

**GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT
CORPORATION**

**(A Blended Component Unit of the County of Onondaga,
New York)**

**Financial Statements as of
December 31, 2021 and 2020
Together with Independent
Auditor's Report**

Bonadio & Co., LLP
Certified Public Accountants

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

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INDEPENDENT AUDITOR'S REPORT

March 18, 2022

To the Board of Directors of
Greater Syracuse Soundstage Development Corporation:

Opinions

We have audited the accompanying financial statements of the Greater Syracuse Soundstage Development Corporation (the Corporation), a blended component unit of the County of Onondaga, New York (the County), as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2021 and 2020, and the respective change in its financial position and its cashflows 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 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 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.

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 for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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INDEPENDENT AUDITOR'S REPORT (Continued)

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 opinions. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITOR'S REPORT (Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2022 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Management's Discussion and Analysis (Unaudited)
December 31, 2021 and 2020

This section of the Greater Syracuse Soundstage Development Corporation (the Corporation) annual financial report presents discussion and analysis of the Corporation's financial performance during the fiscal year ending December 31, 2021. Please read it in conjunction with the Corporation's financial statements and accompanying notes.

GENERAL INFORMATION

The Greater Syracuse Soundstage Development Corporation is registered under nonprofit corporation law. The purposes for which the Corporation operates are exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, to advance the film industry in the Central New York Region.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of two parts: this section, the Management's Discussion and Analysis (MD&A) and the basic financial statements. The Corporation is a self-supporting entity and follows business-type activity reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Business-type activity statements offer short-term and long-term financial information about the activities and operations of the Corporation. This annual report consists of the financial statements and notes to those statements. The Statement of Net Position, Statement of Revenues, Expenses and Change in Net Position, the Statement of Cash Flows and related notes provide a detailed look at the specific financial activities of the Corporation and generally provide an indication of the Company's financial health. The Statement of Net Position includes all of the Corporation's assets and liabilities, using the accrual basis of accounting. The Statement of Revenues, Expenses and Change in Net Position report includes all of the revenues and expenses during the time period indicated. The Statement of Cash Flows reports the cash provided and used by operating activities.

FINANCIAL HIGHLIGHTS

- The Corporation's total net position at December 31, 2021 is \$8,164,884, at December 31, 2020 is \$8,516,279, and at December 31, 2019 is \$7,758,700.
- Total current assets at December 31, 2021 are \$84,081, at December 31, 2020 are \$126,979, and at December 31, 2019 are \$264,381. Current assets are primarily comprised of cash and accounts receivable.
- Total current liabilities at December 31, 2021 are \$385,146, at December 31, 2020 are \$369,263, and at December 31, 2019 are \$702,619.
- Operating revenues in 2021, 2020 and 2019 consist of rental revenue. Operating revenues in 2020 and 2019 also included grant revenue.
- Operating expenses for the year ended December 31, 2021 were approximately \$439,000, for the year ended December 31, 2020 were approximately \$438,000, and for the year ended December 31, 2019 were approximately \$488,000.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Management's Discussion and Analysis (Unaudited)
December 31, 2021 and 2020

Below is an analysis of the assets, liabilities, revenues and expenses of the Corporation.

Summary of Assets, Liabilities, and Net Position

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Current Assets	\$ 84,081	\$ 126,979	\$ 264,381
Noncurrent Assets	<u>8,465,949</u>	<u>8,758,563</u>	<u>8,196,938</u>
Total Assets	<u>8,550,030</u>	<u>8,885,542</u>	<u>8,461,319</u>
Current Liabilities	<u>385,146</u>	<u>369,263</u>	<u>702,619</u>
Total Net Position:			
Net investment in capital assets	8,100,089	8,392,703	7,927,749
Unrestricted	<u>64,795</u>	<u>123,576</u>	<u>(169,049)</u>
	<u>\$ 8,164,884</u>	<u>\$ 8,516,279</u>	<u>\$ 7,758,700</u>

CURRENT ASSETS

Current assets are primarily comprised of cash and accounts receivable.

NONCURRENT ASSETS

Noncurrent assets are comprised of capital assets.

