

CITY OF SYRACUSE, NEW YORK

**Financial Statements as of
June 30, 2024**

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

CITY OF SYRACUSE, NEW YORK

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INDEPENDENT AUDITOR'S REPORT

March 28, 2025

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

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Syracuse, New York (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Syracuse, New York, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Syracuse Industrial Development Agency, Syracuse Economic Development Corporation and Syracuse Regional Airport Authority, which represent 98% of the assets and 97% of the net position of the aggregate discretely presented component units as of June 30, 2024 and 94% of the revenues for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors.

Basis for Opinions

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

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INDEPENDENT AUDITOR'S REPORT

(Continued)

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

INDEPENDENT AUDITOR'S REPORT

(Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Statements, Schedule of Changes in Total Other Postemployment Benefits Liability and Related Ratios, Schedule of Proportionate Share of Net Pension Liability (Asset) and Schedule of Contributions - Pension Plans be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2025, 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, 2024

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, 2024.

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 assets and deferred outflows of \$2,135,205 exceeded total liabilities and deferred inflows of \$2,069,619 resulting in a surplus of \$65,586 (total net position).
- Total net position at June 30, 2024 consisted of a negative unrestricted deficit of \$616,533 which is offset by positive net position balances of \$592,949 of net investment in capital assets and \$89,170 of restricted net position.
- Total general and program revenues for the fiscal year ended June 30, 2024 were \$1,090,650 compared to total expenses of \$920,845 resulting in an increase to total net position of \$169,805 as a result of this year's operations.
- For fiscal year 2024, total revenues and expenses for governmental activities were \$1,056,037 compared to \$961,853 for fiscal year 2023. For the same periods, total revenue and expenses for business-type activities were \$34,613 and \$35,536, respectively.
- General Fund's revenues (including operating transfers in and other financing sources) were \$296,363 for the fiscal year while General Fund expenditures (including operating transfer out) were \$300,728 causing a decrease of \$4,365 in the General Fund's fund balance.
- The total fund balance for the General Fund at June 30, 2024 is \$135,490. Of that total, \$112,636 is unassigned. The unassigned fund balance of the General Fund as a percentage of total General Fund 2024 expenditures (including operating transfer out) is 37.5%.

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 4. 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.

The Statement of Net Position and Statement of Activities report the City's net position and changes to it. The City's net position is the difference between assets (what the citizens own) and liabilities (what the citizens owe), which serves as one way to measure the City's financial health. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base, and the condition of the City's capital assets (streets, buildings, and water and sewer lines) to assess the overall financial 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, 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 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. A statement of cash flows is presented for all proprietary funds.
- *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 23 and 24.

Government-wide Analysis

The City's total net position increased from a deficit balance of \$104,219 at June 30, 2023 to a surplus of \$65,586 at June 30, 2024. 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	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 606,165	\$ 593,680	\$ 13,153	\$ 18,499	\$ 619,318	\$ 612,179
Capital assets	1,084,401	1,028,123	127,290	123,069	1,211,691	1,151,191
Total assets	1,690,566	1,621,802	140,442	141,568	1,831,009	1,763,370
Total deferred outflows of resources	300,121	357,971	4,076	5,534	304,197	363,505
Total bonds payable	436,428	468,114	47,299	52,481	483,727	520,595
Other long-term liabilities	967,955	962,841	28,791	32,055	996,746	994,896
Other liabilities	150,488	172,333	3,686	3,941	154,174	176,274
Total liabilities	1,554,870	1,603,288	79,777	88,478	1,634,647	1,691,765
Total deferred inflows of resources	424,980	524,267	9,992	15,061	434,972	539,328
Net invested in capital assets	512,959	593,575	79,990	70,587	592,949	664,162
Restricted	87,994	74,881	1,176	826	89,170	75,707
Unrestricted (deficit)	(590,116)	(816,238)	(26,416)	(27,850)	(616,533)	(844,088)
Total net position	\$ 10,836	\$ (147,782)	\$ 54,750	\$ 43,563	\$ 65,586	\$ (104,219)

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, 2024, this balance was \$592,949 versus \$664,163 at June 30, 2023. 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 \$89,170 at June 30, 2024, 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, 2024 was a deficit of \$616,533, versus a deficit at June 30, 2023 of \$844,088.

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, 2024 was \$764,045 and related deferred inflows of resources and deferred outflows of resources were \$323,334 and \$102,733 respectively.

Governmental Activities

Total net position of the City's governmental activities increased from a deficit balance of \$147,782 at June 30, 2023 to a surplus balance of \$10,836 at June 30, 2024, an increase of \$158,618. Unrestricted net position increased \$226,122 from a deficit of \$816,238 at prior fiscal year-end compared to a deficit of \$590,116 at current fiscal year-end.

Business-Type Activities

In fiscal year 2024, total net position of City's business-type activities increased by \$11,187 with \$1,434 of that an increase in unrestricted net position. Total net position increased to \$54,750 at June 30, 2024 compared to \$43,563 at prior year-end while the unrestricted deficit balance for business-type activities increased to a deficit balance of \$26,416 from a deficit balance of \$27,850 over the same period.

Government-wide Analysis

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

For the current year, total revenues were \$1,090,650, an increase of \$93,261, or 9.4%, over prior year total revenues of \$997,389. The primary program and general revenue increases, compared to prior year revenue balances, that contributed to this increase were:

- \$8,137, or 109.5% in Use of money and property
- \$12,715, or 35.7% in Capital grants and contributions
- \$52,338, or 10.8% in Unallocated State aid

These revenue increases were partially offset by decreases. Primary contributor to this decrease was:

- \$770, or 21.7% in Unallocated Federal aid

For the current year, total expenses were \$920,845, an increase of \$116,296, or 14.5%, compared to prior year total expenses of \$803,989. The program expense increases, compared to prior year expenses, that primarily contributed to this increase were:

- \$24,589, or 156.4%, in Home and Community services
- \$99,139, or 19.5% in Education

These increases were offset by decreases, primarily in Culture and recreation of \$1,400, or 20.8%, and in General government support of \$10,974 or 23.5%.

Total revenues for the current year were in excess of total expenses resulting in a positive change in net position of \$169,805 compared to a positive change in net position of \$193,401 for the prior year, a decrease of \$23,596.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenue:						
Program Revenues:						
Fees, fines, and charges	\$ 23,188	\$ 20,752	\$ 32,486	\$ 31,284	\$ 55,674	\$ 52,036
Operating grants and contributions	179,082	173,349	-	-	179,082	173,349
Capital grants and contributions	46,216	31,440	2,094	4,155	48,310	35,595
General Revenues:						
Property taxes and tax items	121,473	113,603	-	-	121,473	113,603
Sales and use taxes	120,476	116,755	-	-	120,476	116,755
Other taxes	5,161	4,566	-	-	5,161	4,566
Unallocated state aid	537,488	485,150	-	-	537,488	485,150
Unallocated federal aid	2,778	3,548	-	-	2,778	3,548
Use of money and property	15,536	7,334	32	97	15,568	7,431
Miscellaneous	4,641	5,357	-	-	4,641	5,357
Total revenues	1,056,037	961,853	34,613	35,536	1,090,650	997,389
Expenses:						
Program Expenses:						
General government support	37,307	46,779	-	-	37,307	46,779
Public safety	175,466	164,618	-	-	175,466	164,618
Transportation	24,521	30,212	-	-	24,521	30,212
Economic opportunity and development	(2,089)	(1,639)	-	-	(2,089)	(1,639)
Home and community services	40,156	15,720	-	-	40,156	15,720
Culture and recreation	5,327	6,727	-	-	5,327	6,727
Education	606,373	507,234	-	-	606,373	507,234
Interest on long-term debt	13,183	13,207	-	-	13,183	13,207
Water	-	-	16,988	17,149	16,988	17,149
Sewer	-	-	3,612	3,982	3,612	3,982
Total expenses	900,245	782,858	20,600	21,131	920,845	803,989
Excess of revenues over expenses	155,793	178,995	14,012	14,406	169,805	193,401
Transfers	2,825	2,825	(2,825)	(2,825)	-	-
Change in net position	158,618	181,820	11,187	11,581	169,805	193,401
Net position (deficit) - beginning	(147,782)	(329,602)	43,563	31,982	(104,219)	(297,620)
Net position (deficit) - ending	\$ 10,836	\$ (147,782)	\$ 54,750	\$ 43,563	\$ 65,586	\$ (104,219)

The following analyses separately consider the operations of governmental and business-type activities.

Governmental Activities

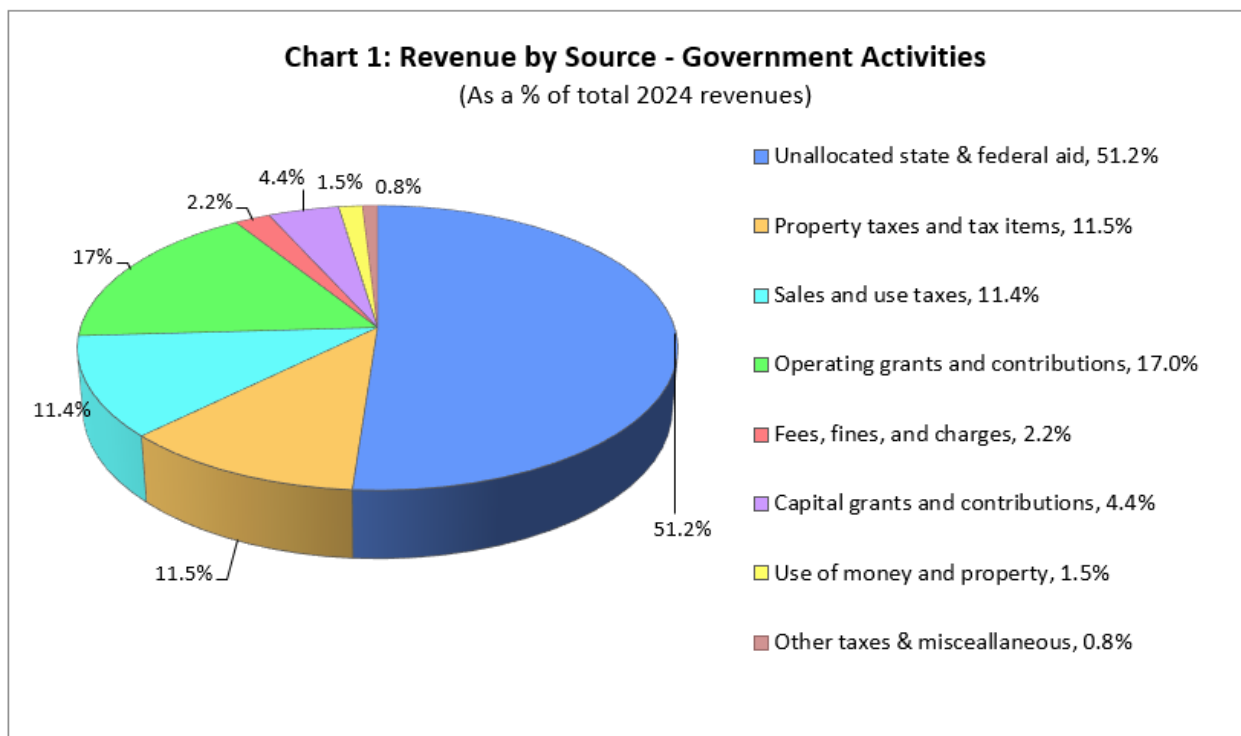
As mentioned previously in the FINANCIAL HIGHLIGHTS section, revenues for the City's governmental activities for the current year were \$1,056,037 compared to total revenues of \$961,853 in the prior year, an increase of \$94,184, or 9.8%. The primary program and general revenue increases, compared to prior year revenue balances, that contributed to this increase were:

- \$8,202, or 111.8%, in Use of money and property
- \$14,776, or 47.0%, in Capital grants and contributions

These revenue increases were partially offset by decreases of:

- \$770, or 21.7%, in Unallocated Federal aid
- \$716, or 13.4%, in Miscellaneous revenue

See *Chart 1: Revenue by Source – Governmental Activities* for each major revenue source as a percentage of total revenues for the current year.

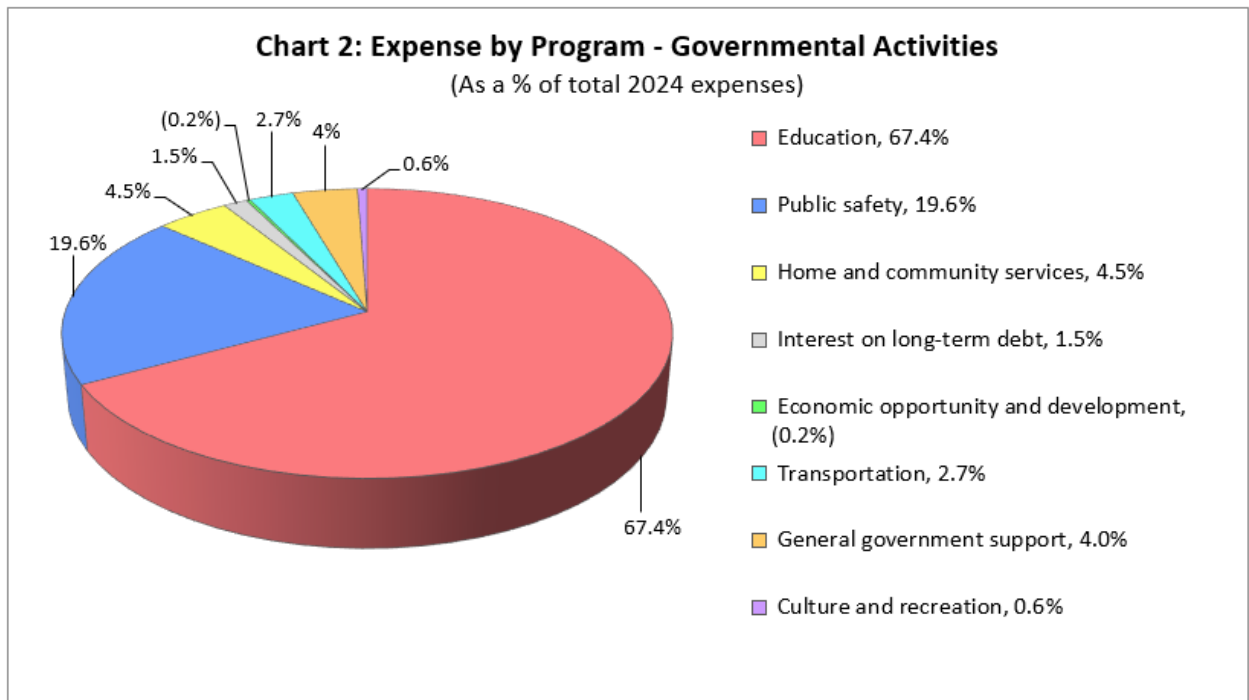


For the current year, total program expenses for governmental activities were \$900,245 which was an increase of \$117,387, or 15.0%, over prior year total expenses of \$782,858. The primary program expense increases, compared to prior year expenses, that contributed to this increase were:

- \$24,589, or 156.4%, in Home and Community services
- \$99,139, or 19.5% in Education

These expense increases were partially offset by decreases primarily in Culture and recreation of \$1,400, or 20.8%, compared to prior year and in General government support of \$10,974 or 23.5% compared to the prior year.

See *Chart 2: Expense by Program – Government Activities* for 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 \$158,618 compared to a positive change in net position (after transfers) of \$181,820 for the prior year, a decrease of \$23,202.

Business-Type Activities

For the current year, total revenues for business-type activities were \$34,613 which was a decrease of \$923, or 2.6%, compared to total revenues of \$35,536 in the prior year. Capital grants and contributions decreased \$2,061, or 49.6%, compared to prior year.

For the current year, total program expenses for business-type activities were \$20,600 which was a decrease of \$531, or 2.5%, compared to prior year total expenses of \$21,131. Sewer and Water expenses decreased \$370, or 9.3%, and \$161, or 0.9%, respectively, in the current year compared to prior year.

Total revenues for business-type activities in the current year were in excess of total business-type activities expenses resulting in a positive change in net position (after transfers) of \$11,187 compared to a positive change in net position (after transfers) of \$11,581 in the prior year, a decrease of \$394.

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

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's 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.

During fiscal 2023-2024 the City's Capital Projects Fund, which had previously been included with Nonmajor Governmental Funds, increased in value and activity such that it is presented as a major fund. The resultant adjustment to beginning fund balances is illustrated on page 21. The School District's Capital Projects fund remains within the Nonmajor Governmental Funds.

At June 30, 2024, the City's Total Governmental Funds' fund balance is \$442,550, which is an 8.28% increase from last year's total of \$408,720. The \$33,830 increase in total fund balance is primarily due to:

- \$35,897 increase in City School District General Fund
- \$15,449 increase in Nonmajor Governmental Funds

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

- \$15,763 decrease in City Capital Projects Fund

Of the total \$442,550 in Total Governmental Funds' fund balance, \$108,861 of fund balance is available for spending at the government's discretion (unassigned fund balance). \$87,994 of fund balance is subject to external, legally enforceable restrictions on its use (restricted) while \$243,701 is allocated by ordinance or through intent to be used for specific purposes (committed and assigned). The remainder of \$1,994 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 \$112,636 while total fund balance was \$135,490. 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 \$300,728 is 37.5% while the General Fund's total fund balance represents 45.1% of that same amount. The City's General Fund's fund balance decreased by \$4,365 during the current year. The adopted budget for the fiscal year ended June 30, 2024, budgeted a net deficiency of \$23,391, 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 major 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 \$224,730 compared to a combined total fund balance of \$188,874 in the prior year. The increase of \$35,856 in fund balance for the two Special Revenue funds in the current year is due to higher total revenues (including other financing sources) of \$657,578 compared to lower expenditures (including other financing uses) of \$621,722.
- *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. 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 had been treated as a non-major government fund effective fiscal year 2018-2019. For the 2023-2024 fiscal year the City Capital Projects Fund is presented as a major fund while the School District Capital Projects Fund continues to be treated as a non-major government fund.
- *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 \$9,989 in both revenues and expenditures while the fund recorded \$7,026 in the prior fiscal year for revenues and expenditures. At June 30, 2024, total assets and liabilities of the fund were \$17,386 while at the end of the previous fiscal year, total assets and total liabilities were \$19,204.

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 \$54,750, an increase of \$11,187, compared to the prior year end balance of \$43,563. For the current year, the Water and Sewer Funds had an increase in net position \$9,928 and \$1,259, 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, 2024 was \$125,394, an increase of \$306 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, 2024, included estimated revenues of \$284,097 and annual appropriations of \$282,657.

Please refer to page 79 for the Statement of Revenues, Expenditures and Encumbrances – Budget and Actual (Budgetary Basis) for presentation of the General Fund original budget and final budget. See *Table 3 – General Fund – Condensed Budget to Actual* for summary budget to actual information for the General Fund.

The actual performance of the General Fund resulted in an excess for the current year of \$20,840, as compared to a final adopted budget with a projected deficiency of \$23,391. This favorable variance of \$19,029 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 \$293,343 which was \$9,245, or 3.3%, higher than the budgeted total revenues for 2024 of \$284,097. The primary revenues with favorable variances, compared to the current year budget, were:

- \$8,277 or 203.3% in Use of money and property
- \$4,036, or 32.1% in Departmental revenues

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

- \$3,384, or 6.0%, in General property taxes and tax items
- \$2,479 or 83.8% in Sale of property and compensation for loss

Offsetting favorable and unfavorable variances for the other revenues, compared to the budget, comprise the remaining favorable variance of \$2,795.

	2024 Actual	2024 Budget
Total revenues	\$ 293,343	\$ 284,098
Total expenditures	267,091	282,657
Excess (deficiency) of revenues over expenditures	26,252	1,442
Operating transfers in	3,020	2,825
Operating transfers out	(33,635)	(27,852)
Total other financing sources (uses)	(30,615)	(25,027)
Effect of Encumbrances	(3)	
Change in fund balance	\$ (4,365)	\$ (23,586)

For the current year, total General Fund expenditures were \$267,091 which was \$15,566, or 5.5%, lower than the budgeted total expenditures for 2024 of \$282,657. The primary expenditures with favorable variances, compared to the current year budget, were:

- \$4,572, or 16.9%, in Transportation
- \$7,919, or 4.4%, in Public Safety

Offsetting favorable and unfavorable variances for the other expenditure categories, compared to the budget, comprise the remaining favorable variance of \$3,018.

