

**Application to
Troy Industrial Development Authority (TIDA)
For
Tax Exempt Bond Financing
and/or
Straight-Lease Transaction
and
Fee Schedule**

Please contact the Authority for more information
regarding project eligibility and application process.

FORM ADOPTED
MAY 20, 2016

FEE SCHEDULE
MODIFIED
JUNE 4, 2021

AUTHORITY ADMINISTRATIVE FEE SCHEDULE

Troy Industrial Development Authority (TIDA)

433 River Street, Suite 5001, Troy New York 12180

AUTHORITY ADMINISTRATIVE FEE SCHEDULE

Taxable and Tax Exempt Industrial Development Revenue Bonds

Application Fee:	A non-refundable fee of \$5,000.00 and a \$500.00 processing fee are payable to the TIDA at the time the application is submitted. The \$5,000.00 fee will be credited towards the total fee at closing.
Fee:	First \$10,000,000: .75% of the principal amount of the bond series. Over \$10,000,000: .5% of the bond series Annual (post-closing) administrative fee of \$1,500.00

Straight Lease Transactions (including PILOT Agreement)

Application Fee:	A non-refundable fee of \$5,000.00 and a \$500.00 processing fee are payable to the TIDA at the time the application is submitted. The \$5,000.00 fee will be credited towards the total fee at closing.
Fee:	.75% of total Project Cost Annual administrative fee of \$500.00

Sales Tax and/or Mortgage Recording Tax only Transactions (No PILOT Agreement)

Application Fee:	A non-refundable fee of \$2,500.00 and a \$500.00 processing fee are payable to the TIDA at the time the application is submitted. The \$2,500.00 fee will be credited towards the total fee at closing.
Fee:	Minimum \$4,500.00 or 10% estimated exemption amount, whichever is greater Annual administrative fee of \$500.00

INSTRUCTIONS

1. The Authority will not approve any applications unless, in the judgment of the Authority, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the "Project").
3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer, which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return this application to the Authority at the address indicated on the first page of this application.
6. The Authority will not accept this application as complete until the Authority receives (i) a completed environmental assessment form concerning the Project; (ii) the Applicant has met with Authority representatives and has received the Authority's review and completed **Project Summary and Financial Assistance Cost Benefit Analysis** (See, last 2 pages of this Application); and payment of all required fees and escrows, as applicable.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Authority (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of Public Officers Law.
8. The applicant will be required to pay to the Authority all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Authority's bonds issued to finance the project. The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Authority. The costs incurred by the Authority, including the Authority's general counsel and bond counsel, may be considered a part of the project and included as a part of the resultant bond issue.
9. The Authority has established a combined application fee of \$5,500.00 (\$5,000 + \$500) to cover the anticipated costs of the Authority and counsel in processing this application. A check or money order made payable to the Authority must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AUTHORITY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**
10. The Authority has established a project fee for each project in which the Authority participates. **UNLESS THE AUTHORITY AGREES IN WRITING TO THE CONTRARY, THIS PROJECT FEE IS REQUIRED TO BE PAID BY THE APPLICANT AT OR PRIOR TO THE GRANTING OF ANY FINANCIAL ASSISTANCE BY THE AUTHORITY.**

This application should be submitted to the Troy Industrial Development Authority, 433 River Street, Suite 5001, Troy NY 12180 (Attn: Chief Executive Officer).

PLEASE NOTE: APPLICANTS SEEKING FINANCIAL ASSISTANCE IN THE FORM OF SALES AND USE TAX EXEMPTIONS AFTER MARCH 28, 2013 SHALL BE SUBJECT TO THE ENHANCED REPORTING, COMPLIANCE AND RECAPTURE REQUIREMENTS SET FORTH WITHIN SECTION 875 OF THE GENERAL MUNICIPAL LAW OF THE STATE OF NEW YORK ("GML"). IN ADDITION, APPLICANTS SEEKING ANY FINANCIAL ASSISTANCE ON OR AFTER JUNE 1, 2016 SHALL BE SUBJECT TO THE PROVISIONS CONTAINED WITHIN GML Section 859-a (4)-(6). APPLICANTS SHOULD CONSULT WITH COUNSEL AND ACCOUNTANT PROFESSIONALS TO UNDERSTAND THESE NEW REQUIREMENTS.

Troy Industrial Development Authority (TIDA)

Application for Tax Exempt Bond Financing and/or Straight-Lease Transaction

I. APPLICANT INFORMATION

Company Name:	Troy Hub, LLC
Address:	30 Second St
	Troy, NY 12180
Phone No.:	(518) 273-8945
Fax No.:	n/a
Federal Tax ID:	99-4453725
Contact Person:	Jon Elbaum
E-Mail:	jon@troymusichall.org
Date:	June 20, 2025

a. Form of Entity:

Corporation

Partnership (General or Limited ; Number of General Partners and, if applicable, Number of Limited Partners List Partners in section below.

Limited Liability Company, Number of Members Currently 1, 2 upon admission of tax credit investor

Sole Proprietorship

Please also indicate whether the Company will utilize any affiliates and/or real estate holding companies to undertake the proposed project. If so, please provide names and details for all such entities.

The TSB Music Hall Corporation has formed the for profit LLC (Troy Hub, LLC) for purposes of obtaining State and Federal Historic Tax Credits.

Troy Hub LLC will complete the rehabilitation of the property. Troy Hub, LLC will also form an affiliated "master tenant" entity into which the tax credit investor will be admitted. Troy Hub, LLC will then master lease the rehabilitated Property to the newly-formed Master Tenant entity who will operate the Property. TSB Music Hall corporation will continue to manage the Property through its managing member interest in both Troy Hub, LLC and the new master tenant entity (and/or through a management agreement).

b. Principal Owners/Officers/Directors: (List owners with 5% or more in equity holdings with percentage of ownership)

Name	Address	Percentage Ownership/Office
TSB Music Hall Corporation	30 Second St, Troy, NY 12180	~90% owner/managing member
Troy Hub Master Tenant LLC	30 Second St, Troy, NY 12180	~10% owner

(Use attachments if necessary) The above represents the intended ownership after the company "closes" with the historic tax credit investor.

c. If a corporation, partnership, limited liability company:

What is the date of establishment? August 13, 2024 Place of organization New York

If a foreign organization, is the Applicant authorized to do business in the State of New York?

(Attach organizational chart or other description if applicant is a subsidiary or otherwise affiliated with another entity)

d. Attach certified financial statements for the company's last three complete fiscal years. If the company is publicly held, attach the latest Form 10K as well.

II. APPLICANT'S COUNSEL

Name/Firm: Robert M. Gach, Whiteman, Osterman, Hanna, LLP

Address: One Commerce Plaza

Albany, NY 12260

Phone No.: (518) 487-7653

Fax No.:

E-Mail: rgach@woh.com

III. PROJECT INFORMATION:

a. Please provide a brief narrative description of the Project (attach additional sheets or documentation as necessary).

The historic Troy Savings Bank Music Hall, a beacon of culture in the region, is set to embrace a new chapter with a transformational project that will include two parts:

1. The creation of The Capital Region Music Hub, an adaptive reuse of the former bank lobby space (vacant since 2012) into a multi-functional cultural and community center. The Capital Region Music Hub will feature a 200-person flexible-use event space, classroom, rehearsal space, and studio, all designed to foster education, community gatherings, and cultural collaborations.
2. Updating the HVAC systems in the Troy Savings Bank Music Hall – providing conditioned and filtered air, effectively extending the programming season and creating a more comfortable and safe environment. The project includes significant upgrades such as an enhanced HVAC system to improve comfort and safety while maintaining the Troy Savings Bank Music Hall's acclaimed acoustics.

b. Location of Project (all information mandatory – attach current tax bills with proof of current payment)

Project Address: 30-32 Second St

City: Troy

Name of School District: Troy City School District

Tax Map No.: 101.53-8-13/1 and 101.53-8-13/2

Describe Existing Improvements, if any:

The Music Hall and Annex portions of the building are currently in use and have been maintained in good condition.

c. Are Utilities on Site? Water: Electric: Gas: Sanitary/Storm Sewer: Telecom:

d. Identify Present legal owner and all tenants of the site if other than Applicant and by what means will the site be acquired for this Project (please include details regarding purchase and sale agreement, if applicable, including all contingencies):

TSB Music Hall Corporation; applicant will acquire Project through deed from current owner for \$0.00

e. Zoning of Project Site:

Current: B-4 Central Commercial District

Proposed:

f. Are any zoning approvals needed? Identify: A variance for electronic message signage was approved by the ZBA on 6/4/2025

g. Local Permitting and Approvals – Does the project require local planning or permitting approvals? If so, please explain. _____ Will a site plan application to be filed? If so, please include copy if prepared.

h. Has another entity been designated lead agent under the State Environmental Quality Review Act ("SEQRA")? Yes _____; If yes, please explain:

The City of Troy Planning Commission has been designated the lead agency under SEQRA

i. Will the Project result in the removal of a plant or facility of the Applicant or a proposed Project occupant from one area of the State of New York to another area of the State of New York? No _____; If yes, please explain:

j. Will the Project result in the abandonment of one or more plants or facilities of the Applicant or a proposed Project occupant located in the State of New York? No _____; If yes, explain:

k. If the answer to either question i. or j. is yes, **you are required to** indicate whether any of the following apply to the Project:

1. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry? Yes _____; No _____. If yes, please provide detail:

2. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes _____; No _____. If yes, please provide detail:

NOTES: If you answer "yes" to questions i. or j., above, and fail to provide a detailed response within question k.(1) or k.(2), above, then the Authority will be barred from providing any financial assistance.

THE AUTHORITY IS REQUIRED TO NOTIFY THE CHIEF EXECUTIVE OFFICER OF THE MUNICIPALITY FROM WHICH YOUR FACILITY IS BEING RELOCATED OR ABANDONED. THIS NOTIFICATION WILL BE SENT PRIOR TO THE AUTHORITY'S CONDUCT OF REQUIRED PUBLIC HEARINGS(S).

CERTIFICATION: Based upon the answers provided within i. j., k(1), and k(2), above, the Company hereby certifies to the Authority that the undertaking of the proposed project and provision of financial assistance to the Company by the Authority will not violate GML Section 862(1).

l. Does the Project include facilities or property that are primarily used in making retail sales of goods or provide services to customers who personally visit such facilities? yes; If yes, please explain:

The project will create a multi-purpose event space, classroom and recording suite. Live entertainment may be offered and concessions may be sold. The project will allow for expanded public programming in the Troy Savings Bank Building.

m. If the answer to l. is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or any services to customers who personally visit the Project? 100 %

n. If more than 33.33%, indicate whether any of the following apply to the Project:

1. Will the Project be operated by a not-for-profit corporation? Yes ; No . If yes, please explain:

TSB Music Hall Corp will continue to manage the property through its managing member interest in both Troy Hub, LLC and the Troy Hub Master Tenant LLC and/or through management agreements.

2. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes ; No . If yes, please explain:

3. Would the Project occupant, but for the contemplated financial assistance from the Authority, locate the Project and related jobs outside of New York State? Yes ; No . If yes, please explain:

4. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City within which the Project will be located because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes ; No . If yes, please explain:

5. Will the Project be located in one of the following: (i) an area designed as an Empire Zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block number area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes , No . If yes, please explain:

The property is located within a former Empire Zone and the census tract is formerly classified as highly distressed.

o. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes ; No . If yes, please complete the following for EACH existing or proposed tenant or subtenant:

Troy Hub Master Tenant, LLC

Sub lessee name: _____

30 Second St

Present Address: _____

City: Troy State: NY Zip: 12180

Employer's ID No.: TBD

Sub lessee is a: LLC (Corporation, LLC, Partnership, Sole Proprietorship)

both managed and controlled by TSB Music Hall Corp
Relationship to Company: _____ 100%
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sub lessee: Concert Venue and Community Event Facility
Date and Term of lease or sublease to Sub lessee: TBD

Will any portion of the space leased by this sub lessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ; No x . If yes, please provide on a separate attachment (a) details and (b) the answers to questions I. 1-5 with respect to such sub lessee.

p. Project Costs (Estimates):

Category	Amount
Land-acquisition	
Buildings-Construction/Renovation (No FF&E)	\$13,729,236
Utilities, roads and appurtenant costs	\$50,000
Machinery and Equipment (All FF&E)	\$270,387
Soft Costs (Architect, Legal and Engineering)	\$2,035,356
Costs of Bond issue	\$98,300
Construction Loan Fees and interest	\$863,296
Other (specify) Developer Fee, reserves	2,436,934
Total Project Costs	\$19,483,508

Please include supplemental sheets as necessary with all project cost details, including the following:

Mandatory: In addition to the above estimated of capital costs of the project, which must include all costs of real property and equipment acquisition and building construction or reconstruction, you must include details on the amounts to be financed from private sector sources, an estimate of the percentage of project costs financed from public sector sources (all public grants, loans and tax credits to be applied for), and an estimate of both the amount to be invested by the applicant and the amount to be borrowed to finance the project.

\$3,400,000 grant from NYS Council on the Arts, \$3,100,000 from Empire State Development grants including Downtown Revitalization Initiative, \$1,000,000 from City of Troy ARPA grant, \$103,000 ARPA grant from the Troy Cultural Alliance/City of Troy, \$2,646,875 in committed or in progress funds from private foundation and individual donors, an estimate of \$350,000 from National Grid, an estimated \$5,110,462 historic tax credit yield, \$2,386,934 in developer fee, \$849,860 in TSBMH equity, and \$662,070 in anticipated fundraising.

q. Job Creation:

30

Construction jobs created by the Project: _____ Anticipated Dates of Construction: August 2024-February 2026

Permanent jobs created by the Project

Column A: Insert the job titles that exist within the company at the time of application, as well as any job titles that will be established as a result of the Project.

Column B: Indicate the entry level wage for each listed job title either in terms of hourly pay or annual salary.

Column C: For each listed job title insert the number of positions that exist at the time of application.

Column D: Insert the number of jobs to be created during year one of the Project for each listed job title.

Column E: Insert the number of jobs to be created during year two of the Project for each listed job title.

Column F: Insert the number of jobs to be created during year three of the Project for each listed job title.

Column G: Indicate the total number of jobs to be created for each listed title as a result of the Project. (Column D + Column E + Column F = Column G)

Job Title	(A) Annual or Hourly Wages						(G) Total Jobs Created
		(B)	(C)	(D)	(E)	(F)	
		Annual or Hourly Wages	Current Number of Positions	Jobs Created: Year One	Jobs Created: Year Two	Jobs Created: Year Three	
Box Office Representative	\$16.50-\$20/hour	9 PT = 1.34 FTE					
Concessions Staff	\$15.50/hour	4PT = .15 FTE	4	0	0		4
Director of Development	\$92,300/year	1					
Director of Education	\$56,700/year	1					
Director of Marketing	\$67,900/year	1					
Director of Operations	\$63,800/year	1					
Director of Patron Relations	\$61,800/year	1					
Event Manager	\$25-35/hour	1 = .5 FTE (position currently vacant)	1	0	0		1
Event Staff	\$16.50-\$18.50/hour	4					
Executive Director	\$113,600/year	1					
Facility Manager	\$40-50/hour	0	1	0	0		1
Fundraising Coordinator	\$18/hour	1 PT = .03 FTE					
House Manager	\$18.50/hour	2 PT = .14 FTE					
Janitorial	\$15.50/hour	0	1	1	1		3
Managing Director	\$89,900/yaer	1					
Stage Crew	\$20/hour	8 PT = 1.5 FTE					
Technical Director	\$40-50/hour	0	0	1	0		1
TOTALS		36 Total = 14.66 FTEs	7	2	1		10

(A)	(B)	C	(D)	E	(F)	(G)
Job Title	Annual or Hourly Wages	Current Number of Positions	Job Created: Year One	Job Created: Year Two	Job Created: Year Three	Total Jobs Created
Box Office Representative	\$16.50-\$20/hour	9 PT = 1.34 FTE				
Concessions Staff	\$15.50/hour	4PT = .15 FTE	4	0	0	4
Director of Development	\$92,300/year	1				
Director of Education	\$56,700/year	1				
Director of Marketing	\$67,900/year	1				
Director of Operations	\$63,800/year	1				
Director of Patron Relations	\$61,800/year	1				
Event Manager	\$25-35/hour	1 = .5 FTE (position currently vacant)	1	0	0	1
Event Staff	\$16.50-\$18.50/hour	4				
Executive Director	\$113,600/year	1				
Facility Manager	\$40-50/hour	0	1	0	0	1
Fundraising Coordinator	\$18/hour	1 PT = .03 FTE				
House Manager	\$18.50/hour	2 PT = .14 FTE				
Janitorial	\$15.50/hour	0	1	1	1	3
Managing Director	\$89,900/yaer	1				
Stage Crew	\$20/hour	8 PT = 1.5 FTE				
Technical Director	\$40-50/hour	0	0	1	0	1
TOTALS		36 Total = 14.66 FTEs	7	2	1	10

In addition to the job figures provided above, please indicate the following:

- 1) The projected number of full time equivalent jobs that would be retained and that would be created if the request for financial assistance is granted.

14.66 FTEs will be retained. In Year One 2.75 FTE positions will be created, in Year Two 1.5 FTE positions will be created, in Year Three .5 FTE positions will be added. A total of 4.75 FTE jobs will be created for a total of 19.41 FTEs.

- 2) The projected timeframe for the creation of new jobs.

starting at completion of construction

- 3) The estimated salary and fringe benefit averages or ranges for categories of the jobs that would be retained or created if the request for financial assistance is granted.

Pay will be based on hourly wages or annual salary as detailed above. Fringe benefits will be provided as defined in our employee handbook.

- 4) An estimate of the number of residents of the economic development region as established pursuant to section two hundred thirty of the economic development law, in which the project is located that would fill such jobs. The labor market area defined by the Authority (Capital Economic Development Region)

All jobs are anticipated to be filled by residents of the Capital Economic Development Region.

TIDA Financial Assistance Requested and Company Estimates

A. Estimated Project Costs eligible for Industrial Development Authority Financial Assistance

1. Sales and Use Tax () Check if Requested

A. Amount of Project Cost Subject to Sales and Use Tax: \$ 5,200,000

Sales and Use Tax Rate: 8.00 %

B. Estimated Sales Tax (A X .08): \$ 416,000

2. Mortgage Recording Tax Exemption () Check if Requested

A. Projected Amount of Mortgage: \$

Mortgage Recording Tax Rate: 1.25 %

B. Estimated Mortgage Recording Tax (A X .0125): \$

3. Real Property Tax Exemption () Check if Requested

A. Projected Increase in Assessed Value on Project: \$ The building is currently exempt from property taxes. For purposes of accessing Historic Tax

B. Total Applicable Tax Rates Per \$1000: \$ Credits, it will be transfers to a for profit entity for a period of time.

C. Estimated Annual Taxes without PILOT (A X B)/1,000: \$

4. Interest Exemption (Bond transactions only) () Check if Requested

a. Total Estimated Interest Expense Assuming Taxable Interest: \$

b. Total Estimated Interest Expense Assuming Tax-exempt Interest Rate: \$

B. Estimated Benefits of Industrial Development Authority Financial Assistance

1. Current Company employment in Capital Economic Development

Region 7 Full Time, 24 Part Time

2. Current Company payroll in Capital Economic Development

Region \$680,000 \$

3. Project Jobs to be Created over 3 years

3 full time, 7 part time, plus an estimated 30 construction jobs

Is the company delinquent in the payment of any state or municipal property taxes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the company delinquent in the payment of any income tax obligation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the company delinquent in the payment of any loans?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the company currently in default on any of its loans?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there currently any unsatisfied judgments against the company?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there currently any unsatisfied judgments against any of the company's principals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has the company ever filed for bankruptcy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the company's principals ever personally filed for bankruptcy, or in any way sought protection from creditors?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there any current or pending real estate tax assessment challenges associated with the proposed project realty and/or improvements?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the proposed project realty currently subject to any exemption from real estate taxes?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any current or pending criminal investigations or indictments of the Company or any of its principals or equity holders (including any and all holders of equity or ownership of Company parent organizations)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If the answer to any of the questions above is "Yes," please provide additional comments in the space below and on additional pages if necessary. From 2019 until 2024, the Music Hall building was configured as a condominium jointly owned by two separate nonprofit organizations. It is now owned by a single nonprofit organization, the TSB Music Hall Corporation.	
r. For Industrial Revenue Bonds ONLY, including this project, list capital expenditures of the company at Project location:	

Category	Last Three Years	Next Three Years
Land		
Building		
Equipment		
Soft Costs		
Other		
Total		

s. State whether there is a likelihood that the project would not be undertaken but for the financial assistance provided by the Authority, or, if the project could be undertaken without financial assistance provided by the Authority, a statement indicating why the project should be undertaken by the Authority

t. List any other positive impacts that the Project may have on the City of Troy:

V. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Authority as follows:

- A. **Job Listings:** In accordance with Section 1967-a(2) of the New York Public Authorities Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Authority, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B. **First Consideration for Employment:** In accordance with Section 1967-a(2) of the New York Public Authorities Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Authority, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. **Annual Sales Tax Filings:** In accordance with Section 1964-a(9) of the New York Public Authorities Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Authority, in accordance with Section 1964-a(9) of the Public Authorities Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.
- D. **Annual Employment Reports:** The applicant understands and agrees that, if the Project receives any Financial Assistance from the Authority, the applicant agrees to file, or cause to be filed, with the Authority, on an annual basis, reports regarding the number of people employed at the project site.
- E. **Absence of Conflicts of Interest:** The applicant has received from the Authority a list of the members, officers, employees and Counsel of the Authority. No member, officer, employee, or Counsel of the Authority has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

HOLD HARMLESS AGREEMENT AND APPLICATION DISCLAIMER
CERTIFICATION PURSUANT TO NEW YORK STATE
FREEDOM OF INFORMATION LAW (“FOIL”)

Applicant hereby releases the TROY INDUSTRIAL DEVELOPMENT AUTHORITY and the members, officers, servants, agents and employees thereof (the "Authority") from, agrees that the Authority shall not be liable for and agrees to indemnify, defend and hold the Authority harmless from and against any and all liability arising from or expense incurred by (A) the Authority's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Authority, (B) the Authority's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Authority with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Authority or the Applicant are unable to reach final agreement with the respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Authority, its agents or assigns, all costs incurred by the Authority in the processing of the Application, including attorneys' fees, if any.

