



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

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 ADMIN FAX: 518-242-2641  
 FINANCE FAX: 518-242-2640  
 SITE: www.albanyairport.com

**Minutes of the Regular Meeting of the Albany County Airport Authority**

**March 18, 2019**

**ACAA Approved  
 04-08-2019**

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, March 18, 2019 @ 11:30 a.m. in the 3<sup>rd</sup> Floor Conference Room of the main terminal located at the Albany International Airport by Chairman Kenneth J. Doyle with the following present:

**MEMBERS PRESENT**

Rev. Kenneth J. Doyle  
 Patricia M. Reilly  
 Lyon M. Greenberg, M.D.  
 Steven H. Heider  
 Samuel A. Fresina  
 Tony Gorman (VIA Telephone)

**MEMBERS ABSENT**

Kevin R. Hicks

**STAFF**

John A. O'Donnell  
 William J. O'Reilly  
 Peter Stuto  
 Liz Charland  
 Steve Iachetta  
 Helen Chadderdon  
 Doug Myers  
 John LaClair  
 Margaret Herrmann

**ATTENDEES**

Fred Acunto, Airport Manager, AvPorts  
 John DelBalso, Assistant Airport Manager, AvPorts  
 Bob Heitz, Manager Million Air  
 Dennis Feeney, Majority Leader  
 Ray Casey, Airport Consultant  
 Eric Anderson, Time Union  
 Michael DeMasi, Business Review  
 Christopher J. Healy, CPA, Marvin & Co.  
 Heather Lewis, CPA, Director, Marvin & Co.  
 Dave Dague, Airport Consultant, InterVISTAS  
 Deirdre Hargrave, Communications Manager, Gramercy Communications

**1. CHAIRMAN’S REMARKS**

Chair Doyle requested a motion to elect the following slate of Officers to the ACAA Board:

Rev. Kenneth P. Doyle as Chair  
Vice-Chair – Patricia M. Reilly  
Tony Gorman as the Treasurer; and  
Lyon Greenberg, M.D. as the Secretary

Dr. Greenberg moved to approve the slate of officers. The motion was adopted unanimously.

Chair Doyle presented his Authority Committee appointments to the Board.

Dr. Greenberg moved to seek concurrence of the Committee appointments for 2019. The motion was adopted unanimously.

Committee assignments are posted to our website.

**2. MINUTES**

Mr. Fresina moved to approve the minutes of the January 11, 2019 Special Meeting.

The motion was adopted unanimously.

Dr. Greenberg moved to approve the minutes of the February 8, 2019 Regular Meeting.

The motion was adopted unanimously.

Dr. Greenberg moved to approve the minutes of the March 11, 2019 Regular Meeting.

The motion was adopted unanimously.

**3. COMMUNICATIONS AND REPORT OF CHIEF EXECUTIVE OFFICER**

Mr. O’Donnell presented the Communications and Report of the Chief Executive Officer for the month of March 2019.

**4. INTERESTING CORRESPONDENCE**

**Noted**

**14.**

Dr. Greenberg, Chair of the Audit Committee advised the Board that the Audit committee had met this morning prior to the regular Board meeting to review the Financial and Audit Items and recommended their acceptance and approval.

**14.1 Comprehensive Annual Financial Report for the year-ended 2018 with draft auditor reports;**

Dr. Greenberg moved to approve the Comprehensive Annual Financial Report for the year-ended 2018 with draft auditor reports as recommended by the Audit Committee.

The motion as adopted unanimously.

**14.2 Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2018 with draft consultant report;**

Dr. Greenberg to approve the Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2018 with draft consultant report as recommended by the Audit Committee.

The motion was adopted unanimously.

**14.3 Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report;**

Dr. Greenberg moved to approve the Annual Investment Report and Investment Guidelines which includes a copy of the Investment Guidelines with an explanation of any changes to the Guidelines since the last annual investment report, which were included, and the draft auditor report as recommended by the Audit Committee.

The motion was adopted unanimously.

**14.4 Performance Measurement Report for 2018**

Dr. Greenberg moved to approve the Performance Measurement Report for 2018 as recommended by the Audit Committee.

The motion was adopted unanimously.

**14.5 Financial Statements – Other Post Employment Benefit Trust**

Dr. Greenberg moved to approve the Other Post Employment Benefit Trust-Financial Statements.

The motion was adopted unanimously.

Mr. O'Donnell introduced Dave Dague of InterVISTAS. Mr. Dague did a presentation on Air Service Overview and Industry Trends for the Albany International Airport.

Father Doyle made a motion to go into Executive Session to discuss one matter relative to a particular corporation.

The motion was adopted unanimously.

Father Doyle made a motion to out of Executive Session and into Regular Session. The motion was adopted unanimously.

