

CITY OF SYRACUSE, NEW YORK

**Financial Statements as of
June 30, 2021**

**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

December 23, 2021

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

Report on the Financial Statements

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 (nonmajor funds and fiduciary funds) of the City of Syracuse, New York (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor’s Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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, 95% of the net position and 93% of the revenues of the aggregate discretely presented component units. 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. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 (nonmajor funds and fiduciary funds) of the City of Syracuse, New York, as of June 30, 2021, 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.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 13 to the financial statements, in the fiscal year ended June 30, 2021, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Other Matters

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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Syracuse, New York's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above and the reports of the other auditors, the combining fund financial statements and 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 December 23, 2021, 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, 2021

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, 2021.

Please read it in conjunction with the City's basic financial statements, including the notes to the financial statements, which begin on page 31. 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 \$2,760,925 exceeded total assets and deferred outflows of \$2,123,788 resulting in a deficit of \$637,137 (total net position).
- Total net position at June 30, 2021 consisted of a negative unrestricted deficit of \$1,350,670 which is partially offset by positive net position balances of \$582,393 of net investment in capital assets and \$131,140 of restricted net position.
- Total general and program revenues for the fiscal year ended June 30, 2021 were \$848,634 compared to total expenses of \$673,979 resulting in an increase to total net position of \$174,655 as a result of this year's operations.
- For fiscal year 2021, total revenues and expenses for governmental activities were \$819,773 and \$656,380, respectively. For the same period, total revenue and expenses for business-type activities were \$28,861 and \$17,599, respectively.
- General Fund's revenues (including operating transfers in and other financing sources) were \$267,015 for the fiscal year while General Fund expenditures (including operating transfer out) were \$226,986 causing an increase of \$40,029 in the General Fund's fund balance.
- The total fund balance for the General Fund at June 30, 2021 is \$82,138. Of that total, \$81,623 is unassigned. The unassigned fund balance of the General Fund as a percentage of total General Fund 2021 expenditures (including operating transfer out) is 36.0%.

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 17 and 18 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 19. 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.

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

CITY OF SYRACUSE, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

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 19 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, 2021

- *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 27 and 28.

Government-wide Analysis

The City's total net position increased from a deficit balance of \$811,959 at June 30, 2020 to a deficit \$637,137 at June 30, 2021. 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	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 641,476	\$ 515,302	\$ 20,594	\$ 19,449	\$ 662,070	\$ 534,751
Capital assets	947,955	849,506	115,743	112,404	1,063,698	961,909
Total assets	1,589,431	1,364,808	136,337	131,853	1,725,768	1,496,661
Total deferred outflows of resources	389,499	271,940	8,521	6,372	398,020	278,312
Total bonds payable	535,308	533,523	55,836	55,948	591,144	589,471
Other long-term liabilities	927,915	979,345	32,224	38,780	960,139	1,018,125
Other liabilities	336,647	164,778	4,084	1,660	340,731	166,438
Total liabilities	1,799,870	1,677,645	92,144	96,389	1,892,014	1,774,034
Total deferred inflows of resources	836,423	782,851	32,488	30,047	868,911	812,898
Net invested in capital assets	522,486	483,443	59,907	56,456	582,393	539,898
Restricted	130,666	180,627	474	474	131,140	181,102
Unrestricted (deficit)	(1,310,515)	(1,487,818)	(40,155)	(45,141)	(1,350,670)	(1,532,958)
Total net position	\$ (657,363)	\$ (823,748)	\$ 20,226	\$ 11,789	\$ (637,137)	\$ (811,959)

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, 2021, this balance was \$582,393 versus \$539,898 at June 30, 2020. 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 \$131,140 at June 30, 2021, 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, 2021 was a deficit of \$1,350,670, versus a deficit at June 30, 2020 of \$1,532,958.

CITY OF SYRACUSE, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

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, 2021 was \$823,125 and related deferred inflows of resources and deferred outflows of resources were \$642,560 and \$126,888, respectively.

Governmental Activities

Total net position of the City's governmental activities increased from a deficit balance of \$823,748 at June 30, 2020 to a deficit balance of \$657,363 at June 30, 2021, an increase of \$166,385. Unrestricted net position increased \$177,303 from a deficit of \$1,487,818 at prior fiscal year-end compared to a deficit of \$1,310,515 at current fiscal year-end.

Business-Type Activities

In fiscal year 2021, total net position of City's business-type activities increased by \$8,437 with \$4,986 of that increase in unrestricted net position. Total net position increased to \$20,226 at June 30, 2021 compared to \$11,789 at prior year-end while the unrestricted deficit balance for business-type activities increased to a deficit balance of \$40,155 from a deficit balance of \$45,141 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 18. 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 \$848,634 which was an increase of \$45,647, or 5.7%, compared to prior year total revenues of \$802,987. The primary program and general revenue increases, compared to prior year revenue balances, that contributed to this increase were:

- \$17,717, or 4.1%, in Unallocated state aid
- \$14,783, or 17.2%, in Sales and use taxes
- \$14,724, or 837.6%, in Unallocated federal aid
- \$7,004, or 50.9%, in Capital grants and contributions

These revenue increases were partially offset by a decrease in Fees, fines and charges of \$7,888, or 13.7%, compared to prior year. Small year over year differences in the remaining general and program revenues comprise the remaining decrease of \$694 in the current year.

For the current year, total expenses were \$673,979 which was a decrease of \$56,610, or 7.7%, compared to prior year total expenses of \$730,589. The primary program expense decreases, compared to prior year expense balances, that contributed to this decrease were:

- \$31,318, or 19.5%, in Public safety
- \$14,083, or 74.7%, in General government support
- \$10,424, or 28.9%, in Home and community services

CITY OF SYRACUSE, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

- \$7,313, or 32.1%, in Transportation
- \$4,400, or 1.0%, in Education

These expenses were offset by an increase of Economic opportunity and development of \$16,826, or 1,938.5%. Year over year decreases in the remaining program expenses comprise the remaining decrease of \$5,898 in the current year.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenue:						
Program Revenues:						
Fees, fines, and charges	\$ 21,292	\$ 29,213	\$ 28,448	\$ 28,415	\$ 49,740	\$ 57,628
Operating grants and contributions	88,566	92,564	-	-	88,566	92,564
Capital grants and contributions	20,355	12,771	412	992	20,767	13,763
General Revenues:						
Property taxes and tax items	107,337	101,132	-	-	107,337	101,132
Sales and use taxes	100,886	86,103	-	-	100,886	86,103
Other taxes	4,429	3,851	-	-	4,429	3,851
Unallocated state aid	451,380	433,663	-	-	451,380	433,663
Unallocated federal aid	16,482	1,758	-	-	16,482	1,758
Use of money and property	108	2,156	1	3	109	2,159
Contributions	-	-	-	-	-	-
Miscellaneous	8,938	10,366	-	-	8,938	10,366
Total revenues	<u>819,773</u>	<u>773,578</u>	<u>28,861</u>	<u>29,409</u>	<u>848,634</u>	<u>802,987</u>
Expenses:						
Program Expenses:						
General government support	4,764	18,847	-	-	4,764	18,847
Public safety	128,924	160,242	-	-	128,924	160,242
Transportation	15,437	22,749	-	-	15,437	22,749
Economic opportunity and development	15,958	(868)	-	-	15,958	(868)
Home and community services	25,646	36,070	-	-	25,646	36,070
Culture and recreation	1,577	4,066	-	-	1,577	4,066
Education	446,840	451,240	-	-	446,840	451,240
Interest on long-term debt	17,234	18,386	-	-	17,234	18,386
Water	-	-	14,323	15,328	14,323	15,328
Sewer	-	-	3,277	4,529	3,277	4,529
Total expenses	<u>656,380</u>	<u>710,732</u>	<u>17,599</u>	<u>19,857</u>	<u>673,979</u>	<u>730,589</u>
Excess of revenues over expenses	<u>163,393</u>	<u>62,845</u>	<u>11,262</u>	<u>9,552</u>	<u>174,655</u>	<u>72,398</u>
Transfers	2,825	2,825	(2,825)	(2,825)	-	-
Change in net position	<u>166,218</u>	<u>65,670</u>	<u>8,437</u>	<u>6,727</u>	<u>174,655</u>	<u>72,398</u>
Net position (deficit) - beginning*	(823,581)	(889,418)	11,789	5,062	(811,792)	(884,356)
Net position (deficit) - ending	<u>\$ (657,363)</u>	<u>\$ (823,748)</u>	<u>\$ 20,226</u>	<u>\$ 11,789</u>	<u>\$ (637,137)</u>	<u>\$ (811,959)</u>

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

Total revenues for the current year were in excess of total expenses resulting in a positive change in net position of \$174,655 compared to a positive change in net position of \$72,398 for the prior year, an increase of \$102,257. Our following analysis separately considers the operations of governmental and business-type activities.

CITY OF SYRACUSE, NEW YORK

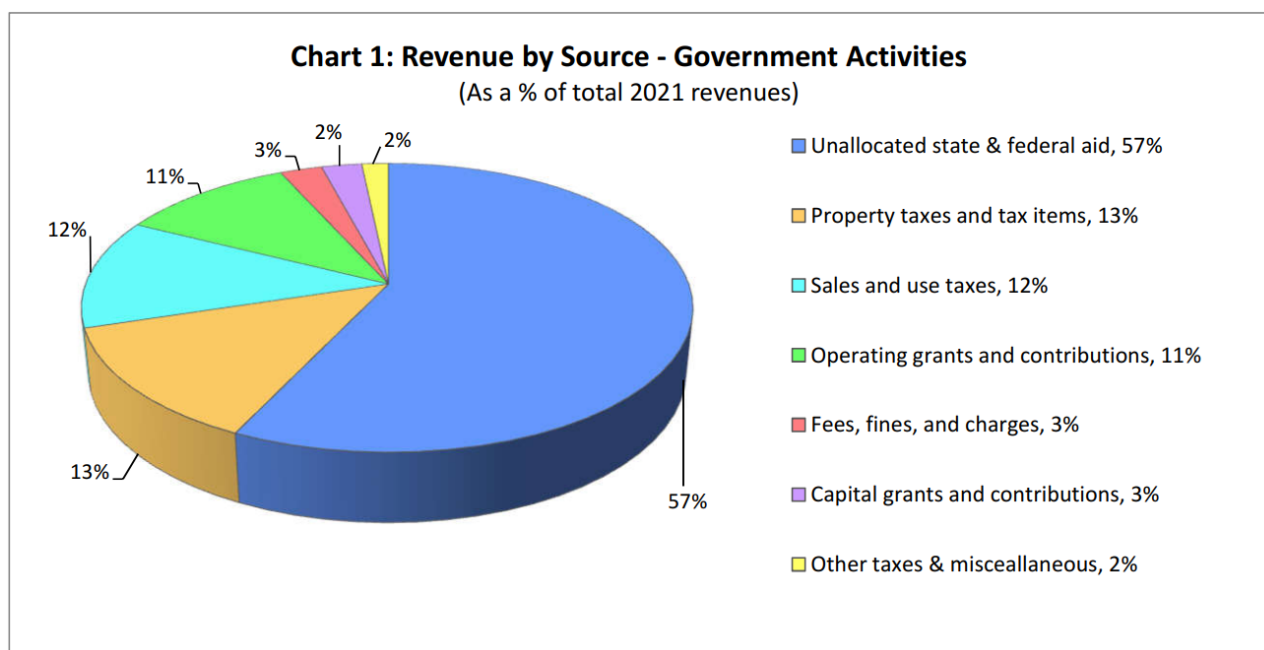
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

Governmental Activities

As mentioned previously in the FINANCIAL HIGHLIGHTS section, revenues for the City's governmental activities for the current year were \$819,773 compared to total revenues of \$773,578 in the prior year, an increase of \$46,195, or 6.0%. The primary program and general revenue increases, compared to prior year revenue balances, that contributed to this increase were:

- \$17,717, or 4.1%, in Unallocated state aid
- \$14,783, or 17.2%, in Sales and use taxes
- \$14,724, or 837.6%, in Unallocated federal aid
- \$7,584, or 59.4%, in Capital grants and contributions

These revenue increases were partially offset by decreases in Fees, fines, and charges of \$7,921, or 27.1%, and Operating grants and contributions of \$3,998, or 4.3% compared to prior year. Small year over year differences in the remaining general revenues comprise the remaining decrease of \$3,306 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.



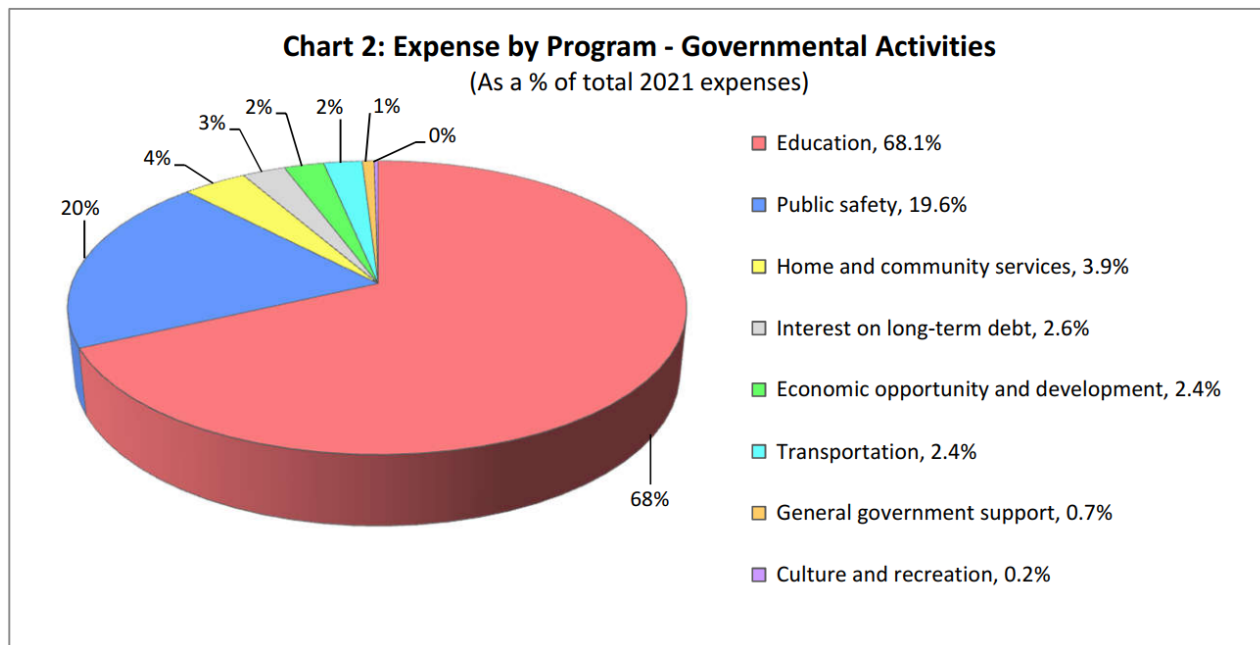
For the current year, total program expenses for governmental activities were \$656,380 which was a decrease of \$54,353, or 7.6%, compared to prior year total expenses of \$710,732. The primary program expense decreases, compared to prior year expense balances, that contributed to this decrease were:

- \$31,318, or 19.5%, in Public safety
- \$14,083, or 74.7%, in General government support
- \$10,424, or 28.9%, in Home and community services
- \$7,313, or 32.1%, in Transportation
- \$4,400, or 1.0% in Education

CITY OF SYRACUSE, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

These expense decreases were partially offset by an increase of Economic opportunity and development of \$16,826, or 1,938.8%, compared to prior year. Other small year over year differences of \$3,641 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 \$166,218 compared to a positive change in net position (after transfers) of \$65,670 for the prior year, an increase of \$100,547.

Business-Type Activities

For the current year, total revenues for business-type activities were \$28,861 which was a decrease of \$548, or 1.9%, compared to total revenues of \$29,409 in the prior year. Capital grants and contributions decreased \$579, or 58.4%, compared to prior year.

For the current year, total program expenses for business-type activities were \$17,599 which was a decrease of \$2,258, or 11.4%, compared to prior year total expenses of \$19,857. Sewer and Water expenses decreased \$1,252, or 27.7%, and \$1,005, or 6.6%, 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 \$8,437 compared to a positive change in net position (after transfers) of \$6,727, an increase of \$1,710.

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, 2021

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, 2021, the City's Total Governmental Funds' fund balance is \$290,827, which is a 5.1% decrease from last year's total of \$306,467. The \$15,807 decrease in total fund balance is primarily due to:

- \$80,205 decrease in Joint Schools Construction Board Fund
- \$1,306 decrease in Non-major Governmental Funds

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

- \$40,029 increase in General Fund
- \$25,552 increase in Special Revenue - City School District General Fund

Of the total \$290,827 in Total Governmental Funds' fund balance, \$62,643 of fund balance is available for spending at the government's discretion (unassigned fund balance). \$130,666 of fund balance is subject to external, legally enforceable restrictions on its use (restricted) while \$95,530 is allocated by ordinance or through intent to be used for specific purposes (committed and assigned). The remainder of \$1,988 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 \$81,623 while total fund balance was \$82,139. 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 \$226,987 is 36.0% while the General Fund's total fund balance represents 36.2% of that same amount. The City's General Fund's fund balance increased by \$40,029 during the current year. The adopted budget for the fiscal year ended June 30, 2021, budgeted a net deficiency of \$8,900, 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 \$100,057 compared to a combined total fund balance of \$74,382 in the

CITY OF SYRACUSE, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

prior year. The increase of \$25,675 in fund balance for the two Special Revenue funds in the current year is due to higher total revenues (including other financing sources) of \$509,850 compared to lower expenditures (including other financing uses) of \$484,175.

- *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 \$41,571. 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 \$9,915 in both revenues and expenditures while the fund recorded \$8,754 in the prior fiscal year for revenues and expenditures. At June 30, 2021, total assets and liabilities of the fund were \$17,637 while at the end of the previous fiscal year, total assets and total liabilities were \$17,137.

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 \$20,226, an increase of \$8,437, compared to the prior year end balance of \$11,789. For the current year, the Water and Sewer Funds had an increase in net position \$6,993 and \$1,444, 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, 2021 was \$106,790, a decrease of \$4,444 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, 2021, included estimated revenues and annual appropriations of \$251,303.

