

**NIAGARA FRONTIER
TRANSPORTATION AUTHORITY
(A Component Unit of the State of New York)**

**SCHEDULE OF
CONSOLIDATED FACILITY CHARGES**

MARCH 31, 2022

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE CONSOLIDATED FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

The Board of Commissioners
Niagara Frontier Transportation Authority

Report on Compliance for the Consolidated Facility Charge Program

Opinion on the Consolidated Facility Charge Program

We have audited the compliance of Niagara Frontier Transportation Authority (the Authority) (a component unit of the State of New York), a business-type activity, with the types of compliance requirements described in New York State Law §396-z (the Law), that could have a direct and material effect on the Authority's consolidated facility charge program for the year ended March 31, 2022.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its consolidated facility charge program for the year ended March 31, 2022.

Basis for Opinion on the Consolidated Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the Law. Our responsibilities under those standards and the Law are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance with the consolidated facility charge program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the consolidated facility charge program.

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Law. Accordingly, this report is not suitable for any other purpose. Also, this report is intended solely for the information and use of management, the Board of Commissioners, and New York State. It is not intended to be, and should not be, used by anyone other than these specified parties.

Report on Schedule of Consolidated Facility Charges

We have audited the balance sheet of the Authority (a component unit of the State of New York), a business-type activity, as of March 31, 2022 and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated June 23, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of consolidated facility charges is presented for purposes of additional analysis as required by the Law and is not a required part of the 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of consolidated facility charges is fairly stated in all material respects in relation to the financial statements as a whole.



June 23, 2022

NIAGARA FRONTIER TRANSPORTATION AUTHORITY
(A Component Unit of the State of New York)

Schedule of Consolidated Facility Charges

For the year ended March 31, 2022

Balance, beginning of year	\$ 358,275
Consolidated facility charges earned	-
Interest income	137
Consolidated facility charges expended	<u>(358,399)</u>
Balance, end of year	<u>\$ 13</u>

Notes to Schedules of Consolidated Facility Charges

1. General

New York State Law §396-z authorizes Niagara Frontier Transportation Authority (the Authority), as an airport operator, to impose Consolidated Facility Charges (CFC) and use of resulting CFC revenues to finance, design, construct, and operate consolidated airport facilities and common use transportation systems that move passengers between airport terminals and those consolidated airport car rental facilities. CFCs are collected by car rental companies from their customers and remitted to the Authority.

2. Schedules of Consolidated Facility Charges

The accompanying Schedules of Consolidated Facility Charges presents the revenues earned and expenditures incurred on approved projects on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Interest income represents the actual interest collected on the unexpended cash balance during the year reported.