



Roosevelt Island Operating Corporation

KATHY HOCHUL
Governor

B. J. JONES
President / CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR
Blake G. Washington, Director of BUDGET
Marc Jonas Block
Fay Christian
Conway Ekpo
Dr. Michal L. Melamed
Howard Polivy
Prof. Lydia W. Tang
Melissa A. Wade

Agenda Item V. 2. June 23, 2026

PROPOSED RESOLUTION

APPROVAL OF ANNUAL REPORT FOR FISCAL YEAR ENDING MARCH 31, 2026

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York (“RIOC”), as follows:

- Section 1. that the Annual Report for Fiscal Year Ending March 31, 2026, annexed hereto, is hereby approved and may be submitted to the Governor, the chairman and ranking minority member of the Senate Finance Committee, the chairman and ranking minority member of the Assembly Ways and Means Committee, the State Comptroller, the Authorities Budget Office, and any other governmental entity as required by law;
- Section 2. that the President and Chief Executive Officer or President’s designee is hereby authorized to take such actions and execute such instruments as deemed necessary to effectuate the foregoing; and
- Section 3. that this resolution shall take effect immediately.



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MEMO

TO: RIOC Board of Directors, B.J. Jones, President and CEO

FROM: Dhruvika Amin, Vice President and CFO

DATE: June 22, 2026

RE: Public Authority Annual Report – Fiscal Year 2025-2026

Pursuant to Public Authorities Law § 2800, attached is the Roosevelt Island Operating Corporation's Public Authority Annual Report for the Fiscal Year April 2025-March 2026, for your approval.



Roosevelt Island
Operating Corporation

ANNUAL REPORT

FISCAL YEAR 25-26



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FY26 RIOC Operations and Accomplishments Highlights



FY26 RIOC Operations and Accomplishments Highlights

Guided by its mission to plan, design, develop, operate, and maintain Roosevelt Island, the Roosevelt Island Operating Corporation continued advancing major initiatives and infrastructure investments throughout Fiscal Year 2025-26. With a focus on keeping Roosevelt Island clean, green, safe, and serene, RIOC invested in projects and programs that enhanced transportation, public safety, sustainability, recreation, accessibility, and quality of life across the Island. The following highlights reflect key accomplishments and ongoing initiatives from the fiscal year.

Planning for Roosevelt Island's Future



Extending the Master Lease

In 2025, RIOC secured a 10-year extension of the Corporation's Master Lease with New York State, reinforcing its ability to continue operating, maintaining, and investing in Roosevelt Island's infrastructure, public spaces, and essential services. RIOC began working with building owners on potential extensions for their subleases with the goals of providing greater certainty, extending affordability protections, and fiscal responsibility.

Planning and Community Engagement Study

Building upon that milestone, RIOC joined New York State, New York City, and NYC Health + Hospitals in announcing a future planning and community engagement initiative that will help shape Roosevelt Island's long-term future. The forthcoming study will explore opportunities related to housing, infrastructure, open space, and community amenities, including the future of the Coler campus and former Roosevelt Island Steam Plant site. Designed to be guided by extensive public input, the initiative reflects a shared commitment to ensuring that future planning efforts align with the needs and priorities of the Roosevelt Island community.

Advancing Sustainability

RIOC expanded a wide range of green initiatives designed to support a healthier and more environmentally responsible Roosevelt Island. In partnership with the New York City Department of Sanitation, RIOC helped facilitate the collection of approximately 50 tons of compostable waste during FY25-26, while continuing to install new recycling receptacles throughout high-traffic public areas on the Island. RIOC also celebrated the one year anniversary of the planting of New York City's first Miyawaki Method pocket forest, achieved through a collaborative partnership with SUGi, iDig2Learn, and the Lenape Center, which resulted in the planting of approximately 1,500 trees to support biodiversity, climate resiliency, and urban reforestation efforts. Sustainability initiatives further expanded through the transition to fully organic lawn care and grounds maintenance practices, and new procurements of hybrid and electric fleet vehicles. RIOC's environmentally responsible operational practices, the Corporation received New York State GreenNY's "Titans of Toxics Management" award during the fiscal year.

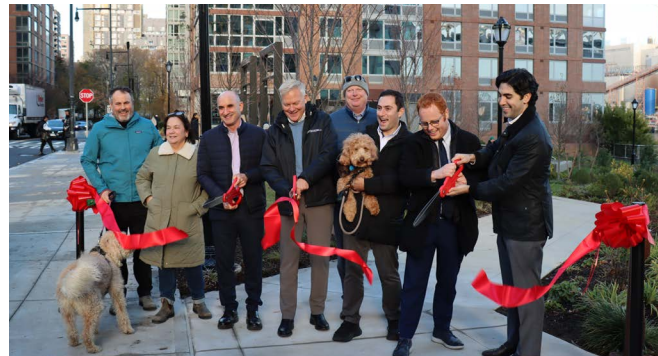


Tramway Upgrades

Major upgrades to the Roosevelt Island Tramway's communications and operational systems were completed during the fiscal year, helping improve long-term reliability and maintain efficient service for the millions of travelers who rely on the system annually. Despite temporary service impacts associated with upgrade work, Tram ridership remained strong with more than 3 million passenger trips recorded during the fiscal year. RIOC also worked with Charlie Pellett, one of the voices of the New York City Subway system, to record new onboard messages for the Tram, encouraging riders to observe priority seating, hold on while the tram is in flight, and more. Roosevelt Island's federal Congressional delegation also worked to secure a \$250,000 grant in this year's Appropriations bill for the Roosevelt Island Tram Modernization Project, a capital initiative of the corporation.

Commons East Opening

The opening of Commons East Park alongside the completion of Riverwalk Building 9 introduced a new public gathering space featuring landscaped seating areas, swings, picnic areas, a dog run, and improved pedestrian access between Main Street and the East Promenade.



Improving the Roadway

Significant progress continued on the island-wide roadway and paved surface rehabilitation initiative, a comprehensive project focused on improving pedestrian accessibility, roadway conditions, and multi-modal transportation infrastructure throughout Roosevelt Island. During the fiscal year, roadway repairs and resurfacing projects were completed along Main Street and other heavily trafficked areas, including upgrades to crosswalks, sidewalks, curb cuts, and pedestrian pathways designed to improve safety and ADA accessibility.

Maintaining AVAC

Meanwhile, Roosevelt Island's Automated Vacuum Collection (AVAC) system, processed approximately 165 tons of waste monthly through its underground collection network. Preventative maintenance and future planning efforts remained underway throughout FY25-26, including preparations for future pipe replacement work designed to maintain the long-term reliability and efficiency of the system while reducing truck traffic and supporting cleaner streets throughout the Island. To help improve awareness about the AVAC system and reduce operational down times, RIOC also launched the "When in doubt, leave it out!" campaign to build awareness among island residents about proper AVAC usage.

Planning Infrastructure Improvements

RIOC began the process of addressing longstanding deferred maintenance. The corporation devised plans to address several high-profile projects, including refurbishment of Eleanor’s Pier, the Prow, the Blackwell House roof, Blackwell Playground, the Girl Puzzle Monument Honoring Nellie Bly, and more. The Pier and Prow have remained offline for several years and require significant rehabilitation work. Heavy planning for both began in FY 25-26, with the Pier’s RFP being released during that time. The Blackwell House roof also requires repair work, which was put into motion during the fiscal year. Its status as a historic landmark plays into that work’s permitting process. RIOC began considering new ways to reimagine Blackwell Playground, including by adding additional equipment designed for younger visitors, which it currently does not have. Deferred maintenance on the Girl Puzzle Monument is also being addressed, with plans to fix the monument’s deficient concrete work now also in progress. The community also raised the need for an additional comfort station closer to the Tram, which is now being planned.

Island Services

Red Bus Service Enhancements

Roosevelt Island’s free Red Bus service continued providing critical transportation connectivity across the Island through a fleet of ADA-accessible low-emission vehicles operating seven days a week. In 2025, service was expanded northward to NYC Health + Hospitals/Coler, improving accessibility for residents, visitors, healthcare workers, and seniors traveling to and from the facility. To further modernize operations and maintain service continuity, RIOC ordered additional hybrid buses, advanced plans for mid-life fleet overhauls, and continued long-term planning efforts related to roadway rehabilitation and multi-modal transportation infrastructure improvements across Roosevelt Island. RIOC also facilitated the integration of Red Bus tracking into the VisitRI.NYC app designed by the Citizens Project, allowing users to see where the Red Bus is in real time across the island.



Sportspark’s Continued Growth

The multi-year renovation of Sportspark neared completion during FY25-26, modernizing major building systems and recreational facilities throughout the complex, including HVAC infrastructure, locker rooms, athletic spaces, windows, and entrances. Membership at the facility has also surged; there were 2,788 paid members at the end of FY25-26. Members also now have expanded access to new group fitness classes, including yoga, pilates, dance cardio, barre, and more, as well as aquatics classes like adult free swim, master swim, and family swim.

Enriching Island Youth

The Roosevelt Island Youth Center, operated by RIOC, continued to provide comprehensive afterschool and summer programming for approximately 120 Island children at no cost to their families. Serving youth from elementary through high school, the program offered academic support, recreational activities, arts and enrichment opportunities, leadership development, and a safe, structured environment outside of school hours. Programs include performing and visual arts activities, sports, fitness and wellness, leadership workshops, career readiness, cultural activities and much more.



Responding to Severe Snowstorms

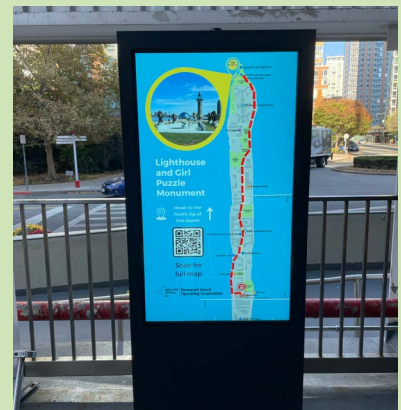
During one of the snowiest winters Roosevelt Island has experienced in recent years, RIOC staff worked around the clock to keep the community safe, accessible, and operational. Teams from Grounds, Transportation, Maintenance, and Public Safety coordinated snow removal efforts across roads, sidewalks, bus stops, and public spaces while ensuring essential services continued uninterrupted throughout multiple winter weather events.



Community Affairs & Events

Enhancing Communications

New and expanded digital displays at locations including the Roosevelt Island Tram stations, Sportspark, Riverwalk Commons, and other public facilities improved access to announcements, operational updates, event information, and community resources. RIOC also launched a newly redesigned website, complete with a more modern, welcoming look that improves both back and front-end functionality for users. The RIOC newsletter was also reformatted for email delivery and now uses a dedicated email client for dissemination, a vast improvement over the Everbridge system.



Programming Neighborhood Events

Public programming and special events continued to serve as a major part of Island life, with RIOC hosting free events throughout the year. Our array of programming throughout the year offers something for everyone to enjoy.



Pride Flag Raising

What began in 2023 as a community request to raise a pride flag on the island has now become an annual tradition! Our pride flag raising ceremony is a symbolic effort on the part of RIOC to show that everyone belongs on Roosevelt Island.



Roosevelt Island Day

A community celebration of Roosevelt Island and all those that live here. This event provides activities such as arts and crafts, urban gardening, photo booth, DJ, and activities for the whole family.



Summer Movie Series

RIOC has been proud to partner with Rooftop Films to provide free movie screenings to residents and visitors on Roosevelt Island. In recent years, RIOC has been able to open a community voting system to select four films to be presented in the summer months.



National Night Out

National Night Out is an annual nationwide event allowing the police to build relationships with the community in a fun and approachable manner; building trust and community engagement. National Night Out on Roosevelt Island is hosted by our Public Safety Division (PSD) and has free activities for children and adults to enjoy.



Backpack Giveaway

Our partners at the Roosevelt Island Disabled Association (RIDA) along with RIOC host a back-to-school backpack giveaway as our end of summer event. School aged children are provided with a new backpack and school supplies to prepare them for the new year ahead.



9/11 Commemoration

Like many New Yorkers, RIOC has vowed to never forget the attacks on 9/11 and the impact on this community. This solemn ceremony allows those in attendance to reflect and recognizes the Roosevelt Islanders who tragically lost their lives that day.



Fall for Arts

This event held every September in conjunction with RIVAA Gallery takes place on our meditation lawn and boasts live mural paintings, jazz concerts, dance performances, and family friendly activities centered around the arts.



Halloween Parade

Our Halloween Parade kicks off with our costumed participants marching from Capobianco Field to Southpoint Park. Upon completion of the parade, the public celebrates with a family friendly, and not too spooky, festival.



Holiday Tree Lighting

RIOC's Holiday Tree Lighting Ceremony is a very popular event and kicks off the holiday season with cheer! Complete with musical performances, festive treats, and a few special visitors from the North Pole.



Cherry Blossom Season in Full Bloom

Additional community engagement efforts were launched during Roosevelt Island's busy cherry blossom season through the creation of the "Petal Protectors" initiative, a volunteer-driven program focused on visitor education, beautification awareness, and public safety. Collectively, these communications and outreach initiatives helped strengthen community connections while supporting RIOC's broader mission of maintaining an informed, engaged, and vibrant Roosevelt Island community.



Awarding Public Purpose Funds

Through its partnership with The New York Community Trust, RIOC continued investing in the organizations that help make Roosevelt Island a vibrant and engaging community. In 2025, the Roosevelt Island Public Purpose Fund awarded \$250,000 in grants to 14 local nonprofit organizations supporting education, youth development, arts and culture, senior services, emergency preparedness, and community programming. The increased funding represented the largest annual allocation since the Fund's creation in 2022 and helped expand opportunities for residents of all ages while strengthening the nonprofit organizations that enhance quality of life across Roosevelt Island.

Island Safety

Strengthening Waterfront Safety

Additional waterfront safety improvements were also implemented through the installation of life ring stations and warning signage along Roosevelt Island's shoreline. Together, these projects helped preserve and enhance the serene public spaces and recreational amenities that define daily life on Roosevelt Island. RIOC also completed repairs to sections of the West Promenade, replacing deteriorated surfaces and improving waterfront accessibility and safety conditions for residents and visitors. RIOC also began planning for much-needed repairs to the piers along the waterfront.



Investing in PSD: Training and Development

Training and professional development also remained a major focus for the Public Safety Department. Officers participated in expanded multi-agency training programs covering community policing, tactical patrol, domestic violence response, report writing, and emergency response procedures. These initiatives were designed to strengthen operational readiness while reinforcing RIOC's longstanding emphasis on quality-of-life enforcement and positive community engagement.

Expanding Emergency Operations

During the fiscal year, the Corporation expanded the capabilities of its island-wide camera network, improving real-time monitoring, incident response coordination, and public safety coverage across Roosevelt Island. Additional camera installations at key public facilities further enhanced situational awareness and strengthened coordination between RIOC Public Safety, the NYPD, FDNY, Cornell Tech security, and other partner agencies.

Mission Statement and Performance Goals Report



**Roosevelt Island
Operating Corporation**

RIOC Annual Report Fiscal Year 2025-2026

Background

The Roosevelt Island Operating Corporation of the State of New York ("RIOC") is a public benefit corporation and political subdivision of the State of New York. Created by the New York State Legislature in 1984, RIOC is responsible for the planning, development, operation, maintenance, and management of Roosevelt Island, a 147-acre community located in New York City's East River.

RIOC assumed the role of lessee under a 99-year Master Lease between the City of New York and the New York State Urban Development Corporation, now known as Empire State Development. Under the General Development Plan ("GDP"), Roosevelt Island was envisioned as a mixed-income, residential community featuring housing, retail, community facilities, and accessible public spaces. The GDP has been amended periodically to accommodate the Island's evolving needs while maintaining its founding principles.

As an island community, Roosevelt Island requires specialized infrastructure and services beyond those typically provided by the City of New York. RIOC operates and maintains essential public assets including the Roosevelt Island Tramway, the Island's Automated Vacuum Collection (AVAC) waste management system, public parks and open spaces, transportation services, public safety operations, and other critical infrastructure that supports residents, businesses, students, workers, and visitors.

Pursuant to its enabling legislation, RIOC is governed by a nine-member Board of Directors consisting of the Commissioner of the New York State Division of Housing and Community Renewal, who serves as Chair; the Director of the New York State Division of the Budget; and seven public members appointed by the Governor with the advice and consent of the New York State Senate. Of the seven public members, two are recommended by the Mayor of the City of New York and five must be residents of Roosevelt Island.

Mission Statement

The mission of the Roosevelt Island Operating Corporation is to plan, design, develop, operate, maintain, and manage Roosevelt Island on behalf of the State of New York.

Public Benefit

RIOC serves a broad range of stakeholders, including residents, businesses, educational institutions, developers, community organizations, workers, visitors, the City of New York, and the State of New York. Through the operation and stewardship of Roosevelt Island's infrastructure, transportation systems, public facilities, parks, and open spaces, the Corporation supports the continued growth, accessibility, sustainability, and economic vitality of the community.

The Corporation fulfills its public purpose through the delivery of essential public services, the preservation and enhancement of public assets, responsible environmental stewardship, and strategic investments that improve quality of life for current and future generations. RIOC's activities are guided by a commitment to service, preservation, environmental responsibility, public safety, communication and transparency, fiscal responsibility, innovation, partnerships, and good governance.

By maintaining critical infrastructure, supporting a mixed-income residential community, preserving public open space, and fostering collaboration with public and private sector partners, RIOC advances the long-term vision of Roosevelt Island as a safe, accessible, sustainable, and vibrant urban community.

Performance Goals Report

RIOC's performance goals support the Corporation's mission and serve as the foundation for its operational, financial, and strategic decision-making. These goals guide the delivery of services, management of public assets, and long-term planning efforts that benefit Roosevelt Island residents, businesses, visitors, and other stakeholders. The Corporation's performance goals are as follows:

1. To promote, develop, and maintain the mixed-income residential community on Roosevelt Island.

5,922

Housing Units Developed

3,354

Affordable Units (46%)

BUILDING 9

Final Southtown Phase

Preserving Roosevelt Island as a diverse, mixed-income residential community remained a central focus throughout FY25-26. As of March 2025, approximately 5,922 housing units had been developed on Roosevelt Island, with nearly half maintained as affordable housing under a variety of affordability frameworks and agreements. Of the 5,922 units, 3,354 units (46%) were developed as affordable units. In FY25-26, Southtown's final phase—Building 9 at 430 Main Street—moved from construction completion into lease activation, marking the operational launch of the last component of the Riverwalk development. Approximately 25% of the building is master leased to Memorial Sloan Kettering Cancer Center to support workforce housing for its doctors, nurses, visiting professionals, residents, and other staff, while the remaining 75% of units are designated as market-rate rentals.



Building 9; 430 Main Street

2. To provide an appropriate level of services to develop and maintain public facilities, open spaces and commercial facilities.

147

Acres Maintained

3,003,305

Tramway Riders

\$3.9M

Transportation Alternatives Program Grant Submitted

In 2025 and continuing into FY25–26, RIOC remained focused on providing the appropriate level of services required to develop, operate, and maintain Roosevelt Island's public facilities, open spaces, transportation systems, and commercial infrastructure across its 147 acres. This work continued to reflect the Island's integrated planning approach, which includes public safety services, a mass transportation network, an underground Automated Vacuum Collection (AVAC) sanitation system, pedestrian walkways, recreational facilities, roadways, and retail and hospitality spaces, as well as centralized parking capacity of approximately 1,510 spaces supporting resident vehicles.

Throughout the year, RIOC advanced and maintained key components of its mass transportation system, including continued operations of the Roosevelt Island Tramway and on-island bus service. In FY25-26,

total Tramway ridership was 3,003,305. On-island bus service continued to operate 21 hours per day, seven days per week, using a fleet of seven 40-foot ADA-accessible hybrid and low-emission buses and one 14-passenger shuttle, serving eight stops across the Island. In June 2025 and January 2026, two additional hybrid buses were ordered from New Flyer Industries, with delivery anticipated by the end of 2026, alongside planned mid-life overhauls for existing buses #10 and #11 to extend fleet reliability and service continuity.



The Roosevelt Island Tramway

Public and recreational facilities continued to be actively maintained and programmed throughout 2025. The Sportspark complex continued to operate as a major recreational hub, while infrastructure upgrades to the facility were completed and closed out following substantial completion in May 2023. In November 2025, following completion of Building 9, Commons East Park opened between 460 and 430 Main Street, adding new public open space including a dog run, playground elements, picnic areas, and landscaped green space connecting the east promenade to Main Street.

Retail and commercial operations continued under RIOC’s Master Sublease Agreement with Hudson Related Retail LLC, which governs the redevelopment and management of Main Street retail spaces. Under this agreement, RIOC continues to receive guaranteed annual rent with escalations and participates in future profit-sharing once investment recovery thresholds are met.

Infrastructure maintenance and capital improvement projects progressed across multiple systems in FY25-26. Preventative maintenance on the AVAC system continued across transport piping systems and planning advanced for the replacement of a key West-side main pipe segment near the AVAC plant, in coordination with ENVAC Iberia, with construction anticipated in FY26–27. Roadway and paved surface rehabilitation also advanced through design development under IMEG, with construction expected to begin in FY26–27 and supported by federal and state funding applications, including a \$3.9 million Transportation Alternatives Program grant submitted in March 2026. Additional infrastructure work included elevator modernization projects at the Motorgate Parking Garage and Good Shepherd Community Center, with replacement work underway following procurement in June 2025 and anticipated completion by November 2026.



Good Shepherd Community Center

Other capital and maintenance initiatives included continued planning for the rehabilitation of Eleanor’s Pier and The Prow, structural repairs at the Nellie Bly / Girl Puzzle Monument area scheduled for 2026, and ongoing assessment of long-term sustainability initiatives, including an electric vehicle feasibility study in compliance with New York State Executive Order 22.

3. To ensure good governance through compliance with its enabling legislation, corporate by-laws, General Development Plan, contractual obligations and all applicable Federal, State, and local laws.

RIOC complies with the mandate set forth in its enabling legislation through adherence to its internal governance framework, including policies governing investment, lobbying, procurement, acquisition and disposal of property, senior management conduct, travel, reporting misconduct, personally owned vehicle usage, Project Sunlight, and whistleblower protections, as well as its bylaws and related state requirements.

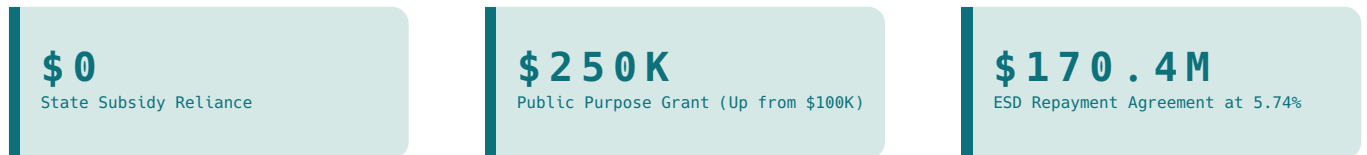
Oversight and compliance functions are supported by RIOC’s Internal Controls Officer, who administers the Internal Control program through annual assessments, reporting, certification processes, and ongoing training for directors, managers, and staff. The Internal Controls Officer also monitors adherence to applicable statutes, regulations, and internal policies and provides regular consultation with executive management on operational decisions and risk management.

In addition, RIOC’s General Counsel and Ethics Officer, in coordination with the Director of Human Resources, is responsible for providing ethics training, policy updates, and ongoing guidance to staff and management, ensuring alignment with evolving state requirements and best practices in public sector governance.



RIOC Board of Directors Meeting

4. To manage the Corporation’s resources with fiscal responsibility and efficiency through a single comprehensive process that is aligned with the Corporation’s strategic plan and to continue to operate without reliance on state subsidies.



RIOC’s operating revenues were sufficient to meet its operating and capital needs for FY 2025-26 without reliance on funds from the State of New York. Revenues were \$42.5 million and expenses totaled \$42.2 million. Efforts continued to reduce reliance on third-party contracting firms, including StandGuard and owner’s representation services, as part of ongoing cost containment initiatives. In addition, RIOC increased its Public Purpose Grant award from \$100,000 to \$250,000 for FY2025-26, supporting various island-based nonprofit organizations.

As set forth in Note 9(a) of the Notes to Financial Statements for March 31, 2025 and 2024, RIOC entered into an agreement with ESD for the repayment of certain public facilities debt and accrued operating deficit totaling \$170,356,976, with a stated interest rate of 5.74%. ESD has acknowledged that there are significant projected future capital investments to be made by RIOC.

5. To provide a safe environment for the public and the Corporation’s employees.

Maintaining Roosevelt Island as one of New York City’s safest communities remained a central priority throughout FY25-26. RIOC continued strengthening its community-based public safety model through investments in technology, emergency preparedness, officer training, and interagency coordination. Index crimes remain extremely low on the island, with 33 index crimes reported for all of 2025, down from 34 in 2024. Operationally, RIOC routinely coordinates with FDNY and NYPD on island operations, including emergency management efforts, to ensure a seamless operation when safety is imperiled.

6. To maintain and enhance the physical conditions of the Corporation’s public facilities and open spaces.

~ 6 , 2 5 0
Sq ft of Surface Repaved

\$ 1 1 M
Sportspark Renovation Closeout

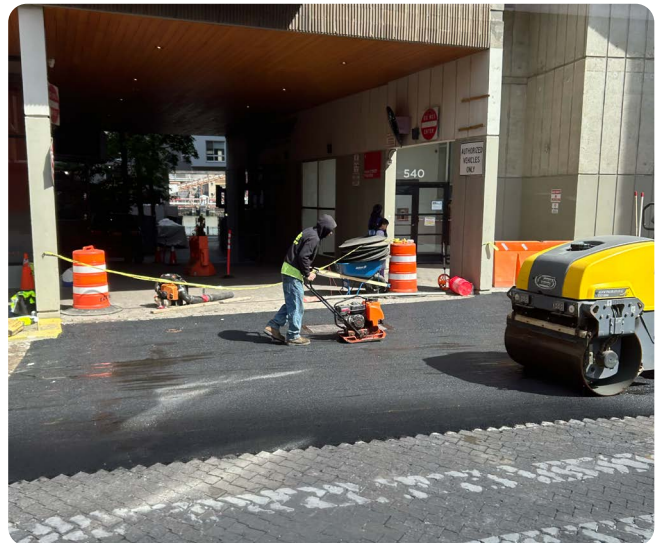
1 1
Life-ring Stations

During FY2025–26, RIOC advanced multiple capital initiatives. Tramway maintenance included hydraulic cylinder overhauls, sway dampener installation, gearbox coupling replacements, repositioning of the arrival clock, and Wi-Fi optics enhancements. Sidewalk and paved surface improvements completed in Fall 2025 included grade corrections, resurfacing, crosswalk rehabilitation, ADA curb cuts, and pedestrian safety enhancements, with additional work planned for FY2026–27.

Island-wide roadway rehabilitation under the IMEG design contract (awarded FY22–23) remained in the design phase during FY2025–26, supporting a long-term master plan from Blackwell House to Foodtown and preparing for construction to advance roadway modernization and multimodal access.

Several targeted repairs were completed during the fiscal year. In April 2025, RIOC addressed chronic sidewalk flooding west of Sportspark through storm drain relocation and sidewalk reconstruction. Additional April work at Eleanor’s Piers replaced concrete tiles with continuous concrete to eliminate trip hazards. In May 2025, approximately 3,500 sq. ft. of Main Street roadway was resurfaced with asphalt, and the Good Shepherd crosswalk was reconstructed. In July 2025, approximately 2,750 sq. ft. of the West Promenade near Lighthouse Park was rebuilt with leveled concrete to address flooding from rain and tides.

The Sportspark renovation project, substantially completed in May 2023, continued through FY2025–26 closeout work totaling approximately \$11 million, including HVAC and system upgrades. In August 2025, RIOC installed life ring stations at 11 shoreline locations and updated warning signage to improve waterfront safety.



Road Improvements on Main Street

7. To promote a sustainable, innovative environment and to strive for island-wide green initiatives.

3 , 4 0 6
EV Charging Stations

1 , 0 7 5
Unique EVs Served

1 1 1 , 5 0 0
Gallons of Fuel Saved

8 6 , 1 4 1 K G
GHG Emissions Prevented

Environmental and sustainability efforts included the transition to a fully organic grounds maintenance program and the installation of additional recycling bins in November 2025, with further expansion planned for 2026. In November 2025, two new plug-in hybrid SUVs were added to the RIOC fleet to support operational needs while advancing sustainability goals. In February 2026, two additional light-duty electric utility vehicles were purchased, furthering the transition toward a smaller, more energy-efficient fleet to service the island. In FY 2025-2026, the island’s ChargePoint electric vehicle (EV) charging stations supported a total of 3,406 charging sessions, serving 1,075 unique EVs. These efforts contributed to savings of 111,500 gallons of fuel and the prevention of 86,141 kg of greenhouse gas emissions. RIOC Grounds also began rolling out new recycling bins to high traffic areas on the island, and continued its tradition of mulching Christmas trees after the holidays, which

are then used to nourish plants around the island. In FY25-26, RIOC was honored with the Titans of Toxics Management award from GreenNY in recognition of the corporation's commitment to responsible chemical and toxics management. A key factor in receiving this award was the installation of regulated chemical dispensers at all RIOC facilities, which streamlined usage and reduced overuse of cleaning supplies, supporting safer operations and environmental stewardship.



89 Trees Chopped for "Mulchfest"

8. To effectively communicate with all stakeholders.

Expanding communication, transparency, and community engagement remained an important focus throughout FY25-26 as RIOC continued building new ways to connect with residents, stakeholders, and visitors. The Corporation enhanced public outreach through Everbridge alerts, social media updates, digital newsletters, website communications, and expanded digital signage installations across Roosevelt Island. PSD community engagement meetings were held bimonthly, and a regular cadence of RIOC Board and subcommittee meetings provided ample opportunity for the community to hear from, and engage with, the corporation. RIOC community engagement also includes our annual island-wide events, including Roosevelt Island Day, our Pride Flag Raising Ceremony, our Summer Movie Series at Southpoint Park, our 9/11 Memorial Commemoration, Fall for Arts, the Halloween Parade & Extravaganza, and our Holiday Tree Lighting Ceremony. Each event is free and open to the public and is designed to foster stronger communal bonds in a fun and entertaining way.



Domestic Violence Resource Fair

9. To partner with businesses, industry leaders and other government agencies to meet the needs of the Corporation's stakeholders.

Tramway fare collection continued through the OMNY system in coordination with New York City Transit, integrating Roosevelt Island's aerial transportation into the broader regional transit network and improving fare collection efficiency and rider connectivity.

RIOC also continued its partnership with Hudson Related Retail to support the management and revitalization of the Island's commercial retail spaces.

DSNY and RIOC work collaboratively to operate and maintain the island's AVAC system, and in instances when the system is taken offline, coordinate to ensure waste pickup for each individual building is maintained.

The corporation also maintains a strong working relationship with NYS Parks, which operates the Franklin D. Roosevelt Four Freedoms State Park at the island's southern tip, and New York City Health + Hospitals, which operates the Coler Rehabilitation Facility at the island's northern end.

RIOC's continued partnership with Cornell Tech has led to several volunteer initiatives designed to further integrate the campus community into island life, including by transporting Cornell students and faculty to different volunteer points on the island via the Red Bus.

Finally, RIOC works closely with Roosevelt Island's local elected officials to address quality of life concerns, explore governmental funding opportunities, and collaborate on community focused events.

Financial Reports



Roosevelt Island
Operating Corporation

Financial Reports

The audited financial reports are attached. This section provides an overview of the Statement of Revenue, Expenses and Changes in Net Position, and the Statements of Net Position.

RIOC's Statements of Revenues, Expenses and Changes in Net Position are used to report changes in the net position, including depreciation expense. Revenues reported are based on a standard of recognition whereby revenues are recorded when earned. The Statements of Revenues, Expenses and Changes in Net Position detail program revenues by major source and expenses by natural classification and indicate the change in net position.

RIOC's total operating revenue for the year ended March 31, 2026 was \$42,517,576. For the year ended March 31, 2026, operating revenue decreased by \$679,167 or 2% over the prior year. This was mainly due to an decrease in residential fees of \$2,826,736, commercial rent of \$328,289, tramway revenue of \$288,205, other revenue of \$519,781, and interest income of \$98,482, mitigated by increase in ground rent revenue of \$2,980,032, public safety reimbursement of \$177,334, and transport/parking revenue of \$224,960.

RIOC's total expenses for the year ended March 31, 2026 were \$42,166,888 and \$40,275,151 for the year ended March 31, 2025, including depreciation of \$8,596,530 and \$8,415,409, respectively. For the year ended March 31, 2026, total operating expenses before depreciation increased by \$1,891,737 over the prior year. This was mainly due to increase in personnel services of \$1,643,085, insurance expense of \$382,346, management fees of \$444,953, repairs and maintenance of \$68,296, vehicles maintenance of \$117,456, equipment purchases/lease of \$24,179 and supplies/services of \$124,844, and other expenses of \$346,847, offset by decrease in professional and legal services of \$1,251,454, and telecommunication expenses \$8,815.

