

FRIENDS OF THE

NEW YORK TRANSIT MUSEUM



2022 ANNUAL REPORT: REBUILDING!



# MISSION STATEMENT

**FOUNDED IN 1976**, the New York Transit Museum is one of only a few museums in the world dedicated to telling the story of urban public transportation. The Museum collects, exhibits, interprets, and preserves the history, sociology, and technology of public transportation systems in the New York metropolitan region, and conducts research and educational programs that make our extensive collections accessible and meaningful to a broad audience.

The Transit Museum is committed to preserving the stories of the people behind transportation – the extraordinary engineers, the workers who labored in the tunnels over 100 years ago, the communities that were drastically transformed, and the ever-evolving technology, design, and ridership of a system that runs 24 hours a day, every day of the year.

Housed underground in an authentic 1936 subway station in Downtown Brooklyn, the Transit Museum's main location spans a full city block, with a working platform that is home to a rotating selection of twenty vintage subway and elevated cars dating back to the early 1900s. Between our main location and our Gallery at Grand Central Terminal, the Transit Museum welcomes more than half a million visitors in a typical year.

Transit Museum visitors can explore the vintage cars, sit at the wheel of a city bus, step through a time tunnel of turnstiles, and explore changing exhibits that highlight the cultural, social and technological history – and future – of mass transit.

The New York Transit Museum was established in 1976 as an initiative of the Metropolitan Transportation Authority (MTA). Friends of the New York Transit Museum, a 501c3 not-for-profit organization, was established in 1995 to promote and raise funds for the Museum's operations and programs.



## LETTER FROM THE DIRECTOR

**WE SPENT 2022 REBUILDING** visiting hours, audience and earned revenue streams following our long closure due to the Covid-19 pandemic – and I’m proud of the enormous progress we made.

In January 2022, our main location, a decommissioned subway station in Downtown Brooklyn, was open Friday-Sunday. The Gallery & Store in Grand Central Terminal was open Wednesday-Friday. Increased visitation at the Museum in Brooklyn and at our Store in Grand Central Terminal increased our earned revenue from admissions and shop sales, making it possible to add Retail and Visitor Experience staff and therefore, to stay open for more hours and additional days. By December, we were open Thursday-Sunday in Brooklyn and Tuesday-Sunday in Grand Central Terminal. While not a full return to pre-pandemic hours, it represented a sustainable level of operation that continued to drive earned revenue and recovery.

We applied this incremental approach to all our activities. Rather than bringing back

all our beloved core programming at once, we prioritized the restoration of mission-driven activities that contribute to earned and contributed revenue – like ticketed Nostalgia Rides aboard our vintage fleet. Restored revenue streams enabled the return of more programming, like the Parade of Trains, a free community event.

This strategy worked; we finished 2022 with an operating surplus and a total audience served of 269,564 in person and online. While this was less than half the size of the audience served in 2019, the last full year prior to the pandemic, it was more than four times as many people reached in 2021. This robust audience growth illustrates that there continues to be demand for our content and programs.

Looking to the future, we embarked on a strategic planning process that will guide the Museum in preparation for our upcoming 50th anniversary in 2026 and beyond, ensuring that the institution remains on a path to sustainable recovery and continued growth.

Thank you for sticking with us. The supporters listed in this report kept the Museum rolling, and we are truly grateful.



**CONCETTA ANNE BENCIVENGA**  
*Director, New York Transit Museum*





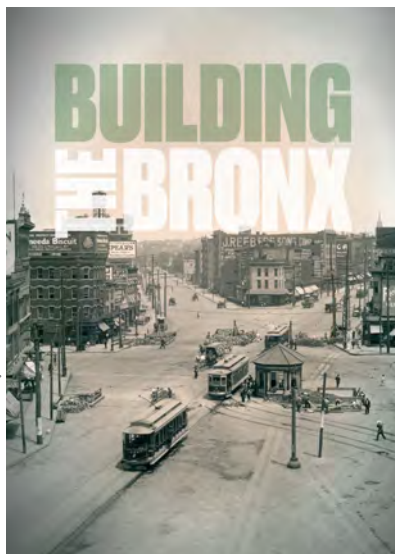
# EXHIBITS

IN 2022, WE OPENED FOUR EXHIBITS IN PERSON AND ONLINE.

## Transit Innovator: Granville T. Woods

*Opened February 2022, NYTM Brooklyn*

An online exhibit and permanent panel on the platform tell the story of Granville T. Woods, a 19th century Black inventor whose 50+ patented inventions included the foundation of third rail technology.



## Building The Bronx

*On view April-October 2022, Grand Central Gallery*

Building The Bronx examines how this unique place – the only borough on the mainland and a crucial link to points north – was and will be shaped by transportation from the 17th to 21st centuries.

## Towards a Better Way: The “Vignelli” Map at 50

*Opened August 2022, NYTM Brooklyn*

Available online and in person, this exhibit examined the circumstances that gave rise to the famous diagram designed by Unimark Inc. for the MTA in 1972 and highlighted the contributions of designers beyond Massimo Vignelli.



## A Grand New Connection: LIRR to Grand Central Madison

*Opened November 2022, Grand Central Gallery*

An installation of photographs of Grand Central Madison under construction was accompanied by an in-depth online exhibit that traced the history of the Long Island Rail Road and the steps taken over decades to bring it to East Midtown.

# SCHOOL, GROUP, AND ACCESS PROGRAMS

**SCHOOL GROUPS CAME BACK** in person as of October 20th, 2022! While online programs were offered throughout the year, the return of in-person programs was welcomed by teachers, and every available slot in October, November, and December was filled. We served 1,643 students and teachers with in-person school programs in 2022, and an additional 1,357 with online programs. This represented a slight increase from 2021's total of 2,844 served (online only).

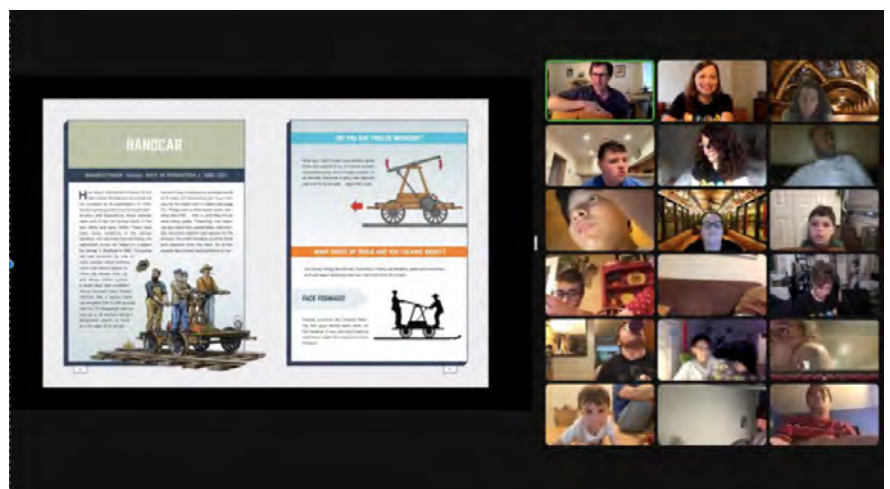


Group programs for adults returned in person over the summer, serving 638 people over the course of the year. Online adult group programs served 116 people.

