

# **The New York Academy of Medicine**

## **Financial Statements**

**December 31, 2024 and 2023**

## **Independent Auditors' Report**

**Board of Trustees**  
**The New York Academy of Medicine**

### ***Opinion***

We have audited the accompanying financial statements of The New York Academy of Medicine ("NYAM"), which comprise the statements of financial position as of December 31, 2024 and 2023, the related statements of activities, functional expenses and cash flows for the years 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 NYAM as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NYAM and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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.

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 NYAM'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 NYAM'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.

*PKF O'Connor Davies, LLP*

June 3, 2025

# The New York Academy of Medicine

## Statements of Financial Position

	December 31	
	2024	2023
<b>ASSETS</b>		
Cash and cash equivalents	\$ 237,067	\$ 663,958
Contributions and grants receivable, net	1,270,286	1,228,480
Accounts receivable	270,214	89,941
Prepaid expenses and other assets	107,272	78,505
Investments	53,767,526	55,825,964
Restricted investments	1,492,705	1,460,782
Property and equipment, net	7,159,556	7,032,491
Beneficial interest in perpetual trust	131,011	136,447
	<u>\$ 64,435,637</u>	<u>\$ 66,516,568</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 372,090	\$ 654,782
Grants payable	284,000	405,500
Deferred income	284,817	166,000
Deferred compensation	1,492,705	1,460,782
Total Liabilities	<u>2,433,612</u>	<u>2,687,064</u>
Net Assets		
Without donor restrictions	<u>34,311,463</u>	<u>35,673,155</u>
With Donor Restrictions		
Time or purpose restricted	15,984,904	16,546,887
Investments held in perpetuity	11,705,658	11,609,462
Total With Donor Restrictions	<u>27,690,562</u>	<u>28,156,349</u>
Total Net Assets	<u>62,002,025</u>	<u>63,829,504</u>
	<u>\$ 64,435,637</u>	<u>\$ 66,516,568</u>

See notes to financial statements

# The New York Academy of Medicine

## Statements of Activities

	Year Ended December 31, 2024				Year Ended December 31, 2023			
	Without Donor Restrictions	With Donor Restrictions		Total	Without Donor Restrictions	With Donor Restrictions		Total
		Time or Purpose Restricted	Investments Held in Perpetuity			Time or Purpose Restricted	Investments Held in Perpetuity	
<b>OPERATING ACTIVITIES</b>								
Operating Support								
Grants and contributions	\$ 162,915	\$ 2,897,378	\$ -	\$ 3,060,293	\$ 1,177,395	\$ 2,102,374	\$ -	\$ 3,279,769
Special events revenue (net of direct benefit to donors of \$95,328 and \$130,543)	754,129	99,806	-	853,935	763,396	-	-	763,396
Total Operating Support	917,044	2,997,184	-	3,914,228	1,940,791	2,102,374	-	4,043,165
Operating Revenues								
Investment return designated for current operations	3,577,086	741,052	-	4,318,138	3,667,791	702,107	-	4,369,898
Conference center, rental and library	3,036,521	-	-	3,036,521	1,708,758	-	-	1,708,758
Membership dues	173,501	-	-	173,501	177,243	-	-	177,243
Miscellaneous	608,096	39,000	-	647,096	471,343	-	-	471,343
Net assets released from restrictions for operations	4,167,056	(4,167,056)	-	-	4,807,711	(4,807,711)	-	-
Total Operating Activities	12,479,304	(389,820)	-	12,089,484	12,773,637	(2,003,230)	-	10,770,407
<b>OPERATING EXPENSES</b>								
Program services	8,730,701	-	-	8,730,701	8,946,855	-	-	8,946,855
Management and general	2,574,134	-	-	2,574,134	3,384,223	-	-	3,384,223
Fundraising	1,113,722	-	-	1,113,722	868,001	-	-	868,001
Total Operating Expenses	12,418,557	-	-	12,418,557	13,199,079	-	-	13,199,079
Change in Net Assets from Operations	60,747	(389,820)	-	(329,073)	(425,442)	(2,003,230)	-	(2,428,672)
<b>NON-OPERATING ACTIVITIES</b>								
Permanently restricted contributions	-	-	106,421	106,421	-	-	-	-
Change in value of beneficial interest in perpetual trust	-	-	(5,436)	(5,436)	-	-	(1,388)	(1,388)
Sale of Air Rights	-	-	-	-	2,333,025	-	-	2,333,025
Investment return not designated for current operations	(1,422,439)	(172,163)	(4,789)	(1,599,391)	(568,337)	218,925	(131,856)	(481,268)
Change in Net Assets	(1,361,692)	(561,983)	96,196	(1,827,479)	1,339,246	(1,784,305)	(133,244)	(578,303)
<b>NET ASSETS</b>								
Beginning of year	35,673,155	16,546,887	11,609,462	63,829,504	34,333,909	18,331,192	11,742,706	64,407,807
End of year	\$ 34,311,463	\$ 15,984,904	\$ 11,705,658	\$ 62,002,025	\$ 35,673,155	\$ 16,546,887	\$ 11,609,462	\$ 63,829,504

