GOVERNOR NELSON A. ROCKEFELLER EMPIRE STATE PLAZA PERFORMING ARTS CENTER CORPORATION (A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

Financial Statements and
as of March 31, 2025
Together with
Independent Auditor's Report

Bonadio & Co., LLP
Accounting, Consulting & More

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INDEPENDENT AUDITOR'S REPORT

August 18, 2025

To the Board of Directors of
Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation (the Egg), a New York Public Benefit Corporation and discretely presented component unit of the State of New York, as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Egg's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation as of March 31, 2025, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation as of March 31, 2024 were audited by other auditors whose report dated September 23, 2024 expressed an unmodified audit opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

(Continued)

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INDEPENDENT AUDITOR'S REPORT
(Continued)

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 the Egg's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government 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 audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Egg'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 the Egg'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.

(Continued)

INDEPENDENT AUDITOR'S REPORT
(Continued)

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in total other postemployment benefit liability and related ratios, schedule of proportionate share of pension liability, and schedule of contributions – pension plans on pages 4-9 and 27-29 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2025, on our consideration of the Egg's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Egg's internal control over financial reporting and compliance.

Bonadio & Co., LLP

INTRODUCTION

The following Management Discussion and Analysis (MD&A) of the Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation (the Egg) financial statement provides an overview of the financial activities for the year ended March 31, 2025. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section.

RESPONSIBILITIES AND CONTROLS

The management of the Egg has prepared and is responsible for the financial statements and related information included in this report. A system of internal controls is maintained to provide reasonable assurance that assets are safeguarded and the books and records reflect only authorized transactions. Limitations exist in any system of internal controls. However, based on the recognition that the cost of the system should not exceed its benefits, management believes that its system of internal accounting controls maintains an appropriate cost/benefit relationship.

The Egg's system of internal accounting controls is evaluated on an ongoing basis by the Egg's internal financial staff. Independent external auditors also consider certain elements of the internal control system in order to determine their auditing procedures for the purpose of expressing an opinion on the financial statements.

The Finance Committee of the Egg's Board of Directors serves the role of an Audit Committee. It is composed of members of the Board who are not employees of the Egg and who provide a broad view of management's financial reporting and control functions. Periodically, this Committee meets with management and the independent external auditors to ensure these groups are fulfilling their obligations and to discuss auditing, controls and financial reporting matters.

Management believes that its policies and procedures provide guidance and reasonable assurance that the Egg's operations are conducted according to management's intentions and to a high standard of business ethics. In management's opinion, the financial statements present fairly, in all material aspects, the financial position, results of operations, and cash flows of the Authority in conformity with the accounting principles generally accepted in the United States of America.

FINANCIAL HIGHLIGHTS

Overview of the Financial Statements

The financial statements for the Egg report information about the accounting methods which are used and are similar to those used by private sector companies. These statements offer short-term and long-term financial information about its activities.

The statement of net position includes all of the Egg's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to the Egg's creditors (liabilities).

FINANCIAL HIGHLIGHTS (CONTINUED)

All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses, and change in net position. This statement measures the success of the Egg's operations over the past year and can be used to determine whether the Egg has successfully met all its costs and fees through its admissions and rental of the facility.

The statement of cash flows presents how the Egg generates and uses its cash and cash equivalents in operations, financing, and investing activities. Positive results from operating activities indicate that income from operations generated cash while a negative result indicates a use of cash. Negative investing and financing activities indicate a use of cash to acquire assets or pay back long-term debt.

The notes to the financial statements provide required disclosures and other information that are essential to a full understanding of the material data provided in the statements. The notes present information about the Egg's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies, and subsequent events, if any.

Summary of Organization and Business

The Egg was created by an act of Legislation in 1979 to provide upstate New York with a world class performing arts center in order to present the finest artistic talent in New York State as well as provide a venue for international artists. A public benefit corporation, the Egg presents world class modern dance and family entertainment, as well as a wide variety of music and theater events. Although predominantly local, the Egg's audience comes from Western Massachusetts, Syracuse, Poughkeepsie, the Adirondack Region, as well as national and international tour groups. In addition, it is the Egg's policy to provide free tickets to many public service organizations in the Capital Region so that those who are living below the poverty level can have the same cultural opportunities as those who can afford a full price ticket. In this way, as well as programming, the Egg attracts the most diverse audiences, bringing them together through the shared experience of artistic creation. The Egg also provides space and develops programs for civic, governmental, performing arts, and other cultural and public entities for the benefit of the citizens of New York State, as well as the departments and agencies of New York State government.

The Egg pays the New York State Office of General Services (OGS), a related party, for its maintenance, insurance, parking and telephones. The venue is maintained by OGS but is operated and managed by the Egg and consists of the Kitty Carlisle Hart Theater (982 seats) and The Lewis A. Sawyer Theater (445 seats). Each theater offers a spacious lounge area; the Hart Theater Lounge is capable of holding large receptions. Offices are located on the Concourse and P-1 Levels of the Empire State Plaza; the P-1 area contains a scene shop, costume shop, paint room, two large rehearsal rooms as well as storage.

