

OGDENSBURG BRIDGE AND PORT AUTHORITY
FINANCE COMMITTEE MEETING
WEDNESDAY, JULY 17, 2024 – 4:30 PM

I. Business Items

- a. May Internal 2024 Financials
- b. Review of 2023-2024 Audited Financials

II. Other Such Matters

OGDENSBURG BRIDGE & PORT AUTHORITY
STATEMENT OF FINANCIAL POSITION
as of May 31, 2024

ASSETS: Things that OBPA OWNS

Current Assets:	
Cash - Checking Accounts	\$ 174,561
Cash - Reserves & Other Restricted Accounts	7,626,644 ①
Cash - Security Deposits	175,705
Accounts Receivable - Regular	119,859
Accounts Receivable - AEAS	856,866
Grants Receivable	441,005
Investments	-
Inventories	65,415
Prepaid Expenses	17,887
Total Current Assets	\$ 9,477,943
 Fixed Assets:	
Land & Land Improvements	\$ 46,674,118
Buildings & Building Improvements	108,711,370
Machinery & Equipment	8,946,184
Vehicles	2,018,770
Furniture & Fixtures	142,506
Signage	181,132
Bond Issuance Costs - 2017 Series	178,968
Total Fixed Assets	\$ 166,853,049
Less Accumulated Depreciation	<u>(80,802,832)</u>
Net Fixed Assets	\$ 86,050,217
Other Assets:	1,323,916
Construction in Progress	\$ 8,609,468 ②
TOTAL ASSETS	\$ 105,461,544

LIABILITIES: Things OBPA OWES

Current Liabilities:	
Accounts Payable - Regular	661,466 ③
Accounts Payable - AEAS/Contour	406,900
Accounts Payable - NYS Retirement	124,033
Accounts Payable - All Project A/P	1,059,662
Current Portion of Long Term Debt	\$ 1,163,197
Accrued Expenses	21,775,215
Total Current Liabilities	25,190,473
Other General Liabilities	577,577
 Long Term Liabilities	
Long Term Portion of Long Term Debt	8,096,930
Total Long Term Liabilities	8,096,930
Capital	71,596,564
TOTAL LIABILITIES	105,461,544

(0)

①	Restricted Accounts - Top 5 Bank Accounts		
	Consolidated Reserve Fund - CBNA	6,268,661	
	Debt Service Reserve Fund - Wilmington Trust	539,879	
	Tompkins Trust Security Reserve Deposit	351,587	
	M&T Deposit - Bond Payable Reserve Funds	310,560	
	Aviation Credit Card Account	61,205	
		<u>7,531,892</u>	
	8 Additional Restricted Bank Accounts share the balance	94,752	
②	Construction in Progress - Top 4 Projects		
	Airport Revitalization Project	2,642,030	
	Airport EA PH 1 Drainage & Terminal Area	2,161,523	
	Airport MASLF	2,005,201	
	Port - Dock Wall Expansion	626,172	
		<u>7,434,926</u>	
	6 Additional Projects share the balance	1,174,542	
③	Regular Accounts Payable - Top 10 Vendors		PAID - JUNE 2024
	Parsons Transportation Group - Bridge Inspection	143,597	
	Wladis	114,175	
	Excellus	39,321	\$39,321
	City of Ogdensburg	35,908	\$23,812
	AEP - Solar	33,399	
	Ascent Aviaiton	29,936	\$29,936
	National Grid	26,560	\$8,129
	E-Transit	26,194	
	Strategic Development	24,000	
	OMLC	23,524	
		<u>496,613</u>	
	73 +/- Additional Vendors share the balance	164,853	

OGDENSBURG BRIDGE & PORT AUTHORITY
STATEMENT OF FINANCIAL POSITION
as of May 31, 2024

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Cash - Security Deposits		175,705	
Accounts Receivable - Regular		119,859	
Accounts Receivable - AEAS		856,866	
Grants Receivable		441,005	
Investments		-	
Inventories		65,415	
Prepaid Expenses		17,887	
Total Current Assets	\$	9,477,943	

Fixed Assets:

Land & Land Improvements	\$	46,674,118	
Buildings & Building Improvements		108,711,370	
Machinery & Equipment		8,946,184	
Vehicles		2,018,770	
Furniture & Fixtures		142,506	
Signage		181,132	
Bond Issuance Costs - 2017 Series		178,968	
Total Fixed Assets	\$	166,853,049	
Less Accumulated Depreciation		<u>(80,802,832)</u>	
Net Fixed Assets	\$	86,050,217	

Other Assets:

1,323,916

Construction in Progress

\$ 8,609,468 ②

TOTAL ASSETS \$ 105,461,544

LIABILITIES: Things OBPA OWES

Current Liabilities:

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Accounts Payable - AEAS/Contour		406,900	
Accounts Payable - NYS Retirement		124,033	
Accounts Payable - All Project A/P		1,059,662	
Current Portion of Long Term Debt	\$	1,163,197	
Accrued Expenses		21,775,215	
Total Current Liabilities		<u>25,190,473</u>	

Other General Liabilities

577,577

Long Term Liabilities

Long Term Portion of Long Term Debt		8,096,930	
Total Long Term Liabilities		<u>8,096,930</u>	

Capital

71,596,564

TOTAL LIABILITIES 105,461,544

(0)

①	Restricted Accounts - Top 5 Bank Accounts		
	Consolidated Reserve Fund - CBNA	6,268,661	
	Debt Service Reserve Fund - Wilmington Trust	539,879	
	Tompkins Trust Security Reserve Deposit	351,587	
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	6 Additional Projects share the balance	1,174,542	
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	Parsons Transportation Group - Bridge Inspection	143,597	
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	AEP - Solar	33,399	
	Ascent Aviaiton	29,936	\$29,936
	National Grid	26,560	\$8,129
	E-Transit	26,194	
	Strategic Development	24,000	
	OMLC	23,524	
		<u>496,613</u>	
	73 +/- Additional Vendors share the balance	164,853	

**Ogdensburg Bridge and Port Authority
Board Summary
March 31, 2024**

- Financial Statements and Auditors' Reports were reviewed by the Authority's management.
- Unmodified (i.e. unqualified or "clean") opinions to be issued on the Authority's financial statements and on the Authority's New York State Department of Transportation Single Audit Report.
- No material weaknesses or significant deficiencies were noted in the Authority's internal controls over financial reporting or federal awards.
- One instance of noncompliance was noted and is described in the schedule of findings and questioned costs as item 2024-001.
- Management provided everything we requested in a timely manner.
- Total assets amounted to \$121,321,614, representing a 0.2% increase from the prior year. The change was mainly due to increases in grants receivable from the State, offset by the Authority no longer reporting a proportionate share of the net pension asset.
- Deferred outflows of resources amounted to \$1,322,559, remaining consistent with the prior year.
- Total liabilities amounted to \$33,966,235, representing a 10% increase from the prior year. The change was mainly due to changes in actuarial assumptions related to the Authority's proportionate share of the net pension liability and OPEB, as well as an increase in accounts payable.
- Total deferred inflows of resources amounted to \$14,783,998, representing a 15% decrease from the prior year. The change was due to changes in actuarial assumptions related to the Authority's proportionate share of the net pension liability and OPEB, as well as the amortization of the Authority's various leases.
- The following summarizes the changes in the condensed Statements of Net Position:

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Current assets	\$ 10,807,580	9,341,370	1,466,210
Capital assets (net of depreciation)	94,887,191	94,776,992	110,199
Other noncurrent assets	<u>15,626,843</u>	<u>16,920,867</u>	<u>(1,294,024)</u>
Total assets	<u>121,321,614</u>	<u>121,039,229</u>	<u>282,385</u>
Deferred outflows of resources	<u>1,322,559</u>	<u>1,323,916</u>	<u>(1,357)</u>
Current liabilities	5,137,276	3,103,915	2,033,361
Noncurrent liabilities	<u>28,828,959</u>	<u>27,650,987</u>	<u>1,177,972</u>
Total liabilities	<u>33,966,235</u>	<u>30,754,902</u>	<u>3,211,333</u>
Deferred inflows of resources	<u>14,783,998</u>	<u>17,436,565</u>	<u>(2,652,567)</u>
Net position	\$ <u>73,893,940</u>	<u>74,171,678</u>	<u>(277,738)</u>

