

NEW YORK TRANSIT MUSEUM

Friends of the NEW YORK TRANSIT MUSEUM

2017 ANNUAL REPORT



MISSION

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

Between the main Museum located in Downtown Brooklyn and the Gallery Annex at Grand Central Terminal, the Transit Museum welcomes over half a million visitors each year. Housed underground in an authentic 1936 subway station, the main Museum in Downtown Brooklyn spans a full city block and features two levels, giving visitors a hands-on experience of transportation history nearly a century in the making. The working

platform level hosts a rotating selection of our twenty vintage subway and elevated cars, the oldest dating back to 1907, transporting visitors to an era they might only imagine. The mezzanine level hosts several permanent and temporary exhibition galleries that highlight the creation of the subway, tracing the history of surface transportation, and the challenges and triumphs faced therein.

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

A young fan at
the Bus Festival



LETTER FROM THE CHAIR

At the stroke of midnight on January 1, 2017, New Yorkers celebrated the opening of Phase 1 of the Second Avenue Subway.

This occasion was a long time coming. Indeed, the New York Transit Museum's collection of more than 800,000 items includes hundreds of historic maps, blueprints, and photographs related to the many plans for a Second Avenue line, which was first proposed in 1919, halted in the Great Depression, revived in 1975 and stopped again until 2007. In fact, the Museum's main facility, a decommissioned subway station, was built to be the first stop on a planned expansion of the line into Brooklyn – in 1936.

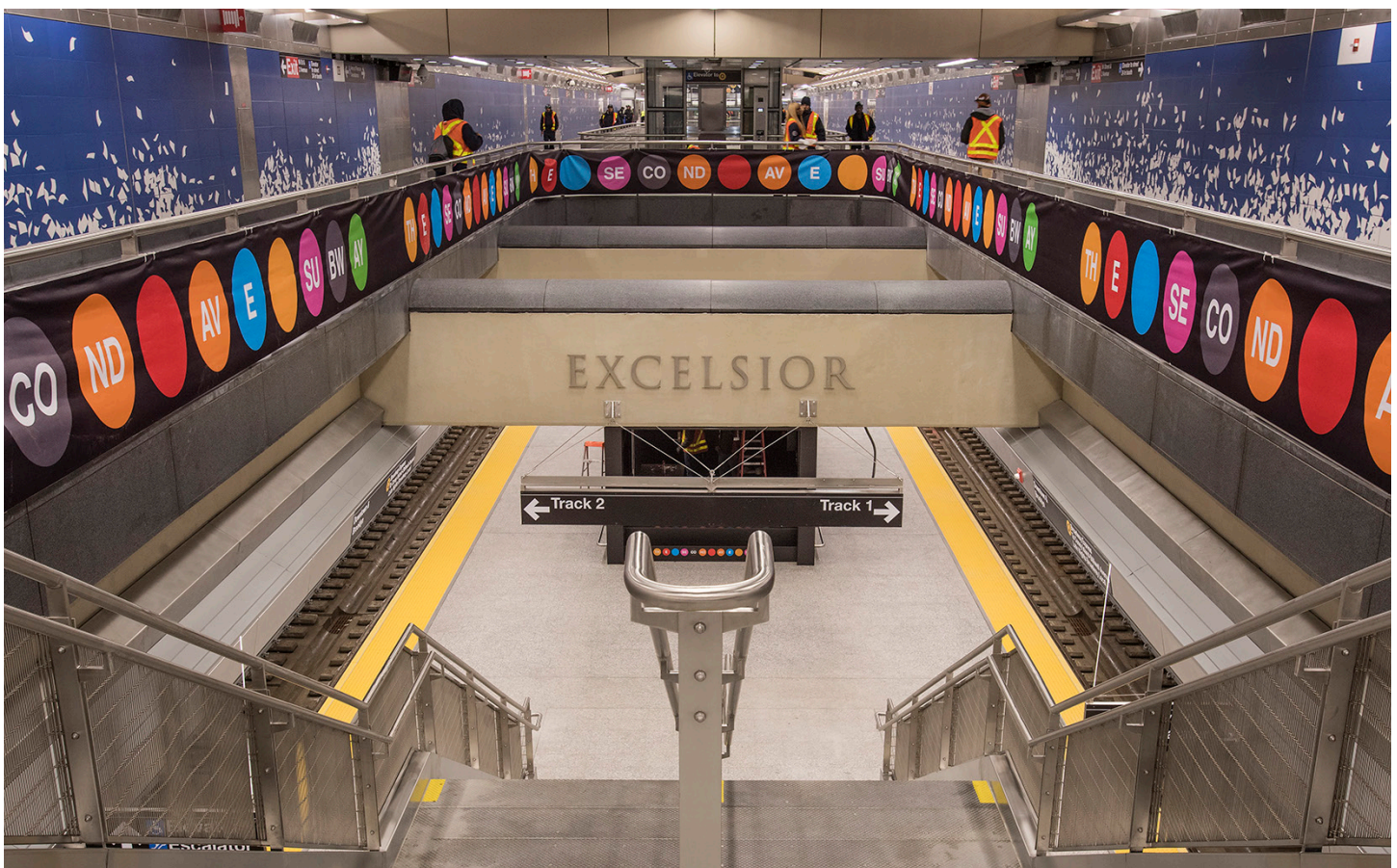
The story of the Second Avenue Subway is an integral part of the story of the Museum, so it was natural that we highlighted its debut throughout 2017. As you will see in this report, our exhibit ***Next Stop: Second Avenue***

Subway showcased the project, and our programs for children, families, and adults used it as a springboard to explore New York's iconic mass transit system and its history. And, of course, our Archives are busy acquiring records, photographs, and artifacts of this new chapter in the incredible story of mass transportation in the region.

By examining the role transportation plays in shaping neighborhoods, the Museum provides a space not only for looking to the past, but for contextualizing and understanding our present and future possibilities. New Yorkers live the way we do because of proximity to mass transit. Someday, the impact of the Second Avenue line will be history, and we will tell that story too.