General Authority Data

The Egg hosted approximately 100 events during its 2024-2025 season, with approximately 66,000 people attending those events

FINANCIAL HIGHLIGHTS (CONTINUED)

Financial Analysis

Condensed Statement of Net Position

	2025	2024	$ Change	% Change
ASSETS				
Current assets	$ 2,392,428	$ 2,331,937	$ 60,491	3%
Capital assets, net	21,804	9,955	11,849	119%
Total assets	2,414,232	2,341,892	72,340	3%
DEFERRED OUTFLOWS OF RESOURCES				
Pension plan	265,962	292,742	(26,780)	-9%
LIABILITIES				
Current liablities	709,747	908,614	(198,867)	-22%
Non-current liabilities				
Net pension obligation	224,476	307,227	(82,751)	-27%
Total other postretirement benefits	1,482,467	1,400,095	82,372	6%
Total non-current liabilities	1,706,943	1,707,322	(379)	0%
Total liabilities	2,416,690	2,615,936	(199,246)	-8%
DEFERRED INFLOWS OF RESOURCES				
Pension deferrals	169,857	91,492	78,365	86%
NET POSITION (DEFICIT)				
Unrestricted	71,843	(82,749)	154,592	-187%
Investment in capital assets, net	21,804	9,955	11,849	119%
Total net position (deficit)	$ 93,647	$ (72,794)	$ 166,441	-229%

Condensed Statement of Revenues, Expenses and Changes in Net Position

	2025	2024	$ Change	% Change
Operating revenues	$ 2,312,706	$ 1,994,041	$ 318,665	16%
Non-operating revenues	534,048	250,869	283,179	113%
Total revenues	2,846,754	2,244,910	601,844	27%
Depreciation expenses	6,988	4,297	2,691	63%
Other operating expense	2,590,953	2,357,414	233,539	10%
Total expenses	2,597,941	2,361,711	236,230	10%
Changes in net positon, before OPEB	248,813	(116,801)	365,614	-313%
OPEB expense	82,372	57,654	24,718	43%
Changes in net positoin	166,441	(174,455)	340,896	-195%
Net position (deficit) beginning of year	(72,794)	101,661	(174,455)	-172%
Net position (deficit) end of year	$ 93,647	$ (72,794)	$ 166,441	-229%

FINANCIAL CONDITION

The overall financial position of the Egg was stable at March 31, 2025. The theaters have been open for several years subsequent to the COVID-19 pandemic shutdown which has allowed the Egg to recover a large portion of ticket sales losses and other lost revenues caused by said shutdown. During the year ended March 31, 2025, the Egg experienced an increase of $166,441 in net position. This was influenced in large part by the $280,000 increase in appropriation revenue from New York State.

As of March 31, 2025 and 2024, net working capital was $1,682,681 and $1,423,323, respectively. Net working capital increased from prior year due to a decrease in accounts payable and vendor tickets payable related to shows and events that were not held before the end of the 2025 fiscal year.

Operating revenues increased from 2024 to 2025 due to increased ticket sales from people attending more shows after becoming more comfortable being in larger crowds and confined spaces. In addition, the increased attendance coupled with the ability to continue to sell beverages at the concessions stand resulted in increased concessions revenues compared to the year ended March 31, 2024 that was a partial year of beverage concession sales. Nonoperating revenues increased significantly by approximately $280,000 due to additional appropriations from New York State.

The Egg experienced an increase of $260,948 in operating expenses from 2024 to 2025. This was due mainly to increased artist fees during the year ended March 31, 2025 compared to the artist fees paid during the year ended March 31, 2024.

As noted in previous financial statements, over the past two decades, the Egg has received a significant portion of its operating revenue from the State of New York. These funds remain critical to the Egg's ability to deliver on its mission to present a wide range of artistic talent to its diverse audience.

Compared to its operating budget, the Egg's total revenues for the year ended March 31, 2025 exceeded its budget by approximately $183,000, mainly due to ticket sales and contracted services exceeding budgeted balances by approximately $177,000. The Egg's total expenses were underbudgeted by approximately $13,000, mainly as the net result of artist fees exceeding its budgeted balance by approximately $106,000, administration salary costs were below their budgeted balance by approximately $106,000 and building & maintenance costs were below their budgeted balance by approximately $21,000.

FINANCIAL CONDITION (CONTINUED)

Results vs. Budget

	Budget	Actual	Variance (Actual/Budget)
Revenue:			
Ticket sales	$ 750,000	$ 905,576	$ 155,576
Rental income	250,000	245,449	(4,551)
Contracted & rental services	885,000	910,997	25,997
Unearned Revenue	255,000	250,634	(4,366)
NYS appropriation	500,000	500,000	-
Interest income	24,500	34,098	9,598
Total revenue	2,664,500	2,846,754	182,254
Expenses:			
Administration	1,162,000	960,152	201,848
Benefits	389,436	511,393	(121,957)
Artist fees	550,000	656,622	(106,622)
Marketing	31,500	29,715	1,785
Production	143,000	96,077	46,923
General & administrative	214,314	282,766	(68,452)
Insurance	10,500	12,825	(2,325)
Travel & board expense	8,500	5,378	3,122
Building & maintenance	137,750	116,522	21,228
Depreciation & miscellaneous	17,500	8,863	8,637
Total expenses	2,664,500	2,680,313	(15,813)
Change in net position	-	166,441	
Net position - beginning of year	(72,794)	(72,794)	
Net position - end of year	$ (72,794)	$ 93,647	

CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

The Egg currently has approximately $286,000 of gross capital assets, which are about 92% depreciated over their respective useful lives in the aggregate. No material capital asset purchases were made during the year ended March 31, 2025, with the Egg recognizing approximately $7,000 of depreciation expense during the fiscal year.

