

**CITY OF SYRACUSE, NEW YORK**

**Financial Statements as of  
June 30, 2022**

**Together with Independent Auditor's Report and Report  
Required by *Government Auditing Standards***

**Bonadio & Co., LLP**  
Certified Public Accountants

# CITY OF SYRACUSE, NEW YORK

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**INDEPENDENT AUDITOR'S REPORT**

March 24, 2023

To the Honorable Mayor, Ben Walsh  
and the Members of the Common Council  
City of Syracuse, New York

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Syracuse, New York (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Syracuse, New York, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Syracuse Industrial Development Agency, Syracuse Economic Development Corporation and Syracuse Regional Airport Authority, which represent 97% of the assets, 96% of the net position and 94% of the revenues of the aggregate discretely presented component units as of June 30, 2022 and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matter - Change in Accounting Principle***

As discussed in Note 13 to the financial statements, during the year ended June 30, 2022, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Statements, Schedule of Changes in Total Other Postemployment Benefits Liability and Related Ratios, Schedule of Proportionate Share of Net Pension Liability (Asset) and Schedule of Contributions - Pension Plans 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 and other auditors 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 audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City'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.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2023, on our consideration of the City of Syracuse, New York'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 on compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City of Syracuse, New York's internal control over financial reporting and compliance.

## **CITY OF SYRACUSE, NEW YORK**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022**

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Our discussion and analysis of City of Syracuse's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2022.

Please read it in conjunction with the City's basic financial statements, including the notes to the financial statements, which begin on page 32. In this discussion and analysis, all amounts are expressed in thousands of dollars, unless otherwise indicated.

#### **FINANCIAL HIGHLIGHTS**

- At the end of the fiscal year, the total liabilities and deferred inflows of \$2,552,883 exceeded total assets and deferred outflows of \$2,255,263 resulting in a deficit of \$297,620 (total net position).
- Total net position at June 30, 2022 consisted of a negative unrestricted deficit of \$992,815 which is partially offset by positive net position balances of \$625,566 of net investment in capital assets and \$69,629 of restricted net position.
- Total general and program revenues for the fiscal year ended June 30, 2022 were \$984,041 compared to total expenses of \$644,524 resulting in an increase to total net position of \$339,517 as a result of this year's operations.
- For fiscal year 2022, total revenues for governmental activities were \$953,950 compared to \$819,773 for fiscal year 2021. For the same periods, total revenue for business-type activities were \$30,090 and \$28,861, respectively.
- General Fund's revenues (including operating transfers in and other financing sources) were \$291,200 for the fiscal year while General Fund expenditures (including operating transfer out) were \$254,324 causing an increase of \$36,876 in the General Fund's fund balance.
- The total fund balance for the General Fund at June 30, 2022 is \$119,015. Of that total, \$102,792 is unassigned. The unassigned fund balance of the General Fund as a percentage of total General Fund 2022 expenditures (including operating transfer out) is 40.4%.

#### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 18 and 19 provide information about the activities of the City as a whole and present a longer-term view of the City's finances from a government-wide perspective. Fund financial statements start on page 20. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most financially significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

#### **Reporting the City as a Whole**

Our analysis of the City as a whole begins on page 6. This section attempts to illustrate whether the City's financial position is improving or deteriorating as a result of the year's activities. The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that allows the user to determine if the City's financial condition has improved or deteriorated in comparison with the previous fiscal year. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.



## CITY OF SYRACUSE, NEW YORK

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022

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These two statements report the City's net position and changes to it. The City's net position is the difference between assets (what the citizens own) and liabilities (what the citizens owe) which serves as one way to measure the City's financial health. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base, and the condition of the City's capital assets (streets, buildings, and water and sewer lines) to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into three types of activities:

- **Governmental activities** - These include the majority of City's basic service, such as police, fire, public works, community development, urban development and parks & recreation departments, and general administration. The City School District's operations are also reported here. These activities are primarily supported by taxes and intergovernmental revenues.
- **Business-type activities** - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. Charges for these services are intended to allow the service to be self-supporting. The City's water and sewer systems are the business-type activities.
- **Component units** - The City includes four separate legal entities in its report: the Syracuse Industrial Development Agency, the Syracuse Economic Development Corporation, the Syracuse Regional Airport Authority and the Greater Syracuse Property Development Corporation.

#### Reporting the City's Most Significant Funds

Our analysis of the City's major funds begins on page 11. The fund financial statements begin on page 20 and provide detailed information about the most significant funds – not the City as a whole.

Some funds are required to be established by State law. Additionally, the City Council establishes other funds for specific purposes (i.e. the Local Development Fund), or to fulfill legal and contractual responsibilities for the use of certain taxes, grants, and other money (i.e. grants received from the U.S. Department of Housing and Urban Development). All funds of the City can be separated into three categories: governmental, proprietary, and fiduciary.

- **Governmental funds** - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine the amount of financial resources that can be spent in the near future to finance the City's programs. We describe the relationship and differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation accompanying the fund financial statements.
- **Proprietary funds** - When the City charges customers for the full cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The City's enterprise funds (a component of business-type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

## CITY OF SYRACUSE, NEW YORK

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022

- *Fiduciary funds* – These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the City cannot use these assets to finance the City's operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 28 and 29.

#### Government-wide Analysis

The City's total net position increased from a deficit balance of \$637,137 at June 30, 2021 to a deficit balance of \$297,620 at June 30, 2022. The following analysis focuses on *Table 1 – Condensed Statement of Net Position – Primary Government* of the City's governmental and business-type activities.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 765,976	\$ 641,476	\$ 19,276	\$ 20,594	\$ 785,252	\$ 662,070
Capital assets	1,006,103	947,955	\$ 117,086	115,743	1,123,189	1,063,698
Total assets	1,772,080	1,589,431	136,362	136,337	1,908,441	1,725,768
Total deferred outflows of resources	341,185	389,499	5,637	8,521	346,822	398,020
Total bonds payable	481,012	535,308	52,604	55,836	533,616	591,144
Other long-term liabilities	716,290	927,915	24,972	32,224	741,262	960,139
Other liabilities	193,403	336,647	2,718	4,084	196,121	340,731
Total liabilities	1,390,705	1,799,870	80,294	92,144	1,470,999	1,892,014
Total deferred inflows of resources	1,052,161	836,423	29,722	32,488	1,081,883	868,911
Net invested in capital assets	561,084	522,486	64,482	59,907	625,566	582,393
Restricted	69,155	130,666	474	474	69,629	131,140
Unrestricted (deficit)	(959,841)	(1,310,515)	(32,974)	(40,155)	(992,815)	(1,350,670)
Total net position	\$ (329,602)	\$ (657,363)	\$ 31,982	\$ 20,226	\$ (297,620)	\$ (637,137)

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The largest positive balance of the City's total net position reflects its investment in capital assets (e.g. land, buildings, machinery, equipment and infrastructure); less any related debt still outstanding that was used to acquire those assets. At June 30, 2022, this balance was \$625,566 versus \$582,393 at June 30, 2021. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to pay these liabilities.

The other positive balance of \$69,629 at June 30, 2022, represents resources that are subject to external restrictions on how they may be used and are reported as restricted net position. The remaining category of total net position, unrestricted net position may be used to meet the government's ongoing obligations and services to creditors and citizens, especially in the future. For the City, the balance of unrestricted net position as of June 30, 2022 was a deficit of \$992,815, versus a deficit at June 30, 2021 of \$1,350,670.

## CITY OF SYRACUSE, NEW YORK

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022

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The primary cause for the deficit is the requirement that municipalities report a liability for the unfunded cost of providing post-employment benefits to employees. For the City, this represents the probable cost of providing subsidized health insurance for retirees combined with the potential for currently active employees to receive this benefit. This calculation was performed by an independent actuarial firm to arrive at a potential total liability for the potential benefit to be paid out based on the life expectancy of the present retired and active employee pool. This figure represents the total estimated cost of providing the benefit to all employees over many years. The amount reported for this liability at June 30, 2022 was \$656,071 and related deferred inflows of resources and deferred outflows of resources were \$647,070 and \$114,449, respectively.

#### Governmental Activities

Total net position of the City's governmental activities increased from a deficit balance of \$657,363 at June 30, 2021 to a deficit balance of \$329,602 at June 30, 2022, an increase of \$327,761. Unrestricted net position increased \$350,674 from a deficit of \$1,310,515 at prior fiscal year-end compared to a deficit of \$959,841 at current fiscal year-end.

#### Business-Type Activities

In fiscal year 2022, total net position of City's business-type activities increased by \$11,756 with \$7,181 of that increase in unrestricted net position. Total net position increased to \$31,982 at June 30, 2022 compared to \$20,226 at prior year-end while the unrestricted deficit balance for business-type activities increased to a deficit balance of \$32,974 from a deficit balance of \$40,155 over the same period.

#### Government-wide Analysis

The change in net position during the most recent fiscal year is reported in the Statement of Activities found on page 19. Key elements of this change are illustrated in *Table 2 - Condensed Statement of Activities - Primary Government* on the previous page.

For the current year, total revenues were \$984,041 which was an increase of \$135,407, or 16%, compared to prior year total revenues of \$848,634. The primary program and general revenue increases, compared to prior year revenue balances, that contributed to this increase were:

- \$19,135, or 4.2%, in Unallocated state aid
- \$8,078, or 8.0%, in Sales and use taxes
- \$2,170, or 4.4%, in Fees, fines, and charges
- \$20,904, or 100.7%, in Capital grants and contributions
- \$88,978, or 100.5% in Operating grants and contributions
- \$139, or 127.4% in Use of money and property
- \$9,297 or 104% in Miscellaneous revenues

These revenue increases were partially offset by a decrease in Unallocated federal aid of \$11,999, or 72.8%, compared to prior year. Small year over year differences in the remaining general and program revenues comprise the remaining decrease of \$1,295 in the current year.

For the current year, total expenses were \$644,524 which was a decrease of \$29,455, or 4.4%, compared to prior year total expenses of \$673,979. The primary program expense decreases, compared to prior year expense balances, that contributed to this decrease were:

- \$18,133, or 113.6%, in Economic opportunity and development
- \$493, or 31.3%, in Culture and recreation
- \$668, or 20.4%, in Sewer
- \$1,421, or 9.9%, in Water
- \$34,133, or 7.6%, in Education

**CITY OF SYRACUSE, NEW YORK**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2022**

These expenses were offset by an increase in General government support of \$6,228, or 130.7% and in Home and community services of \$14,283 or 55.7%. Year over year decreases in the remaining program expenses comprise the remaining increase of \$4,882 in the current year.

Total revenues for the current year were in excess of total expenses resulting in a positive change in net position of \$339,517 compared to a positive change in net position of \$174,655 for the prior year, an increase of \$164,862. Our following analysis separately considers the operations of governmental and business-type activities.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenue:						
Program Revenues:						
Fees, fines, and charges	\$ 22,782	\$ 21,292	\$ 29,128	\$ 28,448	\$ 51,909	\$ 49,740
Operating grants and contributions	177,544	88,566	-	-	177,544	88,566
Capital grants and contributions	40,720	20,355	952	412	41,671	20,767
General Revenues:						
Property taxes and tax items	106,119	107,337	-	-	106,119	107,337
Sales and use taxes	108,964	100,886	-	-	108,964	100,886
Other taxes	4,353	4,429	-	-	4,353	4,429
Unallocated state aid	470,515	451,380	-	-	470,515	451,380
Unallocated federal aid	4,483	16,482	-	-	4,483	16,482
Use of money and property	238	108	11	1	249	109
Contributions	-	-	-	-	-	-
Miscellaneous	18,235	8,938	-	-	18,235	8,938
Total revenues	<u>953,950</u>	<u>819,773</u>	<u>30,090</u>	<u>28,861</u>	<u>984,041</u>	<u>848,634</u>
Expenses:						
Program Expenses:						
General government support	10,991	4,764	-	-	10,991	4,764
Public safety	133,417	128,924	-	-	133,417	128,924
Transportation	17,900	15,437	-	-	17,900	15,437
Economic opportunity and development	(2,175)	15,958	-	-	(2,175)	15,958
Home and community services	39,929	25,646	-	-	39,929	25,646
Culture and recreation	1,084	1,577	-	-	1,084	1,577
Education	412,706	446,840	-	-	412,706	446,840
Interest on long-term debt	15,162	17,234	-	-	15,162	17,234
Water	-	-	12,901	14,323	12,901	14,323
Sewer	-	-	2,608	3,277	2,608	3,277
Total expenses	<u>629,014</u>	<u>656,380</u>	<u>15,510</u>	<u>17,599</u>	<u>644,524</u>	<u>673,979</u>
Excess of revenues over expenses	<u>324,936</u>	<u>163,393</u>	<u>14,581</u>	<u>11,262</u>	<u>339,517</u>	<u>174,655</u>
Transfers	2,825	2,825	(2,825)	(2,825)	-	-
Change in net position	<u>327,761</u>	<u>166,218</u>	<u>11,756</u>	<u>8,437</u>	<u>339,517</u>	<u>174,655</u>
Net position (deficit) - beginning*	(657,363)	(823,581)	20,226	11,789	(637,137)	(811,792)
Net position (deficit) - ending	<u>\$ (329,602)</u>	<u>\$ (657,363)</u>	<u>\$ 31,982</u>	<u>\$ 20,226</u>	<u>\$ (297,620)</u>	<u>\$ (637,137)</u>

\* Beginning 2021 Governmental Activities Net deficit balance includes a \$167 prior period adjustment

## CITY OF SYRACUSE, NEW YORK

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022

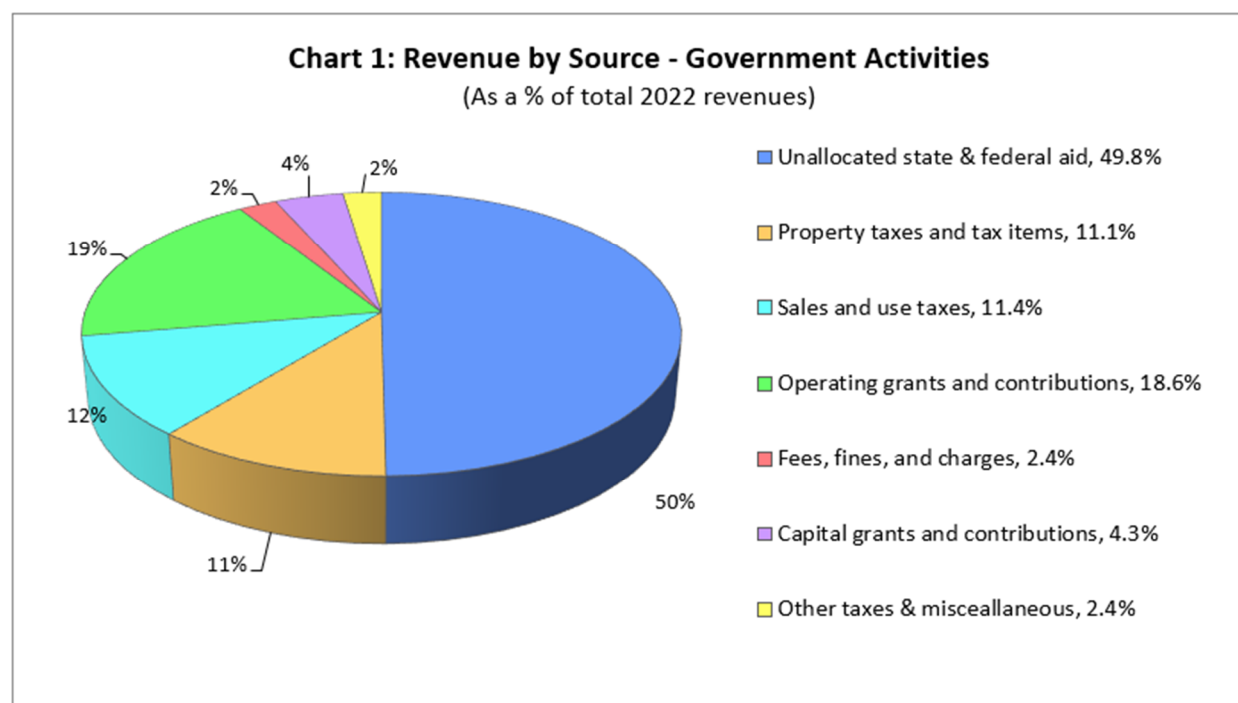
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#### Governmental Activities

As mentioned previously in the FINANCIAL HIGHLIGHTS section, revenues for the City's governmental activities for the current year were \$953,950 compared to total revenues of \$819,773 in the prior year, an increase of \$134,178, or 16.4%. The primary program and general revenue increases, compared to prior year revenue balances, that contributed to this increase were:

- \$19,135, or 4.2%, in Unallocated state aid
- \$8,078, or 8.0%, in Sales and use taxes
- \$88,978, or 100.5%, in Operating grants and contributions
- \$20,365, or 100.0%, in Capital grants and contributions
- \$1,489, or 7.0% in Fees, fines and charges
- \$9,297, or 104.0% in Miscellaneous revenue

These revenue increases were partially offset by decreases in Unallocated federal aid of \$11,999. Small year over year differences in the remaining general revenues comprise the remaining decrease of \$1,165 in the current year. See *Chart 1: Revenue by Source – Governmental Activities* for the each major revenue source as a percentage of total revenues for the current year



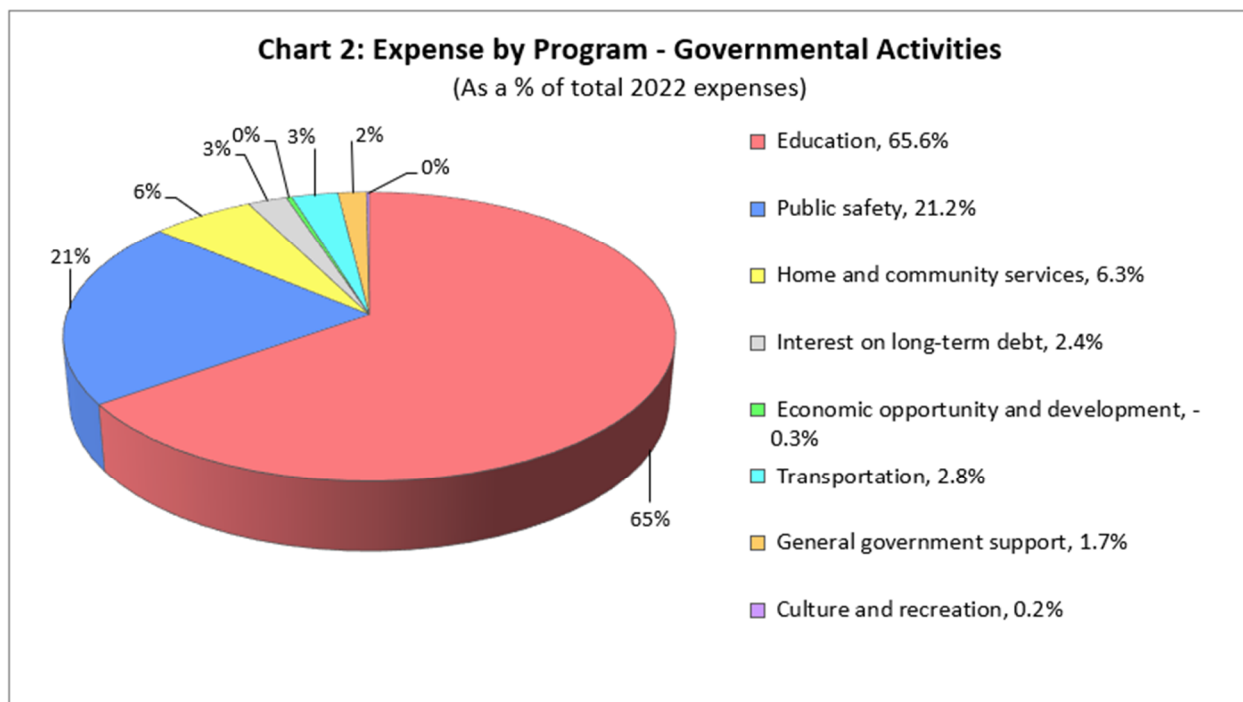
For the current year, total program expenses for governmental activities were \$629,014 which was a decrease of \$27,366, or 4.2%, compared to prior year total expenses of \$656,380. The primary program expense decreases, compared to prior year expense balances, that contributed to this decrease were:

- \$18,133, or 113.6%, in Public safety
- \$493, or 31.3%, in Culture and recreation
- \$34,133, or 7.6%, in Education
- \$2,073, or 12.0%, in Interest on long-term debt

## CITY OF SYRACUSE, NEW YORK

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022

These expense decreases were partially offset by an increase in General government support of \$6,228, or 130.7%, compared to prior year and in Home and community services of \$14,283 or 55.7% compared to the prior year. Other small year over year differences of \$6,956 comprise the remaining balance partially offsetting these decreases. See *Chart 2: Expense by Program – Governmental Activities* for the each major program expense as a percentage of total expenses for the current year.



Total revenues for governmental activities in the current year were in excess of total governmental activities expenses resulting in a positive change in net position (after transfers) of \$327,761 compared to a positive change in net position (after transfers) of \$166,218 for the prior year, an increase of \$161,543.

#### Business-Type Activities

For the current year, total revenues for business-type activities were \$30,090 which was an increase of \$1,229, or 4.3%, compared to total revenues of \$28,861 in the prior year. Capital grants and contributions increased \$539, or 130.8%, compared to prior year.

For the current year, total program expenses for business-type activities were \$15,510 which was a decrease of \$2,090, or 11.9%, compared to prior year total expenses of \$15,510. Sewer and Water expenses decreased \$668, or 20.4%, and \$1,421, or 9.9%, respectively, in the current year compared to prior year.

Total revenues for business-type activities in the current year were in excess of total business-type activities expenses resulting in a positive change in net position (after transfers) of \$11,756 compared to a positive change in net position (after transfers) of \$8,437, an increase of \$3,319.

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

## CITY OF SYRACUSE, NEW YORK

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022

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#### Governmental Funds

As noted earlier the focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending as of the end of the fiscal year.

At June 30, 2022, the City's Total Governmental Funds' fund balance is \$350,208, which is a 20.42% increase from last year's total of \$290,827. The \$59,380 increase in total fund balance is primarily due to:

- \$54,007 increase in City School District General Fund
- \$36,876 increase in General Fund

These increases in Total Governmental Funds' fund balance are partially offset by the:

- \$35,879 decrease in Joint Schools Construction Board

Of the total \$350,208 in Total Governmental Funds' fund balance, \$102,792 of fund balance is available for spending at the government's discretion (unassigned fund balance). \$69,155 of fund balance is subject to external, legally enforceable restrictions on its use (restricted) while \$176,546 is allocated by ordinance or through intent to be used for specific purposes (committed and assigned). The remainder of \$1,715 is non-spendable. This includes inventories, prepaid items and bequests that must remain intact.

- *General Fund* - The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$102,792 while total fund balance was \$119,015. As a measure of the General Fund's liquidity, it's useful to compare both unassigned fund balance and total fund balance to total fund expenditures. For the current year, unassigned fund balance as a percentage of total General Fund expenditures (including operating transfers out) of \$254,324 is 40.4% while the General Fund's total fund balance represents 46.8% of that same amount. The City's General Fund's fund balance increased by \$36,876 during the current year. The adopted budget for the fiscal year ended June 30, 2022, budgeted a net deficiency of \$19,955, or a draw of that amount from the General Fund's unassigned fund balance to balance higher budgeted expenditures against lower budgeted revenues. An analysis of the variance is presented in the section following titled General Fund Budgetary Highlights.
- *Joint Schools Construction Board Fund* - The Joint Schools Construction Board Fund is a School District Fund that accounts for activities relating to the refurbishment of educational facilities in the City of Syracuse. The Joint Schools Construction Board was formed through an agreement between the City of Syracuse and the Syracuse City School District to administer the activities of this project. The entire balance is reserved for the purposes of this project and is not available for appropriation for any other purpose. The revenue for this fund is provided by bond proceeds and interest paid on the unspent proceeds. A decline in fund balance reflects the spending of bond proceeds to repair schools and conversely, an increase indicates that bond proceeds exceeded amounts spent in the current year.
- *Special Revenue - City School District General and Special Aid Funds* - The Special Revenue funds (City School District General Fund and City School District Special Aid Fund) are comprised of the School District's general operating fund and the special aid fund. The combined total fund balance at the end of the current year was \$154,096 compared to a combined total fund balance of \$100,057 in the prior year. The increase of \$54,039 in fund balance for the two Special Revenue funds in the current year is

## CITY OF SYRACUSE, NEW YORK

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022

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due to higher total revenues (including other financing sources) of \$572,133 compared to lower expenditures (including other financing uses) of \$518,094.

- *Capital Projects Fund* - The Capital Projects Fund accounts for the construction and reconstruction of general public improvements and major asset purchases, excluding projects related to business-type activities, which are accounted for in each business-type activity. At the end of the current fiscal year, the fund balance was \$40,701. The entire balance of the fund is required to be used in the completion of City and School District capital projects. The Capital Projects Fund is treated as a non-major government fund effective fiscal year 18-19.
- *Neighborhood and Business Development Special Revenue Fund* - The Neighborhood and Business Development Fund is a special revenue fund used to account for the community development programs and projects primarily funded by the U.S. Department of Housing and Urban Development. The fund accounts for its revenue and expenditures using grant accounting; therefore, revenues are accrued as the expenditures are incurred. During the current year, the fund recorded \$10,658 in both revenues and expenditures while the fund recorded \$9,915 in the prior fiscal year for revenues and expenditures. At June 30, 2022, total assets and liabilities of the fund were \$18,246 while at the end of the previous fiscal year, total assets and total liabilities were \$17,637.

**Proprietary Funds** - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Included in the City's proprietary funds are two enterprise funds which consist of the Water and Sewer Funds. The net position of the enterprise funds at the end of the current year totaled \$31,982, an increase of \$11,756, compared to the prior year end balance of \$20,226. For the current year, the Water and Sewer Funds had an increase in net position of \$9,677 and \$2,080, respectively.

**Internal Service Fund** - The Aviation Fund is treated as an Internal Service Fund effective with fiscal year 18-19. Net position at June 30, 2022 was \$109,618, an increase of \$2,28 from the prior year-end.

#### **General Fund Budgetary Highlights**

According to the City Charter, the City must adopt its budget no later than May 8 of each year for the ensuing fiscal year beginning on July 1. The City's General Fund original budget for the fiscal year ended June 30, 2022, included estimated revenues and annual appropriations of \$274,910.

During the course of the year, the City's General Fund budget was amended to reflect additional revenues and additional appropriations for various small items, resulting in a final, revised budget of \$274,910, utilizing none of the fund balance. Please refer to page 84 for the Statement of Revenues, Expenditures and Encumbrances – Budget and Actual (Budgetary Basis) for presentation of the General Fund original budget and final budget. See *Table 3 – General Fund – Condensed Budget to Actual* for summary budget to actual information for the General Fund.

