



**Altitude Access Solutions, Inc. (AAS)
Regular Meeting Agenda
Friday, September 18, 2026
11:30 a.m. – 12:00 p.m./or directly following
the adjournment of the SRAA Board meeting**

**Syracuse Hancock International Airport
SRAA Board Room**

1. Roll Call
2. **Consent Agenda**
 - a. **Approval of the minutes of the AAS Regular Board Meeting, June 18, 2026**
 - b. **Resolution approving the Fiscal Year End 2026 Draft Audit of Altitude Access Solutions, Inc. (AAS)**
 - c. **Resolution to approve Guest Experience Coordinator – (AAS)**
3. New Business/Discussion
4. Committee Reports
 - a. **Audit Committee**
 - b. Governance Committee
5. Adjournment

*** Bolded items = materials available**



Resolution No. __

2026

**RESOLUTION APPROVING CONSENT CALENDAR FOR MEETING OF
SEPTEMBER 18, 2026 OF THE ALTITUDE ACCESS SOLUTIONS, INC.**

WHEREAS, Altitude Access Solutions, Inc. (“AAS”) is a business corporation and subsidiary of the Syracuse Regional Airport Authority (the “Authority”), formed and operating pursuant to Article 8, Title 34 of the New York Public Authorities Law, as amended (the “Enabling Act”); and

WHEREAS, under the AAS Bylaws, the Board is responsible for determining the procedural conduct of AAS Board meetings; and

WHEREAS, Roberts Rules of Order Newly Revised (“RONR”)¹ authorizes the use of a Consent Calendar² for routine matters in order to expedite a meeting; and

WHEREAS, at a meeting of the Board held on September 18, 2026 a Consent Calendar was presented to the Board for approval;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Altitude Access Solutions, Inc. hereby authorizes and ratifies the use of Consent Calendars for routine matters and approves the September 18, 2026 meeting Consent Calendar items as shown on Schedule “A” annexed to this Resolution.

RESOLUTION ADOPTED DATE: SEPTEMBER 18, 2026

VOTE: Ayes ____ Nays ____ Abstentions ____

SIGNED:
Secretary

¹ Refers to the edition of Roberts Rules of Order currently in effect.

² RONR 12th edition 41:32.

SCHEDULE A

Consent Agenda

1. Approval of the minutes of the AAS Regular Board Meeting, June 18, 2026
2. Resolution approving the Fiscal Year End 2026 Draft Audit of Altitude Access Solutions, Inc. (AAS)



**Minutes of the Regular Meeting of the
Altitude Access Solutions, Inc. (AAS)**

Thursday, June 18, 2026

Pursuant to the notice duly given and posted, the regular board meeting of Altitude Access Solutions, Inc. (AAS) was called to order on Thursday, June 18, 2026, at 12:14 p.m. in the Syracuse Regional Airport Authority Board Room located in the Syracuse Hancock International Airport by AAS Board Chair Ms. JoAnne Falco.

Members Present:

Ms. Jo Anne Falco – Chair
Mr. Michael Frame – Teams Video
Dr. Shiu-Kai Chin
Mr. Thomas Fernandez – Teams Video
Mr. Michael Lazar
Mr. Michael Mirizio
Mr. Nathaniel Stevens
Dr. Donna DeSiato
Mr. Robert Simpson

Members Absent:

Mr. Kenneth Kinsey
Mr. Eric Ennis

Also Present:

Mr. Jason Mehl
Mr. Aaron Harris
Ms. Robin Watkins
Ms. Joanne Clancy
Chief Justin Baum
Mr. Benjamin Yaus
Mr. Jonathan Giardina

Chair Falco started the AAS Board meeting at 12:14 p.m.

Roll Call

As noted above, all AAS Board members were present other than Mr. Kenneth Kinsey, and Mr. Ennis.

Resolution to approve the AAS Regular Board meeting minutes from May 29, 2026

Chair Falco welcomed the group and asked if there were any questions regarding the minutes of the AAS Regular Board meeting held on May 29, 2026. Hearing no objections, Chair Falco made a motion to approve, it was seconded by Dr. Chin, and the resolution was unanimously approved.

The resolution was adopted: 9 ayes, 0 nays, 0 abstain

New Business/Discussion:

General Counsel Ben Yaus reminded the group that the SRAA Board approved the SRAA operating and capital budgets. For Altitude Access Solutions, Inc. (AAS) this subsidiary, which will begin parking operations at SYR starting July 1, 2026, there is only has an operating budget, with no capital expenses to the entity. HR Director Marshall noted that hiring and training is going well and is on target for the July 1st start date.

Resolution Adopting the 2026/2027 AAS Operating Budget

Chair Falco asked if there were any further questions. Hearing no objections, Chair Falco made a motion to approve. It was seconded by Dr. Chin, and the resolution was unanimously approved.

The resolution was adopted: 9 ayes, 0 nays, 0 abstain

Committee Reports

AAS Audit Committee meeting minutes from April 23, 2026, were given to the group in the Teams folder and are published on the website.

No AAS Governance Committee meeting has been held to date.

There were no further questions.

Executive Session

No Executive Session was held.

Adjournment

Ms. Clancy reminded the group that the next AAS Board meeting will be on Friday, September 18th, starting immediately after the SRAA Regular Meeting of the Board which begins at 11:00 a.m. Having no other topics for discussion, a motion was made by Ms. Falco and seconded by Dr. Chin, to adjourn the meeting. The meeting was adjourned at 12:17 p.m.

**RESOLUTION APPROVING THE FISCAL YEAR ENDING JUNE 30, 2026 DRAFT
AUDIT OF THE SYRACUSE REGIONAL AIRPORT AUTHORITY AND
SUBSIDIARIES**

WHEREAS, the Syracuse Regional Airport Authority (the “Authority”) is a public benefit corporation, formed and operating pursuant to Chapter 463 of the Laws of New York, 2011 and Article 8, Title 34 of the New York Public Authorities Law, as amended (the “Enabling Act”); and

WHEREAS, Altitude Access Solutions, Inc. (“AAS”) is a business corporation and subsidiary of the Authority, formed and operating pursuant the Enabling Act; and

WHEREAS, Section 2799-vvv of the Enabling Act requires that the accounts of the Authority be subject to the supervision of the State Controller and that an annual audit be performed by an independent certified public accountant; and

WHEREAS, in accordance with Public Authorities Law § 2800, the Authority’s annual report must include its “audited financials” and descriptions of major subsidiaries; therefore, the Authority audit for Fiscal Year End 2026 includes AAS; and

WHEREAS, in compliance with said provisions of the Enabling Act and Public Authorities Law, the Authority engaged the independent certified public accounting firm of Fust Charles Chambers to audit the Authority's, including its subsidiaries, accounts and prepare a draft audit for the fiscal year ending June 30, 2026; and

WHEREAS, Fust Charles Chambers performed such audit and prepared a draft audit for Fiscal Year End 2026; and

WHEREAS, Fust Charles Chambers further presented the draft audit for Fiscal Year End 2026 to the Audit Committee of the Board at its September 18, 2026 meeting and responded to questions posed by Audit Committee members; and

WHEREAS, the Audit Committee has recommended to the Board that it adopt and accept the draft Audit for Fiscal Year End 2026.

NOW, THEREFORE, BE IT RESOLVED, by the Board of the Syracuse Regional Airport Authority that it hereby approves and adopts the draft audit for the Authority's Fiscal Year End 2026 prepared by Fust Charles Chambers; and be it further

RESOLVED, that this Resolution shall take effect immediately.