- Net position decreased \$277,738 to a total of \$73,893,940 as of March 31, 2024.
- Operating revenue amounted to \$7,199,837, representing a 26% decrease from the prior year. The change was mainly due to the lack of wind turbine activity in the current year.
- Operating expenses amounted to \$16,493,521, remaining consistent with the prior year. The operating expenses remained consistent due to a decrease from the lack of wind turbine activity, offset by an increase in alternative essential air service program expenses and increases in expenses related to the changes in actuarial assumptions involving pension and OPEB.
- Nonoperating income amounted to \$9,015,946, representing a 16% decrease from the prior year. The change was mainly due to the harbor deepening funds which occurred in the prior year, offset in part by the increase in State grants in the current year.
- The following summarizes the changes in the condensed Statements of Revenue, Expenses and Changes in Net Position:

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Operating revenue	\$ 7,199,837	9,679,088	(2,479,251)
Operating expenses	<u>16,493,521</u>	<u>16,513,191</u>	<u>(19,670)</u>
Operating loss	(9,293,684)	(6,834,103)	(2,459,581)
Nonoperating income (expense)	<u>9,015,946</u>	<u>10,438,373</u>	<u>(1,422,427)</u>
Change in net position	(277,738)	3,604,270	(3,882,008)
Net position at the beginning of year	<u>74,171,678</u>	<u>70,567,408</u>	<u>3,604,270</u>
Net position at end of year	<u>\$ 73,893,940</u>	<u>74,171,678</u>	<u>(277,738)</u>

OGDENSBURG BRIDGE AND PORT AUTHORITY

**Financial Statements and Management's
Discussion and Analysis**

March 31, 2024 and 2023

(With Independent Auditors' Report Thereon)

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OGDENSBURG BRIDGE AND PORT AUTHORITY

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INDEPENDENT AUDITORS' REPORT

The Governing Board
Ogdensburg Bridge and Port Authority:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Ogdensburg Bridge and Port Authority (the Authority), as of and for the years ended March 31, 2024 and 2023, and the related notes to financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of March 31, 2024 and 2023, and the changes in its financial position and its cash flows thereof and for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and

comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority’s basic financial statements. The accompanying 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 is presented for purposes of additional analysis and is 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 audits 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 GAAS. In our opinion, the schedule of expenditures of federal awards is 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 , 2024 on our consideration of the Authority’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Authority’s internal control over financial reporting and compliance.

Williamsville, New York
, 2024

OGDENSBURG BRIDGE AND PORT AUTHORITY

Management's Discussion and Analysis

March 31, 2024 and 2023

This annual report consists of three parts:

- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information

MANAGEMENT DISCUSSION AND ANALYSIS

In 1950, Governor Thomas E. Dewey signed a bill (Article 3, Title 8) creating the Ogdensburg Bridge Authority. Legislation in 1958 (Article 6, Title 3) created the Ogdensburg Port Authority. The two Authorities were combined into the Ogdensburg Bridge and Port Authority (OBPA) in 1961 (Article 3, Title 8). Today, the Ogdensburg Bridge and Port Authority manage \$105 million in assets including the following holdings:

- The Ogdensburg-Prescott International Bridge
- The Port of Ogdensburg
- The Ogdensburg International Airport (OGS)
- The Ogdensburg Border Station
- Commerce Park Campus/Heavy Industrial Park (Foreign Trade Zone 110)
- New York and Ogdensburg Railway: a short-line railroad

Each entity operates according to the Authority's central mission:

While remaining self-sustaining, the Authority creates sound economic business development through the promotion of buildings and river, road, rail, and air transportation. This is accomplished by providing exceptional customer service, safe and secure facilities, good environmental stewardship, and focused professionalism.

The COVID-19 pandemic has continued to impact the OBPA in a variety of ways and varying levels of significance:

- The Ogdensburg-Prescott International Bridge provides a vital link to economic markets in the U.S. and Canada. In the year prior to the pandemic, the bridge handled in excess of 655,000 vehicles. During the first year of the pandemic, the OBPA experienced a 78.84% drop in overall bridge traffic due to the border between the U.S. and Canada closed to all but essential and commercial traffic. Traffic is rebounding as a result of restrictions being lifted and the major repairs to the bridge completed. Currently, the vehicle traffic has recovered to between 78% to 82% of pre-COVID numbers.
- The bridge improvements completed the fall of 2021 have been a crucial step forward in the critical capital rehabilitation needed to secure the bridge's future and the continued support of the regional economy. The Authority continues to advocate with state and federal officials to acquire the funding for the rehabilitation.

OGDENSBURG BRIDGE AND PORT AUTHORITY

Management's Discussion and Analysis, Continued

- The Port of Ogdensburg continues to handle the inflow of products to the region. Grain and salt shipments; and storage of these commodities have remained strong during this past year. A very brisk fall and winter unloading, storing, and shipping out of salt for road contracts has kept the Port active. In conjunction with the Port's private partner, Ogdensburg Marketing and Logistics Company, the Port has attracted new activity while continuing to secure wind turbine projects for the 2025-2026 fiscal year.
- The Ogdensburg International Airport (OGS) continues service with Contour Airlines, as its Alternative Essential Air Service (AEAS) airline. With the expiration of Contour's AEAS contract this September, a call for bids has been requested by Federal Department of Transportation (DOT) to gauge the interest and options of airlines willing to offer EAS/AEAS service to OGS beginning this fall.
- The OGS entered a submission to the 2021 Upstate Economic Development and Revitalization Competition, and was one of the airports awarded grant funding to revitalize Upstate commercial passenger airports. This award will allow OGS to renovate the current existing terminal, and make exterior improvements to the airport. In addition to renovations to the terminal, the terminal will be expanded to include a multi-purpose, flexible great room for passenger comfort and community use. The installation of solar panels and electrical passenger vehicle/equipment charging stations will further green initiatives by the Authority and New York State.
- New York and Ogdensburg Railway shipments remains strong bringing service from the Port to the greater North Country region and beyond. Railway traffic increases can be attributed to both volume growth from existing clients and new accounts to the rail line. Bridge rehab continues on two bridges bringing their capacity weight to the 286,000 lbs. standard for rail freight to ensure continued commercial success into the future.

OUTLOOK

Subsequent to year end, the Authority incurred additional expenses which will cause the Authority to operate at a deficit. The Authority has begun to take steps to defer various projects in order to be able to maintain its primary operations.

Future job creation through the use of Authority assets and financial stability will remain the driving focus of the Authority. Jobs create economic growth, increased relevance, and expansion of key partnerships. Capitalizing on anticipated airport growth with a new and innovative approach is essential. The Authority's partnership with the Ogdensburg Marketing and Logistics Company will continue to open new opportunities for the Authority at the Marine Terminal. Additional public-private partnerships will be pursued, where suitable, to directly create private sector jobs.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Management's Discussion and Analysis, Continued

Accounting management and increased Finance Committee engagement continues as lack of resources threaten overall visions. As the Authority's reserves were intentionally depleted in support of the airport expansion project at OGS, it remains a priority of the Authority to regain a solid financial footing; and to continue its capital projects which can both offer employment to the residents of the North Country area and bring services to the area.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to served as an introduction to the Authority's basic financial statements. The basic financial statements consist of four components:

- Statements of Net Position
- Statements of Revenue, Expenses and Changes in Net Position
- Statements of Cash Flows
- Notes to Financial Statements

The *Statements of Net Position* presents information on all of the Authority's assets, deferred outflows, liabilities and deferred inflows at a certain date, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *Statements of Revenue, Expenses and Changes in Net Position* presents information showing how the Authority's net position changed during a period of time. These changes are recorded on the accrual basis of accounting, as more fully described in the notes to financial statements.

The *Statements of Cash Flows* reconciles the Authority's operating loss as reported on the accrual basis of accounting with the net cash provided by (used in) operating, non-capital financing, capital financing, and investing activities.

The *Notes to Financial Statements* provide additional information that is an integral part of the financial statements taken as a whole.

FINANCIAL ANALYSIS

Net Position, over time, may serve as a useful indicator of the Authority's financial position. As of March 31, 2024 and 2023, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$73,893,840 and \$74,171,678, respectively.

