



Roosevelt Island Operating Corporation

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TO: Board of Directors

FROM: Dhruvika Amin, Vice President and CFO

DATE: June 14, 2024

RE: Public Authority Annual Report – Fiscal Year 2023-2024

Pursuant to Public Authorities Law § 2800, attached is the Roosevelt Island Operating Corporation's Public Authority Annual Report for the Fiscal Year April 2023-March 2024, for your approval.



Roosevelt Island Operating Corporation

**ANNUAL REPORT
FISCAL YEAR 23-24**



Public Authority Annual Report

Fiscal Year Ended March 31, 2024

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Mission Statement, Goals, and Performance Measurement Reports

*Annual Report
Fiscal Year 2023-2024*



**Roosevelt Island
Operating Corporation**

Background

The Roosevelt Island Operating Corporation of the State of New York ("RIOC") is a public benefit corporation and a political subdivision of the State of New York. RIOC was created by the New York State legislature, in 1984, 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. RIOC assumed the role of the New York State Urban Development Corporation as lessee under a 99-year Master Lease (running until 2068) from the City of New York.

The GDP, which has been amended from time to time, provides for the development of housing, shops and community facilities for a mixed income, wheelchair accessible, residential neighborhood. As an island community, Roosevelt Island requires specialized operations and capital infrastructure maintenance such as an Aerial Tramway, a comprehensive garbage compacting system, and seawall improvements. RIOC supplements the very basic services provided by the City of New York, and provides specialized operations and capital improvements.

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.

Mission Statement

Created by the State of New York as a public benefit corporation, it is the mission of the RIOC to plan, design, develop, operate, maintain, and manage Roosevelt Island.

Public Benefit

The Corporation is a political subdivision of the State of New York and additional stakeholders include the City of New York, residents, students, developers and commercial operators, workers and visitors to Roosevelt Island (the “Island”). The Corporation’s stakeholders benefit from the development, and preservation of properties and open spaces, as well as sharing in the economic growth of the Roosevelt Island community.

RIOC accomplishes its mission by practicing the following core values, which were adopted December 14, 2011:

- **Service**

We are committed to providing services that enhance the Island’s mixed-use residential community, including public transportation, public safety, public works and parks and recreation.

- **Preservation**

The Corporation promotes the preservation, enhancement, and sustainable use of the Island’s historical landmarks and other structures and open spaces.

- **Environmental Responsibility**

All new development, as well as maintenance of parks, public spaces, and other property under the Corporation’s stewardship strives to employ the latest, cost-effective, high-performance environmental designs and techniques available.

- **Public Safety**

We are committed to protecting and serving the community by providing a safe and secure environment and enforcing local, state and federal laws.

- **Communication and Transparency**

We are committed to effectively communicating with our stakeholders and undertake to be open, honest and accountable in our relationships with everyone we work with and with each other.

- **Fiscal Responsibility**

We are committed to managing the Corporation’s resources with fiscal responsibility and efficiency through a single comprehensive process that is aligned with the Corporation’s strategic plan, without reliance on state subsidies.

- **Innovation**

We thrive on creativity and ingenuity and strive to employ new, unique and innovative solutions to accomplish our mission.

- **Partnerships**

We strive to develop strategic partnerships with commercial enterprises, nonprofit organizations and institutions in the public and private sectors to meet the needs of our stakeholders and carry out our mission.

- **Governance**

The Corporation ensures good governance through compliance with its enabling legislation, corporate by-laws, General Development Plan, contractual obligations and all applicable federal, state, and local laws.

I. (i) Performance Goals:

- To promote, develop, and maintain the mixed-income residential community on Roosevelt Island.
- To provide an appropriate level of services to develop and maintain public facilities, open spaces and commercial facilities.
- 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.
- 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.
- To provide a safe environment for the public and the Corporation's employees.
- To maintain and enhance the physical conditions of the Corporation's public facilities and open spaces.
- To promote a sustainable, innovative environment and to strive for island-wide green initiatives.
- To effectively communicate with all stakeholders.
- To partner with businesses, industry leaders and other government agencies to meet the needs of the Corporation's stakeholders.

I. (ii) Performance Measurement Report:

See Attachment "A".

Operations & Accomplishments

Annual Report
Fiscal Year 2023-2024



**Roosevelt Island
Operating Corporation**

II. OPERATIONS AND ACCOMPLISHMENTS

The Board of Directors approved the Corporation's Budget FY 23-24 & Five-Year Cash Projection on December 23, 2022, reflecting a projected "Net Income before Depreciation" of \$932,767 and "Net Loss after Depreciation" of (\$7,216,803) and "Capital Expenditures for the Ten Years Ending March 31, 2033" of \$58,462,000. For the fiscal year ended March 31, 2024, RIOC experienced a "Net Loss before Depreciation" of (\$813,829) and "Change in Net Position" of (\$9,190,281).

Eight (8) of 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.

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.

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, 2024 and 2023, 319 or 32% and 339 or 34% of the units have been converted to market rate units, respectively. 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 amount of \$1,816,137. RIOC received that payment on October 23, 2019.

Island House exited from ML on September 28, 2012, under a thirty-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, 2024 and 2023, 76 or 19% and 165 or 41% of the units have been converted to market rate, respectively.

On or about March 27, 2014 ("Withdrawal Date"), Rivercross Tenants Corp. exited the ML program without settling the financial terms required under Amendment 1 to the Restated Ground Lease. The parties, upon RIOC's Board approval on April 18, 2018, subsequently entered into arbitration and concluded with a settlement agreement with authorization for a second amendment to the Restated Ground Lease ("Second Amendment"), with an effective date of May 30, 2018 ("Effective Date"). Pursuant to the Second Amendment, the ground rent was reset to \$2,500,000 ("Re-Set Ground Rent") per year as of the Withdrawal Date. 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 was recorded as long-term receivable and 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.

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, 2024 and 2023, 355 or 98% and 361 or 100% of the units are affordable, respectively. 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 expired in March 31, 2023, is undergoing negotiation. 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.

During the year that ended on March 31, 2024, total ridership on the Tram increased to 3,403,557 from 2,146,128 and Tramway revenue increased to \$ 6,273,357 or 150% over the year ended March 31, 2023. The increase in ridership is attributed to the gradual reduction of COVID-19 travel and safety restrictions. The Governor's Executive Order "New York State on PAUSE" on March 20, 2020, directed non-essential workers to work from home, and implemented social distancing practices. These mandates limit the number of riders on the Tram which resulted in a significant decrease in the capacity for ridership. Consequently, RIOC experienced a precipitous drop in revenue. RIOC anticipated that ridership will eventually return to pre-pandemic numbers as the population is vaccinated. The increase in ridership seen in the year ended March 31, 2024 can be attributed to the end of COVID-19 restrictions and the adoption of OMNY. The cost and revenue of the Tram were \$5,576,702 and \$ 6,273,357, respectively.

Additionally, RIOC, through a competitive bidding process, awarded a contract on December 5, 2017 to build a new Tramway elevator in Manhattan, located on East 63rd street and Second Avenue. Construction is steadily progressing and was due to be completed by winter 2021. However, RIOC experienced a delay in this completion date due to the COVID-19 pandemic and the impact on the supply chain and its vendors. The construction was completed in April 2022. The cost of this project was \$7 million. This project is part of RIOC's approved ten-year Capital Plan and its cost was funded from RIOC's working capital.

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, 2023, HRR invested \$3,998,526 and reported net income of \$97,693. 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. During the year ended December 31, 2023, a profit-sharing payment of \$200,000 was made.

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.

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.

On March 13, 2018, RIOC issued a RFP seeking bids for architectural design services for a dedicated Bike Ramp for bicyclists traveling between the Roosevelt Island Bridge and street level on the Island. On July 23, 2018, RIOC entered into contract with the successful bidder to provide the design services and collaborate on the project from design through construction. The Bike Ramp will improve safety for both cyclists and motorists and increase ease of access for cyclists coming onto the Island. The estimated cost is \$4 million dollars. RIOC intends to fund the project in part by use of a grant in the amount of \$2,963,705 in federal transportation funds awarded to RIOC through the Transportation Alternative Program (TAP) - Congestion Mitigation and Air Quality (CMAQ) Improvement Program, with the remainder funded through RIOC's capital program. RIOC has also had discussions with select state and local officials concerning additional contributions of capital funds. The grant requires four separate reviews by NYS DOT. RIOC submitted for the first review and received approvals and the second and third submissions were made in FY 22. The project provides a vital link for cyclists between the Island and dedicated bike lanes in Queens and is expected to be used by Island residents, visitors and commuters. This project is expected to be completed begin construction in fiscal year 2025-2026.

On April 24, 2019, New York State Department of Transportation awarded RIOC \$5,000,000 for funding a Bike Lane. This is a reimbursement funding that will cover up to 80% of eligible cost. Total cost of the project is \$6.25 million. This project was expected to start in the Spring of 2020 and be completed by Summer 2021. However, the design schedule has been extended due to COVID-19, and the completion is yet to be determined.

Design documents to reconstruct the seawall in Southpoint Park, which extends from the northern tip of the park to the beginning of the Four Freedoms State Park on both the east and west sides, extending approximately 1600 linear feet, are complete. RIOC received permits from City, State and Federal oversight agencies with jurisdiction over work operation. RIOC estimates that the

repairs will cost approximately \$11 million. RIOC anticipates receiving \$604,000 from Federal Emergency Management Agency (FEMA) for the damage caused by Hurricane Irene and Superstorm Sandy. In March 2021, RIOC received a partial payment of \$453,000 from FEMA and expects to receive the remaining \$151,000. The balance of the cost will be provided through RIOC's working capital. The project will also remediate contaminated soil conditions and remove construction debris placed along the shoreline. On March 30, 2020, RIOC issued an RFP for construction to hire contractors through its competitive bidding process to complete the work. The successful bidder was awarded the contract on July 1, 2020. The approved permits for waterside operations prohibit working in the water between March and June. This project was completed in Fall 2021.

On February 7, 2018, RIOC issued an RFP seeking professional services from a qualified firm to redevelop and repair Octagon Field, one of Roosevelt Island's most popular outdoor fields. The first phase of improvements at Octagon Field, including the installation of a new synthetic turf, new LED lighting fixtures and path upgrades were completed in Fall 2019, at a cost of \$1.1 million, which was provided through RIOC's working capital. At the opening day ceremony, RIOC renamed the field to honor, John McManus, its' recently deceased Chief of Public Safety Department. During his tenure as the Chief of RIOC's Public Safety Department, Jack dedicated many hours to coaching youth soccer teams. When the field reopened, permit requests stabilized to equal pre-construction numbers. RIOC had planned a second phase of improvements, valued at \$5.9 million, to reconstruct and expand the public rest room, install a new shade structure, create new ADA accessible seating areas, install new ADA compliant paths and improve landscaped areas. Although these additional improvements were stalled due to COVID-19, RIOC was able to resume work on this project. The total estimated cost of the project was \$5.4 million, which was provided through RIOC's working capital. This project was completed in Fall 2021.

On January 9, 2019, RIOC issued an RFP seeking bids to renovate a section of the Motorgate structure. Motorgate is the central parking facility for Roosevelt Island residents. Renovation includes repair of spalled and delaminated concrete support beams inside the garage, repair of concrete deck and ceilings, including connecting joints, application of waterproofing system on parking deck, ramps, walkways, and curbs, removal and replacement of existing floor drains, and restriping of parking spaces, installation of electric charging stations, and installation of new directional signage. Bids were received on March 6, 2019 and the selection of the successful bidder was made in April 2019. The project started in June 2019 and was delayed by the COVID-19 pandemic. However, this project was completed in Fall of 2021 at a total cost of \$19.5 million, which was provided through RIOC's working capital.

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 censors 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.

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.

Financial Reports

Annual Report
Fiscal Year 2023-2024



**Roosevelt Island
Operating Corporation**

III. FINANCIAL REPORTS

III. (i) Audited Financials

The audited financial reports are attached – see Attachment “B”. 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, 2024 was \$36,509,057. For the year ended March 31, 2024, operating revenue increased by \$3,974,679 or 12% over the prior year. This was mainly due to an increase in commercial rent of \$171,133, tramway revenue of \$2,097,765 and public safety reimbursement of \$72,923, residential fees of \$305,156, ground rent of \$139,221, transport/parking revenue of \$64,130, interest income of \$458,755 and other revenue of \$665,616.

RIOC’s total expenses for the year ended March 31, 2024 were \$37,322,886 and \$31,601,611 for the year ended March 31, 2023, including depreciation of \$8,376,452 and \$8,149,570, respectively. For the year ended March 31, 2024, total operating expenses before depreciation increased by \$5,721,275 or 18% over the prior year. This was mainly due to increase in personal services of \$3,190,614, repairs and maintenance \$19,877, insurance of \$700,123, professional and legal services of \$1,551,227, management fees of \$298,808, other expenses of \$33,025, telecommunication expenses \$43,943, equipment purchases/lease of \$31,736 which was offset by a decrease in vehicles maintenance of \$140,989 and supplies/services of \$7,089.

The Statement of Revenue, Expenses, and Changes in Net Position using the modified accrual basis, reported a loss of \$9,190,260 to an ending balance of \$102,365,592 at March 31, 2024.

THE 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, 2024 and 2023

	<u>2024</u>	<u>2023</u>	<u>% Change</u>
Operating revenue:			
Residential fees	\$ 3,188,642	2,883,486	11%
Ground rent	9,424,096	9,284,875	1%
Commercial rent	1,341,487	1,170,353	15%
Tramway revenue	6,273,357	4,175,592	50%
Public safety reimbursement	2,442,219	2,369,296	3%
Transport/parking revenue	2,560,283	2,496,153	3%
Interest income	9,963,051	-	9,504,296
Other revenue	<u>1,315,943</u>	<u>650,327</u>	102%
Total operating revenue	<u>36,509,057</u>	<u>32,534,378</u>	12%
Operating expenses:			
Personal services	18,789,573	15,598,959	20%
Insurance	4,265,221	3,565,098	20%
Professional services and legal services	3,983,881	2,432,654	64%
Management fees	6,398,801	6,099,993	5%
Telecommunications	258,413	214,470	20%
Repairs and maintenance	1,274,186	1,254,309	2%
Vehicles maintenance	264,471	405,460	(35)%
Equipment purchases/lease	184,877	153,141	21%
Supplies/services	1,300,598	1,307,687	-1%
Other expenses	<u>602,865</u>	<u>569,840</u>	6%
Total operating expenses, excluding depreciation	<u>37,322,886</u>	<u>31,601,611</u>	18%
Operating income before depreciation	<u>(813,829)</u>	<u>932,767</u>	(187)%
Depreciation expense	<u>(8,376,452)</u>	<u>(8,149,570)</u>	3%
Change in net position	<u>(9,190,260)</u>	<u>(7,216,803)</u>	27%
Net position at beginning of year, before restatement	<u>111,555,852</u>	<u>118,772,655</u>	(6)%
Cumulative effect of change in accounting principle (note 14)	<u>-</u>	<u>-</u>	0%
Net position at beginning of year, after restatement	<u>111,555,852</u>	<u>118,772,655</u>	(6)%
Net position at end of year	<u>\$ 102,365,612</u>	<u>111,555,852</u>	(8)%

*Restated for implementation of GASB Statement No. 87.

On RIOC's Statement of Net Position at March 31, 2024 total assets of \$665,619,279 and deferred outflow of resources of \$12,398,891 exceeded total liabilities of \$29,861,059 and deferred inflows of resources of \$535,791,540 by \$102,365,571 (net position). Total assets are comprised of capital assets (e.g., buildings, machinery and equipment) totaling \$151,329,156, lease receivables of \$489,914,279, noncurrent investments totaling \$2,489,251, cash and short-term investments totaling \$10,622,083 and other assets of \$1,264,510. Liabilities are comprised of accounts payable and accrued expenses of \$2,122,514, compensated absences of \$939,446, total OPEB liability of \$23,805,947 and net pension liability of \$2,750,829.

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Statements of Net Position
March 31, 2024 and 2023

	<u>Assets</u>	<u>2024</u>	<u>2023</u>
Current assets:			
Cash	\$3,845,713	1,539,579	
Short-term investments	6,776,370	11,920,789	
Receivables	662,356	364,068	
Current installments of lease receivables	11,059,483	5,948,276	
Prepaid expenses	<u>356,832</u>	<u>241,459</u>	
Total current assets	22,700,754	20,014,171	
Noncurrent investments	2,489,251	2,628,030	
Net pension asset - proportionate share - ERS	-	977,358	
Lease receivables, less current installments	483,795,602	489,914,279	
Capital assets, net of accumulated depreciation	<u>151,329,156</u>	<u>156,681,274</u>	
Total assets	<u>660,314,763</u>	<u>670,215,112</u>	
Deferred outflows of resources:			
Pensions	2,092,139	2,141,116	
OPEB	<u>10,306,752</u>	<u>10,895,962</u>	
Total deferred outflows of resources	<u>12,398,891</u>	<u>13,037,078</u>	
	<u>Liabilities</u>		
Current liabilities - accounts payable and accrued expenses	7,060,320	741,263	
Compensated absences	939,446	1,136,931	
Unearned revenue	-	480,173	
Total OPEB liability	23,805,947	20,615,662	
Net pension liability - proportionate share - ERS	<u>2,750,829</u>	<u>-</u>	
Commitments and contingencies (note 9)			
Total liabilities	<u>34,556,542</u>	<u>22,974,029</u>	
Deferred inflows of resources:			
Leases	531,635,046	540,281,491	
Pensions	3,808,434	3,668,913	
OPEB	<u>348,060</u>	<u>4,771,905</u>	
Total deferred inflows of resources	<u>535,791,540</u>	<u>548,722,309</u>	
Net position:			
Net investment in capital assets	129,822,771	156,681,274	
Unrestricted (deficit)	<u>(27,457,179)</u>	<u>(45,125,422)</u>	
Total net position	<u>\$ 102,365,592</u>	<u>111,555,852</u>	

*Restated for implementation of GASB Statement No. 87.

See accompanying notes to financial statements.

III. (ii) Grant and Subsidy Programs

Included in “Other expenses” are expenditures for public purpose grants of \$162,500 and \$142,500 for the year ended March 31, 2024 and 2023, respectively. The grants were awarded to various Island-based not-for-profits upon evaluation of their applications and Board approval.

III. (iii) 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. The United States is presently in the midst of a national health emergency related to the COVID-19 virus. The overall consequences of the COVID-19 virus on a national, regional and local level are unknown, but has the potential to result in a significant economic impact. The impact of this situation on RIOC and its future results and financial position is not presently determinable.

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 executed as of November 10, 2022.

As set forth in Note 9(a) of the Notes to Financial Statements for March 31, 2024 and 2023, 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.

III. (iv) Bond Ratings

RIOC does not issue bonds.

III. (v) Long-term Liabilities

RIOC has no long-term liability except post-employment benefits other than pension, which is described in section III. (v)(c).

III. (v)(a) Lease Obligations

RIOC has agreements with Westview, Eastwood, Island House, and Rivercross to sublease commercial space owned by these housing companies. Rent expense for the years ended March 31, 2024 and 2023 were approximately \$588,751 and \$600,005, respectively.

III. (v)(b) 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, <u>2023</u>		Balance at March 31, <u>2024</u>
		<u>Additions</u>	<u>Amortization</u>	
Octagon	\$ 2,166,464	-	(47,354)	2,119,110
Southtown Bldg #1	1,456,476	-	(31,836)	1,424,640
Southtown Bldg #2	1,389,792	-	(30,378)	1,359,414
Southtown Bldg #3	2,970,109	-	(64,921)	2,905,188
Southtown Bldg #4	3,872,357	-	(84,642)	3,787,715
Southtown Bldg #5	4,944,957	-	(395,927)	4,549,030
Southtown Bldg #6	7,611,274	-	(604,532)	7,006,742
Southtown Bldg #7	8,673,856	-	(490,457)	8,183,399
Southtown Bldg #8	<u>15,847,423</u>	<u>_____</u>	<u>(443,029)</u>	<u>15,404,394</u>
Total	\$ <u>48,932,708</u>	<u>_____</u>	<u>(2,193,076)</u>	<u>46,739,632</u>

III. (v)(c) 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 RIOC. 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, 2024 and 2023 amounted to \$3,362,038 and \$1,481,147, respectively. At March 31, 2024 and 2023, the liability for active and retired employees amounted to \$23,805,947 and \$20,615,662, respectively.

RIOC currently pays for post-retirement health care benefits on a pay-as-you-go basis and has set aside assets in the amount of \$2,628,030 to meet this long-term obligation.

IV. DEBT SCHEDULE

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

V. COMPENSATION SCHEDULE

Name	Job Title	SALARY	COMPENSATION
Amin, Dhruvika	Vice President Chief Financial Officer	\$201,711	\$111,706
Amoroso, Anthony	Deputy Dir Public Safety	\$118,937	\$127,701
Bedasie, Govind	Assistant Director Of It Services	\$130,000	\$135,000
Boujoual, Abdel	Director Of Information Technology	\$150,494	\$155,871
Brown, Kevin	Director Of Public Safety	\$159,532	\$169,802
Coleman, Wanda	Inspector	\$116,507	\$120,448
Cunneen, Mary	Acting Chief Operating Officer	\$195,000	\$202,500
Daniels, Bryant	Director Communications	\$130,000	\$135,000
Distefano, Daeman	Assistant CFO/Comptroller	\$155,009	\$74,485
Ellis, Gerald	Dep Gen Counsel-Gen Law	\$170,117	\$176,177
Firestein, Amy	Procurement Director	\$121,298	\$125,344
Friedman, Steven	Accounts Payable Manager	\$124,292	\$128,757
Haynes, Shelton J.	President	\$238,308	\$246,741
Jamal, Akeem	Assistant Vice President Communications	\$150,000	\$120,414
Kibby, Matthew	Director Of Horticulture And Grounds	\$120,338	\$124,698
Looi, Wei Lin	Deputy Comptroller	\$127,500	\$58,846
Medina, Ana	Director Youth Center	\$120,000	\$124,747
Opperman, Cyril	Director Of Operations	\$159,281	\$167,963
Robinson, Gretchen	Vice President General Counsel	\$202,650	\$209,842
Santamaria, Alvaro	Senior Director Of Engineering	\$162,000	\$168,231
Shah, Prince	Director Of Capital Planning & Projects	\$140,000	\$94,231
Sharpe, Tajuna	Assistant Vice President Of Administration	\$177,820	\$185,711
Stasko, Lada	Associate Counsel	\$150,000	\$155,769
Suarez, Estrella	Inspector	\$113,343	\$118,735

V. (i) Biographical Information

Biographical information for all specified employees is attached – see Attachment “C”.

VI. PROJECTS

RIOC did not undertake any Industrial Development Agency Projects (IDA Projects).

RIOC’s Capital Plan provides the framework to renew existing infrastructure, build new amenities and maintain the quality of life for the Island’s residents, workers, and visitors. The Corporation achieves this by making capital improvements and strategically acquiring capital assets that support essential services such as transit, sanitation, public spaces and public safety. Significant projects in the capital plan include:

- repairs to the historic Lighthouse Tower, including restoration of the lantern, construction of a new lantern enclosure and deck, reconstruction of the internal stairs and general repair and pointing of stonework estimated at \$2.7M;
- design of a new bike ramp to bring cyclists onto island from the Roosevelt Island Bridge to the East Promenade estimated at \$7.1M which includes a \$2.96M state transportation grant;
- design of a new shared-use bike lane along the East Promenade connecting the new ramp to the bike lane at Cornell’s campus, estimated at \$7.3M which includes a \$5M state transportation grant;
- renovation of the Sportspark facility to include an overhaul of the HVAC system, improvement and repairs to other critical systems, improvement of the men’s and women’s locker rooms and bathrooms, and replacement of the windows and doors at an estimated total cost of \$12M.

VII. REAL PROPERTY

VII. (i) Real Property Disposition

RIOC did not have any real property disposition.

VII. (ii) Real Property Acquisition

RIOC did not acquire any real property.

VII. (iii) Real Property Owned

The Roosevelt Island Operating Corporation
Real Property
For Period Ending March 31, 2024

a) Real property Owned:

	Net Asset Value	Note
AVAC	\$ 1,557,587	(1)
Blackwell House	\$ 3,706,048	(1)
Boathouse	\$ 0	(1)
Good Shepherd Chapel	\$ 1,357,195	(1)
Lighthouse	N/A	(2)
Motorgate	\$ 20,071,152	(1)
Renwick Ruins	\$ 3,300,125	(1)
Sportspark	N/A	(1)
Strecker Lab	N/A	(2)
Tramway	\$ 29,641,994	(1)
Total	\$ 59,634,102	

Note:

(1) Fair Market Value is currently not available

(2) Historical Landmarks - Undetermined

Code of Ethics, Enabling Legislations, Etc.

- **Code of Ethics**
- **Assessment of the Effectiveness of Internal Control**
- **Enabling Legislation**
- **Authority and its Board Structure**
- **Material Changes**
- **Financial Plan**
- **Board Performance Evaluations**
- **Non-competitive Acquisition**
- **Material Pending Litigation**

Annual Report
Fiscal Year 2023-2024



**Roosevelt Island
Operating Corporation**

VIII. CODE OF ETHICS

As a New York State public benefit corporation, RIOC is vested with a public trust. In order to promote and maintain governmental integrity, each officer, director, and employee of RIOC must adhere to the standards and code of ethics set forth in the Code of Ethics approved by the Board of RIOC on March 25, 2010 (see Attachment “D”) and in the State Code of Ethics and the Ethics in the Government Act, as well as all other laws and regulations.

IX. 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, 2024. RIOC is fully compliant with the New York State Governmental Accountability, Audit and Internal Control Act.