RESOLUTION ADOPTED DATE: SEPTEMBER 18, 2026

VOTE: Ayes____ Nays ____ Abstentions____

SIGNED: _____
 Secretary

DRAFT – For Discussion Purposes Only

Board Members

Syracuse Regional Airport Authority:

We have audited the financial statements 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, for the year ended June 30, 2026, and have issued our report thereon dated _____, 2026. Professional standards and *Governmental Auditing Standards* require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated July 21, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in note 2 to the financial statements. As described in note 2(c) to the financial statements, the Authority adopted GASB Statement No. 103, *Financial Reporting Model Improvements* (GASB 103) and GASB Statement No. 104, *Disclosure of Certain Capital Assets* (GASB 104) on July 1, 2025. No other changes to accounting policies were noted during 2026. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were:

- The Authority estimates an allowance for doubtful accounts in order to present accounts receivable at the appropriate net realizable amount.
- The Authority estimates actuarial assumptions that are used to determine annual postretirement cost for the year in accordance with GASB Statement No. 75.
- The Authority estimates actuarial assumptions that are used to determine annual pension cost for the year in accordance with GASB Statement No. 68.

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The Board of Managers
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Significant Audit Matters, Continued

Qualitative Aspects of Accounting Practices, Continued

We evaluated the methods, assumptions and data used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements identified as a result of the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated _____, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

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The Board of Managers
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Significant Audit Matters, Continued

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, Schedule of the Authority's Pension Contributions, Schedule of Authority's Proportionate Share of the Net Pension Liability, Schedules of Changes in the Authority's Net Postretirement Healthcare Benefit Liability and Related Ratios and Notes to Required Supplementary Information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

* * * * *

This information is intended solely for the use of the Board Members, Audit Committee and management of the Syracuse Regional Airport Authority, a public benefit corporation of the State of New York and a discretely presented component unit of the City of Syracuse, New York and is not intended to be, and should not be, used by anyone other than these specified parties.

Syracuse, New York
_____, 2026

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

Financial Statements and
Required Supplementary Information

June 30, 2026 and 2025

DRAFT – For Discussion Purposes Only

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

June 30, 2026 and 2025

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DRAFT – For Discussion Purposes Only

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, 2026 and 2025, 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, 2026 and 2025, 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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.

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Board Members

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Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the 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.

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.

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Board Members

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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.

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Board Members

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2026, 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.

Syracuse, New York

_____, 2026

DRAFT – For Discussion Purposes Only

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, 2026. 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 are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. 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, 2026.

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.

Syracuse, New York
_____, 2026

DRAFT – For Discussion Purposes Only

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

Management's Discussion and Analysis as of
and for the year ended June 30, 2026

(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, 2026 and 2025. 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. OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority is a public benefit corporation and is reported as a discretely presented component unit of the City of Syracuse, New York. Its financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as established by the Governmental Accounting Standards Board.

The Authority's basic financial statements include the following:

- The statement of net position reports assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at fiscal year-end.
- The statement of revenues, expenses, and changes in net position reports operating and nonoperating activity, capital contributions and transfers, and the resulting change in net position for the fiscal year.
- The statement of cash flows reports cash flows from operating, noncapital financing, capital and related financing, and investing activities.

2. FINANCIAL SUMMARY

The Authority's financial position and results of operations changed significantly during fiscal year 2026. Total assets increased \$21.4 million, primarily because proceeds from customer facility charge-related debt were held for the consolidated rental car facility project. Total liabilities increased \$46.0 million, primarily because of the related debt issuance. At the same time, completed capital projects were transferred to the City's aviation fund, contributing to a \$20.7 million decrease in capital assets and a \$47.5 million decrease in unrestricted net position.

Total net position decreased \$20.5 million, or 14.6 percent, from \$139.8 million at June 30, 2025 to \$119.3 million at June 30, 2026. Operating activities generated income of \$5.4 million, compared with \$3.1 million in fiscal year 2025. Nonoperating income, net, was \$11.7 million in fiscal year 2026. These amounts were offset by net capital contributions and transfers, primarily reflecting transfers of completed capital projects to the City's aviation fund.

DRAFT – For Discussion Purposes Only

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

Management's Discussion and Analysis as of
and for the year ended June 30, 2026

(Unaudited)

2. FINANCIAL SUMMARY, CONTINUED

Condensed Statement of Net Position

	<u>2026</u>	<u>2025</u>	<u>Increase (decrease)</u>	<u>Percentage change</u>
Current assets	\$ 60,979,952	64,652,068	(3,672,116)	-5.7%
Non-current assets	132,242,230	84,705,270	47,536,960	56.1%
Capital assets, net	<u>56,735,279</u>	<u>74,390,104</u>	<u>(17,654,825)</u>	-23.7%
Total assets	249,957,461	223,747,442	26,210,019	11.7%
Deferred outflows of resources	5,741,087	4,759,015	982,072	20.6%
Current liabilities	\$ 20,727,143	18,442,354	2,284,789	12.4%
Noncurrent liabilities	<u>93,892,059</u>	<u>49,735,155</u>	<u>44,156,904</u>	88.8%
Total liabilities	114,619,202	68,177,509	46,441,693	68.1%
Deferred inflows of resources	22,355,856	20,546,562	1,809,294	8.8%
Net investment in capital assets	45,808,821	67,349,873	(21,541,052)	-32.0%
Restricted net position	62,802,748	51,635,672	11,167,076	21.6%
Unrestricted net position	<u>10,111,921</u>	<u>20,796,841</u>	<u>(10,684,920)</u>	-51.4%
Total net position	118,723,490	139,782,386	(21,058,896)	-15.1%

Current assets decreased \$3.7 million because of the timing of grant reimbursements, which reduced cash and cash equivalents at June 30, 2026.

Noncurrent assets increased \$47.5 million primarily because proceeds from customer facility charge-related debt were held for the consolidated rental car facility (CONRAC) project.

Capital assets, net, decreased \$17.7 million primarily because completed projects were transferred to the City's aviation fund during fiscal year 2026.

DRAFT – For Discussion Purposes Only

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

Management's Discussion and Analysis as of
and for the year ended June 30, 2026

(Unaudited)

2. FINANCIAL SUMMARY, CONTINUED

Condensed Statement of Net Position, Continued

Deferred outflows increased \$1.0 million primarily from assumption and other changes related to the New York State Employees' Retirement System and the Authority's other postemployment benefits plan.

Current liabilities increased \$2.3 million. Accounts payable, accrued liabilities, compensated absences, and the current portion of bonds payable increased, partially offset by lower retainage payable.

Noncurrent liabilities increased \$44.2 million primarily because the Authority issued customer facility charge-related debt.

Deferred inflows increased \$1.8 million primarily because of pension differences between projected and actual earnings and OPEB differences between expected and actual experience.

Restricted net position increased \$11.2 million as bond proceeds and other restricted cash accumulated for debt service, parking, and terminal projects. Unrestricted net position declined by \$10.7 million but remained positive at \$10.1 million at June 30, 2026.

Unrestricted net position decreased \$10.7 million, from \$20.8 million at June 30, 2025 to \$10.1 million at June 30, 2026. The decrease primarily resulted from transfers of completed capital projects to the City's aviation fund. Although those transfers reduced unrestricted net position, restricted net position increased \$15.6 million as customer facility charge-related debt proceeds and other restricted resources accumulated for debt service, parking, and terminal projects.

DRAFT – For Discussion Purposes Only

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

Management's Discussion and Analysis as of
and for the year ended June 30, 2026

(Unaudited)

2. FINANCIAL SUMMARY, CONTINUED

Condensed Changes in Net Position from Operating Results

	<u>2026</u>	<u>2025</u>	<u>Increase (decrease)</u>	<u>Percentage change</u>
Revenues:				
Operating revenues:				
Landing fees	\$ 14,009,886	11,392,676	2,617,210	23.0%
Parking rents	24,470,713	23,360,141	1,110,572	4.8%
Terminal rents	5,722,187	7,609,640	(1,887,453)	-24.8%
Concessions, other and miscellaneous	<u>14,228,262</u>	<u>13,163,237</u>	<u>1,065,025</u>	8.1%
Total revenues	<u>58,431,048</u>	<u>55,525,694</u>	<u>2,905,354</u>	5.2%
Expenses:				
Operating expenses:				
Cost of service	36,843,623	35,979,121	864,502	2.4%
Administration	11,574,504	12,865,981	(1,291,477)	-10.0%
Depreciation	<u>3,381,230</u>	<u>3,556,968</u>	<u>(175,738)</u>	-4.9%
Total expenses	<u>51,799,357</u>	<u>52,402,070</u>	<u>(602,713)</u>	-1.2%
Net operating gain	\$ 6,631,691	3,123,624	3,508,067	112.3%

Terminal rents decreased \$1.9 million, or 24.8 percent, from \$7.6 million in fiscal year 2025 to \$5.7 million in fiscal year 2026. The decrease was primarily attributable to decrease in the amount of per passenger rate of \$1.71 to \$1.31 in the current year. This change resulted in a decrease of terminal rent revenue in the amount of approximately \$1.4 million.