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 \$1,211,691 compared with the previous year-end amount of \$1,151,191. This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, infrastructure, construction in progress, right-to-use leased assets, and subscription-based information technology arrangements (SBITAs).

The City's governmental capital assets (net of accumulated depreciation) at June 30, 2024 were \$1,084,401 compared to \$1,028,123 at prior year-end. For the City's business-type activities, Net capital assets at June 30, 2024 were \$127,290 compared to a balance of \$123,069 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/amortization)* for summary information for the City's capital assets.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 18,768	\$ 18,768	\$ 4,485	\$ 4,485	\$ 23,253	\$ 23,253
Buildings	600,370	586,836	461	505	600,831	587,341
Machinery and equipment	33,035	24,189	1,295	1,068	34,330	25,257
Improvements/infrastructure	245,739	228,475	98,805	93,369	344,543	321,845
Construction in progress	185,167	168,776	22,244	23,640	207,410	192,416
Right-to-use leased assets	1,093	1,070	-	-	1,093	1,070
SBITAs	230	9	-	-	230	9
Total capital assets, net	<u>\$ 1,084,401</u>	<u>\$ 1,028,123</u>	<u>\$ 127,290</u>	<u>\$ 123,069</u>	<u>\$ 1,211,691</u>	<u>\$ 1,151,191</u>

Long-Term Debt

At the end of the current year, the City had \$483,727 in total debt compared to \$537,590 at the end of the prior year, a decrease of \$53,863, or 10.02%. 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	
	2024	2023	2024	2023	2024	2023
General obligation bonds payable - City	\$ 157,991	\$ 163,741	\$ 26,034	\$ 30,026	\$ 184,025	\$ 193,767
General obligation bonds payable - District	278,437	304,373	-	-	278,437	304,373
Constructions bonds payable - City	-	-	21,265	22,455	21,265	22,455
Revenue anticipation notes - City	-	-	-	-	-	-
Revenue anticipation notes - District	-	16,995	-	-	-	16,995
Total debt	<u>\$ 436,428</u>	<u>\$ 485,108</u>	<u>\$ 47,299</u>	<u>\$ 52,481</u>	<u>\$ 483,727</u>	<u>\$ 537,590</u>

With respect to City general obligation bonds, total new debt issued during the year was \$15,501. Proceeds were used to finance capital expenditures. Projects funded with these proceeds are as follows:

Purpose	The Bonds
23/24 Municipal Sidewalks	3,000,000
21/22 Municipal Sidewalks	1,500,000
City Software Systems	4,000,000
24-25 GPS Update Program	220,000
23 Interstate Lighting Upgrade	50,000
23/24 Parks Vehicle Replacemen	280,000
23/24 Parks Facility Improveme	190,000
23/24 Parks Court Improvements	60,000
23/24 Tree Pits Enhancements	68,000
FY24 Tree Planting	57,000
23/24 Parks Monuments & Founta	65,000
FY24 City Owned Sidewalks	350,000
FY24 Fiber Optic Truck Program	375,000
23/24 Traffic Signal Replace	250,000
FY24 Fencing Program	25,000
City Hall South Elevator	150,000
23/24 Street Lighting	200,000
23/24 City-Owned Buildings	110,000
23/24 Parks Lighting Upgrades	120,000
FEMA Mitigation Program	139,000
FY23 COPS Camera Replacement	325,000
FY24 Upper Onondaga Playground	125,000
23/24 Parks Playground Add Imp	55,000
FY24 Parks Sidewalk Improvemen	292,000
23/24 Parks Splashpad Improvem	350,000
FY23 Creekwalk Security Camera	270,000
Police Radio Replacement FY24	960,000
Parks Infrastructure FY21	40,000
23/24 Unimproved Street Program (Slurry Seal)	1,875,000
	<u>15,501,000</u>

The City had a rating of A1 from Moody's Investors Service at June 30, 2024.

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 \$515,881, 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
- 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, 2025 fiscal year budget, the City portion of the property tax levy increased by \$7,283, from \$47,583 in fiscal year 2024 to \$54,866 in fiscal year 2025. The School District portion of the levy was increased in fiscal year 2025 to \$68,445 from \$67,946 in fiscal year 2024. The actual combined property tax levy of the City and School District increased to \$123,312 compared with the previous year of \$115,529. The City and School District combined property tax rate for fiscal year 2025 is \$28.2613 per \$1,000 of assessed property value (\$12.6297 for the City and \$15.6316 for the School District).

Revenues and Expenditures for fiscal year 2025 are projected to increase \$27,914, or 8.0%, compared to the previous year's budget and expenditures are projected to increase \$18,916, or 5.7%, compared to the prior year's budget.

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, 2024**

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS				
Cash, cash equivalents and investments	\$ 240,974,440	\$ 7,328,125	\$ 248,302,565	\$ 69,582,187
Accounts receivable, net	8,565,249	5,415,703	13,980,952	2,390,633
Restricted cash, cash equivalents and investments	87,246,522	1,176,148	88,422,670	47,308,642
Loans receivable - current portion	14,696,698	-	14,696,698	1,441,936
Notes receivable - current portion	-	-	-	7,384
Lease receivable - current portion	382,749	-	382,749	1,394,443
Other receivable	8,447,430	-	8,447,430	360,620
Taxes receivable, net	7,105,805	-	7,105,805	-
Internal balances	781,535	(781,535)	-	-
Due from other governments	232,718,423	14,371	232,732,794	575,760
Due from component units, net	181,255	-	181,255	-
Inventory	1,222,002	-	1,222,002	607,209
Other assets	14,797	-	14,797	1,198,879
Prepaid expenses	761,618	-	761,618	515,609
Loans receivable, net of current portion	-	-	-	5,834,690
Notes receivable, net of current portion	-	-	-	4,385,872
Lease receivable, net of current portion	3,066,758	-	3,066,758	9,372,232
Capital assets, non-depreciable	203,934,256	26,729,155	230,663,411	23,896,303
Capital assets, depreciable, net	<u>880,466,642</u>	<u>100,560,532</u>	<u>981,027,174</u>	<u>40,954,090</u>
 Total assets	<u>1,690,566,179</u>	<u>140,442,499</u>	<u>1,831,008,678</u>	<u>209,826,489</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - debt refunding	392,818	119,941	512,759	-
Deferred outflows - OPEB	101,178,289	1,555,141	102,733,430	2,807,310
Deferred outflows - pensions	<u>198,549,458</u>	<u>2,401,109</u>	<u>200,950,567</u>	<u>3,199,458</u>
 Total deferred outflows of resources	<u>300,120,565</u>	<u>4,076,191</u>	<u>304,196,756</u>	<u>6,006,768</u>
LIABILITIES				
Accounts payable and accrued expenses	63,273,046	2,896,715	66,169,761	16,290,976
Accrued interest	2,771,598	210,146	2,981,744	-
Due to other governments	3,044,021	-	3,044,021	-
Amounts due to retirement systems	35,303,883	234,552	35,538,435	-
Unearned revenue	28,647,467	-	28,647,467	1,844,632
Due to primary government	-	-	-	181,255
Loans payable	14,255,007	-	14,255,007	-
Other liabilities	3,190,453	344,575	3,535,028	-
Due to fiduciary funds	2,229	-	2,229	-
Long-term liabilities - due within one year	119,233,670	6,547,057	125,780,727	2,521,573
Long-term liabilities - due in more than one year	<u>1,285,149,122</u>	<u>69,543,705</u>	<u>1,354,692,827</u>	<u>53,065,575</u>
 Total liabilities	<u>1,554,870,496</u>	<u>79,776,750</u>	<u>1,634,647,246</u>	<u>73,904,011</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - lottery aid	11,933,333	-	11,933,333	-
Deferred inflows - OPEB	314,955,636	8,378,128	323,333,764	8,632,725
Deferred inflows - pensions	62,588,980	1,613,827	64,202,807	1,961,121
Deferred inflows - leases	<u>35,502,063</u>	<u>-</u>	<u>35,502,063</u>	<u>10,766,675</u>
 Total deferred inflows of resources	<u>424,980,012</u>	<u>9,991,955</u>	<u>434,971,967</u>	<u>21,360,521</u>
NET POSITION				
Net investment in capital assets	512,958,567	79,990,242	592,948,809	30,344,413
Restricted	87,994,080	1,176,148	89,170,228	49,126,410
Unrestricted	<u>(590,116,411)</u>	<u>(26,416,405)</u>	<u>(616,532,816)</u>	<u>41,097,902</u>
 Total net position	<u>\$ 10,836,236</u>	<u>\$ 54,749,985</u>	<u>\$ 65,586,221</u>	<u>\$ 120,568,725</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, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Fees, Fines and Charges	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Component Units
PRIMARY GOVERNMENT:							
Governmental Activities:							
General government support	\$ 35,805,468	\$ 1,872,100	\$ 10,396,594	\$ -	\$ (23,536,774)	\$ -	\$ (23,536,774)
Public safety	176,828,725	11,199,322	7,387,177	-	(158,242,226)	-	(158,242,226)
Transportation	24,507,286	6,730,839	-	34,577,271	16,800,824	-	16,800,824
Economic opportunity and development	(2,089,069)	-	215,793	-	2,304,862	-	2,304,862
Home and community services	40,308,744	2,281,504	17,766,838	11,638,712	(8,621,690)	-	(8,621,690)
Culture and recreation	5,327,832	719,884	1,160,664	-	(3,447,284)	-	(3,447,284)
Education	606,372,781	384,304	142,154,476	-	(463,834,001)	-	(463,834,001)
Interest on long-term debt	13,182,749	-	-	-	(13,182,749)	-	(13,182,749)
Total governmental activities	900,244,516	23,187,953	179,081,542	46,215,983	(651,759,038)	-	(651,759,038)
Business-Type Activities:							
Water	16,987,888	27,090,095	-	2,094,063	-	12,196,270	12,196,270
Sewer	3,612,493	5,396,311	-	-	-	1,783,818	1,783,818
Total business-type activities	20,600,381	32,486,406	-	2,094,063	-	13,980,088	13,980,088
TOTAL PRIMARY GOVERNMENT	\$ 920,844,897	\$ 55,674,359	\$ 179,081,542	\$ 48,310,046	(651,759,038)	13,980,088	(637,778,950)
COMPONENT UNITS:							
Syracuse Industrial Development Agency	\$ 799,344	\$ 1,507,273	\$ -	\$ -	-	-	-
Syracuse Economic Development Corporation	1,074,749	-	1,923,940	-	-	-	-
Syracuse Regional Airport Authority	60,790,264	63,849,497	-	7,312,908	-	-	-
Greater Syracuse Property Development Corporation	4,208,568	1,671,831	2,908,795	-	-	-	-
TOTAL COMPONENT UNITS	\$ 66,872,925	\$ 67,028,601	\$ 4,832,735	\$ 7,312,908	-	-	-
					Property taxes and tax items	121,472,604	-
					Sales and use taxes	120,476,390	-
					Other taxes	5,160,866	-
					Unallocated state aid	537,487,554	-
					Unallocated federal aid	2,777,616	-
					Use of money and property	15,535,745	32,097
					Contributions	-	-
					Miscellaneous	4,641,242	-
					Transfers	2,825,000	(2,825,000)
					Total general revenues and transfers	810,377,017	(2,792,903)
					Changes in net position	158,617,979	11,187,185
					NET POSITION - beginning of year	(147,781,743)	43,562,800
					NET POSITION - end of year	\$ 10,836,236	\$ 54,749,985

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

**Balance Sheet - Governmental Funds
June 30, 2024**

			Special Revenue				
		Capital Projects	Joint Schools	City School	City School	Nonmajor	Total
	General Fund	Fund - City	Construction	District General	District Special	Governmental	Governmental
			Board	Fund	Aid Fund	Funds	Funds
ASSETS							
Cash, cash equivalents and investments	\$ 58,553,137	\$ -	\$ -	\$ 181,318,884	\$ -	\$ 1,102,419	\$ 240,974,440
Restricted cash and cash equivalents	27,347,493	16,449,892	14,305,032	4,109,551	-	25,034,554	87,246,522
Loans receivable	-	-	-	-	-	14,696,698	14,696,698
Accounts receivable	5,300,413	-	-	-	-	3,264,836	8,565,249
Other receivable	-	310,000	-	4,085,131	4,041,720	10,579	8,447,430
Taxes receivable, net	3,669,626	-	-	3,235,325	-	200,854	7,105,805
Due from other funds	35,450,491	-	-	28,297,248	-	25,492,805	89,240,544
Due from other governments	59,837,316	34,368,553	366,973	51,460,398	65,338,258	21,346,925	232,718,423
Inventories	-	-	-	903,843	-	318,159	1,222,002
Other assets	-	-	-	-	-	14,797	14,797
Prepaid expenditures	600,000	-	-	161,618	-	-	761,618
Lease receivable	3,449,507	-	-	-	-	-	3,449,507
Total assets	\$ 194,207,983	\$ 51,128,445	\$ 14,672,005	\$ 273,571,998	\$ 69,379,978	\$ 91,482,626	\$ 694,443,035
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued expenditures	\$ 11,267,403	\$ 7,194,271	\$ 106	\$ 22,133,853	\$ 17,454,313	\$ 5,223,100	\$ 63,273,046
Due to other funds	-	21,881,030	5,608,831	-	48,183,451	12,606,671	88,279,983
Due to other governments	30	-	-	446	2,989,248	54,297	3,044,021
Amounts due to retirement systems	8,274,216	-	-	26,915,994	-	113,673	35,303,883
Self-insurance claims	5,885,516	-	-	10,513	-	6,678	5,902,707
Unearned revenue	23,756,425	697,976	-	-	534,149	3,658,917	28,647,467
Loans payable	-	-	-	-	-	14,255,007	14,255,007
Other liabilities	3,107,456	-	-	-	-	82,997	3,190,453
Total liabilities	52,291,046	29,773,277	5,608,937	49,060,806	69,161,161	36,001,340	241,896,567
Deferred inflows of resources:							
Deferred inflows - unavailable revenue	2,977,745	-	-	-	-	3,569,646	6,547,391
Deferred inflows - leases	3,449,507	-	-	-	-	-	3,449,507
Total deferred inflows of resources	6,427,252	-	-	-	-	3,569,646	9,996,898
Fund Balance:							
Nonspendable	600,000	-	-	1,065,461	-	328,159	1,993,620
Restricted	2,794,736	16,449,892	9,063,068	4,109,551	218,817	55,358,016	87,994,080
Committed	-	4,905,276	-	41,915,185	-	-	46,820,461
Assigned	19,459,068	-	-	177,420,995	-	-	196,880,063
Unassigned	112,635,881	-	-	-	-	(3,774,535)	108,861,346
Total fund balance	135,489,685	21,355,168	9,063,068	224,511,192	218,817	51,911,640	442,549,570
Total liabilities, deferred inflows of resources and fund balance	\$ 194,207,983	\$ 51,128,445	\$ 14,672,005	\$ 273,571,998	\$ 69,379,978	\$ 91,482,626	\$ 694,443,035

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, 2024

Total fund balances for governmental funds	\$ 442,549,570
Total net position reported for governmental activities in the Statement of Net Position is different because:	
Capital assets (including right-to-use lease assets), net of associated accumulated depreciation and amortization, used in governmental activities are not financial resources and therefore are not reported in the funds	926,954,470
Pension obligation activity:	
Net pension liability/asset	(148,834,423)
Deferred outflows of resources	198,549,458
Deferred inflows of resources	(62,588,980)
Other postemployment benefit activity:	
Total other postemployment benefit liability	(740,285,620)
Deferred outflows of resources	101,178,289
Deferred inflows of resources	(314,955,636)
Revenue collected after year end and not available to pay for current year expenditures and deferred in funds	6,547,391
Long-term liabilities, including bonds payable, lease liabilities, compensated absences, judgments and claims, self-insurance claims, and other long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	(509,360,042)
Deferred charges relating to debt refunding not reported in the funds	392,818
Deferred inflows related to District lottery aid not reported in the funds	(11,933,333)
Accrued interest not reported in the funds	(2,771,598)
The assets and liabilities of the Internal Service Fund are included in Governmental Activities in the Statement of Net Position	<u>125,393,872</u>
Total net position of governmental activities	<u>\$ 10,836,236</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, 2024

	Special Revenue						
	General Fund	Capital Projects Fund - City	Joint Schools Construction Board	City School District General Fund	City School District Special Aid Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:							
General property taxes and tax items	\$ 52,683,319	\$ -	\$ -	\$ 64,088,014	\$ -	\$ 5,438,986	\$ 122,210,319
Sales and use taxes	119,484,223	-	-	992,167	-	-	120,476,390
Other local taxes	4,236,548	-	-	-	-	924,318	5,160,866
Departmental revenues	16,601,641	-	-	-	-	-	16,601,641
Intergovernmental charges	275,711	-	-	-	-	-	275,711
Licenses and permits	3,283,111	-	-	-	-	-	3,283,111
Fines and forfeitures	3,836,281	-	-	-	-	-	3,836,281
Sale of property and compensation for loss	480,173	-	-	16,004	-	16,808	512,985
Use of money and property	12,347,710	13,881	134,578	2,975,895	-	55,874	15,527,938
Federal and state aid and other grants	79,839,853	33,725,721	731,942	457,589,117	124,772,300	55,773,348	752,432,281
Pass-through New York State funding from District	-	-	34,314,713	-	-	-	34,314,713
Surplus food	-	-	-	-	-	991,220	991,220
Sales-School Food Service program	-	-	-	-	-	91,850	91,850
Other revenues	274,094	95,393	243,080	1,388,950	-	653,915	2,655,432
Total revenues	293,342,664	33,834,995	35,424,313	527,050,147	124,772,300	63,946,319	1,078,370,738
CURRENT EXPENDITURES:							
General government support	40,661,918	-	-	-	-	11,564,655	52,226,573
Public safety	172,027,052	-	-	-	-	3,614,908	175,641,960
Transportation	22,513,869	-	-	-	-	2,951,852	25,465,721
Economic opportunity and development	-	-	-	-	-	28,909	28,909
Home and community services	16,743,812	-	-	-	-	17,751,838	34,495,650
Culture and recreation	14,511,678	-	-	-	-	1,118,399	15,630,077
Education	-	-	-	440,577,605	120,017,421	143,527	560,738,553
Principal debt payments	-	-	18,700,000	405,283	-	24,047,208	43,152,491
Interest on debt	634,937	-	12,114,712	11,007	-	5,536,460	18,297,116
Capital outlays	-	67,442,008	1,591,942	1,089,997	-	17,543,138	87,667,085
Food Service Program	-	-	-	-	-	16,507,411	16,507,411
Pass-through New York State funding to JSCB	-	-	-	34,314,713	-	-	34,314,713
Total expenditures	267,093,266	67,442,008	32,406,654	476,398,605	120,017,421	100,808,305	1,064,166,259
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	26,249,398	(33,607,013)	3,017,659	50,651,542	4,754,879	(36,861,986)	14,204,479
OTHER FINANCING SOURCES (USES):							
Bond proceeds	-	9,126,000	-	-	-	6,375,000	15,501,000
Premium on bonds	-	-	-	-	-	513,790	513,790
Proceeds from leases/SBITAs	-	-	-	631,594	-	153,677	785,271
Operating transfers in	3,020,428	9,217,100	-	5,116,547	7,398	46,742,563	64,104,036
Operating transfers out	(33,634,987)	(499,389)	(364,969)	(20,502,673)	(4,803,196)	(1,473,822)	(61,279,036)
Total other financing sources (uses)	(30,614,559)	17,843,711	(364,969)	(14,754,532)	(4,795,798)	52,311,208	19,625,061
CHANGE IN FUND BALANCE	(4,365,161)	(15,763,302)	2,652,690	35,897,010	(40,919)	15,449,222	33,829,540
FUND BALANCE - beginning of year, as previously reported	139,854,846	-	6,410,378	188,614,182	259,736	73,580,888	408,720,030
Adjustment - changes from nonmajor to major fund	-	37,118,470	-	-	-	(37,118,470)	-
FUND BALANCE - beginning of year, as restated	139,854,846	37,118,470	6,410,378	188,614,182	259,736	36,462,418	408,720,030
FUND BALANCE - end of year	\$ 135,489,685	\$ 21,355,168	\$ 9,063,068	\$ 224,511,192	\$ 218,817	\$ 51,911,640	\$ 442,549,570