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 \$251,303, utilizing \$8,900 of 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 a deficit for the current year of \$40,029, as compared to a final adopted budget with a projected deficit of \$8,900. This favorable variance of \$48,929 was driven by a number of increases in projected revenues as well as decreases in budgeted expenditures.

For the current year, total General Fund revenues were \$258,079 which was \$22,233, or 9.4%, higher than the budgeted total revenues for 2021 of \$235,846. The primary revenues with favorable variances, compared to the current year budget, were:

CITY OF SYRACUSE, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

- \$18,399, or 24.2%, in Federal and state aid and other grants
- \$13,313, or 15.3% in Sales and use taxes

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

- \$4,140, or 29.4%, in Departmental revenues
- \$2,611, or 79.5%, in Use of money and property
- \$2,243, or 5.1%, in General property taxes and tax items

Offsetting favorable and unfavorable variances for the other revenues, compared to the budget, comprise the remaining unfavorable variance of \$483.

	2021 <u>Actual</u>	2021 <u>Budget</u>
Total revenues	\$ 258,079	\$ 235,846
Total expenditures	209,444	233,247
Excess (deficiency) of revenues over expenditures	48,634	2,599
Other financing sources	323	-
Operating transfers in	8,614	6,557
Operating transfers out	(17,542)	(18,056)
Total other financing sources (uses)	(8,606)	(11,499)
Change in fund balance	<u>\$ 40,029</u>	<u>\$ (8,900)</u>

For the current year, total General Fund expenditures were \$209,444 which was \$23,803, or 10.2%, lower than the budgeted total expenditures for 2021 of \$233,247. The primary expenditures with favorable variances, compared to the current year budget, were:

- \$15,450, or 10.0%, in Public safety
- \$5,381, or 23.8%, in Transportation
- \$4,986, or 40.2%, in Culture and recreation

Offsetting favorable and unfavorable variances for the other expenditures, compared to the budget, comprise the remaining unfavorable variance of \$2,015.

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 \$1,063,698 compared with the previous year-end amount of \$961,909. This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, infrastructure and construction in progress.

CITY OF SYRACUSE, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

The City's governmental capital assets (net of accumulated depreciation) at June 30, 2021 were \$947,955 compared to \$849,506 at prior year-end. For the City's business-type activities, Net capital assets at June 30, 2021 were \$115,743 compared to a balance of \$112,404 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	
	2021	2020	2021	2020	2021	2020
Land	\$ 18,768	\$ 18,768	\$ 4,485	\$ 4,485	\$ 23,253	\$ 23,253
Buildings	377,689	390,777	594	638	378,282	391,415
Machinery and equipment	23,197	24,284	2,866	2,075	26,063	26,359
Improvements/infrastructure	197,886	204,533	97,168	97,809	295,054	302,342
Construction in progress	330,415	211,144	10,630	7,397	341,045	218,541
Total capital assets, net	<u>\$ 947,955</u>	<u>\$ 849,506</u>	<u>\$ 115,743</u>	<u>\$ 112,404</u>	<u>\$ 1,063,698</u>	<u>\$ 961,909</u>

Long-Term Debt

At the end of the current year, the City had \$723,111 in total debt compared to \$661,535 at the end of the prior year, an increase of \$61,576, or 9.31%. 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	
	2021	2020	2021	2020	2021	2020
General obligation bonds payable - City	\$ 174,763	\$ 147,945	\$ 31,061	\$ 30,033	\$ 205,824	\$ 177,978
General obligation bonds payable - District	360,545	385,577	-	-	360,545	385,577
Constructions bonds payable - City	-	-	24,775	25,915	24,775	25,915
Revenue anticipation notes - City	46,000	48,400	-	-	46,000	48,400
Revenue anticipation notes - District	85,967	23,664	-	-	85,967	23,664
Total debt	<u>\$ 667,275</u>	<u>\$ 605,587</u>	<u>\$ 55,836</u>	<u>\$ 55,948</u>	<u>\$ 723,111</u>	<u>\$ 661,535</u>

With respect to City general obligation bonds, total new debt issued during the year was \$47,917. Proceeds were used to finance capital expenditures and satisfy legal judgments and to fund Water and Sewer fund projects. Major projects and satisfactions funded with these proceeds are as follows:

- 18/19 Street Lights - \$28,160
- 21/22 Road Reconstruction - \$4,000

CITY OF SYRACUSE, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

- 21/22 Fire Apparatus - \$2,850
- Water Main Replacements - \$2,575
- N, S, E, W Corridors Interconnect - \$1,419
- 21/22 Assessable Sidewalk Program - \$1,400
- 21/22 Slurry Seal - \$1,100

The City issued \$131,967 in revenue anticipation notes (RANs) during the fiscal year; \$85,967 on behalf of the School District and \$46,000 for the City 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; and therefore, the City needs cash flow borrowing to fund day-to-day operations. The City and School District RAN were outstanding at June 30, 2021.

The City had a rating of A1 from Moody's Investors Service and an A rating from Standard & Poor's at June 30, 2021.

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 \$434,785, which is above the City's outstanding general obligation debt after exclusions.

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
- A stagnant property tax base
- A declining population
- 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, 2022 fiscal year budget, the City portion of the property tax levy increased by \$3,345, from \$38,362 in fiscal year 2021 to \$38,697 in fiscal year 2022. The School District portion of the levy increased in fiscal year 2022 to \$66,942 from 66,419 in fiscal year 2021. The actual combined property tax levy of the City and School District increased to \$105,639 compared with the previous year of \$104,781. The City and School District combined property tax rate for fiscal year 2022 is \$27.2826 per \$1,000 of assessed property value (\$10.132 for the City and \$17.1506 for the School District).

Revenues for fiscal year 2022 are projected to increase \$14,902, or 5.9%, compared to the previous year's budget and expenditures are projected to increase \$14,902, or 5.9%, 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

The Airport Fund will remain self-sufficient and will not affect the City's General Fund operations for the June 30, 2021. Any decrease in fund balance is primarily related to depreciation, a non-cash expense.

CITY OF SYRACUSE, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

COVID 19

The outbreak of the COVID-19 virus has affected commerce and economic growth worldwide. The impact on the City's operations and finances has been considerable, and cannot be fully predicted at this time due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to: (i) its duration, (ii) its severity, as well as (iii) uncertainty around what actions may be taken by governmental and other health care authorities, including the State and County, to contain or mitigate its impact. During the year ended June 30, 2020, the pandemic caused disruptions in services and regional economic activity. As a result, the City suffered considerable losses of revenues, most significantly in sales tax and state aid. The City recovered financially during the year ended June 30, 2021 and was repaid all of the state aid that was withheld in the previous year. In addition, in April 2021 the City was awarded \$123,000 under the American Rescue Plan Act that can be used to respond to the negative impacts of the pandemic. The City is monitoring the situation and is prepared to make changes necessary to maintain its operations and meet its obligations in the event the effects of the pandemic worsen.

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.

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, 2021

	Primary Government			
	Governmental	Business-Type	Total	Component
	Activities	Activities		Units
ASSETS				
Cash and cash equivalents	\$ 246,440,399	\$ 15,544,622	\$ 261,985,021	\$ 31,293,938
Restricted cash and cash equivalents	204,009,193	474,292	204,483,485	24,871,407
Loans receivable - current portion	15,252,641	-	15,252,641	301,575
Notes receivable - current portion	-	-	-	86,833
Accounts receivable	6,609,808	4,575,099	11,184,907	4,933,004
Other receivable	4,898,942	-	4,898,942	150,000
Taxes receivable, net	9,816,864	-	9,816,864	-
Internal balances	14,431	(14,431)	-	-
Due from other governments	151,862,766	14,371	151,877,137	271,719
Due from component units, net	578,332	-	578,332	-
Inventory	1,803,904	-	1,803,904	680,906
Prepaid expenses and other assets	189,214	-	189,214	1,149,144
Loans receivable, net of current portion	-	-	-	4,468,808
Notes receivable, net of current portion	-	-	-	4,790,185
Capital assets, net	<u>947,954,505</u>	<u>115,743,055</u>	<u>1,063,697,560</u>	<u>27,066,110</u>
Total assets	<u>1,589,430,999</u>	<u>136,337,008</u>	<u>1,725,768,007</u>	<u>100,063,629</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - debt refunding	853,210	239,882	1,093,092	-
Deferred outflows - OPEB	123,858,810	3,029,400	126,888,210	4,074,928
Deferred outflows - pensions	<u>264,787,166</u>	<u>5,251,968</u>	<u>270,039,134</u>	<u>3,397,816</u>
Total deferred outflows of resources	<u>389,499,186</u>	<u>8,521,250</u>	<u>398,020,436</u>	<u>7,472,744</u>
LIABILITIES				
Accounts payable and accrued expenses	89,812,090	3,559,867	93,371,957	6,986,264
Accrued interest	5,222,393	273,594	5,495,987	-
Due to other governments	967,212	-	967,212	-
Amounts due to retirement systems	29,424,548	250,357	29,674,905	-
Revenue anticipation note payable	131,967,000	-	131,967,000	-
Unearned revenue	62,343,617	-	62,343,617	269,555
Due to primary government	-	-	-	578,332
Loans payable	15,104,014	-	15,104,014	-
Other liabilities	1,803,967	-	1,803,967	735,368
Due to fiduciary funds	1,974	-	1,974	-
Long-term liabilities - due within one year	58,028,262	5,377,561	63,405,823	4,237,000
Long-term liabilities - due in more than one year	<u>1,405,194,572</u>	<u>82,682,673</u>	<u>1,487,877,245</u>	<u>22,009,757</u>
Total liabilities	<u>1,799,869,649</u>	<u>92,144,052</u>	<u>1,892,013,701</u>	<u>34,816,276</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - lottery aid	14,983,334	-	14,983,334	-
Deferred inflows - OPEB	617,582,448	24,977,577	642,560,025	6,185,191
Deferred inflows - pensions	<u>203,857,551</u>	<u>7,510,487</u>	<u>211,368,038</u>	<u>4,090,734</u>
Total deferred inflows of resources	<u>836,423,333</u>	<u>32,488,064</u>	<u>868,911,397</u>	<u>10,275,925</u>
NET POSITION				
Net investment in capital assets	522,485,905	59,907,009	582,392,914	14,265,110
Restricted	130,665,866	474,292	131,140,158	24,900,711
Unrestricted (deficit)	<u>(1,310,514,568)</u>	<u>(40,155,159)</u>	<u>(1,350,669,727)</u>	<u>23,278,351</u>
Total net position	<u>\$ (657,362,797)</u>	<u>\$ 20,226,142</u>	<u>\$ (637,136,655)</u>	<u>\$ 62,444,172</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, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			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	\$ 4,763,586	\$ 1,430,994	\$ 2,626,463	\$ -	\$ (706,129)	\$ -	\$ (706,129)	\$ -	
Public safety	128,923,702	7,218,264	1,988,598	-	(119,716,840)	-	(119,716,840)	-	
Transportation	15,436,829	4,991,892	305,494	18,699,636	8,560,193	-	8,560,193	-	
Economic opportunity and development	15,958,495	6,357	165,577	-	(15,786,561)	-	(15,786,561)	-	
Home and community services	25,645,909	6,858,847	9,059,529	1,655,410	(8,072,123)	-	(8,072,123)	-	
Culture and recreation	1,577,492	426,071	450,959	-	(700,462)	-	(700,462)	-	
Education	446,839,538	359,854	73,969,312	-	(372,510,372)	-	(372,510,372)	-	
Interest on long-term debt	17,234,264	-	-	-	(17,234,264)	-	(17,234,264)	-	
Total governmental activities	656,379,815	21,292,279	88,565,932	20,355,046	(526,166,558)	-	(526,166,558)	-	
Business-Type Activities:									
Water	14,322,616	23,201,988	-	412,374	-	9,291,746	9,291,746	-	
Sewer	3,276,556	5,245,604	-	-	-	1,969,048	1,969,048	-	
Total business-type activities	17,599,172	28,447,592	-	412,374	-	11,260,794	11,260,794	-	
TOTAL PRIMARY GOVERNMENT	\$ 673,978,987	\$ 49,739,871	\$ 88,565,932	\$ 20,767,420	(526,166,558)	11,260,794	(514,905,764)	-	
COMPONENT UNITS:									
Syracuse Industrial Development Agency	\$ 1,632,093	\$ 1,103,697	\$ 10,000	\$ -	-	-	-	(518,396)	
Syracuse Economic Development Corporation	196,903	95,805	100,434	-	-	-	-	(664)	
Syracuse Regional Airport Authority	36,654,921	26,005,257	-	19,219,087	-	-	-	8,569,423	
Greater Syracuse Property Development Corporation	4,600,375	1,148,856	2,537,068	-	-	-	-	(914,451)	
TOTAL COMPONENT UNITS	\$ 43,084,292	\$ 28,353,615	\$ 2,647,502	\$ 19,219,087	-	-	-	7,135,912	
					Property taxes and tax items	107,336,757	107,336,757	-	
					Sales and use taxes	100,885,889	100,885,889	-	
					Other taxes	4,428,921	4,428,921	-	
					Unallocated state aid	451,379,738	451,379,738	-	
					Unallocated federal aid	16,482,239	16,482,239	-	
					Use of money and property	108,153	109,291	139,682	
					Contributions	-	-	71,990	
					Miscellaneous	8,937,698	8,937,698	884,708	
					Transfers	2,825,000	(2,825,000)	-	
					Total general revenues and transfers	692,384,395	(2,823,862)	689,560,533	1,096,380
					Changes in net position	166,217,837	8,436,932	174,654,769	8,232,292
					NET POSITION - beginning of year	(823,747,771)	11,789,210	(811,958,561)	54,211,880
					PRIOR PERIOD ADJUSTMENT (Note 13)	167,137	-	167,137	-
					NET POSITION - beginning of year, as restated	(823,580,634)	11,789,210	(811,791,424)	54,211,880
					NET POSITION - end of year	\$ (657,362,797)	\$ 20,226,142	\$ (637,136,655)	\$ 62,444,172

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Balance Sheet - Governmental Funds
June 30, 2021

	General Fund	Special Revenue				Total Governmental Funds
		Joint Schools Construction Board	City School District General Fund	City School District Special Aid Fund	Nonmajor Governmental Funds	
ASSETS						
Cash and cash equivalents	\$ 75,657,963	\$ -	\$ 164,835,943	\$ -	\$ 5,946,493	\$ 246,440,399
Restricted cash and cash equivalents	77,609,754	60,689,435	3,554,996	-	62,155,008	204,009,193
Loans receivable	-	-	-	-	15,252,641	15,252,641
Accounts receivable	1,139,861	-	-	-	5,469,947	6,609,808
Other receivable	-	-	1,864,617	3,021,007	13,318	4,898,942
Taxes receivable, net	5,355,228	-	4,432,392	-	29,244	9,816,864
Due from other funds	5,761,563	-	7,439,756	-	15,574,504	28,775,823
Due from other governments	57,377,244	-	56,354,768	19,964,972	18,165,782	151,862,766
Inventory	-	-	1,193,966	-	609,938	1,803,904
Prepays and other assets	-	-	174,417	-	14,797	189,214
Total assets	\$ 222,901,613	\$ 60,689,435	\$ 239,850,855	\$ 22,985,979	\$ 123,231,672	\$ 669,659,554
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued expenses	\$ 12,993,683	\$ 6,119,649	\$ 29,417,119	\$ 6,052,024	\$ 35,229,615	\$ 89,812,090
Accrued interest	422,123	-	1,289,505	-	-	1,711,628
Due to other funds	-	6,847,344	-	15,865,161	5,472,529	28,185,034
Due to other governments	-	-	-	912,307	54,905	967,212
Amounts due to retirement systems	7,640,932	-	21,600,232	-	-	29,241,164
Revenue anticipation notes	46,000,000	-	85,967,000	-	-	131,967,000
Self-insurance claims	5,800,954	-	1,676,451	-	-	7,477,405
Unearned revenue	61,538,465	-	-	-	805,152	62,343,617
Loans payable	-	-	-	-	15,104,014	15,104,014
Other liabilities	1,777,422	-	-	-	26,545	1,803,967
Total liabilities	136,173,579	12,966,993	139,950,307	22,829,492	56,692,760	368,613,131
Deferred inflows of resources:						
Unavailable revenue	4,589,477	-	-	-	5,629,524	10,219,001
Fund Balance:						
Nonspendable	-	-	1,368,383	-	619,938	1,988,321
Restricted	393,874	47,722,442	3,554,996	156,487	78,838,067	130,665,866
Committed	-	-	-	-	431,483	431,483
Assigned	121,510	-	94,977,169	-	-	95,098,679
Unassigned	81,623,173	-	-	-	(18,980,100)	62,643,073
Total fund balance	82,138,557	47,722,442	99,900,548	156,487	60,909,388	290,827,422
Total liabilities, deferred inflows of resources and fund balance	\$ 222,901,613	\$ 60,689,435	\$ 239,850,855	\$ 22,985,979	\$ 123,231,672	\$ 669,659,554

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, 2021**

Total fund balances for governmental funds	\$ 290,827,422
Total net position reported for governmental activities in the Statement of Net Position is different because:	
Capital assets, net of associated accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the funds	783,574,173
Pension obligation activity:	
Deferred outflows of resources	260,950,884
Net pension liability	(64,727,166)
Deferred inflows of resources	(199,748,061)
Other postemployment benefit activity:	
Total other postemployment benefit liability	(783,045,723)
Deferred outflows of resources	122,559,428
Deferred inflows of resources	(605,965,901)
Revenue collected after year end and not available to pay for current year expenditures and deferred in funds	10,219,001
Long-term liabilities, including bonds payable, 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	(561,415,684)
Deferred charges relating to debt refunding not reported in the funds	853,210
Deferred inflows related to District lottery aid not reported in the funds	(14,983,334)
Accrued interest not reported in the funds	(3,251,487)
The assets and liabilities of the Internal Service Fund are included in Governmental Activities in the Statement of Net Position	<u>106,790,441</u>
Total net position of governmental activities	<u>\$ (657,362,797)</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, 2021

