SYRACUSE REGIONAL AIRPORT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE CITY OF SYRACUSE, NEW YORK)

Financial Statements and
Required Supplementary Information

June 30, 2022 and 2021

SYRACUSE REGIONAL AIRPORT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE CITY OF SYRACUSE, NEW YORK)

June 30, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

Board Members
Syracuse Regional Airport Authority:

Opinion

We have audited the accompanying financial statements of the business type activities of the Syracuse Regional Airport Authority (the Authority), a public benefit corporation of the State of New York and a discretely presented component unit of the City of Syracuse, New York, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Authority 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 Authority as of June 30, 2022 and 2021, and the changes in its financial position and 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 (GAAS) 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 Authority, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in note 2 to the financial statements, in 2022, the Authority adopted new accounting guidance, Governmental Accounting Standards Board No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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.

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Responsibilities of Management for the Financial Statements, Continued

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 whether the Authority'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.

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 assurances is a high level of assurance but is not absolute assurance and therefore is not a guarantee that and audit conducted in accordance with GAAS 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, international 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements, Continued

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 and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Syracuse Regional Airport Authority's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and 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*, are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

(Continued)

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2022, on our consideration of the Authority'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 Authority'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 Authority's internal control over financial reporting and compliance.

Fust Charles Chambers LLP

September 29, 2022

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Independent Accountant's Report on Compliance with
Section 2925(3)(f) of the New York State Public Authorities Law

Board Members
Syracuse Regional Airport Authority:

We have examined Syracuse Regional Airport Authority's (the Authority) compliance with Section 2925(3)(f) of the New York State Public Authorities Law during the year ended June 30, 2022. Management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence supporting the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Authority's compliance with specified requirements.

In our opinion, the Authority complied, in all material respects, with the aforementioned requirements during the year ended June 30, 2022.

This report is intended solely for the information and use of management, the Board of Directors, and the Office of the State Comptroller of the State of New York. It is not intended to be and should not be used by anyone other than these parties.

Fust Charles Chambers LLP

September 29, 2022

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SYRACUSE REGIONAL AIRPORT AUTHORITY
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OF THE CITY OF SYRACUSE, NEW YORK)

Management's Discussion and Analysis as of
and for the year ended June 30, 2022

(Unaudited)

The following is a discussion and analysis of the Syracuse Regional Airport Authority (the Authority)'s financial performance for the years ended June 30, 2022 and 2021. This section is a summary of the Authority's financial activities based on currently known facts, decisions and conditions. This section is only an introduction and should be read in conjunction with the Authority's financial statements, which immediately follow this section.

1. INTRODUCTION

The Authority, a public benefit corporation, is established to provide the necessary tools and support to Syracuse Hancock International Airport (Airport) to maintain and operate the facilities in a safe, secure and efficient manner. The Authority is committed to promoting the growth and success of the Airport by overseeing fiscal responsibility, regional marketing, and job creation in the aviation industry, and those industries that support aviation. The Authority was organized under the Public Authorities Law of the State of New York on August 17, 2011.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements of the Authority are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Government Accounting Standards Board (GASB). The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, which requires that transactions be recorded when they occur, not when its related cash receipt or disbursement occurs. The Authority meets the criteria set forth in GAAP as promulgated by the GASB for inclusion as a component unit within the City of Syracuse, New York (City)'s basic financial statements based on the City's responsibility for the appointment of the Authority members. As such, the Authority is included in the City's basic financial statements.

The Statements of Net Position depicts the Authority's financial position at June 30, the end of the Authority's fiscal year. The statements present all the financial assets, liabilities, deferred inflows and deferred outflows of the Authority. Net Position represents the Authority's assets and deferred outflows after liabilities and deferred inflows are deducted.

The Statements of Revenues, Expenses and Change in Net Position report operating revenues and expenses, non-operating revenues and expenses and the change in net position for the years ended June 30, 2022 and 2021. The change in Net Position combined with the previous year's net asset total, reconciles to the net position total for the reporting period.

The Statements of Cash Flows report cash activities for each year resulting from operating activities, noncapital financing activities, capital and related financing activities and investing activities. The net result of these activities, added to the beginning of the year cash balance, reconciles to the total balance at the end of the year.

3. SUMMARY OF FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal years 2022 and 2021 are as follows:

- The Authority's Net Position increased by $21,509,219 and $8,611,318 for the years ended June 30, 2022 and 2021, respectively. The current year increase was primarily due to increased passenger travel and grants received during the year.
- The Authority had a net operating gain for the year ended June 30, 2022 in the amount of $2,535,309 and a net operating loss for the year ended June 30, 2021 in the amount of $10,386,489. The primary factor for the gain in 2022 was due to passenger travel levels rebounding from the COVID-19 pandemic. The primary factor for the loss in 2021 was the decline in revenues brought on by the COVID-19 pandemic.
- The Authority had nonoperating income, net for the year ended June 30, 2022 and June 30, 2021 in the amount of $18,244,185 and $18,997,807, respectively.

4. FINANCIAL ANALYSIS OF THE AUTHORITY

Net Position

The Authority's total Net Position increased by $21,509,219 between fiscal year 2021 and 2022. A summary of the Authority's Statements of Net Position at June 30, 2022 and 2021 is as follows:

Table A-1 Condensed Statement of Net Position

	2022	2021	Increase (decrease)	Percentage change
Current other assets	$ 42,648,549	30,916,380	11,732,169	37.9%
Non-current assets	70,891,099	70,058,548	832,551	1.2%
Capital assets, net of accumulated depreciation	29,994,484	27,013,582	2,980,902	11.0%
Total assets	143,534,132	127,988,510	15,545,622	12.1%
Deferred outflows of resources	7,771,915	7,472,744	299,171	4.0%
Total assets and deferred outflows	$ 151,306,047	135,461,254	15,844,793	11.7%

4. FINANCIAL ANALYSIS OF THE AUTHORITY, Continued

Net Position, Continued

Table A-1 Condensed Statement of Net Position, Continued

	2022	2021	Increase (decrease)	Percentage change
Current liabilities	$ 5,543,180	14,562,441	(9,019,261)	(61.9)%
Noncurrent liabilities	54,036,229	54,674,070	(637,841)	(1.2)%
Total liabilities	59,579,409	69,236,511	(12,657,102)	(18.3)%
Deferred inflows of resources	24,707,769	20,715,093	3,992,676	19.3%
Total liabilities and deferred inflows	84,287,178	89,951,604	(5,664,426)	(6.3)%
Net position:				
Net investment in capital assets	15,043,898	14,212,582	831,316	5.8%
Restricted	27,683,766	24,650,711	3,033,055	12.3%
Unrestricted	24,291,205	6,646,357	17,644,848	265.5%
Total net position	67,018,869	45,509,650	21,509,219	47.3%
Total liabilities, deferred inflows and net position	$ 151,306,047	135,461,254	15,844,793	11.7%

Current other assets increased by $11,732,169 or 37.9% from June 30, 2021 to June 30, 2022 primarily due to an increase in cash and cash equivalents related to timing of grant reimbursements received.

Capital assets, net, increased by $2,980,902 from June 30, 2021 to June 30, 2022. This increase is mainly due to current year costs for construction in progress projects relating to the reconfiguration and rehabilitation of the Airport during the year ended June 30, 2022.

(Continued)

4. FINANCIAL ANALYSIS OF THE AUTHORITY, Continued

Net Position, Continued

Deferred outflows of resources increased by $299,171 or 4.0% from June 30, 2021 to June 30, 2022 primarily due to changes to assumptions and other changes for the New York State Employees' Retirement System and for the OPEB Plan.