X. 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 – see Attachment “E”.

XI. 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.

XI. (i) Board Committees

See Attachment “F”.

XI. (ii) Board Meetings and Attendance

See Attachment “G”.

XI. (iii) Major Authority Units

RIOC is comprised of the following functional units: Administration, Finance, Human Resources, Information Technology, Legal, Communications & Government Affairs, Capital Planning & Projects, Engineering, Public Safety, Grounds, Maintenance, Warehouse, Bus Operations, Motor Pool, Sportspark, and Youth Center.

XI. (iv) Number of Employees

RIOC has 134 employees (123 F/T, 2 P/T, 9 Temporary).

XII. CHARTER AND BY-LAWS

See Attachment “H”.

XIII. MATERIAL CHANGES IN OPERATIONS AND PROGRAMS

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

XIV. FINANCIAL PLAN

XIV. (i) Current and Projected Capital Budget

See Attachment "I".

XIV. (ii) Operating Budget Report – Actual vs. Budgeted

See Attachment "J".

XV. BOARD PERFORMANCE EVALUATION

Pursuant to Public Authorities Law sections 2800(1)(a)(15), 2800(2)(a)(15), and section 2824(7), the Annual Board of Directors Evaluations have been completed for the fiscal year.

XVI. NON-COMPETITIVE ACQUISITIONS

See Attachment "K".

XVII. 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.

Attachments A: Performance Measure Report

Annual Report
Fiscal Year 2023-2024



**Roosevelt Island
Operating Corporation**

Roosevelt Island Operating Corporation

Performance Measure Report

as of March 31, 2024

FY 23-24

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

Pursuant to the guidelines specified in the Roosevelt Island General Development Plan, Roosevelt Island Operating Corporation (RIOC) has promoted the development of approximately 5,558 units of housing, with the expected development of an additional 364 apartments. Of the 5,558 units, 3,353 units (60%) were developed as affordable units (see Table 1 below).

Table 1

Unit Counts	Building	Units Developed	In Development	To Be Developed	Total Units	Units Developed as Affordable	Units Subsequently Converted To Market	Units Currently Affordable	Current Percentage Affordable
	Manhattan Park	1,107			1,107	223		223	20%
	Roosevelt Landings	1,003			1,003	1,003	319	684	68%
	The Octagon	501			501	100	70	30	6%
	Island House	400			400	400	76	324	81%
	Southtown	1,809	364		2,173	890	11	879	49%
	Westview	361			361	361	17	340	94%
	Rivercross	377			377	377	106	271	72%
	Total:	5,558	364	-	5,922	3,354	599	2,751	49%

Of the total 3,354 affordable units originally developed, 2,141, (64%) of the units in four developments (Roosevelt Landings, Island House, Westview, and Rivercross) were developed as affordable units through the New York State Mitchell Lama (“ML”) Program in the mid- to-late 1970s. The ML developers have the option after 20 years to exit the program, converting to a market rate building or adopting a new affordability plan. All four developments have exited the ML program.

Roosevelt Landings, formerly known as Eastwood, exited the 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, 2024, 331 (32%) 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.

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, 2024, 76 (19%) of the units have been converted to market rate.

On or about March 27, 2014, the Rivercross Tenants Corp. (Rivercross) exited the ML program without settling the financial terms required under Amendment 1 to the Restated Ground Lease. The parties, upon RIOC Board approval on April 18, 2018, subsequently entered into arbitration and concluded with a settlement agreement, with authorization for a second amendment to the Restated Ground Lease, with an effective date of May 30, 2018. As of March 31, 2024, 106 (28%) of the units have been converted to market rate.

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, 2024, 340 (94%) of the units are affordable. The amended ground lease also caused RIOC to relinquish rights and reduce the amount of retail space within its portfolio. Additionally, those storefronts were excluded from the 2068 extension and thereby caused those property interests to revert 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 Lease for Building 8 was executed as of December 26, 2018 and the building was completed on July 19, 2020. Building 8 has 330 (97%) affordable units. The Lease for the last building for the South town development, Building 9, was executed as of November 10, 2022. 25% of Building 9 has been master leased to Memorial Sloan Kettering to provide the hospital with workforce housing for doctors, nurses, visiting professionals, residents, and other hospital staff. The remaining 75% of the apartments in Building 9 will be market-rate rentals. Construction of Building 9 commenced in November 2022 is expected to be completed in 2024.

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

As part of its mission, RIOC has sought to develop Roosevelt Island's 147 acres through the creation of a Public Safety Department, the development of a mass transportation system, an underground pneumatic sanitation system, pedestrian walkways, recreational facilities, open spaces, roadways, and retail spaces. The initial planners created a centralized parking facility that currently provides approximately 1,510 parking spaces for resident vehicles.

Mass Transportation System:

RIOC has improved its transportation services through renovations to the aerial Roosevelt Island Tramway and the on-island mass-transportation program. A new aerial Tramway became operational on November 31, 2010, providing increased ridership capacity and greater availability allowing for one cabin to continue operations in the event the other cabin is temporarily removed from service for preventative maintenance. The Tramway is also now more reliable, with redundant generators to power the system, resulting in increased efficiency and capability. Additionally, RIOC, through a competitive bidding process, awarded a contract to build a new Tramway elevator in Manhattan, located on East 63rd Street and Second Avenue. Construction is complete and in use. The \$7 million dollar renovations include necessary safety, operational, and aesthetic upgrades and feature glass elevators, an expanded platform for Americans with Disabilities Act (ADA) compliance, and a beautified station plaza.

RIOC procured the services of, and entered into, a five-year maintenance and operation agreement with Leitner-Poma of America O&M, Inc. for the operation of the Tramway. This agreement includes major anticipated repairs that will be required over time, ensuring that the Tramway continues to operate in a state-of-the-art condition. Such repairs will be contemplated by RIOC, on an annual basis, for the duration of the contract and will be budgeted for in RIOC's 10-year Capital Plan, which will cover major structural and equipment replacements that are anticipated to be needed in the next 10 years.

During the fiscal year that ended on March 31, 2024, total ridership on the Tramway increased to 3,403,557 from 2,146,128 over the prior fiscal year ending March 31, 2023. The increase in ridership can be attributed to the end of COVID-19 restrictions, major F-train disruptions for the months of January thru March 2024, and lessened ridership hurdles with the addition of the OMNY; implemented the last week of August 2023. RIOC had anticipated Tramway ridership to both increase to pre-pandemic numbers and surpass it. This goal has been absolutely shattered with 3,403,557 riders in FY 23-24, exceeding 1,101,046 riders above the pre-pandemic levels of 2,302,511 riders in FY 19-20.

Roosevelt Island's increasing number of attractions also favorably support increased ridership. Roosevelt Island's attractions worthy of a Tramway ride include: the newly renovated Sportspark Complex, the celebrated Nellie Bly and Four Freedoms Park Art Exhibits, the many events hosted at Cornell University, the gorgeous springtime Cherry Blossom trees, the Roosevelt Island Racquet Club, the beautifully renovated Octagon Soccer Field, the Fourth of July Fireworks viewing festival from South Point Park, a new College Dorm for Cornell University in the planning phase, and the soon to be completed Riverwalk 9, all favorably support RIOC's projection of increased Tramway ridership.

RIOC also services the community of Roosevelt Island with an on-island mass transportation system comprised of a fleet of both hybrid and low-emission diesel buses. These buses are also wheelchair accessible and service the island's significant senior and disabled population. The buses are free to all riders.

Although COVID-19 restrictions have subsided in the past year, RIOC continues to take every measure to ensure the safety and health of the Roosevelt Island community. RIOC disinfects its Red buses and Tramway, as a preventative measure against COVID-19. Further, the Transportation Department provides emergency shuttle bus service to Manhattan when the Tramway, Tramway elevator, or the F Train are out of service to

maintain a seamless public transportation experience for the community and visitors alike. From August 2023 till April 1, 2024, the MTA was conducting extensive track maintenance and repair which severely reduced and restricted F train service. During this time, RIOC directed POMA to operate the Tramway at the fullest capacity bringing down wait times for Tram cars to 7 min during peak rush hours. In addition to running both Tram cars RIOC supplemented the MTA service with increased operations of busses both on Main street as well as providing service to Queens Plaza and into Manhattan during F train shutdowns.

In February 2024, RIOC entered an agreement with New Flyer Industries Limited for two New Flyer Xcelsior D40LF Buses for the RIOC Bus Fleet. These are greatly needed to support the commitment of to serving the community. The current schedule should have the busses delivered by early 2025.

RIOC entered into a Memorandum of Understanding (MOU) with the New York City Economic Development Corporation (EDC) to expand NYC Ferry service to Roosevelt Island that launched in August 2017. The ferry services passengers to and from Astoria, Long Island City, Roosevelt Island, Brooklyn, and Manhattan. RIOC and the EDC worked together to create the design for the beautification of the upland portion of the ferry landing, which New York City constructed as part of its agreement with RIOC. RIOC is responsible for maintaining the ferry landing's surrounding landscape.

RIOC also received a \$5M transportation grant to create a dedicated shared-use bike lane along the East Promenade, which will extend the greenway from the Cornell terminus, just south of the ferry landing, to Motorgate Garage, creating safe passage for island cyclists. The design of the bike lane is currently delayed until further notice.

Public and Recreational Facilities:

Essential recreational facilities available on the island include daycare facilities, public schools, the Good Shepherd Community Center, the Roosevelt Island Senior Center, the Roosevelt Island Youth Center, and a branch of the New York Public Library (NYPL), among others.

The Good Shepherd Community Center and the Cultural Center offer space to organized groups for different events and services. One of those groups, the Main Street Theater and Dance Alliance, also has a small venue in the Cultural Center that allows local groups to host productions throughout the year. The island food pantry is also currently operating out of the Cultural Center and provides much needed free food pick-up for members of the community who may be in need. Blackwell House is also available to the public for permitted events.

Roosevelt Island is also very fortunate to have many beautiful parks and fields, most of which are maintained by RIOC, with the exception of Four Freedoms State Park which is managed by the New York State Office of Parks, Recreation, and Historic Preservation. Our public spaces include three (3) public parks (Southpoint Park, Light house Park, and Blackwell Park), three (3) baseball fields (Firefighters Field, Capobianco Field, and Pony Field), one (1) soccer field (McManus Field), two (2) Pickle Ball Courts, and six (6) tennis courts within the Octagon Tennis Court. In addition, some of these recreational areas include additional amenities such as comfort stations, basketball courts, children's playground areas, and barbecue areas, among other amenities.

The recently renovated indoor sports facility, "Sportspark," which re-opened in May 2023, has quickly reestablished itself as a popular destination among island residents. The complex provides residents and non-residents with access to a variety of amenities, including a swimming pool, basketball courts, a fitness center, studio, locker rooms and more. The current member total exceeds 2,000, and retention and attrition rates are favorable based on industry standards.

Retail Spaces:

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, 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, 2022, HRR invested \$3,966,454 and reported a net income of \$145,000. According to the Agreement, RIOC will share future profits, equally, once HRR has paid back its investment. HRR has yet to make any profit-sharing payment.

Hospitality Spaces:

In June 2021, the Graduate Roosevelt Island Hotel opened next to the entrance of the Cornell Tech campus. The 18-story hotel has 224 guest rooms, 5,200 square feet of flexible meeting and event spaces, a full-service restaurant, rooftop bar and lounge, and 360-degree panoramic views of New York City.

In September 2021, the Verizon Executive Education Center opened. The 4-story building is adjacent to the Graduate Roosevelt Island Hotel and was designed for academic conferences, executive programs, and academic workshops.

Infrastructure Maintenance/Projects:

Currently, there are 4 capital projects at different stages of procurement which include planning, development, design, and construction.

Projects completed this year include the renovation of the Lighthouse Tower, the second phase of the Manhattan Tramway elevator project and the power washing work of the Motorgate Atrium and the Helix bridge. Ongoing construction projects include the finalization of the renovation of the Sportspark recreational facility.

Other projects currently in closeout include \$12M renovation of the Sportspark facility. Built in 1977, Sportspark is a recreation facility that serves Roosevelt Island and the community at large and is operated by RIOC. After 40 years of use, the facility was in need of renovations to accommodate current programming and operational needs. The existing facility had a failed HVAC system and the pool and gymnasium needed upgrades to bring the facility up to higher standards. In FY22-23, the construction of the project was underway, and it was completed in May 2023.

In 2001, the Army Corp of Engineers conducted a study to assess the shore stabilization of Roosevelt Island. Even back then, it was determined, based on their findings, that 4,200 linear feet of the steam tunnel also served as the Island's seawall, and that certain repairs to the infrastructure were required. To RIOC's knowledge, no such repairs were made. Further studies were conducted and Langan Engineering and Environmental Services, Inc. subsequently returned in 2018; and again, in September 2020, for purposes of updating its report and found the tunnel in further deterioration. While RIOC is not claiming responsibility to make repairs or is presuming ownership of the structure – RIOC issued a Request for Proposals for these repairs in August 2021. The design of the steam tunnel repairs project began in FY21-22 and is currently underway.

RIOC proceeded with a Request for Proposal (RFP) design consultant for the island-wide roadways and paved surface rehabilitation and awarded the contracts in FY22-23.

The roadway and paved surfaces project aims to review island-wide roads for accessibility and accommodation to the multi-modal transportation approaches on the island. The goal of the RFP is to produce a master plan that will guide the construction phasing and details for the roadways rehabilitation on the island and produce a set of construction documents for the Main Street starting at the Blackwell house and concluding at the Food Town Supermarket.

The Automated Vacuum Collection (AVAC) system has continued to demonstrate its efficiency and effectiveness in providing underground waste removal services for all residential buildings on the island. Through a network of underground tubes and chutes, the system transports waste to the AVAC plant, where it is meticulously separated into DSNY compactor containers before being transported off the island. This sustainable waste management solution not only enhances the environmental profile of the community but also significantly reduces the number of vehicles required for traditional waste collection and minimizes the unsightly presence of waste on curbside areas. To ensure the longevity and optimal performance of the system, preventative maintenance has been diligently carried out on several East and West tubes. However, a strategic evaluation has identified the need for replacement of the main East and West transfer pipes. Currently collaborating with ENVAC Iberia, the manufacturer, the RIOC is actively engaged in the design and planning phase to execute the necessary repairs. These critical repairs are slated to take place in the upcoming fiscal year 2024-2025, emphasizing our commitment to maintaining a state-of-the-art waste management infrastructure for the community.

RIOC also has several projects that will provide new amenities and assets on the island. RIOC received a \$5M transportation grant to create a dedicated shared-use bike lane along the East Promenade. This will extend the bike lane from the Cornell terminus, just south of the ferry landing, to Motorgate Garage, creating safe passage for island cyclists.

Several projects with grant funding are moving forward in design. Dewberry Engineers was hired to complete design documents for a dedicated bike ramp connecting the Queens Greenway to Roosevelt Island. The ramp will improve safety for cyclists and motorists by creating a new ramp within the helix. This project is funded through federal transportation funds awarded to RIOC through the Transportation Alternative Program (TAP) and Congestion Mitigation and Air Quality (CMAQ) Improvement Program, with the remainder funded through RIOC's capital program. The grant requires four separate reviews by New York State Department of Transportation (NYSDOT). We received approvals for our first review and our second submission for this project is delayed until further notice.

The last phase of the South Town housing development, outlined in the agreement for Building 9, began in late 2022. Work operation associated with construction of the new residential building required closure of approximately 150' of the northern portion of the field to protect the public construction of the building.

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 out in its enabling legislation through the adherence to its internal policies set forth in its investment, lobbying, procurement, and acquisition and disposal of property guidelines; policies regarding senior management, travel, reporting misconduct, personally owned vehicle usage, and Project Sunlight, among others; by-laws; and protection against adverse personnel action. Further, RIOC's Compliance and Internal Controls Officer supports these objectives and goals by implementing, maintaining, and monitoring an Internal Control program by conducting annual assessments and preparing Internal Control reports and certificates, among other things. Additionally, the Compliance and Internal Controls Officer is charged with implementing ongoing training programs for RIOC directors, managers, and staff pertaining to internal controls, ethics, procurement practices, human resources, contract administration, and other relevant rules, issues, and best practices. Finally, the Compliance and Internal Controls Officer also ensures that RIOC complies with statutes, regulations, and policies and, as such, regularly consults with executive management regarding RIOC business and courses of action by adhering to RIOC's internal policies and state mandates.

RIOC's General Counsel and Ethics Officer, along with the Director of Human Resources, conduct ethics training and implement other policies as needed or when updated by the State, as well as provides guidance and advice on best practices in furtherance of the day-to-day business of the Corporation. RIOC continues to evolve in step with constant changes to business practices and models and will implement best practices in accordance with industry standards, while also continuing to augment morale and productivity.

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 2023-24 without currently relying on funds from the state of New York.

As set forth in Note 9(a) of the Notes to Financial Statements for March 31, 2024 and 2023, 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.

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

The mission of the Roosevelt Island Public Safety Department (PSD) is to provide a 24-hours a day, seven days a week presence on Roosevelt Island, in an effort to promote a safe and secure environment through community-based policing. RIOC's PSD officers serve as front-line first responders for the island's residents, RIOC employees, island stakeholders, and visitors alike. Further, the PSD works closely with other members of law enforcement such as the New York City Police Department's 114th Precinct, the New York City Fire Department, and Emergency Medical Services. It also coordinates with other state and private entities such as New York State Police, New York State Emergency Management, Cornell Tech's security services, and the new private security force hired by the beneficiary owner of Roosevelt Landings to patrol its building, the largest apartment building complex on Roosevelt Island. Because the Corporation has placed more emphasis on community-based policing and quality of life issues, an approach first implemented by former Chief McManus, the island has one of the lowest crime rates per capita and has become one of the safest neighborhoods in New York City.

The Corporation has implemented software solutions for critical PSD-related records, such as incident reporting and case management. RIOC also created an Emergency Operations Center ("EOC"), equipped with state-of-the-art cameras and computer equipment for emergency response and contingency planning. RIOC continues to expand this system which, over the past year, has grown to include camera installations around the entire island, including the Cultural Center, all of which are monitored by the PSD. The expansion of this program has been successful in crime prevention, as well as increased collaboration and liaising with the 114th Precinct, other state and local law enforcement agencies, and local security guard forces from Roosevelt Landings and Cornell Tech.

RIOC has developed and implemented an updated training program for all members of PSD. The department has also joined a multi-agency training program which allows officers to attend training courses from various outside agencies, adjoining counties, and the Federal Government's specialized training program. The training topics have included community policing, domestic violence, tactical patrol, and report writing. This training will improve community relations, morale, and develop new skills for all officers.

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

RIOC's Capital Plan provides the framework to renew existing infrastructure, build new amenities, and maintain the quality of life for the Island's residents, workers, and visitors. The Corporation achieves this by making capital improvements and strategically acquiring capital

assets that support essential services such as transit, sanitation, public spaces, and public safety. Significant projects included in the proposed budget for FY23-24 progress include:

- Maintaining a state of good repair on the island's Aerial Tramway, including the construction of new ADA-compliant elevators on the Manhattan side of the Tramway, at an estimated \$6.9 million.
- Installation of a new memorial honoring Nellie Bly which was completed in 2022, the goal was to bring awareness to the ground-breaking journalist and women's rights advocate who exposed the horrors of the Blackwell Island Insane Asylum in 1887 on Roosevelt Island, estimated at \$500K.
- Repairs to the historic Lighthouse Tower including restoration of the lantern, construction of a new lantern enclosure and deck, reconstruction of the internal stairs, and general repair and pointing of stonework, which started on 2021 was completed in 2023 at an estimated of \$2.7M.
- Design of a new shared-use bike lane along the East Promenade connecting the new bike ramp to the bike lane at Cornell Tech's campus, estimated at \$7.3M which includes a \$5M state transportation grant.
- The Renovation of the Sportspark facility that started on 2021, this project was mostly completed as of May 2023 and the facility it was opened to the public in the same year. This work included an overhaul of the HVAC system, improvement and repairs to other critical systems, improvement of the men's and women's locker rooms and bathrooms, and replacement of the windows and doors, at an estimated cost of \$11M.
- Renovation of the Motorgate Garage which will include repair of spalled and delaminated concrete support beams inside the garage; repair of concrete deck and ceilings, including connecting joints; application of a waterproofing system on parking deck, ramps, walkways, and curbs; removal and replacement of existing floor drains; re-striping of parking spaces; installation of electric charging stations; and installation of new directional signage, at an estimated cost of \$20 million. Additionally, repairs to the building's façade will take place at an estimated \$600K.

It is important to note that many of the above projects that were contemplated for FY 21-22, have now been delayed due to the COVID-19 pandemic. While RIOC is very much committed to seeing these projects through, our priority remains to perform all necessary projects that are needed to be performed in the promotion of public safety and health. RIOC will further assess the need to perform these projects.

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

During FY 20-21, The Roosevelt Island Operating Corporation (RIOC) partnered with ChargePoint, the world's largest network of electric vehicle (EV) charging stations, to offer convenient charging options on our island. This initiative included three ChargePoint CT400 Level 2 Dual port charging stations, accommodating up to six vehicles. This has allowed Roosevelt Island to become a personal access point within this extensive network. As proof, during FY 2023-2024, RIOC facilitated charging for 858 EVs, resulting in savings of 3,256 gallons of fuel and preventing 10,894 kg of greenhouse gas emissions. This initiative reflects our commitment to renewable energy and sustainability, enhancing the well-being of our residents and promoting a thriving community space.

To limit the congestion caused by excess traffic, RIOC provides bus services using a fleet of hybrid and low-emission diesel fuel buses that limit production of greenhouse gases (GHG).

Further reductions to the already low GHG levels are expected because the elimination of the bus fares will reduce stop and idling times associated with GHG production. Additionally, during FY 23-24 RIOC Applied for a Federal Grant to purchase two additional Clean Air Diesel buses, to add to its fleet as the older buses reach the end of their working life span. RIOC has also co- sponsored a community-based garden club that manages a community garden on Roosevelt Island between the Octagon soccer field and the Pony baseball field. Among other activities, the Roosevelt Island Garden Club, through its “Go Green” initiative, sponsors the NYC Compost Project and recycling program, designed to make our environment more ecologically responsible.

On Earth Day in 2019, RIOC launched Roosevelt Island Green Map, Phase I. The map enlightens island residents of local environmental amenities such as recycling, e- waste/battery drop-off, compost sites, energy efficient facilities, and green infrastructure improvements.

Additionally, RIOC has collaborated with the Engaged Opportunity Grant from Cornell University’s Office of Engagement Initiatives, to promote environment understanding and boost sustainable practices on Roosevelt Island. Furthermore, the goal is to foster collaboration with residents, community groups, schools, building managers, and island businesses for a more sustainable and healthier neighborhood.

In conjunction with New York State initiatives, RIOC participates in “Green Your Commute Day,” which encourages all state entities to challenge their employees to use alternative methods (other than driving a car) to commute to work for one day, each May. Although many RIOC employees already take public transportation to and from work, “Green Your Commute Day” has become a success at RIOC. RIOC has also implemented a battery recycling program where drop-off receptacles have been placed in several RIOC facilities where employees can drop off used batteries for recycling. To date, RIOC has collected and recycled approximately 1,334.2 lbs. of used batteries from the community and its staff.

Furthermore, in 2020, RIOC began a project to lower its energy consumption by replacing all outdoor lights with LED bulbs, which use less energy, rather than HID bulbs which have lower energy efficiency. The project was finished in 2022 and at total cost of \$96,895; however, RIOC was able to recoup a total of \$53,178 in rebates because we purchased all the LED lights from Grainger Inc., an OGS contractor, who also had a rebate program with General Electric (GE). As a result, after all refunds were processed, the project's net cost was reduced to \$43,716.94.

In 2023, RIOC’s Horticulture and Grounds Department has started many Green Sustainability Initiatives within the community. One of which is the annual Christmas Tree Mulch fest, where the Grounds and Horticulture team will chip the trees provided and turn them into mulch to be used to nourish the islands trees and plants. We would also like to highlight their Lighthouse Park Reforestation Project in which they have collaborated with multiple entities to both accept Tree donations, Volunteers, and more. The Goal is to bring back the small forest that once used to thrive in the Southern area of the light house park, they have planted more than 100 different tree species so far, and allowing this area of the park can possibly be considered to be an arboretum. Through this initiative Roosevelt Island has been reinstated as Tree Cities in NYS, this is thanks to all the efforts the Horticulture and Grounds Department alongside other groups/Agencies such as NYCP, iDig2lear, RIGC, and other whom have either Trees, Supplies, or volunteer to achieve these goals.

RIOC also has a green map initiative that informs the community of our current drop sites for batteries, clothes, compost, and other sustainable amenities throughout the Island. Additional

collaborations include “Green Roof,” which involves the installation of green roofs in upcoming projects. The installations are in compliance with New York City Local Law 92/94, which requires construction projects that involve roof replacement, to install solar PV or a green roof on all usable roof space. Such roofs have been incorporated in the construction of RIOC’s McManus Field comfort station, as well as solar panels planned for installation at the Lighthouse Park comfort station.

Finally, RIOC is also collaborating with Cornell Grant Opportunity, now branded as “Engaged RI”, that promotes community sustainability efforts with Cornell Tech, island organizations, small businesses, and property managers/operations, among others. Since its creation, “Engaged RI” has hosted several events to bring awareness to waste management, environmental awareness and education with school children, and Roosevelt Island nature and wildlife appreciation.