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, 2024

Net change in fund balances - total governmental funds \$ 33,829,540

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 or amortization expense. This is the amount by which capital outlays exceeded depreciation or amortization expense and losses on disposals in the current period. 57,053,248

Bond proceeds and premiums, as well as lease liabilities, are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. 31,294,770

Governmental activities recognize revenue based on economic resource measurement. Fund activities utilize current financial resources. This is the amount of revenues reported in the statement of activities, but not reported as revenue in the governmental funds. (737,715)

Pension income (expense) resulting from the pension obligation is not recorded in the governmental funds but is recorded in the Statement of Activities. (30,377,834)

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. 71,955,275

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. (5,893,557)

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 172,027

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

Net revenue of the Internal Service Fund is reported with Governmental Activities. 305,558

Net change in net position of governmental activities \$ 158,617,979

CITY OF SYRACUSE, NEW YORK

**Statement of Net Position - Proprietary Funds
June 30, 2024**

	Business-Type Activities			Governmental Activities
	Water	Sewer	Total	Internal Service Fund
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 7,328,125	\$ -	\$ 7,328,125	\$ -
Accounts receivable, net	4,428,118	987,585	5,415,703	-
Due from other governments	-	14,371	14,371	-
Due from component unit	-	-	-	181,255
Total current assets	11,756,243	1,001,956	12,758,199	181,255
NONCURRENT ASSETS:				
Restricted cash and cash equivalents	1,176,148	-	1,176,148	-
Capital assets, non-depreciable	24,550,586	2,178,569	26,729,155	2,497,904
Capital assets, depreciable, net	87,914,233	12,646,299	100,560,532	154,948,524
Total noncurrent assets	113,640,967	14,824,868	128,465,835	157,446,428
Total Assets	125,397,210	15,826,824	141,224,034	157,627,683
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - debt refunding	83,324	36,617	119,941	-
Deferred outflows - OPEB	877,130	678,011	1,555,141	-
Deferred outflows - pensions	1,702,289	698,820	2,401,109	-
Total Deferred Outflows of Resources	2,662,743	1,413,448	4,076,191	-
LIABILITIES				
CURRENT LIABILITIES:				
Accounts payable and accrued expenses	2,660,961	235,754	2,896,715	-
Accrued interest	197,909	12,237	210,146	-
Due to other funds	443,606	337,929	781,535	181,255
Amounts due to retirement systems	165,819	68,733	234,552	-
Other liabilities	337,118	7,457	344,575	-
Current portion of bonds payable	4,223,139	275,349	4,498,488	-
Current portion of self-insurance claims	641,011	293,692	934,703	-
Current portion of total other postemployment benefits	653,673	460,193	1,113,866	-
Total current liabilities	9,323,236	1,691,344	11,014,580	181,255
NONCURRENT LIABILITIES:				
Bonds payable - net of current portion	42,026,274	774,683	42,800,957	-
Accrued compensated absences	224,535	85,011	309,546	-
Self-insurance claims - net of current portion	627,407	304,788	932,195	-
Net pension liabilities	2,024,450	831,073	2,855,523	-
Total other postemployment benefits - net of current portion	14,021,894	8,623,590	22,645,484	-
Total noncurrent liabilities	58,924,560	10,619,145	69,543,705	-
Total Liabilities	68,247,796	12,310,489	80,558,285	181,255
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - OPEB	4,113,587	4,264,541	8,378,128	-
Deferred inflows - pensions	1,144,138	469,689	1,613,827	-
Deferred inflows - leases	-	-	-	32,052,556
Total Deferred Inflows of Resources	5,257,725	4,734,230	9,991,955	32,052,556
NET POSITION				
Net investment in capital assets	66,215,406	13,774,836	79,990,242	157,446,428
Restricted	1,176,148	-	1,176,148	-
Unrestricted (deficit)	(12,837,122)	(13,579,283)	(26,416,405)	(32,052,556)
Total net position	\$ 54,554,432	\$ 195,553	\$ 54,749,985	\$ 125,393,872

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, 2024

	Business-Type Activities			Governmental Activities
	Water	Sewer	Total	Internal Service Fund
OPERATING REVENUES:				
Charges for services	\$ 26,275,987	\$ 5,387,136	\$ 31,663,123	\$ -
Miscellaneous	<u>814,108</u>	<u>9,175</u>	<u>823,283</u>	<u>-</u>
Total operating revenues	<u>27,090,095</u>	<u>5,396,311</u>	<u>32,486,406</u>	<u>-</u>
OPERATING EXPENSES:				
Cost of sales and services	11,975,145	2,783,353	14,758,498	-
Administration	314,536	-	314,536	-
Depreciation	<u>3,592,920</u>	<u>807,491</u>	<u>4,400,411</u>	<u>12,413,627</u>
Total operating expenses	<u>15,882,601</u>	<u>3,590,844</u>	<u>19,473,445</u>	<u>12,413,627</u>
OPERATING INCOME (LOSS)	<u>11,207,494</u>	<u>1,805,467</u>	<u>13,012,961</u>	<u>(12,413,627)</u>
NONOPERATING REVENUES (EXPENSES):				
Capital grants	2,094,063	-	2,094,063	-
Capital contributions	-	-	-	11,638,712
Lease income	-	-	-	1,080,473
Investment income	32,097	-	32,097	-
Interest expense	<u>(1,105,287)</u>	<u>(21,649)</u>	<u>(1,126,936)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>1,020,873</u>	<u>(21,649)</u>	<u>999,224</u>	<u>12,719,185</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	12,228,367	1,783,818	14,012,185	305,558
OPERATING TRANSFERS OUT	<u>(2,300,000)</u>	<u>(525,000)</u>	<u>(2,825,000)</u>	<u>-</u>
CHANGE IN NET POSITION	9,928,367	1,258,818	11,187,185	305,558
NET POSITION - beginning of year	<u>44,626,065</u>	<u>(1,063,265)</u>	<u>43,562,800</u>	<u>125,088,314</u>
NET POSITION - end of year	<u>\$ 54,554,432</u>	<u>\$ 195,553</u>	<u>\$ 54,749,985</u>	<u>\$ 125,393,872</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, 2024**

	Business-Type Activities			Governmental Activities
	Water	Sewer	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 27,184,741	\$ 5,385,155	\$ 32,569,896	\$ -
Payments to vendors	(7,313,247)	(1,557,154)	(8,870,401)	-
Payments to employees	(6,445,879)	(2,648,582)	(9,094,461)	-
Internal activity with other funds - net	254,176	332,634	586,810	-
Claims paid	(3,131,165)	(1,518,208)	(4,649,373)	-
Net cash flow from operating activities	10,548,626	(6,155)	10,542,471	-
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	(7,349,598)	(1,240,268)	(8,589,866)	-
Proceeds from capital grants	2,094,063	-	2,094,063	-
Proceeds from capital debt	-	-	-	-
Principal paid on capital debt	(4,308,656)	(471,462)	(4,780,118)	-
Interest paid on capital debt	(1,385,349)	(62,330)	(1,447,679)	-
Net cash flow from capital and related financing activities	(10,949,540)	(1,774,060)	(12,723,600)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends received	32,097	-	32,097	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,668,817)	(2,305,215)	(4,974,032)	-
CASH AND CASH EQUIVALENTS - beginning of year	11,173,090	2,305,215	13,478,305	-
CASH AND CASH EQUIVALENTS - end of year	\$ 8,504,273	\$ -	\$ 8,504,273	\$ -
Reconciliation of operating income (loss) to net cash flow from operating activities:				
Operating income (loss)	\$ 11,207,494	\$ 1,805,467	\$ 13,012,961	\$ (12,413,627)
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:				
Depreciation expense	3,592,920	807,491	4,400,411	12,413,627
(Gain) loss on disposal of capital assets	(31,656)	-	(31,656)	-
Change in assets and liabilities:				
Accounts receivable	(210,816)	(3,680)	(214,496)	-
Due to/from other funds	254,176	332,634	586,810	(141,745)
Due from component unit	-	-	-	141,745
Accounts payable and accrued expenses	(52,743)	(507,351)	(560,094)	-
Amounts due to retirement systems	(17,390)	1,585	(15,805)	-
Net pension assets/liabilities	(834,652)	(354,220)	(1,188,872)	-
Other postemployment benefits	(609,008)	(507,234)	(1,116,242)	-
Self-insurance claims	(496,598)	(113,507)	(610,105)	-
Other liability	337,118	7,457	344,575	-
Accrued compensated absences	(237,561)	(111,304)	(348,865)	-
Deferred outflows - OPEB and pension	867,687	485,087	1,352,774	-
Deferred inflows - OPEB and pension	(3,220,345)	(1,848,580)	(5,068,925)	-
Net cash flow from operating activities	\$ 10,548,626	\$ (6,155)	\$ 10,542,471	\$ -

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 \$11,638,712 and amortization of deferred inflows related to leases of \$1,080,473.

Continued...

CITY OF SYRACUSE, NEW YORK

Statement of Cash Flows - Proprietary Funds For the Year Ended June 30, 2024

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

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Beginning of Year:			
Water Fund	\$ 10,347,456	\$ 825,634	\$ 11,173,090
Sewer Fund	2,305,215	-	2,305,215
Internal Service Fund	<u>-</u>	<u>-</u>	<u>-</u>
 Total - Cash and cash equivalents - beginning of year	 <u>\$ 12,652,671</u>	 <u>\$ 825,634</u>	 <u>\$ 13,478,305</u>
 End of Year:			
Water Fund	\$ 7,328,125	\$ 1,176,148	\$ 8,504,273
Sewer Fund	-	-	-
Internal Service Fund	<u>-</u>	<u>-</u>	<u>-</u>
 Total - Cash and cash equivalents - end of year	 <u>\$ 7,328,125</u>	 <u>\$ 1,176,148</u>	 <u>\$ 8,504,273</u>

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Statement of Net Position - Fiduciary Funds June 30, 2024

	City Custodial Fund	City School District Private Purpose Trusts	Total Fiduciary Funds
ASSETS			
Restricted cash and cash equivalents	\$ 1,293,700	\$ 41,653	\$ 1,335,353
Due from other funds	<u>-</u>	<u>2,229</u>	<u>2,229</u>
Total assets	<u>1,293,700</u>	<u>43,882</u>	<u>1,337,582</u>
LIABILITIES			
Due to other governments	<u>1,293,700</u>	<u>-</u>	<u>1,293,700</u>
Total liabilities	<u>1,293,700</u>	<u>-</u>	<u>1,293,700</u>
NET POSITION			
Held in trust for scholarships	<u>\$ -</u>	<u>\$ 43,882</u>	<u>\$ 43,882</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, 2024

	City Custodial Fund	City School District Private Purpose Trusts	Total Fiduciary Funds
ADDITIONS:			
Taxes collected for other governments	\$ 79,371,676	\$ -	\$ 79,371,676
Contributions	-	28,364	28,364
Investment income	-	1,308	1,308
Total additions	<u>79,371,676</u>	<u>29,672</u>	<u>79,401,348</u>
DEDUCTIONS:			
Taxes distributed to other governments	79,371,676	-	79,371,676
Scholarships and awards	-	11,595	11,595
Total deductions	<u>79,371,676</u>	<u>11,595</u>	<u>79,383,271</u>
CHANGE IN NET POSITION	-	18,077	18,077
NET POSITION - beginning of year	-	25,805	25,805
NET POSITION - end of year	<u>\$ -</u>	<u>\$ 43,882</u>	<u>\$ 43,882</u>

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

Combining Statement of Net Position - Component Units June 30, 2024

	Syracuse Industrial Development Agency	Syracuse Economic Development Corporation	Syracuse Regional Airport Authority	Greater Syracuse Property Development Corporation	Total
ASSETS:					
Cash, cash equivalents and investments	\$ 4,615,785	\$ 1,026,398	\$ 61,392,605	\$ 2,547,399	\$ 69,582,187
Restricted cash, cash equivalents and investments	-	3,429,080	43,272,789	606,773	47,308,642
Accounts receivable	-	-	2,390,133	500	2,390,633
Loans receivable - current portion	-	1,441,936	-	-	1,441,936
Notes receivable - current portion	-	-	-	7,384	7,384
Lease receivable - current portion	-	-	1,394,443	-	1,394,443
Grant and government subsidiary receivable	-	-	-	575,760	575,760
Other receivables	-	360,620	-	-	360,620
Inventory	-	-	-	607,209	607,209
Prepaid expenses	-	-	1,130,512	68,367	1,198,879
Other assets	515,609	-	-	-	515,609
Loans receivable - long-term portion	-	5,834,690	-	-	5,834,690
Notes receivable - long-term portion	-	4,290,185	-	95,687	4,385,872
Lease receivable - long-term portion	-	-	9,372,232	-	9,372,232
Capital assets, non-depreciable	50,000	-	23,846,303	-	23,896,303
Capital assets, depreciable, net	-	-	40,947,355	6,735	40,954,090
Total assets	5,181,394	16,382,909	183,746,372	4,515,814	209,826,489
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows - OPEB	-	-	2,807,310	-	2,807,310
Deferred outflows - pensions	-	-	3,199,458	-	3,199,458
Total deferred outflows of resources	-	-	6,006,768	-	6,006,768
LIABILITIES:					
Accounts payable and accrued expenses	179,021	717,622	15,115,710	278,623	16,290,976
Unearned revenue	-	1,237,859	-	606,773	1,844,632
Due to primary government	-	-	181,255	-	181,255
Long-term liabilities - due within one year	-	-	2,514,838	6,735	2,521,573
Long-term liabilities - due in more than one year	-	-	53,065,575	-	53,065,575
Total liabilities	179,021	1,955,481	70,877,378	892,131	73,904,011
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - OPEB	-	-	8,632,725	-	8,632,725
Deferred inflows - pensions	-	-	1,961,121	-	1,961,121
Deferred inflows - leases	-	-	10,766,675	-	10,766,675
Total deferred inflows of resources	-	-	21,360,521	-	21,360,521
NET POSITION:					
Net investment in capital assets	50,000	-	30,294,413	-	30,344,413
Restricted	-	5,853,621	43,272,789	-	49,126,410
Unrestricted	4,952,373	8,573,807	23,948,039	3,623,683	41,097,902
Total net position	\$ 5,002,373	\$ 14,427,428	\$ 97,515,241	\$ 3,623,683	\$120,568,725

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, 2024

	Syracuse Industrial Development Agency	Syracuse Economic Development Corporation	Syracuse Regional Airport Authority	Greater Syracuse Property Development Corporation	Total
OPERATING REVENUES:					
Financing fees	\$ 1,485,687	\$ -	\$ -	\$ -	\$ 1,485,687
Landing fees	-	-	10,454,693	-	10,454,693
Parking rents	-	-	21,240,231	-	21,240,231
Concession and other	-	-	12,743,457	-	12,743,457
Terminal rents	-	-	7,005,553	-	7,005,553
Rent revenue	21,586	-	-	35,270	56,856
Sale of property	-	-	-	1,337,040	1,337,040
Miscellaneous income	-	-	87,870	299,521	387,391
Total operating revenues	<u>1,507,273</u>	<u>-</u>	<u>51,531,804</u>	<u>1,671,831</u>	<u>54,710,908</u>
OPERATING EXPENSES:					
Airport expenses	-	-	54,111,318	-	54,111,318
Greater Syracuse Property Development Corporation expenses	-	-	-	4,181,435	4,181,435
Public improvements	3,181	-	-	-	3,181
Development projects	3,199	564,667	-	-	567,866
Other costs	792,964	510,082	-	-	1,303,046
Depreciation and amortization	-	-	3,457,969	27,133	3,485,102
Total operating expenses	<u>799,344</u>	<u>1,074,749</u>	<u>57,569,287</u>	<u>4,208,568</u>	<u>63,651,948</u>
OPERATING INCOME (LOSS)	<u>707,929</u>	<u>(1,074,749)</u>	<u>(6,037,483)</u>	<u>(2,536,737)</u>	<u>(8,941,040)</u>
NON-OPERATING REVENUES (EXPENSES):					
Grant, contributions and government subsidy revenue	-	1,923,940	7,312,908	2,908,795	12,145,643
Passenger facility charges	-	-	6,131,548	-	6,131,548
Consumer facility charges	-	-	6,186,145	-	6,186,145
Other revenue	124,282	-	200	-	124,482
Interest expense	-	-	(3,220,977)	-	(3,220,977)
Investment earnings	49,827	215,332	1,844,238	8,748	2,118,145
Total non-operating revenues (expenses)	<u>174,109</u>	<u>2,139,272</u>	<u>18,254,062</u>	<u>2,917,543</u>	<u>23,484,986</u>
CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,800</u>	<u>7,800</u>
CHANGES IN NET POSITION	882,038	1,064,523	12,216,579	388,606	14,551,746
NET POSITION - beginning of year	<u>4,120,335</u>	<u>13,362,905</u>	<u>85,298,662</u>	<u>3,235,077</u>	<u>106,016,979</u>
NET POSITION - end of year	<u>\$ 5,002,373</u>	<u>\$ 14,427,428</u>	<u>\$ 97,515,241</u>	<u>\$ 3,623,683</u>	<u>\$ 120,568,725</u>

The accompanying notes are an integral part of these statements.

CITY OF SYRACUSE, NEW YORK

NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2024

1. NATURE OF OPERATIONS

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

The City's financial reporting entity comprises the following:

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

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

Blended Component Units

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

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 special revenue funds in the fund financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Blended Component Units (Continued)

The District's general fund and special aid fund are combined in the City's fund financial statements. In the government-wide statements, the District is included in the governmental activities. Separately issued financial statements may be obtained by contacting the Chief Financial Officer of the District at 1025 Erie Blvd. West, Syracuse, New York 13204-2749.

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

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

Discretely Presented Component Units

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Upon expiration or earlier termination of the lease term, the Airport reverts to the City and the City will be required to obtain the operating certificate from the FAA in order to continue to administer and operate the Airport. Separate audited financial statements are prepared for the Authority and reports may be obtained by writing to the Executive Director at 1000 Colonel Eileen Collins Boulevard, Syracuse, New York, 13212.

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

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

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Government-wide Financial Statements (Continued)

Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

Fund Financial Statements

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

- a. Total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures/expenses 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 plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures/expenses 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

- Capital Projects Fund - Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment other than those financed by proprietary funds. The principal sources of revenue are from the sale of bonds, issuance of bond anticipation notes and federal, New York State and local funds. Both the City and the Syracuse City School District maintain capital project funds.
- Joint School Construction Board (JSCB) Fund - The JSCB fund, which is a blended component unit of the District, is used to account for transactions associated with the design, construction, reconstruction, and financing of public educational facilities in the City. The JSCB is authorized to act as an agent to enter into contracts on behalf of the District and the Common Council of the City of Syracuse, New York (the Council) for the construction of new educational facilities in accordance with applicable state and local laws.
- Permanent Funds - The permanent funds account for assets held by the City and the District pursuant to trust agreements. The principal portion of these fund types must remain intact, but the earnings may be used to achieve the objectives of the funds.

Proprietary Fund Types

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 assets and activities related to the Syracuse Hancock International Airport, which is managed by the Syracuse Regional Airport Authority.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

Major and Nonmajor Funds

- Major Funds:
 - General Fund - see earlier description
 - Capital Projects Fund - City – see earlier description
 - Joint School Construction Board (JSCB) - see earlier description
 - Special Revenue Fund - City School District General Fund - this fund is used to account for the education and transportation of pupils within the City.
 - Special Revenue Fund - City School District Special Aid Fund - this fund accounts for the proceeds of specific revenue sources, such as Federal and State grants that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed either by governments that provide the funds or by outside parties.
- Proprietary Funds:
 - Water Fund - see earlier description
 - Sewer Fund - see earlier description
- Nonmajor Funds
 - Capital Projects Fund - City School District
 - Debt Service Funds - City and City School District
 - Permanent Funds:
 - Francis Hendrick's
 - The Ed Smith School Fund
 - Special Revenue Funds:
 - Neighborhood and Business Development
 - Special Grants
 - Special Assessment Districts
 - Oil and Flushing
 - Sidewalk
 - Syracuse Urban Renewal Agency
 - City School District School Food Service Fund
 - City School District Miscellaneous Special Revenue Fund
 - Miscellaneous Trust Funds

Measurement Focus and Basis of Accounting

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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, a reconciliation is provided.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 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 8th.
- 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 3rd.
- 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

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Cash and Cash Equivalents

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

Receivables

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

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. Allowance for uncollectible accounts, which are net with accounts receivable, as of June 30, 2024 were \$3,723,970 in the Water Fund and \$912,123 in the Sewer Fund.