Current liabilities decreased by 9,019,261 or (61.9)% from June 30, 2021 to June 30, 2022 due to an decrease in bonds payable relating to the issuance of the Series 2021 bonds.

Noncurrent liabilities decreased $637,841 or 1.2% from June 30, 2021 to June 30, 2022. This decrease is primarily attributed to changes to assumptions and other changes for the OPEB Plan.

Deferred inflows of resources increased by $3,992,676 or 19.3% from June 30, 2021 to June 30, 2022 primarily due to the net difference between projected and actual earnings for the New York State Employees' Retirement System and for the net differences between expected and actual experience for the OPEB Plan.

The net investment in capital assets is calculated by subtracting the amount of outstanding debt used for construction from the total cost of all asset acquisitions, net of accumulated depreciation. The total cost of these acquisitions includes expenditures to purchase land, construct and improve buildings, purchase vehicles, equipment and furniture to support the Authority's operations.

The restricted Net Position at June 30, 2022 and 2021 was $27,683,766 and $24,650,711, respectively, which represents the amount of the Authority's restricted cash balances.

The unrestricted Net Position at June 30, 2022 and 2021 was $24,291,205 and $6,646,357, respectively.

4. FINANCIAL ANALYSIS OF THE AUTHORITY, Continued

Change in Net Position from Operating Activities

The results of this year's operations as a whole are reported in the Statements of Revenues, Expenses, and Change in Net Position in the accompanying financial statements. A summary of this statement for the years ended June 30, 2022 and 2021 is as follows.

Table A-2 Condensed Changes in Net Position from Operating Results

	2022	2021	Increase (decrease)	Percentage change
Revenues:				
Operating revenues:				
Landing fees	$ 8,535,147	5,852,823	2,682,324	45.8%
Parking rents	14,260,961	5,137,048	9,123,913	177.6%
Terminal rents	6,120,641	4,223,978	1,896,663	44.9%
Concessions and miscellaneous	9,898,127	6,926,600	2,971,527	42.9%
Total revenues	38,814,876	22,140,449	16,674,427	75.3%
Expenditures:				
Operating expenditures:				
Cost of service	24,631,728	22,218,142	2,413,586	10.9%
Administration	8,382,805	7,917,635	465,170	5.9%
Depreciation	2,535,309	2,391,161	144,148	6.0%
Total expenditures	35,549,842	32,526,938	3,022,904	9.3%
Net operating gain (loss)	$ 3,265,034	(10,386,489)	13,651,523	131.4%

The Authority's operating revenues increased by $16,674,427 or 75.3% between the years ended June 30, 2021 and June 30, 2022. This increase was mainly due to increase air travel as restrictions from the COVID-19 shutdown began to decline.

The Authority's operating expenses increased by $3,022,904 or 9.3% between the years ended June 30, 2021 and June 30, 2022. This was primarily due to an increase in passenger travel during the year, resulting in additional expenditures to necessary for operations of the airport.

5. FACTORS BEARING ON THE AUTHORITY'S FUTURE

- General Economic Climate - Air travel can broadly be divided into business travel and leisure travel. Both of these depend, to varying degrees, on the strength of the economy. In a strong economy, travel tends to increase, which will result in an increase in revenue. In a weak economy, the reverse is true.
- Air Service Development - The Authority actively works to bring new airline service to Syracuse, both through adding new carriers and through existing airlines serving new destinations. To the extent it is successful, traffic through the Airport increases which increases revenue.
- Contract/Agreement Negotiations - The Authority will be negotiating several contracts and agreements over the next several years which will have an effect on the Airport's cost structure.
- Continued Transition from City to Authority - While the operating certificate for the airport has been transferred from the City of Syracuse to the Authority, it still remains the Authority's intent to transfer the bulk of the employees from the City to the Authority.

6. CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Authority's citizens, customers, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Director at 1000 Colonel Eileen Collins Blvd, Syracuse, NY 13212.

SYRACUSE REGIONAL AIRPORT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT
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Statements of Net Position

June 30, 2022 and 2021

Assets and Deferred Outflows of Resources	2022	2021
Assets:		
Current assets:		
Cash and cash equivalents	$ 36,481,606	24,410,636
Accounts receivable, net of allowance	4,463,871	4,927,754
Lease receivable	1,053,107	1,016,294
Prepaid expenses	649,965	561,696
Total current assets	42,648,549	30,916,380
Noncurrent assets:		
Restricted cash and cash equivalents	27,683,766	24,650,711
Lease receivable	8,851,858	9,422,874
City aviation fund right of use asset	32,625,709	35,984,963
Net pension asset - proportionate share	1,729,766	-
Capital assets, net	29,994,484	27,013,582
Total noncurrent assets	100,885,583	97,072,130
Deferred outflows of resources:		
Other post-employment benefits	3,621,858	4,074,928
Pensions	4,150,057	3,397,816
Total deferred outflows of resources	7,771,915	7,472,744
Total assets and deferred outflows of resources	$ 151,306,047	135,461,254

Liabilities, Deferred Inflows of Resources and Net Position		2022	2021
Current liabilities:			
Accounts payable	$	1,097,802	3,731,724
Accrued liabilities		1,854,540	2,392,531
Compensated absences		351,544	271,722
Retainage payable		150,343	46,482
Due to City		1,627,642	578,332
Bonds payable		461,309	-
Lease liability		-	3,320,650
Grant anticipation note payable		-	4,221,000
Total current liabilities		5,543,180	14,562,441
Bonds payable		42,112,095	-
Grant anticipation note payable		-	8,580,000
Lease liability		-	32,664,313
Other post-employment benefits liability		11,924,134	13,415,978
Net pension liability - proportionate share		-	13,779
Total liabilities		59,579,409	69,236,511
Deferred inflows of resources:			
Other post-employment benefits		8,770,763	6,185,191
Pension		6,032,041	4,090,734
Leases		9,904,965	10,439,168
Total deferred inflows of resources		24,707,769	20,715,093
Net position:			
Net investment in capital assets		15,043,898	14,212,582
Restricted:			
Bond reserve funds		5,187,937	-
Passenger facility charge funds		16,266,620	21,585,621
Customer facility charge funds		6,120,752	2,966,900
Other restricted funds		108,457	98,190
Unrestricted		24,291,205	6,646,357
Total net position		67,018,869	45,509,650
Commitments, contingencies and uncertainties (notes 3, 7 and 10)			
Total liabilities, deferred inflows of resources and net position	$	151,306,047	135,461,254

See accompanying notes to financial statements.

SYRACUSE REGIONAL AIRPORT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT
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Statements of Revenues, Expenses and Change in Net Position

Years ended June 30, 2022 and 2021

		2022	2021
Operating revenues:			
Landing fees	$	8,535,147	5,852,823
Parking rents		14,260,961	5,137,048
Terminal rents		6,120,641	4,223,978
Concession and other		9,790,340	6,815,327
Miscellaneous		107,787	111,273
Total operating revenues		38,814,876	22,140,449
Operating expenses:			
Cost of service		24,631,728	22,218,142
Administrative		8,382,805	7,917,635
Total operating expenses		33,014,533	30,135,777
Excess (deficiency) of operating revenues over expenses before depreciation		5,800,343	(7,995,328)
Depreciation		2,535,309	2,391,161
Gain (loss) before nonoperating income and expenses		3,265,034	(10,386,489)
Nonoperating income (expense):			
Coronavirus relief assistance		6,446,272	11,631,288
Capital grants		16,116,181	7,587,799
Capital contribution expense to City's aviation fund		(10,062,014)	(1,655,410)
Passenger facility charges		4,793,253	2,182,938
Customer facility charges		3,283,765	1,681,870
Interest income		10,961	41,895
Interest expense		(2,344,233)	(2,472,573)
Total nonoperating income, net		18,244,185	18,997,807
Increase in net position		21,509,219	8,611,318
Net position, beginning of year		45,509,650	36,898,332
Net position, end of year	$	67,018,869	45,509,650

See accompanying notes to financial statements.