8. To effectively communicate with all stakeholders.

RIOC is continually working to enhance stakeholder communications and engagement through multiple internal and external channels. The Everbridge Advisory system has developed into the main avenue for providing island residents with updates, alerts, and news related to RIOC operations. We also heavily utilize our social media channels to keep island residents informed about emergent issues, activities, and initiatives. The RIOC website (www.RIOC.ny.gov) also serves as an important access point for RIOC resources, including our tikkit system, permit system, and Constituent Service Department. What’s more, all materials pertaining to our monthly board meetings, including notices, agendas, and presentations, are housed on our website with a link to archival footage of each meeting. RIOC also publishes a monthly newsletter that features a wide array of content pertinent to our island, including updates from RIOC, meeting notices and recaps, community calendar items, profiles of RIOC employees, community leaders, and island small businesses, direct letters to the community from island leadership and more.

RIOC is also committed to stakeholder engagement through in-person meetings and events, starting with our monthly Board meetings, which include meetings of the full Roosevelt Island Operating Corporation Board, the Board’s Audit Committee, Operations Advisory Committee, and Real Estate Development Advisory Committee. In March of 2024, RIOC also set-up several new Community Advisory Groups for island residents to meet with RIOC personnel to discuss emergent issues on the island, including Tramway safety, Main Street Revitalization, our proposed roadways capital project, and the Coler berm project. RIOC’s Public Safety Department also hosts bi-monthly Community Engagement Meetings where island residents can hear from PSD leadership and discuss all matters of public safety on the island. All these meetings are designed to be open forums, where residents can engage and ask questions directly to members of RIOC staff. RIOC also provides updates to the community at the monthly Community Board 8 Roosevelt Island Committee meetings and engages with local media to provide transparent updates on island issues and RIOC operations. For those who wish to speak directly to RIOC in a private setting, the Corporation also offers meetings with the aforementioned Constituent Service Department. This department, launched in 2023, allows island residents to schedule a meeting with a Constituent Service Team member to discuss operational matters related to the island, offer suggestions, or simply provide general feedback. Constituent Services also hosts a weekly table at the Roosevelt Island Senior Center where folks can drop-in and speak with a RIOC team member at their leisure, no appointment needed.

Finally, RIOC community engagement also includes our annual island-wide events, including Earthlove Day, Roosevelt Island Day, our Summer Movie Series at Southpoint Park, 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. In addition to public engagement events, RIOC has also increased commitment

and frequency of our newsletter. During the past year, RIOC has created a new public engagement team called Constituent Services that holds bi-weekly public meetings as well as open hours to better hear and serve the community and the needs thereof.

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

The fares for passengers riding the Aerial Tramway are collected on RIOC's behalf via the Metro Card system through a partnership with New York City Transit. This partnership promotes the efficiency of the system by connecting riders to the mass transit system of the greater urban area. As noted in item 2, page 4 of this report, RIOC has partnered with Hudson Related Retail to revitalize the island's commercial sector. Also, RIOC routinely coordinates with administrators of New York State Parks Recreation and Historic Preservation, Cornell Tech, NYPD's 114th Precinct, and New York State Emergency Management for the efficient planning of public events.

As mentioned in the Transportation section, RIOC also entered into a MOU with the New York City Economic Development Corporation to expand the Citywide Ferry Service to Roosevelt Island. And, RIOC has collaborative with the Metropolitan Transportation Authority (MTA) to bring the OMNY fare collection system to the Aerial Tramway on August 21, 2023.

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

Basic Financial Statements,
Supplementary Information and
Independent Auditors' Report

March 31, 2024 and 2023

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, 2024 and 2023, 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, 2024 and 2023, and the respective changes in financial position, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 other required supplementary information as listed in the table of contents 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 audit 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 June 20, 2024 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.

EFPR Group, CPAs, PLLC

Williamsville, New York

June 20, 2024

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

Management's Discussion and Analysis

March 31, 2024 and 2023

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, 2024 and 2023, 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 generally accepted accounting principles 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 supplemental 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. 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, 2024 and 2023 and the percentage changes between March 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>	<u>% Change</u>
Current and other assets	\$ 20,494,521	23,619,559	-13%
Lease receivables, less current installments	483,795,602	489,914,279	-1%
Capital assets, net	<u>151,329,156</u>	<u>156,681,274</u>	-3%
 Total assets	<u>655,619,279</u>	<u>670,215,112</u>	-2%
Deferred outflows of resources	<u>12,398,891</u>	<u>13,037,078</u>	-5%
Liabilities	<u>29,861,059</u>	<u>22,974,029</u>	30%
Deferred inflows of resources	<u>535,791,540</u>	<u>548,722,309</u>	-2%
 Net position	<u>\$ 102,365,571</u>	<u>111,555,852</u>	-8%

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

On RIOC's Statement of Net Position at March 31, 2024 total assets of \$655,619,279 and deferred outflow of resources of \$12,398,891 exceeded total liabilities of \$29,861,059 and deferred inflows of resources of \$535,791,540 by \$102,365,571 (net position). Total assets are comprised of capital assets (e.g., buildings, machinery and equipment) totaling \$151,329,156, lease receivables of \$489,914,279, noncurrent investments totaling \$2,489,251, cash and short-term investments totaling \$10,622,083 and other assets of \$1,264,510. Liabilities are comprised of accounts payable and accrued expenses of \$2,122,514, compensated absences of \$939,446, unearned revenue of \$242,323, total OPEB liability of \$23,805,947 and net pension liability of \$2,750,829.

The decrease in the deferred outflows of resources in the amount of \$638,187 or 5% and the decrease in the deferred inflows of resources in the amount of \$12,930,769 or 2% are 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(b-h) for the financial statement impact of compliance on the financial statements for pensions; and note 10 for OPEB.

The following is a summary of the RIOC's Statements of Net Position at March 31, 2023 and 2022 and the percentage changes between March 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>	<u>% Change</u>
Current and other assets	\$ 23,619,559	35,262,525	-33%
Lease receivables, less current installments	489,914,279	483,790,916	1%
Capital assets, net	<u>156,681,274</u>	<u>154,172,575</u>	2%
 Total assets	 <u>670,215,112</u>	 <u>673,226,016</u>	0%
Deferred outflows of resources	13,037,078	5,378,301	142%
Liabilities	<u>22,974,029</u>	<u>17,667,502</u>	30%
Deferred inflows of resources	548,722,309	542,164,160	1%
 Net position	 <u>\$ 111,555,852</u>	 <u>118,772,655</u>	-6%

On RIOC's Statement of Net Position at March 31, 2023 total assets of \$670,215,112 and deferred outflow of resources of \$13,037,078 exceeded total liabilities of \$22,974,029 and deferred inflows of resources of \$548,722,309 by \$111,555,852 (net position). Total assets are comprised of capital assets (e.g., buildings, machinery and equipment) totaling \$156,681,274, lease receivables of \$495,862,555 noncurrent investments totaling \$2,628,030, cash and short-term investments totaling \$13,460,368 and other assets of \$1,582,885. Liabilities are comprised of accounts payable and accrued expenses of \$741,263, compensated absences of \$1,136,931, total OPEB liability of \$20,615,662, and other liabilities totaling \$480,173.

ROOSEVELT ISLAND OPERATING CORPORATION

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Management's Discussion and Analysis, Continued

The increase in the deferred outflows of resources in the amount of \$7,658,777 or 142% and the increase in the deferred inflows of resources in the amount of \$6,558,149 or 1% are due to RIOC's compliance with the provisions of GASB Statement No. 68, GASB Statement No. 71, GASB Statement No. 75. See notes 2(k) for additional information and 7(b-h) for the financial statement impact of compliance on the financial statements for pensions; and note 10 for OPEB.

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, 2024 was \$36,509,057. For the year ended March 31, 2024, operating revenue increased by \$3,974,679 or 12% over the prior year. This was mainly due to an increase in commercial rent of \$171,133, tramway revenue of \$2,097,765 and public safety reimbursement of \$72,923, residential fees of \$305,156, ground rent of \$139,221, transport/parking revenue of \$64,130, interest income of \$458,755 and other revenue of \$665,596.

RIOC's total operating revenue for the year ended March 31, 2023 was \$32,534,378. For the year ended March 31, 2023, operating revenue increased by \$148,989 or 1% over the prior year. This was mainly due to an increase in commercial rent of \$64,239, tramway revenue of \$1,185,193 and public safety reimbursement of \$69,598 offset by decrease in residential fees of \$246,934, ground rent of \$354,014, transport/parking revenue of \$109,171, interest income of \$182,544 and other revenue of \$277,378.

RIOC's total expenses for the year ended March 31, 2024 were \$45,699,338 and \$39,751,181 for the year ended March 31, 2023, including depreciation of \$8,376,452 and \$8,149,570, respectively. For the year ended March 31, 2024, total operating expenses before depreciation increased by \$5,721,275 or 18% over the prior year. This was mainly due to an increase in personal services of \$3,190,614, repairs and maintenance \$19,877, insurance of \$700,123, professional and legal services of \$1,551,227, management fees of \$298,808, other expenses of \$33,025, telecommunication expenses \$43,943, equipment purchases/lease of \$31,736 which was offset by a decrease in vehicles maintenance of \$140,989 and supplies/services of \$7,089.

RIOC's total expenses for the year ended March 31, 2023 were \$39,751,181 and \$36,572,805 for the year ended March 31, 2022, including depreciation of \$8,149,570 and \$7,304,099, respectively. For the year ended March 31, 2023, total operating expenses before depreciation increased by \$2,332,905 or 8% over the prior year. This was mainly due to an increase in personal services of \$1,158,273, repairs and maintenance \$309,246, insurance of \$24,122, professional and legal services of \$138,353, management fees of \$449,753, vehicles maintenance of \$110,456, supplies/services of \$100,181 and other expenses of \$51,673 which was offset by a decrease in equipment purchases/lease of \$7,540 and telecommunication expenses \$1,612.

ROOSEVELT ISLAND OPERATING CORPORATION
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Management's Discussion and Analysis, Continued

The following summarizes RIOC's change in net position for the years ended March 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>	<u>% Change</u>
Operating revenue:			
Residential fees	\$ 3,188,642	2,883,486	11%
Ground rent	9,424,096	9,284,875	1%
Commercial rent	1,341,486	1,170,353	15%
Tramway revenue	6,273,357	4,175,592	50%
Public safety reimbursement	2,442,219	2,369,296	3%
Transport/parking revenue	2,560,283	2,496,153	3%
Interest income	9,963,051	9,504,296	5%
Other revenue	<u>1,315,923</u>	<u>650,327</u>	102%
Total operating revenue	<u>36,509,057</u>	<u>32,534,378</u>	12%
Operating expenses:			
Personal services	18,789,573	15,598,959	20%
Insurance	4,265,221	3,565,098	20%
Professional services and legal services	3,983,881	2,432,654	64%
Management fees	6,398,801	6,099,993	5%
Telecommunications	258,413	214,470	20%
Repairs and maintenance	1,274,186	1,254,309	2%
Vehicles maintenance	264,471	405,460	-35%
Equipment purchases/lease	184,877	153,141	21%
Supplies/services	1,300,598	1,307,687	-1%
Other expenses	<u>602,865</u>	<u>569,840</u>	6%
Total operating expenses, excluding depreciation	<u>37,322,886</u>	<u>31,601,611</u>	18%
Operating income before depreciation	<u>(813,829)</u>	<u>932,767</u>	-187%
Depreciation expense	<u>(8,376,452)</u>	<u>(8,149,570)</u>	3%
Change in net position	<u>(9,190,281)</u>	<u>(7,216,803)</u>	27%
Net position at beginning of year	<u>111,555,852</u>	<u>118,772,655</u>	-6%
Net position at end of year	<u>\$ 102,365,571</u>	<u>111,555,852</u>	-8%

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
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The following summarizes RIOC's change in net position for the years ended March 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>	<u>% Change</u>
Operating revenue:			
Residential fees	\$ 2,883,486	3,130,420	-8%
Ground rent	9,284,875	9,638,889	-4%
Commercial rent	1,170,353	1,106,114	6%
Tramway revenue	4,175,592	2,990,399	40%
Public safety reimbursement	2,369,296	2,299,698	3%
Transport/parking revenue	2,496,153	2,605,324	-4%
Interest income	9,504,296	9,686,840	-2%
Other revenue	<u>650,327</u>	<u>927,705</u>	-30%
Total operating revenue	<u>32,534,378</u>	<u>32,385,389</u>	0%
Operating expenses:			
Personal services	15,598,959	14,440,686	8%
Insurance	3,565,098	3,540,976	1%
Professional services and legal services	2,432,654	2,294,301	6%
Management fees	6,099,993	5,650,240	8%
Telecommunications	214,470	216,082	-1%
Repairs and maintenance	1,254,309	945,063	33%
Vehicles maintenance	405,460	295,004	37%
Equipment purchases/lease	153,141	160,681	-5%
Supplies/services	1,307,687	1,207,506	8%
Other expenses	<u>569,840</u>	<u>518,167</u>	10%
Total operating expenses, excluding depreciation	<u>31,601,611</u>	<u>29,268,706</u>	8%
Operating income before depreciation	<u>932,767</u>	<u>3,116,683</u>	-70%
Depreciation expense	<u>(8,149,570)</u>	<u>(7,304,099)</u>	12%
Change in net position	<u>(7,216,803)</u>	<u>(4,187,416)</u>	72%
Net position at beginning of year	<u>118,772,655</u>	<u>122,960,071</u>	-3%
Net position at end of year	<u>\$ 111,555,852</u>	<u>118,772,655</u>	-6%

ROOSEVELT ISLAND OPERATING CORPORATION
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 Management's Discussion and Analysis, Continued

CAPITAL ASSETS

The following summarizes RIOC's net capital assets as of March 31, 2024 and 2023 and the percentage change between years:

	<u>2024</u>	<u>2023</u>	<u>% Change</u>
Seawall	\$ 12,846,528	13,054,035	-2%
Buildings and building improvements	53,245,068	57,016,056	-7%
Landmarks	11,341,885	11,704,305	-3%
Vehicles and equipment	1,630,063	1,940,547	-16%
Infrastructure	72,016,863	72,687,695	-1%
Leasehold improvements	<u>248,749</u>	<u>278,636</u>	-11%
Total capital assets, net	<u><u>\$ 151,329,156</u></u>	<u><u>156,681,274</u></u>	-3%

The capital assets of \$151,329,156 presented in the financial statements have been depreciated using the straight-line method, effective from the date of acquisition. The decrease of \$5,352,118 from the prior year due tightening of our capital expenditure budget, and annual depreciation of \$8,376,451. Total depreciation expense for all capital assets amounted to \$8,376,452 and \$8,149,570 for the years ended March 31, 2024 and 2023, 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, 2022 and 2021 and the percentage change between years:

	<u>2023</u>	<u>2022</u>	<u>% Change</u>
Seawall	\$ 13,054,035	13,228,063	-1%
Buildings and building improvements	57,016,056	56,596,515	1%
Landmarks	11,704,305	10,380,233	13%
Vehicles and equipment	1,940,547	2,059,425	-6%
Infrastructure	72,687,695	71,599,816	2%
Leasehold improvements	<u>278,636</u>	<u>308,523</u>	-10%
Total capital assets, net	<u><u>\$ 156,681,274</u></u>	<u><u>154,172,575</u></u>	2%

The capital assets of \$156,681,274 presented in the financial statements have been depreciated using the straight-line method, effective from the date of acquisition. The increase of \$2,508,699 from the prior year is comprised of the addition of new capital assets of \$10,658,269, which are part of RIOC's approved ten-year Capital Plan, offset by annual depreciation of \$8,149,570. Total depreciation expense for all capital assets amounted to \$8,149,570 and \$7,304,099 for the years ended March 31, 2023 and 2022, respectively. A more detailed analysis of RIOC's capital assets is presented in note 3.

ROOSEVELT ISLAND OPERATING CORPORATION
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Management's Discussion and Analysis, Continued

INFRASTRUCTURE ASSETS

The amounts reported in the accompanying statements of net position for capital assets (net of depreciation) of RIOC of \$151,329,156 and \$156,681,274 at March 31, 2024 and 2023, 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

Eight (8) of 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.

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.

ROOSEVELT ISLAND OPERATING CORPORATION
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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, 2024 and 2023, 319 or 32% and 339 or 34% of the units have been converted to market rate units, respectively. 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 amount of \$1,816,137. RIOC received that payment on October 23, 2019.

Island House exited from ML on September 28, 2012, under a thirty-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, 2024 and 2023, 76 or 19% and 165 or 41% of the units have been converted to market rate, respectively.

On or about March 27, 2014 ("Withdrawal Date"), Rivercross Tenants Corp. exited the ML program without settling the financial terms required under Amendment 1 to the Restated Ground Lease. The parties, upon RIOC's Board approval on April 18, 2018, subsequently entered into arbitration and concluded with a settlement agreement with authorization for a second amendment to the Restated Ground Lease ("Second Amendment"), with an effective date of May 30, 2018 ("Effective Date"). Pursuant to the Second Amendment, the ground rent was reset to \$2,500,000 ("Re-Set Ground Rent") per year as of the Withdrawal Date. 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 was recorded as long-term receivable and 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.

ROOSEVELT ISLAND OPERATING CORPORATION

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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, 2024 and 2023, 355 or 98% and 361 or 100% of the units are affordable, respectively. 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 option yearly renewal up to five times) with Leitner-Poma for the operation and maintenance (OM) of the Tram at a fixed cost of \$21,767,456 for five years. The contract has been extended through September 30, 2024 and thereafter will undergo negotiations. 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.

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During the year that ended on March 31, 2024, total ridership on the Tram increased to 3,403,557 from 2,146,128 and Tramway revenue increased by \$2,097,765 or 150% over the year ended March 31, 2023. The increase in ridership is attributed to the gradual reduction of COVID-19 travel and safety restrictions. The Governor's Executive Order "New York State on PAUSE" on March 20, 2020, directed non-essential workers to work from home, and implemented social distancing practices. These mandates limit the number of riders on the Tram which resulted in a significant decrease in the capacity for ridership. Consequently, RIOC experienced a precipitous drop in revenue. RIOC anticipated that ridership will eventually return to pre-pandemic numbers as the population is vaccinated. The increase in ridership seen in the year ended March 31, 2024 can be attributed to the end of COVID-19 restrictions and the adoption of OMNY. The cost and revenue of the Tram were \$5,576,702 and \$6,273,357, respectively.

Additionally, RIOC, through a competitive bidding process, awarded a contract on December 5, 2017 to build a new Tramway elevator in Manhattan, located on East 63rd street and Second Avenue. Construction is steadily progressing and was due to be completed by winter 2021. However, RIOC experienced a delay in this completion date due to the COVID-19 pandemic and the impact on the supply chain and its vendors. The construction was completed in April 2022. The cost of this project was \$7 million. This project is part of RIOC's approved ten-year Capital Plan and its cost was funded from RIOC's working capital.

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, 2023, HRR invested \$3,998,526 and reported net income of \$97,693. 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. During the year ended December 31, 2023, a profit-sharing payment of \$200,000 was made.

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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.

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, and completed construction 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.

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

On March 13, 2018, RIOC issued a RFP seeking bids for architectural design services for a dedicated Bike Ramp for bicyclists traveling between the Roosevelt Island Bridge and street level on the Island. On July 23, 2018, RIOC entered into contract with the successful bidder to provide the design services and collaborate on the project from design through construction. The Bike Ramp will improve safety for both cyclists and motorists and increase ease of access for cyclists coming onto the Island. The estimated cost is \$4 million dollars. RIOC intends to fund the project in part by use of a grant in the amount of \$2,963,705 in federal transportation funds awarded to RIOC through the Transportation Alternative Program (TAP) - Congestion Mitigation and Air Quality (CMAQ) Improvement Program, with the remainder funded through RIOC's capital program. RIOC has also had discussions with select state and local officials concerning additional contributions of capital funds. The grant requires four separate reviews by NYS DOT. RIOC submitted for the first review and received approvals and the second and third submissions were made in FY 22. The project provides a vital link for cyclists between the Island and dedicated bike lanes in Queens and is expected to be used by Island residents, visitors and commuters. This project is expected to be completed begin construction in fiscal year 2025-2026.

On April 24, 2019, New York State Department of Transportation awarded RIOC \$5,000,000 for funding a Bike Lane. This is a reimbursement funding that will cover up to 80% of eligible cost. Total cost of the project is \$6.25 million. This project was expected to start in the Spring of 2020 and be completed by Summer 2021. However, the design schedule has been extended due to COVID-19, and the completion is yet to be determined.

Design documents to reconstruct the seawall in Southpoint Park, which extends from the northern tip of the park to the beginning of the Four Freedoms State Park on both the east and west sides, extending approximately 1600 linear feet, are complete. RIOC received permits from City, State and Federal oversight agencies with jurisdiction over work operation. RIOC estimates that the repairs will cost approximately \$11 million. RIOC anticipates receiving \$604,000 from Federal Emergency Management Agency (FEMA) for the damage caused by Hurricane Irene and Superstorm Sandy. In March 2021, RIOC received a partial payment of \$453,00 from FEMA and expects to receive the remaining \$151,000. The balance of the cost will be provided through RIOC's working capital. The project will also remediate contaminated soil conditions and remove construction debris placed along the shoreline. On March 30, 2020, RIOC issued an RFP for construction to hire contractors through its competitive bidding process to complete the work. The successful bidder was awarded the contract on July 1, 2020. The approved permits for waterside operations prohibit working in the water between March and June. This project was completed in Fall 2021.

ROOSEVELT ISLAND OPERATING CORPORATION

(A Component Unit of the State of New York)

Management's Discussion and Analysis, Continued

On February 7, 2018, RIOC issued an RFP seeking professional services from a qualified firm to redevelop and repair Octagon Field, one of Roosevelt Island's most popular outdoor fields. The first phase of improvements at Octagon Field, including the installation of a new synthetic turf, new LED lighting fixtures and path upgrades were completed in Fall 2019, at a cost of \$1.1 million, which was provided through RIOC's working capital. At the opening day ceremony, RIOC renamed the field to honor, John McManus, its' recently deceased Chief of Public Safety Department. During his tenure as the Chief of RIOC's Public Safety Department, Jack dedicated many hours to coaching youth soccer teams. When the field reopened, permit requests stabilized to equal pre-construction numbers. RIOC had planned a second phase of improvements, valued at \$5.9 million, to reconstruct and expand the public rest room, install a new shade structure, create new ADA accessible seating areas, install new ADA compliant paths and improve landscaped areas. Although these additional improvements were stalled due to COVID-19, RIOC was able to resume work on this project. The total estimated cost of the project was \$5.4 million, which was provided through RIOC's working capital. This project was completed in Fall 2021.

On January 9, 2019, RIOC issued an RFP seeking bids to renovate a section of the Motorgate structure. Motorgate is the central parking facility for Roosevelt Island residents. Renovation includes repair of spalled and delaminated concrete support beams inside the garage, repair of concrete deck and ceilings, including connecting joints, application of waterproofing system on parking deck, ramps, walkways, and curbs, removal and replacement of existing floor drains, and restriping of parking spaces, installation of electric charging stations, and installation of new directional signage. Bids were received on March 6, 2019 and the selection of the successful bidder was made in April 2019. The project started in June 2019 and was delayed by the COVID-19 pandemic. However, this project was completed in Fall of 2021 at a total cost of \$19.5 million, which was provided through RIOC's working capital.

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 censors 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.

ROOSEVELT ISLAND OPERATING CORPORATION

(A Component Unit of the State of New York)

Management's Discussion and Analysis, Continued

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.

