



ALBANY COUNTY AIRPORT AUTHORITY
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ACAA - *Audit Committee*
APPROVED
2/2/08

**Minutes of the Audit Committee Meeting
 of the Albany County Airport Authority**

November 28, 2007

Pursuant to notice duly given and posted, the Audit Committee meeting of the Albany County Airport Authority was called to order on November 28, 2007 at 8:30 a.m. in the offices of Marvin and Company, P.C. at 11 British American Blvd., Latham, New York by Audit Committee Chair Elliott Shaw with the following present:

MEMBERS PRESENT

Elliott A. Shaw, Chair
 Richard J. Sherwood

STAFF

None

ATTENDEES

Kevin McCoy, Marvin and Company Director
 James E. Amell, Marvin and Company Director and Engagement Partner
 Amy C. Newburg, Marvin and Company In-Charge Accountant

1. Approval of Minutes: November 27, 2006

Audit Committee Chair Shaw moved to approve the minutes of the November 27, 2006 meeting. The motion was adopted unanimously.

2. Approval of Minutes: July 31, 2007

Audit Committee Chair Shaw moved to approve the minutes of the July 31, 2007 meeting. The motion was adopted unanimously.

3. Meeting with Auditors, Marvin and Company to Review 2007 Audit

The meeting opened with brief personal introductions by each of the five participants.

DAVID E. LANGDON, CHAIR

HENRY E. DENNIS, JR.

ELLIOTT A. SHAW

RICHARD J. SHERWOOD, VICE CHAIR

DANIEL M. SLEASMAN

DORSEY M. WHITEHEAD

JOHN A. GRAZIANO, JR.

JOHN A. O'DONNELL, CHIEF EXECUTIVE OFFICER

Next, Chairman Shaw began with a few introductory remarks about the creation of the Audit Committee and the importance of Audit Committee members developing a close working relationship with ACAA's new auditors (Marvin and Company). Mr. Shaw gave a brief overview of the governance review of ACAA done by the Authority Budget Office, noting that in recent years the Audit Committee has adopted a charter to address the committee's responsibilities, has met independently with ACAA's previous audit firm and has been directly engaged in the recent selection of the new auditing firm. Mr. Shaw stated the intent of the committee to fulfill its responsibilities to provide direct oversight of the performance of the independent audit.

Mr. Sherwood stated his concurrence with the importance of active involvement by Audit Committee members in discharging its duties.

Mr. McCoy gave an overview of Marvin and Company, highlighting Marvin's past work with the ACAA and its work for other governmental entities, including the Olympic Regional Development Authority and a number of school districts. Mr. McCoy stated that Mr. Amell will be the Engagement Partner.

Mr. Amell discussed the preliminary field work and preliminary testing already underway at the airport and commended airport staff for their cooperative attitude and commitment to transparency in data compilation. He also gave a quick update on Statement of Auditing Standards 112 and how that may affect the audit, given the lower threshold for findings of material weaknesses.

Ms. Newburg will be the In-Charge Accountant doing much of the field work.

Mr. Shaw and Mr. Sherwood asked a number of questions about the adequacy of internal controls. A number of areas will be looked at very closely, including how vendors are added to the computer system, who can access what on the computer active screens, who looks at bank statements when cancelled checks come back and other issues related to segregation of banking duties. The level of shared knowledge between staff with responsibilities for financial matters was also discussed.

Mr. Shaw and Mr. Sherwood discussed the importance of strong internal controls with parking due to the large amounts of cash that are handled.

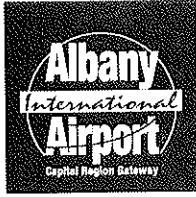
Mr. Amell and Ms. Newburg discussed a "risk-based" approach to transactions where certain transactions are selected to do a comprehensive start to finish review.

Mr. Amell walked through a timeline for the next few months, including the completion of preliminary field work in early February, financials by February 24th, and final letters for the March meeting of the ACAA Board.

There being no further business, the meeting was adjourned at 9:45 a.m.

Respectfully submitted,

Elliott A. Shaw, Chair
Audit Committee



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AUDIT COMMITTEE MEETING

AGENDA

November 28, 2007

1. **Approval of Minutes: November 27, 2006**
 2. **Approval of Minutes: July 31, 2007**
 3. **Meeting with Auditors, Marvin & Co., PC, to Review 2007 Audit**
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