**MANAGEMENT REPORTS:**

**5. Chief Financial Officer**

Mr. O'Reilly presented the following:

- 5.1 Statistical and Financial Performance**
- 5.2 Comparison of Enplanements**
- 5.3 Summary of Airline Scheduled Flights and Markets**

## 5.4 USDOT Arrival and Departure Statistics

### 6. Project Development

Mr. Iachetta presented the Project Development Status Report for the month of March 2019.

### 7. Counsel

### 8. Concessions/Ambassador Program

Ms. Chadderdon presented the Concessions/Ambassador Status Report for the month of March 2019.

### 9. Public Affairs

Mr. Myers presented the Public Affairs Status Report for the month of March 2019.

### Action Items:

### 10. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments

#### 10.1 Lease Renewal: Lease No. L-842: 14 Jetway Drive (5,595 sq. ft.) with Red Hawk Fire & Security, LLC and parking areas depicted. 3-year Renewal

Mr. Stuto recommended authorization to approve a 3-year extension with Red Hawk Fire and Security, LLC. He advised that Red Hawk Fire and Security, LLC has been a tenant of the Airport Authority since 2014. The initial 5-year term of the lease ends May 31, 2019. The premises is a 5,595 sf warehouse office and the rent in the first year of the extension will be \$56,756.52 per year (\$10.14/sf) (includes base rent and maintenance charges) and is subject to a 3% annual cost-of-living increase.

Dr. Greenberg moved to authorize said Lease extension with Red Hawk Fire and Security, LLC for an annual rent in the amount of \$56,756.52 per year. The motion was adopted unanimously.

#### 10.2 Purchase Order: Purchase & Install of Carpeting at Million Air Facility

Mr. O'Donnell recommended authorization to purchase and install new carpet at the Million Air Facility. He advised the current carpet is over 10 years old and showing wear. The carpet is purchased under NYS Contract pricing; Shaw Carpet purchased through the authorized dealer; Flooring Environment and the lowest proposed installation quote was received from Flooring Environment. This project is included in the scope of improvements for FBO Hangar 4 Improvements included in Series 2018B bond proceeds. The total amount for labor & materials is \$83,275.86.

Mr. Heider moved to authorize a purchase of order for the purchase and installation of carpeting at the Million Air Facility from Flooring Environment in the amount of \$83,275.86. The motion was adopted unanimously.

**10.3 Lease: Approval of Amendment of Lease No. 96-1007: Sublease between AFCO Cargo ALB Limited Partnership and United Parcel Services, Inc. at Cargo Facility**

Mr. O'Reilly recommended authorization to approve an Amendment to Lease No. 96-1007: Sublease between AFCO Cargo ALB Limited Partnership and United Parcel Services, Inc. at Cargo Facility.

Mr. O'Reilly advised that pursuant to Article XI, Paragraph C of the Authority's Air Cargo Facility Agreement, AFCO is required to request approval from the Authority for any leases to tenants of the cargo building. He further advised that this is an amendment to a sublease between AFCO and United Parcel Services, Inc. at the cargo building for warehouse, aircraft apron, storage, and parking. The Annual Rent is fixed for the first year of the five-year term beginning October 23, 2018 and increases by the change in the Consumer Price Index starting on October 23, 2019.

Dr. Greenberg moved to authorize said Lease Amendment to Lease NO. 96-1007: sublease between AFCO Cargo ALB Limited Partnership and United Parcel Services, Inc. at the Cargo Facility. The motion was adopted unanimously.

**10.4 Loan Agreement: Loan of Decommissioned Runway Lights to Integra Optics, Inc.**

Mr. Stuto recommended authorization to enter into a ten-year loan agreement with Integra Optics, Inc. for the loan of decommissioned runway lights. He advised the Authority is storing 2 older decommissioned runway lights which have some historical interest and Integra Optics, Inc. has requested use of the lights for display in their leased area. He further advised that Integra has offered to paint and refurbish the lights so that they are suitable for display, in exchange for use of the lights for display.

Dr. Greenberg moved to approve the ten-year loan agreement with Integra Optics, Inc. for the loan of decommissioned runway lights. The motion was adopted unanimously.

**10.5 Intentionally Omitted**

**10.6 Construction Contract: Authorization to Award Construction Contract 991-P Terminal Amenities Toilet Room Renovations to VMJR Companies.**

Mr. LaClair recommended authorization to award Contract 991-P for Terminal Amenities Toilet Room Renovations to qualified low bidder VMJR Companies of Glens Falls, NY in the amount of \$2,620,000.00 contingent upon NYSDOT concurrence and compliance with the M/WBE requirements. He advised if the M/WBE requirements are not met the contract award will be made to the second low bidder LeChase Construction, of Albany, NY. The contract scope includes replacement of plumbing fixtures, installation of new ceilings, flooring, counter tops, wall covering, stall dividers in the existing toilet rooms, construction of a Pet Relief station for FAA compliance, new ceiling and LED lighting in the baggage carousel area, door repairs throughout the Terminal and HVAC upgrades over the existing ticket counters. He advised this contract will be funded from CPN 2250 and will be 31.1% State funded and 68.9% airport funded.