SYRACUSE REGIONAL AIRPORT AUTHORITY
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Statements of Cash Flows

Years ended June 30, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Cash received from providing services	$ 39,064,264	19,500,651
Cash paid to suppliers	(24,270,829)	(22,402,598)
Cash paid to employees	(9,564,079)	(6,658,478)
Net cash flows provided by (used in) operating activities	5,229,356	(9,560,425)
Cash flows provided by noncapital financing activities - coronavirus relief assistance	6,446,272	11,631,288
Cash flows from capital and related financing activities:		
Purchase of capital assets	(14,468,294)	(11,082,477)
Payment of debt	(12,801,000)	-
Proceeds of debt	42,573,404	-
Leases	(33,628,932)	(1,160,805)
Interest paid	(2,344,233)	(2,472,573)
Capital grants	16,116,181	7,587,799
Consumer facility charges	3,414,130	1,591,070
Passenger facility charges	4,556,180	1,598,128
Net cash flows provided by (used in) capital and related financing activities	3,417,436	(3,938,858)
Cash flows provided by investing activities - interest income	10,961	41,895
Net increase (decrease) in cash	15,104,025	(1,826,100)
Cash, beginning of year	49,061,347	50,887,447
Cash, end of year	$ 64,165,372	49,061,347
Gain (loss) before nonoperating income and expenses	3,265,034	(10,386,489)
Adjustment to reconcile loss before nonoperating income, net to net cash flows used in operating activities:		
Depreciation	2,535,309	2,391,161
Changes in operating assets and liabilities:		
Accounts receivable	463,883	(3,945,812)
Prepaid expenses	(88,269)	(342,675)
Deferred outflows - pensions	(752,241)	(1,482,106)
Deferred outflows - OPEB	453,070	(723,616)
Accounts payable	(2,633,922)	1,185,850
Accrued liabilities	(537,991)	2,098,350
Retainage payable	103,861	(459,164)
Due to City	1,049,310	(1,420,748)
Compensated absences	79,822	24,373
OPEB liability	(1,491,844)	(1,094,733)
Pension liability - proportionate share	(1,743,545)	(2,581,830)
Deferred inflows - pensions	1,941,307	3,986,176
Deferred inflows - OPEB	2,585,572	3,190,838
Net cash flows provided by (used in) operating activities	$ 5,229,356	(9,560,425)

See accompanying notes to financial statements.

(1) Organization

The Syracuse Regional Airport Authority ("the Authority"), a public benefit corporation, was established to provide the necessary tools and support to Syracuse Hancock International Airport (Airport) to maintain and operate the facilities in a safe, secure and efficient manner. The Authority is committed to promoting the growth and success of the Airport by overseeing fiscal responsibility, regional marketing, job creation in the aviation industry, and those industries that support aviation. The Authority was organized under the Public Authorities Law of the State of New York on August 17, 2011.

The Authority meets the criteria set forth in Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) for inclusion as a discretely presented component unit within the basic financial statements of the City of Syracuse, New York (City) based on the City's responsibility for the appointment of the Authority members. As such, the Authority is included in the City's basic financial statements. The accompanying financial statements present the financial position and the changes in net position and cash flows of the Authority only. The Authority is not involved in any joint ventures.

The Authority is not subject to Federal, State or local income, property or sales tax. However, the Authority may agree to make certain payments in lieu of taxes for real property owned or used by the Authority for purposes other than public aviation purposes and under other limited circumstances.

Transfer of Operations

On March 1, 2014, the City transferred responsibility for the operation of the Airport to the Authority, represented by agreements discussed below. The United States Department of Transportation Federal Aviation Administration (FAA) approved this transfer effective March 1, 2014. The Authority, as operator of the Airport, shall have the sole right and responsibility to establish Airport policies and plans, adopt all Airport budgets, determine levels of operational service, and set fees, rates and charges.

The City signed a non-cancellable lease agreement (lease agreement) with the Authority which was effective March 1, 2014, for an initial period of forty (40) years, and renewals of the lease term are automatic for additional ten year terms. Per the lease agreement, the Authority will lease all premises that comprise the Airport, and will maintain, repair and operate the Airport, at its own cost and expense. All land acquired and improvements made by or on behalf of the Authority to the Airport during the term of the agreement shall be deemed property of the City, and title shall vest in the City upon acquisition or completion of the project in which improvements are made.

(1) Organization, Continued

Transfer of Operations, Continued

The Authority signed an assignment and assumption agreement with the City, effective March 1, 2014, transferring the City's responsibility of Airport operations to the Authority, including all outstanding grant agreements related to the Airport with the United States Department of Transportation, the Department of Homeland Security Transportation Security Administration and the Federal Aviation Administration Passenger Facility Charge Records of Decision. The City also transferred substantially all of the assets and liabilities of its Aviation Enterprise Fund to the Authority which included cash, receivables, equipment and personal property, and contractual liabilities payable by the City's Aviation Fund.

The Authority signed a services agreement with the City effective March 1, 2014, which allows the City to continue to perform services that have been rendered by employees of the City's Department of Aviation, most of whom are represented by a union for the purpose of collective bargaining, for an initial period of ten (10) fiscal years beginning June 30, 2014 and two (2) successive periods of five (5) fiscal years (July 1 to June 30). The services agreement also allows the City to continue to make certain expenditures that are necessary and appropriate for the operation of the Airport.

(2) Summary of Significant Accounting Policies

(a) New Accounting Pronouncement

On July 1, 2021, the Authority adopted Governmental Accounting Standards Board (GASB) No. 87, Leases. This statement was applied retrospectively and had a material effect on the financial statements of the Authority. This statement, requires the recognition of certain lease assets, and liabilities for leases that previously were classified as operating leases and recognize them as inflows of resources or outflows of resources based on the payment provisions of the contract.

(b) Basis of Accounting

The Authority's financial statements are prepared in accordance with GAAP as applied to enterprise funds of governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. All activities of the Authority are accounted for within a single proprietary (Enterprise) fund. Proprietary funds are used to account for operations that are: (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

(2) Summary of Significant Accounting Policies, Continued

(b) Basis of Accounting, Continued

Revenues from landing fees, parking rents, terminal rents, concessions and other similar revenue are reported as operating revenues. All expenses related to operating the Airport are reported as operating expenses. Passenger facility and Customer facility charges, federal and state grants and interest are reported as non-operating revenues. Capital contribution expense to the City's Aviation fund and interest expense are reported as non-operating expenses, special and extraordinary items are reported separately after non-operating revenues and non-operating expenses.

(c) Net Position Classifications

In the financial statements there are three classes of Net Position:

Net Investment in Capital Assets - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

Restricted - reports Net Position when constraints placed on the assets are either externally imposed by grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted - reports the balance of Net Position that does not meet the definition of the above two classifications and are deemed to be available for general use by the Authority.

(d) Estimates

The preparation of financial statements in conformity with GAAP 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 revenues and expenses during the reported period. Actual results could differ from those estimates.

(e) Cash

The Authority's cash consists of demand deposits. New York State Public Authority Law governs the Authority's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within New York State (State).

Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities.