The Egg currently has long-term obligations associated with its pension and other postemployment employment benefits. With its current cash flow, the Egg has been able to pay all other vendors within the prompt payment guidelines that have been established by management.

REQUEST FOR INFORMATION

This financial report is intended to provide a general overview of the Egg's fiscal health and to illustrate the Egg's accountability for the revenue it receives. If you have questions about this report or need further information, contact the Executive Director, Diane Eber at The Egg, PO Box 2065, Albany, NY 12220 or at www.theegg.org.

PRINCIPAL OFFICIALS

The Egg's Board of Directors is as follows as of March 31, 2025:

Name	Appointed by
Mary A. Griffin, Chair	Governor
Scott Palladino, Vice Chair	Governor
Catherine A. Barber	Governor
Susan T. Cleary	Governor
Christine Henseler	Governor
Stacey B. Rowland	Governor
Steven Labate	Governor
Christopher Cernik	Speaker of the Assembly
Adrienne Bonilla	Speaker of the Assembly
Maston Sansom	President of the Senate
John Regan, Treasurer	Albany County Executive
Isabella Underwood	Assembly Minority Leader
Anna Scaife, Secretary	Commissioner of the Office of General Services

There are four vacant board positions as of March 31, 2025.

GOVERNOR NELSON A. ROCKFELLER EMPIRE STATE PLAZA PERFORMING ARTS CENTER CORPORATION
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

STATEMENT OF NET POSITION
MARCH 31, 2025
(with summarized comparative totals as of March 31, 2024)

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 2,349,679	$ 2,236,234
Accounts receivable	24,460	23,764
Prepaid expenses	18,289	71,939
Total current assets	2,392,428	2,331,937
NONCURRENT ASSETS - Capital assets, net	21,804	9,955
Total assets	2,414,232	2,341,892
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows of resources - ERS	265,962	292,742
Total deferred outflows of resources	265,962	292,742
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	70,328	127,556
Compensated absences	38,832	42,848
Current portion of other postemployment benefits	80,000	20,000
Unearned revenue	242,023	173,188
Vendor tickets payable	358,564	565,022
Total current liabilities	789,747	928,614
LONG-TERM LIABILITIES		
Net pension liability - ERS	224,476	307,227
Total other post employment benefits	1,402,467	1,380,095
Total long-term liabilities	1,626,943	1,687,322
Total liabilities	2,416,690	2,615,936
DEFERRED INFLOWS OF RESOUCES		
Deferred inflows of resources - ERS	169,857	91,492
NET POSITION (DEFICIT)		
Unrestricted	71,843	(82,749)
Net investment in capital assets	21,804	9,955
Total net position (deficit)	$ 93,647	$ (72,794)

The accompanying notes are an integral part of these statements.

GOVERNOR NELSON A. ROCKFELLER EMPIRE STATE PLAZA PERFORMING ARTS CENTER CORPORATION
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2025
(with summarized comparative totals for the year ended March 31, 2024)

	2025	2024
OPERATING REVENUES		
Ticket Sales	905,576	$ 731,721
Rental and commission revenue	1,066,206	1,001,412
Concession revenue	90,240	73,795
Corporate and foundation grants	21,814	18,887
Federal and state grants	160,000	110,000
Individual contributions	68,820	55,500
Other	50	2,726
Total operating revenues	2,312,706	1,994,041
OPERATING EXPENSES		
Salaries and wages	986,817	980,216
Employee benefits	302,539	257,909
Payroll taxes	87,062	79,476
Artist fees	656,622	534,418
Advertising	29,715	17,394
Professional fees	171,862	70,449
Post employment benefits	82,372	57,654
Production:		
Hospitality	50,788	60,063
Supplies and licenses	830	20,349
Equipment rental and maintenance	44,459	52,815
Credit card and bank fees	92,102	95,299
Depreciation	6,988	4,297
Maintenance - NYS OGS	114,777	123,954
Insurance	25,580	26,677
Office supplies	8,233	7,471
Utilities	3,941	3,614
Publication	3,989	4,202
Travel and entertainment	3,792	1,565
Other	5,970	16,724
Bad debt expense	1,875	4,819
Total operating expenses	2,680,313	2,419,365
Operating loss	(367,607)	(425,324)
NON-OPERATING REVENUE		
Appropriation from New York State	500,000	220,000
Interest	34,048	30,869
Total non-operating revenue	534,048	250,869
CHANGE IN NET POSITION	166,441	(174,455)
NET POSITION (DEFICIT), Beginning of year	(72,794)	101,661
NET POSITION (DEFICIT), End of year	$ 93,647	$ (72,794)

The accompanying notes are an integral part of these statements.