SUSAN GILBERT

Chair, Friends of the New York Transit Museum



LETTER FROM THE DIRECTOR

AS I BEGIN MY SECOND YEAR AS DIRECTOR of the New York Transit Museum, I am so pleased to share this annual report with you.

2017 was an exceptional year for the Museum. Over 183,000 visitors came to our Downtown Brooklyn subway station home, and 414,000 visited us at our Grand Central Gallery Annex. The Museum's activities took in \$10.8 million in revenue, including a record-breaking \$1.23 million at the annual Gala, the largest single source of support for our programs.

We also set a record with our young railfans, welcoming an astounding 1,290 school groups who had the chance to ponder questions of engineering, science, history, art, and social studies. Thousands of families and adults joined us for creative workshops, talks, and tours both within the Museum and throughout the New York City region.

In May, the Museum held its first-ever symposium on creating autism-friendly programming using our award-winning

after-school program, **Subway Sleuths**, as a model for strength-based programs at cultural and community organizations in New York City and beyond.

Our membership roster swelled to an all-time high of 3,428 individual members, as our Institutional membership program grew to include 75 local public libraries, making the Museum more accessible than ever for people around the region. New additions to our membership program, such as the addition of the **Director's Circle**, strengthen the connections between the Museum and our loyal and longstanding members.

All of this work would not be possible without the generosity of our supporters. Thank you to everyone who has given us so much throughout the year. We are truly grateful, and look forward to continuing to work together in the years to come.

CONCETTA ANNE BENCIVENGA
Director, New York Transit Museum



Die-hard fan Concetta Bencivenga (right) celebrates Mets Opening Day on the Train of Many Colors with Education Manager Polly Desjarlais

EXHIBITIONS

IN 2017, THE NEW YORK TRANSIT MUSEUM PRESENTED five exhibits that explored the history of transportation in the New York region and the ways in which our iconic transit system inspires artists of all kinds.



NEXT STOP: Second Avenue Subway

**New York Transit Museum Downtown Brooklyn
January–September 2017**

In celebration of the Second Avenue Subway's opening, the Museum presented an exhibit highlighting how this new line fits into the city's past, present and future transportation landscapes. Included were historic maps, images, and a variety of artifacts and objects (such as a cutting disk from a tunnel boring machine), giving viewers a sense of the magnitude of this accomplishment — and the roadblocks that almost prevented it.

DECONSTRUCTION OF THE THIRD AVENUE EL: Photographs by Sid Kaplan

**New York Transit Museum Grand Central
Gallery Annex & Store, March–July 2017**

Deconstruction of the Third Avenue El: Photographs by Sid Kaplan featured over 40 photographs taken between June 1955 and May 1956. In 1955, a 17-year-old Kaplan used his camera to document the dismantling of New York City's Third Avenue elevated line, launching what has become a 60-year photography career. Sometimes perching from an apartment rooftop, other times leaning out a skyscraper's window, Kaplan captured a fresh perspective on the grueling work of dismantling the El, from the hard-working people who disassembled it, to its effects on the ever-changing landscape of New York City.



7 TRAIN: Minutes to Midtown

**New York Transit Museum Grand Central
Gallery Annex & Store, August–October 2017**

7 Train: Minutes to Midtown traced more than 100 years in the life of Queens' first subway line, the 7, from its beginnings at the Steinway Tunnel to its most recent addition at 34th Street-Hudson Yards. Photographs and objects from the Museum collection celebrated the line's contributions to the diversity of Queens, as well as its key role in the economic and social development of New York City.



FROM FULTON FERRY: Building Downtown Brooklyn

**New York Transit Museum Downtown Brooklyn
September 2017–May 2018**

From Fulton Ferry: Building Downtown Brooklyn traced the roots of Downtown Brooklyn all the way back to 1642, when the first commercial ferry slip between Long Island and Manhattan opened on what is now Old Fulton Street. Using archival photographs and objects from the Museum collection, the exhibit celebrated the centuries of investment and innovation that made Downtown Brooklyn possible, and explored transportation's key role in the commercial and residential development of Brooklyn and the Greater New York region.

HOLIDAY TRAIN SHOW

New York Transit Museum Grand Central Gallery Annex & Store, November 2017–February 2018

Dazzling children and adults alike, the Transit Museum's 16th annual *Holiday Train Show* featured miniature trains departing from a tiny replica of Grand Central Terminal on their way to the North Pole, following a 34-foot, two-level, "O" gauge model train layout. This year's exhibition showcased the Museum's Lionel Metro-North, Polar Express, and vintage subway trains, set against a cityscape backdrop designed by Brooklyn-based artist Josh Cochran.



EDUCATION

THE EDUCATION DEPARTMENT HAD AN outstanding year, serving an impressive 23,605 students via guided school and camp programs, as well as 17,818 children and caregivers through weekend family programs and all-ages events.

Education celebrated the opening of the Second Avenue Subway with a special edition of **Subway Shindig for Families: QT Time**, featuring a Time Capsule workshop and scavenger hunt. In addition to making capsules, young participants learned about R-11 train cars and other vintage IND equipment related to the construction history of the Second Avenue line.

Maintaining focus on our tiniest railfans, the education department infused more theatrical elements into the Museum experience by incorporating costumed interpreters,

movement, and music into **Transit Tots**, our early childhood program.

On the teen side, the Museum displayed the second installment of the Art on the Tracks series, which encourages teenagers to learn about photography fundamentals and self-expression while embarking on guided photography journeys to such locales as Coney Island Yard, Van Cortlandt Park, Hudson Yards, and Willets Point.

The Museum expanded outreach to our senior audience in 2017, offering an expanded series of in-house talks, as well as phone lectures for homebound seniors through the DOROT program. The Museum also hosted Senior Center Day, welcoming 283 individuals from 22 senior centers who witnessed the Museum's collection come alive through histories told by Museum educators and costumed interpreters.