	General Fund	Special Revenue				Total Governmental Funds
		Joint Schools Construction Board	City School District General Fund	City School District Special Aid Fund	Nonmajor Governmental Funds	
REVENUES:						
General property taxes and tax items	\$ 41,509,108	\$ -	\$ 61,247,086	\$ -	\$ 3,162,775	\$ 105,918,969
Sales and use taxes	100,134,331	-	751,558	-	-	100,885,889
Other local taxes	3,376,636	-	-	-	1,052,285	4,428,921
Departmental revenues	9,949,026	-	-	-	-	9,949,026
Intergovernmental charges	126,823	-	-	-	-	126,823
Licenses and permits	2,049,004	-	-	-	-	2,049,004
Fines and forfeitures	3,348,050	-	-	-	-	3,348,050
Sale of property and compensation for loss	674,819	-	122,526	-	3,910	801,255
Use of money and property	106,434	26,629	57,261	-	2,331	192,655
Federal and state aid and other grants	94,387,810	723,013	375,491,976	62,451,281	43,097,329	576,151,409
Pass-through New York State funding from District	-	26,024,823	-	-	-	26,024,823
Surplus food	-	-	-	-	750,888	750,888
Sales-School Food Service program	-	-	-	-	89,074	89,074
Other revenues	2,416,502	123,421	2,650,812	-	1,492,503	6,683,238
Total revenues	258,078,543	26,897,886	440,321,219	62,451,281	49,651,095	837,400,024
CURRENT EXPENDITURES:						
General government support	34,001,970	-	-	-	3,280,173	37,282,143
Public safety	138,500,715	-	-	-	1,975,752	140,476,467
Transportation	17,219,164	-	-	-	1,848,796	19,067,960
Economic opportunity and development	-	-	-	-	206,306	206,306
Home and community services	11,859,651	-	-	-	9,029,529	20,889,180
Culture and recreation	7,421,774	-	-	-	416,719	7,838,493
Education	-	-	378,402,627	61,995,998	4,333,752	444,732,377
Principal debt payments	-	16,765,000	-	-	20,015,886	36,780,886
Interest on debt	440,945	15,486,085	1,323,310	-	4,943,329	22,193,669
Capital outlays	-	78,222,277	-	-	57,749,721	135,971,998
Food Service Program	-	-	-	-	10,939,065	10,939,065
Pass-through New York State funding to JSCB	-	-	26,024,823	-	-	26,024,823
Total expenditures	209,444,219	110,473,362	405,750,760	61,995,998	114,739,028	902,403,367
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	48,634,324	(83,575,476)	34,570,459	455,283	(65,087,933)	(65,003,343)
OTHER FINANCING SOURCES (USES):						
Bond proceeds	-	-	-	-	43,891,968	43,891,968
Bond proceeds from refunding bonds	-	26,440,000	-	-	-	26,440,000
Premium on issuance of BANs and RANs	322,920	-	1,163,134	-	-	1,486,054
Premium on bonds	-	-	-	-	532,916	532,916
Premium on refunding bonds	-	3,954,638	-	-	-	3,954,638
Payments to escrow agent	-	(29,933,832)	-	-	-	(29,933,832)
Operating transfers in	8,614,000	3,632,744	4,137,282	1,777,686	28,112,577	46,274,289
Operating transfers out	(17,542,436)	(723,013)	(14,318,899)	(2,109,627)	(8,755,314)	(43,449,289)
Total other financing sources (uses)	(8,605,516)	3,370,537	(9,018,483)	(331,941)	63,782,147	49,196,744
CHANGE IN FUND BALANCE	40,028,808	(80,204,939)	25,551,976	123,342	(1,305,786)	(15,806,599)
FUND BALANCE - beginning of year	42,109,749	127,927,381	74,348,572	33,145	62,048,037	306,466,884
PRIOR PERIOD ADJUSTMENT (Note 13)	-	-	-	-	167,137	167,137
FUND BALANCE - beginning of year, as restated	42,109,749	127,927,381	74,348,572	33,145	62,215,174	306,634,021
FUND BALANCE - end of year	\$ 82,138,557	\$ 47,722,442	\$ 99,900,548	\$ 156,487	\$ 60,909,388	\$ 290,827,422

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, 2021**

Net change in fund balances - total governmental funds \$ (15,806,599)

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 in the current period. 108,422,345

Bond proceeds and premiums 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. (3,423,450)

Revenues previously recorded in the Statement of Activities that did not provide current financial resources and were not recorded in the governmental funds. (1,913,753)

Pension income (expense) resulting from pension obligation is not recorded in the governmental funds but is recorded in the Statement of Activities. (19,050,461)

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. 92,807,000

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. 8,167,814

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 442,140

Amortization of deferred inflows related to District lottery aid. 1,016,666

Net revenue of the Internal Service Fund is reported with Governmental Activities. (4,443,865)

Net change in net position of governmental activities \$ 166,217,837

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Statement of Net Position - Proprietary Funds
June 30, 2021

	Business-type Activities			Governmental
	Water	Sewer	Total	Internal Service Fund
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 10,851,631	\$ 4,692,991	\$ 15,544,622	\$ -
Accounts receivable	3,650,841	924,258	4,575,099	-
Due from other governments	-	14,371	14,371	-
Due from component unit	-	-	-	578,332
Total current assets	<u>14,502,472</u>	<u>5,631,620</u>	<u>20,134,092</u>	<u>578,332</u>
NONCURRENT ASSETS:				
Restricted cash and cash equivalents	474,292	-	474,292	-
Capital assets, net	<u>100,616,129</u>	<u>15,126,926</u>	<u>115,743,055</u>	<u>164,380,332</u>
Total noncurrent assets	<u>101,090,421</u>	<u>15,126,926</u>	<u>116,217,347</u>	<u>164,380,332</u>
Total Assets	<u>115,592,893</u>	<u>20,758,546</u>	<u>136,351,439</u>	<u>164,958,664</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - debt refunding	166,648	73,234	239,882	-
Deferred outflows - OPEB	1,790,959	1,238,441	3,029,400	1,299,382
Deferred outflows - pensions	<u>3,846,608</u>	<u>1,405,360</u>	<u>5,251,968</u>	<u>3,836,282</u>
Total Deferred Outflows of Resources	<u>5,804,215</u>	<u>2,717,035</u>	<u>8,521,250</u>	<u>5,135,664</u>
LIABILITIES				
CURRENT LIABILITIES:				
Accounts payable and accrued expenses	3,060,570	499,297	3,559,867	-
Accrued interest	241,378	32,216	273,594	259,278
Due to other funds	10,814	3,617	14,431	578,332
Current portion of bonds payable	3,740,601	613,334	4,353,935	1,737,742
Amounts due to retirement systems	183,209	67,148	250,357	200,547
Accrued compensated absences	-	-	-	33,266
Self-insurance claims	<u>667,809</u>	<u>355,817</u>	<u>1,023,626</u>	<u>481,880</u>
Total current liabilities	<u>7,904,381</u>	<u>1,571,429</u>	<u>9,475,810</u>	<u>3,291,045</u>
NONCURRENT LIABILITIES:				
Bonds payable - net of current portion	49,307,174	2,174,937	51,482,111	32,468,536
Amounts due to retirement systems	-	-	-	-
Accrued compensated absences	326,751	146,943	473,694	-
Self-insurance claims	507,452	282,823	790,275	404,931
Net pension liability	18,652	6,815	25,467	1,245,638
Total other postemployment benefits	<u>18,220,637</u>	<u>11,690,489</u>	<u>29,911,126</u>	<u>10,167,700</u>
Total noncurrent liabilities	<u>68,380,666</u>	<u>14,302,007</u>	<u>82,682,673</u>	<u>44,286,805</u>
Total Liabilities	<u>76,285,047</u>	<u>15,873,436</u>	<u>92,158,483</u>	<u>47,577,850</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - OPEB	15,225,237	9,752,340	24,977,577	11,616,547
Deferred inflows - pensions	<u>5,500,775</u>	<u>2,009,712</u>	<u>7,510,487</u>	<u>4,109,490</u>
Total Deferred Inflows of Resources	<u>20,726,012</u>	<u>11,762,052</u>	<u>32,488,064</u>	<u>15,726,037</u>
NET POSITION:				
Net investment in capital assets	47,568,354	12,338,655	59,907,009	130,174,054
Restricted	474,292	-	474,292	-
Unrestricted (deficit)	<u>(23,656,597)</u>	<u>(16,498,562)</u>	<u>(40,155,159)</u>	<u>(23,383,613)</u>
Total net position	<u>\$ 24,386,049</u>	<u>\$ (4,159,907)</u>	<u>\$ 20,226,142</u>	<u>\$ 106,790,441</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, 2021**

	Business-type Activities			Governmental
	Water	Sewer	Total	Internal Service Fund
OPERATING REVENUES:				
Charges for services	\$ 22,437,113	\$ 5,185,581	\$ 27,622,694	\$ -
Expense reimbursement income	-	-	-	5,335,144
Miscellaneous	<u>764,875</u>	<u>60,023</u>	<u>824,898</u>	-
Total operating revenues	<u>23,201,988</u>	<u>5,245,604</u>	<u>28,447,592</u>	<u>5,335,144</u>
OPERATING EXPENSES:				
Cost of sales and services	8,788,062	2,361,647	11,149,709	-
Administration	596,736	-	596,736	1,475,835
Depreciation	<u>3,492,215</u>	<u>832,074</u>	<u>4,324,289</u>	<u>11,629,091</u>
Total operating expenses	<u>12,877,013</u>	<u>3,193,721</u>	<u>16,070,734</u>	<u>13,104,926</u>
OPERATING INCOME (LOSS)	<u>10,324,975</u>	<u>2,051,883</u>	<u>12,376,858</u>	<u>(7,769,782)</u>
NONOPERATING REVENUES (EXPENSES):				
Capital grants	412,374	-	412,374	-
Capital contributions	-	-	-	1,655,410
Lease income	-	-	-	3,320,650
Investment income	1,138	-	1,138	-
Interest expense	<u>(1,445,603)</u>	<u>(82,835)</u>	<u>(1,528,438)</u>	<u>(1,650,143)</u>
Total nonoperating revenues (expenses)	<u>(1,032,091)</u>	<u>(82,835)</u>	<u>(1,114,926)</u>	<u>3,325,917</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	9,292,884	1,969,048	11,261,932	(4,443,865)
OPERATING TRANSFERS OUT	<u>(2,300,000)</u>	<u>(525,000)</u>	<u>(2,825,000)</u>	-
CHANGE IN NET POSITION	6,992,884	1,444,048	8,436,932	(4,443,865)
NET POSITION - beginning of year	<u>17,393,165</u>	<u>(5,603,955)</u>	<u>11,789,210</u>	<u>111,234,306</u>
NET POSITION - end of year	<u>\$ 24,386,049</u>	<u>\$ (4,159,907)</u>	<u>\$ 20,226,142</u>	<u>\$ 106,790,441</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, 2021

	Business-type Activities			Governmental
	Water	Sewer	Total	Activities
				Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 22,662,462	\$ 5,152,136	\$ 27,814,598	\$ -
Receipts from expense reimbursements	-	-	-	6,755,891
Payments to vendors	(3,154,832)	(590,740)	(3,745,572)	(1,093,428)
Payments to employees	(6,110,327)	(2,349,513)	(8,459,840)	(3,136,740)
Internal activity with other funds - net	3,903	1,695	5,598	(1,420,748)
Claims paid	(2,224,164)	(1,088,718)	(3,312,882)	(1,104,975)
Net cash flow from operating activities	11,177,042	1,124,860	12,301,902	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating subsidies and transfers to other funds	(2,300,000)	(525,000)	(2,825,000)	-
Net cash flow from noncapital financing activities	(2,300,000)	(525,000)	(2,825,000)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchases of capital assets	(6,990,859)	(608,773)	(7,599,632)	-
Proceeds from capital grants	412,374	-	412,374	-
Proceeds from capital debt	4,025,000	-	4,025,000	-
Principal paid on capital debt	(3,445,799)	(530,314)	(3,976,113)	(1,690,000)
Interest paid on capital debt	(1,625,708)	(132,301)	(1,758,009)	(1,630,650)
Other receipts	-	-	-	3,320,650
Net cash flow from capital and related financing activities	(7,624,992)	(1,271,388)	(8,896,380)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends received	1,138	-	1,138	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,253,188	(671,528)	581,660	-
CASH AND CASH EQUIVALENTS - beginning of year	10,072,735	5,364,519	15,437,254	-
CASH AND CASH EQUIVALENTS - end of year	\$ 11,325,923	\$ 4,692,991	\$ 16,018,914	\$ -
Reconciliation of operating income (loss) to net cash flow from operating activities:				
Operating income (loss)	\$ 10,324,975	\$ 2,051,883	\$ 12,376,858	\$ (7,769,782)
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:				
Depreciation expense	3,492,215	832,074	4,324,289	11,629,091
(Gain) loss on disposal of capital assets	(64,059)	-	(64,059)	-
Change in assets and liabilities:				
Accounts receivable	(475,467)	(93,468)	(568,935)	-
Due to/from other funds	3,903	1,695	5,598	(1,420,748)
Due from component unit	-	-	-	1,420,748
Accounts payable and accrued expenses	2,135,426	359,039	2,494,465	(7,820)
Amounts due to retirement systems	22,780	5,307	28,087	(82,025)
Net pension liability	(4,316,671)	(1,662,983)	(5,979,654)	(5,794,251)
Other postemployment benefits	(361,027)	(14,409)	(375,436)	50,859
Self-insurance claims	(65,069)	(93,124)	(158,193)	(557,141)
Accrued compensated absences	(10,286)	(23,019)	(33,305)	(81,668)
Deferred outflows	(1,574,644)	(614,361)	(2,189,005)	445,188
Deferred inflows	2,064,966	376,226	2,441,192	2,167,549
Net cash flow from operating activities	\$ 11,177,042	\$ 1,124,860	\$ 12,301,902	\$ -

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 \$1,655,410.

Continued...

CITY OF SYRACUSE, NEW YORK

**Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2021**

**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	\$ 9,598,443	\$ 474,292	\$ 10,072,735
Sewer Fund	5,364,519	-	5,364,519
Internal Service Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total - Cash and cash equivalents - beginning of year	<u>\$ 14,962,962</u>	<u>\$ 474,292</u>	<u>\$ 15,437,254</u>
End 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 - end of year	<u>\$ 15,544,622</u>	<u>\$ 474,292</u>	<u>\$ 16,018,914</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, 2021**

	City Custodial	City School District Private	Total Fiduciary
	Fund	Purpose Trusts	Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Restricted cash and cash equivalents	\$ 1,877,846	\$ 26,199	\$ 1,904,045
Due from other funds	<u> -</u>	<u> 1,974</u>	<u> 1,974</u>
Total assets	<u>1,877,846</u>	<u> 28,173</u>	<u>1,906,019</u>
LIABILITIES			
Due to other governments	<u>1,877,846</u>	<u> -</u>	<u>1,877,846</u>
Total liabilities	<u>1,877,846</u>	<u> -</u>	<u>1,877,846</u>
NET POSITION			
Held in trust for scholarships	<u>\$ -</u>	<u>\$ 28,173</u>	<u>\$ 28,173</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, 2021**

	City Custodial Fund	City School District Private Purpose Trusts	Total Fiduciary Funds
ADDITIONS:			
Taxes collected for other governments	\$ 77,051,049	\$ -	\$ 77,051,049
Contributions	-	7,567	7,567
Investment income	-	4,283	4,283
Total additions	77,051,049	11,850	77,062,899
DEDUCTIONS:			
Taxes distributed to other governments	77,051,049	-	77,051,049
Scholarships and awards	-	112,442	112,442
Loss on investment	-	-	-
Total deductions	77,051,049	112,442	77,163,491
CHANGE IN NET POSITION	-	(100,592)	(100,592)
NET POSITION - beginning of year	-	128,765	128,765
NET POSITION - end of year	\$ -	\$ 28,173	\$ 28,173

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Combining Statement of Net Position - Component Units
June 30, 2021

	Syracuse Industrial Development Agency	Syracuse Economic Development Corporation	Syracuse Regional Airport Authority	Greater Syracuse Property Development Corporation	Total
ASSETS:					
Cash and cash equivalents	\$ 3,809,658	\$ 1,006,818	\$ 24,410,636	\$ 2,066,826	\$ 31,293,938
Restricted cash and cash equivalents	-	708	24,650,711	219,988	24,871,407
Loans receivable - current portion	-	301,575	-	-	301,575
Notes receivable - current portion	-	-	-	86,833	86,833
Accounts receivable	-	-	4,927,754	5,250	4,933,004
Grant and government subsidiary receivable	-	-	-	271,719	271,719
Other receivables	-	150,000	-	-	150,000
Inventory	-	-	-	680,906	680,906
Prepaid expenses and other assets	528,223	-	561,696	59,225	1,149,144
Loans receivable - long-term portion	-	4,468,808	-	-	4,468,808
Notes receivable - long-term portion	-	4,790,185	-	-	4,790,185
Capital assets, net	50,000	-	27,013,582	2,528	27,066,110
Total assets	4,387,881	10,718,094	81,564,379	3,393,275	100,063,629
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows - OPEB	-	-	4,074,928	-	4,074,928
Deferred outflows - pensions	-	-	3,397,816	-	3,397,816
Total deferred outflows of resources	-	-	7,472,744	-	7,472,744
LIABILITIES:					
Accounts payable and accrued expenses	243,951	121,283	6,442,459	178,571	6,986,264
Unearned revenue	-	49,567	-	219,988	269,555
Due to primary government	-	-	578,332	-	578,332
Grant payable	735,368	-	-	-	735,368
Long-term liabilities - due within one year	16,000	-	4,221,000	-	4,237,000
Long-term liabilities - due in more than one year	-	-	22,009,757	-	22,009,757
Total liabilities	995,319	170,850	33,251,548	398,559	34,816,276
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - OPEB	-	-	6,185,191	-	6,185,191
Deferred inflows - pensions	-	-	4,090,734	-	4,090,734
Total deferred inflows of resources	-	-	10,275,925	-	10,275,925
NET POSITION:					
Net investment in capital assets	50,000	-	14,212,582	2,528	14,265,110
Restricted for Grow America	-	250,000	-	-	250,000
Restricted for Airport Authority Projects	-	-	24,650,711	-	24,650,711
Unrestricted	3,342,562	10,297,244	6,646,357	2,992,188	23,278,351
Total net position	\$ 3,392,562	\$ 10,547,244	\$ 45,509,650	\$ 2,994,716	\$ 62,444,172

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, 2021**

	Syracuse Industrial Development Agency	Syracuse Economic Development Corporation	Syracuse Regional Airport Authority	Greater Syracuse Property Development Corporation	Total
PROGRAM REVENUE:					
Financing fees	\$ 1,103,697	\$ -	\$ -	\$ -	\$ 1,103,697
Legal fee settlement	884,708	-	-	-	884,708
Grant, contributions and government subsidy revenue	10,000	100,434	19,219,087	2,537,068	21,866,589
Passenger facility charges	-	-	2,182,938	-	2,182,938
Consumer facility charges	-	-	1,681,870	-	1,681,870
Landing fees	-	-	5,852,823	-	5,852,823
Parking rents	-	-	5,137,048	-	5,137,048
Concession and other	-	-	6,815,327	-	6,815,327
Terminal rents	-	-	4,223,978	-	4,223,978
Rent revenue	-	-	-	30,450	30,450
Sale of property	-	-	-	1,035,660	1,035,660
Mortgage interest income	-	95,805	-	-	95,805
Miscellaneous income	-	-	111,273	82,746	194,019
Total program revenue	1,998,405	196,239	45,224,344	3,685,924	51,104,912
EXPENSES:					
Airport expenses	-	-	35,111,837	-	35,111,837
Greater Syracuse Property Development Corporation expenses	-	-	-	4,597,996	4,597,996
Public improvements	521,227	-	-	-	521,227
Development projects	24,996	191,844	-	-	216,840
Other costs	1,083,939	5,059	-	-	1,088,998
Interest	1,931	-	312,728	-	314,659
Depreciation	-	-	1,230,356	2,379	1,232,735
Total expenses	1,632,093	196,903	36,654,921	4,600,375	43,084,292
NET PROGRAM REVENUE (EXPENSE)	366,312	(664)	8,569,423	(914,451)	8,020,620
GENERAL REVENUE:					
Investment earnings	1,336	94,717	41,895	1,734	139,682
Total general revenue	1,336	94,717	41,895	1,734	139,682
CONTRIBUTIONS	-	-	-	71,990	71,990
CHANGES IN NET POSITION	367,648	94,053	8,611,318	(840,727)	8,232,292
NET POSITION - beginning of year	3,024,914	10,453,191	36,898,332	3,835,443	54,211,880
NET POSITION - end of year	\$ 3,392,562	\$ 10,547,244	\$ 45,509,650	\$ 2,994,716	\$ 62,444,172

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

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 149,000 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, 2021

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.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

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.