The Authority's financial position is the product of several financial transactions including the net results of activities, the valuation of certain assets and liabilities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Management's Discussion and Analysis, Continued

The following table presents a summary of the Authority's financial position as of March 31, 2024, 2023 and 2022:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Current assets	\$ 10,807,580	9,341,370	8,311,936
Capital assets (net of depreciation)	94,887,191	94,776,992	99,277,423
Other noncurrent assets	<u>15,626,843</u>	<u>16,920,867</u>	<u>17,719,370</u>
Total assets	<u>121,321,614</u>	<u>121,039,229</u>	<u>125,308,729</u>
Deferred outflows of resources	<u>1,322,559</u>	<u>1,323,916</u>	<u>2,039,205</u>
Current liabilities	5,137,276	3,103,915	9,557,816
Noncurrent liabilities	<u>28,828,959</u>	<u>27,650,987</u>	<u>28,514,493</u>
Total liabilities	<u>33,966,235</u>	<u>30,754,902</u>	<u>38,072,309</u>
Deferred inflows of resources	<u>14,783,998</u>	<u>17,436,565</u>	<u>18,708,217</u>
Net position	\$ <u>73,893,940</u>	<u>74,171,678</u>	<u>70,567,408</u>

Changes in the Authority's net position can be determined by reviewing the following condensed Statements of Revenue, Expenses and Changes in Net Position for the years ended March 31, 2024, 2023 and 2022:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating revenue	\$ 7,199,837	9,679,088	6,112,071
Operating expenses	<u>16,493,521</u>	<u>16,513,191</u>	<u>9,736,039</u>
Operating loss	(9,293,684)	(6,834,103)	(3,623,968)
Nonoperating income (expense)	<u>9,015,946</u>	<u>10,438,373</u>	<u>9,942,196</u>
Change in net position	(277,738)	3,604,270	6,318,228
Net position at the beginning of year	<u>74,171,678</u>	<u>70,567,408</u>	<u>64,249,180</u>
Net position at end of year	\$ <u>73,893,940</u>	<u>74,171,678</u>	<u>70,567,408</u>

Operating revenue in fiscal year 2023-2024 decreased 26%, due to the lack of wind turbine activity in the current year. Operating revenue in fiscal year 2022-2023 increased 58%, enhanced by the increase in bridge traffic. Operating expenditures in fiscal year 2023 - 2024 decreased 0.1% attributed to the lack of wind turbine activity in the current year whereas operating expenditures increased 70% in 2022 - 2023, primarily attributable to an increase in professional fees, salaries and wages.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Management's Discussion and Analysis, Continued

CAPITAL ASSETS

The following table is an analysis of the Authority's capital assets as of March 31, 2024, 2023 and 2022:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Original cost	\$ 166,951,536	166,444,818	165,764,000
Less accumulated depreciation and amortization	<u>(80,295,263)</u>	<u>(75,469,154)</u>	<u>(70,715,865)</u>
	86,656,273	90,975,664	95,048,135
Construction in progress	<u>8,230,918</u>	<u>3,801,328</u>	<u>4,229,288</u>
Total capital assets	\$ <u>94,887,191</u>	<u>94,776,992</u>	<u>99,277,423</u>

LONG-TERM DEBT

The following table is an analysis of long-term debt as of March 31, 2024, 2023 and 2022:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Advances due to State of New York	\$ 18,629,974	18,629,974	18,629,974
Bonds payable	5,803,337	5,906,034	5,996,423
Notes payable	2,415,933	2,979,346	3,678,576
Capital lease obligations	21,081	71,596	138,190
Postemployment benefits other than pensions	2,059,803	1,289,684	1,351,912
Net pension liability - proportionate share	1,179,854	-	7,360
Lease and escrow deposits	<u>175,700</u>	<u>174,631</u>	<u>137,151</u>
	30,285,682	29,051,265	29,939,586
Less current portion	<u>(1,456,723)</u>	<u>(1,400,278)</u>	<u>(1,425,093)</u>
Total long-term debt	\$ <u>28,828,959</u>	<u>27,650,987</u>	<u>28,514,493</u>

CONTACT INFORMATION

This financial report is designed to provide the reader with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Ogdensburg Bridge and Authority at One Bridge Plaza, Ogdensburg, New York 13669.

OGDENSBURG BRIDGE AND PORT AUTHORITY
 Statements of Net Position
 March 31, 2024 and 2023

<u>Assets and Deferred Outflows of Resources</u>	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and equivalents	\$ 6,228,216	6,809,275
Accounts receivable	1,082,364	955,715
Grants receivable	1,810,154	50,709
Current portion of lease receivable	1,589,787	1,365,363
Inventories	65,415	80,316
Prepaid expenses	31,644	79,992
Total current assets	<u>10,807,580</u>	<u>9,341,370</u>
Noncurrent assets:		
Compensating balance	332,280	227,973
Lease receivable, excluding current portion	14,351,351	15,276,124
Security deposits	175,700	185,233
Bond payment reserve	231,910	220,275
Debt service reserve	535,602	511,027
Net pension asset - proportionate share	-	500,235
Capital assets, net of accumulated depreciation and amortization	94,887,191	94,776,992
Total noncurrent assets	<u>110,514,034</u>	<u>111,697,859</u>
Total assets	<u>121,321,614</u>	<u>121,039,229</u>
Deferred outflows of resources:		
Pension	993,971	1,195,643
OPEB	328,588	128,273
Total deferred outflows of resources	<u>1,322,559</u>	<u>1,323,916</u>

(Continued)

See accompanying notes to financial statements.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Statements of Net Position, Continued

<u>Liabilities, Deferred Inflows of Resources and Net Position</u>	<u>2024</u>	<u>2023</u>
Current liabilities:		
Accounts payable and accrued expenses	\$ 2,727,177	1,280,447
Accrued interest	85,891	87,472
Line of credit	698,244	187,483
Accrued vacation compensation	169,241	148,235
Current portion of due to State of New York	750,000	675,000
Current portion of bonds payable	112,695	102,695
Current portion of notes payable	580,477	563,413
Current portion of capital lease obligation	13,551	59,170
Total current liabilities	<u>5,137,276</u>	<u>3,103,915</u>
Noncurrent liabilities:		
Lease and escrow deposits	175,700	174,631
Postemployment benefits other than pensions	2,059,803	1,289,684
Net pension liability - proportionate share	1,179,854	-
Due to State of New York, excluding current portion	17,879,974	17,954,974
Bonds payable, excluding current portion	5,690,642	5,803,339
Notes payable, excluding current portion	1,835,456	2,415,933
Capital lease obligation, excluding current portion	7,530	12,426
Total noncurrent liabilities	<u>28,828,959</u>	<u>27,650,987</u>
Total liabilities	<u>33,966,235</u>	<u>30,754,902</u>
Deferred inflows of resources:		
Pension	150,981	1,806,980
Lease	14,074,002	14,924,138
OPEB	559,015	705,447
Total deferred inflows of resources	<u>14,783,998</u>	<u>17,436,565</u>
Net Position:		
Net investment in capital assets	67,318,622	67,002,559
Restricted	1,099,792	959,275
Unrestricted	5,475,526	6,209,844
Total net position	<u>\$ 73,893,940</u>	<u>74,171,678</u>

See accompanying notes to financial statements.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Statements of Revenue, Expenses and Changes in Net Position
Years ended March 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating revenue:		
Bridge tolls	\$ 2,486,177	2,088,739
Rentals	2,873,004	3,024,222
Port operating fees	1,119,562	4,011,638
Parking revenue	49,652	64,977
Airport fees and services	477,845	299,698
Construction projects	-	18,331
Miscellaneous	193,597	171,483
	<u>7,199,837</u>	<u>9,679,088</u>
Total operating revenue		
Operating expenses:		
Salaries and wages	2,133,036	2,234,866
Payroll taxes and benefits	1,795,681	912,361
Automotive	84,821	185,760
Building and grounds maintenance	375,197	330,558
Equipment repairs and maintenance	234,569	566,854
Fuel and utilities	262,526	241,668
Parking lot operations	211,729	216,157
Security	273,265	255,960
Insurance	336,179	390,242
Telephone and postage	39,127	38,885
Advertising	261,282	209,831
Professional fees	632,055	2,033,263
Depreciation and amortization	5,036,062	4,753,289
Office supplies	14,789	26,416
Subscriptions and dues	955	1,705
Travel and meetings	1,484	4,977
Alternative essential air services program expenses	4,653,270	3,091,766
Specialized handling equipment rental	-	901,437
Miscellaneous	147,494	117,196
	<u>16,493,521</u>	<u>16,513,191</u>
Total operating expenses		
Operating loss	<u>(9,293,684)</u>	<u>(6,834,103)</u>

(Continued)

See accompanying notes to financial statements.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Statements of Revenue, Expenses and Changes in Net Position, Continued

	<u>2024</u>	<u>2023</u>
Nonoperating income (expense):		
Federal and State grants	\$ 9,437,367	3,954,177
CARES Act - airport grants	-	1,169,647
Gain on sale of assets	10,006	24,734
Interest income	293,793	139,461
Loss on foreign currency exchange	(214,733)	(160,444)
Harbor deepening funds	-	5,851,794
Interest expense	<u>(510,487)</u>	<u>(540,996)</u>
Total nonoperating income (expense)	<u>9,015,946</u>	<u>10,438,373</u>
Change in net position	(277,738)	3,604,270
Net position at beginning of year	<u>74,171,678</u>	<u>70,567,408</u>
Net position at end of year	<u>\$ 73,893,940</u>	<u>74,171,678</u>

See accompanying notes to financial statements.