CLOCKWISE FROM RIGHT:
A costumed interpreter shares transit knowledge with patrons; Tiny railfans enjoy storytime; A group enjoys Senior Center Day



ACCESS PROGRAMS

IN 2017, THE MUSEUM CONTINUED to develop programs that provide fun and meaningful experiences to people of all abilities. The Museum facilitated 173 school and camp programs specially tailored for special education groups, including 176 students who came to practice techniques for riding the subway comfortably and confidently through our **Ready to Ride** program. The Museum also continued its award-winning program **Subway Sleuths**, which builds upon a shared love of trains to facilitate peer interaction, communication, and collaboration among children with Autism Spectrum Disorders.

The Museum opened early for two **Special Day for Special Kids** events for children with disabilities and their families, providing opportunities for over 150 children to meaningfully engage with the Museum through sensory-based workshops, activities, and performances. The Museum also hosted two **Day Hab Day** events, which provided structured activities that gave adults with disabilities a chance to explore the Museum's collection.

In May 2017, the Museum held its first symposium on programming for people on the autism spectrum. Titled **Access for All: Designing Experiences for People with Autism**, this day-long symposium brought experts together to discuss the latest research in autism, the theory and practice of strength-based programming such as Subway Sleuths, and success stories from cultural organizations that serve people with autism. The symposium brought 75 parents, advocates, and museum professionals together to discuss access and institutions.



TOP: Visitors listen in at the symposium "Access for All: Designing Experiences for People with Autism"

RIGHT: Two young visitors practice their subway navigation skills



ARCHIVES and COLLECTIONS

THE TRANSIT MUSEUM ARCHIVES completed a monumental project this year: organizing approximately 300,000 prints, negatives, and slides from New York City Transit's Photographic Unit, discovered in an office darkroom that had been abandoned for more than ten years. Dating from the 1970s through the early 2000s, the images document transformative periods for the MTA, including the fiscal crisis of the 1970s, graffiti removal, introduction of the MetroCard, and response to the terrorist attacks of September 11th.

For eight months, with support from the New York State Local Government Records Management Improvement Fund, the Museum employed two Archives Technicians to rehouse, arrange, and catalog this treasure trove of materials for public use. Upon completion of the project, the Archives staff held several talks describing their archiving process, including one at MTA headquarters, where employees were presented with a slice of their own history and invited to contribute additional details about the photographs and the people in them.

Throughout the year, the Archives continued to collect from both internal and external

sources. Notable acquisitions this year included 12 issues of *Transit Magazine* between 1954-1956, an original Marbel newsstand sign from the Enhanced Station Initiative-renovated Bay Ridge Avenue Station, and Squire Vickers-designed mosaic tiles from the Wilson Street Station.

The Transit Museum joined other New York museums in sharing historic photographs from our collection on Urban Archive, a location-based mobile app that brings together mapping technology with the digital collections of New York City's museums, archives, and libraries, allowing users to learn history where it happened.

Glimpses of transit history



A snapshot of an MTA bus of the past

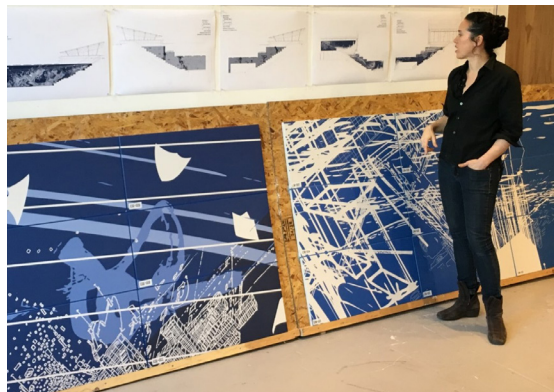
PUBLIC PROGRAMS

THROUGH NEW OFFERINGS IN TOURS, talks, and excursions, the Museum continued to expand our public programming calendar, engaging new audiences throughout the year.

We celebrated the long-awaited arrival of the Second Avenue subway with a series of events exploring the design of the new line, complementing the *Next Stop: Second Avenue Subway* exhibit in Brooklyn. Programs included art-centric walking tours with Museum Educators and key players in MTA Capital Construction and MTA Arts + Design, and panel discussions which provided insight on the design process behind the stations, including how the process evolved over decades of construction.

The Museum linked past with present by using the Second Avenue line as a departure point

Artist Sarah Sze discusses her work, displayed at the 96th St stop on the Second Avenue line



Bus fans celebrate the Vintage Bus Bash on Governor's Island



for **Nostalgia Rides**, including the perennially popular **Subway Swing** dance party and a spooky Halloween ride to Green-Wood Cemetery. We also brought out the R-11 Prototype, the car originally built in the 1950s to run on the Second Avenue line, allowing it to finally fulfill its destiny with a journey on the Q from 96th Street-Second Avenue to Coney Island.

In honor of the centennial of World War I, the Museum's Lo-V subway cars took a special commemorative ride from Grand Central Terminal up to Van Cortlandt Park in the Bronx, the former site of pre-deployment training exercises for soldiers, sailors, and marines. We partnered with the Bronx County Historical Society, the World War I Centennial Commission, and local reenactors to create a memorable experience that allowed participants to witness the park's significance in World War I and transit history.



A Nostalgia Ride train awaits its passengers



Home Run! Vintage Trains & Baseball in Queens was a double-header of fun for sports and rail fans alike

MEMBERSHIP

THE MUSEUM'S INDIVIDUAL MEMBERSHIP roster reached an all-time high with 3,428 members in 2017, suggesting that additional outreach efforts have strengthened this core program.