GOVERNOR NELSON A. ROCKFELLER EMPIRE STATE PLAZA PERFORMING ARTS CENTER CORPORATION
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025
(with summarized comparative totals for the year ended March 31, 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Received from customer, net	$ 1,761,826	$ 1,690,619
Received from grants and contributions	250,634	184,387
Paid to suppliers and vendors for goods and services	(1,060,202)	(800,425)
Paid to employees for services, including benefits	(1,281,627)	(1,202,911)
Paid to New York State retirement system	(72,397)	(61,533)
Net cash used by operating activities	(401,766)	(189,863)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of capital assets	(18,837)	(9,014)
Interest received	34,048	30,869
Net cash provided by investing activities	15,211	21,855
CASH FLOWS FROM FINANCING ACTIVITIES:		
Appropriation from New York State	500,000	220,000
Net cash provided by financing activities	500,000	220,000
NET INCREASE IN CASH AND CASH EQUIVALENTS	113,445	51,992
CASH AND CASH EQUIVALENTS, Beginning of year	2,236,234	2,184,242
CASH AND CASH EQUIVALENTS, End of year	$ 2,349,679	$ 2,236,234
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating loss	$ (367,607)	$ (425,324)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	6,988	4,297
Bad debt expense	1,875	4,819
Pension expense	94,791	114,690
OPEB expense and health insurance payments to retirees	82,372	57,654
Changes In operating assets, deferred outflows of resources, liabilities, and deferred inflows of resources		
Accounts receivables	(2,571)	(7,584)
Prepaid expenses	53,650	(10,527)
Accounts payable and accrued expenses	(57,228)	36,006
Compensated absences	(4,016)	(3,871)
Unearned revenue	68,835	(111,451)
Vendor ticket payable	(206,458)	212,961
Net pension obligation	(72,397)	(61,533)
Net cash used for operating activities	$ (401,766)	$ (189,863)

The accompanying notes are an integral part of these statements.

1. NATURE OF OPERATIONS/REPORTING ENTITY

The Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation (the Egg) was created as a public benefit corporation under New York State Public Authorities Law Section 66, Chapter 688 of the Laws of 1979 by the New York State Legislature to provide upstate New York with a performing arts center in order to present the finest artistic talent in New York State during each annual season. The Egg presents world-class modern dance and family entertainment, as well as a wide variety of music and theatre events. Although predominantly local, the Egg's audience comes from western Massachusetts, Syracuse, Poughkeepsie, and the Adirondack region, as well as national and international tour groups. In addition, it is the Egg's policy to provide free tickets to many public service organizations in the Capital District so that those living at or below the poverty level can have the same cultural opportunities as those who can afford full-priced tickets. In this way, the Egg attracts the most diverse audiences, bringing them together through the shared experience of artistic creation. The Egg also provides space and develops programs for civic, governmental, performing arts, and other cultural and public entities for the benefit of the citizens of New York State, as well as the departments and agencies of New York State government.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Egg have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities.

Measurement Focus and Basis of Accounting
In accordance with the principles prescribed by the Governmental Accounting Standards Board (GASB), the Egg's financial statements have been presented as a proprietary fund. All assets, liabilities, net position, revenues, and expenses are accounted for through a single enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred. The Egg is a discretely presented component unit of New York State and is included in the State's comprehensive annual financial report.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Budgetary Basis of Accounting
Budgets are adopted annually on a basis consistent with generally accepted accounting principles. In March of each year the proposed budget for the upcoming year is presented to the board of directors for approval.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Egg's cash consist of cash on hand and demand deposits.

The Egg's investment policies are governed by statutes of the State of New York. The Egg's monies must be deposited in Federal Deposit Insurance Corporation (FDIC)-insured commercial banks or trust companies located within the state. The finance manager of the Egg is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and obligations of the State of New York or its localities. Investments are generally stated at market value.

Collateral is required for demand and time deposits and certificate of deposits not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies.

Accounts Receivable

Accounts receivable balances are carried at the original invoice amount less any estimate allowance for uncollectible accounts. Management determines the allowance for uncollectible accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Management determined no allowances for uncollectible accounts were required for the year ended March 31, 2025. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivables previously written off are recognized when received.

The Egg generally will not charge interest on past due receivables. A receivable is considered to be past due if the balance is outstanding for more than 90 days.

Capital Assets

Capital assets include property and equipment is recorded at cost, except for contributed property and equipment, which is recorded at fair market value. The Egg capitalizes expenditures for acquisitions, renewals, and betterments of capital assets with a cost greater than $500, whereas maintenance and repair costs are expensed as incurred. When property and equipment is sold or retired, the appropriate accounts are relieved of costs and accumulated depreciation, and the resultant gain or loss is credited or charged to operations. The recorded value is depreciated over the useful lives of the related assets using the straight-line method. The estimated useful lives used for determining depreciation of property and equipment ranges from three to five years.

Capital assets of the Egg are depreciated using the straight-line method over 3 to 5 years as a useful life.