OGDENSBURG BRIDGE AND PORT AUTHORITY

Statements of Cash Flows

Years ended March 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Receipts from customers	\$ 6,934,003	9,424,007
Payments to employees	(1,462,896)	(2,508,288)
Other payments	<u>(7,814,444)</u>	<u>(9,528,091)</u>
Net cash used in operating activities	<u>(2,343,337)</u>	<u>(2,612,372)</u>
Cash flows from capital financing activities:		
Principal paid on capital debt	(716,625)	(856,213)
Bond payment reserve	(11,635)	(6,456)
Debt service reserve	(24,575)	(11,211)
Capital expenditures	(5,146,261)	(252,858)
Federal and State grants	7,677,922	9,932,110
Compensating balance	(104,307)	125,330
Interest paid on capital debt	(512,068)	(552,644)
Line of credit	<u>510,761</u>	<u>(647,690)</u>
Net cash provided by capital financing activities	<u>1,673,212</u>	<u>7,730,368</u>
Cash flows from investing activities:		
Interest income	293,793	139,461
Gain on sale of assets	10,006	24,734
Loss on foreign currency exchange	(214,733)	(160,444)
Proceeds from CARES Act - airport grants	<u>-</u>	<u>1,169,647</u>
Net cash provided by investing activities	<u>89,066</u>	<u>1,173,398</u>
Net change in cash and equivalents	(581,059)	6,291,394
Cash and equivalents at beginning of year	<u>6,809,275</u>	<u>517,881</u>
Cash and equivalents at end of year	<u>\$ 6,228,216</u>	<u>6,809,275</u>

(Continued)

See accompanying notes to financial statements.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Statements of Cash Flows, Continued

	<u>2024</u>	<u>2023</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (9,293,684)	(6,834,103)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization expense	5,036,062	4,753,289
Changes in:		
Accounts receivable	(126,649)	40,079
Lease receivable	700,349	671,777
Inventories	14,901	(10,489)
Prepaid expenses	48,348	(48,401)
Deferred outflows of resources - pensions	201,672	(140,384)
Accounts payable and accrued expenses	1,467,736	695,307
Security deposits	10,602	82,046
Other postemployment benefits	423,372	(142,451)
Net pension liability - proportionate share	1,680,089	(507,595)
Deferred inflows of resources - pensions	(1,655,999)	(344,894)
Deferred inflows of resources - leases	<u>(850,136)</u>	<u>(826,553)</u>
Net cash used in operating activities	<u>\$ (2,343,337)</u>	<u>(2,612,372)</u>

See accompanying notes to financial statements.

OGDENSBURG BRIDGE AND PORT AUTHORITY

Notes to Financial Statements

March 31, 2024 and 2023

(1) Organization

The Ogdensburg Bridge and Port Authority (the Authority) was created pursuant to the Public Authorities Law of the State of New York (the State) by an enactment entitled “Ogdensburg Bridge Authority Act,” on April 18, 1950. The name of the Authority was amended from “Ogdensburg Bridge Authority” to “Ogdensburg Bridge and Port Authority” on April 1, 1960. The Authority is a component unit of the State.

The Authority was created for the purpose of constructing, operating and maintaining the international bridge across the St. Lawrence River. The operations of the bridge are accounted for in the Bridge Fund. The Port Fund operations of the Authority consist of the Ogdensburg International Airport, Port of Ogdensburg, New York and Ogdensburg Railway, and an industrial park all of which are accounted for as separate units within that fund.

The reporting entity of the Authority is based on criteria set forth by Governmental Accounting Standards Board (GASB) Statement 14 - “The Financial Reporting Entity.” The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The accompanying financial statements present the activities of the Authority and its component unit, the Ogdensburg Border Station, Inc. (the Border Station). The decision to include a potential component unit in the Authority’s reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria the following is a brief description of the component unit included in the Authority’s reporting entity.

- Blended Component Unit

Ogdensburg Border Station, Inc. - The Border Station was created as a local development company for the purpose of constructing a new border station for the U.S. Customs and to issue taxable revenue bonds for financing the cost. The governing body of the Authority is the same as the governing body of the Border Station. During the year ended March 31, 2020 the Border Station transferred all net position to the Authority.

(2) Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

(a) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GASB is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(b) Basis of Presentation

The accompanying financial statements have been prepared in conformity with GAAP for government entities as prescribed by the GASB as a proprietary fund.

(c) Operating Measure

Operating income reported in the financial statements includes revenue and expenses related to the primary continuing operations of the fund. Principal operating revenue include bridge tolls, airport operating fees, building rentals and port operating fees. Principal operating expenses include the costs of providing these services, administrative expenses and depreciation of capital assets. Other revenue and expenses are classified as non-operating in the financial statements.

(d) Estimates

The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(e) Cash and Equivalents

For purposes of reporting cash flows, cash and equivalents includes money market accounts and any highly liquid debt instruments purchased with a maturity of three months or less.

(f) Investments

The investment policy of the Authority stipulates that the Authority may invest in obligations of the State, the United States government, repurchase agreements, or money market deposit accounts. Repurchase agreements must be collateralized by obligations guaranteed by the United States government, which are equal in value to the repurchase agreement. The agreements shall not exceed sixty days and payment shall be made only upon delivery of collateral to the Authority's agent. All investments and related collateral are held by the Authority's agent in the Authority's name.

(g) Receivables

Accounts receivable are stated at net estimated realizable value by writing off bad debts as they are determined to be uncollectible. An allowance for bad debts is not considered material; accordingly, no allowance is maintained.

Grants receivable from Federal and State agencies are recorded at the time the right to receive such funds occurs.

(h) Inventories

Inventories are stated at cost on the first-in, first-out method.

(i) Prepaid Expenses

Expenses paid in advance of the period to be benefited are recorded as an asset and are expensed over the period of time to be benefited.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(j) Capital Assets

Investments in capital assets are stated at cost. Expenditures for maintenance, repairs, renewals, and improvements, which do not materially extend the useful lives of the assets, are charged to operations when incurred. Infrastructure assets, such as roads and bridges, are recorded at cost and depreciated over their estimated useful lives. Grants received from other governmental agencies to partially finance capital projects are shown as grant income and are not offset against the cost of the facilities. Donated facilities are shown at estimated fair market value at the date of acquisition. Effective for the year ended March 31, 2002, the Authority changed its depreciation policy to record depreciation on infrastructure assets in order to conform with the provisions of GASB Statement No. 34. The Authority's capital asset policy defines capitalization of an expenditure when the dollar amount exceeds \$2,500.

The straight-line method of depreciation is generally used for capital assets, based on their estimated useful lives. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Buildings	20 - 50 years
Improvements/infrastructure	10 - 50 years
Bridge	50 - 100 years
Vehicles and equipment	3 - 20 years
Right-to-use asset	4 - 5 years

(k) Real Estate Sales

The Authority accounts for real estate sales under the accrual method when certain criteria are met. Under the accrual method, profit or loss is recognized when a sale transaction has been consummated.

(l) Foreign Currency Translation

The Authority translates Canadian assets and liabilities to U.S. currency at rates of exchange in effect at the financial statement date. Expense items are translated at average exchange rates prevailing during the reporting period. Revenue is converted on a daily basis.

(m) Retirement Benefits

The Authority 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 or the System). The System provides various plans and options, some of which require employee contributions.

(n) Compensated Absences

Union employees and management/confidential employees are allowed to accumulate earned sick time up to a maximum of 165 days and 200 days, respectively. Vacation time earned as of an employee's anniversary date in excess of 30 days may not be carried forward. Upon termination, unused sick leave may be credited toward retirement and/or health benefits, while vacation time will be paid to the employee.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(n) Compensated Absences, Continued

As of March 31, 2024 and 2023, the liabilities for accrued vacation leave amounted to \$169,241 and \$148,235, respectively.

(o) Postemployment Benefits Other Than Pensions (OPEB)

In addition to providing the retirement benefits described in note 2(m), the Authority provides postemployment health insurance coverage to its retired full-time employees and their survivors who have obtained certain minimum qualifications based on years of service. Years of service will be calculated on a calendar year basis and to receive credit for a year of service, an employee must have worked a minimum of 1,600 hours during a calendar year. Partial years of service will not be granted. The payment of this benefit is not governed by any employment contract and is done at the discretion of the members of the Board of the Authority.