The Statement of Revenue, Expenses, and Changes in Net Position using the modified accrual basis, reported a loss of \$8,245,842 to an ending balance of \$88,625,912 at March 31, 2026.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York) Statement
of Revenue, Expenses and Changes in Net Position
Year ended March 31, 2026 and 2025

	<u>2026</u>	<u>2025</u>
Operating revenue:		
Residential fees	\$ 4,326,455	7,153,191
Ground rent	13,450,299	10,470,267
Commercial rent	1,471,416	1,799,705
Tramway revenue	5,199,471	5,487,676
Public safety reimbursement	2,709,958	2,532,624
Transport/parking revenue	2,928,107	2,703,147
Interest income	9,977,188	10,075,670
Other revenue	<u>2,454,682</u>	<u>2,974,463</u>
Total operating revenue	<u>42,517,576</u>	<u>43,196,743</u>
Operating expenses:		
Personal services	21,565,506	19,922,421
Insurance	5,297,877	4,915,531
Professional services and legal services	3,306,110	4,557,564
Management fees	7,279,820	6,834,867
Telecommunications	242,229	251,044
Repairs and maintenance	1,387,202	1,318,906
Vehicles maintenance	427,877	310,421
Equipment purchases/lease	190,185	166,006
Supplies/services	1,635,028	1,510,184
Other expenses	<u>835,054</u>	<u>488,207</u>
Total operating expenses, excluding depreciation	<u>42,166,888</u>	<u>40,275,151</u>
Operating income before depreciation	350,688	2,921,592
Depreciation expense	<u>(8,596,530)</u>	<u>(8,415,409)</u>
Change in net position	(8,245,842)	(5,493,817)
Net position at beginning of year, before restatement	96,871,754	102,365,571
Cumulative effect of change in accounting principle (note 14)	<u>-</u>	<u>-</u>
Net position at beginning of year, after restatement	<u>96,871,754</u>	<u>102,365,571</u>
Net position at end of year	<u>\$ 88,625,912</u>	<u>96,871,754</u>

*Restated for implementation of GASB Statement No. 87.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York) Statements
of Net Position
Year ended March 31, 2026 and 2025

On RIOC's Statement of Net Position at March 31, 2026 total assets of \$656,194,453 and deferred outflow of resources of \$10,308,078 exceeded total liabilities of \$32,675,745 and deferred inflows of resources of \$545,200,871 by \$88,625,915 (net position). Total assets are comprised of capital assets (e.g., buildings, machinery and equipment) totaling \$144,204,265, lease receivables of \$471,026,275, noncurrent investments totaling \$1,037,447, cash and short-term investments totaling \$32,546,442 and other assets of \$7,380,024. Liabilities are comprised of accounts payable and accrued expenses of \$4,142,925, compensated absences of \$2,084,737, total OPEB liability of \$23,694,373 and net pension liability of \$2,753,709.

	<u>Assets</u>	<u>2026</u>	<u>2025</u>
Current assets:			
Cash		\$3,207,667	4,456,751
Short-term investments		29,338,775	30,305,597
Receivables		486,385	952,238
Current installments of lease receivables		\$6,475,100	6,294,229
Prepaid expenses		<u>418,539</u>	<u>542,436</u>
Total current assets		39,926,466	42,551,251
Noncurrent investments		1,037,447	1,020,781
Net pension asset - proportionate share - ERS		-	-
Lease receivables, less current installments		471,026,275	477,501,375
Capital assets, net of accumulated depreciation		<u>144,204,265</u>	<u>147,045,723</u>
Total assets		<u>656,194,453</u>	<u>668,119,130</u>
Deferred outflows of resources:			
Pensions		2,195,398	1,859,081
OPEB		<u>8,112,680</u>	<u>8,806,808</u>
Total deferred outflows of resources		<u>10,308,078</u>	<u>10,665,889</u>
<u>Liabilities</u>			
Current liabilities - accounts payable and accrued expenses		4,142,925	1,246,203
Compensated absences		2,084,737	1,778,682
Unearned revenue		-	-
Total OPEB liability		23,694,373	21,724,299
Net pension liability - proportionate share - ERS		<u>2,753,709</u>	<u>1,631,416</u>
Commitments and contingencies (note 9)			
Total liabilities		<u>32,675,744</u>	<u>26,380,600</u>
Deferred inflows of resources:			
Leases		538,159,233	547,536,499
Pensions		254,545	1,120,056
OPEB		<u>6,787,093</u>	<u>6,876,110</u>
Total deferred inflows of resources		<u>545,200,871</u>	<u>555,532,665</u>
Net position:			
Net investment in capital assets		144,204,265	147,045,723
Unrestricted (deficit)		<u>(55,578,353)</u>	<u>(50,173,969)</u>
Total net position		<u>\$ 88,625,912</u>	<u>96,871,754</u>

*Restated for implementation of GASB Statement No. 87.

See accompanying notes to financial statements.

Grant and Subsidy Programs

Included in “Other expenses” are expenditures for public purpose grants of \$250,000 and \$165,030 for the year ended March 31, 2026 and 2025, respectively. The grants were awarded to various Island-based not-for-profits upon evaluation of their applications and Board approval.

Operating and Financial Risks

RIOC is self-sustaining: it generates sufficient revenues from long term ground and commercial leases – residential fees, ground rent, commercial rent, and public safety fees; service fees from its Tramway and Parking Operations; and other revenues to fully meet its operational expenses. RIOC neither borrows nor depends on State or City appropriations and thus is minimally exposed to market, interest rate, and economic risks.

As set forth in Note 9(a) of the Notes to Financial Statements for March 31, 2026 and 2025, RIOC entered into an agreement with ESD for the repayment of certain Public Facilities Debt and Accrued Operating Deficit amounting to \$170,356,976 with a stated interest rate of 5.74%. ESD has acknowledged that there are significant projected future capital investments to be made by RIOC.

Bond Ratings

RIOC does not issue bonds.

Debt Schedule

RIOC does not issue debt and thus does not have any bonds and notes outstanding.

Long-term Liabilities

RIOC has no long-term liability except post-employment benefits other than pension, which is described in Post-employment Benefits Other Than Pensions section.

Lease Obligations

RIOC has agreements with Westview, Eastwood, Island House, Rivercross, Riverwalk #9 to sublease commercial space owned by these housing companies. Rent expense for the years ended March 31, 2026 and 2025 were approximately \$725,497 and \$611,531, respectively.

Unearned Revenue

Unearned revenue reported in the statements of net position represent amounts collected in advance for lease-related payments pertaining to subsequent fiscal years. These amounts will be recognized as income on an annual basis over a period of the remaining forty-five years on the ground lease for the City of New York expiring in 2068 under the accrual basis of accounting.

Breakdown is as follows:

<u>Buildings</u>	Balance at April 1, 2025	<u>Additions</u>	<u>Amortization</u>	Balance at March 31, 2026
Octagon	\$ 2,071,756	-	(47,354)	2,024,402
Southtown Bldg #1	1,392,804	-	(31,836)	1,360,968
Southtown Bldg #2	1,329,036	-	(30,378)	1,298,658
Southtown Bldg #3	2,840,267	-	(64,921)	2,775,346
Southtown Bldg #4	3,703,073	-	(84,642)	3,618,431
Southtown Bldg #5	4,991,163	-	(58,669)	4,932,494
Southtown Bldg #6	7,682,381	-	(90,305)	7,592,076
Southtown Bldg #7	8,797,277	-	(94,413)	8,702,864
Southtown Bldg #8	16,017,945	-	(176,430)	15,841,515
Southtown Bldg #9	<u>36,076,386</u>	<u>-</u>	<u>(449,282)</u>	<u>35,627,104</u>
Total	\$ <u>84,902,088</u>	<u>-</u>	<u>(1,128,230)</u>	<u>83,773,858</u>

Post-employment Benefits Other Than Pensions

RIOC provides continuation of medical coverage to administrative, non-represented employees (those categorized as M/C) that retire at age 55 or older with five (5) years of service with the Corporation or a combination of service with a previous NYS public employer and a minimum of one (1) year service with RIOCI. The employee must meet the requirements for retiring as a member of the Employees Retirement System ("ERS"), and the employee must be enrolled in New York State Health Insurance Program. The Corporation contributes 90% for employees and 75% for an employee's spouse.

The Corporation provides certain health care benefits for retired employees. Substantially all of the Corporation's non-union employees may become eligible for these benefits if they reach the normal retirement age, of the respective tier of the ERS, while working for the Corporation. The Corporation, on an annual basis, accrues the cost which represents the present value of these benefits to be paid over the estimated lives of the retirees.

Total expenditures charged to operations for the years ended March 31, 2026 and 2025 amounted to \$3,091,289 and \$3,026,205, respectively. At March 31, 2026 and 2025, the liability for active and retired employees amounted to \$23,694,373 and \$21,724,299, respectively.

RIOCI currently pays for post-retirement health care benefits on a pay-as-you-go basis and has set aside assets in the amount of \$1,037,447 to meet this long-term obligation.

REAL PROPERTY

Real Property Disposition

RIOC did not have any real property disposition.

Real Property Acquisition

RIOC did not acquire any real property.

Real Property Owned

The Roosevelt Island Operating Corporation

Real Property

For Period Ending March 31, 2026

a) Real property Owned:

	<u>Net Asset Value</u>	Note
AVAC	\$ 1,392,983	(1)
Blackwell House	\$ 3,583,334	(1)
Boathouse	N/A	(1)
Good Shepherd Chapel	\$ 1,363,243	(1)
Lighthouse	N/A	(2)
Motorgate	\$ 18,327,783	(1)
Renwick Ruins	\$ 3,171,363	(1)
Sportspark	\$ 14,966,689	(1)
Strecker Lab	N/A	(2)
Tramway	\$ 29,404,415	(1)
Total	<u>\$ 72,209,809</u>	

Note:

(1) Fair Market Value is currently not available

(2) Historical Landmarks - Undetermined

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

**Basic Financial Statements,
Supplementary Information and
Independent Auditors' Report**

March 31, 2026 and 2025

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Roosevelt Island Operating Corporation:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Roosevelt Island Operating Corporation (RIOC), a component unit of the State of New York, as of and for the years ended March 31, 2026 and 2025, and the related notes to financial statements, which collectively comprise RIOC's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RIOC, as of March 31, 2026 and 2025, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RIOC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about RIOC's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of RIOC'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 RIOC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the additional information on pages 44 through 46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS,

which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise RIOC's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated _____, 2026 on our consideration of RIOC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of RIOC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering RIOC's internal control over financial reporting and compliance.

Williamsville, New York
, 2026

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Management's Discussion and Analysis

March 31, 2026 and 2025

The following management's discussion and analysis (MD&A) provides a comprehensive overview of the financial position of Roosevelt Island Operating Corporation (RIOC) at March 31, 2026 and 2025, and the results of its operations for the years then ended. Management has prepared the financial statements and related note disclosures along with this MD&A in accordance with accounting principles generally accepted in the United States of America as (GAAP) defined by the Governmental Accounting Standards Board (GASB) for state and local governments. This MD&A should be read in conjunction with the audited financial statements and accompanying notes to financial statements, which directly follow the MD&A.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of three parts: management's discussion and analysis (this section), basic financial statements and supplementary information. RIOC was created by the New York State Legislature in 1984 as a public benefit corporation charged with maintaining, operating, and developing Roosevelt Island, New York. RIOC follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities of the Corporation. These statements are presented in a manner similar to a private business. While additional information is not presented, separate accounts are maintained for each fund to control and manage transactions for specific purposes and to demonstrate that RIOC is properly performing its contractual obligations.

FINANCIAL ANALYSIS OF THE CORPORATION NET POSITION

The following is a summary of the RIOC's Statements of Net Position at March 31, 2026 and 2025 and the percentage changes between March 31, 2026 and 2025:

	<u>2026</u>	<u>2025</u>	<u>% Change</u>
Current and other assets	\$ 40,963,913	43,572,032	-6%
Lease receivables, less current installments	471,026,275	477,501,375	-1%
Capital assets, net	<u>144,204,265</u>	<u>147,045,723</u>	-2%
Total assets	<u>656,194,453</u>	<u>668,119,130</u>	-2%
Deferred outflows of resources	<u>10,308,078</u>	<u>10,665,889</u>	-3%
Liabilities	<u>32,675,744</u>	<u>26,380,600</u>	24%
Deferred inflows of resources	<u>545,200,875</u>	<u>555,532,665</u>	-2%
Net position	<u>\$ 88,625,912</u>	<u>96,871,754</u>	-9%

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Management's Discussion and Analysis, Continued

RIOC's Statement of Net Position at March 31, 2026 had total assets of \$656,194,453 and deferred outflow of resources of \$10,308,078 that exceeded total liabilities of \$32,675,744 and deferred inflows of resources of \$545,200,875 by \$88,625,912 (net position). Total assets are comprised of capital assets (e.g., buildings, machinery and equipment) totaling \$144,204,265, lease receivables of \$477,501,375, noncurrent investments totaling \$1,037,447, cash and short-term investments totaling \$32,546,442 and other assets of \$904,924. Liabilities are comprised of accounts payable and accrued expenses of \$4,142,925, compensated absences of \$2,084,737, total OPEB liability of \$23,694,373 and net pension liability of \$2,753,709.

The decrease in the deferred outflows of resources in the amount of \$357,811 or 3% is due to RIOC's compliance with the provisions of GASB Statement No. 68 - "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27," GASB Statement No. 71 - "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68," and GASB Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." See notes 2(k) for additional information and 7 for the financial statement impact of compliance on the financial statements for the pension; and note 10 for OPEB.

The following is a summary of the RIOC's Statements of Net Position at March 31, 2025 and 2024 and the percentage changes between March 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>	<u>% Change</u>
Current and other assets	\$ 43,572,032	20,494,521	113%
Lease receivables, less current installments	477,501,375	483,795,602	-1%
Capital assets, net	<u>147,045,723</u>	<u>151,329,156</u>	-3%
Total assets	<u>668,119,130</u>	<u>655,619,279</u>	2%
Deferred outflows of resources	<u>10,665,889</u>	<u>12,398,891</u>	-14%
Liabilities	<u>26,380,600</u>	<u>29,861,059</u>	-12%
Deferred inflows of resources	<u>555,532,665</u>	<u>535,791,540</u>	4%
Net position	<u>\$ 96,871,754</u>	<u>102,365,571</u>	-5%

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Management's Discussion and Analysis, Continued

RIOC's Statement of Net Position at March 31, 2025 had total assets of \$668,119,130 and deferred outflow of resources of \$10,665,889 that exceeded total liabilities of \$26,380,600 and deferred inflows of resources of \$555,532,665 by \$96,871,754 (net position). Total assets are comprised of capital assets (e.g., buildings, machinery and equipment) totaling \$147,045,723, lease receivables of \$483,795,604, noncurrent investments totaling \$1,020,781, cash and short-term investments totaling \$34,762,348 and other assets of \$1,494,674. Liabilities are comprised of accounts payable and accrued expenses of \$1,246,203, compensated absences of \$1,778,682, total OPEB liability of \$21,724,299 and net pension liability of \$1,631,416.

The decrease in the deferred outflows of resources in the amount of \$1,733,002 or 14% is due to RIOC's compliance with the provisions of GASB Statement No. 68 - "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27," GASB Statement No. 71 - "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68," and GASB Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." See notes 2(k) for additional information and 7 for the financial statement impact of compliance on the financial statements for the pension; and note 10 for OPEB. The increase in deferred inflows of resources is due to receipt of \$24,818,119 in November of 2024 when Building 9 received their Temporary Certificate of Occupancy, triggering the Specific Rental Payment clause of the ground lease.

OPERATING ACTIVITIES

RIOC's Statements of Revenue, Expenses and Changes in Net Position are used to report changes in the net position, including depreciation expense. Revenue is reported based on a standard of recognition whereby revenue is recorded when earned. The Statements of Revenue, Expenses and Changes in Net Position detail program revenue by major source and expenses by natural classification and indicate the change in net position.

RIOC's total operating revenue for the year ended March 31, 2026 was \$42,517,576. For the year ended March 31, 2026, operating revenue decreased by \$679,167 or 2% over the prior year. This was due to a decrease in residential fees of \$2,826,736, commercial rent of \$328,289, tramway revenue of \$288,205, interest income of \$94,477 and other revenue of \$523,786. This was offset by an increase in ground rent revenue of \$2,980,032, public safety reimbursement of \$177,334 and transportation/parking revenue of \$224,960.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Management's Discussion and Analysis, Continued

RIOC's total operating revenue for the year ended March 31, 2025 was \$43,196,743. For the year ended March 31, 2025, operating revenue increased by \$6,687,686 or 18% over the prior year. This was due to an increase in residential fees of \$3,964,549, ground rent of \$1,046,171, commercial rent of \$458,219, public safety reimbursement of \$90,405, transportation/parking revenue of \$142,864, interest income of \$112,619 and other revenue of \$1,658,540. This was offset by a decrease in tramway revenue of \$785,681.

RIOC's total expenses for the year ended March 31, 2026 were \$50,763,418 and \$48,690,560 for the year ended March 31, 2025, including depreciation of \$8,596,530 and \$8,415,409, respectively. For the year ended March 31, 2026, total operating expenses before depreciation increased by \$2,021,313 or 5% over the prior year. This was mainly due to an increase in personal services of \$1,643,085, insurance of \$382,346, management fees of \$444,953, repairs and maintenance of \$68,296, vehicle maintenance of \$117,456, equipment purchases/leases of \$24,179, supplies/services of \$124,844 and other expenses of \$346,847 which was offset by a decrease in professional and legal services of \$1,251,454 and in telecommunications of \$8,815.

RIOC's total expenses for the year ended March 31, 2025 were \$48,690,560 and \$45,699,338 for the year ended March 31, 2024, including depreciation of \$8,415,409 and \$8,376,452, respectively. For the year ended March 31, 2025, total operating expenses before depreciation increased by \$2,952,265 or 8% over the prior year. This was mainly due to an increase in personal services of \$1,132,848, insurance of \$650,310, professional and legal services of \$573,683, management fees of \$436,066, repairs and maintenance of \$44,720, vehicle maintenance of \$45,950 and supplies/services of \$209,589 which was offset by a decrease in telecommunications of \$7,369, equipment purchase/lease of \$18,871 and other expenses of \$114,658.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Management's Discussion and Analysis, Continued

The following summarizes RIOC's change in net position for the years ended March 31, 2026 and 2025:

	<u>2026</u>	<u>2025</u>	<u>% Change</u>
Operating revenue:			
Residential fees	\$ 4,326,455	7,153,191	-40%
Ground rent	13,450,299	10,470,267	28%
Commercial rent	1,471,416	1,799,705	-18%
Tramway revenue	5,199,471	5,487,676	-5%
Public safety reimbursement	2,709,958	2,532,624	7%
Transport/parking revenue	2,928,107	2,703,147	8%
Interest income	9,981,193	10,075,670	-1%
Other revenue	<u>2,450,677</u>	<u>2,974,463</u>	-18%
Total operating revenue	<u>42,517,576</u>	<u>43,196,743</u>	-2%
Operating expenses:			
Personal services	21,565,506	19,922,421	8%
Insurance	5,297,877	4,915,531	8%
Professional services and legal services	3,306,110	4,557,564	-27%
Management fees	7,279,820	6,834,867	7%
Telecommunications	242,229	251,044	-4%
Repairs and maintenance	1,387,202	1,318,906	5%
Vehicles maintenance	427,877	310,421	38%
Equipment purchases/lease	190,185	166,006	15%
Supplies/services	1,635,028	1,510,184	8%
Other expenses	<u>835,054</u>	<u>488,207</u>	71%
Total operating expenses, excluding depreciation	<u>42,166,888</u>	<u>40,275,151</u>	5%
Operating income before depreciation	350,688	2,921,592	88%
Depreciation expense	<u>(8,596,530)</u>	<u>(8,415,409)</u>	2%
Change in net position	(8,245,842)	(5,493,817)	-50%
Net position at beginning of year	<u>96,871,754</u>	<u>102,365,571</u>	-5%
Net position at end of year	<u>\$ 88,625,912</u>	<u>96,871,754</u>	-9%

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Management's Discussion and Analysis, Continued

The following summarizes RIOC's change in net position for the years ended March 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>	<u>% Change</u>
Operating revenue:			
Residential fees	\$ 7,153,191	3,188,642	124%
Ground rent	10,470,267	9,424,096	11%
Commercial rent	1,799,705	1,341,486	34%
Tramway revenue	5,487,676	6,273,357	-13%
Public safety reimbursement	2,532,624	2,442,219	4%
Transport/parking revenue	2,703,147	2,560,283	6%
Interest income	10,075,670	9,963,051	1%
Other revenue	2,974,463	1,315,923	126%
Total operating revenue	<u>43,196,743</u>	<u>36,509,057</u>	18%
Operating expenses:			
Personal services	19,922,421	18,789,573	6%
Insurance	4,915,531	4,265,221	15%
Professional services and legal services	4,557,564	3,983,881	14%
Management fees	6,834,867	6,398,801	7%
Telecommunications	251,044	258,413	-3%
Repairs and maintenance	1,318,906	1,274,186	4%
Vehicles maintenance	310,421	264,471	17%
Equipment purchases/lease	166,006	184,877	-10%
Supplies/services	1,510,184	1,300,598	16%
Other expenses	488,207	602,865	-19%
Total operating expenses, excluding depreciation	<u>40,275,151</u>	<u>37,322,886</u>	8%
Operating income (loss) before depreciation	2,921,592	(813,829)	459%
Depreciation expense	<u>(8,415,409)</u>	<u>(8,376,452)</u>	1%
Change in net position	(5,493,817)	(9,190,281)	40%
Net position at beginning of year	<u>102,365,571</u>	<u>111,555,852</u>	-8%
Net position at end of year	<u>\$ 96,871,754</u>	<u>102,365,571</u>	-5%

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Management's Discussion and Analysis, Continued

CAPITAL ASSETS

The following summarizes RIOC's net capital assets as of March 31, 2026 and 2025 and the percentage change between years:

	<u>2026</u>	<u>2025</u>	<u>% Change</u>
Construction in progress	\$ 2,756,060	-	100%
Seawall	12,431,514	12,639,021	-2%
Buildings and building improvements	44,219,743	49,030,683	-10%
Landmarks	10,572,560	10,952,195	-3%
Vehicles and equipment	4,185,297	3,132,064	34%
Infrastructure	69,850,116	71,072,898	-2%
Leasehold improvements	<u>188,975</u>	<u>218,862</u>	-14%
Total capital assets, net	<u>\$ 144,204,265</u>	<u>147,045,723</u>	-2%

The capital assets of \$144,204,265 presented in the financial statements have been depreciated using the straight-line method, effective from the date of acquisition. The decrease of \$2,841,458 from the prior year is due to tightening of our capital expenditure budget, and annual depreciation of \$8,596,530. Total depreciation expense for all capital assets amounted to \$8,596,530 and \$8,415,409 for the years ended March 31, 2026 and 2025, respectively. A more detailed analysis of RIOC's capital assets is presented in note 3.

The following summarizes RIOC's net capital assets as of March 31, 2025 and 2024 and the percentage change between years:

	<u>2025</u>	<u>2024</u>	<u>% Change</u>
Seawall	\$ 12,639,021	12,846,528	-2%
Buildings and building improvements	49,030,683	53,245,068	-8%
Landmarks	10,952,195	11,341,885	-3%
Vehicles and equipment	3,132,064	1,630,063	92%
Infrastructure	71,072,898	72,016,863	-1%
Leasehold improvements	<u>218,862</u>	<u>248,749</u>	-12%
Total capital assets, net	<u>\$ 147,045,723</u>	<u>151,329,156</u>	-3%

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Management's Discussion and Analysis, Continued

The capital assets of \$147,045,723 presented in the financial statements have been depreciated using the straight-line method, effective from the date of acquisition. The decrease of \$4,283,433 from the prior year was due to tightening of our capital expenditure budget, and annual depreciation of \$8,415,409. Total depreciation expense for all capital assets amounted to \$8,415,409 and \$8,376,452 for the years ended March 31, 2025 and 2024, respectively. A more detailed analysis of RIOC's capital assets is presented in note 3.

INFRASTRUCTURE ASSETS

The amounts reported in the accompanying statements of net position for capital assets (net of depreciation) of RIOC of \$144,204,265 and \$147,045,723 at March 31, 2026 and 2025, respectively, do not include an amount for two infrastructure items: (1) the bulk of the seawall; and (2) Main Street (the road). Pursuant to the provisions of GASB Statement No. 34 - Basic Financial Statement and Management's Discussion and Analysis - For State and Local Governments, addressing the capitalization of infrastructure assets, infrastructure assets dating from prior to 1980 are not required to be recognized. However, improvements to such infrastructure items are disclosed.

ECONOMIC FACTORS AFFECTING RIOC'S FUTURE FINANCIAL POSITION

As of November 21, 2024 the anticipated nine (9) buildings (collectively, the Buildings) of the Southtown Development Project have been completed. The Lease for Building 8 ("Ground Lease") was executed as of December 26, 2018 ("Commencement Date"). From the Commencement Date to the earlier of (i) the date upon which one or more Temporary Certificates of Occupancy is issued by the New York City Department of Buildings for at least ninety percent (90%) of the Units in Building 8, or (ii) the second (2nd) anniversary of the Commencement Date, Construction Period Ground Rent shall be payable at the rate of \$24,000 monthly (\$288,000 annually). The earlier of (i) or (ii) in the preceding sentence is the Rent Commencement Date (RCD), which occurred on July 19, 2020.

Commencing on the RCD, Ground Rent increased to \$576,000, which shall escalate by 3% annually and be re-set, as set forth in the Ground Lease. In addition, the developer, Hudson Companies Incorporated & the Related Companies L.P. (Hudson/Related) was required to pay RIOC a Specified Rental Payment (SRP) of \$16,800,000. According to the lease terms, the SRP was due on the RCD, but Hudson/Related could defer payment until the earlier of (i) a period not to exceed thirty-six (36) months from the RCD, or (ii) developer's sale of development rights under the Inclusionary Housing Program, as set forth in section 23-90 of the New York City Zoning Resolution (ZR), and in either case, all unpaid Specified Rental Payment would bear simple interest at the rate of 4%. Furthermore, Hudson/Related was obligated to contribute \$1,000,000 towards the construction of a comfort station in Firefighter's Field. In light of the COVID-19 pandemic, RIOC has determined that the funds that would have been used to construct the comfort station would be better directed to other construction projects on Roosevelt Island that would benefit the health and safety of the residents of Roosevelt Island. Accordingly, RIOC agreed to release Hudson/Related from the obligation to construct the comfort station and to instead have Hudson/Related pay RIOC the \$1,000,000.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Management's Discussion and Analysis, Continued

Building 9 lease closing shall occur no later than 30 months after the Building 8 Lease Closing. Should closing fail to occur within the expected timeframe, RIOC is protected by a Letter of Credit in the amount of \$1,958,400. Unfortunately, due to the outbreak of the COVID-19 pandemic that hit New York City in and around February 2020, negotiations for the ground lease were suspended. The thirty (30) month period for the Building 9 Lease closing was extended six (6) months to December 26, 2021 and was executed as of November 10, 2022 and ground lease commenced in November 21, 2024.

Roosevelt Landings, formerly known as Eastwood, exited the Mitchell Lama (ML) program in 2006. Units are now a mix of market rate, enhanced voucher, and Landlord Assistance Plan units, with rents that will convert to market rate upon vacancy. As of March 31, 2026, 327 (33%) of the units have been converted to market rate units. The ground lease for Roosevelt Landings expires in 2068. On October 17, 2019, RIOC's Board of Directors approved the sale of Roosevelt Landings. This property sale was very well received because of the new owner's commitment to maintain affordable housing units within the property. As part of that transaction, BSREP UA Roosevelt Landings, LLC, sold its interests and ground lease obligations in the property to Putnam Harlem JV LP, and Roosevelt Landings Owner, LLC as the beneficial owner to purchaser. The assignment of the lease and rights thereunder, per its terms, triggered a transaction payment due to RIOC in the approximate amount of \$1,816,137. RIOC received that payment on October 23, 2019.

Island House exited from ML on September 28, 2012, under a 30-year Affordability Plan. At that time, the ground lease for Island House was extended to 2068. This plan provided a structure for the creation of a leasehold condominium and the conversion of the residential portion of the building to cooperative ownership. The conversion to cooperative ownership occurred on January 1, 2014, the first day of the year following the conversion in accordance with the terms of the lease. At least 65% of the units will either be sold as affordable co-ops or remain as affordable rentals; and as of March 31, 2026, 79 (20%) of the units have been converted to market rate.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Management's Discussion and Analysis, Continued

On July 26, 2018, the ground lease with North Town Phase III Houses, Inc. ("Westview") was amended to: (1) extend the term through December 22, 2068; and (2) document the exit from the ML program in exchange for Westview to be maintained as an affordable housing complex for a period of 30 years pursuant to an Affordability Plan. The Affordability Plan provides that for the next 30 years at least 55% of the 361 residential units, (i.e. at least 199 units) will either be affordable restricted price cooperative apartments or affordable rental units. As of March 31, 2026 and 2025, 325 or 90% and 331 or 92% of the units are affordable. The existing ground rent with respect to the Residential Portion in the amount of \$70,681 per annum remains in effect until the First Ground Rent Adjustment Date. Commencing as of the First Ground Rent Adjustment Date and continuing through and including the day preceding the fifth anniversary of the First Ground Rent Adjustment Date, the Ground Rent shall be \$325,000 per annum, and would increase by 10% every 5 years during the 30-year affordable period, and thereafter at 4% per year. As used herein, the term "First Ground Rent Adjustment Date" means the later of (a) the first day of the Project's fiscal year immediately following the Master Cooperative Closing (provided the Master Cooperative Closing shall occur within three years of the date of this Fourth Amendment), or (b) the date of this Fourth Amendment, if the Master Cooperative Closing does not occur within three years of the date of this Fourth Amendment. If the Master Cooperative Closing occurs more than three years after the date of this Fourth Amendment, then the difference between the ground rent payable on the First Ground Rent Adjustment Date and the existing ground rent for the period between the date of this Fourth Amendment and the Master Cooperative Closing shall be paid to RIOC in twenty-four equal installments, commencing on the first day of the first month following the Master Cooperative Closing. The amended ground lease also caused RIOC to relinquish rights and reduce the amount of retail space within its' portfolio; as those storefronts were excluded from the 2068 extension and thereby cause those property interests to revert back to Westview's owner. As a result, RIOC paid Hudson Related Retail LLC (HRR) \$329,846 for the unamortized cost of Initial Capital Improvements and subsequent alterations to the commercial space under the Sublease, and Retail Brokerage Fees incurred by HRR in marketing and leasing such commercial space.

The Modernized Aerial Tramway (Tram), which was placed in service on November 31, 2010, is an efficient, safe, and relatively quick mode of transportation between Roosevelt Island and mid-town Manhattan. On March 1, 2017, following the issuance of a Request for Proposal (RFP) and procurement process, RIOC entered into a five-year agreement (along with an optional five-year renewal) with Leitner-Poma for the operation and maintenance (OM) of the Tram at a fixed cost of \$21,767,456 for five years. The current contract that has been extended through March 31, 2027. The Tram continues to operate in a state-of-the-art condition and without interruption during the negotiation process. Additionally, any long-term repairs or overhauls that are needed will also be covered under the terms of this renewal. The cost of the long-term repairs or overhauls are additional expenses that RIOC is responsible for and are approved in advance on an annual basis and included in RIOC's approved ten-year Capital Plan.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Management's Discussion and Analysis, Continued

During the year that ended on March 31, 2026, total ridership on the Tram decreased to 3,003,305 from 3,018,603 and Tramway revenue decreased by \$288,205 or 5% over the year ended March 31, 2025. The decline in ridership was mainly due to disruptions from equipment and upgrades, and speed restrictions imposed by the New York State Department of Transportation (DOT) for safety measures, which resulted in slower operations and fewer trips each day. However, tram speeds returned to normal in February 2025, and regular service schedules have since resumed.

The revitalization of Main Street and improvement of the retail spaces continues. On August 1, 2011 ("Commencement Date"), RIOC entered into a Master Sublease Agreement ("Agreement") with Hudson Related Retail LLC (HRR) to redevelop, improve, market, lease and professionally operate the Retail Spaces controlled by RIOC.

RIOC received an annual guaranteed rent of \$900,000 - increasing by 2% annually beginning on the first anniversary of the Commencement Date for the first five years and 2.5% annually thereafter - as well as participation in the profits of the Master Sub-Lessee. The Agreement was amended on September 30, 2018 due to the expiration and non-renewal of the Westview Commercial Sublease ("Sublease") on July 24, 2018, and the removal of Sublease commercial space from the Agreement. Thus, on July 25, 2018, the compounded annual guaranteed rent of \$1,023,507 was reduced to \$910,746.

As mentioned above, RIOC paid HRR \$329,846 for the unamortized cost of Initial Capital Improvements and subsequent alterations to the commercial space under the Sublease, and Retail Brokerage Fees incurred by HRR in marketing and leasing such commercial space. HRR was required to invest no less than \$2,365,000 in the aggregate in capital improvements during the first five years of the Agreement. According to its unaudited financial statements as of December 31, 2025, HRR invested \$4,036,199 and reported net loss of \$313,247. According to the Agreement, RIOC will share future profits equally once HRR is paid back its investment. HRR made its first profit-sharing payment during the year ended December 31, 2022 in the amount of \$500,000. For the year ended December 31, 2024, a profit sharing payment of \$425,000 was due, and remains receivable. For the year ended December 31, 2025, no payment was due.