Administrative expenses decreased \$1.3 million, or 10.0 percent, from \$12.9 million in fiscal year 2025 to \$11.6 million in fiscal year 2026. The decrease primarily resulted from the elimination of airline revenue-sharing expense of approximately \$1,159,000.

DRAFT – For Discussion Purposes Only

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

Management's Discussion and Analysis as of
and for the year ended June 30, 2026

(Unaudited)

3. SIGNIFICANT CAPITAL ASSETS AND LONG-TERM FINANCING ACTIVITY

Capital Assets

Capital assets, net of accumulated depreciation, decreased \$17.7 million, from \$74.4 million at June 30, 2025 to \$56.7 million at June 30, 2026. During fiscal year 2026, the Authority transferred completed capital projects to the City's aviation fund. Those transfers exceeded current-year capital additions and were the primary reason for the decrease in net capital assets.

Significant capital activity during the year included the transfer of approximately \$54.5 million in capital assets to the City of Syracuse as part of the agreement between the City and the Authority. Depreciation expense increased from \$3.6 million in fiscal year 2025 to \$4.5 million in fiscal year 2026, primarily because of the addition of an approximately \$2.3 million other asset related to the Authority's master plan as well as additions of approximately \$3.3 million in new equipment and machinery. Additional information about capital assets, including additions, transfers, disposals, and accumulated depreciation, is provided in Note 5 to the basic financial statements.

Long-Term Financing

During fiscal year 2026, the Authority issued the Senior Airport Revenue Bonds, Series 2026 in the principal amount of \$48,025,000. The proceeds are restricted primarily for costs associated with the consolidated rental car facility project and related financing requirements. The issuance contributed to a \$41.2 million increase in noncurrent liabilities and an increase in the current portion of bonds payable at June 30, 2026.

At June 30, 2026, unspent proceeds and required reserve amounts were included in restricted assets. The debt is expected to be repaid from customer facility charges subject to the provisions of the applicable bond documents. Significant financing terms include final maturity in 2046, with interest rates ranging from 4.3% to 5.6%. Additional information about bonds and other long-term obligations is provided in Note 11 to the basic financial statements.

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

Management's Discussion and Analysis as of
and for the year ended June 30, 2026

(Unaudited)

4. CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

CONRAC project and related financing - as of the date the financial statements were issued, the Authority continued to advance the consolidated rental car facility project using proceeds from customer facility charge-related debt. Management expects future capital spending, restricted asset use, and debt-service requirements associated with the project to affect the Authority's financial position and cash flows. At the date of issuance, the project was approximately 22% complete, with remaining estimated costs of approximately \$48,000,000, and expected completion in the first quarter of 2028.

Air service development - the Authority continues to pursue additional airline service through new carriers and additional destinations from existing carriers. As of the date the financial statements were issued, the Authority continues to meet with airlines to discuss additional airline services, such as routes, services changes, and other matters. Management expects these developments to affect passenger activity and related landing-fee, parking, terminal-rent, and concession revenues.

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

Statements of Net Position

June 30, 2026 and 2025

<u>Assets and Deferred Outflows of Resources</u>	<u>2026</u>	<u>2025</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 19,517,049	23,756,921
Investments	32,127,940	35,703,742
Accounts receivable, net of allowance	6,394,216	3,213,385
Leases receivable	1,810,125	1,084,424
Prepaid expenses	1,130,622	893,596
Total current assets	60,979,952	64,652,068
Noncurrent assets:		
Restricted cash and cash equivalents	91,979,819	41,247,006
Restricted investments	10,726,013	10,388,666
Leases receivable	8,547,460	8,987,098
City aviation fund right of use asset	20,727,803	23,380,281
Right of use subscription assets	261,135	702,219
	132,242,230	84,705,270
Capital assets:		
Construction in progress (note 6)	35,907,076	61,139,881
Other	43,644,321	34,411,176
	79,551,397	95,551,057
Less accumulated depreciation and amortization	(22,816,118)	(21,160,953)
Capital assets, net	56,735,279	74,390,104
Total noncurrent assets	188,977,509	159,095,374
Deferred outflows of resources:		
Other post-employment benefits	3,466,288	2,345,117
Pensions	2,274,799	2,413,898
Total deferred outflows of resources	5,741,087	4,759,015
Total assets and deferred outflows of resources	\$ 255,698,548	228,506,457

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<u>Liabilities, Deferred Inflows of Resources and Net Position</u>	<u>2026</u>	<u>2025</u>
Current liabilities:		
Accounts payable	\$ 9,624,058	8,330,384
Accrued liabilities	2,853,216	2,757,455
Compensated absences	603,685	525,814
Retainage payable	3,918,573	4,099,097
Right of use subscription liability	118,803	86,956
Bonds payable	3,608,808	2,642,648
Total current liabilities	20,727,143	18,442,354
Right of use subscription liability	142,332	615,263
Bonds payable	79,234,722	34,818,530
Net pension liability - proportionate share	2,026,473	4,493,141
Other post-employment benefits liability	12,488,532	9,808,221
Total liabilities	114,619,202	68,177,509
Deferred inflows of resources:		
Other post-employment benefits	8,809,753	10,216,727
Pension	3,188,518	258,313
Leases	10,357,585	10,071,522
Total deferred inflows of resources	22,355,856	20,546,562
Net position:		
Net investment in capital assets	45,808,821	67,349,873
Restricted:		
Bond reserve funds	15,442,213	7,659,503
Passenger facility charge funds	9,515,352	13,450,436
Customer facility charge funds	25,776,718	23,619,587
Operations and maintenance funds	11,957,754	6,800,000
Other restricted funds	110,711	106,146
Unrestricted	10,111,921	20,796,841
Total net position	118,723,490	139,782,386
Commitments and uncertainties (notes 8 and 11)		
Total liabilities, deferred inflows of resources and net position	\$ <u>255,698,548</u>	<u>228,506,457</u>

See accompanying notes to financial statements.

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

Statements of Revenues, Expenses and Changes in Net Position

Years ended June 30, 2026 and 2025

	<u>2026</u>	<u>2025</u>
Operating revenues:		
Landing fees	\$ 14,009,886	11,392,676
Parking rents	24,470,713	23,360,141
Terminal rents	5,722,187	7,609,640
Concession and other	14,079,426	13,013,748
Miscellaneous	148,836	149,489
Total operating revenues	58,431,048	55,525,694
Operating expenses:		
Cost of service	36,843,623	35,979,121
Administrative	11,574,504	12,865,981
Total operating expenses	48,418,127	48,845,102
Excess of operating revenues over expenses before depreciation	10,012,921	6,680,592
Depreciation	3,381,230	3,556,968
Gain before Non-operating revenues (expenses)	6,631,691	3,123,624
Non-operating revenues (expenses):		
Passenger facility charges	5,790,661	5,873,112
Customer facility charges	6,583,512	6,302,534
Interest expense	(3,561,730)	(2,881,545)
Interest income	2,842,954	2,037,960
Gain in investments	54,616	88,491
Capital grants	15,042,638	28,360,845
Capital contribution expense to City's Aviation fund	(54,443,238)	(410,450)
Total non-operating revenues (expenses), net	(27,690,587)	39,370,947
Change in net position	(21,058,896)	42,494,571
Net position, beginning of year	139,782,386	97,287,815
Net position, end of year	\$ <u>118,723,490</u>	<u>139,782,386</u>

See accompanying notes to financial statements.