Access Programs were available both in person and online. Subway Sleuths, our 10-week afterschool program for children who have autism and love trains, was the first program we brought back in person, in January 2022. In-person Subway Sleuths served a total of 15 students – six in the spring semester, and nine in the fall. Students were delighted to be in the Museum, and their parents appreciated the opportunity; as one wrote, “We are grateful for your resumption of the in-person program for a population that needs this.” Alongside in-person Sleuths, Subway Sleuths Online held in the spring and in the fall, served 12 children.

Special Day Online events, including a virtual Museum tour and at-home activities for families with neurodivergent members, served 147 participants of all ages. Transit Quest Online, our camp for neurodivergent teens with an interest in transit, ran for the third year in a row, serving 14 students.

In-person and virtual School Groups





## PUBLIC PROGRAMS

**RAILFANS REJOICED** when we announced the return of Nostalgia Rides aboard our vintage trains. After a celebratory retirement run for the R-32 car class in January, we sent our Lo-V trains and the Train of Many Colors to Yankee Stadium for the home opener in April. We also brought back ticketed Nostalgia Rides to destinations around the city over the summer. Our beloved Parade of Trains, a two-day event featuring four vintage car classes running shuttle rides between Brighton Beach and Kings Highway stations, returned in September. Finally, we brought back the Holiday Nostalgia Special, a vintage train running in regular service on Sundays between Thanksgiving and New Year's Eve. An estimated 82,000 people rode the rails with us in 2022.

Continuing the successful online programming begun during our pandemic shutdown, we also offered 36 online public programs on Zoom in 2022. Topics included an at-home sketching program led by artist Sarah Nisbett a presentation by MTA experts

on green and sustainable transit, and a Halloween-themed “variety show” with Morbid Anatomy titled “Express Train to the Underworld.”

A total of 3,402 participants tuned in over the course of the year – representing growth of 60% from 2021’s audience of 2,127. Viewers tuned in from 44 states and 15 countries and about half of program participants were New Yorkers.



Retirement ride for the R-32



Nostalgia Ride to Green-Wood Cemetery

Screenshot from virtual sketch night with Sarah Nisbett



# COLLECTIONS AND ARCHIVES

**BEHIND THE SCENES**, our Archives staff was busy making our extraordinary collection of an estimated 800,000 objects and images more accessible to researchers and the public.

A long-term project to digitize and catalog material in the collection related to transportation on Long Island, generously funded by the Robert David Lion Gardiner Foundation, continued into its third year. A contract archivist scanned and catalogued over 500 hand-drawn land maps dating to

the mid-19th century that traced the Long Island Rail Road's acquisition of properties for its right-of-way.

A gift from the estate of Ken LaCapria funded two projects that started in 2022: the digitization and cataloging of material in the collection related to Coney Island and the restoration of rattan seats in vintage cars used on our Nostalgia Rides.

Furthermore, we were awarded two grants to begin the digitization and cataloging of the Subway Construction Photograph collection. Dating from 1900 through the 1980s, this collection captures images of the subway's routes before and during their original construction and subsequent reconstructions. Support from the New York State Archives Local Government Records Management Improvement Fund and from the federal Institute for Museum and Library Services made it possible to begin to digitize and catalog images of Route 1, the earliest subway route to open, in advance of its 120th anniversary in 2024.

Ink on paper map depicting Central Railroad line crossing the properties of Adolph Poppenhusen and others in the Village of Flushing.



Trolleys located in the Culver Depot in Coney Island, Brooklyn, NY in 1916, featuring work equipment Trolley #9624.





# OPERATIONS AND VISITOR EXPERIENCE

THE OPERATIONS AND VISITOR Experience teams worked together to welcome a growing audience to the Museum in 2022. Projects in Brooklyn included refreshing informational, wayfinding, and safety signage, continuing to upgrade air filtration systems, and replacing aging water fountains with new bottle-filling stations.

Nearly a year after reopening, both our Brooklyn and Grand Central locations added an additional day to their open hours as of July 1st. The Grand Central Gallery & Store added a sixth day in advance of the holiday season.

As the city settled into post-covid operations and visitation returned, the Museum shifted away from requiring advance tickets in November and the Brooklyn admission booth resumed transactions. Reopening the admission booth not only allowed for the return of walk -up visitors, but it allowed those who are unbanked or do not have computer access to easily access the Museum again. While most visitors continued to purchase advance tickets online, about 40% of visitors in November and December made onsite admission purchases.



New directional signage

New water bottle-filling station on the Mezzanine level



## DEVELOPMENT AND MEMBERSHIP

IN 2022 WE MADE THE DECISION not to bring back fundraising events and instead focused on rebuilding our other contributed revenue streams.

Membership continued to bounce back from its pandemic low, with many former supporters returning when we restarted our summertime Nostalgia Rides. A concerted effort to invite visitors to become members resulted in significant growth in first-time memberships and helped us finish the year

with 2,099 member households. We also instituted an across-the-board 10% increase in membership dues, our first in five years. Even after the increase, our memberships remained among the most affordable in the region.

A focus on corporate support yielded a new corporate member, Maspeth Federal Savings, and sponsorship gifts from Con Edison and Kawasaki. In addition to the state and federal support for the digitization project mentioned above, we also secured one of the largest grants awarded in 2022 by the New York City Department of Cultural Affairs, recognizing our excellence in programming for neurodivergent children and adults.

Finally, we set a record in individual giving, including an extraordinary gift from the estate of longtime member Ken LaCapria. The bequest will be used to fund a number of projects related to Coney Island, a place near and dear to Ken's heart.

### NEW YORK TRANSIT MUSEUM



The restoration of rattan seats has begun with a generous gift from the estate of Ken LaCapria.

Mr. LaCapria, a longtime New York Transit Museum member, never missed a "Beach Bound: Coney Island" Nostalgia Ride. We are very grateful to his family and are pleased to acknowledge Ken and honor his memory on today's ride.

#### Keep this project moving!

Make a donation to the NYTM Fund for Vintage Car Restoration by scanning this QR code with your phone or by visiting [nytransitmuseum.org/give](https://nytransitmuseum.org/give)



Signage dedicated to Ken LaCapria from the Coney Island Nostalgia ride

Corporate Member Maspeth Federal Savings on a private tour of the Museum.