The Authority pays a substantial portion of the cost of premiums to an insurance company which provides health care insurance. The Authority will pay 75% of health insurance premiums for current and future retirees with 20 years of active service until age 65. The Authority will not reimburse retirees for the cost of Medicare.

(p) Unearned Revenue and Revenue Recognition

The Authority recognizes revenue when earned. Revenue associated with cash receipts received in advance from rental operations is deferred until the month they are earned.

(q) Advertising Costs

Advertising costs are charged to operations when incurred and amounted to \$261,282 and \$209,831 for the years ended March 31, 2024 and 2023, respectively.

(r) Pollution Remediation Obligations

In accordance with the GASB Statement No. 49 - "Accounting and Financial Reporting for Pollution Remediation Obligations," management has concluded that no obligating event has occurred that would require recognition of a future pollution remediation obligation in the accompanying financial statements.

(s) Deferred Outflows and Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority has three items that qualify for reporting in this category. The first item is related to the pension reported in the statements of net position. This represents the effect of the net change in the Authority's proportion of the collective net pension asset or liability and difference during the measurement period between the Authority's contributions and its proportion share of total contributions to the pension system not included in pension expense. The second item is the Authority contributions to the pension system subsequent to the measurement date. The third item is for OPEB and relates to the estimated net contributions subsequent to the measurement date as well as changes of assumptions.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(s) Deferred Outflows and Inflows of Resources, Continued

Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has three items that qualifies for reporting in this category. The first item is related to the pension and represents changes in the Authority's proportion of the collective net pension liability and difference during the measurement periods between the Authority's contributions and its proportion share of total contributions to the pension system not included in pension expense. The second item is related to OPEB, the Authority has two items that qualify for reporting on this category; the first represents the difference between actual and expected experience, and the second represents the changes of assumptions or other inputs. The third item is related to long-term lease revenue.

(t) Future Impacts of Accounting Pronouncements

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 99 - Omnibus 2022. Effective for various periods through fiscal years beginning after June 30, 2023.

Statement No. 101 - Compensated Absences. Effective for fiscal years beginning after December 15, 2023.

Statement No. 102 - Certain Risk Disclosures. Effective for fiscal years beginning after June 15, 2024.

Statement No. 103 - Financial Reporting Model Improvements. Effective for fiscal years beginning after June 15, 2025.

(u) Subsequent Events

The Authority has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(3) Cash and Investments

The Authority's investment policies are governed by State statutes. In addition, the Authority has its own written investment policy. The Authority's monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. The chief financial officer is authorized to use demand and time accounts and certificates of deposit. Permissible instruments include U.S. treasury bills. Collateral is required for demand and time deposits and certificates of deposit for all deposits not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(3) Cash and Investments, Continued

Deposits are valued at cost or cost plus interest and are categorized as either: (1) insured, (2) held by the financial institution's trust department or agency in the Authority's name, or (3) uncollateralized.

Total financial institution (bank) balances at March 31, 2024 and 2023 were \$7,563,031 and \$7,942,674, respectively. These deposits are categorized as follows:

	<u>1</u>	<u>2</u>	<u>3</u>
2024	\$ <u>983,072</u>	<u>6,490,605</u>	<u>89,354</u>
2023	\$ <u>938,357</u>	<u>7,004,317</u>	<u> -</u>

In compliance with State regulations for bridge and port authorities, the expenditure of revenue must be authorized by the Comptroller of the State. As of March 31, 2024 and 2023, the Authority had \$77,442 and \$89,770, respectively, in demand deposit accounts subject to State authorization. In addition, the Authority was authorized to establish revolving checking and savings accounts to enable the Authority to process its own checks subject to post audit by the State. As of March 31, 2024 and 2023, the Authority had \$96,160 and \$29,637, respectively, in revolving checking and savings accounts for this purpose.

The bond payment reserve represents funds held in a separate deposit account in the custody of the trustee of the Series 2017 bonds in the amount of \$231,910 and \$220,275 as of March 31, 2024 and 2023, respectively.

The debt service reserve represents funds in a separate deposit account in the custody of the trustee of the Series 2017 bonds in the amount of \$535,602 and \$511,027 as of March 31, 2024 and 2023, respectively.

(4) Lease Receivable

The Authority has executed multiple lease agreements for buildings and spaces. The Authority implemented GASB Statement No. 87 for the year ended March 31, 2023 and used the payment schedules for those leases to measure the lease receivable. Calculations require an interest rate assumption for discounting of future lease payments. The interest rates averaged at 3.94% annually, depending on the commencement date and length of each lease. The following is the amortization schedule for the lease receivables:

<u>Year ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,589,787	577,226	2,167,013
2026	1,540,443	518,288	2,058,731
2027	1,318,271	463,303	1,781,574
2028	927,038	422,426	1,349,464
2029	829,900	387,159	1,217,059
2030 - 2034	4,366,345	1,448,825	5,815,170
2035 - 2039	<u>5,369,354</u>	<u>529,085</u>	<u>5,898,439</u>
Total	\$ <u>15,941,138</u>	<u>4,346,312</u>	<u>20,287,450</u>

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(4) Lease Receivable, Continued

The following is the amortization schedule for the deferred inflows of resources:

<u>Year ending</u>	<u>Revenue</u>
2025	\$ 1,631,423
2026	1,489,488
2027	1,264,773
2028	950,279
2029	850,201
2030 - 2034	3,970,335
2035 - 2039	<u>3,917,503</u>
Total	\$ <u>14,074,002</u>

(5) Capital Assets

Capital assets for the years ended March 31, 2024 and 2023 were as follows:

	<u>Balance at April 1, 2023</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance at March 31, 2024</u>
Capital assets, not being depreciated or amortized:				
Land	\$ 4,147,151	-	-	4,147,151
Construction in progress	<u>3,801,328</u>	<u>4,429,590</u>	-	<u>8,230,918</u>
Total capital assets not being depreciated or amortized	<u>7,948,479</u>	<u>4,429,590</u>	-	<u>12,378,069</u>
Capital assets, being depreciated and amortized:				
Land improvements	42,526,965	-	-	42,526,965
Buildings	108,711,371	-	-	108,711,371
Machinery and equipment	10,783,350	706,990	(201,746)	11,288,594
Right-to-use asset	<u>275,981</u>	<u>9,681</u>	<u>(8,207)</u>	<u>277,455</u>
Total capital assets being depreciated and amortized	<u>162,297,667</u>	<u>716,671</u>	<u>(209,953)</u>	<u>162,804,385</u>
Less accumulated depreciation and amortization for:				
Land improvements	(19,229,279)	(1,703,873)	-	(20,933,152)
Buildings	(47,878,198)	(2,614,876)	-	(50,493,074)
Machinery and equipment	(8,157,292)	(657,049)	201,746	(8,612,595)
Right-to-use asset	<u>(204,385)</u>	<u>(60,264)</u>	<u>8,207</u>	<u>(256,442)</u>
Total accumulated depreciation and amortization	<u>(75,469,154)</u>	<u>(5,036,062)</u>	<u>209,953</u>	<u>(80,295,263)</u>
Total capital assets, being depreciated and amortized, net	<u>86,828,513</u>	<u>(4,319,391)</u>	-	<u>82,509,122</u>
Total capital assets, net	<u>\$ 94,776,992</u>	<u>110,199</u>	-	<u>94,887,191</u>

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(5) Capital Assets, Continued

	Balance at April 1, <u>2022</u>	<u>Increase</u>	<u>Decrease</u>	Balance at March 31, <u>2023</u>
Capital assets, not being depreciated or amortized:				
Land	\$ 4,147,688	-	(537)	4,147,151
Construction in progress	<u>4,229,288</u>	<u>307,827</u>	<u>(735,787)</u>	<u>3,801,328</u>
Total capital assets not being depreciated or amortized	<u>8,376,976</u>	<u>307,827</u>	<u>(736,324)</u>	<u>7,948,479</u>
Capital assets, being depreciated and amortized:				
Land improvements	42,526,965	-	-	42,526,965
Buildings	108,711,371	-	-	108,711,371
Machinery and equipment	10,101,995	681,355	-	10,783,350
Right-to-use asset	<u>275,981</u>	-	-	<u>275,981</u>
Total capital assets being depreciated and amortized	<u>161,616,312</u>	<u>681,355</u>	-	<u>162,297,667</u>
Less accumulated depreciation and amortization for:				
Land improvements	(17,512,038)	(1,717,241)	-	(19,229,279)
Buildings	(45,498,292)	(2,379,906)	-	(47,878,198)
Machinery and equipment	(7,559,473)	(597,819)	-	(8,157,292)
Right-to-use asset	<u>(146,062)</u>	<u>(58,323)</u>	-	<u>(204,385)</u>
Total accumulated depreciation and amortization	<u>(70,715,865)</u>	<u>(4,753,289)</u>	-	<u>(75,469,154)</u>
Total capital assets, being depreciated and amortized, net	<u>90,900,447</u>	<u>(4,071,934)</u>	-	<u>86,828,513</u>
Total capital assets, net	<u>\$ 99,277,423</u>	<u>(3,764,107)</u>	<u>(736,324)</u>	<u>94,776,992</u>

(6) Donated Property

On January 31, 2011, the Authority received title to a building from Sanmina-SCI Corporation in partial satisfaction of a lease termination fee. The building was recorded at its estimated fair value of \$750,000, as determined by an independent appraisal and the Authority on the date of transfer.