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

Statements of Cash Flows

Years ended June 30, 2026 and 2025

	<u>2026</u>	<u>2025</u>
Cash flows from operating activities:		
Cash received from providing services	\$ 56,073,958	54,144,429
Cash paid to suppliers	(34,567,241)	(30,350,293)
Cash paid to employees	(14,623,354)	(11,986,647)
Net cash flows provided by operating activities	<u>6,883,363</u>	<u>11,807,489</u>
Cash flows provided by noncapital financing activities -		
Other cash receipts	<u>54,616</u>	<u>88,491</u>
Net cash flows provided by noncapital financing activities	<u>54,616</u>	<u>88,491</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	(38,509,203)	(44,819,061)
Proceeds of debt	48,025,000	-
Payment of debt	(2,285,000)	(2,170,000)
Change in lease receivable and right of use assets	2,366,415	2,310,030
Interest paid	(3,561,730)	(2,881,545)
Capital grants	15,042,638	28,360,845
Customer facility charges	6,623,186	6,287,833
Passenger facility charges	<u>5,772,247</u>	<u>5,408,899</u>
Net cash flows provided by (used in) capital and related financing activities	<u>33,473,553</u>	<u>(7,502,999)</u>
Cash flows from investing activities		
Interest income	2,842,954	2,037,960
Change in investments	<u>3,238,455</u>	<u>(20,550,425)</u>
Net cash flows provided by (used in) investing activities	<u>6,081,409</u>	<u>(18,512,465)</u>
Net increase (decrease) in cash and cash equivalents	46,492,941	(14,119,484)
Cash and cash equivalents, beginning of year	<u>65,003,927</u>	<u>79,123,411</u>
Cash and cash equivalents, end of year	<u>\$ 111,496,868</u>	<u>65,003,927</u>
Reconciliation of gain before nonoperating revenues and expenses provided by operating activities:		
Gain before nonoperating income and expenses	6,631,691	3,123,624
Depreciation and amortization	4,542,035	3,556,968
Changes in operating assets and liabilities:		
Accounts receivable	(3,180,831)	(823,252)
Prepaid expenses and other	(237,026)	(120,162)
Deferred outflows - pensions and OPEB	(982,072)	1,247,753
Accounts payable and accrued liabilities	(1,810,718)	4,137,656
Retainage payable	(180,524)	2,839,897
Due to City	-	(181,255)
Compensated absences	77,871	(107,939)
OPEB liability	2,680,311	(2,073,089)
Pension liability - proportionate share	(2,466,668)	1,021,247
Deferred inflows - pensions and OPEB	<u>1,809,294</u>	<u>(813,959)</u>
Net cash flows provided by operating activities	<u>\$ 6,883,363</u>	<u>11,807,489</u>

See accompanying notes to financial statements.

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

Notes to Financial Statements

June 30, 2026 and 2025

(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.

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

Notes to Financial Statements

(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.

Effective July 1, 2026, Altitude Access Solutions (AAS), a wholly owned subsidiary of the Authority, was established to operate the parking services for the airport.

(2) Summary of Significant Accounting Policies

(a) 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.

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, interest and certain other revenues are reported as non-operating revenues. Interest expense is reported as non-operating expenses. Capital grants and contributions expense to the City's Aviation Fund are reported separately after nonoperating revenues and nonoperating expenses. Unusual or infrequent items, if any, are reported separately in accordance with GASB statement 103.

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

Notes to Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(b) New Accounting Pronouncement

For the year ended June 30, 2026, the Authority adopted GASB Statement No. 103, *Financial Reporting Model Improvements* (GASB 103), and GASB Statement No. 104, *Disclosure of Certain Capital Assets* (GASB 104), as applicable. GASB 103 improves key components of the financial reporting model, including management's discussion and analysis, the presentation of unusual or infrequent items, proprietary fund reporting, major component unit information, and budgetary comparison information, to enhance the usefulness of financial statements for decision making and assessing accountability. GASB 104 requires certain capital assets, including lease assets, subscription assets, other intangible assets, and capital assets held for sale, to be separately disclosed in the capital asset note disclosures. The adoption of these standards did not have a material effect on the Authority's financial statements.

(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.

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

Notes to Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(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.

(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:

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.

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

Notes to Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(h) Restricted Cash and Cash Equivalents, Continued

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. The Authority has begun utilizing the CFCs to fund capital project costs and will continue in fiscal 2027.

Bond Reserve Funds - Funds pledged to be used for the purpose of paying principal of and interest on the Series 2021 and 2026 Bonds.

Maintenance and Operations Funds - Funds pledged to pay for reasonable and necessary costs incurred by the Authority to maintain and preserve the Airport in good repair and working order under the Bond Master Resolution.

(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

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

Notes to Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(j) Investments

The Authority's investment policy permits the Authority to invest in certificate of deposits issued by a bank or trust company in the State of New York; bonds and notes of the United States Government, State of New York or any municipality in the State of New York, and repurchase agreements involving the purchase and sale of direct obligations of the United States Government.

Investments consist of U.S. Treasury bills, which are measured at fair value within the fair value hierarchy established by generally accepted accounting principles and are based on quoted prices or other observable inputs, including pricing matrices. Certain investment amounts are restricted for Customer Facility Charges on the statements of net position.

(k) 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

(l) 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

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

Notes to Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(l) Deferred Inflows of Resources

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.

(m) 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 separately after nonoperating revenues and nonoperating expenses as capital grants, in accordance with the proprietary fund presentation requirements of GASB Statement 103.

(n) 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.

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

Notes to Financial Statements

(3) Accounts Receivable

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

	<u>2026</u>	<u>2025</u>
Enterprise	\$ 5,250,498	2,087,615
Customer facility charges	651,051	611,377
Passenger facility charges	510,257	528,671
Less allowance for doubtful accounts	<u>(17,590)</u>	<u>(14,278)</u>
	<u>\$ 6,394,216</u>	<u>3,213,385</u>

(4) Investments

For the years ended June 30, 2026 and 2025, the investments held by the Authority consisted of U.S. Treasury bills of approximately \$32,128,000 and \$35,700,000, respectively, as unrestricted and approximately \$10,726,000 and \$10,400,000, respectively, as restricted for customer facility charges in the statement of net position.

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters. Such securities are classified as Level 2 within the valuation hierarchy. In certain cases where Level 1 and Level 2 inputs are not available, the fair values of securities are estimated using significant unobservable inputs and are therefore classified within Level 3 of the valuation hierarchy. The fair value of U.S. Treasury bills held by the Authority are measured using Level 1 inputs.

(5) Capital Assets

Per the agreement between the Authority and the City, certain land, buildings, and improvements and accumulated depreciation 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. The Authority contributed approximately \$54,443,000 and \$410,000 for the years ended June 30, 2026 and 2025, respectively.