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, 2024 and 2023

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Current assets:		
Cash	\$ 3,845,713	1,539,579
Short-term investments	6,776,370	11,920,789
Receivables	907,679	364,068
Current installments of lease receivables	6,118,677	5,948,276
Prepaid expenses	<u>356,831</u>	<u>241,459</u>
Total current assets	18,005,270	20,014,171
Noncurrent investments	2,489,251	2,628,030
Net pension asset - proportionate share - ERS	-	977,358
Lease receivables, less current installments	483,795,602	489,914,279
Capital assets, net of accumulated depreciation	<u>151,329,156</u>	<u>156,681,274</u>
Total assets	<u>655,619,279</u>	<u>670,215,112</u>
Deferred outflows of resources:		
Pensions	2,092,139	2,141,116
OPEB	<u>10,306,752</u>	<u>10,895,962</u>
Total deferred outflows of resources	<u>12,398,891</u>	<u>13,037,078</u>
Liabilities		
Current liabilities - accounts payable and accrued expenses	2,122,514	741,263
Compensated absences	939,446	1,136,931
Unearned revenue	242,323	480,173
Total OPEB liability	23,805,947	20,615,662
Net pension liability - proportionate share - ERS	<u>2,750,829</u>	<u>-</u>
Total liabilities	<u>29,861,059</u>	<u>22,974,029</u>
Commitments and contingencies (note 9)		
Deferred inflows of resources:		
Leases	531,635,046	540,281,491
Pensions	348,060	3,668,913
OPEB	<u>3,808,434</u>	<u>4,771,905</u>
Total deferred inflows of resources	<u>535,791,540</u>	<u>548,722,309</u>
Net position:		
Net investment in capital assets	129,822,771	156,681,274
Unrestricted (deficit)	<u>(27,457,200)</u>	<u>(45,125,422)</u>
Total net position	<u>\$ 102,365,571</u>	<u>111,555,852</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, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating revenue:		
Residential fees	\$ 3,188,642	2,883,486
Ground rent	9,424,096	9,284,875
Commercial rent	1,341,486	1,170,353
Tramway revenue	6,273,357	4,175,592
Public safety reimbursement	2,442,219	2,369,296
Transport/parking revenue	2,560,283	2,496,153
Interest income	9,963,051	9,504,296
Other revenue	<u>1,315,923</u>	<u>650,327</u>
 Total operating revenue	 <u>36,509,057</u>	 <u>32,534,378</u>
Operating expenses:		
Personal services	18,789,573	15,598,959
Insurance	4,265,221	3,565,098
Professional services and legal services	3,983,881	2,432,654
Management fees	6,398,801	6,099,993
Telecommunications	258,413	214,470
Repairs and maintenance	1,274,186	1,254,309
Vehicles maintenance	264,471	405,460
Equipment purchases/lease	184,877	153,141
Supplies/services	1,300,598	1,307,687
Other expenses	<u>602,865</u>	<u>569,840</u>
 Total operating expenses, excluding depreciation	 <u>37,322,886</u>	 <u>31,601,611</u>
Operating income (loss) before depreciation	(813,829)	932,767
Depreciation expense	<u>(8,376,452)</u>	<u>(8,149,570)</u>
Change in net position	(9,190,281)	(7,216,803)
Net position at beginning of year	<u>111,555,852</u>	<u>118,772,655</u>
Net position at end of year	<u>\$ 102,365,571</u>	<u>111,555,852</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, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Receipts from tenants and customers	\$ 33,029,427	48,775,516
Payments related to employees	(15,504,167)	(14,850,880)
Payments to vendors	<u>(17,477,990)</u>	<u>(17,270,596)</u>
	<u>47,270</u>	<u>16,654,040</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	(3,024,334)	(10,658,269)
Sale of short-term investments	138,779	4,095,035
Sale (purchase) of noncurrent investments	<u>5,144,419</u>	<u>(9,970,842)</u>
	<u>2,258,864</u>	<u>(16,534,076)</u>
Net change in cash	2,306,134	119,964
Cash at beginning of year	<u>1,539,579</u>	<u>1,419,615</u>
Cash at end of year	<u>\$ 3,845,713</u>	<u>1,539,579</u>
Cash flows from operating activities:		
Change in net position	(9,190,281)	(7,216,803)
Adjustments to reconcile change in net position to net cash provided by operating activities:		
Depreciation	8,376,452	8,149,570
Changes in:		
Receivables	(543,611)	18,459,092
Lease receivables	5,948,276	(6,358,758)
Prepaid expenses	(115,372)	392,398
Net pension asset - proportionate share - ERS	977,358	(977,358)
Deferred outflows of resources	638,187	(7,658,777)
Accounts payable and accrued expenses	1,381,251	(1,605,518)
Compensated absences	(197,485)	(24,757)
Unearned revenue	(237,850)	480,173
Total OPEB liability	3,190,285	6,468,243
Net pension liability - proportionate share - ERS	2,750,829	(11,614)
Deferred inflows of resources	<u>(12,930,769)</u>	<u>6,558,149</u>
	<u>\$ 47,270</u>	<u>16,654,040</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, 2024 and 2023

(1) Organization

In 1969, the City of New York 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.

Generally accepted accounting principles 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 generally accepted accounting principles (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, 2024 and 2023, 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 Cash Equivalents

The following is a summary of cash and cash equivalents as of March 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash - deposits	<u>\$ 3,845,713</u>	<u>1,539,579</u>
Short-term investments:		
Cash deposit	492,163	2,556,892
Insured cash sweep (ICS)	193,234	190,678
Money market accounts	1,879,018	5,225,719
Treasury bills	<u>4,211,955</u>	<u>3,947,500</u>
Total short-term investments	<u>6,776,370</u>	<u>11,920,789</u>
Total cash and short-term investments	<u>\$ 10,622,083</u>	<u>13,460,368</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 \$10,000,000 as of March 31, 2024 and \$10,000,000 as of March 31, 2023.

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 Cash 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 \$2,489,251 and \$2,628,030 at March 31, 2024 and 2023, 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 \$9,265,621 and \$14,548,819 at March 31, 2024 and 2023, 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.

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
Buildings	40
Building improvements	15
Infrastructure	50
Vehicles	10
Office equipment	5
Computer equipment	5
Leasehold improvements	15

(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, 2024 and 2023 was \$939,446 and \$1,136,931, 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 expenditures for public purpose grants of \$162,500 and \$142,500 for the years ended March 31, 2024 and 2023, 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 revenues 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 pensions, 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 pensions, 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 March 31, 2023 measurement date. See notes 7(b-h).

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, 2024 are summarized as follows:

	Balance at April 1, <u>2023</u>	Increase	Decrease	Balance at March 31, <u>2024</u>
Capital assets:				
Seawall	\$ 15,148,040	-	-	15,148,040
Building and building				
improvements	109,596,138	1,570,920	(7,804)	111,159,254
Landmarks	21,849,328	5,500	-	21,854,828
Vehicles	4,607,054	47,534	-	4,654,588
Equipment	5,421,521	266,696	-	5,688,217
Infrastructure	94,237,501	1,265,071	(123,583)	95,378,989
Leasehold improvement	<u>448,303</u>	<u>—</u>	<u>—</u>	<u>448,303</u>
Total capital assets	<u>251,307,885</u>	<u>3,155,721</u>	<u>(131,387)</u>	<u>254,332,219</u>
Less accumulated depreciation:				
Seawall	(2,094,005)	(207,507)	-	(2,301,512)
Building and building				
improvements	(52,580,082)	(5,334,104)	-	(57,914,186)
Landmarks	(10,145,023)	(367,920)	-	(10,512,943)
Vehicles	(3,691,593)	(207,251)	-	(3,898,844)
Equipment	(4,396,435)	(417,463)	-	(4,813,898)
Infrastructure	(21,549,806)	(1,812,320)	-	(23,362,126)
Leasehold improvement	<u>(169,667)</u>	<u>(29,887)</u>	<u>—</u>	<u>(199,554)</u>
Total accumulated depreciation	<u>(94,626,611)</u>	<u>(8,376,452)</u>	<u>—</u>	<u>(103,003,063)</u>
Net capital assets	<u>\$ 156,681,274</u>	<u>(5,220,731)</u>	<u>(131,387)</u>	<u>151,329,156</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, 2023 are summarized as follows:

	Balance at April 1, <u>2022</u>	Increase	Decrease	Balance at March 31, <u>2023</u>
Capital assets:				
Seawall	\$ 15,114,725	33,315	-	15,148,040
Building and building				
improvements	104,071,978	5,524,160	-	109,596,138
Landmarks	20,172,247	1,677,081	-	21,849,328
Vehicles	4,607,054	-	-	4,607,054
Equipment	4,861,893	559,628	-	5,421,521
Infrastructure	91,373,416	2,864,085	-	94,237,501
Leasehold improvement	<u>448,303</u>	<u>-</u>	<u>-</u>	<u>448,303</u>
Total capital assets	<u>240,649,616</u>	<u>10,658,269</u>	<u>-</u>	<u>251,307,885</u>
Less accumulated depreciation:				
Seawall	(1,886,662)	(207,343)	-	(2,094,005)
Building and building				
improvements	(47,475,463)	(5,104,619)	-	(52,580,082)
Landmarks	(9,792,014)	(353,009)	-	(10,145,023)
Vehicles	(3,482,870)	(208,723)	-	(3,691,593)
Equipment	(3,926,652)	(469,783)	-	(4,396,435)
Infrastructure	(19,773,600)	(1,776,206)	-	(21,549,806)
Leasehold improvement	<u>(139,780)</u>	<u>(29,887)</u>	<u>-</u>	<u>(169,667)</u>
Total accumulated depreciation	<u>(86,477,041)</u>	<u>(8,149,570)</u>	<u>-</u>	<u>(94,626,611)</u>
Net capital assets	<u>\$ 154,172,575</u>	<u>2,508,699</u>	<u>-</u>	<u>156,681,274</u>

ROOSEVELT ISLAND OPERATING CORPORATION

(A Component Unit of the State of New York)

Notes to Financial Statements, Continued

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

Operating revenues in the accompanying statements of revenues, 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, and 8 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 of New York, the owner of Roosevelt Island. Ground rents account for nearly 52% of annual revenues. 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, 2024 and 2023.

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 \$2,040,649. For the years ended March 31, 2024 and 2023, the percentage rent earned was \$2,040,649.

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

Notes to Financial Statements, Continued

(4) Operating Revenues, 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 \$2,173,234 and \$1,986,443 for the years ended March 31, 2024 and 2023, 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 and 8, as well as the Octagon were paid in advance. Ground rents earned for Building #1-9 totaled \$3,915,969 and \$3,573,056 for the years ended March 31, 2024 and 2023, respectively.

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

Notes to Financial Statements, Continued

(4) Operating Revenues, 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, 2023, HRR invested \$3,998,526 and reported a gain of \$97,693.

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 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 revenues were \$6,273,357 and \$4,175,592 for the years ended March 31, 2024 and 2023, respectively. Tramway costs were \$5,576,703 and \$5,334,204 for the years ended March 31, 2024 and 2023, 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 \$2,442,219 and \$2,369,296 for the years ended March 31, 2024 and 2023, respectively. PSD costs were \$5,200,167 and \$5,130,081, for the years ended March 31, 2024 and 2023, respectively.

ROOSEVELT ISLAND OPERATING CORPORATION
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Notes to Financial Statements, Continued

(4) Operating Revenues, 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 revenues totaled \$2,170,444 and \$2,073,420 for the years ended March 31, 2024 and 2023, respectively. Parking costs were \$1,188,733 and \$1,389,906, for the years ended March 31, 2024 and 2023, respectively. Transportation revenues from the provision of bus services totaled \$138,423 and \$135,709 for the years ended March 31, 2024 and 2023, respectively. The cost of running the bus service totaled \$1,764,459 and \$1,960,916 for the same respective periods. Additionally, revenues from street parking meters for these periods totaled \$251,416 and \$287,024, 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 revenues 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 executed as of November 10, 2022.

ROOSEVELT ISLAND OPERATING CORPORATION
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Notes to Financial Statements, Continued

(4) Operating Revenues, 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				Deferred
<u>March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Inflows</u>
2025	\$ 6,118,677	9,608,060	15,726,737	8,729,003
2026	6,294,229	9,583,748	15,877,977	8,814,280
2027	6,475,098	9,698,321	16,173,419	8,967,943
2028	6,661,443	10,024,275	16,685,718	9,223,393
2029	6,853,426	9,981,239	16,834,665	9,308,664
2030 - 2034	37,356,662	50,646,872	88,003,534	48,596,474
2035 - 2039	41,069,181	52,617,566	93,686,747	51,063,852
2040 - 2044	46,878,011	54,597,292	101,475,303	55,107,313
2045 - 2049	54,045,153	56,571,388	110,616,541	59,968,581
2050 - 2054	58,788,660	56,752,778	115,541,438	62,151,977
2055 - 2059	64,505,590	57,255,565	121,761,155	64,988,190
2060 - 2064	74,625,695	59,354,841	133,980,536	71,369,958
2065 - 2069	<u>80,242,454</u>	<u>57,807,741</u>	<u>138,050,195</u>	<u>73,345,418</u>
	<u>\$ 489,914,279</u>	<u>494,499,686</u>	<u>984,413,965</u>	<u>531,635,046</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.

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
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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 \$241,650 and \$246,350 for the years ended March 31, 2024 and 2023, 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 (ERS). 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
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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 Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At March 31, 2024 and 2023, the Corporation reported the following asset (liability) for its proportionate share of the net pension asset (liability) for ERS which were measured as of March 31, 2023 and 2022, respectively. The total pension liability used to calculate the net pension asset (liability) was determined by an actuarial valuation. The Corporation's proportionate share of the net pension asset (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.

	<u>3/31/2023</u>	<u>3/31/2022</u>
Measurement date		
Net pension asset (liability)	\$ (2,750,829)	977,358
Corporation's proportion of the Plan's net pension asset (liability)	0.0128279%	0.0119561%
Change in proportion from prior year	0.0008718	0.0002920

For the years ended March 31, 2024 and 2023, the Corporation recognized pension expense of \$864,551 and \$(56,858), respectively, for ERS. At March 31, 2024 and 2023 the Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ROOSEVELT ISLAND OPERATING CORPORATION
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Notes to Financial Statements, Continued

(7) Retirement Plans, Continued

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

	2024	2023		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 292,985	77,254	74,017	96,004
Changes of assumptions	1,335,980	14,765	1,631,101	27,523
Net difference between projected and actual investment earnings on pension plan investments	- 16,161		- 3,200,439	
Changes in proportion and differences between the employer contributions and proportionate share of contributions	54,105	239,880	47,747	344,947
Corporation's contributions subsequent to the measurement date	<u>409,069</u>	<u>-</u>	<u>388,251</u>	<u>-</u>
Total	<u>\$ 2,092,139</u>	<u>348,060</u>	<u>2,141,116</u>	<u>3,668,913</u>

Corporation contributions subsequent to the measurement date will be recognized as an addition to the net pension asset or a reduction of the net pension liability in the year ending March 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending</u>	<u>ERS</u>
2025	\$ 257,885
2026	(231,810)
2027	558,303
2028	<u>750,632</u>
	<u>\$ 1,335,010</u>

ROOSEVELT ISLAND OPERATING CORPORATION
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Notes to Financial Statements, Continued

(7) Retirement Plans, Continued

(d) Actuarial Assumptions

The total pension liability as of the March 31, 2023 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:

Measurement date	March 31, 2023
Actuarial valuation date	April 1, 2022
Investment rate of return, (net of investment expense, including inflation)	5.9%
Salary increases	4.4%
Inflation	2.9%
Cost-of-living adjustments	1.5%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020. The previous actuarial valuation as of April 1, 2021 used the same assumptions to measure the total pension liability.

The actuarial assumptions used in the April 1, 2022 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed 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. 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
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Notes to Financial Statements, Continued

(7) Retirement Plans, Continued

(d) Actuarial Assumptions

Measurement date

March 31, 2023

Asset type:	Target Allocation	Long-term expected real rate of return*
Domestic equity	32.00%	4.30%
International equity	15.00%	6.85%
Private equity	10.00%	7.50%
Real estate	9.00%	4.60%
Opportunistic/ARS portfolio	3.00%	5.38%
Credit	4.00%	5.43%
Real assets	3.00%	5.84%
Fixed income	23.00%	1.50%
Cash	<u>1.00%</u>	0.00%
	<u>100.00%</u>	

* The real rate of return is net of the long-term inflation assumption of 2.50%

(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 Assumption

The following presents the current-period net pension liability of participating employers 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>(6,647,574)</u>	(2,750,829)	<u>505,355</u>

ROOSEVELT ISLAND OPERATING CORPORATION
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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)	
	<u>3/31/2023</u>	<u>3/31/2022</u>
Valuation date	<u>3/31/2023</u>	<u>3/31/2022</u>
Employers' total pension liability	\$ (232,627)	(223,875)
Fiduciary net position	<u>211,183</u>	<u>232,050</u>
Employers' net pension asset (liability)	\$ <u>(21,444)</u>	<u>8,175</u>
Ratio of fiduciary net position to the Employers' total pension liability	90.7%	103.7%

(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, 2024 and 2023 represent the projected employer contribution for the period of April 1, 2023 through March 31, 2024 and April 1, 2022 through March 31, 2023, 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 forthcoming fiscal year ended March 31, 2023 were appropriately increased to provide adequate protection for RIOC as follows:

<u>Coverages</u>	<u>2023-2024</u>
	<u>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

ROOSEVELT ISLAND OPERATING CORPORATION
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Notes to Financial Statements, Continued

(9) Commitments and Contingencies

Commitments and contingencies at March 31, 2024 and 2023 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, 2024 and 2023 was approximately \$588,751 and \$600,005, respectively.

(c) 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 financial statements.

(10) Postemployment Benefits Other Than Pensions

Plan Description - 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

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, 2024 and 2023 amounted to \$3,362,038 and \$1,481,147, respectively. At March 31, 2024 and 2023, the liability for active and retired employees amounted to \$23,805,947 and \$20,615,662, respectively. There are no assets accumulated in a trust that meet the criteria of GASB Statement No. 75, paragraph 4.

The number of participants as of March 31, 2024 was as follows:

Active employees	117
Retired employees	18
Spouses of retired employees	<u>9</u>
Total	<u>144</u>

Total OPEB Liability

The Corporation's total OPEB liability of \$23,805,947 was measured as of December 31, 2023 and was determined by an actuarial valuation as of March 31, 2023. The methodology used to measure the total OPEB liability as of March 31, 2024 reflects current census, contracted benefit and rate information.

Actuarial Assumptions and Other Inputs

The total OPEB liability as of December 31, 2023 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	3.42%
Discount rate	3.77%
Healthcare cost trend rates	5.10% for 2024

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

Changes in the Total OPEB Liability

	<u>2024</u>	<u>2023</u>
Total OPEB liability at beginning of year	\$ <u>20,615,662</u>	<u>14,147,419</u>
Changes for the year:		
Service cost	1,398,112	639,029
Interest on total OPEB liability	871,334	266,278
Differences between actual and expected experience	342,579	10,582,326
Changes in assumptions or other inputs	1,077,615	(4,704,580)
Benefit payments	<u>(499,355)</u>	<u>(314,810)</u>
Total changes	<u>3,190,285</u>	<u>6,468,243</u>
Total OPEB liability at end of year	\$ <u>23,805,947</u>	<u>20,615,662</u>

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 (2.77%) or 1-percentage-point higher (4.77%) than the current discount rate:

	1%	Discount	1%
	Decrease	Rate	Increase
	<u>(2.77%)</u>	<u>(3.77%)</u>	<u>(4.77%)</u>
Total OPEB liability	<u>\$ 28,127,817</u>	<u>23,805,947</u>	<u>20,398,082</u>

This analysis represents sensitivity of the OPEB liability as of March 31, 2024.

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 (4.10% to 2.86%) or 1-percentage point higher (6.10% to 4.86%) than the current health care cost trend rate:

	1%	Trend	1%
	Decrease	Rate	Increase
	<u>(4.10% to</u>	<u>5.10% to</u>	<u>(6.10% to</u>
	<u>2.86%)</u>	<u>3.86%)</u>	<u>4.86%)</u>
Total OPEB liability	<u>\$ 19,828,545</u>	<u>23,805,947</u>	<u>28,967,797</u>

This analysis represents sensitivity of the OPEB liability as of March 31, 2024.

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

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At March 31, 2024 and 2023 the Corporation reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

	2024	2023		
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between actual and expected experience	\$ 9,077,809	17,364	10,014,976	524,080
Changes of assumptions or other inputs	1,104,446	3,791,070	803,148	4,247,825
Contributions subsequent to the measurement date	<u>124,497</u>	<u>-</u>	<u>77,838</u>	<u>-</u>
	<u><u>\$ 10,306,752</u></u>	<u><u>3,808,434</u></u>	<u><u>10,895,962</u></u>	<u><u>4,771,905</u></u>

Contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending March 31, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending</u>	
2025	\$ 1,033,103
2026	739,047
2027	708,538
2028	708,538
2029	708,538
Thereafter	<u>2,476,057</u>
	<u><u>\$ 6,373,821</u></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 for disclosure and/or recognition in the financial statements through the date that 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. 99 - Omnibus 2022. Effective for various periods through fiscal years beginning after June 30, 2023.

Statement No. 102 - Certain Risk Disclosures. Effective for fiscal years beginning after June 15, 2024.

ROOSEVELT ISLAND OPERATING CORPORATION
 (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, 2024

Total OPEB liability:	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Service cost	\$ 1,398,112	639,029	592,927	558,834	722,931	823,753
Interest on total OPEB liability	871,334	266,278	252,874	309,234	436,683	432,928
Differences between actual and expected experience	342,579	10,582,326	898,212	(711,980)	(3,663,694)	(1,284,925)
Changes in assumptions or other inputs	1,077,615	(4,704,580)	352,657	1,510,443	2,390,063	(972,145)
Benefit payments	<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	3,190,285	6,468,243	1,794,864	1,436,950	(339,659)	(1,207,414)
Total OPEB liability - beginning	<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>\$23,805,947</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	\$ 3,722,811	3,967,303	3,869,882	3,741,185	4,398,752	4,398,752
Total OPEB liability as a percentage of covered payroll	639.5%	519.6%	365.6%	330.2%	248.2%	255.9%

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>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
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
 (A Component Unit of the State of New York)
 Required Supplementary Information
 Schedule of Corporation's Proportionate Share of the Net Pension Asset/Liability
 Year ended March 31, 2024

	NYSERS Pension Plan								
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Corporation's proportion of the net pension asset (liability)	0.0128279%	0.0119561%	0.0116641%	0.0151861%	0.0153142%	0.0129755%	0.0121085%	0.0115185%	0.0115841%
Corporation's proportionate share of the net pension asset (liability)	\$(2,750,829)	977,358	(11,614)	(4,021,372)	(1,085,061)	(418,777)	(1,137,738)	(1,848,752)	(391,340)
Corporation's covered payroll	\$ 3,722,811	3,967,303	3,628,079	3,814,468	4,297,080	3,887,580	3,494,884	3,291,106	2,734,022
Corporation's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	73.89%	24.64%	0.32%	105.42%	25.25%	10.77%	32.55%	56.17%	14.31%
Plan fiduciary net position as a percentage of the total pension liability	90.7%	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.5%

* 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
 (A Component Unit of the State of New York)
 Required Supplementary Information
 Schedule of Corporation's Pension Contributions
 Year ended March 31, 2024

	NYSERS Pension Plan									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 409,069	388,251	485,897	461,015	519,417	489,985	459,071	465,927	480,350	516,769
Contributions in relation to the contractually required contribution	<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>	<u>480,350</u>	<u>516,769</u>
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
Corporation's covered payroll	\$3,722,811	3,967,303	3,628,079	3,814,468	4,297,080	3,887,580	3,494,884	3,291,106	2,734,022	2,665,135
Contributions as a percentage of covered payroll	10.99%	9.79%	13.39%	12.09%	12.09%	12.60%	13.14%	14.16%	17.57%	19.39%

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, 2024

	General Fund						Total General Fund	Public Purpose Fund	Capital Fund	Reserved Fund	Total
	Operations	Public Safety	Transportation	Parking	Parks/Rec.	Tram					
Revenue:											
Residential fees	\$ 2,516,348	-	-	-	-	-	2,516,348	-	391,958	280,336	3,188,642
Ground rent	9,040,445	-	-	-	-	-	9,040,445	-	383,651	-	9,424,096
Commercial rent	1,341,486	-	-	-	-	-	1,341,486	-	-	-	1,341,486
Tramway revenue	-	-	-	-	-	6,273,357	6,273,357	-	-	-	6,273,357
Public safety reimbursement	-	2,442,219	-	-	-	-	2,442,219	-	-	-	2,442,219
Transportation/parking revenue	-	-	138,423	2,421,860	-	-	2,560,283	-	-	-	2,560,283
Interest income	9,622,644	-	-	-	-	-	9,622,644	-	72,626	267,781	9,963,051
Other revenue	597,144	-	-	-	718,779	-	1,315,923	-	-	-	1,315,923
Total revenue	23,118,067	2,442,219	138,423	2,421,860	718,779	6,273,357	35,112,705	-	848,235	548,117	36,509,057
Expenses:											
Personal services:											
Salaries	5,131,421	3,443,600	1,094,400	-	855,971	-	10,525,392	-	-	-	10,525,392
Temporary employees	181,489	-	-	-	142,674	-	324,163	-	-	-	324,163
Employee benefits	5,872,669	1,491,467	375,172	-	398,195	-	8,137,503	-	-	-	8,137,503
Compensated absences	(197,485)	-	-	-	-	-	(197,485)	-	-	-	(197,485)
Total personal services	10,988,094	4,935,067	1,469,572	-	1,396,840	-	18,789,573	-	-	-	18,789,573
Other than personal services:											
Insurance	4,171,081	-	-	-	-	94,140	4,265,221	-	-	-	4,265,221
Professional services	1,433,233	73,950	-	-	1,153,449	-	2,660,632	-	950	-	2,661,582
Management fees	-	-	-	1,126,112	-	5,272,689	6,398,801	-	-	-	6,398,801
Legal services	1,322,299	-	-	-	-	-	1,322,299	-	-	-	1,322,299
Telecommunications	258,413	-	-	-	-	-	258,413	-	-	-	258,413
Island improvements/capital plan	588,751	-	-	-	-	-	588,751	-	-	-	588,751
Repairs and maintenance	632,773	1,517	25,880	-	25,115	150	685,435	-	-	-	685,435
Vehicles maintenance	43,921	32,238	185,283	-	3,029	-	264,471	-	-	-	264,471
Equipment purchases/lease	173,946	1,400	2,949	-	1,314	5,268	184,877	-	-	-	184,877
Supplies/services	665,142	81,235	78,904	62,621	208,241	204,455	1,300,598	-	-	-	1,300,598
Other expenses	138,811	74,760	1,871	-	224,823	-	440,265	162,508	92	-	602,865
Total other than personal services	9,428,370	265,100	294,887	1,188,733	1,615,971	5,576,702	18,369,763	162,508	1,042	-	18,533,313
Total operating expenses, excluding depreciation	20,416,464	5,200,167	1,764,459	1,188,733	3,012,811	5,576,702	37,159,336	162,508	1,042	-	37,322,886
Operating income (loss) before depreciation	2,701,603	(2,757,948)	(1,626,036)	1,233,127	(2,294,032)	696,655	(2,046,631)	(162,508)	847,193	548,117	(813,829)
Depreciation expense	-	-	-	-	-	-	-	-	(8,376,452)	-	(8,376,452)
Change in net position	\$ 2,701,603	(2,757,948)	(1,626,036)	1,233,127	(2,294,032)	696,655	(2,046,631)	(162,508)	(7,529,259)	548,117	(9,190,281)