CURRENT LIABILITIES

Current liabilities consist of accounts payable, accrued expenses and a loan payable. Although current liabilities continue to exceed current assets, management fully expects to earn and record the remaining \$375,000 of grant revenue of the \$1,700,000 award received from the New York State Empire State Development Corporation in 2022. As fully described in the Notes to the financial statements, the line of credit is used for cashflow purposes as the grant is run on a reimbursement basis.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Management's Discussion and Analysis (Unaudited)
December 31, 2021 and 2020

Summary of Revenues, Expenses, and Change in Net Position

	<u>2021</u>	<u>2020</u>	<u>2019</u>
OPERATING REVENUES:			
Grant revenue - Empire State Development Corporation	\$ -	\$ 1,125,000	\$ 200,000
Rental revenue	98,612	105,403	88,281
Discounts received	-	3	-
	<u>-</u>	<u>3</u>	<u>-</u>
Total operating revenues	<u>98,612</u>	<u>1,230,406</u>	<u>288,281</u>
OPERATING EXPENSES:			
Professional services	18,888	73,763	49,795
Office supplies & software	22,914	36,407	36,276
Repairs & maintenance	28,922	54,445	46,938
Utilities	39,507	28,945	38,921
Insurance	23,640	18,436	21,990
Telephone & internet	4,739	4,020	4,208
Equipment rental	-	1,470	2,435
Soundstage management services	-	5,712	45,796
Other business expense	3,505	3,005	1,768
Other expense	-	3,871	18,965
Depreciation	292,614	193,814	193,814
Architectural and engineering expense	-	11,153	23,679
Property tax expense	4,378	3,148	3,169
	<u>439,107</u>	<u>438,189</u>	<u>487,754</u>
Total operating expenses	<u>439,107</u>	<u>438,189</u>	<u>487,754</u>
OPERATING INCOME (LOSS)	<u>(340,495)</u>	<u>792,217</u>	<u>(199,473)</u>
NON-OPERATING EXPENSE	<u>10,900</u>	<u>34,638</u>	<u>25,229</u>
CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>(351,395)</u>	<u>757,579</u>	<u>(224,702)</u>
NET POSITION - beginning of year	<u>8,516,279</u>	<u>7,758,700</u>	<u>7,983,402</u>
NET POSITION - end of year	<u>\$ 8,164,884</u>	<u>\$ 8,516,279</u>	<u>\$ 7,758,700</u>

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Management's Discussion and Analysis (Unaudited)
December 31, 2021 and 2020

OPERATING REVENUES

Operating revenue consists of rental revenue in 2021, 2020 and in 2019. Operating revenue also included grant revenue in 2020 and 2019. Management expects to recognize the remaining \$375,000 on the Empire State Development Corporation Grant in 2022.

OPERATING EXPENSES

Operating expenses are comprised of grant expense, utilities, office supplies and software, insurance, and professional services, and other administrative costs.

OPERATING RESULTS

The Corporation had an operating loss of \$340,495 for the year ended December 31, 2021, an operating income of \$792,217 for the year ended December 31, 2020, and operating loss of \$199,473 for the year ended December 31, 2019.

CONTRIBUTIONS

No contributions existed in 2019, 2020 or 2021.

FUTURE FACTORS

The United States is presently in the midst of a national health emergency related to a virus, commonly known as Novel Coronavirus (COVID-19). The overall consequences of COVID-19 on a national, regional, and local level are not entirely known at this time, but it has the potential to result in significant economic impact.

REQUEST FOR INFORMATION

This financial report is designed to provide the reader with a general overview of the Corporation's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Greater Syracuse Soundstage Development Corporation – 24 Aspen Park Boulevard, East Syracuse, NY 13057.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Statements of Net Position
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 82,081	\$ 123,479
Accounts receivable	-	1,500
Other asset	<u>2,000</u>	<u>2,000</u>
Total current assets	<u>84,081</u>	<u>126,979</u>
NONCURRENT ASSETS:		
Nondepreciable capital assets	1,184,000	1,184,000
Depreciable capital assets, net	<u>7,281,949</u>	<u>7,574,563</u>
Total noncurrent assets	<u>8,465,949</u>	<u>8,758,563</u>
Total assets	<u>8,550,030</u>	<u>8,885,542</u>
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	4,983	-
Accrued interest expense	14,303	3,403
Loan payable	<u>365,860</u>	<u>365,860</u>
Total current liabilities	<u>385,146</u>	<u>369,263</u>
Total liabilities	<u>385,146</u>	<u>369,263</u>
NET POSITION		
Net investment in capital assets	8,100,089	8,392,703
Unrestricted	<u>64,795</u>	<u>123,576</u>
Total net position	<u>\$ 8,164,884</u>	<u>\$ 8,516,279</u>