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

Notes to Financial Statements

(5) Capital Assets, Continued

Capital asset balances and activity for the years ended June 30, 2026 and 2025 were as follows:

	Balance July 1, <u>2025</u>	<u>Additions</u>	<u>Deletions and transfers</u>	Balance June 30, <u>2026</u>
Capital assets not being depreciated:				
Construction in progress	\$ <u>61,139,881</u>	<u>34,298,959</u>	<u>(59,531,764)</u>	<u>35,907,076</u>
Capital assets being depreciated:				
Machinery and equipment	22,102,143	3,303,390	3,725,649	29,131,181
Leasehold improvements	7,274,267	-	-	7,274,267
Other	-	2,314,465	-	2,314,465
Vehicles	<u>5,034,767</u>	<u>252,831</u>	<u>(363,190)</u>	<u>4,924,408</u>
Total	<u>34,411,177</u>	<u>5,870,686</u>	<u>3,362,459</u>	<u>41,329,857</u>
Accumulated depreciation:				
Machinery and equipment	11,178,700	2,437,332	(1,362,877)	12,253,156
Leasehold improvements	5,441,385	505,803	-	5,947,188
Other	-	231,447	-	231,447
Vehicles	<u>4,540,869</u>	<u>206,650</u>	<u>(363,190)</u>	<u>4,384,329</u>
Total	<u>21,160,954</u>	<u>3,362,232</u>	<u>(1,726,067)</u>	<u>22,816,118</u>
Capital assets, net	\$ <u><u>74,390,104</u></u>	<u><u>36,807,413</u></u>	<u><u>(54,443,238)</u></u>	<u><u>56,735,279</u></u>

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

Notes to Financial Statements

(5) Capital Assets, Continued

	Balance July 1, <u>2024</u>	<u>Additions</u>	<u>Deletions and transfers</u>	Balance June 30, <u>2025</u>
Capital assets not being depreciated:				
Construction in progress	\$ <u>23,846,303</u>	<u>37,704,028</u>	<u>(410,450)</u>	<u>61,139,881</u>
Capital assets being depreciated:				
Machinery and equipment	21,367,626	734,517	-	22,102,143
Leasehold improvements	7,274,267	-	-	7,274,267
Vehicles	<u>4,914,290</u>	<u>120,477</u>	<u>-</u>	<u>5,034,767</u>
Total	<u>33,556,183</u>	<u>854,994</u>	<u>-</u>	<u>34,411,177</u>
Accumulated depreciation:				
Machinery and equipment	9,464,599	1,714,101	-	11,178,700
Leasehold improvements	4,935,582	505,803	-	5,441,385
Vehicles	<u>4,364,610</u>	<u>176,259</u>	<u>-</u>	<u>4,540,869</u>
Total	<u>18,764,791</u>	<u>2,396,163</u>	<u>-</u>	<u>21,160,954</u>
Capital assets, net	\$ <u><u>38,637,695</u></u>	<u><u>36,162,859</u></u>	<u><u>(410,450)</u></u>	<u><u>74,390,104</u></u>

Depreciation expense on capital assets for the years ended June 30, 2026 and 2025 was \$3,381,231 and \$2,396,163, respectively. Depreciation expense on city aviation fund right of use asset was \$1,160,805 for the years ended June 30, 2026 and 2025.

(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:

	<u>2026</u>	<u>2025</u>
Cash - PFC	\$ 9,515,352	13,450,436
Cash - CFC	54,953,789	13,230,921
Bond funds	15,442,213	7,659,503
Operations and maintenance fund	11,957,754	6,800,000
Other	<u>110,711</u>	<u>106,146</u>
	\$ <u><u>91,979,819</u></u>	<u><u>41,247,006</u></u>

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

Notes to Financial Statements

(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 of \$8,815,071 and \$10,071,522 at June 30, 2026 and 2025, respectively.

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 \$16,000 to approximately \$62,000 in 2026 and 2025, 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.

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

Notes to Financial Statements

(7) Leases, Continued

Lessor, Continued

GASB No. 87 Leases - Included, 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 \$465,000 in 2026 and 2025, 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, 2050. The payment terms of these agreements range in annual revenue of approximately \$2,000 to approximately \$52,000 in 2026 and 2025, paid in twelve monthly installments. The rent in these agreements escalates by an inflationary factor each year.

Future minimum lease payments expected, including interest are as follows:

		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal year ending June 30,				
2027	\$	1,810,125	409,167	2,219,292
2028		1,460,167	348,656	1,808,823
2029		866,093	307,301	1,173,394
2030		654,830	277,577	932,407
2031		628,309	251,434	879,743
2032-2036		2,453,512	902,790	3,356,302
2037-2041		1,741,901	410,218	2,152,119
2042-2046		609,200	127,603	736,803
2047-2050		<u>133,447</u>	<u>22,305</u>	<u>155,753</u>
Total	\$	<u>10,357,585</u>	<u>3,057,052</u>	<u>13,414,638</u>

The ending current and non-current lease receivables are \$1,810,125 and \$9,048,351 at June 30, 2026 and \$1,084,424 and \$8,987,098 at June 30, 2025. Deferred inflows of resources relating to the lease receivables are \$10,357,585 and \$10,071,522 at June 30, 2026 and 2025, respectively.

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

Notes to Financial Statements

(7) Leases, Continued

Lessor, 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 expired June 30, 2025. Additional airlines have also entered into a ULA with the Authority effective December 2019 and September 2021, both of which expired June 30, 2025. A new agreement went into effect July 1, 2025.

The Authority has recognized for these agreements terminal landing fees, passenger boarding revenue and terminal rent revenue for the year ended June 30, 2026 of approximately \$13,155,000, \$3,717,000 and \$1,282,000, respectively, and for the year ended June 30, 2025 of approximately \$10,486,000, \$4,899,000 and \$1,661,000, 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.

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

Notes to Financial Statements

(7) Leases, Continued

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.

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.

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

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

Notes to Financial Statements

(8) Benefit Plans, Continued

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

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.

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:

	<u>Amount</u>
2025-2026	\$ 1,367,987
2024-2025	1,064,230
2023-2024	810,270

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

Notes to Financial Statements

(8) Benefit Plans, Continued

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

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, 2026 represent the projected employer contribution for the period of April 1, 2026 through June 30, 2026 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions were \$393,724 and \$338,228 as of June 30, 2026 and 2025, respectively.

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

At June 30, 2026 and 2025, the Authority reported the following liability for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2026 and 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of March 31, 2025. 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, <u>2026</u>	March 31, <u>2025</u>
Net pension liability	\$ 1,485,639	4,303,030
Authority's proportion of the ERS' net pension liability	0.0263330%	0.0250968%

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

Notes to Financial Statements

(8) Benefit Plans, Continued

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

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

For the years ended June 30, 2026 and 2025, the Authority recognized pension expense of \$1,738,180 and \$1,155,594, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources as of June 30:

		2026	
		Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$	850,170	-
Changes of assumptions		255,018	-
Net difference between projected and actual earnings on pension plan investments		-	2,663,832
Changes in proportion and differences between the Authority's contributions and proportionate share of contributions		278,208	195,097
Authority's contributions subsequent to the March 31, 2026 measurement date		393,724	-
Total	\$	<u>1,777,120</u>	<u>2,858,929</u>
		2025	
		Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$	1,068,041	50,380
Changes of assumptions		180,461	-
Net difference between projected and actual earnings on pension plan investments		337,604	-
Changes in proportion and differences between the Authority's contributions and proportionate share of contributions		381,399	205,073
Authority's contributions subsequent to the March 31, 2025 measurement date		338,228	-
Total	\$	<u>2,305,733</u>	<u>255,453</u>

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

Notes to Financial Statements

(8) Benefit Plans, Continued

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

Pension Liabilities, Pension Expense (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 a decrease in the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending</u>	<u>ERS</u>
2027	\$ 592,531
2028	(948,655)
2029	(531,795)
2030	(587,615)

Actuarial Assumptions

The total pension liability at March 31, 2026 was determined by using an actuarial valuation as of April 1, 2025, with update procedures used to roll forward the total pension liability to March 31, 2026. The actuarial valuation used the following actuarial assumptions:

Investment rate of return	5.9%
Salary scale	4.4%
Inflation rate	2.9%
Cost-of-living adjustments	1.5%

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-2021.

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

Notes to Financial Statements

(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, 2026 are summarized below:

Asset class:	Target Allocations in %	Long-Term expected real rate of return in %
Domestic equity	32.0%	4.00%
International equity	15.0%	6.65%
Private equity	10.0%	7.25%
Real estate	9.0%	4.60%
Opportunistic/ARS portfolio	3.0%	5.25%
Credit	4.0%	5.40%
Real assets	3.0%	5.79%
Fixed income	23.0%	1.50%
Cash	1.0%	0.25%

The real rates of return are net of a long-term inflation assumption of 2.90 percent.

Discount Rate

The discount rate used to calculate the total pension liability was 5.9% in 2026 and 2025. 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 liability.

