



# 2023 Financial Report

100 *The New York  
Community* Trust





**THE NEW YORK COMMUNITY TRUST AND  
COMMUNITY FUNDS, INC. AND SUBSIDIARY**

Consolidated Financial Statements

December 31, 2023 and 2022

(With Independent Auditors' Report Thereon)



KPMG LLP  
345 Park Avenue  
New York, NY 10154-0102

## **Independent Auditors' Report**

Distribution Committee of the New York Community Trust and Board of Directors of Community Funds, Inc.  
The New York Community Trust and Community Funds, Inc. and Subsidiary:

### *Opinion*

We have audited the consolidated financial statements of The New York Community Trust and Community Funds, Inc. and Subsidiary (the Trust), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Trust as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

### *Basis for Opinion*

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

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

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

### *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*

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



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

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

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the 2023 consolidated financial statements as a whole. The accompanying supplementary information in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the 2023 consolidated 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 2023 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2023 consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 consolidated financial statements or to the 2023 consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the 2023 consolidated financial statements as a whole.

*KPMG LLP*

New York, New York  
September 9, 2024

**THE NEW YORK COMMUNITY TRUST AND  
COMMUNITY FUNDS, INC. AND SUBSIDIARY**

Consolidated Statements of Financial Position

December 31, 2023 and 2022

<b>Assets</b>	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 74,588,012	42,158,394
Investments (note 4)	3,154,556,472	2,871,349,566
Receivables	2,371,645	1,140,580
Right-of-use assets (note 6)	12,693,157	14,461,486
Pension assets (note 7)	9,599,734	3,381,835
Other assets	29,093	—
Fixed assets, net	<u>1,639,730</u>	<u>584,340</u>
Total assets	<u>\$ 3,255,477,843</u>	<u>2,933,076,201</u>
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ 564,500	603,888
Grants payable, net	58,103,316	56,622,500
Lease liabilities (note 6)	13,240,606	14,997,986
Other liabilities	45,091	—
Accrued postretirement benefit obligation (note 7)	<u>3,726,652</u>	<u>3,080,577</u>
	75,680,165	75,304,951
Net assets without donor restrictions (note 2)	<u>3,179,797,678</u>	<u>2,857,771,250</u>
Total liabilities and net assets	<u>\$ 3,255,477,843</u>	<u>2,933,076,201</u>

See accompanying notes to consolidated financial statements.

**THE NEW YORK COMMUNITY TRUST AND  
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Consolidated Statements of Activities

Years ended December 31, 2023 and 2022

	<b>2023</b>	<b>2022</b>
Changes in net assets:		
Revenues:		
Contributions	\$ 123,247,048	129,949,678
Investment return, net	403,868,584	(505,154,946)
Program	954,389	—
Other	50,671	51,583
Total revenues, net	528,120,692	(375,153,685)
Expenses (note 5):		
Program	202,909,374	209,178,770
Administrative	9,389,165	7,454,521
Development	3,886,470	1,713,879
Total expenses	216,185,009	218,347,170
Increase (decrease) in net assets before other pension and postretirement changes and other transfer	311,935,683	(593,500,855)
Other components of net periodic cost (note 7)	516,882	1,358,663
Other pension and postretirement medical changes (note 7)	5,617,202	2,547,952
Other transfer	3,956,661	—
Increase (decrease) in net assets	322,026,428	(589,594,240)
Net assets at beginning of year	2,857,771,250	3,447,365,490
Net assets at end of year	\$ 3,179,797,678	2,857,771,250

See accompanying notes to consolidated financial statements.