See notes to financial statements

# The New York Academy of Medicine

## Statement of Functional Expenses Year Ended December 31, 2024

	Program Services					Supporting Services			
	Community Partnerships and Policy Solutions	Evaluation and Research Programs	Library	Other Program Services	Total	Management and General	Fundraising	Cost of Direct Benefit to Donors	Total
Salaries and wages	\$ 659,852	\$ 1,537,290	\$ 626,259	\$ 1,762,556	\$ 4,585,957	\$ 1,405,074	\$ 763,988	\$ -	\$ 6,755,019
Employee benefits and taxes	164,986	367,906	148,047	443,502	1,124,441	221,478	159,326	-	1,505,245
Professional fees and consultants	115,882	102,189	47,403	276,239	541,713	517,851	56,259	19,901	1,135,724
Program supplies	10,124	22,772	39,775	44,795	117,466	47,833	8,361	237	173,897
Office expenses	15,692	24,825	17,049	36,725	94,291	64,221	32,275	6,310	197,097
Travel, conference and meetings	88,974	29,967	38,689	103,610	261,240	31,622	14,201	57,608	364,671
Contractual services	39,085	53,467	48,993	121,363	262,908	18,009	5,266	-	286,183
Occupancy and building maintenance	83,361	194,494	128,827	239,962	646,644	124,718	17,432	-	788,794
Insurance	11,015	22,030	11,015	29,373	73,433	65,272	24,478	-	163,183
Awards and fellowships	18,520	-	21,500	238,490	278,510	-	-	-	278,510
Other general and administrative	1,969	29,260	49,225	90,896	171,350	18,091	22,759	11,272	223,472
Total Expenses Before Depreciation and Amortization	1,209,460	2,384,200	1,176,782	3,387,511	8,157,953	2,514,169	1,104,345	95,328	11,871,795
Depreciation and amortization	85,912	171,825	85,912	229,099	572,748	59,965	9,377	-	642,090
Less direct benefit to donors	-	-	-	-	-	-	-	(95,328)	(95,328)
Total Expenses	\$ 1,295,372	\$ 2,556,025	\$ 1,262,694	\$ 3,616,610	\$ 8,730,701	\$ 2,574,134	\$ 1,113,722	\$ -	\$ 12,418,557

See notes to financial statements

# The New York Academy of Medicine

## Statement of Functional Expenses Year Ended December 31, 2023

	Program Services					Supporting Services			
	Community Partnerships and Policy Solutions	Evaluation and Research Programs	Library	Other Program Services	Total	Management and General	Fundraising	Cost of Direct Benefit to Donors	Total
Salaries and wages	\$ 856,374	\$ 1,180,486	\$ 561,929	\$ 1,545,233	\$ 4,144,022	\$ 1,928,833	\$ 581,793	\$ -	\$ 6,654,648
Employee benefits and taxes	229,939	312,381	146,412	394,707	1,083,439	457,794	142,123	-	1,683,356
Professional fees and consultants	115,224	154,142	66,183	170,409	505,958	519,339	35,579	38,501	1,099,377
Program supplies	13,485	9,598	43,389	19,743	86,215	47,140	12,668	114	146,137
Office expenses	28,230	25,741	14,762	36,277	105,010	137,699	35,276	15,112	293,097
Travel, conference and meetings	43,495	16,776	11,725	45,121	117,117	39,612	11,121	57,794	225,644
Contractual services	413,764	102,476	42,826	112,814	671,880	16,648	5,716	405	694,649
Occupancy and building maintenance	177,307	198,654	138,947	298,931	813,839	139,891	17,226	-	970,956
Insurance	31,550	23,591	14,164	43,356	112,661	39,545	4,703	-	156,909
Awards and fellowships	32,527	-	14,750	389,266	436,543	-	230	-	436,773
Other general and administrative	7,571	114,426	40,757	70,220	232,974	11,433	6,142	18,617	269,166
Total Expenses Before Depreciation and Amortization	1,949,466	2,138,271	1,095,844	3,126,077	8,309,658	3,337,934	852,577	130,543	12,630,712
Depreciation and amortization	18,726	23,450	371,234	223,787	637,197	46,289	15,424	-	698,910
Less direct benefit to donors	-	-	-	-	-	-	-	(130,543)	(130,543)
Total Expenses	<u>\$ 1,968,192</u>	<u>\$ 2,161,721</u>	<u>\$ 1,467,078</u>	<u>\$ 3,349,864</u>	<u>\$ 8,946,855</u>	<u>\$ 3,384,223</u>	<u>\$ 868,001</u>	<u>\$ -</u>	<u>\$ 13,199,079</u>

See notes to financial statements

# The New York Academy of Medicine

## Statements of Cash Flows

	Year Ended December 31	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (1,827,479)	\$ (578,303)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	642,090	698,910
Loss on disposal of assets	8,394	-
Bad debt expense	34,923	127,538
Net realized and unrealized loss (gain) on investments	250,584	(2,270,803)
Change in beneficial interest in perpetual trust	5,436	1,388
Changes in operating assets and liabilities		
Contributions and grants receivable	(76,729)	589,664
Accounts receivable	(180,273)	27,516
Prepaid expenses and other assets	(28,767)	(37,125)
Accounts payable and accrued expenses	(282,692)	(31,663)
Grants payable	(121,500)	8,500
Deferred income	118,817	57,346
Net Cash from Operating Activities	<u>(1,457,196)</u>	<u>(1,407,032)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(777,549)	(742,113)
Purchase of investments	(45,458,230)	(54,878,403)
Proceeds from sales of investments	<u>47,266,084</u>	<u>57,354,621</u>
Net Cash from Investing Activities	<u>1,030,305</u>	<u>1,734,105</u>
Net Change in Cash and Cash Equivalents	(426,891)	327,073
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>663,958</u>	<u>336,885</u>
End of year	<u>\$ 237,067</u>	<u>\$ 663,958</u>

See notes to financial statements



# **The New York Academy of Medicine**

Notes to Financial Statements  
December 31, 2024 and 2023

## **1. Organization and Tax Status**

The New York Academy of Medicine ("NYAM") tackles the barriers that prevent every individual from living a healthy life. NYAM generates the knowledge needed to change the systems that prevent people from accessing what they need to be healthy such as safe and affordable housing, healthy food, healthcare and more. Through its high-profile programming for the general public, focused symposia for health professionals, and its base of dedicated Fellows and Members, NYAM engages the minds and hearts of those who also value advancing health equity to maximize health for all.