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

Notes to Financial Statements

(8) Benefit Plans, Continued

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

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

The following presents the Authority's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9%, as well as what the Authority's proportionate share of the net pension liability (asset) 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 liability (asset)	\$ <u>10,146,506</u>	<u>1,485,639</u>	<u>(5,755,230)</u>

ERS Fiduciary Net Position

Detailed information about the ERS' fiduciary net position is available in the separately issued NYSLRS financial report.

(b) New York State Police and Fire Retirement System (PFRS)

The Authority employees also participate in the New York State Police and Fire Retirement System (PFRS). At June 30, 2026, the Authority recognized a net pension liability, deferred outflows of resources and deferred inflows of resources of approximately \$540,834, \$561,170 and \$329,589, for its proportionate share of the PFRS plan. For the year ended June 30, 2026, the Authority recognized pension expense of approximately \$392,764, related to PFRS.

Detailed information about the PFRS' fiduciary net position is available in the separately issued NYSLRS financial report.

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Notes to Financial Statements

(8) Benefit Plans, Continued

(c) 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.

Employees Covered By Benefit Terms

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

	<u>2026</u>	<u>2025</u>
Active employees	88	88
Inactive employees or beneficiaries currently receiving benefit payments	<u>9</u>	<u>9</u>
Total	<u>97</u>	<u>97</u>

Postretirement Healthcare Benefit Liability

At June 30, 2026, the Authority's postretirement healthcare benefit liability of \$12,488,532 was measured as of June 30, 2026 and was determined by an actuarial valuation as of July 1, 2024 and financial data as of the measurement date June 30, 2026.

At June 30, 2025, the Authority's postretirement healthcare benefit liability of \$9,808,221 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2024 and financial data as of the measurement date June 30, 2025.

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

Notes to Financial Statements

(8) Benefit Plans, Continued

(c) Postretirement Healthcare Benefits, Continued

Postretirement Healthcare Benefit Liability, Continued

Actuarial Assumptions and Other Inputs

The Authority's postretirement healthcare benefit liability in the June 30, 2026 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Rate of compensation increase:	3.00%
Discount rate:	4.19%
Inflation rate:	2.50%
Assumed pre-65 healthcare cost trend rate assumed for next fiscal year:	5.00%
Assumed post-65 healthcare cost trend rate assumed for next fiscal year:	8.25%
Ultimate healthcare cost trend rate:	4.04%

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

Mortality rates were based on the Pub-2016 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.

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Notes to Financial Statements

(8) Benefit Plans, Continued

(c) Postretirement Healthcare Benefits, Continued

Changes in the Postretirement Healthcare Benefit Liability

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

	<u>2026</u>	<u>2025</u>
Balance at July 1	\$ <u>9,808,221</u>	<u>11,881,310</u>
Changes for the year:		
Service cost	726,062	743,414
Interest cost	490,482	384,492
Change in benefit terms	(65,006)	-
Differences between expected and actual experience	-	(2,913,300)
Changes in assumptions and other inputs	1,770,081	(77,676)
Benefit payments	<u>(241,308)</u>	<u>(210,019)</u>
Net changes	<u>2,680,311</u>	<u>(2,073,089)</u>
Balance at June 30	\$ <u><u>12,488,532</u></u>	<u><u>9,808,221</u></u>

As of the June 30, 2026 measurement date, changes in assumptions and other inputs reflect a change in the discount rate of 4.71% in 2025 to 4.19% in 2026, this has resulted in an increase in liabilities..

As of the June 30, 2026 measurement date, the annual rate of increase in healthcare costs was revised to better reflect future expectations, including updating long-term rates based on the SOA Long Term Healthcare Cost Trends Model v2026_1b. The revised assumption resulted in an increase in liabilities.

As of the June 03, 2026 measurement date, the rates of turnover and retirement were updated based on the April 1, 220 to March 31, 2025 experience study released by the Retirement Systems Actuary in August 2025 for the New York State Employees' Retirement System (ERS). The revised assumptions resulted in an increase in liabilities.

As of the June 30, 2026 measurement date, a new Trades Union contract went into effect which changed the underlying contribution structure from 18% to 20%. The change resulted in a change in benefit terms and resulted in a decrease in liabilities.

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

Notes to Financial Statements

(8) Benefit Plans, Continued

(c) 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 (3.19%) or 1-percentage-point higher (5.19%) than the current discount rate as of June 30, 2026:

	1% Decrease (<u>3.19%</u>)	Current assumption (<u>4.19%</u>)	1% Increase (<u>5.19%</u>)
Postretirement healthcare benefit liability	\$ <u>14,517,735</u>	<u>12,488,532</u>	<u>10,832,701</u>

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 3.04%) or 1-percentage-point higher (trend increasing to 5.04%) than the current ultimate healthcare cost trend rates at June 30, 2026:

	1% Decrease (trend decreasing to <u>3.04%</u>)	Current assumption (trend rate at <u>4.04%</u>)	1% Increase (trend increasing to <u>5.04%</u>)
Postretirement healthcare benefit liability	\$ <u>10,050,562</u>	<u>12,488,532</u>	<u>15,623,751</u>

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

Notes to Financial Statements

(8) Benefit Plans, Continued

(c) 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, 2026 and 2025, the Authority recognized postretirement healthcare benefit expense of \$393,474 and \$183,125, respectively. At June 30, 2026 and 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to postretirement healthcare benefits from the following sources:

	2026	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 725,435	6,146,000
Changes of assumptions or other inputs	<u>2,740,853</u>	<u>2,663,753</u>
Total	<u>\$ 3,466,288</u>	<u>8,809,753</u>
	2025	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 957,203	7,171,309
Changes of assumptions or other inputs	<u>1,387,914</u>	<u>3,045,418</u>
Total	<u>\$ 2,345,117</u>	<u>10,216,727</u>

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

Notes to Financial Statements

(8) Benefit Plans, Continued

(c) 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:

<u>Year ending December</u>	Postretirement healthcare benefits <u>expense</u>
2027	\$ (758,064)
2028	(758,064)
2029	(758,363)
2030	(948,792)
2031	(846,538)
Thereafter	(1,273,644)

(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, 2026 and 2025, 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.

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

Notes to Financial Statements

(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.

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, 2026 and 2025 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 liabilities balance and activity for the year ended June 30, are as follows:

<u>Description</u>	<u>Balance July 1, 2025</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2026</u>	<u>Amounts due within one year</u>
Series 2021 Bonds	\$ 30,420,000	-	(2,285,000)	28,135,000	2,395,000
Series 2021 Bonds Premium	7,041,178	-	(357,648)	6,683,530	450,931
Series 2026 Bonds	-	48,025,000	-	48,025,000	1,440,000
Net pension liability	4,493,141			4,493,141	-
OPEB liability	9,808,221	2,680,311		12,488,532	-
Right of use subscription liability	702,219	-	(441,085)	261,134	118,803
Total noncurrent liabilities	\$ <u>52,464,759</u>	<u>50,705,311</u>	<u>(3,083,733)</u>	<u>100,086,337</u>	<u>4,404,734</u>

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

Notes to Financial Statements

(11) Noncurrent Liabilities, Continued

<u>Description</u>	Balance July 1, <u>2024</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2025</u>	Amounts due within <u>one year</u>
Series 2021 Bonds	\$ 32,590,000	-	(2,170,000)	30,420,000	2,285,000
Series 2021 Bonds Premium	7,299,061	-	(257,883)	7,041,178	357,648
Net pension liability	3,471,894	1,021,247	-	4,493,141	-
OPEB liability	11,881,310	-	(2,073,089)	9,808,221	-
Right of use subscription liability	<u>338,148</u>	<u>451,027</u>	<u>(86,956)</u>	<u>702,219</u>	<u>86,956</u>
Total noncurrent liabilities	\$ <u>55,580,413</u>	<u>1,472,274</u>	<u>(4,587,928)</u>	<u>52,464,759</u>	<u>2,729,604</u>

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 debt issuance. 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 8), 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. Principal payments range from \$2,285,000 to \$3,060,000 for the years 2027 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.