Prepaid Expenditures

Prepaid expenses are related to the prepayment of expenses for performances that will occur in the subsequent fiscal year and general operating expenses related to future periods. The consumption method is used to account for these costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Contributions are recognized when received or in the period of intended use as specified by the donor. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. In some cases, the Egg receives grants that are cost-reimbursable in nature. In these instances, the revenue is recognized when the Egg demonstrates they have incurred the corresponding costs allowed to be reimbursed under the terms of the grant. Grant funds received in advance of the incurrence of corresponding costs are treated as unearned revenue.

Revenues related to specific performances that are generated from ticket sales, rental of venues, and concession sales are recognized on the date the show is performed. Funds received in advance of the performance are recorded as unearned revenue until recognized. Revenues related to customer rental of space from the Egg, which totaled $1,066,206 for the year ended March 31, 2025, are recorded and recognized on the date of the event.

Operating revenues include revenue generated from ongoing operating activities. Non-operating revenues include investing, financing, and other non-recurring activities.

Unearned Revenue

The Egg reports unearned revenue in its basic financial statements. Unearned revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenue also arises when resources are received by the Egg before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the Egg has legal claim to resources, the liability for deferred revenue is removed and revenue is recognized.

Expenses

Amounts reported as operating expenses are from providing services in connection with the Egg’s ongoing operations. The principal operating expenses of the Egg include payroll, utilities, depreciation, other postemployment benefits, and contractual services. All expenses not meeting this definition are reported as non-operating.

Vendor Tickets Payable

Throughout the year, the Egg entered into rental contracts that allow promoters the right to have their artist perform at the Egg for a specified fee plus expenses. The Egg will sell tickets through its box office and will pay the promoters the next proceeds collected after expenses. The balance of vendor tickets payable at March 31, 2025 represents ticket sales collected for shows to be performed under rental contracts in fiscal 2026.

Compensated Absences

Employees of the Egg are entitled to paid vacation and paid holidays depending on job classification, length of service and other factors. The accumulation of vacation hours is subject to a 300-hour limit for full-time employees and is based on historical trends and budgeted amounts. Personal and unused holiday time is forfeited upon the first day of the new fiscal year. The accrued value of unpaid, accumulated annual and holiday leave balances at March 31, 2025 of $38,832 is included within accrued liabilities in the statement of net position.

Retirement Benefits

Egg employees participate in the New York State and Local Employees’ Retirement System. See Note 6 for additional information regarding retirement benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Postemployment Benefits (OPEB)
The Egg applies GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* This statement improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions and requires the immediate recognition of OPEB expense, rather than allowing the government entity to choose the recognition period of the effects of changes in benefit terms.

NYS Capital Appropriations and Grants
The Egg receives capital appropriations and grants from New York State, New York State agencies and others to fund various capital and other projects related to preservation and improvement of facilities.

Deferred Outflows/Inflows of Resources
Government accounting Standards Board's (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities,* defined and classified deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net assets that applies to future period(s), and as such, will not be recognized as an outflow of resources (expense/expenditure) until that time.

A deferred inflow of resources is an acquisition of net assets that applies to future period(s), and as such, will not be recognized as an inflow of resources (revenue) until that time. Statement No. 63 changes how governments organize their statements of financial position (such as the current government-wide statement of net assets and the governmental funds balance sheet).

As a result of Statement No. 63, financial statements will include deferred outflows of resources and deferred inflows of resources (deferrals), in addition to assets and liabilities, and reports net position instead of net assets.

The Egg applies GASB Statement No. 68, *Accounting and Financial Reporting For Pensions – An Amendment of GASB Statement No. 27.* This statement improves accounting and financial reporting by state and local governments for pensions and improves the information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The Egg is required to record deferred outflows and inflows of resources related to its obligation to the New York State and Local Employees' Retirement System as a result of this statement.

Income Taxes
A provision for income tax has not been provided for in these financial statements, as the Egg is a not-for-profit public benefit corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Egg has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Internal Revenue Code.

Prior Year Summarized Information
The financial statements include certain prior year summarized information. Such information does not include sufficient detail to constitute a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be considered in conjunction with the Egg's financial statement for the year ended March 31, 2024, from which the information was obtained.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Revenue and Accounts Receivable
During the year ended March 31, 2025, the Egg received approximately 21% of its total revenue from the State of New York, from the State's annual appropriation and through grants from the New York State Council on the Arts (NYSCA), which is a separate agency of the State of New York. The aggregate amount of revenue from this source totaled $600,000 ($500,000 from the State of New York appropriation and $100,000 from NYSCA) for the year ended March 31, 2025. In addition, five individual entities make up 86% of accounts receivable (24%, 21%, 18%, 12% and 11%, respectively) as of the year ended March 31, 2025.

Advertising
Advertising costs are expensed when incurred.

Implementation of New Accounting Standards
The Egg has adopted and implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, effect for the year ending March 31, 2025.

3. CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that, in the event of a bank failure, the Eggs's deposits may not be returned to it. Generally accepted accounting principles direct that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance.

Governmental accounting standards direct that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are not covered by collateralization.