NYAM is exempt from federal income taxes pursuant to Section 501(c)(3) of the U.S. Internal Revenue Code and from state and local taxes under comparable laws.

## **2. Summary of Significant Accounting Policies**

### ***Basis of Accounting and Use of Estimates***

The accompanying financial statements of NYAM have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America as ("U.S. GAAP"), as applicable to not-for-profit organizations.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

NYAM considers highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents, with the exception of cash and cash equivalents held in the investment portfolio.

### ***Investment Valuation and Income Recognition***

NYAM's investments consist of (i) cash and cash equivalents held for investments, (ii) fully benefit responsive contracts, (iii) domestic and international equity securities, (iv) fixed-income securities, (v) equity mutual funds, (vi) CREF variable annuity accounts, (vii) a real estate pooled separate account, and (viii) alternative investments consisting of limited partnerships invested in private equity securities, flexible capital, hedge funds and real asset funds. The fully benefit responsive contracts are unallocated contracts and are stated at contract value. Contract value equals the accumulated cash contributions, interest credited to the contracts, and transfers in (if any), less any withdrawals and transfers out (if any). The contract value, which is derived from a discounted cash flow analysis and other factors, approximates fair value. Domestic and international equity securities, fixed-income securities, equity mutual funds, CREF variable annuity accounts and the real estate pooled separate account are reported at their fair values at year-end based on market quotations. The alternative investments are reported at their fair values at year-end, based upon the valuation of the underlying assets as provided by the various investment managers.

## **The New York Academy of Medicine**

Notes to Financial Statements  
December 31, 2024 and 2023

### **2. Summary of Significant Accounting Policies *(continued)***

#### ***Investment Valuation and Income Recognition (continued)***

The methods and procedures used to value these alternative investments may include, but are not limited to, (i) performing comparisons with prices of comparable or similar securities; (ii) obtaining valuation-related information from issuers; and (iii) obtaining such other analytical data and indications of value as may be available from investment managers and other sources. However, because of the inherent uncertainty of the valuation process, the estimated fair values for the aforementioned securities and interests may differ from the values that would have been used had a ready market for the investments existed, and those differences could be material.

The fair value of alternative investments has been estimated using Net Asset Value ("NAV") as reported by the management of the respective alternative investment fund. US GAAP guidance provides for the use of NAV as a "Practical Expedient" for estimating fair value of alternative investments. NAV reported by each alternative investment fund is used as a practical expedient to estimate the fair value of NYAM's interest therein.

NYAM's investments in limited partnerships are valued based on the valuation policies and procedures of the general partners of the investments. Each general partner performs oversight of the underlying managers' material positions both on an investment level and from a risk perspective. The general partner is responsible for ensuring the investments are valued according to the policies and procedures adopted by the partnership. NYAM places reliance upon those procedures and records these investments at fair value as determined by the general partner.

NYAM commingles its investments within a common investment pool to achieve a maximum return. Investment income, including realized and unrealized gains and losses, is allocated on a pro-rata basis to each of the participating restricted funds. Interest and dividend income, as well as realized and unrealized gains and losses, are reported as net assets with or without restrictions, in accordance with the donors' intentions.

Donated securities are recorded at their fair values at the dates of donation. It is NYAM's policy to sell the donated securities immediately upon receipt.

Purchase and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses include NYAM's gains and losses on investments bought and sold as well as held during the year.

## **The New York Academy of Medicine**

Notes to Financial Statements  
December 31, 2024 and 2023

### **2. Summary of Significant Accounting Policies (*continued*)**

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

NYAM follows U.S. GAAP guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

U.S. GAAP guidance provides for the use of NAV as a “Practical Expedient” for estimating fair value of alternative investments. NAV reported by each alternative investment fund is used as a practical expedient to estimate the fair value of NYAM's interest therein.

Pursuant to U.S. GAAP guidance, alternative investments where fair value is measured using NAV are not categorized within the fair value hierarchy.

#### ***Investments Risks and Uncertainties***

NYAM's investments are subject to various risks, such as interest-rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

#### ***Restricted Investments***

Restricted investments relate to NYAM's deferred compensation plan and include marketable securities recorded at fair value and fully benefit responsive contracts recorded at contract value.

## **The New York Academy of Medicine**

Notes to Financial Statements  
December 31, 2024 and 2023

### **2. Summary of Significant Accounting Policies (*continued*)**

#### ***Property and Equipment***

NYAM's property and equipment are stated at their costs at the dates of acquisition. NYAM capitalizes all property and equipment expenditures or additions in excess of \$5,000. Depreciation is calculated using the straight-line method over the estimated useful lives of (i) building, building improvements and land improvements, which range from 7 to 40 years; (ii) library books and publications, which range from 20 to 40 years; and (iii) furniture and equipment, which range from 5 to 15 years. Land is not depreciated. Minor costs for repairs and maintenance are expensed as incurred.

Management evaluates the recoverability of the investment in long-lived assets on an on-going basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of December 31, 2024 and 2023, and in the opinion of management, there were no impairments. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

#### ***Collection***

NYAM has a collection of various purchased and donated materials, including books and artifacts. This collection is maintained by NYAM under curatorial care and is held for research, education and public exhibition in furtherance of public service. In accordance with not-for-profit industry practice, the costs and values of the items in the collection have not been capitalized and are not reported in the accompanying statements of financial position.