**THE NEW YORK COMMUNITY TRUST AND  
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Consolidated Statements of Cash Flows

Years ended December 31, 2023 and 2022

	<b>2023</b>	<b>2022</b>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 322,026,428	(589,594,240)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Net (appreciation) depreciation on investments	(343,519,183)	548,498,637
Depreciation and amortization expense	210,453	116,733
Change in receivables	(1,231,065)	(631,590)
Change in other assets	(29,093)	—
Change in right-of-use assets	1,768,329	(14,461,486)
Change in pension assets	(6,217,899)	(2,041,926)
Change in accounts payable	(39,388)	(35,091)
Change in grants payable	1,480,816	8,903,731
Change in other liabilities	45,091	—
Change in deferred rent credits	—	(525,551)
Change in lease liabilities	(1,757,380)	14,997,986
Change in accrued postretirement medical benefit obligation	646,075	(1,116,471)
Net cash used in operating activities	(26,616,816)	(35,889,268)
Cash flows from investing activities:		
Purchases of investments	(1,359,114,079)	(1,075,715,762)
Proceeds from sales of investments	1,419,426,356	1,082,049,725
Capital expenditures	(1,265,843)	—
Net cash provided by investing activities	59,046,434	6,333,963
Net increase (decrease) in cash and cash equivalents	32,429,618	(29,555,305)
Cash and cash equivalents at beginning of year	42,158,394	71,713,699
Cash and cash equivalents at end of year	\$ 74,588,012	42,158,394
Supplemental disclosure of cash flow information:		
Taxes paid on unrelated business income	\$ 4,471	104,030

See accompanying notes to consolidated financial statements.

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Notes to Consolidated Financial Statements

December 31, 2023 and 2022

**(1) Organization**

The New York Community Trust and Community Funds, Inc. are community foundations created to build permanent charitable endowments for the greater metropolitan region. The James Foundation is a Missouri not-for-profit corporation established for the purpose of administering the Missouri lands formerly owned by Lucy Wortham James. Each of the foundations are tax-exempt under Section 501(c)(3) of the Internal Revenue Code (the Code) and have been determined not to be a private foundation under Section 509(a)(1) of the Code. The New York Community Trust, Community Funds, Inc., and The James Foundation, as consolidated foundations, are hereinafter referred to collectively as The Trust. The Trust administers more than 2,000 individual charitable funds, each established with an instrument of gift describing either the general or specific purposes for which grants are to be made, from a spending plan distribution, income, and in some cases, from principal.

**(2) Summary of Significant Accounting Policies**

**(a) Basis of Accounting**

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

**(b) Basis of Consolidation**

The consolidated financial statements include the financial statements of The New York Community Trust (NYCT), Community Funds, Inc. (CFI), and The James Foundation. All significant intercompany transactions and balances have been eliminated in preparing the accompanying consolidated financial statements.

**(c) Basis of Presentation**

The classification of The Trust's revenue and gains (losses) is based on the existence or absence of donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. U.S. GAAP requires that the amounts of each class of net assets, without donor restriction and with donor restriction, to be displayed in the statements of financial position and that the amounts of change in each of those classes of net assets be displayed in the statements of activities. These classes are defined as follows:

*Net assets without donor restrictions* – Net assets which are not subject to donor-imposed stipulations or the restrictions have expired and/or have been satisfied. While many of The Trust's assets are subject to donor-imposed purpose and/or endowment restrictions, as a community foundation, The Trust's governing documents provide for the exercise of the "variance power," which is the power to lift one or more restrictions in a gift instrument where changed circumstances have rendered literal compliance with the restriction unnecessary, undesirable, impractical, or impossible. Accounting standards provide that if the governing body of an organization has the ability to remove a donor restriction, the contributions should be classified as net assets without donor restrictions. Accordingly, the consolidated financial statements classify all net assets as without donor restrictions.



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**(d) Cash and Cash Equivalents**

Cash and cash equivalents consist of cash and short-term investments with original maturities of 90 days or less, except for those short-term investments managed as part of long-term investment strategies.

**(e) Fixed Assets**

Fixed assets are recorded at cost and are depreciated on a straight-line basis over the estimated life of the respective asset. Leasehold improvements are depreciated over the life of the respective improvement or the remaining term of the lease, whichever is shorter. Fixed assets are reported net of accumulated depreciation of \$4,264,966 in 2023 and \$1,151,699 in 2022.