On December 26, 1974, the Authority received from the St. Regis Paper Company, all of the line of railroad extending from Norwood, New York to Waddington, New York, known as the Norwood & St. Lawrence Railroad, and its related assets. The railroad was recorded at its estimated fair value as determined by the Authority on the date of transfer, of \$783,022, which was the original cost on the books of St. Regis Paper Company.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(7) Construction in Progress

Construction in progress at March 31, 2024 and 2023 consists of the following:

	<u>2024</u>	<u>2023</u>
Marine harbor deepening project	\$ 867,585	755,208
Airport lighting system	2,005,201	1,945,195
Airport master plan	216,507	216,507
Airport water project	214,712	214,712
Railroad bridge rehabilitation	105,642	100,004
Revitalization	2,349,048	69,874
Airport improvement program	310,700	46,100
Airport drainage project	<u>2,161,523</u>	<u>453,728</u>
	\$ <u>8,230,918</u>	<u>3,801,328</u>

(8) Line of Credit

Effective December 31, 2017 the Authority entered into a line of credit agreement providing available borrowings of \$500,000 for specific capital projects. Outstanding borrowings bear interest at 7.4375% and are collateralized by the Authority's assets. The total amount outstanding at March 31, 2024 for this agreement was \$389,000. There was no outstanding balance at March 31, 2023.

Effective August 5, 2022 the Authority entered into a line of credit agreement providing available borrowings of \$400,000 for alternate essential air services. Outstanding borrowings bear interest at 5.0% and are collateralized by the Authority's assets. The total amount outstanding at March 31, 2024 and 2023 for this agreement was \$309,244 and \$187,483, respectively.

(9) Long-Term Debt

(a) Due to State of New York for First Instance Advances

<u>Appropriations</u>	<u>Amount appropriated</u>	<u>Amount advanced</u>	<u>Amount repaid</u>	<u>Amount due</u>
Chapter 864-1956	\$ 15,000,000	15,006,084	3,650,925	11,355,159
Chapter 218-1958	<u>7,000,000</u>	<u>6,690,717</u>	<u>100,000</u>	<u>6,590,717</u>
	\$ <u>22,000,000</u>	<u>21,696,801</u>	<u>3,750,925</u>	17,945,876
Add - New York State Auditor's adjustment in 1974 to record first instance advances to finance port terminal construction cost				<u>684,098</u>
Amount due New York State at March 31, 2024 and 2023				\$ <u>18,629,974</u>

OGDENSBURG BRIDGE AND PORT AUTHORITY

Notes to Financial Statements, Continued

(9) Long-Term Debt, Continued

(a) Due to State of New York for First Instance Advances, Continued

The original debt repayment agreement with the State provided for the payment of net revenue to the State when monies exceed the sum of \$250,000 and \$200,000 in the Bridge and Port Fund comptroller's cash accounts, respectively. Transfer of monies from the Bridge Fund to the Port Fund is taken into consideration in determining this amount.

The Authority and the Director of the Budget of the State (Director) entered into a new agreement during the fiscal year ended March 30, 1980, which increased the dollar limits to \$400,000 in the Bridge Fund and \$250,000 in the Port Fund. At such time monies held in these funds exceeded these limits, the excess was to be deposited into a capital construction fund in the State Comptroller's custody. The agreement also provided for an annual repayment, commencing July 1, 1979, of 50% of gross annual revenue less annual expenditures approved by the Director for the preceding fiscal year of the Authority as so certified by an external audit, provided however, that the minimum annual repayment could not be less than \$50,000. This agreement expired on March 31, 1990.

A first supplemental agreement was executed on February 25, 1986, which allowed the Authority to establish a capital improvement account not to exceed \$500,000 in the maintenance undistributed item of both the Bridge Fund and Port Fund budgets. The monies in these accounts could not be considered when computing the amounts of money in either fund.

A second supplemental agreement was entered into on May 29, 1995 with the Director. This agreement superseded all prior agreements with the State and provided that the Authority was to repay the State an amount of \$150,000 on March 31, 1996 and 1997, and \$75,000 each year beginning in March 1998 through 2005. This agreement was considered effective for the period April 1, 1990 through March 31, 2005.

The agreement provided that in addition to the fixed repayment amounts, the Authority was to pay all monies held in the Bridge Fund in excess of \$750,000, provided however, that monies in the bridge economic development account/capital improvement account up to \$850,000 and the monies in the bridge revolving fund up to \$320,000 were not to be considered. Also, monies held in the Port Fund in excess of \$750,000 were to be paid to the State, provided however, that monies in the port economic development account/capital improvement account up to \$850,000 and that monies in the port revolving fund up to \$300,000 were not to be considered. As of March 31, 2009, the Authority had not exceeded these cash limits and consequently no additional debt payment was required.

A third supplemental agreement was entered into during the year ended March 31, 2004 which provided for annual payments of \$75,000 for the years ending March 31, 2004 through March 31, 2009 and provided an emergency deferral of any payment due in the event the Authority encounters extraordinary financial circumstances.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(9) Long-Term Debt, Continued

(a) Due to State of New York for First Instance Advances, Continued

The State approved the Authority's request for a loan repayment forbearance on the annual \$75,000 payments that were due on March 31, 2004, 2005 and 2006 pursuant to the repayment agreement, to allow the Authority to build up its revenue base and make overdue capital investments. The \$75,000 payments that were due on March 31, 2007, 2008 and 2009 were made by the Authority.

A fourth supplemental agreement was entered into which provides for annual payments of \$75,000 for the years ending March 31, 2010 through March 31, 2014, and provides an emergency waiver of any payment due in the event the Authority encounters extraordinary financial circumstances.

A fifth supplemental agreement was entered into in May of 2017 in connection with improvements to the Authority's airport facilities and the 2017 bond issuance. The fifth supplemental agreement provides for annual payments of \$75,000 by March 1st of each year. In the event that the Authority shall encounter extraordinary financial circumstances, the Authority may request emergency deferral of the payment due. At March 31, 2024 and 2023, \$750,000 and \$675,000, respectively, was deferred.

(b) Total Due to State of New York

	<u>2024</u>	<u>2023</u>
Amount due New York State - First Instance Advances	\$ 18,629,974	18,629,974
Less current portion	<u>(750,000)</u>	<u>(675,000)</u>
Total due to State of New York, excluding current portion	<u>\$ 17,879,974</u>	<u>17,954,974</u>

(c) Bonds Payable

The Authority issued tax-exempt revenue bonds date August 1, 2017 in the amount of \$6,330,000. These bonds will mature on July 1, 2047 with interest of 5.75%. The bonds are secured by a trust indenture with M&T Bank, as trustee, and by an assignment agreement dated August 1, 2017 which assigns to the trustee all revenues of the Authority. The current portion is \$112,695 net of amortization of the bond discount of \$7,305.