(Continued)

(2) Summary of Significant Accounting Policies, Continued

(f) Accounts Receivable

Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. The allowance for uncollectible amounts is based on collection history, aviation industry trends and current information regarding the credit worthiness of the tenants and others doing business with the Authority. When continued collection activity results in receipt of amounts previously written off, revenue is recognized for the amount collected.

(g) Lessor Receivable

The Authority, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources should be measured as the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

(h) Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents are restricted legally as described below:

Capital Improvement Funds - Capital debt proceeds and grant funds that are restricted for designated capital projects and cannot be expended for any other item.

Passenger Facility Charges - Funds representing Passenger Facility Charges (PFC) collections based on an approved FAA application to "impose" such charges on enplaned passengers at the Airport. These funds are restricted for designated capital projects and any debt incurred to finance the construction of those projects. The Authority recognizes and reports as nonoperating income PFCs earned when all conditions have been met that entitles the Authority to retain the PFCs.

Customer Facility Charges - Funds representing Customer Facility Charges (CFC) collections based on a State approved application to "impose" such charges on rental car passengers at the Airport. These funds are restricted and to be used to fund capital costs, debt service, reserve funds and all other costs and expenses associated with the improvement of the existing consolidated airport facilities or the construction of new consolidated airport facilities. The Authority recognizes and reports as nonoperating income CFCs earned when all conditions have been met that entitles the Authority to retain the CFCs.

Bond Funds – Funds pledged to be used for the purpose of paying principal of and interest on the Series 2021 Bonds.

(2) Summary of Significant Accounting Policies, Continued

(i) Capital Assets

Capital assets include vehicles, equipment and all other tangible assets that are used in operations and have useful lives extending beyond a single reporting period. Capital assets that were transferred to the Authority on March 1, 2014 from the City's Aviation Fund are carried at historical cost, net of accumulated depreciation. Acquisitions of assets costing $5,000 or more are recorded at cost.

Maintenance and repairs are expensed as incurred. When depreciable assets are disposed of, the related costs and accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited or charged to an expense. Capital assets are written off when fully depreciated unless clearly identified as still being in use. Capital assets are written down due to impairment if circumstances indicate a significant or unexpected decline in an assets service utility has occurred. Impaired capital assets are written down using an approach that best matches the asset's decline in service utility. Disposed of assets are reported at the lower of carrying value or fair value less disposal costs. Depreciation of capital assets is computed using the straight-line method at various rates considered adequate to allocate costs over the estimated useful lives of such assets. The estimated lives by general classification are as follows:

Machinery and equipment	3-10 years
Vehicles	3-5 years

(j) Deferred Outflows of Resources

In addition to assets, the statements of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority has two items that qualify for reporting in this category. The first one represents the effect of the net change in the Authority's proportionate share of the collective net pension asset or liability and difference during the measurement period between the Authority's contributions and its proportionate share of total contributions not included in pension expense. The second item is related to other postemployment benefits (OPEB) reported on the statements of net position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years.

(2) Summary of Significant Accounting Policies, Continued

(k) Deferred Inflows of Resources

In addition to liabilities, the statements of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has three items that qualify for reporting in this category. The first item is related to pensions reported in the statements of net position. This represents the effect of the net change in the Authority's proportionate share of the collective net pension asset or liability and difference during the measurement periods between the Authority's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item relates to other postemployment benefits (OPEB) reported on the statements of net position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years. The third item relates to lease receivables that will be recognized as revenue in a systematic and rational manner over the term of the leases.

(l) Capital Contributions

Certain expenditures for airport capital assets are significantly funded through the Airport Improvement Program (AIP) of the FAA, with certain matching funds provided by the State and the Authority, or from various State allocations or grant programs. Capital funding provided under government grants is considered earned as the related allowable expenditures are incurred.

Grants for capital asset acquisition, facility development and rehabilitation are reported in the statements of revenues, expenses and changes in net position, as nonoperating income (expense), as capital contributions.

(2) Summary of Significant Accounting Policies, Continued

(m) Revenue Recognition

Landing Fees - Landing fees are principally generated from scheduled airlines, cargo carriers and non-scheduled commercial aviation and are based on the maximum landed weight of the aircraft. The estimated landing fee structure is determined annually pursuant to an agreement between the Authority and the signatory airlines based on the adopted operating budget of the Authority and is adjusted at the fiscal year end for the actual landed weight of all aircraft and actual expenses. Landing fees are recognized as revenue based on number of landings and certain other criteria.

Fixed Based Operations (FBO), Rents, Concessions and Ground Transportation - FBO revenues are generated from commercial and general aviation users, rental car users, advertising and commercial tenants primarily through lease agreements. The lease agreements are for various terms and generally require rentals based on the volume of business, with specific minimum annual rental payments required. Rental revenue is recognized over the life of the respective lease and concession revenue is recognized based on reported concessionaire revenue.

Other - All other types of revenues are recognized when earned.

(n) Reclassifications

Certain amounts in the 2021 financial statements have been reclassified to conform with the 2022 presentation.

(3) Coronavirus Pandemic

Pandemic

In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic and the United States federal government declared COVID-19 a national emergency. The COVID-19 pandemic and the responsive measures taken in connection therewith, at international and U.S. federal, state and local levels, have depressed and continue to depress demand for domestic and international travel and travel-related industries. Airports in the United States had been acutely impacted by the broad-based economic shutdown resulting from efforts to stop the spread of COVID-19, including reductions in flights and declines in passenger volumes. Airlines are reporting passenger volumes returning to pre-pandemic levels, with the expectation of continued passenger volume increases as restrictions continue to be lifted.

(3) Coronavirus Pandemic, Continued

Coronavirus Relief Assistance

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted. The CARES Act is an approximate $2 trillion emergency economic stimulus package passed in response to the COVID-19 pandemic, which includes $10 billion in funds to be awarded as economic relief to eligible U.S. airports affected by the prevention of, preparation for, and response to the COVID-19 pandemic. Funding received under the CARES Act is intended to help offset declines in revenues arising from diminished airport operations and activities as a result of the COVID-19 pandemic. Subsequent to the CARES Act, the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA) was signed into law on December 27, 2020, which includes nearly $2 billion in funds to be awarded as economic relief to eligible U.S. airports. Funding under CRRSAA is intended to provide funding for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments.

During 2021, the Authority was awarded funding under the CARES Act of approximately $12,900,000 and approximately $5,100,000 under CRRSAA. As of June 30, 2022 and 2021, the Authority has recognized approximately $6,400,000 and $11,600,000, respectively, as nonoperating revenue in the statements of revenues, expenses and changes in net position as a result of satisfying the requirements of the grant agreements.