Such efforts include **Members Appreciation Month**, piloted in May, which offered members-only programming and discounts, culminating with a **Member Recognition Reception**. A **Member Milestones** program was also created to give thanks to our many long-term members. Additionally, we launched

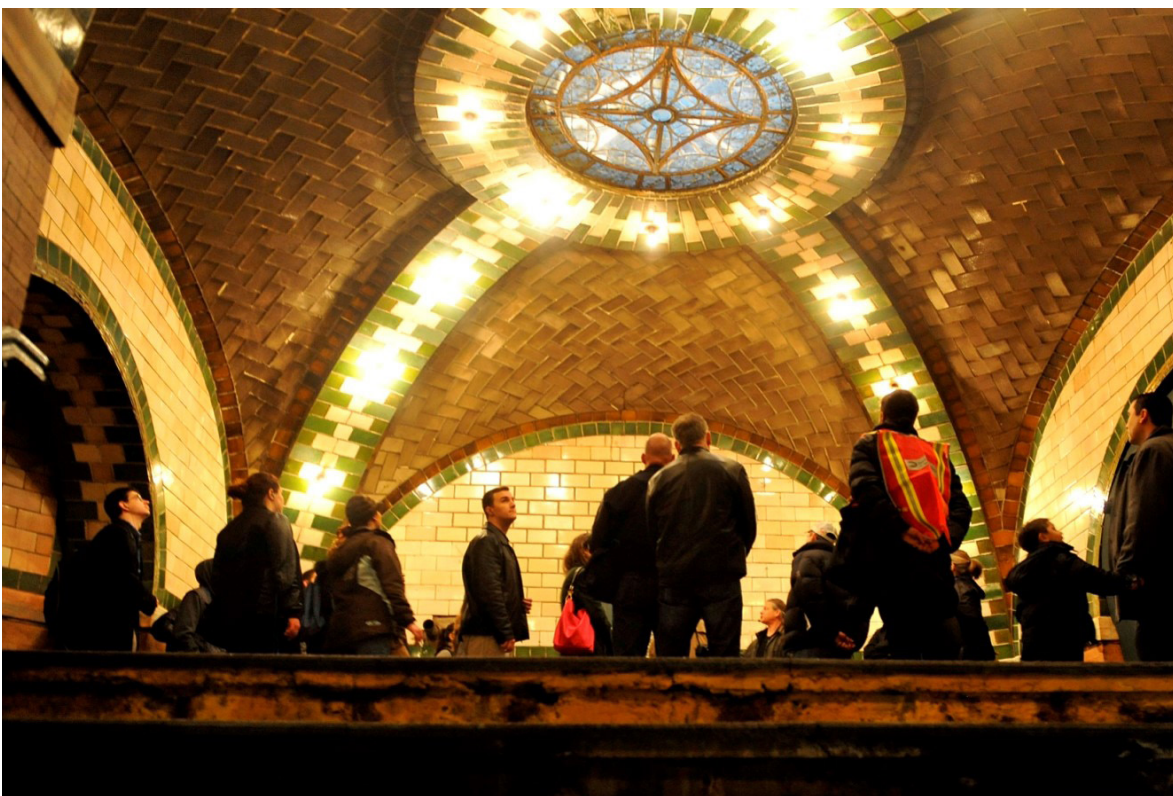
Member Mornings, offering private, early-morning access to the Museum the first Sunday of every month.

In October, the Museum revised its membership structure, adding new levels with further ability to customize via caregiver and child add-on options. This new structure led to a 13% increase in revenue over the previous year. The Museum also created a new philanthropic tier, the **Director's Circle**, which aims to strengthen connections between members and the Museum through curator-led and behind-the-scenes tours.

Additionally, the Museum witnessed growth in Institutional membership, with 75 metro-area public library members on board, more than doubling the 35 participating members in 2016.

By the end of 2017, total membership revenue totaled a record \$262,165.

Members behind the scenes at East 180 Street Yard

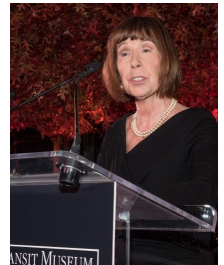
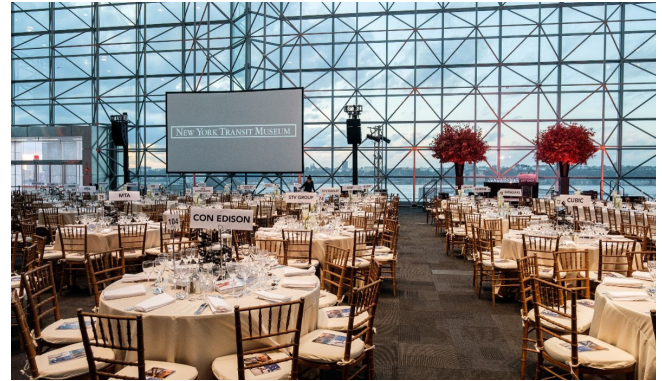


Members enjoy the always popular Old City Hall station tour

DEVELOPMENT

ON NOVEMBER 2, FRIENDS OF THE NEW York Transit Museum hosted its annual Gala, at the spectacular River Pavilion at Jacob K. Javits Convention Center, raising \$1.23 million. The 2017 Gala celebrated the completion of Phase 1 of the Second Avenue subway, recognizing a slate of honorees crucial to its design and construction: AECOM, Arup, E.E. Cruz & Co., J.F. Shea Construction, Inc., Kiewit Infrastructure Co., MTA Arts & Design, OHL NA-Judlau Contracting, RailWorks/L.K. Comstock & Co., Schiavone-Picone JV, Skanska, Tully Construction Co. Inc., and WSP.

In addition, former Friends Board member Kenneth K. Fisher was presented the Founders Key in honor of his father, Harold Fisher, whose early support for the Museum during his tenure as Chairman of the MTA was critical to the Museum's survival.