# PRESS AND MARKETING

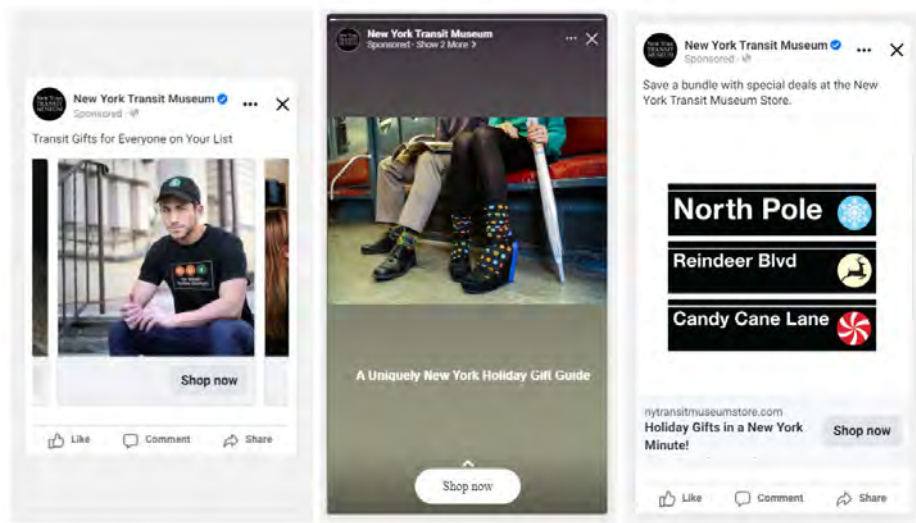
THE MUSEUM CONTINUED TO DRAW robust editorial coverage in 2022, with 371 pieces in print, online, and broadcast media. These included the History Channel, CBS New York, NBC News, WNYC, and The New York Times among many others, reaching target audiences including families, young urbanites, and mass transit enthusiasts.

Social media, a crucial tool for staying connected with audiences during our 2020-2021 pandemic closure, continued to grow in 2022. Across platforms (Facebook, Twitter, and Instagram), our follower count surpassed 141,000, a 9% increase. We served this audience with a total of 1,817

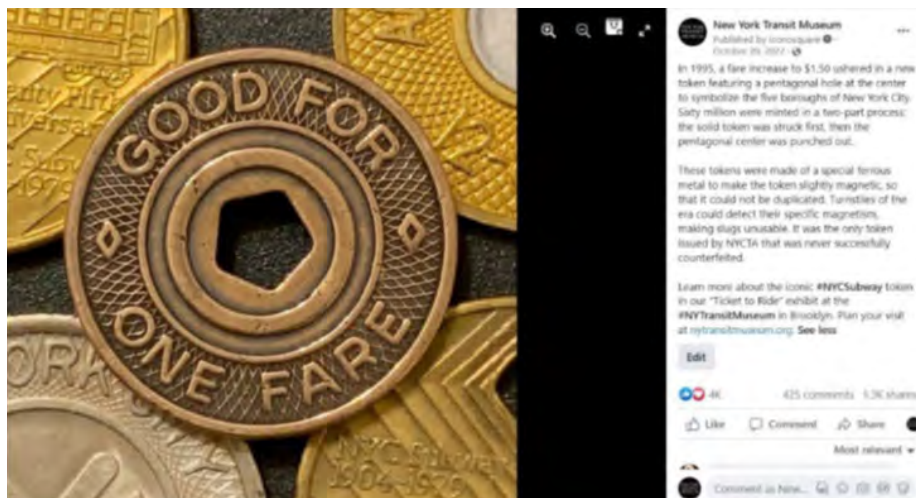
posts researched and written by staff, highlighting objects and images from our collection alongside engaging content about transit history and ongoing projects.

A highlight of the year in marketing was our first holiday retail advertising campaign produced, designed, and managed in-house. The Facebook and Instagram ad campaign garnered more than 1.5 million impressions, 30,000 clicks, and hundreds of transactions. This campaign totaled more than \$12,000 in direct sales and boosted results for our online store.

Holiday retail advertising campaign



Social media post about the history of the Subway Token





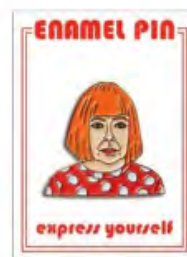
# RETAIL

## BETWEEN ONLINE SALES VIA

nytransitmuseumstore.com and in-person sales at our brick-and-mortar stores at the main Museum, the Gallery at Grand Central Terminal, and 2 Broadway, the Retail department achieved over \$2 million in merchandise sales in 2022.

A particular highlight was online sales, topping \$500,000 for the second year in a row. Driven in part by the successful online holiday campaign, this amount represents an increase of 91% versus 2019 and shows that we have been able to capture the online growth that grew during the pandemic.

Retail staff worked closely with the studios of artists Yayoi Kusama and Kiki Smith to develop products based on their artworks in Grand Central Madison. Additional original products developed for the holiday season in 2022 included hats, scarves, and clocks with the current subway map. The “TrainTracker Circuit Board,” which shows the location of trains in the subway system in real time, became a surprise best-seller.



Martin E. Appel  
Ben D'Alessandro  
John di Domenico  
Beverly Dolinsky  
Robert E. Furniss  
Susan Gilbert  
Kurt A. Goddard  
Alfredo S. Quintero  
Edward T. Seaman  
Ruby A. Siegel  
Stephen J. Vaccaro  
John Vasilj

## ADMINISTRATION

Sharon Adams, *Principal Executive Secretary*  
Regina Asbornio, *Deputy Director*  
Concetta Anne Bencivenga, *Director*  
David Lafleur, *Finance Director*  
Chelsea Newburg, *PR and Marketing Manager*  
Oliver Senft, *Human Resources Manager*

## CURATORIAL & ARCHIVES

Noah Caplin, *Volunteer*  
Jeffrey Erlitz, *Volunteer*  
Julia Gatenio, *Contractor*  
Wendy Jimenez, *Contractor*  
Joanna Satalof, *Contractor*  
Daniel Brenner, *Acting Collections Manager, Research Archivist*  
Robert Del Bagno, *Senior Manager of Exhibitions*  
Mike Egernmayer, *Exhibit Preparator*  
Kim Hewitt, *Exhibit Preparator*  
Richard Schroeter, *Exhibit Preparator*  
Jodi Shapiro, *Curator*  
Bill Wander, *Exhibit Preparator*  
Elise Winks, *Data Migration Project Archivist*

## DEVELOPMENT

Allison Grandy, *Development Manager*  
Sarah Landreth, *Development Director*

## OPERATIONS

Peter Giannino, *Facilities*  
Karen Eckhaus, *Operations Manager*

## MUSEUM EDUCATION, VISITOR EXPERIENCE AND PUBLIC PROGRAMS

Sophia Alessandri, *Visitor Experience Facilitator*  
Michael Avner Probststein, *Visitor Experience Facilitator*  
Brooke Bell, *Educator & Visitor Experience Facilitator*  
Giovanni Briones, *Contractor*  
Edith Chavez, *Visitor Experience Facilitator*  
Jordette Cummings, *Visitor Experience Facilitator*  
Polly Desjarlais, *Content Manager*  
Ramona Fagbore, *Visitor Experience Facilitator*

Hilary Goldstein, *Public Programs Coordinator*  
Joe Hamilton, *Educator & Visitor Experience Facilitator*  
Derek Hernandez, *Visitor Experience Facilitator*  
Max Hornstein, *Visitor Experience Facilitator*  
Natasha Ilyas, *Visitor Experience Facilitator*  
Jennifer Kalter, *Assistant Deputy Director, Education and Public Programs*  
Amy Raffel, *Public Programs Manager*  
Tyrone Santana Copeland, *School, Youth and Group Programs Manager*  
Ryan Tran, *Visitor Experience Facilitator*  
Jason Weiss, *Visitor Experience Facilitator*  
Leigh Williams, *Visitor Experience Manager*