	\$ 5,975,000	6,085,000
Less unamortized discount	<u>(171,663)</u>	<u>(178,966)</u>
Bonds payable including discount	5,803,337	5,906,034
Less current portion, net of amortization of discount	<u>(112,695)</u>	<u>(102,695)</u>
	<u>\$ 5,690,642</u>	<u>5,803,339</u>

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(9) Long-Term Debt, Continued

(d) Notes Payable

Notes payable at March 31, 2024 and 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Loan with Mapco Auto Parks, Ltd. with a fixed interest rate of 5.33% in the amount of \$350,000. The note is payable in equal monthly installments of \$3,769 with a ten year term.	\$ 107,401	145,675
Loan with Community Bank, N.A. dated December 21, 2018 with a fixed rate of 5.90% in the amount of \$200,000. This loan is secured by real property. The note is payable in monthly installments of \$2,627 with an eight year term.	69,792	105,687
Loan with Tompkins Trust Company dated December 31, 2017 with a fixed rate of 4.08% in the amount of \$3,950,000. This loan is secured by the first lien on the assets of the industrial park. This loan is payable in monthly installments of \$40,250 with a 10 year term.	1,989,936	2,381,489
Loan with Community Bank dated July 27, 2021 with a fixed rate of 5.25% in the amount of \$498,676. This loan is secured by certain vehicles and equipment. The loan is payable in monthly installments of \$9,486 with a 5 year term.	<u>248,804</u>	<u>346,495</u>
	2,415,933	2,979,346
Less current portion	<u>(580,477)</u>	<u>(563,413)</u>
Notes payable, excluding current portion	<u>\$ 1,835,456</u>	<u>2,415,933</u>

(e) Long-Term Debt Maturities

Long-term debt maturities over the next five years and thereafter as of March 31, 2024 are as follows:

Year ending March 31,	Due to State of New York	Bonds Payable		Notes Payable	
	Principal	Principal	Interest	Principal	Interest
2025	\$ 750,000	120,000	347,417	580,477	98,540
2026	75,000	125,000	340,374	606,998	72,740
2027	75,000	135,000	332,899	518,530	67,075
2028	75,000	140,000	324,992	462,625	20,378
2029	75,000	150,000	316,655	247,303	3,056
2030 to 2034	375,000	900,000	1,438,087	-	-
2035 to 2039	375,000	1,185,000	1,140,380	-	-
2040 to 2044	375,000	1,585,000	745,068	-	-
2045 to 2049	375,000	1,635,000	220,348	-	-
Thereafter	<u>16,079,974</u>	-	-	-	-
	<u>\$ 18,629,974</u>	<u>5,975,000</u>	<u>5,206,220</u>	<u>2,415,933</u>	<u>261,789</u>
Unamortized discount		<u>(171,663)</u>			
		<u>\$ 5,803,337</u>			

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(9) Long-Term Debt, Continued

(f) Capital Lease Obligations

The Authority enters into lease agreements where the Authority assumes responsibility of commercial loans and the assets that the commercial loans were used to acquire. The terms of the commercial loans require the Authority to make annual payments, made in monthly increments, from March 2019 through October 2028. At the end of the loan term, ownership of the assets will be transferred fully to the Authority, if the Authority chooses to execute the buy-out option.

Capital lease obligations outstanding at March 31, 2024 and 2023 consist of the following:

<u>Description</u>	<u>Commencement Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>2024</u>	<u>2023</u>
Minolta copier	8/11/2019	8/11/2023	3.94%	\$ -	732
Minolta copier	3/30/2021	4/11/2025	3.94%	8,059	15,200
Wheel loader	5/10/2019	4/10/2024	3.94%	4,366	55,664
Symquest copier	9/27/2023	10/11/2028	3.94%	<u>8,656</u>	<u>-</u>
				<u>\$ 21,081</u>	<u>71,596</u>

Lease liabilities are comprised of the following:

<u>Year ending March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 13,551	508	14,059
2026	2,460	241	2,701
2027	1,902	166	2,068
2028	1,978	89	2,067
2029	<u>1,190</u>	<u>16</u>	<u>1,206</u>
	<u>\$ 21,081</u>	<u>1,020</u>	<u>22,101</u>

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(10) Pension Plan

(a) General Information and Plan Description

The Authority participates in the New York State and Local Employees' Retirement System. This System is a cost sharing, multiple employer, public employee retirement system. The System 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 System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Authority (the Authority), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Authority and is the administrative head of the System. System benefits are established under the provision of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Authority also participates in the Public Employees; Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The 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/inex.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 and before April 1, 2012 who generally contribute 3.0 percent of their salary for their entire length of service. Those joining on or after April 1, 2012 are required to contribute between 3 and 6 percent, dependent on salary, throughout their working careers. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems fiscal year ending March 31.

(b) Pension Liability (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At March 31, 2024 and 2023, the Authority reported the following liability (asset) for its proportionate share of the net pension liability (asset) for ERS. The net pension liability (asset) was measured as of March 31, 2023 and 2022. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation. The Authority's proportionate share of the net pension liability (asset) was based on a projection of the Authority's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS in reports provided to the Authority.

OGDENSBURG BRIDGE AND PORT AUTHORITY

Notes to Financial Statements, Continued

(10) Pension Plan, Continued

(b) Pension Liability (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension, Continued

Actuarial valuation date	4/1/2022	4/1/2021
Net pension liability (asset)	\$ 1,179,854	(500,235)
Authority's proportion of the Plan's net pension liability (asset)	0.0055020%	0.0061194%
Change in proportion since prior measurement date	0.0006174	0.0012719

For the years ended March 31, 2024 and 2023, the Authority recognized pension expense of \$424,423 and \$49,134, respectively, for ERS. At March 31, 2024 and 2023 the Authority's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 125,664	33,135	37,883	49,137
Changes in assumptions	573,013	6,333	834,836	14,087
Net difference between projected and actual earnings on pension plan investments	-	6,932	-	1,638,059
Changes in proportion and differences between the Authority's contributions and proportionate share of contributions	75,998	104,581	114,158	105,697
Authority's contributions subsequent to the measurement date	<u>219,296</u>	<u>-</u>	<u>208,766</u>	<u>-</u>
Total	\$ <u>993,971</u>	<u>150,981</u>	<u>1,195,643</u>	<u>1,806,980</u>

Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the System year ending March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized as follows:

<u>Year ending</u>	
2025	\$ 160,140
2026	(64,633)
2027	212,480
2028	<u>315,707</u>
Total	\$ <u>623,694</u>

OGDENSBURG BRIDGE AND PORT AUTHORITY

Notes to Financial Statements, Continued

(10) Pension Plan, Continued

(c) Actuarial Assumptions

The total pension liability (asset) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability (asset) to the measurement date. The actuarial valuations used the following actuarial assumptions:

Significant actuarial assumptions used in the valuations were as follows:

Measurement date	March 31, 2023	March 31, 2022
Actuarial valuation date	April 1, 2022	April 1, 2021
Investment rate of return (net of investment expense, including inflation)	5.9%	5.9%
Salary increases	4.4%	4.4%
Inflation	2.9%	2.7%
Cost-of-living adjustments	1.5%	1.4%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021. The previous actuarial valuations as of April 1, 2020 used the same assumptions to measure total pension liability.

The actuarial assumptions used in the April 1, 2022 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - April 1, 2020.

The long term 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 returns net of investment expense 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 each the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(10) Pension Plan, Continued

(c) Actuarial Assumptions, Continued

Measurement date	March 31, 2023	
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Domestic equity	32.00%	4.30%
International equity	15.00%	6.85%
Private equity	10.00%	7.50%
Real estate	9.00%	4.60%
Opportunistic/ARS portfolio	3.00%	5.38%
Credit	4.00%	5.43%
Real assets	3.00%	5.84%
Fixed income	23.00%	1.50%
Cash	1.00%	0.00%
	<u>100.00%</u>	

*The real rate of return is net of the long-term inflation assumption of 2.50%.

(d) Discount Rate

The discount rate used to calculate the total pension liability (asset) was 5.90% for March 31, 2024 and 2023. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System'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 (asset).

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

The following presents the Authority's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.90%, as well as what the Authority's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (4.90%) or 1-percentage point higher (6.90%) than the current rate:

	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
Employer's proportionate share of the net pension liability (asset)	\$ <u>2,851,202</u>	<u>1,179,854</u>	<u>(216,751)</u>

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(10) Pension Plan, Continued

(f) Pension Plan Fiduciary Net Position

The components of the current-year net pension liability (asset) of all participating employers as of the respective valuation dates, were as follows:

	(Dollars in Millions)	
Measurement date	3/31/2023	3/31/2022
Employers' total pension liability	\$ 232,627	223,875
Plan net position	(211,183)	(232,050)
Employers' net pension liability (asset)	\$ <u>21,444</u>	<u>(8,175)</u>
Ratio of plan net position to the Employers' total pension liability (asset)	90.78%	103.65%

(g) Contributions to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Retirement contributions as of March 31, 2024 and 2023 represent the projected employer contribution for the period of April 1, 2023 through March 31, 2024 and April 1, 2022 through March 31, 2023, respectively, based on paid ERS wages multiplied by the employer's contribution rate, by tier. This amount has been recorded as deferred outflows of resources in the accompanying financial statements. Retirement contributions paid to the System for the years ended March 31, 2024 and 2023 were \$219,296 and \$208,766, respectively.