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

Notes to Financial Statements

(11) Noncurrent Liabilities, Continued

In June 2026, the Syracuse Regional Airport Authority issued \$48.025 million of Senior Airport Revenue Bonds, Series 2026 (Federally Taxable), to finance the construction of a consolidated rental car facility (ConRAC), fund required reserves and pay issuance costs. The bonds bear interest at rates ranging from 4.3% to 5.6% and mature annually through July 1, 2046. The bonds are secured by a pledge of Airport net revenues, including certain customer facility charge revenues, on a parity with the Authority's outstanding Series 2021 Senior Airport Revenue Bonds. The bond resolution requires the Authority to maintain a debt service reserve fund of approximately \$7.2 million and to generate net revenues sufficient to provide annual debt service coverage of at least 125%. Additional parity indebtedness may be issued only upon satisfaction of specified additional bonds tests.

Management believes the Authority was in compliance with all significant bond covenants, including debt service coverage and reserve fund requirements, as of June 30, 2026. (Include only if verified through audit procedures.)

Principal and interest payments due on the Series 2021 and 2026 Bonds are as follows:

For the year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2027	\$ 3,835,000	3,879,990	7,714,990
2028	4,055,000	3,656,973	7,711,973
2029	4,250,000	3,463,493	7,713,493
2030	4,460,000	3,258,319	7,718,319
2031	4,675,000	3,041,756	7,716,756
2032 - 2036	22,445,000	11,875,657	34,320,657
2037 - 2041	15,545,000	6,956,993	22,501,993
2042-2046	<u>16,895,000</u>	<u>2,919,556</u>	<u>19,814,556</u>
Total	\$ <u>76,160,000</u>	<u>39,052,736</u>	<u>115,212,736</u>

(12) Subsequent Events

The Authority has evaluated subsequent events occurring after the statement of net position through the date of September _____, 2026, which is the date the financial statements were issued.

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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)

	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 1,367,987	1,064,230	810,270	699,142	841,539	503,729	349,375	180,927	126,573	99,797
Contributions in relation to the contractually required contribution	<u>1,367,987</u>	<u>1,064,230</u>	<u>810,270</u>	<u>699,142</u>	<u>841,539</u>	<u>503,729</u>	<u>349,375</u>	<u>180,927</u>	<u>126,573</u>	<u>99,797</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Authority's covered-ERS employee payroll	9,675,448	8,268,486	7,333,973	6,987,596	5,994,566	2,429,109	1,271,982	922,538	752,001	599,249
Contributions as a percentage of covered-employee payroll	14.14%	12.87%	11.05%	12.04%	8.40%	14.38%	14.22%	13.72%	13.27%	15.51%

See accompanying independent auditor's report.

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

Schedules of Authority's Proportionate Share of the Net Pension Asset (Liability)

ERS Pension Plan

(Unaudited)

	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Authority's proportion of the net pension asset (liability)	0.0263330%	0.0250968%	0.0235798%	0.0223528%	0.0211603%	0.0138381%	0.0098019%	0.0055365%	0.0036346%	0.0031085%
Authority's proportionate share of the net pension asset (liability) \$	(1,485,639)	(4,493,141)	(3,471,894)	(4,793,338)	1,729,766	(13,779)	(2,595,609)	(392,279)	(117,305)	(292,077)
Authority's covered-employee payroll \$	9,524,384	9,675,448	8,268,486	7,333,973	6,987,596	5,994,566	2,429,109	1,271,982	922,538	752,001
Authority's proportionate share of the net pension asset (liability) as a percentage of its covered-employee payroll	-15.60%	-46.44%	-41.99%	-65.36%	24.75%	-0.23%	-106.85%	-30.84%	-12.72%	-38.84%
Plan fiduciary net position as a percentage of total pension asset (liability)	97.78%	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%

See accompanying independent auditor's report.

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

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

(Unaudited)

	2026*	2025*	2024*	2023*	2022*	2021*	2020*	2019*	2018*
Measurement date	6/30/2025	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB Liability:									
Service cost	\$ 726,062	743,414	743,810	802,743	1,246,529	1,057,827	678,667	425,727	250,479
Interest on total OPEB liability	490,482	384,492	442,997	419,131	280,697	287,478	283,556	176,888	73,565
Change in benefit terms	(65,006)	-	-	-	558,855	243,108	7,031,143	3,152,779	-
Change in assumptions and other inputs	1,770,081	(77,676)	100,745	(790,889)	(3,492,211)	1,176,746	1,341,406	(157,868)	18,427
Difference between expected and actual experience	-	(2,913,300)	-	(1,253,347)	-	(3,809,578)	(3,144,725)	2,579,579	(1,554)
Benefit payments	(241,308)	(210,019)	(278,067)	(229,947)	(85,714)	(50,314)	(13,301)	-	-
Net change in total OPEB liability	2,680,311	(2,073,089)	1,009,485	(1,052,309)	(1,491,844)	(1,094,733)	6,176,746	6,177,105	340,917
Total OPEB liability - beginning	9,808,221	11,881,310	10,871,825	11,924,134	13,415,978	14,510,711	8,333,965	2,156,860	1,815,943
Total OPEB liability - ending	\$ 12,488,532	9,808,221	11,881,310	10,871,825	11,924,134	13,415,978	14,510,711	8,333,965	2,156,860
Covered payroll	6,118,145	6,169,857	5,120,572	5,447,583	5,558,687	5,357,448	3,989,919	2,681,711	1,098,757
Total OPEB liability as a percentage of covered payroll	204.12%	158.97%	232.03%	199.57%	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 10 to the financial statements.

See accompanying independent auditor's report.

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

Schedule of Expenditures of Federal Awards

Year ended June 30, 2026

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA number</u>	<u>Identifying numbers</u>	<u>Current year expenditures</u>
<u>U.S. Department of Transportation - Direct</u>			
Airport Improvement Program:			
Security Network	20.106	171-24	\$ 714,775
Taxiway A East Construction	20.106	173-24	8,498,649
Apron Design	20.106	172-24	120,689
HVAC	20.106	170-24	487,743
Comprehensive De-Icing Redesign	20.106	174-25	763,863
Taxiway B Construction	20.106	178-25	99,994
Runway 15/33 Design	20.106	177-25	<u>442,466</u>
Total U.S. Department of Transportation			<u>11,128,179</u>
Total expenditures of federal awards			\$ <u><u>11,128,179</u></u>

See accompanying notes to schedule of expenditures of federal awards and independent auditor's report.

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

Notes to Schedule of Expenditures of Federal Awards

June 30, 2026

(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, 2026, 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 _____, 2026.

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.

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Board Members

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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.

Syracuse, New York

_____, 2026

DRAFT – For Discussion Purposes Only

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, 2026. 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, 2026.

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; 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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Board Members

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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.

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Board Members

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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.

Syracuse, New York

_____, 2026

DRAFT – For Discussion Purposes Only

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

Schedule of Audit Findings and Questioned Costs

June 30, 2026

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>U.S. Department of Transportation</u> CFDA #20.106 Airport Improvement Program
Dollar Threshold: Type A\B Programs	Type A: >\$1,000,000 Type B: all others
Low Risk Auditee?	Yes

DRAFT – For Discussion Purposes Only

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, 2026

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Resolution No. ____

2026

**RESOLUTION CREATING THE POSITION OF GUEST EXPERIENCE
COORDINATOR**

WHEREAS, Altitude Access Solutions, Inc. (“AAS”) is a business corporation and subsidiary of the Syracuse Regional Airport Authority (the “Authority”), formed and operating pursuant to Article 8, Title 34 of the New York Public Authorities Law, as amended (the “Enabling Act”); and

WHEREAS, Section 4.04 of the By-Laws of Altitude Access Solutions, Inc. authorizes the Board to establish AAS employment rosters and positions as it may determine for the performance of its duties, and to fix and determine their qualifications, duties and compensation; and

WHEREAS, AAS desires to create the position of Guest Experience Coordinator to serve as the primary customer service and administrative point of contact for guests utilizing airport parking facilities operated by AAS, which position is responsible for delivering exceptional customer service by assisting guests with, *inter alia*, parking reservations, access issues, intercom communications, payment inquiries, and general parking-related questions.