Mr. Heider moved to authorize the award of award Contract 991-P for Terminal Amenities Toilet Room Renovations to qualified low bidder VMJR Companies of Glens Falls, NY in the amount of \$2,620,000.00 contingent upon NYSDOT concurrence and compliance with the M/WBE requirements. In the event NYSDOT does not concur with the lower bidder or the low bidder cannot comply with the M/WBE requirements, the CEO shall be authorized to award to the second low bidder, LeChase Construction in the amount of \$3,060,000. The motion was adopted unanimously.

**10.7 Construction Contract: Authorization to Award Construction Contract 991-GC Terminal Amenities Concourse to VMJR Companies.**

Mr. LaClair recommended authorization to award Contract 991-GC for Terminal Amenities Concourse to qualified low bidder VMJR Companies of Glens Falls, NY for \$3,935,000 contingent upon concurrence from NYSDOT and compliance with the M/WBE requirements. In case these requirements are not met contract then award will be made to the second low bidder LeChase Construction, of Albany, NY at \$5,360,000. He advised this contract will be funded from CPN 2250 and will be 31.1%+/- state funded and 68.9%+/- airport funded.

Ms. Reilly moved to authorize the award of Contract No. 999-GC for Terminal Amenities Concourse to VMJR Companies in the amount of \$3,935,000 or in the event NYSDOT does not concur with the lower bidder or the low bidder cannot comply with the M/WBE requirements, the CEO shall be authorized to award to the second low bidder LeChase Construction in the amount of \$5,360,000. The motion was adopted unanimously.

**10.8 Construction Contract: Authorization to Award Construction Contract 1003-GC Building 211 CommutAir Alterations to Rosch Brothers, Inc.**

Mr. LaClair recommended authorization to award Contract 1003-GC Building 211 CommutAir Alterations to Rosch Brothers, Inc. in the amount of \$345,800 contingent upon contractor's compliance with M/WBE requirements. He advised the contract scope includes converting existing office, locker room and breakroom for CommutAIR employees into a parts storage facility and this will include removal of exiting sheetrock walls, electric wiring, HVAC ducts and plumbing fixtures. Also, the new parts storage room will have new sheetrock walls with secure doors, new electric lights and outlets and upgraded HVAC for humidity control. He further advised that the cost of improvements will be amortized over time and will be addressed in the next lease agreement with CommutAir.

Mr. Heider moved to authorize the award of Contract No. 1003-GC for CommutAir Alteration to Rosh Brothers, Inc. in the amount of \$345,800 contingent upon contractor's compliance with M/WBE requirements. The motion was adopted by majority with Dr. Greenberg recusing himself.

**10.9 Construction Contract: Authorization to Award Construction Contract 989-EL Parking Garage Elevators (Hand-Out)**

Mr. O'Donnell recommended authorization to award Contract 989-EL Parking Garage Precast Elevators to the qualified low bidder, Kone, Inc. in the amount of \$498,750 contingent upon NYSDOT concurrence and compliance with the apprenticeship requirement. He advised this contract will be funded from CPN 2263 and will be 2.5% federally funded 43.8%+/- state funded and 53.7%+/- airport funded.

Dr. Greenberg moved to authorize the award of Contract No. 989-EL for Parking

Garage Precast Elevators to Kone, Inc. in the amount of \$498,750 contingent upon NYSDOT concurrence and compliance with the apprenticeship requirement. The motion was adopted unanimously.

- 10.10** Mr. Stuto recommended authorization to approve Lease No. L-1011 with LeChase Construction Services to lease 884 SF +/- office space in 6 Jetway Drive. He advised the rental fee will be \$13,702 per year (inclusive of Maintenance fees) or \$1,142 per month and the term will be one year, but earlier termination will be permitted. LeChase wants to use the space for its construction office for the new Parking Garage.

Dr. Greenberg moved to authorize said Lease No. L-1011 with LeChase Construction Services to lease 884 SF +/- office space in 6 Jetway Drive. The motion was adopted unanimously.

- 11. Authorization of Change Orders - None**
- 12. Authorization of Federal and State Grants**
- 13. Informational Only - Sale of Series Bonds**
- 14. Moved items to the beginning of the meeting.**

**Old Business:**

**New Business:**

Father Doyle made a motion to go into Executive Session to discuss:

**Executive Session:**

ES-1 – To discuss the history of a particular corporation

ES-2 – Employment history of a particular individual.

ES-3 – To discuss the history of a particular corporation (Item was presented after the financials were presented in the meeting.)

The motion was adopted unanimously.

There being no further business, the meeting was adjourned at 2:00 p.m.