**(f) Contributions**

Contributions are recorded as revenue at fair value in the period received or pledged. Conditional contributions are recognized as revenue when the barrier(s) in the agreement are overcome.

**(g) Grantmaking**

Unconditional grants are expensed with approval of the Distribution Committee of NYCT or the Board of Directors of CFI. Conditional grants are recognized as expense after all barriers have been met by the beneficiary. Unconditional grants for future periods are presented as grants payable on the statements of financial position, which includes a discount for present value.

**(h) Spending Policies**

The Trust has adopted a constant growth spending plan for many of its funds. This approach allows spending to increase at a steady rate within the confines of a floor, a ceiling, and a cap.

**(i) Use of Estimates**

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based upon management's current judgments. Significant estimates made by management in the preparation of the consolidated financial statements include the fair value of nonexchange-traded alternative investments, and pension and postretirement medical benefit obligations. Actual results could differ from those estimates.

**(j) Accounting for Uncertainty in Income Taxes**

The Trust recognizes the effects of income tax positions only if those positions are more likely than not of being sustained. As of December 31, 2023 and 2022, The Trust does not have any uncertain tax positions or any unrelated business income tax liability that would have a material impact upon its consolidated financial statements.

**(k) New Authoritative Accounting Pronouncement**

In 2023, The Trust adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (CECL)*, as amended. The ASU requires credit losses to be recognized on most financial assets carried at amortized cost and certain other instruments. The

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allowance is deducted from the amortized cost basis of a financial asset, so that the statements of financial position reflect the net amount an entity expects to collect. Under CECL, credit losses are estimated over the entire contractual term of the instrument (adjusted for prepayment) from the date of initial recognition. The adoption did not have a material impact on The Trust's consolidated financial statements at December 31, 2023.

**(I) Reclassifications**

Certain amounts in the 2022 financial statements have been reclassified to conform to the 2023 presentation.

**(3) Liquidity and Availability of Financial Assets**

Resources available to The Trust to fund general expenditures, such as operating expenses and grants, have seasonal variations related to the timing of spending plan distributions and receipt of gifts. The Trust actively manages its resources, utilizing a combination of short-, medium-, and long-term operating investment strategies to align its cash inflows with anticipated outflows. Furthermore, there are likely to be additional components of The Trust's investments that may be available and liquid within one year. These components include certain portions of marketable alternatives, as well as return of capital from private equity. At December 31, 2023 and 2022, financial assets available within one year to fund general expenditures were as follows:

	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 74,588,012	42,158,394
Short-term investments	304,666,280	283,873,778
Total	\$ 379,254,292	326,032,172

**(4) Investments and Fair Value Measurements**

Investments with readily determinable fair values are reported at fair value based upon quoted market prices or published net asset values (NAV) for investments in funds with characteristics similar to a mutual fund. The estimated fair value of hedge funds and private market funds is reported at estimated fair value based on, as a practical expedient, NAV provided by investment managers. These values are reviewed and evaluated by management for reasonableness. The reported values may differ from the values that would have been reported had a ready market for these investments existed.

Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized gains and losses and changes in unrealized gains and losses in investments are included in investment return in the statement of activities.

Fair value is defined as the exchange price that would be received to sell an asset, or paid to transfer a liability (an exit price), in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value hierarchy requires The

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Trust to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of the hierarchy are:

- Level 1 inputs are quoted or published prices in active markets for identical assets or liabilities.
- Level 2 inputs are inputs other than prices included within Level 1 that are observable for the asset, such as quoted prices for similar assets or liabilities.
- Level 3 inputs are unobservable inputs for the asset or liability.

Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, allows The Trust, as a practical expedient, to estimate the fair value using NAV for commingled investments that do not have a readily determinable fair value.

Most of The Trust's investments are in publicly traded securities or in commingled funds that invest in publicly traded securities. Fair value for these investments is based on quoted market prices or published prices. The Trust also invests in hedge funds and private equity investments, including private real estate investments. The fair value of these investments has been determined primarily through the net asset values provided by the fund managers utilizing quoted market prices for underlying securities, market values for comparable companies, income-based approach, or discounted cash flow projections. The Trust received a gift of interest in a limited liability company (LLC), which is carried at fair value based on The Trust's interest in the net assets of the LLC. The valuation is reviewed for reasonableness by the management of The Trust.