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.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

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.

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.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

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.

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

Governmental Fund Types

- 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.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

- 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

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

- 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)

- 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

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

- Major Funds

 - 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.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

- Proprietary Funds
 - Water Fund - see above for description
 - Sewer Fund - see above for description

- 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
 - 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.
- c. Custodial funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

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.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

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.

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 10th.
- 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 the original maturities of three months or less.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

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 fee for service receivables and grant related earnings as their major receivables.

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.

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.

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 (Fixed 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.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

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.

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

Fund Financial Statements

In the 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.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements

June 30, 2021

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.

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.

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, 2021

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 is 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 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.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

- 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.
- 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 \$431,483 for Special Assessment Districts.
- 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 \$5,466,631. Assigned fund balance in the City's General Fund consists of encumbrances of \$121,510. 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, 2021

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 \$745,158, and payments received related to the agreements amounted to \$44,570. Property taxes abated by agreements with the Syracuse Industrial Development Agency amounted to \$19,723,369, and payments received related to the agreements amounted to \$1,240,328.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements

June 30, 2021

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, 2021

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, 2021, 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, 2021 were \$29,918,246 and \$4,596,712, respectively.

Current Vulnerability Due to Certain Concentrations

Most of the City's employees are covered by collected bargaining agreements. Approximately 59% have expired. The remaining 41% of these agreements extend beyond one year.

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, 2021

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 2021 City Abstract, the total cost of these services for 2021 is \$26,367,618 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 2020-2021 budget year, the City is using approximately \$105,000,000 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 \$131,000,000 or 102% 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, 2021**

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, 2021, \$350,529,808 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, 2021:

Governmental activities - City	Balance at July 1, 2020	Additions	Disposals/ Transfers	Balance at June 30, 2021
Not being depreciated:				
Land	\$ 17,287,380	\$ -	\$ -	\$ 17,287,380
Construction in progress	49,107,290	56,449,866	13,428,160	92,128,996
Subtotal	66,394,670	56,449,866	13,428,160	109,416,376
Other capital assets:				
Buildings	344,494,039	-	-	344,494,039
Machinery and equipment	75,258,223	4,355,114	10,022,935	69,590,402
Improvements/ infrastructure	649,235,993	10,728,456	-	659,964,449
Subtotal	1,068,988,255	15,083,570	10,022,935	1,074,048,890
Total capital assets	1,135,382,925	71,533,436	23,451,095	1,183,465,266
Accumulated depreciation:				
Buildings	207,314,234	7,110,130	-	214,424,364
Machinery and equipment	58,322,716	5,326,507	10,022,935	53,626,288
Improvements/ infrastructure	447,176,770	17,273,196	-	464,449,966
Total	712,813,720	29,709,833	10,022,935	732,500,618
Net capital assets - City governmental activities	\$ 422,569,205	\$ 41,823,603	\$ 13,428,160	\$ 450,964,648

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
June 30, 2021**

Governmental activities - District	Balance at July 1, 2020	Additions	Disposals/ Transfers	Balance at June 30, 2021
Not being depreciated:				
Land	\$ 1,480,325	\$ -	\$ -	\$ 1,480,325
Construction in progress	<u>162,036,521</u>	<u>79,521,113</u>	<u>3,271,632</u>	<u>238,286,002</u>
Subtotal	<u>163,516,846</u>	<u>79,521,113</u>	<u>3,271,632</u>	<u>239,766,327</u>
Other capital assets:				
Buildings	482,167,106	2,611,740	-	484,778,846
Machinery and equipment	26,816,429	1,886,767	786,505	27,916,691
Improvements/ infrastructure	<u>6,546,593</u>	<u>31,622</u>	<u>-</u>	<u>6,578,215</u>
Subtotal	<u>515,530,128</u>	<u>4,530,129</u>	<u>786,505</u>	<u>519,273,752</u>
 Total capital assets	 <u>679,046,974</u>	 <u>84,051,242</u>	 <u>4,058,137</u>	 <u>759,040,079</u>
Accumulated depreciation:				
Buildings	228,569,494	8,590,479	-	237,159,973
Machinery and equipment	19,467,845	2,002,706	786,505	20,684,046
Improvements/ infrastructure	<u>4,072,998</u>	<u>133,205</u>	<u>-</u>	<u>4,206,203</u>
Total	<u>252,110,337</u>	<u>10,726,390</u>	<u>786,505</u>	<u>262,050,222</u>
Net capital assets - District governmental activities	<u>\$ 426,936,637</u>	<u>\$ 73,324,852</u>	<u>\$ 3,271,632</u>	<u>\$ 496,989,857</u>
 Total net governmental assets	 <u>\$ 849,505,842</u>	 <u>\$ 115,148,455</u>	 <u>\$ 16,699,792</u>	 <u>\$ 947,954,505</u>

Depreciation was charged to governmental activities as follows:

General government support	\$ 2,118,679
Public Safety	3,609,300
Transportation	10,444,321
Culture and recreation	1,514,842
Home and community services	12,022,691
Education	<u>10,726,390</u>
	<u>\$ 40,436,223</u>

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
June 30, 2021**

Business-type activities	Balance at July 1, 2020	Additions	Disposals/ Transfers	Balance at June 30, 2021
Not being depreciated:				
Land	\$ 4,485,400	\$ -	\$ -	\$ 4,485,400
Construction in progress	<u>7,396,717</u>	<u>7,438,502</u>	<u>4,205,445</u>	<u>10,629,774</u>
Subtotal	<u>11,882,117</u>	<u>7,438,502</u>	<u>4,205,445</u>	<u>15,115,174</u>
Other capital assets:				
Buildings	4,080,100	-	-	4,080,100
Machinery and equipment	11,686,944	1,439,714	1,968,662	11,157,996
Improvements/ infrastructure	<u>134,872,925</u>	<u>2,848,827</u>	<u>-</u>	<u>137,721,752</u>
Subtotal	<u>150,639,969</u>	<u>4,288,541</u>	<u>1,968,662</u>	<u>152,959,848</u>
 Total capital assets	 <u>162,522,086</u>	 <u>11,727,043</u>	 <u>6,174,107</u>	 <u>168,075,022</u>
Accumulated depreciation:				
Buildings	3,442,139	44,175	-	3,486,314
Machinery and equipment	9,612,392	786,666	2,107,441	8,291,617
Improvements/ infrastructure	<u>37,063,902</u>	<u>3,493,448</u>	<u>3,314</u>	<u>40,554,036</u>
Total	<u>50,118,433</u>	<u>4,324,289</u>	<u>2,110,755</u>	<u>52,331,967</u>
Net capital assets - business-type activities	<u>\$ 112,403,653</u>	<u>\$ 7,402,754</u>	<u>\$ 4,063,352</u>	<u>\$ 115,743,055</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 3,492,215
Sewer	<u>832,074</u>
	<u>\$ 4,324,289</u>

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
June 30, 2021**

5. CAPITAL INDEBTEDNESS

Changes in Long-Term Liabilities

Long-term liability activity for governmental activities for the year ended June 30, 2021:

Governmental activities	Balance at July 1, 2020	Additions	Reductions	Balance at June 30, 2021	Amount due within one year
Bonds payable - City:					
General obligation bonds payable	\$ 139,043,784	\$ 43,891,968	\$ 16,793,886	\$ 166,141,866	\$ 17,285,117
Premium on bonds payable	9,218,266	532,916	832,776	8,918,406	847,479
Discount on bonds payable	(316,806)	-	(19,201)	(297,605)	(19,201)
Total bonds payable - City	147,945,244	44,424,884	17,607,461	174,762,667	18,113,395
Bonds payable - District:					
General obligation bonds payable	339,614,000	26,440,000	50,912,000	315,142,000	24,197,000
Premium on bonds payable	45,963,276	3,954,638	4,515,043	45,402,871	4,124,804
Total bonds payable - District	385,577,276	30,394,638	55,427,043	360,544,871	28,321,804
Total bonds payable	533,522,520	74,819,522	73,034,504	535,307,538	46,435,199
Other liabilities:					
Due to NYSERS - Chapter 57 & 260	684,372	-	409,229	275,143	275,143
Net pension liability	184,039,731	-	118,066,927	65,972,804	-
Accrued compensated absences - City	8,328,194	326,427	-	8,654,621	33,266
Accrued compensated absences - District	6,569,381	7,645,903	7,732,407	6,482,877	-
Self-insurance claims - City	10,025,763	41,940,064	42,289,849	9,675,978	6,282,834
Self-insurance claims - District	36,579,116	52,798,955	54,557,621	34,820,450	5,001,820
Total other postretirement benefits	718,667,988	74,545,435	-	793,213,423	-
Judgments and claims	14,450,000	-	5,630,000	8,820,000	-
Total other liabilities	979,344,545	177,256,784	228,686,033	927,915,296	11,593,063
Governmental Activities - Long-Term Liabilities	\$ 1,512,867,065	\$ 252,076,306	\$ 301,720,537	\$ 1,463,222,834	\$ 58,028,262

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
June 30, 2021**

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, 2021:

Business-type activities	Balance at July 1, 2020	Additions	Reductions	Balance at June 30, 2021	Amount due within one year
Bonds payable:					
General obligation bonds payable	\$ 28,298,235	\$ 4,025,000	\$ 2,836,113	\$ 29,487,122	\$ 2,982,903
EFC bond - direct borrowing	25,915,000	-	1,140,000	24,775,000	1,150,000
Premium on bonds payable	1,742,828	48,870	217,774	1,573,924	221,032
Discount on bonds payable	(7,956)	-	(7,956)	-	-
Total bonds payable	55,948,107	4,073,870	4,185,931	55,836,046	4,353,935
Other liabilities:					
Due to NYSERS - Chapter 57 & 260	9,718	-	9,718	-	-
Net pension liability	6,005,121	-	5,979,654	25,467	-
Accrued compensated absences	506,999	-	33,305	473,694	-
Self-insurance claims	1,972,094	-	158,193	1,813,901	1,023,626
Total other postretirement benefits	30,286,562	-	375,436	29,911,126	-
Total other liabilities	38,780,494	-	6,556,306	32,224,188	1,023,626
Business-type activities long-term liabilities	\$ 94,728,601	\$ 4,073,870	\$ 10,742,237	\$ 88,060,234	\$ 5,377,561

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements
June 30, 2021

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, 2021, is summarized as follows:

Governmental Activities - City:

<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding</u>
2011	11/1/2036	2.000 - 5.000	\$ 33,980,000
2012	6/1/2032	2.000 - 5.000	2,979,000
2013	6/1/2033	2.000 - 4.000	2,983,000
2013	6/1/2023	3.000 - 4.000	500,000
2014	2/1/2034	2.500 - 5.000	5,496,000
2015	3/1/2027	4.000 - 5.000	7,794,404
2015	2/1/2030	2.500 - 5.000	4,018,000
2016	2/1/2031	2.000 - 2.375	5,033,000
2017	5/1/2032	3.000 - 5.000	9,990,000
2017	5/1/2022	3.000	330,000
2017	10/1/2022	2.000 - 2.500	935,000
2017	8/1/2029	3.000 - 5.000	3,407,494
2018	5/1/2033	4.000	8,995,000
2018	5/1/2023	3.250	1,100,000
2019	5/15/2034	4.000	13,059,000
2020	5/15/2035	4.000	14,145,000
2020	5/15/2031	5.000	7,505,000
2021	5/15/2041	2.000	<u>43,891,968</u>
			<u>\$ 166,141,866</u>

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
June 30, 2021**

Governmental Activities - District:

<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding</u>
2010	2022	2.000 - 4.000	\$ 945,000
2012	2022	2.000 - 5.000	92,000
2020	2023	5.000	145,000
2017	2024	3.000 - 5.000	3,090,000
2014	2025	2.000 - 5.000	3,170,000
2015	2027	4.000 - 5.000	3,935,000
2011	2028	5.428	15,000,000
2021	2028	5.000	23,645,000
2017	2030	3.000 - 5.000	21,550,000
2017	2030	3.000 - 5.000	4,230,000
2017	2032	3.000 - 5.000	2,670,000
2018	2034	3.250 - 5.000	60,925,000
2018	2035	3.000 - 5.000	35,725,000
2019	2035	4.000 - 5.000	59,880,000
2020	2037	4.000 - 5.000	<u>80,140,000</u>
			<u>\$ 315,142,000</u>

Business-type Activities:

<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding</u>
2012	6/1/2032	2.000 - 5.000	\$ 6,239,000
2013	6/1/2033	2.000 - 4.000	6,816,000
2014	2/1/2034	2.500 - 5.000	1,594,000
2015	3/1/2027	4.000 - 5.000	5,400,613
2015	2/1/2030	2.500 - 5.000	677,000
2016	2/1/2031	2.000 - 2.375	1,137,000
2017	8/1/2029	3.000 - 5.000	292,509
2019	5/15/2034	4.000	1,356,000
2020	5/15/2035	4.000	875,000
2020	5/15/2031	5.000	1,075,000
2021	5/15/2041	2.000	<u>4,025,000</u>
			<u>\$ 29,487,122</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

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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, 2021, 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	
2022	\$ 17,285,117	\$ 5,780,442	\$ 24,197,000	\$ 14,821,160	\$ 62,083,719
2023	17,849,482	5,163,444	24,700,000	13,693,437	61,406,363
2024	13,744,694	4,498,780	25,430,000	12,579,988	56,253,462
2025	11,732,017	4,012,394	25,610,000	11,527,637	52,882,048
2026	11,499,818	3,595,127	26,245,000	10,491,737	51,831,682
2027-2031	49,674,738	12,253,900	100,920,000	34,077,438	196,926,076
2032-2036	33,061,000	4,597,672	87,925,000	9,349,138	134,932,810
2037-2041	11,295,000	569,275	115,000	4,600	11,983,875
	<u>\$ 166,141,866</u>	<u>\$ 40,471,034</u>	<u>\$ 315,142,000</u>	<u>\$ 106,545,135</u>	<u>\$ 628,300,035</u>

Business-type Activities:

Year ending June 30,	General obligation debt		EFC bond - direct borrowing		Total
	Principal	Interest	Principal	Interest	
2022	\$ 2,982,903	\$ 1,014,774	\$ 1,150,000	\$ 507,599	\$ 5,655,276
2023	3,237,486	912,106	1,170,000	494,089	5,813,681
2024	3,240,306	797,693	1,190,000	474,252	5,702,251
2025	2,617,983	678,166	1,200,000	453,655	4,949,804
2026	2,684,182	587,683	1,225,000	434,594	4,931,459
2027-2031	11,520,262	1,657,536	6,350,000	1,846,216	21,374,014
2032-2036	3,204,000	196,809	6,770,000	111,116	10,281,925
2037-2040	-	-	5,720,000	(891,460)	4,828,540
	<u>\$ 29,487,122</u>	<u>\$ 5,844,767</u>	<u>\$ 24,775,000</u>	<u>\$ 3,430,061</u>	<u>\$ 63,536,950</u>

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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Debt Refunding

On February 1, 2021, the School District issued \$26,440,000 in SIDA School Facility Revenue Bonds with a coupon rate of 5.00% to refund \$29,235,000 of outstanding Series 2010 and 2011A serial bonds with interest rates of 4.00% - 5.25%. The net proceeds of \$29,933,830 (including a premium of \$3,954,638) were used to purchase U.S. government securities. Those securities 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 to be defeased and the liability for those bonds has been removed from the School District's financial statements. This refunding decreased total debt service payments over the next 7 years by \$3,017,241 resulting in an economic gain (difference between the present values of the debt service payment on the old and new debt) of approximately \$3,017,578.