At March 31, 2025 and 2024, all of the Egg's cash and cash equivalents of $2,349,679 and $2,236,234, respectively, were either insured by the FDIC or collateralized with securities held by the pledging financial institution's trust department in the Egg's name.

4. CAPITAL ASSETS

A summary of capital assets is as follows as of and for the year ended March 31, 2025:

	Balance April 1, 2024	Additions	Disposals	Balance March 31, 2025
Furniture and fixtures	$ 9,588	$ 370	$ -	$ 9,958
Office equipment	6,833	-	-	6,833
Computer equipment	70,209	7,304	-	77,513
Theatre equipment	181,262	11,163	-	192,425
	267,892	18,837	-	286,729
Accumulated depreciation	257,937	6,988	-	264,925
Total capital assets, net	$ 9,955	$ 11,849	$ -	$ 21,804

4. CAPITAL ASSETS (Continued)

A summary of capital assets is as follows as of and for the year ended March 31, 2024:

	Balance April 1, 2023	Additions	Disposals	Balance March 31, 2024
Furniture and fixtures	$ 9,588	$ -	$ -	$ 9,588
Office equipment	6,833	-	-	6,833
Computer equipment	62,293	7,916	-	70,209
Theatre equipment	180,164	1,098	-	181,262
	258,878	9,014	-	267,892
Accumulated depreciation	253,640	4,297	-	257,937
Total capital assets, net	$ 5,238	$ 4,717	$ -	$ 9,955

5. RELATED PARTY TRANSACTIONS

The Egg pays the New York State Office of General Services (OGS), a related party, for its maintenance, insurance, parking, and telephones. Expenses incurred for maintenance services provided by OGS amounted to $114,777 and $123,954 for the years ended March 31, 2025 and 2024, respectively.

In addition to the services noted above, the Egg utilizes office space and theater space in buildings owned by OGS and incurs no charges for the use of these spaces.

6. PENSION PLAN

Plan Description

The Egg participates in the New York State and Local Employees' Retirement System (the System or ERS). This is a cost-sharing multiple employer defined benefit retirement system. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as a trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System is included in the State's financial report as a pension trust fund. That report may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

6. PENSION PLAN (Continued)

Benefits Provided:

The System provides retirement benefits as well as death and disability benefits:

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 1 members who joined on or after June 17, 1971, each year's compensation used in the final average salary calculation is limited to no more than 20 percent greater than the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20% greater than the average of the previous two years.

Tiers 3, 4 and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 3, 4 and 5 members, each year's compensation used in the final average salary calculation is limited to no more than 10 percent greater than the average of the previous two years.

6. PENSION PLAN (Continued)

Benefits Provided (Continued)

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of average final salary is applied for each year of service over 20 years. Tier 6 members with five or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years of employment. For Tier 6 members, each year's compensation used in the final average salary calculation is limited to no more than 10% greater than the average of the previous four years.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first $50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most

members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all retirees who have attained age 62 and have been retired for five years; (ii) all retirees who have attained age 55 and have been retired for ten years; (iii) all disability retirees, regardless of age, who have been retired for five years; and (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed $18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

Contributions

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3 percent of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

6. PENSION PLAN (Continued)

Contributions (Continued)
Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

2025	$	72,397
2024	$	61,533
2023	$	52,756

Chapter 57 of the Laws of 2010 of the State of New York was enacted that allows local employers to amortize a portion of their retirement bill for 10 years in accordance with the following stipulations:

- For State fiscal year 2010-11, the amount in excess of the graded rate of 9.5 percent of employees' covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which the amortization was instituted.
- For subsequent State fiscal years, the graded rate will increase or decrease by up to one percent depending on the gap between the increase or decrease in the NYSLRS's average rate and the previous graded rate.
- For subsequent State fiscal years in which the NYSLRS's average rates are lower than the graded rates, the employer will be required to pay the graded rate. Any additional contributions made will first be used to pay off existing amortizations, and then any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

This law requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the NYSLRS' fiscal years when the local employer opts to participate in the program.

Pension Assets/Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At March 31, 2025, the Egg reported a liability of $224,476 for its proportionate share of the net pension obligation. The net pension was measured as of March 31, 2024 for fiscal 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2023. The Egg's proportion of the net pension liability was based on a projection of the Egg's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At March 31, 2025, the Egg's proportion was 0.0015246%.

6. PENSION PLAN (Continued)

Pension Assets/Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended March 31, 2025, the Egg recognized a pension expense of $94,791. At March 31, 2025, the Egg reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 72,304	$ 6,121
Changes of assumptions	84,869	-
Net difference between projected and actual earnings on pension plan investments	-	109,655
Changes in proportion and differences between the Egg's contributions and proportionate share of controbutions	50,368	54,081
Contributions subsequent to the measurement date	58,421	-
	$ 265,962	$ 169,857

$58,421 reported as deferred outflows of resources related to pensions resulting from the Egg's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending March 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended March 31:	
2025	$ (51,141)
2026	32,849
2027	78,660
2028	(22,684)
2029	-
Thereafter	-
	$ 37,684