Roosevelt Island was selected by the City of New York (the City) for the site of the Cornell Tech Applied Sciences Graduate School (Cornell). The project, forecasted to be built in three phases over a twenty-year period, will be located on the City's Goldwater Hospital site (Goldwater Site). Because of resolutions passed by the Board of Directors, RIOC worked with Cornell throughout Phase I construction and will continue coordination throughout all construction phases. RIOC received, among other things, new roads and a new sewage system around the construction site because of its contributions to this project.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Management's Discussion and Analysis, Continued

On December 21, 2013, the RIOC Board of Directors resolved, among other things, to amend its Master Lease with the City to exclude an additional 2.62 acres ("Parcel") surrounding the Goldwater Site so that it could be incorporated into the 9.8 acres being used for Cornell. As part of the surrender of the Parcel back to the City, the State made a commitment to fund an amount equivalent to \$1,000,000 annually for 55 years (escalating 2.5% every 10 years) with payment fully made by December 31, 2018 to support capital infrastructure improvements on Roosevelt Island as determined in accordance with state budgetary procedure. RIOC received the full payment in the amount of \$25,028,000 in December 2018. In addition, Cornell pays RIOC \$400,000 annually for 55 years, (increasing by 2% every 10 years) for the parcel of land that it received.

Three of the five buildings in Phase I of the Cornell project, an academic building, a corporate co-location building, and graduate student housing, were completed in August 2017, and the campus officially opened for classes in the same month. Cornell has begun construction of the remainder of Phase I, which includes two additional buildings, an approximately 100-room hotel and an executive education center. This construction began in March 2018 and was completed in 2021. The Graduate Roosevelt Island Hotel opened in June 2021 and the Verizon Executive Education Center opened in September 2021. Phases II and III of the Cornell projects have not started and are not required to be proposed before 2027.

The Sportspark project, awarded in March 2021, was completed in May 2023 with a construction cost of around \$12 million. The project included a comprehensive overhaul of the HVAC system, repairs and improvements to other essential systems, enhancements to the men's and women's locker rooms and bathrooms, and the replacement of windows and doors. Additional upgrades involved renovating the gymnasium, updating the exterior façade, and implementing overall programmatic improvements. This project is part of RIOC's approved ten-year Capital Plan and was funded through RIOC's working capital. The facility is now open to public.

In March 2017, RIOC issued a RFP for the first phase of enhancements at its Youth Center, located on Main Street. Construction for the first phase, which included replacement of the roof and terrace, was completed in October 2017. Phase II of this project continues with replacing the windows in the main room that overlooks the courtyard, modernizing and beautifying the layout and interior design of the facility, including upgrades to the bathrooms to conform to ADA standards, expanding the teaching kitchen, new lighting, doors and other critical systems. The scope of the project was expanded and, as a result, the original contract for the project was terminated; another RFP was issued in January 2019; and the project resumed in May 2019. The project is now completed. The Youth Center opened in April 2021. The project's construction cost was \$2.17 million, which was funded through RIOC's working capital.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Management's Discussion and Analysis, Continued

Roosevelt Island's Automated Vacuum Collection system (AVAC) is a network of underground pneumatic tubes that connects every building to a central garbage collection station ("Terminal Station"). AVAC uses vacuum to pull garbage through these tubes and empties it into large containers for carting off the Island. AVAC, one of the first full-scale pneumatic installations in the world, is now in need of upgrading as its original equipment is near the end of its expected life.

The first phase of improvements to modernize the AVAC were completed in March 2020. These upgrades, at a cost estimate of approximately \$2 million, required piping, replaced outdated controls, piping and exhaust systems and installed new laser sensors that automated steps in the collection process. These upgrades have optimized the efficiency of the facility and greatly reduced the annual energy consumption at the facility. A second phase of work will replace equipment and controls in the building including the separator, compactor, compressor and ancillary systems. This is in the early planning and budget phase, design work was scheduled to start in 2021; however, due to the COVID-19 pandemic, it is now uncertain as to when this phase will be scheduled. That said, the AVAC system is fully operational and capable of servicing all of RIOC's needs.

The Lighthouse, a historical landmark located at the northern tip of the Island, needs an overhaul to restore its interior and exterior. Also, there are two wooden bridges leading to the Lighthouse that had deteriorated and needed to be replaced. Replacement of the wooden bridges commenced in April 2019 and was completed by May 2019. The renovation of the Lighthouse is to be done in two phases. Proposed designs were reviewed and approved by the State Historic Preservation Office. The project will restore the interior stairs, lighthouse tower and reconstruct the lantern to match the original Renwick profile. Designs were completed in June 2020, and an RFP for construction services was issued in March 2021. The project was awarded to the successful bidder at a cost of \$2.6 million, which will be provided through RIOC's working capital. This project was completed in Spring 2022.

The expansion of Lighthouse park design commenced in Fall 2019 and was scheduled to be completed in Summer 2020. However, due to the COVID-19 pandemic, this project is currently on hold until further notice. The total estimated cost of the project is \$15 million, which will be provided through RIOC's working capital.

The Smallpox Hospital, another historical landmark located on the southern end of the Island, was the first major U.S. hospital dedicated to the care of victims of smallpox. It is now a ruin in need of stabilization and restoration. With approval from RIOC, a stabilization study was done by the Four Freedoms Park Conservancy, operator of the Franklin D. Roosevelt Four Freedom Park, which is adjacent to the Smallpox Hospital.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Management's Discussion and Analysis, Continued

The stabilization study concluded in Schematic Design drawings detailing the structural needs of the ruin and an estimated cost to complete the restoration work is being evaluated. RIOC subsequently applied and received funding in the amount of \$500,000 from New York State to complete the stabilization studies and prepare full construction documents. All survey and investigative work are complete, a final report with phasing options and estimates was required. Due to the analysis of the engineering and structural documents, the architectural firm's estimated construction cost exceeded the RIOC budgeted anticipated construction value. After further reconciliation of the budget, the project is currently on hold.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of RIOC's finances for all those with an interest in the Corporation's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Chief Financial Officer, The Roosevelt Island Operating Corporation, 680 Main Street, Roosevelt Island, New York 10044.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Statements of Net Position
March 31, 2026 and 2025

	<u>Assets</u>	<u>2026</u>	<u>2025</u>
Current assets:			
Cash and equivalents		\$ 3,207,667	4,456,751
Short-term investments		29,338,775	30,305,597
Receivables		486,385	952,238
Current installments of lease receivables		6,475,100	6,294,229
Prepaid expenses		418,539	542,436
Total current assets		<u>39,926,466</u>	<u>42,551,251</u>
Noncurrent assets:			
Noncurrent investments		1,037,447	1,020,781
Lease receivables, less current installments		471,026,275	477,501,375
Capital assets, net of accumulated depreciation		144,204,265	147,045,723
Total noncurrent assets		<u>616,267,987</u>	<u>625,567,879</u>
Total assets		<u>656,194,453</u>	<u>668,119,130</u>
Deferred outflows of resources:			
Pension		2,195,398	1,859,081
OPEB		8,112,680	8,806,808
Total deferred outflows of resources		<u>10,308,078</u>	<u>10,665,889</u>
<u>Liabilities</u>			
Current liabilities - accounts payable and accrued expenses		4,142,925	1,246,203
Compensated absences		2,084,737	1,778,682
Total OPEB liability		23,694,373	21,724,299
Net pension liability - proportionate share - ERS		2,753,709	1,631,416
Total liabilities		<u>32,675,744</u>	<u>26,380,600</u>
Commitments and contingencies (note 9)			
Deferred inflows of resources:			
Leases		538,159,237	547,536,499
Pension		254,545	1,120,056
OPEB		6,787,093	6,876,110
Total deferred inflows of resources		<u>545,200,875</u>	<u>555,532,665</u>
Net position:			
Net investment in capital assets		144,204,265	147,045,723
Unrestricted (deficit)		(55,578,353)	(50,173,969)
Total net position		<u>\$ 88,625,912</u>	<u>96,871,754</u>

See accompanying notes to financial statements.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Statements of Revenue, Expenses and Changes in Net Position
Years ended March 31, 2026 and 2025

	<u>2026</u>	<u>2025</u>
Operating revenue:		
Residential fees	\$ 4,326,455	7,153,191
Ground rent	13,450,299	10,470,267
Commercial rent	1,471,416	1,799,705
Tramway revenue	5,199,471	5,487,676
Public safety reimbursement	2,709,958	2,532,624
Transport/parking revenue	2,928,107	2,703,147
Interest income	9,981,193	10,075,670
Other revenue	2,450,677	2,974,463
	<u>42,517,576</u>	<u>43,196,743</u>
Total operating revenue		
Operating expenses:		
Personal services	21,565,506	19,922,421
Insurance	5,297,877	4,915,531
Professional services and legal services	3,306,110	4,557,564
Management fees	7,279,820	6,834,867
Telecommunications	242,229	251,044
Repairs and maintenance	1,387,202	1,318,906
Vehicles maintenance	427,877	310,421
Equipment purchases/lease	190,185	166,006
Supplies/services	1,635,028	1,510,184
Other expenses	835,054	488,207
	<u>42,166,888</u>	<u>40,275,151</u>
Total operating expenses, excluding depreciation		
Operating income before depreciation	350,688	2,921,592
Depreciation expense	<u>(8,596,530)</u>	<u>(8,415,409)</u>
Change in net position	(8,245,842)	(5,493,817)
Net position at beginning of year	<u>96,871,754</u>	<u>102,365,571</u>
Net position at end of year	<u>\$ 88,625,912</u>	<u>96,871,754</u>

See accompanying notes to financial statements.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Statements of Cash Flows
Years ended March 31, 2026 and 2025

	<u>2026</u>	<u>2025</u>
Cash flows from operating activities:		
Receipts from tenants and customers	\$ 39,900,396	64,929,989
Payments related to employees	(19,174,654)	(16,860,478)
Payments to vendors	<u>(17,169,910)</u>	<u>(21,265,740)</u>
Net cash provided by operating activities	<u>3,555,832</u>	<u>26,803,771</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	(5,755,072)	(4,131,976)
Sale of short-term investments	966,822	1,468,470
Sale (purchase) of noncurrent investments	<u>(16,666)</u>	<u>(23,529,227)</u>
Net cash used in capital and related financing activities	<u>(4,804,916)</u>	<u>(26,192,733)</u>
Net change in cash	(1,249,084)	611,038
Cash and equivalents at beginning of year	<u>4,456,751</u>	<u>3,845,713</u>
Cash and equivalents at end of year	<u>\$ 3,207,667</u>	<u>4,456,751</u>
Cash flows from operating activities:		
Change in net position	(8,245,842)	(5,493,817)
Adjustments to reconcile change in net position to net cash provided by operating activities:		
Depreciation	8,596,530	8,415,409
Changes in:		
Receivables	465,853	(44,559)
Lease receivables	6,294,229	6,118,675
Prepaid expenses	123,897	(185,605)
Deferred outflows of resources	357,811	1,733,002
Accounts payable and accrued expenses	2,896,722	(876,311)
Compensated absences	306,055	839,236
Unearned revenue	-	(242,323)
Total OPEB liability	1,970,074	(2,081,648)
Net pension liability - proportionate share - ERS	1,122,293	(1,119,413)
Deferred inflows of resources	<u>(10,331,790)</u>	<u>19,741,125</u>
Net cash provided by operating activities	<u>\$ 3,555,832</u>	<u>26,803,771</u>

See accompanying notes to financial statements.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2026 and 2025

(1) Organization

In 1969, the City of New York (the City) entered into a lease with the New York State Urban Development Corporation (UDC) for the development of Roosevelt Island. In May 1981, pursuant to a memorandum of understanding between UDC and the New York State Division of Housing and Community Renewal (DHCR), responsibility for Roosevelt Island was assigned to DHCR. DHCR then assigned all of its rights and responsibilities to Safe Affordable Housing for Everyone, Inc. (SAHE), a corporation under the direct control of the New York State Commissioner of Housing.

Effective April 1, 1981, SAHE, a Community Development Corporation (formed under Article (6) of the Private Housing Finance Law), became responsible for the day-to-day operation of the services and facilities of Roosevelt Island.

On September 4, 1984, Roosevelt Island Operating Corporation (RIOC or the Corporation) was organized pursuant to Chapter 899 of the New York Unconsolidated Law as a public benefit corporation. The responsibility for the operation, security and maintenance of Roosevelt Island was transferred from SAHE to RIOC on April 1, 1985.

Accounting principles generally accepted in the United States of America (GAAP) require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Governmental Accounting Standards Board (GASB) codification 2100, The Financial Reporting Entity, have been considered and there are no agencies or entities which should be, but are not, combined with the financial statements of RIOC. However, RIOC is considered a component unit of the State of New York.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

RIOC was created by the New York State Legislature in 1984 as a public benefit corporation charged with maintaining, operating, and developing Roosevelt Island. RIOC follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities of the Corporation. These statements are presented in a manner similar to a private business. While additional information is not presented, separate accounts are maintained for each fund to control and manage transactions for specific purposes and to demonstrate that RIOC is properly performing its contractual obligations.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(a) Basis of Presentation, Continued

The financial statements of RIOC are prepared in accordance with GAAP. RIOC's reporting entity applies all relevant GASB pronouncements and Accounting Principles Board (APB) opinions issued before November 30, 1989, unless they conflict with GASB pronouncements.

(b) Budgetary Information

During the years ended March 31, 2026 and 2025, RIOC did not request appropriations from the State of New York. Accordingly, budgetary information was not included in the notes to financial statements. However, the Board did approve an operating budget, which is included as other supplementary information.

(c) Cash and Equivalents

The following is a summary of cash and cash equivalents as of March 31, 2026 and 2025:

	<u>2026</u>	<u>2025</u>
Cash - deposits	\$ 3,207,667	4,456,751
Short-term investments:		
Cash deposit	583,487	502,797
Insured cash sweep (ICS)	197,417	195,667
Money market accounts	186,534	184,978
Treasury bills	<u>28,371,337</u>	<u>29,422,155</u>
Total short-term investments	<u>29,338,775</u>	<u>30,305,597</u>
Total cash and short-term investments	<u>\$ 32,546,442</u>	<u>34,762,348</u>

RIOC defines cash and cash equivalents as short-term, highly liquid investments with purchased maturities of three months or less.

The money market and cash accounts are secured by a letter of credit from Federal Home Loan Bank of Cincinnati and collateral securities held in escrow by JP Morgan Chase Bank, NA and managed by the National Collateral Management Group with market values totaling \$6,600,000 as of March 31, 2026 and \$30,000,000 as of March 31, 2025.

Investments managed internally consist of insured cash sweep, "ICS", which is a Federal Deposit Insurance Corporation (FDIC) insured program administered by Amalgamated Bank, with purchased maturities of twelve months or less, Treasury bill and interest bearing cash deposit accounts. RIOC's investment guidelines limited its investments of funds primarily to obligations of the United States of America (United States Government Securities), the State of New York, high grade Corporate Securities or certificates of

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(c) Cash and Equivalents, Continued

deposit. All cash and funds invested in certificates in any fiduciary bank or trust company must be secured at all times by United States Government Securities or obligations of the State of New York with a market value, combined with any FDIC coverage, at least equal to the amount of such deposits. Monies held by the Trustees are only secured by obligations guaranteed by the United States of America.

(d) Noncurrent Investments

This represents funds set aside to satisfy the obligation for postemployment benefits other than pensions under GASB Statement No. 75 and are invested in collateralized money market accounts. The carrying amount of these investments are \$1,037,447 and \$1,020,781 at March 31, 2026 and 2025, respectively.

(e) Fair Value Measurements

Accounting principles generally accepted in the United States of America established a framework that provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under generally accepted accounting principles are as follows:

- Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities that the Corporation has the ability to access.
- Level 2 - Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable directly, or indirectly.
- Level 3 - Valuations are based on inputs that are unobservable and significant to overall fair value measurement.

RIOC holds financial instruments with quoted prices in active markets for identical assets (level 1) of \$30,376,222 and \$31,326,378 at March 31, 2026 and 2025, respectively.

(f) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported on the statements of net position in the accompanying financial statements. Capital assets are defined by RIOC as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Pursuant to the provisions of GASB Statement No. 34 - Basic Financial Statement and Management's Discussion and Analysis - For State and Local Governments, addressing the capitalization of infrastructure assets, infrastructure assets dating from prior to 1980 are not required to be recognized. However, improvements to such infrastructure items are disclosed.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(f) Capital Assets, Continued

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment of RIOC are depreciated using the straight-line method over the following estimated useful lives:

Seawall (improvement of 1995)	73 years
Buildings	40 years
Building improvements	15 years
Infrastructure	50 years
Vehicles	10 years
Office equipment	5 years
Computer equipment	5 years
Leasehold improvements	15 years

(g) Compensated Absences

It is RIOC's policy to accrue for unused absences for all full time employees. Accrued compensatory time as of March 31, 2026 and 2025 was \$2,084,737 and \$1,778,682, respectively.

(h) Unearned Revenue

Unearned revenue reported in the statements of net position represent amounts collected in advance for lease-related payments pertaining to subsequent fiscal years. These amounts will be recognized as income in the applicable reporting period.

(i) Public Purpose Grants

Included in "Other expenses" are expenses for public purpose grants of \$250,000 and \$165,000 for the years ended March 31, 2026 and 2025, respectively. The grants were awarded to various Island-based not-for-profits upon evaluation of their applications and Board approval.

(j) Estimates

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(k) Deferred Outflows and Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. Pensions and OPEB have deferred outflows of resources. For the pension, the Corporation has two items that qualify for reporting in this category. The first item represents changes in the Corporation's proportion of the collective net pension asset/liability of the New York State and Local Employees' Retirement System (ERS) and includes differences between expected and actual experience with regard to economic and demographic factors and the net difference between projected and actual investment earnings on pension plan investments. The second item is the Corporation's contributions to the pension system (ERS) subsequent to the measurement date. For OPEB, the Corporation has two items that qualify for reporting in this category; the first represents differences between actual and expected experience and changes of assumptions or other inputs; and the second represents estimated net contributions subsequent to the measurement date.

Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Leases, pensions and OPEB have deferred inflows of resources. For leases, the Corporation has one item that qualifies for reporting in this category and represents the initial measurement of the leases and payments received in advance. For the pension, the Corporation has one item that qualifies for reporting in this category and represents changes in the Corporation's proportion of the collective net pension asset/liability (ERS) and difference during the measurement periods between the Corporation's contributions and its proportion share of total contributions to the pension system not included in pension expense. For OPEB, the Corporation has two items that qualify for reporting in this category; the first represents the difference between actual and expected experience, and the second represents the changes of assumptions or other inputs.

(l) Accounting and Financial Reporting for Pensions

The Corporation previously adopted the provisions of GASB Statement No. 68 - "Accounting and Financial Reporting for Pensions - an Amendment to GASB Statement No. 27" and GASB Statement No. 71 - "Pension Transitions for Contributions Made Subsequent to the Measurement Date - an Amendment to GASB Statement No. 68." These Statements require the Corporation to report as an asset and/or liability its portion of the collective pension asset and/or liability in the New York State and Local Employees' Retirement System. These Statements also require the Corporation to report deferred outflows and/or inflows of resources for the effect of the net change in the Corporation's proportion of the collective net pension asset and/or liability and difference during the measurement period between the Corporation's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. Also included as deferred outflows of resources are the Corporation contributions to the pension system subsequent to the measurement date.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Notes to Financial Statements, Continued

(3) Capital Assets

Capital assets for the year ended March 31, 2026 are summarized as follows:

	Balance at April 1, <u>2025</u>	<u>Increase</u>	<u>Decrease</u>	Balance at March 31, <u>2026</u>
Historical cost:				
Construction in progress	\$ -	2,756,060	-	2,756,060
Seawall	15,148,040	-	-	15,148,040
Building and building improvements	112,288,711	483,943	-	112,772,654
Landmarks	21,854,828	-	-	21,854,828
Vehicles	6,075,773	591,957	(928,189)	5,739,541
Equipment	6,378,805	1,358,784	(64,256)	7,673,333
Infrastructure	96,269,735	628,584	-	96,898,319
Leasehold improvements	448,303	-	-	448,303
Total historical cost	<u>258,464,195</u>	<u>5,819,328</u>	<u>(992,445)</u>	<u>263,291,078</u>
Less accumulated depreciation:				
Seawall	(2,509,019)	(207,507)	-	(2,716,526)
Building and building improvements	(63,258,028)	(5,294,883)	-	(68,552,911)
Landmarks	(10,902,633)	(379,635)	-	(11,282,268)
Vehicles	(4,146,450)	(367,057)	928,189	(3,585,318)
Equipment	(5,176,064)	(466,195)	-	(5,642,259)
Infrastructure	(25,196,837)	(1,851,366)	-	(27,048,203)
Leasehold improvements	(229,441)	(29,887)	-	(259,328)
Total accumulated depreciation	<u>(111,418,472)</u>	<u>(8,596,530)</u>	<u>928,189</u>	<u>(119,086,813)</u>
Net capital assets	<u>\$ 147,045,723</u>	<u>(2,777,202)</u>	<u>(64,256)</u>	<u>144,204,265</u>

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(3) Capital Assets, Continued

Capital assets for the year ended March 31, 2025 are summarized as follows:

	Balance at April 1, <u>2024</u>	<u>Increase</u>	<u>Decrease</u>	Balance at March 31, <u>2025</u>
Historical cost:				
Seawall	\$ 15,148,040	-	-	15,148,040
Building and building improvements	111,159,254	1,129,457	-	112,288,711
Landmarks	21,854,828	-	-	21,854,828
Vehicles	4,654,588	1,421,185	-	6,075,773
Equipment	5,688,217	690,588	-	6,378,805
Infrastructure	95,378,989	890,746	-	96,269,735
Leasehold improvements	448,303	-	-	448,303
Total historical cost	<u>254,332,219</u>	<u>4,131,976</u>	-	<u>258,464,195</u>
Less accumulated depreciation:				
Seawall	(2,301,512)	(207,507)	-	(2,509,019)
Building and building improvements	(57,914,186)	(5,343,842)	-	(63,258,028)
Landmarks	(10,512,943)	(389,690)	-	(10,902,633)
Vehicles	(3,898,844)	(247,606)	-	(4,146,450)
Equipment	(4,813,898)	(362,166)	-	(5,176,064)
Infrastructure	(23,362,126)	(1,834,711)	-	(25,196,837)
Leasehold improvements	(199,554)	(29,887)	-	(229,441)
Total accumulated depreciation	<u>(103,003,063)</u>	<u>(8,415,409)</u>	-	<u>(111,418,472)</u>
Net capital assets	<u>\$ 151,329,156</u>	<u>(4,283,433)</u>	-	<u>147,045,723</u>

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(4) Operating Revenue, Basic Rent and Housing Company Reimbursement

Operating revenue in the accompanying statements of revenue, expenses and changes in net position consist of income derived from the following sources:

(a) Residential Fees

The net present value (NPV) fee for Octagon and Southtown buildings #1, 2, 3, 4, 5, 6, 7, and 8 were collected in advance and recognized over the term of the lease and are included in deferred inflows of resources related to leases. Tax equivalent payments (TEP) are collected and recognized from Southtown buildings #5, 6, 7, 8 and 9 over the term of the lease. Condo sales fees are collected and recognized upon closing of a sale. TEP and NPV are fixed and the Condo fees vary according to sales.

(b) Ground Rent

Ground rents are derived from ground subleases between RIOC and various developers of housing on Roosevelt Island. Most of the ground subleases expire in 2068, which coincides with the expiration of the master lease between RIOC and the City, the owner of Roosevelt Island. Ground rents account for nearly 52% of annual revenue. The two main sources of ground rents are Manhattan Park and Roosevelt Landings (formerly Eastwood). The other streams of ground rents are from Southtown Buildings #1, 2, 3, 4, 5, 6, 7, 8 and 9; Island House; Rivercross; and Octagon.

Manhattan Park - Under the terms of the ground sublease between RIOC and Roosevelt Island Associates dated August 4, 1986 and expiring in 2068, annual rent, which commenced on the Rent Commencement Date of January 1, 1991, consists of a base ground rent of \$100,000 and additional fixed ground rent of \$1,900,000, increasing \$100,000 annually through December 31, 2011. As of January 1, 2012 and continuing through December 31, 2026, annual ground rent consists of the base ground rent of \$100,000 and additional fixed ground rent of \$4,000,000. Beyond 2026 until expiration in 2068, the ground rent is based upon the appraised value of the property times an applicable percentage, which is the market rate of return. Ground rents earned under the terms of the ground sublease were \$4,100,000 for the years ended March 31, 2026 and 2025.

In addition to the ground rent mentioned above, RIOC received a percentage payment, which is based on a tiered percentage formula of Manhattan Park's gross income. As of January 1, 2012 and continuing through December 31, 2026, the percentage payment will increase by the excess of the applicable percentages of gross income over the sum of the prior year's fixed ground rent of \$4,100,000 and percentage rent of \$2,064,388 and \$2,040,649 for the years ended March 31, 2025 and 2024, respectively. For the years ended March 31, 2026 and 2025, the percentage rent earned was \$3,223,174 and \$2,064,388, respectively.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(4) Operating Revenue, Basic Rent and Housing Company Reimbursement, Continued

(b) Ground Rent, Continued

Cornell - The Master Lease between RIOC and the City dated December 23, 1969 was amended on December 19, 2013 (“Effective Date”) to exclude an additional 2.62 acres (“Parcel”) surrounding the Goldwater Site so that it could be incorporated into the 9.8 acres being used for Cornell. As part of the surrender of the Parcel back to the City, the State made a commitment to fund an amount equivalent to \$1,000,000 annually for 55 years (escalating 2.5% every 10 years) with payment fully made by December 31, 2018 to support capital infrastructure improvements on Roosevelt Island as determined in accordance with state budgetary procedure. RIOC received the full payment in the amount of \$25,028,000 in December 2018. Commencing on the Effective Date, Cornell pays RIOC \$400,000 annually for 55 years, (increasing by 2% every 10 years) for the Parcel that it received.

Putnam Harlem JV LP (formerly BSREP) - Pursuant to an Amended and Restated Lease between RIOC and North Town Roosevelt, LLC (North Town) dated September 21, 2006 (the “Eastwood Lease”), the base ground rent increased to \$1 million per year effective October 1, 2006, plus a percentage increase in accordance with annual rent rolls increases. Ground rents earned totaled \$2,320,447 and \$2,189,340 for the years ended March 31, 2026 and 2025, respectively.

Northtown Phase II Houses, Inc. (Island House) - The ground sublease between RIOC and North Town Phase II Houses, Inc., dated October 30, 1972, was amended with the base rent increasing from \$136,000 to \$236,000 per year effective January 1, 2013 - increasing by 10% on each 5th anniversary for 30 years.

Northtown Phase IV Houses, Inc. (Rivercross) - Pursuant to the Second Amendment of the Restated Lease between RIOC and Rivercross dated May 30, 2018 (“Effective Date”), the ground rent was reset to \$2,500,000 (“Re-Set Ground Rent”) per year effective as of March 27, 2014. As of April 1, 2022, and on each fifth anniversary of that date thereafter, the Re-Set Ground Rent will increase by 10%. On the Effective Date, a settlement in the amount of \$10,287,489 (“Settlement Amount”) was made for the underpayment of ground rent during the period from the Withdrawal Date to the Effective Date. \$5,273,791 of the Settlement Amount was paid on the Effective Date and the remaining \$5,013,698 will be paid in fifteen (15) equal annual installments of principal, together with interest thereon from the Effective Date at the rate of four percent (4%) per annum, commencing on the first anniversary of the Effective Date, and on each anniversary of such date in subsequent years. On December 11, 2020, the balance in the amount of \$4,467,452 was paid in full.

Ground rents for Southtown Buildings #1, 2, 3 and 4 and for a portion of Buildings #5, 6, 7, 8 and 9, as well as the Octagon were paid in advance. Ground rents earned for Building #1-9 totaled \$4,419,402 and \$4,404,224 for the years ended March 31, 2026 and 2025, respectively.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(4) Operating Revenue, Basic Rent and Housing Company Reimbursement, Continued

(c) Commercial Rent

On August 1, 2011, RIOC entered into a Master Sublease Agreement with Hudson Related Retail LLC (HRR) to redevelop, improve, market, lease and professionally operate the Commercial Retail Spaces controlled by RIOC. HRR will pay RIOC an annual guaranteed rent of \$900,000 - escalating by 2% annually for the first five years and 2.5% annually thereafter, plus participation in the profits of HRR. According to the agreement, RIOC will share future profits evenly once HRR is paid back its investment. According to its unaudited financial statements as of December 31, 2025, HRR invested \$4,036,199 and reported a loss of \$313,247.

In addition, RIOC entered into a license with HCK Recreation, Inc. (HCK) on November 16, 1989 for the operation of a tennis facility, which was amended three times with the latest amendment requiring HCK to pay the greater of \$275,000 per annum or 10% of annual gross receipts. Furthermore, on January 15, 2002, RIOC entered into an agreement with The Child School (School) to develop and operate the School. The agreement requires the School to pay \$275,000 per annum with an escalation in an amount equal to the percentage increase in the New York State's Education Department tuition reimbursement received by the School.

(d) Tramway Revenue

During February 2004, RIOC entered into an agreement with The New York City Transit Authority (NYCTA) for revenue collection from the Tramway. In the agreement, RIOC receives from the NYCTA a fare of \$2.00 for all swipes of full-fare Metro Cards, including transfers, in turnstiles located in RIOC's tram stations. The funds are transmitted to RIOC via electronic funds transfer and the NYCTA supplies appropriate reports for the reconciliation of the revenue and ridership. There is a franchise fee expense associated with this agreement that is half of one percent of gross sales. Tramway revenue was \$5,199,471 and \$5,487,676 for the years ended March 31, 2026 and 2025, respectively. Tramway costs were \$7,793,623 and \$7,329,547 for the years ended March 31, 2026 and 2025, respectively.

(e) Public Safety Reimbursement

The intent of the initial agreements with the four original Mitchell-Lama housing projects (the "WIRE Projects") was for RIOC to recoup approximately 50% of the cost of maintaining a public safety department on the Island. Accordingly, no less than 50% of such costs have been reimbursed by the WIRE Projects and are included in public safety reimbursement on the accompanying statements of revenue, expenses and changes in net position. Additionally, Manhattan Park, Southtown and the Octagon projects are responsible for their respective share of the cost of RIOC's Public Safety Department (PSD). Public safety reimbursements were \$2,709,958 and \$2,532,624 for the years ended March 31, 2026 and 2025, respectively. PSD costs were \$5,982,924 and \$5,086,740, for the years ended March 31, 2026 and 2025, respectively.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(4) Operating Revenue, Basic Rent and Housing Company Reimbursement, Continued

(f) Transportation/Parking Fees

The Motorgate Garage, the Roosevelt Island parking facility, is managed by SP Plus (SP) under an agreement which expired but parties are continuing to adhere to its terms. This agreement is cancelable by RIOC on 30-day notice and by SP on 180-day notice. SP collects the parking fees and pays the operating costs in connection with the management of the garage. The excess of parking revenues over operating costs is returned to RIOC. RIOC shares the Motorgate revenue with Roosevelt Island Associates, operator of Manhattan Park, with RIOC receiving 61% of the net income.

RIOC's share of Motorgate revenue totaled \$2,561,973 and \$2,384,770 for the years ended March 31, 2026 and 2025, respectively. Parking costs were \$1,425,891 and \$1,355,034, for the years ended March 31, 2026 and 2025, respectively. Transportation revenue from the provision of bus services totaled \$151,777 and \$60,465 for the years ended March 31, 2026 and 2025, respectively. The cost of running the bus service totaled \$1,908,889 and \$1,670,257 for the same respective periods. Additionally, revenue from street parking meters for these periods totaled \$214,357 and \$257,912, respectively.

(g) Interest and Other Revenue

Interest income is derived from deposits that are either FDIC insured or collateralized by government securities according to the investment guidelines of the State of New York. Other revenue comprised of fees for usage of the sports fields and facilities.

(h) De-designation Fee Income

The Development Agreement for Southtown buildings (Buildings) seven (7) through nine (9) between Hudson Related Joint Venture (Developer) and RIOC included a contingent de-designation (cancellation of project or portion of) fee of \$1,958,400. The Development Agreement is collateralized by a Guaranty Letter of Credit issued by Deutsche Bank Trust Company, NA in the amount of \$1,958,000 maturing on August 15, 2022, to be renewed annually. The Building 8 Lease was closed on December 26, 2018 and construction was substantially completed on July 19, 2020. The Building 9 Lease closing shall occur no later than 30 months after the Building 8 Lease Closing. Should development fail to occur within the expected timeframe, RIOC is protected by a Letter of Credit in the amount of \$1,958,400. Unfortunately, due to the outbreak of the COVID-19 pandemic that hit the City in and around February 2020, negotiations for the ground lease were suspended. The thirty (30) month period for the Building 9 Lease closing was extended six (6) months to December 26, 2021 and was completed as of November 10, 2023.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(4) Operating Revenue, Basic Rent and Housing Company Reimbursement, Continued

(i) Future Minimum Payments Due

Future minimum payments due to RIOC under current leases and the related deferred inflows of resources were discounted to present value using an interest rate of 3%. The amortization of the lease receivables and related deferred inflows of resources is as follows:

Years ending March 31,	Principal	Interest	Total	Deferred Inflows
2027	\$ 6,475,100	9,698,321	16,173,421	9,530,925
2028	6,661,443	10,024,275	16,685,718	9,786,375
2029	6,853,426	9,981,239	16,834,665	9,871,646
2030	7,051,224	9,950,607	17,001,831	9,965,908
2031	7,255,014	9,918,056	17,173,070	10,062,639
2032 - 2036	38,956,397	51,383,008	90,339,405	52,486,091
2037 - 2041	43,169,858	53,429,817	96,599,675	55,336,432
2042 - 2046	49,555,814	55,354,209	104,910,023	59,750,479
2047 - 2051	57,269,525	57,347,158	114,616,683	64,911,635
2052 - 2056	59,562,258	56,224,692	115,786,950	64,748,318
2057 - 2061	68,373,106	58,063,431	126,436,537	70,242,042
2062 - 2066	79,116,743	60,166,068	139,282,811	76,963,994
2067 - 2070	47,201,467	33,766,997	80,968,464	44,502,753
	<u>\$ 477,501,375</u>	<u>475,307,878</u>	<u>952,809,253</u>	<u>538,159,237</u>

(5) Management Agreements

The Roosevelt Island Tramway System is operated by Leitner-Poma of America, Inc., a subsidiary of Pomagalski S.A, the designer and builder of the modernized Tramway system, which went into operation on November 30, 2010. On March 1, 2017, RIOC negotiated a 5-year fixed fee operating agreement at an annual cost of \$4,100,000 with an annual increase of 3% per year. That agreement was subsequently extended through March 31, 2027.