FROM TOP:
Awaiting the arrival of
our gala attendees

MTA Chairman Joe
Lhota (L) and former
Friends board member
Kenneth K. Fisher

Board Chair Susan
Gilbert addresses
Gala attendees

Guests enjoy an
evening of dinner and
award presentations

ACROSS THE RIVER IN BROOKLYN, THE Museum held its fourth annual family fundraiser, **Party on Wheels**, which has become a beloved and highly anticipated event. On June 11, nearly 300 guests enjoyed early access to the Museum, shuttle rides on vintage Lo-V subway cars from the Museum platform to Hoyt-Schermerhorn station, a conductor cab photo booth, breakfast, face painting, model trains, and birthday cake. The event raised over \$20,000 in support of the Museum's education programs.

Capturing the moment at
Party on Wheels

A young Party on Wheels-goer
looks out at the festivities

COMMUNICATIONS

THE MUSEUM RECEIVED A SIGNIFICANT AMOUNT OF PRESS coverage this year, generated by a consistent communications strategy that distributed 19 press releases to New York-area journalists in the areas of transportation, family, and urban interest. A total of 54 media outlets hosted interviews or tapings on-site at the Museum. The Museum and its programs were profiled in major publications including *The New York Times*, *AM New York*, and *Metro New York*, and received regular recognition in prominent metro blogs including Untapped Cities, Curbed, and Time Out NY. Television segments aired on local outlets such as NY1, News 12, and Pix 11.

The Museum also saw a substantial rise in its digital presence in 2017. Our online home, nytransitmuseum.org, had a 45% increase in page views and a 55% increase in unique users between December 2016 and December 2017. Social media helped increase awareness of the Museum, informing online audiences about exhibits, tours, programs, and events. The Museum grew across all social media platforms, with an 8% increase in Twitter followers, a 13% increase in Facebook page likes, and a 46% increase in Instagram followers.



NY1's Michael Herzenberg chats with Yankees fans



FOR CHILDREN

All Aboard for a Tribute to Trains

'PARTY ON WHEELS' AT THE NEW YORK TRANSIT MUSEUM If adults had to address the New York City subway with a simple two-word greeting, it might not be "Happy Birthday." But children will probably be delighted to sing those words on Sunday when this museum, inside a decommissioned Brooklyn subway station, celebrates the centennial of its Lo-V, or low-voltage, cars. At this family benefit, from 9 to 11 a.m., visitors can enjoy breakfast and cake; create a huge birthday card and subway-style mosaics; explore the old cars; and have their pictures taken in a conductor's cab, above. But perhaps the biggest attraction will be traveling on a 1917 train, which will make round trips between the museum's platform and the Hoyt-Schermerhorn station. That's a subway ride to look forward to. LAUREL GRAEBER 718-694-1600, nytransitmuseum.org

A shoutout to Party on Wheels from *The New York Times*!

RETAIL

It's here! A totebag hails the opening of the Second Avenue Subway



The entrance to the new Museum Store at 2 Broadway

A look inside our brand new store



ON SEPTEMBER 6, THE MUSEUM OPENED a third retail location at 2 Broadway in Lower Manhattan. Just steps away from MTA headquarters, the store provides greater merchandise access to tourists and MTA employees alike, as well as additional revenue and branding opportunities. Proceeds from our online store at **nytransitmuseumstore.com** and brick and mortar retail locations support exhibitions and education programs, generating approximately 20% of operating revenue.

To celebrate the opening of the Second Avenue Subway, the Store sold specially created commemorative products, including mugs, hats, totes, posters, and a unique jewelry line made from core samples taken from the Second Avenue tunnel construction. With each exhibit, the Retail staff develops specialized new products, some of which are pictured below.

The store at 2 Broadway was enthusiastically embraced by MTA employees, who were essential in contributing to the overall design of the store, from the merchandise displays to the image of a vintage subway door adorning the main entrance.



Josh Cochran's Holiday Train Show artwork adorns this stylish mug

OPERATIONS

IN 2017, THE MUSEUM RECEIVED capital funding to replace and upgrade the original 1936 five series station lights in our main facility in Downtown Brooklyn. Structurally complex, the old system required weekly maintenance to change extinguished bulbs and consumed significant electrical energy and staff time. The new system will allow for the use of LED lightbulbs, making the Museum overall safer, greener, cooler, and more cost-efficient. The LED bulbs, selected to match the look and color of the original bulbs, have been installed on the platform level, with mezzanine level work to be completed in 2019.

The Museum continued to be a go-to spot for holiday parties, film, and fashion

shoots, bringing in over \$200,000 in rental revenue. Highlights include Lin-Manuel Miranda's music video "Immigrants: We Get the Job Done," ads for Vogue, Kate Spade, and Kohl's, and films *Ibiza*, *Can You Ever Forgive Me?*, and *Brittany Runs a Marathon*.

With an eye towards increased safety for staff and visitors alike, the Museum worked with MTA New York City Transit and System Safety to revise and update the emergency action plan and create an emergency information packet, which was distributed to all employees.



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As of 12/31/2017

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STAFF

All full and part-time employees as of 12/31/2017

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Angela Agard Solomon, *Manager, Administration*

Regina Asborn, *Deputy Director*

Concetta Anne Bencivenga, *Director*

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Elenita Nicholas, *Marketing & Communications Intern*

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Desiree Alden, *Collections Manager*

Ambrosia Beckford, *Collections Intern*

Robert Del Bagno, *Senior Manager, Exhibits*

Rebecca Haggerty, *Research Archivist*

Amy Hausmann, *Senior Curator, Deputy Director Collections & Exhibitions*

Kathleen Hulser, *Curator*

Carissa Pfeiffer, *Collections Intern*

Jodi Shapiro, *Associate Curator*

Katherine Sorresso, *Collections Intern*

Emily Toder, *Processing Archivist*

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Sarah Landreth, *Development Director*

Viviana Londono-Danailov, *Membership Manager*

Gina Tribotti, *Development Associate*

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William Bullock, *Museum Educator*

