticulture, maintenance, and operations	Public engagement	Helping other parks		Fundraising			2025	2024	
Salaries	\$ 3,284	477	20,550	3,365	1,137	28,813	4,382	9,071	13,453	42,266	39,009	
Payroll taxes and employee benefits	908	152	6,520	1,098	429	9,107	1,206	2,415	3,621	12,728	11,288	
Total salaries and related expenses	4,192	629	27,070	4,463	1,566	37,920	5,588	11,486	17,074	54,994	50,297	
Contracted services:												
Construction and design	38,051	25,657	449	—	234	64,391	—	—	—	64,391	56,060	
Landscape	14	9	3,259	—	2	3,284	—	—	—	3,284	2,986	
Facilities maintenance	17	13	658	24	159	871	21	34	55	926	664	
Consulting	3,706	3,391	763	1,463	37	9,360	1,846	2,223	4,069	13,429	12,935	
Mailings	—	—	—	—	—	—	515	6	521	521	735	
Events	9	—	122	164	5	300	2,131	101	2,232	2,532	2,490	
Other	14	1	3	14	—	32	59	85	144	176	225	
Total contracted services	41,811	29,071	5,254	1,665	437	78,238	4,572	2,449	7,021	85,259	76,095	
Grant awards	16	—	145	3	—	164	—	83	83	247	233	
Materials, equipment, and supplies	2,429	483	2,658	866	134	6,570	194	81	275	6,845	6,131	
Printing and publications	6	—	12	97	2	117	175	88	263	380	406	
Conferences, conventions, and meetings	30	1	106	15	3	155	20	296	316	471	525	
Postage, shipping, and messenger	64	80	129	84	4	361	217	33	250	611	597	
Travel	20	1	39	7	—	67	41	18	59	126	86	
Equipment maintenance and rentals	507	22	1,552	416	89	2,586	187	441	628	3,214	2,450	
Insurance	157	—	544	105	35	841	75	197	272	1,113	1,191	
Occupancy	197	8	1,762	289	110	2,366	243	401	644	3,010	2,720	
Advertising	—	—	—	70	—	70	130	396	526	596	1,020	
Miscellaneous	64	—	699	176	27	966	128	102	230	1,196	470	
Contributed services	39	—	81	32	36	188	632	32	664	852	600	
	3,529	595	7,727	2,160	440	14,451	2,042	2,168	4,210	18,661	16,429	
Total expenses before depreciation and amortization	49,532	30,295	40,051	8,288	2,443	130,609	12,202	16,103	28,305	158,914	142,821	
Depreciation and amortization	88	192	1,632	157	87	2,156	96	404	500	2,656	1,855	
Total expenses inclusive of direct donor benefits	49,620	30,487	41,683	8,445	2,530	132,765	12,298	16,507	28,805	161,570	144,676	
Less expenses incurred for direct donor benefits	—	—	—	—	—	—	(2,304)	—	(2,304)	(2,304)	(2,259)	
Total expenses – 2025	\$ 49,620	30,487	41,683	8,445	2,530	132,765	9,994	16,507	26,501	159,266		
Total expenses – 2024	\$ 30,910	39,191	36,680	7,328	2,297	116,406	9,694	16,317	26,011		142,417	

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Statement of Functional Expenses

Year ended June 30, 2024

(Dollars in thousands)