The Trust invests for long-term growth in real terms, consistent with a reasonable degree of risk. Donor-advised funds that require a high degree of liquidity are invested in cash equivalents. The investments of NYCT are held in individual trusts at the bank designated by the donor in the instrument of gift. The investments of The James Foundation are invested in mutual funds.

The following tables present The Trust's investments at December 31, 2023 and 2022, respectively:

	<b>2023</b>				<b>Investments measured at NAV</b>
	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
U.S. equities	\$ 1,327,597,558	1,326,987,470	—	610,088	—
International equities	608,201,040	608,201,040	—	—	—
Fixed income/mutual funds	371,774,411	371,774,411	—	—	—
Cash and cash equivalents	304,666,280	304,666,280	—	—	—
Hedge funds	205,374,710	—	—	—	205,374,710
Private equity	130,635,708	—	—	11,578,097	119,057,611
Fixed income/government bonds	103,562,962	59,310,318	44,252,644	—	—
Fixed income/corporate bonds	41,806,893	41,806,893	—	—	—
Fixed income/other	41,442,200	36,242,200	5,200,000	—	—
Real estate	15,849,171	—	—	15,849,171	—
Other	3,645,539	3,121,459	446,403	77,677	—
Total	<u>\$ 3,154,556,472</u>	<u>2,752,110,071</u>	<u>49,899,047</u>	<u>28,115,033</u>	<u>324,432,321</u>

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Notes to Consolidated Financial Statements

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	2022				Investments measured at NAV
	Total	Level 1	Level 2	Level 3	
U.S. equities	\$ 1,162,411,113	1,162,310,908	—	100,205	—
International equities	532,997,898	532,997,898	—	—	—
Fixed income/mutual funds	355,033,854	355,033,854	—	—	—
Cash and cash equivalents	283,873,778	283,873,778	—	—	—
Hedge funds	173,730,233	—	—	—	173,730,233
Private equity	135,783,834	—	—	24,527,136	111,256,698
Fixed income/government bonds	104,020,028	58,879,810	45,140,218	—	—
Fixed income/other	44,599,863	34,099,863	10,500,000	—	—
Fixed income/corporate bonds	41,998,364	41,998,364	—	—	—
Real estate	29,863,805	—	—	29,863,805	—
Other	7,036,796	6,470,340	488,774	77,682	—
Total	\$ 2,871,349,566	2,475,664,815	56,128,992	54,568,828	284,986,931

The Trust's investments valued at NAV include the following:

**Hedge funds** – These consist mainly of multistrategy funds that attempt to generate consistent positive returns by focusing on opportunities that are not correlated with the overall markets. This category also includes two funds that seek to achieve equity-like returns with lower volatility than the equity markets. These funds may be redeemed at net asset value at least annually and in most cases more frequently. Advance notice of 30–90 days is required to redeem these investments.

**Private equity** – These funds focus on investments in growth companies and buyouts—primarily in the small-cap and mid-cap portions of the market. Certain funds of funds also have a small allocation to venture capital. As the underlying investments are liquidated, assets are distributed. Funds are expected to be fully liquidated over the next 10 years. Certain of The Trust's investments in private equity involve future cash commitments, which amounted to approximately \$66 million at December 31, 2023.