Roberto Chavez, *Museum Educator*

Luisanna Contreras, *Visitor Services Facilitator*

Polly Desjarlais, *Education Assistant*

Ramona Fagbore, *Museum Educator*

Marie Fazio, *Museum Educator*

Rose Ginsberg, *Museum Educator*

James Giovan, *Museum Educator*

Niko Goutakolis, *Visitor Services Facilitator*

Filip Jeremic, *Museum Educator*

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Luz Montano, *Tour Coordinator*

Minna Nizam, *Museum Educator*

Salamatu Nurudeen, *Museum Educator*

Khalil Parris, *Museum Educator*

Katherine Reeves, *Senior Museum Educator*

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Ethan Simon, *Museum Educator*

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Jason Weiss, *Inventory Associate*

Cassie Wood Triplett, *Museum Educator*

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David Alfonso, *Facilities*

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Sylvia Cruz, *Assistant Deputy Director, Retail Operations/Product Development*

Clarence Filsaime, *Sales Associate*

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Shanella Issacs, *Sales Associate*

Jason Jamna, *E-Commerce Associate*

Awilda Jimenez, *E-Commerce Manager*

Kiana Layne, *Sales Associate*

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Jasmine Martinez, *Sales Associate*

James Mateo, *Sales Associate*

Lorna Miller, *Assistant Manager, Retail Operations*

Julia Mulero, *Sales Associate*

Alison Otto, *Sales Associate*

Willie Roldan, *Retail Supervisor*

Rudie Kaye Tomlinson, *Sales Associate*

Kelly Lee Chu Woon, *Sales Associate*

Morgan Wright, *Sales Associate*

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\$25,000–\$49,999

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 Joshua Sapan
 Selco Manufacturing Corp.
 SEPSA North America

Siebert Cisneros Shank & Co., L.L.C.
 SKF USA Inc.
 Stellar Services, Inc.
 Tully Construction Co. Inc.
 Jay Walder & Susan Cummings-Walder
 Wells Fargo Securities
 Werwaiss Properties Company LLC
 Joanne Witty & Gene Keilin

~~\$250–\$999~~

Christian Bastian & Erika Nijenhuis
 Brian Beirne
 Bencivenga Ward & Co.
 John Berger & Chris W. Cottle
 Berkshire Taconic Community Foundation
 Jeffrey Berney
 Heather & Rishi Bhandari
 Joseph & Douglas Boorstein
 Michael Bordas & Irma Tumas
 Peg Breen
 Thomas V. G. Brown
 Alicia Byrdsong & Michael Stein
 The Campbell Family
 Andrew Cappelli
 Walter & Barbara Carey
 Bradley & Sharon Carroll
 Sue Chen-Holmes & Matt Holmes
 Alexandrina Chetreanu
 Christopher & Ellen Covas
 Robert J. Croghan & Sheila Gorsky
 Pedro & Evelyn N. Delgado
 Matthew DeRosier & Casey Gorrell
 Ann & Brian Dolan
 Mary Donch
 Jonathan Dorman
 Mortimer L. Downey
 Helena Durst & Mark Domino
 Martha Ehrenfeld & Carla McKay
 Edward R. Enners
 Yehuda & Rebecca Even-Zohar
 Will Flores
 Robert E. Furniss
 Harry B. Gershen
 Susan & Eli Gilbert
 Father Peter Golden
 Elizabeth Gouger & Alen Shapiro
 Roberta Griff & Alan Iny
 Megan & Jeremy Healey
 Kristie & Kenneth Healy
 The Henk Family
 Josh Howard

David Hurd & Gregory Eaton
 IBM Corporation Matching Gifts Program
 Kristen Johanson
 Daniel Kamine & Liay Chang
 Diogenes & Mary Kekatos
 The Kiley Family
 Gwen Kilvert & Jonathan Newman
 Kenneth LaCapria
 John Lamonica
 Sarah Landreth
 John Lavoie
 Stuart Leffler
 Pierre Lehmuller
 Robert A. Levine/RAL Companies
 Michele & Jon Lindgren
 Beth & Eric Liou
 Diane & Britta Lippert
 Mark Littman & Johnny Mendoza
 Constantine Mandros
 Nicholas Mattle & Armen Cevaer
 David & Hara Migdal
 Andrea Monfried & Mike Harshman
 James & Tynelle Morris
 Edward & Patrick Mullen
 Robert Newhouser & John Pappas
 Dennis R. Newman
 Michael & Catherine Newman
 Cynthia & Germaine Nicoll
 Ajit Nimalasuriya & Laurie Morison
 Eric & Mary Oszustowicz
 David Pirmann
 Platt Byard Dovell White Architects LLP
 Pzena Investment Management
 Michael Reiff & Tatiana Simonova
 Robert Wood Johnson Foundation
 John Rodgers & Walter Cruzate
 Nancy Rosenbaum & Gil Glass
 Soonae & Jason Sakow
 Gabrielle Shubert & Jesse Walker
 Andrew J. Sparberg
 Timothy S. Speer & Teresa Vanderboom
 Peter Stangl
 Peter Straus & Lili C. Byers
 Suecoff/Breining Family
 Melissa Swift & Artem Gonopolskiy
 Joseph & Anne Taranto
 Dena & Thaddeus Verhoff
 John & Kristin Vasilj
 Walt Disney Company Foundation
 Bret & Nicole Watson
 Adam Winer & Laura Leu

Friends of the New York Transit Museum

Financial Statements
Together with Report of Independent
Certified Public Accountants

December 31, 2017

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

INDEX TO FINANCIAL STATEMENTS

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

A Registered Professional Services Firm

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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

We have audited the accompanying financial statements of Friends of the New York Transit Museum (a not-for-profit organization), which comprise the statement of financial position of as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of the New York Transit Museum as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



BENCIVENGA WARD & COMPANY, CPA's, P.C.
A Registered Professional Services Firm

Report on Summarized Comparative Information

We have previously audited the Friends of the New York Transit Museum's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 16, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