## RETAIL

Brian Boehlert, *Retail Associate*  
Kevin Bautista, *Retail Associate*  
Kristina Ching, *Retail Lead*  
Sylvia Cruz, *Assistant Deputy Director Retail Operations & Product Development*  
Melvin Davis, *Retail Associate*  
Marvin Espinoza, *Retail Associate*  
Kyle Fink, *Retail Associate*  
Anthony Guerra, *Retail Associate*  
Karolyn Guillen, *Retail Associate*  
Tarick Ivey, *Retail Associate*  
Shallena Jabid, *Retail Lead*  
Awilda Jimenez-Stieglmayr, *Retail E-Commerce & Retail Operations*  
Kenneth Kinsey, *Retail Associate*  
Steven Losie, *Retail Associate*  
James Mateo, *Retail Lead*  
Megan McKeown, *Retail Associate*  
Lorna Miller, *Retail Assistant Manager*  
Julia Mulero, *Retail Associate*  
Denisse Perez, *Retail Associate*  
Mark Plaza, *Retail Associate*  
Joel Santiago, *Retail Lead*  
Jonathan Sookoo, *Retail Associate*  
Victor Thome, *Retail Associate*  
Rudie-kaye Tomlinson, *Retail Associate*  
Justin Velez, *Retail Associate*  
Kelly Woon, *Retail Lead*



# THANK YOU TO OUR SUPPORTERS

2022

## \$50,000 +

Institute for Museum and Library  
Services  
Estate of Ken LaCapria  
New York City Department of  
Cultural Affairs  
New York State Archives / Local  
Government Records Management  
Improvement Fund

## \$10,000-\$49,999

ALSTOM  
Con Edison  
FAR Fund  
Kawasaki Rail Car, Inc.  
New York State Council on the Arts  
Taft Foundation  
Bloomberg Philanthropies  
Hugoton Foundation  
Tiger Baron Foundation  
Stephen J. Vaccaro

## \$1,000-\$9,999

John and Anne Atherton  
Mara Beck  
The Bencivenga Family  
Benevity Community Impact Fund  
Robert E. Buckholz, Jr. and  
Lizanne Fontaine  
John di Domenico  
di Domenico + Partners, LLP  
Mortimer Downey  
Iain Dunning  
Susan and Eli Gilbert  
Stuart Goldstein  
Wynton Habersham  
Councilmember Shahana Hanif  
Intercontinental Exchange  
Matching Gifts Program  
John Lamonica  
Pierre Lehmuller  
Lemberg Foundation, Inc.  
Mark Littman and Johnny Mendoza  
Constantine Mandros  
Maspeth Federal Savings

Richard and Ronay Menschel  
Joe and Sheri Munoz  
Jeremy Neiman  
Alfredo S. Quintero  
Councilmember Lincoln Restler  
Stephen and Francie Shewmaker  
Julius Song  
Pam Wasserstein  
Anna Weixel

## \$250-\$999

Madani and Jennifer Adjali  
Michael Allen  
Kenneth Ansley and Zoraida Fontanez  
Jennifer Barrett  
Christian Bastian and Erika Nijenhuis  
Brian Beirne  
Alan L. Beller  
Concetta Bencivenga  
Leonard and Kathleen Bencivenga  
John Berger and Chris Cottle  
Thomas V. G. Brown  
John Carandola  
Bradley and Sharon Carroll  
Thomas W. Casey  
Caitlin Cassaro

David Chiappetta and Kaycie Wall  
Clark- Ritchotte Family  
Wayne Coleman  
Ellen and Christopher Covas  
Chris and Linda Dolan  
Beverly Dolinsky  
Mortimer Downey  
Martha Ehrenfeld and Carla McKay  
Edward R. Enners  
Walter A. Eppler  
Rebecca and Yehuda Even-Zohar  
Mark Foggin and Emily Krell  
Celeste Frye  
Pascal Gienger  
Todd Glickman  
David Goerger  
Mitchell Golden and Audrey Baker  
Ira Greenberg and Ellen Young  
Jeffrey Hanan  
Kathleen Herbach  
Robert B. Hertling, Jr.  
David Hurd and Gregory Eaton  
Carl Jackson  
Peiling Junek and Evan Junek  
Daniel Kamine  
Diogenes and Mary Kekatos

Full house for Yankees Opening Day



Marie-Helene Kennedy-Payen  
and Ludwig Diaz

David Kiley

Roman and Marilyn Kostiuik

Ronald and Julie Laeremans

Dave Landreth and Melissa Hillier

Sarah Landreth and David Rossmann

Kevin Lee

Stuart Leffler

Peter and Kristen Leonard

Andree Lessey and Earl Lessey

John Linnane

Beth and Eric Liou

Peter Lloyd and Reka Komoli

Long Island Sunrise Trail Chapter of the  
National Railway Historical Society

Thomas and Carolyn Lorenz

Jeff and Carol Lowe

Thomas J. Mascia

Hilary Mason and Adam Mayer

James McBride and Teri Osborn

Richard McKenna

Michael Melnick

David Migdal

Tom Misteli and Michele Duchock

Monique Mulcare and Janet Mulcare

Cheryl Mullery

Monica Nargassans and  
Armani Cortez

John Niemczyk

William O'Neill

David Ostwald

Charles Palenz

Daniel and Anne Pardes

David Pirmann

Daniel and Amy Ragsdale

David Ridgley and Billy Anderson

Paul Ringel

Cynthia and Bud Rogers

Kenneth E. Rosen

Nancy Rosenbaum and Gil Glass

Max Rosenblatt

Cye and Amanda Ross

Al Sabatino

Dennis and Regina Santella

David Seltzer

Siegmund Shyu and Cynthia Ho

Jeffrey Silver

David and Elaine Singleton

Lisa Smid

Harris Sokoloff

Garry and Melanie Spector

Timothy Speer and Teresa Vanderboom

Adrian Stoja

Peter Straus and Lili Byers

Steven Strauss and Robert Ching

Stacey Suecoff

Les Sugai

Steven Swirsky and Fern Juster

John and Ellen Telesca

Kaelyn Triggs and Ryan Murphy

Ulster County Library Association

Gerald Weinstein

Robert Weiss and Susan Chadick

Elizabeth and Samuel G. White

Serena and Jeffrey Winters

Mingxin Yin

Andy Zolyak

*Subway Sleuths* learning about a control panel



GIFTS RECEIVED JANUARY 1<sup>ST</sup> – DECEMBER 31<sup>ST</sup>, 2022



**FRIENDS OF THE NEW YORK TRANSIT MUSEUM**

**FINANCIAL STATEMENTS  
TOGETHER WITH  
INDEPENDENT AUDITOR'S REPORT**

**DECEMBER 31, 2022**



---

BENCIVENGA WARD & COMPANY, CPA's, P.C.