Inventories

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

Prepaid Items

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

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

Government-wide Financial Statements

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

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

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

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

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

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

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

Fund Financial Statements

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 assets 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.

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

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

Fund Financial Statements:

In addition to liabilities, the balance sheet of the governmental funds includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets 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 special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

Equity Classifications

Government-wide Financial Statements

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

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

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

- a. Nonspendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes the inventory in the School Food Service Fund and prepaid expenditures.
- b. Restricted - Includes amount with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- 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. The City has committed \$4,905,276 for use in capital projects at June 30, 2024 .

The City School District General Fund has committed fund balance of \$41,915,185 as follows: \$3 million for the phase-in of Montessori at Delaware Primary and the whole-school dual language model of instruction at Seymour Dual Language Academy, \$5,715,185 for Workers' Compensation Section 15(8) cases, settlement offers, and other workers' compensation safety and training initiatives, \$10 million for the STEAM school project, \$10 million for the STEAM school project and \$23.2 million to maintain a minimum of 4% of the General Fund's operating budget in reserve in accordance with School District policy.

- d. Assigned - Includes all remaining fund balance in the Special Revenue Fund - City School District General Fund that does not meet the above definitions. Included in the District's assigned fund balance are encumbrances of \$5,854,545. Assigned fund balance in the City's General Fund consists of amounts appropriated in the next year's budget of \$19,250,000 and encumbrances of \$209,068. 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.

At June 30, 2024, a deficit unassigned fund balance of \$3,774,535 exists in the sidewalk special revenue fund. This is expected to be recovered through special assessments and issuances of debt.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City is subject to tax abatements granted by two industrial development agencies, the Syracuse Industrial Development Agency (a discretely presented component unit of the City of Syracuse, New York) and the Onondaga County Industrial Development Agency. The abatements are for the acquisition, construction and renovation of various properties in the City of Syracuse, New York. Both agencies were created in accordance with the New York State Industrial Development Agency Act of 1969 to promote, develop, encourage and assist industrial, manufacturing, warehousing, commercial, research and recreational facilities to advance job opportunities, health and economic welfare of the people of the State of New York. The Agencies carry out their mandate by offering financial incentives to attract, retain and expand business within the City and County. The financial assistance is in the form of payment in lieu of tax agreements (PILOTs). Property taxes abated by agreements with the Onondaga County Industrial Development Agency amounted to \$745,157, and payments received related to the agreements amounted to \$106,003. Property taxes abated by agreements with the Syracuse Industrial Development Agency amounted to \$21,833,650, and payments received related to the agreements amounted to \$1,708,990.

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 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. Operating expenses for the proprietary funds include the cost of sales and service, administrative expenses, and depreciation on capital assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 and Special Assessments

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. 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. At June 30, 2024, the City has estimated allowances for uncollectible amounts of \$32,282,280 in the General Fund, \$188,852 in the Special Assessments Fund, and \$58,944 in the Sidewalk Fund, which are net against taxes receivable in the fund financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Current Vulnerability Due to Certain Concentrations

Most of the City's employees are covered by collective bargaining agreements. No current agreements were expired prior to June 30, 2024. Approximately 6% are covered under agreements set to expire prior to June 30, 2025. The remaining agreements extend to June 30, 2025 or later.

Economic Dependency

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

City / 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 2024 City Abstract, the total cost of these services for 2024 is \$23,528,075 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 2023-2024 budget year, the City is using approximately \$117,000,000 or 77% of its tax limit to balance the budget. If the abstract charges were included in the City's budget, the City would exhaust approximately \$140,000,000 or 92% 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 and such differences may be significant.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The City elects to pool certain amounts of cash and cash equivalents, and investments in common accounts 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.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

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.

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, 2024, \$122,667,634 of the City's bank balances was exposed to custodial credit risk and was covered by collateral held in pledging banks' trust departments.

Investments in External Investment Pools

At June 30, 2024, the City's cash and cash equivalents included amounts of \$10,045,739 invested in NYCLASS, an external investment pool for local governments in New York State.

NYCLASS measures its investments at fair value in accordance with Paragraph 41 of Statement 79 and Paragraph 11 of Statement 31, and therefore a Participant's investment in NYCLASS is not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of Statement 72.

NYCLASS is rated by S&P Global Ratings. The current rating is 'AAAm.'

NYCLASS is an external investment pool and therefore is not subject to custodial credit risk.

The dollar weighted average days to maturity (WAM) of NYCLASS at June 30, 2024 is 38 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of NYCLASS at June 30, 2024, is 72 days.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investment Valuation

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City did not have any investments that are measured using Level 2 or Level 3 inputs.

Fair value measurements of the City's investments at June 30, 2024 were comprised of U.S. Government Agency Treasury Bills valued at \$133,001,400, based on quoted market prices (Level 1 inputs).

The City also holds certificates of deposit, which are non-participating interest earning investment contracts and are reported at amortized cost. At June 30, 2024, these amounted to \$71,753,223.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

Governmental activities - City	Balance at July 1, 2023	Additions	Disposals/ Transfers	Balance at June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 17,287,380	\$ -	\$ -	\$ 17,287,380
Construction in progress	126,345,437	69,391,290	23,676,390	172,060,337
Total capital assets, not being depreciated	143,632,817	69,391,290	23,676,390	189,347,717
Capital assets, being depreciated:				
Buildings	344,931,082	2,104,106	-	347,035,188
Machinery and equipment	68,728,319	7,752,208	1,395,144	75,085,383
Improvements/ infrastructure	722,750,001	34,109,163	29,170,334	727,688,830
Total capital assets, being depreciated	1,136,409,402	43,965,477	30,565,478	1,149,809,401
Accumulated depreciation:				
Buildings	228,577,863	6,617,991	-	235,195,854
Machinery and equipment	57,091,035	4,478,935	1,395,143	60,174,827
Improvements/ infrastructure	500,515,414	20,310,083	29,157,841	491,667,656
Total accumulated depreciation	786,184,312	31,407,009	30,552,984	787,038,337
Net capital assets - City governmental activities	\$ 493,857,907	\$ 81,949,758	\$ 23,688,884	\$ 552,118,781

4. CAPITAL ASSETS (Continued)

Governmental activities - District	Balance at July 1, 2023	Additions	Disposals/ Transfers	Balance at June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 1,480,325	\$ -	\$ -	\$ 1,480,325
Construction in progress	42,430,409	10,827,311	40,151,506	13,106,214
Total capital assets, not being depreciated	43,910,734	10,827,311	40,151,506	14,586,539
Capital assets, being depreciated:				
Buildings	719,781,561	38,485,090	7,269,157	750,997,494
Machinery and equipment	33,311,091	8,737,660	709,133	41,339,618
Improvements/ infrastructure	9,358,777	3,853,333	185,539	13,026,571
Total capital assets, being depreciated	762,451,429	51,076,083	8,163,829	805,363,683
Accumulated depreciation:				
Buildings	249,298,771	15,517,696	2,349,419	262,467,048
Machinery and equipment	20,759,604	3,121,437	666,291	23,214,750
Improvements/ infrastructure	3,118,154	376,251	185,539	3,308,866
Total accumulated depreciation	273,176,529	19,015,384	3,201,249	288,990,664
Right-to-use leased assets, being amortized:				
Buildings	926,658	318,150	403,117	841,691
Equipment	943,763	165,544	246,568	862,739
Total right-to-use leased assets, being amortized	1,870,421	483,694	649,685	1,704,430
Accumulated amortization:				
Buildings	277,470	245,708	403,116	120,062
Equipment	522,571	215,565	246,569	491,567
Total accumulated amortization	800,041	461,273	649,685	611,629
SBITAs, being amortized:				
Total SBITAs, being amortized	60,507	301,577	60,507	301,577
Less total accumulated amortization	51,863	80,463	60,507	71,819
Total SBITAs, being amortized, net	8,644	221,114	-	229,758
Net capital assets - District	\$ 534,264,658	\$ 43,131,545	\$ 45,114,086	\$ 532,282,117
Net capital assets - Total governmental activities	\$ 1,028,122,565	\$ 125,081,303	\$ 68,802,970	\$ 1,084,400,898

Depreciation/Amortization was charged to governmental activities as follows:

General government support	\$ 4,196,093
Public Safety	3,466,522
Transportation	9,559,159
Home and community services	12,417,414
Culture and recreation	1,767,821
Education	19,557,120
	<u>\$ 50,964,129</u>

4. CAPITAL ASSETS (Continued)

Business-type activities	Balance at July 1, 2023	Additions	Disposals/ Transfers	Balance at June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 4,485,400	\$ -	\$ -	\$ 4,485,400
Construction in progress	23,639,790	8,621,522	10,017,557	22,243,755
Total capital assets, not being depreciated	28,125,190	8,621,522	10,017,557	26,729,155
Capital assets, being depreciated:				
Buildings	4,080,100	-	69,000	4,011,100
Machinery and equipment	10,545,624	1,040,199	-	11,585,823
Improvements/ infrastructure	141,203,777	8,977,357	3,727,312	146,453,822
Total capital assets, being depreciated	155,829,501	10,017,556	3,796,312	162,050,745
Accumulated depreciation:				
Buildings	3,574,662	44,175	69,000	3,549,837
Machinery	9,477,145	813,918	-	10,291,063
Improvements/ infrastructure	47,834,307	3,542,318	3,727,312	47,649,313
Total accumulated depreciation	60,886,114	4,400,411	3,796,312	61,490,213
Net capital assets - business-type activities	\$ 123,068,577	\$ 14,238,667	\$ 10,017,557	\$ 127,289,687

Depreciation was charged to business-type activities as follows:

Water	\$ 3,592,920
Sewer	807,491
	<u>\$ 4,400,411</u>

5. LONG-TERM LIABILITIES

Changes in Long-Term Liabilities

Long-term liability activity for governmental activities for the year ended June 30, 2024 was as follows:

Governmental activities	Balance at July 1, 2023	Additions	Reductions	Balance at June 30, 2024	Due within one year
Bonds payable - City:					
General obligation bonds	\$ 153,797,051	\$ 15,501,000	\$ 20,691,435	\$ 148,606,616	\$ 21,218,039
Premium on bonds payable	9,943,559	513,790	1,073,447	9,383,902	1,146,845
Total bonds payable - City	163,740,610	16,014,790	21,764,882	157,990,518	22,364,884
Bonds payable - District:					
General obligation bonds	267,220,000	-	21,930,000	245,290,000	22,110,000
Premium on bonds payable	37,153,267	-	4,005,792	33,147,475	34,904,952
Total bonds payable - District	304,373,267	-	25,935,792	278,437,475	57,014,952
Total bonds payable	468,113,877	16,014,790	47,700,674	436,427,993	79,379,836
Other liabilities:					
Net pension liability	192,203,930	-	43,369,507	148,834,423	-
Compensated absences - City	9,331,519	61,327	-	9,392,846	-
Compensated absences - District	7,074,526	15,206,967	14,845,803	7,435,690	-
Self-insurance claims - City	8,442,333	47,866,067	46,878,511	9,429,889	5,885,516
Self-insurance claims - District	36,595,771	58,941,153	60,447,120	35,089,804	3,442,199
Total OPEB	696,840,680	43,444,940	-	740,285,620	29,622,146
SBITA Liability - District	8,744	301,577	76,887	233,434	155,404
Lease Liability - District	1,073,568	483,694	454,169	1,103,093	748,569
Judgments and claims	11,270,000	4,880,000	-	16,150,000	-
Total other liabilities	962,841,071	171,185,725	166,071,997	967,954,799	39,853,834
Governmental Activities - Long-Term Liabilities	<u>\$ 1,430,954,948</u>	<u>\$ 187,200,515</u>	<u>\$ 213,772,671</u>	<u>\$ 1,404,382,792</u>	<u>\$ 119,233,670</u>

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. Changes for City compensated absences are reported as the net change.

5. LONG-TERM LIABILITIES (Continued)

Long-term liability activity for business-type activities for the year ended June 30, 2024 was as follows:

Business-type activities	Balance at July 1, 2023	Additions	Reductions	Balance at June 30, 2024	Amount due within one year
Bonds payable:					
General obligation bonds	\$ 27,424,520	\$ -	\$ 3,590,118	\$ 23,834,402	\$ 2,967,961
EFC bond - direct borrowing	22,455,000	-	1,190,000	21,265,000	1,200,000
Premium on bonds payable	2,601,724	-	401,681	2,200,043	330,527
Total bonds payable	52,481,244	-	5,181,799	47,299,445	4,498,488
Other liabilities:					
Net pension liability	4,044,395	-	1,188,872	2,855,523	-
Compensated absences	658,411	-	348,865	309,546	-
Self-insurance claims	2,477,003	-	610,105	1,866,898	934,703
Total OPEB	24,875,592	-	1,116,242	23,759,350	1,113,866
Total other liabilities	32,055,401	-	3,264,084	28,791,317	2,048,569
Business-type activities long-term liabilities	\$ 84,536,645	\$ -	\$ 8,445,883	\$ 76,090,762	\$ 6,547,057

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, 2024, is summarized as follows:

Governmental Activities - City:

Date of Issue	Maturity Date	Interest Rate	Outstanding
2014	2/1/2034	2.500 - 5.000	\$ 3,185,000
2015	3/1/2027	4.000 - 5.000	3,185,572
2015	2/1/2030	2.500 - 5.000	2,703,000
2016	2/1/2031	2.000 - 2.375	3,524,000
2017	5/1/2032	3.000 - 5.000	5,990,000
2018	5/1/2033	4.000	5,225,000
2019	5/15/2034	4.000	8,328,000
2020	5/15/2035	4.000	10,414,000
2020	5/15/2031	5.000	3,130,000
2021	5/15/2041	2.000	39,141,000
2021	6/1/2033	4.000	2,750,000
2022	5/15/2042	4.000 - 4.125	20,885,000
2023	5/1/2033	4.000	24,645,044
2024	5/1/2031	4.000	15,501,000
			<u>\$ 148,606,616</u>

5. LONG-TERM LIABILITIES (Continued)

General Obligation Bonds Payable (Continued)

Governmental Activities - District:

<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding</u>
2014	2025	2.000 - 5.000	\$ 855,000
2015	2027	4.000 - 5.000	1,930,000
2011	2028	5.428	15,000,000
2021	2028	5.000	10,450,000
2017	2030	3.000 - 5.000	11,925,000
2017	2030	3.000 - 5.000	3,015,000
2017	2032	3.000 - 5.000	2,005,000
2018	2034	3.250 - 5.000	50,145,000
2018	2035	3.000 - 5.000	29,560,000
2019	2035	4.000 - 5.000	51,105,000
2020	2037	4.000 - 5.000	69,300,000
			<u>\$ 245,290,000</u>

Business-Type Activities:

<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding</u>
2014	2/1/2034	2.500 - 5.000	\$ 1,255,000
2015	3/1/2027	4.000 - 5.000	1,919,427
2015	2/1/2030	2.500 - 5.000	462,000
2016	2/1/2031	2.000 - 2.375	816,000
2019	5/15/2034	4.000	1,052,000
2020	5/15/2035	4.000	716,000
2020	5/15/2031	5.000	565,000
2021	5/15/2040	2.000	3,369,000
2021	6/1/2033	4.000	8,630,000
2022	5/15/2040	4.000 - 4.125	1,225,000
2023	5/1/2033	4.000	3,824,975
			<u>\$ 23,834,402</u>

5. LONG-TERM LIABILITIES (Continued)

Summary of Debt Service on Bonds to Maturity

As of June 30, 2024, amounts due to service principal and interest in future years on general obligation bonds payable and EFC bonds, are as follows:

Governmental Activities:

Year ending June 30,	City		District		Total
	Principal	Interest	Principal	Interest	
2025	\$ 21,218,039	\$ 4,999,293	\$ 22,110,000	\$ 11,527,637	\$ 59,854,969
2026	21,393,178	4,296,272	22,745,000	10,491,737	58,926,187
2027	21,258,740	3,498,987	34,770,000	9,357,762	68,885,489
2028	13,644,397	2,703,210	18,630,000	7,568,388	42,545,995
2029	11,579,743	2,222,667	18,765,000	6,655,838	39,223,248
2030-2034	41,016,519	5,774,763	107,695,000	18,731,988	173,218,270
2035-2039	14,176,000	1,463,600	20,575,000	1,117,200	37,331,800
2040-2042	4,320,000	179,400	-	-	4,499,400
	<u>\$ 148,606,616</u>	<u>\$ 25,138,192</u>	<u>\$ 245,290,000</u>	<u>\$ 65,450,550</u>	<u>\$ 484,485,358</u>

Business-Type Activities:

Year ending June 30,	General obligation debt		EFC bond - direct borrowing		Total
	Principal	Interest	Principal	Interest	
2025	\$ 2,967,961	\$ 881,627	\$ 1,200,000	\$ 430,265	\$ 5,479,853
2026	3,051,821	767,459	1,225,000	412,523	5,456,803
2027	3,161,261	649,994	1,235,000	392,850	5,439,105
2028	2,585,602	528,321	1,250,000	373,849	4,737,772
2029	2,540,256	436,471	1,275,000	352,386	4,604,113
2030-2034	8,928,501	893,536	6,600,000	827,086	17,249,123
2035-2039	599,000	33,400	7,025,000	(732,426)	6,924,974
2040-2042	-	-	1,455,000	(307,500)	1,147,500
	<u>\$ 23,834,402</u>	<u>\$ 4,190,808</u>	<u>\$ 21,265,000</u>	<u>\$ 1,749,033</u>	<u>\$ 51,039,243</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 an original issuance 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.

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.

5. LONG-TERM LIABILITIES (Continued)

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. No revenue anticipation notes were issued or redeemed by the City or the District during the fiscal year.

Bond Anticipation Notes Payable

For governmental and business-type funds, notes issued in anticipation of proceeds from the subsequent sale of serial bonds are recorded as a current liability of the fund that will actually receive the proceeds from the issuance of the serial bond. State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date. The bond anticipation notes issued by the City in the amount of \$16,994,585 were issued on October 7, 2022 at an interest rate of 5.00% and a maturity date of July 6, 2023. No bond anticipation notes were issued or redeemed by the District during the fiscal year.

Short-term debt activity for the year ended June 30, 2024 was as follows:

	<u>Balance at July 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2024</u>
Governmental activities:				
Bond anticipation notes - City	\$ 16,994,585	\$ -	\$ 16,994,585	\$ -
Total	\$ 16,994,585	\$ -	\$ 16,994,585	\$ -

6. LEASES

District as a lessee:

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 354,524	\$ 34,018	\$ 388,542
2026	275,456	24,007	299,463
2027	236,514	14,638	251,152
2028	215,695	5,241	220,936
2029	20,904	266	21,170
	<u>\$ 1,103,093</u>	<u>\$ 78,170</u>	<u>\$ 1,181,263</u>

6. LEASES (Continued)

City as a lessor:

The City has an agreement to lease a City-owned parking garage through June 2031. Current monthly payments to the City are \$46,528 under the lease. A receivable and deferred inflow of resources are recorded in the General Fund. For the year ended June 30, 2024, lease income and interest income were \$123,101 and \$63,009, respectively. Future payments under the lease are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 382,749	\$ 175,581	\$ 558,330
2026	403,775	154,555	558,330
2027	477,204	131,126	608,330
2028	503,420	104,910	608,330
2029	531,077	77,253	608,330
2030 - 2031	<u>1,151,282</u>	<u>65,378</u>	<u>1,216,660</u>
	<u>\$ 3,449,507</u>	<u>\$ 708,803</u>	<u>\$ 4,158,310</u>

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

The lease agreement gives the Authority the exclusive right to operate, maintain and improve the Airport subject to certain restrictions and conditions. The renewals of the lease term are automatic for additional ten-year terms. The City retains physical ownership of the current and future land, buildings and improvements of the Airport made by or on behalf of the Authority. These capital contributions are reported in the Internal Service Fund as nonoperating revenue. Upon termination or expiration of the lease agreement, the City is required to take all necessary actions to secure an Airport Operating Certificate from the Federal Aviation Administration in a timely fashion to ensure there is no interruption in Airport operations.

The Authority was required under the lease agreement to make rental payments to the City equal to the principal and interest due on Airport-related debt issued by the City. However, the Authority subsequently issued debt to fully pay off the existing debt. As a result, there is no lease receivable reported in the Internal Service Fund, but deferred inflow of resources related to the lease are reported and are amortized over the term of the lease. This revenue is reported as lease income in the Internal Service Fund.