The actual performance of the General Fund resulted in an excess for the current year of \$36,876, as compared to a final adopted budget with a projected flat position. This favorable variance of \$36,876 was driven by a number of increases in projected revenues as well as decreases in budgeted expenditures.



## CITY OF SYRACUSE, NEW YORK

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022

For the current year, total General Fund revenues were \$285,465 which was \$13,380, or 4.9%, higher than the budgeted total revenues for 2022 of \$272,085. The primary revenues with favorable variances, compared to the current year budget, were:

- \$5,266, or 5.4%, in Federal and state aid and other grants
- \$7,067 or 7.0% in Sales and use taxes
- \$6,103, or 176.7% in Other revenues

The primary revenues with unfavorable variances, compared to the current year budget, were:

- \$3,153, or 6.9%, in General property taxes and tax items
- \$1,235, or 28.5%, in Fines and forfeitures

Offsetting favorable and unfavorable variances for the other revenues, compared to the budget, comprise the remaining unfavorable variance of \$668.

	2022 <u>Actual</u>	2022 <u>Budget</u>
Total revenues	\$ 285,465	\$ 272,085
Total expenditures	230,569	252,130
Excess (deficiency) of revenues over expenditures	54,895	19,955
Other financing sources	2,910	-
Operating transfers in	2,825	2,825
Operating transfers out	(23,755)	(22,780)
Total other financing sources (uses)	(18,019)	(19,955)
Change in fund balance	\$ 36,876	\$ -

For the current year, total General Fund expenditures were \$230,569 which was \$21,561, or 8.6%, lower than the budgeted total expenditures for 2022 of \$252,130. The primary expenditures with favorable variances, compared to the current year budget, were:

- \$17,916, or 10.5%, in Public safety
- \$3,606, or 9.2%, in General government support

Offsetting favorable and unfavorable variances for the other expenditures, compared to the budget, comprise the remaining favorable variance of \$39.

## CITY OF SYRACUSE, NEW YORK

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

##### Capital Assets

The City's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities for the current year-end was \$1,122,054 compared with the previous year-end amount of \$1,063,698. This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, infrastructure and construction in progress.

The City's governmental capital assets (net of accumulated depreciation) at June 30, 2022 were \$1,004,969 compared to \$947,955 at prior year-end. For the City's business-type activities, Net capital assets at June 30, 2022 were \$117,086 compared to a balance of \$115,743 at the end of the prior year.

Please refer to Note 4 in the notes to the basic financial statements for more detailed information regarding capital assets and accumulated depreciation.

Expenses related to capital assets which are constructed over more than one fiscal year are capitalized each fiscal year as "construction in progress" and are not depreciated. Upon completion of construction of a particular capital asset, the total for the asset is reclassified from construction in progress to its proper depreciable category (i.e. buildings, machinery and equipment, improvements/infrastructure). See *Table 4 – Capital Assets (net of depreciation)* for summary information for the City's capital assets.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land	\$ 18,768	\$ 18,768	\$ 4,485	\$ 4,485	\$ 23,253	\$ 23,253
Buildings	406,183	377,689	550	594	406,732	378,282
Machinery and equipment	25,412	23,197	1,994	2,866	27,407	26,063
Improvements/infrastructure	193,064	197,886	97,097	97,168	290,161	295,054
Construction in progress	361,542	330,415	12,960	10,630	374,501	341,045
Total capital assets, net	<u>\$ 1,004,969</u>	<u>\$ 947,955</u>	<u>\$ 117,086</u>	<u>\$ 115,743</u>	<u>\$ 1,122,054</u>	<u>\$ 1,063,698</u>

Not included in the above Table are right-to-use lease assets with a net value of \$1,134 at December 31, 2022.

##### Long-Term Debt

At the end of the current year, the City had \$533,616 in total debt compared to \$723,111 at the end of the prior year, a decrease of \$189,494, or 26.21%. See *Table 5 – Outstanding Debt – Primary Government* below for a breakdown of bonds and notes by governmental activities and business-type activities.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
General obligation bonds payable - City	\$ 148,789	\$ 174,763	\$ 28,979	\$ 31,061	\$ 177,768	\$ 205,824
General obligation bonds payable - District	332,223	360,545	-	-	332,223	360,545
Constructions bonds payable - City	-	-	23,625	24,775	23,625	24,775
Revenue anticipation notes - City	-	46,000	-	-	-	46,000
Revenue anticipation notes - District	-	85,967	-	-	-	85,967
Total debt	<u>\$ 481,012</u>	<u>\$ 667,275</u>	<u>\$ 52,604</u>	<u>\$ 55,836</u>	<u>\$ 533,616</u>	<u>\$ 723,111</u>

**CITY OF SYRACUSE, NEW YORK**

**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2022**

With respect to City general obligation bonds, total new debt issued during the year was \$24,751. Proceeds were used to finance capital expenditures. Projects funded with these proceeds are as follows:

<b>Purpose</b>	<b>The Bonds</b>
Municipal Sidewalk Program	\$3,000,000
LED Street Lighting Upgrade	2,742,671
Parking Meters	2,025,000
Heavy Rescue Replacement	1,500,000
Settlement - Grant	1,449,110
Apparatus Replace -Aerial	1,400,000
Lafayette PRV Replacement Proj	1,300,000
DPW Capital Equipment	1,262,156
Parking Garage Rehab	1,000,000
CIP Equipment - Packers	938,090
Settlement - Cooper Crouse Hinds	850,000
Parking Garage Rehab	700,000
DPW Sweep & Flush Equip	631,578
Fiber Optic Trunk Replacement	600,000
Facility Rehab Project	575,000
W Genesee St Rd Improvement	502,950
South Geddes Safety	400,000
Clinton Two Way Conversion	325,000
Fire Apparatus Replacement	320,000
Complete Streets	300,000
Pools & Fountains	300,000
City Owned Sidewalks	300,000
Eastwood Parks Improvements	300,000
Settlement - George	295,000
Interstate Lighting Upgrade	250,000
Downtown Mill & Pave	225,000
Legacy Street Lighting	190,000
Settlement - Morris	190,000
Pass' Aboretum Park Fence	180,000
Legacy Street Lighting	170,000
Parks Chipper and Pickup	170,000
Legacy Street Lighting	150,000
Parks Paving Projects	100,000
Creekwalk Amenities	40,000
Barry Park Improvements	40,000
Radar Sign	30,000
	<b>\$24,751,555</b>

The City issued \$10,770 in revenue anticipation notes (RANs) during the fiscal year on behalf of the School District for cash flow purposes. A large portion of both the City and School District’s state aid is not received until the last quarter of the fiscal year; however, the City did not need cash flow borrowing to fund day-to-day operations during the fiscal year. The City and School District RANs were paid in full at June 30, 2022.

The City had a rating of A1 from Moody’s Investors Service and an A+ rating from Standard & Poor’s at June 30, 2022.

The New York State Constitution imposes a debt limit of 9 percent of the most recent five-year average of full valuation of taxable real estate in the City. Certain specified types of obligations are excluded. The limit as of fiscal year end was \$345,513 which is above the City’s outstanding general obligation debt after exclusions.

## **CITY OF SYRACUSE, NEW YORK**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022**

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#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City of Syracuse has several economic factors that affect the ability of the City to address local fiscal growth or stability. These factors include:

- Reliance on state aid for the City and the City School District
- Reliance on local retail activity as a source of sales tax
- A dependent school district resulting in high mandated costs and aging buildings
- Significant increases in employee health care costs
- High retirement system costs (see notes to the financial statements for more information.)

In setting the June 30, 2023 fiscal year budget, the City portion of the property tax levy increased by \$2,154, from \$38,697 in fiscal year 2022 to \$40,851 in fiscal year 2023. The School District portion of the levy increased in fiscal year 2023 to \$67,946 from 66,942 in fiscal year 2022. The actual combined property tax levy of the City and School District increased to \$108,797 compared with the previous year of \$105,639. The City and School District combined property tax rate for fiscal year 2023 is \$27.1638 per \$1,000 of assessed property value (\$10.26 for the City and \$16.9038 for the School District).

Revenues for fiscal year 2023 are projected to increase \$28,945, or 10.9%, compared to the previous year's budget and expenditures are projected to increase \$28,945, or 10.9%, compared to the prior year's budget previous. Both the City General Fund's and School District's fiscal year 2022 budget exclude any provision to use fund balance in the fiscal year

#### **COVID 19**

The outbreak of the COVID-19 virus has continued to affect commerce and economic growth worldwide. The impact to the City's operations and finances has been considerable. Although that impact is diminishing the ultimate cost cannot fully be predicted at this time due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its duration, and severity. In addition, it is unknown what continuing actions may be taken by governmental and other health care authorities, including the State and County, to contain or mitigate the disease. As a result of the decreased prevalence of the virus and resultant restrictions, the City has begun to see a resurgence of some revenues, most significantly in sales tax and federal aid. The City continues to monitor the situation and has taken proactive measures to maintain its operations and meet its obligations. The City continues to evaluate various options to mitigate further impacts of COVID-19 on the City's finances, including cash flow borrowings, reductions of budgeted expenditures, and eligibility for federal or state aid for COVID-19 related costs and revenue losses.

#### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City of Syracuse's finances and to show accountability for the money it receives. If you have questions about this report or need additional information, contact the office of the Commissioner of Finance at City Hall, Room 128, 233 East Washington Street, Syracuse, New York 13202.

## **CITY OF SYRACUSE, NEW YORK**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2022**

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Although the City School District is a blended component unit of the City, the City School District issues a separate financial statement. To obtain this report contact the Chief Financial Officer of the Syracuse City School District at 1025 Erie Blvd. West, Syracuse, New York 13204-2749. The Joint Schools Construction Board is also a blended component unit that has a separately issued financial statement. To obtain this report contact the Commissioner of Finance, City Hall, Syracuse, New York 13202.

The Syracuse Industrial Agency (SIDA), Syracuse Economic Development Corporation (SEDCO) and The Syracuse Regional Airport Authority are discretely presented component units with separately issued financial statements. To obtain reports for SIDA and SEDCO, contact the Department of Neighborhood and Business Development at City Hall Commons, Syracuse, New York 13202.

To obtain the financial report for the Syracuse Regional Airport Authority, contact the Airport Authority at Syracuse International Airport, 1000 Colonel Eileen Collins Boulevard, Syracuse, New York, 13212.

To obtain a financial report for the Greater Syracuse Property Development Corporation contact the Greater Syracuse Property Development Corporation at 431 East Fayette Street, Suite 375, Syracuse, New York 13202.

CITY OF SYRACUSE, NEW YORK

Statement of Net Position  
June 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 202,035,794	\$ 12,052,471	\$ 214,088,265	\$ 44,637,614
Accounts receivable, net	8,756,183	5,069,908	13,826,091	4,464,871
Restricted cash and cash equivalents	145,589,239	474,292	146,063,531	30,109,294
Loans receivable - current portion	15,717,820	-	15,717,820	2,075,330
Notes receivable - current portion	-	-	-	84,751
Lease receivable - current portion	770,689	-	770,689	1,053,107
Other receivable	7,372,898	-	7,372,898	385,620
Taxes receivable, net	8,109,321	-	8,109,321	-
Internal balances	32,612	(32,612)	-	-
Due from other governments	164,737,079	14,371	164,751,450	326,411
Due from component units, net	1,370,143	-	1,370,143	-
Inventory	1,629,550	-	1,629,550	526,124
Prepaid expenses and other assets	90,803	-	90,803	1,247,339
Loans receivable, net of current portion	-	-	-	4,071,000
Notes receivable, net of current portion	-	-	-	4,290,185
Lease receivable, net of current portion	1,273,029	-	1,273,029	8,851,858
Net pension assets	208,491,200	1,697,681	210,188,881	1,729,766
Capital assets, non-depreciable	380,309,367	17,445,096	397,754,463	21,336,512
Capital assets, depreciable, net	<u>625,793,874</u>	<u>99,640,463</u>	<u>725,434,337</u>	<u>41,334,923</u>
Total assets	<u>1,772,079,601</u>	<u>136,361,670</u>	<u>1,908,441,271</u>	<u>166,524,705</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows - debt refunding	691,463	271,472	962,935	-
Deferred outflows - OPEB	112,252,880	2,195,994	114,448,874	3,621,858
Deferred outflows - pensions	<u>228,240,661</u>	<u>3,169,050</u>	<u>231,409,711</u>	<u>4,150,057</u>
Total deferred outflows of resources	<u>341,185,004</u>	<u>5,636,516</u>	<u>346,821,520</u>	<u>7,771,915</u>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	57,178,979	2,212,339	59,391,318	4,569,554
Accrued interest	3,036,216	255,249	3,291,465	-
Due to other governments	1,397,902	-	1,397,902	-
Amounts due to retirement systems	32,739,102	250,357	32,989,459	-
Unearned revenue	80,671,445	-	80,671,445	3,722,135
Due to primary government	-	-	-	1,370,143
Loans payable	15,567,820	-	15,567,820	-
Other liabilities	2,809,709	-	2,809,709	735,368
Due to fiduciary funds	1,974	-	1,974	-
Long-term liabilities - due within one year	58,337,798	5,698,164	64,035,962	461,309
Long-term liabilities - due in more than one year	<u>1,138,964,127</u>	<u>71,878,268</u>	<u>1,210,842,395</u>	<u>54,036,229</u>
Total liabilities	<u>1,390,705,072</u>	<u>80,294,377</u>	<u>1,470,999,449</u>	<u>64,894,738</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows - lottery aid	13,966,667	-	13,966,667	-
Deferred inflows - OPEB	623,394,420	23,675,906	647,070,326	8,770,763
Deferred inflows - pensions	378,542,904	6,045,862	384,588,766	6,032,041
Deferred inflows - leases	<u>36,257,220</u>	<u>-</u>	<u>36,257,220</u>	<u>9,904,965</u>
Total deferred inflows of resources	<u>1,052,161,211</u>	<u>29,721,768</u>	<u>1,081,882,979</u>	<u>24,707,769</u>
<b>NET POSITION</b>				
Net investment in capital assets	561,084,201	64,481,625	625,565,826	15,095,140
Restricted	69,154,752	474,292	69,629,044	28,515,517
Unrestricted	<u>(959,840,631)</u>	<u>(32,973,876)</u>	<u>(992,814,507)</u>	<u>41,083,456</u>
Total net position	<u>\$ (329,601,678)</u>	<u>\$ 31,982,041</u>	<u>\$ (297,619,637)</u>	<u>\$ 84,694,113</u>

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Statement of Activities  
For the Year Ended June 30, 2022

	Program Revenues				Net (Expense) Revenue and Changes in Net Position Primary Government			Component Units
	Expenses	Fees, Fines and Charges	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
PRIMARY GOVERNMENT:								
Governmental Activities:								
General government support	\$ 10,991,143	\$ 1,944,782	\$ 3,965,161	\$ -	\$ (5,081,200)	\$ -	\$ (5,081,200)	\$ -
Public safety	133,416,535	8,189,380	24,298,164	-	(100,928,991)	-	(100,928,991)	-
Transportation	17,900,189	5,297,756	-	30,657,668	18,055,235	-	18,055,235	-
Economic opportunity and development	(2,174,639)	1,522	809,774	-	2,985,935	-	2,985,935	-
Home and community services	39,928,643	6,087,456	24,578,991	10,062,014	799,818	-	799,818	-
Culture and recreation	1,084,497	899,420	438,341	-	253,264	-	253,264	-
Education	412,706,117	361,235	123,453,402	-	(288,891,480)	-	(288,891,480)	-
Interest on long-term debt	15,161,669	-	-	-	(15,161,669)	-	(15,161,669)	-
Total governmental activities	629,014,154	22,781,551	177,543,833	40,719,682	(387,969,088)	-	(387,969,088)	-
Business-Type Activities:								
Water	12,901,404	23,915,039	-	951,579	-	11,965,214	11,965,214	-
Sewer	2,608,191	5,212,891	-	-	-	2,604,700	2,604,700	-
Total business-type activities	15,509,595	29,127,930	-	951,579	-	14,569,914	14,569,914	-
TOTAL PRIMARY GOVERNMENT	\$ 644,523,749	\$ 51,909,481	\$ 177,543,833	\$ 41,671,261	(387,969,088)	14,569,914	(373,399,174)	-
COMPONENT UNITS:								
Syracuse Industrial Development Agency	\$ 700,023	\$ 1,127,709	\$ 42,748	\$ -	-	-	-	470,434
Syracuse Economic Development Corporation	395,377	95,806	320,501	-	-	-	-	20,930
Syracuse Regional Airport Authority	47,956,089	46,891,894	-	22,562,453	-	-	-	21,498,258
Greater Syracuse Property Development Corporation	4,683,463	1,472,881	3,277,888	-	-	-	-	67,306
TOTAL COMPONENT UNITS	\$ 53,734,952	\$ 49,588,290	\$ 3,641,137	\$ 22,562,453	-	-	-	22,056,928
					106,118,680	-	106,118,680	-
					108,963,635	-	108,963,635	-
					4,352,798	-	4,352,798	-
					470,515,000	-	470,515,000	-
					4,482,924	-	4,482,924	-
					237,574	10,985	248,559	126,944
					-	-	-	66,069
					18,234,596	-	18,234,596	-
					2,825,000	(2,825,000)	-	-
					715,730,207	(2,814,015)	712,916,192	193,013
					327,761,119	11,755,899	339,517,018	22,249,941
					(657,362,797)	20,226,142	(637,136,655)	62,444,172
					\$ (329,601,678)	\$ 31,982,041	\$ (297,619,637)	\$ 84,694,113

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Balance Sheet - Governmental Funds  
June 30, 2022

	General Fund	Joint Schools Construction Board	Special Revenue		Nonmajor Governmental Funds	Total Governmental Funds
			City School District General Fund	City School District Special Aid Fund		
<b>ASSETS</b>						
Cash and cash equivalents	\$ 72,640,038	\$ -	\$ 127,192,861	\$ -	\$ 2,202,895	\$ 202,035,794
Restricted cash and cash equivalents	82,836,382	19,619,361	3,728,181	-	39,405,315	145,589,239
Loans receivable	-	-	-	-	15,717,820	15,717,820
Accounts receivable	3,813,379	-	-	-	4,942,804	8,756,183
Other receivable	-	-	2,196,305	4,624,796	8,718	6,829,819
Taxes receivable, net	4,416,978	-	3,666,172	-	26,171	8,109,321
Due from other funds	9,283,675	-	17,128,041	-	14,474,119	40,885,835
Due from other governments	57,588,384	-	52,223,512	28,632,070	26,293,113	164,737,079
Inventory	-	-	679,127	-	950,423	1,629,550
Prepays and other assets	-	-	65,927	-	24,876	90,803
Lease receivable	2,043,718	-	-	-	-	2,043,718
<b>Total assets</b>	<b>\$ 232,622,554</b>	<b>\$ 19,619,361</b>	<b>\$ 206,880,126</b>	<b>\$ 33,256,866</b>	<b>\$ 104,046,254</b>	<b>\$ 596,425,161</b>
<b>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued expenses	\$ 13,734,016	\$ 1,246,927	\$ 27,180,432	\$ 8,364,000	\$ 6,653,604	\$ 57,178,979
Due to other funds	-	6,528,779	-	23,734,681	8,833,315	39,096,775
Due to other governments	158	-	-	969,563	428,181	1,397,902
Amounts due to retirement systems	7,088,411	-	24,563,495	-	-	31,651,906
Self-insurance claims	6,255,487	-	1,229,141	-	-	7,484,628
Unearned revenue	78,297,568	-	-	-	2,373,877	80,671,445
Loans payable	-	-	-	-	15,567,820	15,567,820
Other liabilities	2,784,016	-	-	-	25,693	2,809,709
<b>Total liabilities</b>	<b>108,159,656</b>	<b>7,775,706</b>	<b>52,973,068</b>	<b>33,068,244</b>	<b>33,882,490</b>	<b>235,859,164</b>
Deferred inflows of resources:						
Deferred inflows - unavailable revenue	3,404,366	-	-	-	4,910,338	8,314,704
Deferred inflows - leases	2,043,718	-	-	-	-	2,043,718
<b>Total deferred inflows of resources</b>	<b>5,448,084</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,910,338</b>	<b>10,358,422</b>
Fund Balance:						
Nonspendable	-	-	745,054	-	970,502	1,715,556
Restricted	337,418	11,843,655	3,728,181	188,622	53,056,876	69,154,752
Committed	-	-	46,115,185	-	11,226,048	57,341,233
Assigned	15,885,692	-	103,318,638	-	-	119,204,330
Unassigned	102,791,704	-	-	-	-	102,791,704
<b>Total fund balance</b>	<b>119,014,814</b>	<b>11,843,655</b>	<b>153,907,058</b>	<b>188,622</b>	<b>65,253,426</b>	<b>350,207,575</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 232,622,554</b>	<b>\$ 19,619,361</b>	<b>\$ 206,880,126</b>	<b>\$ 33,256,866</b>	<b>\$ 104,046,254</b>	<b>\$ 596,425,161</b>

The accompanying notes are an integral part of these statements.



## CITY OF SYRACUSE, NEW YORK

### Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2022

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Total fund balances for governmental funds	\$ 350,207,575
Total net position reported for governmental activities in the Statement of Net Position is different because:	
Capital assets (including right-to-use lease assets), net of associated accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the funds	841,949,537
Pension obligation activity:	
Deferred outflows of resources	224,819,783
Net pension liability/asset	198,100,491
Deferred inflows of resources	(375,400,784)
Other postemployment benefit activity:	
Total other postemployment benefit liability	(627,955,239)
Deferred outflows of resources	111,226,006
Deferred inflows of resources	(610,518,727)
District receivables not received within 90 days and therefore not reported in the funds	543,079
Revenue collected after year end and not available to pay for current year expenditures and deferred in funds	8,314,704
Long-term liabilities, including bonds payable, lease liabilities, compensated absences, judgments and claims, self-insurance claims, and other long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	(544,202,211)
Deferred charges relating to debt refunding not reported in the funds	691,463
Deferred inflows related to District lottery aid not reported in the funds	(13,966,667)
Accrued interest not reported in the funds	(3,028,716)
The assets and liabilities of the Internal Service Fund are included in Governmental Activities in the Statement of Net Position	<u>109,618,028</u>
Total net position of governmental activities	<u>\$ (329,601,678)</u>

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Statement of Revenues, Expenditures and Change in Fund Balances - Governmental Funds  
For the Year Ended June 30, 2022

	General Fund	Special Revenue			Nonmajor Governmental Funds	Total Governmental Funds
		Joint Schools Construction Board	City School District General Fund	City School District Special Aid Fund		
<b>REVENUES:</b>						
General property taxes and tax items	\$ 42,651,369	\$ -	\$ 62,407,853	\$ -	\$ 2,963,755	\$ 108,022,977
Sales and use taxes	108,084,537	-	879,098	-	-	108,963,635
Other local taxes	3,178,295	-	-	-	1,174,503	4,352,798
Departmental revenues	11,169,380	-	-	-	-	11,169,380
Intergovernmental charges	250,411	-	-	-	-	250,411
Licenses and permits	3,199,795	-	-	-	-	3,199,795
Fines and forfeitures	3,093,779	-	-	-	-	3,093,779
Sale of property and compensation for loss	981,465	-	38,781	-	3,015	1,023,261
Use of money and property	97,610	3,947	163,857	-	29,117	294,531
Federal and state aid and other grants	103,200,998	722,809	396,812,314	107,791,972	71,721,024	680,249,117
Pass-through New York State funding from District	-	33,962,612	-	-	-	33,962,612
Surplus food	-	-	-	-	1,123,869	1,123,869
Sales-School Food Service program	-	-	-	-	68,202	68,202
Other revenues	9,557,090	27,010	6,938,714	-	1,510,550	18,033,364
<b>Total revenues</b>	<b>285,464,729</b>	<b>34,716,378</b>	<b>467,240,617</b>	<b>107,791,972</b>	<b>78,594,035</b>	<b>973,807,731</b>
<b>CURRENT EXPENDITURES:</b>						
General government support	35,508,933	-	-	-	5,058,224	40,567,157
Public safety	153,002,864	-	-	-	2,506,151	155,509,015
Transportation	19,177,227	-	-	-	2,443,193	21,620,420
Economic opportunity and development	-	-	-	-	821,279	821,279
Home and community services	12,748,079	-	-	-	24,454,491	37,202,570
Culture and recreation	10,075,101	-	-	-	376,961	10,452,062
Education	-	-	379,657,196	103,048,815	137,650	482,843,661
Principal debt payments	-	20,105,000	729,718	-	19,683,115	40,517,833
Interest on debt	57,044	14,020,612	199,100	-	4,943,108	19,219,864
Capital outlays	-	35,746,743	497,030	-	48,357,757	84,601,530
Food Service Program	-	-	-	-	14,982,101	14,982,101
Pass-through New York State funding to JSCB	-	-	33,962,612	-	-	33,962,612
<b>Total expenditures</b>	<b>230,569,248</b>	<b>69,872,355</b>	<b>415,045,656</b>	<b>103,048,815</b>	<b>123,764,030</b>	<b>942,300,104</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>54,895,481</b>	<b>(35,155,977)</b>	<b>52,194,961</b>	<b>4,743,157</b>	<b>(45,169,995)</b>	<b>31,507,627</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Bond proceeds	2,784,110	-	-	-	20,667,445	23,451,555
Bond proceeds from refunding bonds	-	-	-	-	5,540,000	5,540,000
Premium on issuance of BANs and RANs	-	-	34,862	-	-	34,862
Premium on bonds	126,325	-	-	-	937,754	1,064,079
Premium on refunding bonds	-	-	-	-	669,731	669,731
Payments to escrow agent	-	-	-	-	(6,209,731)	(6,209,731)
Proceeds from leases	-	-	497,030	-	-	497,030
Operating transfers in	2,825,000	-	7,692,350	1,507,972	29,719,770	41,745,092
Operating transfers out	(23,754,659)	(722,810)	(6,412,693)	(6,218,994)	(1,810,936)	(38,920,092)
<b>Total other financing sources (uses)</b>	<b>(18,019,224)</b>	<b>(722,810)</b>	<b>1,811,549</b>	<b>(4,711,022)</b>	<b>49,514,033</b>	<b>27,872,526</b>
<b>CHANGE IN FUND BALANCE</b>	<b>36,876,257</b>	<b>(35,878,787)</b>	<b>54,006,510</b>	<b>32,135</b>	<b>4,344,038</b>	<b>59,380,153</b>
<b>FUND BALANCE - beginning of year</b>	<b>82,138,557</b>	<b>47,722,442</b>	<b>99,900,548</b>	<b>156,487</b>	<b>60,909,388</b>	<b>290,827,422</b>
<b>FUND BALANCE - end of year</b>	<b>\$ 119,014,814</b>	<b>\$ 11,843,655</b>	<b>\$ 153,907,058</b>	<b>\$ 188,622</b>	<b>\$ 65,253,426</b>	<b>\$ 350,207,575</b>

The accompanying notes are an integral part of these statements.