**FRIENDS OF THE NEW YORK TRANSIT MUSEUM**

**INDEX TO FINANCIAL STATEMENTS**

---

|                                     | <u>Page</u> |
|-------------------------------------|-------------|
| <b>INDEPENDENT AUDITOR'S REPORT</b> | 1 - 2       |
| <b>FINANCIAL STATEMENTS:</b>        |             |
| Statement of Financial Position     | 3           |
| Statement of Activities             | 4           |
| Statement of Functional Expenses    | 5           |
| Statement of Cash Flows             | 6           |
| Notes to Financial Statements       | 7 -14       |



## INDEPENDENT AUDITOR'S REPORT

### To the Board of Trustees of Friends of the New York Transit Museum:

We have audited the accompanying financial statements of Friends of the New York Transit Museum (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022 and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of the New York Transit Museum as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Friends of the New York Transit Museum and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 of 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 Friends of the New York Transit Museum's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### Auditor's 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 misstatements, whether due to fraud or error, and to issue an auditor's 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 generally accepted 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.



## BENCIVENGA WARD & COMPANY, CPA's, P.C.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Friends of the New York Transit Museum'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 Friends of the New York Transit Museum'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 finding, and certain internal control related matters that we identified during the audit.

### Report on Summarized Comparative Information

We have previously audited Friends of the New York Transit Museum 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 18, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Bencivenga Ward & Company, CPA's, P.C.*

### BENCIVENGA WARD & COMPANY, CPA's, P.C.

Valhalla, New York  
August 29, 2023



**FRIENDS OF THE NEW YORK TRANSIT MUSEUM**

**STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR 2021)**

|                                                                                  | <u>2022</u>          | <u>2021</u>          |
|----------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                                                                    |                      |                      |
| Cash and cash equivalents                                                        | \$ 1,272,730         | \$ 876,767           |
| Investments, at fair value                                                       | 11,469,275           | 13,029,274           |
| Grants and contributions receivable                                              | 637,814              | 526,769              |
| Accrued interest and program/other receivables                                   | 65,726               | 54,297               |
| Prepaid expenses                                                                 | 31,997               | 11,272               |
| Furniture and equipment, net of accumulated depreciation (\$33,405 and \$17,685) | 45,195               | 60,915               |
| <b>Total assets</b>                                                              | <u>13,522,737</u>    | <u>14,559,294</u>    |
| <b>Liabilities and Net Assets</b>                                                |                      |                      |
| <b>Liabilities</b>                                                               |                      |                      |
| Accounts payable and accrued liabilities                                         | 406,985              | 233,071              |
| Paycheck Protection Program Loan                                                 | -                    | 336,957              |
| <b>Total liabilities</b>                                                         | <u>406,985</u>       | <u>570,028</u>       |
| <b>Net Assets</b>                                                                |                      |                      |
| Without donor restrictions                                                       | 12,314,161           | 13,282,322           |
| With donor restrictions                                                          | <u>801,591</u>       | <u>706,944</u>       |
| <b>Total net assets</b>                                                          | <u>13,115,752</u>    | <u>13,989,266</u>    |
| <b>Total liabilities and net assets</b>                                          | <u>\$ 13,522,737</u> | <u>\$ 14,559,294</u> |

The accompanying notes are an integral part of this statement.

# FRIENDS OF THE NEW YORK TRANSIT MUSEUM

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2022 (WITH COMPARATIVE TOTALS FOR 2021)

|                                                            | 2022                 |                   |                      | 2021                |
|------------------------------------------------------------|----------------------|-------------------|----------------------|---------------------|
|                                                            | Without Donor        | With Donor        |                      |                     |
|                                                            | Restrictions         | Restrictions      | Total                | Total               |
| <b>Support, Revenue, and Gains/(Losses)</b>                |                      |                   |                      |                     |
| Support and Revenue:                                       |                      |                   |                      |                     |
| Grants and contributions                                   | \$ 177,554           | \$ 692,910        | \$ 870,464           | \$ 726,574          |
| Membership dues                                            | 219,625              | -                 | 219,625              | 165,615             |
| Program and other revenue                                  | 57,128               | -                 | 57,128               | 25,755              |
| Admissions                                                 | 572,699              | -                 | 572,699              | 183,842             |
| Contributed services                                       | 136,312              | -                 | 136,312              | 131,804             |
| Net assets released from restrictions                      | 598,263              | (598,263)         | -                    | -                   |
| Other revenue                                              | 721,511              | -                 | 721,511              | 316,922             |
| Total support and revenue                                  | 2,483,092            | 94,647            | 2,577,739            | 1,550,512           |
| Investment Gains/(Losses) and Income:                      |                      |                   |                      |                     |
| Investment income, net of advisor fees                     | 130,797              | -                 | 130,797              | 100,740             |
| Realized and unrealized gains (losses) on investments, net | (1,837,079)          | -                 | (1,837,079)          | 1,534,247           |
| Total investment gains and income                          | (1,706,282)          | -                 | (1,706,282)          | 1,634,987           |
| <b>Total support, revenue, and gains</b>                   | 776,810              | 94,647            | 871,457              | 3,185,499           |
| <b>Expenses</b>                                            |                      |                   |                      |                     |
| Program services:                                          |                      |                   |                      |                     |
| Curatorial and archival                                    | 320,712              | -                 | 320,712              | 272,421             |
| Educational                                                | 616,309              | -                 | 616,309              | 510,556             |
| Exhibits                                                   | 158,367              | -                 | 158,367              | 47,359              |
| Operations and retail                                      | 25,910               | -                 | 25,910               | 101,026             |
| Total program services                                     | 1,121,298            | -                 | 1,121,298            | 931,362             |
| Supporting services:                                       |                      |                   |                      |                     |
| Development                                                | 335,918              | -                 | 335,918              | 316,211             |
| Management and general                                     | 287,755              | -                 | 287,755              | 192,705             |
| Total supporting services                                  | 623,673              | -                 | 623,673              | 508,916             |
| <b>Total expenses</b>                                      | 1,744,971            | -                 | 1,744,971            | 1,440,278           |
| <b>Change in net assets</b>                                | (968,161)            | 94,647            | (873,514)            | 1,745,221           |
| <b>Net assets, beginning of year</b>                       | 13,282,322           | 706,944           | 13,989,266           | 12,244,045          |
| <b>Net assets, end of year</b>                             | <u>\$ 12,314,161</u> | <u>\$ 801,591</u> | <u>\$ 13,115,752</u> | <u>\$13,989,266</u> |



