

ALBANY PORT DISTRICT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

NOTE 5 — PROPERTY AND EQUIPMENT (Continued)

At December 31, 2020 property and equipment is comprised of the following:

	<u>December 31 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31 2020</u>
Port marine facilities	\$ 129,133,029	\$ 91,567	\$ 884,808	\$ 128,339,788
Transportation, equipment and furniture	1,452,115	23,537	-	1,475,652
Construction in process	1,342,269	8,446,633	-	9,788,902
Total	131,927,413	8,561,737	884,808	139,604,342
Less accumulated depreciation	61,732,282	2,649,939	340,713	64,041,508
Net property and equipment	<u>\$ 70,195,131</u>	<u>\$ 5,911,798</u>	<u>\$ 544,095</u>	<u>\$ 75,562,834</u>

Depreciation expense was \$2,591,161 and \$2,649,939 for the years ended December 31, 2021 and 2020, respectively.

NOTE 6 — LONG-TERM DEBT

Long-term debt is comprised of the following:

	<u>December 31 2020</u>	<u>Debt Issued</u>	<u>Debt Payments</u>	<u>December 31 2021</u>
Bank of America master lease obligation	\$ 4,851,891	\$ 3,000,000	\$ 1,828,679	\$ 6,023,212
Less current maturities	1,144,978			1,688,212
	<u>\$ 3,706,913</u>			<u>\$ 4,335,000</u>

The Commission is a party to a master lease agreement with Bank of America. In June 2014, under the first draw of the agreement, the Commission borrowed \$3,000,000 to retire another Commission obligation and to acquire certain Port related facility equipment. This agreement requires monthly payments of approximately \$41,000, including interest at approximately 2.1%, with final maturity in June 2021.

In November 2017, under the second draw, of the agreement, the Commission borrowed \$4,000,000 to fund certain construction projects. This agreement required interest only payments of approximately \$9,100 per month through May 2018 and, beginning in June 2018, monthly payments of approximately \$52,300, including interest at approximately 2.7%, with final maturity in May 2025.

In November 2018, under the third draw of the agreement, the Commission borrowed \$2,500,000 to fund certain current construction projects. This agreement required interest only payments of approximately \$8,500 per month through May 2019 and, beginning in June 2019, monthly payments of approximately \$34,300, including interest at approximately 4.1%, with final maturity in May 2026.

In January 2021, under the fourth draw of the agreement, the Commission borrowed \$3,000,000 to fund certain current construction projects. This agreement requires monthly payments of approximately \$66,100, including interest at approximately 1.76%, with final maturity in December 2024.

The Bank of America master lease obligation is collateralized by certain Commission assets.

ALBANY PORT DISTRICT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

NOTE 6 — LONG-TERM DEBT (Continued)

At December 31, 2021, long-term debt maturities were comprised of the following:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,688,212	\$ 144,590	\$ 1,832,802
2023	1,732,244	100,559	1,832,803
2024	1,777,561	55,239	1,832,800
2025	655,555	17,529	673,084
2026	169,640	1,739	171,379
	<u>\$ 6,023,212</u>	<u>\$ 319,656</u>	<u>\$ 6,342,868</u>

Interest expense was \$183,679 and \$177,698 for 2021 and 2020, respectively.

NOTE 7 — RETIREMENT PLAN AND RELATED BENEFITS

Introduction

Substantially all Albany Port District Commission full-time employees participate in the New York State and Local Employees' Retirement System ("System" or "ERS"). The System is a cost-sharing multiple-employer defined benefit plan administered by the State Comptroller. Plan benefits, including retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries are provided under the provisions of the New York State Retirement and Social Security Law and are guaranteed under the State Constitution. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors. The System issues a financial report that includes financial statements and other information for the System which is available to the public. The financial report may be obtained from the New York State and Local Employees' Retirement System at www.osc.state.ny.us/retire.

No employee contribution is required for those hired prior to July 1976. The System requires employee contributions of 3% of salary for the first 10 years of service for those employees who joined the System from July 1976 through December 2009. Participants hired on or after January 1, 2010 through March 31, 2012 are required to contribute 3% of compensation throughout their active membership in the System. Participants hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based on their level of compensation. The Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the Commission to the pension accumulation fund. For 2021, these rates ranged from 9.6% - 19.7% for the Commission's active employees. Employee contributions are deducted from their salaries and remitted on a current basis to the System.