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, 2023

	General Fund						Total General Fund	Public Purpose Fund	Capital Fund	Reserved Fund	Total
	Operations	Public Safety	Transportation	Parking	Parks/Rec.	Tram					
Revenue:											
Residential fees	\$ 2,114,379	-	-	-	-	-	2,114,379	-	495,578	273,529	2,883,486
Ground rent	8,901,224	-	-	-	-	-	8,901,224	-	383,651	-	9,284,875
Commercial rent	1,170,353	-	-	-	-	-	1,170,353	-	-	-	1,170,353
Tramway revenue	-	-	-	-	-	4,175,592	4,175,592	-	-	-	4,175,592
Public safety reimbursement	-	2,369,296	-	-	-	-	2,369,296	-	-	-	2,369,296
Transportation/parking revenue	-	-	135,709	2,360,444	-	-	2,496,153	-	-	-	2,496,153
Interest income	9,340,567	-	-	-	-	-	9,340,567	-	81,195	82,534	9,504,296
Other revenue	429,896	-	-	-	220,431	-	650,327	-	-	-	650,327
Total revenue	21,956,419	2,369,296	135,709	2,360,444	220,431	4,175,592	31,217,891	-	960,424	356,063	32,534,378
Expenses:											
Personal services:											
Salaries	5,230,493	3,205,093	1,053,213	-	390,381	-	9,879,180	-	-	-	9,879,180
Temporary employees	197,846	-	-	-	-	-	197,846	-	-	-	197,846
Employee benefits	3,567,060	1,457,224	370,206	-	152,200	-	5,546,690	-	-	-	5,546,690
Compensated absences	(24,757)	-	-	-	-	-	(24,757)	-	-	-	(24,757)
Total personal services	8,970,642	4,662,317	1,423,419	-	542,581	-	15,598,959	-	-	-	15,598,959
Other than personal services:											
Insurance	3,470,958	-	-	-	-	94,140	3,565,098	-	-	-	3,565,098
Professional services	1,534,295	-	-	-	119,220	14,758	1,668,273	-	-	-	1,668,273
Management fees	-	-	-	1,142,080	-	4,957,913	6,099,993	-	-	-	6,099,993
Legal services	764,381	-	-	-	-	-	764,381	-	-	-	764,381
Telecommunications	214,470	-	-	-	-	-	214,470	-	-	-	214,470
Island improvements/capital plan	600,005	-	-	-	-	-	600,005	-	-	-	600,005
Repairs and maintenance	538,090	475	25,282	82,747	6,085	1,625	654,304	-	-	-	654,304
Vehicles maintenance	73,868	40,719	289,351	-	1,522	-	405,460	-	-	-	405,460
Equipment purchases/lease	99,004	5,140	7,880	-	41,117	-	153,141	-	-	-	153,141
Supplies/services	622,647	74,656	100,030	78,125	166,460	265,769	1,307,687	-	-	-	1,307,687
Other expenses	206,564	23,842	4,372	-	192,507	-	427,285	142,535	-	20	569,840
Total other than personal services	8,124,282	144,832	426,915	1,302,952	526,911	5,334,205	15,860,097	142,535	-	20	16,002,652
Total operating expenses, excluding depreciation	17,094,924	4,807,149	1,850,334	1,302,952	1,069,492	5,334,205	31,459,056	142,535	-	20	31,601,611
Operating income (loss) before depreciation	4,861,495	(2,437,853)	(1,714,625)	1,057,492	(849,061)	(1,158,613)	(241,165)	(142,535)	960,424	356,043	932,767
Depreciation expense	-	-	-	-	-	-	-	-	(8,149,570)	-	(8,149,570)
Change in net position	\$ 4,861,495	(2,437,853)	(1,714,625)	1,057,492	(849,061)	(1,158,613)	(241,165)	(142,535)	(7,189,146)	356,043	(7,216,803)

ROOSEVELT ISLAND OPERATING CORPORATION
 (A Component Unit of the State of New York)
Other Supplementary Information
Budget Variance Report
 Year ended March 31, 2024

	<u>Actual</u>	<u>Budget</u>	Favorable (Unfavorable)	
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percent</u>
Revenue:				
Residential fees	\$ 3,188,642	3,930,000	(741,358)	(19%)
Ground rent	9,424,096	15,821,000	(6,396,904)	(40%)
Commercial rent	1,341,486	1,744,000	(402,514)	(23%)
Tramway revenue	6,273,357	4,628,000	1,645,357	36%
Public safety reimbursement	2,442,219	2,424,000	18,219	1%
Transport/parking revenue	2,560,283	3,313,000	(752,717)	(23%)
Interest income	9,963,051	300,000	9,663,051	3221%
Other revenue	1,315,923	2,120,000	(804,077)	(38%)
Total revenue	<u>36,509,057</u>	<u>34,280,000</u>	<u>2,229,057</u>	<u>7%</u>
Expenses:				
Personal services (PS):				
Salaries	10,071,554	10,957,338	885,784	8%
Salaries OT	453,838	249,150	(204,688)	(82%)
Temporary employees	324,163	30,000	(294,163)	(981%)
Workers compensation and disability	286,376	240,000	(46,376)	(19%)
ER payroll taxes	961,081	945,229	(15,852)	(2%)
Health insurance	2,556,217	3,251,695	695,478	21%
Dental/vision	67,660	92,563	24,903	27%
Pension	1,078,733	1,300,282	221,549	17%
Other employee benefits	3,187,436	483,624	(2,703,812)	(559%)
Compensated absences expenses	<u>(197,485)</u>	<u>-</u>	<u>197,485</u>	<u>(100%)</u>
Total personal services (PS)	<u>18,789,573</u>	<u>17,549,881</u>	<u>(1,239,692)</u>	<u>(7%)</u>
Other than personal services (OTPS):				
Insurance	4,265,221	3,990,000	(275,221)	(7%)
Professional services	2,575,577	2,012,600	(562,977)	(28%)
Marketing/advertising	86,005	87,000	995	1%
Management fees	6,398,801	5,839,000	(559,801)	(10%)
Legal services	1,322,299	598,621	(723,678)	(121%)
Telecommunications	258,413	155,000	(103,413)	(67%)
Island improvements - capital plan	588,751	601,800	13,049	2%
Repairs and maintenance	382,608	391,750	9,142	2%
Repairs and maintenance equipment	70,850	47,250	(23,600)	(50%)
Other repairs and maintenance	231,977	355,000	123,023	35%

(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	\$ 152,154	74,575	(77,579)	(104%)
Vehicles repair and maintenance	77,798	133,500	55,702	42%
Vehicles parts	34,519	64,500	29,981	46%
Equipment lease	81,979	51,500	(30,479)	(59%)
Office equipment purchase	16,946	25,600	8,654	34%
Equipment purchases	65,680	63,500	(2,180)	(3%)
Other equipment purchases	20,272	75,000	54,728	73%
Exterminator	17,535	9,800	(7,735)	(79%)
Uniforms	81,869	86,850	4,981	6%
Light, power, heat	691,098	723,000	31,902	4%
Water and sewer	41,669	25,300	(16,369)	(65%)
Office supplies	45,652	28,950	(16,702)	(58%)
Parts and supplies	334,771	265,000	(69,771)	(26%)
Service maintenance agreement	88,004	185,500	97,496	53%
Employee travel and meal	1,187	5,150	3,963	77%
Employee training	59,207	102,585	43,378	42%
Shipping	16,958	13,300	(3,658)	(28%)
Subscriptions/membership	52,807	35,600	(17,207)	(48%)
Other expenses	235,189	228,500	(6,689)	(3%)
Island events - community relations	<u>237,517</u>	<u>149,000</u>	<u>(88,517)</u>	<u>(59%)</u>
Total other than personal services (OTPS)	<u>18,533,313</u>	<u>16,424,731</u>	<u>(2,108,582)</u>	<u>(13%)</u>
Total expenses	<u>37,322,886</u>	<u>33,974,612</u>	<u>(3,348,274)</u>	<u>(10%)</u>
Operating income before depreciation	(813,829)	305,388	(1,119,217)	(366%)
Depreciation expense	<u>(8,376,452)</u>	<u>(7,377,140)</u>	<u>(999,312)</u>	<u>14%</u>
Net deficit	<u>\$ (9,190,281)</u>	<u>(7,071,752)</u>	<u>(2,118,529)</u>	<u>30%</u>

ROOSEVELT ISLAND OPERATING CORPORATION
(A Component Unit of the State of New York)
Other Supplementary Information
Budget Variance Report
Year ended March 31, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable)</u>	
	<u>Variance</u>	<u>Percent</u>		
Revenue:				
Residential fees	\$ 2,883,486	2,430,000	453,486	19%
Ground rent	9,284,875	15,840,000	(6,555,125)	(41%)
Commercial rent	1,170,353	1,726,000	(555,647)	(32%)
Tramway revenue	4,175,592	4,622,000	(446,408)	(10%)
Public safety reimbursement	2,369,296	2,351,000	18,296	1%
Transport/parking revenue	2,496,153	3,222,000	(725,847)	(23%)
Interest income	9,504,296	801,000	8,703,296	1087%
Other revenue	<u>650,327</u>	<u>1,392,000</u>	<u>(741,673)</u>	<u>(53%)</u>
Total revenue	<u>32,534,378</u>	<u>32,384,000</u>	<u>150,378</u>	<u>0%</u>
Expenses:				
Personal services (PS):				
Salaries	9,516,253	10,724,005	1,207,752	11%
Salaries OT	362,927	167,560	(195,367)	(117%)
Temporary employees	197,846	93,000	(104,846)	(113%)
Workers compensation and disability	222,674	125,000	(97,674)	(78%)
ER payroll taxes	870,682	896,002	25,320	3%
Health insurance	2,490,201	2,566,874	76,673	3%
Dental/vision	72,611	86,301	13,690	16%
Pension	246,350	1,282,284	1,035,934	81%
Other employee benefits	1,644,172	404,768	(1,239,404)	(306%)
Compensated absences expenses	<u>(24,757)</u>	<u>-</u>	<u>24,757</u>	<u>(100%)</u>
Total personal services (PS)	<u>15,598,959</u>	<u>16,345,794</u>	<u>746,835</u>	<u>5%</u>
Other than personal services (OTPS):				
Insurance	3,565,098	3,812,200	247,102	6%
Professional services	1,556,476	1,276,180	(280,296)	(22%)
Marketing/advertising	111,797	68,000	(43,797)	(64%)
Management fees	6,099,993	5,763,700	(336,293)	(6%)
Legal services	764,381	425,000	(339,381)	(80%)
Telecommunications	214,470	220,932	6,462	3%
Island improvements - capital plan	600,005	490,800	(109,205)	(22%)
Repairs and maintenance	424,843	427,695	2,852	1%
Repairs and maintenance equipment	86,869	363,000	276,131	76%
Other repairs and maintenance	142,592	51,000	(91,592)	(180%)

(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>Variance</u>	<u>Favorable (Unfavorable)</u>	<u>Percent</u>
Expenses, Continued:					
Other than personal services (OTPS), continued:					
Vehicles gas	\$ 199,721	64,150	(135,571)	(211%)	
Vehicles repair and maintenance	150,973	66,500	(84,473)	(127%)	
Vehicles parts	54,766	64,800	10,034	15%	
Equipment lease	40,478	32,000	(8,478)	(26%)	
Office equipment purchase	6,844	21,500	14,656	68%	
Equipment purchases	68,827	37,000	(31,827)	(86%)	
Other equipment purchases	36,992	30,000	(6,992)	(23%)	
Exterminator	6,765	9,350	2,585	28%	
Uniforms	85,775	73,500	(12,275)	(17%)	
Light, power, heat	812,498	722,500	(89,998)	(12%)	
Water and sewer	13,460	15,500	2,040	13%	
Office supplies	19,762	31,600	11,838	37%	
Parts and supplies	280,756	238,000	(42,756)	(18%)	
Service maintenance agreement	88,671	168,480	79,809	47%	
Employee travel and meal	1,581	8,030	6,449	80%	
Employee training	121,218	105,085	(16,133)	(15%)	
Shipping	12,274	15,850	3,576	23%	
Subscriptions/membership	37,844	30,656	(7,188)	(23%)	
Other expenses	197,428	544,250	346,822	64%	
Island events - community relations	<u>199,495</u>	<u>172,000</u>	<u>(27,495)</u>	<u>(16%)</u>	
Total other than personal services (OTPS)	<u>16,002,652</u>	<u>15,349,258</u>	<u>(653,394)</u>	<u>(4%)</u>	
Total expenses	<u>31,601,611</u>	<u>31,695,052</u>	<u>93,441</u>	<u>0%</u>	
Operating income before depreciation	932,767	688,948	243,819	35%	
Depreciation expense	<u>(8,149,570)</u>	<u>(4,622,860)</u>	<u>(3,526,710)</u>	<u>76%</u>	
Net deficit	<u>\$ (7,216,803)</u>	<u>(3,933,912)</u>	<u>(3,282,891)</u>	<u>83%</u>	

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, 2024, and the related notes to financial statements, which collectively comprise RIOC's basic financial statements, and have issued our report thereon dated June 20, 2024.

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.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 20, 2024

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

Annual Investment Report

March 31, 2024



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**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH
SECTION 201.3 OF TITLE TWO OF THE OFFICIAL COMPILATION OF
CODES, RULES AND REGULATIONS OF THE STATE OF NEW YORK**

The Board of Directors
Roosevelt Island Operating Corporation:

We have examined Roosevelt Island Operating Corporation's (RIOC) compliance with the requirements of Section 201.3 of Title Two of the Official Compilation of Codes, Rules and Regulations of the State of New York (Section 201.3) during the year ended March 31, 2024. Management is responsible for RIOC's compliance with those requirements. Our responsibility is to express an opinion on RIOC's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether RIOC complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether RIOC complied with the specified requirements referenced above. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on RIOC's compliance with Section 201.3.

In our opinion, RIOC complied, in all material respects, with the requirements of Section 201.3 for the year ended March 31, 2024.

In accordance with Government Auditing Standards, we have issued our report dated June 20, 2024, in which we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws and regulations that have a material effect on RIOC's compliance with Section 201.3 and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our

examination to express an opinion on whether RIOC complied with the aforementioned requirements and not for the purpose of expressing an opinion on the effectiveness of internal control over compliance with those requirements or other matters; accordingly, we express no such opinion. The results of our tests disclosed no matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of RIOC's management, the Board of Directors, the New York State Office of the State Comptroller, and the New York State Authority Budget Office and is not intended and should not be used by anyone other than those specified parties.

EFPR Group, CPAs, PLLC

Williamsville, New York

June 20, 2024



Roosevelt Island Operating Corporation

KATHY HOCHUL
Governor

SHELTON J. HAYNES
President & CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR

Robert Megna, Director of BUDGET

Fay Christian

Ben Fhala

David Kraut

Michael L. Melamed

Howard Polivy

Lydia W. Tang

Roosevelt Island Operating Corporation Annual Investment Report FY 2023 - 2024

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 (“RIOC”) has developed and adopted such Guidelines, a copy of which is attached.

Summary of Investments by Investment Type

<u>Investment Type</u>	<u>3/31/2024 Market Value</u>	<u>3/31/2023 Market Value</u>	<u>Increase/ Decrease</u>
Cash Deposits	\$ 4,337,876	4,096,470	241,406
Money Market	4,368,269	7,853,750	(3,485,481)
Insured Cash Sweep	193,234	190,678	2,556
U.S. Treasury Securities	<u>4,211,955</u>	<u>3,947,500</u>	<u>264,455</u>
Total	<u>\$ 13,111,334</u>	<u>16,088,398</u>	<u>2,977,064</u>

The total investments as of March 31, 2024 and 2023 were \$13,111,334 and \$16,088,398, respectively. All the investments were fully FDIC insured or collateralized.

Money Market decreased by \$3,485,481 due to conversion to Cash Deposit. U.S. Treasury Securities “Treasuries” increased by \$264,455 due to reinvestment of Treasury bill.

Investment Income

<u>Investment Type</u>	Year ended <u>3/31/2024</u>	Year ended <u>3/31/2023</u>	Increase/ <u>Decrease</u>
CD	\$ 265,224	23,414	241,810
ICS	2,556	1,683	873
Money Market	<u>63,370</u>	<u>46,731</u>	<u>16,639</u>
Total	\$ <u>331,150</u>	<u>71,828</u>	<u>259,322</u>
Investment Yield (Annualized)	2.53%	0.45%	

The total income from investments for the years ended March 31, 2024 and 2023 was \$331,150 and \$71,828, respectively. The increase in investment income of \$259,322 is due to higher invested balances and higher interest rates.

Fees and Commissions

No fees or commissions were paid for investment services by RIOC for the years ended March 31, 2024 and 2023.

Amendments to Guidelines

The Guidelines were approved by the RIOC Board of Directors in June 2018. There were no amendments to the Guidelines during the years ended March 31, 2024 and 2023.

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 Chapter 899 of the Laws of 1984 (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 (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.

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 and reliability, 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 Counsel Association of America.

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 *two and one-half million dollars* (\$2,500,000.00) (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 *two and one-half million dollars* (\$2,500,000.00) (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 two and one half 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. 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 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 Statements No. 3 "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements" dated April 1986). 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, A.E. Smith Office Building, 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.



Senior Staff for the period of April 1, 2023 – March 31st, 2024

Shelton J. Haynes

President & Chief Executive Officer

Shelton J. Haynes is the President & Chief Executive Officer of the Roosevelt Island Operating Corporation (RIOC). He was appointed President & CEO on March 16, 2021, a role in which he had been serving in an acting capacity since June 2020. Having first joined RIOC in April 2016 as Vice President of Operations, Mr. Haynes oversaw the Island's day-to-day functions as well as management of the Corporation's various administrative, operational, and planning departments, including the Public Safety Department.

Mr. Haynes is responsible for leading the corporation in conjunction with the Board of Directors and responsible for implementing the strategic goals and objectives of the corporation in unison with the Chair, enabling the Board to fulfill its governance function. Under his leadership he has been able to transform underperforming departments into high performing based on measurable key performance indicators and compliance audits. Mr. Haynes has been able to develop, communicate, and lead the implementation of the strategic plan in a manner consistent with the organizations mission, vision, and values.

Mr. Haynes previously served as Chief Operating Officer at the Housing Authority of DeKalb County in Georgia, where he oversaw all agency operations, strategic and operational initiatives as well as the executive management team. He received a Bachelor of Arts degree in Sociology from Hampton University.

Gretchen Robinson

Vice President & General Counsel

Ms. Robinson began her career as a lawyer in the Queens District Attorney's Office, where she worked for many years before moving on to the Civilian Complaint Review Board, where she conducted administrative trials in the Administrative Prosecution Unit.

She joined State Government in 2015, when she became the Compliance & Internal Controls Officer for RIOC. In 2018, Ms. Robinson served as Senior Counsel to the Empire State Development's Division of Minority and Women's Business Development, where she advised the Division on policy matters and proposed legislation that would affect the MWBE Program. She also advised other agencies and public benefit corporations around the state on MWBE matters,; and defended the Division in administrative appeals before returning to RIOC in 2019 in her current role as General Counsel.

Ms. Robinson grew up in Washington, District of Columbia. She received her Juris Doctor degree from the American University Washington College of Law, and a Bachelor of Arts and Sciences in French and Anthropology from the University of Virginia. She has over a decade of trial and oral advocacy experience and is admitted to practice in New York State.



Dhruvika Amin

Chief Financial Officer and Vice President

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 20 years of professional and leadership experience to Roosevelt Island. Before joining RIOC, she served as Chief Financial Officer for Teragram LLC, a company with real estate and other financial and non-financial assets based out of New York City. There she oversaw the company's strategic and business planning process; reviewed and approved significant transactions with assessing risk; oversaw all aspects of the corporation's accounting, tax planning, and charitable giving; handled compliance concerns; maintained relationships with board members, banks, attorneys, and consultants; and oversaw HR matters, all while managing a staff of 30 people. Ms. Amin provided key leadership and guidance to the Teragram staff during the challenging COVID-19 pandemic, and helped the company maintain its high standards of service with no disruptions for its principals. Prior to serving as CFO for Teragram, Ms. Amin spent more than 16 years at 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.

Ms. Amin's early experience was serving as a Senior Auditor for a public accounting firm, Ernst & Young LLP.

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

Acting Chief Operating Officer

Mary C. Cunneen is the Acting Chief Operating Officer at the Roosevelt Island Operating Corporation. She oversees the Island's day-to-day functions as well as management of the Corporation's various operational, and planning departments. Mrs. Cunneen is responsible for implementing the strategic goals and objectives of the corporation. She focuses on staff development, establishing measurable key performance indicators, implementing lean methodologies and ensuring compliance throughout the corporation. Mrs. Cunneen strives to progress, connect, and lead the implementation of the strategic initiatives while remaining consistent with the organization's mission, vision, and values.

Mrs. Cunneen joined the corporation in 2017 as the Director of Parks and Recreation. While in the role she was responsible for the Grounds, Community Relations, Permits and Sportspark Departments. These departments play critical roles in the operation of the island and services provided to the community. In 2020, Mrs. Cunneen was promoted to Director of Organizational Effectiveness and Special Projects/Internal Controls Officer. Her department provides process improvement audits for departments to actively diagnose issues and discover timely and cost-



efficient solutions, develop key performance indicators and monitor success. The team conducts project meetings to implement lean and agile techniques to meet and exceed goals set for the project team. The goal within project meetings is not only to develop a solution and achieve a positive outcome but also to positively impact and develop the team members. These roles provided Mrs. Cunneen with a well-rounded understanding of the corporations' operations and impact on the island community.

Mrs. Cunneen possesses over 14 years of operational and personnel development experience in several industries. 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 also a Certified Project Management Professional.

Tajuna Sharpe
Assistant Vice President, Administration

Tajuna Sharpe is the Assistant Vice President, Administration of the Roosevelt Island Operating Corporation.

Ms. Sharpe is responsible for the smooth and profitable operation of the corporation's human resources, information technology departments and payroll administration.

Ms. Sharpe directs the development and implementation of organizational development programs, employee orientation and training programs, benefits plans, policies and guidelines, compensation, payroll administration and employee records and documentation policies. In addition, Ms. Sharpe oversees information technology analyzing the business requirements of all department to determine their technology needs, establishing policies, and systems. She supports management by providing human resources direction, advice and counsel while ensuring compliance with federal and state law.

Prior to her tenure with the Authority, Ms. Sharpe has held positions in Human Resources Management with the Center for Employment Opportunities, a national non-profit, providing employment services to people who are reentering the workforce after incarceration and at Island Peer Review Organization, a national non-profit, providing quality improvement programs in the healthcare industry.

Ms. Sharpe has a B.S on Communication Arts & Sciences from St. John's University, an MBA with a concentration in Project Management and a master's degree in Human Resources from Keller Business School of Management.

Communications & Media Studies.



Gerald Ellis

Deputy General Counsel

Mr. Ellis joined RIOC as Deputy General Counsel in June 2022. Prior to that, he was counsel to the New York State Housing Finance Agency (HFA) for over five years, where he worked on tax-exempt bond transactions and affordable housing developments throughout the State. Prior to HFA, Mr. Ellis worked for Related Management Company, assisting with compliance on the company's affordable housing portfolio.

Outside of his work at RIOC, Mr. Ellis is an Adjunct Professor at Fordham Law School where he teaches a class on affordable housing. Mr. Ellis is also a Member of the New York City Bar Association's Housing and Urban

Development Committee, and he serves on the board of Neighborhood Housing Services of New York City, a local affordable housing non-profit and community development financial institution.

Originally from Los Angeles, Mr. Ellis received a B.A. in History from the University of California, Los Angeles, and his Juris Doctor from Fordham Law School in 2010.

Daeman Di Stefano

Assistant Chief Financial Officer & Comptroller

Daeman Di Stefano is the Assistant Chief Financial Officer & Comptroller of the Roosevelt Island Operating Corporation. Mr. Di Stefano is responsible for the overall day-to-day operations of the finance department.

Prior to his tenure with the Authority, Mr. Di Stefano worked for the Randall's Island Park Alliance ("RIPA"), a non-profit organization dedicated to the maintenance, development and programming of Randall's Island Park. During the approximately 16 years he worked at RIPA, the organization's budget and employee headcount increased substantially alongside growth of fundraising efforts and the redevelopment and expansion of park facilities. Under his leadership, the finance and human resources functions were expanded and modernized to meet the growing operating and governance needs of the organization. Prior to joining RIPA, Daeman worked at a small non-profit organization located in Washington, DC doing community outreach.

Mr. Di Stefano has a Master's degree in Accounting with a concentration in Controllership from Strayer University, a bachelor's degree in Philosophy from the State University of New York at Binghamton, and is a Certified Management Accountant.

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. His diverse background has equipped him with a robust understanding of financial management and strategic planning.

Mr. Looi holds a Bachelor's degree in Finance and Economic with a concentration in Financial Investment from the University of Kentucky.

Kevin Brown

Director of Public Safety

Chief Brown held a variety of leadership positions during a thirty-two-year career in the New York Police Department (NYPD), including serving as the operations Lieutenant for the Special Operations Division during the September 11th tragedy. Brown is a Law enforcement professional with decades of leadership experience overseeing personnel, facilities, equipment, policy, and budgets. Skillful communicator with excellent interpersonal, oral, and written presentation skills curriculum development. Departmentally recognized for dedication in performing specialized police work in the coordinating and conducting of investigations, crime prevention and solving of criminal cases. Highly developed administrative and analytical skills evidenced by the ability to continuously improve division operations in a diverse work force. Currently at Roosevelt Island Chief Brown specializes in community Kevin Brown also is an adjunct professor at CUNY John Jay College. Brown Received his B.A. and M.A. from John Jay College.