#### ***Accrued Vacation***

Employees accrue vacation monthly with a provision for carryover of up to five unused days at the end of each calendar year, which must be taken by June 30 of the following year. Accrued vacation is included in accounts payable and accrued expenses in the accompanying financial statements and represents NYAM's obligation for the cost of unused employee vacation time that would be owed if employees were to leave NYAM's employment. As of December 31, 2024 and 2023, accrued vacation obligations were approximately \$98,000 and \$87,000 and are included in accounts payable and accrued expenses.

#### ***Deferred Income***

Payments related to the rental of conference center space received in advance are recorded as deferred income and are recognized when earned in the subsequent year.

#### ***Grants Payable***

NYAM has certain awards and fellowship programs that are funded from endowed gifts, as well as from individual contributions. These program awards are determined and approved by applicable program committees. NYAM reports the full award commitment upon approval by the funding committee.

## The New York Academy of Medicine

Notes to Financial Statements  
December 31, 2024 and 2023

### 2. Summary of Significant Accounting Policies (*continued*)

#### **Net Assets**

NYAM's net assets, as well as its revenues, expenses, gains and losses, are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of NYAM and changes therein are classified and reported as follows:

*Without donor restrictions* - those resources that are not subject to donor-imposed restrictions and are available for the support of operations.

*With donor restrictions* - represent amounts restricted by donors to be used for specific activities or at some future date, or which require NYAM to maintain in perpetuity, including funds that are subject to restrictions or gift instruments requiring that the principal be invested in perpetuity and the income be used for specific or general purposes. Income and gains earned on endowment fund investments are available to be used in the "without donor restrictions" or "with donor restrictions" net asset classes based upon stipulations by the donors.

#### **Contributions and Grants**

Contributions and grants to NYAM are recognized as revenue upon the receipt of cash, securities, or unconditional pledges. Unconditional promises to give to NYAM that are expected to be collected in future years are recorded at the present value of their estimated future cash flows, discounted using risk-free interest rates applicable to the years in which payments are expected to be received. Contributions received with no explicit donor-restrictions are considered to be available for the general purposes of NYAM. Conditional promises to give are not included until such conditions are substantially met.

Management provides an allowance for uncollectible amounts through a provision for bad debt expense based on its assessment of the current status of individual accounts. Balances that are still outstanding, after management has used all reasonable collection efforts, are charged to the allowance with a corresponding credit to contributions and grants receivable. Management determined no allowance for doubtful accounts is necessary at December 31, 2024 and 2023.

NYAM reports contributions and grants in net assets with donor restrictions if they are received with donor stipulations or time considerations as to their use. When a donor's restriction is met, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions.

## **The New York Academy of Medicine**

Notes to Financial Statements  
December 31, 2024 and 2023

### **2. Summary of Significant Accounting Policies (*continued*)**

#### ***Accounts Receivable and Allowance for Credit Losses***

Accounts receivable are recorded at amortized cost less an allowance for credit losses that are not expected to be recovered. The amount of accounts receivable and corresponding allowance for credit losses are presented on the statement of financial position. NYAM maintains allowances for credit losses resulting from the expected failure or inability of its customers to make required payments.

NYAM recognizes the allowance for credit losses at inception and reassesses at every reporting date based on the asset's expected collectability. The allowance is based on multiple factors including historical experience with bad debts, the credit quality of the customer base, the aging of such receivables and current macroeconomic conditions, as well as expectations of conditions in the future, if applicable. NYAM's allowance for credit losses is based on the assessment of the collectability of assets pooled together with similar risk characteristics.

NYAM records a provision for expected credit losses using a historical loss-rate method based on the ratio of its historical write-offs to its average trade accounts receivable. At each reporting period, NYAM assesses whether financial assets in a pool continue to display similar risk characteristics. If particular receivables no longer display risk characteristics that are similar to those of the receivables in the pool, NYAM may determine that it needs to move those receivables to a different pool or perform an individual assessment of expected credit losses for those specific receivables.

At December 31, 2024 and 2023, there was no allowance for credit losses related to accounts receivable.

#### ***Conference Center, Rental and Library and Membership Dues***

Conference center, rental and library consist of fees for (i) library services, (ii) the conference center facility, (iii) program registration fees, (iv) program sponsorship fees, and (v) lease income. The income is recognized when services are rendered. Membership dues are recorded as income in the applicable membership period as the services or goods are provided to the members.

#### ***Contract Assets and Liabilities***

Contract assets represent payments due from performance obligations completed, but that are not yet billable. Contract liabilities represent payments received or receivables billed for performance obligations not yet completed.

Contract assets and liabilities at January 1, 2023 were \$117,457 and \$108,654.

## **The New York Academy of Medicine**

Notes to Financial Statements  
December 31, 2024 and 2023

### **2. Summary of Significant Accounting Policies (*continued*)**

#### ***Measure of Operations***

NYAM includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities, including an authorized investment income allocation and all contributions except for those that are restricted for capital expenditures or to be held in perpetuity by donors. Investment income, including net realized and unrealized gains and losses, earned in excess of (or less than) NYAM's aggregate authorized spending amount, contributions for capital expenditures, change in value of beneficial interest in perpetual trust, perpetual endowment contributions and the sale of air rights are recognized as non-operating activities.