Actuarial Assumptions

The total pension liability at March 31, 2025 was determined by using an actuarial valuation as of April 1, 2023 with update procedures used to roll forward the total pension liability to March 31, 2025. The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.90%
Salary scale	4.40% in ERS, indexed by service
Investment rate of return (net of investment expense, including inflation)	5.90% compounded annually, net of investment expenses
Cost-of-living adjustment	1.50% annually
Decrememnts	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020
Mortality	Society of Actuaries Scale MP-2021

6. PENSION PLAN (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building- block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic of real rates of return for each major asset class are summarized as of March 31, 2025 in the following table:

Asset Type	Target Allocations	Long-Term Expected Real Rate of Return
Domestic equity	32.0%	4.00%
Internationl equity	15.0%	6.65%
Private equity	10.0%	7.25%
Real estate	9.0%	4.60%
Opportunistic/absoluate return strategy	3.0%	5.25%
Credit	4.0%	5.40%
Real assets	3.0%	5.79%
Fixed income	23.0%	1.50%
Cash	1.0%	0.25%
	100.0%	

The real rate of return is net of the long-term inflation assumption of 2.90%.

Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption The following presents the Egg's proportionate share of the net pension liability at March 31, 2024 calculated using the current-period discount rate assumption of 5.9%, as well as what the Egg' proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.9 percent) or 1-percentage point higher (6.9 percent) than the current rate:

	1% Decrease (4.9%)	Current Assumption	1% Increase (6.9%)
Proportionate Share of Net Pension liability (asset)	$ 705,776	$ 224,476	$ (177,509)

6. PENSION PLAN (Continued)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2025, were as follows:

	Pension Plan's Fiduciary Net Position
Total pension liability	$240,696,851
Net position	(225,972,801)
Net pension liability	$ 14,724,050
Fiduciary net position as a percentage of total pension liability	93.88%

7. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

Medical and Prescription Drug benefits are provided through the New York State Health Insurance Program (NYSHIP). The Egg provides continuation of medical insurance coverage to eligible employees that retire directly from employment at the Egg and their spouses after retirement age (average retirement age of 65). No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Funding Policy

Health insurance premiums for retired individuals of the Egg are equal to the premiums charged for active employees. The Egg pays a portion of the premium for medical coverage for the retired individual and their spouse for the lifetime of the retiree based on the plan chosen by the employee at the time of their retirement.

The number of participants as of March 31, 2025, the effective date of the latest OPEB valuations, follows:

Active employees	2
Retired employees	2
Total	4

There were 4 participants younger than 65 with an average age of 49.

Total OPEB Liability

The Egg's total OPEB liability of $1,482,467 was measured as of March 31, 2025, and was determined by an actuarial valuation as of April 1, 2024.

Actuarial assumptions and other inputs. The total OPEB liability in the March 31, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

7. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Total OPEB Liability (Continued)

Salary increases	2%
Discount rate	3.45%
Healthcare cost trend rates	5.8% for 2025, 5.7% for 2026, 5.6% for 2027, 5.4% for 2028, 5.2% for 2029, 5.00% for 2030, 4.8% for 2031 and 4.6% thereafter.
Retirees' share of benefit-related costs	A portion of premium paid based on plan chosen for lifetime of employee
Turnover assumption	Derived from data maintained by the U.S. Office of Personnel Management regarding the most recent experience of the employee group covered by the Federal Employees Retirement System.

The discount rate was based on the S&P 20 AA Municipal Bond Index.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years.

The Egg applies the alternative measurement method of GASB 75.

Changes in the Total OPEB Liability

Balance at 3/31/2024	$ 1,400,095
Changes for the year:	
Service costs	45,361
Interest on Total OPEB Liability	48,442
Effect of economic/demographic gains (losses)	64,198
Effect of assumptions changes or inputs	1,063
Benefit payments	(76,692)
Net changes	82,372
Balance at 3/31/2025	$ 1,482,467

OPEB change in valuation as shown on the statement of revenues, expenses, and change in net position is made up of the aggregate of service cost, interest, effect of economic/demographic gains or losses, and effect of assumptions changes or inputs noted in the above table.

Sensitivity of the total OPEB liability to changes in the discount rate. The following represents the total OPEB liability of the Egg, as well as what the Egg's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.45%) or 1-percentage point higher (4.45%) than the current discount rate:

7. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Changes in the Total OPEB Liability (Continued)

	1% Decrease (2.45%)	Current Discount (3.45%)	1% Increase (4.45%)
Total OPEB Liability	$ 1,690,289	$ 1,482,467	$ 1,309,189

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Egg, as well as what the Egg's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1- percentage point higher than the current healthcare cost trend rates:

	1% Decrease (2.45%)	Healthcare Current Discount (3.45%)	1% Increase (4.45%)
Total OPEB Liability	$ 1,299,155	$ 1,482,467	$ 1,700,127

8. COMMITMENTS AND CONTINGENCIES

Risk Management

The Egg is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Egg has purchased commercial insurance for all risk beyond minimal deductible amounts. Settled claims have not exceeded the commercial coverage by any material amounts during the years ended March 31, 2025 and 2024. There was no reduction in insurance coverage during the years ended March 31, 2025 and 2024.