Akeem H. Jamal

Assistant Vice President of Communications & Governmental Affairs

Mr. Jamal joined RIOC in August 2022, bringing years of government experience to Roosevelt Island, most recently as Deputy Communications Director at the City of Yonkers – New York State's third-largest City. There, Jamal oversaw a robust team and acted as a senior advisor to Yonkers Mayor Mike Spano, served as a city's spokesperson created and led new initiatives, organized high-level events for the Office of the Mayor, worked with city, state, and county officials all while spearheading major initiatives.

Bringing that invaluable experience to RIOC, Mr. Jamal is charged with creating community engagement activities, drafting internal and external communications procedures, cultivating relationships with city, state, and federal leaders, and sharing the vision of the President & CEO through all modes of communication.

Mr. Jamal graduated Cum Laude from Pace University Lubin School of Business, holding a Master of Business Administration, and is a proud graduate from Fordham University, holding a Bachelor of Arts degree in Communications & Media Studies.



Alvaro Santamaria
Senior Director of Engineering

Driven by challenge and ambition of entering into a field of infinite possibilities of real-life applications, I desired to engage my professional life in a technical and scientific discipline and chose from the various offerings, the field of Chemical Engineering. At age of 26, I graduated from Polytechnic University in Brooklyn, NY. It took me 4 years after high school to get registered in this University because after high school I chose to explore other fields in the business administration world, just to prove to myself that what I really wanted was a field of science. This was the beginning of what has become the philosophy of everything I do now. I never assume or conclude with hypothesis, but rather get the facts at hand, analyze the scenario / problem / issue, then weight all against possible corrective actions following principles of how the facts should be if all was to be working properly, and align a plan with the goal of implementing the most effective way of reaching the most probable correct result.

Now, 25 years after – I enjoy what I do! I feel that it's my responsibility to coach, support, and contribute to the team that conforms the maintenance department at RIOC. I am very passionate of ensuring that everyone remains informed of every single activity that the department is involved with and I hold the hand of those individuals that are part of the maintenance team and lead them to the situation and re-construct the scenario over a board, and discuss with them the WHAT, WHERE, HOW and WHY. I feel happy to see them later doing the same thing, but now on their own – following the installed upon them spirit for leaving their mark with excellence – executing with a common base line which is "consistency" in ALL the tasks they are entrusted with in every work order that is assigned to them.

Along my year of experience, I have had the opportunity to travel to many countries in Europe and South America, doing market research and business development with fortune 100 companies in the Pharmaceutical and Biotech industry. I have negotiated turn-key operation projects from conceptual stage to plant start-up and equipment commissioning following FDA and 21 CFR Part 11 guidelines for equipment control system validation. In the past 15 years, I chose to not travel anymore and entered since then into the building maintenance world. I worked in the hospitality, and Sports / Entertainment industry – being hands-on with equipment mechanics, refrigeration systems, building life safety systems, and critical room systems. I was part of Operating Engineers Local 94 for many years, as Chief Engineer before choosing the administrative path as Director of Engineering. At RIOC, I continue my journey, where I am pleased to support, share, and embrace a team that at their own pace, I hope would become the leaders of tomorrow at RIOC or anywhere that their spirit will take them in search of their professional fulfillment.

Matthew Clark Kibby
Director of Horticulture and Grounds

Matthew Kibby is the Director of Horticulture and Grounds of the Roosevelt Island Operating Corporation. Mr. Kibby is responsible for the safety of our citizens while enjoying exterior spaces, Ballfields, tennis courts and parks. He is also responsible for the maintenance and horticultural care of the islands turf and plantings. Directing, training, and coordinating the grounds crew in the maintenance of the landscape and grounds of Roosevelt Island. He also oversees outside contractors in the care and maintenance of turf, trees, and shrubs.



Mr. Kibby received his Bachelor of Science in Horticulture from the University of Connecticut. He has over 30 years' experience in the green industry as a horticulturist and certified arborist. He has been the grounds manager for institutions such as Stony Brook University, The Bronx Zoo and Howard Hughes research facility "Janelia Farms".

Cyril Opperman
Director of Transportation

Cyril Opperman, 'Cy' as he is commonly known on the Island, is a lifelong and consummate New Yorker. Cy's strong work ethic manifested at 10 years of age, when his father allowed him to make his first delivery driving the family owned soda truck. From there, Cy continued to work throughout high school for the American Beverage Warehouse. Cy also mentored teens, coached basketball, and created schedules at the Lenox Hill Neighborhood House during this time.

In 1970, Cy gained his Class A commercial driver's license and joined AZ Trucking Company as a tractor trailer driver, but his desire to help people pushed him to also become a National Registered EMT and licensed Respiratory Therapist with Keefe and Keefe ambulance company. Not quite satisfied, he also added CPR instructor to his repertoire.

In 1980, Cy switched gears and began his journey through the MTA. The "first stop" was as a Bus Operator, then he became a DMV 19A Dispatcher. It wasn't long before he advanced to Superintendent- Training and Performance Division, then Assistant General Superintendent, and ultimately, Cy was promoted to General Superintendent before accepting the role of General Manager of Transportation at RIOC.

Cy's leadership skills and desire to help people are rivaled only by his work ethic. These traits quickly propelled him to the ranks of Director of Operations at the Roosevelt Island Operating Corporation, where he currently oversees day-to-day operations of island transportation, the grounds department, the Sportspark facility, the warehouse, Motorgate, and the Tramway.

Prince R. Shah
Director, Capital Planning & Projects Department (CPP)

Mr. Prince Shah joined the Roosevelt Island Operating Corporation (RIOC) in March 2018 as a Project Manager in the Capital Planning & Projects (CPP) department. Over the years, he has progressed to the role of Senior Project Manager and now serves as the Director of CPP, overseeing all design and construction activities on Roosevelt Island under the guidance of the CEO and the COO.

Mr. Shah has a wealth of experience in the field of construction management, with over a decade of expertise in project management, scheduling, logistics, on-site management, and closeouts. Before joining RIOC, he spent six years at Tishman Construction Corporation, where he was involved in the logistics and planning stages of projects such as the World Trade Center loading dock, Flushing Commons, Hudson yards, Cornell Tech, among others. As a Project Engineer on the Cornell Tech project, Mr. Shah managed multimillion-dollar contracts and coordinated various trades, including misc. metals, painting, carpentry, and façade work. After that project, he moved on to the NYU Langone project as an Assistant Architectural Superintendent to gain hands-on experience in the healthcare sector.



Through his career in the private sector, Mr. Shah has developed a deep understanding of project costs, schedules, trade management, site logistics coordination, and administration of projects through all phases of construction.

Mr. Shah holds a Bachelor of Architecture and a Master of Business Administration from the New York Institute of Technology. He is also a Certified Construction Manager (CCM).

Abdel Boujoual

Director 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 to joining RIOC, Abdel was head of the Information Technology Department of a leading Audio Video Manufacturing Company.

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. His most recent accomplishments include leading his team of personal trainers to become the #1 training team in NYC in personal training sessions to budget, to which he received a nomination for Manager of the Year.

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



Ana Medina

Director of Youth Center

Ana Christina Medina is the Youth Center Director of the Roosevelt Island Operating Corporation (RIOC). She is responsible for the oversight and management of all aspects of the administrative, programmatic, and day-to-day Youth Center program operations. In addition, her role is to convene meetings with staff, parents and community residents as needed to assist in program delivery, communicate established policies, and promote a positive environment.

Ms. Medina has over 10 years of experience working with youth, teens, and adults in diverse professional settings. Ms. Medina previously served as a Teen Director at the Vanderbilt YMCA, where she oversaw all branch-based teen and summer camp programming. Under her leadership, she was able to enhance program quality, achieve superior audit scores, and expand community partnerships. She also served as a Program Manager for Sports & Arts in Schools Foundation (SASF) and oversaw seven middle school expansion after-school programs.

She received a Master of Science degree in nonprofit leadership from Fordham University. She also has Bachelor of Arts degree in psychology with a concentration in counseling from the College of Mount Saint Vincent.

Amy Firestein

Director, Procurement

Amy Firestein joined the Roosevelt Island Operating Corporation (RIOC) in June 2018 as a Procurement Specialist assisting all departments with procurement needs. Over the years, she has progressed to the role of Procurement Manager and now serves as the Director of Procurement overseeing and conducting procurement for purchases for RIOC's functions and needs in accordance with New York State Finance Law reporting to the CFO.

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 and is a Notary Public.

Bryant Daniels

Director, Communications and Community Affairs

Bryant Daniels is the Director of Communications and Community Affairs for the Roosevelt Island Operating Corporation. He was appointed to the role in April 2023 and manages both the internal and external communications for the corporation.

A seasoned Communications and government affairs professional with more than 12 years of experience working in politics and government, Daniels previously served as Director of Public Affairs, then later as Communications

and Deputy District Director, for Congressman Eliot Engel in the Bronx and Westchester. He oversaw all domestic press operations for the Congressman, working closely with senior staff to develop messaging and policy positions



around the issues critical to the district. Prior to working for Congressman Engel, Daniels served as Communications Director for New York State Assembly Member Jeffrey Dinowitz in the northwest Bronx, and most recently worked for Starry, an internet service provider that focuses heavily on bridging the digital divide in historically underserved communities, as Senior Associate of Government Affairs. Daniels holds a bachelor's degree from Fordham University in Communications and Political Science, and a master's degree from Fordham's Elections and Campaign Management program.

Former Senior Staff¹

¹ By the submission of this report, the following personnel were no longer employed by RIOC: (1) Tajuna Sharpe Assistant Vice President, Administration; (2) Prince R. Shah Director, Capital Planning & Projects Department (CPP) (3) Cyril Opperman, Director of Transportation (4) Akeem H. Jamal Assistant Vice President of Communications & Government Affairs: (5) Daeman Di Stefano Assistant Chief Financial Officer & Comptroller.

RIOC Senior Staff Biographical Information

As a New York State public benefit corporation, the Roosevelt Island Development Corporation (the “Corporation”) is vested with a 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, and in the State Code of Ethics and the Ethics in Government Act.

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.

1. No director, officer or employee of the Corporation may accept other employment which will impair his or her independence of judgment in the exercise of his or her official duties.
2. No director, officer or employee of the Corporation may accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her official position or authority.
3. No director, officer or employee of the Corporation may disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his or her personal interests.
4. No director, officer or employee of the Corporation may use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others, including but not limited to, the misappropriation to himself, herself 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 he or she has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his or her official duties.
6. No director, officer or employee of the Corporation may by his or her conduct give reasonable basis for the impression that any person can improperly influence him or her or unduly enjoy his or her favor in the performance of his or her official duties, or

that he or she is 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 he or she has reason to believe may be directly involved in decisions to be made by him or her or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest.
8. Each director, officer and employee of the Corporation must endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust.
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. If any director, officer or employee of the Corporation shall have a financial interest, direct or indirect, having a value of ten thousand dollars or more in any activity undertaken by the Corporation, he or she must file with the Secretary of the Corporation a written statement that he or she has such a financial interest in such activity, which statement shall be open to public inspection.
11. 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.

In addition to any penalty contained in any other provision of law any such officer, member or employee who shall knowingly and intentionally violate any of the provisions of this Code of Ethics may be fined, suspended or removed from office or employment in the manner provided by law.

Dated: March 25, 2010

Mckinney's Consolidated Laws of New York Annotated Currentness

UNCONSOLIDATED LAWS (REFS & ANNOS)

TITLE 16. MUNICIPALITIES

CHAPTER 26. ROOSEVELT ISLAND OPERATING CORPORATION

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 and related agreements 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 constructed the first phase of the island's development, including public facilities, pursuant to a general development plan for Roosevelt Island, which plan is being updated and contemplates significant future development on the island, 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 housing and community renewal; and (d) it is in the public interest that such a public benefit corporation plan, design, develop, operate, maintain and manage Roosevelt Island, that such corporation 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.

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

1. "City" shall mean the city of New York.
2. "Commissioner" shall mean the commissioner of housing and community renewal.
3. "Corporation" shall mean the Roosevelt Island operating corporation created by section three of this act.

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., and (d) the restated ground lease, dated November thirtieth, nineteen hundred seventy-seven, between the urban development corporation and Rivercross Tenants' Corporation.

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 fiftyth 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.

10. “Urban development corporation” shall mean the New York state urban development corporation.

1. To effectuate the purposes and provisions of this act, 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 (a) two of the initial public members appointed by the governor, one of whom is a resident of Roosevelt Island, and the Roosevelt Island resident member appointed upon the recommendation of the mayor of the city shall serve for terms of two years each, and (b) 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 effect 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 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 respective division to represent such member at meetings of the corporation. Such designation shall be by written notice filed with the chairman 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.

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 act 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 act;

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.

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.

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 (i) all sums from time to time due from lessees under the development subleases and (ii) 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 act shall (a) 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, (b) relieve the urban development corporation of any of its obligations under any bonds heretofore issued by the urban development corporation, or (c) 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 act. The provisions of any general, special or local law notwithstanding, the city is hereby authorized, upon the approval of the board of estimate of the city, to enter into any such agreements with the corporation and the urban development corporation.

1. The corporation shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, 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, 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, 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.

- a. 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 the public authorities law.
- b. 1. 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.
2. 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 act 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 a of this section.

1. On or before September fifteenth, nineteen hundred eighty-four and on each September fifteenth thereafter, the chairman of the corporation shall make and deliver to the director of the budget for his review a proposed budget for the operation of the corporation for the next fiscal year of the state. The chairman of the corporation shall also deliver a copy of such budget to the chairman of the senate finance committee and the chairman 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 annual budget such appropriations to the corporation for its operations as he deems necessary.
2. The corporation shall submit to the director of the budget, chairman of the senate finance committee and chairman 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.

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

Notwithstanding any other provision of this act, 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 10, 1990 and approved by the board of estimate of the city of New York on August 17, 1990 and referred to in the lease defined in subdivision six of section two of this act, 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.

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 act. 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.

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 six of this act.

In addition to any other power conferred upon it by this act, 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, or by imprisonment for not more than thirty days, or by both such fine and such imprisonment. 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 act shall be applicable.

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

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 determines necessary to carry out the provisions of this act, 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 chairman of the senate finance committee and the chairman 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 chairman of the senate finance committee and the chairman of the assembly ways and means committee.



Roosevelt Island Operating Corporation

KATHY HOCHUL
Governor

Shelton J. Haynes
President & CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR
Blake G. Washington, Director of BUDGET
Fay Christian
Conway Ekpo
Ben Fhala
David Kraut
Dr. Michal L. Melamed
Howard Polivy
Prof. Lydia W. Tang

COMMITTEES OF THE BOARD OF DIRECTORS AS OF March 31, 2023

COMMITTEES MEMBERS

Audit Committee – Established February 11, 1999

Howard Polivy (Chair), David Kraut, the Director of Budget, Lydia Tang

Real Estate Development Advisory Committee – Established March 13, 2003

Howard Polivy (Chair), David Kraut, Ben Fhala

Operations Advisory Committee – Established July 13, 2000

Fay Christian (Chair), David Kraut, Howard Polivy, Michal Melamed

Governance Committee – Established September 8, 2005

David Kraut



**Roosevelt Island
Operating Corporation**

KATHY HOCHUL

Governor

SHELTON J. HAYNES

President & CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR

Blake G. Washington, Director of BUDGET

Fay Christian

Conway Ekpo

Ben Fhala

David Kraut

Dr. Michal L. Melamed

Howard Polivy

Prof. Lydia W. Tang

**LIST OF BOARD MEETINGS
AND ATTANDANCE
FOR THE 2023 - 2024 FISCAL YEAR**

- 1) April 03, 2023
- 2) May 25, 2023
- 3) June 29, 2023
- 4) September 14, 2023
- 5) November 14, 2023
- 6) December 13, 2023
- 7) February 01, 2024

1)

**MINUTES OF THE APRIL 3, 2023 MEETING OF THE
ROOSEVELT ISLAND OPERATING CORPORATION BOARD OF DIRECTORS**

A meeting of the Board of Directors was held at the Cultural Center, 548 Main Street, Roosevelt Island, NY 10044 on April 3, 2023 at 5:30 p.m.¹

Directors Present:

Diana Lopez

Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Homes and Community Renewal

Erica Levendosky²

Representing Robert Megna, Director, State of New York Division of Budget – *Attended via Videoconference Pursuant to Public Officers Law § 103-a*

Fay Christian

Director

Conway Ekpo

Director

David Kraut

Director – *Attended via Videoconference Pursuant to Public Officers Law § 103-a*

Howard Polivy

Director

Officers and Staff Attending:

Shelton J. Haynes	President/Chief Executive Officer
Gretchen K. Robinson	Vice President/General Counsel
Kevin Brown	Director of Public Safety Department
Daeman Di Stefano	Acting CFO/Comptroller
Gerald Ellis	Deputy General Counsel
Matthew Kibby	Director of Horticulture and Grounds
Jeugee Perez	Assistant Director of Operations
Tajuna Sharpe	Assistant Vice President of Administration
Lada V. Stasko	Associate General Counsel

Others Attending:

Richard Famigletti	Arthur J. Gallagher (AIG), Area President
Xiao Li	Liu Shiming Foundation, Project Manager
Yimeng Sun	Liu Shiming Foundation, Project Manager
Jim Pignetti	Roosevelt Island Visual Arts Association (RIVAA), Vice President

¹ The public comment period preceded the Board meeting and was not a part of the Board meeting.

² Ms. Levendosky left the meeting immediately after the executive session.

Chair Designee Diana Lopez called the Board meeting to order at 5:42 p.m. The roll was called, and a quorum found to be assembled and present.

2)

MINUTES OF THE MAY 25, 2023 MEETING OF THE ROOSEVELT ISLAND OPERATING CORPORATION BOARD OF DIRECTORS

A meeting of the Board of Directors was held at the Good Shepherd Community Center, 543 Main Street, Roosevelt Island, NY 10044 on May 25, 2023 at 5:30 p.m.¹

Directors Present:

Diana Lopez	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Homes and Community Renewal
Erica Levendosky	Representing Robert Megna, Director, State of New York Division of Budget
Fay Christian	Director
Conway Ekpo	Director
David Kraut	Director – <i>Attended via Videoconference Pursuant to Public Officers Law § 103-a</i>
Howard Polivy	Director

Officers and Staff Attending:

Gretchen K. Robinson	Vice President/General Counsel
Mary C. Cunneen	Acting Chief Operating Officer
Kevin Brown	Director of Public Safety Department
Gerald Ellis	Deputy General Counsel
Isaiah Holman	Assistant Director, Youth Center
Ana Medina	Director, Youth Center
Lada V. Stasko	Associate General Counsel

Others Attending:
James Miskiewicz
Michael ShinozakiShareholder, Greenberg Traurig,
LLP Former RIOC's Board Member

¹ The public comment period preceded the Board meeting and was not a part of the Board meeting.

Chair Designee Diana Lopez called the Board meeting to order at 5:42 p.m. The roll was called, and a quorum found to be assembled and present.

3)

**MINUTES OF THE JUNE 29, 2023 MEETING OF THE
ROOSEVELT ISLAND OPERATING CORPORATION BOARD OF DIRECTORS**

A meeting of the Board of Directors was held at the Cultural Center Theater, 548 Main Street, Roosevelt Island, NY 10044 on June 29, 2023 at 5:30 p.m.¹

Directors Present:

Diana Lopez	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Homes and Community Renewal
Erica Levendosky	Representing Robert Megna, Director, State of New York Division of Budget
Fay Christian	Director
Ben Fhala	Director
David Kraut	Director – <i>Attended via Videoconference Pursuant to Public Officers Law § 103-a</i>
Michal L. Melamed	Director
Howard Polivy	Director
Lydia W. Tang	Director

Officers and Staff Attending:

Shelton J. Haynes	President/Chief Executive Officer ²
Gretchen K. Robinson	Vice President/General Counsel ³
Mary C. Cunneen	Acting Chief Operating Officer
Daeman Di Stefano	Assistant CFO/Comptroller
Kevin Brown	Director of Public Safety Department
Gerald Ellis	Deputy General Counsel
Lada V. Stasko	Associate General Counsel

Others Attending:

Lucille Songhai	Assistant Director of Government and Community Relations at MTA New York City Transit ("NYCT")
Katrina Batori	Liaison for Roosevelt Island, NYCT
Dionne Martin	Operations Management Team, NYCT

¹ The public comment period preceded the Board meeting and was not a part of the Board meeting.

² Mr. Haynes left after the vote on executive session.

³ Ms. Robinson left after the vote on executive session.

Ms. Gretchen Robinson, RIOC's Vice President/General Counsel, welcomed the new Board Members - Ben Fhala, Dr. Michal L. Melamed and Mrs. Lydia W. Tang to the Board of Directors.

4) MINUTES OF THE SEPTEMBER 14, 2023 MEETING OF THE
ROOSEVELT ISLAND OPERATING CORPORATION BOARD OF DIRECTORS

A meeting of the Board of Directors was held at the Cultural Center Theater, 548 Main Street, Roosevelt Island, NY 10044 on September 14, 2023 at 5:30 p.m.¹

Directors Present:

Diana Lopez	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Homes and Community Renewal
Erica Levendosky	Representing Blake G. Washington, Director, State of New York Division of Budget ²
Fay Christian	Director ³
Ben Fhala	Director
Michal L. Melamed	Director
Howard Polivy	Director
Lydia W. Tang	Director

Directors Absent:

David Kraut

Officers and Staff Attending:

Gretchen K. Robinson	Vice President/General Counsel ⁴
Kevin Brown	Chief/Director of Public Safety Department
Cyril Opperman	Director of Transportation Department
Gerald Ellis	Deputy General Counsel via videoconference
Lada V. Stasko	Associate General Counsel

Others Attending:

James Miskiewicz	Shareholder/Greenberg Traurig, LLP
Howard M. Miller	Member/Bond, Schoeneck & King, PLLC

¹ The public comment period preceded the Board meeting and was not a part of the Board meeting.

² Ms. Levendosky left after the executive session.

³ Ms. Christian left after the executive session.

⁴ Ms. Robinson was not present during the executive session.

Ms. Gretchen Robinson, RIOC's Vice President/General Counsel called the Board meeting to order at 5:53 p.m. The roll was called, and a quorum found to be assembled and present.

5)

**MINUTES OF THE NOVEMBER 14, 2023, MEETING OF THE
ROOSEVELT ISLAND OPERATING CORPORATION BOARD OF DIRECTORS**

A meeting of the Board of Directors was held at the Cultural Center Theater, 548 Main Street, Roosevelt Island, NY 10044 on November 14, 2023, at 5:30 p.m.¹

Directors Present:

RuthAnne Visnauskas	RIOC Chair and Commissioner, New York State Homes and Community Renewal
Meghan Anderson	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Homes and Community Renewal
Erica Levendosky ²	Representing Blake Washington, Director, State of New York Division of Budget
Ben Phala	Director
David Kraut	Director, <i>Attended via Videoconference Pursuant to Public Officers Law § 103-a</i>
Michal L. Melamed	Director
Howard Polivy	Director
Lydia W. Tang	Director

Directors Absent:

Fay Christian

Officers and Staff Attending:

Shelton J. Haynes	President/Chief Executive Officer
Gretchen K. Robinson	Vice President/General Counsel
Dhruvika Patel Amin	Incoming Vice President/Chief Financial Officer
Mary C. Cunneen	Acting Chief Operating Officer
Kevin Brown	Chief/Director of Public Safety Department
Mehdi Omrani	Assistant Director/Facilities
Gerald Ellis	Deputy General Counsel
Tajuna L. Sharpe	Assistant Vice President/Administration
Lada V. Stasko	Associate General Counsel

Others Attending:

Armando Cordova	Manager of the Tram/Pomagalski (“Leitner-POMA” or “POMA”)
Mark J. Swanson	Senior Associate, the Liro Group/Owner’s Representative
Amy R. Ottaviano, Esq. ³	General Counsel/Division of the Budget

¹ The public comment period preceded the Board meeting and was not a part of the Board meeting.

² Ms. Levendosky left the meeting at 8:30p.m. during the executive session.

³ Ms. Ottaviano left the meeting at 8:30p.m. during the executive session.

Ms. Meghan Anderson, Chair’s Designee, called the Board meeting to order at 5:53 p.m. The roll was called, and a quorum found to be assembled and present.

6)

**MINUTES OF THE DECEMBER 13, 2023 MEETING OF THE
ROOSEVELT ISLAND OPERATING CORPORATION BOARD OF DIRECTORS**

A meeting of the Board of Directors was held at the Good Shepherd Community Center, 543 Main Street, Roosevelt Island, NY 10044 on December 13, 2023 at 5:30 p.m.¹

Directors Present:

Meghan Anderson	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Homes and Community Renewal
Erica Levendosky	Representing Blake Washington, Director, State of New York Division of Budget ²
Fay Christian	Director
Ben Fhala	Director
David Kraut	Director, <i>Attended via Videoconference Pursuant to Public Officers Law § 103-a</i>
Dr. Michal L. Melamed	Director
Howard Polivy	Director
Prof. Lydia W. Tang	Director

Officers and Staff Attending:

Shelton J. Haynes	President/Chief Executive Officer
Gretchen K. Robinson	Vice President/General Counsel
Dhruvika Patel Amin	Vice President/Chief Financial Officer
Mary C. Cunneen	Acting Chief Operating Officer
Kevin Brown	Chief/Director of Public Safety Department
Gerald Ellis	Deputy General Counsel
Lada V. Stasko	Associate General Counsel

¹ The public comment period preceded the Board meeting and was not a part of the Board meeting.

² Ms. Levendosky left the meeting before the President's report.

Ms. Meghan Anderson, Chair's Designee, called the Board meeting to order at 5:41 p.m. The roll was called, and a quorum found to be assembled and present.