	Program services					Supporting services			
	Planning, design and construction	Park operations				Management and general			Total 2024
	Core planning, design, and construction	Davis Center	Horticulture, maintenance, and operations	Public engagement	Helping other parks	Total	Fundraising	Total	Total 2024
Salaries	\$ 3,298	224	18,168	3,423	1,214	26,327	3,949	8,733	39,009
Payroll taxes and employee benefits	1,027	59	5,166	933	336	7,521	1,146	2,621	11,288
Total salaries and related expenses	4,325	283	23,334	4,356	1,550	33,848	5,095	11,354	50,297
Contracted services:									
Construction and design	20,520	34,406	851	—	283	56,060	—	—	56,060
Landscape	—	5	2,981	—	—	2,986	—	—	2,986
Facilities maintenance	18	—	495	24	85	622	13	29	664
Consulting	3,365	4,349	455	422	31	8,622	1,983	2,330	12,935
Mailings	—	—	—	—	—	—	735	—	735
Events	10	—	83	219	—	312	2,093	85	2,490
Other	3	—	1	56	—	60	69	96	225
Total contracted services	23,916	38,760	4,866	721	399	68,662	4,893	2,540	76,095
Grant awards	10	—	223	—	—	233	—	—	233
Materials, equipment, and supplies	1,880	98	2,758	991	107	5,834	142	155	6,131
Printing and publications	22	3	3	79	6	113	178	115	406
Conferences, conventions, and meetings	35	—	90	33	4	162	19	344	525
Postage, shipping, and messenger	79	16	98	55	8	256	312	29	597
Travel	2	1	44	4	1	52	20	14	86
Equipment maintenance and rentals	126	22	1,485	213	188	2,034	99	317	2,450
Insurance	124	—	483	86	—	693	47	451	1,191
Occupancy	216	8	1,674	304	—	2,202	165	353	2,720
Advertising	—	—	—	191	—	191	378	451	1,020
Miscellaneous	47	—	224	106	—	377	91	2	470
Contributed services	27	—	57	23	25	132	445	23	600
	2,568	148	7,139	2,085	339	12,279	1,896	2,254	16,429
Total expenses before depreciation and amortization	30,809	39,191	35,339	7,162	2,288	114,789	11,884	16,148	142,821
Depreciation and amortization	101	—	1,341	166	9	1,617	69	169	1,855
Total expenses inclusive of direct donor benefits	30,910	39,191	36,680	7,328	2,297	116,406	11,953	16,317	144,676
Less expenses incurred for direct donor benefits	—	—	—	—	—	—	(2,259)	—	(2,259)
Total expenses – 2024	\$ 30,910	39,191	36,680	7,328	2,297	116,406	9,694	16,317	142,417

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Statements of Cash Flows

Years ended June 30, 2025 and 2024

(Dollars in thousands)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Increase in net assets	\$ 47,299	83,030
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Depreciation and amortization	2,656	1,855
Change in carrying value of right-of-use asset	241	250
Net appreciation in fair value on investments	(61,577)	(43,434)
Change in value of split-interest agreements	19	68
Contributions and earnings with restrictions, classified as financing activities	(18,461)	(26,730)
Noncash contributions of securities	(15,718)	(6,880)
Changes in operating assets and liabilities:		
Decrease in accounts receivable	426	10,575
Decrease in prepaid expenses and other assets	338	658
Decrease (increase) in contributions receivable	2,565	(26,602)
Increase in accounts payable and accrued expenses	275	2,210
Increase in deferred revenue	1,725	118
(Decrease) increase in operating lease liability	(84)	861
Net cash used in operating activities	<u>(40,296)</u>	<u>(4,021)</u>
Cash flows from investing activities:		
Proceeds from sale of investments	279,496	156,739
Purchases of investments	(243,635)	(184,486)
Change in restricted cash	24,743	(2,673)
Acquisition of fixed assets	<u>(13,272)</u>	<u>(3,268)</u>
Net cash provided by (used in) investing activities	<u>47,332</u>	<u>(33,688)</u>
Cash flows from financing activities:		
Contributions and earnings with restrictions	18,461	26,730
Net change in liabilities under split-interest agreements	<u>(82)</u>	<u>(48)</u>
Net cash provided by financing activities	<u>18,379</u>	<u>26,682</u>
Net increase (decrease) in cash and restricted cash	25,415	(11,027)
Cash and restricted cash at beginning of year	<u>30,008</u>	<u>41,035</u>
Cash and restricted cash at end of year	\$ <u><u>55,423</u></u>	<u><u>30,008</u></u>

See accompanying notes to financial statements.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(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. 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 \$160 million, the Conservancy secured pledge agreements with four donors to provide \$100 million (collectively) in funding. In addition to the donor contributions, the City of New York has committed \$60 million in funding to support design and construction services. The Davis Center project spanned five fiscal years and was substantially completed in 2025. The Conservancy will continue to manage operations at the Davis Center in accordance with the management agreement. Any portion of the funding that is not required to fund design and capital improvements of the project will be held in a separate endowment fund and distributions will be used solely to fund the maintenance, operation, and management of the Davis Center. In fiscal years 2025 and 2024, the Conservancy recognized and expended \$3 and \$20,418, respectively, for project revenue relating to such agreement. At June 30, 2025 and 2024, the related receivable was \$3,000 and \$3,000, respectively, and is included in "Accounts receivable, Davis Center" on the balance sheets.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