RIOC also has a parking management agreement with SP for the management of Motorgate Garage. This agreement is cancelable by RIOC on 30-day notice and by SP on 180-day notice. RIOC pays an annual management fee of \$40,000 and the maintenance and operating costs in connection with the management of the garage.

(6) Income Taxes

RIOC is a public benefit corporation of the State of New York and as such is exempt from income tax under Section 115 of the Internal Revenue Code. Accordingly, no income taxes have been provided for in the financial statements.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(7) Retirement Plans

Retirement plans in which RIOC contributes are detailed as follows:

(a) Union Employees

Union employees participate in separate defined contribution plans, which are administered by each union. RIOC contributed \$226,555 and \$229,590 for the years ended March 31, 2026 and 2025, respectively, to union employees' defined contribution plans.

(b) Non-Union Employees

RIOC's non-union employees participate in the New York State and Local Employees' Retirement System. This is a cost-sharing multiple-employer retirement system. ERS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York serves as sole trustee and administrative head of ERS. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of ERS and for the custody and control of their funds. ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

Funding Policy

ERS is contributory (3%) except for employees who joined the System before July 27, 1976. Employees who joined ERS after July 27, 1976, but prior to January 1, 2011, and have been members of the System for at least ten years, or have at least ten years of credited service are not required to contribute 3% of their salaries. Employees hired after January 1, 2011 shall contribute 3% of salary for the duration of employment. For Tier 6 employees, beginning April 1, 2013, contributions are as follows: Up to \$45K = 3%; \$45,001 to \$55K = 3.5%; \$55,001 to \$75K = 4.5%; \$75,001 to \$100K = 5.75%; Greater than \$100K = 6% for the entire duration of State employment. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulated fund.

ERS eligibility requirements are as follows:

Tier 1 (Member before July 1, 1973):

- a. For reduced pension benefits: Age 55 with 5 years of service.
- b. For full pension benefits: Age 55 with 20 years of service.

Tiers 2, 3, and 4 (Became a member after July 1, 1973):

- a. For reduced pension benefits: Age 55 with 5 years of service.
- b. For full pension benefits: age 62 with 20 years of service.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(7) Retirement Plans, Continued

(b) Non-Union Employees, Continued

Tier 5 (Became a member on or after January 1, 2010):

- a. For reduced pension benefits: Age 55 with 10 years of service.
- b. For full pension benefits: Age 62 with 10 years of service.

Tier 6 (Became a member on or after April 1, 2012):

- a. For reduced pension benefits: Age 55 with 10 years of service.
- b. For full pension benefits: Age 63 with 10 years of service.

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

At March 31, 2026 and 2025, the Corporation reported the following liability for its proportionate share of the net pension liability for ERS which were measured as of March 31, 2025 and 2024, respectively. The total pension liability used to calculate the net pension was determined by an actuarial valuation. The Corporation's proportionate share of the net pension liability was based on a projection of the Corporation's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS in reports provided to the Corporation.

Measurement date	<u>3/31/2025</u>	<u>3/31/2024</u>
Net pension liability	\$ 2,753,709	1,631,416
Corporation's proportion of the Plan's net pension liability	0.0160606%	0.0110799%
Change in proportion from prior year	0.0049807	(0.0017480)

For the years ended March 31, 2026 and 2025, the Corporation recognized pension expense of \$578,461 and \$562,867, respectively, for ERS. At March 31, 2026 and 2025, the Corporation reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(7) Retirement Plans, Continued

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

	2026		2025	
	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 683,489	32,241	525,478	44,484
Changes of assumptions	115,485	-	616,802	-
Net difference between projected and actual investment earnings on pension plan investments	216,048	-	-	796,938
Changes in proportion and differences between the employer contributions and proportionate share of contributions	502,764	222,304	39,189	278,634
Corporation's contributions subsequent to the measurement date	<u>677,612</u>	<u>-</u>	<u>677,612</u>	<u>-</u>
Total	\$ <u>2,195,398</u>	<u>254,545</u>	<u>1,859,081</u>	<u>1,120,056</u>

Corporation contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending March 31, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense as follows:

<u>Year ending</u>	<u>ERS</u>
2027	\$ 532,422
2028	771,868
2029	(167,137)
2030	<u>126,089</u>
	\$ <u>1,263,241</u>

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(7) Retirement Plans, Continued

(d) Actuarial Assumptions

The total pension liability as of the March 31, 2025 measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

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

To set the long-term expected rate of return on pension plan investments, consideration was given to a building-block method using best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized as follows:

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Notes to Financial Statements, Continued

(7) Retirement Plans, Continued

(d) Actuarial Assumptions, Continued

Measurement date	March 31, 2025	
	<u>Target Allocation</u>	<u>Long-term expected real rate of return*</u>
Asset type:		
Domestic equity	25%	3.54%
International equity	14%	6.57%
Private equity	15%	7.25%
Real estate	12%	4.95%
Opportunistic/ARS portfolio	3%	5.25%
Credit	4%	5.40%
Real assets	4%	5.55%
Fixed income	22%	2.00%
Cash	<u>1%</u>	0.25%
	<u>100%</u>	

* The real rate of return is net of the long-term inflation assumption of 2.90%

(e) Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(f) Sensitivity of the Proportionate Share of the Net Pension Asset/Liability to the Discount Rate

The following presents the Corporation's proportionate share of the net pension asset/liability calculated using the current-period discount rate assumption of 5.9%, as well as what the collective net pension asset/liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.9%) or 1-percentage point higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Corporation's proportionate share of the net pension asset (liability)	\$ <u>7,969,581</u>	<u>2,753,709</u>	<u>(1,601,547)</u>

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Notes to Financial Statements, Continued

(7) Retirement Plans, Continued

(g) Pension Plan Fiduciary Net Position

The components of the collective net pension asset (liability) of participating employers as of the respective measurement dates, were as follows:

	(Dollars in Millions)	
Valuation date	<u>3/31/2025</u>	<u>3/31/2024</u>
Employers' total pension liability	\$ (247,600)	(240,697)
Fiduciary net position	<u>230,455</u>	<u>225,973</u>
Employers' net pension liability	\$ <u>(17,145)</u>	<u>(14,724)</u>
Ratio of fiduciary net position to the Employers' total pension liability	98.1%	93.9%

(h) Contributions to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Retirement contributions as of March 31, 2026 and 2025 represent the projected employer contribution for the period of April 1, 2025 through March 31, 2026 and April 1, 2024 through March 31, 2025, respectively based on paid ERS wages multiplied by the employer's contribution rate, by tier. This amount has been recorded as deferred outflows of resources in the accompanying financial statements.

(8) Risk Management

RIOC purchases commercial insurance policies to adequately protect against potential loss stemming from general liability, vehicle liability, property damage, and public officials and employee liability. Coverages for the year ended March 31, 2026 were to provide adequate protection for RIOC were as follows:

<u>Coverages</u>	<u>2025-2026 Coverage Amount</u>
General liability - RIOC and Tram	\$100 million limit
Property	\$250 million limit
Boiler and machinery	\$100 million limit
Automobile	\$2 million limit
Public officials liability	\$5 million limit
Cyber	\$1 million limit

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(9) Commitments and Contingencies

Commitments and contingencies at March 31, 2026 and 2025 are detailed as follows:

(a) Revenue Allocation Agreement - between New York State Urban Development Corporation (UDC), now known as the Empire State Development (ESD) and Roosevelt Island Operating Corporation (RIOC)

On August 3rd, 1988 ESD and RIOC entered into an agreement in the sharing of all revenues derived by RIOC in order for ESD to recover its investment in Roosevelt Island. The total amount invested in developing the Roosevelt Island infrastructure and funding of ESD's operating deficits prior to the assignment of operations to RIOC amounted to \$170,356,976 along with a stated interest rate of 5.74%. In addition, there are other State Operating Subsidies and State Capital Investments that were received and may have to be repaid under the terms of the Revenue Allocation Agreement. The agreement calls for revenues to be allocated in the following manner; (1) RIOC Operating Expenditures, (2) Satisfaction of UDC's Accrued Operating Deficit, (3) Satisfaction of UDC's Public Facilities Debt, (4) Satisfaction of other State Operating Subsidies, and (5) Satisfaction of other State Capital Investments. To date, no revenues have been allocated for the satisfaction of ESD debt other than Tax Equivalency Payments for Roosevelt Island's original affordable "Mitchell-Lama" buildings. ESD has acknowledged that there are significant projected future capital investments to be made by RIOC.

(b) Leases

RIOC has agreements with four (4) housing companies, namely Westview, Eastwood, Island House, and Rivercross, operating on the Island to sublease commercial space occupied by the housing companies. Rent expense for the years ended March 31, 2026 and 2025 was approximately \$725,497 and \$611,531, respectively.

(c) Litigation

RIOC is a defendant in various lawsuits. In the opinion of RIOC's legal counsel, RIOC estimated a liability of \$600,000 related to these various lawsuits.

(10) Postemployment Benefits Other Than Pensions

(a) Plan Description and Benefits Provided

The Corporation provides continuation of medical coverage to administrative, non-represented employees (those categorized as Management/Confidential ("M/C") that retire at age 55 or older with five (5) years of service with the Corporation or a combination of service with a previous NYS public employer and a minimum of one (1) year service with RIOC. The employee must meet the requirements for retiring as a member of ERS, and the employee must be enrolled in NYSHIP. The Corporation contributes 90% for employees and 75% for an employee's spouse.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(10) Postemployment Benefits Other Than Pensions, Continued

(a) Plan Description and Benefits Provided, Continued

The Corporation provides certain health care benefits for retired employees. Substantially all of the Corporation's non-union employees may become eligible for these benefits if they reach the normal retirement age, of the respective tier of the New York State Employees' Retirement System, while working for the Corporation. The Corporation, on an annual basis, accrues the cost which represents the present value of these benefits to be paid over the estimated lives of the retirees.

Total expenditures charged to operations for the years ended March 31, 2026 and 2025 amounted to \$3,091,289 and \$3,026,205, respectively. At March 31, 2026 and 2025, the liability for active and retired employees amounted to \$23,694,373 and \$21,724,299, respectively. There are no assets accumulated in a trust that meet the criteria of GASB Statement No. 75, paragraph 4.

(b) Employees Covered by Benefit Terms

The number of participants as of March 31, 2026 was as follows:

Active employees	130
Retired employees	19
Spouses of retired employees	<u>9</u>
Total	<u>158</u>

(c) Total OPEB Liability

The Corporation's total OPEB liability of \$23,694,373 was measured as of December 31, 2025 and was determined by an actuarial valuation as of March 31, 2025. The methodology used to measure the total OPEB liability as of March 31, 2026 reflects current census, contracted benefit and rate information.

(d) Actuarial Assumptions and Other Inputs

The total OPEB liability as of December 31, 2025 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary scale	3.30%
Discount rate	4.41%
Healthcare cost trend rates	6.10% for 2026, declining to an ultimate rate of 3.70%

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(10) Postemployment Benefits Other Than Pensions, Continued

(e) Changes in the Total OPEB Liability

	<u>2026</u>	<u>2025</u>
Total OPEB liability at beginning of year	\$ <u>21,724,299</u>	<u>23,805,947</u>
Changes for the year:		
Service cost	1,807,871	1,434,452
Interest on total OPEB liability	957,377	931,471
Differences between actual and expected experience	589,420	(2,455,854)
Changes in assumptions or other inputs	(866,290)	(1,458,762)
Benefit payments	<u>(518,304)</u>	<u>(532,955)</u>
Total changes	<u>1,970,074</u>	<u>(2,081,648)</u>
Total OPEB liability at end of year	\$ <u>23,694,373</u>	<u>21,724,299</u>

(f) Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Corporation, as well as what the Corporation's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.41%) or 1-percentage-point higher (5.41%) than the current discount rate:

	1% Decrease (3.41%)	Discount Rate (4.41%)	1% Increase (5.41%)
Total OPEB liability	\$ <u>27,765,473</u>	<u>23,694,373</u>	<u>20,460,206</u>

This analysis represents sensitivity of the OPEB liability as of March 31, 2026.

(g) Sensitivity of the Total OPEB Liability to Changes in the Healthcare Costs Trend Rates

The following presents the total OPEB liability of the Corporation, as well as what the Corporation's total OPEB liability would be if it were calculated using a rate that is 1-percentage point lower (5.10% to 2.70%) or 1-percentage point higher (7.10% to 4.70%) than the current health care cost trend rate:

	1% Decrease (5.10% to 2.70%)	Trend Rate (6.10% to 3.70%)	1% Increase (7.10% to 4.70%)
Total OPEB liability	\$ <u>20,053,957</u>	<u>23,694,373</u>	<u>28,374,655</u>

This analysis represents sensitivity of the OPEB liability as of March 31, 2026.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

(10) Postemployment Benefits Other Than Pensions, Continued

(h) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At March 31, 2026 and 2025, the Corporation reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

	2026		2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ 7,219,358	1,988,072	7,798,063	2,221,963
Changes of assumptions or other inputs	763,746	4,799,021	876,970	4,654,147
Contributions subsequent to the measurement date	129,576	-	131,775	-
	<u>\$ 8,112,680</u>	<u>6,787,093</u>	<u>8,806,808</u>	<u>6,876,110</u>

Contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending March 31, 2027. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending	
2027	\$ 295,533
2028	295,533
2029	295,533
2030	295,533
2031	295,533
Thereafter	(281,654)
	<u>\$ 1,196,011</u>

(11) Pollution Remediation Obligations

In accordance with the GASB Statement No. 49 - "Accounting and Financial Reporting for Pollution Remediation Obligations," management has concluded that no obligating event has occurred that would require recognition of a future pollution remediation obligation in the accompanying financial statements.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Notes to Financial Statements, Continued

(12) Subsequent Events Evaluation by Management

Management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

(13) Accounting Standards Issued But Not Yet Implemented

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 103 - Financial Reporting Model Improvements. Effective for fiscal years beginning after June 15, 2025.

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

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

(A Component Unit of the State of New York)
 Required Supplementary Information
 Schedule of Changes in Corporation's
 Total OPEB Liability and Related Ratios
 Year ended March 31, 2026

	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability:								
Service cost	\$ 1,807,871	1,434,452	1,398,112	639,029	592,927	558,834	722,931	823,753
Interest on total OPEB liability	957,377	931,471	871,334	266,278	252,874	309,234	436,683	432,928
Differences between actual and expected experience	589,420	(2,455,854)	342,579	10,582,326	898,212	(711,980)	(3,663,694)	(1,284,925)
Changes in assumptions or other inputs	(866,290)	(1,458,762)	1,077,615	(4,704,580)	352,657	1,510,443	2,390,063	(972,145)
Benefit payments	<u>(518,304)</u>	<u>(532,955)</u>	<u>(499,355)</u>	<u>(314,810)</u>	<u>(301,806)</u>	<u>(229,581)</u>	<u>(225,642)</u>	<u>(207,025)</u>
Net change in total OPEB liability	1,970,074	(2,081,648)	3,190,285	6,468,243	1,794,864	1,436,950	(339,659)	(1,207,414)
Total OPEB liability - beginning	<u>21,724,299</u>	<u>23,805,947</u>	<u>20,615,662</u>	<u>14,147,419</u>	<u>12,352,555</u>	<u>10,915,605</u>	<u>11,255,264</u>	<u>12,462,678</u>
Total OPEB liability - ending	<u>\$ 23,694,373</u>	<u>21,724,299</u>	<u>23,805,947</u>	<u>20,615,662</u>	<u>14,147,419</u>	<u>12,352,555</u>	<u>10,915,605</u>	<u>11,255,264</u>
Covered payroll	\$ 10,287,470	9,958,829	10,358,647	10,005,454	3,869,882	3,741,185	4,398,752	4,398,752
Total OPEB liability as a percentage of covered payroll	230.32%	218.14%	229.82%	206.04%	365.58%	330.18%	248.15%	255.87%

Notes to schedule:

There are no assets accumulated in a trust that meet the criteria of GASB Statement No. 75, paragraph 4.

Changes of assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
4.41%	4.16%	3.77%	4.05%	1.84%	2.00%	2.75%	3.71%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the Corporation is presenting information for those years for which information is available.

ROOSEVELT ISLAND OPERATING CORPORATION
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Required Supplementary Information
Schedule of Corporation's Proportionate Share of the Net Pension Asset/Liability
Year ended March 31, 2026

	NYSERS Pension Plan									
	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Corporation's proportion of the net pension asset (liability)	0.0160606%	0.0110799%	0.0128279%	0.0119561%	0.0116641%	0.0151861%	0.0153142%	0.0129755%	0.0121085%	0.0115185%
Corporation's proportionate share of the net pension asset (liability)	\$ (2,753,709)	(1,631,416)	(2,750,829)	977,358	(11,614)	(4,021,372)	(1,085,061)	(418,777)	(1,137,738)	(1,848,752)
Corporation's covered payroll	\$ 5,450,452	5,250,505	3,722,811	3,967,303	3,628,079	3,814,468	4,297,080	3,887,580	3,494,884	3,291,106
Corporation's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	50.52%	31.07%	73.89%	24.64%	0.32%	105.42%	25.25%	10.77%	32.55%	56.17%
Plan fiduciary net position as a percentage of the total pension liability	93.1%	93.9%	90.7%	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Required Supplementary Information
Schedule of Corporation's Pension Contributions
Year ended March 31, 2026

	NYSERS Pension Plan									
	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 757,040	677,612	409,069	388,251	485,897	461,015	519,417	489,985	459,071	465,927
Contributions in relation to the contractually required contribution	<u>757,040</u>	<u>677,612</u>	<u>409,069</u>	<u>388,251</u>	<u>485,897</u>	<u>461,015</u>	<u>519,417</u>	<u>489,985</u>	<u>459,071</u>	<u>465,927</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Corporation's covered payroll	\$5,450,452	5,250,505	3,722,811	3,967,303	3,628,079	3,814,468	4,297,080	3,887,580	3,494,884	3,291,106
Contributions as a percentage of covered payroll	13.89%	12.91%	10.99%	9.79%	13.39%	12.09%	12.09%	12.60%	13.14%	14.16%

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Other Supplementary Information
Schedule of Operations by Department
Year ended March 31, 2026

	General Fund						Total General Fund	Public Purpose Fund	Capital Fund	Reserved Fund	Total
	Operations	Public Safety	Transportation	Parking	Parks/Rec.	Tram					
Revenue:											
Residential fees	\$ 3,395,552	-	-	-	-	-	3,395,552	-	749,566	181,337	4,326,455
Ground rent	13,066,648	-	-	-	-	-	13,066,648	-	-	383,651	13,450,299
Commercial rent	1,471,416	-	-	-	-	-	1,471,416	-	-	-	1,471,416
Tramway revenue	-	-	-	-	-	5,199,471	5,199,471	-	-	-	5,199,471
Public safety reimbursement	-	2,709,958	-	-	-	-	2,709,958	-	-	-	2,709,958
Transportation/parking revenue	-	-	151,777	2,776,330	-	-	2,928,107	-	-	-	2,928,107
Interest income	8,853,509	-	-	-	-	-	8,853,509	-	40,867	1,086,817	9,981,193
Other revenue	974,391	-	-	-	1,476,286	-	2,450,677	-	-	-	2,450,677
Total revenue	27,761,516	2,709,958	151,777	2,776,330	1,476,286	5,199,471	40,075,338	-	790,433	1,651,805	42,517,576
Expenses:											
Personal services:											
Salaries	6,050,151	3,925,490	1,154,438	-	802,048	-	11,932,127	-	-	-	11,932,127
Temporary employees	166,910	-	-	-	586,615	-	753,525	-	-	-	753,525
Employee benefits	6,071,966	1,658,118	379,047	-	464,667	-	8,573,798	-	-	-	8,573,798
Compensated absences	306,056	-	-	-	-	-	306,056	-	-	-	306,056
Total personal services	12,595,083	5,583,608	1,533,485	-	1,853,330	-	21,565,506	-	-	-	21,565,506
Other than personal services:											
Insurance	3,805,184	-	-	-	-	1,492,693	5,297,877	-	-	-	5,297,877
Professional services	1,627,351	83,968	-	-	175,726	17,070	1,904,115	-	-	-	1,904,115
Management fees	-	-	-	1,329,547	-	5,950,273	7,279,820	-	-	-	7,279,820
Legal services	1,401,995	-	-	-	-	-	1,401,995	-	-	-	1,401,995
Telecommunications	242,229	-	-	-	-	-	242,229	-	-	-	242,229
Island improvements/capital plan	725,497	-	-	-	-	-	725,497	-	-	-	725,497
Repairs and maintenance	570,227	5,378	8,000	-	35,737	42,363	661,705	-	-	-	661,705
Vehicles maintenance	131,815	59,173	235,291	-	1,598	-	427,877	-	-	-	427,877
Equipment purchases/lease	154,529	11,523	2,372	-	12,729	9,032	190,185	-	-	-	190,185
Supplies/services	653,236	163,910	122,165	96,344	317,181	282,192	1,635,028	-	-	-	1,635,028
Other expenses	452,880	75,364	7,576	-	9,685	-	545,505	250,046	975	38,528	835,054
Total other than personal services	9,764,943	399,316	375,404	1,425,891	552,656	7,793,623	20,311,833	250,046	975	38,528	20,601,382
Total operating expenses, excluding depreciation	22,360,026	5,982,924	1,908,889	1,425,891	2,405,986	7,793,623	41,877,339	250,046	975	38,528	42,166,888
Operating income (loss) before depreciation	5,401,490	(3,272,966)	(1,757,112)	1,350,439	(929,700)	(2,594,152)	(1,802,001)	(250,046)	789,458	1,613,277	350,688
Depreciation expense	-	-	-	-	-	-	-	-	(8,596,530)	-	(8,596,530)
Change in net position	\$ 5,401,490	(3,272,966)	(1,757,112)	1,350,439	(929,700)	(2,594,152)	(1,802,001)	(250,046)	(7,807,072)	1,613,277	(8,245,842)

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Other Supplementary Information
Schedule of Operations by Department
Year ended March 31, 2025

	General Fund						Total General Fund	Public Purpose Fund	Capital Fund	Reserved Fund	Total
	Operations	Public Safety	Transportation	Parking	Parks/Rec.	Tram					
Revenue:											
Residential fees	\$ 6,450,752	-	-	-	-	-	6,450,752	-	528,333	174,106	7,153,191
Ground rent	10,086,616	-	-	-	-	-	10,086,616	-	-	383,651	10,470,267
Commercial rent	1,799,705	-	-	-	-	-	1,799,705	-	-	-	1,799,705
Tramway revenue	-	-	-	-	-	5,487,676	5,487,676	-	-	-	5,487,676
Public safety reimbursement	-	2,532,624	-	-	-	-	2,532,624	-	-	-	2,532,624
Transportation/parking revenue	-	-	60,465	2,642,682	-	-	2,703,147	-	-	-	2,703,147
Interest income	9,582,051	-	-	-	-	-	9,582,051	-	38,799	454,820	10,075,670
Other revenue	1,658,519	-	-	-	1,306,651	-	2,965,170	-	9,293	-	2,974,463
Total revenue	29,577,643	2,532,624	60,465	2,642,682	1,306,651	5,487,676	41,607,741	-	576,425	1,012,577	43,196,743
Expenses:											
Personal services:											
Salaries	5,688,821	3,188,626	972,895	-	876,777	-	10,727,119	-	-	-	10,727,119
Temporary employees	148,565	-	-	-	276,050	-	424,615	-	-	-	424,615
Employee benefits	5,480,399	1,670,207	340,185	-	440,660	-	7,931,451	-	-	-	7,931,451
Compensated absences	839,236	-	-	-	-	-	839,236	-	-	-	839,236
Total personal services	12,157,021	4,858,833	1,313,080	-	1,593,487	-	19,922,421	-	-	-	19,922,421
Other than personal services:											
Insurance	3,547,990	-	-	-	-	1,367,541	4,915,531	-	-	-	4,915,531
Professional services	1,996,906	71,434	-	-	708,295	117,385	2,894,020	-	-	-	2,894,020
Management fees	-	-	-	1,274,295	-	5,560,572	6,834,867	-	-	-	6,834,867
Legal services	1,663,544	-	-	-	-	-	1,663,544	-	-	-	1,663,544
Telecommunications	251,044	-	-	-	-	-	251,044	-	-	-	251,044
Island improvements/capital plan	611,531	-	-	-	-	-	611,531	-	-	-	611,531
Repairs and maintenance	655,815	525	12,854	-	565	37,616	707,375	-	-	-	707,375
Vehicles maintenance	78,079	34,442	196,865	-	1,035	-	310,421	-	-	-	310,421
Equipment purchases/lease	142,564	6,281	7,684	-	445	9,032	166,006	-	-	-	166,006
Supplies/services	637,576	91,480	135,725	80,739	327,263	237,401	1,510,184	-	-	-	1,510,184
Other expenses	136,960	23,745	4,049	-	158,400	-	323,154	165,030	23	-	488,207
Total other than personal services	9,722,009	227,907	357,177	1,355,034	1,196,003	7,329,547	20,187,677	165,030	23	-	20,352,730
Total operating expenses, excluding depreciation	21,879,030	5,086,740	1,670,257	1,355,034	2,789,490	7,329,547	40,110,098	165,030	23	-	40,275,151
Operating income (loss) before depreciation	7,698,613	(2,554,116)	(1,609,792)	1,287,648	(1,482,839)	(1,841,871)	1,497,643	(165,030)	576,402	1,012,577	2,921,592
Depreciation expense	-	-	-	-	-	-	-	-	(8,415,409)	-	(8,415,409)
Change in net position	\$ 7,698,613	(2,554,116)	(1,609,792)	1,287,648	(1,482,839)	(1,841,871)	1,497,643	(165,030)	(7,839,007)	1,012,577	(5,493,817)

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Other Supplementary Information
Budget Variance Report
Year ended March 31, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable)</u>	
			<u>Variance</u>	<u>Percent</u>
Revenue:				
Residential fees	\$ 4,326,455	6,206,515	(1,880,060)	(30%)
Ground rent	13,450,299	6,114,035	7,336,264	120%
Commercial rent	1,471,416	1,905,566	(434,150)	(23%)
Tramway revenue	5,199,471	6,664,473	(1,465,002)	(22%)
Public safety reimbursement	2,709,958	2,662,955	47,003	2%
Transport/parking revenue	2,928,107	2,495,540	432,567	17%
Interest income	9,981,193	10,879,723	(898,530)	(8%)
Other revenue	2,450,677	2,372,938	77,739	3%
Total revenue	42,517,576	39,301,745	3,215,831	8%
Expenses:				
Personal services (PS):				
Salaries	11,378,702	12,447,677	1,068,975	9%
Salaries OT	553,425	426,150	(127,275)	(30%)
Temporary employees	753,525	355,300	(398,225)	(112%)
Workers compensation and disability	344,827	297,250	(47,577)	(16%)
ER payroll taxes	1,175,746	1,071,669	(104,077)	(10%)
Health insurance	3,003,755	2,709,591	(294,164)	(11%)
Dental/vision	84,231	71,719	(12,512)	(17%)
Pension	904,060	1,186,606	282,546	24%
Other employee benefits	3,061,179	672,345	(2,388,834)	(355%)
Compensated absences expenses	306,056	-	(306,056)	(100%)
Total personal services (PS)	21,565,506	19,238,307	(2,327,199)	(12%)
Other than personal services (OTPS):				
Insurance	5,297,877	5,465,252	167,375	3%
Professional services	1,832,503	1,971,430	138,927	7%
Marketing/advertising	71,612	92,250	20,638	22%
Management fees	7,279,820	6,964,574	(315,246)	(5%)
Legal services	1,401,995	1,085,000	(316,995)	(29%)
Telecommunications	242,229	233,500	(8,729)	(4%)
Island improvements - capital plan	725,497	607,085	(118,412)	(20%)
Repairs and maintenance	361,405	622,859	261,454	42%
Repairs and maintenance equipment	76,322	65,000	(11,322)	(17%)
Other repairs and maintenance	223,978	394,000	170,022	43%

(Continued)

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Other Supplementary Information
Budget Variance Report, Continued

	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable)</u>	
			<u>Variance</u>	<u>Percent</u>
Expenses, Continued:				
Other than personal services (OTPS), continued:				
Vehicles gas	\$ 154,679	152,750	(1,929)	(1%)
Vehicles repair and maintenance	28,247	130,500	102,253	78%
Vehicles parts	244,951	51,000	(193,951)	(380%)
Equipment lease	41,024	51,568	10,544	20%
Office equipment purchase	5,154	44,000	38,846	88%
Equipment purchases	107,770	56,025	(51,745)	(92%)
Other equipment purchases	36,237	35,000	(1,237)	(4%)
Exterminator	8,840	7,350	(1,490)	(20%)
Uniforms	136,561	86,200	(50,361)	(58%)
Light, power, heat	1,052,195	624,000	(428,195)	(69%)
Water and sewer	16,047	41,800	25,753	62%
Office supplies	35,273	23,550	(11,723)	(50%)
Parts and supplies	304,406	273,625	(30,781)	(11%)
Service maintenance agreement	81,706	89,679	7,973	9%
Employee travel and meal	5,881	3,400	(2,481)	(73%)
Employee training	75,348	117,150	41,802	36%
Shipping	30,577	15,150	(15,427)	(102%)
Subscriptions/membership	90,255	68,100	(22,155)	(33%)
Other expenses	429,834	335,230	(94,604)	(28%)
Island events - community relations	203,159	173,499	(29,660)	(17%)
Total other than personal services (OTPS)	<u>20,601,382</u>	<u>19,880,526</u>	<u>(720,856)</u>	<u>(4%)</u>
Total expenses	<u>42,166,888</u>	<u>39,118,833</u>	<u>(3,048,055)</u>	<u>(8%)</u>
Operating income before depreciation	350,688	182,912	167,776	92%
Depreciation expense	<u>(8,596,530)</u>	<u>(8,766,410)</u>	<u>169,880</u>	<u>(2%)</u>
Net deficit	<u>\$ (8,245,842)</u>	<u>(8,583,498)</u>	<u>337,656</u>	<u>(4%)</u>

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Other Supplementary Information
Budget Variance Report
Year ended March 31, 2025

	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable)</u>	
			<u>Variance</u>	<u>Percent</u>
Revenue:				
Residential fees	\$ 7,153,191	5,354,480	1,798,711	34%
Ground rent	10,470,267	7,503,028	2,967,239	40%
Commercial rent	1,799,705	1,773,354	26,351	1%
Tramway revenue	5,487,676	7,083,439	(1,595,763)	(23%)
Public safety reimbursement	2,532,624	2,499,639	32,985	1%
Transport/parking revenue	2,703,147	3,320,052	(616,905)	(19%)
Interest income	10,075,670	9,291,819	783,851	8%
Other revenue	2,974,463	2,329,464	644,999	28%
Total revenue	43,196,743	39,155,275	4,041,468	10%
Expenses:				
Personal services (PS):				
Salaries	10,382,259	11,456,450	1,074,191	9%
Salaries OT	344,860	455,550	110,690	24%
Temporary employees	424,615	30,000	(394,615)	(1315%)
Workers compensation and disability	243,603	159,000	(84,603)	(53%)
ER payroll taxes	960,137	985,513	25,376	3%
Health insurance	2,786,588	2,830,577	43,989	2%
Dental/vision	91,771	63,185	(28,586)	(45%)
Pension	792,844	1,342,751	549,907	41%
Other employee benefits	3,056,508	468,728	(2,587,780)	(552%)
Compensated absences expenses	839,236	-	(839,236)	(100%)
Total personal services (PS)	19,922,421	17,791,754	(2,130,667)	(12%)
Other than personal services (OTPS):				
Insurance	4,915,531	4,899,000	(16,531)	1%
Professional services	2,854,649	2,410,416	(444,233)	(18%)
Marketing/advertising	39,371	71,000	31,629	45%
Management fees	6,834,867	6,362,659	(472,208)	(7%)
Legal services	1,663,544	587,400	(1,076,144)	(183%)
Telecommunications	251,044	157,000	(94,044)	(60%)
Island improvements - capital plan	611,531	601,500	(10,031)	(2%)
Repairs and maintenance	364,478	522,250	157,772	30%
Repairs and maintenance equipment	76,318	55,250	(21,068)	(38%)
Other repairs and maintenance	266,579	361,000	94,421	26%

(Continued)

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Other Supplementary Information
Budget Variance Report, Continued

	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable)</u> <u>Variance</u>	<u>Percent</u>
Expenses, Continued:				
Other than personal services (OTPS), continued:				
Vehicles gas	\$ 119,597	77,825	(41,772)	(54%)
Vehicles repair and maintenance	126,473	123,500	(2,973)	(2%)
Vehicles parts	64,351	60,500	(3,851)	(6%)
Equipment lease	66,457	47,800	(18,657)	(39%)
Office equipment purchase	2,484	19,100	16,616	87%
Equipment purchases	79,983	52,000	(27,983)	(54%)
Other equipment purchases	17,082	80,000	62,918	79%
Exterminator	10,356	6,000	(4,356)	(73%)
Uniforms	94,150	75,500	(18,650)	(25%)
Light, power, heat	902,056	868,000	(34,056)	(4%)
Water and sewer	42,079	22,800	(19,279)	(85%)
Office supplies	26,966	27,900	934	3%
Parts and supplies	328,338	247,500	(80,838)	(33%)
Service maintenance agreement	106,239	106,500	261	1%
Employee travel and meal	10,403	2,900	(7,503)	(259%)
Employee training	23,351	107,100	83,749	78%
Shipping	13,918	16,050	2,132	13%
Subscriptions/membership	61,537	36,650	(24,887)	(68%)
Other expenses	218,270	203,900	(14,370)	(7%)
Island events - community relations	160,728	161,000	272	1%
Total other than personal services (OTPS)	<u>20,352,730</u>	<u>18,370,000</u>	<u>(1,982,730)</u>	(11%)
Total expenses	<u>40,275,151</u>	<u>36,161,754</u>	<u>(4,113,397)</u>	(11%)
Operating income before depreciation	2,921,592	2,993,521	(71,929)	(2%)
Depreciation expense	<u>(8,415,409)</u>	<u>(7,598,454)</u>	<u>(816,955)</u>	11%
Net deficit	<u>\$ (5,493,817)</u>	<u>(4,604,933)</u>	<u>(888,884)</u>	19%

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors
Roosevelt Island Operating Corporation:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Roosevelt Island Operating Corporation (RIOC), a component unit of the State of New York, as of and for the year ended March 31, 2026, and the related notes to financial statements, which collectively comprise RIOC's basic financial statements, and have issued our report thereon dated _____, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered RIOC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of RIOC's internal control. Accordingly, we do not express an opinion on the effectiveness of RIOC's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether RIOC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of RIOC's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering RIOC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Williamsville, New York
, 2026

REPORT TO THE BOARD

, 2026

The Board of Directors
Roosevelt Island Operating Corporation

Dear Board Members:

We have audited the financial statements of Roosevelt Island Operating Corporation (RIOC), a component unit of the State of New York, as of and for the year ended March 31, 2026 and have issued our report thereon dated _____, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Accounting Principles

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by RIOC are described in note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2026. We noted no transactions entered into by RIOC during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

For the year ended March 31, 2026, we evaluated the key factors and assumptions used by management in determining that accounting estimates were reasonable in relation to the financial statements taken as a whole.