The accompanying notes are an integral part of these financial statements.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Statements of Revenues, Expenses and Change in Net Position
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES:		
Grant revenue - Empire State Development Corporation	\$ -	\$ 1,125,000
Rental revenue	98,612	105,403
Other Income	<u>-</u>	<u>3</u>
Total operating revenues	<u>98,612</u>	<u>1,230,406</u>
OPERATING EXPENSES:		
Professional services	18,888	73,763
Office supplies & software	22,914	36,407
Repairs & maintenance	28,922	54,445
Utilities	39,507	28,945
Insurance	23,640	18,436
Telephone & internet	4,739	4,020
Equipment rental	-	1,470
Soundstage management services	-	5,712
Other business expense	3,505	3,005
Other expense	-	3,871
Depreciation	292,614	193,814
Architectural and engineering expense	-	11,153
Property tax expense	<u>4,378</u>	<u>3,148</u>
Total operating expenses	<u>439,107</u>	<u>438,189</u>
OPERATING INCOME/(LOSS)	<u>(340,495)</u>	<u>792,217</u>
NON-OPERATING EXPENSES:		
Interest expense	<u>10,900</u>	<u>34,638</u>
Total nonoperating expenses	<u>10,900</u>	<u>34,638</u>
CHANGE IN NET POSITION	(351,395)	757,579
NET POSITION - beginning of year	<u>8,516,279</u>	<u>7,758,700</u>
NET POSITION - end of year	<u>\$ 8,164,884</u>	<u>\$ 8,516,279</u>

The accompanying notes are an integral part of these financial statements.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from grant revenue	\$ -	\$ 1,225,000
Cash received from rental revenue	100,112	126,297
Cash received from other revenue	-	3
Cash paid for professional services	(18,888)	(73,763)
Cash paid for supplies and general operations	(122,622)	(213,606)
Net cash from operating activities	<u>(41,398)</u>	<u>1,063,931</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Cash received from loan payable	-	800,000
Cash paid for amounts due for loan payable	-	(1,068,536)
Cash paid for interest and fees on loans payable	-	(56,464)
Cash paid for capital assets	-	(755,439)
Net cash from capital and related financing activities	<u>-</u>	<u>(1,080,439)</u>
Change in cash	(41,398)	(16,508)
CASH - beginning of year	123,479	139,987
CASH - end of year	<u>\$ 82,081</u>	<u>\$ 123,479</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating income (loss)	\$ (340,495)	\$ 792,217
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:		
Depreciation	292,614	193,814
Changes in:		
Grants receivable	-	100,000
Accounts receivable	1,500	20,894
Accounts payable	4,983	(42,994)
Net cash from operating activities	<u>\$ (41,398)</u>	<u>\$ 1,063,931</u>

The accompanying notes are an integral part of these financial statements.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Notes to Basic Financial Statements
December 31, 2021 and 2020

1. ORGANIZATION

The Greater Syracuse Soundstage Development Corporation (the Corporation), a blended component unit of the County of Onondaga, New York (the County, or Primary Government), is a local development corporation, registered under nonprofit law Section 501(c)(3) of the Internal Revenue Code. The Corporation was formed in 2018 for charitable purposes with a mission to advance the film industry in the Central New York Region.

In accordance with the Governmental Accounting Standards Board (GASB) pronouncements, the Corporation is considered a blended component unit of the County based upon the fact that the County is the sole member of the Corporation, per the Corporation's bylaws.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The basic financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governments as prescribed by the GASB, which is the primary standard-setting body for establishing governmental accounting and financial principles.

Measurement Focus and Basis of Accounting

The Corporation operates as a proprietary fund. Proprietary funds utilize an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net position.

The Corporation utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or an economic asset is used.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates, particularly given the economic disruptions and uncertainties associated with the ongoing COVID-19 pandemic, and such differences may be significant.