#### ***Functional Allocation of Expenses***

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain expenses have been allocated among the programs and supporting services in reasonable ratios determined by management. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. For example, programs include community partnerships and policy solutions, evaluation and research programs, library and other programs. Certain expenses attributable to more than one program or supporting function have been allocated among programs, management and general and fundraising. These expenses include salaries and wages, professional fees and consultants, office expenses, travel conference and meetings, and occupancy and building maintenance, which are allocated based on estimates of time and effort and building space occupied.

#### ***Accounting for Uncertainty in Income Taxes***

NYAM is subject to the provisions of the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. For NYAM, ASC Topic 740 is potentially applicable to the incurrence of unrelated business income ("UBI"), attributable to certain alternative investments, conference center events and commissions, and sponsorship fees not related to NYAM's mission. Nonetheless, because of NYAM's general tax-exempt status, management believes that ASC Topic 740 has not had, and is not expected to have, a material impact on NYAM's financial statements. NYAM recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined the NYAM had no uncertain tax positions that would require financial statement recognition or disclosure. NYAM is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to 2021.

#### ***Subsequent Events***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date the financial statements were available to be issued, which date is June 3, 2025.

## The New York Academy of Medicine

### Notes to Financial Statements December 31, 2024 and 2023

#### 3. Concentrations of Credit Risk

Financial instruments that potentially subject NYAM to concentrations of credit and market risk consist principally of cash and cash equivalents, investments held at financial institutions and grants and contributions receivable. Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") are insured up to \$250,000. Investment holdings at financial institutions insured by the Securities Investor Protection Corporation ("SIPC") are insured up to \$500,000 (\$250,000 for cash holdings). At times cash balances may exceed the FDIC and the SIPC limit.

The investment portfolio is diversified by type of investments and industry concentrations so that no individual investment, investment advisor, investment manager or group of investments represents a significant concentration of credit risk.

At December 31, 2024, NYAM had contributions and grants receivable due from one foundation and one city agency totaling \$651,501. At December 31, 2023, NYAM had contributions and grants receivable due from one nonprofit organization and one state agency totaling \$281,417. These amounts represented approximately 51% and 23% of the total outstanding contributions and grants receivable as of December 31, 2024 and 2023.

#### 4. Investments

The following summarizes the unrestricted investments held by NYAM as of December 31:

	2024		2023	
	Cost	Fair Value	Cost	Fair Value
Cash and cash equivalents	\$ 10,745,659	\$ 10,745,659	\$ 14,811,210	\$ 14,811,210
U.S. treasury bills	42,263,942	42,947,565	40,006,310	40,905,786
Flexible capital and hedge funds	-	27,552	-	40,133
Private equity securities	482,948	46,750	482,948	68,835
	<u>\$ 53,492,549</u>	<u>\$ 53,767,526</u>	<u>\$ 55,300,468</u>	<u>\$ 55,825,964</u>

Restricted investments consist of the following at December 31:

	2024		2023	
	Cost	Reported Value	Cost	Reported Value
Investments, at Fair Value				
Equity mutual funds	\$ 1,126,034	\$ 1,204,839	\$ 1,144,616	\$ 1,177,923
CREF variable annuity accounts	22,133	32,190	22,103	27,487
Pooled separate account - real estate	51,630	60,535	53,172	65,198
Total Investments, at fair value	1,199,797	1,297,564	1,219,891	1,270,608
Investments, at contract value	170,874	195,141	170,896	190,174
Total Restricted Investments	<u>\$ 1,370,671</u>	<u>\$ 1,492,705</u>	<u>\$ 1,390,787</u>	<u>\$ 1,460,782</u>



## The New York Academy of Medicine

### Notes to Financial Statements December 31, 2024 and 2023

#### 4. Investments (*continued*)

The investment return from investments and their classifications in the accompanying statements of activities is as follows for the years ended December 31:

	2024			
	Without Donor Restrictions	Time or Purpose Restricted	Investments Held in Perpetuity	Total
Dividends and interest	\$ 2,354,780	\$ 618,076	\$ -	\$ 2,972,856
Realized losses	(25)	(40)	-	(65)
Unrealized losses	(197,308)	(48,422)	(4,789)	(250,519)
Less: Custody and administrative fees	<u>(2,800)</u>	<u>(725)</u>	<u>-</u>	<u>(3,525)</u>
Investment Return	2,154,647	568,889	(4,789)	2,718,747
Less: Investment return designated for current operations (spending rate and special funding)	<u>(3,577,086)</u>	<u>(741,052)</u>	<u>-</u>	<u>(4,318,138)</u>
Investment return not designated for current operations	<u>\$ (1,422,439)</u>	<u>\$ (172,163)</u>	<u>\$ (4,789)</u>	<u>\$ (1,599,391)</u>
	2023			
	Without Donor Restrictions	Time or Purpose Restricted	Investments Held in Perpetuity	Total
Dividends and interest	\$ 1,322,459	\$ 332,726	\$ -	\$ 1,655,185
Realized gains	6,959,543	1,820,371	-	8,779,914
Unrealized losses	(5,152,643)	(1,224,612)	(131,856)	(6,509,111)
Less: Custody and administrative fees	<u>(29,905)</u>	<u>(7,453)</u>	<u>-</u>	<u>(37,358)</u>
Investment Return	3,099,454	921,032	(131,856)	3,888,630
Less: Investment return designated for current operations (spending rate and special funding)	<u>(3,667,791)</u>	<u>(702,107)</u>	<u>-</u>	<u>(4,369,898)</u>
Investment return not designated for current operations	<u>\$ (568,337)</u>	<u>\$ 218,925</u>	<u>\$ (131,856)</u>	<u>\$ (481,268)</u>

Included within the custody and administrative fees disclosed above are those specific fees charged by NYAM's investment managers and advisors; however, fees that are embedded in various other mutual fund accounts and transactions are not reflected in that amount.