Significant Disclosures

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this report, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to RIOC's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as RIOC's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the other supplementary information, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

* * * * *

This information is intended solely for the use of the Board of Directors and management of RIOIC and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

EFPR GROUP, CPAs, PLLC

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)

Annual Investment Report

March 31, 2026

DRAFT

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

The Board of Directors
Roosevelt Island Operating Corporation:

Report on Investment Compliance

Opinion on Investment Compliance

We have audited the Roosevelt Island Operating Corporation's (RIOC), compliance with the types of compliance requirements identified as subject to audit in Section 2925(3)(f) of the New York State Public Authorities Law and Title 2 Section 201.3 of the New York Codes, Rules and Regulations (the investment guidelines) that could have a direct and material effect on its investments for the year ended March 31, 2026.

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

Basis for Opinion on Investment Compliance

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding RIOC's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of RIOC's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the investment guidelines, but not for the purpose of expressing an opinion on the effectiveness of RIOC's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Williamsville, New York
, 2026



Roosevelt Island Operating Corporation

KATHY HOCHUL
Governor

B. J. JONES
President / CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR
Blake G. Washington, Director of BUDGET
Marc Jonas Block
Fay Christian
Conway Ekpo
Dr. Michal L. Melamed
Howard Polivy
Prof. Lydia W. Tang
Melissa A. Wade

Roosevelt Island Operating Corporation Annual Investment Report FY 2025 - 2026

Investment Guidelines

Public Authorities Law Section 2925 (“PAL 2925”) requires Public Authorities to develop and adopt comprehensive investment guidelines (“Guidelines”), which shall set forth, among other things:

- a list of permitted investments
- what types of investments shall be secured with collateral and to what extent
- what types of securities are accepted as collateral
- how collateral shall be valued and monitored
- standards for qualifying firms with which business is transacted
- what types of investments shall be made pursuant to written contracts
- a detailed list of the total fees or commissions paid for investment services
- provisions for annual independent audit of all investment; and
- provisions for preparing and filing annual investment reports.

In compliance with PAL 2925, Roosevelt Island Operating Corporation (“RIO”) has developed and adopted such Guidelines, a copy of which is attached.

Summary of Investments by Investment Type

<u>Investment Type</u>	<u>3/31/2026 Market Value</u>	<u>3/31/2025 Market Value</u>	<u>Increase/ Decrease</u>
Cash Deposits	\$ 3,791,154	4,959,548	(1,168,394)
Money Market	1,223,981	1,205,759	18,222
Insured Cash Sweep	197,417	195,667	1,750
U.S. Treasury Securities	<u>28,371,337</u>	<u>29,422,155</u>	<u>(1,050,818)</u>
Total	<u>\$ 33,583,889</u>	<u>35,783,129</u>	<u>(2,199,240)</u>

The investments considered to be cash and equivalents as of March 31, 2026 and 2025 were \$32,546,442 and \$34,762,348, respectively. All the investments were fully FDIC insured or collateralized.

Money Market increased by \$18,222 due to additional investments. U.S. Treasury Securities “Treasuries” decreased by \$1,050,818 due to conversion to cash deposits.

Investment Income

<u>Investment Type</u>	<u>Year ended 3/31/2026</u>	<u>Year ended 3/31/2025</u>	<u>Increase/ Decrease</u>
CD	\$1,076,916	452,387	624,529
ICS	1,750	2,433	(683)
Money Market	<u>18,222</u>	<u>12,790</u>	<u>5,432</u>
Total	<u>\$1,096,888</u>	<u>467,610</u>	<u>629,278</u>
Investment Yield (Annualized)	3.27%	1.31%	

The total income from investments for the years ended March 31, 2026 and 2025 was \$1,096,888 and \$467,610, respectively. The increase in investment income of \$629,278 is due an increase in yield percentage for the year.

Fees and Commissions

No fees or commissions were paid for investment services by RIOC for the years ended March 31, 2026 and 2025.

Amendments to Guidelines

The Guidelines were amended and approved by the RIOC Board of Directors in January 2026.

Independent Audit Report

As required by PAL 2925, an independent audit of RIOC’s compliance with its Guidelines was conducted and a copy of the Independent Auditor’s report on compliance is attached.

ROOSEVELT ISLAND OPERATING CORPORATION
INVESTMENT GUIDELINES

Introduction

On July 2, 1985, the Roosevelt Island Operating Corporation adopted comprehensive corporate investment guidelines as required by Section 2925 of the New York Public Authorities Law (the “Investment Guidelines”). Section 2925 requires that the Investment Guidelines be annually reviewed and approved by the Directors of the Roosevelt Island Operating Corporation. The following Investment Guidelines amend and restate the guidelines previously adopted, and are adopted in consideration of the New York State Comptroller’s Investment Guidelines for Public Authorities and in accordance with Title 35. Roosevelt Island Operating Corporation of the Public Authorities Law (the “RIOC Act”) and Section 2925 of the New York Public Authorities Law.

ARTICLE ONE
Definitions

As used herein the terms set forth below are defined as follows:

- 1.1 “Chief Financial Officer” means a Treasurer, a Vice President for Fiscal or Financial Affairs or the highest financial officer in the Corporation.
- 1.2 “Chief Executive Officer” means the President of the Corporation.
- 1.3 “Comptroller” means the State Comptroller.
- 1.4 “Corporation” means the Roosevelt Island Operating Corporation (sometimes referred to as “RIOC”), a body corporate and politic constituting a public benefit corporation and a political subdivision of the State of New York, created and established pursuant to Chapter 899 of the Laws of 1984 of the State of New York, currently Title 35. Roosevelt Island Operating Corporation of the Public Authorities Law (the “RIOC Act”).
- 1.5 “Investment Funds” means all monies and financial resources available for investment by the Corporation on its own behalf or on behalf of any other entity or individual, and not required for immediate use or disbursement.
- 1.6 “Repurchase Agreement” means a repurchase agreement satisfying the requirements set forth in Article 4 herein.
- 1.7 “Securities” means any or all of the investment obligations of the categories described in Section 4.1 of Article Four herein.
- 1.8 “State” means the State of New York.
- 1.9 “Depository” means a bank, savings and loan association, savings bank or credit union designated by the Corporation to hold deposits of monies required for immediate use or disbursement, other than Investment Funds. The obligation on the part of the Depository is that it keep the deposit and, upon request, restore it to the depositor or otherwise deliver it according to the original trust.

ARTICLE TWO

Scope

These Guidelines shall govern the investment and reinvestment of Investment Funds and the sale and liquidation of investments, as well as the monitoring, maintenance, accounting, reporting and internal controls by and of the Corporation with respect to such investment, sale, reinvestment and liquidation.

ARTICLE THREE

Investment Objectives

The Corporation's investment activities shall have as their first and foremost objective the safeguarding of the principal amount of the Investment Funds. Additional considerations regarding the Corporation's investment activities shall be liquidity of investments and realization of a reasonable return on investments. In furtherance of achieving these objectives, the Corporation shall provide for the diversification of investments to the extent practicable, with respect to maturities of investments, the type of investments and the firms with which the Corporation transacts business. Within this framework, the primary objectives are, in order of priority: (1) safeguarding of principal; (2) maintaining sufficient liquidity to meet operational needs; and (3) achieving a reasonable return on investment. In evaluating investment decisions, the Corporation may consider environmental, social, and governance ("ESG") factors that are reasonably believed to present material risks or opportunities to the financial performance of an investment. The consideration of such factors shall be consistent with the Corporation's fiduciary duties and primary investment objectives.

ARTICLE FOUR

Permissible Investments

- 4.1 The Corporation may invest its Investment Funds in any and all of the following, if and to the extent permitted by statutes and regulations applicable at the time of investment of such Investment Funds:
- 1) Any bonds and other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by the United States of America;
 - 2) Any bonds and other obligations which as to principal and interest constitute direct obligations of the State or which are unconditionally guaranteed by the State as to payment of principal and interest;
 - 3) Bonds and other obligations of governmental authorities, political subdivisions or public authorities of the State or of the United States of America, which are securities in which the Corporation lawfully may invest pursuant to applicable statutes, regulations and bond resolutions;
 - 4) Prime Commercial Paper issued by domestic banks, corporations and financial companies rated "A-1" or "P-1" by Standard & Poor's Corporation or Moody's Investors Services, Inc.;

- 5) Certificates of Deposit of financial institutions authorized to do business in this State, including, but not limited to, commercial banks who participate in New York State Excelsior Linked Deposit programs and are authorized program depositories, which certificates of deposit are fully insured by a federal insurance program or by the Federal Deposit Insurance Corporation (collectively referred to herein as the “FDIC”) or fully secured as required by Section 4.3.1 below, by securities of the character described in clauses (1), (2) or (3) of this paragraph;
- 6) Subject to the requirements of Section 4.2 below, any Repurchase Agreement with any bank or trust company authorized to do business in the State of New York or with any broker-dealers included in the Federal Reserve Bank of New York’s list of primary government security dealers, which agreement is secured by securities of the character described in clauses (1), (2) or (3) of this paragraph; and
- 7) In any other obligations in which the Comptroller is authorized to invest pursuant to Section 98 of the State Finance Law.

4.2 Specific Requirements Governing Repurchase Agreements

4.2.1 Eligible Sellers. The Corporation shall enter into Repurchase Agreements only with banks or trust companies authorized to do business in the State or from broker-dealers on the Federal Reserve Bank of New York’s list of primary government securities dealers and only after the Chief Financial Officer has reviewed such firm’s capitalization and the Chief Financial Officer and Chief Executive Officer have set a limit on the amount of monies that the Corporation may invest with such firm at any one time. The placement of Repurchase Agreements shall be distributed among several authorized firms to reduce the level of risk. The investment limit set for each such firm shall not be exceeded unless the Chief Financial Officer and the Chief Executive Officer make a written finding that sufficient Securities are not available from other eligible firms. Not less frequently than once each year, the Chief Financial Officer shall review and, if appropriate recommend adjustment of the investment limit for each eligible seller in light of such firm’s current capitalization. All investment limit adjustments shall require the approval of the Chief Financial Officer and Chief Executive Officer.

4.2.2 Eligible Custodian Banks. To be eligible to hold the Securities which are the subject of a Repurchase Agreement, a custodial bank should be a member of the Federal Reserve Bank or maintain accounts with member banks to accomplish book-entry transfer of Securities, whether by book entry or physical delivery, should be confirmed in writing to the Corporation by the custodial bank. The custodian should not be the same party that is selling the Securities.

4.2.3 Maximum Maturity of Repurchase Agreements. There shall be no “open repurchase” agreements. Repurchase Agreements shall be limited to a maturity not to exceed ten (10) working days. Collateral shall have maturities not exceeding thirty (30) years.

4.3 Specific Requirements Regarding Certificates of Deposit.

- 4.3.1 Collateral Requirements. To the extent that the Corporation's investment in a certificate of deposit is less than fully insured by the FDIC, the uninsured portion shall be fully collateralized by Securities (other than Repurchase Agreements). Collateral for a certificate of deposit must be reviewed at least monthly to determine if the market value of the Securities equals or exceeds the principal amount of the uninsured portion of the certificate of deposit plus accrued interest. If the market value of the Securities is insufficient, the issuer of the certificate of deposit must exchange or add to the amount of collateral to bring its market value to equal or exceed the uninsured portion of the principal amount of the certificate of deposit plus accrued interest.
- 4.3.2 Standard Terms for Certificate of Deposit Collateral Agreement. The Corporation shall negotiate and enter into a written agreement with each bank (and custodian) from which it has obtained a certificate of deposit. Such written agreement shall, at a minimum, address the following concerns:
- (A) The frequency of the valuation of the collateral to market; as set forth above (such valuation shall be done by the Corporation at least monthly);
 - (B) The right and ability of the bank to substitute like Securities as collateral;
 - (C) Description of events of default which would permit the Corporation or its custodian to liquidate or purchase the underlying Securities;
 - (D) Description of the party who is to have title to the underlying Securities during the term of the agreement;
 - (E) With respect to the custodial bank, the agreement shall also provide that the custodial bank takes possession of the Securities as agent of the Corporation and that the claims of the custodial bank are subordinate to those of the Corporation;
 - (F) Notwithstanding the foregoing, with the approval of the Chief Executive Officer and the Chief Financial Officer, the Corporation shall also consider additional criteria as it deems appropriate, in accordance with these Investment Guidelines, to secure investments of the Corporation.

ARTICLE FIVE
Operating Procedures

- 5.1 Authorized Officers and Employees. Only the following persons shall be authorized to make investment decisions on behalf of the Corporation: the Chief Executive Officer and the Chief Financial Officer. The implementation of such investment decisions by placement of purchase or sale orders or otherwise shall be effected only by the foregoing officers and by such employees as may from time to time be designated in writing by the Chief Executive Officer or the Chief Financial Officer.

- 5.2 Standards for the Qualification of Brokers, Dealers and Agents. Any bank or trust company organized under the laws of any state of the United States of America or any national banking association or government bond dealer which is authorized to do business in the State may become qualified by the Corporation to transact purchases and sales of Securities (other than Repurchase Agreements) with the Corporation. Factors to be considered in determining the qualification of such firms shall include the firm's capitalization, quality, size, reliability, and its cybersecurity and operational resilience policies and track record as they relate to the safeguarding of client assets, data and access, the Corporation's prior experience with the firm, the firm's level of expertise and prior experience with respect to the contemplated transaction. The determination of qualification shall be made by the Chief Financial Officer, who shall maintain a list of all such qualified firms.
- 5.3 Standards for the Qualification of Investment Advisors. For the purpose of rendering investment advice to the Corporation, the Corporation may qualify any bank or trust company organized under the laws of any state of the United States of America, any national banking association, and any partnership, corporation, or person which is:
- (A) Authorized to do business in the State, and;
 - (B) Registered with the Securities & Exchange Commission under the Investment Advisor Act of 1940, and/or;
 - (C) Registered with the New York State Secretary of State as an Investment Advisor; and/or
 - (D) A member in good standing of the Investment Advisor Association.

The Corporation also shall consider the additional criteria (other than capitalization) enumerated in the preceding paragraph.

- 5.4 Standards for the Qualification of Custodial Banks. To be eligible to hold Securities as collateral for an investment made by the Corporation, a custodial bank should be a member of the Federal Reserve Bank or maintain accounts with member banks to accomplish book entry transfer of Securities to the credit of the Corporation. Transfer of Securities, whether by book entry or physical delivery, should be confirmed to in writing to the Corporation by the custodial bank. The custodian should not be the same party that is selling the Securities.
- 5.5 Competitive Bids; Negotiated Prices. In connection with the purchase and sales of securities, for each transaction in excess of *five million dollars (\$5,000,000.00)* (or such other threshold dollar amount as the Chief Financial Officer may specify in writing), the Corporation shall utilize competitive quotations. For each transaction which is equal to or less than *five million dollars (\$5,000,000.00)* (or such other threshold dollar amount as the Chief Financial Officer may specify in writing), the Corporation may utilize either competitive quotations or negotiated prices. The foregoing shall not apply to the purchase of government securities at initial auction. A complete and continuous record of all quotes, solicited and received, shall be maintained by the Corporation's Fiscal Department.

For each transaction (other than the purchase of governmental securities at initial auction) in excess of five million dollars (or such other threshold dollar amount as the Chief Financial Officer may specify in writing), a minimum of three separate solicitations will be made on each direct purchase or sale of a Security (including a Repurchase Agreement). The transaction shall be awarded to the dealer(s) offering the highest yield or return consistent with the Corporation's Investment Objectives as set forth herein, provided that, with respect to Repurchase Agreements, the amount of the investment with each individual firm does not exceed the investment limit referred to in Section 4.2.1 above.

- 5.6 Written Contracts and Confirmations. Unless the Directors shall by resolution determine that a written contract is not practical or that there is not a regular business practice of written contracts with respect to a specific investment or transaction, in which case the Directors, by such resolution, shall adopt procedures covering such investment or transaction, a written contract and/or a written confirmation shall be required for each investment transaction. With respect to the purchase or sale of Securities other than Repurchase Agreements, the Corporation shall not be required to enter into a formal written contract, provided that the Corporation's oral instructions to its broker, dealer, agent, investment advisor or custodian with respect to such transactions are confirmed in writing at the earliest practicable moment. A written contract shall be required for each purchase and sale of a Repurchase Agreement.
- 5.7 Payment. Payment for investments, other than certificates of deposit, shall be made only upon written confirmation of presentation of the physical Security, or in the case of book-entry form Securities, when credited for the custodian's account, which shall be segregated for the Corporation's sole use. The custodian may act on oral instructions from an authorized officer of the Corporation, such instructions to be confirmed in writing immediately by an authorized officer of the custodian. Such collateral shall, on the date of purchase, be at least equal in market value to the amount of the investment.
- 5.8 Collateral. Except as specifically otherwise provided herein, the Corporation's financial interest in its investments shall be fully secured or collateralized at all times in an amount not less than the original amount invested plus accrued, unpaid interest thereon. Only Securities permissible for investment by the Corporation pursuant to these Guidelines (other than Repurchase Agreements) may be accepted as collateral. Pledges of proportionate interests in pooled collateral shall not constitute acceptable collateral. In the case of certificates of deposit and demand and time deposits, collateral shall be provided for amounts in excess of the applicable limit of coverage provided by the FDIC. Collateral shall be maintained in the custody of the Corporation or an approved third party custodian at all times. All agreements with third-party custodians must include provisions guaranteeing the implementation of commercially reasonable cybersecurity controls and immediate notification of any security incidents impacting the Corporation's assets. To assure that, at all times, the market value of said collateral is at least equal to the original amount invested plus all accrued, unpaid interest, collateral shall be marked to market at the time the investment is made and thereafter daily with respect to Repurchase Agreements and weekly with respect to certificates of deposit.
- 5.9 Operating Funds. Operating funds and other monies of the Corporation, other than Investment Funds, are to be held in insured accounts at Depositories.

- 5.10 Internal Controls. Commencing with FY 2001-2002 (i) the Chief Financial Officer shall develop a detailed operating procedures manual as more particularly set forth in Section B(4) of the Comptroller's Investment Guidelines for Public Authorities and (ii) in accordance with Section 2925(5) of the Public Authorities Law, the Chief Financial Officer shall prepare and file with the Directors, reports on a regular basis, but not more often than on a quarterly basis, regarding new investments, the inventory of existing investments and the selection of investment bankers, brokers, agents, dealers or auditors.

ARTICLE SIX Reports and Audits

The following reports and audits shall be prepared in connection with the Corporation's investment program.

- 6.1 Annual Investment Report. After the close of each fiscal year of the Corporation, the Chief Executive Officer shall submit to the Directors, and the Corporation shall file with the State Division of the Budget, with copies thereof to the Office of the Comptroller, the State Senate Finance Committee and State Assembly Ways and Means Committee, an annual investment report, prepared with the assistance of the Chief Financial Officer, which shall include the following:
- (1) The Investment Guidelines required by Section 2925(3) of the Public Authorities Law and any amendments to such guidelines since the last investment report;
 - (2) An explanation of the Investment Guidelines and amendments;
 - (3) The results of the Annual Investment Audit (described below);
 - (4) The investment income record of the Corporation; and
 - (5) A list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the Corporation since the date of the last investment report.
- 6.2 Annual Investment Review. As part of the of the preparation of the annual financial statements of the Corporation, the Corporation shall, each fiscal year commencing with FY 2000-2001, cause its independent auditors to conduct a review regarding the Corporation's investments as required by Section 2925(3)(f) of the Public Authorities Law. (The Corporation's financial statements with respect to investments, which are required to be prepared in conformance with generally accepted accounting principles for governments ("GAAP"), should contain all of the note disclosures on deposits with financial institutions and investments required by the Governmental Accounting Standards Board (GASB) Statement No. 40, "Deposit and Investment Risk Disclosure – an Amendment to GASB Statement No. 3", as amended or supplemented; and other applicable GASB standards. The Annual Investment Review:

- (1) Shall determine whether: the Corporation complies with its own investment policies; investment assets are adequately safeguarded; adequate accounts and records are maintained which accurately reflect all transactions and report on the disposition of the corporation's assets; and a system of adequate internal controls is maintained;
- (2) Shall determine whether the Corporation has complied with applicable laws, regulations and the Comptroller's Investment Guidelines; and
- (3) Should be designed to the extent practical to satisfy both the common interest of the Corporation and the public officials accountable to others.

6.2 Annual Investment Audit Report. The results of the Annual Investment Review shall be set forth in a report (the "Annual Investment Audit Report") which shall include without limitation:

- (1) verification of collateral;
- (2) a description of the scope and objectives of the audit;
- (3) a statement that the audit was made in accordance with generally accepted government auditing standards;
- (4) a description of any material weaknesses found in the internal controls;
- (5) a description of all non-compliance with the Corporation's investment policies as well as applicable laws, regulations and the Comptroller's Investment Guidelines for Public Authorities;
- (6) a statement of positive assurance of compliance on the items tested and negative assurance on those items not tested;
- (7) a statement on any other material deficiency or finding identified during the audit not covered in (6) above; and
- (8) recommendations, if any, with respect to amendment of these Guidelines.

In accordance with Part 201 of Title 2 of the Official Compilation of Codes, Rules and Regulations of the State of New York, the Annual Investment Audit Report shall be filed within ninety (90) days after the close of the Corporation's fiscal year with the Coordinator of Public Authority Programs, Office of the State Comptroller, 110 State Street, Albany, N.Y. 12236.

ARTICLE SEVEN

Miscellaneous

7.1 In connection with the Annual Investment Audit Report, each year the Corporation shall review these Guidelines to determine whether the Corporation shall amend or otherwise update these Guidelines.

Code of Ethics



**ROOSEVELT ISLAND OPERATING CORPORATION
CODE OF ETHICS
&
CONFLICT OF INTEREST POLICY**

All of the members of Board of Directors, officers and employees of the Roosevelt Island Operating Corporation (the “Corporation”) shall be provided with this Code of Ethics & Conflict of Interest Policy (the “Policy”) upon commencement of employment or appointment and are required to acknowledge that they have read, understand and are in compliance with the terms of the Policy (see the form attached hereto as Exhibit A). Directors, officers and employees should review on an ongoing basis circumstances that could violate this code of ethics or constitute a conflict of interest or the appearance of a conflict of interest, abide by this Policy and seek guidance when necessary and appropriate.

This Policy is intended to supplement, but not replace, any applicable state and federal laws governing ethics and conflicts of interest applicable to the Corporation.

I. CODE OF ETHICS

As a New York State public benefit corporation, the Corporation is vested with public trust. In order to promote and maintain governmental integrity, each officer, director and employee of the Corporation must adhere to the standards and code of ethics set forth herein, in the Corporation’s Employee Handbook, the Ethics in Government Act, the Public Officers Law, and the regulations of the Commission on Ethics and Lobbying in Government.

Standards

1. No director, officer or employee of the Corporation may accept other employment which will impair their independence of judgment in the exercise of their official duties.
2. No director, officer or employee of the Corporation may accept other employment or engage in any business or professional activity which will require them to disclose confidential information which they have gained by reason of their official position or authority with the Corporation.
3. No director, officer or employee of the Corporation may disclose confidential information acquired by them in the course of their official duties with the Corporation nor use such information to further their personal interests.
4. No director, officer or employee of the Corporation may use or attempt to use their official position with the Corporation to secure unwarranted privileges or exemptions for themselves or others, including but not limited to, the misappropriation to themselves or to others of the property, services or other resources of the state for private business or other compensated non-governmental purposes.
5. No director, officer or employee of the Corporation may engage in any transaction as representative or agent of the Corporation with any business entity in which they have a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of their official duties for the Corporation.
6. No director, officer or employee of the Corporation may by their conduct give reasonable basis for the impression that any person can improperly influence them or unduly enjoy their favor in the performance of their official duties with the Corporation, or that they are affected by the kinship, rank, position or influence of any party or person.

7. Each director, officer or employee of the Corporation must abstain from making personal investments in enterprises which they have reason to believe may be directly involved in decisions to be made by them or which will otherwise create substantial conflict between their duty in the public interest and their private interest.
8. Each director, officer, and employee of the Corporation must act in a way that does not give the public reason to suspect that they may be violating the public's trust placed in them.
9. No director, officer or employee of the Corporation employed on a full-time basis nor any firm or association of which such a director, officer or employee is a member nor corporation a substantial portion of the stock of which is owned or controlled directly or indirectly by such director, officer or employee, shall sell goods or services to any person, firm, corporation or association which is a party to any contract with the Corporation.
10. No director, officer or employee of the Corporation shall, directly or indirectly, seek or accept any loan or extension of credit from the Corporation or any subsidiary of the Corporation.
11. Directors, officers and employees shall manage all matters within the scope of the Corporation's mission independent of any other affiliations or employment. Directors, including ex officio board members, and employees employed by more than one governmental entity shall strive to fulfill their professional responsibility to the Corporation without bias and shall support the Corporation's mission to the fullest.
12. Directors, officers and employees shall not use Corporation property, including equipment, telephones, vehicles, computers, or other resources, or disclose information acquired in the course of their official duties in a manner inconsistent with state or local law or policy and the Corporation's mission and goals.
13. Directors and employees are prohibited from appearing or practicing before the Corporation for two years following employment with the Corporation, consistent with Section 73 of the Public Officers Law.
14. With the exception of the Chairperson, any director or officer appearing before a governmental body, private body or otherwise making a public statement or communication regarding business of the Corporation, shall affirmatively state that they are speaking in a personal capacity or on behalf of a different employer or government agency, and are not speaking on behalf of the Board of Directors of the Corporation (the "Board") when making such statement unless such director or officer has been authorized to speak on behalf of the Corporation by the Board or its Chairperson.

Implementation

The Board and/or the President/CEO in consultation with the Board shall designate an Ethics Officer, who shall report to the Board and shall have the following duties, or such other duties as may be designated from time to time by the Board:

- Counsel directors, officers and employees who seek advice about ethical behavior.
- Receive and investigate complaints about possible ethics violations.
- Prepare an investigative report of their findings for action by the President/CEO or the Board.
- Record the receipt of gifts or gratuities of any kind received by a director, officer or employee, who shall notify the Ethics Officer within 48 hours of receipt of such gifts and gratuities.

Reporting Unethical Behavior

Employees, officers and directors are required to report possible unethical behavior by a director, officer or employee of the Corporation to the Ethics Officer, President/CEO, or the Board. Employees, officers and directors may file ethics complaints anonymously. Employees, officers and directors who file such complaints in good faith will be protected from retaliation in accordance with and in the manner described in the policies adopted by the Corporation.

II. CONFLICT OF INTEREST POLICY

A conflict of interest is a situation in which the financial, familial, or personal interests of a director, officer, or employee come into actual or perceived conflict with their duties and responsibilities with the Corporation. Perceived conflicts of interest are situations where there is the appearance that a director, officer, and/or employee can personally benefit from actions or decisions made in their official capacity, or where a director, officer, or employee may be influenced to act in a manner that does not represent the best interests of the Corporation. The perception of a conflict may occur if circumstances would suggest to a reasonable person that a director, officer or employee may have a conflict. In general, the appearance of a conflict and an actual conflict should be treated in the same manner for the purposes of this conflict of interest policy.

Directors, officers, and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust. As provided in Section 74 of the Public Officers Law, no director, officer or employee of the Corporation may have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties in the public interest.

While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest typically arises whenever a director, officer, or employee (or any of their relatives) has or will have:

- A financial or personal interest in any person, firm, corporation or association which has or will have a transaction, agreement or any other arrangement in which the Corporation participates.
- The ability to use their position, confidential information or the assets of the Corporation, to their personal advantage.
- Solicited or accepted a gift of any amount under circumstances in which it could reasonably be inferred that the gift was intended to influence them, or could reasonably be expected to influence them, in the performance of their official duties or was intended as a reward for any action on their part.
- Any other circumstance that may or appear to make it difficult for the director, officer, or employee to exercise independent judgment and properly exercise their official duties.

Procedures

1. **Duty to Disclose:** All material facts related to the conflict of interest (including the nature of the interest and information about the conflicting transaction) shall be disclosed in good faith and in writing to the Ethics Officer.
2. **Determining Whether a Conflict of Interest Exists:** The Ethics Officer shall advise the individual who appears to have a conflict of interest how to proceed. The Ethics Officer should seek guidance from the Corporation's legal counsel, who may also recommend contacting the Authorities Budget Office, State Inspector General or the NYS Commission on Ethics and Lobbying in Government, for additional guidance.
3. **Recusal and Abstention:** No director, officer, or employee may participate in any decision or take any

official action with respect to any matter requiring the exercise of discretion, including discussing the matter and voting, when they know or have reason to know that the action could confer a direct or indirect financial or material benefit on themselves, a relative, or any organization in which there is an interest. Directors, officers, and employees must recuse themselves from deliberations, votes, or internal discussion on matters relating to any organization, entity or individual where their impartiality in the deliberation or vote might be reasonably questioned, and are prohibited from attempting to influence other directors, officers, or employees in the deliberation and voting on the matter.

4. Reporting of Violations: Directors, officers, and employees should promptly report any violations of this Policy to their supervisor, or to the Corporation's Ethics Officer, legal department or human resources representative.
5. Penalties: Any director, officer or employee who fails to comply with this Policy may be subject to discipline and may also be subject to penalties in the manner provided for in law, rules or regulations.

Assessment of the Effectiveness of Internal Control Structure and Procedures



Roosevelt Island
Operating Corporation

Assessment of the Effectiveness of Internal Control Structure and Procedures

This statement certifies that the RIOC followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending March 31, 2026. RIOC is fully compliant with the New York State Governmental Accountability, Audit and Internal Control Act.

Enabling Legislation



**Roosevelt Island
Operating Corporation**

RIOC Annual Report Fiscal Year 2025-2026

Enabling Legislation

On September 4, 1984, RIOC was organized pursuant to Chapter 899 of The New York Unconsolidated Law as a public benefit corporation to take responsibility, pursuant to a General Development Plan (“GDP”), for the development and operation of the 147 acres comprising the former Welfare Island, located in New York City's East River. As of October 23, 2019, RIOC’s enabling legislation became Title 35 of the Public Authorities Law.