The following table presents a reconciliation for all Level 3 assets measured at fair value for the period from January 1 to December 31:

	2023				
	U.S. equities	Private equity	Real estate	Other	Total
Fair value at January 1	\$ 100,205	24,527,136	29,863,805	77,682	54,568,828
Gains (losses), net	61,845	(12,949,039)	(14,014,634)	(5)	(26,901,833)
Purchases of Level 3 investments	500,038	—	—	—	500,038
Sales of Level 3 investments	(52,000)	—	—	—	(52,000)
Fair value at December 31	\$ 610,088	11,578,097	15,849,171	77,677	28,115,033

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	2022				Total
	U.S. equities	Private equity	Real estate	Other	
Fair value at January 1	\$ 350,170	36,434,510	30,782,102	86,772	67,653,554
Gains (losses), net	—	(13,809,993)	(918,297)	(9,090)	(14,737,380)
Purchases of Level 3 investments	100,045	4,112,559	—	—	4,212,604
Sales of Level 3 investments	(350,010)	(2,209,940)	—	—	(2,559,950)
Fair value at December 31	<u>\$ 100,205</u>	<u>24,527,136</u>	<u>29,863,805</u>	<u>77,682</u>	<u>54,568,828</u>

**(5) Functional Expenses**

Program services include grantmaking expenditures and park services. Salaries and benefits, occupancy, and office expenses are attributable to program, administrative, or development functions and are allocated consistently based on estimates of time and effort. The following tables illustrate the functional expenses for the years ended December 31, 2023 and 2022:

	2023			Total
	Program	Administrative	Development	
Grants and services to beneficiaries	\$ 194,066,308	—	—	194,066,308
Salaries and benefits	6,296,023	5,622,675	1,788,479	13,707,177
Other	2,547,043	3,766,490	2,097,991	8,411,524
Total	<u>\$ 202,909,374</u>	<u>9,389,165</u>	<u>3,886,470</u>	<u>216,185,009</u>

	2022			Total
	Program	Administrative	Development	
Grants and services to beneficiaries	\$ 200,464,668	—	—	200,464,668
Salaries and benefits	6,523,151	4,744,109	593,014	11,860,274
Other	2,190,951	2,710,412	1,120,865	6,022,228
Total	<u>\$ 209,178,770</u>	<u>7,454,521</u>	<u>1,713,879</u>	<u>218,347,170</u>

**(6) Leases**

Leases result in the recognition of right-to-use (ROU) asset and lease liability on the statements of financial position. ROU assets represent the right to use an underlying asset for the lease term and are recognized in an amount equal to the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. Lease liabilities represent the present value of the future lease payments over the expected lease term. The present value of the lease liability is determined using the risk-free discount rate at lease inception for operating leases. Operating lease expense is recognized on a straight-line basis over the lease term.

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The Trust determines whether to account for its leases as operating, capital, or financing leases depending on the underlying terms of the lease agreement. The Trust elected the package of practical expedients under the new standard, which permits entities not to reassess lease classifications, lease identifications, or initial direct costs for existing or expired leases prior to the effective date. The Trust also elected the practical expedient to utilize the risk-free rate for all operating leases. The Trust elected the practical expedient to account for nonlease components and the lease components to which they relate as a single component for all operating leases.

The Trust leases office space under a noncancelable operating lease that expires on August 31, 2030. The lease contains no significant restrictions. The lease provides for a step-up in rent on September 1, 2025. In the year ended December 31, 2022, the Trust adopted FASB ASU No. 2016-02, ASC 842, *Leases*, which requires the recognition of ROU asset and lease liability based on the present value of the remaining lease payments. The risk-free rate of 1.55% was used as the discount rate to determine present value. The ROU asset at December 31, 2023 and 2022 totaled \$12,693,154 and \$14,461,486, respectively. The lease liability at December 31, 2023 and 2022 totaled \$13,240,606 and \$14,997,986, respectively. Total operating lease expense for the years ended December 31, 2023 and 2022 was \$2,029,904 and \$2,042,376, respectively.