7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Receivables and Payables

To improve cash management, most disbursements are made from a pooled account in the General Fund. This cash management practice, as well as normal delays in processing interfund transfers and reimbursement, is the main reason why interfund receivables and payables exist. These receivables and payables are short-term in nature and are typically repaid in less than one year. The following schedule summarizes interfund receivables and payables at June 30, 2024:

	Amount	
	Receivable	Amount Payable
General Fund	\$ 35,450,491	\$ -
Capital Projects Fund - City	-	21,881,030
Joint Schools Construction Board	-	5,608,831
City School District General Fund	28,297,248	-
City School District Special Aid Fund	-	48,183,451
Proprietary Funds:		
Water	-	443,606
Sewer	-	337,929
Internal Service Fund	-	181,255
Nonmajor Governmental Funds:		
Capital Projects Fund - District	20,504,742	-
Debt Service - District	965,164	-
Neighborhood and Business Development	-	1,721,818
Special Grants	-	6,809,873
Sidewalk	-	3,287,390
SURA	-	787,590
School Food Service	4,022,899	-
Fiduciary	2,229	-
	<u>\$ 89,242,773</u>	<u>\$ 89,242,773</u>

The following schedule summarizes receivables and payables between the primary government and the discretely presented component units at June 30, 2024:

	Amount	
	Receivable	Amount Payable
Internal Service Fund	\$ 181,255	\$ -
Component Units:		
Syracuse Regional Airport Authority	-	181,255
	<u>\$ 181,255</u>	<u>\$ 181,255</u>

The amounts receivable and payable above are as of June 30, 2024. The interfund receivables and payables differences relating to the component units result from loans and other transactions in the normal course of business.

7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

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:

	Transfers in	Transfers out
General Fund	\$ 3,020,428	\$ 33,634,987
Capital Projects Fund - City	9,217,100	499,389
Joint Schools Construction Board	-	364,969
City School District General Fund	5,116,547	20,502,673
City School District Special Aid Fund	7,398	4,803,196
Proprietary Funds:		
Water	-	2,300,000
Sewer	-	525,000
Nonmajor Governmental Funds:		
Capital Projects Fund - District	17,694,961	-
Debt Service Fund - City	25,352,327	-
Debt Service Fund - District	3,695,275	-
Oil and Flushing	-	143,051
Sidewalk Fund	-	487,428
School Food Service Fund	-	843,343
	<u>\$ 64,104,036</u>	<u>\$ 64,104,036</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.

8. RETIREMENT PLANS (Continued)

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:

	<u>NYSERS</u>	<u>NYSPFRS</u>
June 30, 2024	\$ 5,630,931	\$ 23,586,706
June 30, 2023	5,044,516	22,153,313
June 30, 2022	5,585,875	20,377,121

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

At June 30, 2024, the City reported net pension liabilities (assets) for its proportionate share of the NYSERS and NYSPFRS net pension liabilities (assets). The net pension liabilities (assets) measured as of March 31, 2024, and the total pension liability used to calculate the net pension liabilities (assets) were determined by the actuarial valuation as of April 1, 2023. The City's proportion of the net pension liabilities (assets) were based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2024, the City reported the following:

	<u>NYSERS</u>	<u>NYSPFRS</u>
City's Proportion Percent	0.1426326%	1.9747513%
Net Pension Liability (Asset)	\$21,001,292	\$93,658,991
Pension Expense	\$9,050,124	\$32,981,917

8. RETIREMENT PLANS (Continued)

The allocation of the net pension liability (asset) and pension expense for governmental activities at June 30, 2024 was as follows:

	<u>NYSERS</u>	<u>NYSPFRS</u>
City's Proportion Percent	0.1232346%	1.9747513%
Net Pension Liability (Asset)	\$18,145,116	\$93,658,991
Pension Expense	\$7,819,307	\$32,981,917

The allocation of the net pension liability (asset) and pension expense for business-type activities at June 30, 2024 was as follows:

	<u>NYSERS</u>
City's Proportion Percent	0.0193980%
Net Pension Liability (Asset)	\$2,855,523
Pension Expense	\$1,230,817

At June 30, 2024, 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>NYSPFRS</u>
Differences between expected and actual experience	\$ 6,764,498	\$ 28,855,081
Changes in proportion and differences between the City's contributions and proportionate share of contributions	1,256,283	2,843,053
Changes in assumptions	7,940,115	35,328,251
Contributions subsequent to the measurement date	<u>1,698,355</u>	<u>6,810,411</u>
Total	<u>\$ 17,659,251</u>	<u>\$ 73,836,796</u>

	<u>Deferred Inflows of Resources</u>	
	<u>NYSERS</u>	<u>NYSPFRS</u>
Differences between expected and actual experience	\$ 572,650	\$ -
Net difference between projected and actual earnings on pension plan investments	10,259,017	25,423,895
Changes in proportion and differences between the City's contributions and proportionate share of contributions	<u>1,037,425</u>	<u>3,689,249</u>
Total	<u>\$ 11,869,092</u>	<u>\$ 29,113,144</u>

8. RETIREMENT PLANS (Continued)

The allocation of deferred inflows and outflows for the governmental activities at June 30, 2024 were as follows:

	Deferred Outflows of Resources	
	NYSERS	NYSPFRS
Differences between expected and actual experience	\$ 5,845,075	\$ 28,855,081
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	1,085,429	2,843,053
Changes of assumptions	6,860,259	35,328,251
Contributions subsequent to the measurement date	<u>1,467,379</u>	<u>6,810,411</u>
Total	<u>\$ 15,258,142</u>	<u>\$ 73,836,796</u>

	Deferred Inflows of Resources	
	NYSERS	NYSPFRS
Differences between expected and actual experience	\$ 495,139	\$ -
Net difference between projected and actual earnings on pension plan investments	8,863,791	25,423,895
Changes in proportion and differences between the City's contributions and proportionate share of contributions	<u>896,335</u>	<u>3,689,249</u>
Total	<u>\$ 10,255,265</u>	<u>\$ 29,113,144</u>

The allocation of deferred inflows and outflows for the business-type activities at June 30, 2024 were as follows:

	Deferred Outflows of Resources	
	NYSERS	
Differences between expected and actual experience	\$ 919,423	
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	170,854	
Changes of assumptions	1,079,856	
Contributions subsequent to the measurement date	<u>230,976</u>	
Total	<u>\$ 2,401,109</u>	

	Deferred Inflows of Resources	
	NYSERS	
Differences between expected and actual experience	\$ 77,511	
Net difference between projected and actual earnings on pension plan investments	1,395,226	
Changes in proportion and differences between the City's contributions and proportionate share of contributions	<u>141,090</u>	
Total	<u>\$ 1,613,827</u>	

8. RETIREMENT PLANS (Continued)

The City recognized deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2024, which will result in an increase or reduction of the net pension assets or liabilities, respectively, in the next fiscal year.

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

Plan's Year Ended March 31:	Governmental Activities	
	NYSERS	NYSPPRS
2025	\$ (3,520,756)	\$ (6,863,562)
2026	3,359,731	27,366,155
2027	5,426,553	15,475,200
2028	(1,730,030)	(2,062,057)
2029	-	3,997,505
Thereafter	-	-
	<u>\$ 3,535,498</u>	<u>\$ 37,913,241</u>

Plan's Year Ended March 31:	Business-type Activities	
	NYSERS	
2025	\$ (554,193)	
2026	528,847	
2027	854,180	
2028	(272,528)	
2029	-	
Thereafter	-	
	<u>\$ 556,306</u>	

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

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

	<u>1% Decrease</u> <u>(4.9%)</u>	<u>Current</u> <u>Discount</u> <u>(5.9%)</u>	<u>1% Increase</u> <u>(6.9%)</u>
Proportionate Share of Net Pension Liability (Asset) - NYSERS	\$66,030,194	\$21,001,287	\$(16,607,191)
Proportionate Share of Net Pension Liability (Asset) - NYSPPRS	\$218,903,029	\$93,658,991	\$(9,810,887)

8. RETIREMENT PLANS (Continued)

SURA: CONTRIBUTIONS

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

NYSERS

June 30, 2024	\$	318,157
June 30, 2023		263,444
June 30, 2022		355,700

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

At June 30, 2024, SURA reported a net pension liability (asset) of \$1,542,517 for its proportionate share of the NYSERS net pension liability (asset). The net pension liability (asset) was measured as of March 31, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by the actuarial valuation as of April 1, 2023. SURA's proportion of the net pension liability (asset) was based on a projection of SURA's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2024 SURA's proportion was 0.0104762% which was a decrease of 0.0027723% from its proportionate share measured at June 30, 2023.

For the year ended June 30, 2024, SURA recognized pension expense of \$592,148. At June 30, 2024, SURA 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	\$ 496,844	\$ 42,060
Changes in assumptions	583,191	-
Net difference between projected and actual earnings on pension plan investments	-	753,511
Changes in proportion and differences between SURA's contributions and proportionate share of contributions	220,486	211,355
Contributions subsequent to the measurement date	113,673	-
Total	<u>\$ 1,414,194</u>	<u>\$ 1,006,926</u>

SURA recognized deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2024, which will result in an increase or reduction of the net pension assets or liabilities, respectively, in the next fiscal year.

8. RETIREMENT PLANS (Continued)

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:

2025	\$	(337,582)
2026		287,901
2027		474,751
2028		<u>(131,475)</u>
	\$	<u>293,595</u>

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

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

	<u>1% Decrease</u> <u>(4.9%)</u>	<u>Current</u> <u>Discount</u> <u>(5.9%)</u>	<u>1% Increase</u> <u>(6.9%)</u>
Proportionate Share of Net Pension Liability (Asset) - NYSERS	\$4,849,831	\$1,542,517	\$(1,219,776)

District:

Contributions

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

NYSERS

June 30, 2024	\$	6,082,872
June 30, 2023		4,926,215
June 30, 2022		6,405,677

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

At June 30, 2024, the District reported a net pension liability (asset) of \$22,512,019 for its proportionate share of the NYSERS net pension liability (asset). The net pension liability (asset) was measured as of March 31, 2024, and the total pension liability used to calculate the net pension asset was determined by the actuarial valuation as of April 1, 2023. The District's proportion of the net pension liability (asset) was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At March 31, 2024, the District's proportion was 0.1528929%, which was an increase of 0.0036135% from its proportionate share measured at March 31, 2023.

8. RETIREMENT PLANS (Continued)

For the year ended June 30, 2024, the School District recognized pension expense of \$9,735,742. At June 30, 2024, 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	\$ 7,251,104	\$ 613,844
Changes in assumptions	8,511,289	-
Net difference between projected and actual earnings on pension plan investments	-	10,997,002
Changes in proportion and differences between the District's contributions and proportionate share of contributions	643,364	335,787
Contributions subsequent to the measurement date	<u>1,970,646</u>	<u>-</u>
Total	<u>\$ 18,376,403</u>	<u>\$ 11,946,633</u>

The District recognized deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2024, which will result in an increase or reduction of the net pension assets or liabilities, respectively, in the next fiscal year.

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:

2025	\$ (4,116,260)
2026	4,259,344
2027	6,653,537
2028	<u>(2,337,497)</u>
	<u>\$ 4,459,124</u>

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

The following presents the District's proportionate share of the net pension (asset) liability calculated using the discount rate of 5.9%, as well as what the District's proportionate share of the net pension (asset) 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:

	<u>1% Decrease</u> <u>(4.9%)</u>	<u>Current</u> <u>Discount</u> <u>(5.9%)</u>	<u>1% Increase</u> <u>(6.9%)</u>
Proportionate Share of Net Pension Liability (Asset) - NYSERS	\$70,780,090	\$22,512,019	\$(17,801,833)

8. RETIREMENT PLANS (Continued)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liabilities of the employers as of March 31, 2024 (in thousands) were as follows:

	<u>ERS</u>	<u>PFRS</u>
Total pension liability	\$240,696,851	\$46,137,717
Net position	<u>(225,972,801)</u>	<u>(41,394,895)</u>
Net pension liability (asset)	<u>\$14,724,050</u>	<u>\$4,742,822</u>
Fiduciary net position as a percentage of total pension liability (asset)	93.88%	89.72%

Actuarial Assumptions

The total pension liability at March 31, 2024 was determined by using an actuarial valuation as of April 1, 2023, with update procedures used to roll forward the total pension liability to March 31, 2024.

The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.90%
Salary scale	4.4% for ERS, 6.2% for PFRS indexed by service
Projected COLAs	1.5% compounded annually
Decrement	Developed from the Plan's 2020 experience study of the period April 1, 2015 through April 1, 2020
Mortality improvement	Society of Actuaries Scale MP-2021
Investment Rate of Return	5.9% compounded annually, net of investment expenses

Long-Term Expected Rate of Return

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.

8. RETIREMENT PLANS (Continued)

Long-Term Expected Rate of Return (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2024 are summarized below:

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

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.

8. RETIREMENT PLANS (Continued)

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:

NYSTRS

June 30, 2024	\$ 21,107,694
June 30, 2023	21,563,876
June 30, 2022	20,209,748

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

At June 30, 2024, the District reported a net pension liability (asset) of \$12,975,780 for its proportionate share of the NYSTRS net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability (asset) was based on a projection of the Districts' long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2023, the School District's proportionate share was 1.134658%, which was a decrease of 0.506252% from its proportionate share measured at June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense (income) of \$36,515,765. At June 30, 2024, 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	\$ 31,462,813	\$ 77,757
Changes in assumptions	27,936,468	6,088,600
Net difference between projected and actual earnings on pension plan investments	6,632,961	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	2,738,336	4,100,655
Contributions subsequent to the measurement date	20,893,345	-
Total	<u>\$ 89,663,923</u>	<u>\$ 10,267,012</u>

8. RETIREMENT PLANS (Continued)

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

Plan's Year Ended March 31:

2025	\$	4,912,927
2026		(7,030,918)
2027		51,949,458
2028		3,687,531
2029		<u>2,876,690</u>
Thereafter		<u>2,107,878</u>
	\$	<u>58,503,566</u>

Actuarial Assumptions

The total pension liability at the June 30, 2023 measurement date was determined by an actuarial valuation as of June 30, 2022, with update procedures used to roll forward the total pension liability to June 30, 2023, using the following actuarial methods and assumptions:

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

<u>Service</u>	<u>Rate</u>
5	5.18%
15	3.64%
25	2.50%
35	1.95%

Projected COLAs	1.30% compounded annually
Investment Rate of Return	6.95% compounded annually, net of pension plan investment expense, including inflation.

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2021, applied on a generational basis.

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

8. RETIREMENT PLANS (Continued)

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, 2023 are summarized in the following table:

<u>Asset Type</u>	<u>Target Allocations in %</u>	<u>Long-Term expected real rate of return in %</u>
Domestic equity	33.0	6.8
International equity	15.0	7.6
Global equity	4.0	7.2
Real Estate equity	11.0	6.3
Private equity	9.0	10.1
Domestic fixed income	16.0	2.2
Global bonds	2.0	1.6
Private debt	2.0	6.0
Real estate debt	6.0	3.2
High-yield bonds	1.0	4.4
Cash equivalents	<u>1.0</u>	0.3
	<u>100.0</u>	

Discount Rate

The discount rate used to measure the total pension asset was 6.95%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, actuarially determined. Based on those assumptions, the NYSTRS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

8. RETIREMENT PLANS (Continued)

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

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

	<u>1% Decrease (5.95%)</u>	<u>Current Discount (6.95%)</u>	<u>1% Increase (7.95%)</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 197,627,703	\$ 12,975,780	\$(142,324,473)

Pension Plan Fiduciary Net Position

The components of the collective net pension liability (asset) (in thousands) of the participating school districts as of June 30, 2023, were as follows:

	<u>NYSTRS</u>
Total pension liability	\$138,365,122
Net position	(137,221,537)
Net pension liability (asset)	<u>\$ 1,143,585</u>
Fiduciary net position as a percentage of total pension liability (asset)	99.2%

Summary of Net Pension Assets, Liabilities, Deferred Outflows and Deferred Inflows

The components of the net pension liabilities, and deferred outflows of resources and deferred inflows of resources are as follows as of June 30, 2024:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Governmental activities:			
City NYSERS	\$ 18,145,116	\$ 15,258,142	\$ 10,255,265
City NYSPFRS	93,658,991	73,836,796	29,113,144
SURA NYSERS	1,542,517	1,414,194	1,006,926
District NYSERS	22,512,019	18,376,403	11,946,633
District NYSTRS	<u>12,975,780</u>	<u>89,663,923</u>	<u>10,267,012</u>
Total governmental activities	<u>\$ 148,834,423</u>	<u>\$ 198,549,458</u>	<u>\$ 62,588,980</u>
Business-type activities:			
City NYSERS	<u>\$ 2,855,523</u>	<u>\$ 2,401,109</u>	<u>\$ 1,613,827</u>
Total business-type activities	<u>\$ 2,855,523</u>	<u>\$ 2,401,109</u>	<u>\$ 1,613,827</u>

9. SELF INSURANCE

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

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

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

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

A reconciliation of insurance claims is presented below.

	City - Governmental Activities	District	Total Governmental Activities	City - Business-type Activities
Activity for the year ended June 30, 2024:				
Worker's compensation liability - July 1	\$ 4,725,197	\$ 36,332,275	\$ 41,057,472	\$ 2,242,578
Health and dental liability - July 1	<u>3,717,136</u>	<u>263,496</u>	<u>3,980,632</u>	<u>234,425</u>
Total self insurance liability - July 1	<u>8,442,333</u>	<u>36,595,771</u>	<u>45,038,104</u>	<u>2,477,003</u>
Worker's compensation claims, net of payments	1,709,725	(1,487,316)	222,409	(550,149)
Health and dental claims, net of payments	<u>(722,169)</u>	<u>(18,651)</u>	<u>(740,820)</u>	<u>(59,956)</u>
Total claims, net of payments	<u>987,556</u>	<u>(1,505,967)</u>	<u>(518,411)</u>	<u>(610,105)</u>
Worker's compensation liability - June 30	6,434,922	34,844,959	41,279,881	1,692,429
Health and dental liability - June 30	<u>2,994,967</u>	<u>244,845</u>	<u>3,239,812</u>	<u>174,469</u>
Total self insurance liability - June 30	<u>\$ 9,429,889</u>	<u>\$ 35,089,804</u>	<u>\$ 44,519,693</u>	<u>\$ 1,866,898</u>

9. SELF INSURANCE (Continued)

	City - Governmental Activities	District	Total Governmental Activities	City - Business-type Activities
Activity for the year ended June 30, 2023:				
Worker's compensation liability - July 1	\$ 6,811,786	\$ 40,617,833	\$ 47,429,619	\$ 1,654,863
Health and dental liability - July 1	<u>2,440,297</u>	<u>284,991</u>	<u>2,725,288</u>	<u>148,173</u>
Total self insurance liability - July 1	<u>9,252,083</u>	<u>40,902,824</u>	<u>50,154,907</u>	<u>1,803,036</u>
Worker's compensation claims, net of payments	(2,086,589)	(4,285,558)	(6,372,147)	587,715
Health and dental claims, net of payments	<u>1,276,839</u>	<u>(21,495)</u>	<u>1,255,344</u>	<u>86,252</u>
Total claims, net of payments	<u>(809,750)</u>	<u>(4,307,053)</u>	<u>(5,116,803)</u>	<u>673,967</u>
Worker's compensation liability - June 30	4,725,197	36,332,275	41,057,472	2,242,578
Health and dental liability - June 30	<u>3,717,136</u>	<u>263,496</u>	<u>3,980,632</u>	<u>234,425</u>
Total self insurance liability - June 30	<u>\$ 8,442,333</u>	<u>\$ 36,595,771</u>	<u>\$ 45,038,104</u>	<u>\$ 2,477,003</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 healthcare 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.

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.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the benefit terms:

	<u>City & SURA</u>	<u>District</u>
Inactive employees or beneficiaries currently receiving benefits	1,914	3,662
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	<u>1,473</u>	<u>2,838</u>
Total participants	<u>3,387</u>	<u>6,500</u>

Total OPEB Liability

The City and the District's total liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023.