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 and outstanding at June 30, 2021 in the amount of \$46,000,000 were issued on September 30, 2020 at an interest rate of 1.50% and with a maturity date of July 30, 2021. The revenue anticipation notes issued by the District and outstanding at June 30, 2021 in the amount of \$85,967,000 were issued on September 30, 2020 at an interest rate of 2.00% and with a maturity date of July 30, 2021.

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, 2021:

	Balance at July			Balance at
	1, 2020	Additions	Reductions	June 30, 2021
Governmental activities:				
Revenue anticipation notes - City	\$ 48,400,000	\$ 46,000,000	\$ 48,400,000	\$ 46,000,000
Revenue anticipation notes - District	<u>23,664,000</u>	<u>85,967,000</u>	<u>23,664,000</u>	<u>85,967,000</u>
Total	<u>\$ 72,064,000</u>	<u>\$ 131,967,000</u>	<u>\$ 72,064,000</u>	<u>\$ 131,967,000</u>

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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6. OPERATING LEASE COMMITMENTS AND LEASED ASSETS

The City School District leases property and equipment under operating leases. Total rental expenditures on such leases for the fiscal year ended June 30, 2021 were approximately \$1,300,000. The minimum future non-cancelable operating lease payments as of June 30, 2021 were as follows:

2022	\$ 1,225,518
2023	641,271
2024	354,160
Thereafter	<u>398,512</u>
	<u>\$ 2,619,461</u>

The City has entered into various operating agreements for leases of various parking garages, lots and buildings. The parking garages, which are fully depreciated, cost approximately \$61,800,000 and are included in the transportation activity. Future minimum lease payments due to the City as of June 30, 2021 under non-cancelable operating leases were as follows:

2022	\$ 934,200
2023	934,200
2024	934,200
2025	934,200
2026	938,520
Thereafter	<u>1,207,170</u>
	<u>\$ 5,882,490</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.

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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. The City recorded approximately \$1,655,000 in nonoperating revenue from capital contributions during the year ended June 30, 2021. 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.

The land, buildings and improvements cost approximately \$436,618,000 with accumulated depreciation of approximately \$272,238,000 and are included in the governmental activities. The Authority is required to make rental payments to the City equal to the principal and interest due on Airport-related debt issued by the City. These rental payments totaled \$3,320,650 during the year ended June 30, 2021. Future minimum lease payments due to the City as of June 30, 2021 under this operating lease are as follows:

2022	\$ 3,314,919
2023	3,303,388
2024	3,047,588
2025	3,045,638
2026	3,048,694
2026-2030	15,236,840
2031-2035	15,243,975
2036-2037	<u>3,049,375</u>
	<u>\$ 49,290,417</u>

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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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, 2021:

	Amount Receivable	Amount Payable
General Fund	\$ 5,761,563	\$ -
Joint Schools Construction Board	-	6,847,344
City School District General Fund	7,439,756	-
City School District Special Aid Fund	-	15,865,161
Proprietary Funds:		
Water	-	10,814
Sewer	-	3,617
Internal Service Fund	-	578,332
Nonmajor Governmental Funds:		
Capital Projects Fund - City	-	-
Capital Projects Fund - District	12,081,646	-
Debt Service - District	965,164	-
Neighborhood and Business Development	-	698,329
Special Grants	-	3,249,776
SURA	303,729	1,524,424
School Food Service	2,223,965	-
Fiduciary	1,974	-
	<u>\$ 28,777,797</u>	<u>\$ 28,777,797</u>

The following schedule summarizes receivables and payables between the primary government and the discretely presented component units at June 30, 2021:

	Amount Receivable	Amount Payable
Internal Service Fund	\$ 578,332	\$ -
Component Units:		
Syracuse Regional Airport Authority	-	578,332
	<u>\$ 578,332</u>	<u>\$ 578,332</u>

The amounts receivable and payable above are as of June 30, 2021. The interfund receivables and payables differences relating to the component units result from loans and other transactions in the normal course of business.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements

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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	\$ 8,614,000	\$ 17,542,436
Joint Schools Construction Board	3,632,744	723,013
City School District General Fund	4,137,282	14,318,899
City School District Special Aid Fund	1,777,686	2,109,627
Proprietary Funds:		
Water	-	2,300,000
Sewer	-	525,000
Nonmajor Governmental Funds:		
Capital Projects Fund - City	-	7,056,617
Capital Projects Fund - District	3,003,441	-
Debt Service Fund - City	19,204,107	-
Debt Service Fund - District	5,905,029	-
Oil and Flushing	-	394,054
School Food Service Fund	-	1,304,643
	<u>\$ 46,274,289</u>	<u>\$ 46,274,289</u>

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 NYSERS 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 NYSERS. The NYSERS 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 NYSERS, 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.

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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 or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The NYSERS and NYSPFRS are noncontributory except for employees who joined the NYSERS 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 NYSERS' 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:

	NYSERS		NYSPFRS	
June 30, 2021	\$	5,721,547	\$	18,038,055
June 30, 2020		5,679,707		18,763,965
June 30, 2019		5,905,334		17,400,968

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

At June 30, 2021, the City reported net pension liabilities for its proportionate share of the NYSERS and NYSPFRS net pension liabilities. The net pension liabilities measured as of March 31, 2021, and the total pension liability used to calculate the net pension liabilities were determined by the actuarial valuation as of April 1, 2020. The City's proportion of the net pension liabilities 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, 2021, the City reported the following:

	NYSERS		NYSPFRS	
City's Proportion Percent		0.1425586%		1.9581470%
Net Pension Liability	\$	141,951	\$	33,998,835
Pension Expense		3,089,394		18,537,243

The allocation of the net pension liability and pension expense for governmental activities at June, 30 2021 was as follows:

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
June 30, 2021**

	<u>NYSERS</u>		<u>NYSPPFRS</u>
City's Proportion Percent	0.1169836%		1.9581470%
Net Pension Liability	\$ 116,484	\$	33,998,835
Pension Expense	2,535,157		18,537,243

The allocation of the net pension liability and pension expense for business-type activities at June, 30 2021 was as follows:

	<u>NYSERS</u>
City's Proportion Percent	0.0255750%
Net Pension Liability	\$ 25,467
Pension Expense	554,237

At June 30, 2021, the City reported deferred outflows/inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	
	<u>NYSERS</u>	<u>NYSPPFRS</u>
Differences between expected and actual experience	\$ 1,733,610	\$ 7,544,161
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	43,660	2,509,302
Changes in assumptions	26,100,260	83,531,462
Contributions subsequent to the measurement date	<u>1,396,469</u>	<u>6,695,367</u>
Total	<u>\$ 29,273,999</u>	<u>\$ 100,280,292</u>
	<u>Deferred Inflows of Resources</u>	
	<u>NYSERS</u>	<u>NYSPPFRS</u>
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	40,776,764	99,971,584
Changes in proportion and differences between the City's contributions and proportionate share of contributions	593,758	3,538,988
Changes in assumptions	<u>492,259</u>	<u>-</u>
Total	<u>\$ 41,862,781</u>	<u>\$ 103,510,572</u>

CITY OF SYRACUSE, NEW YORK

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The allocation of deferred inflows and outflows for the governmental activities at June 30, 2021 were as follows:

	<u>Deferred Outflows of Resources</u>	
	<u>NYSERS</u>	<u>NYSPPFRS</u>
Differences between expected and actual experience	\$ 1,422,600	\$ 7,544,161
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	35,827	2,509,302
Changes of assumptions	21,417,873	83,531,462
Contributions subsequent to the measurement date	<u>1,145,731</u>	<u>6,695,367</u>
Total	<u>\$ 24,022,031</u>	<u>\$ 100,280,292</u>
	<u>Deferred Inflows of Resources</u>	
	<u>NYSERS</u>	<u>NYSPPFRS</u>
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	33,461,413	99,971,584
Changes in proportion and differences between the City's contributions and proportionate share of contributions	487,238	3,538,988
Contributions subsequent to the measurement date	<u>403,643</u>	<u>-</u>
Total	<u>\$ 34,352,294</u>	<u>\$ 103,510,572</u>

The allocation of deferred inflows and outflows for the business-type activities at June 30, 2021 were as follows:

	<u>Deferred Outflows of Resources</u>	
	<u>NYSERS</u>	
Differences between expected and actual experience	\$ 311,010	
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	7,833	
Changes of assumptions	4,682,387	
Contributions subsequent to the measurement date	<u>250,738</u>	
Total	<u>\$ 5,251,968</u>	

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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	<u>Deferred Inflows of Resources</u>
	<u>NYSERS</u>
Differences between expected and actual experience	\$ -
Net difference between projected and actual earnings on pension plan investments	7,315,351
Changes in proportion and differences between the City's contributions and proportionate share of contributions	106,520
Contributions subsequent to the measurement date	<u>88,616</u>
 Total	 <u>\$ 7,510,487</u>

The City recognized deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2021, which will result in a reduction of the net pension liabilities in the year ended 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:	<u>Governmental Activities</u>	
	<u>NYSERS</u>	<u>NYSPPFRS</u>
2022	\$ (2,119,494)	\$ (4,185,564)
2023	(848,677)	(587,613)
2024	(1,976,607)	(3,529,622)
2025	(6,531,216)	(17,780,432)
2026	-	16,157,584
Thereafter	<u>-</u>	<u>-</u>
	 <u>\$ (11,475,994)</u>	 <u>\$ (9,925,647)</u>

Plan's Year Ended March 31:	<u>Business-type Activities</u>
	<u>NYSERS</u>
2022	\$ (463,365)
2023	(185,538)
2024	(432,127)
2025	(1,428,227)
2026	-
Thereafter	<u>-</u>
	 <u>\$ (2,509,257)</u>

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the City's proportionate share of the net pension liabilities calculated using the discount rate of 5.9%, as well as what the City's proportionate share of the net pension liabilities 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 <u>(4.9%)</u>	Current Discount <u>(5.9%)</u>	1% Increase <u>(6.9%)</u>
Proportionate Share of Net Pension Liability (Asset) - NYSERS	\$ 39,400,182	\$ 141,951	\$ (36,063,325)
Proportionate Share of Net Pension Liability (Asset) - NYSPFRS	144,582,207	33,998,835	(57,535,618)

**SURA:
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, 2021	\$	370,091
June 30, 2020		429,548
June 30, 2019		471,112

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

At June 30, 2021, SURA reported a net pension liability of \$9,877 for its proportionate share of the NYSERS net pension liability. The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of April 1, 2020. SURA's proportion of the net pension liability 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, 2021 SURA's proportion was 0.0099196%, which was a decrease of 0.0018004% from its proportionate share measured at June 30, 2020.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements

June 30, 2021

For the year ended June 30, 2021, SURA recognized pension expense of \$132,312. At June 30, 2021, 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	\$ 120,629	\$ -
Changes in assumptions	1,816,124	34,253
Net difference between projected and actual earnings on pension plan investments	-	2,837,354
Changes in proportion and difference between SURA's contributions and proportionate share of contributions	<u>5,068</u>	<u>289,175</u>
Total	<u>\$ 1,941,821</u>	<u>\$ 3,160,782</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:

2022	\$ (256,433)
2023	(143,406)
2024	(224,364)
2025	(594,758)
2026	-
Thereafter	<u>-</u>
	<u>\$ (1,218,961)</u>

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

The following presents SURA's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what SURA'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 Liability (Asset)	\$ 2,741,568	\$ 9,877	\$ (2,509,380)

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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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, 2021	\$	6,148,415
June 30, 2020		5,897,634
June 30, 2019		5,984,280

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

At June 30, 2021, the District reported a net pension liability of \$150,220 for its proportionate share of the NYSERS net pension liability. The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of April 1, 2020. The District's proportion of the net pension liability 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, 2021, the District's proportion was 0.1508623%, which was an increase of 0.0026834% from its proportionate share of 0.1481789% as measured at March 31, 2020.

For the year ended June 30, 2021, the District recognized pension expense of \$4,057,769. At June 30, 2021, the District reported deferred outflows/inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,834,588	\$ -
Changes in assumptions	27,620,538	520,932
Net difference between projected and actual earnings on pension plan investments	-	43,151,914
Changes in proportion and differences between the District's contributions and proportionate share of contributions	600,290	133,672
Contributions subsequent to the measurement date	<u>1,601,401</u>	<u>-</u>
Total	<u>\$ 31,656,817</u>	<u>\$ 43,806,518</u>

The District recognized \$1,601,401 as deferred outflow of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2021, which will be a reduction of the net pension liability in the year ended June 30, 2022.

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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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:

2022	\$ (2,366,794)
2023	(786,657)
2024	(2,334,139)
2025	(8,263,512)
2026	-
Thereafter	-
	<u>\$ (13,751,102)</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)	\$ 41,695,149	\$ 150,220	\$ (38,163,928)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liabilities of the employers as of March 31, 2021 were as follows:

	ERS	PFRS
Total pension liability	\$ 220,680,157,000	\$ 41,236,775,000
Net position	(220,580,583,000)	(39,500,500,000)
Net pension liability (asset)	<u>\$ 99,574,000</u>	<u>\$ 1,736,275,000</u>
Fiduciary net position as a percentage of total pension liability	99.95%	95.79%

Actuarial Assumptions

The total pension liability at March 31, 2021 was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to March 31, 2021.

CITY OF SYRACUSE, NEW YORK

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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, 2021 are summarized below:

Long-Term Expected Rate of Return

Asset Type	Target Allocations in %	Long-Term expected real rate of return in %
Domestic Equity	32.0	4.05
International Equity	15.0	6.30
Private Equity	10.0	6.75
Real Estate	9.0	4.95
Opportunistic/ARS Portfolio	3.0	4.50
Credit	4.0	3.63
Real Assets	3.0	5.95
Fixed Income	23.0	0.00
Cash	<u>1.0</u>	0.50
	<u>100.0</u>	

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.

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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New York State Teachers' Retirement System (NYSTRS)

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.

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, 2021	\$ 17,250,303
June 30, 2020	20,169,382
June 30, 2019	18,028,006

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

At June 30, 2021, the District reported a net pension liability of \$31,697,388 for its proportionate share of the NYSTRS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of June 30, 2019. The District's proportion of the net pension liability 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, 2020, the District's proportionate share was 1.147097%, which was an increase of 0.009288% from its proportionate share of 1.137809% as measured at June 30, 2019.

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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For the year ended June 30, 2021, the District recognized pension expense of \$42,749,328. At June 30, 2021, 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	\$ 27,773,255	\$ 1,624,430
Changes in assumptions	40,089,819	14,289,926
Net difference between projected and actual earnings on pension plan investments	20,701,173	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	833,445	3,113,029
Contributions subsequent to the measurement date	<u>17,488,513</u>	<u>-</u>
Total	<u>\$ 106,886,205</u>	<u>\$ 19,027,385</u>

The District recognized \$17,488,513 as a deferred outflow of resources related to pensions resulting from the District's contributions subsequent to the measurement date June 30, 2020 that are recognized as a reduction of the net pension (asset) in the year ended June 30, 2022. 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:

2021	\$ 11,614,474
2022	24,192,783
2023	20,350,578
2024	12,455,567
2025	380,343
Thereafter	<u>1,376,562</u>
	<u>\$ 70,370,307</u>

Actuarial Assumptions

The total pension liability at the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the total pension liability to June 30, 2020. These actuarial valuations used the following actuarial assumptions:

Actuarial Cost Method	Entry Normal Age
Inflation	2.20%
Projected Salary Increases	Rates of increase differ based on service.

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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They have been calculated based upon recent NYSTRS member experience.

Service	Rate
5	4.72%
15	3.46%
25	2.37%
35	1.90%

Projected COLAs	1.3% compounded annually
Investment Rate of Return	7.10% 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 MP2019, applied on a generational basis.

The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

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.

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, 2020 are summarized in the following table:

Asset Type	Target Allocations in %	Long-Term expected real rate of return in %
Domestic Equity	33.0	7.1
International Equities	16.0	7.7
Global Equities	4.0	7.4
Real Estate Equities	11.0	6.8
Private Equities	8.0	10.4
Domestic Fixed Income Securities	16.0	1.8
Global Bonds	2.0	1.0
High-Yield Bonds	1.0	3.9
Private Debt	1.0	5.2
Real Estate Debt	7.0	3.6
Cash Equivalents	<u>1.0</u>	0.7
	<u>100.0</u>	

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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Discount Rate

The discount rate used to measure the total pension liability was 7.10%. 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 7.10%, 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 (6.10%) or 1% higher (8.10%) than the current rate:

	1% Decrease (6.10%)	Current Discount (7.10%)	1% Increase (8.10%)
Proportionate Share of Net Pension Liability (Asset)	\$ 200,221,480	\$ 31,697,388	\$ (109,737,032)

Pension Plan Fiduciary Net Position

The components of the collective net pension liability (asset) of the participating school districts as of June 30, 2020, were as follows:

	NYSTRS
Total pension liability	\$ 123,242,776,215
Net position	(120,479,505,380)
Net pension liability (asset)	<u>\$ 2,763,270,835</u>
Fiduciary net position as a percentage of total pension liability	97.8%

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, 2021:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental activities:			
City NYSERS	\$ 116,484	\$ 24,022,031	\$ 34,352,294
City NYSPFRS	33,998,835	100,280,292	103,510,572
SURA NYSERS	9,877	1,941,821	3,160,782
District NYSERS	150,220	31,656,817	43,806,518
District NYSTRS	<u>31,697,388</u>	<u>106,886,205</u>	<u>19,027,385</u>
Total governmental activities	<u>\$ 65,972,804</u>	<u>\$ 264,787,166</u>	<u>\$ 203,857,551</u>

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements June 30, 2021

Business-type activities:			
City NYSERS	\$ 25,467	\$ 5,251,968	\$ 7,510,487
Total business-type activities	<u>\$ 25,467</u>	<u>\$ 5,251,968</u>	<u>\$ 7,510,487</u>

Other Amounts Due to NYSERS for Chapter 57 Costs

Chapter 57 of the Laws of 2010 of the State of New York allows local employers to amortize a portion of their retirement bill for 10 years in accordance with the following stipulations:

- For State fiscal year 2010-2011, the amount in excess of the graded rate of 9.5% of employees' covered pensionable salaries, with the first payment not due until the fiscal year succeeding that fiscal year in which the amortization was instituted.
- For subsequent State fiscal years, the graded rate will increase or decrease by up to 1% depending on the gap between the increase or decrease in the System's average rate and the previous graded rate.
- For subsequent State fiscal years in which the System's average rates are lower than the graded rates, the employer will be required to pay the graded rate. Any additional contributions made will first be used to pay off existing amortizations, and then any excess will be deposited into a reserve account and will be used to offset future increases in contributions rates.