(4) Accounts Receivable

Accounts receivable is recorded net of allowances for probable uncollectible accounts. A summary of accounts receivable at June 30 is as follows:

	2022	2021
Enterprise	$ 3,531,298	2,286,727
Other – AJUA	98,955	1,723,784
Grants	23,083	-
Customer facility charges	379,475	249,110
Passenger facility charges	452,612	689,685
Less allowance for doubtful accounts	(21,552)	(21,552)
	$ 4,463,871	4,927,754

(5) Capital Assets

Per the agreement between the Authority and the City, certain land, buildings, and improvements with a cost of approximately \$436,000,000; with accumulated depreciation of approximately \$272,000,000 are included in the City's Aviation Fund. The Authority's Airport Lease Agreement with the City provides that all land acquired and improvements made to the Airport, on behalf of the Authority, shall be deemed property of the City. As a result, the Authority's policy is to remove Construction in Progress by recording a non-operating expense as "Capital Contribution Expense to City's Aviation Fund," when the project is substantially complete. Capital asset balances and activity for the years ended June 30, 2022 and June 30, 2021 were as follows:

	Balance July 1, 2021	Additions	Deletions and transfers	Balance June 30, 2022
Capital assets not being depreciated:				
Construction in progress	$ 18,124,846	13,299,766	(10,138,100)	21,286,512
Capital assets being depreciated:				
Machinery and equipment	19,521,985	695,922	(5,536,631)	14,681,276
Leasehold improvements	-	109,075	6,536,264	6,645,339
Vehicles	9,874,988	351,786	(5,192,458)	5,034,316
Total	29,396,973	1,156,783	(4,192,825)	26,360,931
Accumulated depreciation:				
Machinery and equipment	10,713,490	1,249,016	(2,905,479)	9,057,027
Leasehold improvements	-	80,607	3,841,490	3,922,097
Vehicles	9,794,747	44,881	(5,165,793)	4,673,835
Total	20,508,237	1,374,504	(4,229,782)	17,652,959
Capital assets, net	$ 27,013,582	13,082,045	(10,101,143)	29,994,484

(5) Capital Assets, Continued

	Balance July 1, 2020	Additions	Deletions and transfers	Balance June 30, 2021
Capital assets not being depreciated:				
Construction in progress	$ 11,316,456	8,463,800	1,655,410	18,124,846
Capital assets being depreciated:				
Machinery and equipment	15,247,898	4,274,087	-	19,521,985
Vehicles	10,644,938	-	769,950	9,874,988
Total	25,892,836	4,274,087	769,950	29,396,973
Accumulated depreciation:				
Machinery and equipment	9,698,349	1,015,141	-	10,713,490
Vehicles	10,349,482	215,215	769,950	9,794,747
Total	20,047,831	1,230,356	769,950	20,508,237
Capital assets, net	$ 17,161,461	11,507,531	1,655,410	27,013,582

Depreciation expense on capital assets for the years ended June 30, 2022 and 2021 was $1,374,504 and $1,230,356, respectively. Depreciation expense on city aviation fund right of use asset was $1,106,805 for the years ended June 30, 2022 and 2021.

(6) Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents consists of amounts which are restricted legally as described in note 2(h). A summary of the restricted cash balances at June 30 are as follows:

	2022	2021
Cash – PFC	$ 16,266,620	21,585,621
Cash – CFC	6,120,752	2,966,900
Bond funds	5,187,937	-
DEC escrow	77,266	77,258
Other	31,191	20,932
	$ 27,683,766	24,650,711

(7) Leases

Lessor

The Authority, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. As lessor, the asset underlying the lease is not derecognized. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

For the purposes of GASB No. 87, the Authority leases have been categorized as follows:

- GASB No. 87 Leases – Included
- GASB No. 87 Leases – Excluded Leases – Regulated
- GASB No. 87 Leases – Excluded Leases – Short-term

GASB No. 87 Leases – Included

In accordance with GASB No. 87, the Authority recognizes a lease receivable and a deferred inflow of resources for leases the Authority categorizes as GASB No. 87 – Included. For these leases, the Authority is reporting lessor lease receivables and deferred inflows of resources $10,439,168 at June 30, 2021.

The Authority has entered into leases as a lessor for various purposes, which include certain agreements as follows:

Car Rental Concessions

The Authority has entered into multiple rental car lease agreements for the use of rental car ready return spaces in the airport parking garage. The leases commenced January 1, 2018 and are set to expire December 31, 2027, with no extension options. The payment terms in these agreements range in annual revenue of approximately $29,000 to approximately $48,000 in 2022 and 2021, paid in twelve monthly installments.

The terms of these agreements include a variable revenue component that is not included in the measurement of the lease receivable related to the Authority receiving a concessionaire fee based on concession sales.

(7) Leases, Continued

Property Leases

The Authority has entered into multiple property leases (land and buildings), which range in previous commencement and expiration dates through December 31, 2049. The payment terms of these agreements range in annual revenue of approximately $37,000 to approximately $301,000 in 2022 and 2021, paid in twelve monthly installments. The rent in these agreements escalates by an inflationary factor each year. These leases include extension options, however it is not reasonably certain that the lessee will renew each lease for the additional year options.

Other

The Authority has also entered into leases for other various purposes, such as office space, cell towers, and advertising. These leases range in commencement and expiration dates through May 31, 2027. The payment terms of these agreements range in annual revenue of approximately $2,000 to approximately $52,000 in 2022 and 2021, paid in twelve monthly installments. The rent in these agreements escalates by an inflationary factor each year.

Future minimum lease payments expected are as follows:

For the year ending June 30,	
2023	$ 1,081,114
2024	904,987
2025	835,047
2026	815,114
2027	827,414
2028 - 2032	3,781,761
2033 – 2037	3,239,607
2038 – 2042	2,665,964
2043 - 2047	1,263,631
2048 - 2050	162,170
Total	$ 15,576,809

The ending current and non-current lease receivables are $1,053,107 and $8,851,858 at June 30, 2022 and $1,016,294 and $9,422,874 at June 30, 2021. Deferred inflows of resources relating to the lease receivables are $9,904,965 and $10,439,168 at June 30, 2022 and 2021.

(7) Leases, Continued

GASB No. 87 Excluded Leases – Regulated

In accordance with GASB No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g. the U.S. Department of Transportation and the Federal Aviation Administration, regulated aviation leases between airports and air carriers and other aeronautical users. Regulated leases include Airline Use and Lease Agreements (ULA) for signatory airlines. The rights, services and privileges, including the lease of preferentially-assigned gates, an airline has in connection with the use of the airport and its facilities is addressed in the ULA. By definition, a ULA is considered a regulated lease and does not recognize a receivable and corresponding deferred inflow of resources.

The Authority and certain airlines entered into a ULA that became effective July 1, 2016 and expires June 30, 2025. Additional airlines have also entered into a ULA with the Authority effective December 2019 and September 2021, both of which expire June 30, 2025.

The Authority has recognized for these agreements terminal landing fees, passenger boarding revenue and terminal rent revenue for the year ended June 30, 2022 of approximately $7,988,000, $3,963,000 and $1,676,000, and for the year ended June 30, 2021 of approximately $5,606,000, $2,198,000 and $1,720,000, respectively.

Due to the variable nature of the above revenues from year-to-year, expected future minimum payments are indeterminable.

GASB No. 87 Excluded Leases – Short-term

In accordance with GASB No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months or less, including any options to extend, regardless of their probability of being exercised. Short-term leases primarily consist of various advertising agreements.

Lessee

City of Syracuse Lease (City Lease)

The Authority entered into a lease agreement with the City, commencing on March 1, 2014 which is effective for an initial term of forty (40) years. See note 1 related to transfer of operations of the Airport.

The lease agreement gives the Authority the exclusive right to operate, maintain and improve the Airport subject to certain restrictions and conditions. The renewals of the lease term are automatic for additional ten year terms. The City retains physical ownership of the current and future land, buildings and improvements of the Airport made by or on behalf of the Authority.

(7) Leases, Continued

City of Syracuse Lease (City Lease), Continued

In conjunction with GASB No. 87, for the period beginning July 1, 2021, the Authority recorded a lease liability equal to the present value of the future principal and interest payments on the Airport related debt issued by the City as part of the lease agreement and a corresponding city aviation fund right-of-use asset. The Authority made bond payments funded by the passenger facility charges referred to in note 2, totalling approximately $2,013,000 and $3,321,000 for the years ended June 30, 2022 and 2021, respectively.