**FRIENDS OF THE NEW YORK TRANSIT MUSEUM**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE TOTALS FOR 2021)**

|                                  | Program Services           |                   |                   |                          |                              | Supporting Services |                   |                                 | Totals              |                     |
|----------------------------------|----------------------------|-------------------|-------------------|--------------------------|------------------------------|---------------------|-------------------|---------------------------------|---------------------|---------------------|
|                                  | Curatorial<br>and Archival | Educational       | Exhibits          | Operations<br>and Retail | Total<br>Program<br>Services | Development         | M & G             | Total<br>Supporting<br>Services | 2022                | 2021                |
| Salaries                         | \$ 217,861                 | \$ 465,157        | \$ -              | \$ -                     | \$ 683,018                   | \$ 240,074          | \$ 42,476         | \$ 282,550                      | \$ 965,568          | \$ 844,676          |
| Payroll taxes                    | 18,799                     | 40,697            | -                 | -                        | 59,496                       | 21,479              | 4,793             | 26,272                          | 85,768              | 74,716              |
| Employee benefits                | 23,480                     | 50,621            | -                 | -                        | 74,101                       | 21,008              | 6,162             | 27,170                          | 101,271             | 160,750             |
| Professional fees                | 225                        | 21,095            | 69,369            | 465                      | 91,154                       | 65                  | 111,555           | 111,620                         | 202,774             | 112,172             |
| Contributed services             | 23,855                     | 23,855            | 23,854            | 23,854                   | 95,418                       | 40,894              | -                 | 40,894                          | 136,312             | 131,804             |
| Exhibit expense                  | 25,348                     | -                 | 53,462            | -                        | 78,810                       | 1,425               | -                 | 1,425                           | 80,235              | 2,918               |
| Supplies                         | 2,130                      | 4,185             | 8,700             | 1,172                    | 16,187                       | 345                 | 404               | 749                             | 16,936              | 2,661               |
| Communication/internet           | 3,960                      | -                 | -                 | -                        | 3,960                        | -                   | 32,876            | 32,876                          | 36,836              | 39,557              |
| Printing and publications        | -                          | 1,144             | 1,350             | -                        | 2,494                        | 9,355               | 6,873             | 16,228                          | 18,722              | 8,153               |
| Travel, meetings and conferences | 30                         | 1,126             | -                 | 419                      | 1,575                        | 36                  | 6,205             | 6,241                           | 7,816               | 4,868               |
| Payroll/credit card fees         | -                          | -                 | -                 | -                        | -                            | -                   | 42,467            | 42,467                          | 42,467              | 29,217              |
| Equipment maintenance/rental     | 314                        | -                 | 10,728            | -                        | 11,042                       | -                   | 8,346             | 8,346                           | 19,388              | 3,389               |
| Advertising/recruitment          | -                          | 523               | -                 | -                        | 523                          | -                   | 6,268             | 6,268                           | 6,791               | 3,550               |
| Insurance                        | 162                        | 348               | -                 | -                        | 510                          | 178                 | 2,542             | 2,720                           | 3,230               | 3,655               |
| Program                          | -                          | 2,830             | -                 | -                        | 2,830                        | -                   | -                 | -                               | 2,830               | -                   |
| Postage and shipping             | -                          | 180               | -                 | -                        | 180                          | 180                 | -                 | 180                             | 360                 | 2,097               |
| Depreciation                     | -                          | -                 | -                 | -                        | -                            | -                   | 15,720            | 15,720                          | 15,720              | 15,720              |
| Miscellaneous                    | -                          | -                 | -                 | -                        | -                            | 879                 | 1,068             | 1,947                           | 1,947               | 375                 |
|                                  | <b>\$ 316,164</b>          | <b>\$ 611,761</b> | <b>\$ 167,463</b> | <b>\$ 25,910</b>         | <b>\$ 1,121,298</b>          | <b>\$ 335,918</b>   | <b>\$ 287,755</b> | <b>\$ 623,673</b>               | <b>\$ 1,744,971</b> | <b>\$ 1,440,278</b> |

The accompanying notes are an integral part of this statement.

**FRIENDS OF THE NEW YORK TRANSIT MUSEUM**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR 2021)**

|                                                                                            | <u>2022</u>                | <u>2021</u>              |
|--------------------------------------------------------------------------------------------|----------------------------|--------------------------|
| <b>Cash Flows From Operating Activities</b>                                                |                            |                          |
| Change in net assets                                                                       | \$ (873,514)               | \$ 1,745,221             |
| Adjustments to reconcile change in net assets to<br>net cash used by operating activities- |                            |                          |
| Realized and unrealized losses (gains) on investments                                      | 1,837,079                  | (1,534,247)              |
| Depreciation                                                                               | 15,720                     | 15,720                   |
| Changes in operating assets and liabilities-                                               |                            |                          |
| Increase in grants and contributions receivable                                            | (111,045)                  | (211,369)                |
| Increase in accrued interest and program/other receivables                                 | (11,429)                   | (10,171)                 |
| Increase in prepaid expenses                                                               | (20,725)                   | (9,505)                  |
| Increase in accounts payable and accrued liabilities                                       | 173,914                    | 1,288                    |
| <b>Net cash provided (used) by operating activities</b>                                    | <u>1,010,000</u>           | <u>(3,063)</u>           |
| <b>Cash Flows From Investing Activities</b>                                                |                            |                          |
| Proceeds from sale of investments                                                          | 3,163,258                  | 4,793,245                |
| Purchases of investments                                                                   | (3,440,336)                | (4,747,304)              |
| <b>Net cash provided by investing activities</b>                                           | <u>(277,078)</u>           | <u>45,941</u>            |
| <b>Cash Flows From Financing Activities</b>                                                |                            |                          |
| (Decrease) increase in Paycheck Protection Program Loan                                    | (336,957)                  | 20,035                   |
| Proceeds from Paycheck Protection Program Loan                                             | -                          | 336,957                  |
| <b>Net cash (used) provided by financing activities</b>                                    | <u>(336,957)</u>           | <u>356,992</u>           |
| <b>Net increase in cash</b>                                                                | 395,965                    | 399,870                  |
| <b>Cash and cash equivalents, beginning of year</b>                                        | <u>876,767</u>             | <u>476,897</u>           |
| <b>Cash and cash equivalents, end of year</b>                                              | <u><u>\$ 1,272,732</u></u> | <u><u>\$ 876,767</u></u> |

The accompanying notes are an integral part of this statement.



## FRIENDS OF THE NEW YORK TRANSIT MUSEUM

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

---

#### **1. ORGANIZATION**

Friends of the New York Transit Museum ("Friends" or "Organization") is a not-for-profit organization operating exclusively for the benefit of the New York Transit Museum (the "Museum"), a division of the Metropolitan Transportation Authority ("MTA"), by promoting, raising funds and assisting the Museum in carrying out its mission. Friends also supports various Museum programs, such as records management, education, processing and cataloging historical records and photographs, guided tours and conducting various exhibits.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

##### **Net assets without donor restrictions:**

Net assets that are not subject to donor-imposed restrictions and may be expended for the purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of trustees.

##### **Net assets with donor restrictions:**

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statement of Activities. At December 31, 2022, there were net assets with donor restrictions in the amount of \$801,591.

##### **Tax Status**

Friends is exempt from federal income taxes under Section 501(a) of the United States Internal Revenue Code (the "Code") as an organization described in Section 501(c)(3) and has been classified as an organization that is not a private foundation under Section 509(a) of the Code. Contributions to Friends are tax deductible within the limits prescribed by the Code. Friends is also exempt from state and local income taxes.

Friends has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; and to review other matters that may be considered tax positions.

## FRIENDS OF THE NEW YORK TRANSIT MUSEUM

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

---

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -(continued)**

##### **Income Taxes**

The Organization is subject to the provisions of the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Topic 740-10-05, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. This requires management to evaluate tax positions taken and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service ("IRS"). Due to the Organization's general not-for-profit status, management believes there are no tax positions that would have a material impact on its financial statements.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Due to the expiration of the statute of limitations, the Organization is no longer subject to income tax examinations for years prior to 2019.