This law requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the System's fiscal years when the employer opts to participate in the program. The total unpaid liability for the year ended June 30, 2021 was \$275,143, of which the full amount is reported in the governmental activities.

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 \$100,000 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.

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.

CITY OF SYRACUSE, NEW YORK

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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 - Governmental		Total Governmental	City - Business- type
	<u>Activities</u>	<u>District</u>	<u>Activities</u>	<u>Activities</u>
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>

CITY OF SYRACUSE, NEW YORK

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	City -		Total	
	Governmental	District	Governmental	City - Business-
	Activities		Activities	type Activities
Activity for the year ended June 30, 2020:				
Worker's compensation liability - July 1	\$ 7,975,709	\$ 34,558,646	\$ 42,534,355	\$ 1,247,187
Health and dental liability - July 1	<u>3,165,979</u>	<u>1,287,922</u>	<u>4,453,901</u>	<u>159,358</u>
Total self insurance liability - July 1	<u>11,141,688</u>	<u>35,846,568</u>	<u>46,988,256</u>	<u>1,406,545</u>
Worker's compensation claims, net of payments	(1,017,024)	(92,831)	(1,109,855)	571,751
Health and dental claims, net of payments	<u>(98,901)</u>	<u>825,379</u>	<u>726,478</u>	<u>(6,202)</u>
Total claims, net of payments	<u>(1,115,925)</u>	<u>732,548</u>	<u>(383,377)</u>	<u>565,549</u>
Worker's compensation liability - June 30	6,958,685	34,465,815	41,424,500	1,818,938
Health and dental liability - June 30	<u>3,067,078</u>	<u>2,113,301</u>	<u>5,180,379</u>	<u>153,156</u>
Total self insurance liability - June 30	<u>\$ 10,025,763</u>	<u>\$ 36,579,116</u>	<u>\$ 46,604,879</u>	<u>\$ 1,972,094</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
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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, 2021, the following employees were covered by the benefit terms:

	<u>City & SURA</u>	<u>District</u>
Inactive employees or beneficiaries currently receiving benefits	1,838	3,346
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	<u>1,583</u>	<u>2,937</u>
Total participants	<u><u>3,421</u></u>	<u><u>6,283</u></u>

Total OPEB Liability

The City and the District's total liability was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2019.

	<u>City & SURA</u>	<u>District</u>	<u>Total</u>
Governmental Activities	\$ 443,335,337	\$ 349,878,086	\$ 793,213,423
Business-type Activities	29,911,126	-	29,911,126

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2019 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 & SURA</u>	<u>District</u>
Reporting Date	6/30/2021	6/30/2021
Measurement Date	6/30/2021	6/30/2021
Actuarial Valuation Date	7/1/2019	7/1/2019
Discount Rate	1.92%	1.92%
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 Percent of Pay	Level Percentage
Amortization Period	Varies by Group	7.162 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, 2020 and June 30, 2021, which yielded discount rates of 2.45% and 1.92% respectively.

CITY OF SYRACUSE, NEW YORK

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Mortality rates were based on the sex-distinct RPH-2014 Mortality Tables for employees and healthy annuitants, adjusted backward to 2006 with scale MP-2014, and then adjusted for mortality improvements with scale MP-2020 mortality improvement scale on a fully 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, 2019 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 & SURA</u>	<u>District</u>
Balance at June 30, 2020	\$ 460,849,645	\$ 288,104,905
Changes for the Year-		
Service cost	17,841,500	8,283,401
Interest	11,512,239	7,094,705
Changes of benefit terms	-	8,631,106
Changes in assumptions or other inputs	43,231,775	32,233,001
Differences between expected and actual experience	(42,581,090)	19,148,021
Benefit payments	<u>(17,607,606)</u>	<u>(13,617,053)</u>
Net changes	<u>12,396,818</u>	<u>61,773,181</u>
Balance at June 30, 2021	<u>\$ 473,246,463</u>	<u>\$ 349,878,086</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.45% as of June 30, 2020, to 1.92% as of June 30, 2021.

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 (0.92%) or 1% higher (2.92%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
City OPEB Liability	\$ 535,558,038	\$ 473,246,463	\$ 421,394,377
District OPEB Liability	\$ 400,957,996	\$ 349,878,086	\$ 307,887,422

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
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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	\$ 404,327,451	\$ 473,246,463	\$ 560,917,945
District OPEB Liability	\$ 300,742,313	\$ 349,878,086	\$ 412,309,750

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

For the year ended June 30, 2021, the City and the District recognized OPEB expense of \$(46,405,404) and \$(23,190,747), respectively. At June 30, 2021, 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>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
City & SURA:				
Change of assumptions	\$ -	\$ 10,498,143	\$ -	\$ 1,127,735
Difference between expected and actual experience	<u>59,065,301</u>	<u>311,191,569</u>	<u>3,029,400</u>	<u>23,849,842</u>
Total City & SURA	<u>59,065,301</u>	<u>321,689,712</u>	<u>3,029,400</u>	<u>24,977,577</u>
District:				
Change of assumptions	48,319,046	14,724,144	-	-
Difference between expected and actual experience	<u>16,474,463</u>	<u>281,168,592</u>	<u>-</u>	<u>-</u>
Total District	<u>64,793,509</u>	<u>295,892,736</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 123,858,810</u>	<u>\$ 617,582,448</u>	<u>\$ 3,029,400</u>	<u>\$ 24,977,577</u>

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**Notes to Basic Financial Statements
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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
2022	\$ (69,088,890)	\$ (47,199,959)	\$ (6,643,264)
2023	(69,088,890)	(47,199,959)	(6,643,264)
2024	(67,964,976)	(47,199,959)	(6,550,127)
2025	(55,814,485)	(47,199,959)	(2,049,893)
2026	(648,812)	(44,860,161)	(61,629)
Thereafter	(18,358)	2,560,770	-
	<u>\$ (262,624,411)</u>	<u>\$ (231,099,227)</u>	<u>\$ (21,948,177)</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, 2021.

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, 2021**

13. PRIOR PERIOD ADJUSTMENT

The City adopted GASB Statement No. 84, Fiduciary Activities, during the year ended June 30, 2021. Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

This Statement clarified the criteria for reporting certain activities as governmental or fiduciary activities. The City does have a Custodial Fund, which is presented on the statement of fiduciary net position and statement of changes in fiduciary net position. In addition, a new governmental fund is reported, the Miscellaneous Special Revenue Fund, which is used to account for the Extraclassroom Activity Funds of the Syracuse City School District, which were previously recorded in the Agency Fund.

Beginning balances were adjusted as noted below for the following opinion units:

	Fiduciary Activities - City Custodial (previously Agency)		Fiduciary Activities - District Custodial (previously Agency)	
	Assets	Liabilities	Assets	Liabilities
Balance at June 30, 2020, as previously reported	\$ 3,866,491	\$ 3,866,491	\$ 828,864	\$ 828,864
Restatement of beginning balance - Adoption of GASB Statement No. 84	<u>(1,317,437)</u>	<u>(1,317,437)</u>	<u>(828,864)</u>	<u>(828,864)</u>
Balance at July 1, 2020 as restated	<u>\$ 2,549,054</u>	<u>\$ 2,549,054</u>	<u>\$ -</u>	<u>\$ -</u>
	Special Revenue Fund - City School District			
	General Fund		District General Fund	
	Assets	Liabilities	Assets	Liabilities
Balance at June 30, 2020, as previously reported	\$ 111,864,170	\$ 66,027,300	\$ 138,700,921	\$ 62,794,385
Restatement of beginning balance - Adoption of GASB Statement No. 84	<u>1,317,437</u>	<u>1,317,437</u>	<u>661,727</u>	<u>661,727</u>
Balance at July 1, 2020 as restated	<u>\$ 113,181,607</u>	<u>\$ 67,344,737</u>	<u>\$ 139,362,648</u>	<u>\$ 63,456,112</u>

CITY OF SYRACUSE, NEW YORK

**Notes to Basic Financial Statements
June 30, 2021**

	Miscellaneous Special Revenue	
	Fund	
	Assets	Fund Balance
Balance at June 30, 2020, as previously reported	\$ -	\$ -
Restatement of beginning balance - Adoption of GASB Statement No. 84	<u>167,137</u>	<u>167,137</u>
Balance at July 1, 2020 as restated	<u>\$ 167,137</u>	<u>\$ 167,137</u>

	Governmental Activities		
	Assets	Liabilities	Net Position
Balance at June 30, 2020, as previously reported	\$ 1,364,808,175	\$ 1,677,644,761	\$ (823,747,771)
Restatement of beginning balance - Adoption of GASB Statement No. 84	<u>2,146,301</u>	<u>1,979,164</u>	<u>167,137</u>
Balance at July 1, 2020 as restated	<u>\$ 1,366,954,476</u>	<u>\$ 1,679,623,925</u>	<u>\$ (823,580,634)</u>

14. COVID-19

The United States is presently in the midst of a national health emergency related to a virus, commonly known as Novel Coronavirus (COVID-19). The overall consequences of COVID-19 on a national, regional and local level are unknown, but it has the potential to result in a significant economic impact. The impact of this situation on the City and its future results and financial position is not presently determinable. The American Rescue Plan Act is projected to provide the City with approximately \$125 million. The funds are to be used for costs associated with responding to COVID-19, to support workers performing essential work, to cover revenue losses caused by the pandemic, or to make necessary investments in water, sewer or broadband infrastructure. Fifty percent of the award was received in 2021, with the remaining funds to be received in 2022.

15. SUBSEQUENT EVENTS

On October 19, 2021, the City issued \$17,155,000 in Series 2021B refunding bonds at interest rates between 2% and 4% and with maturities ranging from June 1, 2022 through June 1, 2033. The purpose of this issue is to refund \$19,109,000 in existing serial bonds.

On October 29, 2021, the School District issued \$10,770,000 in Series 2021 Revenue Anticipation Notes Series at 1.00% maturing on April 15, 2022 to cover an expected cash flow shortage due to the timing of cash receipts from all sources. The request was approved by the City of Syracuse, New York Common Council on September 13, 2021.

CITY OF SYRACUSE, NEW YORK

Notes to Basic Financial Statements

June 30, 2021

On November 10, 2021, the School District's Board of Education committed \$10 million for the STEAM school project, \$10 million for Capital Projects, and \$20 million for a minimum 4% set-aside. Additionally, to maintain a minimum fund balance level, \$20 million was assigned to balance future years' budgets when the federal pandemic relief funds phase out in the 2022-23 and 2023-24 fiscal years.

On November 15, 2021, the Governor signed into law a second amendment to the Syracuse Cooperative School Reconstruction Act authorizing a third group of JSCB reconstruction projects ("JSCB Phase III"). JSCB Phase III includes \$300 million for reconstruction projects at 10 schools – Delaware Primary, Seymour Dual Language Academy and Webster Elementary Schools, Lincoln, Roberts, Syracuse Latin and Syracuse STEM at Blodgett Pre-K-8 Schools, as well as Corcoran, Henninger and Nottingham High Schools. Work is expected to begin in 2024 and anticipated to be completed by the end of 2031.

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, 2021**

	<u>General Fund</u>			Variance
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Favorable (Unfavorable)
REVENUES:				
General property taxes and tax items	\$ 43,752,590	\$ 43,752,590	\$ 41,509,108	\$ (2,243,482)
Sales and use taxes	86,821,786	86,821,786	100,134,331	13,312,545
Other local taxes	3,036,000	3,036,000	3,376,636	340,636
Departmental revenues	14,089,343	14,089,343	9,949,026	(4,140,317)
Intergovernmental charges	222,900	222,900	126,823	(96,077)
Licenses and permits	2,543,475	2,543,475	2,049,004	(494,471)
Fines and forfeitures	4,178,000	4,178,000	3,348,050	(829,950)
Sale of property and compensation for loss	3,286,100	3,286,100	674,819	(2,611,281)
Use of money and property	454,700	454,700	106,434	(348,266)
Federal and state aid and other grants	75,989,129	75,989,129	94,387,810	18,398,681
Other revenues	<u>1,471,800</u>	<u>1,471,800</u>	<u>2,416,502</u>	<u>944,702</u>
Total revenues	<u>235,845,823</u>	<u>235,845,823</u>	<u>258,078,543</u>	<u>22,232,720</u>
EXPENDITURES:				
Current:				
General government support	30,534,450	30,534,450	33,994,736	(3,460,286)
Public safety	153,951,000	153,951,000	138,511,371	15,439,629
Transportation	22,600,649	22,600,649	17,215,861	5,384,788
Home and community services	13,162,738	13,162,738	11,859,651	1,303,087
Culture and recreation	12,408,237	12,408,237	7,440,352	4,967,885
Interest on debt	<u>590,000</u>	<u>590,000</u>	<u>440,945</u>	<u>149,055</u>
Total expenditures	<u>233,247,074</u>	<u>233,247,074</u>	<u>209,462,916</u>	<u>23,784,158</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,598,749</u>	<u>2,598,749</u>	<u>48,615,627</u>	<u>46,016,878</u>
OTHER FINANCING SOURCES (USES):				
Premium on issuance of BANs and RANs	-	-	322,920	322,920
Operating transfers in	6,557,000	6,557,000	8,614,000	2,057,000
Operating transfers out	<u>(18,055,749)</u>	<u>(18,055,749)</u>	<u>(17,542,436)</u>	<u>513,313</u>
Total other financing uses - net	<u>(11,498,749)</u>	<u>(11,498,749)</u>	<u>(8,605,516)</u>	<u>2,893,233</u>
DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES	<u>\$ (8,900,000)</u>	<u>\$ (8,900,000)</u>	40,010,111	<u>\$ 48,910,111</u>
EFFECT OF ENCUMBRANCES			<u>18,697</u>	
CHANGE IN FUND BALANCE			<u>\$ 40,028,808</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, 2021

			General Fund City School District		Total Current Year	Variance
	Original Budget	Final Budget	Actual Total CSD	Add: Current Year Encumbrance s	Encumbrance and Encumbrance s	Favorable (Unfavorable)
REVENUES:						
General property taxes and tax items	\$ 60,995,734	\$ 60,995,734	\$ 61,247,086	\$ -	\$ 61,247,086	\$ 251,352
Sales and use taxes	450,000	450,000	751,558	-	751,558	301,558
Sale of property and compensation for loss	50,750	50,750	122,526	-	122,526	71,776
Use of money and property	395,500	300,500	57,261	-	57,261	(243,239)
Federal and state aid and other grants	363,521,915	379,212,780	375,491,976	-	375,491,976	(3,720,804)
Other revenues	<u>1,873,203</u>	<u>1,853,203</u>	<u>2,650,812</u>	<u>-</u>	<u>2,650,812</u>	<u>797,609</u>
Total revenues	<u>427,287,102</u>	<u>442,862,967</u>	<u>440,321,219</u>	<u>-</u>	<u>440,321,219</u>	<u>(2,541,748)</u>
EXPENDITURES:						
Current:						
General support	79,295,939	74,780,654	65,762,870	3,840,612	69,603,482	5,177,172
Education	333,351,329	326,014,420	312,639,757	1,626,019	314,265,776	11,748,644
Pass-through New York State funding to JSCB	29,418,264	26,415,264	26,024,823	-	26,024,823	390,441
Interest on debt	<u>2,225,164</u>	<u>1,468,357</u>	<u>1,323,310</u>	<u>-</u>	<u>1,323,310</u>	<u>145,047</u>
Total expenditures	<u>444,290,696</u>	<u>428,678,695</u>	<u>405,750,760</u>	<u>5,466,631</u>	<u>411,217,391</u>	<u>17,461,304</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(17,003,594)</u>	<u>14,184,272</u>	<u>34,570,459</u>	<u>(5,466,631)</u>	<u>29,103,828</u>	<u>14,919,556</u>
OTHER FINANCING SOURCES (USES):						
Premium on issuance of RANS	-	1,163,134	1,163,134	-	1,163,134	-
Operating transfers in	5,000,000	5,000,000	4,137,282	-	4,137,282	(862,718)
Operating transfers out	<u>(13,198,288)</u>	<u>(13,198,288)</u>	<u>(14,318,899)</u>	<u>-</u>	<u>(14,318,899)</u>	<u>(1,120,611)</u>
Total other financing uses - net	<u>(8,198,288)</u>	<u>(7,035,154)</u>	<u>(9,018,483)</u>	<u>-</u>	<u>(9,018,483)</u>	<u>(1,983,329)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES	<u>\$ (25,201,882)</u>	<u>\$ 7,149,118</u>	<u>\$ 25,551,976</u>	<u>\$ (5,466,631)</u>	<u>\$ 20,085,345</u>	<u>\$ 12,936,227</u>

CITY OF SYRACUSE, NEW YORK

Schedule of Changes in Total OPEB Liability and Related Ratios (Unaudited)
For the Year Ended June 30, 2021

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
City (including SURA):										
Total OPEB Liability										
Service cost	\$ 17,841,500	\$ 15,748,910	\$ 27,628,631	\$ 26,872,640						
Interest	11,512,239	13,577,148	31,336,832	29,839,653						
Changes of benefit terms	-	-	-	(72,246)						
Differences between expected and actual experience	(42,581,090)	(457,421,643)	(101,816)	2,495,420						
Changes in assumptions	43,231,775	38,477,648	(17,737,265)	(7,975,348)						
Benefit payments	(17,607,606)	(16,735,004)	(23,907,031)	(24,993,401)						
Total change in total OPEB liability	<u>12,396,818</u>	<u>(406,352,941)</u>	<u>17,219,351</u>	<u>26,166,718</u>						
Total OPEB liability - beginning	<u>460,849,645</u>	<u>867,202,586</u>	<u>849,983,235</u>	<u>823,816,517</u>						
Total OPEB liability - ending	<u>\$ 473,246,463</u>	<u>\$ 460,849,645</u>	<u>\$ 867,202,586</u>	<u>\$ 849,983,235</u>						

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.