In October 2021, the Authority utilized proceeds from the Syracuse Regional Authority Senior Airport Revenue Refunding Bonds, Series 2021, to satisfy the remaining principal and interest due on the City's Series 2011A bonds of approximately $33,400,000. The Authority also made payments funded by the passenger facility charges of approximately $515,000 to satisfy the remaining principal and interest due on the City's Series 2013B bonds. These payments paid off the remaining lease liability. The Authority is depreciating the city aviation fund right-of-use asset systematically and rationally over the remaining lease term, which approximates $1,100,000 per year.

(8) Benefit Plans

(a) New York State and Local Employees' Retirement System (ERS)

General Information about the ERS

The Authority participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement plan. The ERS provides retirement benefits as well as death and disability benefits. The New York State Comptroller's office administers the ERS along with the New York State and Local Police and Fire Retirement System, which are collectively referred to as the New York State and Local Retirement System (NYSLRS). The net position of the NYSLRS is held in the New York State Common Retirement Fund (Fund), which was established to hold all assets and record changes in fiduciary net position allocated to the NYSLRS. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the NYSLRS. NYSLRS benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the NYSLRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Authority also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The NYSLRS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244-0001.

The ERS is noncontributory except for employees who joined on or after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, employees who joined on or after January 1, 2010 who contribute 3 percent of their salary for their entire length of service, and employees who joined on or after April 1, 2012 who contribute between 3 and 6 percent of their salary for their entire length of service based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS fiscal year ending March 31st.

(8) Benefit Plans, Continued

(a) New York State and Local Employees' Retirement System (ERS), Continued

General Information about the ERS, Continued

The Authority's share of the required contributions, based on covered payroll paid for the current and two preceding years were:

		Amount
2022-2021	$	841,539
2020-2019		503,729
2019-2018		349,375

For ERS, employer contributions are paid annually based on the ERS' fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2022 represent the projected employer contribution for the period of April 1, 2022 through June 30, 2022 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions were $174,786 and $125,932 as of June 30, 2022 and 2021, respectively.

Pension Assets (Liabilities), Pension Income and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022 and 2021, the Authority reported the following asset (liability) for its proportionate share of the net pension asset (liability). The net pension asset (liability) was measured as of March 31, 2022 and 2021. The total pension asset (liability) used to calculate the net pension asset (liability) was determined by an actuarial valuation as of March 31, 2022. The Authority's proportionate share of the net pension liability was based on a projection of the Authority's long-term share of contributions to the ERS relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS in reports provided to the Authority.

		March 31, 2022	March 31, 2021
Net pension asset (liability)	$	1,729,766	(13,779)
Authority's proportion of the ERS' net pension asset (liability)		0.0211603%	0.0138381%

(8) Benefit Plans, Continued

(a) New York State and Local Employees' Retirement System (ERS), Continued

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

For the years ended June 30, 2022 and 2021, the Authority recognized pension income of $526,921 and $77,760, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources as of June 30:

	2022	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 130,998	169,911
Changes of assumptions	2,886,785	48,711
Net difference between projected and actual earnings on pension plan investments	-	5,664,259
Changes in proportion and differences between the Authority's contributions and proportionate share of contributions	957,488	149,160
Authority's contributions subsequent to the March 31, 2022 measurement date	174,786	-
Total	$ 4,150,057	6,032,041

	2021	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 168,281	-
Changes of assumptions	2,533,541	47,783
Net difference between projected and actual earnings on pension plan investments	-	3,958,182
Changes in proportion and differences between the Authority's contributions and proportionate share of contributions	570,062	84,769
Authority's contributions subsequent to the March 31, 2021 measurement date	125,932	-
Total	$ 3,397,816	4,090,734

(Continued)

(8) Benefit Plans, Continued

(a) New York State and Local Employees' Retirement System (ERS), Continued

Pension Liabilities, Pension Income and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

Authority contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension income as follows:

Year ending	ERS
2023	$ (184,626)
2024	(399,415)
2025	(1,280,754)
2026	(191,976)

Actuarial Assumptions

The total pension asset at March 31, 2022 was determined by using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension asset to March 31, 2022. The actuarial valuation used the following actuarial assumptions:

Investment rate of return	5.9%
Salary scale	4.4%
Inflation rate	2.7%
Cost-of-living adjustments	1.4%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 NYSLRS experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2020 (MP-2018 in 2020).

The actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020 (April 1, 2010 - March 31, 2015 in 2020).

(8) Benefit Plans, Continued

(a) New York State and Local Employees' Retirement System (ERS), Continued

Actuarial Assumptions, Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2022 are summarized below:

Asset class:	Target Allocations in %	Long-Term expected real rate of return in %
Domestic equity	32.0%	3.30%
International equity	15.0%	5.85%
Private equity	10.0%	6.50%
Real estate	9.0%	5.00%
Opportunistic/ARS portfolio	3.0%	4.10%
Credit	4.0%	3.78%
Real assets	3.0%	5.58%
Fixed income	23.0%	0.00%
Cash	1.0%	-1.00%

The real rates of return are net of a long-term inflation assumption of 2.50 percent.

Discount Rate

The discount rate used to calculate the total pension asset (liability) was 5.9% in 2022 and 2021. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the NYSLRS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset (liability).

(Continued)

(8) Benefit Plans, Continued

(a) New York State and Local Employees' Retirement System (ERS), Continued

Sensitivity of the Proportionate Share of the Net Pension Asset (Liability) to the Discount Rate Assumption

The following presents the Authority's proportionate share of the net pension asset (liability) calculated using the discount rate of 5.9%, as well as what the Authority's proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate that is 1-percentage point lower (4.9%) or 1-percentage point higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current assumption (5.9%)	1% Increase (6.9%)
Authority's proportionate share of the net pension asset (liability)	$ (4,452,399)	1,729,766	6,900,848

ERS Fiduciary Net Position

Detailed information about the ERS' fiduciary net position is available in the separately issued NYSLRS financial report. Refer to note 9(a) - *General Information about the ERS* for information on how to obtain the report.

(b) Postretirement Healthcare Benefits

General Information about the Plan

Plan Description

The Authority provides postretirement healthcare coverage to eligible retirees and their spouses under a single-employer defined benefit healthcare plan administered by the Authority. The obligations of the Plan members, employers, and other entities are established by action of the Authority pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and the members vary depending on the applicable agreement. The plan does not issue a separate financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

(8) Benefit Plans, Continued

(b) Postretirement Healthcare Benefits, Continued

General Information about the Plan, Continued

Employees Covered By Benefit Terms

At June 30, the following employee classifications were covered by the benefit terms:

	2022	2021
Active employees	92	92
Inactive employees or beneficiaries currently receiving benefit payments	2	2
Total	94	94

Postretirement Healthcare Benefit Liability

At June 30, 2022, the Authority's postretirement healthcare benefit liability of $11,924,134 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2020.

At June 30, 2021, the Authority's postretirement healthcare benefit liability of $13,415,978 was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020.

Actuarial Assumptions and Other Inputs

The Authority's postretirement healthcare benefit liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Rate of compensation increase:	3.00%
Discount rate:	3.69%
Inflation rate:	2.25%
Assumed pre-65 healthcare cost trend rate assumed for next fiscal year:	6.75%
Assumed post-65 healthcare cost trend rate assumed for next fiscal year:	4.40%
Ultimate healthcare cost trend rate:	3.78%

(8) Benefit Plans, Continued

(b) Postretirement Healthcare Benefits, Continued

Postretirement Healthcare Benefit Liability, Continued

Actuarial Assumptions and Other Inputs, Continued

The discount rate was based on the Fidelity General Obligation 20-Year AA Municipal Bond Index.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables for employees, health retirees, and contingent survivors, adjusted for mortality improvements with Scale MP-2021 mortality improvement scale on a generational basis. (MP-2020 mortality improvement scale in 2021).

