



ALBANY COUNTY AIRPORT AUTHORITY
 ALBANY INTERNATIONAL AIRPORT
 ADMINISTRATION BUILDING
 SUITE 200
 ALBANY, NEW YORK 12211-1057

TEL: 518.242.2222
ADMIN FAX: 518.242.2641
FINANCE FAX: 518.242.2640
SITE: www.albanyairport.com

ACAA- Budget Committee
APPROVED
~~2/23/09~~

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

December 10, 2008

Pursuant to notice duly given and posted, the Audit Committee meeting of the Albany County Airport Authority was called to order on Wednesday, December 10, 2008 at 8:15 a.m. at the offices of Marvin and Company, P.C., located at 11 British American Blvd., Latham, New York by Committee Chair Elliott A. Shaw with the following present:

AUDIT COMMITTEE MEMBERS PRESENT

Elliott A. Shaw
 Richard J. Sherwood

MEMBERS ABSENT

Henry E. Dennis, Jr.

ALBANY AIRPORT AUTHORITY STAFF

None

ATTENDEES

Jim Amell, Marvin and Company, P.C.
 Amy Newburg, Marvin and Company, P.C.

1. Approval of Minutes

Mr. Sherwood moved to approve the minutes of the Audit Committee from February 21, 2008. The motion was unanimously adopted.

2. Discussion of 2008 Albany Airport Authority Audit

Mr. Shaw and Mr. Sherwood asked Mr. Amell and Ms. Newburg to provide a progress report on the Annual Audit of the Albany Airport Authority.

Mr. Amell stated that Marvin and Company was in the process of doing preliminary field work at the Airport and they are concentrating on doing a review of Internal Control issues and making various Risk Assessments of the operation. One method for performing this task is a full walk through of a transaction cycle – for selected transactions -- to look for potential weaknesses that may exist. Mr. Amell stated that the recommendations made in the 2007 Audit were followed up with and resolved by Airport Authority staff.

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

Ms. Newburg gave examples of methods used to look for internal weaknesses, including a random sample of the loading of new vendors into the Great Plains system. This review is essential to ensure there is not a weakness that would allow someone to create a fictitious vendor and subsequently write checks to the vendor. Ms. Newburg also said they continue to look at issues related to the use of the signature plate. Mr. Sherwood asked that they provide recommendations related to who at the Authority is authorized to sign checks and whether we have adequate safeguards in place.

Mr. Amell provided a brief overview of three statements from the Governmental Accounting Standards Board (GASB) – Statement Numbers 45, 49 and 53. Statement 45 deals with Accounting and Financial Reporting by Employers for Post employment Benefits Other Than Pensions. Statement 49 deals with Accounting for Pollution Remediation Obligations. Statement 53 deals with Accounting and Financial Reporting for Derivative Instruments. There are ongoing discussions with Mr. William O'Reilly, CFO of the Airport Authority about the ramifications of these GASB statements.

Mr. Sherwood asked about the strength of the cash collection system related to parking. This has been identified as an important area to maintain strong internal controls. Mr. Amell thinks the parking control environment at the Airport is strong, but needs careful monitoring given the large volume of cash. Mr. Amell also said there would be a random sample of cash disbursements in early January.

The final field work will be done during the beginning of February and Marvin and Company will have the Audit ready for the March meeting of the Albany County Airport Authority Members.

There being no further business, the meeting was adjourned at 9:05 a.m.

Respectfully Submitted,

Elliott A. Shaw
Audit Committee Chair