

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS
AND
AUDITORS' REPORT**

DECEMBER 31, 2019 AND 2018

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY**

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INDEPENDENT AUDITORS' REPORT

To: The Board of Directors of
Four Freedoms Park Conservancy, Inc.
and Subsidiary

We have audited the accompanying consolidated financial statements of Four Freedoms Park Conservancy, Inc. and Subsidiary (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, and the related consolidated statements of activities, expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Four Freedoms Park Conservancy, Inc. and Subsidiary as of December 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Skody Scot & Company, CPAs, P.C.

New York, NY
June 2, 2020

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018**

	2019	2018
ASSETS		
Cash	\$ 671,823	\$ 1,417,620
Contributions & other receivables	144,000	125,000
Government grants receivable	-	58,820
Prepaid expenses	6,861	1,500
Construction funding retainage	339,700	339,700
Property and equipment, net	124,158	206,222
Security deposits receivable	4,651	9,766
	\$ 1,291,193	\$ 2,158,628

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable and accrued expenses	\$ 91,664	\$ 67,952
Security deposits payable	14,250	14,250
Deferred revenue	20,000	-
	125,914	82,202
Commitments and contingencies (see notes)		
Net Assets:		
Without donor restrictions	1,065,279	1,689,271
With donor restrictions	100,000	387,155
	1,165,279	2,076,426
Total liabilities and net assets	\$ 1,291,193	\$ 2,158,628

**See accompanying notes to
consolidated financial statements.**

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues:						
Contributions	\$ 691,297	\$ 100,000	\$ 791,297	\$ 1,268,561	\$ 60,926	\$ 1,329,487
Contributions in-kind	115,683	-	115,683	21,298	-	21,298
Government grants	362,891	-	362,891	489,880	-	489,880
Program service income	195,476	-	195,476	252,616	-	252,616
Special events:						
Event income	373,806	-	373,806	560,290	-	560,290
Less: related direct costs	(195,254)	-	(195,254)	(186,051)	-	(186,051)
Net special event income	178,552	-	178,552	374,239	-	374,239
Interest income	38	-	38	20	-	20
Net assets released from restriction:						
Satisfaction of purpose restrictions	282,155	(282,155)	-	-	-	-
Expiration of time restrictions	105,000	(105,000)	-	165,000	(165,000)	-
Total net assets released from restriction	387,155	(387,155)	-	165,000	(165,000)	-
Total support and revenues	1,931,092	(287,155)	1,643,937	2,571,614	(104,074)	2,467,540
Expenses:						
Program Expenses:						
Park maintenance & operations	1,362,746	-	1,362,746	1,440,930	-	1,440,930
Public offerings	795,752	-	795,752	608,670	-	608,670
Total program expenses	2,158,498	-	2,158,498	2,049,600	-	2,049,600
Management and general	196,033	-	196,033	178,728	-	178,728
Fundraising	200,553	-	200,553	192,335	-	192,335
Total expenses	2,555,084	-	2,555,084	2,420,663	-	2,420,663
Increase/(decrease) in net assets	(623,992)	(287,155)	(911,147)	150,951	(104,074)	46,877
Net assets, beginning of year	1,689,271	387,155	2,076,426	1,538,320	491,229	2,029,549
Net assets, end of year	\$ 1,065,279	\$ 100,000	\$ 1,165,279	\$ 1,689,271	\$ 387,155	\$ 2,076,426

See accompanying notes to consolidated financial statements.

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENT OF EXPENSES
YEAR ENDED DECEMBER 31, 2019**