7)

**MINUTES OF THE FEBRUARY 1, 2024, MEETING OF THE
ROOSEVELT ISLAND OPERATING CORPORATION BOARD OF DIRECTORS**

A meeting of the Board of Directors was held at the Good Shepherd Community Center, 543 Main Street, Roosevelt Island, NY 10044 on February 1, 2024, at 5:30 p.m.¹

Directors Present:

RuthAnne Visnauskas	RIOC Chair and Commissioner, New York State Homes and Community Renewal
Meghan Anderson	Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, New York State Homes and Community Renewal
Morris Peters	Representing Blake Washington, Director, State of New York Division of Budget
Fay Christian	Director
Ben Phala	Director
David Kraut	Director, <i>Attended via Videoconference Pursuant to Public Officers Law § 103-a</i>
Michal L. Melamed	Director
Howard Polivy	Director
Lydia W. Tang	Director

Officers and Staff Attending:

Dhruvika Patel Amin	Vice President/Chief Financial Officer
Gerald Ellis	Assistant Vice President/Deputy General Counsel
Kevin Brown	Chief/Director of Public Safety Department
Mary C. Cunneen	Acting Chief Operating Officer
Bryant Daniels	Director of Communications
Cyril Opperman	Director of Transportation
Lada V. Stasko	Associate General Counsel

Others Attending:

Carmine Fiore	Regional Sales Manager, New Flyer of America, Inc.
Craig J. Johnson, P.E.	Director, Hardesty & Hanover
Joe Marino	Retired RIOC's Bus Mechanic
Margaux Reidy	Assistant Project Manager, LiRo-Hill/Owner's Representative
Mark J. Swanson	Senior Associate, LiRo-Hill/Owner's Representative

¹ The public comment period preceded the Board meeting and was not a part of the Board meeting.

Ms. Meghan Anderson, Chair's Designee, called the Board meeting to order at 5:52 p.m. The roll was called, and a quorum found to be assembled and present.

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

BY-LAWS
OF
ROOSEVELT ISLAND OPERATING CORPORATION

ARTICLE ITHE 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 Chapter 899 of the Laws of 1984, as amended (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, State of New York. The Corporation may also have offices at such other place or places within the State of New York as it may from time to time designate by resolution of its Board of Directors.

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 Corporation.

ARTICLE IIDIRECTORS

Section 1. Number. The business and affairs of the Corporation shall be managed by a Board of nine (9) directors that shall exercise all of the powers of the Corporation. 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.

Section 2. Chairperson. The Commissioner of Housing and Community Renewal (the "Commissioner") shall be the Chairperson of the Board of Directors.

Section 3. Terms of Office. The selection of members of the Board of Directors and their tenures shall be as set forth in Section 3.2 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 Section 8 of the Act, the State shall indemnify and hold harmless the officers and directors of the Corporation from all liability as a result of their performance or non-performance of their duties with respect to the development, management or operation of Roosevelt Island.

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

Section 7. Removal. Any member of the Board of Directors may be removed by the Governor for cause, after opportunity to be heard upon not less than 10 days notice.

ARTICLE III

MEETINGS

Section 1. Meetings. Meetings of the directors may be called by the Chairperson or upon request of three (3) 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 meeting shall fix the time for the holding of the meeting. All meetings shall be at the office of the

Corporation or at such other place as the Board or the Chairperson may designate.

Section 2. Notice. Written notice of the time, place and purpose of any meeting of the directors shall be delivered to each director by the Secretary, if personally or by telefacsimile at least seventy-two hours prior thereto or if by mail at least ten days prior thereto. Written notices of all directors' meetings shall be delivered to the elected public officials who represent Roosevelt Island, as representatives to the board of directors, not less than two days prior thereto if delivered personally or five days prior thereto if delivered by mail. Failure to give notice to public officials shall not affect the validity of any action taken at a meeting. Any notices mailed hereunder shall be deemed to have been given when deposited in the United States mail addressed to the director, or representative, at his or her address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 3. Quorum and Voting. A majority of the members of the Board then in office shall constitute a quorum; provided that if less than a majority of the directors is present at any meeting, the directors present may adjourn the meeting; and provided further that the Secretary shall notify any absent directors of the time and place of such adjourned meeting. Any action taken by the Board shall be taken by a majority vote of the directors then in office.

Section 4. Order of Business. At the regular meetings of the Corporation the following shall be the order of business.

1. Call to Order.
2. Roll Call.
3. Approval of the minutes of the previous meeting. A copy of the minutes of the previous meeting shall be sent to each director not later than ten business days in advance of the meeting at which the same are to be considered, and, if no corrections or amendments are made therein, shall be deemed approved.
4. Old Business.
5. New Business.

6. Adjournment.

Section 5. Resolutions to be in Writing. All proposed resolutions shall be presented in writing to the directors present and, upon adoption, each resolution shall be copied in or attached to the minutes of the meeting.

Section 6. Manner of Voting. Voting on all questions at meetings shall be by roll call, and the yeas and nays shall be entered upon the minutes of such meeting, except that the election of officers may be by majority vote without the necessity of recording the individual votes upon the minutes.

Section 7. Approval of Resolutions without Meeting. Resolutions, which the Chairperson desires to be considered by the directors without holding a meeting thereon may be delivered in person or mailed to the business or home address of each director, and upon the written approval of such resolutions by a majority of the directors then in office, and less than three members dissenting, the same shall become effective as if introduced and passed at a meeting of the directors duly called and held.

Section 8. Proxies. Only the Commissioner of the Division of Housing and Community Renewal and the Director of the Budget may designate an officer or employee of such director's respective division to represent such director at meetings of the Board. Such designation shall be by written notice, filed with the Chairperson and Secretary of the Corporation, and may be revoked at any time by similar notice. 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. However, the director making the designation may attend and vote at any meeting in place and stead of the designated representative.

Section 9. Waiver of Notice. Any director of the Board 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 if such director shall be present at such meeting. The attendance of a director or representative to the Board at any meeting shall constitute a waiver of notice of such meeting by such director except in case a director shall attend a meeting and, prior thereto or at the commencement thereof, protest the lack of notice to him or

her. Notice of an adjourned meeting need not be given to any director present at the time of adjournment.

ARTICLE IV

OFFICERS

Section 1. Appointment. The officers of the Corporation shall be the Chairperson as provided in the Act, the President and Chief Executive Officer, the Vice President, the Chief Fiscal Officer, the Secretary, the Assistant Secretary, and the Treasurer, and such other officers or deputies of officers as may be determined by the Board from time to time to perform such duties as may be designated by the Board. None of the officers of the Corporation need be members of the Board unless otherwise required by applicable law. A person who is otherwise qualified may hold more than one office.

Section 2. Election and Term of Office. Except as otherwise provided in the Act, the officers shall be elected by resolution at a regular meeting of the Board. Each officer shall hold office, unless removed, until his or her successor shall have been elected. Except as otherwise provided in the Act, a vacancy in any office shall be filled by the Board.

Section 3. Removal of Offices by Directors. Any officer elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Corporation will be served thereby.

Section 4. Chairperson. The Chairperson shall preside at the meetings of the Directors. In addition, the Chairperson shall take a lead in the Board's oversight role, which includes setting the Board's agenda, 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 5. President and Chief Executive Officer. The President and Chief Executive Officer:

- (a) shall be responsible for the discharge of the executive and administrative functions and powers of the Corporation, and shall supervise and control the business and affairs of the Corporation;
- (b) may 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) shall in general perform all duties incident to the office of President and Chief Executive Officer.

Section 6. Vice President. In the absence of the President and Chief Executive Officer or in the event of his or her inability or refusal to act, the Vice President:

- (a) shall perform the duties of the President and Chief Executive Officer;
- (b) the Vice President shall also perform such other duties as from time to time may be assigned to him or her by the Board.

Section 7. Secretary. The Secretary shall:

- (a) keep 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 Law;
- (c) be custodian of the records of the Corporation;
- (d) keep a register of the names and post office addresses of all members of the board of directors and all of the elected 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, and such other duties as from time to time may be assigned to her or him by the Board.

Section 8. Treasurer. The Treasurer shall, subject to the guidance and direction of the President and Chief Executive Officer:

- (a) have charge and custody of and be responsible for all funds and securities of the Corporation;
- (b) be responsible for the receipt of and the issuance of receipts for all monies due and payable to the Corporation and for the deposit of all such monies in the name of Corporation in such bank or banks, trust companies or other depositories, as shall be selected in accordance with the provisions of these By-Laws;
- (c) act as controller of the Corporation and shall be in charge of the books and accounts, the accounting procedures and financial operations of the Corporation, and
- (d) in general perform all the duties incident to the office of Treasurer, and such other duties as from time to time be assigned to her or him by the Board or President.

Section 9. Compensation. The powers, duties and compensation, if any, of officers and employees shall be fixed by the Board, subject to the provisions of applicable laws and these By-Laws. No Chairperson who is also the President and Chief Executive Officer shall participate in determining the level of compensation or reimbursement, or time and attendance rules for the position of the President and Chief Executive Officer.

ARTICLE VFINANCIAL 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 of Directors.

Section 2. Contracts. Except as otherwise provided in these By-Laws, the Board may authorize any officer or officers, agent or agents, 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, 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 resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer and countersigned by the President of the Corporation.

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 of Directors 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 of Directors 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 of Directors, 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 Section 18 of the Public Officers Law upon its directors, officers and employees and shall be held liable for the costs incurred under such provisions.

ARTICLE VIII

MISCELLANEOUS

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

Section 2. Standing and Advisory Committees. The Board of Directors shall, by resolution, establish a governance committee and an audit committee as standing committees, and by resolution, establish other standing and advisory committees. The purposes of these committees are to be specified in their adopting resolution. Standing and advisory committees shall serve at the pleasure of the Board of Directors. At least one member of the Board of Directors shall be appointed by the chairperson with the consent of the Board of Directors. Under no circumstances may the number of Directors serving on any standing or advisory committee be equal to the number of Directors needed for a quorum of a meeting of the Board of Directors then in office.

Section 3. Governance Committee. The governance committee shall be comprised of not less than three Directors who (1) are each independent, as such term is defined in Section 2825 of the Public Authorities Law; (2) shall constitute a majority on the committee; and (3) 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, provided that independent members must constitute a majority of the members of the governance committee. It shall be the responsibility of the governance committee to keep the Board of Directors 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.

Section 4. Audit Committee. The audit committee shall be comprised of not less than three Directors who (1) are each independent, as such term is defined in Section 2825 of the Public Authorities Law; (2) shall constitute a majority of such committee; and (3) 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, provided that independent members must constitute a majority of the members of the audit

committee. The committee shall recommend to the Board of Directors 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.

ARTICLE IX

AMENDMENTS TO BY-LAWS

The By-Laws may be altered, amended, or repealed by a majority of the directors then in office at any meeting, 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.

BYLAWS.10

The Roosevelt Island Operating Corporation (RIOC)
Proposed Capital Plan 2023/2024 (In Thousands)

Description	Type	Approved Budget	Projected Actual	Proposed Budget	Budgets 2024-2033									
Sports Fields/Parks		\$3,596	\$5,824	\$0	\$3,898	\$0	\$0	\$2,500	\$0	\$100	\$100	\$100	\$100	\$6,798
Blackwell Park - Phase II (Construction)	Construction				\$3,830									\$3,830
Blackwell Park - Phase II (Design)	Design		\$561		\$68									\$68
Lighthouse Park Parking enhancement	Construction									\$100	\$100	\$100	\$100	\$300
Octagon Sports field & Comfort station (Design)	Design		\$180											\$180
Pony Field Reconstruction	Construction							\$2,500						\$2,500
Sport Park renovation (Construction)	Construction	\$3,596	\$5,056											\$0
Sport Park renovation (Design)	Design		\$27											\$0
Miscellaneous Upgrades & Improvements - Reserve										\$0				\$0
Historic & Landmark Structures		\$0	\$1,662	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lighthouse Restoration (Construction)	Construction		\$1,567											\$0
Lighthouse Restoration (Design)	Design		\$6											\$0
Lighthouse - Park			\$89											\$0
Miscellaneous Upgrades & Improvements - Reserve														\$0
Infrastructure Improvements		\$2,704	\$1,178	\$5,465	\$4,929	\$10,280	\$13,555	\$4,200	\$0	\$200	\$200	\$200	\$200	\$39,229
Bike Ramp (Construction)	Construction	\$145				\$3,210	\$3,907							\$7,117
Bike Ramp (Design)	Design		\$81			\$70	\$70							\$140
Bike Lane (Construction)	Construction	\$409				\$2,400	\$5,070							\$7,470
Bike Lane (Design)	Design		\$276			\$160	\$118							\$278
Blackwell Playground			\$81											\$0
Island wide Main Street Trees & Sidewalks	Construction				\$350					\$100	\$100	\$100	\$100	\$750
Island wide data replacements	Construction				\$50									\$50
Island wide Road Improvements	Construction			\$240	\$240	\$240	\$240							\$960
Island wide Site Furnishings and Wayfinding	Construction				\$100	\$100	\$100							\$300
Island wide Security Improvements	Construction				\$100	\$50								\$150
Island wide Z Brick Replacement - Reserve										\$100	\$100	\$100	\$100	\$400
Main Street - Road Work			\$157											\$0
RIOC Elevator/ Escalator /Conveyance Capital Repairs (Design) - PH 1	Construction				\$200									\$200
Roadway Rehabilitation (Design)	Design			\$690	\$244									\$934
Roadway Rehabilitation (Construction)	Construction					\$4,000	\$4,000							\$8,000
Seawall - Islandwide Reserve										\$0				\$0
Southpoint Open Space Park - Seawall (Design)	Design		\$28											\$0
Sewer Upgrades - Reserve										\$0				\$0
Site Amenities - Benches, Waste Receptacles - Res.										\$0				\$0
Steam Tunnel Construction	Construction			\$4,255	\$3,935									\$8,190
Steam Tunnel Design	Design	\$1,150	\$526	\$80	\$10									\$90
Utilities Infrastructure Improvements - Reserve	Construction									\$0				\$0
West Drive Re-Paving	Construction													\$0
West Promenade Enhancements	Construction						\$4,200							\$4,200
Miscellaneous Repairs				\$28										\$0

The Roosevelt Island Operating Corporation (RIOC)
Proposed Capital Plan 2023/2024 (In Thousands)

Description	Type	2023	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
		Approved Budget	Projected Actual	Proposed Budget	Budgets 2024-2033									
Facilities & Offices		\$0	(\$3)	\$0	\$1,060	\$60	\$60	\$0	\$0	\$0	\$0	\$0	\$0	\$1,180
AVAC Mechanical/Piping	Construction				\$60	\$60	\$60							\$180
Motorgate Plaza & Atrium Design	Design													\$0
Motorgate Plaza & Atrium	Construction				\$1,000									\$1,000
Motorgate Restoration/Waterproofing	Construction													\$0
Motorgate Complex	Design			-\$3										\$0
Miscellaneous Facilities & Offices - Reserve	Construction													\$0
Equipment & Vehicles		\$515	\$132	\$350	\$825	\$880	\$960	\$105	\$105	\$955	\$105	\$105	\$955	\$5,345
IT - CPU & Monitor (Workstations)	Equipment	\$15		\$15	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$105
IT - Disaster Recovery (on/offsite data storage)	Equipment	\$45			\$20	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$140
IT - Firewall (Sonicwall & Implementation Prof Services)	Equipment	\$15		\$15	\$10	\$15	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$110
IT - Security (access control - Camera)	Equipment	\$60		\$150	\$15	\$10	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$210
IT - Security (access control - swipe cards)	Equipment	\$15		\$15	\$10	\$15	\$10	\$5	\$5	\$5	\$5	\$5	\$5	\$80
IT - Servers Infrastructure	Equipment	\$75	\$77	\$75	\$15	\$25	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$220
IT - Software Upgrades	Equipment	\$30		\$25	\$10	\$15	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$120
IT - Storage System (Hardware)	Equipment	\$30		\$25	\$10		\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$105
IT - Upgrade of Network Switches & Hubs	Equipment	\$50			\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$90
IT - Wireless Access Point	Equipment	\$5		\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$50
P.S. - Misc. Equipment	Equipment	\$25	\$55	\$25	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$115
Vehicle	Vehicle	\$50			\$700	\$750	\$850				\$850			\$850
Misc. Reserve														\$0
Lighting & Signage		\$0	\$14	\$0										
Signage & Traffic Analysis (Construction)	Construction													\$0
Signage & Traffic Analysis (Design)	Design													\$0
Main Street Lighting				\$14										\$0
Tram		\$0	\$943	\$0	\$500	\$205	\$500	\$500	\$205	\$0	\$0	\$0	\$0	\$1,910
Tram Elevator Manhattan (Construction)	Construction			\$863										\$0
Tram Elevator Manhattan (Design)	Design			\$80										\$0
Tram Plaza - Roosevelt Island	Construction				\$500	\$205	\$500	\$500	\$205					\$1,910
Tram - Capital Reserve														\$0
Miscellaneous		\$1,000	\$0	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000
Reserve														\$0
Owner's Representative	Construction	\$1,000		\$1,000	\$1,000	\$1,000	\$1,000							\$4,000
Contingency	Construction													\$0
TOTAL CAPITAL IMPROVEMENTS		\$7,815	\$9,750	\$6,815	\$12,212	\$12,425	\$16,075	\$7,305	\$310	\$1,255	\$405	\$405	\$1,255	\$58,462

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

Other Supplementary Information

Budget Variance Report

Year ended March 31, 2024

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Favorable (Unfavorable)</u>
	<u>Percent</u>			
Revenue:				
Residential fees	\$ 3,188,642	\$ 2,883,486	305,156	11%
Ground rent	9,424,096	9,284,875	139,221	1%
Commercial rent	1,341,486	1,170,353	171,133	15%
Tramway revenue	6,273,357	4,175,592	2,097,765	50%
Public safety reimbursement	2,442,219	2,369,296	72,923	3%
Transport/parking revenue	2,560,283	2,496,153	64,130	3%
Interest income	9,963,051	9,504,296	458,755	5%
Other revenue	1,315,923	650,327	665,596	102%
Total revenue	36,509,057	32,534,378	3,974,679	12%
Expenses:				
Personal services (PS) :				
Salaries	10,071,554	9,516,253	(555,301)	(6%)
Salaries OT	453,838	362,927	(90,911)	(25%)
Temporary employees	324,163	197,846	(126,317)	(64%)
Workers compensation and disability	286,376	222,674	(63,702)	(29%)
ER payroll taxes	961,081	870,682	(90,399)	(10%)
Health insurance	2,556,217	2,490,201	(66,016)	(3%)
Dental/vision	67,660	72,611	4,951	7%
Pension	1,078,733	246,350	(832,383)	(338%)
Other employee benefits	3,187,436	1,644,172	(1,543,264)	(94%)
Compensated absences expenses	(197,485)	(24,757)	172,728	(100%)
Total personal services (PS)	18,789,573	15,598,959	(3,190,614)	(20%)
Other than personal services (OTPS) :				
Insurance	4,265,221	3,565,098	(700,123)	(20%)
Professional services	2,575,577	1,556,476	(1,019,101)	(65%)
Marketing/advertising	86,005	111,797	25,792	23%
Management fees	6,398,801	6,099,993	(298,808)	(5%)
Legal services	1,322,299	764,381	(557,918)	(73%)
Telecommunications	258,413	214,470	(43,943)	(20%)
Island improvements - capital plan	588,751	600,005	11,254	2%
Repairs and maintenance	382,608	424,843	42,235	10%
Repairs and maintenance equipment	70,850	86,869	16,019	18%
Other repairs and maintenance	231,977	142,592	(89,385)	(63%)

(Continued)

ROOSEVELT ISLAND OPERATING CORPORATION

(A Component Unit of the State of New York)

Other Supplementary Information

Budget Variance Report, Continued

				Favorable (Unfavorable)
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percent</u>
Expenses, Continued:				
Other than personal services (OTPS), continued:				
Vehicles gas	\$ 152,154	199,721	47,567	24%
Vehicles repair and maintenance	77,798	150,973	73,175	48%
Vehicles parts	34,519	54,766	20,247	37%
Equipment lease	81,979	40,478	(41,501)	(103%)
Office equipment purchase	16,946	6,844	(10,102)	(148%)
Equipment purchases	65,680	68,827	3,147	5%
Other equipment purchases	20,272	36,992	16,720	45%
Exterminator	17,535	6,765	(10,770)	(159%)
Uniforms	81,869	85,775	3,906	5%
Light, power, heat	691,098	812,498	121,400	15%
Water and sewer	41,669	13,460	(28,209)	(210%)
Office supplies	45,652	19,762	(25,890)	(131%)
Parts and supplies	334,771	280,756	(54,015)	(19%)
Service maintenance agreement	88,004	88,671	667	1%
Employee travel and meal	1,187	1,581	394	25%
Employee training	59,207	121,218	62,011	51%
Shipping	16,958	12,274	(4,684)	(38%)
Subscriptions/membership	52,807	37,844	(14,963)	(40%)
Other expenses	235,189	197,428	(37,761)	(19%)
Island events - community relations	237,517	199,495	(38,022)	(19%)
Total other than personal services (OTPS)	18,533,313	16,002,652	(2,530,661)	(16%)
Total expenses	37,322,886	31,601,611	(5,721,275)	(18%)
Operating income before depreciation	(813,829)	932,767	(1,746,596)	(187%)
Depreciation expense	8,376,452	8,149,570	226,882	3%
Net deficit	\$ 9,190,281	7,216,803	(1,973,478)	(27%)