**CITY OF SYRACUSE, NEW YORK**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2022**

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Net change in fund balances - total governmental funds \$ 59,380,153

The change in net position reported for governmental activities in the Statement of Activities is different because:

Governmental funds report all capital outlays as expenditures. However, in the Statement of Activities, the cost of certain assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense and losses on disposals in the current period. 58,375,364

Bond proceeds and premiums, as well as lease liabilities, are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. 20,409,815

Governmental activities recognize revenue based on economic resource measurement. Fund activities utilize current financial resources. This is the amount of revenues reported in the statement of activities, but not reported as revenue in the governmental funds. (1,361,218)

Pension income (expense) resulting from pension obligation is not recorded in the governmental funds but is recorded in the Statement of Activities. 51,043,833

Other postemployment benefits income (expense) resulting from other postemployment benefits liability is not recorded in the governmental funds but is recorded in the Statement of Activities. 139,204,236

Some expenses reported in the Statement of Activities, such as compensated absences and other employee benefits, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (3,358,089)

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 222,771

Amortization of deferred inflows related to District lottery aid. 1,016,667

Net revenue of the Internal Service Fund is reported with Governmental Activities. 2,827,587

Net change in net position of governmental activities \$ 327,761,119

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Statement of Net Position - Proprietary Funds  
June 30, 2022

	Business-type Activities			Governmental
	Water	Sewer	Total	Internal Service Fund
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	\$ 8,379,027	\$ 3,673,444	\$ 12,052,471	\$ -
Accounts receivable, net	4,050,571	1,019,337	5,069,908	-
Due from other governments	-	14,371	14,371	-
Due from component unit	-	-	-	1,370,143
Total current assets	<u>12,429,598</u>	<u>4,707,152</u>	<u>17,136,750</u>	<u>1,370,143</u>
<b>NONCURRENT ASSETS:</b>				
Restricted cash and cash equivalents	474,292	-	474,292	-
Net pension asset - ERS	1,204,460	493,221	1,697,681	57,388
Capital assets, non-depreciable	17,030,901	414,195	17,445,096	2,497,904
Capital assets, depreciable, net	<u>85,713,481</u>	<u>13,926,982</u>	<u>99,640,463</u>	<u>160,286,662</u>
Total noncurrent assets	<u>104,423,134</u>	<u>14,834,398</u>	<u>119,257,532</u>	<u>162,841,954</u>
Total Assets	<u>116,852,732</u>	<u>19,541,550</u>	<u>136,394,282</u>	<u>164,212,097</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows - debt refunding	210,444	61,028	271,472	-
Deferred outflows - OPEB	1,264,726	931,268	2,195,994	1,026,874
Deferred outflows - pensions	<u>2,248,358</u>	<u>920,692</u>	<u>3,169,050</u>	<u>3,420,878</u>
Total Deferred Outflows of Resources	<u>3,723,528</u>	<u>1,912,988</u>	<u>5,636,516</u>	<u>4,447,752</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable and accrued expenses	1,740,711	471,628	2,212,339	-
Accrued interest	229,341	25,908	255,249	7,500
Due to other funds	30,416	2,196	32,612	1,758,422
Current portion of bonds payable	4,015,326	607,799	4,623,125	250,000
Amounts due to retirement systems	183,209	67,148	250,357	1,087,196
Self-insurance claims	<u>807,549</u>	<u>267,490</u>	<u>1,075,039</u>	<u>-</u>
Total current liabilities	<u>7,006,552</u>	<u>1,442,169</u>	<u>8,448,721</u>	<u>3,103,118</u>
<b>NONCURRENT LIABILITIES:</b>				
Bonds payable - net of current portion	46,413,672	1,567,137	47,980,809	-
Accrued compensated absences	305,511	122,935	428,446	-
Self-insurance claims	543,771	184,226	727,997	-
Net pension liability - PFRS	-	-	-	332,896
Total other postemployment benefits	<u>13,876,128</u>	<u>8,864,888</u>	<u>22,741,016</u>	<u>5,374,492</u>
Total noncurrent liabilities	<u>61,139,082</u>	<u>10,739,186</u>	<u>71,878,268</u>	<u>5,707,388</u>
Total Liabilities	<u>68,145,634</u>	<u>12,181,355</u>	<u>80,326,989</u>	<u>8,810,506</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows - OPEB	14,078,997	9,596,909	23,675,906	12,875,693
Deferred inflows - pensions	4,289,381	1,756,481	6,045,862	3,142,120
Deferred inflows - leases	-	-	-	34,213,502
Total Deferred Inflows of Resources	<u>18,368,378</u>	<u>11,353,390</u>	<u>29,721,768</u>	<u>50,231,315</u>
<b>NET POSITION:</b>				
Net investment in capital assets	52,315,384	12,166,241	64,481,625	162,534,566
Restricted	474,292	-	474,292	-
Unrestricted (deficit)	<u>(18,727,428)</u>	<u>(14,246,448)</u>	<u>(32,973,876)</u>	<u>(52,916,538)</u>
Total net position	<u>\$ 34,062,248</u>	<u>\$ (2,080,207)</u>	<u>\$ 31,982,041</u>	<u>\$ 109,618,028</u>

The accompanying notes are an integral part of these statements.

**CITY OF SYRACUSE, NEW YORK**

**Statement of Revenues, Expenses and Change in Net Position - Proprietary Funds  
For the Year Ended June 30, 2022**

	Business-type Activities			Governmental
	Water	Sewer	Total	Internal Service Fund
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 23,258,663	\$ 5,212,891	\$ 28,471,554	\$ -
Expense reimbursement income	-	-	-	4,305,522
Miscellaneous	<u>656,376</u>	<u>-</u>	<u>656,376</u>	<u>-</u>
Total operating revenues	<u>23,915,039</u>	<u>5,212,891</u>	<u>29,127,930</u>	<u>4,305,522</u>
<b>OPERATING EXPENSES:</b>				
Cost of sales and services	8,058,513	1,689,164	9,747,677	-
Administration	383,669	-	383,669	(123,079)
Depreciation	<u>3,648,091</u>	<u>865,964</u>	<u>4,514,055</u>	<u>11,657,780</u>
Total operating expenses	<u>12,090,273</u>	<u>2,555,128</u>	<u>14,645,401</u>	<u>11,534,701</u>
OPERATING INCOME (LOSS)	<u>11,824,766</u>	<u>2,657,763</u>	<u>14,482,529</u>	<u>(7,229,179)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Capital grants	951,579	-	951,579	-
Capital contributions	-	-	-	10,062,014
Lease income	-	-	-	1,098,836
Investment income	10,985	-	10,985	-
Interest expense	<u>(811,131)</u>	<u>(53,063)</u>	<u>(864,194)</u>	<u>(1,104,084)</u>
Total nonoperating revenues (expenses)	<u>151,433</u>	<u>(53,063)</u>	<u>98,370</u>	<u>10,056,766</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	11,976,199	2,604,700	14,580,899	2,827,587
OPERATING TRANSFERS OUT	<u>(2,300,000)</u>	<u>(525,000)</u>	<u>(2,825,000)</u>	<u>-</u>
CHANGE IN NET POSITION	9,676,199	2,079,700	11,755,899	2,827,587
NET POSITION - beginning of year	<u>24,386,049</u>	<u>(4,159,907)</u>	<u>20,226,142</u>	<u>106,790,441</u>
NET POSITION - end of year	<u>\$ 34,062,248</u>	<u>\$ (2,080,207)</u>	<u>\$ 31,982,041</u>	<u>\$ 109,618,028</u>

The accompanying notes are an integral part of these statements.

**CITY OF SYRACUSE, NEW YORK**

**Statement of Cash Flows - Proprietary Funds  
For the Year Ended June 30, 2022**

	Business-type Activities			Governmental
	Water	Sewer	Total	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	\$ 23,510,325	\$ 5,117,812	\$ 28,628,137	\$ -
Receipts from expense reimbursements	-	-	-	3,513,711
Payments to vendors	(6,867,559)	(1,112,769)	(7,980,328)	(936,257)
Payments to employees	(6,114,318)	(2,550,171)	(8,664,489)	(2,077,693)
Internal activity with other funds - net	19,602	(1,421)	18,181	1,180,090
Claims paid	(2,426,117)	(1,207,283)	(3,633,400)	(1,680,049)
<b>Net cash flow from operating activities</b>	<b>8,121,933</b>	<b>246,168</b>	<b>8,368,101</b>	<b>(198)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Operating subsidies and transfers to other funds	(2,300,000)	(525,000)	(2,825,000)	-
<b>Net cash flow from noncapital financing activities</b>	<b>(2,300,000)</b>	<b>(525,000)</b>	<b>(2,825,000)</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Purchases of capital assets	(5,771,360)	(80,215)	(5,851,575)	-
Proceeds from capital grants	951,579	-	951,579	-
Proceeds from capital debt	1,300,000	-	1,300,000	-
Principal paid on capital debt	(5,064,673)	(552,212)	(5,616,885)	(34,230,000)
Interest paid on capital debt	278,932	(108,288)	170,644	(1,082,140)
Other receipts	-	-	-	35,312,338
<b>Net cash flow from capital and related financing activities</b>	<b>(8,305,522)</b>	<b>(740,715)</b>	<b>(9,046,237)</b>	<b>198</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest and dividends received	10,985	-	10,985	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(2,472,604)</b>	<b>(1,019,547)</b>	<b>(3,492,151)</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS - beginning of year</b>	<b>11,325,923</b>	<b>4,692,991</b>	<b>16,018,914</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS - end of year</b>	<b>\$ 8,853,319</b>	<b>\$ 3,673,444</b>	<b>\$ 12,526,763</b>	<b>\$ -</b>
<b>Reconciliation of operating income (loss) to net cash flow from operating activities:</b>				
Operating income (loss)	\$ 11,824,766	\$ 2,657,763	\$ 14,482,529	\$ (7,229,179)
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:				
Depreciation expense	3,648,091	865,964	4,514,055	11,657,780
(Gain) loss on disposal of capital assets	(4,984)	-	(4,984)	-
Change in assets and liabilities:				
Accounts receivable	(399,730)	(95,079)	(494,809)	-
Due to/from other funds	19,602	(1,421)	18,181	1,180,090
Due from component unit	-	-	-	(791,811)
Accounts payable and accrued expenses	(1,319,859)	(27,669)	(1,347,528)	-
Amounts due to retirement systems	-	-	-	886,649
Net pension asset/liability	(1,223,112)	(500,036)	(1,723,148)	(970,130)
Other postemployment benefits	(4,344,509)	(2,825,601)	(7,170,110)	(4,793,208)
Self-insurance claims	176,059	(186,924)	(10,865)	(886,811)
Accrued compensated absences	(21,240)	(24,008)	(45,248)	(33,266)
Deferred outflows	2,124,483	791,841	2,916,324	687,912
Deferred inflows - OPEB and pension	(2,357,634)	(408,662)	(2,766,296)	291,776
<b>Net cash flow from operating activities</b>	<b>\$ 8,121,933</b>	<b>\$ 246,168</b>	<b>\$ 8,368,101</b>	<b>\$ (198)</b>

**NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES**

The Internal Service Fund recognized additions to its capital assets related to a capital contribution from the Syracuse Regional Airport Authority of \$10,062,014.

Continued...

**CITY OF SYRACUSE, NEW YORK**

**Statement of Cash Flows - Proprietary Funds  
For the Year Ended June 30, 2022**

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**RECONCILIATION OF RESTRICTED AND UNRESTRICTED CASH AND CASH EQUIVALENTS TO TOTAL  
CASH AND CASH EQUIVALENTS - PROPRIETARY FUNDS:**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Beginning of Year:			
Water Fund	\$ 10,851,631	\$ 474,292	\$ 11,325,923
Sewer Fund	4,692,991	-	4,692,991
Internal Service Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total - Cash and cash equivalents - beginning of year	<u>\$ 15,544,622</u>	<u>\$ 474,292</u>	<u>\$ 16,018,914</u>
End of Year:			
Water Fund	\$ 8,379,027	\$ 474,292	\$ 8,853,319
Sewer Fund	3,673,444	-	3,673,444
Internal Service Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total - Cash and cash equivalents - end of year	<u>\$ 12,052,471</u>	<u>\$ 474,292</u>	<u>\$ 12,526,763</u>

Concluded.

The accompanying notes are an integral part of these statements.

**CITY OF SYRACUSE, NEW YORK**

**Statement of Net Position - Fiduciary Funds**  
**June 30, 2022**

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	City Custodial	City School	Total Fiduciary
	Fund	District Private	Funds
		Purpose Trusts	
<b>ASSETS</b>			
Restricted cash and cash equivalents	\$ 2,086,686	\$ 26,857	\$ 2,113,543
Due from other funds	<u>-</u>	<u>1,974</u>	<u>1,974</u>
Total assets	<u>2,086,686</u>	<u>28,831</u>	<u>2,115,517</u>
<b>LIABILITIES</b>			
Due to other governments	<u>2,086,686</u>	<u>-</u>	<u>2,086,686</u>
Total liabilities	<u>2,086,686</u>	<u>-</u>	<u>2,086,686</u>
<b>NET POSITION</b>			
Held in trust for scholarships	<u>\$ -</u>	<u>\$ 28,831</u>	<u>\$ 28,831</u>

The accompanying notes are an integral part of these statements.



**CITY OF SYRACUSE, NEW YORK**

**Statement of Change in Net Position - Fiduciary Funds  
For the Year Ended June 30, 2022**

	City Custodial Fund	City School District Private Purpose Trusts	Total Fiduciary Funds
<b>ADDITIONS:</b>			
Taxes collected for other governments	\$ 76,172,902	\$ -	\$ 76,172,902
Contributions	<u>-</u>	<u>16,990</u>	<u>16,990</u>
<b>Total additions</b>	<u>76,172,902</u>	<u>16,990</u>	<u>76,189,892</u>
<b>DEDUCTIONS:</b>			
Taxes distributed to other governments	76,172,902	-	76,172,902
Scholarships and awards	-	16,030	16,030
Loss on investment	<u>-</u>	<u>302</u>	<u>302</u>
<b>Total deductions</b>	<u>76,172,902</u>	<u>16,332</u>	<u>76,189,234</u>
<b>CHANGE IN NET POSITION</b>	-	658	658
<b>NET POSITION - beginning of year</b>	<u>-</u>	<u>28,173</u>	<u>28,173</u>
<b>NET POSITION - end of year</b>	<u>\$ -</u>	<u>\$ 28,831</u>	<u>\$ 28,831</u>

The accompanying notes are an integral part of these statements.

## CITY OF SYRACUSE, NEW YORK

Combining Statement of Net Position - Component Units  
June 30, 2022

	Syracuse Industrial Development Agency	Syracuse Economic Development Corporation	Syracuse Regional Airport Authority	Greater Syracuse Property Development Corporation	Total
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 4,006,875	\$ 1,369,251	\$ 36,481,606	\$ 2,779,882	\$ 44,637,614
Restricted cash and cash equivalents	-	582,459	27,683,766	1,843,069	30,109,294
Accounts receivable	-	-	4,463,871	1,000	4,464,871
Loans receivable - current portion	-	2,075,330	-	-	2,075,330
Notes receivable - current portion	-	-	-	84,751	84,751
Lease receivable - current portion	-	-	1,053,107	-	1,053,107
Grant and government subsidiary receivable	-	-	-	326,411	326,411
Other receivables	25,000	360,620	-	-	385,620
Inventory	-	-	-	526,124	526,124
Prepaid expenses and other assets	528,223	-	649,965	69,151	1,247,339
Loans receivable - long-term portion	-	4,071,000	-	-	4,071,000
Notes receivable - long-term portion	-	4,290,185	-	-	4,290,185
Lease receivable - long-term portion	-	-	8,851,858	-	8,851,858
Net pension asset	-	-	1,729,766	-	1,729,766
Capital assets, non-depreciable	50,000	-	21,286,512	-	21,336,512
Capital assets, depreciable, net	-	-	41,333,681	1,242	41,334,923
<b>Total assets</b>	<b>4,610,098</b>	<b>12,748,845</b>	<b>143,534,132</b>	<b>5,631,630</b>	<b>166,524,705</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows - OPEB	-	-	3,621,858	-	3,621,858
Deferred outflows - pensions	-	-	4,150,057	-	4,150,057
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>-</b>	<b>7,771,915</b>	<b>-</b>	<b>7,771,915</b>
<b>LIABILITIES:</b>					
Accounts payable and accrued expenses	11,396	197,075	3,711,728	649,355	4,569,554
Unearned revenue	-	1,879,066	-	1,843,069	3,722,135
Due to primary government	-	-	1,370,143	-	1,370,143
Grant payable	735,368	-	-	-	735,368
Long-term liabilities - due within one year	-	-	461,309	-	461,309
Long-term liabilities - due in more than one year	-	-	54,036,229	-	54,036,229
<b>Total liabilities</b>	<b>746,764</b>	<b>2,076,141</b>	<b>59,579,409</b>	<b>2,492,424</b>	<b>64,894,738</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows - OPEB	-	-	8,770,763	-	8,770,763
Deferred inflows - pensions	-	-	6,032,041	-	6,032,041
Deferred inflows - leases	-	-	9,904,965	-	9,904,965
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>24,707,769</b>	<b>-</b>	<b>24,707,769</b>
<b>NET POSITION:</b>					
Net investment in capital assets	50,000	-	15,043,898	1,242	15,095,140
Restricted	-	831,751	27,683,766	-	28,515,517
Unrestricted	3,813,334	9,840,953	24,291,205	3,137,964	41,083,456
<b>Total net position</b>	<b>\$ 3,863,334</b>	<b>\$ 10,672,704</b>	<b>\$ 67,018,869</b>	<b>\$ 3,139,206</b>	<b>\$ 84,694,113</b>

The accompanying notes are an integral part of these statements.

**CITY OF SYRACUSE, NEW YORK**

**Combining Statement of Revenues, Expenses and Changes in Net Position - Component Units  
For the Year Ended June 30, 2022**

	Syracuse Industrial Development Agency	Syracuse Economic Development Corporation	Syracuse Regional Airport Authority	Greater Syracuse Property Development Corporation	Total
<b>PROGRAM REVENUE:</b>					
Financing fees	\$ 1,127,709	\$ -	\$ -	\$ -	\$ 1,127,709
Grant, contributions and government subsidy revenue	42,748	320,501	22,562,453	3,277,888	26,203,590
Passenger facility charges	-	-	4,793,253	-	4,793,253
Consumer facility charges	-	-	3,283,765	-	3,283,765
Landing fees	-	-	8,535,147	-	8,535,147
Parking rents	-	-	14,260,961	-	14,260,961
Concession and other	-	-	9,790,340	-	9,790,340
Terminal rents	-	-	6,120,641	-	6,120,641
Rent revenue	-	-	-	24,901	24,901
Sale of property	-	-	-	1,330,596	1,330,596
Mortgage interest income	-	95,806	-	-	95,806
Miscellaneous income	-	-	107,787	117,384	225,171
<b>Total program revenue</b>	<b>1,170,457</b>	<b>416,307</b>	<b>69,454,347</b>	<b>4,750,769</b>	<b>75,791,880</b>
<b>EXPENSES:</b>					
Airport expenses	-	-	43,076,547	-	43,076,547
Greater Syracuse Property Development Corporation expenses	-	-	-	4,682,177	4,682,177
Public improvements	8,278	-	-	-	8,278
Development projects	4,118	388,424	-	-	392,542
Other costs	686,656	6,953	-	-	693,609
Interest	971	-	2,344,233	-	2,345,204
Depreciation	-	-	2,535,309	1,286	2,536,595
<b>Total expenses</b>	<b>700,023</b>	<b>395,377</b>	<b>47,956,089</b>	<b>4,683,463</b>	<b>53,734,952</b>
<b>NET PROGRAM REVENUE (EXPENSE)</b>	<b>470,434</b>	<b>20,930</b>	<b>21,498,258</b>	<b>67,306</b>	<b>22,056,928</b>
<b>GENERAL REVENUE:</b>					
Investment earnings	338	104,530	10,961	11,115	126,944
<b>Total general revenue</b>	<b>338</b>	<b>104,530</b>	<b>10,961</b>	<b>11,115</b>	<b>126,944</b>
<b>CONTRIBUTIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,069</b>	<b>66,069</b>
<b>CHANGES IN NET POSITION</b>	<b>470,772</b>	<b>125,460</b>	<b>21,509,219</b>	<b>144,490</b>	<b>22,249,941</b>
<b>NET POSITION - beginning of year</b>	<b>3,392,562</b>	<b>10,547,244</b>	<b>45,509,650</b>	<b>2,994,716</b>	<b>62,444,172</b>
<b>NET POSITION - end of year</b>	<b>\$ 3,863,334</b>	<b>\$ 10,672,704</b>	<b>\$ 67,018,869</b>	<b>\$ 3,139,206</b>	<b>\$ 84,694,113</b>

The accompanying notes are an integral part of these statements.

# CITY OF SYRACUSE, NEW YORK

## Notes to Basic Financial Statements June 30, 2022

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### 1. NATURE OF OPERATIONS

The City of Syracuse, New York (the City) was incorporated in 1848 and operates under an elected Mayor. The Common Council is the elected legislative body and consists of a Council President and four members elected at large plus five district members. The City provides service of general government, public works, public safety, education, community enrichment and economic development to its approximately 146,000 residents.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies used by the City are discussed in subsequent subsections of this note.

#### **Financial Reporting Entity**

The City's financial reporting entity comprises the following:

Primary Government:	City of Syracuse, New York
Blended Component Units:	Syracuse City School District Syracuse Urban Renewal Agency Joint Schools Construction Board
Discretely Presented Component Units:	Syracuse Industrial Development Agency Syracuse Economic Development Corporation Syracuse Regional Airport Authority Greater Syracuse Property Development Corporation

The reporting entity of the City is based upon criteria set forth by the GASB.

#### ***Blended Component Units***

Blended component units are separate entities that meet the component unit criteria set forth by the GASB. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements

June 30, 2022

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Syracuse City School District (the District) - The District is governed by the Education Law and other laws of the State of New York. The governing body is the Board of Education, which is an elected body. The District is not a separate legal entity and does not have the power to levy taxes or issue bonds. Its budget is subject to approval by the City Common Council. The City is financially accountable for the District and makes the District whole with respect to the property tax levy. The District is primarily included in the basic financial statements as a special revenue fund in the fund financial statements. The District's general fund and special aid fund are combined in the City's fund financial statements. In the government-wide statements, the District is included in the governmental activities. Separately issued financial statements may be obtained by contacting the Chief Financial Officer of the District at 1025 Erie Blvd. West, Syracuse, New York 13204-2749.

Syracuse Urban Renewal Agency (SURA) - SURA is an agency used to account for federal, state and local capital grant funds for the redevelopment of land in the City of Syracuse. The City is financially accountable for SURA. The Mayor appoints the voting majority of the governing body. SURA is included in the basic financial statements as a nonmajor governmental fund in the fund financial statements. In the government-wide statements, SURA is included in the governmental activities. Separately issued financial statements may be obtained by contacting the Commissioner of Finance at City Hall Room 128, 233 E. Washington Street, Syracuse, New York 13202.

Joint Schools Construction Board (JSCB) - The JSCB is a blended component unit of the District. The JSCB is a joint venture between the District and the City. The JSCB is authorized to act as an agent to enter into contracts on behalf of the District and the Common Council of the City of Syracuse, New York (the Council) for the design, construction, reconstruction and financing of educational facilities in the City in accordance with applicable state and local laws. Separate audited financial statements are prepared for JSCB and reports may be obtained by writing to Joint Schools Construction Board, Commissioner of Finance, City Hall, Syracuse, New York 13202.

#### ***Discretely Presented Component Units***

Discretely presented component units are separate legal entities that meet the component unit criteria described above, but do not meet the criteria for blending. The following organizations are discretely presented component units.

Syracuse Industrial Development Agency (SIDA) - SIDA is a public benefit governmental agency established to enhance economic development in the City. SIDA's programs include issuing industrial revenue bonds and making HUD 108 loans. The Mayor appoints a voting majority of the governing body and SIDA's activities are controlled by the City of Syracuse. Separate audited financial statements are prepared for SIDA and reports may be obtained by writing to Syracuse Industrial Development Agency, City Hall, Syracuse, New York 13202. SIDA has a fiscal year which ends December 31.

Syracuse Economic Development Corporation (SEDCO) - SEDCO is a not-for-profit corporation established by the City to foster development ventures in the City. SEDCO loans funds through Direct and Entrepreneur Loan Programs and the Urban Development Action Grant Program. The Direct and Entrepreneur Loan Programs are funded from annual entitlement grants from the City. The Urban Development Action Grant represents funds received by the City and passed through (loaned) to SEDCO. The City is financially accountable for SEDCO and the Mayor appoints the voting majority of the governing body.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements

June 30, 2022

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Separate audited financial statements are prepared for SEDCO and reports may be obtained by writing to Syracuse Economic Development Corporation, City Hall, Syracuse, New York 13202. SEDCO has a fiscal year which ends December 31.

Syracuse Regional Airport Authority (the Authority) - The Authority is a public benefit corporation established in August 2011 to maintain and operate Syracuse Hancock International Airport. The Authority submitted a joint application to the Federal Aviation Administration (FAA), along with the City of Syracuse (the City), to transfer the Federal Aviation Regulation Part 139 Operating Certificate from the City to the Authority. The application included several exhibits, including a Lease Agreement, Services Agreement, Assignment and Assumption Agreement, and narratives regarding the Airport's bond amounts, obligation and indentures, and the enterprise fund. The three agreements were approved by the Authority on July 12, 2013, and approved by the Syracuse Common Council in November 2013. The application was submitted to the FAA for review with a request to issue the operating certificate and make the transfer in 2014. The FAA approved the transfer from the City to the Authority in February 2014. On March 1, 2014, the Authority assumed operational control over the Airport. The oversight body is the Authority board of which seven of the eleven members are appointed by the Mayor of the City of Syracuse. The chairperson is designated by the Mayor of the City of Syracuse. Pursuant to a lease agreement, the Authority leases the properties comprising the Airport from the City. A separate legal entity, the Authority, is included as a discretely presented component unit within the City's basic financial statements due to the City's ability to impose its will. Pursuant to a service agreement, the Authority reimburses the City for certain services that have been rendered by employees of the City under the City's Department of Aviation and certain expenses incurred in the administration and operation of the Airport. Upon expiration or earlier termination of the lease term, the Airport reverts to the City and the City will be required to obtain the operating certificate from the FAA in order to continue to administer and operate the Airport. Separate audited financial statements are prepared for the Authority and reports may be obtained by writing to the Executive Director at 1000 Colonel Eileen Collins Boulevard, Syracuse, New York, 13212.