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

Valhalla, New York
April 24, 2018

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017
(WITH COMPARATIVE AMOUNTS FOR 2016)**

	<u>2017</u>	<u>2016</u>
Assets		
Cash and cash equivalents	\$ 869,434	\$ 1,129,759
Investments, at fair value	9,742,510	8,336,198
Grants and contributions receivable	250,806	97,557
Accrued interest and program/other receivables	93,634	60,896
Prepaid expenses	2,249	1,874
Total assets	10,958,633	9,626,284
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	104,694	96,529
Payable to related party	131,020	123,277
Total liabilities	235,714	219,806
Net Assets		
Unrestricted	10,360,023	9,132,349
Temporarily restricted	362,896	274,129
Total net assets	10,722,919	9,406,478
Total liabilities and net assets	\$ 10,958,633	\$ 9,626,284

The accompanying notes are an integral part of this statement.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017
(WITH COMPARATIVE TOTALS FOR 2016)**

	2017			2016
	Temporarily			
	Unrestricted	Restricted	Total	Total
Public Support and Revenues				
Public Support-				
Annual Gala, net of direct expenses	\$ 704,352	\$ -	\$ 704,352	\$ 712,551
Membership dues	261,665		261,665	202,169
Grants and contributions	68,328	427,858	496,186	424,615
Net assets released from restrictions	339,091	(339,091)	-	-
Total public support	1,373,436	88,767	1,462,203	1,339,335
Revenues-				
Investment income, net of advisor fees	108,611		108,611	106,701
Realized and unrealized gains on investments, net	1,065,581		1,065,581	215,530
Other income	457,263		457,263	446,217
Total revenues	1,631,455	-	1,631,455	768,448
Total support and revenues	3,004,891	88,767	3,093,658	2,107,783
Expenses				
Program services-				
Curatorial and archival	380,304		380,304	236,133
Educational programs	570,529		570,529	509,436
Exhibits	223,237		223,237	182,423
Other	111,440		111,440	106,705
Total program services	1,285,510	-	1,285,510	1,034,697
Supporting services-				
Development	299,918		299,918	249,148
Management and general	191,789		191,789	193,052
Total supporting services	491,707	-	491,707	442,200
Total expenses	1,777,217	-	1,777,217	1,476,897
Change in net assets	1,227,674	88,767	1,316,441	630,886
Net assets, beginning of year	9,132,349	274,129	9,406,478	8,775,592
Net assets, end of year	\$10,360,023	\$ 362,896	\$10,722,919	\$ 9,406,478

The accompanying notes are an integral part of this statement

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017
(WITH COMPARATIVE AMOUNTS FOR 2016)**

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 1,316,441	\$ 630,886
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities-		
Realized and unrealized gains on investments	(1,065,581)	(215,530)
Changes in operating assets and liabilities-		
(Increase) in grants and contributions receivable	(153,249)	(23,357)
(Increase) in accrued interest and other receivables	(32,738)	(9,324)
(Increase) in prepaid expenses	(375)	(84)
Increase in accounts payable and accrued liabilities	8,165	43,334
Net cash provided by operating activities	<u>72,663</u>	<u>425,925</u>
Cash Flows From Investing Activities		
Proceeds from sale of investments	3,102,287	3,771,168
Purchases of investments	(3,443,018)	(3,947,164)
Net cash (used) by investing activities	<u>(340,731)</u>	<u>(175,996)</u>
Cash Flows From Financing Activities		
Increase (decrease) in payable to related party	7,743	(169,289)
Net cash (used) by financing activities	<u>7,743</u>	<u>(169,289)</u>
Net (decrease) increase in cash	(260,325)	80,640
Cash and cash equivalents, beginning of year	<u>1,129,759</u>	<u>1,049,119</u>
Cash and cash equivalents, end of year	<u>\$ 869,434</u>	<u>\$ 1,129,759</u>

The accompanying notes are an integral part of this statement.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017

1. ORGANIZATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Tax Status

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

Friends has processes presently in place to ensure the maintenance of its tax exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has a nexus; and to review other matters that may be considered tax positions.

Income Taxes

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

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Due to the expiration of the statute of limitations, the Organization is no longer subject to income tax examinations for years prior to 2014.

Classification of Net Assets

In accordance with provisions of Financial Accounting Standards Board ("FASB"), net assets, revenues, expenses, gains and losses are classified based upon the existence or absence of donor-imposed restrictions. Friend's net assets and changes therein are classified and reported as follows:

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -(continued)

Classification of Net Assets – (continued)

Unrestricted

Unrestricted net assets represent those resources that are not subject to donor-imposed restrictions and are available for support of the operations of the Organization.

Temporarily Restricted

Temporarily restricted net assets represent those resources that are subject to donor-imposed stipulations that will be met either by satisfaction of program restrictions or the passage of time. At December 31, 2017, there were temporarily restricted net assets in the amount of \$362,896.

Permanently Restricted

Permanently restricted net assets represent those endowment-related assets that are subject to restrictions of gift instruments, which require that the principal be held in perpetuity and the income be used for such purposes, if any, as the donors may direct. At December 31, 2017, Friends did not have permanently restricted net assets.

Investments

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

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

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

Grants and Contributions

The Organization records contributions of cash and other assets when received or when the unconditional promise to give such assets is received from the donor. Contributions are recorded at the fair value of the assets received and are classified as unrestricted, temporarily restricted or permanently restricted, based on the existence and/or nature of donor restrictions. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period in which they are received are reported as unrestricted support in the financial statements.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -(continued)

Contributed Services

Friends recognizes contributions of services which: create or enhance non-financial assets; require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. Contributed services and promises to give services that do not meet the above criteria are not recognized in the financial statements. There were no contributed services that met this criteria for the periods presented.

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

Membership Dues

Membership dues are recognized as revenue in the year received.