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**ALBANY COUNTY AIRPORT AUTHORITY**

**REGULAR MEETING**

**AGENDA**

**March 18, 2019**

**General:**

- 1. Chairman's Remarks**
  - 1.1 Election of Officers and Assignment of Committees**
- 2. Approval of Minutes**

**Special Meeting – January 11, 2019**  
**Regular Meeting – February 8, 2019**  
**Special/Informational – March 11, 2019**
- 3. Communications and Report of Chief Executive Officer**
- 4. Interesting Correspondence**

**Management Reports:**

- 5. Chief Financial Officer**
  - 5.1 Statistical and Financial Performance**
  - 5.2 Comparison of Enplanements**
  - 5.3 Summary of Airline Scheduled Flights and Markets**
  - 5.4 USDOT Arrival and Departure Statistics**
- 6. Project Development**
- 7. Counsel**
- 8. Concessions/Ambassador Program**
- 9. Public Affairs**

**Action Items:**

- 10. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**

- 10.1 **Lease Renewal: Lease No. L-842: 14 Jetway Drive (5,595 sq. ft.) with Red Hawk Fire & Security, LLC and parking areas depicted. 3-year Renewal**
- 10.2 **Purchase Order: Purchase & Install of carpeting at Million Air Facility**
- 10.3 **Lease: Approval of Amendment of Lease No. 96-1007: Sublease between AFCO Cargo ALB Limited Partnership and United Parcel Services, Inc. at Cargo Facility**
- 10.4 **Loan Agreement: Loan of Decommissioned Runway Lights to Integra Optics, Inc.**
- 10.5 **Intentionally Omitted**
- 10.6 **Construction Contract: Authorization to Award Construction Contract 991-P Terminal Amenities Toilet Room Renovations to VMJR Companies.**
- 10.7 **Construction Contract: Authorization to Award Construction Contract 991-GC Terminal Amenities Concourse to VMJR Companies.**
- 10.8 **Construction Contract: Authorization to Award Construction Contract 1003-GC Building 211 CommutAir Alterations to Rosch Brothers, Inc.**
- 10.9 **Construction Contract: Authorization to Award Construction Contract 989-EL Parking Garage Elevators (ITEM TO BE HANDED OUT AT MEETING)**
- 10.10 **Lease: 6 Jetway Drive, Building 112 – Office Space with LeChase Construction Services, LLC**
  
11. **Authorization of Change Orders**
  - None
  
12. **Authorization of Federal and State Grants**
  
13. **Procurement Approvals by CEO – Informational Only**
  
14.
  - 14.1 **Comprehensive Annual Financial Report for the year-ended 2018 with draft auditor reports;**
  - 14.2 **Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2018 with draft consultant report;**
  - 14.3 **Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report; and**

**14.4 Performance Measurement Report for 2018**

**14.5 Financial Statements – Other Post Employment Benefit Trust**

**Old Business:**

**New Business:**

**Executive Session:**

**ES-1 – To discuss the history of a particular corporation.**

**ES-2 – Employment history of a particular individual.**

**ES-3 – To discuss the history of a particular corporation.**

**Attorney-Client Privilege Matters:**

**NOTICE**

# TIMES UNION

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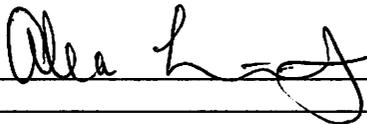
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Box 15000  
Albany, New York 12212

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737 ALBANY SHAKER RD  
ADMINISTRATIVE BLDG SUITE 204  
ATTN: KATIE KANE  
ALBANY, NY 12211

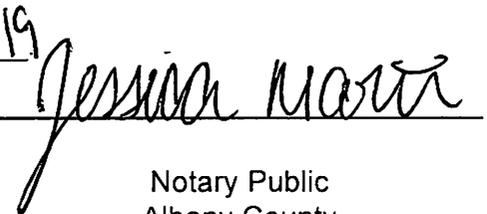
Account Number: 061026000  
Order Number: 0004042475  
Order Invoice Text: regular meeting

A Loveridge / T Tomes / S Rawling / R Bernard / T Duquette of the city of Albany, being duly sworn, says that he/she is principal Clerk of THE TIMES UNION, a daily newspaper printed in the county of Albany, Town of Colonie, and Published in the County of Albany, Town of Colonie and the city of Albany, aforesaid and that notice of which a printed copy is annexed has been regularly published in the said ALBANY TIMES UNION on the following dates

02-25-2019



Sworn to before me, this 26 day of February 2019



**JESSICA M. MARTIN**  
NOTARY PUBLIC - STATE OF NEW YORK  
Registration No. 01MA6384279  
Qualified in Saratoga County  
Commission Expires December 10, 2022

Notary Public  
Albany County

Составлено в Москве 10' 5055  
Состав: И. С. С. С. С.  
Состав: И. С. С. С. С.  
МОСКВА ВОЛГАС - РАЙОН ОЛОНКА АОНК  
МОСКВА ВОЛГАС

Составлено в Москве 10' 5055

Состав: И. С. С. С. С.