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McKinney's Public Authorities Law § 2799-aaaa
Formerly cited as NY UNCON LAWS § 6385

§ 2799-aaaa. Legislative declaration

Effective: October 23, 2019
[Currentness](#)

The legislature hereby finds, determines and declares that: (a) the city of New York and the New York state urban development corporation have entered into a lease providing for the urban development corporation to use its statutory powers to create on Roosevelt Island a new community which would retain and heighten the benefits of urban living while preserving a sense of scale and open space for Roosevelt Island residents and New York city as a whole; (b) the urban development corporation has and its successors have constructed the first phases of the island's development, including public facilities, pursuant to a general development plan for Roosevelt Island, which plan is being updated and which plan contemplates significant future development, including the provision of additional housing, commercial, civic, recreational and other facilities; (c) it is in the public interest for the urban development corporation to transfer all of its rights and obligations with respect to the development, operation and supervision of both such existing and such proposed development to a public benefit corporation which shall be under the supervision of the commissioner of homes and community renewal; and (d) it is in the public interest that the public benefit corporation plan, design, develop, operate, maintain and manage Roosevelt Island and have vested in it such powers as are necessary or convenient to effectuate those functions and that the division of housing and community renewal be authorized to assist such corporation in the performance of its duties with respect to Roosevelt Island.

Credits

(Formerly UNCON LAWS § 6385, L.1984, c. 899, § 1. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

[Notes of Decisions \(1\)](#)

McKinney's Public Authorities Law § 2799-aaaa, NY PUB AUTH § 2799-aaaa
Current through L.2019, chapter 652. Some statute sections may be more current, see credits for details.

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McKinney's Public Authorities Law § 2799-bbbb
Formerly cited as NY UNCON LAWS § 6386

§ 2799-bbbb. Definitions

Effective: October 23, 2019

[Currentness](#)

As used in this title, the following terms shall have the following meanings:

1. "City" shall mean the city of New York;
2. "Commissioner" shall mean the commissioner of homes and community renewal;
3. "Corporation" shall mean the Roosevelt Island operating corporation created by this section;
4. "Development subleases" shall mean (a) the sublease dated August first, nineteen hundred eighty between the urban development corporation and the city, (b) the ground lease, dated October thirtieth, nineteen hundred seventy-two, between the urban development corporation and North Town Phase II Houses, Inc., (c) the ground lease, dated April twenty-fifth, nineteen hundred seventy-three, between the urban development corporation and North Town Phase III Houses, Inc., (d) the restated ground lease, dated November thirtieth, nineteen hundred seventy-seven, between the urban development corporation and Rivercross Tenants' Corporation, (e) the ground lease between the corporation and Manhattan Park dated August fourth, nineteen hundred eighty six, (f) the ground lease between the corporation and related and Hudson Companies dated December twenty-first, two thousand one, and (g) the sublease between the corporation and MEPT Octagon, LLC dated November third, two thousand four;
5. "Division" shall mean the New York state division of housing and community renewal;
6. "Lease" shall mean the lease, dated December twenty-third, nineteen hundred sixty-nine, as heretofore or hereafter amended, among the city of New York, the New York state urban development corporation and the Roosevelt Island development corporation, pursuant to which the city leased substantially all of Roosevelt Island to the New York state urban development corporation for development substantially in accordance with the development plan referred to therein;
7. "Roosevelt Island" shall mean the island located in the east river, city and county of New York, extending from approximately fiftieth street to eighty-sixth street in Manhattan;

8. “Safe affordable housing for everyone, inc.” shall mean the New York corporation organized under article six-A of the private housing finance law and under the supervision and control of the commissioner;

9. “Tramway franchise” shall mean the franchise for the Roosevelt Island tramway granted by the city to the urban development corporation on February nineteenth, nineteen hundred seventy-four; and

10. “Urban development corporation” shall mean the New York state urban development corporation and any successor agency.

Credits

(Formerly UNCON LAWS § 6386, L.1984, c. 899, § 2. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-bbbb, NY PUB AUTH § 2799-bbbb

Current through L.2019, chapter 652. Some statute sections may be more current, see credits for details.

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McKinney's Public Authorities Law § 2799-cccc
Formerly cited as NY UNCON LAWS § 6387

§ 2799-cccc. Establishment of the corporation; organization of the board

Effective: October 23, 2019

[Currentness](#)

1. To effectuate the purposes and provisions of this title, there is hereby created the “Roosevelt Island operating corporation”, which shall be a body corporate and politic constituting a public benefit corporation and a political subdivision of the state of New York.
2. The board of directors of the corporation shall be composed of nine members. One member shall be the commissioner, who shall serve as the chair; one member shall be the director of the budget; and seven public members shall be appointed by the governor with the advice and consent of the senate. Of the seven public members, two members, one of whom shall be a resident of Roosevelt Island, shall be appointed upon the recommendation of the mayor of the city; and four additional members shall be residents of Roosevelt Island. Each member shall serve for a term of four years and until his or her successor shall have been appointed and shall have qualified, except that the commissioner and the director of the budget shall serve so long as they continue to hold their respective offices. Any action taken by the directors of the corporation shall be taken by majority vote of the directors then in office. The elected public officials who represent Roosevelt Island shall be representatives to the board of directors of the corporation entitled to receive notice of and attend all meetings of such board but shall not be entitled to vote. Failure to give such notice shall not affect the validity of any action taken at a meeting of such board.
3. The governor may fill any vacancy which occurs on the board of directors of the corporation in a manner consistent with the original appointment. Any member of the corporation may be removed by the governor for cause, but not without an opportunity to be heard, in person or by counsel, in his or her defense, upon not less than ten days' written notice.
4. The commissioner and the director of the budget may each designate an officer or employee of his or her respective division to represent such member at meetings of the corporation. Such designation shall be by written notice filed with the chair or the secretary of the corporation by the member making the designation, and may be revoked at any time by similar notice. Any representative so designated shall have the power to attend and to vote at any meeting of the corporation from which the member making the designation is absent with the same force and effect as if the member making the designation were present and voting. No such designation shall limit the right of the member making the designation to attend and vote in person at any meeting of the corporation.
5. A member of the corporation who is not an officer or employee of the state or the city shall not receive a salary or other compensation, but shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of official duties as a member. A member of the corporation who is not an officer or employee of the state or the city may engage in

private employment, or in a profession or business, unless otherwise prohibited by law from doing so. Notwithstanding any other provision of law, general, special, or local, no officer or employee of the state or any civil division thereof shall be deemed to have forfeited, or shall forfeit such office of employment because of acceptance of membership in the corporation, or by virtue of being an officer, employee or agent thereof.

Credits

(Formerly UNCON LAWS § 6387, L.1984, c. 899, § 3. Amended L.1992, c. 55, § 232; L.2002, c. 493, § 2, eff. Sept. 6, 2002; L.2005, c. 766, § 26, eff. Jan. 13, 2006. Repealed, redesignated and amended L.2019, c. 383, § 2, eff. Oct. 23, 2019.)

Notes of Decisions (2)

McKinney's Public Authorities Law § 2799-cccc, NY PUB AUTH § 2799-cccc

Current through L.2019, chapter 652. Some statute sections may be more current, see credits for details.

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McKinney's Public Authorities Law § 2799-dddd
Formerly cited as NY UNCON LAWS § 6388

§ 2799-dddd. Powers of the corporation

Effective: October 23, 2019

[Currentness](#)

The corporation's powers shall be limited to carrying out the development, management and operation of Roosevelt Island. In carrying out such development, management and operation, the corporation shall have the power to:

1. Sue and be sued;
2. Have a seal and alter the same at pleasure;
3. Make and alter by-laws for its organization and internal management and make rules and regulations governing the use of its property and facilities;
4. Make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions under this act;
5. Acquire in the name of the corporation by purchase, grant or gift, or by the exercise of the power of eminent domain pursuant to the eminent domain procedure law, or otherwise, real or personal property, or any interest therein deemed necessary or desirable for the development, management or operation of Roosevelt Island, including, without limitation, leasehold interest, air and subsurface rights, easements and lands under water at the site of Roosevelt Island or in the general vicinity thereof, and to subject such property or interest therein to a purchase money or other lien or security interest in connection with the acquisition and development thereof, provided that the corporation shall have no authority or power to issue any notes, bonds or other debt obligations, whether for the purpose of financing the development of Roosevelt Island or otherwise;
6. Hold and dispose of real or personal property for its corporate purposes;
7. Appoint officers, agents and employees, prescribe their duties and fix their compensation in accordance with a staffing and compensation plan submitted to and approved by the director of the budget;
8. Engage the services of private consultants on a contract basis for rendering professional and technical assistance advice;

9. Procure insurance against any loss in connection with its activities, properties and other assets, in such amount and from such insurers as it deems desirable;

10. Charge and collect fees, rents and other charges for the occupancy or other use of real or personal property or facilities owned, operated, managed or regulated by the corporation;

11. Accept any gifts or grants of money or property, or financial or other aid in any form, from the federal government, the state, or the city (or any instrumentality of any such government) or from any other source and, subject to the provisions of this title and other applicable law, to comply with any conditions of such assistance and execute any contracts or other instruments in connection therewith;

12. Invest any funds of the corporation, or any other monies under its custody and control not required for immediate use or disbursement, at the discretion of the corporation, in obligations of the state or the United States government or obligations the principal and interest of which are guaranteed by the state or the United States government, or in any other obligations in which the comptroller of the state is authorized to invest pursuant to [section ninety-eight of the state finance law](#);

13. Enter into such agreements with the state, the urban development corporation and the city as the parties thereto deem appropriate to effectuate the provisions of this title;

14. Assume and perform the obligations and responsibilities of the urban development corporation under the lease, the tramway franchise, and all other contracts, leases, and agreements heretofore entered into by the urban development corporation relating to the development, management and operation of Roosevelt Island (except that the corporation shall not assume any of the rights, duties and responsibilities of the urban development corporation in relation to any bonds or notes issued, or mortgages or security agreements held, by the urban development corporation or any of its subsidiaries) and exercise all of the rights of the urban development corporation with respect thereto; and

15. Do and perform all other acts necessary or convenient to carry out the foregoing in connection with the development, management or operation of Roosevelt Island.

Credits

(Formerly UNCON LAWS § 6388, L.1984, c. 899, § 4. Repealed, redesignated and amended L.2019, c. 383, § 2, eff. Oct. 23, 2019.)

[Notes of Decisions \(1\)](#)

McKinney's Public Authorities Law § 2799-dddd, NY PUB AUTH § 2799-dddd

Current through L.2019, chapter 652. Some statute sections may be more current, see credits for details.

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McKinney's Public Authorities Law § 2799-eeee
Formerly cited as NY UNCON LAWS § 6389

§ 2799-eeee. Rules and regulations; approval of development plan amendments; applicability of local laws

Effective: October 23, 2019
[Currentness](#)

1. The corporation shall promulgate such rules and regulations as it shall deem appropriate to provide an opportunity for residents of Roosevelt Island to comment upon any major amendment of the development plan for Roosevelt Island referred to in the lease at a public hearing held prior to its adoption by the corporation.
2. Any amendment of the development plan for Roosevelt Island referred to in the lease shall be subject to the review and approval of the director of the budget, and the corporation shall not enter into any agreement for the design or construction of any improvement provided for in any such amendment prior to such approval.
3. The requirements of all local laws, ordinances, codes, charters or regulations shall be applicable to the construction, alteration or improvement of any building or structure on Roosevelt Island, provided that the corporation may, in lieu of such compliance, determine that the requirements of the New York state uniform fire prevention and building code, formulated by the state fire prevention and building code council pursuant to article eighteen of the executive law, shall be applicable to such work. In the event of such compliance with the New York state uniform fire prevention and building code, the city shall have no power to modify any drawings, plans or specifications for such work or for the plumbing, heating, lighting or other mechanical branches thereof, or to require that any person, firm or corporation employed on any such work perform the same except as provided by such plans and specifications or obtain any additional authority, approval, permit or certificate from the city in connection therewith.

Credits

(Formerly UNCON LAWS § 6389, L.1984, c. 899, § 5. Repealed and redesignated [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-eeee, NY PUB AUTH § 2799-eeee
Current through L.2019, chapter 652. Some statute sections may be more current, see credits for details.

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McKinney's Public Authorities Law § 2799-ffff
Formerly cited as NY UNCON LAWS § 6390

§ 2799-ffff. Powers and duties of urban development corporation; lease and tramway franchise

Effective: October 23, 2019
[Currentness](#)

1. The corporation shall perform all obligations of the urban development corporation or any of its subsidiaries with respect to the development, management and operation of Roosevelt Island, including, without limitation, all such obligations arising under the lease and the tramway franchise.
2. The urban development corporation, the division and the corporation shall each use their best efforts to obtain any required consents to the assignment of the lease and the tramway franchise from the urban development corporation to the corporation and to any other assumption by the corporation of the obligations of the urban development corporation or any of its subsidiaries under any other contracts, leases, agreements or instruments entered into by the urban development corporation, or any such subsidiary, relating to the development, management or operation of Roosevelt Island (other than any bonds or notes issued, or mortgages or security agreements held, by the urban development corporation or any of its subsidiaries) and, upon obtaining such consents, the corporation and the urban development corporation shall enter into such agreements and take such actions as shall be necessary to effectuate such assignments and assumptions, provided that in order to permit the urban development corporation to recover the investment which it has heretofore made in the development of Roosevelt Island, such agreements shall provide appropriate assurances satisfactory to the urban development corporation (a) for the prompt payment directly to the urban development corporation of all sums from time to time due from lessees under the development subleases and all sums received by the corporation from the city in connection with the termination of the lease, and (b) for the amending or supplementing of the development subleases to the extent, if any, necessary to protect the rights of the holders of any mortgages on the leasehold interests created thereunder. Nothing in this title shall constitute or authorize an assignment by the urban development corporation, or any subsidiary thereof, of any mortgage or security interest held by the urban development corporation, or any such subsidiary, on any real or personal property or interest therein on Roosevelt Island or any rights or obligations of the urban development corporation, or any such subsidiary, arising under any such mortgage or security agreement, relieve the urban development corporation of any of its obligations under any bonds heretofore issued by the urban development corporation, or otherwise affect the interests of the holders of any such bonds.
3. All revenues, other than state appropriations, derived from the contracts, leases, agreements or instruments assigned to or assumed by the corporation pursuant to subdivision two of this section shall be applied first to the payment of those obligations assigned to or assumed by the corporation.
4. The urban development corporation and the corporation are hereby authorized to enter into such agreements with the city as the corporation shall determine to be appropriate to amend, reform or supplement the lease, including the development plan referred to therein, and the tramway franchise in order to carry out the purposes of this title. The provisions of any general,

special or local law notwithstanding, the city is hereby authorized to enter into any such agreements with the corporation and the urban development corporation.

Credits

(Formerly UNCON LAWS § 6390, L.1984, c. 899, § 6. Repealed, redesignated and amended L.2019, c. 383, § 2, eff. Oct. 23, 2019.)

McKinney's Public Authorities Law § 2799-ffff, NY PUB AUTH § 2799-ffff

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McKinney's Public Authorities Law § 2799-gggg
Formerly cited as NY UNCON LAWS § 6391

§ 2799-gggg. Equal employment opportunities

Effective: October 23, 2019

[Currentness](#)

1. The corporation shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status, and will undertake or continue programs of affirmative action to ensure that minority group persons and women are afforded equal employment opportunity without discrimination. Such action shall be taken with reference, but not be limited, to recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, rate of pay or other forms of compensation, and selections for training or retraining, including apprenticeship and on-the-job training.

2. The corporation shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative shall not discriminate because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status and that such union or representative will cooperate in the implementation of the corporation's obligations hereunder.

3. The corporation shall state, in all solicitations or advertisements for employees placed by or on behalf of the corporation, that all qualified applicants will be afforded equal employment opportunity without discrimination because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status.

4. The corporation shall seek meaningful participation by minority business enterprises in the programs of the corporation and shall actively and affirmatively promote and assist their participation in the corporation's programs, so as to facilitate the award of a fair share of contracts to such enterprises. For purposes hereof, "minority business enterprise" shall mean any business enterprise which is at least fifty-one per centum owned by, or in the case of publicly owned business, at least fifty-one per centum of the stock of which is owned by, citizens or permanent resident aliens who are Black, Hispanic, Asian, American Indian or women, and such ownership interest is real, substantial and continuing.

Credits

(Formerly UNCON LAWS § 6391, L.1984, c. 899, § 7. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-gggg, NY PUB AUTH § 2799-gggg

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McKinney's Public Authorities Law § 2799-hhhh
Formerly cited as NY UNCON LAWS § 6392

§ 2799-hhhh. Indemnification; notice of claims

Effective: October 23, 2019
[Currentness](#)

1. The state shall indemnify and hold harmless the corporation, urban development corporation and safe affordable housing for everyone, inc., and pursuant to [section seventeen of the public officers law](#), their respective officers, directors and employees, from and against any and all liability, claim, loss, damage, suit or judgment and any and all costs and expenses including, but not limited to, counsel fees and disbursements that such corporations or their officers, directors or employees may suffer or incur, whether before or after the date hereof, as a result of either (a) the development, management or operation of Roosevelt Island or (b) the performance or non-performance by the division of any of its obligations or duties with respect to Roosevelt Island. All of the provisions of [section seventeen of the public officers law](#) which are not inconsistent with this section shall apply to the officers, directors, and employees of such corporations, including the provisions relating to the defense by the attorney general or private counsel of any civil action and the payment of legal costs incurred in connection with the defense of any such action. Any member, officer or employee of such corporations seeking to be saved harmless or indemnified or to claim any other benefits available pursuant to this section or [section seventeen of the public officers law](#) shall comply with the procedural requirements of such [section seventeen](#). As used in this section the terms “member”, “officer” and “employee” shall include a former member, officer or employee, his estate or judicially appointed personal representative.

2. A notice of claim, served in accordance with the provisions of [section fifty-e of the general municipal law](#), shall be a condition precedent to the commencement of an action against the corporation, its officers, directors and employees. No such action shall be commenced more than one year after it has accrued, except that an action against the corporation for wrongful death shall be commenced within the notice of claim and time limitation provisions of title eleven of article nine of this chapter.

3. Notwithstanding the provisions of [section one hundred thirteen of the retirement and social security law](#) and any other general, special or local law, the Roosevelt Island operating corporation shall provide to persons employed by the Roosevelt Island operating corporation any retirement, disability, death or other benefits provided or required pursuant to any agreement with a labor union of which its employees are members, and the Roosevelt Island operating corporation is hereby authorized to retroactively or in the future make such contributions as may be necessary to provide such benefits.

4. For purposes of the retirement and social security law, persons employed by the Roosevelt Island operating corporation and to whom the Roosevelt Island operating corporation provides any retirement, disability, death and other benefits required pursuant to any agreement with a labor union of which its employees are members, shall be deemed not to be employees of the Roosevelt Island operating corporation. Such other persons who are employees of the Roosevelt Island operating corporation as of the effective date of this title shall be eligible to receive credit under the retirement and social security law for previous

service with the entities, or where applicable, their subsidiaries, made subject to [section seventeen of the public officers law](#) by subdivision one of this section.

Credits

(Formerly UNCON LAWS § 6392, L.1984, c. 899, § 8. Amended [L.1988, c. 770, § 1](#); [L.1990, c. 804, § 121](#). Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019](#).)

[Notes of Decisions \(4\)](#)

McKinney's Public Authorities Law § 2799-hhhh, NY PUB AUTH § 2799-hhhh

Current through L.2019, chapter 652. Some statute sections may be more current, see credits for details.

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McKinney's Consolidated Laws of New York Annotated
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Chapter 43-a. Of the Consolidated Laws
Article 8. Miscellaneous Authorities (Refs & Annos)
Title 35. Roosevelt Island Operating Corporation (Refs & Annos)

McKinney's Public Authorities Law § 2799-iiii
Formerly cited as NY UNCON LAWS § 6393

§ 2799-iiii. Annual budget and report

Effective: October 23, 2019
[Currentness](#)

1. On or before September fifteenth, nineteen hundred eighty-four and on each September fifteenth thereafter, the chair of the corporation shall make and deliver to the director of the budget for his or her review a proposed budget for the operation of the corporation for the next fiscal year of the state. The chair of the corporation shall also deliver a copy of such budget to the chair of the senate finance committee and the chair of the assembly ways and means committee at the same time that the budget is delivered to the director of the budget. The budget shall include the total amount needed for corporate purposes, including the funds required by the corporation for operation of Roosevelt Island facilities and improvements, the source of all funds that the corporation expects to receive and such other information as the director of the budget shall require. The governor shall recommend in his or her annual budget such appropriations to the corporation for its operations as he or she deems necessary.

2. The corporation shall submit to the director of the budget, chair of the senate finance committee and the chair of the assembly ways and means committee, within ninety days after the end of its fiscal year, a complete and detailed report setting forth (a) its operations and accomplishments, and (b) its receipts and expenditures during such fiscal year in accordance with categories and classifications established by the corporation, with the approval of the director of the budget, for its operating and capital outlay purposes.

Credits

(Formerly UNCON LAWS § 6393, L.1984, c. 899, § 9. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-iiii, NY PUB AUTH § 2799-iiii
Current through L.2019, chapter 652. Some statute sections may be more current, see credits for details.

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McKinney's Public Authorities Law § 2799-jjjj
Formerly cited as NY UNCON LAWS § 6394

§ 2799-jjjj. Future management study

Effective: October 23, 2019
[Currentness](#)

The corporation shall study the future operation and management of Roosevelt Island. Such study shall be completed by December thirty-first, nineteen hundred eighty-five.

Credits

(Formerly UNCON LAWS § 6394, L.1984, c. 899, § 10. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-jjjj, NY PUB AUTH § 2799-jjjj
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Title 35. Roosevelt Island Operating Corporation (Refs & Annos)

McKinney's Public Authorities Law § 2799-kkkk
Formerly cited as NY UNCON LAWS § 6394-a

§ 2799-kkkk. Open space development prohibited

Effective: October 23, 2019

[Currentness](#)

Notwithstanding any other provision of this title, or any other law to the contrary, on or after the effective date of this section, no further development or construction for other than park purposes shall be permitted on any real property which is identified as open space areas in the general development plan as amended May tenth, nineteen hundred ninety, and as subsequently amended, and approved by the board of estimate of the city of New York on August seventeenth, nineteen hundred ninety and referred to in the lease defined in [subdivision six of section twenty-seven hundred ninety-nine-bbbb](#) of this title, and on such real property shall remain open space areas for the duration of the lease unless such development or construction includes the reconstruction, restoration, rehabilitation or preservation of the historic landmarks located in such open space areas and furthers the use of the areas surrounding the historic landmarks as open space areas. Open space areas, as used in this section shall be limited to Lighthouse Park, Octagon Park, Blackwell Park, and South Point Park.

Credits

(Formerly UNCON LAWS § 6394-a, L.1984, c. 899, § 10-a, added [L.2002, c. 493, § 1, eff. Sept. 6, 2002](#). Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019](#).)

McKinney's Public Authorities Law § 2799-kkkk, NY PUB AUTH § 2799-kkkk

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McKinney's Public Authorities Law § 2799-III
Formerly cited as NY UNCON LAWS § 6395

§ 2799-III. Liability for community obligations; tax exemption

Effective: October 23, 2019

[Currentness](#)

1. The obligations of the corporation shall not be debts of the state, and the state shall not be liable thereon, and such obligations shall not be payable out of any funds other than those of the corporation.

2. It is hereby found, determined and declared that the creation of the corporation and the carrying out of its purposes is in all respects for the benefit of the people of the state and is a public purpose, and that the corporation will be performing an essential governmental function in the exercise of the powers conferred upon it by this title. The corporation and its operations, property and moneys shall be free and exempt from taxation of every kind by the city and the state and any subdivision thereof. Except as hereinabove provided and except as may otherwise specifically be provided, nothing contained in this act shall confer exemption from any tax, assessment or fee upon any person, firm, corporation or other entity, or upon the obligations of any of them.

Credits

(Formerly UNCON LAWS § 6395, L.1984, c. 899, § 11. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-III, NY PUB AUTH § 2799-III

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McKinney's Public Authorities Law § 2799-mmmm
Formerly cited as NY UNCON LAWS § 6396

§ 2799-mmmm. Division of housing and community renewal; assistance and services

Effective: October 23, 2019
[Currentness](#)

The corporation may from time to time request the division to perform such services and render such technical assistance to the corporation with respect to the development, management or operation of Roosevelt Island as the corporation deems necessary or convenient and may provide for the reimbursement to the division by the corporation of the reasonable cost of such services. The division is hereby authorized to perform such services and render such technical assistance as may be agreed upon between the division and the corporation pursuant to this section. In addition, the commissioner is hereby authorized to represent the corporation in any negotiations with the city concerning amendments or supplements to or reformations of the lease and tramway franchise as contemplated by [section twenty-seven hundred ninety-nine-ffff](#) of this title.

Credits

(Formerly UNCON LAWS § 6396, L.1984, c. 899, § 12. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-mmmm, NY PUB AUTH § 2799-mmmm
Current through L.2019, chapter 652. Some statute sections may be more current, see credits for details.

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McKinney's Public Authorities Law § 2799-nnnn
Formerly cited as NY UNCON LAWS § 6397

§ 2799-nnnn. Operation of motor vehicles

Effective: October 23, 2019

[Currentness](#)

In addition to any other power conferred upon it by this title, the corporation is hereby authorized to prescribe rules and regulations governing the operation, including the parking, standing or stopping of vehicles on Roosevelt Island; provided however, that such rules and regulations shall not restrict access to any city facilities situated on Roosevelt Island nor unreasonably restrict parking by city of New York employees, their visitors and invitees. The violation of such rules or regulations shall be an offense punishable upon a first conviction thereof by a fine of not more than fifty dollars, upon a second within a period of eighteen months by a fine of not more than one hundred fifty dollars, and upon a third or subsequent conviction thereof within a period of eighteen months by a fine of not more than one hundred fifty dollars. For purposes of enforcement and administration of such rules and regulations, including but not limited to conferring jurisdiction with respect thereto upon the applicable courts and administrative tribunals, all provisions of law relating to, and rules or regulations of, the New York city department of transportation not inconsistent with this title shall be applicable.

Credits

(Formerly UNCON LAWS § 6397, L.1984, c. 899, § 13. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-nnnn, NY PUB AUTH § 2799-nnnn

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McKinney's Public Authorities Law § 2799-0000
Formerly cited as NY UNCON LAWS § 6388-a

§ 2799-0000. Not-for-profit grant distribution

Effective: October 23, 2019
[Currentness](#)

1. The corporation is authorized to provide financial assistance in the form of grants to not-for-profit corporations that provide direct services or benefits to the residents of Roosevelt Island, the totality of such grants not to exceed three per centum per annum of the operating budget of the corporation, and upon the approval of a majority of the entire board of the corporation.

2. Annually, within ninety days after the end of the fiscal year of the corporation, the corporation shall post a report on its website that shall list and identify each grant recipient in such fiscal year, the amount provided to each recipient, and a general description of the public benefit of each grant.

Credits

(Formerly UNCON LAWS § 6388-a, L.1984, c. 899, § 4-a, added [L.2015, c. 517, § 1, eff. Dec. 3, 2015](#). Amended [L.2016, c. 30, § 1, eff. Dec. 3, 2015](#). Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019](#).)

McKinney's Public Authorities Law § 2799-0000, NY PUB AUTH § 2799-0000

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McKinney's Public Authorities Law § 2799-pppp
Formerly cited as NY UNCON LAWS § 6398

§ 2799-pppp. Severability of provisions

Effective: October 23, 2019

[Currentness](#)

If any section, clause or provision of this title or the application thereof shall be adjudged invalid, such judgment shall not affect or invalidate any other section, clause or provision of this title.

Credits

(Formerly UNCON LAWS § 6398, L.1984, c. 899, § 14. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-pppp, NY PUB AUTH § 2799-pppp
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McKinney's Public Authorities Law § 2799-qqqq
Formerly cited as NY UNCON LAWS § 6399

§ 2799-qqqq. Transfer of funds

Effective: October 23, 2019

[Currentness](#)

1. Notwithstanding the provisions of any general or special law, the director of the budget is authorized to transfer to the corporation from funds appropriated to the division for the fiscal year beginning April first, nineteen hundred eighty-four, the amount he or she determines necessary to carry out the provisions of this title, including providing for Roosevelt Island operations, capital improvement program and any other appropriate management expenses.

2. Notwithstanding the provisions of any general or special law, no part of such appropriations shall be available for the purposes designated until a certificate of approval of availability shall have been issued by the director of the budget and a copy of such certificate is filed with the state comptroller, the chair of the senate finance committee and the chair of the assembly ways and means committee. Such certificate may be amended from time to time, subject to the approval of the director of the budget, and a copy of each such amendment shall be filed with the state comptroller, the chair of the senate finance committee and the chair of the assembly ways and means committee.

Credits

(Formerly UNCON LAWS § 6399, L.1984, c. 899, § 15. Repealed, redesignated and amended [L.2019, c. 383, § 2, eff. Oct. 23, 2019.](#))

McKinney's Public Authorities Law § 2799-qqqq, NY PUB AUTH § 2799-qqqq

Current through L.2019, chapter 652. Some statute sections may be more current, see credits for details.

Authority and its Board Structure



Authority and its Board Structure

Pursuant to its enabling legislation, the RIOC Board of Directors is composed of nine members including the Commissioner of the New York State Division of Housing and Community Renewal, who serves as the chair; the New York State Director of the Budget; and seven public members nominated by the Governor of the State of New York with the advice and consent of the New York State Senate. Of the seven public members, two members are recommended by the Mayor of New York City, and five members must be residents.



Roosevelt Island Operating Corporation

KATHY HOCHUL
Governor

B. J. JONES
President / CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR
 Blake G. Washington, Director of BUDGET
 Marc Jonas Block
 Fay Christian
 Conway Ekpo
 Dr. Michal L. Melamed
 Howard Polivy
 Prof. Lydia W. Tang
 Melissa A. Wade

**Roosevelt Island Operating Corporation
 Board of Directors
 As of March 31, 2026**

<u>Name</u>	<u>Details</u>	<u>Appointment Date</u>	<u>Term. Exp. Date</u>	<u>Resignation Date</u>
RuthAnne Visnauskas	Ex Officio Member: Commissioner of New York State Homes and Community Renewal (“HCR”) Designated Representative: Meghan Anderson	2/16/2017	Ex-Officio	
Blake G. Washington	Ex Officio Member: Director of Budget of the State of New York Designated Representative: Morris Peters	7/27/2023	Ex-Officio	
Fay J. Christian	Member: Nominated by the Governor of the State of New York and confirmed by New York State Senate	6/2/2022	5/19/2026	
David Kraut	Member: Nominated by the Governor of the State of New York and confirmed by New York State Senate	6/19/2008	6/10/2011	6/09/2025
Michal Melamed	Member: Nominated by the Governor of the State of New York and confirmed by New York State Senate	6/09/2023	6/10/2024	
Howard Polivy	Member: Nominated by the Governor of the State of New York upon the recommendation of the Mayor of New York City and confirmed by New York State Senate	5/12/2009	12/27/2011	
Lydia Tang	Member: Nominated by the Governor of the State of New York upon the	6/09/2023	7/01/2025	

	recommendation of the Mayor of New York City and confirmed by New York State Senate			
Conway Ekpo	Member: Nominated by the Governor of the State of New York and confirmed by New York State Senate	6/06/2024	6/10/2025	
Marc Jonas Block	Member: Nominated by the Governor of the State of New York and confirmed by New York State Senate	6/10/2025	6/10/2027	
Melissa A. Wade	Member: Nominated by the Governor of the State of New York and confirmed by New York State Senate	6/10/2025	6/10/2027	



**Roosevelt Island
Operating Corporation**

KATHY HOCHUL
Governor

B. J. JONES
President / CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR
Blake G. Washington, Director of BUDGET
Marc Jonas Block
Fay Christian
Conway Ekpo
Dr. Michal L. Melamed
Howard Polivy
Prof. Lydia W. Tang
Melissa A. Wade

**LIST OF BOARD MEETINGS AND ATTENDANCE
FOR THE 2025 – 2026 FISCAL YEAR**

- 1. MAY 14, 2025**
- 2. JUNE 18, 2025**
- 3. JUNE 23, 2025**
- 4. SEPTEMBRE 11. 2025**
- 5. OCTOBER 16, 2025**
- 6. DECEMBER 18, 2025**
- 7. JANUARY 22, 2026**

1. MAY 14, 2025

Directors Present:

Meghan Anderson

Morris Peters

Fay Christian

Conway Ekpo

David Kraut

Dr. Michal L. Melamed

Howard Polivy

Prof. Lydia W. Tang

Representing RuthAnne Visnauskas, RIOC Chair and
Commissioner, New York State Homes and Community Renewal
Representing Blake G. Washington, Director, State of New York
Division of Budget
Director
Director
Director, Attended via Videoconference Pursuant to
Public Officers Law § 103-a
Director
Director, Attended via Videoconference Pursuant to
Public Officers Law § 103-a
Director

2. JUNE 18, 2025

Directors Present:

Meghan Anderson

Representing Ruth Anne Visnauskas, RIOC Chair and

Morris Peters	Commissioner, New York State Homes and Community Renewal Representing Blake G. Washington, Director, State of New York Division of Budget
Marc Jonas Block	Director
Fay Christian	Director
Conway Ekpo	Director
Dr. Michal L. Melamed	Director
Howard Polivy	Director
Prof. Lydia W. Tang	Director
Melissa A. Wade	Director

3. JUNE 23, 2025

Directors Present:

Meghan Anderson	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Housing and Community Renewal
Morris Peters	Representing Blake G. Washington, Director, State of New York Division of Budget
Marc Jonas Block	Director
Fay Christian	Director
Dr. Michal L. Melamed	Director
Howard Polivy	Director
Prof. Lydia W. Tang	Director
Melissa A. Wade	Director

4. SEPTEMBER 11, 2025

Directors Present:

Meghan Anderson	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Housing and Community Renewal
Morris Peters	Representing Blake G. Washington, Director, State of New York Division of Budget
Marc Jonas Block	Director
Fay Christian	Director
Dr. Michal L. Melamed	Director
Howard Polivy	Director
Prof. Lydia W. Tang	Director
Melissa A. Wade	Director

5. OCTOBER 16, 2025

Directors Present:

Meghan Anderson	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Housing and Community Renewal
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Morris Peters	Representing Blake G. Washington, Director, State of New York Division of Budget
Marc Jonas Block	Director
Fay Christian	Director
Conway Ekpo	Director
Dr. Michal L. Melamed	Director
Howard Polivy	Director
Prof. Lydia W. Tang	Director
Melissa A. Wade	Director

6. December 18, 2025

Directors Present:

Meghan Anderson	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Housing and Community Renewal
Morris Peters	Representing Blake G. Washington, Director, State of New York Division of Budget
Marc Jonas Block	Director
Fay Christian	Director
Conway Ekpo	Director
Dr. Michal L. Melamed	Director
Howard Polivy	Director
Prof. Lydia W. Tang	Director
Melissa A. Wade	Director

7. JANUARY 22, 2026

Directors Present:

Meghan Anderson	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Housing and Community Renewal
Morris Peters	Representing Blake G. Washington, Director, State of New York Division of Budget
Marc Jonas Block	Director
Fay Christian	Director
Conway Ekpo	Director
Dr. Michal L. Melamed	Director
Howard Polivy	Director, Attended via Videoconference Pursuant to Public Officers Law § 103-a
Prof. Lydia W. Tang	Director
Melissa A. Wade	Director

Compensation Schedule and Senior Staff Biographies



Roosevelt Island
Operating Corporation

RIOC Annual Report Fiscal Year 2025-2026

COMPENSATION SCHEDULE

Name	Job Title	Salary	Compensation
Amin, Dhruvika J	Vice President & Chief Financial Officer	\$226,013	\$225,973
Amoroso, Anthony	Director/Chief Of Public Safety	\$131,128	\$148,182
Argenzio, Michael	Director of Human Resources	\$126,002	\$132,051
Bedasie, Govind	Assistant Director of IT Services	\$143,325	\$144,559
Boujoual, Abdelkader	AVP of Information Technology	\$165,920	\$176,332
Brown, Kevin	AVP of Public Safety	\$175,884	\$178,852
Coleman, Wanda M.	Inspector-Public Safety	\$128,449	\$143,702
Cunneen, Mary C	Vice President & Chief Operating Officer	\$214,988	\$214,948
Daniels, Bryant	AVP of Communications & Government Affairs	\$143,325	\$157,145
Dooley, Suzanne	Assistant General Counsel	\$144,104	\$144,104
Firestein, Amy E.	Director of Procurement	\$133,731	\$136,683
Friedman, Steven	Accounts Payable Manager	\$137,007	\$137,007
Imperati, Thomas	Assistant Director of Horticulture & Grounds	\$115,500	\$127,013
Jones, Benjamin	President & Chief Executive Officer	\$240,000	\$137,539
Lindsey, Rodell	Lieutenant, Public Safety	\$79,114	\$130,911
Looi, Wei Lin	Deputy Comptroller	\$140,569	\$142,976
Natale, Joseph P	Director Sportspark & Programming	\$115,772	\$117,538
Omrani, Mehdi	Director of Facilities & Maintenance	\$117,331	\$130,344
Ortiz, Nestor R	Director of Transportation	\$136,500	\$173,140
Perez, Eddie	Assistant Director of Transportation	\$123,900	\$135,748
Santamaria, Alvaro	AVP, Engineering and Capital Planning & Projects	\$197,400	\$197,364
Stasko, Lada	Deputy General Counsel	\$187,554	\$187,520
Suarez, Estrella	Inspector of Public Safety	\$124,961	\$135,630

Senior Staff for the Period of April 1, 2025 – March 31st, 2026

B.J. Jones

President and Chief Executive Officer

B.J. Jones is the President and CEO of the Roosevelt Island Operating Corporation, a role he assumed in 2025. He brings over 30 years of public sector experience, including serving as President and CEO of the Battery Park City Authority, Executive Director in the Mayor’s Office of Policy and Planning, Assistant Commissioner at the New York City Department of Buildings, and a consultant with KPMG’s State and Local Government practice. His work has focused on business process modernization, policy development, and infrastructure initiatives.

Mr. Jones holds a Bachelor of Arts in Management from Gettysburg College, a Master of Public Administration from American University, and a Master of Applied Positive Psychology from the University of Pennsylvania. He is a certified Project Management Professional.

Dhruvika Amin

Vice President and Chief Financial Officer

Dhruvika Amin is the Chief Financial Officer and Vice President for the Roosevelt Island Operating Corporation (RIOC). Ms. Amin has an expansive background in finance as well as accounting and brings more than 25 years of professional and leadership experience to Roosevelt Island, including as Chief Financial Officer for Teragram LLC, Black River Management Company where she held several high-level roles, including Vice President of Accounting, Finance and Administration, Chief of Staff, and Grants Officer and as a Senior Auditor for Ernst & Young LLP. As a trusted advisor to the Board of Directors and its committees, she regularly presents financial reports, contract approvals, and project updates. Her responsibilities also encompass corporate risk management, procurement oversight in accordance with New York State guidelines, and revenue development through advertising, permits, and leases. She oversees key corporate functions—including finance, IT, youth center operations, procurement, and grants administration—and provides essential leadership in budgeting, capital planning, real estate development, and asset management. She also manages a complex insurance portfolio, securing appropriate protection for the Corporation’s assets and operations.

Ms. Amin graduated Magna Cum Laude from St. John’s University - Peter J. Tobin School of Business, holding a Bachelor of Science in Accounting. Ms. Amin is a licensed Certified Public Accountant.

Mary C. Cunneen

Vice President and Chief Operating Officer

Mary C. Cunneen brings more than 18 years of operational and managerial experience across higher education and the public sector. She joined the Roosevelt Island Operating Corporation (RIOC) in 2017 and has served as Chief Operating Officer and Vice President since 2025, after initially being appointed Interim COO in 2022. In this role, Mrs. Cunneen oversees RIOC’s day-to-day administrative and operational functions, including grounds and horticulture, capital projects, facilities maintenance, fleet management, tram operations, and Sportspark. She focuses on staff development, establishing measurable key performance indicators, implementing lean methodologies and ensuring compliance throughout the corporation. Mrs. Cunneen joined the corporation in 2017 as the Director of Parks and Recreation. While in the role she was responsible for the Grounds & Horticulture, Community Relations, Permits and Sportspark Departments. In 2020, Mrs. Cunneen was promoted to Director of Organizational Effectiveness and Special Projects/Internal Controls Officer. Prior to joining RIOC, Mrs. Cunneen served as Associate Athletic Director at UMASS Boston and Fordham University.

Mrs. Cunneen received her bachelor's and Master of Business Administration degrees from St. John's University. She is a Certified Project Management Professional (PMP) and Six Sigma Green Belt.

Lada Stasko *Deputy General Counsel*

Ms. Stasko joined RIOC's Legal Department in April 2008 as paralegal. From 2011, she served as Assistant General Counsel and then Associate General Counsel to the corporation. As of 2024, Ms. Stasko has served as RIOC's Deputy General Counsel. She performs complex legal work, supervises legal staff, acts as a liaison with outside counsel, overseas corporate governance, contracts, litigation, FOIL and compliance matters as well as appears in court on RIOC while advising RIOC's Board and staff on a variety of legal issues that are significant to the corporation's operations and day-to-day business.

Prior to RIOC, Ms. Stasko was a visiting scholar at Columbia University, School of International and Public Affairs and the University of Montana School of Law. For five years, as an Associate professor, she taught International Human Rights Law, International Organizations, Constitutional Law, and Introduction to Legal Systems at the Academy of State and Social Governance and Westminster International University in Tashkent (WIUT), Uzbekistan.

Ms. Stasko received her Master of Laws (LLM) degree from Georgetown University Law Center in Washington, DC. She also holds a PhD in Law from the Academy of State and Social Governance in Tashkent, Uzbekistan, as well as a five-year diploma in Arabic Language and Literature from Tashkent State University.

Michael Argenzio *Director Of Human Resources*

Michael Argenzio is the HR Director at the Roosevelt Island Operating Corporation, where he is responsible for overseeing all human resources operations. In this role, he plays a strategic part in aligning HR initiatives with business objectives, ensuring the organization attracts, develops, and retains top talent. His key responsibilities include managing recruitment, employee relations, compensation and benefits, training and development, union negotiations, payroll oversight, and performance management. Michael also ensures compliance with labor laws and regulations while fostering a positive work environment that supports employee well-being and productivity.

Before joining Roosevelt Island, Michael gained extensive experience as an HR Director in both government and healthcare organizations, where he successfully led initiatives that aligned HR strategies with organizational goals, ensured compliance with industry regulations, and fostered employee engagement.

Michael holds a BBA in Management from Hofstra University and Master's degree in human resource management from Stony Brook University.

Bryant Daniels *AVP Communications & Government Affairs*

Bryant Daniels joined Roosevelt Island Operating Corporation as the Director of Communications and Community Affairs for in 2023. In 2025 Mr. Daniels was promoted to AVP Communications & Government Affairs. He is responsible for handling all of the corporation's outward facing communications, serves as spokesperson and chief government affairs contact for the corporation, is charged with planning and executing the island's community events, and oversees the corporation's Constituent Services Department. Prior to joining RIOC, Mr. Daniels spent more than 15 years working in government communications, serving as the Communications and Deputy District Director for Congressman Eliot Engel and Communications Director for New York State Assemblyman Jeffrey Dinowitz. He most recently served as Senior Associate, Government Affairs for Starry, a next generation internet service provider.

Mr. Daniels holds a Bachelor of Arts degree as a Communications and Political Science double-major from Fordham University, and a Master's degree from Fordham University in Elections and Campaign Management.

Marcus Looi *Deputy Comptroller*

Marcus Looi is the Deputy Comptroller of the Roosevelt Island Operating Corporation (RIOC). In this role, Mr. Looi oversees the daily operations of the finance department, ensuring the financial health and compliance of the organization.

Before joining RIOC, Mr. Looi gained extensive experience in the private sector, specializing in accounting and finance across various industries including gaming, publishing, advertising, and entertainment. Mr. Looi holds a Bachelor degree in Finance and Economic with a concentration in Financial Investment from the University of Kentucky.

Kevin Brown *AVP of Public Safety*

Kevin Brown leads the Public Safety Department at Roosevelt Island, with responsibility for overall operations, strategy, and performance of the unit. He directs departmental priorities across patrol functions, investigations, and administrative oversight, ensuring effective deployment of personnel and resources. He works with executive leadership and external partners to address public safety needs, coordinate responses to incidents, and support continuity of operations across the island. He also oversees internal processes related to staffing, training, and policy to maintain consistent and effective service delivery.

Mr. Brown also serves as an adjunct professor at CUNY John Jay College and holds a B.A. and M.A. from John Jay College.

Anthony Amoroso *Director/Chief of Public Safety*

Anthony Amoroso serves as the Director and Chief of the Public Safety Department for the Roosevelt Island Operating Corporation (RIOC), a position he assumed in 2025 after previously serving as Deputy Director and Deputy Chief beginning in 2019. As Director and Chief, Mr. Amoroso provides leadership in operational planning, emergency management, and departmental administration. He works closely with executive leadership to support public safety initiatives, transportation operations, and island-wide security planning. His responsibilities include overseeing staffing, training, investigations, and policy implementation while maintaining effective communication with community members and partner agencies. Mr. Amoroso also plays an active role in coordinating safety planning for major events, transportation disruptions, and emergency preparedness efforts.

Prior to joining RIOC, Mr. Amoroso served with the New York City Police Department for nearly three decades, retiring at the rank of Detective First Grade. At NYPD, Mr. Amoroso held several specialized assignments within the Detective Bureau, including serving as a Senior Instructor and Detective Investigator within the Criminal Investigation Division.

Alvaro Santamaria *AVP Engineering and Capital Planning & Project*

Mr. Santamaria has over 25 years of engineering experience and over 6 years with RIOC. Mr. Santamaria oversees the Engineering and Capital Planning & Projects departments, as well as key infrastructure systems including the Tram and AVAC. The role includes managing budgets, coordinating with consultants and

contractors, and ensuring projects meet regulatory and operational requirements while supporting long-term planning and maintenance. He was part of Operating Engineers Local 94 for many years, as Chief Engineer before joining RIOC.

Mr. Santamaria graduated from Polytechnic University in Brooklyn.

Aida Morales *Chief of Staff*

Aida Morales joined the Roosevelt Island Operating Corporation in 2018 and currently serves as Chief of Staff to the President and CEO, coordinating administrative, financial, and operational activities. She brings over 12 years of operational and management experience.

Ms. Morales holds a Bachelor of Arts in Business Administration from Lehman College.

Nestor Ortiz *Director of Transportation*

Nestor R Ortiz is the Director of Transportation at the Roosevelt Island Operating Corporation. Mr. Ortiz oversees the island's transportation operations, including the Red Bus system and coordination with external transit providers. The role includes managing service delivery and operational planning, while ensuring safe, reliable, and efficient transportation for residents and visitors. Mr. Ortiz has over 25 years of diverse experience in the transportation industry.

Mr. Ortiz holds an Associate of Science degree from SUNY Westchester Community College and is also certified by the Pupil Transportation Safety Institute (PTSI).

Abdel Boujoual *AVP of Information Technology*

Abdel Boujoual is the Director of Information Technology at the Roosevelt Island Operating Corporation (RIOC), he is responsible for the direction and oversight of the Island's Information Technology Systems, provides leadership for the continued development of an innovative, robust, and secure information technology environment throughout RIOC.

Abdel has over 25 years' experience of technical and management experience in Information Technology, complex systems analysis, design, development and Integration, Quality Assurance, Systems Engineering with an extensive experience in the Audio/Video Industry and Systems Automation, brings to RIOC the expertise to take the Island's Information Technology to the next level.

Prior RIOC, Abdel was head of the Information Technology Department of a leading Audio Video Manufacturing Company. Abdel has an Information Systems Analysis and Programming Diploma, Certified Microsoft Systems Engineer, and holding Cybersecurity Certification.

Ana Medina *Director of Youth Center*

Ana Christina Medina is the Youth Center Director at the Roosevelt Island Operating Corporation (RIOC), where she oversees all administrative, programmatic, special events, and daily operations of the Youth Center. In this role, she manages staff, leads professional development initiatives, ensures high-quality programming and events, enforces policies and regulations, and fosters a safe, inclusive, and engaging environment for youth and families.

Ms. Medina brings over 15 years of experience working with youth, teens, and adults across diverse professional settings, including youth development, community engagement, special events, and staff management. Prior to joining RIOC, she served as Teen Director at the Vanderbilt YMCA, where she oversaw all branch-based teen and summer camp programming.

Ms. Medina holds a Master of Science in Nonprofit Leadership from Fordham University and a Bachelor of Arts in Psychology, with a concentration in Counseling, from the College of Mount Saint Vincent.

Amy Firestein *Director of Procurement*

Amy Firestein joined the Roosevelt Island Operating Corporation (RIOC) in 2018 as a Procurement Specialist assisting all departments with procurement needs. Over the years, she has progressed to the role of Procurement Manager and currently serves as Director of Procurement overseeing and conducting procurements for all aspects of the corporation. She is focused on compliance, transparency and meeting the vast and diverse needs of RIOC. Through her previous career in the private sector, Amy has developed a deep understanding of project management, contracting with a variety of construction trades, procuring goods and services and tracking accounting and contract management for long and short contract periods. Amy Firestein holds a Bachelor of Arts from San Francisco State University.

Joseph Natale *Director, Sportspark & Programming*

Joseph Natale is the Director of Sportspark and Programming for the Roosevelt Island Operating Corporation (RIOC). Mr. Natale is responsible for overseeing all aspects of Sportspark including daily operations, staff development, scheduling, programming, group permits, and the overall member experience. Mr. Natale has been in the health and wellness space for the past 11 years and has managed all functions within the fitness industry.

Mr. Natale previously held multiple roles within Equinox over the last 6.5 years in positions such as Assistant General Manager, General Manager, and Senior Manager of Personal Training.

Natale graduated Magna Cum Laude from the University of New Haven with a B.S. in Management of Sports Industries.

RIOC By-Laws



ADOPTED JULY 1, 1985
AMENDED JANUARY 14, 1988
AMENDED MAY 11, 1989
AMENDED DECEMBER 1989
AMENDED JULY 12, 1990
AMENDED AS OF APRIL 14, 1994
AMENDED AS OF FEBRUARY 11, 1999
AMENDED JUNE 29, 2006
AMENDED MARCH 25, 2010
AMENDED JUNE 23, 2025

BY-LAWS
OF
ROOSEVELT ISLAND OPERATING CORPORATION

ARTICLE I

THE CORPORATION

Section 1. Description. The Roosevelt Island Operating Corporation (the “Corporation”) is a body corporate and politic constituting a public benefit corporation and a political subdivision of the State of New York, created and having the powers and functions set forth in Title 35, Article 8 of the New York Public Authorities Law (former Chapter 899 of the Laws of 1984), which is known as the Roosevelt Island Operating Corporation Act (the “Act”).

Section 2. Offices. The principal office of the Corporation shall be located on Roosevelt Island, in the City, County, and State of New York. The Corporation may also have offices at such other place or places within the State of New York as the Corporation’s Board of Directors (each, a “Board member” or “director” and, collectively, the “Board”) may from time to time designate.

Section 3. Seal. The official seal of the Corporation shall be in the form of a circle and shall bear the name of the Corporation and the year of its creation. Such seal may also include such other insignia as may be approved by the Board.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Powers and Number. The overall business and affairs of the Corporation shall be managed and overseen by the Board, which shall be comprised of nine (9) directors, one of whom shall be the Commissioner of the New York State Division of Homes and Community Renewal (the “Commissioner”), who shall serve as the Chairperson, and another of whom shall be the Director of the Budget for the State of New York (the “Director of the Budget”). The Board may delegate the day to day management of the Corporation and other matters to committees, officers, employees, professional advisors or other agents of the Corporation, subject always to the ultimately authority of the Board and subject to and in accordance with the requirements of the Act and other applicable laws and these By-Laws.

Section 2. Representatives to the Board. The elected public officials who represent Roosevelt Island shall be representatives to the Board and shall be entitled to receive notice of and to attend all meetings of the Board, but shall not be entitled to vote.

Section 3. Appointment and Term of Office. The selection of members of the Board and their tenures shall be as set forth in Section 2799-cccc of the Act. The Commissioner and the Director of the Budget shall serve as Board members (and in the case of the Commissioner, as Chairperson) for so long as they continue to hold their respective offices of Commissioner and Director of the Budget, as set forth in Section 2799-cccc of the Act.

Section 4. Property Interest of Directors. No director of the Corporation shall have any right, title or interest in or to any property or assets of the Corporation, either prior to or at the time of any liquidation or dissolution of the Corporation.

Section 5. Non-Liability for Debts. The private property of any director shall be exempt from execution or other liability for any debts of the Corporation and no director shall be liable or responsible for any debts or liabilities of the Corporation. Pursuant to and as further described in Section 2799-hhhh of the Act, the State shall indemnify and hold harmless the Corporation, and pursuant to Section 17 of the Public Officers Law, its officers, directors and employees, from and against any and all liability, claim, loss, damage, suit or judgment and any and all costs and expenses including, but not limited to, counsel fees and disbursements that the Corporation or its officers, directors or employees may suffer or incur as a result of either (a) the development, management or operation of Roosevelt Island or (b) the performance or non-performance by the New York State Division of Homes and Community Renewal of any of its obligations or duties with respect to Roosevelt Island. As used in this Section 5, the terms “member”, “officer” and “employee” shall include a former member, officer or employee, his or her estate or judicially appointed personal representative.

Section 6. Compensation. A Board member is entitled to reimbursement for his or her actual and necessary expenses incurred in the performance of his or her official duties as a Board member. No Board member shall receive any other salary or compensation for his or her services as a Board member.

Section 7. Removal. Any member of the Board may be removed by the Governor for cause, after opportunity to be heard upon not less than 10 days’ written notice. In the event of three consecutive unexcused absences by a Board member, the Chairperson shall send or cause the Secretary to send notice of such absences to the Governor along with the Board’s recommendation, if any, as to whether or not such Board member should be removed from the Board.

Section 8. Resignation. Any member of the Board may resign at any time by providing notice in writing or by electronic mail to the Chairperson or the Secretary. Any member of the Board who dies or is unable to

exercise his or her duties as a Board member due to incapacity (as determined by a physician) shall be deemed to have resigned. The Secretary shall promptly notify the Governor in the event a member of the Board resigns, dies or becomes unable to exercise his or her duties as a Board member due to incapacity (as determined by a physician).

ARTICLE III

MEETINGS

Section 1. Meetings and Meeting Agendas. All meetings of the Board and approval of resolutions of the Board shall be in accordance with applicable law, including Article 7 of the Public Officers Law (such Article 7 is known as, and referred to herein as, the “Open Meetings Law”). The time and place of regular meetings of the Board throughout each year shall be fixed in accordance with a schedule adopted annually by the Chairperson in consultation with the Board, and may be changed from time to time within that year by the Chairperson in consultation with the Board. Special meetings of the Board may be called by the Chairperson, or upon request of three or more of the directors, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The Chairperson or the directors calling the special meeting shall fix the time for the meeting in reasonable coordination with the rest of the Board. All meetings shall be at the office of the Corporation or at such other place as the Board or the Chairperson may designate. The Chairperson shall be responsible for setting the agenda, provided, however, that (a) any Board member may send a request in writing or by email, at least ten (10) days prior to the date of a meeting, to the Chairperson to include a matter on the agenda for such meeting so long as and to the extent including such matter on the agenda is permitted by applicable law and the Chairperson shall give due consideration to such request; and (b) in the event that a majority of the Board members then in office send a request in writing or by email, at least ten (10) days prior to the date of a meeting, to the Chairperson to include a matter on the agenda for such meeting, such matter shall be included on the agenda so long as and to the extent permitted by applicable law. Notwithstanding the foregoing, if the Chairperson determines, in consultation with the Corporation’s legal counsel as appropriate, that the inclusion of a matter on the agenda in an open meeting may unduly prejudice the Corporation or expose it to undue risk or liability (e.g., because it would result in waiver of the attorney-client or other similar privilege or protection of the Corporation in a litigation or proceeding, or reveal sensitive employee information or data), the Chairperson need not include such matter on the agenda or, to the extent permitted by applicable law, may require that the Board consider such matter in an executive session.

Section 2. Notice of Meetings. The Secretary shall give or cause to be given notice to the public of Board meetings in compliance with all applicable laws, including Section 104 of the Open Meetings Law. Notice of the time, place and purpose of any meeting of the Board shall be given to each director by or on behalf of the Secretary at least as far in advance as the notice to the public, and may be given personally, in writing, or by electronic mail (and, for the avoidance of doubt, may be given by causing each director to receive the notice provided to the public at the same time and in the same manner that it is provided to the public). Notice of any meeting of the Board shall be given to the elected public officials who represent Roosevelt Island, as representatives to the Board, by or on behalf of the Secretary in accordance with applicable law; provided, however, that (a) such notice requirement may be satisfied by causing such official to receive the notice provided to the public at the same time and in the same manner that it is provided to the public; and (b) failure to give such notice to any such official shall not affect the validity of any action taken at a Board meeting.

Section 3. Quorum and Voting. A majority of the members of the Board then in office shall constitute a quorum. If less than a quorum is present at any meeting, the directors present may adjourn the meeting and the Secretary shall notify or cause to be notified any absent directors of the time and place of such adjourned meeting. At any meeting at which a quorum is present, the affirmative vote of a majority of the directors then in office shall be an act of the Board.

Section 4. Code of Ethics, Interested Directors, and Public Statements. The Corporation shall at all times maintain and comply with a Code of Ethics which reflects applicable law, including Section 74 of the Public Officers Law. Such Code of Ethics will include procedures for disclosing and addressing potential conflicts of interest, and rules and restrictions regarding public communications by individual Board members outside of Board meetings.

Section 5. Order of Business. At the regular meetings of the Board, the following shall be the order of business:

1. Call to Order.
2. Roll Call.
3. Approval of minutes of previous meeting(s), as applicable.
4. Old Business.
5. New Business.
6. Adjournment.

Section 6. Resolutions to be in Writing; Meeting Minutes. Whenever possible, the text of all proposed resolutions to be considered at a meeting of the Board shall be circulated to all directors in writing or by email in advance of such meeting. The Chairperson may permit proposed modifications to proposed resolutions by Board members from the floor during such meeting if the Chairperson determines, either due to the time-sensitive nature of the matter at issue or on the basis that the proposed modification is in the nature of clarifying or not substantive, that it is in the best interest of the Corporation to do so rather than waiting to reintroduce the revised proposed resolution for approval at the next Board meeting. The minutes of all open Board meetings, and the minutes, if any, of executive sessions shall be taken in accordance with, and shall consist of the matters required by, applicable law, including Section 106 of the Open Meetings Law.

Section 7. Manner of Voting. Voting on all resolutions at open Board meetings shall be by roll call, and the minutes of such meetings shall indicate the manner in which each Board member who voted cast their vote, as well as any abstentions.

Section 8. Executive Sessions. The conduct of and voting during any executive sessions of Board meetings shall be in the manner required by applicable law, including Sections 105 and 106 of the Open Meetings Law.

Section 9. Designees. Pursuant to Section 2799-cccc of the Act, each of the Commissioner and the Director of the Budget (but not the other Board members) may designate an officer or employee of such director's respective governmental division to represent such director at meetings of the Board in such director's absence. Any such designation shall be by written notice signed by the designating director, filed with the Chairperson and Secretary of the Corporation, and may be revoked at any time by similar notice signed by the designating director. Any representative designated hereunder shall be notified of all meetings of the Board and shall have the power to attend and vote at such meetings in the designating director's absence. For the avoidance of doubt, the designating director may always attend and vote at any meeting in place and instead of their designated representative.

Section 10. Waiver of Notice. Any director may waive in a signed writing any notice of a meeting required to be given by these By-Laws before or after such meeting, or at such meeting either in writing or verbally if such director (or such director's designee, if applicable) shall be present at such meeting. The attendance of a director or their designee, if applicable, at a meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her, shall constitute a waiver of notice of such meeting by such director. Notice of an adjourned

meeting need not be given to any director who is present (or in the case of either the Chairperson or Director of the Budget, whose designee is present) at the time of adjournment.

ARTICLE IV

OFFICERS

Section 1. Officers and Appointment. (a) The officers in the Corporation within the meaning of these By-Laws (the “Officers”) shall be the Chairperson as provided in the Act, and unless otherwise determined by the Board, shall include a President & Chief Executive Officer (the “President/CEO”), Chief Financial Officer (“CFO”), Chief Operating Officer (“COO”), General Counsel (“GC”), Secretary, and Internal Controls Officer (“ICO”). The Board may appoint a Treasurer, and may establish, appoint, or elect such other Officers with such other titles and responsibilities from time to time as it deems appropriate, and may prescribe how such other Officers shall be elected, appointed or hired; provided, however, that if the Board determines that a position not specifically named in the previous sentence shall be an Officer role within the meaning of these By-Laws (as opposed to merely a staff role which may or may not have the word “officer” in its title), the Board will adopt a resolution documenting that decision. Each Officer shall have the powers and duties assigned to them in these By-Laws or applicable law, or by the Board from time to time, subject always to the control and direction of the Board.

(b) The President/CEO shall be appointed or elected by the Board. The CFO, COO, GC, and ICO shall be appointed or hired by the Board upon the recommendation of or in consultation with the President/CEO, if any. Unless otherwise determined by the Board, the General Counsel shall serve *ex-officio* as the Secretary. None of the other Officers need be members of the Board unless otherwise required by applicable law. A person who is otherwise qualified may hold more than one office, except for the Treasurer and CFO who may not be the same person. Each Officer shall hold office until his or her successor shall have been elected, appointed, or hired, or until his or her earlier removal.

Section 2. Removal of Officers. Only the Board shall have the authority to remove an Officer, and only after a determination by the Board that such removal will serve the best interests of the Corporation. In the case of the CFO, COO, GC, and ICO, the Board shall consult with the President/CEO prior to the removal of any such Officer.

Section 3. Chairperson. The Chairperson shall preside at the meetings of the Board. In addition, the Chairperson shall take the lead in the Board’s oversight role, which includes setting the Board’s agenda in accordance

with these By-Laws, managing the flow of information to the Board, coordinating the work of the Board's committees, and serving as the primary liaison between the Board and senior management.

Section 4. President and Chief Executive Officer. The President/CEO shall:

- (a) be responsible for the discharge of the executive and administrative functions and powers of the Corporation, including hiring and termination of employees (other than the Officers listed above in Section 1 of this Article IV), and shall supervise and control the day to day business and affairs of the Corporation;
- (b) have the authority to sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board, or by these By-Laws, to some other Officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and
- (c) in general perform all duties incident to the office of President/CEO.

Section 5. Secretary. The Secretary shall:

- (a) keep or cause to be kept the minutes of the meetings of the Board in one or more books provided for that purpose;
- (b) see that all notices are duly given in accordance with these By-Laws or as required by applicable law;
- (c) be custodian of the records of the Corporation;
- (d) keep a register of the names and post office and email addresses of (i) all members of the Board, (ii) in the case of the Commissioner and Director of Budget, their designees (if any), and (iii) all of the elected public officials who are representatives to the Board;
- (e) have general charge of the books of the Corporation;
- (f) keep on file at all times a complete copy of the Act and By-Laws of the Corporation containing all amendments thereto; and
- (g) in general perform all duties incident to the office of Secretary.

Section 6. Treasurer. The Board may appoint a Treasurer, who may but need not be a member of the Board and, on behalf of the Board, shall oversee and monitor the Corporation's finances.

Section 7. Chief Financial Officer. The CFO shall supervise and manage the day to day financial activities of the Corporation and shall perform such other duties as the President/CEO or the Board may from time to time determine.

Section 8. Chief Operating Officer. The COO shall supervise and manage the operations of the Corporation and shall perform such other duties as the President/CEO or the Board may from time to time determine.

Section 9. General Counsel. The GC shall be the principal legal officer of the Corporation. The General Counsel shall advise the Board, Officers, and staff of the Corporation on all legal matters affecting the Corporation, including contractual agreements, labor law, municipal and State law affecting capital and expense budget administration, personnel administration, Federal, State and City legislative matters, and shall perform such other duties as the President/CEO or the Board may from time to time determine.

Section 10. Internal Controls Officer. The ICO shall implement and review the internal controls of the Corporation and shall perform such other duties as the President/CEO or the Board may, from time to time, determine, and shall perform any such other duties as may be required by Section 2931 of the Public Authorities Law in the manner described therein.

Section 11. Employees and Other Agents. The Board may adopt resolutions from time to time requiring Board approval for the hiring or termination of certain staff positions.

Section 12. Compensation. The powers, duties, and compensation, if any, of Officers shall be fixed by the Board, subject to applicable law and these By-Laws. Any Officer may receive a salary or other compensation for services rendered to the Corporation in their capacity as an Officer (but not in their capacity as a director, if they are also a director) when so authorized by a majority of the Board.

ARTICLE V

FINANCIAL TRANSACTIONS

Section 1. Approval of Activities. All of the activities of the Corporation shall be and remain subject to the supervision and control of the Board.

Section 2. Contracts. The Board may authorize any Officer or Officers, agent or agents, employee or employees, in addition to the Officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, subject to applicable law, and such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Corporation shall be signed by such Officer or Officers, agent or agents, employee or employees of the Corporation in such manner as shall from time to time be determined by the Board. In the absence of such a determination by the Board, such instruments shall be signed by the Chief Financial Officer or by the President/CEO.

Section 4. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such bank or banks, trust companies or other depositories as the Board may select.

Section 5. Fiscal Year. The fiscal year of the Corporation shall mean a twelve month period commencing April 1st of each and every year and shall end on the following March 31st.

Section 6. Gifts. The Board may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or any special purpose of the Corporation.

Section 7. Loans. The Board shall not, directly or indirectly, including through a subsidiary, extend or maintain credit, arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any Officer, Board member or employee of the Corporation.

ARTICLE VI

BOOKS, RECORDS, AUDITS AND REVIEWS

Section 1. Books and Records. The Corporation shall keep correct and complete books, records and accounts and shall also keep minutes of the proceedings of the Board, and shall keep at the registered or principal office a record giving the names and addresses of the directors. All books and records of the Corporation may be inspected by the New York State Department of Audit and Control.

Section 2. Audits. The Corporation shall annually cause an audit to be performed by an independent certified public accountant.

ARTICLE VII

INDEMNIFICATION

Section 1. Defense and Indemnification of Directors, Officers and Employees of the Corporation. The Corporation confers the benefits of the Public Officers Law and the Public Authorities Law, including but not limited to Section 18 of the Public Officers Law and Section 2799-hhhh of the Act, upon its directors, Officers and employees and shall be held liable for the costs incurred under such provisions.

ARTICLE VIII

COMMITTEES

Section 1. Standing and Advisory Committees. The Board shall establish a governance committee and an audit committee as standing committees, as well as any other committees required by applicable law. The Board may establish other standing, special, or advisory committees, including an operations advisory committee and a real estate development advisory committee. The purposes and powers of each committee, as well as any composition or eligibility requirements for each committee, shall be specified in these By-Laws, a Board resolution, or a committee charter. All committee meetings shall be in accordance with applicable law, including the Open Meetings Law.

Section 2. Election and Term of Office. At least one director shall be appointed to each committee by the Board Chairperson with the approval of the Board, and the remaining members of each committee shall be elected by the Board. Board members shall have the opportunity to express their preferences as to the committee or committees, if any, on which they wish to serve. To the extent practicable, committee assignments, if any, for new Board members shall be made within 90 days after the date on which such newly appointed director takes office. Under no circumstances may the number of directors serving on any committee be equal to or greater than the number of directors needed for a quorum of a meeting of the Board. Members of committee shall serve a four year term, unless otherwise determined by the Board. Members of committees shall serve at the pleasure of the Board. Except for those committees that the Corporation is required by applicable law to establish and maintain, the Board may dissolve any committee at any time.

Section 3. Quorum and Voting. The chair of the committee shall coordinate the meeting dates. A quorum for any committee meeting shall consist of a majority of the committee. Any action shall be taken by a majority vote of the committee.

Section 4. Governance Committee. The governance committee shall be comprised of not less than three independent members (as such term is defined in Section 2825 of the Public Authorities Law), who shall constitute a majority on the committee and shall possess the necessary skills to understand the duties and functions of the governance committee; provided, however, that in the event that the Board has less than three independent members, the Board may appoint non-independent members to the governance committee, so long as independent members constitute a majority of the members of the governance committee. In addition, the Board may appoint non-

Board members (including private citizens) to the governance committee to meet the minimum requirements described in this Section 4, provided that these non-Board members are independent and do not constitute the majority of the governance committee. It shall be the responsibility of the governance committee to keep the Board informed of current best governance practices; to review corporate governance trends; to recommend updates to the Corporation's corporate governance principles; to advise appointing authorities on the skills and experiences required of potential Board members; to examine ethical and conflict of interest issues; to perform Board self-evaluations; and to recommend by-laws which include rules and procedures for conduct of Board business. The Board shall adopt a charter for the governance committee which shall comply with the Public Authorities Law and, in general, shall reflect any applicable Authorities Budget Office ("ABO") guidance, including the model governance committee charter published by the ABO.

Section 5. Audit Committee. The audit committee shall be comprised of not less than three independent members (as such term is defined in Section 2825 of the Public Authorities Law) who shall constitute a majority of such committee and shall possess the necessary skills to understand the duties and functions of the audit committee; provided, however, that in the event that the Board has less than three independent members, the Board may appoint non-independent members to the audit committee, so long as independent members constitute a majority of the members of the audit committee. In addition, the Board may appoint non-Board members (including private citizens) to the audit committee to meet the minimum requirements described in this Section 5, provided that these non-Board members are independent and do not constitute the majority of the governance committee. If the Treasurer is a member of the Board, the Treasurer may serve on the Audit Committee. The committee shall recommend to the Board the hiring of a certified independent accounting firm for the Corporation, establish the compensation to be paid to the accounting firm and provide direct oversight of the performance of the independent audit performed by the accounting firm hired for such purposes. Members of the audit committee shall be familiar with corporate financial and accounting practices. The Board shall adopt a charter for the audit committee which shall comply with the Public Authorities Law and, in general, shall reflect any applicable ABO guidance, including the model audit committee charter published by the ABO.

Section 6. Committee Advisors. The Board may vote to invite one or more individuals who are independent (as such term is defined in Section 2825 of the Public Authorities Law) to serve as non-voting advisors for a single committee meeting or multiple committee meetings or for an indefinite period; provided, however, that

(a) the Board may require non-voting advisors, as a condition to their serving as such, to certify their independence or complete other documentation the Board deems necessary or appropriate; (b) it shall be made clear at the outset of each committee meeting that any such individual(s) are non-voting advisors; and (c) any such invitation by the Board to non-voting advisors of such committee shall be revisited by the Board no less frequently than once per year so that the Board may determine whether to extend or terminate such non-voting advisors' status as such.

ARTICLE IX

POLICIES

Section 1. Policies. The Board shall have power to make and adopt such policies not inconsistent with applicable law, the Act, or these By-Laws, as it may deem advisable for the management of the business and affairs of the Corporation.

ARTICLE X

BY-LAWS

Section 1. Amendment. The By-Laws may be altered, amended, or repealed by five Board members at any meeting of the Board, provided notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal, or such requirement shall have been duly waived by all directors.

Section 2. Supremacy of By-Laws: Subject to Section 3 below, these By-Laws shall take precedence over any policy, procedure, or other document of the Corporation. No policy, procedure, or document of the Corporation may contradict or override these By-Laws.

Section 3. Compliance with Law: If any provision of these By-Laws is found to be in conflict with applicable federal, state, or local law, the law shall supersede the conflicting provision. The Corporation shall comply with all relevant laws, and these By-Laws shall be interpreted and applied in a manner consistent with such laws. If changes in the law occur, or if any law currently in effect contradicts any provision of these By-Laws, the law will govern, and appropriate amendments to the By-Laws shall be made to ensure compliance. If any provision of these By-Laws is held invalid, the remainder of the By-Laws shall continue in full force and effect.

Material Changes in Operations and Programs



NEW YORK
STATE OF
OPPORTUNITY.

Roosevelt Island
Operating Corporation

Material Changes in Operations and Programs

RIOC has not made any material changes to its operations and/or programs.

Financial Plan



The Roosevelt Island Operating Corporation (RIOC)
Proposed Capital Plan 2026/2027 (In Thousands)

Description	Type	FY25/26	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34	FY34/35	FY35/36	Total
		Approved	Projected Actual	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
Sports Fields/Parks		\$130	\$585	\$700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$700
Fire fighters field comfort station (Construction)	3310			\$500										\$500
Fire fighters field comfort station (Design)	3310			\$100										\$100
Octagon Park - Sports field construction	5888	\$80												\$0
Southpoint Park Upgrades/Landscaping	3600			\$100										\$100
Sports Field Equipment	8010		\$11											\$0
Sport Park renovation (Construction)	3400		\$574											\$0
Miscellaneous Upgrades & Improvements - Reserve	General	\$50							\$0					\$0
Historic & Landmark Structures		\$250	\$68	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Good Shepherd	3543	\$200	\$68											\$0
Miscellaneous Upgrades & Improvements - Reserve	General	\$50												\$0
Infrastructure Improvements		\$3,665	\$1,880	\$8,462	\$5,412	\$9,345	\$6,358	\$0	\$0	\$0	\$0	\$0	\$0	\$29,577
AVAC Upgrades (Construction & Design)	2800	\$250	\$360	\$270	\$257									\$527
Blackwell Playground	3101	\$120		\$130										\$130
Good Shepherd	3543					\$800								\$800
Helix Ramp & Flat Plaza Repairs (Design)	7020	\$132	\$33	\$219										\$219
Helix Repairs & Flat Plaza Repairs (Construction)	7020			\$4,000										\$4,000
Island wide Main Street Trees & Sidewalks	8003	\$725	\$350	\$350										\$350
Motorgate Elevator Controls	5688		\$419											\$0
Island Wide Elevator/ Escalator /Conveyance Capital Repairs (Costruction)- PH 1	8003	\$150												\$0
Roadway Rehabilitation (Design)	8003	\$114	\$612	\$65										\$65
Roadway Rehabilitation (Construction)	8003	\$1,714		\$3,428	\$858									\$4,286
Steam Tunnel Construction	7033				\$4,222	\$8,445	\$6,333							\$19,000
Steam Tunnel design	7033				\$75	\$100	\$25							\$200
West Promenade Enhancements	8000	\$210	\$65											\$0
West Side Pier	8001		\$41											\$0
Miscellaneous Repairs	General	\$250												\$0
Facilities & Offices		\$35	\$238	\$0	\$25	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25
Waste Compactor Unit	2210	\$35	\$32											\$0
Warehouse/Bus Garage Rehabilitation	2230/2231		\$102											\$0
Miscellaneous Facilities & Offices - Reserve	General		\$105		\$25									\$25
Equipment & Vehicles		\$2,310	\$2,008	\$1,515	\$445	\$445	\$140	\$140	\$445	\$145	\$145	\$145	\$145	\$3,710
IT - CPU & Monitor (Workstations)	1500	\$10		\$25	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$115
IT - Disaster Recovery (on/offsite data storage)	1500	\$15		\$25	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$160
IT - Dark Fiber	1500		(\$6)	\$250	\$0	\$300	\$0	\$0	\$300	\$0	\$0	\$0	\$0	\$850
IT - Firewall (Sonicwall & Implementation Prof Services)	1500	\$10	\$19	\$30	\$10	\$10	\$10	\$10	\$15	\$15	\$15	\$15	\$15	\$145
IT - Security (access control - Camera)	1500	\$10		\$20	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$110
IT - Outdoor Signage Display	1500		\$3											\$0
IT - Security (access control - swipe cards)	1500	\$15	\$14	\$25	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$160
IT - Servers Infrastructure	1500	\$10	\$0	\$25	\$25	\$25	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$215
IT - Software Upgrades	1500	\$15	\$11	\$20	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$155
IT - Storage System (Hardware)	1500	\$15		\$150	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$285
IT - Telecommunication (New Phone System)	8011		\$7											\$0
IT - Upgrade of Network Switches & Hubs	1500	\$10	\$14	\$25	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$115
IT - Wireless Access Point	1500	\$10		\$20	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$110
IT - Website Redesign	1500		\$23											\$0
AVAC-Top Roll Containers/Wheels	2800		\$40											\$0
Parks & Recs BBQ Grills	2300		\$9											\$0
Ground Small Medium Equipment and Tools	8012		\$11											\$0
East & West Seawall - Garbage Receptacles	8003													\$0
P.S. - Misc. Equipment	2100	\$10		\$25	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$115
P.S.D. - Vehicles	2100		\$77											\$0
Vehicle, Bus & Minibus / + Infrastructure	2240	\$2,080	\$1,786	\$875	\$300									\$1,175
Youth Center - Equipment	5101													\$0
Misc. Reserve		\$100												\$0

The Roosevelt Island Operating Corporation (RIOC)
Proposed Capital Plan 2026/2027 (In Thousands)

Description	Type	FY25/26 Approved	FY25/26 Projected Actual	FY26/27 Proposed Budget	FY27/28 Proposed Budget	FY28/29 Proposed Budget	FY29/30 Proposed Budget	FY30/31 Proposed Budget	FY31/32 Proposed Budget	FY32/33 Proposed Budget	FY33/34 Proposed Budget	FY34/35 Proposed Budget	FY35/36 Proposed Budget	Total Budget 2026-2036
Special Projects		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lighting & Signage		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tram		\$1,493	\$1,015	\$1,260	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,260
Tram - Modernization	2901	\$1,493	\$1,015	\$1,260										\$1,260
Tram - Facilities	2900													\$0
Tram - Access Hatch (RI Side)	2900													\$0
Tram - Haul Rope	2900													\$0
Tram - Long-Term Overhaul Projects	2900													\$0
Tram - Platforms Roosevelt Island, Manhattan	2900													\$0
Tram Plaza - Roosevelt Island	2900													\$0
Miscellaneous		\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve														\$0
Owner's Representative	General	\$100												\$0
TOTAL CAPITAL IMPROVEMENTS		\$7,983	\$5,793	\$11,937	\$5,882	\$9,790	\$6,498	\$140	\$445	\$145	\$145	\$145	\$145	\$35,272

Board Performance Evaluation



Roosevelt Island
Operating Corporation

RIOC Annual Report Fiscal Year 2025-2026

Board Performance Evaluation

Pursuant to Public Authorities Law sections 2800(1)(a)(15) and section 2824(7), the Annual Board of Directors Evaluations have been completed for the fiscal year.

Summary Results of Confidential Evaluation of Board Performance

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Board members have a shared understanding of the mission and purpose of the Authority.	2	6	1	
The policies, practices and decisions of the Board are always consistent with this mission.	3	4	2	
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	1	5	3	
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	3	5		1
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	2	3	2	2
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self-interest.	4	2	3	
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	1	3	4	1
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	2	5	2	
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	3	4	1	1
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	3	3	3	
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	6		2	1
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	6		3	
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	6	1	2	
The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.	2	3	3	1
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	3	3	2	1
Board members demonstrate leadership and vision and work respectfully with each other.		7	1	1

Name of Authority: Roosevelt Island Operating Corporation

Date Completed: 5/4/2026

Non-Competitive Procurement



Roosevelt Island
Operating Corporation

Assets and Services Procured Without Competitive Bidding

The table below provides a list of the assets and services purchased or contracted during fiscal year 2025-2026 without a formal Request for Proposals (“RFP”) being issued by the Authority. Per the Authority’s procurement guidelines, amounts between \$5,000.00 and \$50,000.00 are subject to the procurement guidelines but do not require an RFP.

In addition, certain transactions above \$50,000.00 do not require an RFP. These transactions involve the purchase of commodities or services procured via: (i) a sole or single source contract; (ii) New York State preferred source contract; (iii) New York State Office of General Services contract; or (iv) a solicitation offered exclusively to New York State certified Minority and Women Owned Business Enterprises (MWBE)/New York State certified Service Disabled Veteran Owned Businesses Enterprises (SDVOB) vendors for an amount less than \$500,000.00. All such procurements are listed below.

Vendor name	Procurement Description	Amount Expended For Fiscal Year	Justification for Procurements > \$50K
CHELSEA FLOOR COVERING ACQUISITION CORP	New Floor tiles in Chapel Atrium	8,399.25	
Foundation Building Materials LLC/FBM/ Marjam	Repairs for Road Work 4.2.25	5,544.70	
H.L. DALIS, INC.	Replacement Uniforms / Jackets	9,406.88	
TRAFFIC LOGIX CORPORATION	Speed Humps 2025 for Roadway	5,475.00	
ROOFTOP FILMS, INC.	Summer Movie Series Equipment and Staff	24,783.48	
EMPIRE TRI -STATE SERVICE, LLC	Building 9 S2 Access Control	14,011.00	
CERDANT LLC/ LOGICALLY	Configuration Services	19,340.20	
CIVICPLUS	Website Hosting Service	16,233.79	
GRAINGER	Doggy Stations and Warehouse Supplies 4.21.25	5,683.26	
TCG/ THE CAYEMITTE GROUP, INC	Insurance Binder 4/1/2025 - 3/31/2026	5,462,418.00	MWBE/SDVOB-Only Discretionary Procurement
UNITED RENTALS (NORTH AMERICA) INC.	Capobianco Porta Porta Potty Rental 2025	5,991.38	
EVERGREEN ENVIRONMENTS LLC	Renewal Contact for Octagon Green Roof 2025	5,980.00	
ROUTE 23 AUTOMALL	A10 DUMP BODY REPLACEMENT	8,465.00	
NELSON & POPE ENGINEERS & SURVEYORS	Engineering Services - REFILING of Declined Permits	8,200.00	
POINT BLANK ENTERPRISES, INC.	BALLISTIC VEST FOR PSD MEMBERS	23,519.15	
Cloud Amplify, LLC	RIOC Web Site Redesign	23,000.00	
MOTOROLA SOLUTIONS , INC.	Record Management Security Subscription April 2024-2025	7,084.07	
GRAINGER	Keepstock Supplies 5.14.25	6,079.63	
DEVO & ASSOCIATES, LLC	Parking Meter Air Time Smartfolio	17,000.00	
ULINE INC.	Communication Event Supplies 5.14.25	5,989.78	
TRIO PRODUCTIONS/ Lab Consultants, Inc	Roosevelt Island Day Vendor for Attractions, Food, Giveaways Labor and other supplies	39,750.00	
CERDANT LLC/ LOGICALLY	SonicWall Firewall Nsa 2700 Blackwell House Appliance Upgrade	8,106.38	
SAFE TECH USA, LTD	2025-2026 Fire Alarm & Monitoring Services	40,000.00	
NYS INDUSTRIES FOR THE DISABLED INC.	NYSID Custodial Services Contract Renewal (05/01/2025 -04/30/2026)	700,740.33	Purchased Under State Contract
TRIOUS INC	DOGE RAM LIFTGATE 2025	7,574.00	
Evelyn Matos	annual PO for zumba instructor	6,120.00	

Vendor name	Procurement Description	Amount Expended For Fiscal Year	Justification for Procurements > \$50K
Wilson Gutierrez	Annual PO for our Zumba Instructor	6,120.00	
EAST INSIGHT LLC	Replacement of Z-Bricks with Asphalt	147,641.00	MWBE/SDVOB-Only Discretionary Procurement MBE
Construction Permit Services Corp.	Fire Stops & Sprinkler Lines Inspections	25,000.00	
IMEG Consultants Corp	Elanor's Pier BID Specifications	41,000.00	
urban denCITY LLC	Temporary Furniture Rental - 430 Main St (3-Months)	5,665.90	
POINT BLANK ENTERPRISES, INC.	ballistic vests - replacements and for new members	6,547.06	
EMPIRE TRI -STATE SERVICE, LLC	S2 Netbox Server, License and Software Upgrade	10,667.00	
SPORTSFEILD SPECIALTIES INC.	Soccer Goal Replacement Octagon Field 2025	10,728.04	
Glasdon Inc.	Roosevelt Island Seawall Safety - Throwable Life-Ring Cabinet Kit	9,338.05	
VASSO WASTE SYSTEMS, INC.	Dumper Replacement 2025	31,500.00	
CHELSEA FLOOR COVERING ACQUISITION CORP	Chapel multi gender flooring	6,500.00	
HUBERT H. HAYES, INC	2025 Inspections and CAT-1/CAT-5 Witnessing	5,400.00	
GRAINGER	Supplies for All Facilities and Air filters and equipment toolbox replacement items	5,096.15	
CERDANT LLC/ LOGICALLY	SENTRY ESSENTIALS SERVICE FOR SONICWALL FIREWALLS (Sportspark, Youth Center, Public Safety, Warehouse & Data Center)	18,762.96	
LEITNER-POMA of AMERICA O & M Inc.	Communication System Upgrade	800,000.00	Single Source
STORR TRACTOR COMPANY	Toro Sandpro 5040 Attachments	6,007.22	
DERIVE TECHNOLOGIES LLC	Cisco Catalyst 9200-48P Switch, GBIC Transceivers & Smartnet Care	14,200.00	
SENTRY ELECTRIC CORP	Arm Banners for Light Fixtures for Communication 2025	9,360.00	
NATIONAL AUTO PARTS, INC	Parts for vehicles, buses, and stock	5,973.53	
ROUTE 23 AUTOMALL	Parts for Ford vehicles	5,560.18	
LEITNER-POMA of AMERICA O & M Inc.	2025 South Tramway Coupler	70,000.00	Single Source
SPRAGUE ENERGY CORPORATION	Diesel Renewal Contract 2025	100,000.00	Purchased Under State Contract
GLOBAL MONTELLO GROUP Corp.	Renual Contract from 2025 - 2026	50,000.00	Purchased Under State Contract
SHI INTERNATIONAL Corp.	Adobe Creative Cloud and Acrobat Pro DC Subscription Renewal 2025-2026	11,276.50	
BOND, SCHOENECK & KING, PLLC	Bond Invoice 20078076	22,701.52	
TRIUUS INC	Replaced old and damaged liftgate to shop truck	7,950.00	
URBAN denCITY LLC	RFQ#25-0631 - New Office Furniture Purchase (Urban density)	19,954.95	
Artopex Inc.	RFQ#25-0631 - New Office Furniture Purchase (Artopex Inc)	20,590.92	
9 to 5 Seating LLC	RFQ#25-0631 - New Office Furniture Purchase (9 to 5 Seating)	22,395.53	
Indiana Furniture Industries, Inc. DBA Indiana Furniture	RFQ#25-0631 - New Office Furniture Purchase (Indiana Furniture)	40,066.74	

Vendor name	Procurement Description	Amount Expended For Fiscal Year	Justification for Procurements > \$50K
GRAINGER	Recycling Kits+ Equipment Purchase for Facilities (YC, PSD, 426)	5,714.41	
TROOPER FOODS INC.	Youth Center SACC snacks for afterschool and summer programs for the fiscal year.	8,745.30	
Avenue Auto Diagnostics	A-10 Repairs- Grounds	13,917.43	
IMEG Consultants Corp	NEPA Documents for NYSDOT Filing # 2	22,813.80	
ISLAND SECURITY SERVICE	Bicycle training certification	5,200.00	
New Flyer of America Inc.	New Hybrid Bus Purchase XDE40	1,270,401.00	Single Source
R&R GENERAL SUPPLY / SUPPLYME LLC	Open Invoices and Hold Tickets to Pay.	5,106.65	
Avenue Auto Diagnostics	Vehicle Repairs on A-10- Grounds	14,909.22	
CERDANT LLC/ LOGICALLY	SonicWall Firewall Nsa 2700 Youth Center & Warehouse Appliance Upgrades	16,197.76	
PROMETHEUS FOUNDRY , LLC.	Sculpture Repairs for Nellie Bly 2025	8,500.00	
GLOBAL FUELING SYSTEMS Inc.(Henrich)	Ekos & Compliance Software for three years	12,036.24	
TRIO PRODUCTIONS/ Lab Consultants, Inc	Tree Lighting Vendor for Stage and Attractions	18,000.00	
GRAINGER	Supplies for Warehouse and Other Departments	5,218.06	
Faustine Lavie	annual estimated group fitness instructor cost	12,240.00	
ALTECH ELECTRONICS INC.	2Way Radio Replacement for Youth Center	6,860.00	
ROOSEVELT ISLAND CLEANERS INC	Uniform Cleaning from 9/17/25- 3/31/2026	11,000.00	
GRAINGER	HVAC Filters and Sloan Plumbing	5,104.68	
EAST INSIGHT LLC	Concrete Repairs, Sidewalk, ADA ramps, and Asphalt repairs	63,441.00	MWBE/SDVOB-Only Discretionary Procurement MBE
INSIGHT PUBLIC SECTOR, Inc/ C/O JP Morgan Chase	AutoCAD Subscription Renewal for CPP and Engineering 2025-2026	10,115.94	
GLOBAL INDUSTRIAL	Recycle Garbage Cans + Liners	16,220.00	
GYMMASTER INTERNATIONAL Inc/ Treshna Enterprises	annual subscription for Gymmaster	5,184.00	
GRAINGER	Parts and Supplies for Warehouse and departments	5,547.77	
RED'S GARAGE LTD	New emergency lights for public safety vehicle BN2794	8,496.00	
BLACK ROCK TRUCK GROUP., INC. DBA WESTCHESTER	Undercarriage upgrade on A9 vehicle	10,662.26	
POINT BLANK ENTERPRISES, INC.	ballistic vest for replacements and new hires.	10,425.03	
Ferrario Ford Inc	B29500 and B62374	74,047.25	Purchased Under State Contract
EAST INSIGHT LLC	July 21 & 22 and August 18th: Capobianco West service road excavation preparation and temporary surface support. October 2nd and October 8th: Pipe Access and Final Restoration.	22,900.00	
NORTHEASTERN OFFICE EQUIPMENT INC.	NORTHEASTERN SAVIN COPIER LEASE (2025-2030)	49,740.00	
COOLING GUARD MECHANICAL CORP	CAPEX HVAC Chapel	33,826.15	

Vendor name	Procurement Description	Amount Expended For Fiscal Year	Justification for Procurements > \$50K
EAST INSIGHT LLC	\$93,556.00 Rivercross Lawn to MTA generator walkway concrete installation \$57,000.00 install 300 feet of curb between rivercross walkway and almost the second elenors piers 2nd set back.	150,556.00	MWBE/SDVOB-Only Discretionary ProcurementMBE
GLOBAL FUELING SYSTEMS Inc.(Henrich)	Above ground tank inspection	8,000.00	
New Flyer of America Inc.	Pumps and calipers for buses	7,788.88	
Chloé Delaitre	group fitness instructor annual PO	6,120.00	
NATIONAL AUTO PARTS, INC	NAPA - Parts for several vehicles	14,772.26	
HALEY OSTIR	Haley Ostir Annual PO for Group Fitness Instruction	16,575.00	
NATIONAL AUTO PARTS, INC	Multiple invoices for vehicle parts	11,493.12	
Redlyn Electric Corp DBA Louis Shiffman Electric	Light House Park Lighting System - LumenPulse	5,337.14	
Paramount Technologies, Inc DBA PairSoft	Papersave Maintenance Renewal FE Yr3 - 12/01/25 to 11/30/2026	7,008.00	
BRIGHTLY SOFTWARE Inc	Software Renewal: Brightly Software Inc. (Term 01/2026 - 12/2026)	20,369.65	
ADMIRAL ELEVATOR CORP	Admiral Elevator - Skytech - CAT1 Elevator Inspections	8,316.00	
Charmaine Trotman-Shumantov	Annual PO for Group Fitness Instruction 2025-26	7,920.00	
LEITNER-POMA of AMERICA O & M Inc.	CAPEX 03-15800-2900 PortAlp Supplied parts	126,683.75	Single Source
EAST INSIGHT LLC	Concrete paving Lighthouse seawall west side. 4400sqft	28,800.00	
RAL-BAR ELECTRIC, INC	Electrical Services for CAPEX Projects	8,289.25	
HARDESTY & HANOVER, LLC.	Tramway Structural Towers Inspection	101,762.00	Single Source
ENVAC IBERIA S.A	AVAC transport pipes & Section Valves WEST	360,371.00	Sole Source
REDEYE, INC	Youth Center 2025-2026 Service and Support and Technology Needs Renewal	12,676.10	
NATIONAL AUTO PARTS, INC	Parts for vehicles	8,479.64	
GRAINGER	Warehouse Supplies and parts for requests	7,183.09	
INTERSTATE PRODUCTS INC.	Blue Heat Salt 2025-2026	15,088.00	
Atlas CC Acquisition Corp. DBA Cubic Transportation Systems, Inc.	Cubic Transportation System - Jan 2026 to Dec 2026 License Renewal	7,200.00	
ABM SYSTEMS INC	Parts and Materials BMS	5,786.19	
RAL-BAR ELECTRIC, INC	MTA refund to RIOC for light pole replacement	24,862.14	
QUEST SOFTWARE INC.	RAPID RECOVERY CAPACITY (1-5TB) PER FRONT END TERABYTE 24X7 TERM LICENSE/MAINT	5,729.90	
COOLING GUARD MECHANICAL CORP	CAPEX HVAC Sportspark	46,010.16	
Lizette Jaffri	annual PO for Tai Chi instructor	6,240.00	
Ares Tactical & Emergency Management Solution LLC	Training Threat Preparedness - Demystifying Active Shooters (2 Sessions)	6,000.00	
DIVA COMMUNICATIONS, INC.	DIVA Communications, Inc. Invoices	50,000.00	MWBE/SDVOB-Only Discretionary ProcurementMBE
ADMIRAL ELEVATOR CORP	Glass Replacement - Manhattan Elevator	12,644.00	

Vendor name	Procurement Description	Amount Expended For Fiscal Year	Justification for Procurements > \$50K
CITY STORE GATES MFG. CORP.	Emergency Repairs - Transportation Bay Gate Repair (Incident Damage)	9,750.00	
GRAINGER	Milwaukee Tool Upgrade 2026 Electric Swap phase 1	11,192.80	
New Flyer of America Inc.	Parts for buses	7,948.83	
TRIOUS INC	Western 8' Snowplow	6,110.00	
Cloud Amplify, LLC	RIOC Web Site Redesign	13,000.00	
MJH ENERGY CONSULTING Inc.	Hot Water Pumps for Chapel	7,067.00	
EVERGREEN ENVIRONMENTS LLC	Green Roof Maintenance Contract for 1 year - April 2026 - March 2027	6,160.00	
GRAINGER	HVAC Filters for SPK and Plumbing Part	5,234.90	
New Flyer of America Inc.	New Hybrid Bus Purchase XDE40	1,005,706.00	Single Source
Eastern Lift Truck Co., Inc.	2 - Taylor Dunn Bigfoot E-UTV's	60,183.80	
NATIONAL AUTO PARTS, INC	Parts for several vehicles	5,276.47	
SENTRY ELECTRIC CORP	Sentry Light Purchase SLR-OB-LEDV29B-0.7A- 840-KHT2-STR45-TLR7- RSC-ADVISE (BLACK)	9,495.00	
COLUMBIA CASCADE COMPANY	Blue Garbage Trash Receptacles for Island Wide	49,685.00	
Ares Tactical & Emergency Management Solution LLC	Car stop Workshop- The car stop workshop will provide the legal framework underwriting the circumstances inwhich vehicles may be stopped, drivers detained and summonses issued or arrest effected.	5,000.00	
DEWBERRY ENGINEERS Inc.	TAP Documents - New Bike Lane Project	33,060.00	
BRIGHTVIEW LANDSCAPES, LLC	Capo Irrigation 2026	8,107.37	
ENVAC IBERIA S.A	Steel Plates for AVAC Transport Pile Repairs	14,114.80	
SPS METALS LLC	Emergency Fence Erection	18,500.00	
DYNAMIC PEST CONTROL INC	1 Year Service for Exterminator for Island Wide	14,880.00	
SITEONE LANDSCAPE SUPPLY HOLDING LLC	Spring Organic Fertilizer	7,921.76	
GRAINGER	Warehouse Supplies and SPK Request	5,913.70	
CMI SERVICES CORPORATION	Water jetting AVAC East side main jam. Using small jetter and than using Big jet truck	6,310.00	
NATIONAL AUTO PARTS, INC	Parts for stock and vehicles	7,400.02	
GRAINGER	Warehouse Supplies	7,730.59	
BRACCI FENCE & IRONWORKS, INC.	AVAC & Warehouse/Motorpool Gate Repairs	5,600.00	
Foundation Building Materials LLC/FBM/ Marjam	Asphalt for Roadways from FBM	11,390.00	
Omnigo Software, LLC	New Incident Management Software replacing ALLY.	14,940.00	
UNITED RENTALS (NORTH AMERICA) INC.	Cherry Blossom and Extended Bathroom Rentals 2026	6,041.60	

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Other Supplementary Information
Budget Variance Report
Year ended March 31, 2026

	Actual (A) 3/31/2026	Budget (B) 3/31/2026	Variance (A) - (B) 3/31/2026	Percent 3/31/2026
Revenue:				
Residential fees	4,326,455	6,206,515	(1,880,060)	(30.29) %
Ground rent	13,450,299	6,114,035	7,336,264	119.99 %
Commercial rent	1,471,416	1,905,566	(434,150)	(22.78) %
Tramway revenue	5,199,471	6,664,473	(1,465,002)	(21.98) %
Public safety reimbursement	2,709,958	2,662,955	47,003	1.77 %
Transport/parking revenue	2,928,107	2,495,541	432,566	17.33 %
Interest income	9,977,188	10,879,722	(902,534)	(8.30) %
Other revenue	2,454,681	2,372,938	81,743	3.44 %
Total revenue	42,517,576	39,301,745	3,215,831	8.18 %
Expenses:				
Personnel services (PS) :				
Salaries	11,378,702	12,447,677	(1,068,975)	(8.59) %
Salaries OT	553,425	426,150	127,275	29.87 %
Temporary employees	753,525	355,300	398,225	112.08 %
Workers compensation and disability	344,827	297,250	47,577	16.01 %
ER payroll taxes	1,175,747	1,116,479	59,268	5.31 %
Health insurance	3,003,755	2,709,591	294,164	10.86 %
Dental/vision	84,230	71,719	12,511	17.44 %
Pension	904,060	1,186,606	(282,546)	(23.81) %
Other employee benefits	3,061,180	627,535	2,433,645	387.81 %
Compensated absences expenses	306,055	0	306,055	100.00 %
Total Personnel Services (PS)	21,565,506	19,238,307	2,327,199	12.10 %
Other than personnel services (OTPS) :				
Insurance	5,297,877	5,465,252	(167,375)	(3.06) %
Professional services	1,832,503	1,971,430	(138,927)	(7.05) %
Marketing/advertising	71,612	92,250	(20,638)	(22.37) %
Management fees	7,279,820	6,964,574	315,246	4.53 %
Legal services	1,401,995	1,085,000	316,995	29.22 %
Telecommunications	242,229	233,500	8,729	3.74 %
Island improvements - capital plan	725,508	607,084	118,424	19.51 %
Repairs and maintenance	661,694	1,081,859	(420,165)	(38.84) %
Vehicles Maintenance	427,877	334,250	93,627	28.01 %
Equipment Purchases/ Lease	190,185	186,593	3,592	1.93 %
Supplies/ Services	1,635,028	1,146,204	488,824	42.65 %
Other Expenses	835,054	712,529	122,525	17.20 %
Total Operating Expenses	42,166,888	39,118,832	3,048,056	7.79 %
Operating Profit (Loss)	350,688	182,913	167,775	91.72 %
Depreciation Expenses	8,596,530	8,766,410	(169,880)	(1.94) %
NET SURPLUS/(DEFICIT)	(8,245,842)	(8,583,497)	337,655	(3.93) %

Material Pending Litigation



**Roosevelt Island
Operating Corporation**

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Material Pending Litigation

RIOC is a defendant in various lawsuits. In the opinion of RIOC's legal counsel, these suits should not result in judgments which in the aggregate would have a material adverse effect on RIOC's operations.