NOW, THEREFORE, BE IT RESOLVED, that the Board of AAS hereby creates the following position and approves the corresponding job description (qualifications, duties and compensation), as attached to and made a part of this Resolution:

Position Title
Guest Experience Coordinator

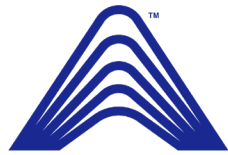
; and it is further

RESOLVED, that the President of AAS shall take any and all actions necessary to ensure the creation of such position and the hiring of employees therefor, as determined by operational need and subject to budgetary appropriations.

RESOLUTION ADOPTION DATE: September 18, 2026

VOTE: Ayes____ Nays ____ Abstentions____

SIGNED: _____
Secretary



Altitude
Access Solutions, Inc.

Job Title: Guest Experience Coordinator

Reports to: Facility Manager

FLSA Status: Non-Exempt

Employee Type: Operations, FT/PT

Effective Date: 9/18/2026

Starting Rate of Pay: \$20 to \$22/hr. DOE

Job Summary:

The Guest Experience Coordinator serves as the primary customer service and administrative point of contact for guests utilizing airport parking facilities operated by Altitude Access Solutions (AAS). This position is responsible for delivering exceptional customer service by assisting guests with parking reservations, access issues, intercom communications, payment inquiries, and general parking-related questions.

The Guest Experience Coordinator works in a technology-driven environment and plays a critical role in supporting the customer experience through systems such as BusGenius, QR-code reservation platforms, Designa parking access controls, and other customer service technologies. This position is primarily office-based and serves as the first point of contact for many customer interactions.

Work Schedule: This position will work one of the following assigned shifts: 7:00 a.m. to 3:30 p.m.; 3:00 p.m. to 11:30 p.m.; or 11:00 p.m. to 7:30 a.m., and must be available to work evenings, weekends, and holidays, as well as during severe weather events and emergencies as needed to support 24/7 operations.

Essential Functions/Duties/Responsibilities:

Customer Service

- Answer incoming customer calls, intercoms, and electronic inquiries regarding airport parking services.
- Assist guests experiencing issues with reservation QR codes, parking access credentials, payment systems, and parking equipment.
- Verify customer eligibility and remotely grant access or exits in accordance with established procedures for reservations, lost tickets and other approved exceptions. Document as required.
- Provide guests with parking information, rates, directions, shuttle information, and other airport-related assistance.
- Resolve customer concerns professionally and escalate complex issues to supervisors as necessary.
- Document customer interactions and maintain accurate records of service requests and complaints.



Administrative Support

- Monitor parking management software and customer service platforms.
- Assist with processing refunds, duplicate receipt requests, customer adjustments, and account inquiries in accordance with company policies.
- Maintain records, reports, logs, and customer correspondence.
- Manage the Monthly Parking Program with the utmost integrity and professionalism.
- Generate daily and monthly operational reports as assigned.
- Support data entry and administrative projects related to parking operations and guest services.
- Assist with badge access records, lost ticket documentation, and reservation audits.

Operations Support

- Monitor parking occupancy levels and communicate operational issues to supervisors and other stakeholders.
- Coordinate with shuttle drivers, maintenance staff, and supervisors regarding customer service matters.
- Assist in emergency communications and incident documentation.
- Support the implementation of new customer service initiatives and technologies.
- Executes additional responsibilities as assigned to support operational continuity and organizational objectives

Required Knowledge, Skills, Abilities (KSAs):

- Strong customer service orientation and conflict resolution skills.
- Ability to remain calm and professional during stressful situations.
- Excellent verbal and written communication skills
- Excellent organizational and multitasking abilities.
- Strong attention to detail and accuracy.
- Ability to exercise sound judgment when granting access or resolving customer issues.
- Ability to work well under stress
- Ability to de-escalate difficult situations with customers
- Comfortable working with technology platforms, reservation systems, cameras, and access control systems.
- Ability to communicate effectively with guests, airport tenants, airlines, and the public.
- Good knowledge of Microsoft 365, including SharePoint, Teams, Excel, Word, and Outlook
- Ability to learn parking management, reservation, and access control software systems.
- Ability to use communication devices, such as phones, radios, tablets, or dispatch systems.



- Ability to fluently read, write, speak, and understand English.

Physical Requirements:

Ability to perform the physical requirements of the position with or without a reasonable accommodation, which may include but are not limited to:

- Sedentary work that involves sitting/standing at a desk
- Repeating motions that may include eyesight, wrists, hands, and/or fingers.
- Lifting up to 25 lbs. on occasion
- Being able to listen and speak clearly on a telephone or through a headset

Education and Experience:

- High school diploma or GED required.
- Associate's degree in Business Administration, Hospitality, Communications, or related field, preferred.
- Two (2) years of customer service, hospitality, administrative support, parking operations, transportation, or airport-related experience preferred.
- Proficiency with Microsoft Office applications.

Special Requirements:

- Ability to work second and/or third shift, as well as weekends and holidays.
- Must successfully complete E-Verify I9 process. We will provide E-Verify and the federal government with your I-9 information to confirm that you are authorized to work in the U.S.

EEO Statement:

Altitude Access Solutions, Inc. is committed to equal employment opportunity and leveraging the talent of a diverse workforce to serve the traveling public at Syracuse Hancock International Airport. All qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or status as a protected veteran, or any other basis protected by Federal, State or Local law. We encourage individuals from all backgrounds to apply.



**Minutes of the AAS Audit Committee Meeting
of the Syracuse Regional Airport Authority
Thursday, April 23, 2026**

Pursuant to the notice duly given and posted, the SRAA Audit Committee meeting of the Syracuse Regional Airport Authority was called to order on Thursday, April 23, 2026, at 10:02 a.m. in the Syracuse Regional Airport Authority Board Room located in the Syracuse Hancock International Airport by the Audit Committee Chair Dr. DeSiato.

Members Present:

Dr. Donna DeSiato – Committee Chair
Ms. JoAnne Falco – Board Chair
Mr. Kenneth Kinsey

Members Absent:

Mr. Michael Lazar
Mr. Robert Simpson

Also Present:

Ms. Robin Watkins
Ms. Joanne Clancy
Mr. Jason Mehl
Mr. Benjamin Yaus
Mr. Aaron Harris
Ms. Julie Barfield

Roll Call

Chair DeSiato started the Audit Committee Meeting at 10:02 a.m. by welcoming everyone. As noted, all Committee members were present other than Mr. Lazar and Mr. Robert Simpson.

New Business/Discussion:

This was the very first AAS Audit Committee meeting. General Counsel Yaus explained the organizational structure of AAS and that this charter mainly mirrors the parent company, SRAA's charter, which was discussed at the first AAS Board meeting on April 10, 2026. The committee established and discussed the AAS Audit Committee Charter and approved it unanimously.

CFO Watkins discussed the preparation discussions for the SRAA/AAS Audit for Fiscal Year ending June 30, 2026. Fust Charles Chambers will be the auditing

company for AAS as well since they are auditors of the parent company, SRAA. Both audit results will be discussed at the September 18th Board meetings. One hundred shares of stock will be purchased by SRAA of the subsidiary and there will be some minimal activity and payroll transactions during this fiscal year to on-board staff. General Counsel Yaus stated that the tax forms and bank accounts are set up and operational. Dr. DeSiato asked if other things would come under the AAS subsidiary besides parking. General Counsel Yaus stated that the SRAA Enabling Act allows for two subsidiaries that are currently authorized. The focus of this first subsidiary, AAS, is for parking and other passenger services.

Adjournment

Having no other topics for discussion with the AAS Audit Committee, a motion was made by Mr. Kinsey and seconded by Ms. Falco to adjourn the meeting. The motion was unanimously approved. The meeting was adjourned at 10:09 a.m.