## The New York Academy of Medicine

### Notes to Financial Statements December 31, 2024 and 2023

#### 5. Fair Value Measurements

The following are the classes and major categories of assets measured at fair value on a recurring basis, grouped by the fair value hierarchy, as of December 31:

	2024				
	Amounts within Fair Value Hierarchy			Investments Valued Using	Total
	Level 1	Level 2	Level 3	NAV (*)	
U.S. treasury bills	\$ 42,947,565	\$ -	\$ -	\$ -	\$ 42,947,565
Equity mutual funds	1,204,839	-	-	-	1,204,839
CREF variable annuity accounts	32,190	-	-	-	32,190
Pooled separate account - real estate	-	-	-	60,535	60,535
Flexible capital and hedge funds	-	-	-	27,552	27,552
Private equity securities	-	-	-	46,750	46,750
Total Investments at Fair Value	44,184,594	-	-	134,837	44,319,431
Beneficial interest in perpetual trust	-	-	131,011	-	131,011
Total Assets at Fair Value	<u>\$ 44,184,594</u>	<u>\$ -</u>	<u>\$ 131,011</u>	<u>\$ 134,837</u>	44,450,442
Short-term cash investments, at cost					10,745,659
Investments, at contract value					195,141
Total Investments					<u>\$ 55,391,242</u>

  

	2023				
	Amounts within Fair Value Hierarchy			Investments Valued Using	Total
	Level 1	Level 2	Level 3	NAV (*)	
U.S. treasury bills	\$ 40,905,786	\$ -	\$ -	\$ -	\$ 40,905,786
Equity mutual funds	1,177,923	-	-	-	1,177,923
CREF variable annuity accounts	27,487	-	-	-	27,487
Pooled separate account - real estate	-	-	-	65,198	65,198
Flexible capital and hedge funds	-	-	-	40,133	40,133
Private equity securities	-	-	-	68,835	68,835
Total Investments at Fair Value	42,111,196	-	-	174,166	42,285,362
Beneficial interest in perpetual trust	-	-	136,447	-	136,447
Total Assets at Fair Value	<u>\$ 42,111,196</u>	<u>\$ -</u>	<u>\$ 136,447</u>	<u>\$ 174,166</u>	42,421,809
Short-term cash investments, at cost					14,811,210
Investments, at contract value					190,174
Total Investments					<u>\$ 57,423,193</u>

(\*) As discussed in Note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy.

## The New York Academy of Medicine

### Notes to Financial Statements December 31, 2024 and 2023

#### 5. Fair Value Measurements *(continued)*

The changes in assets measured at fair value for which Level 3 inputs were used to determine fair values are as follows:

	Beneficial Interest in Perpetual Trust
Balance, December 31, 2022	\$ 137,835
Change in fair value of beneficial interest in perpetual trust	<u>(1,388)</u>
Balance, December 31, 2023	136,447
Change in fair value of beneficial interest in perpetual trust	<u>(5,436)</u>
Balance, December 31, 2024	<u>\$ 131,011</u>

Information regarding alternative investments measured at fair value using the practical expedient at December 31, 2024 is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Pooled separate account - real estate (see "a" below)	\$ 60,535	\$ -	Daily	1 day
Flexible capital and hedge funds (see "b" below)	27,552	-	Annually	45 days
Private equity securities (see "c" below)	<u>46,750</u>	<u>500,153</u>	N/A*	N/A*
	<u>\$134,837</u>	<u>\$ 500,153</u>		

\* These investments are illiquid investments.

- a. The TIAA Real Estate Account generally invests in real estate properties and real estate related investments. The TIAA Real Estate Account's value is principally derived from the market value of the underlying real estate holdings or other real estate-related investments. Real estate holdings are valued principally using external appraisals, which are estimates of property values based on a professional's opinion. The TIAA Real Estate Account sometimes holds securities as well. These are generally priced using values obtained from independent pricing sources. While redemptions from the TIAA Real Estate Account may occur daily, transfers out are limited to one per calendar quarter.
- b. NYAM's investment at year-end was primarily in absolute return oriented strategies which allocates to long/short equity, long/short credit, and event-driven investments. Event driven investments focus on unlocking value through event catalysts such as company mergers and distressed situations.
- c. NYAM's investments at year-end were as a limited partner in funds, which in turn invest in private companies that are not traded on an exchange. Investment strategies in this category include, leveraged buyout, venture capital, and opportunistic/distressed. NYAM's investments at year-end were primarily in opportunistic/distressed and secondary funds. These are long-term investments that cannot be redeemed at the discretion of NYAM. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 10 to 12 years.

## The New York Academy of Medicine

### Notes to Financial Statements December 31, 2024 and 2023

#### 6. Contributions and Grants Receivable

At December 31, contributions and grants receivable are estimated to be received as follows:

	2024	2023
Due less than one year	\$ 1,270,286	\$ 1,228,480
Less allowance for doubtful accounts	<u>-</u>	<u>-</u>
Present value of contributions receivable	<u><u>\$ 1,270,286</u></u>	<u><u>\$ 1,228,480</u></u>

#### 7. Property and Equipment

Property and equipment at December 31 consisted of the following:

	2024	2023
Land and land improvements	\$ 284,261	\$ 284,261
Building and building improvements	15,016,649	15,056,149
Library books and publications	2,651,348	2,651,348
Furniture and equipment	1,745,576	1,421,725
Construction-in-process	<u>587,721</u>	<u>134,023</u>
	20,285,555	19,547,506
Less accumulated depreciation and amortization	<u>(13,125,999)</u>	<u>(12,515,015)</u>
	<u><u>\$ 7,159,556</u></u>	<u><u>\$ 7,032,491</u></u>

During the year ended December 31, 2024, NYAM disposed of assets with a cost of \$39,500 and accumulated depreciation of \$31,106, which resulted in a loss of \$8,394. During the year ended December 31, 2023, NYAM disposed of \$59,850 of fully depreciated property and equipment.