(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 of Trustees (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 (depreciation) on investments.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(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 (depreciation) 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) Measure of Operations

The statement of activities distinguishes between operating and non-operating activities. Operating activities include all revenues and expenses that are an integral part of the Conservancy's programs and supporting activities to carry out the mission of the Conservancy. Non-operating activities include changes in the value of split-interest agreements, and transactions of an unusual or nonrecurring nature.

(d) 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 is (are) overcome.

Many individuals have volunteered their time to the Conservancy. The value of these services is not included in the accompanying financial statements as they do not meet recognition criteria under U.S. GAAP.

(e) 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 U.S. GAAP, that maximizes the use of

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(Dollars in thousands)

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.

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.

(f) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value based upon quoted or published 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 (NAV) 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 NAVs 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.

(g) 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 FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (now included in 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, 2025 and 2024.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(Dollars in thousands)

(h) 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.

(i) Leases

The Conservancy determines if an arrangement is a lease or contains a lease at inception of a contract. A contract is determined to be or contain a lease if the contract conveys the right to control the use of an identified fixed asset (an identified asset) in exchange for consideration. The Conservancy determines these assets are leased because the Conservancy has the right to obtain substantially all of the economic benefit from and the right to direct the use of the identified asset. Assets in which the supplier or lessor has the practical ability and right to substitute alternative assets for the identified asset and would benefit economically from the exercise of its right to substitute the asset are not considered to be or contain a lease because the Conservancy does not have the right to control and direct the use of the identified asset. The Conservancy's office lease agreement does not contain any material residual value guarantees or material restrictive covenants. Leases result in the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Conservancy determines lease classification as operating or finance at the lease commencement date. ROU assets and lease liabilities for operating leases are included in the balance sheet and presented separately based on the classification of the underlying lease arrangement. ROU assets and lease liabilities for financing leases would be included within fixed assets, net, and lease liabilities, respectively, in the balance sheets. The Conservancy did not have any finance leases as of June 30, 2025 and 2024.

At lease commencement, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. For the initial and subsequent measurement of the lease liability, the office lease includes a stated interest rate provision of the lesser of (i) 4% per annum above the annual rate of interest publicly announced from time to time by Citibank, N.A., or its successor, in New York, New York, and (ii) the maximum rate permitted by applicable law. As of the lease commencement date, the Citibank N.A. base rate was 5.50%; therefore, the interest rate at the lease commencement date was 5.72%. The portion of payments on operating lease liabilities related to interest, along with the amortization of the related ROU asset, is recognized as lease expense. This rent expense is recognized on a straight-line basis over the term of the lease.

(j) 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, 2025 and 2024, respectively, using level 1 inputs in the fair value hierarchy.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

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(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.

(k) Cash, Cash Equivalents, and Restricted Cash

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. Restricted cash included in investments for endowment and other long-term investments is designated to fund future investments.

(l) Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 valuation of investments. Other estimates and assumptions include the allowance for uncollectible contributions receivable, the allocation of functional expenses, and the discount rate for the office lease.

(m) 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 includes planning, design, and construction and the Davis Center (which is reported separately because of the scale of the project as compared to historical projects). Also included as program services is park operations which includes horticulture, maintenance and operations, public engagement, and helping other parks.

(n) 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, 2025 and 2024

(Dollars in thousands)

(o) Reclassifications

Certain amounts in the 2024 financial statements have been reclassified to conform to the 2025 presentation.