9. SUBSEQUENT EVENTS

On July 1, 2025 the performing arts center closed for renovations which are being completed by the NYS Office of General Services. Improvements to be made include seating, carpeting and lighting. The renovations are expected to be completed in January of 2026 at which time the arts center will resume operations. The 2026 NYS budget increases operating support to $1,000,000 from $500,000 to offset reduction in revenue while renovations are completed.

GOVERNOR NELSON A. ROCKEFELLER EMPIRE STATE PLAZA PERFORMING ARTS CENTER CORPORATION
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

Schedule I

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2025

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
TOTAL OPEB LIABILITY										
Service cost	$ 45,361	$ 57,711	$ 57,711	$ 45,566						
Change of benefit terms	48,442	47,617	44,650	50,258						
Differences between expected and actual experience	69,055	(4,858)	(201,436)	(43,772)						
Change in assumptions	(3,794)	(18,798)	(219,594)	296,330						
Benefit payments	(76,692)	(24,018)	(10,201)	(9,277)						
Total change in total OPEB liability	$ 82,372	$ 57,654	$ (328,870)	$ 339,105						
Total OPEB liability - beginning	1,400,095	1,342,441	1,671,311	1,332,206						
Total OPEB liability - ending	$ 1,482,467	$ 1,400,095	$ 1,342,441	$ 1,671,311						
Covered-employee payroll	-	-	-	-						

Notes to schedule:

Changes of assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

Discount rate	3.45%	3.43%	2.59%	2.59%

Plan Assets. No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits:

- Contributions from the employer and any non-employer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, non-employer contributing entities, the Plan administrator, and Plan members.

*This table will show 10 years as the information becomes available.

GOVERNOR NELSON A. ROCKFELLER EMPIRE STATE PLAZA PERFORMING ARTS CENTER CORPORATION
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

Schedule II

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2025

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability	0.0015246%	0.0014327%	0.0001920%	0.0015008%						
Proportionate share of the net pension liability (asset)	$ 224,476	$ 307,227	$ (15,694)	$ 1,494						
Covered-employee payroll	$ 533,484	$ 498,114	$ 411,151	$ 87,642						
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	42.08%	61.68%	-3.82%	1.70%						
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	93.42%						

*This table will show 10 years as the information becomes available.

GOVERNOR NELSON A. ROCKFELLER EMPIRE STATE PLAZA PERFORMING ARTS CENTER CORPORATION Schedule III
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

SCHEDULE OF CONTRIBUTIONS - PENSION PLANS (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2025

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 58,421	$ 52,074	$ 52,756	$ 15,281	$ 64,699	$ 60,000	$ 58,079	$ 72,266	$ 55,125	$ -
Contributions in relation to the contractually required contribution	$ 58,421	$ 52,074	$ 52,756	$ 15,281	$ 64,699	$ 60,000	$ 58,079	$ 72,266	$ 55,125	$ -
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 533,484	$ 498,114	$ 411,151	$ 87,642	$ 467,049	$ 425,060	$ 419,805	$ 427,293	$ 389,230	
Contributions as percentage of covered-employee payroll	10.95%	10.45%	12.83%	17.44%	13.85%	14.12%	13.83%	16.91%	14.16%	

*This table will show 10 years as the information becomes available.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

August 18, 2025

To the Board of Directors of the
Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation (the Egg) a New York State Public Benefit Corporation and discretely presented component unit of the State of New York, as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Egg's basic financial statements, and have issued our report thereon dated August 18, 2025.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Egg's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Egg's internal control. Accordingly, we do not express an opinion on the effectiveness of the Egg's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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(Continued)

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Continued)

Report on Internal Control Over Financial Reporting (Continued)

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Egg's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Egg's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The Egg's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bonadio & Co., LLP

SCHEDULE OF FINDINGS AND RESPONSES
MARCH 31, 2025

Finding 2025-001

Material Weakness in Internal Control over Financial Reporting – Segregation of Duties

Criteria: The Egg should implement procedures to strengthen internal controls and to create an organizational structure with adequate segregation of duties within the accounting function.

Condition: The Egg did not have adequate internal controls as a result of a lack of segregation of duties in the accounting function as a result of the use of an outside accounting company during the year ended March 31, 2025. During walkthrough procedures, we noticed there were no formalized review procedures over journal entries being posted by the outside accounting company.

Context: We observed the processes performed by the Finance Manager and also tested a selection of journal entries posted by the Finance Manager and the outside accounting company used for a portion of the year throughout the year ended March 31, 2025.

Effect or Potential Effect: There is a greater risk of error in financial statement reporting and misappropriation of assets due to a lack of segregation of duties.

Cause: The Egg's limited size, gives rise to these matters.

Recommendation: Management should establish a system of checks and balances over its financial reporting and other procedures such that a number of individuals are involved with or perform a thorough review of financial information reported to the general ledger to mitigate the lack of segregation of duties.

Views of Responsible Official(s) and Planned Corrective Actions:

As recommended by the auditors, management and the Board of the Egg will review its procedures in the coming fiscal year to establish a system of checks and balances to ensure accuracy and appropriateness of amounts being recorded to the general ledger as well as a revamp of the employee handbook and duties of those who are part of the accounting function.