Income Tax Status

The Corporation was organized as a not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Notes to Basic Financial Statements
December 31, 2021 and 2020

Capital Assets

Capital assets include land, building and building improvements, furniture and equipment. Capital assets are defined by the Corporation as assets with an initial individual cost of more than \$5,000 and having an estimated useful life in excess of two years. Assets will be depreciated using the straight-line method. Building and building improvements will be assigned an estimated useful life of 39 years, while all other assets will have an estimated useful life of 10 years.

Grant Revenue

The Corporation holds an agreement with New York State Empire State Development (NYS ESD) to receive grant funding in the amount of \$1,700,000 as part of an upstate revitalization initiative of which \$200,000 is to be used for working capital expenses (such as general and administrative), and \$1,500,000 is to be used for capital expenses (such as purchases of property, equipment, and construction services). In 2019, the Corporation entered into a line of credit with M&T Bank which allows the Corporation to borrow up to the remaining amount that the Corporation expects to receive from the grant.

The Corporation has earned the total of \$200,000 in grant revenue from NYS ESD as part of the working capital grant in 2019 and has earned another \$1,125,000 of grant revenue as part of the capital grant in 2020, for a total of \$1,325,000. No grant revenue was earned in 2021.

Operating and Non-Operating Revenues and Expenses

As a business-type activity, the Corporation distinguishes operating revenues and expenses from non-operating items. Operating revenues are comprised of grants and rental revenues. Operating expenses generally result from the general and administrative expenses in accordance with the Corporation's mission and repairs and maintenance. Non-operating expenses consist of interest expense.

Revenue Recognition

Rental revenue is recognized when earned. In the case of grant revenue, the revenue is considered earned when the Corporation meets all requirements the Corporation is to fulfill for the purpose of those funds in accordance with the grant agreement.

Net Position

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - net position with constraints placed on their use either by (1) external groups such as creditors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Corporation did not have restricted net position at December 31, 2021 and 2020.
- c. Unrestricted net position - all other net position that does not meet the definition of net investment in capital assets or restricted net position.

It is the Corporation's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Notes to Basic Financial Statements
December 31, 2021 and 2020

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The Corporation follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conform with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of those charged with governance.

Monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within and authorized to do business in New York State (NYS). Collateral is required for deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are those identified in NYS General Municipal Law, Section 10 and outlined in the NYS Comptroller's Financial Management Guide.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Corporation has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Corporation's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Corporation's investment and deposit policy, all deposits of the Corporation including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIA) shall be secured by a pledge of securities with an aggregate value equal to the aggregate amount of deposits.

The Corporation restricts the securities to the following eligible items:

- Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation;
- Obligations partially insured or guaranteed by an agency of the United States of America;
- Obligations issued or fully insured or guaranteed by NYS;
- Obligations issued by a municipal corporation, school district or district corporation of NYS;
- Obligations issued by states (other than NYS) of the United States of America rated in one of the two highest rating categories by at least one Nationally Recognized Statistical Rating Organization (NRSRO).

The Corporation maintained cash balances with a financial institution insured by the FDIC up to \$250,000, for demand and non-demand accounts. At December 31, 2021 and 2020, the Corporation's deposits amounted to \$82,516 and \$128,045, respectively, and were insured in full by FDIC.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Notes to Basic Financial Statements
December 31, 2021 and 2020

4. CAPITAL ASSETS

The Corporation's capital assets activity for the year ended December 31, 2021 was as follows:

	Balance at January 1	Additions	Deletions	Balance at December 31
Nondepreciable Assets:				
Land	\$ 1,184,000	\$ -	\$ -	\$ 1,184,000
Total Nondepreciable Assets	<u>1,184,000</u>	<u>-</u>	<u>-</u>	<u>1,184,000</u>
Depreciable Assets:				
Building	6,816,000	-	-	6,816,000
Building improvements	875,680	-	-	875,680
Furniture	115,421	-	-	115,421
Soundstage lighting equipment	111,038	-	-	111,038
Other equipment	32,184	-	-	32,184
Vehicles	<u>105,902</u>	<u>-</u>	<u>-</u>	<u>105,902</u>
Total Depreciable Assets	<u>8,056,225</u>	<u>-</u>	<u>-</u>	<u>8,056,225</u>
Accumulated Depreciation:				
Building	(436,923)	(174,769)	-	(611,692)
Building improvements	(784)	(48,926)	-	(49,710)
Furniture	(11,497)	(22,574)	-	(34,071)
Soundstage lighting equipment	(1,777)	(16,427)	-	(18,204)
Other equipment	(18,569)	(9,328)	-	(27,897)
Vehicles	<u>(12,112)</u>	<u>(20,590)</u>	<u>-</u>	<u>(32,702)</u>
Total Accumulated Depreciation	<u>(481,662)</u>	<u>(292,614)</u>	<u>-</u>	<u>(774,276)</u>
Capital assets, net	<u>\$ 8,758,563</u>	<u>\$ (292,614)</u>	<u>\$ -</u>	<u>\$ 8,465,949</u>