Составлено в Москве 10' 5055

Состав: И. С. С. С. С.

Составлено в Москве 10' 5055

Состав: И. С. С. С. С.

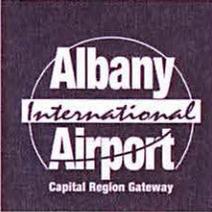
**ALBANY COUNTY AIRPORT AUTHORITY**

**NOTICE**

Notice is hereby given of the following regular meeting of the Albany County Airport Authority:

The Albany County Airport Authority will hold a Regular Meeting on Monday, March 18, 2019 at 11:30 a.m. The meeting will be held in the 3rd Floor Conference Room located in the Main Terminal at the Albany International Airport, Albany, New York.

TU 11 (4042475)



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## ALBANY COUNTY AIRPORT AUTHORITY

- 1) SPECIAL MEETING
- 2) REGULAR MEETING

### NOTICE

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## Liz Charland

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**From:** Liz Charland  
**Sent:** Wednesday, February 20, 2019 3:36 PM  
**To:** 'TU Legals'  
**Subject:** Informational and Regular Meetings - PLEASE PUBLISH ONE TIME AS SOON AS POSSIBLE. THANK YOU.

**Importance:** High

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## Liz Charland

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**From:** Liz Charland  
**Sent:** Wednesday, February 20, 2019 4:17 PM  
**To:** 'Saratogian Newspapers'; 'The Colonie Spotlight'; 'The Gazette'; 'The Troy Record'  
**Subject:** Meeting Notice

**Please publish in the Community Section. Thank you.**

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## Liz Charland

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**From:** Liz Charland  
**Sent:** Wednesday, February 13, 2019 2:31 PM  
**To:** 'Bart Johnson'; 'Bob Heitz'; 'Brandon Russell, Majority Counsel'; 'County Executive Daniel P. McCoy'; 'Dave Collins'; 'Douglas A. Bullock, Albany County Mass Transit Committee Chair'; 'Eric Anderson'; 'Frank Mauriello, Albany County Minority Leader'; 'Fred Acunto'; 'George Penn (Albany County)'; 'Jill Bryce'; 'John DelBalso'; 'Kelly Boyea (Albany County)'; 'Majority Leader Dennis Feeney'; 'Mike DeMasi'; 'Pam Allen'; 'Pete Rea (prea@dot.state.ny.us)'; 'Spotlight News'; 'WRGB News'  
**Subject:** RE: Special Meeting - Monday March 11, 2019 at 11:30 a.m.; Regular Meeting Monday March 18, 2019 at 11:30 am

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Please let me know if you have any questions. Thank you.

Liz Charland  
Administrative Services  
Albany County Airport Authority  
Albany International Airport  
Suite 200  
Albany, New York 12211

Telephone(518)242-2250  
Cell (518)-542-8762  
Email – lcharland@albanyairport.com

**From:** Liz Charland

**Sent:** Wednesday, February 13, 2019 1:30 PM

**To:** 'Bart Johnson' <Bart.Johnson@tsa.dhs.gov>; 'Bob Heitz' <rheitz@millionair.com>; 'Brandon Russell, Majority Counsel' <brandon.russell@albanycountyny.gov>; 'County Executive Daniel P. McCoy' <County\_Executive@albanycountyny.gov>; 'Dave Collins' <dcollins@albanyairport.com>; 'Douglas A. Bullock, Albany County Mass Transit Committee Chair' <dbull4@verizon.net>; 'Eric Anderson' <eanderson@timesunion.com>; 'Frank Mauriello, Albany County Minority Leader' <frank.mauriello@albanycounty.com>; 'Fred Acunto' <facunto@albanyairport.com>; 'George Penn (Albany County)' <george.penn@albanycountyny.gov>; 'Jill Bryce' <news@dailygazette.net>; 'John DelBalso' <jdelbalso@albanyairport.com>; 'Kelly Boyea (Albany County)' <kelly.boyea@albanycountyny.gov>; 'Majority Leader Dennis Feeney' <dennis.feeney@albanycountyny.gov>; 'Mike DeMasi' <mdemasi@bizjournals.com>; 'Pam Allen' <pallen@bizjournals.com>; 'Pete Rea (prea@dot.state.ny.us)' <prea@dot.state.ny.us>; 'Spotlight News' <news@spotlightnews.com>; 'WRGB News' <news@wrgb.com>

**Subject:** Special Meeting - Monday, March 11, 2019 at 11:30 a.m.

ALBANY COUNTY AIRPORT AUTHORITY

SPECIAL MEETING

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## Liz Charland

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**From:** Liz Charland  
**Sent:** Wednesday, February 13, 2019 2:32 PM  
**To:** ACAAlist  
**Subject:** FW: Special Meeting - Monday March 11, 2019 at 11:30 a.m.; Regular Meeting Monday March 18, 2019 at 11:30 am