Greater Syracuse Property Development Corporation - The City of Syracuse and County of Onondaga entered into an inter-municipal agreement on March 27, 2012 to create the Greater Syracuse Property Development Corporation, a not-for-profit corporation, operating as the Greater Syracuse Land Bank (Land Bank) under the New York Land Bank Act of 2011. The purpose of the Land Bank is to address problems regarding vacant and abandoned property in a coordinated manner and to further foster the development of such property and promote economic growth through the return of vacant, abandoned, and tax-delinquent properties to productive use. The City and County, while under no obligation, may contribute to the annual Land Bank budget in such manner agreed upon. The Land Bank is a discretely presented component unit of the City as it is fiscally dependent upon it and there is a financial benefit/burden relationship. The Land Bank has a fiscal year which ends December 31. Separate audited financial statements may be obtained by writing to Greater Syracuse Property Development Corporation, 431 East Fayette Street, Suite 375, Syracuse, New York 13202.

Only footnote disclosures relating to the primary government are included in the basic financial statements. The footnote disclosures relating to SIDA, SEDCO, Syracuse Regional Airport Authority and the Greater Syracuse Property Development Corporation are not included.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements June 30, 2022

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#### **Basis of Presentation**

##### ***Government-wide Financial Statements***

The Statement of Net Position and Statement of Activities present financial information about the reporting government as a whole. They include all funds of the reporting entity except those that are fiduciary. The City's fiduciary funds are presented in the fund financial statements by type (private purpose trust and custodial). Since by definition these assets are being held for the benefit of a third party (other local governments and private parties, etc.) and cannot be used to finance activities or obligations of the government, these funds are not incorporated into the government-wide statements. Eliminations have been made to minimize the double counting of internal transactions. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities presents a comparison between program expenses and revenues for each function of the City's activities. Direct expenses are those that are specifically associated with and are clearly identified to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Amounts reported in the Statement of Activities as program revenue include charges to customers for goods, services or privileges provided, operating grants and contributions and capital grants and contributions. Program revenues must be directly associated with a governmental or business-type activity. General revenues support all activities and programs. All taxes are considered general revenues with the exception of special assessments.

##### ***Fund Financial Statements***

Fund financial statements provide information about the City's funds and blended component units, including fiduciary funds. Separate statements for each fund category (governmental, proprietary and fiduciary) are presented. The emphasis of fund financial statements is on major funds within the governmental and proprietary categories. Major funds are displayed in separate columns. Nonmajor funds are summarized into a single column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues plus deferred outflows, or expenditures/expenses plus deferred inflows of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues plus deferred outflows, or expenditures/expenses plus deferred inflows of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements June 30, 2022

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The funds of the financial reporting entity are described as follows:

#### *Governmental Fund Types*

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- General Fund - The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.
- Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. General operations of the City School District, including the District's General Fund, Special Aid Fund, Food Service Fund and Miscellaneous Special Revenue Fund, are reported in the special revenue funds.
- Debt Service Fund - Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest of governmental activities. Both the City and the Syracuse City School District maintain debt service funds.
- Capital Projects Fund - Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment other than those financed by proprietary funds. The principal sources of revenue are from the sale of bonds, issuance of bond anticipation notes and federal, New York State and local funds. Both the City and the Syracuse City School District maintain capital project funds.
- Joint School Construction Board (JSCB) Fund - The JSCB fund, which is a blended component unit of the District, is used to account for transactions associated with the design, construction, reconstruction, and financing of public educational facilities in the City. The JSCB is authorized to act as an agent to enter into contracts on behalf of the District and the Common Council of the City of Syracuse, New York (the Council) for the construction of new educational facilities in accordance with applicable state and local laws.
- Permanent Funds - The permanent funds account for assets held by the City and the District pursuant to trust agreements. The principal portion of these fund types must remain intact, but the earnings may be used to achieve the objectives of the funds.

#### *Proprietary Fund Types*

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Proprietary funds focus on the determination of changes in net position and cash flows and are classified as either enterprise or internal service.



## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements June 30, 2022

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- Enterprise Funds - enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on the net income measurement similar to the private sector. The reporting entity includes the following enterprise funds:
  - Water Fund - The Water Fund is used to account for providing water to the public.
  - Sewer Fund - The Sewer Fund is used to account for wastewater and sanitation services to the public.
- Internal Service Fund - The Internal Service Fund is used to account for support services provided to the Syracuse Regional Airport Authority to operate the Syracuse Hancock International Airport.

#### *Fiduciary Fund types (Not included in government-wide statements)*

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- Custodial Funds - Custodial funds account for assets held by the City in a purely custodial capacity. Since these funds are custodial in nature, they do not involve the measurement of results of operations.
- Private Purpose Funds - Private Purpose Funds, which are included in the District, are trust arrangements under which the principal or interest benefit specific individuals, organizations or other governments, and are therefore not available to support the District's own programs.

#### *Major and Nonmajor Funds*

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The funds are further classified as major or nonmajor as follows:

- Major Funds

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  - General Fund - see above for description
  - Joint School Construction Board (JSCB) - see above for description
  - Special Revenue Fund - City School District General Fund - This fund is used to account for the education and transportation of pupils within the City.
  - Special Revenue Fund - City School District Special Aid Fund - This fund accounts for the proceeds of specific revenue sources, such as Federal and State grants that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed either by governments that provide the funds or by outside parties.
  - Proprietary Funds
    - Water Fund - see above for description
    - Sewer Fund - see above for description

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements

June 30, 2022

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- Nonmajor Funds
  - Capital Projects Funds - City and City School District
  - Debt Service Funds - City and City School District
  - Permanent Funds:
    - Francis Hendrick's
    - The Ed Smith School Fund
  - Special Revenue Funds:
    - Neighborhood and Business Development
    - Special Grants
    - Special Assessment Districts
    - Oil and Flushing
    - Sidewalk
    - Syracuse Urban Renewal Agency
    - City School District School Food Service Fund
    - City School District Miscellaneous Special Revenue Fund
    - Miscellaneous Trust Funds

#### **Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe *which* transactions are recorded within the various financial statements. Basis of accounting refers to *when* transactions are recorded regardless of the measurement focus applied.

#### **Measurement Focus**

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the current financial resources measurement focus or the economic resources measurement focus is used as appropriate:

- a. All governmental funds utilize a current financial resources measurement focus. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.
- b. Proprietary and fiduciary funds utilize an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. Proprietary and fiduciary fund equity are classified as net position.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements June 30, 2022

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#### **Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. All transactions and events that affect the total economic resources during the year are reported. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time an obligation (liability) is incurred, regardless of the timing of related cash inflows or outflows.

Governmental funds financial statements are presented on a modified accrual basis of accounting with a current financial resources measurement focus. This measurement focus concentrates on the fund's resources available for spending in the near future. Only transactions and events affecting the fund's current financial resources during the period are reported. Under modified accrual accounting, revenues are recognized as soon as they are both measurable and available. City revenues are generally considered available if collected within 60 days of year-end, except for the Aid and Incentives to Municipalities state aid entitlement, for which the availability period is 270 days. The District considers revenues to be available if the revenues are collected within 90 days of year-end. The City and District report deferred inflows when the potential revenue does not meet both the measurable and available criteria for recognition in the current period.

Property taxes, grant revenue, sales tax, and other taxes are the primary revenue sources subject to accrual. Property taxes are reported as a receivable and a deferred inflow of resources when an enforceable lien on the property exists. The City bills and collects its own property taxes and County taxes. Collections and remittance of taxes for the County are accounted for in the Custodial Fund.

Under modified accrual accounting, governmental fund liabilities (and expenses) should be accrued in the absence of applicable modification. Such modifications exist for long-term indebtedness, compensated absences, claims and judgments and other long-term liabilities. These liabilities are accrued in the governmental funds only to the extent they are due.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements, reconciliation is provided.

All proprietary and fiduciary funds utilize the accrual basis of accounting.

#### **Budgets and Budgetary Accounting**

In accordance with the City Charter, the annual operating budget includes the General Fund, City School District Fund exclusive of grants, the Aviation Fund and the Debt Service Fund. The budget for the Debt Service Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The budget for other governmental funds is prepared on a non-GAAP budgetary basis in that encumbrances are charged against appropriations in the year the commitment is incurred and payroll costs are on a cash basis. Formal budgetary integration is employed as a management control device during the year. For the Capital Projects Fund, long-term budgets covering the anticipated life of the project are adopted by the Common Council at the time of approval. The Neighborhood & Business Development Fund has budgets which are prepared annually for each program. The Mayor and the Common Council approve the budgets. The fund is federally funded and appropriations are based on funding received for the programs.

## **CITY OF SYRACUSE, NEW YORK**

### **Notes to Basic Financial Statements June 30, 2022**

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The City appropriates a total expenditure budget based on projected revenues and surplus from the preceding year. The budget allocations among the various organizational units in the governmental funds, along with any amendments made by the Common Council, are included in the Statement of Revenues, Expenditures and Encumbrances - Budget and Actual (Budgetary Basis).

All unencumbered budget appropriations lapse at year-end. The General Fund's budget is adopted on a departmental basis, which is the level of control at which expenditures may not legally exceed appropriations. On a budgetary basis, current year encumbrances are included with expenditures, while expenditures of prior years' encumbrances are excluded.

The Common Council follows these procedures in establishing the budgetary data reported in the financial statements:

- Following a public hearing on the proposed budget, the Common Council must adopt the proposed or amended budget no later than May 9th.
- Any amendments approved by the Common Council are presented to the Mayor for consideration. Should the Mayor object to any amendment, the Common Council has an opportunity to override the Mayor's objection until June 1st.
- The Mayor has the authority to transfer budgeted amounts between accounts within a department, but increases to department totals must be approved by the Common Council.
- Budget amendments occurring subsequent to the adoption of the budget are drafted and reviewed by the Budget Director and submitted to the Common Council for approval. If amendments are passed by the Common Council, they are submitted to the Mayor for final approval.

#### **Cash and Cash Equivalents**

Cash equivalents consist primarily of demand deposits, cash held by fiscal agents, money market accounts and certificate of deposits with original maturities of three months or less.

#### **Restricted Cash and Cash Equivalents**

Restricted cash and cash equivalents include amounts restricted for future debt payments, amounts restricted for capital projects and Joint Schools Construction Board projects, cash to fund grant related programs, funds restricted for miscellaneous and permanent trusts and amounts collected on behalf of other governments.

#### **Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include property taxes, sales and use taxes, mortgage taxes, franchise taxes and grants. Business-type activities report fees for service receivables and grant related earnings as their major receivables.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements

June 30, 2022

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In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, sales and use taxes, mortgage taxes, franchise taxes, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with the modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if they are considered both measurable and available.

Allowances for uncollectible accounts, which are net with taxes receivable, were \$30,236,855 as of June 30, 2022.

Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Fee for service receivables and grant related earnings compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Allowance for uncollectible accounts, which are net with accounts receivable, as of June 30, 2022 were \$3,042,597 in the Water Fund and \$789,520 in the Sewer Fund.

#### **Inventories**

Inventories of food and/or supplies in the School Food Service Fund are recorded at cost on a first-in, first-out basis or, in the case of surplus food, at stated value which approximates market. Purchases of inventoriable items in the other funds are recorded at cost on an average cost basis.

#### **Prepaid Items**

Prepaid items represent payments made by the City for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. These items are reported as assets on the statement of net position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

#### **Capital Assets**

The accounting treatment of capital assets depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

#### *Government-wide Financial Statements*

In the government-wide financial statements, capital assets are defined by the City as assets with an initial cost of more than \$5,000 and a useful life of two or more years. All fixed assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred during the construction phase of capital assets of business-type activities, if any, are included as part of the capitalized value of the assets constructed.

The City has works of art such as maps and valuable documents, paintings, sculptures, exhibits, monuments and statues. These items are not capitalized because they are not held for financial gain, are protected and preserved, and the City's policy requires any sale proceeds to be used to acquire other collection items.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements

June 30, 2022

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Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation beginning in the first year after completion or acquisition of the asset, except for the Aviation Fund which begins depreciating assets on the date of acquisition.

The range of estimated useful lives by type of asset is as follows:

Buildings	20-40 years
Parking garages	20 years
Machinery and equipment	3-10 years
Improvements - land and building	20-40 years
Improvements - parking garages	10 years
Infrastructure	20-100 years
Furniture	5-10 years
Vehicles	3-9 years

Capital assets also include lease assets with a term greater than one year. The City does not implement a capitalization threshold for lease assets. Lease assets are amortized on a straight-line basis over the term of the lease.

#### *Fund Financial Statements*

In the governmental fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same as in the government-wide financial statements.

#### **Deferred Outflows and Inflows of Resources**

##### *Government-Wide Financial Statements:*

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows of resources for the early retirement of debt. A deferred outflow on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Also, the City has deferred outflows of resources, which are comprised of New York State Retirement Systems pension amounts as described in Note 8 and other postemployment benefits as described in Note 10.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflows of resources resulting from New York State Retirement Systems pension amounts as described in Note 8 and other postemployment benefits as described in Note 10.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements

June 30, 2022

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Lease-related amounts are recognized at the inception of leases in which the City is the lessor. The deferred inflows of resources are recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflows of resources are recognized in a systematic and rational manner over the term of the lease.

Deferred inflows of resources - lottery aid relates to advances of lottery revenues received from New York State Department of Education as part of a special legislation to assist with budget restraints. Initial advances totaling \$30,500,000, respectively, include \$20,000,000, \$4,500,000 and \$6,000,000 received during 6/30/2005, 6/30/2006 and 6/30/2008. These advances will be repaid over 30 years at 0% interest by directly reducing each year's state aid respectively of \$666,667, \$150,000 and \$200,000 through 6/30/2035, 6/30/2036 and 6/30/2038.

#### *Fund Financial Statements:*

In addition to liabilities, the balance sheet of the governmental funds includes a separate section for deferred inflows of resources. This separate financial statement element 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 City has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. The governmental funds report unavailable revenues from property taxes and sidewalk and sewer assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In both the government-wide and fund financial statements, lease-related amounts are recognized at the inception of leases in which the City is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

#### **Compensated Absences**

The City's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. Vacation is granted in varying amounts based primarily on length of service and service position. Sick leave eligibility and accumulation is specified in negotiated labor contracts and in individual employment contracts. The liability for these compensated absences is broken out and recorded as current and long-term debt in the government-wide statements. The current portion of this liability is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable and available financial resources. These amounts are expensed on a pay-as-you-go basis. The proprietary funds report the liability as it is incurred.

#### **Long-Term Obligations**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type financial statements. Material bond premiums and discounts are deferred and amortized over the life of the bond. Bond issuance costs are expensed.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements

June 30, 2022

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In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Long-term debt is not reported as a liability of the governmental funds and any debt issued or lease acquisitions are reported as an other financing source in the Statement of Revenues, Expenditures and Change in Fund Balances. Payments of principal and interest on general long-term debt are recognized when paid from a governmental fund. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### Equity Classifications

##### *Government-wide Financial Statements*

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

- a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings or liabilities that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - reports net position when constraints are placed on the assets or deferred outflow of resources either by (1) external groups such as creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position in the business-type activities is for capital and grant related projects.
- c. Unrestricted net position - reports the balance of net position that does not meet the definition of "restricted" or "net investment in capital assets" and is deemed to be available for general use by the City.

##### *Fund Financial Statements*

Classification of fund balance reflects spending constraints on resources, rather than availability for appropriation to provide users more consistent and understandable information about a governmental fund's net resources. Constraints are broken down into five different classifications: nonspendable, restricted, committed, assigned and unassigned. The classifications serve to inform readers of the financial statements of the extent to which the government is bound to honor constraints on the specific purposes for which resources in a fund can be spent.

In the fund financial statements there are five classifications of fund balance:

- a. Nonspendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes the inventory in the School Food Service Fund and prepaid expenditures.
- b. Restricted - Includes amount with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.



## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements

June 30, 2022

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- c. Committed - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the City's and School District's highest level of decision-making authority, i.e. the Common Council and Board of Education. The Common Council and Board of Education can adopt an ordinance to commit fund balance. Nonmajor Funds have commitments of \$10,870,305 and \$355,743 for Capital Projects and Special Assessment Districts, respectively.

The City School District General Fund has committed fund balance of \$46,115,185 as follows: \$6,115,185 for Workers' Compensation Section 15(8) cases, settlement offers, and other workers' compensation safety and training initiatives, \$10 million for the STEAM school project, \$10 million for capital projects and \$20 million to maintain a minimum of 4% of the General Fund's operating budget in reserve in accordance with School District policy.

- d. Assigned - Includes all remaining fund balance in the Special Revenue Fund - City School District General Fund that does not meet the above definitions. Included in the District's assigned fund balance are encumbrances of \$7,074,933. Assigned fund balance in the City's General Fund consists of amounts appropriated in the next year's budget of \$15,630,847 and encumbrances of \$254,845. Under the City's adopted policy, the Board of Education and the Common Council may assign amounts for specific purposes.
- e. Unassigned - Includes all other General Fund balance that does not meet the definition of the above four classifications and is deemed to be available for general use by the City. In addition, unassigned fund balance includes any remaining negative fund balance for funds other than the General Fund.

Proprietary net position is classified the same as in the government-wide statements.

#### *Order of Use of Fund Balance*

The City's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as restricted or assigned fund balance. In the General Fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

#### **Retirement and Other Postemployment Benefits**

The City provides retirement benefits for substantially all of its regular full-time employees through contributions to the New York State and Local Employees' Retirement System (ERS), New York State and Local Teachers' Retirement System (TRS) and Police and Fire Retirement System (PFRS). The systems provide various plans and options, some of which require employee contributions. The systems compute the cost of retirement benefits based upon their respective fiscal years: ERS and PFRS – April 1 to March 31, and TRS – July 1 to June 30. See Note 8 for further information.

## **CITY OF SYRACUSE, NEW YORK**

### **Notes to Basic Financial Statements**

**June 30, 2022**

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In addition to providing pension benefits, the City provides postemployment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provisions of various employment contracts in effect at the time of retirement. Substantially all the City's employees may become eligible for these benefits if they reach normal retirement age while working for the City. Healthcare benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing postemployment benefits is shared between the City and the retired employee. See Note 10 for further information.

### **Revenue, Expenditures and Expenses**

#### **Property Taxes and Property Tax Abatement Programs**

The property tax levy is approved by the Common Council in May for the following year on the basis of the final assessment roll on July 1. The City bills and collects its own property taxes including school taxes and the property taxes levied by Onondaga County. City and District taxes are attached as an enforceable lien on property as of July 1 and are payable in four equal installments in July, October, January and April. County taxes are attached as an enforceable lien on property as of January 1 and are payable in four equal installments in January, April, July and October. City and School District property tax revenues are recognized when levied to the extent they result in current receivables, less an allowance for amounts estimated to be uncollectible. The allowance for City School District taxes is offset against City taxes as the City guarantees 100% of the levy to the School District. The City does not guarantee the collection of County taxes. The City is required to pay the County only when, and if, the tax is collected. In addition, the receivables in the governmental funds which are not available to finance current operations are offset by the recording of deferred inflow of resources – unavailable revenue. This is recognized as revenue in the fiscal year that such amounts become available. In the fund financial statements, property taxes are recorded as revenue in the period levied to the extent they are collected within 60 days of year-end. In the government-wide financial statements, property taxes are recorded as revenue when levied, less an allowance for uncollectible amounts.

The City is subject to tax abatements granted by two industrial development agencies, the Syracuse Industrial Development Agency (a discretely presented component unit of the City of Syracuse, New York) and the Onondaga County Industrial Development Agency. The abatements are for the acquisition, construction and renovation of various properties in the City of Syracuse, New York. Both agencies were created in accordance with the New York State Industrial Development Agency Act of 1969 to promote, develop, encourage and assist industrial, manufacturing, warehousing, commercial, research and recreational facilities to advance job opportunities, health and economic welfare of the people of the State of New York. The Agencies carry out their mandate by offering financial incentives to attract, retain and expand business within the City and County. The financial assistance is in the form of payment in lieu of tax agreements (PILOTs). Property taxes abated by agreements with the Onondaga County Industrial Development Agency amounted to \$745,157, and payments received related to the agreements amounted to \$45,283. Property taxes abated by agreements with the Syracuse Industrial Development Agency amounted to \$19,971,493, and payments received related to the agreements amounted to \$1,389,190.

# CITY OF SYRACUSE, NEW YORK

## Notes to Basic Financial Statements

June 30, 2022

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### Assessment Tax Revenue

In the fund financial statements, sidewalk and sewer assessments receivable are not considered currently collectible due to the City's policy of granting deferments for a period of up to ten years with 7% interest. Assessments are recorded as revenue in the funds when they are collected within 60 days of year-end. The amounts due but not collected within 60 days are recorded as a deferred inflow of resources. In the government-wide financial statements, assessment revenue is accrued.

### Intergovernmental Revenues - Grants

For both the government-wide and fund financial statements, the City follows the policy that an expenditure of funds is the prime factor for determining the release of grant funds; revenue is recognized at the time of the expenditure of funds. If release of grant funds is not contingent upon expenditure of funds, revenue is recorded when received or when the grant becomes an obligation of the grantor.

### Other Revenues

In the fund financial statements, governmental funds record licenses and permits, certain charges for services, fines and forfeitures and miscellaneous revenues on the cash basis because they are generally not measurable until actually received. Investment earnings are recorded on a modified accrual basis. Sales tax revenues are recorded on a modified accrual basis and include the portion of sales tax revenue attributable to the current year but remitted to the State, and ultimately to the City, within 60 days of the end of the current fiscal year. In the government-wide financial statements and the proprietary funds, other revenues, if material, are recognized when earned.

### Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services in connection with a proprietary fund's principal ongoing operations. It also includes all revenues and expenses not related to capital and related financing or investing activities. The principal operating revenue of the Water and Sewer Funds is charges to customers for sales and service. The principal operating revenue of the Internal Service Fund is reimbursements from the Syracuse Regional Airport Authority. Operating expenses for the proprietary funds include the cost of sales and service, charges to the Airport Authority, administrative expenses, uncollectible accounts and depreciation on capital assets.

### Expenditures/Expenses

In the government-wide financial statements, expenses are classified by activity for both governmental and business-type activities. Expenses are recognized when they are incurred. Direct expenses are those that are specifically associated with an activity and are clearly identifiable to a particular function. Certain indirect expenses are allocated among the activities, if possible.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By character:

Current (further classified by function)  
Debt service for principal payments  
Interest on debt  
Capital outlays

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements

June 30, 2022

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Proprietary Funds - By operating and nonoperating.

In the fund financial statements, governmental funds report expenditures of financial resources. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due. Allocations of costs, such as depreciation, are not recognized. Proprietary funds report expenses relating to use of economic resources. Expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds.

#### **Interfund Transfers**

The reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, transfers within governmental activities and within business-type activities are eliminated upon consolidation.

#### **Payments Between the City and Component Units**

Resource flows (except those that affect the Statement of Net Position, such as loans and repayments) between a primary government and its discretely presented component units are reported as external transactions - that is, as revenues and expenses. Resource flows between the primary government and its blended component unit are classified as interfund transactions in the financial statements.

#### **Restricted and Unrestricted Resources**

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Delinquent Property Taxes**

Delinquent taxes receivable from the prior year are converted to tax sale certificates annually in April and October for the County and the City, respectively. At June 30, 2022, the tax sale certificates are fully offset by an allowance for uncollectible delinquent taxes and deferred inflow of resources – unavailable revenue in the fund financial statements. The allowance and deferred inflow amounts at June 30, 2022 were \$30,499,547 and \$3,412,303, respectively.

#### **Current Vulnerability Due to Certain Concentrations**

Most of the City's employees are covered by collective bargaining agreements. Approximately 15% have expired. The remaining 85% of these agreements extend to December 31, 2022 or later.

#### **Economic Dependency**

The City and the District receive significant funding from both New York State and the federal government. Curtailment of such revenue would have a significant impact on the City's and District's programs.

## **CITY OF SYRACUSE, NEW YORK**

### **Notes to Basic Financial Statements**

**June 30, 2022**

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#### **City / County Abstract**

The City has several shared service agreements with the County of Onondaga, New York, pursuant to which the County provides services to City residents. The majority of these agreements are reflected in the City Abstract, the document by which the City collects County real property taxes imposed on City residents. As reflected in the 2022 City Abstract, the total cost of these services for 2022 is \$25,722,105 and such amount was added to the County real property taxes imposed on City residents. The costs of these services are not included in either the City's annual budget or in the City's real property taxes. The City of Syracuse has the Authority to levy taxes up to the New York State Constitutional tax limit, which is (a) up to 2% of the five-year average full assessed valuation of taxable real property, for general governmental services other than the payment of principal and interest on long-term debt, (b) in unlimited amounts for the payment of principal and interest on long-term debt, and (c) in unlimited amounts for capital appropriations.

As of the 2021-2022 budget year, the City is using approximately \$106,000,000 or 81% of their tax limit to balance the budget. If the abstract charges were included in the City's budget, the City would exhaust approximately \$132,000,000 or 100% of the City's tax limit.

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in several areas, including the computation of compensated absences, potential contingent liabilities, self-insurance accruals, encumbrances and useful lives of long-lived assets.

### **3. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents, and investments, if any, of all funds, including restricted amounts (with the exception of the Aviation Fund, Joint Schools Construction Board, Neighborhood and Business Development Fund, Syracuse Urban Renewal Agency and certain miscellaneous trust funds) are pooled into one common account in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end.

New York State governs the City's investment policies. The City is permitted to invest in special time deposits and certificate of deposits. In addition, the City may invest funds in direct obligations of the United States of America or obligations guaranteed by agencies of the United States of America where the payment of principal and interest are further guaranteed by the United States of America. Other eligible investments for the City include obligations of the State and repurchase agreements, subject to various conditions.

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements June 30, 2022

#### Deposits

Deposits include demand deposits, money market accounts and certificate of deposits with original maturities of three months or less with all short-term cash surpluses invested at money market rates in overnight accounts. All deposits with financial institutions must be collateralized in an amount equal to 102% of deposits not insured by the Federal Deposit Insurance Corporation. Securities that may be pledged as collateral are limited to the obligations of the United States or any obligation fully insured as to the principal and interest by the United States acting through an agency, and obligations of New York State or obligations of any municipal corporation, school district, or district corporation of the State of New York and must be held either by the financial institution's trust department or by a third party custodial bank.

At June 30, 2022, \$349,201,135 of the City's bank balances was exposed to custodial credit risk and was covered by collateral held in pledging banks' trust departments.