	<u>Program Expenses</u>			<u>Supporting</u>		<u>Total Expenses</u>
	<u>Park Maintenance & Operations</u>	<u>Public Offerings</u>	<u>Total Program</u>	<u>Management and General</u>	<u>Fundraising</u>	
Personnel Costs:						
Salaries	\$ 423,868	\$ 419,848	\$ 843,716	\$ 63,961	\$ 108,789	\$ 1,016,466
Payroll taxes and benefits	100,040	87,682	187,722	11,500	18,844	218,066
Total personnel costs	<u>523,908</u>	<u>507,530</u>	<u>1,031,438</u>	<u>75,461</u>	<u>127,633</u>	<u>1,234,532</u>
Direct expenses:						
Consultants	19,156	5,466	24,622	65,791	-	90,413
Depreciation	39,887	39,887	79,774	9,972	9,972	99,718
Insurance	22,415	14,264	36,679	4,075	-	40,754
Landscaping	19,958	-	19,958	-	-	19,958
Office supplies and expenses	34,943	22,559	57,502	11,786	44,200	113,488
Professional fees	143,085	4,925	148,010	20,779	-	168,789
Program equipment	81,955	10,283	92,238	-	-	92,238
Program supplies and expenses	16,486	60,071	76,557	-	-	76,557
Promotion	-	37,503	37,503	-	4,167	41,670
Public and government relations	48,000	-	48,000	-	-	48,000
Rent and utilities	62,066	43,517	105,583	7,403	7,403	120,389
Repairs and maintenance	236,668	11,406	248,074	766	766	249,606
Security	114,219	12,691	126,910	-	-	126,910
Website development	-	25,650	25,650	-	6,412	32,062
Total direct expenses	<u>838,838</u>	<u>288,222</u>	<u>1,127,060</u>	<u>120,572</u>	<u>72,920</u>	<u>1,320,552</u>
Total expenses	<u>\$ 1,362,746</u>	<u>\$ 795,752</u>	<u>\$ 2,158,498</u>	<u>\$ 196,033</u>	<u>\$ 200,553</u>	<u>\$ 2,555,084</u>

See accompanying notes to consolidated financial statements.

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENT OF EXPENSES
YEAR ENDED DECEMBER 31, 2018**

	<u>Program Expenses</u>			<u>Supporting</u>		<u>Total Expenses</u>
	<u>Park Maintenance & Operations</u>	<u>Public Offerings</u>	<u>Total Program</u>	<u>Management and General</u>	<u>Fundraising</u>	
Personnel Costs:						
Salaries	\$ 459,626	\$ 288,177	\$ 747,803	\$ 70,761	\$ 95,735	\$ 914,299
Payroll taxes and benefits	106,240	78,231	184,471	21,683	29,334	235,488
Total personnel costs	<u>565,866</u>	<u>366,408</u>	<u>932,274</u>	<u>92,444</u>	<u>125,069</u>	<u>1,149,787</u>
Direct expenses:						
Consultants	53,140	3,937	57,077	3,234	-	60,311
Depreciation	40,259	40,259	80,518	10,065	10,065	100,648
Insurance	22,993	14,632	37,625	4,180	-	41,805
Landscaping	40,284	-	40,284	-	-	40,284
Office supplies and expenses	24,482	14,860	39,342	16,333	43,329	99,004
Professional fees	37,743	3,137	40,880	42,424	-	83,304
Program equipment	58,797	852	59,649	-	-	59,649
Program supplies and expenses	6,681	73,094	79,775	-	-	79,775
Promotion	-	25,249	25,249	-	2,804	28,053
Rent and utilities	70,032	50,944	120,976	9,158	9,157	139,291
Repairs and maintenance	323,878	11,218	335,096	890	891	336,877
Security	196,775	-	196,775	-	-	196,775
Website development	-	4,080	4,080	-	1,020	5,100
Total direct expenses	<u>875,064</u>	<u>242,262</u>	<u>1,117,326</u>	<u>86,284</u>	<u>67,266</u>	<u>1,270,876</u>
Total expenses	<u>\$ 1,440,930</u>	<u>\$ 608,670</u>	<u>\$ 2,049,600</u>	<u>\$ 178,728</u>	<u>\$ 192,335</u>	<u>\$ 2,420,663</u>

See accompanying notes to consolidated financial statements.

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Increase/(decrease) in net assets	\$ (911,147)	\$ 46,877
Adjustments for non-cash items included in operating activities:		
Depreciation	99,718	100,648
Changes in assets and liabilities:		
Contributions & other receivables	(19,000)	45,000
Government grants receivable	58,820	5,000
Prepaid expenses	(5,361)	29,633
Construction funding retainage	-	203,820
Security deposits receivable	5,115	4,500
Accounts payable and accrued expenses	23,712	9,576
Deferred revenue	20,000	(216,026)
Net cash provided/(used) by operating activities	<u>(728,143)</u>	<u>229,028</u>
Cash flows from investing activities:		
Purchase of property and equipment	(17,654)	(20,201)
Net cash provided/(used) by investing activities	<u>(17,654)</u>	<u>(20,201)</u>
Cash flows from financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash	(745,797)	208,827
Cash at beginning of year	1,417,620	1,208,793
Cash at end of year	<u>\$ 671,823</u>	<u>\$ 1,417,620</u>