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Notes to Basic Financial Statements
December 31, 2021 and 2020

The Corporation's capital assets activity for the year ended December 31, 2020 was as follows:

	Balance at January 1	Additions	Deletions	Balance at December 31
Nondepreciable Assets:				
Land	\$ 1,184,000	\$ -	\$ -	\$ 1,184,000
Total Nondepreciable Assets	1,184,000	-	-	1,184,000
Depreciable Assets:				
Building	6,816,000	-	-	6,816,000
Building improvements	183,758	691,922	-	875,680
Furniture	63,852	51,569	-	115,421
Soundstage lighting equipment	102,141	8,897	-	111,038
Other equipment	29,133	3,051	-	32,184
Vehicles	105,902	-	-	105,902
Total Depreciable Assets	7,300,786	755,439	-	8,056,225
Accumulated Depreciation:				
Building	(262,154)	(174,769)	-	(436,923)
Building improvements	(422)	(362)	-	(784)
Furniture	(6,898)	(4,599)	-	(11,497)
Soundstage lighting equipment	(1,777)	-	-	(1,777)
Other equipment	(10,075)	(8,494)	-	(18,569)
Vehicles	(6,522)	(5,590)	-	(12,112)
Total Accumulated Depreciation	(287,848)	(193,814)	-	(481,662)
Capital assets, net	\$ 8,196,938	\$ 561,625	\$ -	\$ 8,758,563

5. LOAN PAYABLE

In 2019, the Corporation obtained a line of credit up to the remaining amount anticipated to be received from the New York State Empire State Development Grant of \$1,600,000 at 4.562% interest.

The Corporation incurred \$10,900 and \$34,638 of interest expense related to this borrowing for the year ended December 31, 2021 and 2020, respectively.

The purpose of the note is for the purchase of capital equipment and the funding of working capital to support the Corporation's operations. Due to the stipulations of the line of credit, amounts to be due within one year are not estimable as the amounts to be paid back are dependent upon the date that funding is received from the New York State Economic Development Grant.

GREATER SYRACUSE SOUNDSTAGE DEVELOPMENT CORPORATION
(A Blended Component Unit of the County of Onondaga, New York)

Notes to Basic Financial Statements
December 31, 2021 and 2020

Activity for the year ended December 31, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Borrowing - Line of Credit:	\$ 365,860	\$ -	\$ -	\$ 365,860	\$ 365,860

Activity for the year ended December 31, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Borrowing - Line of Credit:	\$ 634,396	\$ 800,000	\$ 1,068,536	\$ 365,860	\$ 365,860

6. COVID-19

The United States is presently in the midst of a national health emergency related to a virus, commonly known as Novel Coronavirus (COVID-19). The overall consequences of COVID-19 on a national, regional and local level are unknown, but it has the potential to result in a significant economic impact. The impact of this situation on the Corporation and its future results and financial position is not presently determinable.

7. SUBSEQUENT EVENTS

The Corporation is in the process of finalizing an agreement for a lease of its building that is intended to transfer the cost of substantial operating expenses, as well as provide cash flows that will allow the Corporation to continue to meet its obligations. Management expects the agreement to be finalized in the first half of 2022.

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

March 18, 2022

To the Board of Directors of
Greater Syracuse Soundstage Development 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 the Greater Syracuse Soundstage Development Corporation (the Corporation), a blended component unit of the County of Onondaga, New York (the County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, and have issued our report thereon dated March 18, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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. The 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.