	<u>City & SURA</u>	<u>District</u>	<u>Total</u>
Governmental Activities	\$ 354,677,702	\$ 385,607,918	\$ 740,285,620
Business-Type Activities	23,759,350	-	23,759,350

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2023 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	6/30/2024	6/30/2024
Measurement Date	6/30/2024	6/30/2024
Actuarial Valuation Date	7/1/2023	7/1/2023
Discount Rate	3.97%	3.97%
Rate of compensation increase	4.50%	3.00%
Inflation rate	2.50%	2.50%
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage	Level Percentage
Amortization Period	Varies by Group	8.160 years
Medical and prescription drug trend rates	7.75% to 35.0% declining to an ultimate trend rate of 4.037% in 2075	4.60% to 35.0% declining to an ultimate trend rate of 4.037% 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, 2023 and June 30, 2024, which yielded discount rates of 3.86% and 3.97% respectively.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Mortality rates were based on the sex-distinct and job category-specific headcount-weighted Pub-2010 Public Retirement Plans Mortality Tables for employees, healthy retirees and contingent survivors, adjusted for mortality improvements with Scale MP-2021 mortality improvement scale on a generational basis. This assumption was based on a review of published mortality tables and the demographics of the Plan.

The actuarial assumptions used in the July 1, 2023 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

	City & SURA	District
Balance at June 30, 2023	\$ 383,290,285	\$ 338,425,987
Changes for the Year-		
Service cost	12,741,210	14,044,746
Interest	13,309,236	12,989,287
Changes of benefit terms	18,714,059	30,807,717
Differences between expected and actual experience	(19,962,690)	(9,749,873)
Changes in assumptions or other inputs	(13,585,665)	11,511,722
Benefit payments	(16,069,383)	(12,421,668)
Net changes	(4,853,233)	47,181,931
Balance at June 30, 2024	\$ 378,437,052	\$ 385,607,918

Changes of assumptions and other inputs reflect a change in the discount rate from 3.86% as of June 30, 2023, to 3.97% as of June 30, 2024.

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 or 1% higher than the current discount rate:

	1% Decrease	Current	1% Increase
City & SURA OPEB	\$ 427,417,000	\$ 378,437,052	\$ 337,647,858
District OPEB	\$ 440,818,596	\$ 385,607,918	\$ 340,021,247

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:

	1% Decrease	Current	1% Increase
City & SURA OPEB	\$ 325,569,004	\$ 378,437,052	\$ 444,735,040
District OPEB	\$ 329,882,041	\$ 385,607,918	\$ 456,382,643

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

For the year ended June 30, 2024, the City and the District recognized OPEB expense(income) of \$(59,924,267) and \$(2,251,939), respectively. At June 30, 2024, the City and the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental Activities		Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
City & SURA:				
Change of assumptions	\$ 32,246,452	\$ 111,737,848	\$ 1,555,141	\$ 3,174,919
Difference between expected and actual experience	<u>1,894</u>	<u>45,235,113</u>	<u>-</u>	<u>5,203,209</u>
Total City & SURA	<u>32,248,346</u>	<u>156,972,961</u>	<u>1,555,141</u>	<u>8,378,128</u>
District:				
Change of assumptions	51,309,923	33,350,715	-	-
Difference between expected and actual experience	<u>17,620,020</u>	<u>124,631,960</u>	<u>-</u>	<u>-</u>
Total District	<u>68,929,943</u>	<u>157,982,675</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 101,178,289</u>	<u>\$ 314,955,636</u>	<u>\$ 1,555,141</u>	<u>\$ 8,378,128</u>

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

Fiscal Year Ending June 30:	Governmental Activities		Business-Type Activities
	City & SURA	District	City & SURA
2025	\$ (75,665,757)	\$ (47,672,021)	\$ (3,887,981)
2026	(21,867,867)	(45,332,223)	(1,899,717)
2027	(20,844,559)	926,505	(520,987)
2028	(1,767,323)	690,141	(514,302)
2029	(4,579,109)	955,616	-
Thereafter	<u>-</u>	<u>1,379,250</u>	<u>-</u>
	<u>\$ (124,724,615)</u>	<u>\$ (89,052,732)</u>	<u>\$ (6,822,987)</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, 2024.

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 \$356,415 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.

13. SUBSEQUENT EVENTS

On January 23, 2025, the City issued \$2,000,000 in bond anticipation notes due January 23, 2026 at an interest rate of 4.0% and \$820,000 in bond anticipation notes due June 27, 2025 at an interest rate of 4.25% related to the construction and acquisition of capital assets.

On November 13, 2024, the District's Board of Education approved the issuance of \$2.0 million of Bond Anticipation Notes to fund the design costs associated with JSCB Phase III projects pending approval by the City of Syracuse Common Council. The City of Syracuse Common Council approved the issuance of the Bond Anticipation Notes at their meeting on November 25, 2024. JSCB Phase III includes 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.

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, 2024

	<u>General Fund</u>			Variance
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
REVENUES:				
General property taxes and tax items	\$ 56,066,701	\$ 56,066,701	\$ 52,683,319	\$ (3,383,382)
Sales and use taxes	119,192,115	119,192,115	119,484,223	292,108
Other local taxes	3,618,130	3,618,130	4,236,548	618,418
Departmental revenues	12,565,953	12,565,953	16,601,641	4,035,688
Intergovernmental charges	84,460	84,460	275,711	191,251
Licenses and permits	2,692,310	2,692,310	3,283,111	590,801
Fines and forfeitures	5,036,628	5,036,628	3,836,281	(1,200,347)
Sale of property and compensation for loss	2,958,826	2,958,826	480,173	(2,478,653)
Use of money and property	4,071,050	4,071,050	12,347,710	8,276,660
Federal and state aid and other grants	77,733,685	77,733,685	79,839,853	2,106,168
Other revenues	<u>77,250</u>	<u>77,250</u>	<u>274,094</u>	<u>196,844</u>
Total revenues	<u>284,097,108</u>	<u>284,097,108</u>	<u>293,342,664</u>	<u>9,245,556</u>
EXPENDITURES:				
Current:				
General government support	43,873,679	43,873,679	40,702,476	3,171,203
Public safety	179,960,140	179,960,140	171,983,826	7,976,314
Transportation	27,085,303	27,085,303	22,513,254	4,572,049
Home and community services	16,679,928	16,679,928	16,730,461	(50,533)
Culture and recreation	14,832,558	14,832,558	14,525,771	306,787
Interest on debt	<u>225,000</u>	<u>225,000</u>	<u>634,937</u>	<u>(409,937)</u>
Total expenditures	<u>282,656,608</u>	<u>282,656,608</u>	<u>267,090,725</u>	<u>15,565,883</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,440,500</u>	<u>1,440,500</u>	<u>26,251,939</u>	<u>24,811,439</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in	3,020,428	3,020,428	3,020,428	-
Operating transfers out	<u>(27,852,311)</u>	<u>(27,852,311)</u>	<u>(33,634,987)</u>	<u>(5,782,676)</u>
Total other financing uses - net	<u>(24,831,883)</u>	<u>(24,831,883)</u>	<u>(30,614,559)</u>	<u>(5,782,676)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES	<u>\$ (23,391,383)</u>	<u>\$ (23,391,383)</u>	<u>(4,362,620)</u>	<u>\$ 19,028,763</u>
EFFECT OF ENCUMBRANCES			<u>(2,541)</u>	
CHANGE IN FUND BALANCE			<u>\$ (4,365,161)</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, 2024**

	General Fund City School District			Total Current Year Expenditures and Encumbrances		Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual CSD	Add: Current Year Encumbrances		
REVENUES:						
General property taxes and tax items	\$ 70,805,445	\$ 63,706,460	\$ 64,088,014	\$ -	\$ 64,088,014	\$ 381,554
Sales and use taxes	725,000	725,000	992,167	-	992,167	267,167
Sale of property and compensation for loss	50,250	50,250	16,004	-	16,004	(34,246)
Use of money and property	625,000	625,000	2,975,895	-	2,975,895	2,350,895
Federal and state aid and other grants	448,076,704	448,076,704	457,589,117	-	457,589,117	9,512,413
Other revenues	<u>1,456,202</u>	<u>1,456,202</u>	<u>1,388,950</u>	<u>-</u>	<u>1,388,950</u>	<u>(67,252)</u>
Total revenues	<u>521,738,601</u>	<u>514,639,616</u>	<u>527,050,147</u>	<u>-</u>	<u>527,050,147</u>	<u>12,410,531</u>
EXPENDITURES:						
Current:						
Education	493,696,163	471,597,178	440,577,605	5,854,545	446,432,150	25,165,028
Pass-through New York State funding to JSC	38,009,988	38,009,988	34,314,713	-	34,314,713	3,695,275
Debt service	402,000	402,000	416,290	-	416,290	(14,290)
Capital Outlay	<u>-</u>	<u>-</u>	<u>1,089,997</u>	<u>-</u>	<u>1,089,997</u>	<u>(1,089,997)</u>
Total expenditures	<u>532,108,151</u>	<u>510,009,166</u>	<u>476,398,605</u>	<u>5,854,545</u>	<u>482,253,150</u>	<u>27,756,016</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(10,369,550)</u>	<u>4,630,450</u>	<u>50,651,542</u>	<u>(5,854,545)</u>	<u>44,796,997</u>	<u>40,166,547</u>
OTHER FINANCING SOURCES (USES):						
Operating transfers in	6,769,972	6,769,972	5,116,547	-	5,116,547	(1,653,425)
Lease/SBITA Liabilities Issued	-	-	631,594	-	631,594	631,594
Operating transfers out	<u>(4,455,906)</u>	<u>(19,455,906)</u>	<u>(20,502,673)</u>	<u>-</u>	<u>(20,502,673)</u>	<u>(1,046,767)</u>
Total other financing sources (uses) - net	<u>2,314,066</u>	<u>(12,685,934)</u>	<u>(14,754,532)</u>	<u>-</u>	<u>(14,754,532)</u>	<u>(2,068,598)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING SOURCES (USES)	<u>\$ (8,055,484)</u>	<u>\$ (8,055,484)</u>	<u>\$ 35,897,010</u>	<u>\$ (5,854,545)</u>	<u>\$ 30,042,465</u>	<u>\$ 38,097,949</u>

CITY OF SYRACUSE, NEW YORK

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

	Last 10 Fiscal Years							
	2024	2023	2022	2021	2020	2019	2018	2017**
City (including SURA):								
Total OPEB Liability								
Service cost	\$ 12,741,210	\$ 14,111,434	\$ 20,082,532	\$ 17,841,500	\$ 15,748,910	\$ 27,628,631	\$ 26,872,640	
Interest	13,309,236	13,109,497	8,215,988	11,512,239	13,577,148	31,336,832	29,839,653	
Changes of benefit terms	18,714,059	(186,880)	(1,757,672)	-	-	-	(72,246)	
Differences between expected and actual experience	(19,962,690)	-	(57,685,223)	(42,581,090)	(457,421,643)	(101,816)	2,495,420	
Changes in assumptions	(13,585,665)	23,159,404	(77,424,449)	43,231,775	38,477,648	(17,737,265)	(7,975,348)	
Benefit payments	(16,069,383)	(16,125,295)	(15,455,514)	(17,607,606)	(16,735,004)	(23,907,031)	(24,993,401)	
Total change in total OPEB liability	(4,853,233)	34,068,160	(124,024,338)	12,396,818	(406,352,941)	17,219,351	26,166,718	
Total OPEB liability - beginning	383,290,285	349,222,125	473,246,463	460,849,645	867,202,586	849,983,235	823,816,517	
Total OPEB liability - ending	\$ 378,437,052	\$ 383,290,285	\$ 349,222,125	\$ 473,246,463	\$ 460,849,645	\$ 867,202,586	\$ 849,983,235	
Covered-employee payroll	\$ 144,669,670	\$ 133,744,577	\$ 120,282,826	\$ 112,061,456	\$ 119,992,187	\$ 124,496,493	\$ 119,321,070	
Total OPEB liability as a percentage of covered-employee payroll	261.6%	286.6%	290.3%	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	3.97%	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%
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The actuarial cost method is Entry Age Normal.

As of June 30, 2024, the discount rate changed from 3.86% to 3.97%. This resulted in a decrease in the liability.

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

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

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

Continued...

CITY OF SYRACUSE, NEW YORK

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

	Last 10 Fiscal Years									
	2024	2023	2022	2021	2020	2019	2018	2017**	2016**	2015**
City School District:										
Total OPEB Liability										
Service cost	\$ 14,044,746	\$ 10,088,781	\$ 12,988,416	\$ 8,283,401	\$ 7,790,200	\$ 19,345,430	\$ 19,103,347			
Interest	12,989,287	11,438,195	7,125,017	7,094,705	8,564,800	23,616,910	22,589,595			
Changes of benefit terms	30,807,717	(1,521,525)	(17,300,024)	8,631,106	-	-	-			
Differences between expected and actual experience	(9,749,873)	-	15,067,237	19,148,021	(389,052,209)	(2,242,757)	(314,221)			
Changes in assumptions	11,511,722	25,490,327	(47,231,871)	32,233,001	28,637,682	(19,845,230)	(5,655,185)			
Benefit payments	(12,421,668)	(13,918,413)	(13,678,239)	(13,617,053)	(12,918,652)	(17,693,310)	(18,514,661)			
Total change in total OPEB liability	47,181,931	31,577,365	(43,029,464)	61,773,181	(356,978,179)	3,181,043	17,208,875			
Total OPEB liability - beginning	338,425,987	306,848,622	349,878,086	288,104,905	645,083,084	641,902,041	624,693,166			
Total OPEB liability - ending	\$ 385,607,918	\$ 338,425,987	\$ 306,848,622	\$ 349,878,086	\$ 288,104,905	\$ 645,083,084	\$ 641,902,041			
Covered-employee payroll	\$ 292,629,406	\$ 280,461,140	\$ 264,719,123	\$ 233,839,973	\$ 229,649,395	\$ 225,440,334	\$ 239,120,856			
Total OPEB liability as a percentage of covered-employee payroll	131.8%	120.7%	115.9%	149.6%	125.5%	286.1%	268.4%			

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	3.97%	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%
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The actuarial cost method is Entry Age Normal.

As of June 30, 2024, the discount rate changed from 3.86% to 3.97%. This resulted in a decrease in the liability.

As of the June 30, 2024 measurement date, the health plan and benefit contributions were revised for results of collective bargaining agreement settlements. This resulted in a decrease in the liability.

As of the June 30, 2024 measurement date, the annual rate of increase in healthcare costs was revised to better reflect future expectations. This resulted in an increase in the liability.

As of the June 30, 2024 measurement date, an adjustment was made to the annual expected rate of increase in post-65 retiree healthcare costs to account for expected premiums and market conditions by the end of the District's most recent Medicare Advantage contract. This resulted in an increase in the liability.

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

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

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

Concluded.

CITY OF SYRACUSE, NEW YORK

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

CITY SCHOOL DISTRICT:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.1528929%	0.1492794%	0.1426346%	0.1508623%	0.1481789%	0.1517704%	0.1427046%	0.1376588%	0.1323220%	0.1295850%
Proportionate share of the net pension liability (asset)	\$ 22,512	\$ 32,012	\$ (11,660)	\$ 150	\$ 39,239	\$ 10,753	\$ 4,606	\$ 12,935	\$ 21,238	\$ 4,378
Covered-employee payroll	\$ 56,295	\$ 50,406	\$ 46,377	\$ 43,185	\$ 45,503	\$ 43,581	\$ 43,232	\$ 39,296	\$ 37,080	\$ 33,468
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	39.99%	63.51%	-25.14%	0.35%	86.23%	24.67%	10.65%	32.92%	57.28%	13.08%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.90%

NEW YORK STATE TEACHER RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	1.134658%	1.164091%	1.081102%	1.147097%	1.137809%	1.129355%	1.119303%	1.137868%	1.051631%	1.072093%
Proportionate share of the net pension liability (asset)	\$ 12,976	\$ 22,338	\$ (187,345)	\$ 31,697	\$ (29,560)	\$ (20,422)	\$ (8,508)	\$ 12,187	\$ (109,231)	\$ (119,425)
Covered-employee payroll	\$ 214,071	\$ 212,409	\$ 205,791	\$ 183,510	\$ 194,699	\$ 189,798	\$ 177,373	\$ 175,373	\$ 157,918	\$ 158,365
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	6.06%	10.52%	-91.04%	17.27%	-15.18%	-10.76%	-4.80%	6.95%	-69.17%	-75.41%
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%

CITY:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.1426326%	0.1262556%	0.1284598%	0.1425586%	0.1459257%	0.1515259%	0.1498164%	0.1496258%	0.1546223%	0.1565137%
Proportionate share of the net pension liability (asset)	\$ 21,001	\$ 27,074	\$ (10,501)	\$ 142	\$ 38,642	\$ 10,736	\$ 4,835	\$ 14,059	\$ 24,817	\$ 5,287
Covered-employee payroll	\$ 48,764	\$ 44,261	\$ 37,920	\$ 37,537	\$ 41,924	\$ 41,494	\$ 42,076	\$ 43,056	\$ 42,286	\$ 41,497
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	43.07%	61.17%	-27.69%	0.38%	92.17%	25.87%	11.49%	32.65%	58.69%	12.74%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.90%

NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	1.9747513%	2.0537776%	1.8777079%	1.9581470%	2.0404490%	1.8935108%	2.0749322%	2.073579%	2.134004%	2.004215%
Proportionate share of the net pension liability (asset)	\$ 93,659	\$ 113,173	\$ 10,666	\$ 33,999	\$ 109,061	\$ 31,755	\$ 20,973	\$ 42,978	\$ 63,183	\$ 5,517
Covered-employee payroll	\$ 85,639	\$ 83,644	\$ 80,741	\$ 69,464	\$ 71,697	\$ 75,566	\$ 71,067	\$ 72,008	\$ 73,152	\$ 68,523
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	109.36%	135.30%	13.21%	48.94%	152.11%	42.02%	29.51%	59.69%	86.37%	8.05%
Plan fiduciary net position as a percentage of the total pension liability (asset)	89.72%	87.43%	98.66%	95.79%	84.86%	95.09%	96.90%	93.50%	90.24%	99.00%

SURA:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.0104762%	0.0077039%	0.0083605%	0.0099196%	0.0011720%	0.0129521%	0.0135654%	0.0131048%	0.0127652%	0.0152489%
Proportionate share of the net pension liability (asset)	\$ 1,543	\$ 1,652	\$ (683)	\$ 10	\$ 3,104	\$ 918	\$ 438	\$ 1,231	\$ 2,049	\$ 515
Covered-employee payroll	\$ 2,852	\$ 2,518	\$ 2,518	\$ 2,858	\$ 3,153	\$ 3,547	\$ 3,398	\$ 3,266	\$ 2,958	\$ 3,298
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	54.10%	65.61%	-27.14%	0.35%	98.44%	25.87%	12.89%	37.69%	69.27%	15.62%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.95%

CITY OF SYRACUSE, NEW YORK

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

CITY SCHOOL DISTRICT:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 6,083	\$ 4,926	\$ 6,406	\$ 6,148	\$ 5,898	\$ 5,984	\$ 5,650	\$ 5,409	\$ 5,656	\$ 5,817
Contributions in relation to the contractually required contribution	6,083	4,926	6,406	6,148	5,898	5,984	5,650	5,409	5,656	5,817
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 56,295	\$ 50,406	\$ 46,377	\$ 43,185	\$ 45,503	\$ 43,581	\$ 43,232	\$ 39,296	\$ 37,080	\$ 33,468
Contributions as a percentage of covered-employee payroll	10.81%	9.77%	13.81%	14.24%	12.96%	13.73%	13.07%	13.76%	15.25%	17.38%

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 21,108	\$ 21,564	\$ 17,487	\$ 17,250	\$ 20,169	\$ 18,028	\$ 20,788	\$ 23,283	\$ 27,692	\$ 25,734
Contributions in relation to the contractually required contribution	21,108	21,564	17,487	17,250	20,169	18,028	20,788	23,283	27,692	25,734
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 214,071	\$ 212,409	\$ 205,791	\$ 183,510	\$ 194,699	\$ 189,798	\$ 177,373	\$ 175,373	\$ 157,918	\$ 158,365
Contributions as a percentage of covered-employee payroll	9.86%	10.15%	8.50%	9.40%	10.36%	9.50%	11.72%	13.28%	17.54%	16.25%