Covered-employee payroll \$ 112,061,456 \$ 119,992,187 \$ 124,496,493 \$ 119,321,070

Total OPEB liability as a percentage of covered-employee payroll 422.3% 384.1% 696.6% 712.4%

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

As of June 30, 2021, the mortality assumption was revised to better reflect future expectations. This resulted in a decrease in the liability.

As of June 30, 2021 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 June 30, 2021 the discount rate changed from 2.45% to 1.92%. 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.

Continued...

CITY OF SYRACUSE, NEW YORK

Schedule of Changes in Total OPEB Liability and Related Ratios (Unaudited)
For the Year Ended June 30, 2021

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
City School District:										
Total OPEB Liability										
Service cost	\$ 8,283,401	\$ 7,790,200	\$ 19,345,430	\$ 19,103,347						
Interest	7,094,705	8,564,800	23,616,910	22,589,595						
Changes of benefit terms	8,631,106	-	-	-						
Differences between expected and actual experience	19,148,021	(389,052,209)	(2,242,757)	(314,221)						
Changes in assumptions	32,233,001	28,637,682	(19,845,230)	(5,655,185)						
Benefit payments	(13,617,053)	(12,918,652)	(17,693,310)	(18,514,661)						
Total change in total OPEB liability	61,773,181	(356,978,179)	3,181,043	17,208,875						
Total OPEB liability - beginning	288,104,905	645,083,084	641,902,041	624,693,166						
Total OPEB liability - ending	\$ 349,878,086	\$ 288,104,905	\$ 645,083,084	\$ 641,902,041						
Covered-employee payroll	\$ 233,839,973	\$ 229,649,395	\$ 225,440,334	\$ 239,120,856						
Total OPEB liability as a percentage of covered-employee payroll	149.6%	125.5%	286.1%	268.4%						

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.

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:

	2021	2020	2019	2018
Discount rate	1.92%	2.45%	3.13%	3.62%

The actuarial cost method is Entry Age Normal.

As of June 30, 2021, the mortality assumption was revised to better reflect future expectations. This resulted in a decrease in the liability.

As of June 30, 2021 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 June 30, 2021 the discount rate changed from 2.45% to 1.92%. 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.

Concluded.

CITY OF SYRACUSE, NEW YORK

Schedule of Proportionate Share of Net Pension Liability (Asset) (Unaudited)
For the Year Ended June 30, 2021

CITY SCHOOL DISTRICT:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of the net pension liability (asset)	0.1508623%	0.1481789%	0.1517704%	0.1427046%	0.1376588%	0.1323220%	0.1295850%			
Proportionate share of the net pension liability (asset)	\$ 150	\$ 39,239	\$ 10,753	\$ 4,606	\$ 12,935	\$ 21,238	\$ 4,378			
Covered-employee payroll	\$ 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	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)	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.

NEW YORK STATE TEACHER RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of the net pension liability (asset)	1.147097%	1.137809%	1.129355%	1.119303%	1.137868%	1.051631%	1.072093%			
Proportionate share of the net pension liability (asset)	\$ 31,697	\$ (29,560)	\$ (20,422)	\$ (8,508)	\$ 12,187	\$ (109,231)	\$ (119,425)			
Covered-employee payroll	\$ 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	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)	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%			

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:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of the net pension liability (asset)	0.1425586%	0.1459257%	0.1515259%	0.1498164%	0.1496258%	0.1546223%	0.1565137%			
Proportionate share of the net pension liability (asset)	\$ 142	\$ 38,642	\$ 10,736	\$ 4,835	\$ 14,059	\$ 24,817	\$ 5,287			
Covered-employee payroll	\$ 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	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)	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.

NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of the net pension liability (asset)	1.9581470%	2.0404490%	1.8935108%	2.074932%	2.073579%	2.134004%	2.004215%			
Proportionate share of the net pension liability (asset)	\$ 33,999	\$ 109,061	\$ 31,755	\$ 20,973	\$ 42,978	\$ 63,183	\$ 5,517			
Covered-employee payroll	\$ 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	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)	95.79%	84.86%	95.09%	96.90%	93.50%	90.24%	99.00%			

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.

SURA:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of the net pension liability (asset)	0.0099196%	0.0011720%	0.0129521%	0.0135654%	0.0131048%	0.0127652%	0.0152489%			
Proportionate share of the net pension liability (asset)	\$ 10	\$ 3,104	\$ 918	\$ 438	\$ 1,231	\$ 2,049	\$ 515			
Covered-employee payroll	\$ 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	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)	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, 2021**

CITY SCHOOL DISTRICT:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

Last 10 Fiscal Years (Dollar amounts displayed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 6,148	\$ 5,898	\$ 5,984	\$ 5,650	\$ 5,409	\$ 5,656	\$ 5,817			
Contributions in relation to the contractually required contribution	6,148	5,898	5,984	5,650	5,409	5,656	5,817			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Covered-employee payroll	\$ 43,185	\$ 45,503	\$ 43,581	\$ 43,232	\$ 39,296	\$ 37,080	\$ 33,468			
Contributions as a percentage of covered-employee payroll	14.24%	12.96%	13.73%	13.07%	13.76%	15.25%	17.38%			

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.

Last 10 Fiscal Years (Dollar amounts displayed in thousands)

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 17,250	\$ 20,169	\$ 18,028	\$ 20,788	\$ 23,283	\$ 27,692	\$ 25,734			
Contributions in relation to the contractually required contribution	17,250	20,169	18,028	20,788	23,283	27,692	25,734			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Covered-employee payroll	\$ 183,510	\$ 194,699	\$ 189,798	\$ 177,373	\$ 175,373	\$ 157,918	\$ 158,365			
Contributions as a percentage of covered-employee payroll	9.40%	10.36%	9.50%	11.72%	13.28%	17.54%	16.25%			

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:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

Last 10 Fiscal Years (Dollar amounts displayed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 5,722	\$ 5,680	\$ 5,905	\$ 5,905	\$ 6,156	\$ 6,600	\$ 7,523			
Contributions in relation to the contractually required contribution	5,722	5,680	5,905	5,905	6,156	6,600	7,523			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Covered-employee payroll	\$ 37,537	\$ 41,924	\$ 41,494	\$ 42,076	\$ 43,056	\$ 42,286	\$ 41,497			
Contributions as a percentage of covered-employee payroll	15.24%	13.55%	14.23%	14.03%	14.30%	15.61%	18.13%			

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.

Last 10 Fiscal Years (Dollar amounts displayed in thousands)

NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 18,038	\$ 18,764	\$ 17,400	\$ 18,377	\$ 18,918	\$ 17,767	\$ 17,777			
Contributions in relation to the contractually required contribution	18,038	18,764	17,400	18,377	18,918	17,767	17,777			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Covered-employee payroll	\$ 69,464	\$ 71,697	\$ 75,566	\$ 71,067	\$ 72,008	\$ 73,152	\$ 68,523			
Contributions as a percentage of covered-employee payroll	25.97%	26.17%	23.03%	25.86%	26.27%	24.29%	25.94%			

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.

SURA:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

Last 10 Fiscal Years (Dollar amounts displayed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 370	\$ 430	\$ 471	\$ 484	\$ 453	\$ 427	\$ 427			
Contributions in relation to the contractually required contribution	370	430	471	484	453	427	427			
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Covered-employee payroll	\$ 2,858	\$ 3,153	\$ 3,547	\$ 3,398	\$ 3,266	\$ 2,958	\$ 3,298			
Contributions as a percentage of covered-employee payroll	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, 2021**

	Capital Projects (Combined)	Debt Service (Combined)	Permanent Funds (Combined)	Special Revenue (Combined)	Total Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 4,117,503	\$ -	\$ -	\$ 1,828,990	\$ 5,946,493
Restricted cash and cash equivalents	48,665,998	9,358,763	27,040	4,103,207	62,155,008
Loans receivable	-	-	-	15,252,641	15,252,641
Accounts receivable	-	5,456,732	-	13,215	5,469,947
Other receivable	-	-	-	13,318	13,318
Taxes receivable, net	-	-	-	29,244	29,244
Due from other funds	12,081,646	965,164	-	2,527,694	15,574,504
Due from other governments	8,721,784	-	-	9,443,998	18,165,782
Inventory	-	-	-	609,938	609,938
Prepays and other assets	-	-	-	14,797	14,797
Total assets	\$ 73,586,931	\$ 15,780,659	\$ 27,040	\$ 33,837,042	\$ 123,231,672
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities:					
Accounts payable and accrued expenses	\$ 32,015,856	\$ -	\$ -	\$ 3,213,759	\$ 35,229,615
Due to other funds	-	-	-	5,472,529	5,472,529
Due to other governments	-	-	-	54,905	54,905
Unearned revenue	-	-	-	805,152	805,152
Loans payable	-	-	-	15,104,014	15,104,014
Other liabilities	-	-	-	26,545	26,545
Total liabilities	32,015,856	-	-	24,676,904	56,692,760
Deferred inflows of resources:					
Unavailable revenue	-	5,456,732	-	172,792	5,629,524
Fund Balance:					
Nonspendable	-	-	10,000	609,938	619,938
Restricted	60,551,175	10,323,927	17,040	7,945,925	78,838,067
Committed	-	-	-	431,483	431,483
Unassigned	(18,980,100)	-	-	-	(18,980,100)
Total fund balances	41,571,075	10,323,927	27,040	8,987,346	60,909,388
Total liabilities, deferred inflows of resources and fund balance	\$ 73,586,931	\$ 15,780,659	\$ 27,040	\$ 33,837,042	\$ 123,231,672

CITY OF SYRACUSE, NEW YORK

**Combining Statement of Revenues, Expenditures and Change in Fund Balances - Nonmajor Governmental Funds
For the Year Ended June 30, 2021**

	Capital Projects (Combined)	Debt Service (Combined)	Permanent Funds (Combined)	Special Revenue (Combined)	Total Nonmajor Governmental Funds
REVENUES:					
General property taxes and tax items	\$ -	\$ -	\$ -	\$ 3,162,775	\$ 3,162,775
Other local taxes	-	1,052,285	-	-	1,052,285
Use of money and property	1,483	781	1	66	2,331
Sale of property and compensation for loss	-	-	-	3,910	3,910
Federal and state aid and other grants	18,734,083	-	-	24,363,246	43,097,329
Surplus food	-	-	-	750,888	750,888
Sales-School Food Service Program	-	-	-	89,074	89,074
Other revenues	<u>922,653</u>	<u>-</u>	<u>-</u>	<u>569,850</u>	<u>1,492,503</u>
Total revenues	<u>19,658,219</u>	<u>1,053,066</u>	<u>1</u>	<u>28,939,809</u>	<u>49,651,095</u>
EXPENDITURES:					
General government support	-	-	-	3,280,173	3,280,173
Public safety	-	-	-	1,975,752	1,975,752
Transportation	-	-	-	1,848,796	1,848,796
Economic opportunity and development	-	-	-	206,306	206,306
Home and community services	-	-	-	9,029,529	9,029,529
Culture and recreation	-	-	-	416,719	416,719
Education	4,209,823	-	-	123,929	4,333,752
Principal debt payments	-	20,015,886	-	-	20,015,886
Interest on debt	-	4,943,329	-	-	4,943,329
Capital outlays	57,749,721	-	-	-	57,749,721
Food Service Program	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,939,065</u>	<u>10,939,065</u>
Total expenditures	<u>61,959,544</u>	<u>24,959,215</u>	<u>-</u>	<u>27,820,269</u>	<u>114,739,028</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(42,301,325)</u>	<u>(23,906,149)</u>	<u>1</u>	<u>1,119,540</u>	<u>(65,087,933)</u>
OTHER FINANCING SOURCES (USES):					
Bond proceeds	43,891,968	-	-	-	43,891,968
Premium on bonds	-	532,916	-	-	532,916
Operating transfers in	3,003,441	25,109,136	-	-	28,112,577
Operating transfers out	<u>(7,056,617)</u>	<u>-</u>	<u>-</u>	<u>(1,698,697)</u>	<u>(8,755,314)</u>
Total other financing sources (uses)	<u>39,838,792</u>	<u>25,642,052</u>	<u>-</u>	<u>(1,698,697)</u>	<u>63,782,147</u>
CHANGE IN FUND BALANCES	<u>(2,462,533)</u>	<u>1,735,903</u>	<u>1</u>	<u>(579,157)</u>	<u>(1,305,786)</u>
FUND BALANCE - beginning of year	44,033,608	8,588,024	27,039	9,399,366	62,048,037
PRIOR PERIOD ADJUSTMENT (Note 13)	<u>-</u>	<u>-</u>	<u>-</u>	<u>167,137</u>	<u>167,137</u>
FUND BALANCE - beginning of year, as restated	<u>44,033,608</u>	<u>8,588,024</u>	<u>27,039</u>	<u>9,566,503</u>	<u>62,215,174</u>
FUND BALANCE - end 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>

CITY OF SYRACUSE, NEW YORK

**Combining Balance Sheet - Capital Projects Funds
June 30, 2021**

	City School District	City	Total Capital Projects Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 4,117,503	\$ 4,117,503
Restricted cash and cash equivalents	-	48,665,998	48,665,998
Due from other funds	12,081,646	-	12,081,646
Due from other governments	<u>231,065</u>	<u>8,490,719</u>	<u>8,721,784</u>
 Total assets	 <u>\$ 12,312,711</u>	 <u>\$ 61,274,220</u>	 <u>\$ 73,586,931</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable and accrued expenses	<u>\$ 427,534</u>	<u>\$ 31,588,322</u>	<u>\$ 32,015,856</u>
 Total liabilities	 <u>427,534</u>	 <u>31,588,322</u>	 <u>32,015,856</u>
Fund Balance:			
Restricted	11,885,177	48,665,998	60,551,175
Unassigned	<u>-</u>	<u>(18,980,100)</u>	<u>(18,980,100)</u>
 Total fund balance	 <u>11,885,177</u>	 <u>29,685,898</u>	 <u>41,571,075</u>
 Total liabilities and fund balance	 <u>\$ 12,312,711</u>	 <u>\$ 61,274,220</u>	 <u>\$ 73,586,931</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, 2021

	City School District	City	Total Capital Projects Funds
REVENUES:			
Use of money and property	\$ -	\$ 1,483	\$ 1,483
Federal and state aid and other grants	4,550,951	14,183,132	18,734,083
Other revenues	<u>-</u>	<u>922,653</u>	<u>922,653</u>
Total revenues	<u>4,550,951</u>	<u>15,107,268</u>	<u>19,658,219</u>
EXPENDITURES:			
Education	4,209,823	-	4,209,823
Capital outlays	<u>1,299,855</u>	<u>56,449,866</u>	<u>57,749,721</u>
Total expenditures	<u>5,509,678</u>	<u>56,449,866</u>	<u>61,959,544</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(958,727)</u>	<u>(41,342,598)</u>	<u>(42,301,325)</u>
OTHER FINANCING SOURCES (USES):			
Bond proceeds	-	43,891,968	43,891,968
Operating transfers in	3,003,441	-	3,003,441
Operating transfers out	<u>-</u>	<u>(7,056,617)</u>	<u>(7,056,617)</u>
Total other financing sources - net	<u>3,003,441</u>	<u>36,835,351</u>	<u>39,838,792</u>
CHANGE IN FUND BALANCE	2,044,714	(4,507,247)	(2,462,533)
FUND BALANCE - beginning of year	<u>9,840,463</u>	<u>34,193,145</u>	<u>44,033,608</u>
FUND BALANCE - end of year	<u>\$ 11,885,177</u>	<u>\$ 29,685,898</u>	<u>\$ 41,571,075</u>

CITY OF SYRACUSE, NEW YORK

**Combining Balance Sheet - Debt Service Funds
June 30, 2021**

	City School District	City	Total Debt Service Funds
ASSETS			
Restricted cash and cash equivalents	\$ -	\$ 9,358,763	\$ 9,358,763
Due from other funds	965,164	-	965,164
Accounts receivable	<u>-</u>	<u>5,456,732</u>	<u>5,456,732</u>
 Total assets	 <u>\$ 965,164</u>	 <u>\$ 14,815,495</u>	 <u>\$ 15,780,659</u>
DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Deferred inflows of resources:			
Unavailable revenue	\$ <u>-</u>	\$ <u>5,456,732</u>	\$ <u>5,456,732</u>
Fund Balance:			
Restricted	<u>965,164</u>	<u>9,358,763</u>	<u>10,323,927</u>
 Total deferred inflows of resources and fund balance	 <u>\$ 965,164</u>	 <u>\$ 14,815,495</u>	 <u>\$ 15,780,659</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, 2021**

	City School District	City	Total Debt Service Funds
REVENUES:			
Other local taxes	\$ -	\$ 1,052,285	\$ 1,052,285
Use of money and property	<u>2</u>	<u>779</u>	<u>781</u>
Total revenues	<u>2</u>	<u>1,053,064</u>	<u>1,053,066</u>
EXPENDITURES:			
Principal debt payments	4,912,000	15,103,886	20,015,886
Interest on debt	<u>993,029</u>	<u>3,950,300</u>	<u>4,943,329</u>
Total expenditures	<u>5,905,029</u>	<u>19,054,186</u>	<u>24,959,215</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(5,905,027)</u>	<u>(18,001,122)</u>	<u>(23,906,149)</u>
OTHER FINANCING SOURCES:			
Premium on bonds	-	532,916	532,916
Operating transfers in	<u>5,905,029</u>	<u>19,204,107</u>	<u>25,109,136</u>
Total other financing sources	<u>5,905,029</u>	<u>19,737,023</u>	<u>25,642,052</u>
CHANGE IN FUND BALANCE	2	1,735,901	1,735,903
FUND BALANCE - beginning of year	<u>965,162</u>	<u>7,622,862</u>	<u>8,588,024</u>
FUND BALANCE - end of year	<u>\$ 965,164</u>	<u>\$ 9,358,763</u>	<u>\$ 10,323,927</u>