**(7) Pension and Postretirement Medical Benefit Plans**

The Trust administers a noncontributory defined-benefit pension plan covering substantially all employees. Benefits are based on years of service and the employee's compensation during the five highest consecutive years during the last 10 years of employment. The Trust also provides medical insurance benefits for its eligible retired employees. Obligations and funded status at December 31 are as follows:

	<u>Pension benefits</u>		<u>Postretirement medical benefits</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Fair value of plan assets	\$ 44,763,308	34,304,149	—	—
Benefit obligation	35,163,574	30,922,314	3,726,652	3,080,577
Funded status	<u>\$ 9,599,734</u>	<u>3,381,835</u>	<u>(3,726,652)</u>	<u>(3,080,577)</u>
Benefit costs	\$ 746,941	124,923	174,403	308,813
Benefits paid	2,031,147	1,744,991	122,593	98,531
Plan contribution	1,093,000	952,850	7,888	7,200
Net actuarial gain (loss)	5,605,253	1,160,637	120,551	1,366,058
Prior service credits	330,847	351,654	—	—
Net periodic benefit income recognized	4,917,498	1,089,076	174,403	308,813

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The accumulated amounts not yet recognized as a component of net periodic benefit cost were \$(7,986,779) and \$(2,266,825) at December 31, 2023 for the pension and postretirement medical plans, respectively.

	<u>Pension benefits</u>		<u>Postretirement medical benefits</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Weighted average assumptions used to determine obligations as of December 31:				
Discount rate	4.80 %	5.00 %	4.80 %	5.00 %
Rate of compensation increase	4.00	4.00	—	—

	<u>Pension benefits</u>		<u>Postretirement medical benefits</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Weighted average assumptions used to determine periodic cost as of December 31:				
Discount rate	5.00 %	2.70 %	5.00 %	2.80 %
Expected return of plan assets	6.20	6.20	—	—
Rate of compensation increase	4.00	4.00	—	—

The healthcare cost trend rate assumption for 2024 is 6.70% decreasing to 4.70% in 2029.

The pension plan is invested in a balanced portfolio of equity and fixed income securities. Annual projected benefit payments for the pension and postretirement medical benefit plans are expected to average \$2,194,000 and \$178,000, respectively, through 2033.

The following tables present The Trust's fair value hierarchy for the investments of its defined-benefit pension plan as of December 31, 2023 and 2022, respectively:

	<b>2023</b>			
	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equities	\$ 32,891,738	32,891,738	—	—
Fixed income	11,598,462	9,286,411	2,312,051	—
Cash and cash equivalent	273,108	273,108	—	—
	<u>\$ 44,763,308</u>	<u>42,451,257</u>	<u>2,312,051</u>	<u>—</u>

**THE NEW YORK COMMUNITY TRUST AND  
COMMUNITY FUNDS, INC., AND SUBSIDIARY**

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

	<b>2022</b>			
	<b>Fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Equities	\$ 25,137,763	25,137,763	—	—
Fixed income	8,521,108	6,103,164	2,417,944	—
Cash and cash equivalent	645,278	645,278	—	—
	\$ 34,304,149	31,886,205	2,417,944	—

The Trust also sponsors a defined-contribution retirement plan in which contributions are based upon a specified percentage of salaries and years of service. The expense for this retirement plan was \$827,932 in 2023 and \$743,684 in 2022.

**(8) Subsequent Events**

The Trust evaluated its December 31, 2023 consolidated financial statements for subsequent events through September 9, 2024, the date the consolidated financial statements were available to be issued. The Trust is not aware of any subsequent events that would require recognition or disclosure in the consolidated financial statements.