#### 4. CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2022:

Governmental activities - City	Balance at July 1, 2021	Additions	Disposals/ Transfers	Balance at June 30, 2022
Capital assets, not being depreciated:				
Land	\$ 17,287,380	\$ -	\$ -	\$ 17,287,380
Construction in progress	92,128,996	45,392,405	7,500,446	130,020,955
Subtotal	109,416,376	45,392,405	7,500,446	147,308,335
Capital assets, being depreciated:				
Buildings	344,494,039	437,043	-	344,931,082
Machinery and equipment	69,590,402	5,327,937	1,376,683	73,541,656
Improvements/ infrastructure	659,964,449	11,797,480	-	671,761,929
Subtotal	1,074,048,890	17,562,460	1,376,683	1,090,234,667
Total capital assets	1,183,465,266	62,954,865	8,877,129	1,237,543,002
Accumulated depreciation:				
Buildings	214,424,364	7,070,375	-	221,494,739
Machinery and equipment	53,626,288	4,884,557	1,376,683	57,134,162
Improvements/ infrastructure	464,449,966	17,693,708	-	482,143,674
Total	732,500,618	29,648,640	1,376,683	760,772,575
Net capital assets - City governmental activities	\$ 450,964,648	\$ 33,306,225	\$ 7,500,446	\$ 476,770,427

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

Governmental activities - District	Balance at July 1, 2021	Additions	Disposals/ Transfers	Balance at June 30, 2022
	(restated)			
Capital assets, not being depreciated:				
Land	\$ 1,480,325	\$ -	\$ -	\$ 1,480,325
Construction in progress	<u>238,286,002</u>	<u>38,085,731</u>	<u>44,851,026</u>	<u>231,520,707</u>
Total capital assets, not being depreciated	<u>239,766,327</u>	<u>38,085,731</u>	<u>44,851,026</u>	<u>233,001,032</u>
Capital assets, being depreciated:				
Buildings	484,778,846	46,922,490	4,501,986	527,199,350
Machinery and equipment	27,916,691	3,888,538	2,688,240	29,116,989
Improvements/ infrastructure	<u>6,578,215</u>	<u>1,213,110</u>	<u>-</u>	<u>7,791,325</u>
Total capital assets, being depreciated	<u>519,273,752</u>	<u>52,024,138</u>	<u>7,190,226</u>	<u>564,107,664</u>
Accumulated depreciation:				
Buildings	237,159,973	8,734,305	1,441,437	244,452,841
Machinery and equipment	20,684,046	2,022,803	2,594,694	20,112,155
Improvements/ infrastructure	<u>4,206,203</u>	<u>139,026</u>	<u>-</u>	<u>4,345,229</u>
Total accumulated depreciation	<u>262,050,222</u>	<u>10,896,134</u>	<u>4,036,131</u>	<u>268,910,225</u>
Right-to-use leased assets, being amortized:				
Buildings	600,504	-	-	600,504
Equipment	<u>768,634</u>	<u>497,030</u>	<u>60,984</u>	<u>1,204,680</u>
Total right-to-use leased assets, being amortized	<u>1,369,138</u>	<u>497,030</u>	<u>60,984</u>	<u>1,805,184</u>
Accumulated amortization:				
Buildings	-	265,964	-	265,964
Equipment	<u>-</u>	<u>465,861</u>	<u>60,984</u>	<u>404,877</u>
Total accumulated amortization	<u>-</u>	<u>731,825</u>	<u>60,984</u>	<u>670,841</u>
Net capital assets - District governmental activities	<u>\$ 498,358,995</u>	<u>\$ 78,978,940</u>	<u>\$ 48,005,121</u>	<u>\$ 529,332,814</u>
Net capital assets - Total governmental activities	<u>\$ 949,323,643</u>	<u>\$ 112,285,165</u>	<u>\$ 55,505,567</u>	<u>\$ 1,006,103,241</u>

Depreciation/Amortization was charged to governmental activities as follows:

General government support	\$ 3,180,288
Public Safety	3,333,770
Transportation	9,840,558
Culture and recreation	1,428,028
Home and community services	11,865,996
Education	<u>11,627,959</u>
	<u>\$ 41,276,599</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
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Business-type activities	Balance at July 1, 2021	Additions	Disposals/ Transfers	Balance at June 30, 2022
Capital assets, not being depreciated:				
Land	\$ 4,485,400	\$ -	\$ -	\$ 4,485,400
Construction in progress	<u>10,629,774</u>	<u>5,856,559</u>	<u>3,526,637</u>	<u>12,959,696</u>
Subtotal	<u>15,115,174</u>	<u>5,856,559</u>	<u>3,526,637</u>	<u>17,445,096</u>
Capital assets, being depreciated:				
Buildings	4,080,100	-	-	4,080,100
Machinery and equipment	11,157,996	44,612	-	11,202,608
Improvements/ infrastructure	<u>137,721,752</u>	<u>3,482,025</u>	<u>-</u>	<u>141,203,777</u>
Subtotal	<u>152,959,848</u>	<u>3,526,637</u>	<u>-</u>	<u>156,486,485</u>
 Total capital assets	 <u>168,075,022</u>	 <u>9,383,196</u>	 <u>3,526,637</u>	 <u>173,931,581</u>
Accumulated depreciation:				
Buildings	3,486,314	44,173	-	3,530,487
Machinery and equipment	8,291,617	916,796	-	9,208,413
Improvements/ infrastructure	<u>40,554,036</u>	<u>3,553,086</u>	<u>-</u>	<u>44,107,122</u>
Total	<u>52,331,967</u>	<u>4,514,055</u>	<u>-</u>	<u>56,846,022</u>
 Net capital assets - business-type activities	 <u>\$ 115,743,055</u>	 <u>\$ 4,869,141</u>	 <u>\$ 3,526,637</u>	 <u>\$ 117,085,559</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 3,648,091
Sewer	<u>865,964</u>
	<u>\$ 4,514,055</u>



**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

**5. CAPITAL INDEBTEDNESS**

**Changes in Long-Term Liabilities**

Long-term liability activity for governmental activities for the year ended June 30, 2022:

Governmental activities	Balance at July 1, 2021 (restated)	Additions	Reductions	Balance at June 30, 2022	Amount due within one year
Bonds payable - City:					
General obligation bonds payable	\$ 166,141,866	\$ 28,899,555	\$ 55,783,118	\$ 139,258,303	\$ 16,368,481
Premium on bonds payable	8,918,406	1,733,810	847,479	9,804,737	961,185
Discount on bonds payable	(297,605)	-	(23,884)	(273,721)	(19,201)
Total bonds payable - City	<u>174,762,667</u>	<u>30,633,365</u>	<u>56,606,713</u>	<u>148,789,319</u>	<u>17,310,465</u>
Bonds payable - District:					
General obligation bonds payable	315,142,000	92,000	24,289,000	290,945,000	24,700,000
Premium on bonds payable	45,402,871	-	4,124,804	41,278,067	4,124,804
Total bonds payable - District	<u>360,544,871</u>	<u>92,000</u>	<u>28,413,804</u>	<u>332,223,067</u>	<u>28,824,804</u>
Total bonds payable	<u>535,307,538</u>	<u>30,725,365</u>	<u>85,020,517</u>	<u>481,012,386</u>	<u>46,135,269</u>
Other liabilities:					
Due to NYSERS - Chapter 57 & 260	275,143	-	275,143	-	-
Net pension liability	65,972,804	-	55,306,587	10,666,217	-
Accrued compensated absences - City	8,654,621	-	351,903	8,302,718	-
Accrued compensated absences - District	6,482,877	9,862,577	9,615,938	6,729,516	-
Self-insurance claims - City	9,675,978	40,584,165	41,008,060	9,252,083	6,255,487
Self-insurance claims - District	34,820,450	57,574,695	51,492,321	40,902,824	5,387,474
Total other postemployment	793,213,423	-	159,883,692	633,329,731	-
Lease Liability - District	1,369,138	497,030	729,718	1,136,450	559,568
Judgments and claims	8,820,000	-	2,850,000	5,970,000	-
Total other liabilities	<u>929,284,434</u>	<u>108,518,467</u>	<u>321,513,362</u>	<u>716,289,539</u>	<u>12,202,529</u>
Governmental Activities - Long-Term Liabilities	<u>\$ 1,464,591,972</u>	<u>\$ 139,243,832</u>	<u>\$ 406,533,879</u>	<u>\$ 1,197,301,925</u>	<u>\$ 58,337,798</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements**  
**June 30, 2022**

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Payments on the bonds and notes payable that pertain to the City's governmental activities are made by the Debt Service Fund with the exception of the bonds issued for the JSCB projects, which are paid by the JSCB.

Liabilities for compensated absences, retirement, self-insurance claims and judgments and claims attributable to the governmental activities will be liquidated by the General Fund or the City School District, which is a special revenue fund.

Long-term liability activity for business-type activities for the year ended June 30, 2022:

Business-type activities	Balance at July 1, 2021	Additions	Reductions	Balance at June 30, 2022	Amount due within one year
Bonds payable:					
General obligation bonds payable	\$ 29,487,122	\$ 1,300,000	\$ 4,466,885	\$ 26,320,237	\$ 3,115,504
EFC bond - direct borrowing	24,775,000	-	1,150,000	23,625,000	1,170,000
Premium on bonds payable	<u>1,573,924</u>	<u>1,418,462</u>	<u>333,689</u>	<u>2,658,697</u>	<u>337,621</u>
Total bonds payable	<u>55,836,046</u>	<u>2,718,462</u>	<u>5,950,574</u>	<u>52,603,934</u>	<u>4,623,125</u>
Other liabilities:					
Net pension liability	25,467	-	25,467	-	-
Accrued compensated absences	473,694	-	45,248	428,446	-
Self-insurance claims	1,813,901	-	10,865	1,803,036	1,075,039
Total other postemployment	<u>29,911,126</u>	<u>-</u>	<u>7,170,110</u>	<u>22,741,016</u>	<u>-</u>
Total other liabilities	<u>32,224,188</u>	<u>-</u>	<u>7,251,690</u>	<u>24,972,498</u>	<u>1,075,039</u>
Business-type activities long-term liabilities	<u>\$ 88,060,234</u>	<u>\$ 2,718,462</u>	<u>\$ 13,202,264</u>	<u>\$ 77,576,432</u>	<u>\$ 5,698,164</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

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**General Obligation Bonds Payable**

General obligation bonds are direct obligations for which the full faith and credit of the City are pledged. Bonds are generally issued as serial bonds for a period equivalent to one-half of the period of probable usefulness for each improvement as defined by the New York State Local Finance Law. Detail relating to general obligation bonds of the City, outstanding at June 30, 2022, is summarized as follows:

Governmental Activities - City:

<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding</u>
2013	6/1/2023	3.000 - 4.000	250,000
2014	2/1/2034	2.500 - 5.000	4,716,000
2015	3/1/2027	4.000 - 5.000	6,312,830
2015	2/1/2030	2.500 - 5.000	3,593,000
2016	2/1/2031	2.000 - 2.375	4,546,000
2017	5/1/2032	3.000 - 5.000	7,995,000
2017	10/1/2022	2.000 - 2.500	475,000
2017	8/1/2029	3.000 - 5.000	2,072,950
2018	5/1/2033	4.000	7,435,000
2018	5/1/2023	3.250	550,000
2019	5/15/2034	4.000	11,549,000
2020	5/15/2035	4.000	13,025,000
2020	5/15/2031	5.000	4,935,000
2021	5/15/2041	2.000	43,891,968
2021	6/1/2033	4.000	4,460,000
2022	5/15/2042	4.000 - 4.125	23,451,555
			<u>\$ 139,258,303</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

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Governmental Activities - District:

<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding</u>
2020	2023	5.000	50,000
2017	2024	3.000 - 5.000	2,100,000
2014	2025	2.000 - 5.000	2,440,000
2015	2027	4.000 - 5.000	3,290,000
2011	2028	5.428	15,000,000
2021	2028	5.000	17,990,000
2017	2030	3.000 - 5.000	18,495,000
2017	2030	3.000 - 5.000	3,850,000
2017	2032	3.000 - 5.000	2,455,000
2018	2034	3.250 - 5.000	57,510,000
2018	2035	3.000 - 5.000	33,770,000
2019	2035	4.000 - 5.000	57,250,000
2020	2037	4.000 - 5.000	<u>76,745,000</u>
			<u>\$ 290,945,000</u>

Business-type Activities:

<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding</u>
2014	2/1/2034	2.500 - 5.000	\$ 1,484,000
2015	3/1/2027	4.000 - 5.000	4,282,187
2015	2/1/2030	2.500 - 5.000	607,000
2016	2/1/2031	2.000 - 2.375	1,034,000
2017	8/1/2029	3.000 - 5.000	192,050
2019	5/15/2034	4.000	1,256,000
2020	5/15/2035	4.000	825,000
2020	5/15/2031	5.000	785,000
2021	5/15/2041	2.000	4,025,000
2021	6/1/2033	4.000	10,530,000
2022	5/15/2042	4.000 - 4.125	<u>1,300,000</u>
			<u>\$ 26,320,237</u>

**EFC Bond - Direct Borrowing**

The State made available to the City a subsidized bond from the New York State Environmental Facilities Corporation (NYSEFC) in the amount of \$36,381,323. This bond was issued to finance water fund projects. Interest rate is 4.61% with a maturity date of October 2039. A portion of the interest is subsidized by the New York State Environmental Facilities Corporation.

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
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The City's direct borrowings with NYSEFC contain a provision that in the event of default, NYSEFC may take whatever action at law or in equity may appear necessary or desirable to remedy such default. These remedies include, but are not limited to, mandatory redemption, acceleration, requiring the City to immediately redeem the bonds in whole together with all other sums due to NYSEFC. The City may also owe to NYSEFC interest accrued on the overdue balance.

**Summary of Debt Service on Bonds to Maturity**

As of June 30, 2022, amounts due to service general obligation, school facility revenue bonds payable and construction bonds, principal and interest in future years, are as follows:

**Governmental Activities:**

Year ending June 30,	City		District		Total
	Principal	Interest	Principal	Interest	
2023	\$ 16,368,481	\$ 4,514,804	\$ 24,700,000	\$ 13,693,437	\$ 59,276,722
2024	14,613,249	4,002,878	25,430,000	12,579,988	56,626,115
2025	13,045,017	3,474,942	25,610,000	11,527,637	53,657,596
2026	12,989,818	3,002,152	26,245,000	10,491,737	52,728,707
2027	12,906,738	2,540,761	23,295,000	9,357,762	48,100,261
2028-2032	40,389,000	7,580,814	99,175,000	28,467,688	175,612,502
2033-2037	20,521,000	2,440,760	66,490,000	5,605,726	95,057,486
2038-2042	8,425,000	539,900	-	-	8,964,900
	<u>\$ 139,258,303</u>	<u>\$ 28,097,011</u>	<u>\$ 290,945,000</u>	<u>\$ 91,723,975</u>	<u>\$ 550,024,289</u>

**Business-type Activities:**

Year ending June 30,	General obligation debt		EFC bond - direct borrowing		Total
	Principal	Interest	Principal	Interest	
2023	\$ 3,115,504	\$ 970,135	\$ 1,170,000	\$ 494,089	\$ 5,749,728
2024	3,195,306	856,531	1,190,000	449,553	5,691,390
2025	2,580,983	728,629	1,200,000	430,265	4,939,877
2026	2,651,182	629,940	1,225,000	412,523	4,918,645
2027	2,759,262	528,501	1,235,000	392,850	4,915,613
2028-2032	9,962,000	1,379,149	6,435,000	1,476,185	19,252,334
2033-2037	2,056,000	141,585	6,860,000	(202,597)	8,854,988
2038-2040	-	-	4,310,000	(760,192)	3,549,808
	<u>\$ 26,320,237</u>	<u>\$ 5,234,470</u>	<u>\$ 23,625,000</u>	<u>\$ 2,692,676</u>	<u>\$ 57,872,383</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements**

**June 30, 2022**

**Debt Refunding**

On October 19, 2021, the City issued \$17,155,000 of public improvement refunding bonds with a coupon rate of 2.00 - 4.00% to refund \$19,109,000 of outstanding Series 2012A and 2013A serial bonds with interest rates of 3.00% - 4.00%. The net proceeds of \$19,401,806 (inclusive of issuance premium of \$2,453,139 and less issuance costs of \$206,334) were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the bonds are considered defeased and no liability remains in the City's financial statements. This refunding decreased total debt service payments over the next 12 years by \$2,206,770 resulting in an economic gain (difference between the present values of the debt service payment on the old and new debt) of approximately \$2,078,954.

**Defeasement of Aviation Fund Debt**

During 2021, the Syracuse Regional Airport Authority issued revenue refunding bonds in the amount of \$35,105,000. The purpose of this issuance was to prepay principal and interest due on the City's Series 2011A bonds, which had an outstanding principal balance of \$33,980,000. The Series 2011A bonds were subject to optional redemption prior to maturity and the City exercised this option to fully defease the outstanding debt.

**Short-Term Debt**

**Revenue Anticipation Notes Payable**

For governmental funds, notes issued in anticipation of the receipt of revenues are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The revenue anticipation notes represent a liability that will be extinguished by the use of expendable, available resources of the fund. The revenue anticipation notes issued by the City in the amount of \$46,000,000 were issued on September 30, 2020 at an interest rate of 1.50% and were paid in full during the fiscal year. Revenue anticipation notes were issued by the District on September 30, 2020, in the amount of \$85,967,000 at an interest rate of 2.00%, and were paid in full during the fiscal year. Additionally, revenue anticipation notes in the amount of \$10,770,000 with an interest rate of 1.00% were issued and paid in full during the fiscal year.

**Bond Anticipation Notes Payable**

For governmental and business-type funds, notes issued in anticipation of proceeds from the subsequent sale of serial bonds are recorded as a current liability of the fund that will actually receive the proceeds from the issuance of the serial bond. State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date.

Short-term debt activity for the year ended June 30, 2022:

	Balance at July			Balance at
	1, 2021	Additions	Reductions	June 30, 2022
Governmental activities:				
Revenue anticipation notes - City	\$ 46,000,000	\$ -	\$ 46,000,000	\$ -
Revenue anticipation notes - District	<u>85,967,000</u>	<u>10,770,000</u>	<u>96,737,000</u>	<u>-</u>
Total	<u>\$ 131,967,000</u>	<u>\$ 10,770,000</u>	<u>\$ 142,737,000</u>	<u>\$ -</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

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**6. LEASES**

**District as a lessee:**

The City School District leases property, copiers and equipment from various vendors. Annual requirements to amortize long-term lease obligations and related interest are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 559,568	\$ 7,526	\$ 567,094
2024	354,010	4,578	358,588
2025	148,592	2,228	150,820
2026	61,033	708	61,741
2027	<u>13,247</u>	<u>184</u>	<u>13,431</u>
Total	<u>\$ 1,136,450</u>	<u>\$ 15,224</u>	<u>\$ 1,151,674</u>

**City as a lessor:**

The City entered into a lease of a City-owned parking garage on July 1, 2016 for a period of ten years. Current monthly payments to the City are \$37,500 under the lease. A receivable and deferred inflow of resources are recorded in the General Fund. Future payments under the lease are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 770,689	\$ 129,311	\$ 900,000
2024	408,140	41,860	450,000
2025	424,134	25,866	450,000
2026	<u>440,755</u>	<u>9,245</u>	<u>450,000</u>
	<u>\$ 2,043,718</u>	<u>\$ 206,282</u>	<u>\$ 2,250,000</u>

The City entered into a lease agreement with the Syracuse Regional Airport Authority, a discretely presented component unit, which commenced on March 1, 2014, which is effective for an initial term of forty (40) years.

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. These capital contributions are reported in the Internal Service Fund as nonoperating revenue. Upon termination or expiration of the lease agreement, the City is required to take all necessary actions to secure an Airport Operating Certificate from the Federal Aviation Administration in a timely fashion to ensure there is no interruption in Airport operations.

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements**

**June 30, 2022**

The Authority was required under the lease agreement to make rental payments to the City equal to the principal and interest due on Airport-related debt issued by the City. As described in Note 5, this debt was fully defeased during the year ended June 30, 2022. As a result, there is no lease receivable reported in the Internal Service Fund, but deferred inflow of resources related to the lease are reported and are amortized over the term of the lease. This revenue is reported as lease income in the Internal Service Fund.

**7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

**Receivables and Payables**

To improve cash management, most disbursements are made from a pooled account in the General Fund. This cash management practice, as well as normal delays in processing interfund transfers and reimbursement, is the main reason why interfund receivables and payables exist. These receivables and payables are short-term in nature and are typically repaid in less than one year. The following schedule summarizes interfund receivables and payables at June 30, 2022:

	Amount <u>Receivable</u>	Amount <u>Payable</u>
General Fund	\$ 9,283,675	\$ -
Joint Schools Construction Board	-	6,528,779
City School District General Fund	17,128,041	-
City School District Special Aid Fund	-	23,734,681
Proprietary Funds:		
Water	-	30,416
Sewer	-	2,196
Internal Service Fund	-	1,758,422
Nonmajor Governmental Funds:		
Capital Projects Fund - City	-	524,900
Capital Projects Fund - District	9,671,056	-
Debt Service - District	965,164	-
Neighborhood and Business Development	-	914,102
Special Grants	-	4,366,307
SURA	1,340,674	3,028,006
School Food Service	2,497,225	-
Fiduciary	<u>1,974</u>	<u>-</u>
	<u>\$ 40,887,809</u>	<u>\$ 40,887,809</u>



**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
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The following schedule summarizes receivables and payables between the primary government and the discretely presented component units at June 30, 2022:

	Amount <u>Receivable</u>	Amount <u>Payable</u>
Internal Service Fund	\$ 1,370,143	\$ -
Component Units:		
Syracuse Regional Airport Authority	<u>-</u>	<u>1,370,143</u>
	<u>\$ 1,370,143</u>	<u>\$ 1,370,143</u>

The amounts receivable and payable above are as of June 30, 2022. The interfund receivables and payables differences relating to the component units result from loans and other transactions in the normal course of business.

**Transfers**

Transfers among funds are provided for as part of the annual budget process. They facilitate annual contributions from the operating budget to the Capital Projects and Debt Service Funds. They also facilitate the contribution of proprietary fund earnings to the General Fund. Interfund transfers are routine in nature. Transfers are as follows:

	<u>Transfers in</u>	<u>Transfers out</u>
General Fund	\$ 2,825,000	\$ 23,754,659
Joint Schools Construction Board	-	722,810
City School District General Fund	7,692,350	6,412,693
City School District Special Aid Fund	1,507,972	6,218,994
Proprietary Funds:		
Water	-	2,300,000
Sewer	-	525,000
Nonmajor Governmental Funds:		
Capital Projects Fund - City	5,027,579	947,418
Capital Projects Fund - District	13,800	-
Debt Service Fund - City	19,787,469	-
Debt Service Fund - District	4,890,922	-
Oil and Flushing	-	112,971
School Food Service Fund	<u>-</u>	<u>750,547</u>
	<u>\$ 41,745,092</u>	<u>\$ 41,745,092</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements**  
**June 30, 2022**

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**8. RETIREMENT PLANS**

New York State Employee Retirement System (NYSERS) and Police and Fire Retirement System (NYSPFRS)

The City, SURA and the District participate in the New York State and Local Employees' Retirement System (NYSERS). This is a cost-sharing multiple-employer retirement system, providing retirement benefits as well as death and disability benefits. The net position of the NYSEERS is held in the New York State Common Retirement Fund (the Fund), established to hold all net position and record changes in plan net position allocated to the NYSEERS. The NYSEERS benefits are established under the provisions of the New York State Retirement and Social Security Law (NYS RSSL). Once an employer elects to participate in the NYSEERS, the election is irrevocable.

The City also participates in the New York State and Local Police and Fire Retirement System (NYSPFRS). This is a cost-sharing multiple-employer retirement system, providing retirement benefits as well as death and disability benefits. The net position of the NYSPFRS is held in the New York State Common Retirement Fund (the Fund), established to hold all net position and record changes in plan net position allocated to the NYSPFRS. The NYSPFRS benefits are established under the provisions of the New York State Retirement and Social Security Law (NYS RSSL). Once an employer elects to participate in the NYSPFRS, 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 City, SURA and the District also participate in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The system 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/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The NYSEERS and NYSPFRS are noncontributory except for employees who joined the NYSEERS and NYSPFRS after July 27th, 1976, who contribute 3.0% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% of their salary for their entire length of service. Under the authority of the NYS RSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the NYSEERS' and NYSPFRS' fiscal year ending March 31.

**City:**

**Contributions**

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	<u>NYSERS</u>		<u>NYSPFRS</u>	
June 30, 2022	\$	5,585,875	\$	20,377,121
June 30, 2021		5,721,547		18,038,055
June 30, 2020		5,679,707		18,763,965

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements**

**June 30, 2022**

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**Net Pension Liabilities (Assets), Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions**

At June 30, 2022, the City reported net pension liabilities (assets) for its proportionate share of the NYSERS and NYSPFRS net pension liabilities (assets). The net pension liabilities (assets) measured as of March 31, 2022, and the total pension liability used to calculate the net pension liabilities (assets) were determined by the actuarial valuation as of April 1, 2021. The City's proportion of the net pension liabilities (assets) were based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2022, the City reported the following:

	NYSERS	NYSPFRS
City's Proportion Percent	0.1284598%	1.8777079%
Net Pension Liability (Asset)    \$	(10,501,053) \$	10,666,217
Pension Expense	13,359	9,737,187

The allocation of the net pension liability and pension expense for governmental activities at June 30, 2022 was as follows:

	NYSERS	NYSPFRS
City's Proportion Percent	0.1076879%	1.8777079%
Net Pension Liability           \$	(8,803,372) \$	10,666,217
Pension Expense	11,199	9,737,187

The allocation of the net pension liability and pension expense for business-type activities at June 30, 2022 was as follows:

	NYSERS
City's Proportion Percent	0.0207719%
Net Pension Liability           \$	(1,697,681)
Pension Expense	2,160

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

At June 30, 2022, the City reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	
	NYSERS	NYSPFRS
Differences between expected and actual experience	\$ 795,259	\$ 5,750,236
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between the City's contributions and proportionate share of contributions	20,782	1,750,066
Changes in assumptions	17,525,080	63,839,620
Contributions subsequent to the measurement date	<u>1,261,129</u>	<u>7,160,780</u>
Total	<u>\$ 19,602,250</u>	<u>\$ 78,500,702</u>

	Deferred Inflows of Resources	
	NYSERS	NYSPFRS
Differences between expected and actual experience	\$ 1,031,497	\$ -
Net difference between projected and actual earnings on pension plan investments	34,386,549	89,624,086
Changes in proportion and differences between the City's contributions and proportionate share of contributions	1,683,091	4,502,683
Changes in assumptions	<u>295,717</u>	<u>-</u>
Total	<u>\$ 37,396,854</u>	<u>\$ 94,126,769</u>

The allocation of deferred inflows and outflows for the governmental activities at June 30, 2022 were as follows:

	Deferred Outflows of Resources	
	NYSERS	NYSPFRS
Differences between expected and actual experience	\$ 666,666	\$ 5,750,236
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between the City's contributions and proportionate share of contributions	17,422	1,750,066
Changes of assumptions	14,691,275	63,839,620
Contributions subsequent to the measurement date	<u>1,057,837</u>	<u>7,160,780</u>
Total	<u>\$ 16,433,200</u>	<u>\$ 78,500,702</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements**  
**June 30, 2022**

	<u>Deferred Inflows of Resources</u>	
	<u>NYSERS</u>	<u>NYSPPRS</u>
Differences between expected and actual experience	\$ 864,704	\$ -
Net difference between projected and actual earnings on pension plan investments	28,826,244	89,624,086
Changes in proportion and differences between the City's contributions and proportionate share of contributions	1,410,935	4,502,683
Contributions subsequent to the measurement date	<u>249,109</u>	<u>-</u>
Total	<u>\$ 31,350,992</u>	<u>\$ 94,126,769</u>

The allocation of deferred inflows and outflows for the business-type activities at June 30, 2022 were as follows:

	<u>Deferred Outflows of Resources</u>	
	<u>NYSERS</u>	
Differences between expected and actual experience	\$ 128,593	
Net difference between projected and actual earnings on pension plan investments	-	
Changes in proportion and differences between the City's contributions and proportionate share of contributions	3,360	
Changes of assumptions	2,833,805	
Contributions subsequent to the measurement date	<u>203,292</u>	
Total	<u>\$ 3,169,050</u>	

	<u>Deferred Inflows of Resources</u>	
	<u>NYSERS</u>	
Differences between expected and actual experience	\$ 166,793	
Net difference between projected and actual earnings on pension plan investments	5,560,305	
Changes in proportion and differences between the City's contributions and proportionate share of contributions	272,156	
Contributions subsequent to the measurement date	<u>46,608</u>	
Total	<u>\$ 6,045,862</u>	

The City recognized deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2022, which will result in an increase or reduction of the net pension assets or liabilities, respectively, in the year ended June 30, 2023.