(11) Postemployment Benefits Other Than Pensions

(a) Plan Description and Benefits

Total amount charged to operations for the years ended March 31, 2024 and 2023 amounted to expenditures of \$531,424 and revenues of \$55,601, respectively. At March 31, 2024 and 2023, the liability for active and retired employees amounted to \$2,059,803 and \$1,289,684, respectively.

The number of participants as of April 1, 2023 the last actuarial measurement date, was as follows:

Active employees	27
Retired employees	<u>8</u>
Total	<u>35</u>

Funding Policy - The Authority currently pays for postemployment health care benefits on a pay-as-you-go basis. These financial statements assume that pay-as-you-go funding will continue. There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(11) Postemployment Benefits Other Than Pensions, Continued

(b) Actuarial Assumptions and Other Inputs

The total OPEB liability in the April 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:

Salary increases	3.50%
Discount rate	3.50%
Rate of inflation	2.70%
Healthcare cost trend rates	7.80% for 2024, decreasing to an ultimate rate of 4.14%

(c) Changes in the Total OPEB Liability

	<u>2024</u>	<u>2023</u>
Total OPEB liability as of beginning of year	\$ <u>1,298,684</u>	<u>1,351,912</u>
Changes for the year:		
Service cost	40,131	47,052
Interest on total OPEB liability	35,487	31,732
Changes in benefit terms	565,096	-
Differences between actual and expected experience	190,849	-
Changes in assumptions and other inputs	7,406	(46,227)
Benefit payments	<u>(77,850)</u>	<u>(85,785)</u>
Total changes	<u>761,119</u>	<u>(53,228)</u>
Total OPEB liability as of end of year	\$ <u>2,059,803</u>	<u>1,298,684</u>

(d) Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current discount rate:

	1% Decrease <u>(2.50%)</u>	Discount Rate <u>(3.50%)</u>	1% Increase <u>(4.50%)</u>
Total OPEB liability	\$ <u>2,267,930</u>	<u>2,059,803</u>	<u>1,877,483</u>

This analysis represents sensitivity of the OPEB liability as of March 31, 2024.

(e) Sensitivity of the Total OPEB Liability to Changes in the Healthcare Costs Trend Rates

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a rate that is 1-percentage point lower or 1-percentage point higher than the current health care cost trend rate:

OGDENSBURG BRIDGE AND PORT AUTHORITY

Notes to Financial Statements, Continued

(11) Postemployment Benefits Other Than Pensions, Continued

(e) Sensitivity of the Total OPEB Liability to Changes in the Healthcare Costs Trend Rates, Continued

	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	<u>\$1,847,281</u>	<u>2,059,803</u>	<u>2,309,793</u>

This analysis represents sensitivity of the OPEB liability as of March 31, 2024.

(f) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At March 31, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>2024</u>		<u>2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between actual and expected	\$ 166,691	411,836	-	522,764
Changes of assumptions	44,845	147,179	50,423	182,683
Contributions subsequent to the measurement date	<u>117,052</u>	<u>-</u>	<u>77,850</u>	<u>-</u>
	<u>\$ 328,588</u>	<u>559,015</u>	<u>128,273</u>	<u>705,447</u>

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending March 31, 2025. Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending</u>	
2025	\$ (109,070)
2026	(108,525)
2027	(100,689)
2028	(91,124)
2029	19,199
Thereafter	<u>42,730</u>
	<u>\$ (347,479)</u>

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(12) Restricted Net Position

Restricted net position consists of the following at March 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Compensating balance requirement	\$ 332,280	227,973
Bond payment reserve	231,910	220,275
Debt service reserve	<u>535,602</u>	<u>511,027</u>
	<u>\$ 1,099,792</u>	<u>959,275</u>

(13) Contingencies

Financial awards from Federal, State, and local governmental entities in the form of grants are subject to special audits. Such audits could result in claims against the Authority for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

Certain claims arising in the ordinary course of business have been filed against the Authority. In the opinion of management, all such matters are adequately covered by insurance.

(14) CARES Act CRRSA- Airport Grants

During the years ended March 31, 2023, the Authority received funding from the Federal Aviation Administration (FAA) airport grants amounting to \$1,169,647. The purpose of the funding is to help offset a decline in revenues arising from diminished airport operations as a result of the COVID-19 Public Health Emergency. These distributions do not need to be repaid to the U.S. government, assuming providers comply with the terms and conditions. No amounts were received during the year ended March 31, 2024.

(15) Fiscal Viability

The Authority has a working capital surplus of \$5,670,304 at March 31, 2024 and an operating loss of \$9,293,684 for the year then ended.

Management's plan to address the fiscal liability of the Authority has been severely impacted by the COVID-19 pandemic. The Ogdensburg-Prescott International Bridge was closed to all but essential traffic from the end of March 2020 through August 9, 2021, when Canada allowed international crossings with restrictions. The United States reopened its border on November 8, 2021, also with restrictions. Allegiant Air has terminated low cost carrier service to/from Ogdensburg to Florida. Sky West's request to terminate its EAS to/from OGS to BWI was approved with the caveat that new EAS had to be in place prior to Sky West's departure. EAS has been secured with the arrival of Contour Airlines on July 1st.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Notes to Financial Statements, Continued

(15) Fiscal Viability, Continued

- Bridge Traffic: Car and truck traffic on the bridge has recovered to between 78% to 82% of pre-pandemic levels. In 2024, there was an overall increase in traffic of 23%. The bridge painting and rehabilitation has been completed this year without interruption to bridge traffic.
- Airport Operations: The Authority is still investigating options to recruit additional airlines to the airport. AEAS was secured with the arrival of Contour.

In the interim, further grants, including American Rescue Plan Act funds, have been awarded to airports to address airport operational costs. Ogdensburg International Airport has been able to use these funds to subsidize normal operating costs and cover additional pandemic required cleaning & disinfecting expenses and signage, etc.

During the year ended March 31, 2023, the Authority received an alternative essential air service program grant. The program was put in place for a 27 month term for public charter operations. Revenue recorded for this program amounted to \$4,653,270 and \$3,091,766 for the years ended March 31, 2024 and 2023, respectively.

OGDENSBURG BRIDGE AND PORT AUTHORITY
Required Supplementary Information
Changes in Authority's Total OPEB Liability and Related Ratios
Year ended March 31, 2024

Total OPEB liability:	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Service cost	\$ 40,131	47,052	44,942	78,382	59,382
Interest on total OPEB liability	35,487	31,732	50,527	57,534	82,152
Changes in benefit terms	565,096	-	-	-	-
Differences between actual and expected experience	190,849	-	(679,560)	-	(89,656)
Changes in assumptions or other inputs	7,406	(46,227)	(198,728)	78,650	9,172
Benefit payments	<u>(77,850)</u>	<u>(85,785)</u>	<u>(92,425)</u>	<u>(97,583)</u>	<u>(86,744)</u>
Net change in total OPEB liability	761,119	(53,228)	(835,244)	116,983	(25,694)
Total OPEB liability - beginning	<u>1,298,684</u>	<u>1,351,912</u>	<u>2,187,156</u>	<u>2,070,173</u>	<u>2,095,867</u>
Total OPEB liability - ending	<u>\$ 2,059,803</u>	<u>1,298,684</u>	<u>1,351,912</u>	<u>2,187,156</u>	<u>2,070,173</u>
Covered payroll	\$ 1,563,128	1,763,993	2,149,692	2,081,138	2,244,733
Total OPEB liability as a percentage of covered payroll	131.8%	73.6%	62.9%	105.1%	92.2%

Notes to schedule:

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

<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
3.50%	2.73%	2.34%	2.27%	2.74%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority should present information for those years for which information is available.

There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

OGDENSBURG BRIDGE AND AUTHORITY
Required Supplementary Information
Schedule of Authority's Proportionate Share of the Net Pension Liability (Asset)
Year ended March 31, 2024

	NYSERS Pension Plan							
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Authority's proportion of the net pension liability (asset)	0.0055020%	0.0061194%	0.0073913%	0.0061217%	0.0062324%	0.0060744%	0.0056874%	0.0058747%
Authority's proportionate share of the net pension liability (asset)	\$ 1,179,854	(500,235)	7,360	1,621,056	441,587	196,049	534,399	942,900
Authority's covered payroll	\$ 1,807,010	1,781,984	1,904,683	2,081,138	1,973,822	1,797,158	1,793,263	1,577,651
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	65.29%	28.07%	0.39%	77.89%	22.37%	10.91%	29.80%	59.77%
Plan fiduciary net position as a percentage of the total pension liability (asset)	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

Note to schedule

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority should present information for those years for which information is available.