CITY:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 5,631	\$ 5,045	\$ 5,586	\$ 5,722	\$ 5,680	\$ 5,905	\$ 5,905	\$ 6,156	\$ 6,600	\$ 7,523
Contributions in relation to the contractually required contribution	5,631	5,045	5,586	5,722	5,680	5,905	5,905	6,156	6,600	7,523
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 48,764	\$ 44,261	\$ 37,920	\$ 37,537	\$ 41,924	\$ 41,494	\$ 42,076	\$ 43,056	\$ 42,286	\$ 41,497
Contributions as a percentage of covered-employee payroll	11.55%	11.40%	14.73%	15.24%	13.55%	14.23%	14.03%	14.30%	15.61%	18.13%

NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 23,587	\$ 22,153	\$ 20,377	\$ 18,038	\$ 18,764	\$ 17,400	\$ 18,377	\$ 18,918	\$ 17,767	\$ 17,777
Contributions in relation to the contractually required contribution	23,587	22,153	20,377	18,038	18,764	17,400	18,377	18,918	17,767	17,777
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 85,639	\$ 83,644	\$ 80,741	\$ 69,464	\$ 71,697	\$ 75,566	\$ 71,067	\$ 72,008	\$ 73,152	\$ 68,523
Contributions as a percentage of covered-employee payroll	27.54%	26.48%	25.24%	25.97%	26.17%	23.03%	25.86%	26.27%	24.29%	25.94%

SURA:

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 318	\$ 263	\$ 356	\$ 370	\$ 430	\$ 471	\$ 484	\$ 453	\$ 427	\$ 427
Contributions in relation to the contractually required contribution	318	263	356	370	430	471	484	453	427	427
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 2,852	\$ 2,518	\$ 2,518	\$ 2,858	\$ 3,153	\$ 3,547	\$ 3,398	\$ 3,266	\$ 2,958	\$ 3,298
Contributions as a percentage of covered-employee payroll	11.15%	10.44%	14.12%	12.95%	13.64%	13.28%	14.24%	13.87%	14.44%	12.95%

CITY OF SYRACUSE, NEW YORK

Combining Balance Sheet - Nonmajor Governmental Funds June 30, 2024

	Capital Projects Fund - City School District	Debt Service (Combined)	Permanent Funds (Combined)	Special Revenue (Combined)	Total Nonmajor Governmental Funds
ASSETS					
Cash, cash equivalents and investments	\$ -	\$ -	\$ -	\$ 1,102,419	\$ 1,102,419
Restricted cash and cash equivalents	-	16,657,889	27,627	8,349,038	25,034,554
Loans receivable	-	-	-	14,696,698	14,696,698
Accounts receivable	-	3,234,378	-	30,458	3,264,836
Other receivable	-	-	-	10,579	10,579
Taxes receivable, net	-	-	-	200,854	200,854
Due from other funds	20,504,742	965,164	-	4,022,899	25,492,805
Due from other governments	7,069,455	-	-	14,277,470	21,346,925
Inventories	-	-	-	318,159	318,159
Other assets	-	-	-	14,797	14,797
Total assets	<u>\$ 27,574,197</u>	<u>\$ 20,857,431</u>	<u>\$ 27,627</u>	<u>\$ 43,023,371</u>	<u>\$ 91,482,626</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities:					
Accounts payable and accrued expenditures	\$ 630,094	\$ -	\$ -	\$ 4,593,006	\$ 5,223,100
Due to other funds	-	-	-	12,606,671	12,606,671
Due to other governments	-	-	-	54,297	54,297
Amounts due to retirement systems	-	-	-	113,673	113,673
Self-insurance claims	-	-	-	6,678	6,678
Unearned revenue	-	-	-	3,658,917	3,658,917
Loans payable	-	-	-	14,255,007	14,255,007
Other liabilities	-	-	-	82,997	82,997
Total liabilities	<u>630,094</u>	<u>-</u>	<u>-</u>	<u>35,371,246</u>	<u>36,001,340</u>
Deferred inflows of resources:					
Deferred inflows - unavailable revenue	<u>-</u>	<u>3,234,378</u>	<u>-</u>	<u>335,268</u>	<u>3,569,646</u>
Fund Balance:					
Nonspendable	-	-	10,000	318,159	328,159
Restricted	26,944,103	17,623,053	17,627	10,773,233	55,358,016
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,774,535)</u>	<u>(3,774,535)</u>
Total fund balances	<u>26,944,103</u>	<u>17,623,053</u>	<u>27,627</u>	<u>7,316,857</u>	<u>51,911,640</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 27,574,197</u>	<u>\$ 20,857,431</u>	<u>\$ 27,627</u>	<u>\$ 43,023,371</u>	<u>\$ 91,482,626</u>

CITY OF SYRACUSE, NEW YORK

Combining Statement of Revenues, Expenditures and Change in Fund Balances - Nonmajor Governmental Funds For the Year Ended June 30, 2024

	Capital Projects Fund -		Permanent	Special	Total Nonmajor
	City School	Debt Service	Funds	Revenue	Governmental
	District	(Combined)	(Combined)	(Combined)	Funds
REVENUES:					
General property taxes and tax items	\$ -	\$ -	\$ -	\$ 5,438,986	\$ 5,438,986
Other local taxes	-	924,318	-	-	924,318
Use of money and property	-	38,616	365	16,893	55,874
Sale of property and compensation for loss	-	-	-	16,808	16,808
Federal and state aid and other grants	6,122,999	-	-	49,650,349	55,773,348
Surplus food	-	-	-	991,220	991,220
Sales-School Food Service Program	-	-	-	91,850	91,850
Other revenues	-	-	-	653,915	653,915
Total revenues	6,122,999	962,934	365	56,860,021	63,946,319
EXPENDITURES:					
General government support	-	-	-	11,564,655	11,564,655
Public safety	-	-	-	3,614,908	3,614,908
Transportation	-	-	-	2,951,852	2,951,852
Economic opportunity and development	-	-	-	28,909	28,909
Home and community services	-	-	-	17,751,838	17,751,838
Culture and recreation	-	-	-	1,118,399	1,118,399
Education	-	-	-	143,527	143,527
Principal debt payments	-	23,921,434	-	125,774	24,047,208
Interest on debt	-	5,513,732	-	22,728	5,536,460
Capital outlays	8,776,966	-	-	8,766,172	17,543,138
Food Service Program	-	-	-	16,507,411	16,507,411
Total expenditures	8,776,966	29,435,166	-	62,596,173	100,808,305
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,653,967)	(28,472,232)	365	(5,736,152)	(36,861,986)
OTHER FINANCING SOURCES (USES):					
Proceeds from leases/SBITAs	-	-	-	153,677	153,677
Bond proceeds	-	-	-	6,375,000	6,375,000
Premium on bonds	-	513,790	-	-	513,790
Operating transfers in	17,694,961	29,047,602	-	-	46,742,563
Operating transfers out	-	-	-	(1,473,822)	(1,473,822)
Total other financing sources (uses)	17,694,961	29,561,392	-	5,054,855	52,311,208
CHANGE IN FUND BALANCES	15,040,994	1,089,160	365	(681,297)	15,449,222
FUND BALANCE - beginning of year	11,903,109	16,533,893	27,262	7,998,154	36,462,418
FUND BALANCE - end of year	\$ 26,944,103	\$ 17,623,053	\$ 27,627	\$ 7,316,857	\$ 51,911,640

CITY OF SYRACUSE, NEW YORK

Combining Balance Sheet - Debt Service Funds June 30, 2024

	City School District	City	Total Debt Service Funds
ASSETS			
Restricted cash and cash equivalents	\$ -	\$ 16,657,889	\$ 16,657,889
Due from other funds	965,164	-	965,164
Accounts receivable	-	3,234,378	3,234,378
	<u>-</u>	<u>3,234,378</u>	<u>3,234,378</u>
Total assets	<u>\$ 965,164</u>	<u>\$ 19,892,267</u>	<u>\$ 20,857,431</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Deferred inflows of resources:			
Deferred inflows - unavailable revenue	\$ -	\$ 3,234,378	\$ 3,234,378
	<u>-</u>	<u>3,234,378</u>	<u>3,234,378</u>
Fund Balance:			
Restricted	965,164	16,657,889	17,623,053
	<u>965,164</u>	<u>16,657,889</u>	<u>17,623,053</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 965,164</u>	<u>\$ 19,892,267</u>	<u>\$ 20,857,431</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, 2024

	City School District	City	Total Debt Service Funds
REVENUES:			
Other local taxes	\$ -	\$ 924,318	\$ 924,318
Use of money and property	-	38,616	38,616
Total revenues	-	962,934	962,934
EXPENDITURES:			
Principal debt payments	3,230,000	20,691,434	23,921,434
Interest on debt	465,275	5,048,457	5,513,732
Total expenditures	3,695,275	25,739,891	29,435,166
DEFICIENCY OF REVENUES OVER EXPENDITURES	(3,695,275)	(24,776,957)	(28,472,232)
OTHER FINANCING SOURCES:			
Premium on bonds	-	513,790	513,790
Operating transfers in	3,695,275	25,352,327	29,047,602
Total other financing sources	3,695,275	25,866,117	29,561,392
CHANGE IN FUND BALANCE	-	1,089,160	1,089,160
FUND BALANCE - beginning of year	965,164	15,568,729	16,533,893
FUND BALANCE - end of year	\$ 965,164	\$ 16,657,889	\$ 17,623,053

CITY OF SYRACUSE, NEW YORK

Combining Balance Sheet - Permanent Funds June 30, 2024

	City School District	City	Total Permanent Funds
ASSETS			
Restricted cash and cash equivalents	\$ 17,627	\$ 10,000	\$ 27,627
Total assets	<u>\$ 17,627</u>	<u>\$ 10,000</u>	<u>\$ 27,627</u>
FUND BALANCE			
Nonspendable	\$ -	\$ 10,000	\$ 10,000
Restricted	<u>17,627</u>	<u>-</u>	<u>17,627</u>
Total fund balances	<u><u>\$ 17,627</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ 27,627</u></u>

CITY OF SYRACUSE, NEW YORK

Combining Statement of Revenues, Expenditures and Change in Fund Balances - Permanent Funds For the Year Ended June 30, 2024

	City School District	City	Total Permanent Funds
REVENUES:			
Use of money and property	\$ 365	\$ -	\$ 365
Total revenues	365	-	365
CHANGE IN FUND BALANCE	365	-	365
FUND BALANCE - beginning of year	17,262	10,000	27,262
FUND BALANCE - end of year	<u>\$ 17,627</u>	<u>\$ 10,000</u>	<u>\$ 27,627</u>

CITY OF SYRACUSE, NEW YORK

**Combining Balance Sheet - Special Revenue Funds
June 30, 2024**

	Neighborhood & Business Development	Special Grants	Special Assessment Districts	Oil & Flushing	Sidewalk	Syracuse Urban Renewal	School Food Service	Miscellaneous Special Revenue	Miscellaneous Trusts (Combined)	Total Special Revenue Funds
ASSETS										
Cash, cash equivalents and investments	\$ -	\$ -	\$ 311,764	\$ -	\$ -	\$ 790,655	\$ -	\$ -	\$ -	\$ 1,102,419
Restricted cash and cash equivalents	1,381,842	2,764,193	-	1,679,272	-	136,353	-	134,278	2,253,100	8,349,038
Loans receivable	14,255,007	-	-	-	-	441,691	-	-	-	14,696,698
Accounts receivable	-	30,354	104	-	-	-	-	-	-	30,458
Other receivable	-	-	-	-	-	-	10,184	395	-	10,579
Taxes receivable, net	-	-	25,926	-	174,928	-	-	-	-	200,854
Due from other funds	-	-	-	-	-	-	4,022,899	-	-	4,022,899
Due from other governments	1,749,623	9,255,551	-	-	-	330,050	2,942,246	-	-	14,277,470
Inventories	-	-	-	-	-	-	318,159	-	-	318,159
Other assets	-	-	-	-	-	14,797	-	-	-	14,797
Total assets	\$ 17,386,472	\$ 12,050,098	\$ 337,794	\$ 1,679,272	\$ 174,928	\$ 1,713,546	\$ 7,293,488	\$ 134,673	\$ 2,253,100	\$ 43,023,371
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE										
Liabilities:										
Accounts payable and accrued expenditures	\$ 688,647	\$ 2,476,032	\$ -	\$ 15,787	\$ 500,614	\$ 145,298	\$ 736,363	\$ 17,580	\$ 12,685	\$ 4,593,006
Due to other funds	1,721,818	6,809,873	-	-	3,287,390	787,590	-	-	-	12,606,671
Due to other governments	54,074	-	-	-	-	-	223	-	-	54,297
Amounts due to retirement systems	-	-	-	-	-	113,673	-	-	-	113,673
Self-insurance claims	-	-	-	5,610	1,068	-	-	-	-	6,678
Unearned revenue	583,929	2,764,193	-	-	-	310,795	-	-	-	3,658,917
Loans payable	14,255,007	-	-	-	-	-	-	-	-	14,255,007
Other liabilities	82,997	-	-	-	-	-	-	-	-	82,997
Total liabilities	17,386,472	12,050,098	-	21,397	3,789,072	1,357,356	736,586	17,580	12,685	35,371,246
Deferred inflows of resources:										
Deferred inflows - unavailable revenue	-	-	24,877	-	160,391	150,000	-	-	-	335,268
Fund Balance:										
Nonspendable	-	-	-	-	-	-	318,159	-	-	318,159
Restricted	-	-	312,917	1,657,875	-	206,190	6,238,743	117,093	2,240,415	10,773,233
Unassigned	-	-	-	-	(3,774,535)	-	-	-	-	(3,774,535)
Total fund balance	-	-	312,917	1,657,875	(3,774,535)	206,190	6,556,902	117,093	2,240,415	7,316,857
Total liabilities, deferred inflows of resources and fund balance	\$ 17,386,472	\$ 12,050,098	\$ 337,794	\$ 1,679,272	\$ 174,928	\$ 1,713,546	\$ 7,293,488	\$ 134,673	\$ 2,253,100	\$ 43,023,371

CITY OF SYRACUSE, NEW YORK

**Combining Statement of Revenues, Expenditures and Change in Fund Balances - Special Revenue Funds
For the Year Ended June 30, 2024**

	Neighborhood & Business Development	Special Grants	Special Assessment Districts	Oil & Flushing	Sidewalk	Syracuse Urban Renewal	School Food Service	Miscellaneous Special Revenue	Miscellaneous Trusts (Combined)	Total Special Revenue Funds
REVENUES:										
General property taxes and tax items	\$ -	\$ -	\$ 1,228,378	\$ 2,379,964	\$ 1,830,644	\$ -	\$ -	\$ -	\$ -	\$ 5,438,986
Use of money and property	-	-	-	-	-	2,631	178	-	14,084	16,893
Sale of property and compensation for loss	-	-	-	-	-	-	16,808	-	-	16,808
Federal and state aid and other grants	9,988,771	22,514,465	-	-	756,157	-	16,390,956	-	-	49,650,349
Surplus food	-	-	-	-	-	-	991,220	-	-	991,220
Sales-School Food Service Program	-	-	-	-	-	-	91,850	-	-	91,850
Other revenues	-	-	-	-	-	215,793	8,244	145,973	283,905	653,915
Total revenues	<u>9,988,771</u>	<u>22,514,465</u>	<u>1,228,378</u>	<u>2,379,964</u>	<u>2,586,801</u>	<u>218,424</u>	<u>17,499,256</u>	<u>145,973</u>	<u>297,989</u>	<u>56,860,021</u>
EXPENDITURES:										
General government support	-	10,286,332	1,278,323	-	-	-	-	-	-	11,564,655
Public safety	-	3,353,022	-	-	-	-	-	-	261,886	3,614,908
Transportation	-	-	-	2,763,748	188,104	-	-	-	-	2,951,852
Economic opportunity and development	-	-	-	-	-	28,909	-	-	-	28,909
Home and community services	9,988,771	7,763,067	-	-	-	-	-	-	-	17,751,838
Culture and recreation	-	1,112,044	-	-	-	-	-	-	6,355	1,118,399
Education	-	-	-	-	-	-	-	143,527	-	143,527
Principal debt payments	-	-	-	-	-	-	125,774	-	-	125,774
Interest on debt	-	-	-	-	-	-	22,728	-	-	22,728
Capital outlays	-	-	-	-	8,612,495	-	153,677	-	-	8,766,172
Food Service Program	-	-	-	-	-	-	16,507,411	-	-	16,507,411
Total expenditures	<u>9,988,771</u>	<u>22,514,465</u>	<u>1,278,323</u>	<u>2,763,748</u>	<u>8,800,599</u>	<u>28,909</u>	<u>16,809,590</u>	<u>143,527</u>	<u>268,241</u>	<u>62,596,173</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(49,945)</u>	<u>(383,784)</u>	<u>(6,213,798)</u>	<u>189,515</u>	<u>689,666</u>	<u>2,446</u>	<u>29,748</u>	<u>(5,736,152)</u>
OTHER FINANCING SOURCES (USES):										
Bond proceeds	-	-	-	1,875,000	4,500,000	-	-	-	-	6,375,000
Proceeds from leases/SBITAs	-	-	-	-	-	-	153,677	-	-	153,677
Operating transfers out	-	-	-	(143,051)	(487,428)	-	(843,343)	-	-	(1,473,822)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,731,949</u>	<u>4,012,572</u>	<u>-</u>	<u>(689,666)</u>	<u>-</u>	<u>-</u>	<u>5,054,855</u>
CHANGE IN FUND BALANCE	-	-	(49,945)	1,348,165	(2,201,226)	189,515	-	2,446	29,748	(681,297)
FUND BALANCE - beginning of year	<u>-</u>	<u>-</u>	<u>362,862</u>	<u>309,710</u>	<u>(1,573,309)</u>	<u>16,675</u>	<u>6,556,902</u>	<u>114,647</u>	<u>2,210,667</u>	<u>7,998,154</u>
FUND BALANCE - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 312,917</u>	<u>\$ 1,657,875</u>	<u>\$ (3,774,535)</u>	<u>\$ 206,190</u>	<u>\$ 6,556,902</u>	<u>\$ 117,093</u>	<u>\$ 2,240,415</u>	<u>\$ 7,316,857</u>

CITY OF SYRACUSE, NEW YORK

Combining Balance Sheet - Miscellaneous Trust Funds June 30, 2024

	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	\$ 192,723	\$ 195,950	\$ 136,718	\$ 70,316	\$ 890	\$ 237,850	\$ 1,418,653	\$ 2,253,100
Total assets	<u>\$ 192,723</u>	<u>\$ 195,950</u>	<u>\$ 136,718</u>	<u>\$ 70,316</u>	<u>\$ 890</u>	<u>\$ 237,850</u>	<u>\$ 1,418,653</u>	<u>\$ 2,253,100</u>
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts payable and accrued expenditures	\$ -	\$ 410	\$ -	\$ -	\$ -	\$ -	\$ 12,275	\$ 12,685
Total liabilities	-	410	-	-	-	-	12,275	12,685
Fund Balance:								
Restricted	<u>192,723</u>	<u>195,540</u>	<u>136,718</u>	<u>70,316</u>	<u>890</u>	<u>237,850</u>	<u>1,406,378</u>	<u>2,240,415</u>
Total liabilities and fund balance	<u>\$ 192,723</u>	<u>\$ 195,950</u>	<u>\$ 136,718</u>	<u>\$ 70,316</u>	<u>\$ 890</u>	<u>\$ 237,850</u>	<u>\$ 1,418,653</u>	<u>\$ 2,253,100</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, 2024**

	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	\$ -	\$ -	\$ -	\$ -	\$ 226	\$ 4,623	\$ 9,235	\$ 14,084
Other revenues	<u>34,155</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>234,750</u>	<u>283,905</u>
Total revenues	<u>34,155</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>226</u>	<u>4,623</u>	<u>243,985</u>	<u>297,989</u>
EXPENDITURES:								
Public safety	62,786	-	-	-	-	18,495	180,605	261,886
Culture and recreation	<u>-</u>	<u>6,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,355</u>
Total expenditures	<u>62,786</u>	<u>6,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,495</u>	<u>180,605</u>	<u>268,241</u>
CHANGE IN FUND BALANCE	(28,631)	8,645	-	-	226	(13,872)	63,380	29,748
FUND BALANCE - beginning of year	<u>221,354</u>	<u>186,895</u>	<u>136,718</u>	<u>70,316</u>	<u>664</u>	<u>251,722</u>	<u>1,342,998</u>	<u>2,210,667</u>
FUND BALANCE - end of year	<u>\$ 192,723</u>	<u>\$ 195,540</u>	<u>\$ 136,718</u>	<u>\$ 70,316</u>	<u>\$ 890</u>	<u>\$ 237,850</u>	<u>\$ 1,406,378</u>	<u>\$ 2,240,415</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**

March 28, 2025

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

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, 2024, and the related notes to the financial statements, which collectively comprise the City of Syracuse, New York's basic financial statements, and have issued our report thereon dated March 28, 2025. Our report includes a reference to other auditors who audited the financial statements of Syracuse Industrial Development Agency, Syracuse Economic Development Corporation and Syracuse Regional Airport Authority, which are discretely presented component units. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. This report also does not include the results of City School District of Syracuse, New York's, Greater Syracuse Property Development Corporation's, or Syracuse Urban Renewal Agency's testing of internal control over financial reporting or compliance and other matters that are reported on in separate reports.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Syracuse, New York's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Syracuse, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Syracuse, New York's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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(Continued)

**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***
(Continued)

Report on Internal Control over Financial Reporting (Continued)

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-002, 2024-003, and 2024-004 to be significant deficiencies.