Through submission of this Application for Financial Assistance (this "Application"), the Company acknowledges that the Authority, as a public benefit corporation, is subject to the New York State Freedom of Information Law ("FOIL") and Open Meetings Law ("OML"), as codified pursuant to the Public Officers Law ("POL") of the State of New York (the "State"). Accordingly, unless portions hereof are otherwise protected in accordance with this Certification, this Application, including all Company-specific information contained herein, is subject to public disclosure in accordance with applicable provisions of the POL, Article 18-A of the General Municipal Law ("GML") and the Public Authorities Accountability Act of 2005, as codified within the Public Authorities Law ("PAL") of the State. Specifically, this Application may be disclosed by the Authority to any member of the public pursuant to a properly submitted request under FOIL and the Authority is further required to affirmatively disclose certain provisions contained herein pursuant to the GML and PAL, including the identification of the Company, general project description, location proposed capital investment and job estimates.

Notwithstanding the foregoing, the Company, pursuant to this Certification, may formally request that the Authority consider certain information contained within this Application and other applicable supporting materials proprietary information and "trade secrets", as defined within POL Section 87(2)(d). To the extent that any such information should qualify as trade secrets, the Company hereby requests that the Authority redact same in the event that formal disclosure is requested by any party pursuant to FOIL. Application Sections or information requested by Company for Redaction*:

(* - Please indicate specific sections within Application that the Company seeks to qualify as "trade secrets". Additional correspondence or supporting information may be attached hereto. Please also note that notwithstanding the Company's request, the Authority shall make an independent determination of the extent to which any information contained herein may be considered as such)

In the event that the Authority is served with or receives any subpoena, request for production, discovery request, or information request in any forum that calls for the disclosure of the Application, in entirety, specifically including but not limited to any demand or request for production or review of Company-designated trade secrets, the Authority agrees to notify the Company as promptly as is reasonably possible, and to utilize its best efforts to: oppose or decline any such request; preserve the confidentiality and non-disclosure of such requested confidential material; and maintain such information and prevent inadvertent disclosure in responding to any such discovery or information request. The Company understands and agrees that all reasonable costs, including attorney's fees, associated with any such formal undertaking by the Authority to protect the trade secrets from disclosure shall be reimbursed by the Company to the Authority.

The undersigned officer of the applicant deponent acknowledges and agrees that the applicant shall be and is responsible for all costs incurred by the Authority and legal counsel for the Authority, whether or not the Application, the proposed project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Authority shall not be liable for and agrees to indemnify, defend and hold the Authority harmless from and against any and all liability arising from or expense incurred by (A) the Authority's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Authority, (B) the Authority's acquisition, construction and/or installation of the proposed project described herein and (C) any further action taken by the Authority with respect to the proposed project; including without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing.

By executing and submitting this Application, the applicant covenants and agrees to pay the following fees to the Authority, the same to be paid at the times indicated:

- (a) The sum of \$5,000, plus the sum of \$500 as a non-refundable processing fee, to be paid upon submission of the Application;
- (b) An Administrative Fee amounts to be determined using the schedule on Page 2 hereof for all other projects for which the Authority provides financial assistance, to be paid at transaction closing;
- (c) An amount to be determined by Authority Staff payable to the Authority's bond/transaction counsel for the preparation and review of the inducement resolution, the environmental compliance resolution, TEFRA hearing proceedings and the tax questionnaire assuming no further activity occurs after the completion of the inducement proceedings, to be paid within ten (10) business days of the receipt of bond/transaction counsel's invoice;
- (d) All fees, costs and expenses incurred by the Authority for (1) legal services, including but not limited to those provided by the Authority's general counsel or bond/transaction counsel, and (2) other consultants retained by the Authority in connection with the proposed project; with all such charges to

be paid by the applicant at the closing or, if the closing does not occur, within ten (10) business days of receipt of the Authority's invoices therefore please note that the applicant is entitled to receive a written estimate of fees and costs of the Authority's bond/transaction counsel;

- (e) The cost incurred by the Authority and paid by the applicant, including bond/transaction counsel and the Authority's general counsel's fees and the processing fees, may be considered as a costs of the project and included in the financing of costs of the proposed project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.

The applicant further covenants and agrees that the applicant is liable for payment to the Authority of all charges referred to above, as well as all other actual costs and expenses incurred by the Authority in handling the application and pursuing the proposed project notwithstanding the occurrence of any of the following:

- (a) The applicant's withdrawal, abandonment, cancellation or failure to pursue the Application;
- (b) The inability of the Authority or the applicant to procure the services of one or more financial institutions to provide financing for the proposed project;
- (c) The applicant's failure, for whatever reason, to undertake and/or successfully complete the proposed project; or
- (d) The Authority's failure, for whatever reason, to issue tax-exempt revenue bonds in lieu of conventional financing.

The applicant and the individual executing this Application on behalf of applicant acknowledge that the Authority and its counsel will rely on the representations made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

Company Acknowledgment and Certification:

The undersigned, being a duly authorized representative of the Company, hereby and on behalf of the Company, certifies to the best of his or her knowledge and under the penalty of perjury that all of the information provided by the Company within this Application for Financial Assistance is true, accurate and complete.

The Company, on behalf of itself and all owners, occupants and/or operators receiving or that will receive financial assistance from the Authority (collectively, the "Recipients") hereby certifies that the Recipients are in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

The Company, on behalf of itself and all Recipients, hereby further acknowledges that the submission of any knowingly false or knowingly misleading information herein or within any agreement with the Authority may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemptions claimed by reason of the Authority's involvement in the project, including all costs of the Authority relating to same. The Company has reviewed and accepts the terms of the Authority's Project Recapture and Termination Policy.

By:



Name:

Jonathan Elbaum

Title:

Executive Director

State of New York)

County of Rensselaer) ss.:

On the 23 day of June in the year 2025 before me, the undersigned, personally appeared Jonathan Elbaum, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Notary Public



Project Summary and Financial Assistance Cost Benefit Analysis

(This page to be completed by TIDA Staff)

Company Name: _____

Project Description: _____

Project Location: _____

City: _____

School District: _____

Estimated Cost of Industrial Development Authority Financial Assistance

1. Sales and Use Tax Exemption

A. Amount of Project Cost Subject to Sales and Use Tax: \$

Sales and Use Tax Rate: _____ 8%

B. Estimated Exemption (A X .08): \$

2. Mortgage Recording Tax Exemption

A. Projected Amount of Mortgage: \$

Mortgage Recording Tax Rate: _____ 1.25%

B. Estimated Exemption (A X .0125): \$

3. Real Property Tax Exemption

A. Projected Increase in Assessed Value on Project: \$

B. Total Applicable Tax Rates Per \$1000: \$

C. Total Annual Taxes without PILOT (A X B)/1,000: \$

D. PILOT Exemption Rate (see TIDA Uniform Tax Exemption Policy): %

E.	Average Annual PILOT Payment (C X D):	\$
F.	Net Exemption over PILOT term ((C-E) x 7, 10 or 15):	\$
4.	Interest Exemption (Bond transactions only)	
a.	Estimated Interest Expense Assuming Taxable Interest:	\$
b.	Estimated Interest Expense with tax-exempt Interest Rate:	\$
c.	Interest Exemption (a - b):	\$

Estimated Benefits of Industrial Development Authority Financial Assistance

1. Jobs to be retained in the Capital Economic Development Region
2. Current Company payroll in the Capital Economic Development Region \$
3. Project Jobs to be Created over 3 years
4. Total Project Investment \$
5. Non IDA financing leveraged \$
6. Other project benefits:

Authority Signature: _____ **Date:** _____

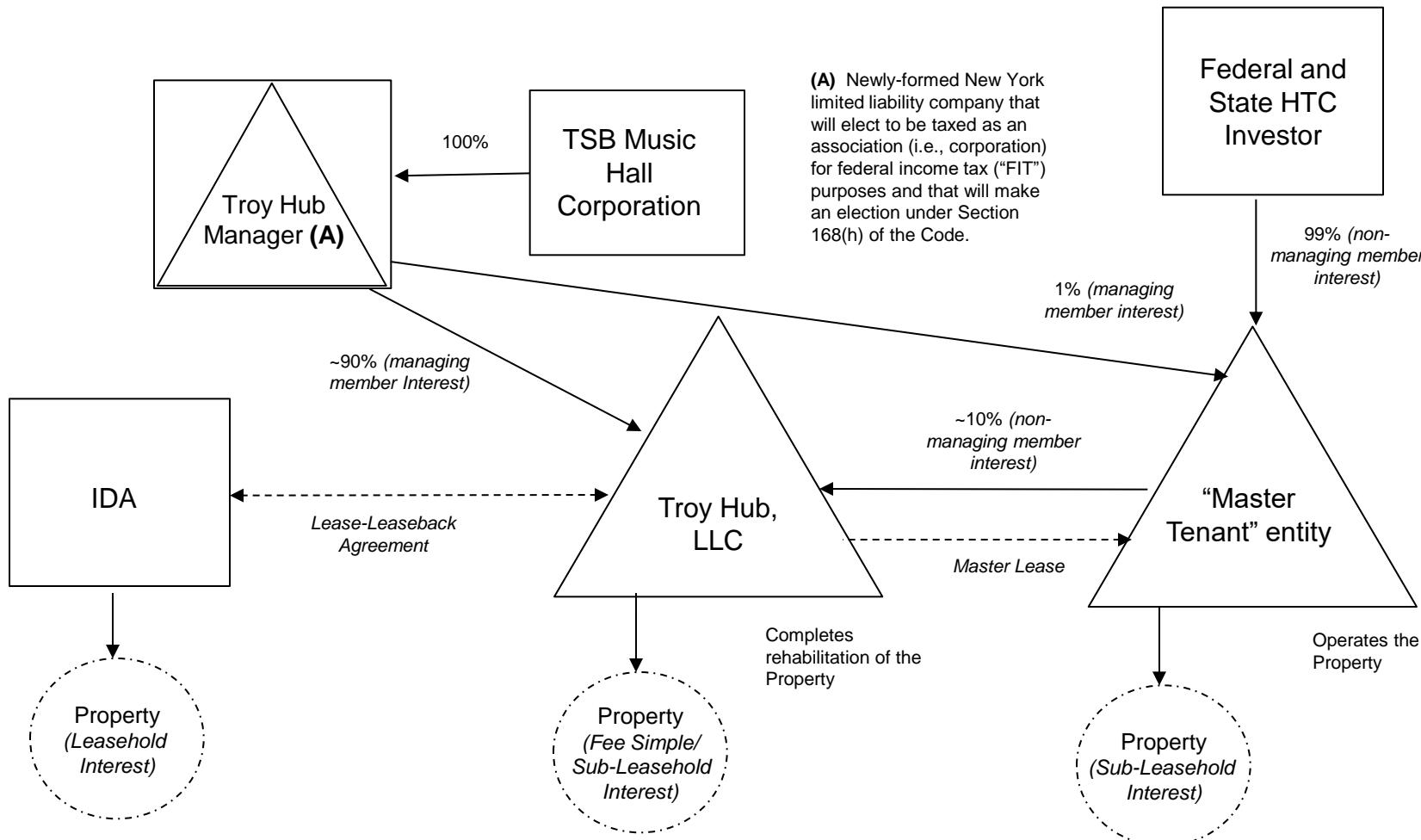
Applicant Signature: _____ **Date:** _____

TROY MUSIC HALL

PROPOSED HISTORIC TAX CREDIT STRUCTURE

Proposed “Lease Pass-Through” HTC Structure

Troy Hub, LLC (“Troy Hub”) will own fee title to the Troy Music Hall property in Troy, New York (the “Property”). Troy Hub will thereafter master lease the Property to a newly-formed limited liability company that will serve as the “Master Tenant.” The Federal and State HTC Investor will then be admitted into the Master Tenant as a 99% non-managing member in exchange for a capital contribution and will be allocated 99% of the Federal and State HTCs generated by the Property’s rehabilitation (i.e., which will be “passed through” to the Master Tenant by way of the master lease). Troy Hub Manager will manage both the rehabilitation and operation of the Property by way of its managing member interest in both Troy Hub and the Master Tenant. (Thus, TSB Music Hall Corporation shall retain control of the operation of the Property because it will own 100% of Troy Hub Manager.)





Office of Processing and Taxpayer Services
W A Harriman Campus, Albany NY 12227-0863

Renewal Application for Real Property Tax Exemption for Nonprofit Organizations Part 1: Organization Purposes

File with your local assessor by the taxable status date. See instructions.
Do not file this form with the Office of Real Property Tax Services.

Name of Organization					
TSB Music Hall Corporation,					
Mailing address (number and street or PO Box)			Location of property (street address)		
30 Second St			14 First St Rear		
City, village, or post office	State	Zip Code	City, village or post office	State	
Troy, NY 12180			Troy	NY	
Contact number	Email address (optional)				
518-273-8945	jon@troymusichall.org				
Employer ID no.	Tax map number of Section/block/lot: Property identification (see tax bill or assessment roll)				
22-2270512	101.53-7-12.2				

1. Have any of the following changes occurred since application for this property tax exemption was last filed? If any of the listed changes have occurred, provide a detailed explanation of each change on the back of this form, mark an X in the appropriate boxes below, and complete and sign the statement. If none of the changes has occurred, please mark an X in the Statement of no change box below and complete and sign the statement.

- A change has occurred in the purpose(s) of the organization.
- A change has occurred in the organization as a result of action taken by one or more regulatory agencies (such as issuance, restriction, or withdrawal of an operating certificate, permit, charter, or similar authorization).
- A change has occurred in the organization's status with regard to exemption from federal income taxes (such as exempt status has been recognized, denied, or revoked by the Internal Revenue Service (IRS), or the Internal Revenue Code classification of exemption has been changed).
- Statement of change - I hereby certify that all of the changes, as listed above, that have occurred since last application for an exemption was last filed have been noted and the explanations of such changes are true and correct to the best of my knowledge and belief.
- Statement of no change - I hereby certify that none of the changes listed above have occurred since the last application for exemption was filed to the best of my knowledge and belief.


Signature

518-273-8945
Phone number

10/19/2023
Date

2. Mark an X in the box for all applicable forms filed with the IRS by the organization since the last application for property tax exemption was last filed (Note: Assessor may request a copy of filed forms):

- Federal Form 1023, Application for Recognition of Exemption
- Federal Form 1024, Application for Recognition of Exemption
- Federal Form 990, Return of Organization Exempt from Income Tax
- Federal Schedule A Form 990 or 990-EZ, Public Charity Status and Public Support
- Federal Form 990-PF, Return of Private Foundation Trust Treated as Private Education
- Federal form 990-T, Exempt Organization Business Income Tax

Explanation of changes that have occurred

Attach additional sheets if necessary. Provide the organization's name, its employer identification number, and the parcel number on each attachment.

Type of change	Explanation
1.	
Type of change	Explanation
2.	
Type of change	Explanation
3.	

This Area for Assessor's Use Only

Assessing Unit: City of Troy	County: Rensselaer
City/town: Troy	Village
School district:	
Date application filed:	

Action on application: Approved <input type="checkbox"/> Disapproved <input type="checkbox"/>	
Assessed Valuation \$ Taxable: \$ 5800	\$ Exempt: \$ 5800
Documentary evidence presented:	

Assessor's signature	Date
----------------------	------

Instructions

Application

For purposes of exemptions granted pursuant to Real Property Tax Law 420-b, each year following the year in which exemption is granted on the basis of application forms RP-420-b-Org, Application for Real Property Tax Exemption for Nonprofit Organizations – Permissive Class I – Organization Purpose, and RP-420-a/b-Use, Applications for Real Property Tax Exemption for Nonprofit Organizations II – Property Use, a renewal Application must be filed. One copy of the RP-420-a/b-Rnw-1, must be filed in each assessing unit; one copy of RP-420-a/b-RNW-II, Renewal Application for Real Property Tax Exemption for Nonprofit Organizations II – Property Use, must be filed in each assessing unit for each Separately assessed parcels for which exemption renewal is sought. The assessor may request information in addition to the information contained in the application,

For purposes of exemptions granted pursuant to Real Property Tax Law 420-a, the same forms may be used (except RP-420-a-Org, Application for Real Property Tax Exemptions for Nonprofit Organizations – Mandatory Class I – Organization Purpose, replaces RP-420-b-Org),

or the owner may submit proof of their continued exempt status that their assessor has deemed acceptable, instead.

Place of filing application

Applications for exemption from city, town or village taxes must be filed with the city, town or village assessor. Applications for exemptions from county or school district taxes must be filed with the city or town assessor who prepares the assessment roll used in the levying county or school taxes. In Nassau County, applications for county, town and school tax purposes should be filed with the Nassau County Board of Assessors. In Tompkins County, applications should be filed with the Tompkins County Division of Assessment. Do not file with the office of Real Property Tax Services.

Time of filing application

The application must be filed in the assessor's office or before the appropriate taxable status date. For further information, ask your local assessor. To find your assessor's contact information, visit our website or your locality's website.

**NEW YORK STATE DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES
RENEWAL APPLICATION FOR REAL PROPERTY TAX EXEMPTION
FOR NONPROFIT ORGANIZATIONS**

II – Property Use

(See general information and instructions on back of form)

1a. TSB Music Hall Corporation,

b. 30 Second St

Troy, NY 12180

101.53-7-12.2

14 First St Rear

c. Employer ID no. 22-2270512

Jon Elbaum

d. Name of contact person

Day () 518-273-8945 Evening ()

e. Telephone no. of contact person

jon@troymusichall.org

f. E-mail address (optional)

2. Have any of the following changes occurred since application for this property tax exemption was last filed?

If any of the listed changes have occurred, please give a detailed explanation of each change on the back of this form, check the appropriate line below, and complete and sign the statement. If none of the changes has occurred, please check the appropriate line below and complete and sign the statement.

- a. A change has occurred in the ownership of all or part of the property.
- b. A change has occurred in the use or uses of the property by the owner.
- c. A change has occurred in that all or part of the property is now being offered for sale or lease.
- d. All or part of the property is occupied by an organization other than the owner: the use organization(s) make payments for use of the property, and a change has occurred in (1) the proportion of the property so occupied, (2) the terms of the occupancy, or (3) the payments made by the occupant(s).
- e. Physical changes in the property (such as construction, alterations, or demolition) have occurred.
- f. A change has occurred in the nature or schedule of planned construction of buildings or other improvements on an unimproved portion of the property.
- g. One of the organization's purposes is hospital, and a change has occurred in the amount of space or time that the property is used for the private practice of staff members or others rather than for the direct hospital related activities.

STATEMENT OF CHANGE I hereby certify that all of the changes, as listed above, that have occurred since application for exemption was last filed have been noted and the explanations of such changes are true and correct to the best of my knowledge and belief.

STATEMENT OF NO CHANGE I hereby certify that none of the changes listed above has occurred since application for exemption was last filed to the best of my knowledge and belief.

Signature

Executive Director

10/19/2023

Title

Date

EXPLANATION OF CHANGES THAT HAVE OCCURRED

(If more space is needed, attach additional sheets. Please give the organization's name, its employer identification number and the parcel number on each attachment)

Change No. _____ Explanation _____

GENERAL INFORMATION AND FILING REQUIREMENTS

1. Application

For purposes of exemptions granted pursuant to section 420-b of the Real Property Tax Law, each year following the year in which exemption is granted on the basis of application forms RP-420-b-Org and RP-420-a/b-Use, a renewal application must be filed. One copy of RP-420-a/b-Rnw-1 must be filed in each assessing unit; one copy of RP-420-a/b-Rnw-II must be filed in each assessing unit for each separately assessed parcel for which exemption renewal is sought. The assessor may request information in addition to the information contained in the application.

For purposes of exemptions granted pursuant to section 420-a of the Real Property Tax Law, the same forms may be used (except RP-420-a-Org replaces RP-420-b-Org). In the alternative, the owner may submit proof of continued exempt status to the assessor in whatever form is mutually acceptable.

2. Place of filing application

Application for exemption from city, town, or village taxes must be filed with the city, town, or village assessor. Application for exemption from county or school district taxes must be filed with the city or town assessor who prepares the assessment roll used in levying county or school taxes. In Nassau County, applications for county, town and school tax purposes should be filed with the Nassau County Board of Assessors. In Tompkins County, application should be filed with the Tompkins County Division of Assessment. **Do not file with the Office of Real Property Tax Services.**

3. Time of filing application

The application must be filed in the assessor's office on or before the appropriate taxable status date. In towns preparing their assessment roll in accordance with the schedule provided by the Real Property Tax Law, the taxable status is March 1. In towns in Nassau County, the taxable status date is January 2. Westchester County towns have either a May 1 or June 1 taxable status date; contact the assessor. In villages and cities, the taxable status dates vary, and the appropriate assessor should be consulted for the correct date.

SPACE BELOW FOR ASSESSOR'S USE ONLY

101.53-7-12.2

Parcel identification no. (s)

TSB Music Hall Corporation, _____

Applicant organization _____ Date application filed _____

Application _____ Approved _____ Disapproved _____

Assessed Valuation \$ 5800 Taxable \$ 5800 Exempt

Documentary evidence presented: _____

City of Troy _____ Assessor's signature _____ Date _____
Assessing unit _____



**Department of
Taxation and Finance**

Office of Processing and Taxpayer Services
WA Harriman Campus, Albany NY 12227-0863

**Renewal Application for Real Property Tax Exemption for
Nonprofit Organizations**
Part 1: Organization Purposes

File with your local assessor by the taxable status date. See instructions.
Do not file this form with the Office of Real Property Tax Services.

Name of Organization			
TSB Music Hall Corporation,			
Mailing address (number and street or PO Box)		Location of property (street address)	
30 Second St	32 Second St		
City, village, or post office	State	Zip Code	City, village or post office
Troy, NY 12180			Troy
Contact number	Email address (optional)		
518-273-8945	jon@troymusichall.org		
Employer ID no.	Tax map number of Section/block/lot: Property identification (see tax bill or assessment roll)		
22-2270512	101.53-8-13./1		

1. Have any of the following changes occurred since application for this property tax exemption was last filed? If any of the listed changes have occurred, provide a detailed explanation of each change on the back of this form, mark an X in the appropriate boxes below, and complete and sign the statement. If none of the changes has occurred, please mark an X in the Statement of no change box below and complete and sign the statement.

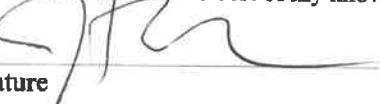
A change has occurred in the purpose(s) of the organization.

A change has occurred in the organization as a result of action taken by one or more regulatory agencies (such as issuance, restriction, or withdrawal of an operating certificate, permit, charter, or similar authorization).

A change has occurred in the organization's status with regard to exemption from federal income taxes (such as exempt status has been recognized, denied, or revoked by the Internal Revenue Service (IRS), or the Internal Revenue Code classification of exemption has been changed).

Statement of change - I hereby certify that all of the changes, as listed above, that have occurred since last application for an exemption was last filed have been noted and the explanations of such changes are true and correct to the best of my knowledge and belief.

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Signature

518-273-8945
Phone number

10/19/2023
Date

2. Mark an X in the box for all applicable forms filed with the IRS by the organization since the last application for property tax exemption was last filed (Note: Assessor may request a copy of filed forms):

Federal Form 1023, Application for Recognition of Exemption

Federal Form 1024, Application for Recognition of Exemption

Federal Form 990, Return of Organization Exempt from Income Tax

Federal Schedule A Form 990 or 990-EZ, Public Charity Status and Public Support

Federal Form 990-PF, Return of Private Foundation Trust Treated as Private Education

Federal form 990-T, Exempt Organization Business Income Tax

Explanation of changes that have occurred

Attach additional sheets if necessary. Provide the organization's name, its employer identification number, and the parcel number on each attachment.

Type of change	Explanation
1.	
Type of change	Explanation
2.	
Type of change	Explanation
3.	

This Area for Assessor's Use Only

Assessing Unit: City of Troy	County: Rensselaer
City/town: Troy	Village
School district:	
Date application filed:	

Action on application: Approved <input type="checkbox"/> Disapproved <input type="checkbox"/>	
Assessed Valuation \$ Taxable: \$ 260000	\$ Exempt: \$ 260000
Documentary evidence presented:	

Assessor's signature	Date
----------------------	------

Instructions

Application

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NEW YORK STATE DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES
RENEWAL APPLICATION FOR REAL PROPERTY TAX EXEMPTION
FOR NONPROFIT ORGANIZATIONS

II – Property Use

(See general information and instructions on back of form)

1a. TSB Music Hall Corporation,
 b. 30 Second St
 Troy, NY 12180

101.53-8-13./1

32 Second St

c. Employer ID no. 22-2270512

Jon Elbaum

d. Name of contact person
 e. Telephone no. of contact person
 f. E-mail address (optional)

518-273-8945
 Day () Evening ()
 jon@troymusichall.org

2. Have any of the following changes occurred since application for this property tax exemption was last filed? If any of the listed changes have occurred, please give a detailed explanation of each change on the back of this form, check the appropriate line below, and complete and sign the statement. If none of the changes has occurred, please check the appropriate line below and complete and sign the statement.

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STATEMENT OF NO CHANGE I hereby certify that none of the changes listed above has occurred since application for exemption was last filed to the best of my knowledge and belief.

Signature

Executive Director
Title

10/19/2023
Date

EXPLANATION OF CHANGES THAT HAVE OCCURRED

(If more space is needed, attach additional sheets. Please give the organization's name, its employer identification number and the parcel number on each attachment)

Change No. _____ Explanation _____

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SPACE BELOW FOR ASSESSOR'S USE ONLY

101.53-8-13./1

Parcel identification no. (s)

TSB Music Hall Corporation.

Applicant organization

Date application filed _____

Application

Approved

Disapproved

Assessed Valuation \$ 260000 Taxable

\$ 260000 Exempt

Documentary evidence presented:

City of Troy

Assessing unit

Assessor's signature

Date

NEW YORK STATE DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES
RENEWAL APPLICATION FOR REAL PROPERTY TAX EXEMPTION
FOR NONPROFIT ORGANIZATIONS

II – Property Use

(See general information and instructions on back of form)

1a. TSB Music Hall Corporation,
 b. 30 Second St
 Troy, NY 12180

101.53-13-1
 42-48 Second St

c. Employer ID no. 22-2270512

d. Name of contact person

e. Telephone no. of contact person

f. E-mail address (optional)

Jon Elbaum

518-273-8945
 Day () Evening ()
 jon@troymusichall.org

2. Have any of the following changes occurred since application for this property tax exemption was last filed? If any of the listed changes have occurred, please give a detailed explanation of each change on the back of this form, check the appropriate line below, and complete and sign the statement. If none of the changes has occurred, please check the appropriate line below and complete and sign the statement.

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- b. A change has occurred in the use or uses of the property by the owner.
- c. A change has occurred in that all or part of the property is now being offered for sale or lease.
- d. All or part of the property is occupied by an organization other than the owner: the use organization(s) make payments for use of the property, and a change has occurred in (1) the proportion of the property so occupied, (2) the terms of the occupancy, or (3) the payments made by the occupant(s).
- e. Physical changes in the property (such as construction, alterations, or demolition) have occurred.
- f. A change has occurred in the nature or schedule of planned construction of buildings or other improvements on an unimproved portion of the property.
- g. One of the organization's purposes is hospital, and a change has occurred in the amount of space or time that the property is used for the private practice of staff members or others rather than for the direct hospital related activities.

STATEMENT OF CHANGE I hereby certify that all of the changes, as listed above, that have occurred since application for exemption was last filed have been noted and the explanations of such changes are true and correct to the best of my knowledge and belief.

STATEMENT OF NO CHANGE I hereby certify that none of the changes listed above has occurred since application for exemption was last filed to the best of my knowledge and belief.

Signature

Executive Director

Title

10/19/2023

Date

EXPLANATION OF CHANGES THAT HAVE OCCURRED

(If more space is needed, attach additional sheets. Please give the organization's name, its employer identification number and the parcel number on each attachment)

Change No. _____ Explanation _____

GENERAL INFORMATION AND FILING REQUIREMENTS

1. Application

For purposes of exemptions granted pursuant to section 420-b of the Real Property Tax Law, each year following the year in which exemption is granted on the basis of application forms RP-420-b-Org and RP-420-a/b-Use, a renewal application must be filed. One copy of RP-420-a/b-Rnw-1 must be filed in each assessing unit; one copy of RP-420-a/b-Rnw-II must be filed in each assessing unit for each separately assessed parcel for which exemption renewal is sought. The assessor may request information in addition to the information contained in the application.

For purposes of exemptions granted pursuant to section 420-a of the Real Property Tax Law, the same forms may be used (except RP-420-a-Org replaces RP-420-b-Org). In the alternative, the owner may submit proof of continued exempt status to the assessor in whatever form is mutually acceptable.

2. Place of filing application

Application for exemption from city, town, or village taxes must be filed with the city, town, or village assessor. Application for exemption from county or school district taxes must be filed with the city or town assessor who prepares the assessment roll used in levying county or school taxes. In Nassau County, applications for county, town and school tax purposes should be filed with the Nassau County Board of Assessors. In Tompkins County, application should be filed with the Tompkins County Division of Assessment. **Do not file with the Office of Real Property Tax Services.**

3. Time of filing application

The application must be filed in the assessor's office on or before the appropriate taxable status date. In towns preparing their assessment roll in accordance with the schedule provided by the Real Property Tax Law, the taxable status is March 1. In towns in Nassau County, the taxable status date is January 2. Westchester County towns have either a May 1 or June 1 taxable status date; contact the assessor. In villages and cities, the taxable status dates vary, and the appropriate assessor should be consulted for the correct date.

SPACE BELOW FOR ASSESSOR'S USE ONLY

101.53-13-1

Parcel identification no. (s)

TSB Music Hall Corporation.

Applicant organization _____ Date application filed _____

Application _____ Approved _____ Disapproved _____

Assessed Valuation \$ 80000 Taxable \$ 80000 Exempt

Documentary evidence presented: _____

City of Troy _____ Assessing unit _____ Assessor's signature _____ Date _____



Office of Processing and Taxpayer Services
WA Harriman Campus, Albany NY 12227-0863

Renewal Application for Real Property Tax Exemption for Nonprofit Organizations Part 1: Organization Purposes

File with your local assessor by the taxable status date. See instructions.
Do not file this form with the Office of Real Property Tax Services.

Name of Organization			
TSB Music Hall Corporation,			
Mailing address (number and street or PO Box)		Location of property (street address)	
30 Second St		42-48 Second St	
City, village, or post office	State	City, village or post office	State
Troy, NY 12180		Troy	NY
Contact number	Email address (optional)		
518-273-8945	jon@troymusichall.org		
Employer ID no.	Tax map number of Section/block/lot: Property identification (see tax bill or assessment roll)		
22-2270512	101.53-13-1		

1. Have any of the following changes occurred since application for this property tax exemption was last filed? If any of the listed changes have occurred, provide a detailed explanation of each change on the back of this form, mark an X in the appropriate boxes below, and complete and sign the statement. If none of the changes has occurred, please mark an X in the Statement of no change box below and complete and sign the statement.

A change has occurred in the purpose(s) of the organization.

A change has occurred in the organization as a result of action taken by one or more regulatory agencies (such as issuance, restriction, or withdrawal of an operating certificate, permit, charter, or similar authorization).

A change has occurred in the organization's status with regard to exemption from federal income taxes (such as exempt status has been recognized, denied, or revoked by the Internal Revenue Service (IRS), or the Internal Revenue Code classification of exemption has been changed).

Statement of change - I hereby certify that all of the changes, as listed above, that have occurred since last application for an exemption was last filed have been noted and the explanations of such changes are true and correct to the best of my knowledge and belief.

Statement of no change - I hereby certify that none of the changes listed above have occurred since the last application for exemption was filed to the best of my knowledge and belief.

Signature

518-273-8945

Phone number

10/19/2023

Date

2. Mark an X in the box for all applicable forms filed with the IRS by the organization since the last application for property tax exemption was last filed (Note: Assessor may request a copy of filed forms):

Federal Form 1023, Application for Recognition of Exemption

Federal Form 1024, Application for Recognition of Exemption

X Federal Form 990, Return of Organization Exempt from Income Tax

Federal Schedule A Form 990 or 990-EZ, Public Charity Status and Public Support

Federal Form 990-PF, Return of Private Foundation Trust Treated as Private Education

Federal form 990-T, Exempt Organization Business Income Tax

Explanation of changes that have occurred

Attach additional sheets if necessary. Provide the organization's name, its employer identification number, and the parcel number on each attachment.

Type of change	Explanation
1.	
Type of change	Explanation
2.	
Type of change	Explanation
3.	

This Area for Assessor's Use Only

Assessing Unit: City of Troy	County: Rensselaer
City/town: Troy	Village
School district:	
Date application filed:	

Action on application: Approved <input type="checkbox"/> Disapproved <input type="checkbox"/>	
Assessed Valuation \$ Taxable: \$ 80000	\$ Exempt: \$ 80000
Documentary evidence presented:	

Assessor's signature	Date
----------------------	------

Instructions

Application

For purposes of exemptions granted pursuant to Real Property Tax Law 420-b, each year following the year in which exemption is granted on the basis of application forms RP-420-b-Org, Application for Real Property Tax Exemption for Nonprofit Organizations – Permissive Class I – Organization Purpose, and RP-420-a/b-Use, Applications for Real Property Tax Exemption for Nonprofit Organizations II – Property Use, a renewal Application must be filed. One copy of the RP-420-a/b-Rnw-1, must be filed in each assessing unit; one copy of RP-420-a/b-RNW-II, Renewal Application for Real Property Tax Exemption for Nonprofit Organizations II – Property Use, must be filed in each assessing unit for each Separately assessed parcels for which exemption renewal is sought. The assessor may request information in addition to the information contained in the application,

For purposes of exemptions granted pursuant to Real Property Tax Law 420-a, the same forms may be used (except RP-420-a-Org, Application for Real Property Tax Exemptions for Nonprofit Organizations – Mandatory Class I – Organization Purpose, replaces RP-420-b-Org),

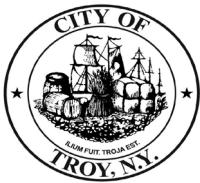
or the owner may submit proof of their continued exempt status that their assessor has deemed acceptable, instead.

Place of filing application

Applications for exemption from city, town or village taxes must be filed with the city, town or village assessor. Applications for exemptions from county or school district taxes must be filed with the city or town assessor who prepares the assessment roll used in the levying county or school taxes. In Nassau County, applications for county, town and school tax purposes should be filed with the Nassau County Board of Assessors. In Tompkins County, applications should be filed with the Tompkins County Division of Assessment. Do not file with the office of Real Property Tax Services.

Time of filing application

The application must be filed in the assessor's office or before the appropriate taxable status date. For further information, ask your local assessor. To find your assessor's contact information, visit our website or your locality's website.



OFFICE USE ONLY

Application

for

Planning Commission Review

PC Case #: _____

Date Received: _____

SEQR Type: _____

Review Type

Check all that apply:

Concept/Sketch

Change of Use

Site Plan

Subdivision or
Lot Line Adjustment

Fill out the following information based on the site plan submitted. Applicants should familiarize themselves with the City of Troy Zoning Code prior to completing this form. For Changes of Use certain sections are not required *if* site alterations are not proposed, see below.

Applicant

Name:	Troy Savings Bank Music Hall Corporation	Contact (if business):	Jon Elbaum (Executive Director)
Address:	30 Second Street, Troy, NY 12180		
Phone:	(518) 273-8945	Email:	Jon@troymusichall.org

Property

If the applicant is not the property owner, documentation must be attached demonstrating that the applicant has a legal interest in the subject parcel. (e.g. contract vendee, lessee, etc.)

Owner:	Troy Savings Bank Music Hall Corporation	Phone:	(518) 273-8945
Address:	30, 32, & 42 Second Street, Troy, NY 12180		
Tax Map Nos.:	Music Hall & Annex: (101.53-8-13-1 & /2) - Parking Lot: (101.53-13-1)	Lot Area (acres):	Music Hall & Annex: (0.45 ac) Parking Lot: (0.30 ac)
Zoning District:	DMU - Downtown I (fka B4, Central Commercial)	Historic Distict:	Yes

Project

Existing Use:	Assembly, Performance	Proposed Use:	Same			
Hours of Operation:	Admin: 9am-4pm, Typical event: 12pm-10pm	# of Employees:	40			
Project Title:	The Troy Music Hub Expansion Project					
There are three major initiatives for The Troy Music Hub Expansion Project; the Music Hub, the HVAC upgrades, and the parking lot improvements.						
The Music Hub initiative of the project will involve the alteration of the bank floor, including Annex spaces, to establish a flexible suite of rooms that will support performances, instruction, and community events. This adaptive reuse of historic space will be conducted in a way that is sensitive to the requirements of the State Historic Preservation Office (SHPO), will increase accessibility, and dramatically increase the utilization of this portion of the building, focusing on the needs of the community. The majority of the Music Hub work will involve interior improvements. Exterior work includes minor upgrades to the plaza and entrance into the Annex building from Second Street, making this outdoor space more suitable for seasonal events in addition to guiding community members into the Music Hub.						
The HVAC initiative of the project will introduce cooling to the main Music Hall performance space and will dramatically improve ventilation to the space. Energy efficiencies will also be achieved through comprehensive re-lamping of lighting fixtures. These improvements will allow for extended programming into the warmer months, but will also address the health and wellness of patrons, staff, and performers by way of improved ventilation throughout the complex. With the expansion of HVAC systems, careful attention to the equipment's effect on the Music Hall's acoustics is imperative.						
The parking lot initiative of this project will increase parking availability for patrons and staff of the Music Hall and Music Hub. Improved pedestrian safety and vehicular circulation at the corner of Second Street and State Street will be paramount. The visual appeal of the lot itself will also be enhanced with added green space.						

Subdivision/Lot Line Adjustment

This section is required for subdivisions or lot line adjustment applications only.

of Existing Lots: N/A

of Proposed Lots: N/A

Site Statistics

This section is not required for Changes of Use with no site alterations. For subdivisions please leave this sections blank, attach a summary for each lot (existing and proposed).

Existing

MUSIC HALL & ANNEX PARKING LOT

Lot Area (sf.):	19,837	13,196
Front Yard (ft.):	150.0	100.5
Rear Yard (ft.):	150.0	100.5
Side Yard(s) (ft.):	130.0	131.3

Lot Width (ft.):	150.0
Lot Coverage (%):	N/A 0%
Density (units per ac.):	N/A
Bldg. Height (ft.):	125.0

Proposed

Lot Area (sf.):	NO CHANGE, N/A	N/A
Front Yard (ft.):	N/A	N/A
Rear Yard (ft.):	N/A	N/A
Side Yard(s) (ft.):	N/A	N/A

Lot Width (ft.):	N/A
Lot Coverage (%):	N/A 0%
Density (units per ac.):	N/A
Bldg. Height (ft.):	N/A



OFFICE USE ONLY

Application

for

Planning Commission Review
(page 2)

Date Complete: _____

Date Approved: _____

Expiration Date: _____

Site Statistics (cont'd)*This section is not required for Changes of Use with no site alterations.* Provide existing and proposed lot coverage.

Pavements include asphalt, concrete, or packed earth/gravel. Building areas include foundations and covered porches/decks only; roof overhangs or awnings do not count toward building area.

Existing Lot Coverage**PARKING LOT****Proposed Lot Coverage**

Green Space (sf.):	0
Pavements (sf.):	13,196
Buildings (sf.):	100

Green Space (sf.):	2,400
Pavements (sf.):	10,796
Buildings (sf.):	0

Total Increase of Impervious Area (sf.): -2,400

Buildings*This section is not required for Changes of Use with no site alterations.*

# of Existing Structures:	2	Type of Construction:	BRICK, STEEL, WOOD, STONE	(e.g. brick, steel, wood)
# of Ex. Bedrooms:	0			
# of Prop'd Structures:	0	Type of Construction:	NO CHANGE, N/A	(e.g. brick, steel, wood)
# of Prop'd Bedrooms:	0			

Parking*This section applies to off-street parking only. Refer to §285-52 through §285-66 for parking requirements by zoning district. Refer to §285-91 for the Schedule of Required Off-Street Parking for parking requirements by use.*

# Req'd Parking Spaces:	0 IN DMU	# Prop'd ADA Spaces:	2
# Prop'd Parking Spaces:	26		

Utilities

Provide existing and proposed water and sewer usage quantities. In addition, please provide information (size, type, and location) for utilities available to the project site; either existing utilities or those proposed. Contact Department of Public Utilities (DPU) for available record information.

Ex. Water Usage (gpd):	2,228	Pro. Water Usage (gpd):	
Ex. Sewer Usage (gpd):		Pro. Sewer Usage (gpd):	
Sewer:	COMM/PUBLIC - TYPE 3		
Water:	COMM/PUBLIC - WATER SUPPLY 3		
Storm/Drainage:	COMM/PUBLIC		

Request for Extension

Per the City of Troy's Code, Planning Commission approval expires after six (6) months if an application for building permit has not been filed. Use this section to request any additional time required.

Requested Extension: _____ months

I(We) understand that I(we) am(are) responsible for the placement of notification signs per §285-47 of the Zoning Ordinance. Further, I(we) certify that the information contained in this application and on the Site Plan(s) submitted with this application is to the best of my(our) knowledge and belief accurate and correct and that I(we) have read and understand all applicable requirements, regulations, and laws as well as the instructions provided by City Staff.

Signed: _____

Name: Jon Elbaum

Date: 05/28/2024



Planning Commission

City of Troy
433 River St., Ste. 5001
Troy, New York 12180

SITE PLAN CHECKLIST

Required documentation differs for each type of proposal. Below is a checklist of the required elements for Minor and Major Projects. Typically, Change of Use proposals do not require a Site Plan. At the purview of the Planning Commission, additional documentation may be requested, examples of such documentation are included at the end of this section.

Site Plan Elements	Minor Project	Major Project	Current Submission
Note the following on the site plan: <ul style="list-style-type: none"> - Applicant's full name, address, phone number, and email - Property Owner's full name, address, phone number, and email (if not applicant) - Street address of the property - Zoning District - Historic District - Tax Map Number of the property - Scale of the drawing (1"=10', 1"=20', 1"=30', 1"=40', or 1"=50') - Date the drawings were last revised - North arrow 			
Show the boundaries of the property, include any easements and adjacent rights-of-way. Minor Projects: If any permanent, founded structure is proposed within five feet (5') of an assumed property line a Licensed Land Surveyor must prepare a Boundary Survey. Major Projects: Boundaries must be provided by a Licensed Land Surveyor.	●	●	<input checked="" type="checkbox"/>
Identify and provide the location of all existing structures on site plan. This includes all pavements, curbs, buildings, poles, fences, trees, etc.	●	●	<input checked="" type="checkbox"/>
Provide existing and proposed topography. Minor Projects: Required if existing grades vary by more than five feet or if changes in excess of one foot are proposed. Major Projects: Always required.	●	●	<input checked="" type="checkbox"/>
Provide the location, type, style, and size of all proposed pavement areas, curbs, buildings, structures, etc.	●	●	<input checked="" type="checkbox"/>
Provide a landscaping plan which clearly shows all existing vegetation to remain and the type, installed size, and location of all proposed plantings.	●	●	<input checked="" type="checkbox"/>
Location, type, and size of any proposed signage.	●	●	<input type="checkbox"/>
Provide parking information including: existing parking count, number of spaces required, number of spaces provided, size of spaces, location of ADA spaces and number required, and where snow storage is provided.	●	●	<input checked="" type="checkbox"/>
Clearly illustrate site circulation for vehicles and pedestrians.	●	●	<input checked="" type="checkbox"/>
Provide the location, type, and wattage of all existing and proposed site lighting.	○	●	<input type="checkbox"/>
Identify all utilities on and adjacent to the site. Clearly illustrate which utilities exist and which are proposed. Includes water, sewer, storm/drainage, electric, and gas.	○	●	<input type="checkbox"/>
Identify existing/proposed dumpster locations and illustrate how access and screenings will be provided.	●	●	<input checked="" type="checkbox"/>
Provide the location of the closest Fire Hydrant servicing the site. Note distance to hydrant.	○	●	<input type="checkbox"/>
Architectural Elevations or Renderings depicting and describing all proposed finishes.	●	●	<input checked="" type="checkbox"/>
Provide details for any proposed fencing, walls, or other site amenities which will affect the appearance of the site.	●	●	<input type="checkbox"/>

○ Not Required ● Required if Requested • Required

All required elements must be presented in a thorough and thoughtful manner. It should be made clear to Commissioners what exists on the site, what will be removed, and what is proposed. **Site plans which do not adequately detail a proposal will not be accepted.**

Examples of Additional Documentation: Lighting (Photometric) Plan, Landscaping Plan, Stormwater Management Report, Traffic Impact Study, Wetland Delineation/Determination, Archaeological Resources Report



TROY SAVINGS BANK MUSIC HALL CORPORATION

**Financial Statements and
Independent Auditor's Report**

June 30, 2024 and 2023

TROY SAVINGS BANK MUSIC HALL CORPORATION

Financial Statements

June 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Troy Savings Bank Music Hall Corporation

Opinion

We have audited the accompanying financial statements of Troy Savings Bank Music Hall Corporation (the "Corporation") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Adjustments to Prior Period Financial Statements

The financial statements of the Corporation as of June 30, 2023 were audited by other auditors whose opinion dated April 1, 2024 expressed an unmodified opinion on those statements. The other auditors reported on the 2023 financial statements before the restatement.

As part of our audit of the 2024 financial statements, we also audited adjustments described in Note Q that were applied to restate the 2023 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2023 financial statements of the Corporation other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2023 financial statements as a whole.

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 Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material 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, we:

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

Summarized Comparative Information

In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Wojeski & Company, CPAs, P.C.

Albany, New York
January 22, 2025

TROY SAVINGS BANK MUSIC HALL CORPORATION

Statements of Financial Position

	June 30,	
	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 625,052	\$ 910,041
Restricted cash and cash equivalents	822,171	107,795
Agency funds held	53,714	28,397
Accounts receivable, net of allowance for credit losses	14,529	3,401
Grants receivable	30,000	-
Pledges receivable	97,467	7,567
Investments	60,785	-
Prepaid expenses and other current assets	<u>31,240</u>	<u>11,537</u>
	1,734,958	1,068,738
PROPERTY AND EQUIPMENT, net of accumulated depreciation	1,755,115	934,726
PLEDGES RECEIVABLES, net of current portion	459,383	8,462
INVESTMENTS - RESTRICTED	<u>1,159,878</u>	-
	<u><u>\$ 5,109,334</u></u>	<u><u>\$ 2,011,926</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long-term debt	\$ 11,882	\$ 8,994
Accounts payable, net of long-term portion	162,026	17,505
Agency funds payable	53,714	28,397
Rental ticket sales payable	7,514	9,944
Accrued expenses	43,048	34,766
Deferred program revenue	327,568	192,475
Deferred grant revenue	<u>580,513</u>	<u>8,500</u>
	1,186,265	300,581
LONG-TERM PORTION OF ACCOUNTS PAYABLE	-	40,786
LONG-TERM DEBT, net of current portion	<u>500,861</u>	<u>515,594</u>
	<u><u>1,687,126</u></u>	<u><u>856,961</u></u>
NET ASSETS		
Without donor restrictions, as restated (see Note Q)	1,048,252	1,047,170
With donor restrictions	<u>2,373,956</u>	<u>107,795</u>
	<u><u>3,422,208</u></u>	<u><u>1,154,965</u></u>
TOTAL NET ASSETS	<u><u>\$ 5,109,334</u></u>	<u><u>\$ 2,011,926</u></u>
TOTAL LIABILITIES AND NET ASSETS		

See accompanying notes to financial statements.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Statement of Activities

Year Ended June 30, 2024 (with comparative totals for the year ended June 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Totals	2023 Totals
REVENUES AND SUPPORT				
Public support				
Contributions	\$ 58,432	\$ 713,796	\$ 772,228	\$ 109,033
Grants	916,788	392,487	1,309,275	110,500
Program underwriting	99,600	-	99,600	66,500
Membership income	83,112	-	83,112	60,915
Contributed nonfinancial assets	79,090	-	79,090	74,226
Board of directors contributions	5,633	-	5,633	6,400
Investment income, net	51,098	117,879	168,977	12,825
Fundraising	-	-	-	23,950
	Total public support	1,293,753	1,224,162	2,517,915
				464,349
Hall revenue				
Ticket sales	1,424,056	-	1,424,056	838,932
Production services	332,190	-	332,190	327,451
Commissions	92,451	-	92,451	73,456
Hall rental	59,400	-	59,400	96,699
Community programing	25,716	-	25,716	47,567
Recording fees	5,000	-	5,000	10,550
Other hall revenue	98,040	-	98,040	27,120
	Total hall revenue	2,036,853	-	2,036,853
				1,421,775
Net assets released from restrictions	20,000	(20,000)	-	-
	TOTAL REVENUE AND SUPPORT	3,350,606	1,204,162	4,554,768
				1,886,124
EXPENSES				
Program services	2,847,599	-	2,847,599	1,675,814
Management and general	358,109	-	358,109	458,009
Fundraising	125,741	-	125,741	62,811
Contributed nonfinancial assets	3,331,449	-	3,331,449	2,196,634
	79,090	-	79,090	74,226
	TOTAL EXPENSES	3,410,539	-	3,410,539
				2,270,860
OPERATING INCOME (LOSS)	(59,933)	1,204,162	1,144,229	(384,736)
NON-OPERATING REVENUE				
Gain on merger (See Note B)	61,015	1,061,999	1,123,014	-
CHANGES IN NET ASSETS				
	1,082	2,266,161	2,267,243	(384,736)
NET ASSETS, beginning of year as restated (see Note Q)	1,047,170	107,795	1,154,965	1,539,701
	NET ASSETS AT END OF YEAR	\$ 1,048,252	\$ 2,373,956	\$ 3,422,208
				\$ 1,154,965

See accompanying notes to financial statements.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Statement of Functional Expenses

Year Ended June 30, 2024 (with comparative totals for the year ended June 30, 2023)

	Program Services				Supporting Services		2024 Totals	2023 Totals
	Program Presentations	Rentals and Recordings	Community Programming	Total	Management and General	Fundraising		
Salaries	\$ 226,492	\$ 120,099	\$ 89,021	\$ 435,612	\$ 187,472	\$ 88,067	\$ 711,151	\$ 595,940
Payroll taxes	19,319	10,248	7,606	37,173	17,447	7,525	62,145	52,500
Employee benefits	12,548	6,297	6,199	25,044	10,454	6,195	41,693	30,522
Total salaries and related expenses	258,359	136,644	102,826	497,829	215,373	101,787	814,989	678,962
Artist fees	1,052,291	-	-	1,052,291	-	-	1,052,291	638,670
Grants	-	-	451,765	451,765	-	-	451,765	-
Marketing & printing	173,181	-	-	173,181	-	-	173,181	196,200
Other production expenses	128,560	9,052	241	137,853	-	-	137,853	108,394
Repairs and maintenance	40,471	20,235	20,235	80,941	21,584	5,396	107,921	75,580
Insurance	33,904	16,868	17,243	68,015	17,271	3,819	89,105	69,388
Credit card charges	49,864	21,081	-	70,945	-	-	70,945	40,960
Utilities and telephone	21,092	10,546	10,546	42,184	11,249	2,812	56,245	64,359
Production equipment rental	45,080	9,000	-	54,080	-	-	54,080	33,945
Concessions expense	37,906	12,634	-	50,540	-	-	50,540	50,191
Security	30,915	12,339	-	43,254	-	-	43,254	38,448
Sound tech services	31,140	8,795	645	40,580	-	-	40,580	30,995
Hall cleaning	23,019	9,655	340	33,014	1,390	-	34,404	24,594
Professional fees	-	-	-	-	30,153	-	30,153	12,652
Depreciation	8,577	4,288	4,288	17,153	4,574	1,144	22,871	24,377
IT services	9,586	2,556	639	12,781	7,817	-	20,598	18,930
Contract services expenses	-	-	17,161	17,161	-	-	17,161	6,567
Interest	-	-	-	-	13,788	-	13,788	13,750
Fundraising expenses	-	-	-	-	-	10,783	10,783	37,662
Postage	4,032	-	-	4,032	3,405	-	7,437	6,719
Programming and industry research	-	-	-	-	6,147	-	6,147	3,727
Payroll service	-	-	-	-	5,224	-	5,224	4,308
Dues & subscriptions	-	-	-	-	4,888	-	4,888	4,297
Office expense	-	-	-	-	4,105	-	4,105	4,124
Leased equipment	-	-	-	-	1,394	-	1,394	1,740
Bank service charges	-	-	-	-	1,080	-	1,080	1,232
Hall rent	-	-	-	-	1	-	1	1
Miscellaneous	-	-	-	-	8,666	-	8,666	5,862
Total expenses	\$ 1,947,977	\$ 273,693	\$ 625,929	\$ 2,847,599	\$ 358,109	\$ 125,741	\$ 3,331,449	\$ 2,196,634

See accompanying notes to financial statements.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Statements of Cash Flows

	Year Ended June 30,	
	2024	2023
OPERATING ACTIVITIES		
Changes in net assets	\$ 2,267,243	\$ (384,736)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	22,871	24,377
Accrued interest on EIDL loan	13,788	13,750
Unrealized gain on investments	(86,761)	-
Realized gain on investments	(10,629)	-
Gain on merger	(1,123,014)	-
(Increase) decrease in assets:		
Accounts receivable	(11,128)	6,019
Grants receivable	(30,000)	-
Pledges receivable	(540,821)	(16,029)
Prepaid expenses and other assets	(19,703)	1,103
Increase (decrease) in liabilities:		
Accounts payable	103,735	9,138
Rental ticket sales payable	(2,430)	(40,011)
Accrued expenses	8,282	6,128
Deferred program revenue	135,093	62,199
Deferred grant revenue	572,013	8,500
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1,298,539	(309,562)
INVESTING ACTIVITIES		
Purchase of property and equipment	(843,260)	(171,091)
Purchase of investments	(82,230)	-
Proceeds from sale of investments	79,859	-
Cash received from merger	2,112	-
NET CASH USED IN INVESTING ACTIVITIES	(843,519)	(171,091)
FINANCING ACTIVITIES		
Payments on long-term debt	(25,633)	(19,224)
NET CASH USED IN INVESTING ACTIVITIES	(25,633)	(19,224)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	429,387	(499,877)
Cash and cash equivalents at beginning of year	1,017,836	1,517,713
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,447,223</u>	<u>\$ 1,017,836</u>
SUPPLEMENTAL CASH FLOWS DISCLOSURE		
Cash paid for interest	<u>\$ 25,633</u>	<u>\$ 19,224</u>

See accompanying notes to financial statements.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements

June 30, 2024 and 2023

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Troy Savings Bank Music Hall Corporation (the "Corporation") is a not-for-profit Corporation formed in 1979 to manage and operate the Troy Savings Bank Music Hall (the "Hall") performing arts facility which is housed in the Troy Savings Bank Building. The mission of the Corporation is to develop the full potential of the Hall as a performing arts center, and a community resource, and to encourage and facilitate other organizations in presenting or recording performances by providing marketing, technical, and other assistance, and to manage and maintain the Hall.

Basis of Accounting and Financial Statement Presentation

The accompanying financial statements were prepared on the accrual basis of accounting whereby all assets and liabilities are recorded during the period in which they were incurred.

The Corporation presents its financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Under these provisions net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Corporation and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Corporation. This class also includes net assets previously restricted when restrictions have expired or been met. The Corporation's board may at times designate net assets without donor restrictions for specific operational purposes.

Net assets with donor restrictions – Net assets subject to stipulations based on donor-imposed or grantor restrictions. These restrictions may be met by the passage of time or by actions of the Corporation. Certain restrictions may be required to be maintained in perpetuity.

Use of Estimates

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

Cash, Cash Equivalents, and Restricted Cash

The Corporation considers all short-term liquid investments with an original maturity date of three months or less to be cash equivalents. The Corporation's cash balances in financial institutions may at times exceed federally insured limits and the Corporation considers this an ordinary business risk.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES--Continued

Agency Funds Held

The Corporation, in the position of fiscal agent, holds cash funds that belong to other organizations. The amount of agency funds held is offset by a corresponding liability entitled "Agency Funds Payable."

Grants Receivable

Grants receivable are non-interest bearing and are recorded at their estimated collectable amounts. The Corporation uses the allowance method to account for uncollectible receivables. Receivable balances are periodically reviewed for collectability based on past history and current economic conditions. The Corporation considers all grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Pledges Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discount on those amounts is computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. The Corporation uses the allowance method to account for uncollectible pledges. Pledges are periodically reviewed for collectability based on past history and current economic conditions. The Corporation considers all pledges receivable to be fully collectible, and accordingly, no allowance for doubtful pledges is required.

Accounts Receivable

Accounts receivable represent the Corporation's unconditional right to receive consideration arising from the performance under contracts with customers and are non-interest bearing. Accounts receivable are recorded at their invoiced amounts, less an allowance for credit losses. Management's estimation of the allowance for credit losses is derived from a review of the Corporation's historical losses based on the aging of the receivables. The estimate is adjusted for management's assessment of current economic conditions, reasonable and supportable forecasts regarding future events, the financial stability of its customer's and any other factors deemed relevant by the Corporation.

Accounts receivable are written off and charged against the allowance for credit losses when the Corporation determines that it is probable that the receivable will not be recovered. If any recoveries are made from amounts previously written off, the recoveries will be recognized in income or offset against credit loss expense in the year of recovery. The total amount of write-offs was immaterial to the financial statements as a whole for the years ended June 30, 2024 and 2023.

The allowance for credit losses was \$264 for both the years ending June 30, 2024 and 2023.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES--Continued

Property and Equipment

Property and equipment is recorded at cost, or in the case of donations or bequests, at fair market value at the date of acquisition. Expenditures for additions, renewals or betterments with a cost in excess of \$5,000 and an estimated useful life of more than one year are capitalized; expenditures for maintenance and repairs are charged to expenses as incurred. When property and equipment are retired or otherwise disposed of, their cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to activities. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	39 Years
Leasehold improvements	10-39 Years
Furnishings and equipment	5-7 Years
Website	3 Years

Long-Lived Assets

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the asset's carrying amount over the fair value of the asset. During the year ended June 30, 2024 and 2023, no impairment loss was recorded for long-lived assets.

Fair Value Measurements

The Corporation uses FASB ASC 820, *Fair Value Measurements and Disclosures*, to record fair value adjustments to certain assets and liabilities. This hierarchy consists of three broad levels: Level 1 inputs consist of quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of quoted prices for similar assets in active markets, or quoted prices for identical or similar assets in markets that are not active, and Level 3 inputs generally consist of assumptions and are developed using the best information available in the circumstances and have the lowest priority. When available, the Corporation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 and Level 3 inputs would only be used when Level 1 inputs were not available.

The fair value of the Corporation's investments is based on quoted prices in active markets (Level 1 inputs).

Rental Ticket Sales Payable

Rental ticket sales payable consists of advance ticket sales collected on behalf of organizations renting the hall for future performances. Rental ticket revenue is settled with the renting organization at the conclusion of the related event.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES--Continued

Contributions

Contributions, including unconditional promises to give, are recorded in the period received. Contributions received are recorded as increases in net assets with donor restrictions or net assets without donor restrictions depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the statement of activities as net assets released from restrictions. However, if a donor restriction is fulfilled in the same time period in which the contribution is received, the Corporation reports the support as an increase in net assets without donor restrictions.

Grant Revenue

Revenue from grant agreements is recognized when eligible expenses relative to the grant agreement or contract are incurred in accordance with the grant agreements. Amounts received in excess of expenses are recorded as deferred grant revenue.

Conditional Contribution and Grant Revenue

Conditional contributions and grants are those that include a measurable performance obligation or other barrier and a right of return. Revenues under these agreements are not recognized until the underlying conditions are met.

Contributed Nonfinancial Assets

The Corporation receives contributions in a form other than cash and other financial assets. These contributions represent goods and/or services that create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Corporation. Contributed nonfinancial assets are recorded as revenue at their estimated fair value on the date of donation, with a corresponding asset or expense depending on the nature of the contribution.

Revenue from Contracts with Customers

Revenue for promised goods or services are recognized when control is transferred to the customers in an amount that reflects the consideration expected to be entitled to in exchange for those goods or services.

The Corporation evaluates whether a contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment and could change the amount of revenue recorded in a given period. Contracts are considered to be a single performance obligation if the promise to transfer individual goods and services are not distinct or separately identifiable from other promises in the contracts. The transaction price is allocated to the separate performance obligations based on the best estimate of the relative standalone selling prices.

Deferred Program revenue includes amounts received in advance or in excess of revenue earned on uncompleted contracts.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES--Continued

Advertising

Advertising costs are expensed as incurred. Advertising costs totaled \$173,181 and \$196,200 for the years ended June 30, 2024 and 2023, respectively.

Tax Status

The Internal Revenue Service has determined that the Corporation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The Corporation has adopted the provisions of FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Management has evaluated the Corporation's tax positions, including interest and penalties attributable thereto, and concluded that the Corporation had taken no tax positions that required adjustment in its financial statements as of June 30, 2024.

The Corporation's information return filings are subject to examination by various taxing authorities up to three years from the extended due date of each return. The Corporation is no longer subject to examinations by taxing authorities for the fiscal years ending prior to June 30, 2021. Currently there are no examinations in progress nor has the Corporation been informed of any pending examinations.

Functional Allocation of Expenses

The costs of providing the programs and 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 receiving the benefit. The financial statements report certain categories of expenses that are attributable to one or more projects or supporting functions of the Corporation. Salary and wages are allocated using a time and effort basis. Payroll taxes and benefits are allocated using the same ratio as the salary allocations. All other expenses have been charged directly to the applicable program or supporting services.

Comparative Totals, Summarized Financial Information

The financial statements included certain prior-year summarized comparative information in total but not by net asset class, and expenses not by function. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Reclassifications

Certain amounts for the year ended June 30, 2023 have been reclassified to conform to the current year presentation. These reclassifications, other than the prior period adjustment (See Note Q), had no effect on net assets or the changes in net assets.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE A--ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES--Continued

Recently Adopted Accounting Standards

On July 1, 2023, the Corporation adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326); Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments that are measured at amortized cost, such as accounts receivable. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses.

The Corporation adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new disclosures only.

Subsequent Events

The Corporation has evaluated subsequent events for disclosure between the statement of financial condition date of June 30, 2024 and January 22, 2025, the date the financial statements were available to be issued.

NOTE B--MERGER WITH TROY CHROMATIC CONCERTS, INC.

On July 1, 2023, the Corporation merged with Troy Chromatic Concerts, Inc. The purpose of the merger was to better enable both entities to better advance their tax-exempt purposes by minimizing the duplication of services and reducing administrative costs associated with conducting similar operations and activities. As the surviving entity, the Corporation acquired the net assets of Troy Chromatic Concerts, Inc. No consideration, contingent or otherwise, was given by the Corporation to affect this transaction. Accordingly, the Corporation recorded the net assets received as a gain in the statement of activities for the year ended June 30, 2024. The fair value of the assets received in the merger were as follows:

Cash	\$ 2,112
Unrestricted investments	58,903
Donor restricted investments	1,061,999
Total gain on merger	\$ 1,123,014

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements—Continued

NOTE C--LIQUIDITY AND AVAILABILITY OF RESOURCES

The Corporation manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures. Adherence to the operating budgets allows the Corporation to meet its liabilities and other obligations as they become due. In the event of an unanticipated liquidity need, the Corporation could draw upon a \$100,000 of available line of credit (See Note H). The Corporation's financial assets available within one year of the statement of financial condition date for general expenditures are as follows:

	2024	2023
Cash and restricted cash	\$ 1,447,223	\$ 1,017,836
Accounts receivable	14,529	3,401
Grants receivable	30,000	-
Pledges receivable	556,850	16,029
Investments	1,220,663	-
Total financial assets, as of June 30:	3,269,265	1,037,266
Less amounts unavailable for general expenditures:		
Donor restricted investments	(1,159,878)	-
Designated investments	(60,785)	-
Designated cash – rental ticket sales	(7,514)	(9,944)
Conditional grant advances	(580,513)	-
Other donor restricted financial assets	(798,508)	(107,795)
Financial assets available within one year	\$ 662,067	\$ 919,527

NOTE D--CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at June 30:

	2024	2023
Cash – unrestricted	\$ 617,538	\$ 900,097
Cash – designated rental ticket sales	7,514	9,944
Cash – subject to donor-imposed restrictions	822,171	107,795
	\$ 1,447,223	\$ 1,017,836
 Cash and cash equivalents	 \$ 625,052	 \$ 910,041
Restricted cash and cash equivalents	822,171	107,795
	\$ 1,447,223	\$ 1,017,836

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE E--INVESTMENTS

Investments are reported at their fair market value and consist of the following at June 30, 2024:

	Cost	Fair Value	Unrealized Gain
Cash and money market funds	\$ 17,837	\$ 17,837	\$ -
Mutual funds	930,771	998,685	67,914
Equities	143,175	204,141	60,966
	<u>\$ 1,091,783</u>	<u>\$ 1,220,663</u>	<u>\$ 128,880</u>

Investment income is reported net of investment fees and consists of the following for the years ended June 30:

	2024	2023
Unrealized gain	\$ 86,761	\$ -
Realized gain	10,629	-
Interest income	44,222	12,845
Dividend income	39,847	-
Less: investment fees	(12,482)	-
Total investment income, net	<u>\$ 168,977</u>	<u>\$ 12,825</u>

NOTE F--PLEDGES RECEIVABLE

The Corporation's unconditional promises to give consist of the following at June 30:

	2024	2023
Unconditional promises to give before unamortized discount and allowance for uncollectible receivables	\$ 619,804	\$ 16,234
Less: unamortized discount	(62,954)	(205)
Net unconditional promises to give	<u>\$ 556,850</u>	<u>\$ 16,029</u>
Amount due in:		
Less than one year	\$ 97,467	\$ 7,567
One to five years	459,383	8,462
	<u>\$ 556,850</u>	<u>\$ 16,029</u>

The present value of the estimated future cash flows on the unconditional promises to give is computed using a discount rate of approximately 4.4% at June 30, 2024.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE G--PROPERTY AND EQUIPMENT

Property and equipment at consist of the following at June 30:

	2024	2023
Office equipment	\$ 68,057	\$ 54,164
Music hall equipment	240,468	233,342
Leasehold improvements	149,322	149,322
Land and building	344,500	344,500
Website	13,150	13,150
Construction in progress	<u>1,261,496</u>	<u>439,255</u>
Total property and equipment	2,076,993	1,233,733
Less: accumulated depreciation	<u>(321,878)</u>	<u>(299,007)</u>
Total property and equipment - net	<u><u>\$ 1,755,115</u></u>	<u><u>\$ 934,726</u></u>

NOTE H--LINE OF CREDIT

The Corporation has a \$100,000 line of credit agreement with a local bank. The line is collateralized by all of the business assets of the Corporation and is payable on demand. The interest rate on the line is the bank's prime rate plus 1.5% (10% at June 30, 2024). There was no outstanding balance on this line at June 30, 2024 and 2023.

In December 2023, the Corporation entered into an agreement with the Community Loan Fund for a \$1,000,000 revolving line of credit to provide cash flow assistance during the ongoing capital project. The line is collateralized by all of the business assets of the Corporation and is payable upon receipt of grant reimbursements from specified grants. The interest rate on the line is 5.50%. There was no outstanding balance on this line at June 30, 2024.

NOTE I--LONG-TERM DEBT

Long-term debt consists of the following at June 30:

	2024	2023
Economic Injury Disaster Loan (EIDL) note payable to the U.S. Small Business Administration, with an interest rate of 2.75%, payable in monthly installments of \$2,136 through September 2052. The note is collateralized by a lien on all business assets. Balance includes accumulated accrued interest of \$12,743 and \$24,588 at June 30, 2024 and 2023, respectively.	\$ 512,743	\$ 524,588
Less: current portion	<u>(11,882)</u>	<u>(8,994)</u>
Long-term debt, net	<u><u>\$ 500,861</u></u>	<u><u>\$ 515,594</u></u>

TROY SAVINGS BANK MUSIC HALL CORPORATION**Notes to Financial Statements--Continued****NOTE I--LONG-TERM DEBT--Continued**

Principal maturities of long-term debt at June 30, 2024 are as follows:

Year ended June 30,	
2025	\$ 11,882
2026	11,969
2027	12,291
2028	12,597
2029	12,984
Thereafter	<u>451,020</u>
	<u>\$ 512,743</u>

NOTE J--REVENUES AND LIABILITIES FROM CONTRACTS WITH CUSTOMERS

The following table shows the Corporation's revenue from contracts with customers disaggregated according to the timing of transfer of goods or services for the year ended June 30:

	2024	2023
Revenue recognized at a point in time:		
Ticket sales	\$ 1,424,056	\$ 838,932
Production services	332,190	327,451
Commissions and concessions	92,451	73,456
Hall rental	59,400	96,699
Recording fees	5,000	10,550
Other hall revenue	<u>98,040</u>	<u>27,120</u>
	2,011,137	1,374,208
Revenue recognized over time:		
Community programing	<u>25,716</u>	<u>47,567</u>
	<u>\$ 2,036,853</u>	<u>\$ 1,421,775</u>

Deferred program revenue consists of the following as of June 30:

	2024	2023
Deferred ticket sales	\$ 258,945	\$ 141,360
Gift certificates	51,169	49,340
Sponsorships and underwriting	10,000	-
Other	<u>7,454</u>	<u>1,775</u>
	<u>\$ 327,568</u>	<u>\$ 192,475</u>

TROY SAVINGS BANK MUSIC HALL CORPORATION**Notes to Financial Statements--Continued****NOTE K--NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30:

	2024	2023
Subject to expenditure for specific purpose:		
Capital improvements	<u>\$ 1,214,078</u>	<u>\$ 107,795</u>
Subject to expenditure when a specific event occurs:		
Endowment Fund	878,153	-
Marketing reserve fund	<u>281,725</u>	-
	<u>1,159,878</u>	-
	<u>\$ 2,373,956</u>	<u>\$ 107,795</u>

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by the passage of time or other events specified by the donors are as follows for the year ended June 30:

	2024	2023
Subject to expenditure when a specific event occurs:		
Troy Chromatic Concerts Marketing expenditures	<u>\$ 20,000</u>	-

NOTE L--NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consists of the following as of June 30:

	2024	2023
Undesignated net assets	\$ 987,467	\$ 1,047,170
Investments designated for Troy Chromatic Concerts	<u>60,785</u>	-
	<u>\$ 1,048,252</u>	<u>\$ 1,047,170</u>

NOTE M--ENDOWMENT AND RESERVE FUNDS

The Corporation's endowment and reserve funds were received in support of the Troy Chromatic Concerts series. The funds were acquired through the merger with Troy Chromatic Concerts, Inc. (see Note B) and consist of the following:

- Endowment Fund – Allows the use of assets in excess of the historic principal value (HPV) of the endowment to be used to defray direct concert expenses. The HPV is defined as the inflation adjusted value of the initial investment based on the Consumer Price Index. The initial investment was \$700,000 and the HPV was \$895,745 as of June 30, 2024.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE M--ENDOWMENT AND RESERVE FUNDS--Continued

- Marketing Reserve Fund – Allows the use of assets to defray the cost of direct marketing expenses. The marketing reserve fund is not required to maintain the historic value of the initial investment.

The Corporation is subject to the New York Prudent Management of Institutional Funds Act (NYPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions until the Board of Directors appropriates such amounts for expenditure and any other purpose restrictions have been met.

The Corporation has interpreted the NYPMIFA as requiring each person responsible for managing and investing an institutional fund "shall manage and invest the fund in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances." NYPMIFA also requires that the following eight factors, if relevant, be considered in managing and investing an institutional fund: (1) general economic conditions, (2) the possible effect of inflation or deflation, (3) the expected tax consequences, if any, of investment decisions or strategies, (4) the role that each investment or course of action plays within the overall investment portfolio of the fund, (5) the expected total return from income and the appreciation of investments, (6) other resources of the institution, (7) the needs of the institution and the fund to make distributions and to preserve capital, and (8) an asset's special relationship or special value, if any, to the purposes of the institution. In addition to the eight factors set forth above the governing board must consider the purposes of the Corporation as well as the purposes for which the fund was established when managing and investing an institutional fund.

Under the NYPMIFA, a fund's investments must be diversified unless the Corporation's governing board determines that, due to special circumstances, the purposes of the fund are better served without diversification. Any decision not to diversify must be reviewed by the Corporation's governing board at least annually.

Changes in net assets of the funds were as follows for the year ended June 30, 2024:

	Marketing Reserve	Endowment	Total
Net assets as of July 1, 2023	\$ 272,527	\$ 789,472	\$ 1,061,999
Investment income, net	6,991	19,286	26,277
Realized gain (loss)	4,291	6,338	10,629
Unrealized gain	17,916	63,057	80,973
Net released for expenditures	(20,000)	-	(20,000)
Net assets, end of year	<u>\$ 281,725</u>	<u>\$ 878,153</u>	<u>\$ 1,159,878</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Corporation to retain. The donor-restricted endowment fund has a restricted historical principal value of \$895,745. The fund had a deficiency of \$17,592 as of June 30, 2024. This deficiency was the results of unfavorable market conditions.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE M--ENDOWMENT AND RESERVE FUNDS--Continued

The Corporation has a policy of releasing excess funds when the value of the endowment exceeds the HPV in accordance with the donor stipulations. Under this policy, the Corporation considered the long-term expected return on its endowment. Accordingly, over the long-term, the Corporation expects the current spending policy to allow its endowment to achieve after fees and expenses, an absolute return of 5% in excess of inflation. The Corporation has a policy that allows it to withdraw sufficient funds from the reserve fund to meet appropriate expenses that are incurred in the same fiscal year.

NOTE N--CONTRIBUTED NONFINANCIAL ASSETS

During the years ended June 30, 2024 and 2023, contributions of nonfinancial assets that have been received by of the Corporation include the following:

	2024	2023
Advertising	\$ 16,400	\$ 5,128
Hall rental	58,999	58,999
Equipment rental	746	3,300
Professional services	1,445	4,565
Other	1,500	2,234
	<hr/> <u>\$ 79,090</u>	<hr/> <u>\$ 74,226</u>

Qualitative information related to the utilization of contributed nonfinancial assets, description of any donor-imposed restrictions, and valuation techniques and inputs are as follows. Information is consistent for both years ended June 30, 2024 and 2023, unless otherwise noted.

<u>Nonfinancial Asset</u>	<u>Utilization in Programs/Activities</u>	<u>Donor Restrictions</u>	<u>Valuation Techniques and Inputs</u>
Advertising	All programs	None	Estimated value is based on donor provided values or based on publicly available price information for similar services.
Hall rental	All programs	None	Estimated value is based on the difference between the agreed upon value per the lease agreement and the actual lease payments (See Note O).
Equipment rental	All programs	None	Estimated value is based on donor provided values or based on publicly available price information for similar services.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE N--CONTRIBUTED NONFINANCIAL ASSETS--Continued

Nonfinancial Asset	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Professional Services	Management & General	None	Estimated value is based on donor provided values or based on publicly available price information for similar services.
Other	Management & General	None	Estimated value is based on donor provided values or based on publicly available price information for similar services.

NOTE O--COMMITMENTS AND CONTINGENCIES

Lease commitments

The Corporation has a lease agreement with the Troy Savings Bank Music Hall Foundation (the Foundation) for the use of the Troy Savings Bank Music Hall. The Lease agreement has a term of 10 years and an agreed upon annual rental value of \$59,000. However, under the agreement, the Corporation is required to make discounted rental payments of \$1 per year for the first five years (through June 30, 2024) and annual rental payments of \$59,000 for the remaining five years (through June 30, 2029). The difference in the discounted rent of \$1 and the agree upon annual rental value of \$59,000 was recorded as a contribution of a nonfinancial asset (See Note N). In addition, the lease agreement included a purchase option that allowed the Corporation to purchase the Music Hall from the Foundation at the end of the 5th year (year ended June 30, 2024) for \$600,000 or at the end of the lease agreement for \$900,000. At June 30, 2024, the Corporation did not exercise the option to purchase the Music Hall under this agreement. However, In March 2024 the Foundation and Corporation entered into a separate agreement for the purchase of the Music Hall (See Note R). Upon completion of the sale in July 2024, the lease agreement was terminated.

The Corporation also leases office equipment under an operating lease agreement on a month-to-month basis. Total operating lease expense for office equipment was \$1,394 and \$1,740 for the years ending June 30, 2024 and 2023, respectively.

Grant Programs

The Corporation participates in various grants programs which are subject to financial and compliance audits by the grantors or their representatives. Accordingly, the Corporation's compliance with the applicable grant requirements may be established at some future date. The amount of expenditures or funding which may be disallowed by the granting agencies cannot be determined at this time, although management, based upon prior experience expects such amounts, if any, to be immaterial.

TROY SAVINGS BANK MUSIC HALL CORPORATION

Notes to Financial Statements--Continued

NOTE P--EMPLOYEE BENEFIT PLAN

The Corporation provides retirement benefits in the form of a defined contribution plan (the "Plan") pursuant to Section 403(b) of the Internal Revenue Code. This Plan is available to all employees immediately when they are hired. Employees may elect to make voluntary contributions to the Plan. The Corporation makes discretionary matching contributions. The Corporation may also make a discretionary contribution to the plan as determined on an annual basis. The Corporation's contribution to the Plan for the years ended June 30, 2024 and 2023 was \$9,400 and \$0, respectively.

NOTE Q--PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2024, the Corporation identified an error in recording some capital expenditures. Some costs that were capitalizable as part of the capital project for improvements to the Music Hall were previously expensed as incurred. The expenses were incurred prior to July 1, 2022 and did not have an impact on the changes in net assets for the years ended June 30, 2024 and 2023. Accordingly, the beginning balance of net assets as of July 1, 2022 has been restated. A summary of the adjusted amounts and the related impact on net assets as of June 30, 2023 are as follows:

	<u>Previously Reported</u>	<u>Adjustment</u>	<u>Restated Amount</u>
Net assets without donor restrictions at July 1, 2022	\$ 1,211,984	\$ 269,717	\$ 1,481,701
Construction in progress	169,538	269,717	439,255
Net assets without donor restrictions at June 30, 2023	777,453	269,717	1,047,170

NOTE R--SUBSEQUENT EVENTS

On July 23, 2024, the Corporation closed on the purchase of the Troy Music Hall condominium unit in the Troy Savings Bank Music Hall building at 30 Second Street in Troy, New York from the Foundation. The purchase was made for \$1 and the lease agreement with the Foundation was terminated (see Note O). The Music Hall condominium unit will be recorded on the financial statements at fair market value as of the date of sale. The Corporation is in the process of obtaining a third-party valuation to establish a reasonable estimate of the fair value of the unit, however, as of the date of the financial statements the fair value has not been established.

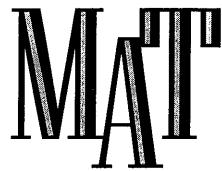
**TROY SAVINGS BANK MUSIC HALL
CORPORATION**

**FINANCIAL STATEMENTS
(and Independent Auditor's Report Thereon)**

Years Ended June 30, 2023 and 2022

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ASSOCIATES

MICHAEL A. TOBIN & ASSOCIATES, P.C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Michael A. Tobin II, CPA

Board of Directors
Troy Savings Bank Music Hall Corporation
Troy, New York

Opinion

We have audited the financial statements of Troy Savings Bank Music Hall Corporation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Troy Savings Bank Music Hall Corporation as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Troy Savings Bank Music Hall 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 of our audit opinions.

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 Troy Savings Bank Music Hall Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Troy Savings Bank Music Hall Corporation'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 Troy Savings Bank Music Hall Corporation'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.

Michael A. Tobin & Associates, C.P.A.'s, P.C.

Albany, New York
April 1, 2024

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF FINANCIAL POSITION

Years Ended June 30, 2023 and 2022

ASSETS	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,017,836	\$ 1,517,713
Cash - Agency funds held	28,397	30,058
Short-term investments		
Accounts and contributions receivable, net of allowance for doubtful accounts - 2023 and 2022 - \$264	3,401	9,420
Pledges receivable, current portion	7,567	
Prepaid expenses	11,537	12,640
Total current assets	<u>1,068,738</u>	<u>1,569,831</u>
PROPERTY AND EQUIPMENT		
Less accumulated depreciation	964,016	792,925
	<u>299,007</u>	<u>274,630</u>
	<u>665,009</u>	<u>518,295</u>
OTHER ASSETS		
Pledges receivable, net of current	<u>8,462</u>	
	<u><u>\$ 1,742,209</u></u>	<u><u>\$ 2,088,126</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long term debt	\$ 8,994	\$
Accounts payable, net of long-term portion	17,505	8,367
Agency funds payable	28,397	30,058
Rental ticket sales payable	9,944	49,955
Accrued expenses	59,354	58,700
Deferred revenue	200,975	130,276
Total current liabilities	<u>325,169</u>	<u>277,356</u>
LONG-TERM PORTION OF ACCOUNTS PAYABLE	<u>40,786</u>	<u>40,786</u>
LONG TERM DEBT, net of current maturities	<u>491,006</u>	<u>500,000</u>
NET ASSETS		
Net Assets without donor restrictions		
Operating	112,444	693,689
Fixed assets, net	<u>665,009</u>	<u>518,295</u>
Total net assets without donor restrictions	<u>777,453</u>	<u>1,211,984</u>
Net assets with donor restrictions	<u>107,795</u>	<u>58,000</u>
Total net assets	<u>885,248</u>	<u>1,269,984</u>
	<u><u>\$ 1,742,209</u></u>	<u><u>\$ 2,088,126</u></u>

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF ACTIVITIES
Years Ended June 30, 2023 and 2022

	2023			2022		
	Without Restrictions	With Restrictions	Total	Without Restrictions	With Restrictions	Total
Revenue and other support:						
Public support:						
Membership income:						
Individual members	\$ 60,915	\$ 6,400	\$ 60,915	\$ 54,156	\$ 6,700	\$ 54,156
Board of directors						
Contributions:						
Corporations, foundations and individuals	59,238	49,795	109,033	68,244		68,244
Contributions of non-financial assets (Note 9)	74,226		74,226	99,519		99,519
Fundraising	23,950		23,950			
Grants	110,500		110,500	129,500	58,000	187,500
Government grants				46,391	981,795	1,028,186
Program underwriting	66,500		66,500	43,750		43,750
Investment income	12,825		12,825	1,004		1,004
Total public support	414,554	49,795	464,349	449,264	1,039,795	1,489,059
Hall revenue:						
Ticket sales	838,932		838,932	706,163		706,163
Hall rental	65,164		65,164	45,500		45,500
Recording fees	10,550		10,550	12,900		12,900
Ticket handling fees	175,893		175,893	120,906		120,906
Commissions	73,456		73,456	29,461		29,461
Community programming	55,697		55,697	133,505		133,505
Other	202,083		202,083	177,261		177,261
Total hall revenue	1,421,775		1,421,775	1,225,696		1,225,696
Total public support & hall revenue	1,836,329	49,795	1,886,124	1,674,960	1,039,795	2,714,755
Net assets released from restrictions				981,795	(981,795)	
Total revenue and other support	1,836,329	49,795	1,886,124	2,656,755	58,000	2,714,755
Expenses:						
Program Services	1,675,814		1,675,814	1,453,722		1,453,722
Management and General	458,009		458,009	522,401		522,401
Fundraising	62,811		62,811	35,191		35,191
Contributions of non-financial assets - program and administrative expenses	2,196,634		2,196,634	2,011,314		2,011,314
Total expenses	74,226		74,226	99,519		99,519
Changes in net assets	2,270,860		2,270,860	2,110,833		2,110,833
Net assets at beginning of year	(434,531)	49,795	(384,736)	545,922	58,000	603,922
Net assets at end of year	1,196,984	58,000	1,254,984	651,062		651,062
Net assets at end of year	\$ 762,453	\$ 107,795	\$ 870,248	\$ 1,196,984	\$ 58,000	\$ 1,254,984

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2023

	Program Services				Supporting Services			Total
	Program Presentations	Rentals and Recordings	Community Programming	Total	Management and General	Fund Raising		
Salaries	\$ 211,658	\$ 105,828	\$ 105,828	\$ 423,314	\$ 151,048	\$ 21,578	\$ 595,940	
Payroll taxes	18,646	9,323	9,323	37,292	13,307	1,901	52,500	
Employee benefits	10,840	5,420	5,420	21,680	7,737	1,105	30,522	
Total salaries and related expenses	241,144	120,571	120,571	482,286	172,092	24,584	678,962	
Artist Fees	623,120		15,550	638,670			638,670	
Marketing & Printing	193,266	16,507	566	210,339			210,339	
Hall Rent					1		1	
Production Equipment Rental	26,470	7,475		33,945			33,945	
Hall Cleaning	14,725	9,869		24,594			24,594	
Security	20,945	17,503		38,448			38,448	
Sound Tech Services	20,890	8,105	2,000	30,995			30,995	
Other Production Expense	99,692	6,882	1,820	108,394			108,394	
Contract Services Expenses			6,567	6,567			6,567	
Dues & Fees					4,297		4,297	
Fundraising expenses						37,662	37,662	
Insurance					69,388		69,388	
Repairs and maintenance					75,580		75,580	
Office expense					4,124		4,124	
Leased equipment					1,740		1,740	
Professional fees					12,652		12,652	
IT services	8,730			8,730	520		9,250	
Credit card charges	40,960			40,960			40,960	
Payroll service					4,308		4,308	
Bank service charges					1,232		1,232	
Utilities and telephone					64,359		64,359	
Postage	1,695			1,695			2,260	
Concession expense	50,191			50,191			50,191	
Miscellaneous					5,862		5,862	
Interest					13,750		13,750	
Programming and industry research expenses					3,727		3,727	
Depreciation					24,377		24,377	
Total expenses	\$ 1,341,828	\$ 186,912	\$ 147,074	\$ 1,675,814	\$ 458,009	\$ 62,811	\$ 2,196,634	

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2022

	Program Services				Supporting Services			
	Program Presentations	Rentals and Recordings	Community Programming	Total	Management and General	Fund Raising	Total	
Salaries	\$ 180,634	\$ 90,531	\$ 90,531	\$ 361,696	\$ 137,410	\$ 19,630	\$ 518,736	
Payroll taxes	22,234	4,765	4,765	31,764	12,053	1,721	45,538	
Employee benefits	18,154	4,051	3,730	25,935	10,168	1,453	37,556	
Total salaries and related expenses	221,022	99,347	99,026	419,395	159,631	22,804	601,830	
Artist Fees	517,199		10,850	528,049			528,049	
Marketing & Printing	167,628	12,018	710	180,356			180,356	
Hall Rent					1		1	
Production Equipment Rental	12,635	7,820		20,455			20,455	
Hall Cleaning	10,003	9,359	160	19,522			19,522	
Security	20,569	18,905		39,474			39,474	
Sound Tech Services	21,485	7,950		29,435			29,435	
Other Production Expense	78,728	6,799	245	85,772			85,772	
Contract Services Expenses			72,314	72,314			72,314	
Dues & Fees					3,307		3,307	
Fundraising expenses						11,449	11,449	
Insurance					62,762		62,762	
Repairs and maintenance						111,635	111,635	
Office expense					3,008		3,008	
Leased equipment					1,740		1,740	
Professional fees					52,704	938	53,642	
IT services	10,129			10,129	3,374		13,503	
Credit card charges	27,167			27,167			27,167	
Payroll service					5,588		5,588	
Bank service charges	188			188	1,105		1,293	
Utilities and telephone					64,794		64,794	
Postage					2,945		2,945	
Concession expense	21,466			21,466			21,466	
Miscellaneous					8,883		8,883	
Interest					13,750		13,750	
Programming and industry research expenses					2,127		2,127	
Depreciation					25,047		25,047	
Total expenses	<u>\$ 1,108,219</u>	<u>\$ 162,198</u>	<u>\$ 183,305</u>	<u>\$ 1,453,722</u>	<u>\$ 522,401</u>	<u>\$ 35,191</u>	<u>\$ 2,011,314</u>	

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF CASH FLOWS
 Years Ended June 30, 2023 and 2022

INCREASE (DECREASE) IN CASH

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (384,736)	\$ 618,922
Adjustments to reconcile change in net assets		
to net cash provided by (used in) operating activities		
Depreciation	24,377	25,047
Gifts - in-kind - equipment		(15,000)
(AIncrease) decrease in:		
Accounts and contributions receivable	6,019	75,872
Grants receivable		9,900
Pledges receivable	(16,029)	
Prepaid expenses	1,103	21,124
Increase (decrease) in:		
Accounts payable	9,138	796
Accrued expenses	654	27,878
Rental ticket sales payable	(40,011)	49,955
Deferred revenue	70,699	(240,135)
Net cash provided by operating activities	<u>(328,786)</u>	<u>574,359</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(171,091)</u>	<u>(10,029)</u>
Net cash (used in) investing activities	<u>(171,091)</u>	<u>(10,029)</u>
Increase (decrease) in cash and cash equivalents	(499,877)	564,330
CASH AND CASH EQUIVALENTS, beginning of year	<u>1,517,713</u>	<u>953,383</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 1,017,836</u>	<u>\$ 1,517,713</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for Interest	<u>\$ 19,224</u>	<u>\$</u>

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2023 and 2022

1. Nature of Operations

Troy Savings Bank Music Hall Corporation ("the Corporation") is a not-for-profit Corporation formed in 1979 to manage and operate the Troy Savings Bank Music Hall ("Hall") performing arts facility which is housed in the Troy Savings Bank Building. The mission of the Corporation is to develop the full potential of the Hall as a performing arts center, and a community resource; and to encourage and facilitate other organizations in presenting or recording performances by providing marketing, technical, and other assistance; and to manage and maintain the Hall. In 1999, the Troy Savings Bank Building was converted into a condominium property which divided the building into two condominium units – one for the banking area and another for the Music Hall portion of the building. The banking unit was owned by Key Bank, N.A. and the Music Hall unit is owned by the Troy Savings Bank Music Hall Foundation, a private operating foundation. During the fiscal year ended June 30, 2019, Key Bank, N.A. donated the banking unit to the Corporation as discussed in Note 8. The Troy Savings Bank Building was built in 1875 and is listed on the National Register of Historic Places and in 1989 was classified as a National Historic Landmark.

2. Summary of Significant Accounting Policies

Basis of Presentation:

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

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Corporation. These net assets may be used at the discretion of the Corporation's management and the Board of Directors. The Corporation's board may designate assets without restrictions for specific operational purposes from time to time.

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

The Corporation's net assets without restrictions are further classified for display purposes as follows:

Operating - used to account for the transactions related to the services provided by the Corporation and for its general operations.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

2. Summary of Significant Accounting Policies, continued

Basis of Presentation, continued:

Fixed assets – used to account for fixed asset transactions including acquisitions and depreciation expense.

Use of estimates:

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

Concentrations of credit risk:

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist principally of cash and accounts receivable. The Company maintains its cash in bank deposit accounts with a bank with a high credit quality financial institution. The balances are insured by the Federal Deposit Insurance Corporation and at times may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution. At June 30, 2023 the Corporation had cash deposits with the bank in excess of FDIC insured limits. The financial institution has a strong credit rating and management believes that the credit risk related to the deposits is minimal.

Cash and cash equivalents:

The Corporation considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Agency Funds:

The corporation is the fiscal agent for the Troy Cultural Alliance, The Troy Savings Bank Condominium and Troy Chromatic Concerts, Inc.

Accounts receivable:

The Corporation's accounts receivables consist of amounts due for various services provided. Unsecured credit is extended to various organizations that use the Corporation's facilities.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

2. Summary of Significant Accounting Policies, continued

Land, buildings and equipment:

Land, buildings and equipment are reported in the state of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All land and buildings are capitalized. Equipment is capitalized if it has a cost of \$5,000 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Building and improvements	39 years
Leasehold improvements	10-39 years
Furnishings and equipment	5 - 7 years
Website	3 years

Land, buildings and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

- 1) The Corporation received a building (banking unit condominium) donation during the fiscal year ended June 30, 2019. As the banking unit condominium is not being utilized as renovation plans are currently on hold and not in service, no depreciation has been recorded on the building.

Construction in progress (Note 5) consists of improvements to the banking unit condominium. No depreciation is provided during the period of construction.

Rental ticket sales payable:

Rental ticket sales payable consists of advance ticket sales collected on behalf of organizations renting the hall for future performances. Rental ticket revenue is settled with the renting organization at the conclusion of the event.

Deferred revenue:

Deferred revenue includes advance ticket sales and underwriting collections received but not yet earned. Also included in deferred revenue are grants for program and operational support to be utilized in the following year.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

2. Summary of Significant Accounting Policies, continued

Accounting for contributions:

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Advertising:

Advertising costs consist primarily of costs directly related to performances held at the Hall and are expensed upon completion of the performances. Advertising costs amounted to \$210,339 and \$180,356 for the years ended June 30, 2023 and 2022, respectively.

Income taxes:

The Corporation has been determined by the Internal Revenue Service to be exempt from federal income tax under Section (501)(c)(3) of the Internal Revenue Code and similar provisions of the New York State Tax Code.

The Corporation has adopted FASB ASC 740-10.25, *Accounting for Uncertainty in Income Taxes*. The adoption of this standard resulted in no uncertain tax benefits or provisions identified and recorded as a liability or asset. The Corporation believes that there are no tax positions taken or expected to be taken that would significantly increase or decrease unrecognized tax benefits within 12 months of the reporting date.

None of the Corporation's Federal or State income tax returns are currently under examination by the Internal Revenue Service or State authorities.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

2. Summary of Significant Accounting Policies, continued

Functional Expense Allocation:

ASU No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* requires disclosure of the description of the methods used to allocate costs among program and support functions.

The costs of the Corporation's program and supporting activities have been summarized on a functional basis in the statements of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Salaries and benefits and costs common to multiple functions have been allocated based on estimates of time and effort.

Supporting expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Corporation.

3. Liquidity and Availability of Resources

Financial assets available for general expenditure, this is, without donor or other restrictions limiting their use, within one year of the statements of financial position date consisted of the following at June 30:

	<u>2023</u>	<u>2022</u>
Total current assets	\$1,068,738	\$1,569,831
Less: prepaid expenses	(11,537)	(12,640)
Cash - agency funds held	(28,397)	(30,058)
Cash - designated - rental ticket sales	(9,944)	(49,955)
Cash - subject to satisfaction of grant restrictions	<u>(107,795)</u>	<u>(58,000)</u>
	<u><u>\$ 911,065</u></u>	<u><u>\$ 1,419,178</u></u>

The Corporation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statements of financial position date.

As more fully described in Note 6, the Corporation also has a committed line of credit in the amount of \$100,000, which it could draw upon in the event of an unanticipated liquidity level.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued
June 30, 2023 and 2022

4. Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

	<u>2023</u>	<u>2022</u>
Cash - unrestricted	\$ 900,097	\$ 1,409,758
Cash - designated - rental ticket sales	9,944	49,955
Cash - subject to satisfaction of grant restrictions	107,795	58,000
	<u>\$ 1,017,836</u>	<u>\$ 1,517,713</u>

5. Property and Equipment

Property and equipment consists of the following at June 30:

	<u>2023</u>	<u>2022</u>
Office equipment	\$ 54,164	\$ 52,611
Music Hall equipment	233,342	233,342
Leasehold improvements	149,322	149,322
Land and building	344,500	344,500
Website	13,150	13,150
Construction in Progress	<u>169,538</u>	<u>964,016</u>
	<u>964,016</u>	<u>792,925</u>
Less: accumulated depreciation	<u>299,007</u>	<u>274,630</u>
	<u>\$ 665,009</u>	<u>\$ 518,295</u>

Depreciation expense for the years ended June 30, 2023 and 2022 was \$24,377 and \$25,047, respectively.

6. Line of Credit

The Corporation has a line of credit agreement with a local bank in the amount of \$100,000 to meet its financing needs. There were no outstanding borrowings at June 30, 2023 and 2022. The line of credit is secured by all business assets. Interest on borrowings is at the prime rate plus 1.5% per annum (9.75% at June 30, 2023).

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

7. Long Term Debt

Long term debt consists of the following at June 30:

	Principal Due	
	2023	2022
U.S. Small Business Administration - EIDL loan	\$ 500,000	\$ 500,000
Less: current portion	<u>8,994</u>	<u>8,994</u>
Long-term portion	<u>\$ 491,006</u>	<u>\$ 500,000</u>

U.S. Small Business Administration - EIDL Program:

Installment note payable, due to the U.S. Small Business Administration (SBA) under the COVID-19 Economic Injury Disaster Loan (EIDL) program, in the original amount of \$500,000, secured by all of the Corporation's tangible and intangible personal property. The Corporation may prepay this note in part or in full at any time, without notice or penalty. Installment payments including principal and interest of \$2,136 monthly were originally to begin twelve (12) months from the original date of the promissory note (April 21, 2020). On March 15, 2022, the SBA announced that it would extend deferment periods for all disaster loans, including COVID EIDL loans with payments to begin thirty (30) months from the original date of the promissory note. The balance of principal and interest will be payable thirty (30) years from the date that the promissory note payments begin with a maturity date of September 30, 2052. Interest will accrue at the rate of two and three-quarter percent (2.75%) per annum.

Long term debt principal payments required for succeeding years are as follows:

Year Ending
<u>June 30,</u>
2024
2025
2026
2027
2028
Thereafter

2024	\$ 8,994
2025	12,283
2026	12,626
2027	12,977
2028	13,338
Thereafter	<u>439,782</u>
	<u>\$ 500,000</u>

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

8. Net Assets

Net assets without donor restrictions:

Net assets without donor restrictions at June 30, 2023 and 2022 and the change in net assets during these years is as follows:

	<u>Without Restrictions</u>		Temporarily Restricted	Total
	Operating	Fixed Assets		
Balance at June 30, 2021	\$ 132,749	\$ 518,313	651,062	651,062
Excess of revenues over expenses	(410,826)		(410,826)	1,039,795
Net assets released from restrictions	981,795		981,795	(981,795)
Equipment purchases funded by operating fund	(10,029)	10,029	(25,047)	(25,047)
Depreciation		(25,047)		(25,047)
Gifts-in-kind contribution - equipment		15,000	15,000	15,000
Balance at June 30, 2022	<u>693,689</u>	<u>518,295</u>	<u>1,211,984</u>	<u>58,000</u>
Excess of expenses over revenues	(410,154)		(410,154)	49,795
Net assets released from restrictions			-	(360,359)
Equipment purchases funded by operating fund	(171,091)	171,091	(24,377)	(24,377)
Depreciation		(24,377)		(24,377)
Balance at June 30, 2023	<u>\$ 112,444</u>	<u>\$ 665,009</u>	<u>\$ 777,453</u>	<u>\$ 107,795</u>
				<u>\$ 885,248</u>

Net assets with donor restrictions:

Net assets with donor restrictions consist of the following as of June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for specified purpose:		
Capital improvements	<u>\$ 107,795</u>	<u>\$ 58,000</u>

During 2023 and 2022, the Corporation received restricted program funding from the following:

	<u>2023</u>	<u>2022</u>
Program Funding:		
New York State Council on the Arts	<u>\$ 55,000</u>	<u>\$ 69,500</u>

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

8. Net Assets, continued

This funding requires the fulfillment of certain restrictions as set forth in the respective award agreements. The Corporation expended all of its funding received from the grantors listed above in accordance with the terms of the awards. In accordance with FASB ASC No. 958-Not-for-Profit Entities, these amounts have been reflected as unrestricted grants on the statements of activities, as they were received and expended within the same reporting period.

9. Contributions of Non-Financial Assets

The Corporation receives contributions in a form other than cash or investments. The contributions are recorded at the date of gift and as expenses when the donated items are placed into service or distributed. The contributions are recorded in accordance with Accounting Standard Update (ASU) 2020-07 – Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets.

The Corporation recorded the following contributions in-kind support as if purchased at fair market value during the years ended June 30, 2023 and 2022 as follows:

	June 30, 2023	June 30, 2022
Concert and Production Expenses		
Printing and marketing	\$ 5,128	\$ 9,860
Hall rental	58,999	58,999
Equipment rental	3,300	3,335
Total Program	<u>67,427</u>	<u>72,194</u>
General and Administrative		
Professional services	4,565	11,375
Other	2,234	950
Total Administrative	<u>6,799</u>	<u>12,325</u>
Total Program and Administrative Expenses	74,226	84,519
Equipment		15,000
Total Contributions of Non-Financial Assets	<u>\$ 74,226</u>	<u>\$ 99,519</u>

Valuation techniques and inputs used to arrive at fair value of in-kind contributions are as follows:

A. Printing and marketing

Third-party estimates using billing rates in like circumstances.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

9. Contributions of Non-Financial Assets, continued

B. Hall rental

Donated use of facilities is reported as contributions and as expenses at the estimated fair value of similar space for rent under similar conditions. If the use of the space is promised unconditionally for a period greater than one year, the contribution is reported as a contribution and an unconditional promise to give at the date of gift, and the expense is reported over the term of use.

C. Equipment rental

Third-party estimates using billing rates in like circumstances.

D. Professional services

The Corporation receives donated professional services that would typically be purchased if not provided as an in-kind contribution. These services, which require specialized skills, are recognized as in-kind contributions at fair value when the services are provided and are expensed when the services are rendered. The estimated fair value of these professional services is provided by the service provider, who estimates the fair value based on the date, time, and market in which each service is rendered.

E. Other

Other in-kind contributions consist primarily of contributions of product and rental space utilized for volunteer and gala reception which are used to defray program costs, or as part of fundraising events. These items are recognized as in-kind contributions at fair value, with a corresponding expense, as they are used. The Corporation values these items at either face value or fair value on the date received depending on the nature of the item.

F. Land, Building or Equipment

If the Corporation receives a contribution of land, buildings, or equipment, the contributed asset is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the Corporation's capitalization policy.

There are no restrictions on the in-kind contributions received.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

9. Contributions of Non-Financial Assets, continued

The Corporation benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the Corporation's program operations and in its fundraising campaigns. However, these contributed services do not meet the criteria for recognition in financial statements. GAAP allows recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills.

10. COVID-19 Relief Option Funds

The Corporation received various sources of funds from the Federal Government to provide financial relief from the pandemic during the fiscal year ended June 30, 2022 as follows:

Employee Retention credits	(A)	\$ 46,391
Shuttered Venue Operators Grants	(B)	<u>981,795</u>
<u>\$ 1,028,186</u>		

The Corporation has recorded these funds as a component of government grants revenue on the statements of activities for the year ended June 30, 2022.

The details of this funding is as follows:

A. Employee Retention Credits:

The Corporation was eligible for the Employee Retention Credit (CARES Employee Retention Credit) which is a refundable tax credit against certain employment taxes for eligible employers. During the fiscal year ended June 30, 2022, the Corporation recognized \$46,391 as a component of government grants in the statements of activities.

B. Shuttered Venue Operators Grant (SVOG):

In July 2021, the Corporation applied for a grant under the Shuttered Venue Operating Grant (SVOG) program. The Corporation was approved for funding with an initial award of \$563,989 received on July 20, 2021, a reconsideration award of \$90,541 received on October 6, 2021 and a supplemental award of \$327,265 received on November 16, 2021. The U.S. Small Business Administration issued a notice of award on November 10, 2021 totaling \$981,795 for the three award amounts. The funding under this program covered eligible expenditures incurred by the Corporation between March 1, 2020 and June 30, 2022 in the amount of \$981,795. There were no unexpended funds at June 30, 2022.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

11. Lease Commitments

The Corporation has a lease agreement with the Troy Savings Bank Music Hall Foundation (Foundation) for use of the Troy Savings Bank Music Hall. A lease was entered into for three performance seasons commencing on September 1, 2016 through June 30, 2019 in the amount of \$1.00, annually which was extended until August 13, 2019. Based on a previous lease agreement that ended on June 30, 2013, the fair value annual rent amount was \$59,000 calculated on actual annual paid rent in prior years. The reduction from the fair value rent amount (\$58,999) has been recorded as a gift-in-kind contribution.

The lease agreement has been extended to a 10 year lease at \$1 per year for the first 5 years and \$59,000 per year for the remaining five years. Additionally, the lease agreement contains an option to purchase the Music Hall unit after 5 years.

Components of rental expense associated with the Troy Savings Bank Music Hall lease for the years ended June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Rent expense paid	<u>\$ 1</u>	<u>\$ 1</u>

The Corporation also leases equipment under a long-term operating lease agreement expiring at June 30, 2024. Operating lease expense amounted to \$1,740 and \$1,740 for the years ended June 30, 2023 and 2022, respectively.

Future minimum lease payments by year, under non-cancelable operating leases with initial terms of one year or more, for the five succeeding years and thereafter are as follows:

	<u>Hall</u>	<u>Equipment</u>
June 30, 2024	1	1,740
June 30, 2025	59,000	
June 30, 2026	59,000	
June 30, 2027	59,000	
June 30, 2028	59,000	
Thereafter	59,000	
	<u>\$ 295,001</u>	<u>\$ 1,740</u>

12. Interfund Transfers

During the years ended June 30, 2023 and 2022, the Board of Directors authorized transfers from the Operating Fund to the Fixed Asset Fund in the amount of \$171,091 and \$10,029 respectively, representing fixed assets purchased with resources of the Operating Fund.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2023 and 2022

13. Subsequent Events

In accordance with FASB ASC No. 855, *Subsequent Events*, the Corporation has evaluated events and transactions that occurred between June 30, 2023 and April 1, 2024 which is the date these financial statements were available to be issued, for possible disclosures and recognition in the financial statements. With the exception of the matters discussed in the following paragraphs, there were no material subsequent events that required recognition or additional disclosure in these financial statements.

Effective as of November 15, 2022, the Board of Directors of the Corporation and the Board of Directors of Troy Chromatic Concerts approved a plan of merger and authorized the filing of a certificate of merger between the two organizations with Troy Chromatic Concerts becoming a subsidiary of Troy Savings Bank Music Hall Corporation. The merger became effective on July 1, 2023.

The Corporation entered into a grant agreement with New York State Council of the Arts (NYSCA) in the amount of \$3,400,000 on July 1, 2023 to provide funding for the renovation project of the banking unit condominium. The grant will be paid out in installments as the renovation project expenditures are made. In conjunction with the project, the Corporation entered into a revolving line of credit agreement with the Community Loan Fund of the Capital Region, Inc. on December 8, 2023. The line of credit will be used as a funding bridge to make disbursements for the project prior to the receipt of grant funds from NYSCA and other funding sources.

TROY SAVINGS BANK MUSIC HALL CORPORATION

**Financial Statements and Reports Required by the
Uniform Guidance and *Government Auditing Standards***



Years Ended June 30, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Troy Savings Bank Music Hall Corporation
Troy, New York

Opinion

We have audited the accompanying financial statements of Troy Savings Bank Music Hall Corporation (a nonprofit corporation), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Troy Savings Bank Music Hall Corporation as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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 Troy Savings Bank Music Hall 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. The financial statements as of June 30, 2021 and for the year then ended were not audited in accordance with *Government Auditing Standards*.

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 Troy Savings Bank Music Hall Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Troy Savings Bank Music Hall Corporation'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 Troy Savings Bank Music Hall Corporation'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.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Michael A. Tobin & Associates, C.P.A.'s, P.C.

Latham, New York
March 28, 2023

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2022 and 2021

ASSETS	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,517,713	\$ 953,383
Cash - Agency funds held	30,058	27,723
Accounts and contributions receivable, net of allowance for doubtful accounts - 2022 and 2021 - \$264	9,420	85,292
Grants receivable	9,900	
Prepaid expenses	12,640	33,764
Total current assets	<u>1,569,831</u>	<u>1,110,062</u>
PROPERTY AND EQUIPMENT		
Less accumulated depreciation	792,925	767,896
	<u>274,630</u>	<u>249,583</u>
	<u>518,295</u>	<u>518,313</u>
	<u><u>\$ 2,088,126</u></u>	<u><u>\$ 1,628,375</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long term debt	\$ 8,994	\$ 15,093
Accounts payable, net of long-term portion	8,367	7,571
Agency funds payable	30,058	27,723
Rental ticket sales payable	49,955	
Accrued expenses	58,700	30,822
Deferred revenue	130,276	370,411
Total current liabilities	<u>286,350</u>	<u>451,620</u>
LONG-TERM PORTION OF ACCOUNTS PAYABLE	<u>40,786</u>	<u>40,786</u>
LONG TERM DEBT, net of current maturities	<u>491,006</u>	<u>484,907</u>
NET ASSETS		
Net Assets without donor restrictions		
Operating	693,689	132,749
Fixed assets, net	518,295	518,313
Total net assets without donor restrictions	<u>1,211,984</u>	<u>651,062</u>
Net assets with donor restrictions	<u>58,000</u>	<u></u>
Total net assets	<u>1,269,984</u>	<u>651,062</u>
	<u><u>\$ 2,088,126</u></u>	<u><u>\$ 1,628,375</u></u>

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF ACTIVITIES

Years Ended June 30, 2022 and 2021

	2022			2021		
	Without Restrictions	With Restrictions	Total	Without Restrictions	With Restrictions	Total
Revenue and other support:						
Public support:						
Membership income:						
Individual members	\$ 54,156	\$ 6,700	\$ 54,156	\$ 49,470	\$ 4,950	\$ 49,470
Board of directors						
Contributions:						
Corporations, foundations and individuals	68,244		68,244	137,996		137,996
Grants	129,500	58,000	187,500	359,000		359,000
Government grants	46,391	981,795	1,028,186	196,232		196,232
Program underwriting	43,750		43,750	38,950		38,950
Investment income	1,004		1,004	655		655
Total public support	349,745	1,039,795	1,389,540	787,253		787,253
Hall revenue:						
Ticket sales	706,163		706,163	10,631		10,631
Hall rental	45,500		45,500	23,250		23,250
Recording fees	12,900		12,900	20,150		20,150
Ticket handling fees	120,906		120,906	17,609		17,609
Commissions	29,461		29,461	34		34
Program ad income and marketing services						
Community programming	133,505		133,505	118,306		118,306
Other	177,261		177,261	64,152		64,152
Total hall revenue	1,225,696		1,225,696	254,132		254,132
Total public support & hall revenue	1,575,441	1,039,795	2,615,236	1,041,385		1,041,385
Gifts - In-Kind - Goods and Services	84,519		84,519	69,740		69,740
Gifts - In-Kind - Equipment	15,000		15,000			
Net assets released from restrictions	981,795	(981,795)		47,470	(47,470)	
Total revenue and other support	2,656,755	58,000	2,714,755	1,158,595	(47,470)	1,111,125
Expenses:						
Program Services	1,453,722		1,453,722	359,971		359,971
Management and General	522,401		522,401	355,737		355,737
Fundraising	35,191		35,191	35,882		35,882
Gifts - In-Kind - Goods and Services	2,011,314		2,011,314	751,590		751,590
Total expenses	84,519		84,519	69,740		69,740
Changes in net assets	2,095,833		2,095,833	821,330		821,330
Net assets at beginning of year	560,922	58,000	618,922	337,265	(47,470)	289,795
Net assets at end of year	651,062		651,062	313,797	47,470	361,267
	\$ 1,211,984	\$ 58,000	\$ 1,269,984	\$ 651,062	\$	\$ 651,062

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2022

	Program Services				Supporting Services			Total
	Program Presentations	Rentals and Recordings	Community Programming	Total	Management and General	Fund Raising		
Salaries	\$ 180,634	\$ 90,531	\$ 90,531	\$ 361,696	\$ 137,410	\$ 19,630	\$ 518,736	
Payroll taxes	22,234	4,765	4,765	31,764	12,053	1,721	45,538	
Employee benefits	18,154	4,051	3,730	25,935	10,168	1,453	37,556	
Total salaries and related expenses	221,022	99,347	99,026	419,395	159,631	22,804	601,830	
Artist Fees	517,199		10,850	528,049			528,049	
Marketing & Printing	167,628	12,018	710	180,356			180,356	
Hall Rent						1		1
Production Equipment Rental	12,635	7,820		20,455			20,455	
Hall Cleaning	10,003	9,359	160	19,522			19,522	
Security	20,569	18,905		39,474			39,474	
Sound Tech Services	21,485	7,950		29,435			29,435	
Other Production Expense	78,728	6,799	245	85,772			85,772	
Contract Services Expenses			72,314	72,314			72,314	
Dues & Fees					3,307		3,307	
Fundraising expenses						11,449	11,449	
Insurance					62,762		62,762	
Repairs and maintenance					111,635		111,635	
Office expense					3,008		3,008	
Leased equipment					1,740		1,740	
Professional fees					52,704	938	53,642	
IT services	10,129		10,129		3,374		13,503	
Credit card charges	27,167		27,167				27,167	
Payroll service					5,588		5,588	
Bank service charges	188		188		1,105		1,293	
Utilities and telephone					64,794		64,794	
Postage					2,945		2,945	
Concession expense	21,466		21,466				21,466	
Miscellaneous					8,883		8,883	
Interest					13,750		13,750	
Programming and industry research expenses					2,127		2,127	
Depreciation					25,047		25,047	
Total expenses	<u>\$ 1,108,219</u>	<u>\$ 162,198</u>	<u>\$ 183,305</u>	<u>\$ 1,453,722</u>	<u>\$ 522,401</u>	<u>\$ 35,191</u>	<u>\$ 2,011,314</u>	

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2021

	Program Services				Supporting Services		
	Program Presentations	Rentals and Recordings	Community Programming	Total	Management and General	Fund Raising	Total
Salaries	\$ 165,010	\$ 8,294	\$ 16,587	\$ 189,891	\$ 96,758	\$ 13,823	\$ 300,472
Payroll taxes	14,034	725	1,450	16,209	8,459	1,209	25,877
Employee benefits	13,431	790	1,580	15,801	9,217	1,317	26,335
Total salaries and related expenses	192,475	9,809	19,617	221,901	114,434	16,349	352,684
Artist Fees	12,991			12,991			12,991
Marketing & Printing	14,683	1,517	20	16,220		311	16,531
Hall Rent					1		1
Production Equipment Rental	5,300	1,550		6,850			6,850
Hall Cleaning	982	4,221		5,203			5,203
Sound Tech Services	4,950	2,350	400	7,700			7,700
Other Production Expense	2,235	2,280		4,515			4,515
Contract Services Expenses			70,378	70,378			70,378
Dues & Fees					2,763		2,763
Fundraising expenses						18,847	18,847
Insurance					50,890		50,890
Repairs and maintenance					63,254		63,254
Office expense					1,278		1,278
Leased equipment					1,740		1,740
Professional fees					42,175	375	42,550
IT services	6,093			6,093	581		6,674
Credit card charges	8,116	4		8,120			8,120
Payroll service					3,184		3,184
Bank service charges					515		515
Utilities and telephone					34,612		34,612
Postage					1,092		1,092
Miscellaneous					1,571		1,571
Interest					16,326		16,326
Programming and industry research expenses					1,048		1,048
Depreciation					20,273		20,273
Total expenses	<u>\$ 247,825</u>	<u>\$ 21,731</u>	<u>\$ 90,415</u>	<u>\$ 359,971</u>	<u>\$ 355,737</u>	<u>\$ 35,882</u>	<u>\$ 751,590</u>

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

STATEMENTS OF CASH FLOWS
 Years Ended June 30, 2022 and 2021

INCREASE (DECREASE) IN CASH

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 618,922	\$ 289,795
Adjustments to reconcile change in net assets		
to net cash provided by (used in) operating activities		
Depreciation	25,047	20,273
Gifts - in-kind - equipment	(15,000)	
Loss on disposal of equipment		196
Loan forgiveness - PPP		(87,000)
(Increase) decrease in:		
Accounts and contributions receivable	75,872	(82,391)
Grants receivable	9,900	
Prepaid expenses	21,124	(1,467)
Increase (decrease) in:		
Accounts payable	796	(6,240)
Accrued expenses	27,878	16,902
Rental ticket sales payable	49,955	(10,620)
Deferred revenue	(240,135)	180,624
Net cash provided by operating activities	<u>574,359</u>	<u>320,072</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture and equipment	(10,029)	(76,285)
Net cash (used in) investing activities	<u>(10,029)</u>	<u>(76,285)</u>
Increase in cash and cash equivalents	564,330	243,787
CASH AND CASH EQUIVALENTS, beginning of year	<u>953,383</u>	<u>709,596</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 1,517,713</u>	<u>\$ 953,383</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for Interest	<u>\$ 14</u>	

See notes to financial statements

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

1. Nature of Operations

Troy Savings Bank Music Hall Corporation ("the Corporation") is a not-for-profit Corporation formed in 1979 to manage and operate the Troy Savings Bank Music Hall ("Hall") performing arts facility which is housed in the Troy Savings Bank Building. The mission of the Corporation is to develop the full potential of the Hall as a performing arts center, and a community resource; and to encourage and facilitate other organizations in presenting or recording performances by providing marketing, technical, and other assistance; and to manage and maintain the Hall. In 1999, the Troy Savings Bank Building was converted into a condominium property which divided the building into two condominium units – one for the banking area and another for the Music Hall portion of the building. The banking unit was owned by Key Bank, N.A. and the Music Hall unit is owned by the Troy Savings Bank Music Hall Foundation, a private operating foundation. During the fiscal year ended June 30, 2019, Key Bank, N.A. donated the banking unit to the Corporation as discussed in Note 8. The Troy Savings Bank Building was built in 1875 and is listed on the National Register of Historic Places and in 1989 was classified as a National Historic Landmark.

2. Summary of Significant Accounting Policies

Basis of Presentation:

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

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Corporation. These net assets may be used at the discretion of the Corporation's management and the Board of Directors. The Corporation's board may designate assets without restrictions for specific operational purposes from time to time.

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

The Corporation's net assets without restrictions are further classified for display purposes as follows:

Operating - used to account for the transactions related to the services provided by the Corporation and for its general operations.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2022 and 2021

2. Summary of Significant Accounting Policies, continued

Basis of Presentation, continued:

Fixed assets – used to account for fixed asset transactions including acquisitions and depreciation expense.

Use of estimates:

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

Concentrations of credit risk:

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist principally of cash and accounts receivable. The Company maintains its cash in bank deposit accounts with a bank with a high credit quality financial institution. The balances are insured by the Federal Deposit Insurance Corporation and at times may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution. At June 30, 2022 the Corporation had cash deposits with the bank in excess of FDIC insured limits. The financial institution has a strong credit rating and management believes that the credit risk related to the deposits is minimal.

Cash and cash equivalents:

The Corporation considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Agency Funds:

The corporation is the fiscal agent for the Troy Cultural Alliance and The Troy Savings Bank Condominium.

Accounts receivable:

The Corporation's accounts receivables consist of amounts due for various services provided. Unsecured credit is extended to various organizations that use the Corporation's facilities.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2022 and 2021

2. Summary of Significant Accounting Policies, continued

Land, buildings and equipment:

Land, buildings and equipment are reported in the state of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All land and buildings are capitalized. Equipment is capitalized if it has a cost of \$5,000 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Building and improvements	39 years
Leasehold improvements	10-39 years
Furnishings and equipment	5 - 7 years
Website	3 years

Land, buildings and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

- 1) The Corporation received a building (banking unit condominium) donation during the fiscal year ended June 30, 2019. As the banking unit condominium is not being utilized as renovation plans are currently on hold and not in service, no depreciation has been recorded on the building.

Rental ticket sales payable:

Rental ticket sales payable consists of advance ticket sales collected on behalf of organizations renting the hall for future performances. Rental ticket revenue is settled with the renting organization at the conclusion of the event.

Deferred revenue:

Deferred revenue includes advance ticket sales and underwriting collections received but not yet earned. Also included in deferred revenue are grants for program and operational support to be utilized in the following year.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2022 and 2021

2. Summary of Significant Accounting Policies, continued

Accounting for contributions:

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Advertising:

Advertising costs consist primarily of costs directly related to performances held at the Hall and are expensed upon completion of the performances. Advertising costs amounted to \$180,356 and \$16,531 for the years ended June 30, 2022 and 2021, respectively.

Income taxes:

The Corporation has been determined by the Internal Revenue Service to be exempt from federal income tax under Section (501)(c)(3) of the Internal Revenue Code and similar provisions of the New York State Tax Code.

The Corporation has adopted FASB ASC 740-10.25, *Accounting for Uncertainty in Income Taxes*. The adoption of this standard resulted in no uncertain tax benefits or provisions identified and recorded as a liability or asset. The Corporation believes that there are no tax positions taken or expected to be taken that would significantly increase or decrease unrecognized tax benefits within 12 months of the reporting date.

None of the Corporation's Federal or State income tax returns are currently under examination by the Internal Revenue Service or State authorities.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2022 and 2021

2. Summary of Significant Accounting Policies, continued

Functional Expense Allocation:

ASU No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* requires disclosure of the description of the methods used to allocate costs among program and support functions.

The costs of the Corporation’s program and supporting activities have been summarized on a functional basis in the statements of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Salaries and benefits and costs common to multiple functions have been allocated based on estimates of time and effort.

Supporting expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Corporation.

Impact of COVID-19:

Global and domestic responses to COVID-19 continue to rapidly evolve. Given the fluid nature of COVID-19 and the ongoing collective response to the outbreak, management is unable to determine the full financial impact on the Corporation. Management acknowledges, however, that COVID-19 could be disruptive and have an impact on its future revenues, expenses, and overall financial condition.

Reclassification of Prior Year Presentation:

Certain reclassifications have been made to the 2021 financial statements to conform to the current year presentation. These reclassifications had no effect on the results of operations or net assets of the prior year.

TROY SAVINGS BANK MUSIC HALL CORPORATION**NOTES TO FINANCIAL STATEMENTS, continued**June 30, 2022 and 2021**3. Liquidity and Availability of Resources**

Financial assets available for general expenditure, this is, without donor or other restrictions limiting their use, within one year of the statements of financial position date consisted of the following at June 30:

	<u>2022</u>	<u>2021</u>
Total current assets	\$ 1,569,831	\$ 1,110,062
Less: prepaid expenses	(12,640)	(33,764)
Cash - agency funds held	(30,058)	(27,723)
Cash - designated - rental ticket sales	(49,955)	
Cash - subject to satisfaction of grant restrictions	(58,000)	
	<u>\$ 1,419,178</u>	<u>\$ 1,048,575</u>

The Corporation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statements of financial position date.

As more fully described in Note 6, the Corporation also has a committed line of credit in the amount of \$100,000, which it could draw upon in the event of an unanticipated liquidity level.

4. Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

	<u>2022</u>	<u>2021</u>
Cash - unrestricted	\$ 1,409,758	\$ 953,383
Cash - designated - rental ticket sales	49,955	
Cash - subject to satisfaction of grant restrictions	58,000	
	<u>\$ 1,517,713</u>	<u>\$ 953,383</u>

TROY SAVINGS BANK MUSIC HALL CORPORATION**NOTES TO FINANCIAL STATEMENTS, continued**June 30, 2022 and 2021**5. Property and Equipment**

Property and equipment consists of the following at June 30:

	<u>2022</u>	<u>2021</u>
Office equipment	\$ 52,611	\$ 51,908
Music Hall equipment	233,342	209,016
Leasehold improvements	149,322	149,322
Land and building	344,500	344,500
Website	<u>13,150</u>	<u>13,150</u>
	<u>792,925</u>	<u>767,896</u>
Less: accumulated depreciation	<u>274,630</u>	<u>249,583</u>
	<u><u>\$ 518,295</u></u>	<u><u>\$ 518,313</u></u>

Depreciation expense for the years ended June 30, 2022 and 2021 was \$25,047 and \$20,273, respectively.

6. Line of Credit

The Corporation has a line of credit agreement with a local bank in the amount of \$100,000 to meet its financing needs. There were no outstanding borrowings at June 30, 2022 and 2021. The line of credit is secured by all business assets. Interest on borrowings is at the prime rate plus 1.5% per annum (6.25% at June 30, 2022).

7. Long Term Debt

Long term debt consists of the following at June 30:

	Principal Due	
	<u>2022</u>	<u>2021</u>
U.S. Small Business Administration - EIDL loan	\$ 500,000	\$ 500,000
Less: current portion	<u>8,994</u>	<u>15,093</u>
Long-term portion	<u><u>\$ 491,006</u></u>	<u><u>\$ 484,907</u></u>

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2022 and 2021

7. Long Term Debt, continued

U.S. Small Business Administration - EIDL Program:

Installment note payable, due to the U.S. Small Business Administration (SBA) under the COVID-19 Economic Injury Disaster Loan (EIDL) program, in the original amount of \$500,000, secured by all of the Corporation's tangible and intangible personal property. The Corporation may prepay this note in part or in full at any time, without notice or penalty. Installment payments including principal and interest of \$2,136 monthly were originally to begin twelve (12) months from the original date of the promissory note (April 21, 2020). On March 15, 2022, the SBA announced that it would extend deferment periods for all disaster loans, including COVID EIDL loans with payments to begin thirty (30) months from the original date of the promissory note. The balance of principal and interest will be payable thirty (30) years from the date that the promissory note payments begin with a maturity date of September 30, 2052. Interest will accrue at the rate of two and three-quarter percent (2.75%) per annum.

Long term debt principal payments required for succeeding years are as follows:

<u>Year Ending</u>	
<u>June 30,</u>	
2023	\$ 8,994
2024	12,283
2025	12,626
2026	12,977
2027	13,338
Thereafter	439,782
	<u>\$ 500,000</u>

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2022 and 2021

8. Net Assets

Net assets without donor restrictions:

Net assets without donor restrictions at June 30, 2022 and 2021 and the change in net assets during these years is as follows:

	<u>Operating</u>	<u>Without Restrictions</u>		<u>Temporarily Restricted</u>	
		<u>Fixed Assets</u>	<u>Total</u>		<u>Total</u>
Balance at June 30, 2020	\$ (148,700)	\$ 462,497	313,797		313,797
Excess of revenues over expenses	310,264		310,264		310,264
Net assets released from restrictions	47,470		47,470		47,470
Equipment purchases funded by operating fund	(76,285)	76,285	(20,273)		(20,273)
Depreciation		(20,273)	(196)		(196)
Loss on disposal		(196)	(196)		(196)
Balance at June 30, 2021	132,749	518,313	651,062		651,062
Excess of expenses over revenues	(410,826)		(410,826)	1,039,795	628,969
Net assets released from restrictions	981,795		981,795	(981,795)	
Equipment purchases funded by operating fund	(10,029)	10,029	(25,047)		(25,047)
Depreciation		(25,047)	15,000	15,000	15,000
Gifts-in-kind contribution - equipment		15,000	15,000		15,000
Balance at June 30, 2022	<u>\$ 693,689</u>	<u>\$ 518,295</u>	<u>\$ 1,211,984</u>	<u>\$ 58,000</u>	<u>\$ 1,269,984</u>

Net assets with donor restrictions:

Net assets with donor restrictions consist of the following as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
Capital improvements	<u>\$ 58,000</u>	<u>\$</u>

During 2022 and 2021, the Corporation received restricted program funding from the following:

	<u>2022</u>	<u>2021</u>
Program Funding:		
New York State Council on the Arts	<u>\$ 69,500</u>	<u>\$ 49,500</u>

TROY SAVINGS BANK MUSIC HALL CORPORATION**NOTES TO FINANCIAL STATEMENTS, continued**June 30, 2022 and 2021**8. Net Assets, continued**

This funding requires the fulfillment of certain restrictions as set forth in the respective award agreements. The Corporation expended all of its funding received from the grantors listed above in accordance with the terms of the awards. In accordance with FASB ASC No. 958-Not-for-Profit Entities, these amounts have been reflected as unrestricted grants on the statements of activities, as they were received and expended within the same reporting period.

9. Gifts-In-Kind Contributions

The Corporation receives contributions in a form other than cash or investments. The contributions are recorded at the date of gift and as expenses when the donated items are placed into service or distributed. If the Corporation receives a contribution of land, buildings, or equipment, the contributed asset is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the Corporation's capitalization policy. Donated use of facilities is reported as contributions and as expenses at the estimated fair value of similar space for rent under similar conditions. If the use of the space is promised unconditionally for a period greater than one year, the contribution is reported as a contribution and an unconditional promise to give at the date of gift, and the expense is reported over the term of use.

The Corporation recorded the following contributions in-kind support as if purchased at fair market value during the years ended June 30, 2022 and 2021 as follows:

	June 30, 2022	June 30, 2021
Concert and Production Expenses		
Printing and marketing	\$ 9,860	\$
Hall rental	58,999	58,999
Equipment rental	3,335	4,025
Total Program	<u>\$ 72,194</u>	<u>\$ 63,024</u>
General and Administrative		
Professional fees	\$ 11,375	\$ 1,500
Other	950	5,216
Total Administrative	<u>\$ 12,325</u>	<u>\$ 6,716</u>
Total In-Kind Contributions	<u><u>\$ 84,519</u></u>	<u><u>\$ 69,740</u></u>

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2022 and 2021

9. Gifts-In-Kind Contributions, continued

The Corporation benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the Corporation's program operations and in its fundraising campaigns. However, these contributed services do not meet the criteria for recognition in financial statements. GAAP allows recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills.

10. COVID-19 Relief Option Funds

The Corporation received various sources of funds from the Federal Government to provide financial relief from the pandemic during the fiscal years ended June 30, 2022 and 2021 as follows:

		<u>2022</u>	<u>2021</u>
Paycheck Protection Program - loan forgiveness	(A)	\$ 87,000	
Employee Retention credits	(B)	46,391	109,232
Shuttered Venue Operators Grants	(C)	<u>981,795</u>	<u> </u>
		<u><u>\$ 1,028,186</u></u>	<u><u>\$ 196,232</u></u>

The Corporation has recorded these funds as a component of government grants revenue on the statements of activities for the years ended June 30, 2022 and 2021.

The details of this funding is as follows:

A. Paycheck Protection Program:

On April 17, 2020, the Corporation received \$87,000 in loan funding from the Paycheck Protection Program (PPP), established pursuant to the recently enacted Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and administered by the U.S. Small Business Administration. The Corporation applied for forgiveness of the PPP loan during May 2021 and the SBA approved the forgiveness application in full on May 20, 2021. Based on the forgiveness requirements met, \$87,000 has been recognized as a component of government grants in the statements of activities for the year ended June 30, 2021 in accordance with ASC 985-605, not-for-profit entities, revenue recognition as a conditional contribution with all barriers being met.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2022 and 2021

10. COVID-19 Relief Option Funds, continued

B. Employee Retention Credits:

The Corporation was eligible for the Employee Retention Credit (CARES Employee Retention Credit) which is a refundable tax credit against certain employment taxes for eligible employers. During the fiscal years ended June 30, 2022 and 2021, the Corporation has recognized \$46,391 and \$109,232, respectively, as a component of government grants in the statements of activities.

C. Shuttered Venue Operators Grant (SVOG):

In July 2021, the Corporation applied for a grant under the Shuttered Venue Operating Grant (SVOG) program. The Corporation was approved for funding with an initial award of \$563,989 received on July 20, 2021, a reconsideration award of \$90,541 received on October 6, 2021 and a supplemental award of \$327,265 received on November 16, 2021. The U.S. Small Business Administration issued a notice of award on November 10, 2021 totaling \$981,795 for the three award amounts. The funding under this program covered eligible expenditures incurred by the Corporation between March 1, 2020 and June 30, 2022 in the amount of \$981,795. There were no unexpended funds at June 30, 2022.

The Shuttered Venue Operations Grant program was created when the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (the Act) was signed into law on December 27, 2020. The Act provided much-needed capital to eligible governments, not-for-profits, and for-profit entities that include, among others, live venue operators, movie theaters, museums, zoos, and aquariums. In total, approximately \$15 billion has been appropriated towards funding the SVOG program, which will be administered by the Small Business Administration (SBA), to help eligible organizations weather the pandemic.

11. Lease Commitments

The Corporation has a lease agreement with the Troy Savings Bank Music Hall Foundation (Foundation) for use of the Troy Savings Bank Music Hall. A lease was entered into for three performance seasons commencing on September 1, 2016 through June 30, 2019 in the amount of \$1.00, annually which was extended until August 13, 2019. Based on a previous lease agreement that ended on June 30, 2013, the fair value annual rent amount was \$59,000 calculated on actual annual paid rent in prior years. The reduction from the fair value rent amount (\$58,999) has been recorded as a gift-in-kind contribution.

TROY SAVINGS BANK MUSIC HALL CORPORATION**NOTES TO FINANCIAL STATEMENTS, continued**June 30, 2022 and 2021**11. Lease Commitments, continued**

The lease agreement has been extended to a 10 year lease at \$1 per year for the first 5 years and \$59,000 per year for the remaining five years. Additionally, the lease agreement contains an option to purchase the Music Hall unit after 5 years.

Components of rental expense associated with the Troy Savings Bank Music Hall lease for the years ended June 30, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Rent expense paid	<u>\$ 1</u>	<u>\$ 1</u>

The Corporation also leases equipment under a long-term operating lease agreement expiring at June 30, 2024. Operating lease expense amounted to \$1,740 and \$1,740 for the years ended June 30, 2022 and 2021, respectively.

Future minimum lease payments by year, under non-cancelable operating leases with initial terms of one year or more, for the five succeeding years and thereafter are as follows:

	<u>Hall</u>	<u>Equipment</u>
June 30, 2023	1	1,740
June 30, 2024	1	1,740
June 30, 2024	59,000	
June 30, 2025	59,000	
June 30, 2026	59,000	
Thereafter	<u>118,000</u>	
	<u>\$ 295,002</u>	<u>\$ 3,480</u>

12. Interfund Transfers

During the years ended June 30, 2022 and 2021, the Board of Directors authorized transfers from the Operating Fund to the Fixed Asset Fund in the amount of \$10,029 and \$76,285 respectively, representing fixed assets purchased with resources of the Operating Fund.

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO FINANCIAL STATEMENTS, continued

June 30, 2022 and 2021

13. Subsequent Events

In accordance with FASB ASC No. 855, *Subsequent Events*, the Corporation has evaluated events and transactions that occurred between June 30, 2022 and March 28, 2023 which is the date these financial statements were available to be issued, for possible disclosures and recognition in the financial statements. With the exception of the matters discussed in the following paragraph, there were no material subsequent events that required recognition or additional disclosure in these financial statements.

Effective as of November 15, 2022, the Board of Directors of the Corporation and the Board of Directors of Troy Chromatic Concerts approved a plan of merger and authorized the filing of a certificate of merger between the two organizations with Troy Chromatic Concerts becoming a subsidiary of Troy Savings Bank Music Hall Corporation.

TROY SAVINGS BANK MUSIC HALL CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Small Business Administration		
Shuttered Venue Operators Grant	59.075	\$ 981,795 *
Economic Injury Disaster Loan	59.008	<u>62,702</u>
Total U.S. Small Business Administration		<u>\$ 1,044,497</u>
Total Federal Funds Expended		<u><u>\$ 1,044,497</u></u>

*Denotes major program

TROY SAVINGS BANK MUSIC HALL CORPORATION

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS **For the Year Ended June 30, 2022**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Troy Savings Bank Music Hall Corporation (the Corporation) under programs of the federal government for the year ended June 30, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Corporation, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Corporation.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COST RATES

The Corporation did not elect to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTE D – SHUTTERED VENUE OPERATORS GRANT (SVOG)

In July 2021, the Corporation applied for a grant under the Shuttered Venue Operating Grant (SVOG) program. The Corporation was approved for funding with an initial award of \$563,989 received on July 20, 2021, a reconsideration award of \$90,541 received on October 6, 2021 and a supplemental award of \$327,265 received on November 16, 2021. The U.S. Small Business Administration issued a notice of award on November 10, 2021 totaling \$981,795 for the three award amounts. The funding under this program covered eligible expenditures incurred by the Corporation between March 1, 2020 and June 30, 2022 in the amount of \$981,795. There were no unexpended funds at June 30, 2022.

TROY SAVINGS BANK MUSIC HALL CORPORATION

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2021

FINDINGS – FINANCIAL STATEMENT AUDIT

2021 – NONE

U.S. SMALL BUSINESS ADMINISTRATION

2021 – NONE

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*

To the Board of Directors
Troy Savings Bank Music Hall Corporation

We have audited, 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, the financial statements of Troy Savings Bank Music Hall Corporation (a not-for-profit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 28, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Troy Savings Bank Music Hall Corporation'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Troy Savings Bank Music Hall Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Troy Savings Bank Music Hall Corporation'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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Troy Savings Bank Music Hall Corporation'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. These results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 Corporation'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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Michael A. Tobin & Associates, C.P.A.'s, P.C.

Albany, New York
March 28, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE

To the Board of Directors
Troy Savings Bank Music Hall Corporation

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Troy Savings Bank Music Hall Corporation's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Troy Savings Bank Music Hall Corporation's major federal programs for the year ended June 30, 2022. Troy Savings Bank Music Hall Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Troy Savings Bank Music Hall Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Troy Savings Bank Music Hall Corporation and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Troy Savings Bank Music Hall Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Troy Savings Bank Music Hall Corporation's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Troy Savings Bank Music Hall Corporation's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Troy Savings Bank Music Hall Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Troy Savings Bank Music Hall Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Troy Savings Bank Music Hall Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Troy Savings Bank Music Hall Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Michael A. Tobin & Associates, C.P.A.'s, P.C.

Albany, New York

March 28, 2023

TROY SAVINGS BANK MUSIC HALL CORPORATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

SECTION 1 – SUMMARY OF AUDITOR’S RESULTS

Financial statements:

1. Type of auditor’s report issued on whether the financial statements were prepared in accordance with GAAP: Unmodified
2. Internal Control over financial reporting:
 - a. Material weakness(es) identified? Yes No
 - b. Significant deficiencies identified that are not considered to be material weakness(es)? Yes None reported
3. Noncompliance material to financial statements noted? Yes No

Federal Awards:

1. Internal control over the major programs:
 - a. Material weakness(es) identified? Yes No
 - b. Significant deficiencies identified that are not considered to be material weakness(es)? Yes None reported
2. Type of auditor’s report issued on compliance for the major programs: Unmodified
3. Any audit findings that are required to be reported in accordance with the Uniform Guidance? Yes No
4. Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Shuttered Venue Operators Grant	59.075
5. Dollar threshold used to distinguish between type A and type B programs:	\$750,000
6. Auditee qualified as low-risk auditee:	<input type="text"/> Yes <input checked="" type="text"/> No

TROY SAVINGS BANK MUSIC HALL CORPORATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

SECTION 2 – FINANCIAL STATEMENT FINDINGS

There were no financial statement findings for the year ended June 30, 2022.

SECTION 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings or questioned costs for the year ended June 30, 2022.