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Email – [lcharland@albanyairport.com](mailto:lcharland@albanyairport.com)

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**From:** Liz Charland  
**Sent:** Wednesday, February 13, 2019 2:32 PM  
**To:** 'Kenneth Doyle'; 'Kevin R. Hicks, Sr. - IPAD'; 'Kevin R. Hicks, Sr. (Personal)'; 'Lyon Greenberg, MD'; 'Lyon Greenberg, MD - IPAD'; 'Patricia M. Reilly'; 'Patricia M. Reilly - IPAD'; 'Rev. Kenneth Doyle (Personal)'; 'Samuel A. Fresina'; 'Samuel A. Fresina - IPAD'; Steve Heider; 'Steven H. Heider'; 'Tony Gorman'; 'Tony Gorman - IPAD'  
**Subject:** Special Meeting - Monday March 11, 2019 at 11:30 a.m.; Regular Meeting Monday March 18, 2019 at 11:30 am

### ALBANY COUNTY AIRPORT AUTHORITY

- 1) SPECIAL MEETING
- 2) REGULAR MEETING

#### NOTICE

Notice is hereby given of the following special meeting of the Albany County Airport Authority:

The Albany County Airport Authority will hold a **Special Meeting on Monday, March 11, 2019 at 11:30 a.m.** to review major capital projects. This is an **INFORMATIONAL Meeting only**. No votes will be taken. The meeting will be held in the 3rd Floor Conference Room located in the Main Terminal at the Albany International Airport, Albany, New York. **The Regular Meeting scheduled for March 11, 2019 has been rescheduled.**

#### NOTICE

Notice is hereby given of the following regular meeting of the Albany County Airport Authority:

The Albany County Airport Authority will hold a **Regular Meeting on Monday, March 18, 2019 at 11:30 a.m.** The meeting will be held in the 3rd Floor Conference Room located in the Main Terminal at the Albany International Airport, Albany, New York.

Please let me know if you have any questions. Thank you.

Liz Charland  
Administrative Services  
Albany County Airport Authority  
Albany International Airport  
Suite 200  
Albany, New York 12211

Telephone(518)242-2250  
Cell (518)-542-8762  
Email – [lcharland@albanyairport.com](mailto:lcharland@albanyairport.com)

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**From:** Liz Charland  
**Sent:** Wednesday, February 13, 2019 1:30 PM  
**To:** 'Bart Johnson' <[Bart.Johnson@tsa.dhs.gov](mailto:Bart.Johnson@tsa.dhs.gov)>; 'Bob Heitz' <[rheitz@millionair.com](mailto:rheitz@millionair.com)>; 'Brandon Russell, Majority Counsel' <[brandon.russell@albanycountyny.gov](mailto:brandon.russell@albanycountyny.gov)>; 'County Executive Daniel P. McCoy' <[County\\_Executive@albanycountyny.gov](mailto:County_Executive@albanycountyny.gov)>; 'Dave Collins' <[dcollins@albanyairport.com](mailto:dcollins@albanyairport.com)>; 'Douglas A. Bullock, Albany County Mass Transit Committee Chair' <[dbull4@verizon.net](mailto:dbull4@verizon.net)>; 'Eric Anderson' <[eanderson@timesunion.com](mailto:eanderson@timesunion.com)>; 'Frank Mauriello, Albany County Minority Leader' <[frank.mauriello@albanycounty.com](mailto:frank.mauriello@albanycounty.com)>; 'Fred Acunto' <[facunto@albanyairport.com](mailto:facunto@albanyairport.com)>; 'George Penn (Albany County)' <[george.penn@albanycountyny.gov](mailto:george.penn@albanycountyny.gov)>; 'Jill Bryce' <[news@dailygazette.net](mailto:news@dailygazette.net)>; 'John DelBalso' <[jdelbalso@albanyairport.com](mailto:jdelbalso@albanyairport.com)>; 'Kelly Boyea (Albany County)' <[kelly.boyea@albanycountyny.gov](mailto:kelly.boyea@albanycountyny.gov)>; 'Majority Leader Dennis Feeney' <[dennis.feeney@albanycountyny.gov](mailto:dennis.feeney@albanycountyny.gov)>; 'Mike DeMasi' <[mdemasi@bizjournals.com](mailto:mdemasi@bizjournals.com)>; 'Pam Allen' <[pallen@bizjournals.com](mailto:pallen@bizjournals.com)>; 'Pete Rea ([prea@dot.state.ny.us](mailto:prea@dot.state.ny.us))' <[prea@dot.state.ny.us](mailto:prea@dot.state.ny.us)>; 'Spotlight News' <[news@spotlightnews.com](mailto:news@spotlightnews.com)>; 'WRGB News' <[news@wrgb.com](mailto:news@wrgb.com)>  
**Subject:** Special Meeting - Monday, March 11, 2019 at 11:30 a.m.