Changes in the Postretirement Healthcare Benefit Liability

A schedule of the changes in the Authority's postretirement healthcare benefit liability at June 30:

	2022	2021
Balance at July 1	$ 13,415,978	14,510,711
Changes for the year:		
Service cost	1,246,529	1,057,827
Interest cost	280,697	287,478
Change in benefit terms	558,855	243,108
Differences between expected and actual experience	-	(3,809,578)
Changes in assumptions and other inputs	(3,492,211)	1,176,746
Benefit payments	(85,714)	(50,314)
Net changes	(1,491,844)	(1,094,733)
Balance at June 30	$ 11,924,134	13,415,978

Changes in assumptions and other inputs reflect a change in the discount rate from 1.92% in 2021 to 3.69% in 2022.

(8) Benefit Plans, Continued

(b) Postretirement Healthcare Benefits, Continued

Changes in the Postretirement Healthcare Benefit Liability, Continued

Sensitivity of the Postretirement Healthcare Benefit Liability to Changes in the Discount Rate

The following presents the postretirement healthcare benefit liability of the Authority, as well as what the Authority's postretirement healthcare benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.69%) or 1-percentage-point higher (4.69%) than the current discount rate as of June 30, 2022:

	1% Decrease (2.69%)	Current assumption (3.69%)	1% Increase (4.69%)
Postretirement healthcare benefit liability	$ 13,924,388	11,924,134	10,298,209

Sensitivity of the Postretirement Healthcare Benefit Liability to Changes in the Healthcare Cost Trend Rates

The following presents the postretirement healthcare benefit liability of the Authority, as well as what the Authority's postretirement healthcare benefit liability would be if it were calculated using ultimate healthcare cost trend rates that are 1-percentage-point lower (trend decreasing to 2.78%) or 1-percentage-point higher (trend increasing to 4.78%) than the current ultimate healthcare cost trend rates at June 30, 2022:

	1% Decrease (trend decreasing to 2.78%)	Current assumption (trend rate at 3.78%)	1% Increase (trend increasing to 4.78%)
Postretirement healthcare benefit liability	$ 9,670,565	11,924,134	14,868,870

(8) Benefit Plans, Continued

(b) Postretirement Healthcare Benefits, Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Postretirement Healthcare Benefits

For the years ended June 30, 2022 and 2021, the Authority recognized postretirement healthcare benefit expense of $1,546,798 and $1,372,459, respectively. At June 30, 2022 and 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to postretirement healthcare benefits from the following sources:

	2022	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 1,652,507	5,465,319
Changes of assumptions or other inputs	1,969,351	3,305,444
Total	$ 3,621,858	8,770,763

	2021	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ 1,884,275	6,069,875
Changes of assumptions or other inputs	2,190,653	115,316
Total	$ 4,074,928	6,185,191

(8) Benefit Plans, Continued

(b) Postretirement Healthcare Benefits, Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Postretirement Healthcare Benefits, Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to postretirement healthcare benefits will be recognized in postretirement healthcare benefit expense as follows:

Year ending December		Postretirement healthcare benefits expense
2023	$	(453,539)
2024		(453,539)
2025		(453,539)
2026		(453,539)
2027		(453,539)
Thereafter		(2,881,210)

(9) Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. While the Authority does not have a specific policy for custodial credit risk, New York State statutes govern the Authority's investment policies, as discussed previously in these notes.

As of June 30, 2022 and 2021, the Authority's bank balances were fully collateralized by federal depository insurance and securities held by an agent of the pledging financial institution in the Authority's name.

(10) Risk Management

Potential Grantor Liability

The Authority is exposed to various risks of loss related to torts, theft, damage, injuries, errors and omissions, natural disasters and other risks. These risks are covered by commercial insurance purchased from independent third parties.

(10) Risk Management, Continued

Self-Insured Health and Dental Insurance

The Authority participates in the health and dental insurance consortium managed by Onondaga County Employees Benefit Association (OCEBA). This is a self-insured plan whereby the insurance risk is retained by the Authority although such risk is spread among the participants in the Plan. The Authority has not recorded an estimate of incurred but not reported claims as of June 30, 2022 and 2021 as it is deemed immaterial to the financial statements.

Litigation

The nature of the business of the Authority generates certain litigation against the Authority arising in the ordinary course of business. The Authority could be a defendant in lawsuits at various times. The Authority estimates that these matters, if any, would be resolved without material adverse effect on the Authority's future financial position or results from operations.

(11) Noncurrent Liabilities

Noncurrent liability balance and activity for the year ended June 30, are as follows:

Description	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Amounts due within one year
Grant anticipation note payable	$ 12,801,000	-	(12,801,000)	-	-
Series 2021 Bonds	-	35,105,000	-	35,105,000	450,000
Series 2021 Bonds Premium	-	7,468,404	-	7,468,404	11,309
Net pension liability	13,779	-	(13,779)	-	-
OPEB liability	13,415,978	-	(1,491,844)	11,924,134	-
Total noncurrent liabilities	$ 26,230,757	42,573,404	(14,306,623)	54,497,538	461,309

Description	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Amounts due within one year
Grant anticipation note payable	$ 12,801,000	-	-	12,801,000	4,221,000
Net pension liability	2,595,609	-	(2,581,830)	13,779	-
OPEB liability	14,510,711	2,765,159	(3,859,892)	13,415,978	-
Total noncurrent liabilities	$ 29,907,320	2,765,159	(6,441,722)	26,230,757	4,221,000

(11) Noncurrent Liabilities, Continued

During 2021, the Authority issued the Syracuse Regional Airport Authority Senior Airport Revenue Refunding Bonds, Series 2021 (AMT) (Series 2021 Bonds) in the amount of $35,105,000 and recorded a premium of approximately $7,468,000. The Authority records amortization of the premium over the term of the bonds for each bond issuance. The Authority recorded and expensed bond issuance costs of approximately $463,000 as interest expense in the statements of revenues, expenses, and change in net position for the year ended June 30, 2022. The proceeds from the Series 2021 Bonds were used to prepay the principal and interest due on the City's General Obligation Airport Terminal Security and Access Improvement Bonds, Series 2011A, that the Authority was responsible for under a lease agreement (note 7), to repay the Authority's Airport Terminal Anticipation Notes (Series 2019 Notes), fund the reserve requirement for the Series 2021 Bonds, and pay certain costs of issuance of the Series 2021 Bonds. The Series 2021 Bonds are secured by a pledge and lien upon the Authority's net revenues derived by the Authority from the operations of the Airport, and such other amounts. A portion of the Series 2021 Bonds are designated as PFC Bonds, which are secured by an additional pledge and assignment of available PFC revenues.

The Series 2021 Bonds mature on July 1, 2036 and bear interest at rates ranging between 4.00% and 5.00% with semi-annual payments due on January 1 and July 1 of each year, commencing July 1, 2022. Principal payments range from $450,000 to $3,060,000 beginning for the years 2022 through 2036. The Series 2021 Bonds maturing after July 1, 2031 shall be subject to redemption by the Authority at its option on or after July 1, 2031 and thereafter, in whole or in part at any time, at a redemption price equal to 100% of the principal amount of the Series 2021 Bonds or portions thereof to be redeemed, plus accrued interest, if any, to the redemption date, from available moneys in accordance with the terms of the agreement.