**THE NEW YORK COMMUNITY TRUST AND  
COMMUNITY FUNDS, INC. AND SUBSIDIARY**

Consolidating Statement of Financial Position

December 31, 2023

<b>Assets</b>	<b>CFI</b>	<b>NYCT</b>	<b>James Foundation</b>	<b>Eliminations</b>	<b>Total</b>
Cash and cash equivalents	\$ 36,366,894	37,841,925	379,193	—	74,588,012
Investments	1,773,739,753	1,377,343,605	3,473,114	—	3,154,556,472
Receivables	2,370,093	—	635,552	(634,000)	2,371,645
Right-of-use assets	12,693,157	—	—	—	12,693,157
Pension assets	9,058,022	—	541,712	—	9,599,734
Other assets	—	—	29,093	—	29,093
Fixed assets, net	575,526	—	1,064,204	—	1,639,730
Due from New York Community Trust	435,550	—	—	(435,550)	—
Total assets	<u>\$ 1,835,238,995</u>	<u>1,415,185,530</u>	<u>6,122,868</u>	<u>(1,069,550)</u>	<u>3,255,477,843</u>
<b>Liabilities and Net Assets</b>					
Liabilities:					
Accounts payable	\$ 348,383	94,968	121,149	—	564,500
Grants payable, net	22,727,396	35,375,920	—	—	58,103,316
Lease liabilities	13,240,606	—	—	—	13,240,606
Other liabilities	—	—	45,091	—	45,091
Accrued postretirement benefit obligation	3,318,489	—	408,163	—	3,726,652
Due to Community Funds, Inc.	—	435,550	—	(435,550)	—
Total liabilities	<u>39,634,874</u>	<u>35,906,438</u>	<u>574,403</u>	<u>(435,550)</u>	<u>75,680,165</u>
Net assets:					
Net assets without donor restrictions	1,795,604,121	1,379,279,092	4,914,465	—	3,179,797,678
Net assets with donor restrictions	—	—	634,000	(634,000)	—
Total liabilities and net assets	<u>\$ 1,835,238,995</u>	<u>1,415,185,530</u>	<u>6,122,868</u>	<u>(1,069,550)</u>	<u>3,255,477,843</u>

See accompanying independent auditors' report.

**THE NEW YORK COMMUNITY TRUST AND  
COMMUNITY FUNDS, INC. AND SUBSIDIARY**

Consolidating Statements of Activities

Year ended December 31, 2023

	<u>CFI</u>	<u>NYCT</u>	<u>James Foundation</u>	<u>Eliminations</u>	<u>Total</u>
Changes in net assets:					
Revenues:					
Contributions	\$ 91,531,095	31,611,268	785,996	(681,311)	123,247,048
Investment return, net	212,104,478	191,264,077	500,029	—	403,868,584
Program	—	—	954,389	—	954,389
Assessments	8,242,617	—	—	(8,242,617)	—
Other	50,671	—	—	—	50,671
Net assets released from donor restrictions	—	—	621,000	(621,000)	—
Total revenues, net	<u>311,928,861</u>	<u>222,875,345</u>	<u>2,861,414</u>	<u>(9,544,928)</u>	<u>528,120,692</u>
Expenses:					
Program	146,640,409	55,640,030	1,249,935	(621,000)	202,909,374
Administrative	8,990,251	6,701,798	446,225	(6,749,109)	9,389,165
Development	3,886,470	1,540,819	—	(1,540,819)	3,886,470
Total expenses	<u>159,517,130</u>	<u>63,882,647</u>	<u>1,696,160</u>	<u>(8,910,928)</u>	<u>216,185,009</u>
Increase (decrease) in net assets before other pension and postretirement changes and other transfer	152,411,731	158,992,698	1,165,254	(634,000)	311,935,683
Other components of net periodic cost (note 7)	516,882	—	—	—	516,882
Other pension and postretirement medical changes (note 7)	5,190,652	—	426,550	—	5,617,202
Other transfer	—	—	3,956,661	—	3,956,661
Increase (decrease) in net assets	158,119,265	158,992,698	5,548,465	(634,000)	322,026,428
Net assets at beginning of year	<u>1,637,484,856</u>	<u>1,220,286,394</u>	<u>—</u>	<u>—</u>	<u>2,857,771,250</u>
Net assets at end of year	<u>\$ 1,795,604,121</u>	<u>1,379,279,092</u>	<u>5,548,465</u>	<u>(634,000)</u>	<u>3,179,797,678</u>

See accompanying independent auditors' report.



**The New York  
Community Trust**

**NYC Office**

909 Third Avenue  
22nd Floor  
New York, NY 10022  
(212) 686-0010

**Long Island Office**

50 Vanderbilt Motor Parkway  
Commack, NY 11725  
(631) 991-8800

**Westchester Office**

210 North Central Avenue  
Suite 310  
Hartsdale, NY 10530  
(914) 948-5166

Find us on:

