



PATTISON, KOSKEY, HOWE & BUCCI

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June 29, 2018

To the Audit Committee of  
Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation  
PO Box 2065  
Albany, NY 12220

We have audited the financial statements of Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation (the "Egg") as of and for the year ended March 31, 2018, and have issued our report thereon dated June 29, 2018. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated March 18, 2018, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

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## **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team and our firm have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation is included in Note 2 to the financial statements. There has been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2018. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. The following entries summarize the uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial to the financial statements taken as a whole:

- To adjust the bad debt expense and accounts receivable for \$5,481 as a result of potential write-offs for the year ended March 31, 2018.
- To adjust accounts receivable and associated rental income for \$21,419 for balances received subsequent to March 31, 2018 resulting from services rendered prior to that date.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We made adjustments to assist management with the following: posting prior year audit entries, adjusting NY State pension obligations, adjusting post-retirement health care benefits, and depreciation expense for the year ended March 31, 2018.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management in a letter dated June 29, 2018.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation's auditors.

In June 2015, the Government Accounting Standards Board (GASB) issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." This statement will have a substantial impact on the presentation and disclosure of the pertinent Other Postemployment Benefits (OPEB) amounts and information for Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation's financial statements. This Statement will also require certain policies and procedures be implemented to ensure compliance with the Statement. The Statement will be effective for the year ending March 31, 2019.

This report is intended solely for the information and use of the Audit Committee and management of Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink, appearing to read "M. J. VanDusen, CPA". The signature is written in a cursive style with a large, sweeping initial "M".

PATTISON, KOSKEY, HOWE AND BUCCI, CPAs, P.C.