#### 8. Beneficial Interest in Perpetual Trust

NYAM is the remainder beneficiary of a perpetual trust arrangement. The fair value of the trust as of December 31, 2024 and 2023 was determined by its trustee. NYAM receives a quarterly distribution of income from the trust.

## The New York Academy of Medicine

Notes to Financial Statements  
December 31, 2024 and 2023

### 9. Employee Retention Credit

During 2023, NYAM qualified for the Employee Retention Credit (“ERC”) which is a refundable payroll tax credit for employers who had operations fully or partially suspended due to orders from a governmental authority or whose revenues decreased by a specified threshold. When eligible, an entity can claim a refund in excess of the payroll taxes paid based upon the amount of qualified wages and health insurance paid. Because the amount of the credit is in excess of the payroll taxes paid, the ERC is considered a conditional government grant. Accordingly, NYAM has elected to follow the guidance in Accounting Standards Codification 958-605 in which conditional government grants are recognized in income as conditions are met. NYAM has recognized \$1,116,758 for the year ended December 31, 2023, which is recorded under grants and contributions on the 2023 statement of activities. The ERC is subject to audit by the government agencies three years from the date the returns were filed.

### 10. Net Assets with Donor Restrictions

At December 31, net assets with donor restrictions consisted of the following:

	2024	2023
Time or Purpose Restricted:		
Lectures and Awards Programs	\$ 12,222,660	\$ 12,341,627
Library	2,241,449	2,269,612
Community Programs and Policy Solutions	38,207	415,772
Age Friendly Support	761,352	832,352
Center for Evaluation and Applied Research	235,863	260,790
Advocates for Health Equity	43,023	43,104
Fund for Youthworks	53,816	-
Other programs	388,534	383,630
	<u>15,984,904</u>	<u>16,546,887</u>
Held In Perpetuity		
Beneficial interest in perpetual trust	131,011	136,447
Endowment funds	11,574,647	11,473,015
	<u>\$ 27,690,562</u>	<u>\$ 28,156,349</u>

## The New York Academy of Medicine

Notes to Financial Statements  
December 31, 2024 and 2023

### 10. Net Assets with Donor Restrictions (*continued*)

Net assets with donor restrictions released from restrictions consisted of the following for the years ended December 31:

	2024	2023
Lectures and Awards Programs	\$ 709,065	\$ 1,049,065
Library	477,141	447,633
Community Programs and Policy Solutions	845,210	1,065,596
Age Friendly Support	613,187	751,372
Center for Evaluation and Applied Research	1,273,383	1,468,073
Fund for Public Health	52,142	-
Fund for Youthworks	102,409	-
Advocates for Health Equity	81	25,667
Other programs	94,438	305
	<u>\$ 4,167,056</u>	<u>\$ 4,807,711</u>

At December 31, investments held in perpetuity consisted of the following:

	2024	2023
Lectures and Awards Program	\$ 5,648,026	\$ 5,541,605
Library	5,515,496	5,523,326
Support of General Operations	542,136	544,531
	<u>\$ 11,705,658</u>	<u>\$ 11,609,462</u>

### 11. Endowment

The endowment consists of 43 individual donor-restricted funds that have been established for a variety of purposes. NYAM does not have any funds designated by the Board of Trustees to function as an endowment.

#### ***Return Objectives and Risk Parameters***

NYAM has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that NYAM must hold in perpetuity. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce an inflation adjusted real return over time that enables these programs to be sustained.

## **The New York Academy of Medicine**

Notes to Financial Statements  
December 31, 2024 and 2023

### **11. Endowment (*continued*)**

#### ***Strategies Employed for Achieving Objectives***

To satisfy its long-term, rate-of-return objectives, NYAM relies on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). At present, endowment assets are allocated as follows:

- Cash
- Equity securities
- Fixed-income securities
- Flexible capital and hedge funds
- Private equity

#### ***Spending Policy and How the Investment Objectives Relate to the Spending Policy***

NYAM's spending policy provides that NYAM will generally spend up to 5% of the value of restricted funds each year. The overall spending policy goal is 5% to 6% of a three-year rolling average of the market value of the portfolio. The three-year average market value is calculated based on the prior three years' values.

#### ***Interpretation of Relevant Law***

In classifying endowment funds for financial statement purposes as either net assets with donor restrictions or net assets without donor restrictions, the Board of Trustees looks to the explicit direction of the donor and the New York Prudent Management of Investment Funds Act ("NYPMIFA").

The Board of Trustees of NYAM has interpreted NYPMIFA as allowing NYAM to appropriate for expenditure or accumulate so much of an endowment fund as NYAM determines is prudent for the uses, benefits, purposes and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise in the gift instrument, the assets in an endowment fund shall be donor-restricted assets until appropriated for expenditure by the Board of Trustees. NYPMIFA is applicable to all of NYAM's institutional funds. NYAM adheres to NYPMIFA's requirements.