##### **Investments**

The Organization has an investment policy in compliance with the New York State Prudent Management of Institutional Funds Act ("NYPMIFA"). Investments in equity and fixed-income securities are reported at their fair values, based on quoted market prices at the published market closing prices at the Statement of Financial Position date.

Gains and losses on securities are determined by a comparison of specific costs at acquisition to proceeds at the time of disposal, or to the fair values at year end, and are reported in the accompanying Statement of Activities. Purchases and sales of securities are reflected on a trade-date basis. Dividend and interest income are recognized when earned.

Donated securities are recorded at their fair values at the dates of donation and are sold as expeditiously as possible, upon receipt.

##### **Grants and Contributions**

The Organization records contributions of cash and other assets when received or when the unconditional promise to give such assets is received from the donor. Contributions are recorded at the fair value of the assets received and are classified as net assets without donor restrictions or net assets with donor restrictions, based on the existence and/or nature of donor restrictions. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

##### **Furniture and Equipment**

Furniture and equipment are recorded at cost, or, if donated, the fair market value at the date of the gift. Amounts expended for acquisitions benefiting more than one year are capitalized. Amounts expended for maintenance are charged to expense. Depreciation is computed principally by the straight-line method over the estimated useful lives of the assets, generally over five years.



## FRIENDS OF THE NEW YORK TRANSIT MUSEUM

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

---

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -(continued)**

##### **Contributed Services**

Friends recognizes contributions of services which: create or enhance non-financial assets; require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. Contributed services and promises to give services that do not meet the above criteria are not recognized in the financial statements. Contributed services that meet the above criteria are valued and reported in the financial statements at their estimated fair value based on current market rates for similar services. Friends recorded contributed services provided by a related party as described in Note 8 to the financial statements.

Individuals contribute freely of their time and talent in furtherance of the Organization's goals. The Organization has not recorded the value of these services in its financial statements since a clearly measurable basis for a determination of such a value does not exist.

##### **Membership Dues**

Membership dues are recognized as revenue in the year received.

##### **Functional Expenses**

The costs of providing various programs and supporting services have been summarized on a functional basis in the accompanying Statements of Activities and Functional Expenses. The Statement of Functional Expenses presents the natural classification detail of expense by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The majority of Friends expenses can generally be directly identified with the program or supporting service to which they relate and are charged accordingly. The expenses that are allocated include salaries, employee benefits, payroll taxes, professional services, office expenses, insurance and other expenses, which are allocated on the basis of management's estimates of time and effort.

##### **Cash and Cash Equivalents**

The Organization considers all highly liquid investments with maturities of three months or less when purchased, to be cash equivalents. Cash and cash equivalents are carried at cost, which approximates fair value. See Note 6 for concentration of credit risk.

##### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates. Significant estimates and assumptions include the valuation of contributions receivable and the allocation of expenses to functional classifications.

##### **Fair Value Measurements**

As further described in Note 4, the Organization is subject to ASC Topic 820-10-05 relating to fair value measurement. Accordingly, Friends reports a fair value measurement of all applicable financial assets and liabilities, including investments, grants and contributions receivable and payables.

## FRIENDS OF THE NEW YORK TRANSIT MUSEUM

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

#### 3. INVESTMENTS

At December 31, 2022 and 2021, investments consisted of the following:

|                               | 2022                 |                      | 2021                |                      |
|-------------------------------|----------------------|----------------------|---------------------|----------------------|
|                               | Cost                 | Fair Value           | Cost                | Fair Value           |
| Common Stocks                 | \$ 5,576,035         | \$ 7,307,505         | \$ 5,202,121        | \$ 8,410,762         |
| Government Securities-        |                      |                      |                     |                      |
| U.S. Treasury Notes and Bonds | 1,746,312            | 1,589,258            | 1,327,026           | 1,345,040            |
| Other Federal Agencies        | 1,258,535            | 1,101,450            | 1,233,134           | 1,242,226            |
| Corporate Bonds               | 1,683,318            | 1,471,062            | 1,996,681           | 2,031,246            |
| Total Investments             | <u>\$ 10,264,200</u> | <u>\$ 11,469,275</u> | <u>\$ 9,758,962</u> | <u>\$ 13,029,274</u> |

#### 4. FAIR VALUE MEASUREMENTS

The BASB's ASC Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy of fair value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources while unobservable inputs reflect market assumptions. 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 are as follows:

Level 1 – Valuations are based on observable inputs that reflect unadjusted quoted market prices in active markets for those investments, or similar investments, at the reporting date.

Level 2 – Valuations are based on: (i) quoted prices for those investments, or similar investments, in active markets, or (ii) quoted prices for those investments, or similar investments, in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.

Level 3 – Valuations are based on pricing inputs that are unobservable and include situations where: (i) there is little, if any, market activity for the investments, or (ii) the investments cannot be independently valued.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value:

Cash and cash equivalents, grants and contributions receivable, interest and other receivables, accounts payable and accrued liabilities, are carried at cost, which approximates their fair value because of the short-term nature of these items.

The fair values of common stocks are based on the closing price reported on the active market where the individual securities are traded.



# FRIENDS OF THE NEW YORK TRANSIT MUSEUM

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

### 4. FAIR VALUE MEASUREMENTS – (continued)

Investments in corporate bonds, U.S. securities and other Federal Agencies are valued using a market approach on yields currently available on comparable securities of issuers with similar credit ratings.

| Fair Value Measurements<br>Investments at Fair Value as of: |                   |              |               |                   |              |               |
|-------------------------------------------------------------|-------------------|--------------|---------------|-------------------|--------------|---------------|
|                                                             | December 31, 2022 |              |               | December 31, 2021 |              |               |
|                                                             | Level 1           | Level 2      | Total         | Level 1           | Level 2      | Total         |
| Common Stocks                                               | \$ 7,307,505      | \$ -         | \$ 7,307,505  | \$ 8,410,762      | \$ -         | \$ 8,410,762  |
| Government Securities-                                      |                   |              |               |                   |              |               |
| U.S. Treasury Notes and Bonds                               | -                 | 1,589,258    | 1,589,258     | -                 | 1,345,040    | 1,345,040     |
| Other Federal Agencies                                      | -                 | 1,101,450    | 1,101,450     | -                 | 1,242,226    | 1,242,226     |
| Corporate Bonds                                             | -                 | 1,471,062    | 1,471,062     | -                 | 2,031,246    | 2,031,246     |
| Total Investments                                           | \$ 7,307,505      | \$ 4,161,770 | \$ 11,469,275 | \$ 8,410,762      | \$ 4,618,512 | \$ 13,029,274 |

Investment income is reflected in the Statement of Activities net of advisor fees of \$120,509 and \$138,480 for the years ended December 31, 2022 and 2021, respectively.