ALBANY COUNTY AIRPORT AUTHORITY

SPECIAL MEETING

NOTICE

Notice is hereby given of the following special meeting of the Albany County Airport Authority:

The Albany County Airport Authority will hold a Special Meeting on Monday, March 11, 2019 at 11:30 a.m. The meeting will be held in the 3rd Floor Conference Room located in the Main Terminal at the Albany International Airport, Albany, New York.

# **AGENDA ITEM NO. 1**

## **Chairman's Remarks**



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

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**ALBANY COUNTY AIRPORT AUTHORITY**  
**2019 OFFICERS**

ACAA Approved  
03/18/2019

Chair - Rev. Kenneth Doyle (Elected 03/26/14)  
Patricia M. Reilly, Vice-Chair (Elected 02/01/2016)  
Anthony Gorman, Treasurer (Elected 08/14/2017)  
Lyon M. Greenberg, M.D., Secretary (Elected 09/18/2017)

**2019 COMMITTEE ASSIGNMENTS**

**Finance & Administration** (Established: January 10, 1994)  
Anthony Gorman, Chair  
Steven H. Heider  
Lyon M. Greenberg, M.D.

ACAA Concurrence with  
Committee Assignments  
03/18/2019

**Audit** (Established: May 1, 2006) **CHARTER**  
Lyon M. Greenberg, M.D., Chair  
Kevin R. Hicks, Sr.  
Anthony Gorman

**Personnel** (Established: January 10, 1994)  
Anthony Gorman, Chair  
Steven H. Heider  
Lyon M. Greenberg, M.D.

**Operations** (Established: January 10, 1994)  
Patricia M. Reilly, Chair  
Steven H. Heider  
Kevin R. Hicks, Sr.

**By-Laws** (Established: January 10, 1994)  
Steven H. Heider, Chair  
Samuel A. Fresina  
Kevin R. Hicks, Sr.

**Public Communications** (Established: January 10, 1994)  
Patricia M. Reilly, Chair  
Lyon M. Greenberg, M.D.  
Samuel A. Fresina

**Governance** (Established: May 1, 2006) **CHARTER**  
Kevin R. Hicks, Sr., Chair  
Samuel A. Fresina  
Patricia M. Reilly

## **AGENDA ITEM NO. 2**

### **Approval of Minutes**

**Minutes of the Special Meeting of the Albany  
County Airport Authority**

**January 11, 2019**



ALBANY COUNTY AIRPORT AUTHORITY  
 ALBANY INTERNATIONAL AIRPORT  
 ADMINISTRATION BUILDING  
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ACAA Approved  
 03/18/2019

**Minutes of the Special Meeting of the Albany County Airport Authority**

**January 11, 2019**

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Friday, January 11, 2019 @ 11:30 a.m. in the 3<sup>rd</sup> Floor Conference Room of the main terminal located at the Albany International Airport by Chairman Kenneth J. Doyle with the following present:

**MEMBERS PRESENT**

Rev. Kenneth J. Doyle  
 Patricia M. Reilly  
 Tony Gorman  
 Kevin R. Hicks  
 Steven H. Heider  
 Samuel A. Fresina

**MEMBERS ABSENT**

Lyon M. Greenberg, M.D.

**STAFF**

John A. O'Donnell  
 William J. O'Reilly  
 Peter Stuto  
 Steve Iachetta  
 Liz Charland  
 Helen Chadderdon  
 Doug Myers  
 John LaClair

**ATTENDEES**

Fred Acunto, Airport Manager, AvPorts  
 John DelBalso, Assistant Airport Manager, AvPorts  
 Ray Casey, Airport Consultant  
 Bart Johnson, Federal Security Director, TSA  
 Eric Anderson, Times Union

**Action Items:**

**1. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**

**1.1 Professional Services Contract: Contract No. S-969 Construction Management Services with Turner Construction Company.**

Mr. Stuto recommended authorization to award Professional Services Contract: Contract No. S-969 Construction Management Services with Turner Construction Company in an amount not-to-exceed \$600,000. He advised in August of 2018 the Board approved the selection of Turner Construction Company as the Construction Manager for the Garage and Terminal Improvement Project and staff then negotiated a Scope of Work and fee schedule. The funding will come from a combination of NYSDOT grant funds, Airport Authority funds and FAA AIP Funds. The percentages are not yet fully determined but are approximately 52% State, 41% Airport and 6% Federal.

Mr. Hicks moved to authorize the award of Professional Services Contract S-969 for Construction Management Services for the Garage and Terminal Improvement Project with Turner Construction for an amount not-to-exceed \$600,000. The motion was adopted unanimously.