**See accompanying notes to
consolidated financial statements.**

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies

Four Freedoms Park

In 1973, Governor Nelson Rockefeller and Mayor John Lindsay changed the name of Welfare Island to Roosevelt Island and dedicated four acres at the southern end of the island for a park to be built in memory of President Franklin D. Roosevelt. Louis I. Kahn was commissioned to design the memorial park, which was named Four Freedoms Park (the Park). Construction of the Park began on March 29, 2010, and was completed in September 2012. The Park was officially declared a New York State Park by Governor Andrew Cuomo at a dedication ceremony which took place on October 17, 2012. The Park was opened to the public on October 24, 2012.

Franklin D. Roosevelt Four Freedoms Park, LLC

Franklin D. Roosevelt Four Freedoms Park, LLC (the Subsidiary), was formed on September 30, 2008 as a single member limited liability company by the Franklin and Eleanor Roosevelt Institute (the Institute). The purpose of the Subsidiary is to build the first memorial to President Franklin D. Roosevelt in his home state of New York. In October 2011, the Institute assigned all rights, title, and interest in the Subsidiary to the Four Freedoms Park Conservancy, Inc. In 2018, the Subsidiary became a disregarded entity.

Four Freedoms Park Conservancy, Inc.

Four Freedoms Park Conservancy, Inc. (the Conservancy), a not-for-profit organization, was incorporated in the State of New York on June 30, 2011. The mission of the Conservancy is to operate, maintain, program, and fund Four Freedoms Park under a Cooperative Agreement with the New York State Office of Parks, Recreation, and Historic Preservation.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Conservancy and the Subsidiary (collectively called the Organization). All balances and transactions between the entities have been eliminated in consolidation. In 2018, the Subsidiary transferred its assets to the Conservancy, which amounted to \$1,963,630.

Tax Status

The Conservancy is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Subsidiary is a single member limited liability company and is treated as a disregarded entity for income tax purposes. Accordingly, no provision for federal, state or local income taxes has been recorded.

The Organization does not believe its consolidated financial statements contain any uncertain tax positions.

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Change in Accounting Principle

On January 1, 2019, the Organization adopted FASB ASU 2014-09 *Revenue from Contracts with Customers* using the full retrospective approach. Analysis of various provisions of the standards resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited consolidated financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

Use of Estimates

Management uses estimates and assumptions in preparing the consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Major Programs

The Organization's two major programs include the following: Park Maintenance & Operations - ensuring that the Park remains beautiful and safe by providing security, repairs and maintenance, utilities, and park personnel; and Public Offerings – education and public event programming.

Receivables

Receivables that are expected to be collected within one year are recorded at their net realizable value. Receivables that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Due to low interest rates, management has determined that discounting receivables is immaterial. Therefore, all receivables have been stated at their net realizable value. The allowance for bad debt is maintained at a level that, in management's judgment, is adequate to absorb uncollectible receivables. As of December 31, 2019 and 2018, management has determined that future bad debts are likely to be immaterial and has not recorded an allowance for bad debt.

Investments

The policy of the Organization is to sell donated investments soon after receipt and consider them cash donations valued at the sale price.

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Property and Equipment

The Organization capitalizes certain property and equipment with estimated lives of three years or more. Property and equipment are stated at cost, less accumulated depreciation. Depreciation of property and equipment is computed by the straight-line method over estimated useful lives ranging from three to thirty years. Leasehold improvements are depreciated by the straight-line method over the life of the improvement or the term of the lease, whichever is shorter. Expenditures for repairs and maintenance are charged as an expense, and major renewals and betterments are capitalized.

Construction and Development Costs

Roosevelt Island is owned by the City of New York and is leased to the State of New York through 2068. The Park is operated by the Organization pursuant to a cooperative agreement between the Organization and the State of New York (see Note 11). All improvements and integral fixtures and equipment belong to the State of New York. Accordingly, all costs incurred in connection with the construction, improvement, and development of the Park were expensed as incurred.