Functional Expenses

The costs of providing various programs and supporting services have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on analysis of personnel time and utilization for related activities.

The majority of Friends expenses can generally be directly identified with the program or supporting service to which they relate and are charged accordingly. Other expenses by function are allocated to components of these services based on allocation factors determined by management.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Use of Estimates

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

Fair Value Measurements

As further described in Note 3, the Organization is subject to ASC Topic 820-10-05 relating to fair value measurement. Accordingly, Friends reports a fair value measurement of all applicable financial assets and liabilities, including investments, grants and contributions receivable and payables.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS

At year-end, investments consisted of the following:

	2017		2016	
	Cost	Fair Value	Cost	Fair Value
Common Stocks	\$ 4,568,592	\$ 6,198,260	\$ 3,542,584	\$ 4,497,545
Government Securities-				
U.S. Treasury Notes and Bonds	1,104,017	1,101,830	1,392,914	1,372,555
Other Federal Agencies	819,601	811,786	1,076,411	1,072,255
Foreign Agencies	33,823	33,425	38,794	38,261
Corporate Bonds	1,580,424	1,597,209	1,362,982	1,355,582
Total Investments	<u>\$ 8,106,457</u>	<u>\$ 9,742,510</u>	<u>\$ 7,413,685</u>	<u>\$ 8,336,198</u>

The FASB's ASC Topic 820, Fair Value Measurements, establishes a three-level valuation hierarchy of fair value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

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

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

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

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

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

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

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS – (continued)

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

	Fair Value Measurements					
	Investments at Fair Value as of:					
	December 31, 2017			December 31, 2016		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Common Stocks	\$ 6,198,260	\$ -	\$ 6,198,260	\$ 4,497,545	\$ -	\$ 4,497,545
Government Securities-						
U.S. Treasury Notes and Bonds	-	1,101,830	1,101,830	-	1,372,555	1,372,555
Other Federal Agencies	-	811,786	811,786	-	1,072,255	1,072,255
Non-U.S. Agencies	-	33,425	33,425	-	38,261	38,261
Corporate Bonds	-	1,597,209	1,597,209	-	1,355,582	1,355,582
Total Investments	\$ 6,198,260	\$ 3,544,250	\$ 9,742,510	\$ 4,497,545	\$ 3,838,653	\$ 8,336,198

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Friends believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investment income is reflected in the Statement of Activities net of advisor fees of \$86,900 and \$79,707 for the years ended December 31, 2017 and 2016, respectively.

4. CASH AND CASH EQUIVALENTS

The composition and fair value of cash and cash equivalents as of December 31, 2017 and 2016 are as follows:

	2017	2016
Cash in banks	\$ 691,751	\$ 816,761
Money market funds	177,683	312,998
	<u>\$ 869,434</u>	<u>\$ 1,129,759</u>

5. CONCENTRATIONS OF CREDIT RISK AND UNCERTAINTIES

The financial instruments that are exposed to concentrations of credit risk consist primarily of cash in banks, money market funds and investments. The Organization maintains cash accounts with banks located in New York State, which are insured by the FDIC up to \$250,000. The cash amount on deposit as of and during the year ended during December 31, 2017 exceeded the balance insured by the FDIC. Cash in money market funds are not Federal Deposit Insurance Corporation ("FDIC") insured. Management does not believe it is exposed to any significant credit risk on cash and cash equivalents.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

5. CONCENTRATIONS OF CREDIT RISK AND UNCERTAINTIES – (continued)

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

6. ANNUAL GALA

Income from the Annual Gala is shown in the Statement of Activities net of direct expenses for the years ended December 31, 2017 and 2016 as follows:

	<u>2017</u>	<u>2016</u>
Benefit Receipts	\$ 1,229,496	\$ 1,203,225
Less Direct Expenses	(525,144)	(490,674)
Net Benefit Receipts	<u>\$ 704,352</u>	<u>\$ 712,551</u>

7. TEMPORARILY RESTRICTED NET ASSETS

As of December 31, 2017 and 2016, Friends had net assets restricted for the following programs and purposes:

	<u>2017</u>	<u>2016</u>
Museum Exhibits, Archival, General and Program Support	\$ 297,015	\$ 174,317
Museum Special Needs Programs	65,881	95,620
Museum Other Programs	-	4,192
Total Temporarily Restricted Net Assets	<u>\$ 362,896</u>	<u>\$ 274,129</u>

Net assets of \$339,091 were released from donor restrictions in 2017.

8. RELATED PARTY AND CONTRIBUTED SERVICES

The MTA has contributed administrative services, such as payroll, office facilities and the use of office equipment to Friends, which have not been reflected in the financial statements since they do not meet the criteria for recognition under the FASB. Balances due the MTA, which are shown as due to a related party in the Statement of Financial Position, relate to administrative services provided by Friends in connection with the retail operations of the Museum. The Organization is related to the Museum through common administrators. A related party contribution receivable of \$24,850 is included in Accrued interest and program/other receivables in the Statement of Financial Position.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

9. NEW ACCOUNTING PRONOUNCEMENT

In August 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-14, Presentation of Financial Statements of Not-for-Profit Entities. ASU 2016-14 will amend financial statement presentations and disclosures, with the goal of assisting not-for-profit entities in providing more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: (i) net asset classifications, (ii) investment returns, (iii) expense categorizations, (iv) liquidity and availability of resources, and (v) the presentation of operating cash flows. The new standard is effective for annual reporting periods beginning after December 15, 2017. The Organization will adopt this pronouncement in 2018.

10. RETIREMENT PLAN

Effective December 19, 2017, Friends adopted a defined contribution retirement plan covering eligible employees. Under the terms of the plan, the Museum contributes matching contributions based on an employee's salary. Employer contributions were immaterial in 2017.

11. EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through April 24, 2018, the date which the financial statements were available to be issued.

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NEW YORK TRANSIT MUSEUM

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