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Plan's Year Ended March 31:	Governmental Activities	
	NYSERS	NYSPFRS
2023	\$ (2,625,293)	\$ (4,858,093)
2024	(3,665,319)	(7,678,402)
2025	(7,851,883)	(21,339,716)
2026	(1,833,134)	11,185,169
2027	-	(95,805)
Thereafter	-	-
	<u>\$ (15,975,629)</u>	<u>\$ (22,786,847)</u>

Plan's Year Ended March 31:	Business-type Activities
	NYSERS
2023	\$ (506,394)
2024	(707,005)
2025	(1,514,553)
2026	(352,152)
2027	-
Thereafter	-
	<u>\$ (3,080,104)</u>

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

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

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Proportionate Share of Net Pension Liability (Asset) - NYSERS	\$ 27,029,596	\$ (10,501,053)	\$ (41,893,631)
Proportionate Share of Net Pension Liability (Asset) - NYSPFRS	118,645,207	10,666,217	(78,711,717)

**SURA:**

**Contributions**

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	NYSERS	
June 30, 2022	\$	355,700
June 30, 2021		370,091
June 30, 2020		429,548

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

**Net Pension Liabilities (Assets), Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions**

At June 30, 2022, SURA reported a net pension liability (asset) of \$(683,434) for its proportionate share of the NYSERS net pension liability (asset). The net pension liability (asset) was measured as of March 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by the actuarial valuation as of April 1, 2021. SURA's proportion of the net pension liability (asset) was based on a projection of SURA's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2022, SURA's proportion was 0.0083605%, which was a decrease of 0.0015591% from its proportionate share reported at June 30, 2021.

For the year ended June 30, 2022, SURA recognized pension income of \$90,290. At June 30, 2022, SURA reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 51,757	\$ 67,132
Changes in assumptions	1,140,575	19,246
Net difference between projected and actual earnings on pension plan investments	-	2,237,961
Changes in proportion and difference between SURA's contributions and proportionate share of contributions	-	334,273
	<u>                    </u>	<u>                    </u>
Total	<u>\$ 1,192,332</u>	<u>\$ 2,658,612</u>

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended March 31:

2023	\$ (289,707)
2024	(355,860)
2025	(664,702)
2026	(156,011)
2027	-
Thereafter	-
	<u>                    </u>
	<u>\$ (1,466,280)</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

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

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

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Proportionate Share of Net Pension Liability (Asset)	\$ 1,759,152	\$ (683,434)	\$ (2,726,540)

**District:**

**Contributions**

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	<u>NYSERS</u>	
June 30, 2022	\$	6,405,677
June 30, 2021		6,148,415
June 30, 2020		5,897,634

**Net Pension Liabilities (Assets), Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions**

At June 30, 2022, the District reported a net pension liability (asset) of \$(11,659,792) for its proportionate share of the NYSERS net pension liability (asset). The net pension liability (asset) was measured as of March 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by the actuarial valuation as of April 1, 2021. The District's proportion of the net pension liability (asset) was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At March 31, 2022, the District's proportion was 0.1426346%, which was a decrease of 0.0082277% from its proportionate share of 0.1508623% as measured at March 31, 2021.



**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

For the year ended June 30, 2022, the District recognized pension expense of \$571,144. At June 30, 2022, the District reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 883,012	\$ 1,145,317
Changes in assumptions	19,458,885	328,348
Net difference between projected and actual earnings on pension plan investments	-	38,180,932
Changes in proportion and differences between the District's contributions and proportionate share of contributions	344,601	758,477
Contributions subsequent to the measurement date	<u>1,233,880</u>	<u>-</u>
Total	<u>\$ 21,920,378</u>	<u>\$ 40,413,074</u>

The District recognized \$1,233,880 as deferred outflow of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2022, which will be recognized as an adjustment to the net pension liability (asset) in the year ended June 30, 2023.

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended March 31:

2023	\$ (2,979,681)
2024	(4,449,034)
2025	(10,053,592)
2026	(2,244,269)
2027	-
Thereafter	<u>-</u>
	<u><u>\$ (19,726,576)</u></u>

**Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption**

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

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Proportionate Share of Net Pension Liabilities (Assets)	\$ 30,012,176	\$ (11,659,792)	\$ (46,516,382)

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

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**Pension Plan Fiduciary Net Position**

The components of the current-year net pension liabilities of the employers as of March 31, 2022 (in thousands) were as follows:

	ERS	PFRS
Total pension liability	\$ 223,874,888	\$ 42,237,292
Net position	<u>(232,049,473)</u>	<u>(41,669,250)</u>
Net pension liability (asset)	<u>\$ (8,174,585)</u>	<u>\$ 568,042</u>
Fiduciary net position as a percentage of total pension liability	103.65%	98.66%

**Actuarial Assumptions**

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

The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.70%
Salary scale	4.4% for ERS, 6.2% for PFRS indexed by service
Projected COLAs	1.4% compounded annually
Decrements	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020
Mortality improvement	Society of Actuaries Scale MP-2020
Investment Rate of Return	5.9% compounded annually, net of investment expenses

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2022 are summarized below:

## CITY OF SYRACUSE, NEW YORK

### Notes to Basic Financial Statements June 30, 2022

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#### Long-Term Expected Rate of Return

Asset Type	Target Allocations in %	Long-Term expected real rate of return in %
Domestic Equity	32.0	3.30
International Equity	15.0	5.85
Private Equity	10.0	6.50
Real Estate	9.0	5.00
Opportunistic/ARS Portfolio	3.0	4.10
Credit	4.0	3.78
Real Assets	3.0	5.80
Fixed Income	23.0	0.00
Cash	1.0	(1.00)
	<u>100.0</u>	

The real rate of return is net of the long-term inflation assumption of 2.5%

#### Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. 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 determined. Based upon the assumptions, the Plan'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.

#### New York State Teachers' Retirement System (NYSTRS)

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The District participates in the New York State Teachers' Retirement System (NYSTRS). This is a cost sharing, multiple employer public employee retirement system. NYSTRS offers a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death and disability.

The New York State Teachers' Retirement Board administers NYSTRS. NYSTRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. NYSTRS issues a publicly available financial report that contains financial statements and required supplementary information for the system. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395.

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements**

**June 30, 2022**

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**Contributions**

NYSTRS is noncontributory for employees who joined prior to July 27, 1976. For employees who joined NYSTRS after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the System more than ten years are no longer required to contribute. For employees who joined after July 1, 2010 and prior to April 1, 2012, contributions of 3.5% are paid through their active membership.

For employees who joined after April 1, 2012, required contributions of 3.5% of their salary are paid until April 1, 2013 and they contribute 3% to 6% of their salary throughout their active membership. Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for NYSTRS.

The District is required to contribute at an actuarially determined rate. The District contributions made to NYSTRS were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were:

	<u>NYSTRS</u>	
June 30, 2022	\$	20,209,748
June 30, 2021		17,250,303
June 30, 2020		20,169,382

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

At June 30, 2022, the District reported a net pension asset of \$187,344,602 for its proportionate share of the NYSTRS net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by the actuarial valuation as of June 30, 2020. The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2021, the District's proportionate share was 1.081102%, which was a decrease of 0.065995% from its proportionate share of 1.147097% as measured at June 30, 2020.

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

For the year ended June 30, 2022, the District recognized pension income of \$11,207,847. At June 30, 2022, the District reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,823,466	\$ 973,335
Changes in assumptions	61,621,555	10,912,270
Net difference between projected and actual earnings on pension plan investments	-	196,075,509
Changes in proportion and differences between the District's contributions and proportionate share of contributions	2,581,553	2,032,343
Contributions subsequent to the measurement date	<u>20,167,475</u>	<u>-</u>
Total	<u>\$ 110,194,049</u>	<u>\$ 209,993,457</u>

The District recognized \$20,167,475 as a deferred outflow of resources related to pensions resulting from the District's contributions subsequent to the measurement date June 30, 2021 that are recognized as an adjustment of the net pension (asset) in the year ended June 30, 2023. Other amounts reported as deferred outflows/ (inflows) of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended June 30:

2022	\$ (24,651,366)
2023	(28,234,882)
2024	(35,678,409)
2025	(47,056,583)
2026	9,144,030
Thereafter	<u>6,510,327</u>
	<u>\$ (119,966,883)</u>

# CITY OF SYRACUSE, NEW YORK

## Notes to Basic Financial Statements

June 30, 2022

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### Actuarial Assumptions

The total pension liability at the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension liability to June 30, 2021. These actuarial valuations used the following actuarial assumptions:

Actuarial Cost Method	Entry Normal Age
Inflation	2.40%
Projected Salary Increases	Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

Service	Rate
5	5.18%
15	3.64%
25	2.50%
35	1.95%

Projected COLAs	1.3% compounded annually
Investment Rate of Return	6.95% compounded annually, net of pension plan investment expense, including inflation.

Mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2020, applied on a generational basis.

The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

Best estimates of arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of the measurement date of June 30, 2021 are summarized in the following table:

Asset Type	Target Allocations in %	Long-Term expected real rate of return in %
Domestic Equity	33.0	6.8
International Equities	16.0	7.6
Global Equities	4.0	7.1
Real Estate Equities	11.0	6.5
Private Equities	8.0	10.0
Domestic Fixed Income Securities	16.0	1.3
Global Bonds	2.0	0.8
High-Yield Bonds	1.0	3.8
Private Debt	1.0	5.9
Real Estate Debt	7.0	3.3
Cash Equivalents	<u>1.0</u>	(0.2)
	<u>100.0</u>	

**Discount Rate**

The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, actuarially determined. Based on those assumptions, the NYSTRS' 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 (asset).

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

The following presents the net pension liability (asset) of the District using the discount rate of 6.95%, as well as what the school districts' net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower (5.95%) or 1% higher (7.95%) than the current rate:

	1% Decrease (5.95%)	Current Discount (6.95%)	1% Increase (7.95%)
Proportionate Share of Net Pension Liability (Asset)	\$ (19,659,084)	\$ (187,344,602)	\$ (328,272,111)

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

**Pension Plan Fiduciary Net Position**

The components of the collective net pension liability (asset) (in thousands) of the participating school districts as of June 30, 2021, were as follows:

	NYSTRS
Total pension liability	\$ 130,819,415
Net position	(148,148,457)
Net pension liability (asset)	<u>\$ (17,329,042)</u>
Fiduciary net position as a percentage of total pension liability	113.2%

**Summary of Net Pension Asset, Liabilities, Deferred Outflows and Deferred Inflows**

The components of the net pension asset, net pension liabilities, and deferred outflows of resources and deferred inflows of resources are as follows as of June 30, 2022:

	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental activities:				
City NYSERS	\$ 8,803,372	\$ -	\$ 16,433,200	\$ 31,350,992
City NYSPFRS	-	10,666,217	78,500,702	94,126,769
SURA NYSERS	683,434	-	1,192,332	2,658,612
District NYSERS	11,659,792	-	21,920,378	40,413,074
District NYSTRS	<u>187,344,602</u>	<u>-</u>	<u>110,194,049</u>	<u>209,993,457</u>
Total governmental activities	<u>\$ 208,491,200</u>	<u>\$ 10,666,217</u>	<u>\$ 228,240,661</u>	<u>\$ 378,542,904</u>
Business-type activities:				
City NYSERS	<u>\$ 1,697,681</u>	<u>\$ -</u>	<u>\$ 3,169,050</u>	<u>\$ 6,045,862</u>
Total business-type activities	<u>\$ 1,697,681</u>	<u>\$ -</u>	<u>\$ 3,169,050</u>	<u>\$ 6,045,862</u>

**9. SELF INSURANCE**

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The City is primarily self-insured for medical, dental, workers' compensation and general liability claims. Property coverage exists for certain buildings including City Hall, airport terminal, City Hall Commons, Department of Public Works and all city schools for losses in excess of \$250,000 per occurrence.

With the exception of the City School District and the proprietary funds, the City currently reports all of its risk management activities in the General Fund. Claim expenditures and liabilities are reported when it is probable that a loss occurred and the amount of that loss can be reasonably estimated. Liabilities accrued include an estimate of claims that have been incurred but not reported.



**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements**

**June 30, 2022**

The estimated liability for health and dental claims is based on prior experience with actual payments of claims. The estimated liability for workers' compensation represent claims which have occurred and are open, due to an actual or future final determination of benefit payout as prescribed by the New York State Workers' Compensation Board. Judgments and claims liability is based on estimates received from the City's Department of Law or external counsel defending the claims.

The City believes these provisions, as described in Note 5, are adequate to cover their liability for claims based on current available information, but these estimates may differ from the amount ultimately paid when claims are settled.

A reconciliation of insurance claims is presented below.

	City -		Total	
	Governmental	District	Governmental	City - Business-
	Activities		Activities	type Activities
Activity for the year ended June 30, 2022				
Worker's compensation liability - July 1	\$ 7,078,740	\$ 33,751,591	\$ 40,830,331	\$ 1,648,671
Health and dental liability - July 1	<u>2,597,238</u>	<u>1,068,859</u>	<u>3,666,097</u>	<u>165,230</u>
Total self insurance liability - July 1	<u>9,675,978</u>	<u>34,820,450</u>	<u>44,496,428</u>	<u>1,813,901</u>
Worker's compensation claims, net of payments	(266,954)	6,866,242	6,599,288	6,192
Health and dental claims, net of payments	<u>(156,941)</u>	<u>(783,868)</u>	<u>(940,809)</u>	<u>(17,057)</u>
Total claims, net of payments	<u>(423,895)</u>	<u>6,082,374</u>	<u>5,658,479</u>	<u>(10,865)</u>
Worker's compensation liability - June 30	6,811,786	40,617,833	47,429,619	1,654,863
Health and dental liability - June 30	<u>2,440,297</u>	<u>284,991</u>	<u>2,725,288</u>	<u>148,173</u>
Total self insurance liability - June 30	<u>\$ 9,252,083</u>	<u>\$ 40,902,824</u>	<u>\$ 50,154,907</u>	<u>\$ 1,803,036</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

	City -		Total	
	Governmental	District	Governmental	City - Business-
	Activities	Activities	Activities	type Activities
Activity for the year ended June 30, 2021				
Worker's compensation liability - July 1	\$ 6,958,685	\$ 34,465,815	\$ 41,424,500	\$ 1,818,938
Health and dental liability - July 1	<u>3,067,078</u>	<u>2,113,301</u>	<u>5,180,379</u>	<u>153,156</u>
Total self insurance liability - July 1	<u>10,025,763</u>	<u>36,579,116</u>	<u>46,604,879</u>	<u>1,972,094</u>
Worker's compensation claims, net of payments	120,055	(714,224)	(594,169)	(170,267)
Health and dental claims, net of payments	<u>(469,840)</u>	<u>(1,044,442)</u>	<u>(1,514,282)</u>	<u>12,074</u>
Total claims, net of payments	<u>(349,785)</u>	<u>(1,758,666)</u>	<u>(2,108,451)</u>	<u>(158,193)</u>
Worker's compensation liability - June 30	7,078,740	33,751,591	40,830,331	1,648,671
Health and dental liability - June 30	<u>2,597,238</u>	<u>1,068,859</u>	<u>3,666,097</u>	<u>165,230</u>
Total self insurance liability - June 30	<u>\$ 9,675,978</u>	<u>\$ 34,820,450</u>	<u>\$ 44,496,428</u>	<u>\$ 1,813,901</u>

**10. OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description**

The City's defined benefit OPEB plan, provides OPEB for all employees with 10 years of service for members in the NYSERS and 20 years of service for members in the NYSPFRS. Retirees and spouses who are Medicare-eligible are not required to contribute to retiree group healthcare benefits. If not Medicare-eligible, contributions vary by bargaining unit. The City's OPEB plan covers employees of SURA as well as the City.

The District's defined benefit OPEB plan, provides OPEB for all employees who meet the NYSTRS/NYSERS eligibility requirements. Teachers and Administrators age 55 with 5 years of service who are eligible to retire and collect benefits according to the NYSTRS are eligible for retiree health care benefits for life from the School District. Support staff hired before January 1, 2010 age 55 with 5 years of service are eligible to retire and collect benefits for life from the School District according to NYSERS. Members after January 1, 2010 must be 55 years old with 10 years of service to qualify for NYSERS healthcare benefits.

The plans are single-employer defined benefit OPEB plans administered by the City and District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City and District's governing bodies. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

**Benefits Provided**

The City and the District provides healthcare benefits for retirees and their dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the City and District offices and are available upon request.

**Employees Covered by Benefit Terms**

At June 30, 2022, the following employees were covered by the benefit terms:

	<u>City &amp; SURA</u>	<u>District</u>
Inactive employees or beneficiaries currently receiving benefits	1,895	2,730
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	<u>1,481</u>	<u>3,373</u>
Total participants	<u><u>3,376</u></u>	<u><u>6,103</u></u>

**Total OPEB Liability**

The City and the District's total liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021.

	<u>City &amp; SURA</u>	<u>District</u>	<u>Total</u>
Governmental Activities	\$ 326,481,109	\$ 306,848,622	\$ 633,329,731
Business-type Activities	22,741,016	-	22,741,016

**Actuarial Assumptions and Other Inputs**

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	<u>City &amp; SURA</u>	<u>District</u>
Reporting Date	6/30/2022	6/30/2022
Measurement Date	6/30/2022	6/30/2022
Actuarial Valuation Date	7/1/2021	7/1/2021
Discount Rate	3.69%	3.69%
Rate of compensation increase	4.50%	3.00%
Inflation rate	2.25%	2.25%
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage	Level Percentage
Amortization Period	Varies by Group	7.660 years
Medical and prescription drug trend rates	4.4% to 6.75%, declining to ultimate trend rate of 3.784% in 2075	4.4% to 6.75%, declining to ultimate trend rate of 3.784% in 2075

The discount rate above was based on an analysis of returns on the Fidelity General Obligation 20-Year AA Municipal Bond Index as of June 30, 2021 and June 30, 2022, which yielded discount rates of 1.92% and 3.69% respectively.

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

Mortality rates were based on the sex-distinct and job category-specific headcount-weighted Pub-2010 Public Retirement Plans Mortality Tables for employees, healthy retirees and contingent survivors, adjusted for mortality improvements with Scale MP\_2021 mortality improvement scale on a generational basis. This assumption was based on a review of published mortality tables and the demographics of the Plan.

The actuarial assumptions used in the July 1, 2021 valuation were based on the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of cost sharing between the employer and plan members.

**Changes in the Total OPEB Liability**

	<u>City &amp; SURA</u>	<u>District</u>
Balance at June 30, 2021	\$ 473,246,463	\$ 349,878,086
Changes for the Year-		
Service cost	20,082,532	12,988,416
Interest	8,215,988	7,125,017
Changes of benefit terms	(1,757,672)	(17,300,024)
Changes in assumptions or other inputs	(77,424,449)	(47,231,871)
Differences between expected and actual experience	(57,685,223)	15,067,237
Benefit payments	<u>(15,455,514)</u>	<u>(13,678,239)</u>
Net changes	<u>(124,024,338)</u>	<u>(43,029,464)</u>
Balance at June 30, 2022	<u>\$ 349,222,125</u>	<u>\$ 306,848,622</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 1.92% as of June 30, 2021, to 3.69% as of June 30, 2022.

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following present the total OPEB liability of the City and District, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.69%) or 1% higher (4.69%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
City OPEB Liability	\$ 392,806,601	\$ 349,222,125	\$ 312,703,524
District OPEB Liability	\$ 345,266,862	\$ 306,848,622	\$ 274,468,944

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability of the City and District, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
City OPEB Liability	\$ 299,552,817	\$ 349,222,125	\$ 411,583,907
District OPEB Liability	\$ 266,227,663	\$ 306,848,622	\$ 357,379,194

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2022, the City and the District recognized OPEB expense of \$(72,384,823) and \$(48,585,589), respectively. At June 30, 2022, the City and the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
City & SURA:				
Change of assumptions	\$ 45,023,566	\$ 66,704,576	\$ 2,123,725	\$ 4,824,127
Difference between expected and actual experience	<u>535,226</u>	<u>278,130,893</u>	<u>72,269</u>	<u>18,851,779</u>
Total City & SURA	<u>45,558,792</u>	<u>344,835,469</u>	<u>2,195,994</u>	<u>23,675,906</u>
District:				
Change of assumptions	39,792,948	52,420,915	-	-
Difference between expected and actual experience	<u>26,901,140</u>	<u>226,138,036</u>	<u>-</u>	<u>-</u>
Total District	<u>66,694,088</u>	<u>278,558,951</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 112,252,880</u>	<u>\$ 623,394,420</u>	<u>\$ 2,195,994</u>	<u>\$ 23,675,906</u>

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

Amounts reported as deferred outflows/(inflows) of resources related to OPEB will be recognized in expense as follows:

Fiscal Year Ending June	Governmental Activities		Business-type Activities
	City & SURA	District	City & SURA
2023	\$ (90,749,231)	\$ (51,398,998)	\$ (8,141,684)
2024	(89,625,317)	(51,398,998)	(8,048,547)
2025	(77,474,826)	(51,398,998)	(3,548,313)
2026	(22,105,733)	(49,059,200)	(1,560,049)
2027	(19,321,570)	(2,800,472)	(181,319)
Thereafter	-	(5,808,197)	-
	<u>\$ (299,276,677)</u>	<u>\$ (211,864,863)</u>	<u>\$ (21,479,912)</u>

**11. CONTINGENCIES AND COMMITMENTS**

Numerous real estate tax certiorari proceedings are presently pending against the City of Syracuse, New York on grounds of alleged inequality of assessment. Adverse decisions to the City could have a substantial impact through the reduction of assessments and tax refunds to successful litigants. Since the outcome of these proceedings cannot presently be determined, no provision for this exposure, if any, has been included in the accompanying basic financial statements.

The City has a potential liability for employees who are not entered into the Retirement System due to the fact that they were never offered the right to join. Any potential liability relating to this contingency is not determinable at June 30, 2022.

The City and the District have received grants, which are subject to audit by agencies of the State and federal governments. Such audits may result in disallowances and a request for a return of funds. Based on prior years' experience, the City's administration believes disallowances, if any, will either be immaterial or cannot be reasonably estimated.

**12. ENVIRONMENTAL REMEDIATION**

In March 2015, the City was named a potential responsible party for the release of hazardous substances into the environment at the Lower Ley Creek, Onondaga Lake Site, located in Onondaga County, New York. The City and the other named responsible parties consented to pay for a remediation investigation. To date, the City paid \$247,900 for this investigation. Once the investigation is complete, there may be additional liability related to this matter; however, an amount cannot be determined at this point, therefore, no liability has been accrued in the current fiscal year.

**CITY OF SYRACUSE, NEW YORK**

**Notes to Basic Financial Statements  
June 30, 2022**

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**13. PRIOR PERIOD ADJUSTMENT**

During the year ended June 30, 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use and underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the City's financial statements and had no effect on the beginning net position / fund balance of any of the City's opinion units, as right-to-use lease assets equaled lease liabilities and lease receivables equaled deferred inflows of resources. The effect of adoption was as follows:

	Governmental Activities Net Position	General Fund Fund Balance	Internal Service Fund Net Position
	<u>Position</u>	<u>Fund Balance</u>	<u>Position</u>
Balance at June 30, 2021, as previously reported	\$ (657,362,797)	\$ 82,138,557	\$ 828,864
Adjustments:			
Net book value of right-to-use lease asset	1,369,138	-	-
Lease liability	(1,369,138)	-	-
Lease receivable	37,337,693	2,043,718	35,293,975
Deferred inflow of resources - leases	<u>(37,337,693)</u>	<u>(2,043,718)</u>	<u>(35,293,975)</u>
Balance at July 1, 2021 as restated	<u>\$ (657,362,797)</u>	<u>\$ 82,138,557</u>	<u>\$ 828,864</u>

**14. SUBSEQUENT EVENTS**

On October 7, 2022, the City issued \$16,994,585 in Series 2022 bond anticipation notes at an interest rate of 5% with a maturity date of July 6, 2023. The purpose of this issue was to provide funds to defray the cost of a satisfaction of contractual obligations related to the transfer of a parking garage. Under the agreement, the City also transferred assets which had a zero net book value as of June 30, 2022.