During 2019, the Authority entered into a note purchase agreement (Series 2019 Notes) in the amount of $15,757,000 with a bank to finance a project consisting of (a) refinancing of certain revolving indebtedness with the bank incurred to finance (i) the construction of certain capital improvements in and around the terminal of the airport complex (ii) the equipping of the terminal with certain items of equipment, machinery, fixtures, and other items of tangible personal property; (b) paying certain costs and expenses incidental to the issuance of the Series 2019 Notes; and (c) funding any debt service reserve or similar fund, if any. The outstanding amount of $12,801,000 on the Series 2019 Notes was repaid as part of the Series 2021 Bonds issuance.

(Continued)

(11) Noncurrent Liabilities, Continued

Principal and interest payments due on the Series 2021 Bonds are as follows:

For the year ending June 30,	Principal	Interest	Total
2023	$ 450,000	1,147,554	1,597,554
2024	2,065,000	1,682,050	3,747,050
2025	2,170,000	1,578,800	3,748,800
2026	2,285,000	1,470,300	3,755,300
2027	2,395,000	1,356,050	3,751,050
2028 - 2032	13,535,000	4,164,000	17,699,000
2033 - 2036	12,205,000	1,061,050	13,266,050
Total	$ 35,105,000	12,459,804	47,564,804

(12) Subsequent Events

The Authority has evaluated subsequent events occurring after the statement of net position through the date of September 29, 2022, which is the date the financial statements were issued.

SYRACUSE REGIONAL AIRPORT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT
OF THE CITY OF SYRACUSE, NEW YORK)

Schedules of Authority's Pension Contributions

ERS Pension Plan

(Unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 841,539	503,729	349,375	180,927	126,573	99,797	92,914	19,934
Contributions in relation to the contractually required contribution	841,539	503,729	349,375	180,927	126,573	99,797	92,914	19,934
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-
Authority's covered-ERS employee payroll	6,987,596	5,994,566	2,429,109	1,271,982	922,538	752,001	599,249	123,520
Contributions as a percentage of covered-employee payroll	12.04%	8.40%	14.38%	14.22%	13.72%	13.27%	15.51%	16.14%

See accompanying independent auditor's report.

SYRACUSE REGIONAL AIRPORT AUTHORITY
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Schedules of Authority's Proportionate Share of the Net Pension Asset (Liability)

ERS Pension Plan

(Unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension asset (liability)	0.0211603%	0.0138381%	0.0098019%	0.0055365%	0.0036346%	0.0031085%	0.0024646%	0.0008180%
Authority's proportionate share of the net pension asset (liability)	$ 1,729,766	(13,779)	(2,595,609)	(392,279)	(117,305)	(292,077)	(395,629)	(27,633)
Authority's covered-employee payroll	$ 6,987,596	5,994,566	2,429,109	1,271,982	922,538	752,001	599,249	123,520
Authority's proportionate share of the net pension asset (liability) as a percentage of its covered-employee payroll	24.75%	0.23%	106.85%	30.84%	12.72%	38.84%	66.02%	22.37%
Plan fiduciary net position as a percentage of total pension asset (liability)	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

See accompanying independent auditor's report.

SYRACUSE REGIONAL AIRPORT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT
OF THE CITY OF SYRACUSE, NEW YORK)

Schedule of Changes in the Authority's Net Postretirement Healthcare Benefit Liability and Related Ratios

(Unaudited)

	2022*	2021*	2020*	2019*	2018*
Measurement date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB Liability:					
Service cost	$ 1,246,529	1,057,827	678,667	425,727	250,479
Interest on total OPEB liability	280,697	287,478	283,556	176,888	73,565
Change in benefit terms	558,855	243,108	7,031,143	3,152,779	-
Change in assumptions and other inputs	(3,492,211)	1,176,746	1,341,406	(157,868)	18,427
Difference between expected and actual experience	-	(3,809,578)	(3,144,725)	2,579,579	(1,554)
Benefit payments	(85,714)	(50,314)	(13,301)	-	-
Net change in total OPEB liability	(1,491,844)	(1,094,733)	6,176,746	6,177,105	340,917
Total OPEB liability - beginning	13,415,978	14,510,711	8,333,965	2,156,860	1,815,943
Total OPEB liability - ending	$ 11,924,134	13,415,978	14,510,711	8,333,965	2,156,860
Covered payroll	5,558,687	5,357,448	3,989,919	2,681,711	1,098,757
Total OPEB liability as a percentage of covered payroll	214.51%	250.42%	363.68%	310.77%	196.30%

*10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

Notes to Required Supplementary Information:

Actuarial assumptions:
The actuarial methods and assumptions used to calculate the total OPEB liability are described in note 8 to the financial statements.

See accompanying independent auditor's report.

SYRACUSE REGIONAL AIRPORT AUTHORITY

Schedule of Expenditures of Federal Awards

Year ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA number	Identifying numbers	Current year expenditures
U.S. Department of Transportation - Direct			
Airport improvement program:			
COVID-19 CARES Act Airport Grant	20.106	156-20	$ 1,562,516
Taxiway hotspots design and rehabilitation	20.106	153-19	121,638
Pavement Management Plan	20.106	157-21	157,017
COVID-19 Airport Coronavirus Response Grant	20.106	159-21	4,883,756
Rehab runway 10/28	20.106	155-20	11,180,664
Taxiway A West Design	20.106	160-21	138,352
Total U.S. Department of Transportation			18,043,943
Total expenditures of federal awards			$ 18,043,943

See Notes to Schedule of Expenditures of Federal Awards and Independent Auditor's Report.

SYRACUSE REGIONAL AIRPORT AUTHORITY

Notes to Schedule of Expenditures of Federal Awards

June 30, 2022

(1) Significant Accounting Policies

Organization

The accompanying Schedule of Expenditures of Federal Awards represents all Federal awards administered by the Syracuse Regional Airport Authority. The Syracuse Regional Airport Authority's organization is defined in note 1 to the basic financial statements.

Basis of Accounting

The expenditures in the accompanying schedule are presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

De Minimis Indirect Cost Rate

The Authority has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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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*

INDEPENDENT AUDITOR'S REPORT

Board Members
Syracuse Regional Airport Authority:

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 business type activities of the Syracuse Regional Airport Authority (Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Syracuse Regional Airport Authority's basic financial statements, and have issued our report thereon dated September 29, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 may exist that have not been identified.

(Continued)

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of 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 statement. 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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fust Charles Chambers LLP

September 29, 2022

Fust Charles Chambers LLP
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

Board Members
Syracuse Regional Airport Authority:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Syracuse Regional Airport Authority's (Authority) 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 the Authority's major federal program for the year ended June 30, 2022. The Authority's major Federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 the Authority 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 the Authority's compliance with the compliance requirements referred to above.

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Report on Compliance for Each Major Federal Program, Continued

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 the Authority'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 the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but it not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *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 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 the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 the Authority'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 the Authority'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 the Authority'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.

(Continued)

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 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. 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.

Fust Charles Chambers LLP

September 29, 2022

SYRACUSE REGIONAL AIRPORT AUTHORITY

Schedule of Audit Findings and Questioned Costs

Summary of Auditor's Results

Type of Financial Statement Opinion	Unmodified
Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	None reported
Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
Were there any material internal control weakness conditions reported for major federal programs?	No
Were there any other significant deficiencies reported for major federal programs?	None reported
Type of Major Programs' Compliance Opinion	Unmodified
Are there any reportable findings under 2CFR Section 200.516(a)?	No
Major Programs (list):	U.S. Department of Transportation CFDA #20.106 Airport Improvement Program
Dollar Threshold: Type A\B Programs	Type A: >$750,000 Type B: all others
Low Risk Auditee?	Yes

SYRACUSE REGIONAL AIRPORT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT
OF THE CITY OF SYRACUSE, NEW YORK)

Schedule of Audit Findings and Questioned Costs

Year ended June 30, 2022

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None