Net Assets

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

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. This classification includes net assets designated by the board or management for a specified purpose.

Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature (endowment), where the donor stipulates that resources be maintained in perpetuity.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and professional fees based on estimated time and effort and other expenses, such as depreciation, insurance, office supplies and expenses, promotion, and rent and utilities, based on usage. The Organization classifies expenses, which are not directly related to a specific program, as Management and General expenses.

**FOUR FREEDOMS PARK CONSREVANCY, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition

The Organization recognizes contributions when cash, noncash assets, or an unconditional promise to give is received. Conditional promises to give, which have a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. At December 31, 2019 and 2018, contributions totaling \$45,000 and \$0, respectively, have not been recognized in the accompanying consolidated statements of activities because the conditions on which they depend have not been met. The recognition of these contributions is conditioned upon the Organization raising additional contributions that will be matched dollar-for-dollar.

Contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as revenue with donor restrictions and increases in net assets with donor restrictions. Contributions received with restrictions that are met in the same reporting period are reported as revenue without donor restrictions and increases in net assets without donor restrictions. When a restriction expires (either a stipulated time period ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

Program service revenue relates to fees received in exchange for program services and consists primarily of license fees for park usage. Revenue is recognized when the program service is provided. Any revenue received which has not been earned is recorded as deferred revenue.

The Organization receives special events revenue which contains both an exchange component and a conditional contribution component. Both components are recognized when the event takes place. Any event revenue received in advance of the event is recorded as deferred income.

The Organization receives grants from governmental agencies. Depending upon the terms of the grant, it can be either an exchange transaction or a contribution. In accordance with grant provisions, the grant can be an expense reimbursement grant which requires that approved expenses be incurred prior to reimbursement by the grantor. Other grants permit advances of grant funds or full payment of grant funds at the start of the grant. If the grant is an exchange type grant, all unreimbursed expenses, for approved purposes, as of year-end are recorded as receivables and any unexpended advances are recorded as refundable advances. If the grant is a contribution, it is recognized in accordance with the contribution recognition policy described above.

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Note 2 - Receivables

As of December 31, 2019 and 2018, receivables are expected to be realized in the following periods:

	<u>2019</u>	<u>2018</u>
In one year or less	\$ 94,000	\$ 183,820
Between one and two years	<u>50,000</u>	<u>-</u>
	<u>\$ 144,000</u>	<u>\$ 183,820</u>

Note 3 - Construction Funding Retainage

In accordance with grant agreements, reimbursements from the City of New York (the City) are subject to a 5% retainage. During the reporting years, retainage has been held at various levels. As of December 31, 2019 and 2018, construction funding retainage due from the City of New York amounted to \$339,700 and \$339,700, respectively.

Note 4 - Property and Equipment

Property and equipment by major class consisted of the following at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Office equipment	\$ 58,319	\$ 53,479
Program equipment	133,986	133,986
Furniture and fixtures	69,506	69,506
Vehicles	75,187	62,373
Leasehold improvements	<u>411,485</u>	<u>411,485</u>
	748,483	730,829
Less: Accumulated depreciation	<u>(624,325)</u>	<u>(524,607)</u>
	<u>\$ 124,158</u>	<u>\$ 206,222</u>

Note 5 - Net Assets With Donor Restrictions

As of December 31, 2019 and 2018, net assets with donor restrictions are available in future years as follows:

	<u>2019</u>	<u>2018</u>
William J. Vanden Heuvel Fund	\$ -	\$ 271,229
Signage	-	10,926
Future program activities	<u>100,000</u>	<u>105,000</u>
	<u>\$ 100,000</u>	<u>\$ 387,155</u>

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Note 6 - Revenue from Contracts with Customers

Detail of revenue from contracts with customers during the years ended December 31, 2019 and 2018 is as follows:

	<u>2019</u>	<u>2018</u>
Special event revenue - exchange component	\$ 195,254	\$ 186,051
License fees for park usage	181,955	239,360
Guided tours	2,579	3,585

As of December 31, 2019 and 2018, \$20,000 and \$0, respectively, was recorded as deferred revenue relating to contracts from customers.

Note 7 - Donated Services

Services were donated to the Organization by various organizations and meet the criteria for being recognized as contributions in accordance with GAAP. Amounts are recorded at their estimated fair market values at the date of donation using published rates and prices.

Total contributions in-kind reported on the accompanying consolidated statement of activities for the years ended December 31, 2019 and 2018 amounted to \$115,683 and \$21,298, respectively. Contributions in-kind mainly consisted of donated legal services.

Note 8 - Government Grants

The Organization was awarded various grants by governmental entities. During the years ended December 31, 2019 and 2018, total grant revenue recognized under the grants amounted to \$362,891 and \$489,880, respectively.

Note 9 - Pension Plan

In 2012, the Organization adopted a deferred compensation plan, which allows employee contributions and discretionary employer contributions. Organization contributions to the plan for the years ended December 31, 2019 and 2018 amounted to \$0 and \$25,838, respectively. In 2019, the Organization terminated the plan and entered into an arrangement with a professional employer organization (PEO). All employees were moved to the PEO's retirement plan.

Note 10 - Concentrations

The Organization maintains its cash in various accounts with major financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits up to \$250,000 per financial institution. At times, the balances of the accounts exceeded the insured limits during the years ended December 31, 2019 and 2018.

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Note 11 - Commitments and Contingencies

Office Space

The Organization previously leased space pursuant to a non-cancelable operating lease set to expire on January 31, 2021. The Organization remains liable for the assignment of the lease for the current subtenant occupying the space.

Cooperative Agreement

In March 2013, the Organization entered into a cooperative agreement with the New York State Office of Parks, Recreation, and Historic Preservation (the State). The agreement grants to the Conservancy a license to manage and operate the land and improvements comprising the Park. The agreement has an initial term of 10 years, expiring in 2023. There is an option to extend the agreement for an additional 10 years. There is no rent or other fee due from or to either party of the agreement. The agreement states that the State will employ best efforts to provide an annual subsidy to the Organization to support basic park operations and security and core maintenance activities. The subsidy from the State shall not exceed \$350,000 in any fiscal year covered by the agreement.

The agreement also asserts that the State shall consent to the Natural Heritage Trust (NHT) paying up to \$100,000 annually to the Conservancy from a \$2,000,000 investment account established by Alphawood Foundation Chicago. A public benefit corporation of the State of New York, the NHT is a 501(c)(3) charitable organization whose mission is to receive and administer gifts, grants, and contributions to further public programs for parks, recreation, cultural, land and water conservation, and historic preservation. In 2019, an additional \$22,691 was paid to the Organization for certain operating costs. In 2018, an additional \$650,000 was paid to the Organization for capital projects.

A letter of intent, dated February 5, 2020, was signed by the Organization and the State outlining the Organization's intention to hand over to the State, and the State's intention to accept from the Organization, operational responsibility for the Park pending further discussions on an updated cooperative agreement.

Note 12 - Litigation

A complaint was filed against the Organization in March 2017 alleging that the Park did not provide an equally accessible experience for guests with mobility disabilities. The Organization remains committed to taking additional steps to provide a fully and equally accessible experience to all guests. In November 2017, the Organization reached a settlement agreement with plaintiffs which included physical accessibility enhancements. These enhancements are estimated to cost about \$1.5 million and will be funded by existing government grants and future capital campaign contributions. As of December 31, 2019, the Organization has expended \$737,598 on enhancements.

**FOUR FREEDOMS PARK CONSERVANCY, INC.
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Note 13 - Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other obligations as they come due. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities to be general expenditures. Amounts available for general expenditures over a 12-month period include donor-restricted amounts that are available for ongoing programmatic and support expenditures.

The following reflects the Organization's financial assets, as of December 31, 2019 and 2018, reduced by amounts not available for general use within one year because of contractual, donor-imposed, or internal restrictions and designations:

	<u>2019</u>	<u>2018</u>
Financial assets:		
Cash	\$ 671,823	\$1,417,620
Receivables	<u>144,000</u>	<u>183,820</u>
Total financial assets	815,823	1,601,440
Less those unavailable for general expenditures within one year:		
Receivables collectible beyond one year	(50,000)	-
Donor restrictions	<u>-</u>	<u>(271,229)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 765,823</u>	<u>\$1,330,211</u>

Note 14 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures and corrections through June 2, 2020, which is the date the consolidated financial statements were available to be issued.