(3) Investments

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

A summary of the fair value of investments at June 30, 2025 and 2024 is as follows:

	2025	2024
Short-term investments:		
Money market funds	\$ 20,006	20,123
Money market funds, Davis Center	24,348	59,186
Total short-term investments	<u>\$ 44,354</u>	<u>79,309</u>
Investments held by endowment:		
Invested cash and cash equivalents	\$ 31,936	12,104
Domestic equities	37,256	48,786
Foreign equities	48,157	58,847
	<u>117,349</u>	<u>119,737</u>
Investments reported at NAV (or its equivalent):		
Real estate	40,313	25,459
Absolute return	139,172	111,255
Private equities	91,611	67,916
Public equities	65,832	56,902
Natural resources	13,615	12,324
Total investments reported at NAV (or its equivalent)	<u>350,543</u>	<u>273,856</u>
Total investments held by endowment	<u>\$ 467,892</u>	<u>393,593</u>
Other long-term investments:		
Invested cash and cash equivalents	\$ 7,919	2,659
U.S. Treasury bonds	33,554	36,711
Total other long-term investments	<u>\$ 41,473</u>	<u>39,370</u>

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(Dollars in thousands)

Included in investments held by endowment are amounts that have been appropriated by the Board and spent in accordance with the endowment purpose of \$699 and \$8,154 at June 30, 2025 and 2024, respectively, that have not yet been drawn and remain as part of the investment portfolio (notes 7 and 12).

Included in investments held by endowment and other long-term investments are restricted cash amounts of \$23,715 and \$7,919, respectively, at June 30, 2025, and \$4,232 and \$2,659, respectively, at June 30, 2024.

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, 2025 and 2024, the Conservancy committed approximately 69% and 63%, respectively, of the total investment balance (excluding short-term investments) in alternative investments.

The following table presents the strategies and related redemption information and unfunded commitments to the Conservancy's investments held for endowment measured at NAV as of June 30, 2025 and 2024:

		2025			
		Fair value	Unfunded commitments	Redemption frequency	Redemption notice period
Investments held for endowment at NAV:					
Real estate	\$	40,313	13,594	None	None
Absolute return		139,172	18,287	None, monthly, quarterly, biennial	None, 30 days, 45 days, 90 days
Private equities		91,611	43,368	None	None
Public equities		65,832	—	Weekly, monthly, quarterly	7 days, 45 days, 60 days
Natural resources		13,615	338	None, annual	None, 60 days
	\$	350,543	75,587		

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(Dollars in thousands)

2024				
	Fair value	Unfunded commitments	Redemption frequency	Redemption notice period
Investments held for endowment at NAV:				
Real estate	\$ 25,459	17,916	None	None
Absolute return	111,255	20,139	None, monthly, quarterly, biennial	None, 30 days, 45 days, 90 days
Private equities	67,916	46,497	None	None
Public equities	56,902	—	Weekly, monthly, quarterly	7 days, 45 days, 60 days
Natural resources	12,324	368	None, annual	None, 60 days
	<u>\$ 273,856</u>	<u>84,920</u>		

(4) Contributions Receivable

Contributions receivable at June 30, 2025 and 2024 are due to be collected as follows:

	2025	2024
Less than one year	\$ 25,967	23,319
One to five years	60,221	65,898
Five years and thereafter	3,479	4,359
	<u>89,667</u>	<u>93,576</u>
Allowance	(133)	(370)
Discount to present value (at rates ranging from 1.11% to 4.87%)	(5,204)	(6,311)
Contributions receivable, net	<u>\$ 84,330</u>	<u>86,895</u>

Three donors comprised approximately 24% and 42% of operating contribution revenue and 32% and 41% of gross contributions receivable, as of and for the years ended June 30, 2025 and 2024, respectively.

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(Dollars in thousands)

(5) Fixed Assets

A summary of fixed assets at June 30, 2025 and 2024 is as follows:

	2025	2024	Estimated useful lives
Furniture and fixtures	\$ 2,078	1,709	5 years
Office and field equipment	19,337	6,434	3 to 10 years
Leasehold improvements	5,439	5,439	10 years
	<u>26,854</u>	<u>13,582</u>	
Less: accumulated depreciation and amortization	<u>(5,993)</u>	<u>(3,337)</u>	
	<u>\$ 20,861</u>	<u>10,245</u>	

Depreciation and amortization expense for the years ended June 30, 2025 and 2024, totaled \$2,656 and \$1,855, respectively. In addition, during fiscal year 2024, the Conservancy disposed of office and field equipment, and furniture that are no longer in use as of June 30, 2024. There was no gain or loss as result of these disposals.