* Vendor Name	Transaction Number	* Procurement Description	* Status	* Type of Procurement	* Award Process	Award Date	Begin Date	Renewal Date	Does the contract have an end date?	End Date	Amount	* Amount Expended for Fiscal Year	Amount Expended for Life To Date	Current or Outstanding Balance	Number of Bills Received/Paid	Is the Vendor a NY's or Foreign Entity	Is the Vendor a Minority or Woman-Owned	Were NY's or Foreign Entity selected for this purchase?	Number of bids received from NY's or proposed entities required for this purchase	Exempt from the requirements for yes, basis for exemption	Fair Market Value	Explain why the fair market	* Address Line 1	Address Line 2	* City	State	* Postal Code	* Province/Region	* County	Country Name if *Other*	
A.F.I. GLASS & ARCHITECTURAL METAL, INC.	38418	Replace existing glass in corridor 153 at Sportspark with fire rated glass.	Completed	Commodities/Supplies	Authority Contract - Competitive Bid	04/14/2023	04/14/2023		Y	04/15/2024	\$22,883.00	\$22,883.00	\$22,883.00	0	1	NYS	Y	Y	<\$500.00	161 Smith Street	POUGHKEEPSIE	NY	12801	USA							
A.F.I. GLASS & ARCHITECTURAL METAL, INC.	38419	Installation of mirrors at the multipurpose room at Sportspark second floor.	Completed	Commodities/Supplies	Authority Contract - Competitive Bid	04/14/2023	04/14/2023		Y	04/15/2024	\$29,599.00	\$29,599.00	\$29,599.00	0	1	NYS	Y	Y	<\$500.00	161 Smith Street	POUGHKEEPSIE	NY	12801	USA							
ABEL BANNINSON BUTZ, LLP	346971834697	LANDSCAPE DESIGN FOR OCTAGON FIELD	Open	Design and Construction/Maintenance	Authority Contract - Competitive Bid	06/01/2018	06/01/2018		Y	05/31/2019	\$34,460.73	150,000.00	3	NYS	N	N	0	N			808 AVENUE	NEW YORK		10011	USA						
ABM SYSTEMS INC.		Repair labor and materials	Completed	Design and Construction/Maintenance	Non Contract Procurement/Purchase Order																	54 CHERRY LANE	FLORAL PARK		11001	USA					
ACQUISITION OF A RASPBERRY HILL CO.	52417	GENERAL CONTRACTOR FOR AERONAUTICAL SERVICES	Completed	Other Professional Services	Authority Contract - Competitive Bid	05/23/2010	05/23/2010		Y	05/24/2024	\$1,220,308.10	\$1,220,308.10	\$1,220,308.10	0	1	Foreign	N	N	0	Y	Continuation of 1,220,308.10	1200 WEST 35TH STREET	NEW YORK		10001	USA					
ADMIRAL ELEVATOR CORP	37955	Admiral Elevator Preventive Maintenance Renewal	Open	Other Professional Services	Authority Contract - Non-Competitive Bid	09/29/2023	09/29/2023		Y	05/24/2024	\$44,720.00	\$44,720.00	\$44,720.00	0	1	Foreign	N	N	0	Y	<\$500.00	44,720.00	260 WEST 35TH STREET	NEW YORK		10001	USA				
ADMIRAL ELEVATOR CORP	38282	Floor and Saddles Replacement - Sports Park Elevator	Completed	Design and Construction/Maintenance	Authority Contract - Non-Competitive Bid	01/06/2023	01/06/2023		Y	04/30/2024	\$13,926.00	\$13,926.00	\$13,926.00	0	1	Foreign	N	N	0	Y	<\$500.00	13,926.00	260 WEST 35TH STREET	NEW YORK		10001	USA				
ADMIRAL ELEVATOR CORP	38402	Admiral Elevator Service - Yearly Extension 2023-2024	Open	Other Professional Services	Authority Contract - Non-Competitive Bid	04/07/2023	04/07/2023		Y	05/31/2024	\$27,020.00	\$24,680.00	\$24,680.00	0	1	Foreign	N	N	0	Y	<\$500.00	37,020.00	260 WEST 35TH STREET	NEW YORK		10001	USA				
ADMIRAL ELEVATOR CORP	38645	Motorgate Travelling Communication Cables for Elevators	Completed	Design and Construction/Maintenance	Authority Contract - Non-Competitive Bid	08/15/2023	08/15/2023		Y	08/15/2024	\$12,809.00	\$12,809.00	\$12,809.00	0	1	Foreign	N	N	0	Y	Continuation of E	\$12,809.00	260 WEST 35TH STREET	NEW YORK		10001	USA				
ADMIRAL ELEVATOR CORP	38671	DOB Mandated Yearly Elevator Tests Cat.1, CAT.5	Completed	Design and Construction/Maintenance	Authority Contract - Non-Competitive Bid	09/07/2023	09/07/2023		Y	09/07/2024	\$9,558.00	\$9,558.00	\$9,558.00	0	1	Foreign	N	N	0	Y	Continuation of E	9,558.00	260 WEST 35TH STREET	NEW YORK		10001	USA				
ADMIRAL ELEVATOR CORP	38711	Repairs to Elevators Inspection Reports 2023 RESUBMITTED 10/10.	Completed	Design and Construction/Maintenance	Authority Contract - Non-Competitive Bid	10/10/2023	10/10/2023		Y	10/31/2023	\$8,573.00	\$8,573.00	\$8,573.00	0	1	Foreign	N	N	0	Y	<\$500.00	8,573.00	260 WEST 35TH STREET	NEW YORK		10001	USA				
ADMIRAL ELEVATOR CORP	38747	Check Elevator 1P37167 Hydraulic System Station, ROCL GL CODE: 03-1902-0000 Chapel Elevator (1P37167) HYDRAULIC OIL TANK UNIT	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	11/09/2023	11/09/2023		Y	11/15/2024	\$19,388.00	\$19,388.00	\$19,388.00	0	1	Foreign	N	N	0	Y	<\$500.00	\$19,388.00	260 WEST 35TH STREET	NEW YORK		10001	USA				
ADMIRAL ELEVATOR CORP	38813	Check Elevator 1P37167 Hydraulic System PISTON and CYLINDER	Open	Commodities/Supplies	Authority Contract - Non-Competitive Bid	12/15/2023	12/15/2023		Y	02/09/2024	\$55,500.00	55,500.00	55,500.00	0	1	Foreign	N	N	0	Y	<\$500.00	55,500.00	260 WEST 35TH STREET	NEW YORK		10001	USA				
ADVENTURE5 INC/ADVERTISING CORP		Aggressive P.O. amount for uniform	Completed	Commodities/Supplies	Non Contract Procurement/Purchase Order																	5148 52ND STATION CENTER	CHICAGO	IL	60077	8001	USA				
AFL CONSTRUCTION CO INC	36318	BLACKWELL HOUSE FIRE ALARM SYSTEM	Open	Design and Construction/Maintenance	Authority Contract - Competitive Bid	05/22/2019	05/22/2019		Y	05/31/2024	\$61,125.50	\$67,915.00	\$61,125.50	2	NYS	Y	Y	1	N	0	Y	Continuation of	1,220,308.10	1200 WEST 35TH STREET	NEW YORK		10001	USA			
AIR & POWER TRANSMISSION INC	38841	AVAC Purchase Request 1/9/20	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	01/10/2020	01/10/2020		Y	06/30/2024	\$5,226.80	\$5,226.80	\$5,226.80	0	1	Foreign	N	N	0	Y	<\$500.00	\$5,226.80	81 GAZA BOULEVARD	FARMINGDALE	NY	11735	USA				
AIR & POWER TRANSMISSION INC	38842	Aggregate P.O amount for garage materials.	Completed	Commodities/Supplies	Non Contract Procurement/Purchase Order																	81 GAZA BOULEVARD	FARMINGDALE	NY	11735	USA					
ALL LOCK & GLASS SERVICES INC	38439	Installing push bars on sportspark Gym, Pool, and Studio	Completed	Commodities/Supplies	Authority Contract - Competitive Bid	05/02/2023	05/02/2023		Y	05/01/2024	\$12,800.00	\$12,800.00	\$12,800.00	0	3	Foreign	N	N	0	Y	<\$500.00	9-11 8TH AVENUE	LONG ISLAND CITY	NY	11101	USA					
ALTECH ELECTRIC INC	38240	AVAC-Relocation Testing/Programming	Completed	Commodities/Supplies	Purchased Under Contract																	9-11 8TH AVENUE	LONG ISLAND CITY	NY	11101	USA					
AMERICAN GLASS DOORS CORP	38927	Phone for Rolling Gate reports for AVAC to Gate 1	Completed	Design and Construction/Maintenance	Authority Contract - Competitive Bid	03/14/2024	03/14/2024		Y	12/23/2024	\$9,719.00	-	-	9,719	2	Foreign	N	N	0	Y	<\$500.00	8900 1 EAV HARBOR DR. SUITE 602	BAY HARBOR ISLANDS	FL	33154	USA					
ARENT FOX LLP	37756	For Professional Services Rendered Through July 31, 2021	Completed	Legal Services	Authority Contract - Competitive Bid	10/01/2021	10/01/2021		Y	11/08/2024	\$65,876.75	\$7,855.75	\$65,876.75	0	1	Foreign	N	N	3	N	0	Y	<\$500.00	177TH ST. STREET	NEW YORK		20006	5344	USA		
Ares Tactical & Emergency Management Solution LLC	38812	Peace Officer Training for 15 PSD Members.	Completed	Other Professional Services	Authority Contract - Non-Competitive Bid	12/15/2023	12/15/2023		Y	02/09/2024	\$5,500.00	-	-	5,500	0	1	Foreign	N	N	0	Y	<\$500.00	10 DEADERICK DRIVE	EAST NORWICH	NY	11732	USA				
ASH SECURITY INC	35743	ON-CALL SERVICES FOR BLACKWELL HOUSE FIRE ALARM SYSTEM	Open	Other Professional Services	Authority Contract - Competitive Bid	11/26/2018	11/26/2018		Y	03/31/2024	\$67,915.00	\$6,070.00	\$67,915.00	2,670	1	Foreign	N	N	0	Y	<\$500.00	8003 MYRALE AVENUE	GLENDALE	CA	91385	USA					
ATLANTIC ENGINEERING LABORATORIES OF NEW YORK INC	34690	MANHATTAN TRAM ELEVATOR INSPECTION PROJECT	Completed	Other Professional Services	Authority Contract - Competitive Bid	02/08/2018	02/08/2018		Y	03/31/2024	\$48,137.50	-	-	48,137.50	1	Foreign	N	N	0	Y	<\$500.00	21 RANDO AVENUE	AVENEL	NJ	7001	USA					
ATLANTIC ENGINEERING LABORATORIES OF NEW YORK INC	34691	REBUILT TRAM ELEVATOR - 100-101 RANDO PROJECT 3RD PARTY INSPECTION	Completed	Design and Construction/Maintenance	Authority Contract - Competitive Bid	02/23/2018	02/23/2018		Y	03/31/2024	\$6,000.00	\$6,000.00	\$6,000.00	0	1	Foreign	N	N	0	Y	<\$500.00	21 RANDO AVENUE	AVENEL	NJ	7001	USA					
ATLANTIC ENGINEERING LABORATORIES OF NEW YORK INC	35390	SPECIAL INSPECTIONS FOR BLACKWELL HOUSE INTERIOR RESTORATION PROJECT	Completed	Other Professional Services	Authority Contract - Competitive Bid	08/10/2018	08/10/2018		Y	03/31/2024	\$6,450.00	-	-	6,450.00	0	1	Foreign	N	N	0	Y	<\$500.00	21 RANDO AVENUE	AVENEL	NJ	7001	USA				
ATLANTIC SALT INC	37813	Realt Salt for Ground 2022-2																													

* Vendor Name	Transaction Number	* Procurement Description	* Status	* Type of Procurement	* Award Process	Award Date	Begin Date	Renewal Date	Does the contract have an end date?	End Date	Amount	* Amount Expended for Fiscal Year	Amount Expended for Life To Date	Current or Outstanding Balance	Number of Bills Received/Paid	Is the Vendor a NY's or Foreign Minority or Woman-Owned	Were NYSE firms selected as part of this	Number of bids or proposals received from	Exempt from bid requirements	If yes, basis for exemption	Fair Market Value	Explain why the fair market	* Address Line 1	Address Line 2	* City	State	* Postal Code	* Province/Region	* Country	Country Name if *Other*
GLOBAL EQUIPMENT CO. INC		Grounds recycling cans-base	Completed	Commodities/Supplies	Non Contract Procurement/Purchase Order					7/21/172						Foreign	N	N	Y	Continuation OF	\$14,430.00		29833 NETWORK PLACE		CHICAGO	IL	60673	1298	USA	
GLOBAL FUELING SYSTEMS INC.(Henrich)	33585	TANK TIGHTNESS TESTING	Completed	Other Professional Services	Authority Contract - Non-Competitive Bid	05/18/2017	05/18/2017			03/31/2019	\$14,430.00		14,430.00	0	0	NYS	N	N	0	Y	Continuation OF	\$14,430.00		42 FIELD STREET		WEST BABYLON	NY	11704		USA
GLOBAL FUELING SYSTEMS INC.(Henrich)	38454	Above ground diesel tank inspection, located in the trawmy station	Completed	Other Professional Services	Authority Contract - Non-Competitive Bid	05/04/2023	05/04/2023			03/03/2024	8,000.00		8,000.00	0	0	NYS	N	N	0	Y	Continuation OF	\$8,000.00		42 FIELD STREET		WEST BABYLON	NY	11704		USA
GLOBAL FUELING SYSTEMS INC.(Henrich)	38784	Repair of above ground diesel fuel tank. Replaced main diesel pipe that leads into the fuel tank.	Completed	Other Professional Services	Authority Contract - Non-Competitive Bid	11/21/2023	11/21/2023			12/31/2023	\$8,124.00		8,324.00	0	0	NYS	N	N	0	Y	Continuation OF	\$8,124.00		42 FIELD STREET		WEST BABYLON	NY	11704		USA
GLOBAL FUELING SYSTEMS INC.(Henrich)	38785	Repair EPA Commercial Testing	Completed	Other Professional Services	Non Contract Procurement/Purchase Order											Foreign	N	N	0	Y	Continuation OF	\$13,320.00		123 BROADWAY		WESBURY	NY	11704		USA
GLOBAL MONTELLO GROUP CORP	37454	Gasoline Contract Group 056000 Award 23215	Open	Commodities/Supplies	Authority Contract - Non-Competitive Bid	04/09/2021	04/09/2021			06/08/2021	\$150,000.00		108,161.22	41838.78	0	Foreign	N	N	0	N		\$150,000.00		800 SOUTH STREET		WALTHAM	MA	2453		USA
GRANGER	38722	Maintenance Request Part#8, fuses, stencil, and connectors. Item: Fuse: 60 A Price:\$17.46 Each X 10=\$174.60	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	10/16/2023	10/16/2023			01/16/2024	\$8,235.46		8,000.86	174.6	0	Foreign	N	N	0	Y	DGS VENDOR	\$8,235.46		DEPT. 876988486		PALATINE	IL	60038	0001	USA
GRANGER	38763	Maintenance Air Filter Restock 11/2/23.	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	11/06/2023	11/06/2023			12/31/2023	\$6,252.34		6,252.34	0	0	Foreign	N	N	0	Y	DGS VENDOR	\$6,252.34		DEPT. 876988486		PALATINE	IL	60038	0001	USA
GRANGER	38834	Keepsafe Order 1/5/24.	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	01/08/2024	01/08/2024			06/30/2024	\$5,678.82		5,678.82	0	0	Foreign	N	N	0	Y	DGS VENDOR	\$5,678.82		DEPT. 876988486		PALATINE	IL	60038	0001	USA
GRANGE	38791	OGG Stock of standard parts	Completed	Commodities/Supplies	Non Contract Procurement/Purchase Order											Foreign	N	N	0	Y	Continuation OF	\$23,996.00		8400 BROADWAY		WESBURY	NY	11704		USA
GREENBERG TRAURIG, LLP	36029	Legal Services	Completed	Legal Services	Authority Contract - Non-Competitive Bid	09/10/2023	09/10/2023			04/01/2023	\$23,996.00		23,996.00	0	0	Foreign	N	N	0	Y	Continuation OF	\$23,996.00		8400 BROADWAY		WESBURY	NY	11704		USA
GREENBERG TRAURIG, LLP/GT	38599	Greenberg Traurig invoice #1000347190 dated 6/9/23	Completed	Legal Services	Authority Contract - Non-Competitive Bid	07/17/2023	07/17/2023			07/17/2024	\$187,460.00		187,460.00	0	0	Foreign	N	N	0	Y	Source	\$187,460.00		8400 NW 36TH ST.		DORAL	FL	33166		USA
GREENBERG TRAURIG, LLP/GT	38609	Greenberg Traurig No. 1000362531 - Services from June 20, 2023	Completed	Legal Services	Authority Contract - Non-Competitive Bid	07/20/2023	07/20/2023			07/23/2023	\$22,038.65		22,038.65	0	0	Foreign	N	N	0	Y	Source	\$22,038.65		8400 NW 36TH ST.		DORAL	FL	33166		USA
GRIDUM, INC.	38818	Gridum - Tikkil Annual Renewal 2023. Gridum Workflow - Long Term Subscription for 32 users @ \$32/user per month for service dates January 16, 2023	Completed	Technology - Software	Authority Contract - Non-Competitive Bid	12/20/2023	01/16/2024			01/15/2025	\$12,288.00		12,288.00	0	0	Foreign	N	N	0	Y	Source	\$12,288.00		405 EL CAMINO REAL #301		MENLO PARK	CA	94025	5240	USA
GRIM INFORMATION MANAGEMENT SERVICES INC	37665	GRIM File Storage services	Open	Commodities/Supplies	Authority Contract - Competitive Bid	06/11/2023	06/11/2023			06/10/2023	\$1,425.00		408.02	16,007.05	3417.95	1	Foreign	N	N	3	Y	<\$500.00		215 COLES ST		JERSEY CITY	NJ	7310		USA
GRIM INFORMATION MANAGEMENT SERVICES INC	37902	File and Virtual Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37903	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37904	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37905	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37906	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37907	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37908	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37909	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37910	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37911	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37912	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215 COLES ST		JERSEY CITY	NJ	7310		USA	
GRIM INFORMATION MANAGEMENT SERVICES INC	37913	GRIM Physical File Storage	Open	Commodities/Supplies	Authority Contract - Competitive Bid	02/22/2023	02/22/2023			02/22/2023	\$88,000.00		87,826.26	81175.74	3	Foreign	N	N	0	N			215							

* Vendor Name	Transaction Number	* Procurement Description	* Status	* Type of Procurement	* Award Process	Award Date	Begin Date	Renewal Date	Does the contract have an end date?	End Date	Amount	* Amount Expended For Fiscal Year	Amount Expended For Life To Date	Current or Outstanding Balance	Is the Vendor a Minority or Woman-Owned?	Is the Vendor a NYS or Foreign Business	Were NYS or Proprietary Received Prior to this	Number of bids or proposals received from	Exempt from the publication requirements of	If yes, basis for exemption	Fair Market Value	Explain why the fair market	* Address Line 1	Address Line 2	* City	State	* Postal Code	* Province/Region	* County	Country Name if Other*
THE NORTH CAROLINA GRANITE CORPORATION	35344	HOPE MEMORIAL SCULPTURE PROJECT	Completed	Other Professional Services	Authority Contract - Non-Competitive Bid	07/24/2018	07/24/2018		Y	09/31/2020	\$188,616.72	188,616.72	0	0	Foreign	N	0	Y	Scal Source	\$188,616.72	151 GRANITE QUARRY TRAIL	MOUNT AIRY	NC	27030						
THOMAS A. FENNIMAN ARCHITECT	35001	LOG HOME RESTORATION DESIGN/CONSULTANT SERVICE - CONSTRUCTION DOCUMENTS + CONSTRUCTION ADMINISTRA	Completed	Design and Construction/Maintenance	Authority Contract - Non-Competitive Bid	01/15/2018	01/15/2018		Y	09/31/2021	\$101,353.80	101,353.80	0	0	NYS	N	0	Y	Scal Source	\$101,353.80	101 UNION SQUARE WEST, STE 501	NEW YORK	NY	10003			USA			
TOEY, INC.	35002	Point of Sale System and Retail (1) Stainless Steel bracket system to prevent D.E. filter grid assemblies to become buoyant.	Completed	Design and Construction/Maintenance	Authority Contract - Non-Competitive Bid	07/26/2020	07/26/2020		Y	09/30/2020	\$6,000.00	5,000.00	0	2	Foreign	N	0	Y	<\$50,000	PO BOX 100711	1000 BROADWAY	NEW YORK	NY	10001			USA			
TOMEX ELECTRONICS, INC.	38408	Island Wide Camera Lamp Post Wireless Extension	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	04/13/2023	04/13/2023		Y	09/12/2024	\$6,206.72	6,206.72	0	0	NYS	Y	1	Y	DGS VENDOR	\$6,206.72	22-62 45th Street	ASTORIA	NY	11105			USA			
TOMEX ELECTRONICS, INC.	38474	Island Wide Camera - Generic Upgrade	Open	Commodities/Supplies	Authority Contract - Non-Competitive Bid	05/15/2023	05/15/2023		Y	12/31/2024	\$66,027.24	54,444.24	11583	0	NYS	Y	1	Y	DGS VENDOR	\$66,027.24	22-62 45th Street	ASTORIA	NY	11105			USA			
TRANSIT HOLDINGS, INC.	38091	Brake Repairment Parts (New Flyer/Orion Buses)	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	07/15/2022	07/15/2022		Y	09/15/2022	\$20,113.00	20,113.00	0	0	Foreign	N	0	Y	<\$50,000	\$20,113.00	3229 5TH AVENUE PARKWAY	DELaware	DE	43915			USA			
TRANSITIONS Lab Consultants, Inc	38531	Return Authorization for Lab Samples - 80 Day	Completed	Other Professional Services	Authority Contract - Non-Competitive Bid	06/06/2023	06/06/2023		Y	08/05/2024	\$16,800.00	16,800.00	0	0	Foreign	N	0	Y	<\$50,000	\$16,800.00	80 BRENTHWOOD DRIVE	ALBION	NY	10501			USA			
TRUS INC	38503	Parts and Services related to street sweeper truck	Completed	Commodities/Supplies	Non Contract Procurement/Purchase Order																		458 JOHNSON AVE	PO BOX 158	BOHÈME	NY	11718			USA
UNITED RENTALS (NORTH AMERICA) INC.	37905	Temporary fence Rental for the Light House Lot	Open	Commodities/Supplies	Authority Contract - Non-Competitive Bid	11/17/2021	11/17/2021		Y	01/16/2022	\$9,690.00	7,530.00	2160	0	Foreign	N	0	Y	DGS VENDOR	\$9,690.00	PO BOX 100711	ATLANTA	GA	30384			USA			
UNITED RENTALS (NORTH AMERICA) INC.	38398	Humidifier Rental 1 Month	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	04/04/2023	04/04/2023		Y	04/03/2024	\$6,395.86	6,395.86	0	0	Foreign	N	0	Y	DGS VENDOR	\$6,395.86	PO BOX 100711	ATLANTA	GA	30384			USA			
UNITED RENTALS (NORTH AMERICA) INC.	38500	Humidifier Rental 1 Month	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	05/01/2023	05/01/2023		Y	05/01/2024	\$7,000.00	7,000.00	0	0	Foreign	N	0	Y	DGS VENDOR	\$7,000.00	PO BOX 100711	ATLANTA	GA	30384			USA			
UNITED RENTALS (NORTH AMERICA) INC.	38577	PORTABLE RESTROOM Rental for the July 4th Event	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	06/20/2023	06/20/2023		Y	12/31/2023	\$5,685.00	5,685.00	0	0	Foreign	N	0	Y	DGS VENDOR	\$5,685.00	PO BOX 100711	ATLANTA	GA	30384			USA			
UNITED RENTALS (NORTH AMERICA) INC.	38683	Bucket Van Rental - 1 month	Completed	Commodities/Supplies	Authority Contract - Non-Competitive Bid	09/13/2023	09/13/2023		Y	12/31/2023	\$7,835.64	7,835.64	0	0	Foreign	N	0	Y	DGS VENDOR	\$7,835.64	PO BOX 100711	ATLANTA	GA	30384	0711		USA			
UNITED RENTALS (NORTH AMERICA) INC.	38895	Forklift Repairs for Service & Diagnostic Cost from United Rentals.	Open	Design and Construction/Maintenance	Authority Contract - Non-Competitive Bid	02/22/2024	02/22/2024		Y	12/31/2023	\$6,271.93	-	6271.93	0	Foreign	N	0	Y	DGS VENDOR	\$6,271.93	PO BOX 100711	ATLANTA	GA	30384	0711		USA			
UNITED RENTALS (NORTH AMERICA) INC.	38901	Large equipment rental for events Q3 2023	Completed	Other Professional Services	Non Contract Procurement/Purchase Order																		PO BOX 100711	ATLANTA	GA	30384	0711		USA	
UNITY CREATIVES LTD	37787	Planning Area Floor Maintenance - Birchwell House	Open	Design and Construction/Maintenance	Authority Contract - Non-Competitive Bid	11/03/2021	11/03/2021		Y	01/02/2022	\$63,190.57	3,190.57	63,199.57	3	NYS	N	0	N	Scal Source	\$63,190.57	2000 4TH ST NW	PO BOX 9	SAVANNAH	31410			USA			
VACO LLC	37874	Temp IT staff for 4 Months	Completed	Other Professional Services	Authority Contract - Non-Competitive Bid	01/26/2022	01/26/2022		Y	06/26/2022	\$225,124.19	126,994.19	205,124.19	0	3	Foreign	N	0	N	Scal Source	\$225,124.19	PO BOX 100711	BRENTWOOD	TN	37024			USA		
VACO LLC	38873	Staff Accountant - 4 Month initial temp term. Vaco is a staffing agency that specializes in various fields, like Admin, HR, Finance, IT, Communications	Open	Staffing Services	Authority Contract - Non-Competitive Bid	02/06/2024	02/06/2024		Y	09/15/2020	\$31,920.00	10,032.00	21888	0	Foreign	N	0	Y	PREFERRED SOURCE	\$31,920.00	P.O. BOX 687	BRENTWOOD	TN	37024			USA			
VACO LLC	38874	Senior Staff Accountant - 4 Month initial temp term. Vaco is a staffing agency that specializes in various fields, like Admin, HR, Finance, IT, Communications	Open	Staffing Services	Authority Contract - Non-Competitive Bid	02/06/2024	02/06/2024		Y	09/15/2024	\$39,580.00	16,459.52	23320.48	0	Foreign	N	0	Y	PREFERRED SOURCE	\$39,580.00	P.O. BOX 687	BRENTWOOD	TN	37024			USA			
VANDERK LAW FIRM, P.C.	38500	Initial payment of \$100,000.00 to be paid to Plaintiff's Counsel.	Completed	Other Professional Services	Authority Contract - Non-Competitive Bid	03/07/2024	03/07/2024		Y	03/07/2024	\$100,000.00	100,000.00	100,000.00	0	0	NYS	N	0	N	Scal Source	\$100,000.00	401 PARK PLACE, 3RD FLOOR	BROOKLYN	NY	11201			USA		
VANGUARD CONSTRUCTION AND DEVELOPMENT CO. INC	35026	RJ YOUTH CENTER RENOVATION PROJECT RE-BID	Open	Design and Construction/Maintenance	Authority Contract - Competitive Bid	01/29/2019	01/29/2019		Y	09/31/2021	\$2,186,847.98	2,186,847.98	3000.01	7	NYS	N	0	N	Scal Source	\$135,000.00	EMPIRE STATE BUILDING	350 5TH AVENUE, SUITE 1011	NEW YORK	NY	10118			USA		
VANGUARD CONSTRUCTION AND DEVELOPMENT CO. INC	37333	Sportpark Renovation	Open	Commodities/Supplies	Authority Contract - Competitive Bid	01/27/2021	01/27/2021		Y	12/31/2022	\$10,902,650.17	691,651.22	10,988,163.12	704887.05	5	NYS	N	0	Y	Scal Source	\$10,902,650.17	EMPIRE STATE BUILDING	350 5TH AVENUE, SUITE 1011	NEW YORK	NY	10118			USA	
VASSO WASTE SYSTEMS, INC.	38523	New Compactor Unit - AVAC	Completed	Commodities/Supplies	Authority Contract - Competitive Bid	06/01/2023	06/01/2023		Y	05/30/2024	\$30,565.00	30,565.00	30,565.00	0	1	NYS	N	0	Y	<\$50,000	\$30,565.00	150 COOK STREET	BROOKLYN	NY	11206			USA		
VENUS FIRE PROTECTION & S	38644	Fire Extinguishers Annual Inspection 2023-2024 (MWBE), Annual Fire Extinguishers Inspections and Replacement of Tags for 2023-2024 for all ROC co	Completed	Design and Construction/Maintenance	Authority Contract - Non-Competitive Bid	08/14/2023	08/14/2023		Y	08/21/2023	\$6,476.00	6,476.00	6,476.00	0	0	NYS	Y	1	Y	<\$50,000	\$6,476.00	150 21ST STREET	BROOKLYN	NY	11232			USA		
WALDNER'S BUSINESS ENVIRONMENT	38495	Furniture replacement	Completed	Commodities/Supplies	Non Contract Procurement/Purchase Order																	125 ROUTE 110	FARMINGDALE	NY	11735			USA		
WALTER B. JAYN ARCHITECTS, LLC	35466	SMALPOX HOSPITAL RENOVATION	Open	Design and Construction/Maintenance	Authority Contract - Competitive Bid	11/01/2018	11/01/2018		Y	03/31/2020	\$642,948.00	37,813.50	325134.5	2	NYS	N	0	N	Scal Source	\$642,948.00	110 22ND STREET	BROOKLYN	NY	10111			USA			
WEST GROUP PAYMENT CENTER	36590	Software License Renewal																												