Report on Compliance and Other Matters

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

City's Response to Findings

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

Purpose of This Report

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

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

March 28, 2025

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

Report on Compliance For Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the City of Syracuse, New York's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the City of Syracuse, New York's major federal programs for the year ended June 30, 2024. 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.

Qualified Opinion on the: Home Investment Partnerships Program

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, 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 the Home Investment Partnerships Program for the year ended June 30, 2024.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, City of Syracuse, New York complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other 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, 2024.

Basis For Qualified and Unmodified Opinions

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

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(Continued)

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

Basis For Qualified and Unmodified Opinions (Continued)

We are required to be independent of the City of Syracuse, New York and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the City of Syracuse, New York's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on 14.239: Home Investment Partnerships Program

As described in the accompanying schedule of findings and questioned costs, the City of Syracuse, New York did not comply with requirements regarding the Home Investment Partnerships Program as described in finding number 2024-005 for Special Tests and Provisions.

Compliance with this requirement is necessary in our opinion, for the City of Syracuse, New York to comply with the requirements applicable to that program.

Other Matters - Federal Expenditures Not Included in the Compliance Audit

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, 2024. 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 required.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

Auditor's Responsibilities for the Audit of Compliance (Continued)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Syracuse, New York's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Syracuse, New York's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Syracuse, New York's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore material weaknesses or significant deficiencies may exist that were not identified. However as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-005 to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-006 to be a significant deficiency.

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

(Continued)

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

Report on Internal Control over Compliance (Continued)

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

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, 2024**

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing	Grant Identifying Number	Agency or Pass-Through Number	Federal Expenditures	Provided to Subrecipients
U.S. Department of Housing and Urban Development					
Direct:					
Community Development Block Grants/Entitlement Grants:					
	14.218	B-21-MC-36-0108	N/A	\$ 35,689	
	14.218	B-22-MC-36-0108	N/A	358,422	
	14.218	B-23-MC-36-0108	N/A	3,899,846	
	14.218	B-24-MC-36-0108	N/A	3,402	
COVID-19: Community Development Block Grants	14.218	COVID-19 - B-20-MW-36-0108	N/A	109,259	
Total Community Development Block Grants/Entitlement Grants:				4,406,618	3,752,732
Passed through NYS Office of Community Renewal					
Community Development Block Grants/State's Program and Non-entitlement Grants in Hawaii:					
COVID-19: Community Development Block Grants	14.228	COVID-19 - 3132CVHCR32-21	3132CVHCR32-21	2,532,489	2,532,489
Direct:					
Emergency Solutions Grant Program:					
	14.231	E-22-MC-36-0108	N/A	7,419	
	14.231	E-23-MC-36-0108	N/A	423,933	
	14.231	E-24-MC-36-0108	N/A	8,769	
COVID-19: Emergency Solutions Grant Program	14.231	COVID-19 - E-20-MW-36-0108	N/A	151,861	
Total Emergency Solutions Grant Program				591,982	551,788
Lead-Based Paint Hazard Control in Privately-Owned Housing:					
	14.900	NYLHB0695-18	N/A	675,671	
Home Investment Partnerships Program:					
	14.239	M-20-MC-360505	N/A	191,250	
	14.239	M-21-MC-360505	N/A	801,366	
	14.239	M-22-MC-360505	N/A	27,800	
	14.239	M-23-MC-360505	N/A	140,979	
COVID-19: Home Investment Partnerships Program	14.239	M-21-MP-360505	N/A	620,617	
Total Home Investment Partnerships Program				1,782,012	1,774,385
Total U.S. Department of Housing and Urban Development				9,988,772	

CITY OF SYRACUSE, NEW YORK

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing	Grant Identifying Number	Agency or Pass-Through Number	Federal Expenditures	Provided to Subrecipients
U.S. Department of Transportation					
Passed-through NYS Department of Transportation:					
Highway Planning and Construction Cluster:					
Pedestrian Safety Action Plan Phase 2	20.205	375679	1000002582	84,126	
E Brighton Ave Paving Project	20.205	375680	1000002582	310,679	
E Colvin Street Paving Project	20.205	375681	1000002582	189,195	
Midland Ave. Paving Project	20.205	375683	1000002582	199,566	
NSEW Interconnect Project Ph 2	20.205	375708	1000002582	45,922	
Erie Blvd E. Paving Improvement	20.205	375714	1000002582	17,354	
Erie Blvd W Pedestrian & Bike	20.205	395080	1000002582	63,710	
N, S, E, W Interconnect	20.205	375479	1000002582	4,208,417	
Downtown Mill & Pave (South Salina St.)	20.205	375606	1000002582	6,000	
Downtown Mill & Pave	20.205	375625	1000002582	244	
20/21 E Colvin St Paving TIP #	20.205	375682	1000002582	1,779,767	
19/20 Lodi Street Connector 3950.72	20.205	395072	1000002582	10,963	
19/20 W. Genesee St. Rd Improvement	20.205	375624	1000002582	8,212,988	
19/20 PSAP Project	20.205	375649	1000002582	1,110,600	
Creekwalk Maint. Bridge/Creekwalk Improvement	20.205	395074	1000002582	943,821	
19/20 E. Brighton Ave Bridge	20.205	375651	1000002582	4,807	
Total Highway Planning and Construction Cluster				<u>17,188,159</u>	
Passed through NYS Governor's Traffic Safety Committee					
State and Community Highway Safety:					
2021 Police Traffic Services	20.600	PTS-2021-SCPD-00196	1000002582	9,261	
2022 Police Traffic Services	20.600	PTS-2022-SCPD-00210	1000002582	11,812	
2023 NYS GTSC PTS	20.600	PTS-2023-SCPD-00181	1000002582	43,120	
NYS GTSC Traffic Safety 2024	20.600	PTS-2024-SCPD-00021	1000002582	6,243	
2020 Police Traffic Services	20.600	PTS-2020-SCPD-00009	1000002582	41,000	
18-19 Police Traffic Services	20.600	PTS-2019-SCPD-00073	1000002582	43,122	
Total State and Community Highway Safety				<u>154,558</u>	
Total U.S. Department of Transportation				<u>17,342,717</u>	

CITY OF SYRACUSE, NEW YORK

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing	Grant Identifying Number	Agency or Pass- Through Number	Federal Expenditures	Provided to Subrecipients
U.S. Department of the Interior					
Direct:					
Natural Resource Damage Assessment and Restoration:					
Creekwalk Riparian	15.658	F20AC00292	N/A	181,844	
20/21 OnCreek Kay/Canoe Launch	15.568	F20AC10336-00	N/A	505	
Total Natural Resource Damage Assessment and Restoration				<u>182,349</u>	
Total U.S. Department of the Interior				<u>182,349</u>	
U.S. Department of Justice					
Direct:					
Edward Byrne Memorial Justice Assistance Grant:					
Edward Byrne Memorial JAG	16.738	15PBJA-22-GG-02110-JAGX	N/A	14,273	
LiveScan Fingerprinting	16.738	2019-DJ-BX-0017	N/A	18,000	
2023 US DOJ JAG -Credible Mess	16.738	15PBJA-23-GG-03670-JAGX	N/A	30,946	
2017 Byrne JAG Grant	16.738	2017-DJ-BX-0274	N/A	54,383	
2018 Byrne JAG Grant	16.738	2018-DJ-BX-0813	N/A	53,723	
2019 Byrne JAG Grant	16.738	2019-DJ-BX-0381	N/A	50,314	
2020 JAG	16.738	2020-DJ-BX-0435	N/A	42,592	
2021 JAG	16.738	15PBJA-21-GG-01725-JAGX	N/A	73,168	
Total Edward Byrne Memorial Justice Assistance Grant				<u>337,399</u>	
Public Safety Partnership and Community Policing Grants:					
COPS Crisis Intervention Teams	16.710	15JCOPS-21-GG-02323-SPPS	N/A	2,246	
COPS Accreditation Grant	16.710	15JCOPS-21-GG-02577-SPPS	N/A	21,775	
Total Public Safety Partnership and Community Policing Grants				<u>24,021</u>	
2022 Byrne Grant	16.753	15PBJA-22-GG-00111-BRND	N/A	77,960	
2020 Project Safe Neighborhood	16.609	2020-GP-BX-0041	N/A	70,513	
COVID-19: Coronavirus ESF	16.045	2020-VD-BX-1494	N/A	42,328	
Total U.S. Department of Justice				<u>552,221</u>	
U.S Department of Health and Human Services					
Direct:					
2021 CDC Grant	93.067	NU58-DP-00-7001	N/A	602,443	
Total U.S Department of Health and Human Services				<u>602,443</u>	

CITY OF SYRACUSE, NEW YORK

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing	Grant Identifying Number	Agency or Pass- Through Number	Federal Expenditures	Provided to Subrecipients
U.S. Department of Homeland Security					
Direct:					
Assistance to Firefighters Grant:					
FEMA AFG 2021	97.044	EMW-2021-FG-01456	N/A	29,715	
FEMA AFG 2022	97.044	EMW-2022-FG-01604	N/A	266,220	
FEMA Fire Prevention & Safety	97.044	EMW-2021-FP-00150	N/A	<u>26,672</u>	
Total Assistance to Firefighters Grant				<u>322,607</u>	
FEMA Mitigation Program	97.047	C000859	N/A	<u>88,343</u>	
FEMA, 2020 SAFER Program	97.083	EMW-2020-FF-00730	N/A	<u>1,279,515</u>	
Passed-through NYS Office of Homeland Security:					
Homeland Security Grant Program:					
2021 Homeland Security (SHSP)	97.067	WM21152910	N/A	13,885	
2022 Homeland Security (SHSP)	97.067	SH22-1026-D00	N/A	46,409	
DHSES FY2019 BOMB SQUAD	97.067	WM19152990	N/A	1,829	
FY20 Bomb Squad Grant	97.067	WM20160089	N/A	45,969	
2023 SHSP NYS DHSES	97.067	SH23-1017-D00	N/A	79,686	
DHSES FY2023 RED TEAM	97.067	SH19-11101-D00	N/A	4,928	
2020 Tactical Team	97.067	TT20-1025-E00	N/A	<u>75,000</u>	
Total Homeland Security Grant Program				<u>267,706</u>	
Total U.S. Department of Homeland Security				<u>1,958,171</u>	
U.S. Department of Treasury					
Direct:					
Equitable Sharing Fund	21.016	15-6400-5-5-123	N/A	168,691	
COVID-19: Coronavirus State and Local Fiscal Recovery Fund	21.027	ARPA	N/A	<u>20,676,256</u>	
Total U.S. Department of Treasury				<u>20,844,947</u>	
Total Expenditures of Federal Awards				<u>\$ 51,471,620</u>	

CITY OF SYRACUSE, NEW YORK

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2024

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, 2024

Part I - Summary of Auditor's Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☒yes ☐no

Significant deficiencies identified?

☒yes ☐none reported

Noncompliance material to financial statements noted?

☐yes ☒none reported

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

☒yes ☐no

Significant deficiencies identified?

☒yes ☐none reported

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

14.239 – HOME Investment Partnerships Program

Qualified

All other major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, section 200.516(a)?

☒yes ☐no

Identification of major programs:

AL Number

Program Title

14.228

Community Development Block Grants/State's Program and Non-entitlement Grants in Hawaii

14.239

Home Investment Partnerships Program

20.205

Highway Planning and Construction Cluster

21.027

COVID-19: Coronavirus State and Local Fiscal Recovery Fund

97.083

FEMA, 2020 SAFER Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$1,544,149

The City was not considered a low-risk auditee for the year ended June 30, 2024.

Part II – Financial Statement Findings

Reference Number: 2024-001

Financial Reporting

Criteria:

Internal controls over financial reporting should be properly designed, implemented and monitored to ensure all material transactions are recorded in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP).

Cause/Condition:

The City's internal controls over financial reporting were not operating properly to reconcile all accounts and record all necessary entries in the financial close process.

Effect:

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

Opinion Unit:	Overstatement / (Understatement)			
	<u>Assets</u>	<u>Liabilities</u>	<u>Revenues</u>	<u>Expenses / Expenditures</u>
Governmental Activities	\$ (1,426,325)	\$ 1,241,370	\$ (476,116)	\$ 2,191,579
Business-Type Activities	-	(1,249,545)	(60,550)	(1,310,095)
General Fund	(1,337,607)	1,287,194	(433,222)	2,191,579
Capital Projects Fund	-	67,679	(67,679)	-
Water Fund	-	(821,200)	(60,550)	(881,750)
Sewer Fund	-	(428,345)	-	(428,345)
Aggregate Remaining Fund Information	(181,255)	(124,839)	(56,416)	-

Recommendation:

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

Response:

The City is in the process of implementing more robust month-close and year-end accounting procedures. The City will assess financial systems and reporting tools to determine if process automation or system enhancements can improve accuracy and efficiency.

A year-end closing schedule will be established with clear deadlines for journal entries, reconciliations, and financial statement preparation. The City is committed to ensuring the integrity of its financial reporting and will take all necessary steps to address these deficiencies and strengthen its internal control.

Reference Number: 2024-002**Capital Projects Grant Receivables****Criteria:**

Internal controls over financial reporting should be properly designed, implemented and monitored to ensure that federal and state aid revenue and related expenditures are properly reported in accordance with generally accepted accounting principles in the United States of America (U.S GAAP).

Cause/Condition:

The City's internal control systems as designed require a manual tracking in spreadsheets outside of the accounting software of spending on capital projects and grant claims to determine accruals of revenue at year end.

Effect:

Errors in reconciling projects were identified that while immaterial, create opportunity for misstatements to occur.

Recommendation:

The City should review the controls in place over tracking and reconciling capital projects activity. Information should be reviewed frequently to ensure that the claiming process is tied to the financial reporting process.

Response:

The City will review and enhance the current tracking procedures to ensure that all grant-related expenditures and receivables are accurately recorded and reconciled. Finance personnel will receive additional training on grant accounting best practices, reconciliation procedures, and internal control measures to enhance accuracy.

Additionally, the City will evaluate options to integrate grant and capital project tracking within the accounting system to reduce reliance on manual spreadsheets. Software enhancements or additional reporting tools will be explored to automate and streamline this process.

Reference Number: 2024-003**Grant Management****Criteria:**

Internal controls over financial reporting and monitoring of grants should be designed so reimbursable projects are tracked, and supporting evidence retained, to allow full reimbursement and claiming in a timely fashion.

Cause/Condition:

The City's internal controls did not operate effectively to ensure it was retaining adequate supporting documentation related to New York State Department of Transportation (NYSDOT) claims. At time of claim submission, the City was not able to review that reimbursement was requested for all project expenditures due to ineffective controls over project expenditure tracking.

Effect:

The City incurred expenditures on NYSDOT projects during the fiscal year ended June 30, 2024 in the amount of \$14,872,947, for which it recognized as revenue \$9,800,808. The City is therefore incurring additional costs either by not being able to earn interest on cash due to delays in reimbursement or failing to request reimbursement for eligible expenditures.

Recommendation:

The City should review the controls in place over monitoring grants and the reimbursement claiming process to ensure available grant funds are fully utilized and to minimize the time between expenditures and reimbursement.

Response:

The City is working on a centralized system for tracking all grant-related expenditures and supporting documentation to ensure completeness at the time of claim submission specifically related to NYSDOT claims. This is a multi-departmental effort by the Office of Analytics, Performance & Innovation, Department of Public Works, and Finance Department.

The City will implement a reconciliation process to match expenditures with eligible reimbursements, ensuring that all allowable costs are identified and claimed without delay. Clear roles and responsibilities will be assigned to ensure accountability in grant tracking and claim submission with the new reimbursement process.

Reference Number: 2024-004**Procurement Process****Criteria:**

Internal controls should be properly designed, implemented and monitored to ensure the City's policies related to procurement are followed and instances of waiving competitive bidding are appropriate and follow approval processes.

Cause/Condition:

Internal controls over procurement did not include a process to properly document the considerations and process when electing to waive the competitive bidding process.

Effect:

Instances were noted of contracts being approved for which competitive bidding process was waived and documentation of approval did not include reasoning for the waiver. Therefore, evidence of monitoring by those charged with governance could not be viewed.

Recommendation:

The City should implement and use a standard process to document the reasons for waiving the competitive bid process. This documentation should be acknowledged in the approval of entering contracts as evidence of appropriate governance oversight.

Response:

The City is actively developing improved processes and procedures around procurement, including reviewing the current process and identifying potential technology enhancements. The City is implementing a digital platform (OpenGov) to help modernize procurement operations. The technology will streamline bid and RFP publications, approvals and contract oversight while ultimately, creating a standard and consistent procurement process inclusive of waived competitive bid processes. A centralized digital repository will be utilized to store and track all procurement documents to ensure accessibility and compliance.

Part III - Federal Award Findings and Questioned Costs

Reference Number: 2024-005

**U.S. Department of Housing and Urban Development
Home Investment Partnerships Program (HOME) 14.239**

Program Year: 2024

Criteria:

According to the Uniform Guidance in CFR Part 200, Part IV, Special Tests and Provisions, Section 5 – Housing Quality Standards, participating entities in the HOME program must perform on-site inspections of HOME-assisted rental units to determine compliance with property standards and verify information submitted by property owners is accurate.

Internal controls should provide reasonable assurance that the City complies with all special Tests and Provisions relevant to the program.

Cause/Condition:

The City does not have a process to appropriately identify HOME-assisted rental units on which housing quality inspections are due. As a result, the City did not comply with Uniform Guidance requirements related to inspection of HOME-assisted rental units.

Effect:

The City was not in compliance with Special Tests and Provisions, Section 5 – Housing Quality Standards of the HOME program as stated in the Uniform Guidance.

Recommendation:

The City should develop policies and procedures to ensure that HOME-assisted rental housing projects are inspected no less than 1) every three years for projects containing one to four units, 2) every two years for projects containing five to 25 units, 3) every year for projects containing 26 or more units. The City should maintain documentation of inspections performed and create a system to track latest inspection dates for all HOME-assisted rental housing projects.

Response:

The City is committed to maintaining compliance with the Uniform Guidance requirements and recognizes the need to strengthen internal controls related to the inspection process. A centralized tracking system will be developed to monitor inspection due dates for all HOME-assisted rental units. Improved policies and procedures will be established that outline staff responsibilities, scheduling protocols, documentation requirements, and follow-up actions for non-compliant units.

Reference Number: 2024-006
U.S. Department of Transportation
Highway Planning Cluster 20.205

Program Year: 2024

Criteria:

Internal controls should provide reasonable assurance that the City complies with all procurement requirements of the program.

Cause/Condition:

Internal controls over compliance were not consistent in process of documentation retained related to the procurement process.

Effect:

The City did not retain complete files on the process used to procure certain engineering contracts paid out of the program.

Context:

Incomplete files related to the procurement process were noted in 5 of 42 disbursements selected for testing, as part of a non-statistical sample.

Recommendation:

The City should review its processes related to procurement and retention of documentation related to the process. Documentation supporting the process should be readily available.

Response:

The City is actively developing improved processes and procedures around procurement, including reviewing the current process and identifying potential technology enhancements. The City is implementing a digital platform (OpenGov) to help modernize procurement operations. The technology will streamline bid and RFP publications, approvals and contract oversight while ultimately, creating a standard and consistent procurement process. A centralized digital repository will be utilized to store and track all procurement documents to ensure accessibility and compliance.