(6) Net Assets**(a) Without Donor Restrictions**

Net assets without donor restrictions are available for the following purposes at June 30, 2025 and 2024:

	2025	2024
Held for long-term purposes:		
Planning, design, and construction	\$ 4,310	5,164
General purposes	<u>61,466</u>	<u>41,442</u>
	<u>\$ 65,776</u>	<u>46,606</u>
Board designated as quasi-endowments:		
Planning, design, and construction	\$ 7,843	7,077
Horticulture, maintenance, and operations	13,896	12,540
Public engagement	180	163
General purposes	<u>106,795</u>	<u>95,533</u>
	<u>\$ 128,714</u>	<u>115,313</u>

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(Dollars in thousands)

(b) With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30, 2025 and 2024:

	2025	2024
Time and purpose:		
Planning, design, and construction	\$ 28,073	42,420
Planning, design, and construction, Davis Center	26,583	59,628
Horticulture, maintenance, and operations	10,616	11,639
Public engagement	1,669	585
Helping other parks	239	244
General purposes	36,283	39,152
	<u>\$ 103,463</u>	<u>153,668</u>
For endowment:		
Horticulture, maintenance, and operations	\$ 236,443	199,583
Planning, design, and construction	39,583	35,458
Public engagement	8,329	7,762
General purposes	78,720	55,586
	<u>\$ 363,075</u>	<u>298,389</u>

(7) Endowment Funds

The Conservancy's endowment consisted of 100 and 96 individual funds at June 30, 2025 and 2024, 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

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The Conservancy's Board 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 31st of the five previous years. In both fiscal years 2025 and 2024, the Conservancy utilized a rate of 4.5% of the total investment pool. In fiscal years 2025 and 2024, the related amounts that were appropriated for use to support operations were \$13,018 and \$11,750, 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, 2025 and 2024.

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

		Year ended June 30, 2025		
		Without donor restrictions	With donor restrictions	
			Corpus	Accumulated gains
		restrictions		Total
Net assets, June 30, 2024	\$	115,313	162,598	109,278
Investment gain, net		17,171	—	43,622
Contributions and other transfers		—	35,748	(1,912)
Appropriation of endowment assets for expenditure		(3,770)	—	(9,248)
Net assets, June 30, 2025	\$	128,714	198,346	141,740
Composition of net assets as of June 30, 2025:				
Held for endowment	\$	—	198,346	141,740
Board-designated as quasi endowment funds		128,714	—	—
	\$	128,714	198,346	141,740

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

(Dollars in thousands)

		Year ended June 30, 2024		
		Without donor restrictions	With donor restrictions	
			Corpus	Accumulated gains
				Total
Net assets, June 30, 2023	\$	105,496	134,621	86,316
Investment gain, net		13,194	—	32,581
Contributions and other transfers		13	27,976	(1,259)
Appropriation of endowment assets for expenditure		(3,390)	—	(8,360)
Net assets, June 30, 2024	\$	115,313	162,597	109,278
Composition of net assets as of June 30, 2024:				
Held for endowment	\$	—	162,597	109,278
Board-designated as quasi endowment funds		115,313	—	—
	\$	115,313	162,597	109,278

At June 30, 2025 and 2024, pledges to donor-restricted endowment funds, net of allowance for uncollectible contributions receivable and discount to present value were \$22,989 and \$26,514, respectively.

(8) Other Revenue

A summary of other revenue at June 30, 2025 and 2024 is as follows:

	2025	2024
Merchandise sales, program revenue, and fees	\$ 2,207	3,091
Contributed services and facilities	852	600
	\$ 3,059	3,691

(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

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

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(Dollars in thousands)

ended June 30, 2025, and 2024, the Conservancy contributed \$2,395 and \$2,110, respectively, to the Plan on behalf of its employees. All contributions vest immediately.

The Conservancy has a deferred compensation plan under Section 457(b) of the Internal Revenue Code. For the years ended June 30, 2025, and 2024, the Conservancy contributed \$533 and \$460, respectively.

(10) Commitments and Contingencies

(a) Operating Leases

On March 11, 2022, the Conservancy entered into a 30 year lease agreement for new office space located at 717 5th Avenue, New York, New York. The lease commenced on August 1, 2022. The Conservancy paid a security deposit of approximately \$545 at lease inception, as well as the first month's rent, which was credited toward the Conservancy's first month's base rental payment. The Conservancy received a free rent period of twelve months that commenced on the date the Conservancy occupied the space on January 23, 2023. Additionally, the agreement contained a lease incentive totaling \$4,557 to cover construction costs toward the build out of the office space.