CITY OF SYRACUSE, NEW YORK

Required Supplementary Information (Unaudited)

Statement of Revenues, Expenditures and Encumbrances - Budget and Actual (Budgetary Basis) - General Fund

For the Year Ended June 30, 2022

	<u>General Fund</u>			Variance Favorable
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Unfavorable)</u>
<b>REVENUES:</b>				
General property taxes and tax items	\$ 45,804,708	\$ 45,804,708	\$ 42,651,369	\$ (3,153,339)
Sales and use taxes	92,313,005	101,017,655	108,084,537	7,066,882
Other local taxes	3,071,000	3,071,000	3,178,295	107,295
Departmental revenues	11,879,740	11,879,740	11,169,380	(710,360)
Intergovernmental charges	162,900	162,900	250,411	87,511
Licenses and permits	2,435,700	2,435,700	3,199,795	764,095
Fines and forfeitures	4,328,500	4,328,500	3,093,779	(1,234,721)
Sale of property and compensation for loss	595,700	595,700	981,465	385,765
Use of money and property	1,400,100	1,400,100	97,610	(1,302,490)
Federal and state aid and other grants	97,934,783	97,934,783	103,200,998	5,266,215
Other revenues	3,453,800	3,453,800	9,557,090	6,103,290
	<u>263,379,936</u>	<u>272,084,586</u>	<u>285,464,729</u>	<u>13,380,143</u>
<b>EXPENDITURES:</b>				
Current:				
General government support	37,508,392	39,114,640	35,510,104	3,604,536
Public safety	166,284,185	170,919,166	153,129,719	17,789,447
Transportation	17,772,214	19,819,752	19,169,340	650,412
Home and community services	12,838,825	13,070,076	12,748,079	321,997
Culture and recreation	8,726,613	8,911,245	10,088,297	(1,177,052)
Interest on debt	295,000	295,000	57,044	237,956
	<u>243,425,229</u>	<u>252,129,879</u>	<u>230,702,583</u>	<u>21,427,296</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>19,954,707</u>	<u>19,954,707</u>	<u>54,762,146</u>	<u>34,807,439</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Bond proceeds	-	-	2,784,110	2,784,110
Premium on bonds	-	-	126,325	126,325
Operating transfers in	2,825,000	2,825,000	2,825,000	-
Operating transfers out	(22,779,707)	(22,779,707)	(23,754,659)	(974,952)
	<u>(19,954,707)</u>	<u>(19,954,707)</u>	<u>(18,019,224)</u>	<u>1,935,483</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>36,742,922</u>	<u>\$ 36,742,922</u>
<b>EFFECT OF ENCUMBRANCES</b>			<u>133,335</u>	
<b>CHANGE IN FUND BALANCE</b>			<u>\$ 36,876,257</u>	



CITY OF SYRACUSE, NEW YORK

Required Supplementary Information (Unaudited)

Statement of Revenues, Expenditures and Encumbrances - Budget and Actual (Budgetary Basis) - City School District General Fund  
For the Year Ended June 30, 2022

	General Fund City School District				Total Current Year	Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual CSD	Add: Current Year Encumbrances	Expenditures and Encumbrances	
<b>REVENUES:</b>						
General property taxes and tax items	\$ 62,046,499	\$ 62,046,499	\$ 62,407,853	\$ -	\$ 62,407,853	\$ 361,354
Sales and use taxes	450,000	450,000	879,098	-	879,098	429,098
Sale of property and compensation for loss	50,250	50,250	38,781	-	38,781	(11,469)
Use of money and property	325,500	325,500	163,857	-	163,857	(161,643)
Federal and state aid and other grants	391,140,646	397,266,549	396,812,314	-	396,812,314	(454,235)
Other revenues	1,277,347	1,277,347	6,938,714	-	6,938,714	5,661,367
<b>Total revenues</b>	<b>455,290,242</b>	<b>461,416,145</b>	<b>467,240,617</b>	<b>-</b>	<b>467,240,617</b>	<b>5,824,472</b>
<b>EXPENDITURES:</b>						
Current:						
Education	420,272,860	432,388,537	379,657,196	6,904,763	386,561,959	45,826,578
Pass-through New York State funding to JSCB	34,125,613	34,125,613	33,962,612	170,170	34,132,782	(7,169)
Interest on debt	2,809,946	2,809,946	928,818	-	928,818	1,881,128
Capital Outlay	-	-	497,030	-	497,030	(497,030)
<b>Total expenditures</b>	<b>457,208,419</b>	<b>469,324,096</b>	<b>415,045,656</b>	<b>7,074,933</b>	<b>422,120,589</b>	<b>47,203,507</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,918,177)</b>	<b>(7,907,951)</b>	<b>52,194,961</b>	<b>(7,074,933)</b>	<b>45,120,028</b>	<b>53,027,979</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Premium on issuance of RANS	-	-	34,862	-	34,862	34,862
Operating transfers in	5,000,000	10,989,774	7,692,350	-	7,692,350	(3,297,424)
Lease Liabilities Issued	-	-	497,030	-	497,030	497,030
Operating transfers out	(8,548,454)	(8,548,454)	(6,412,693)	-	(6,412,693)	2,135,761
<b>Total other financing sources (uses) - net</b>	<b>(3,548,454)</b>	<b>2,441,320</b>	<b>1,811,549</b>	<b>-</b>	<b>1,811,549</b>	<b>(629,771)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING SOURCES (USES)</b>	<b>\$ (5,466,631)</b>	<b>\$ (5,466,631)</b>	<b>\$ 54,006,510</b>	<b>\$ (7,074,933)</b>	<b>\$ 46,931,577</b>	<b>\$ 52,398,208</b>

CITY OF SYRACUSE, NEW YORK

Schedule of Changes in Total OPEB Liability and Related Ratios (Unaudited)  
For the Year Ended June 30, 2022

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017**	2016**	2015**	2014**	2013**
<b>City (including SURA):</b>										
<b>Total OPEB Liability</b>										
Service cost	\$ 20,082,532	\$ 17,841,500	\$ 15,748,910	\$ 27,628,631	\$ 26,872,640					
Interest	8,215,988	11,512,239	13,577,148	31,336,832	29,839,653					
Changes of benefit terms	(1,757,672)	-	-	-	(72,246)					
Differences between expected and actual experience	(57,685,223)	(42,581,090)	(457,421,643)	(101,816)	2,495,420					
Changes in assumptions	(77,424,449)	43,231,775	38,477,648	(17,737,265)	(7,975,348)					
Benefit payments	(15,455,514)	(17,607,606)	(16,735,004)	(23,907,031)	(24,993,401)					
<b>Total change in total OPEB liability</b>	<b>(124,024,338)</b>	<b>12,396,818</b>	<b>(406,352,941)</b>	<b>17,219,351</b>	<b>26,166,718</b>					
<b>Total OPEB liability - beginning</b>	<b>473,246,463</b>	<b>460,849,645</b>	<b>867,202,586</b>	<b>849,983,235</b>	<b>823,816,517</b>					
<b>Total OPEB liability - ending</b>	<b>\$ 349,222,125</b>	<b>\$ 473,246,463</b>	<b>\$ 460,849,645</b>	<b>\$ 867,202,586</b>	<b>\$ 849,983,235</b>					
<b>Covered-employee payroll</b>	<b>\$ 120,282,826</b>	<b>\$ 112,061,456</b>	<b>\$ 119,992,187</b>	<b>\$ 124,496,493</b>	<b>\$ 119,321,070</b>					
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>290.3%</b>	<b>422.3%</b>	<b>384.1%</b>	<b>696.6%</b>	<b>712.4%</b>					

Notes to schedule:

**Changes of assumptions.** Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

Discount rate	3.69%	1.92%	2.45%	3.13%	3.62%
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The actuarial cost method is Entry Age Normal.

As of June 30, 2022, the discount rate changed from 1.92% to 3.69%. This resulted in a decrease in the liability.

As of June 30, 2022, the mortality assumption was revised to better reflect future expectations. This resulted in an increase in the liability.

As of June 30, 2022, the annual rate of increase in healthcare costs was revised to better reflect future expectations. This resulted in an increase in the liability.

**Plan Assets.** No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

\*\*Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

Continued...

CITY OF SYRACUSE, NEW YORK

Schedule of Changes in Total OPEB Liability and Related Ratios (Unaudited)  
For the Year Ended June 30, 2022

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017**	2016**	2015**	2014**	2013**
<b>City School District:</b>										
<b>Total OPEB Liability</b>										
Service cost	\$ 12,988,416	\$ 8,283,401	\$ 7,790,200	\$ 19,345,430	\$ 19,103,347					
Interest	7,125,017	7,094,705	8,564,800	23,616,910	22,589,595					
Changes of benefit terms	(17,300,024)	8,631,106	-	-	-					
Differences between expected and actual experience	15,067,237	19,148,021	(389,052,209)	(2,242,757)	(314,221)					
Changes in assumptions	(47,231,871)	32,233,001	28,637,682	(19,845,230)	(5,655,185)					
Benefit payments	(13,678,239)	(13,617,053)	(12,918,652)	(17,693,310)	(18,514,661)					
<b>Total change in total OPEB liability</b>	<b>(43,029,464)</b>	<b>61,773,181</b>	<b>(356,978,179)</b>	<b>3,181,043</b>	<b>17,208,875</b>					
<b>Total OPEB liability - beginning</b>	<b>349,878,086</b>	<b>288,104,905</b>	<b>645,083,084</b>	<b>641,902,041</b>	<b>624,693,166</b>					
<b>Total OPEB liability - ending</b>	<b>\$ 306,848,622</b>	<b>\$ 349,878,086</b>	<b>\$ 288,104,905</b>	<b>\$ 645,083,084</b>	<b>\$ 641,902,041</b>					
<b>Covered-employee payroll</b>	<b>\$ 264,719,123</b>	<b>\$ 233,839,973</b>	<b>\$ 229,649,395</b>	<b>\$ 225,440,334</b>	<b>\$ 239,120,856</b>					
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>115.9%</b>	<b>149.6%</b>	<b>125.5%</b>	<b>286.1%</b>	<b>268.4%</b>					

Notes to schedule:

**Changes of assumptions.** Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

Discount rate	3.69%	1.92%	2.45%	3.13%	3.62%
---------------	-------	-------	-------	-------	-------

The actuarial cost method is Entry Age Normal.

As of June 30, 2022, the discount rate changed from 1.92% to 3.69%. This resulted in a decrease in the liability.

As of June 30, 2022, the mortality assumption was revised to better reflect future expectations. This resulted in an increase in the liability.

As of June 30, 2022, the annual rate of increase in healthcare costs was revised to better reflect future expectations. This resulted in an increase in the liability.

As of the June 30, 2022 measurement date, the turnover and retirement assumptions for New York State governmental employees participating in TRS were updated using information from the July 1, 2015 - June 30, 2020 experience study released by the Retirement System's Actuary. This resulted in an increase in the liability.

**Plan Assets.** No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

\*\*Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

Concluded.

**CITY OF SYRACUSE, NEW YORK**

**Schedule of Proportionate Share of Net Pension Liability (Asset) (Unaudited)  
For the Year Ended June 30, 2022**

**CITY SCHOOL DISTRICT:**

**NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Proportion of the net pension liability (asset)	0.1426346%	0.1508623%	0.1481789%	0.1517704%	0.1427046%	0.1376588%	0.1323220%	0.1295850%		
Proportionate share of the net pension liability (asset)	\$ (11,660)	\$ 150	\$ 39,239	\$ 10,753	\$ 4,606	\$ 12,935	\$ 21,238	\$ 4,378		
Covered-employee payroll	\$ 46,377	\$ 43,185	\$ 45,503	\$ 43,581	\$ 43,232	\$ 39,296	\$ 37,080	\$ 33,468		
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-25.14%	0.35%	86.23%	24.67%	10.65%	32.92%	57.28%	13.08%		
Plan fiduciary net position as a percentage of the total pension liability (asset)	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.90%		

**NEW YORK STATE TEACHER RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Proportion of the net pension liability (asset)	1.081102%	1.147097%	1.137809%	1.129355%	1.119303%	1.137868%	1.051631%	1.072093%		
Proportionate share of the net pension liability (asset)	\$ (187,345)	\$ 31,697	\$ (29,560)	\$ (20,422)	\$ (8,508)	\$ 12,187	\$ (109,231)	\$ (119,425)		
Covered-employee payroll	\$ 205,791	\$ 183,510	\$ 194,699	\$ 189,798	\$ 177,373	\$ 175,373	\$ 157,918	\$ 158,365		
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-91.04%	17.27%	-15.18%	-10.76%	-4.80%	6.95%	-69.17%	-75.41%		
Plan fiduciary net position as a percentage of the total pension liability (asset)	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%		

**CITY:**

**NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Proportion of the net pension liability (asset)	0.1284598%	0.1425586%	0.1459257%	0.1515259%	0.1498164%	0.1496258%	0.1546223%	0.1565137%		
Proportionate share of the net pension liability (asset)	\$ (10,501)	\$ 142	\$ 38,642	\$ 10,736	\$ 4,835	\$ 14,059	\$ 24,817	\$ 5,287		
Covered-employee payroll	\$ 37,920	\$ 37,537	\$ 41,924	\$ 41,494	\$ 42,076	\$ 43,056	\$ 42,286	\$ 41,497		
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-27.69%	0.38%	92.17%	11.49%	11.49%	32.65%	58.69%	12.74%		
Plan fiduciary net position as a percentage of the total pension liability (asset)	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.90%		

**NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Proportion of the net pension liability (asset)	1.8777079%	1.9581470%	2.0404490%	1.8935108%	2.074932%	2.073579%	2.134004%	2.004215%		
Proportionate share of the net pension liability (asset)	\$ 10,666	\$ 33,999	\$ 109,061	\$ 31,755	\$ 20,973	\$ 42,978	\$ 63,183	\$ 5,517		
Covered-employee payroll	\$ 80,741	\$ 69,464	\$ 71,697	\$ 75,566	\$ 71,067	\$ 72,008	\$ 73,152	\$ 68,523		
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	13.21%	48.94%	152.11%	42.02%	29.51%	59.69%	86.37%	8.05%		
Plan fiduciary net position as a percentage of the total pension liability (asset)	98.66%	95.79%	84.86%	95.09%	96.90%	93.50%	90.24%	99.00%		

**SURA:**

**NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Proportion of the net pension liability (asset)	0.0083605%	0.0099196%	0.0011720%	0.0129521%	0.0135654%	0.0131048%	0.0127652%	0.0152489%		
Proportionate share of the net pension liability (asset)	\$ (683)	\$ 10	\$ 3,104	\$ 918	\$ 438	\$ 1,231	\$ 2,049	\$ 515		
Covered-employee payroll	\$ 2,518	\$ 2,858	\$ 3,153	\$ 3,547	\$ 3,398	\$ 3,266	\$ 2,958	\$ 3,298		
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-27.14%	0.35%	98.44%	25.87%	12.89%	37.69%	69.27%	15.62%		
Plan fiduciary net position as a percentage of the total pension liability (asset)	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.90%		

\*\*Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

**CITY OF SYRACUSE, NEW YORK**

**Schedule of Contributions - Pension Plans (Unaudited)  
For the Year Ended June 30, 2022**

**CITY SCHOOL DISTRICT:**

**NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Contractually required contribution	\$ 6,406	\$ 6,148	\$ 5,898	\$ 5,984	\$ 5,650	\$ 5,409	\$ 5,656	\$ 5,817		
Contributions in relation to the contractually required contribution	6,406	6,148	5,898	5,984	5,650	5,409	5,656	5,817		
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Covered-employee payroll	\$ 46,377	\$ 43,185	\$ 45,503	\$ 43,581	\$ 43,232	\$ 39,296	\$ 37,080	\$ 33,468		
Contributions as a percentage of covered-employee payroll	13.81%	14.24%	12.96%	13.73%	13.07%	13.76%	15.25%	17.38%		

**NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Contractually required contribution	\$ 17,487	\$ 17,250	\$ 20,169	\$ 18,028	\$ 20,788	\$ 23,283	\$ 27,692	\$ 25,734		
Contributions in relation to the contractually required contribution	17,487	17,250	20,169	18,028	20,788	23,283	27,692	25,734		
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Covered-employee payroll	\$ 205,791	\$ 183,510	\$ 194,699	\$ 189,798	\$ 177,373	\$ 175,373	\$ 157,918	\$ 158,365		
Contributions as a percentage of covered-employee payroll	8.50%	9.40%	10.36%	9.50%	11.72%	13.28%	17.54%	16.25%		

**CITY:**

**NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Contractually required contribution	\$ 5,586	\$ 5,722	\$ 5,680	\$ 5,905	\$ 5,905	\$ 6,156	\$ 6,600	\$ 7,523		
Contributions in relation to the contractually required contribution	5,586	5,722	5,680	5,905	5,905	6,156	6,600	7,523		
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Covered-employee payroll	\$ 37,920	\$ 37,537	\$ 41,924	\$ 41,494	\$ 42,076	\$ 43,056	\$ 42,286	\$ 41,497		
Contributions as a percentage of covered-employee payroll	14.73%	15.24%	13.55%	14.23%	14.03%	14.30%	15.61%	18.13%		

**NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Contractually required contribution	\$ 20,377	\$ 18,038	\$ 18,764	\$ 17,400	\$ 18,377	\$ 18,918	\$ 17,767	\$ 17,777		
Contributions in relation to the contractually required contribution	20,377	18,038	18,764	17,400	18,377	18,918	17,767	17,777		
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Covered-employee payroll	\$ 80,741	\$ 69,464	\$ 71,697	\$ 75,566	\$ 71,067	\$ 72,008	\$ 73,152	\$ 68,523		
Contributions as a percentage of covered-employee payroll	25.24%	25.97%	26.17%	23.03%	25.86%	26.27%	24.29%	25.94%		

**SURA:**

**NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014**	2013**
Contractually required contribution	\$ 356	\$ 370	\$ 430	\$ 471	\$ 484	\$ 453	\$ 427	\$ 427		
Contributions in relation to the contractually required contribution	356	370	430	471	484	453	427	427		
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Covered-employee payroll	\$ 2,518	\$ 2,858	\$ 3,153	\$ 3,547	\$ 3,398	\$ 3,266	\$ 2,958	\$ 3,298		
Contributions as a percentage of covered-employee payroll	14.12%	12.95%	13.64%	13.28%	14.24%	13.87%	14.44%	12.95%		

\*\*Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

**CITY OF SYRACUSE, NEW YORK**

**Combining Balance Sheet - Nonmajor Governmental Funds  
June 30, 2022**

	Capital Projects (Combined)	Debt Service (Combined)	Permanent Funds (Combined)	Special Revenue (Combined)	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 2,202,895	\$ 2,202,895
Restricted cash and cash equivalents	20,558,594	11,534,355	27,043	7,285,323	39,405,315
Loans receivable	-	-	-	15,717,820	15,717,820
Accounts receivable	167,428	4,737,965	-	37,411	4,942,804
Other receivable	-	-	-	8,718	8,718
Taxes receivable, net	-	-	-	26,171	26,171
Due from other funds	9,671,056	965,164	-	3,837,899	14,474,119
Due from other governments	16,218,779	-	-	10,074,334	26,293,113
Inventory	-	-	-	950,423	950,423
Prepays and other assets	-	-	-	24,876	24,876
<b>Total assets</b>	<b>\$ 46,615,857</b>	<b>\$ 17,237,484</b>	<b>\$ 27,043</b>	<b>\$ 40,165,870</b>	<b>\$ 104,046,254</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>					
Liabilities:					
Accounts payable and accrued expenses	\$ 4,400,062	\$ -	\$ -	\$ 2,253,542	\$ 6,653,604
Due to other funds	524,900	-	-	8,308,415	8,833,315
Due to other governments	-	-	-	428,181	428,181
Unearned revenue	989,490	-	-	1,384,387	2,373,877
Loans payable	-	-	-	15,567,820	15,567,820
Other liabilities	-	-	-	25,693	25,693
<b>Total liabilities</b>	<b>5,914,452</b>	<b>-</b>	<b>-</b>	<b>27,968,038</b>	<b>33,882,490</b>
Deferred inflows of resources:					
Deferred inflows - unavailable revenue	-	4,737,965	-	172,373	4,910,338
Fund Balance:					
Nonspendable	-	-	10,000	960,502	970,502
Restricted	29,831,100	12,499,519	17,043	10,709,214	53,056,876
Committed	10,870,305	-	-	355,743	11,226,048
<b>Total fund balances</b>	<b>40,701,405</b>	<b>12,499,519</b>	<b>27,043</b>	<b>12,025,459</b>	<b>65,253,426</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 46,615,857</b>	<b>\$ 17,237,484</b>	<b>\$ 27,043</b>	<b>\$ 40,165,870</b>	<b>\$ 104,046,254</b>

CITY OF SYRACUSE, NEW YORK

Combining Statement of Revenues, Expenditures and Change in Fund Balances - Nonmajor Governmental Funds  
For the Year Ended June 30, 2022

	Capital Projects (Combined)	Debt Service (Combined)	Permanent Funds (Combined)	Special Revenue (Combined)	Total Nonmajor Governmental Funds
<b>REVENUES:</b>					
General property taxes and tax items	\$ -	\$ -	\$ -	\$ 2,963,755	\$ 2,963,755
Other local taxes	-	1,174,503	-	-	1,174,503
Use of money and property	17,883	11,167	3	64	29,117
Sale of property and compensation for loss	-	-	-	3,015	3,015
Federal and state aid and other grants	22,262,891	-	-	49,458,133	71,721,024
Surplus food	-	-	-	1,123,869	1,123,869
Sales-School Food Service Program	-	-	-	68,202	68,202
Other revenues	<u>773,178</u>	<u>-</u>	<u>-</u>	<u>737,372</u>	<u>1,510,550</u>
Total revenues	<u>23,053,952</u>	<u>1,185,670</u>	<u>3</u>	<u>54,354,410</u>	<u>78,594,035</u>
<b>EXPENDITURES:</b>					
General government support	-	-	-	5,058,224	5,058,224
Public safety	-	-	-	2,506,151	2,506,151
Transportation	-	-	-	2,443,193	2,443,193
Economic opportunity and development	-	-	-	821,279	821,279
Home and community services	-	-	-	24,454,491	24,454,491
Culture and recreation	-	-	-	376,961	376,961
Education	-	-	-	137,650	137,650
Principal debt payments	-	19,683,115	-	-	19,683,115
Interest on debt	-	4,943,108	-	-	4,943,108
Capital outlays	45,053,450	-	-	3,304,307	48,357,757
Food Service Program	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,982,101</u>	<u>14,982,101</u>
Total expenditures	<u>45,053,450</u>	<u>24,626,223</u>	<u>-</u>	<u>54,084,357</u>	<u>123,764,030</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(21,999,498)</u>	<u>(23,440,553)</u>	<u>3</u>	<u>270,053</u>	<u>(45,169,995)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Bond proceeds	17,035,867	-	-	3,631,578	20,667,445
Bond proceeds from refunding bonds	-	5,540,000	-	-	5,540,000
Premium on bonds	-	937,754	-	-	937,754
Premium on refunding bonds	-	669,731	-	-	669,731
Payments to escrow agent	-	(6,209,731)	-	-	(6,209,731)
Operating transfers in	5,041,379	24,678,391	-	-	29,719,770
Operating transfers out	<u>(947,418)</u>	<u>-</u>	<u>-</u>	<u>(863,518)</u>	<u>(1,810,936)</u>
Total other financing sources (uses)	<u>21,129,828</u>	<u>25,616,145</u>	<u>-</u>	<u>2,768,060</u>	<u>49,514,033</u>
CHANGE IN FUND BALANCES	(869,670)	2,175,592	3	3,038,113	4,344,038
FUND BALANCE - beginning of year	<u>41,571,075</u>	<u>10,323,927</u>	<u>27,040</u>	<u>8,987,346</u>	<u>60,909,388</u>
FUND BALANCE - end of year	<u>\$ 40,701,405</u>	<u>\$ 12,499,519</u>	<u>\$ 27,043</u>	<u>\$ 12,025,459</u>	<u>\$ 65,253,426</u>

**CITY OF SYRACUSE, NEW YORK**

**Combining Balance Sheet - Capital Projects Funds**

**June 30, 2022**

	City School District	City	Total Capital Projects Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Restricted cash and cash equivalents	-	20,558,594	20,558,594
Accounts receivable	-	167,428	167,428
Due from other funds	9,671,056	-	9,671,056
Due from other governments	569,946	15,648,833	16,218,779
	<u>569,946</u>	<u>15,648,833</u>	<u>16,218,779</u>
Total assets	<u>\$ 10,241,002</u>	<u>\$ 36,374,855</u>	<u>\$ 46,615,857</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities:			
Accounts payable and accrued expenses	\$ 968,496	\$ 3,431,566	\$ 4,400,062
Due to other funds	-	524,900	524,900
Unearned revenue	-	989,490	989,490
	<u>968,496</u>	<u>4,945,956</u>	<u>5,914,452</u>
Total liabilities	<u>968,496</u>	<u>4,945,956</u>	<u>5,914,452</u>
Fund Balance:			
Restricted	9,272,506	20,558,594	29,831,100
Committed	-	10,870,305	10,870,305
	<u>9,272,506</u>	<u>31,428,899</u>	<u>40,701,405</u>
Total fund balance	<u>9,272,506</u>	<u>31,428,899</u>	<u>40,701,405</u>
Total liabilities and fund balance	<u>\$ 10,241,002</u>	<u>\$ 36,374,855</u>	<u>\$ 46,615,857</u>



CITY OF SYRACUSE, NEW YORK

Combining Statement of Revenues, Expenditures and Change in Fund Balances - Capital Projects Funds  
For the Year Ended June 30, 2022

	City School District	City	Total Capital Projects Funds
REVENUES:			
Use of money and property	\$ -	\$ 17,883	\$ 17,883
Federal and state aid and other grants	338,881	21,924,010	22,262,891
Other revenues	<u>-</u>	<u>773,178</u>	<u>773,178</u>
Total revenues	<u>338,881</u>	<u>22,715,071</u>	<u>23,053,952</u>
EXPENDITURES:			
Capital outlays	<u>2,965,352</u>	<u>42,088,098</u>	<u>45,053,450</u>
Total expenditures	<u>2,965,352</u>	<u>42,088,098</u>	<u>45,053,450</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(2,626,471)</u>	<u>(19,373,027)</u>	<u>(21,999,498)</u>
OTHER FINANCING SOURCES (USES):			
Bond proceeds	-	17,035,867	17,035,867
Operating transfers in	13,800	5,027,579	5,041,379
Operating transfers out	<u>-</u>	<u>(947,418)</u>	<u>(947,418)</u>
Total other financing sources - net	<u>13,800</u>	<u>21,116,028</u>	<u>21,129,828</u>
CHANGE IN FUND BALANCE	(2,612,671)	1,743,001	(869,670)
FUND BALANCE - beginning of year	<u>11,885,177</u>	<u>29,685,898</u>	<u>41,571,075</u>
FUND BALANCE - end of year	<u>\$ 9,272,506</u>	<u>\$ 31,428,899</u>	<u>\$ 40,701,405</u>