### 5. CASH AND CASH EQUIVALENTS

The composition and fair value of cash and cash equivalents as of December 31, 2022 and 2021 are as follows:

|                    | 2022                | 2021              |
|--------------------|---------------------|-------------------|
| Cash in banks      | \$ 1,260,427        | \$ 864,471        |
| Money market funds | 12,303              | 12,296            |
|                    | <u>\$ 1,272,730</u> | <u>\$ 876,767</u> |

### 6. CONCENTRATIONS OF CREDIT RISK AND UNCERTAINTIES

The financial instruments that are exposed to concentrations of credit risk consist primarily of cash in banks, money market funds and investments. The Organization maintains cash accounts with banks located in New York State, which are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. The cash amount on deposit as of and during the year ended December 31, 2022 exceeded the balance insured by the FDIC. Cash in money market funds are not FDIC insured. Management does not believe it is exposed to any significant credit risk on cash and cash equivalents.

The Organization has significant investments in common stocks, government securities and corporate bonds and is, therefore, exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain securities, it is reasonably possible that changes in the values of these securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Financial Position.

## **FRIENDS OF THE NEW YORK TRANSIT MUSEUM**

### **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022**

---

#### **7. GRANTS AND CONTRIBUTIONS RECEIVABLE**

Grants and contributions receivable consist of contributions for the development of certain programs. All contribution receivable amounts are due within one year.

#### **8. RELATED PARTY TRANSACTIONS AND CONTRIBUTED SERVICES**

Friends is a related party with the New York Transit Museum and with the Metropolitan Transition Authority ("MTA"). Friends has received contributed services from the MTA totaling \$136,312. The contributed services include the use of office facilities, and compensation and related employee benefit costs paid by the MTA for individuals possessing relevant specialized skills who devoted time to Friends without reimbursement. The contributed services are reported in the financial statements at an amount that is comparable to what individuals possessing similar skills are compensated in the current labor market.

#### **9. ADOPTION OF ACCOUNTING PRINCIPLES**

In September 2020, the FASB issued Accounting Standards Update ("ASU") No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 increases the transparency of contributed nonfinancial assets of not-for-profit entities through enhancements to presentation and disclosure. Disclosure of contributed nonfinancial assets are disaggregated by category within the Statement of Activities and disclosures include qualitative information about monetizing, any donor-imposed restrictions, and a description of the valuation techniques to arrive at a fair value measurement. This ASU is effective for annual periods beginning after June 15, 2021. The Museum has adopted and applied this ASU on a retrospective basis and the impact of these changes has been reflected in these financial statements.

#### **10. PAYCHECK PROTECTION PROGRAM LOANS**

During 2021 and 2020, Friends received loan proceeds in the amount of \$336,957 and \$316,922 respectively, under the Paycheck Protection Program. These loans were forgiven in 2022 and 2021 respectively and are recognized as Other revenue on the 2022 and 2021 Statements of Activities.

#### **11. EMPLOYER RETENTION TAX CREDITS**

During 2022, Friends received Employer Retention Tax Credits in the amount of \$384,554. This amount is included in Other revenue in the Statements of Activities.

**FRIENDS OF THE NEW YORK TRANSIT MUSEUM**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

---

**12. NET ASSETS WITH DONOR RESTRICTIONS**

As of December 31, 2022 and 2021, Friends had net assets with donor restrictions for the following programs and purposes:

|                                                           | <u>2022</u>       | <u>2021</u>       |
|-----------------------------------------------------------|-------------------|-------------------|
| Museum Exhibits, Archival, and General<br>Program Support | \$ 636,351        | \$ 683,960        |
| Museum Special Needs Programs                             | 165,240           | 22,984            |
| Total Net Assets With Donor Restrictions                  | <u>\$ 801,591</u> | <u>\$ 706,944</u> |

Net assets of \$598,263 were released from donor restrictions in 2022.

**13. RETIREMENT PLAN**

Effective December 19, 2017, Friends adopted a defined contribution retirement plan (the "Plan") covering eligible employees who have attained the age of 21 and completed one year of service. These employees may voluntarily contribute from 0% to 92% of their earnings to the Plan, up to the maximum contribution allowed by the IRS. Under the terms of the Plan, Friends contributes up to a 2% matching contribution based on an employee's deferral. During the years ended December 31, 2022 and 2021, matching contributions contributed to the Plan were \$12,385 and \$12,879, respectively.

**14. EVALUATION OF SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through August 29, 2023, the date which the financial statements were available to be issued.



**FRIENDS OF THE NEW YORK TRANSIT MUSEUM**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**15. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of December 31, 2022 and 2021.

Friend's financial assets available within one year of the statement of financial position date for general expenditures, such as operating expenses, are as follows:

|                                                                            | <b>December 31,</b>         |                            |
|----------------------------------------------------------------------------|-----------------------------|----------------------------|
|                                                                            | <b>2022</b>                 | <b>2021</b>                |
| Financial assets at year end:                                              |                             |                            |
| Cash and cash equivalents                                                  | \$ 1,272,730                | \$ 876,767                 |
| Contributions/other receivables                                            | 681,552                     | 562,088                    |
| Accrued interest                                                           | 21,987                      | 18,978                     |
| Investments                                                                | <u>11,469,275</u>           | <u>13,029,274</u>          |
| Total Financial assets                                                     | 13,445,544                  | 14,487,107                 |
| Less amounts not available to be used within one year:                     |                             |                            |
| Net assets with donor restrictions                                         | <u>801,591</u>              | <u>706,944</u>             |
| Financial assets available to meet general expenditures over the next year | <u><u>\$ 12,643,953</u></u> | <u><u>\$13,780,163</u></u> |

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short-term investments, typically U.S. Treasury bills.

#### PHOTO CREDITS

Cover: Photo by New York Transit Museum

Page 1: Photo by Marc A. Hermann / MTA

Page 2: Photo by Marc A. Hermann / MTA

Page 3: First Row: Photo by New York Transit Museum  
Second Row: Design by Charita Patamikakorn  
Third Row: New York Subway Guide, 1972. New York Transit Museum Collection 2003.37.12  
Fourth Row: Artist's rendering of the 63rd Street Tunnel , c. 1968, Painting by John Gould. New York Transit Museum Collection

Page 4: Photos by New York Transit Museum

Page 5: First Row: Photo by Marc A. Hermann / MTA  
Second Row: Photo by New York Transit Museum  
Third Row: Photo by New York Transit Museum

Page 6: First Row: 2008.16.6.2070, [Culver Depot at Coney Island], 07/12/1916, Harvey Mordetsky Collection, New York Transit Museum  
Second Row: 2019.43.1.1.4.3, Central Railroad Company of Long Island, Flushing to Hempstead, Page 2, [after 1870], Long Island Rail Road Early Property Records Collection, New York Transit Museum

Page 7: Photos by New York Transit Museum

Page 8: Photo by New York Transit Museum  
Photo by Maspeth Federal Savings

Page 9: Photos by New York Transit Museum

Page 10: Photos by New York Transit Museum

Page 12: Photo by the Metropolitan Transportation Authority

Page 13: Photo by New York Transit Museum

NEW YORK TRANSIT MUSEUM

99 Schermerhorn Street, Brooklyn NY 11201

[nytransitmuseum.org](http://nytransitmuseum.org) · [@nytransitmuseum](https://www.instagram.com/nytransitmuseum) · [info@nytransitmuseum](mailto:info@nytransitmuseum) · 718-694-1600