CITY OF SYRACUSE, NEW YORK

Combining Balance Sheet - Permanent Funds

June 30, 2021

	<u>City School District</u>	<u>City</u>	<u>Total Permanent Funds</u>
ASSETS			
Restricted cash and cash equivalents	\$ 17,040	\$ 10,000	\$ 27,040
Total assets	<u>\$ 17,040</u>	<u>\$ 10,000</u>	<u>\$ 27,040</u>
FUND BALANCE			
Nonspendable	\$ -	\$ 10,000	\$ 10,000
Restricted	<u>17,040</u>	<u>-</u>	<u>17,040</u>
Total fund balances	<u>\$ 17,040</u>	<u>\$ 10,000</u>	<u>\$ 27,040</u>

CITY OF SYRACUSE, NEW YORK

**Combining Statement of Revenues, Expenditures and Change in Fund Balances - Permanent Funds
For the Year Ended June 30, 2021**

	City School District	City	Total Permanent Funds
REVENUES:			
Use of money and property	\$ 1	\$ -	\$ 1
Total revenues	<u>1</u>	<u>-</u>	<u>1</u>
EXPENDITURES:			
General government support	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCE	1	-	1
FUND BALANCE - beginning of year	<u>17,039</u>	<u>10,000</u>	<u>27,039</u>
FUND BALANCE - end of year	<u>\$ 17,040</u>	<u>\$ 10,000</u>	<u>\$ 27,040</u>

CITY OF SYRACUSE, NEW YORK

**Combining Balance Sheet - Special Revenue Funds
June 30, 2021**

	Neighborhood & Business Development	Special Grants	Special Assessment Districts	Oil & Flushing	Syracuse Urban Renewal	School Food Service	Miscellaneous Special Revenue	Miscellaneous Trusts (Combined)	Total Special Revenue Funds
ASSETS									
Cash and cash equivalents	\$ -	\$ -	\$ 424,286	\$ -	\$ 1,404,704	\$ -	\$ -	\$ -	\$ 1,828,990
Restricted cash and cash equivalents	1,904,443	394,686	-	208,227	19,104	-	152,830	1,423,917	4,103,207
Loans receivable	15,102,641	-	-	-	150,000	-	-	-	15,252,641
Accounts receivable	12,470	-	745	-	-	-	-	-	13,215
Other receivable	-	-	-	-	-	12,965	353	-	13,318
Taxes receivable, net	-	-	29,244	-	-	-	-	-	29,244
Due from other funds	-	-	-	-	303,729	2,223,965	-	-	2,527,694
Due from other governments	617,026	3,787,256	-	-	72,657	4,967,059	-	-	9,443,998
Inventory	-	-	-	-	-	609,938	-	-	609,938
Prepays and other assets	-	-	-	-	14,797	-	-	-	14,797
Total assets	\$ 17,636,580	\$ 4,181,942	\$ 454,275	\$ 208,227	\$ 1,964,991	\$ 7,813,927	\$ 153,183	\$ 1,423,917	\$ 33,837,042
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE									
Liabilities:									
Accounts payable and accrued expenses	\$ 1,362,255	\$ 537,481	\$ -	\$ 26,873	\$ 7,353	\$ 1,256,194	\$ 20,903	\$ 2,700	\$ 3,213,759
Due to other funds	698,329	3,249,776	-	-	1,524,424	-	-	-	5,472,529
Due to other governments	54,074	-	-	-	-	831	-	-	54,905
Unearned revenue	391,363	394,685	-	-	19,104	-	-	-	805,152
Loans payable	15,104,014	-	-	-	-	-	-	-	15,104,014
Other liabilities	26,545	-	-	-	-	-	-	-	26,545
Total liabilities	17,636,580	4,181,942	-	26,873	1,550,881	1,257,025	20,903	2,700	24,676,904
Deferred inflows of resources:									
Unavailable revenue	-	-	22,792	-	150,000	-	-	-	172,792
Fund Balance:									
Nonspendable	-	-	-	-	-	609,938	-	-	609,938
Restricted	-	-	-	181,354	264,110	5,946,964	132,280	1,421,217	7,945,925
Committed	-	-	431,483	-	-	-	-	-	431,483
Total fund balance	-	-	431,483	181,354	264,110	6,556,902	132,280	1,421,217	8,987,346
Total liabilities, deferred inflows of resources and fund balance	\$ 17,636,580	\$ 4,181,942	\$ 454,275	\$ 208,227	\$ 1,964,991	\$ 7,813,927	\$ 153,183	\$ 1,423,917	\$ 33,837,042

CITY OF SYRACUSE, NEW YORK

Combining Statement of Revenues, Expenditures and Change in Fund Balances - Special Revenue Funds
For the Year Ended June 30, 2021

	Neighborhood & Business Development		Special Assessment Districts		Syracuse Urban Renewal	School Food Service	Miscellaneous Special Revenue	Miscellaneous Trusts (Combined)	Total Special Revenue Funds
REVENUES:									
General property taxes and tax items	\$ -	\$ -	\$ 1,049,689	\$ 2,113,086	\$ -	\$ -	\$ -	\$ -	\$ 3,162,775
Use of money and property	-	-	-	-	-	3	-	63	66
Sale of property and compensation for loss	-	-	-	-	-	3,910	-	-	3,910
Federal and state aid and other grants	9,899,093	3,697,010	-	-	-	10,767,143	-	-	24,363,246
Surplus food	-	-	-	-	-	750,888	-	-	750,888
Sales-School Food Service Program	-	-	-	-	-	89,074	-	-	89,074
Other revenues	<u>15,910</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171,934</u>	<u>-</u>	<u>89,072</u>	<u>292,934</u>	<u>569,850</u>
Total revenues	<u>9,915,003</u>	<u>3,697,010</u>	<u>1,049,689</u>	<u>2,113,086</u>	<u>171,934</u>	<u>11,611,018</u>	<u>89,072</u>	<u>292,997</u>	<u>28,939,809</u>
EXPENDITURES:									
General government support	1,845,396	381,067	1,053,710	-	-	-	-	-	3,280,173
Public safety	-	1,966,324	-	-	-	-	-	9,428	1,975,752
Transportation	-	-	-	1,848,796	-	-	-	-	1,848,796
Economic opportunity and development	-	-	-	-	206,306	-	-	-	206,306
Home and community services	8,069,607	959,922	-	-	-	-	-	-	9,029,529
Culture and recreation	-	389,697	-	-	-	-	-	27,022	416,719
Education	-	-	-	-	-	-	123,929	-	123,929
Food Service Program	-	-	-	-	-	10,939,065	-	-	10,939,065
Total expenditures	<u>9,915,003</u>	<u>3,697,010</u>	<u>1,053,710</u>	<u>1,848,796</u>	<u>206,306</u>	<u>10,939,065</u>	<u>123,929</u>	<u>36,450</u>	<u>27,820,269</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(4,021)</u>	<u>264,290</u>	<u>(34,372)</u>	<u>671,953</u>	<u>(34,857)</u>	<u>256,547</u>	<u>1,119,540</u>
OTHER FINANCING SOURCES (USES):									
Operating transfers out	-	-	-	(394,054)	-	(1,304,643)	-	-	(1,698,697)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(394,054)</u>	<u>-</u>	<u>(1,304,643)</u>	<u>-</u>	<u>-</u>	<u>(1,698,697)</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>(4,021)</u>	<u>(129,764)</u>	<u>(34,372)</u>	<u>(632,690)</u>	<u>(34,857)</u>	<u>256,547</u>	<u>(579,157)</u>
FUND BALANCE - beginning of year	-	-	435,504	311,118	298,482	7,189,592	-	1,164,670	9,399,366
PRIOR PERIOD ADJUSTMENT (Note 13)	-	-	-	-	-	-	167,137	-	167,137
FUND BALANCE - beginning of year, as restated	<u>-</u>	<u>-</u>	<u>435,504</u>	<u>311,118</u>	<u>298,482</u>	<u>7,189,592</u>	<u>167,137</u>	<u>1,164,670</u>	<u>9,566,503</u>
FUND BALANCE - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 431,483</u>	<u>\$ 181,354</u>	<u>\$ 264,110</u>	<u>\$ 6,556,902</u>	<u>\$ 132,280</u>	<u>\$ 1,421,217</u>	<u>\$ 8,987,346</u>

CITY OF SYRACUSE, NEW YORK

Combining Balance Sheet - Miscellaneous Trust Funds

June 30, 2021

	Police Trust	Parks Trusts	Fire Trust	General Government Trusts	Francis Hendricks	Police State Seizures	Police Federal Seizures	Total Miscellaneous Trust Funds
ASSETS								
Restricted cash and cash equivalents	\$ 253,818	\$ 89,023	\$ 136,718	\$ 70,316	\$ 576	\$ 182,094	\$ 691,372	\$ 1,423,917
Total assets	<u>\$ 253,818</u>	<u>\$ 89,023</u>	<u>\$ 136,718</u>	<u>\$ 70,316</u>	<u>\$ 576</u>	<u>\$ 182,094</u>	<u>\$ 691,372</u>	<u>\$ 1,423,917</u>
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts payable and accrued expenses	\$ 2,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,700
Total liabilities	<u>2,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,700</u>
Fund Balance:								
Restricted	<u>251,118</u>	<u>89,023</u>	<u>136,718</u>	<u>70,316</u>	<u>576</u>	<u>182,094</u>	<u>691,372</u>	<u>1,421,217</u>
Total liabilities and fund balance	<u>\$ 253,818</u>	<u>\$ 89,023</u>	<u>\$ 136,718</u>	<u>\$ 70,316</u>	<u>\$ 576</u>	<u>\$ 182,094</u>	<u>\$ 691,372</u>	<u>\$ 1,423,917</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, 2021

	Police Trust	Parks Trusts	Fire Trust	General Government Trusts	Francis Hendricks	Police State Seizures	Police Federal Seizures	Total Miscellaneous Trust Funds
REVENUES:								
Use of money and property	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 21	\$ 41	\$ 63
Other revenues	<u>22,274</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>240,660</u>	<u>292,934</u>
Total revenues	<u>22,274</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>21</u>	<u>240,701</u>	<u>292,997</u>
EXPENDITURES:								
Public safety	3,046	-	-	-	-	6,382	-	9,428
Culture and recreation	<u>-</u>	<u>27,022</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,022</u>
Total expenditures	<u>3,046</u>	<u>27,022</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,382</u>	<u>-</u>	<u>36,450</u>
CHANGE IN FUND BALANCE	19,228	2,978	-	-	1	(6,361)	240,701	256,547
FUND BALANCE - beginning of year	<u>231,890</u>	<u>86,045</u>	<u>136,718</u>	<u>70,316</u>	<u>575</u>	<u>188,455</u>	<u>450,671</u>	<u>1,164,670</u>
FUND BALANCE - end of year	<u>\$ 251,118</u>	<u>\$ 89,023</u>	<u>\$ 136,718</u>	<u>\$ 70,316</u>	<u>\$ 576</u>	<u>\$ 182,094</u>	<u>\$ 691,372</u>	<u>\$ 1,421,217</u>

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

December 23, 2021

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, 2021, 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 February XX, 2022. 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.

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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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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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*.

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 FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

December 23, 2021

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

Report on Compliance for Each Major Federal Program

We have audited the City of Syracuse, New York's compliance with the types of compliance requirements described 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, 2021. 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.

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, 2021. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Syracuse, New York's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Syracuse, New York's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Syracuse, New York's compliance.

Unmodified Opinion on Each Major Federal Program

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 identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the City of Syracuse, New York is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Syracuse, New York's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Syracuse, New York's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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, 2021**

<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>
U.S. Department of Housing and Urban Development					
Direct:					
Community Development Block Grants/Entitlement Grants:					
	14.218	B-17-MC-36-0108	N/A	\$ 1,457	
	14.218	B-18-MC-36-0108	N/A	393,433	
	14.218	B-19-MC-36-0108	N/A	76,309	
	14.218	B-20-MC-36-0108	N/A	4,233,289	
	14.218	COVID-19 - B-20-MW-36-0108	N/A	<u>1,659,646</u>	
Total Community Development Block Grants/Entitlement Grants				<u>6,364,134</u>	<u>5,072,496</u>
Emergency Shelter Grants Program:					
	14.231	E-19-MC-36-0108	N/A	-	
	14.231	E-20-MC-36-0108	N/A	325,339	
	14.231	COVID-19 - E-20-MW-36-0108	N/A	<u>715,952</u>	
Total Emergency Shelter Grants Program				<u>1,041,291</u>	<u>887,254</u>
Lead-Based Paint Hazard Control in Privately-Owned Housing:					
	14.900	NYLHB0695-18	N/A	167,297	
	14.905	NYLHB0695-18	N/A	<u>770,397</u>	
Total Lead- Based Paint Hazard Control in Privately-Owned Housing				<u>937,694</u>	<u>-</u>
HOME Investment Partnerships Program:					
	14.239	M-16-MC-360505	N/A	105,000	
	14.239	M-17-MC-360505	N/A	131,287	
	14.239	M-18-MC-360505	N/A	280,000	
	14.239	M-19-MC-360505	N/A	841,881	
	14.239	M-20-MC-360505	N/A	<u>194,668</u>	
Total HOME Investment Partnerships Program				<u>1,552,836</u>	<u>1,414,135</u>
Total U.S. Department of Housing and Urban Development				<u>9,895,955</u>	
U.S. Department of Justice					
Direct:					
Body Worn Camera Policy and Implementation:					
2018 Body Worn Cameras	16.835	2018-BC-BX-0053	N/A	271,014	
2019 Body Worn Cameras	16.835	2019-BC-BX-0056	N/A	<u>99,999</u>	
Total Body Worn Camera Policy and Implementation:				<u>371,013</u>	
17/20 Strategies for Policing	16.738	2017-DJ-BX-0274	N/A	<u>94,321</u>	
Coronavirus ESF	16.034	2020-VD-BX-1494	N/A	<u>9,695</u>	
Total Direct Programs U.S. Department of Justice				<u>475,029</u>	
Total U.S. Department of Justice				<u>475,029</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, 2021**

<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>
U.S. Department of Transportation					
Passed-through:					
08/09 Traffic Signal Improvements	20.205	375442	1000002582	16,412	
N, S, E, W Interconnect	20.205	375479	1000002582	167,468	
University Hill Bike Plan	20.205	375526	1000002582	2,594	
Downtown Mill & Pave (South Salina Street)	20.205	375606	1000002582	5,101,731	
Arterial Mill & Pave	20.205	375585	1000002582	5,699	
Downtown Mill & Pave	20.205	375625	1000002582	384,254	
Creekwalk Phase II	20.205	375514	1000002582	1,194,373	
West Genesee Element Spec Bridge Repairs	20.205	375525	1000002582	5,200	
Teall Avenue Resurfacing	20.205	375586	1000002582	21,153	
City Element Spec Bridge Repairs	20.205	375519	1000002582	6,205	
Hiawatha Boulevard Bridge Sidewalk	20.205	375584	1000002582	1,743,185	
17/18 Solar St/Hiawatha Blvd Improvement	20.205	375626	1000002582	107,805	
Onondaga Street over Onondaga Creek	20.205	375639	1000002582	54,171	
Tallman Street over Onondaga Creek	20.205	375638	1000002582	80,949	
Connective Corridor - University Avenue Recon	20.205	375634	1000002582	393,137	
20/21 E. Colvin St. Paving TIP #	20.205	375682	1000002582	97,561	
19/20 PSAP Project	20.205	375649	1000002582	128,879	
18/19 W. Colvin St. Bridge Rehab	20.205	375657	1000002582	275,932	
19/20 E. Brighton Avenue Bridge	20.205	375651	1000002582	125,049	
19/20 W. Genesee Street Road Improvement	20.205	375624	1000002582	188,609	
Creekwalk Maint. Bridge/Creekwalk Improve	20.205	395074	1000002582	26,943	
Total Highway Planning and Construction Cluster				<u>10,127,309</u>	
Total U.S. Department of Transportation				<u>10,127,309</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, 2021**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance</u>		<u>Agency or</u>	<u>Federal</u>	<u>Provided to</u>
	<u>Listing</u>	<u>Grant Identifying Number</u>	<u>Pass-Through</u>		
U.S. Department of the Interior					
Passed-through NYS Office of Parks, Recreation and Historic Preservation:					
Comp Reconnaissance Svy Phas 1	15.904	PRK01-T61907G	N/A	21,405	
Comp Reconnaissance Svy Phas 2	15.904	PRK01-T62007GG-1290000	N/A	27,115	
Total Historic Preservation Fund Grants				<u>48,520</u>	
Creekwalk Riparian	15.658	F20AC00292	N/A	<u>340,511</u>	
Total US Department of the Interior				<u>389,031</u>	
U.S. Department of Homeland Security					
Direct:					
Passed-through NYS Office of Homeland Security and Emergency Services:					
Homeland Security Grant Program:					
2019 SHSP/SLEPP (Police & Fire split)	97.067	SH19-1055-D00	N/A	106,847	
SHSP 2017-Police (Police & Fire split)	97.067	WM17176507	N/A	111,886	
SHSP 2018	97.067	WM2018 SHSP	N/A	232,170	
SHSP 2020	97.067	WM20152900	N/A	82,648	
2018/21Bomb Squad Grant	97.067	BS18-1011-D00	N/A	73,475	
2017 Tactical Team Grant	97.067		N/A	22,063	
2017-20 Bomb Squad Grant	97.067		N/A	<u>57,209</u>	
Total Homeland Security Grant Program				<u>686,298</u>	
Direct:					
FEMA, AFG 2019	97.044	EMW-2019-FG-03281	N/A	333,330	
FY20 AFG-S Covid19	94.044	EMW-2020-FG-00787	N/A	<u>29,623</u>	
Total Assistance to Firefighters Grant:				<u>362,953</u>	
Total U.S. Department of Homeland Security				<u>1,049,251</u>	
Total Expenditures of Federal Awards				<u>\$ 21,936,575</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, 2021

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, 2021**

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 financial reporting:
Material weakness(es) identified? Yes No
Significant deficiencies identified? Yes None reported

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

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>CFDA Number</u>	<u>Program Title</u>
14.905	Lead Hazard Reduction Demonstration Grant Program
20.205	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

The City was not considered a low-risk auditee for the year ended June 30, 2021.

Part II Financial Statement Findings

There were no financial statement findings reported.

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.