**CITY OF SYRACUSE, NEW YORK**

**Combining Balance Sheet - Debt Service Funds  
June 30, 2022**

	City School District	City	Total Debt Service Funds
<b>ASSETS</b>			
Restricted cash and cash equivalents	\$ -	\$ 11,534,355	\$ 11,534,355
Due from other funds	965,164	-	965,164
Accounts receivable	-	4,737,965	4,737,965
	<u>965,164</u>	<u>16,272,320</u>	<u>17,237,484</u>
Total assets	<u>\$ 965,164</u>	<u>\$ 16,272,320</u>	<u>\$ 17,237,484</u>
<b>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Deferred inflows of resources:			
Deferred inflows - unavailable revenue	\$ -	\$ 4,737,965	\$ 4,737,965
Fund Balance:			
Restricted	<u>965,164</u>	<u>11,534,355</u>	<u>12,499,519</u>
Total deferred inflows of resources and fund balance	<u>\$ 965,164</u>	<u>\$ 16,272,320</u>	<u>\$ 17,237,484</u>

**CITY OF SYRACUSE, NEW YORK**

**Combining Statement of Revenues, Expenditures and Change in  
Fund Balances - Debt Service Funds  
For the Year Ended June 30, 2022**

	City School District	City	Total Debt Service Funds
<b>REVENUES:</b>			
Other local taxes	\$ -	\$ 1,174,503	\$ 1,174,503
Use of money and property	<u>-</u>	<u>11,167</u>	<u>11,167</u>
Total revenues	<u>-</u>	<u>1,185,670</u>	<u>1,185,670</u>
<b>EXPENDITURES:</b>			
Principal debt payments	4,092,000	15,591,115	19,683,115
Interest on debt	<u>798,922</u>	<u>4,144,186</u>	<u>4,943,108</u>
Total expenditures	<u>4,890,922</u>	<u>19,735,301</u>	<u>24,626,223</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(4,890,922)</u>	<u>(18,549,631)</u>	<u>(23,440,553)</u>
<b>OTHER FINANCING SOURCES:</b>			
Bond proceeds from refunding bonds	92,000	5,448,000	5,540,000
Premium on bonds	-	937,754	937,754
Premium on refunding bonds	-	669,731	669,731
Payments to escrow agent	(92,000)	(6,117,731)	(6,209,731)
Operating transfers in	<u>4,890,922</u>	<u>19,787,469</u>	<u>24,678,391</u>
Total other financing sources	<u>4,890,922</u>	<u>20,725,223</u>	<u>25,616,145</u>
CHANGE IN FUND BALANCE	-	2,175,592	2,175,592
FUND BALANCE - beginning of year	<u>965,164</u>	<u>9,358,763</u>	<u>10,323,927</u>
FUND BALANCE - end of year	<u>\$ 965,164</u>	<u>\$ 11,534,355</u>	<u>\$ 12,499,519</u>

**CITY OF SYRACUSE, NEW YORK**

**Combining Balance Sheet - Permanent Funds  
June 30, 2022**

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	<u>City School District</u>	<u>City</u>	<u>Total Permanent Funds</u>
<b>ASSETS</b>			
Restricted cash and cash equivalents	\$ 17,043	\$ 10,000	\$ 27,043
Total assets	<u>\$ 17,043</u>	<u>\$ 10,000</u>	<u>\$ 27,043</u>
<b>FUND BALANCE</b>			
Nonspendable	\$ -	\$ 10,000	\$ 10,000
Restricted	<u>17,043</u>	<u>-</u>	<u>17,043</u>
Total fund balances	<u>\$ 17,043</u>	<u>\$ 10,000</u>	<u>\$ 27,043</u>

**CITY OF SYRACUSE, NEW YORK**

**Combining Statement of Revenues, Expenditures and Change in Fund Balances - Permanent Funds  
For the Year Ended June 30, 2022**

	City School District	City	Total Permanent Funds
REVENUES:			
Use of money and property	\$ 3	\$ -	\$ 3
Total revenues	<u>3</u>	<u>-</u>	<u>3</u>
EXPENDITURES:			
General government support	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCE	3	-	3
FUND BALANCE - beginning of year	<u>17,040</u>	<u>10,000</u>	<u>27,040</u>
FUND BALANCE - end of year	<u>\$ 17,043</u>	<u>\$ 10,000</u>	<u>\$ 27,043</u>

CITY OF SYRACUSE, NEW YORK

Combining Balance Sheet - Special Revenue Funds  
June 30, 2022

	Neighborhood & Business Development	Special Grants	Special Assessment Districts	Oil & Flushing	Sidewalk	Syracuse Urban Renewal	School Food Service	Miscellaneous Special Revenue	Miscellaneous Trusts (Combined)	Total Special Revenue Funds
<b>ASSETS</b>										
Cash and cash equivalents	\$ -	\$ -	\$ 396,485	\$ -	\$ -	\$ 1,806,410	\$ -	\$ -	\$ -	\$ 2,202,895
Restricted cash and cash equivalents	1,710,706	596,120	-	192,835	3,000,000	19,104	-	136,692	1,629,866	7,285,323
Loans receivable	15,567,820	-	-	-	-	150,000	-	-	-	15,717,820
Accounts receivable	1,282	35,669	460	-	-	-	-	-	-	37,411
Other receivable	-	-	-	-	-	-	6,304	2,414	-	8,718
Taxes receivable, net	-	-	26,171	-	-	-	-	-	-	26,171
Due from other funds	-	-	-	-	-	1,340,674	2,497,225	-	-	3,837,899
Due from other governments	965,862	4,646,729	-	-	-	127,384	4,334,359	-	-	10,074,334
Inventory	-	-	-	-	-	-	950,423	-	-	950,423
Prepays and other assets	-	-	-	-	-	14,797	10,079	-	-	24,876
<b>Total assets</b>	<b>\$ 18,245,670</b>	<b>\$ 5,278,518</b>	<b>\$ 423,116</b>	<b>\$ 192,835</b>	<b>\$ 3,000,000</b>	<b>\$ 3,458,369</b>	<b>\$ 7,798,390</b>	<b>\$ 139,106</b>	<b>\$ 1,629,866</b>	<b>\$ 40,165,870</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>										
Liabilities:										
Accounts payable and accrued expenses	\$ 904,066	\$ 326,843	\$ 45,000	\$ 31,410	\$ -	\$ 7,132	\$ 867,381	\$ 1,526	\$ 70,184	\$ 2,253,542
Due to other funds	914,102	4,366,307	-	-	-	3,028,006	-	-	-	8,308,415
Due to other governments	54,074	-	-	-	-	-	374,107	-	-	428,181
Unearned revenue	779,915	585,368	-	-	-	19,104	-	-	-	1,384,387
Loans payable	15,567,820	-	-	-	-	-	-	-	-	15,567,820
Other liabilities	25,693	-	-	-	-	-	-	-	-	25,693
<b>Total liabilities</b>	<b>18,245,670</b>	<b>5,278,518</b>	<b>45,000</b>	<b>31,410</b>	<b>-</b>	<b>3,054,242</b>	<b>1,241,488</b>	<b>1,526</b>	<b>70,184</b>	<b>27,968,038</b>
Deferred inflows of resources:										
Deferred inflows - unavailable Revenue	-	-	22,373	-	-	150,000	-	-	-	172,373
Fund Balance:										
Nonspendable	-	-	-	-	-	-	960,502	-	-	960,502
Restricted	-	-	-	161,425	3,000,000	254,127	5,596,400	137,580	1,559,682	10,709,214
Committed	-	-	355,743	-	-	-	-	-	-	355,743
<b>Total fund balance</b>	<b>-</b>	<b>-</b>	<b>355,743</b>	<b>161,425</b>	<b>3,000,000</b>	<b>254,127</b>	<b>6,556,902</b>	<b>137,580</b>	<b>1,559,682</b>	<b>12,025,459</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 18,245,670</b>	<b>\$ 5,278,518</b>	<b>\$ 423,116</b>	<b>\$ 192,835</b>	<b>\$ 3,000,000</b>	<b>\$ 3,458,369</b>	<b>\$ 7,798,390</b>	<b>\$ 139,106</b>	<b>\$ 1,629,866</b>	<b>\$ 40,165,870</b>

**CITY OF SYRACUSE, NEW YORK**

**Combining Statement of Revenues, Expenditures and Change in Fund Balances - Special Revenue Funds  
For the Year Ended June 30, 2022**

	Neighborhood & Business Development	Special Grants	Special Assessment Districts	Oil & Flushing	Sidewalk	Syracuse Urban Renewal	School Food Service	Miscellaneous Special Revenue	Miscellaneous Trusts (Combined)	Total Special Revenue Funds
<b>REVENUES:</b>										
General property taxes and tax items	\$ -	\$ -	\$ 1,059,098	\$ 1,904,657	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,963,755
Use of money and property	-	-	-	-	-	-	1	-	63	64
Sale of property and compensation for loss	-	-	-	-	-	-	3,015	-	-	3,015
Federal and state aid and other grants	10,655,859	20,960,406	-	-	3,304,307	-	14,537,561	-	-	49,458,133
Surplus food	-	-	-	-	-	-	1,123,869	-	-	1,123,869
Sales-School Food Service Program	-	-	-	-	-	-	68,202	-	-	68,202
Other revenues	2,050	-	-	-	-	276,906	-	142,950	315,466	737,372
<b>Total revenues</b>	<b>10,657,909</b>	<b>20,960,406</b>	<b>1,059,098</b>	<b>1,904,657</b>	<b>3,304,307</b>	<b>276,906</b>	<b>15,732,648</b>	<b>142,950</b>	<b>315,529</b>	<b>54,354,410</b>
<b>EXPENDITURES:</b>										
General government support	-	3,923,386	1,134,838	-	-	-	-	-	-	5,058,224
Public safety	-	2,329,087	-	-	-	-	-	-	177,064	2,506,151
Transportation	-	-	-	2,443,193	-	-	-	-	-	2,443,193
Economic opportunity and development	-	534,390	-	-	-	286,889	-	-	-	821,279
Home and community services	10,657,909	13,796,582	-	-	-	-	-	-	-	24,454,491
Culture and recreation	-	376,961	-	-	-	-	-	-	-	376,961
Education	-	-	-	-	-	-	-	137,650	-	137,650
Capital outlays	-	-	-	-	3,304,307	-	-	-	-	3,304,307
Food Service Program	-	-	-	-	-	-	14,982,101	-	-	14,982,101
<b>Total expenditures</b>	<b>10,657,909</b>	<b>20,960,406</b>	<b>1,134,838</b>	<b>2,443,193</b>	<b>3,304,307</b>	<b>286,889</b>	<b>14,982,101</b>	<b>137,650</b>	<b>177,064</b>	<b>54,084,357</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(75,740)</b>	<b>(538,536)</b>	<b>-</b>	<b>(9,983)</b>	<b>750,547</b>	<b>5,300</b>	<b>138,465</b>	<b>270,053</b>
<b>OTHER FINANCING SOURCES (USES):</b>										
Bond proceeds	-	-	-	631,578	3,000,000	-	-	-	-	3,631,578
Operating transfers out	-	-	-	(112,971)	-	-	(750,547)	-	-	(863,518)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>518,607</b>	<b>3,000,000</b>	<b>-</b>	<b>(750,547)</b>	<b>-</b>	<b>-</b>	<b>2,768,060</b>
<b>CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>(75,740)</b>	<b>(19,929)</b>	<b>3,000,000</b>	<b>(9,983)</b>	<b>-</b>	<b>5,300</b>	<b>138,465</b>	<b>3,038,113</b>
<b>FUND BALANCE - beginning of year</b>	<b>-</b>	<b>-</b>	<b>431,483</b>	<b>181,354</b>	<b>-</b>	<b>264,110</b>	<b>6,556,902</b>	<b>132,280</b>	<b>1,421,217</b>	<b>8,987,346</b>
<b>FUND BALANCE - end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 355,743</b>	<b>\$ 161,425</b>	<b>\$ 3,000,000</b>	<b>\$ 254,127</b>	<b>\$ 6,556,902</b>	<b>\$ 137,580</b>	<b>\$ 1,559,682</b>	<b>\$ 12,025,459</b>

**CITY OF SYRACUSE, NEW YORK**

**Combining Balance Sheet - Miscellaneous Trust Funds**

**June 30, 2022**

	Police Trust	Parks Trusts	Fire Trust	General Government Trusts	Francis Hendricks	Police State Seizures	Police Federal Seizures	Total Miscellaneous Trust Funds
<b>ASSETS</b>								
Restricted cash and cash equivalents	\$ 190,459	\$ 213,523	\$ 136,718	\$ 70,316	\$ 577	\$ 228,208	\$ 790,065	\$ 1,629,866
Total assets	<u>\$ 190,459</u>	<u>\$ 213,523</u>	<u>\$ 136,718</u>	<u>\$ 70,316</u>	<u>\$ 577</u>	<u>\$ 228,208</u>	<u>\$ 790,065</u>	<u>\$ 1,629,866</u>
<b>LIABILITIES AND FUND BALANCE</b>								
Liabilities:								
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,184	\$ 70,184
Total liabilities	-	-	-	-	-	-	70,184	70,184
Fund Balance:								
Restricted	190,459	213,523	136,718	70,316	577	228,208	719,881	1,559,682
Total liabilities and fund balance	<u>\$ 190,459</u>	<u>\$ 213,523</u>	<u>\$ 136,718</u>	<u>\$ 70,316</u>	<u>\$ 577</u>	<u>\$ 228,208</u>	<u>\$ 790,065</u>	<u>\$ 1,629,866</u>



**CITY OF SYRACUSE, NEW YORK**

**Combining Statement of Revenues, Expenditures and Change in Fund Balances - Miscellaneous Trust Funds  
For the Year Ended June 30, 2022**

	Police Trust	Parks Trusts	Fire Trust	General Government Trusts	Francis Hendricks	Police State Seizures	Police Federal Seizures	Total Miscellaneous Trust Funds
<b>REVENUES:</b>								
Use of money and property	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 21	\$ 41	\$ 63
Other revenues	23,423	124,500	-	-	-	61,391	106,152	315,466
Total revenues	23,423	124,500	-	-	1	61,412	106,193	315,529
<b>EXPENDITURES:</b>								
Public safety	84,082	-	-	-	-	15,298	77,684	177,064
Culture and recreation	-	-	-	-	-	-	-	-
Total expenditures	84,082	-	-	-	-	15,298	77,684	177,064
CHANGE IN FUND BALANCE	(60,659)	124,500	-	-	1	46,114	28,509	138,465
FUND BALANCE - beginning of year	251,118	89,023	136,718	70,316	576	182,094	691,372	1,421,217
FUND BALANCE - end of year	\$ 190,459	\$ 213,523	\$ 136,718	\$ 70,316	\$ 577	\$ 228,208	\$ 719,881	\$ 1,559,682

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

March 24, 2023

To the Honorable Mayor, Ben Walsh  
and the Members of the Common Council:

We have audited, in accordance with the 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Syracuse, New York as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Syracuse, New York's basic financial statements, and have issued our report thereon dated March 24, 2023. Our report includes a reference to other auditors who audited the financial statements of Syracuse Industrial Development Agency, Syracuse Economic Development Corporation and Syracuse Regional Airport Authority, which are discretely presented component units. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. This report also does not include the results of City School District of Syracuse, New York's, Greater Syracuse Property Development Corporation's, or Syracuse Urban Renewal Agency's testing of internal control over financial reporting or compliance and other matters that are reported on in separate reports.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Syracuse, New York'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Syracuse, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Syracuse, New York's internal control.

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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material weakness.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Syracuse, New York’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**City of Syracuse, New York’s Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City’s response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The City’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

March 24, 2023

To the Honorable Mayor, Ben Walsh  
and the Members of the Common Council:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

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

In our opinion, the City of Syracuse, New York complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

The City of Syracuse, New York's financial statements include the operations of Syracuse Industrial Development Agency, Syracuse Economic Development Corporation, Syracuse Urban Renewal Agency, Greater Syracuse Property Development Corporation, City School District of Syracuse, New York, and Syracuse Regional Airport Authority whose federal awards are not included in the schedule of expenditures of federal awards for the year ended June 30, 2022. Our audit, described below, did not include the federal awards of the above entities as these entities conducted separate audits in accordance with the Uniform Guidance, if applicable.

***Basis for Opinion on Each Major Federal Program***

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

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

We are required to be independent of the City of Syracuse, New York 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 City of Syracuse, New York's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Syracuse, New York's federal programs.

### ***Auditor's Responsibilities for the Audit 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 City of Syracuse, New York's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Syracuse, New York's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Syracuse, New York'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 City of Syracuse, New York'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 City of Syracuse, New York's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

### **Report on Internal Control Over Compliance**

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

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

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

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

**CITY OF SYRACUSE, NEW YORK**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2022**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing</u>	<u>Grant Identifying Number</u>	<u>Agency or Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
<b>U.S. Department of Housing and Urban Development</b>					
Direct:					
Community Development Block Grants/Entitlement Grants:					
	14.218	B-16-MC-36-0108	N/A	\$ 108,356	
	14.218	B-17-MC-36-0108	N/A	1,644	
	14.218	B-18-MC-36-0108	N/A	63,529	
	14.218	B-19-MC-36-0108	N/A	838	
	14.218	B-20-MC-36-0108	N/A	652,487	
	14.218	B-21-MC-36-0108	N/A	4,225,173	
COVID-19: Community Development Block Grants	14.218	COVID-19 - B-20-MW-36-0108	N/A	<u>1,445,632</u>	
Total Community Development Block Grants/Entitlement Grants				<u>6,497,659</u>	<u>4,892,395</u>
Emergency Solutions Grant Program:					
	14.231	E-20-MC-36-0108	N/A	449,103	
COVID-19: Emergency Solutions Grant Program	14.231	COVID-19 - E-20-MW-36-0108	N/A	<u>1,634,001</u>	
Total Emergency Solutions Grant Program				<u>2,083,104</u>	<u>1,780,138</u>
Lead-Based Paint Hazard Control in Privately-Owned Housing:					
	14.900	NYLHB0695-18	N/A	<u>500,764</u>	
Home Investment Partnerships Program:					
	14.239	M-16-MC-360505	N/A	75,000	
	14.239	M-18-MC-360505	N/A	70,000	
	14.239	M-20-MC-360505	N/A	1,189,037	
	14.239	M-21-MC-360505	N/A	<u>242,345</u>	
Total Home Investment Partnerships Program				<u>1,576,382</u>	<u>1,513,231</u>
<b>Total U.S. Department of Housing and Urban Development</b>				<u>10,657,909</u>	
<b>U.S. Department of Justice</b>					
Direct:					
17/20 Strategies for Policing	16.738	2017-DJ-BX-0274	N/A	<u>68,294</u>	
COVID-19: Coronavirus ESF	16.034	2020-VD-BX-1494	N/A	<u>251,304</u>	
<b>Total U.S. Department of Justice</b>				<u>319,598</u>	

The accompanying notes are an integral part of these statements.

**CITY OF SYRACUSE, NEW YORK**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2022**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing</u>	<u>Grant Identifying Number</u>	<u>Agency or Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
<b>U.S. Department of Transportation</b>					
Passed-through NYS Department of Transportation:					
Highway Planning and Construction Cluster:					
Traffic Control Center Ops	20.205	375684	1000002582	400,176	
N, S, E, W Interconnect	20.205	375479	1000002582	73,474	
Downtown Mill & Pave (South Salina Street)	20.205	375606	1000002582	2,643,302	
Downtown Mill & Pave	20.205	375625	1000002582	3,174,189	
Creekwalk Phase II	20.205	375514	1000002582	41,760	
Teall Avenue Resurfacing	20.205	375586	1000002582	592	
City Element Spec Bridge Repairs	20.205	375519	1000002582	186	
Hiawatha Boulevard Bridge Sidewalk	20.205	375584	1000002582	2,094	
17/18 Solar St/Hiawatha Blvd Improvement	20.205	375626	1000002582	1,234,541	
Onondaga Street over Onondaga Creek	20.205	375639	1000002582	1,287	
Connective Corridor - University Avenue Recon	20.205	375634	1000002582	465	
20/21 E. Colvin St. Paving TIP #	20.205	375682	1000002582	244,913	
19/20 PSAP Project	20.205	375649	1000002582	83,191	
18/19 W. Colvin St. Bridge Rehab	20.205	375657	1000002582	475,978	
19/20 E. Brighton Avenue Bridge	20.205	375651	1000002582	640,544	
19/20 W. Genesee Street Road Improvement	20.205	375624	1000002582	247,824	
Creekwalk Maint. Bridge/Creekwalk Improve	20.205	395074	1000002582	<u>105,301</u>	
Total Highway Planning and Construction Cluster				<u>9,369,817</u>	
<b>Total U.S. Department of Transportation</b>				<u>9,369,817</u>	

The accompanying notes are an integral part of these statements.



CITY OF SYRACUSE, NEW YORK

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing	Grant Identifying Number	Agency or Pass-Through Number	Federal Expenditures	Provided to Subrecipients
<b>U.S. Department of the Interior</b>					
Direct:					
Natural Resource Damage Assessment and Restoration:					
Creekwalk Riparian	15.658	F20AC00292	N/A	95,202	
20/21 OnCreek Kay/Canoe Launch	15.568	F20AC10336-00	N/A	38,372	
Total Natural Resource Damage Assessment and Restoration				<u>133,574</u>	
Passed-through NYS Office of Parks, Recreation and Historic Preservation:					
Comp Reconnaissance Svy Phas 3	15.904	PRK01-T62007GG-1290000	N/A	10,038	
<b>Total U.S. Department of the Interior</b>				<u>143,612</u>	
<b>U.S. Department of Homeland Security</b>					
Direct:					
Assistance to Firefighters Grant:					
FEMA, AFG 2019	97.044	EMW-2019-FG-03281	N/A	149,934	
FEMA, AFG 2020	97.044	EMW-2020-FG-11522	N/A	70,808	
COVID-19: FY20 AFG-S	97.044	EMW-2020-FG-00787	N/A	10,569	
Total Assistance to Firefighters Grant				<u>231,311</u>	
FEMA, 2020 SAFER Program	97.083	EMW-2020-FF-00730	N/A	356,850	
Passed-through NYS Office of Homeland Security:					
Homeland Security Grant Program:					
SHSP 2018	97.067	WM2018 SHSP	N/A	3,215	
SHSP 2020	97.067	WM20152900	N/A	22,674	
2021 Homeland Security (SHSP)	97.067	WM21152910	N/A	97,524	
DHES FY2019 Critical Infrastr	97.067	WM19834591	N/A	47,226	
2018/21Bomb Squad Grant	97.067	BS18-1011-D00	N/A	20,595	
2017-20 Bomb Squad Grant	97.067	WM15176551	N/A	2,325	
FY18 Critical Infrastructure	97.067	WM18152988	N/A	25,000	
DHSES FY2019 BOMB SQUAD	97.067	WM19152990	N/A	56,167	
Total Homeland Security Grant Program				<u>274,726</u>	
<b>Total U.S. Department of Homeland Security</b>				<u>862,887</u>	
<b>U.S. Department of Treasury</b>					
Direct:					
COVID-19: Coronavirus State and Local Fiscal Recovery Fund	21.027	ARPA	N/A	44,779,361	
<b>Total U.S. Department of Treasury</b>				<u>44,779,361</u>	
<b>Total Expenditures of Federal Awards</b>				<u>\$ 66,133,184</u>	

The accompanying notes are an integral part of these statements.

## **CITY OF SYRACUSE, NEW YORK**

### **Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2022**

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#### **1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards presents the activity of federal financial assistance programs administered by the City of Syracuse, New York, an entity as defined in the basic financial statements. Federal awards that are included in this schedule may be received from federal agencies, as well as federal awards that are passed through from other governmental agencies. Expenditures reported on the schedule of expenditures of federal awards are reported on the modified accrual basis of accounting. The information in this schedule is presented in accordance with requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

#### **2. MATCHING COSTS**

Matching costs (the City's or New York State's share of certain program costs) are not included in the reported expenditures.

#### **3. INDIRECT COSTS**

Indirect costs may be included in the reported expenditures, to the extent they are included in the federal financial reports used as the source for the data presented. The City did not elect to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

#### **4. CITY SCHOOL DISTRICT OF SYRACUSE, NEW YORK**

The City School District of Syracuse, New York is a component unit of the City of Syracuse, New York. Financial assistance relating to the District is not included in the schedule of expenditures of federal awards; however, a separate single audit report contains the required reports and schedules.

**CITY OF SYRACUSE, NEW YORK**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2022**

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**Part I Summary of Auditor's Results**

**Financial Statements**

Type of independent auditor's report issued on whether the financial statements were prepared in accordance with GAAP: **Unmodified**

Internal control over financial reporting:

    Material weakness(es) identified?  Yes  No

    Significant deficiencies identified?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  None reported

**Federal Awards**

Internal control over major programs:

    Material weakness(es) identified?  Yes  No

    Significant deficiencies identified?  Yes  None reported

Type of auditor's report issued on compliance for major programs: **Unmodified**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)  Yes  No

Identification of major programs:

<u>AL Number</u>	<u>Program Title</u>
14.231	Emergency Solutions Grants Program
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: **\$ 1,983,996**

The City was not considered a low-risk auditee for the year ended June 30, 2022.

**CITY OF SYRACUSE, NEW YORK**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2022**

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**Part II Financial Statement Findings**

**Reference Number: 2022-001**

**Financial Reporting**

**Criteria:**

Internal controls over financial reporting should be properly designed, implemented and monitored to ensure all material transactions are recorded in accordance with generally accepted accounting principles.

**Cause/Condition:**

The City did not have a sufficient process in place to accurately record necessary year-end adjustments as part of its financial close process. This includes such transactions as accrued payroll, accounts payable, balances related to pensions, recording and amortization of deferred balances from refundings and bond premiums, recording adjustments to construction in progress, adjusting estimates of allowances for uncollectible receivables, and matching grant revenues to reimbursable expenditures.

**Effect:**

Misstatements were identified and corrected as part of the audit. Totals of corrected misstatements in each opinion unit are summarized as follows:

<b>Opinion Unit:</b>	<b>Increase / (Decrease)</b>				
	<b>Assets</b>	<b>Deferred Outflows</b>	<b>Liabilities</b>	<b>Revenues</b>	<b>Expenses/ Expenditures</b>
Governmental Activities	\$ 2,756,964	\$ 914,342	\$ 2,119,111	\$ 1,748,693	\$ 196,498
Business-Type Activities	642,790	71,571	(9,291)	(195,207)	(918,859)
Water Fund	1,058,178	71,571	(9,291)	42,645	(1,096,395)
Sewer Fund	(415,388)	-	-	(237,852)	177,536
General Fund	-	-	448,130	-	448,130
Aggregate Remaining Fund Information	2,075,473	914,342	1,670,981	1,748,693	429,859

**Recommendation:**

The City should ensure processes and resources are in place to allow for a timely and accurate financial close process and proper recording of transactions and adjustments at year end.

**Response:**

The City is in the process of filling multiple key vacancies in the accounting department which will allow us to return to a more robust reporting schedule so that all entries can be made in a timely manner in accordance with Generally Accepted Accounting Principles.

**Part III Federal Award Findings and Questioned Costs**

There were no federal award findings or questioned costs that were required to be reported under the Uniform Guidance.