As of June 30, 2025, future minimum rental commitments under noncancelable leases, classified as operating leases, were as follows:

	<u>Amount</u>
Year ending June 30:	
2026	\$ 1,634
2027	1,634
2028	1,700
2029	1,791
2030	1,791
Thereafter	<u>48,313</u>
Total minimum lease payments	56,863
Less: discount for net present value	<u>(29,672)</u>
Total operating lease obligation	\$ <u><u>27,191</u></u>

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

June 30, 2025 and 2024

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Supplemental balance sheet information related to operating leases at June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
ROU asset	\$ 20,511	20,511
Less: accumulated amortization	<u>(786)</u>	<u>(545)</u>
	<u>\$ 19,725</u>	<u>19,966</u>
Weighted-average remaining lease term	27.6 years	28.6 years
Weighted-average discount rate	5.72%	5.72%

The component of lease costs for the year ended June 30, 2025 is as follows:

	<u>2025</u>	<u>2024</u>
Operating lease cost	\$ 1,791	1,791

Supplemental cash flow information related to leases for the years ended June 30, 2025 and 2024 follows:

Cash paid for amounts included in the measurement of lease liabilities:

	<u>2025</u>	<u>2024</u>
Operating cash flows from operating leases	\$ 1,634	681

(b) 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, 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 2023, the City of New York, Department of Parks and Recreation (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 10 year period, July 1, 2023 through June 30, 2033, with two additional 5 year renewal terms, upon the agreement of the parties.

CENTRAL PARK CONSERVANCY, INC.

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(Dollars in thousands)

Under the agreement, the Conservancy must raise and expend annually a minimum of \$16 million with respect to maintenance, repairs, programming, visitor services, landscaping, and renovations. In exchange for meeting this requirement, the City will pay the Conservancy an amount equal to \$16 million per year. However, if the City's operating budget is reduced, the City contribution will be reduced by the same percentage that the City's operating budget is reduced starting in the year of such reduction of the City's operating budget. The City's contribution can never be less than \$14 million. The contractual arrangement may only be terminated under specific conditions outlined in the agreement.

The Conservancy recognizes revenue in connection with this contract as expenditures are made for specific services. In fiscal years 2025 and 2024, the Conservancy met the spend requirement and recognized revenue of \$16,000 and \$15,994, respectively, related to the contract. At June 30, 2025 and 2024, the related receivable was \$4,000 and \$4,000, respectively, and is included in accounts receivable on the balance sheets.

Project Revenue

In May 2013, the Conservancy entered into a 10 year contract for capital projects with the City 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, 2024. On June 7, 2023, this contract was extended for an additional five years with the funds made available at a rate of up to \$10,000 per year beginning July 1, 2023 and expiring June 30, 2028. The Conservancy recognizes revenue in connection with this contract as expenditures are made. In fiscal year 2025 and 2024, the Conservancy recognized and expended \$12,848 and \$5,107, respectively, for project revenue. At June 30, 2025 and 2024, the related receivable was \$5,501 and \$3,206, respectively, and is included in accounts receivable on the balance sheets.

(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, 2025 and 2024.

	2025	2024
Cash and short-term investments	\$ 42,798	34,543
Cash and short-term investments, Davis Center	25,345	67,883
Accounts receivable, due within one year	14,245	14,671
Contributions receivable, due within one year	25,967	23,319
Net endowment appropriation, not yet drawn (note 3)	699	8,154
Subsequent year endowment appropriation	14,794	13,018
Total financial assets available within one year	<u>\$ 123,848</u>	<u>161,588</u>

CENTRAL PARK CONSERVANCY, INC.

Notes to Financial Statements

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Additionally, at June 30, 2025 and 2024, the Conservancy had \$128,714 and \$115,313, 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) Subsequent Events

In connection with the preparation of the financial statements, the Conservancy evaluated subsequent events after the balance sheet date of June 30, 2025 through November 17, 2025, which was the date the financial statements were available to be issued. The Conservancy is not aware of any subsequent events that would require recognition or disclosure in the financial statements.