## The New York Academy of Medicine

Notes to Financial Statements  
December 31, 2024 and 2023

### 11. Endowment (*continued*)

#### *Interpretation of Relevant Law (continued)*

Changes in endowment net assets for the years ended December 31:

	2024		
	Time or Purpose Restricted	Investments Held in Perpetuity	Total
Endowment funds, beginning of year	\$ 10,183,862	\$ 11,473,015	\$ 21,656,877
Contributions	-	106,421	106,421
Investment return	568,889	(4,789)	564,100
Appropriation of endowment assets for expenditures	(540,431)	-	(540,431)
Total endowment net assets, end of year	<u>\$ 10,212,320</u>	<u>\$ 11,574,647</u>	<u>\$ 21,786,967</u>
Comprised of the following:			
Donor-restricted endowment funds	<u>\$ 10,212,320</u>	<u>\$ 11,574,647</u>	<u>\$ 21,786,967</u>

  

	2023		
	Time or Purpose Restricted	Investments Held in Perpetuity	Total
Endowment funds, beginning of year	\$ 9,964,937	\$ 11,604,871	\$ 21,569,808
Investment return	921,032	(131,856)	789,176
Appropriation of endowment assets for expenditures	(702,107)	-	(702,107)
Total endowment net assets, end of year	<u>\$ 10,183,862</u>	<u>\$ 11,473,015</u>	<u>\$ 21,656,877</u>
Comprised of the following:			
Donor-restricted endowment funds	<u>\$ 10,183,862</u>	<u>\$ 11,473,015</u>	<u>\$ 21,656,877</u>

#### ***Funds with Deficiencies***

As a result of unfavorable market fluctuations, from time-to-time the fair value of assets associated with individual donor-restricted endowment funds may decline below the historic dollar value of the donor's original perpetual endowment contribution. As of December 31, 2024 and 2023, there were no funds with deficiencies.



## The New York Academy of Medicine

Notes to Financial Statements  
December 31, 2024 and 2023

### 12. Liquidity and Availability of Financial Assets

The following reflect NYAM's financial assets as of December 31, reduced by amounts not available for general use within one year of that date because of contractual or donor-imposed restrictions or internal designations.

	<u>2024</u>	<u>2023</u>
Financial Assets:		
Cash and cash equivalents	\$ 237,067	\$ 663,958
Contributions and grants receivable, net	1,270,286	1,228,480
Accounts receivable	270,214	89,941
Investments	53,767,526	55,825,964
Beneficial interest in perpetual trust	<u>131,011</u>	<u>136,447</u>
Total Financial Assets	<u>55,676,104</u>	<u>57,944,790</u>
Less amounts not available to be used within one year:		
Restricted by donor with time or purpose restrictions	15,984,904	16,546,887
Investments held in perpetuity	11,705,658	11,609,462
Less net assets with purpose or time restrictions to be met in less than one year	<u>(4,474,516)</u>	<u>(4,385,206)</u>
	<u>23,216,046</u>	<u>23,771,143</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$32,460,058</u>	<u>\$34,173,647</u>

At the end of each year management prepares and submits an operating budget and a capital budget for the following year to the Board of Trustees for approval. Based on the Board-approved budget, management develops monthly cash flow needs and shares them with NYAM's investment manager. Because of variability in receipt of grant, contract and donation funds throughout the year, funds are not necessarily withdrawn from the investment portfolio each month. Rather funds are withdrawn as needed for both donor restricted and non-donor restricted operations.

### 13. Employee Benefit Plans

#### **Section 403(b) Plan**

NYAM has a Section 403(b), defined-contribution employee-benefit plan, covering all of its eligible full-time salaried employees. Under the plan, a fixed percentage (3.0% for both 2024 and 2023) of an employee's eligible annual compensation is contributed by NYAM, up to a maximum of \$7,950 for 2024 and 2023.

The accumulated funds are 100% vested with the participants. The retirement expense for 2024 and 2023 was \$358,481 and \$404,766.

## The New York Academy of Medicine

Notes to Financial Statements  
December 31, 2024 and 2023

### 13. Employee Benefit Plans (*continued*)

#### ***Deferred Compensation Plan***

NYAM has a Section 457(b) deferred-compensation plan which is available to key employees. All amounts deferred under the plan and all income attributable to such amounts, remain (until paid or made available to the participant or beneficiary) solely the property of NYAM (without being restricted to the provision of benefits under the plan), subject only to the claims of NYAM's general creditors. During 2024 and 2023, there were 6 and 7 employees participating in this plan, of which 4 and 6 employees' contributions were funded by NYAM, for a total of approximately \$62,251 and \$97,500. The plan is maintained with TIAA and reported in restricted investments on the statements of financial position. NYAM records a corresponding liability for the deferred compensation obligation, totaling \$1,492,705 and \$1,460,782 at December 31, 2024 and 2023 which represents the cumulative amount of the contributions to the 457(b) plan, as well accumulated earnings and losses since the 457(b) plan's inception.

### 14. Lease Commitments

Effective October 2014, NYAM entered into a five-year lease with the Icahn School of Medicine at Mount Sinai, New York City for the rental of office space from NYAM. The lease has continually been amended and renewed and expires December 31, 2034.

The following are the required annual payments under the lease noted above:

Year Ending December 31	Amount
2025	\$ 964,561
2026	983,852
2027	1,003,529
2028	1,023,600
2029	1,044,072
Thereafter	<u>5,542,059</u>
	<u>\$10,561,673</u>

Total rental income was \$983,438 and \$427,914 in 2024 and 2023.

### 15. Sale of Air Rights

On May 17, 2023, NYAM executed the sale of its R9 Excess Development Rights to a Hospital for \$2,333,025. The transaction included the sale of 37,464 zoning square feet of air rights, with NYAM retaining 20,172 zoning square feet. There were no restrictions on the use of the proceeds from the sale.

\* \* \* \* \*