**1.2 Concession Contract: Approve Amendment No. 2 to Concession Contract No. 566-CON-FB: FOOD & BEVERAGE CONCESSION AGREEMENT**

Mr. O'Reilly recommended authorization to approve Amendment No. 2 to the Food & Beverage Agreement with Host International, Inc. (HMS Host). He advised this Amendment will add the current McDonald's space to the HMS Host assigned area; HMS Host will fit-up and operate in the space as Burger King. HMS shall fit the space up to industry standards for the brand chosen, estimated to cost \$725,000. The Authority will reimburse HMS \$270,000 of that cost; the final 5-year option term will be exercised to extend the term of the agreement to December 31, 2029; HMS will enter a joint venture with an Airport Concession Disadvantaged Business Enterprise (ACDBE) for the new location. The ACDBE will have a 20% interest in Burger King concession; the Minimum Annual Guaranty (MAG) will be increased in the year 2020 by \$70,000 per year, from \$620,000 per year to \$690,000 per year; and the payment to the Authority as a percent of Gross Revenue attributable to the newly assigned area will be

Percent Payment	Gross Revenue
8%	\$0 - \$1,000,000
11%	\$1,000,001-\$1,400,000
15%	Greater than \$1,400,001

Mr. Fresina moved to authorize said Amendment No. 2 to concession contract 566-CON-FB with Host International, Inc. (HMS Host). The motion was adopted unanimously.

**1.3 Construction Contract: Contract No. 989-PC Parking Garage Precast Concrete**

Mr. LaClair recommended authorization to award Contract 989-PC for the Parking Garage Expansion Precast Concrete to Unistress Corp. of Pittsfield, MA for \$10,400,000. The contract scope includes fabricating all precast concrete pieces needed to construct a 5 level (1000 car) precast double Tee beam parking garage. The contract also includes the delivery and the erection of all the pieces per the contract drawings. A signed PLA agreement is included in the contract documents for this project. Award of this contract is pending NYSDOT concurrence.

Mr. Hicks moved to authorize the award of Contract 989-PC for the Parking Garage Expansion Precast Concrete with Unistress Corp. of Pittsfield, MA for \$10,400,000 contingent upon NYSDOT concurrence. The motion was adopted unanimously.

Father Doyle made a motion to go into Executive Session to discuss:

1. Matter relative to a particular corporation; and
2. Matter relating to the employment history of a particular individual.

The motion was adopted unanimously.

Father Doyle made a motion to out of Executive Session. The motion was adopted unanimously.

There being no further business, the meeting was adjourned at 12:15 p.m.



ALBANY COUNTY AIRPORT AUTHORITY  
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**ALBANY COUNTY AIRPORT AUTHORITY  
REGULAR MEETING  
AGENDA**

**January 11, 2019**

- 1. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**
  - 1.1 Professional Services Contract: Contract No. S-969 Construction Management Services with Turner Construction Company.**
  - 1.2 Concession Contract: Approve Amendment No. 2 to Concession Contract No. 566-CON-FB: FOOD & BEVERAGE CONCESSION AGREEMENT**
  - 1.3 Construction Contract: Contract No. 989-PC Parking Garage Precast Concrete TO BE HANDED OUT AT MEETING**
  
- 2. Executive Session:**
  - ES-1 – Matter Concerning the Hiring of a Particular Corporation**
  - ES-2 – Matter Relating to the Employment History of a Particular Individual**

**Minutes of the Regular Meeting of the  
Albany County Airport Authority**

**February 8, 2019**



ALBANY COUNTY AIRPORT AUTHORITY  
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**Minutes of the Regular Meeting of the Albany County Airport Authority**

ACAA Approved  
 03/18/2019

**February 8, 2019**

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Friday, February 8, 2019 @ 11:30 a.m. in the 3<sup>rd</sup> Floor Conference Room of the main terminal located at the Albany International Airport by Chairman Kenneth J. Doyle with the following present:

**MEMBERS PRESENT**

Rev. Kenneth J. Doyle  
 Patricia M. Reilly  
 Lyon M. Greenberg, M.D.  
 Tony Gorman  
 Kevin R. Hicks  
 Steven H. Heider

**MEMBERS ABSENT**

Samuel A. Fresina

**STAFF**

John A. O'Donnell  
 William J. O'Reilly  
 Peter Stuto  
 Steve Iachetta  
 Helen Chadderdon  
 Doug Myers  
 John LaClair  
 Margaret Herrmann  
 Jenn Munger

**ATTENDEES**

Fred Acunto, Airport Manager, AvPorts  
 John DelBalso, Assistant Airport Manager, AvPorts  
 Bart Johnson, Federal Security Director, TSA  
 Captain Doug Vogel, Albany County Sheriff's Department

**Action Items:**

**1. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**

**1.1 Contract No. E-1000 – Aircraft Fueling Vehicle**

Mr. O'Reilly recommended authorization to purchase one Aircraft Fueling Vehicle from ProFlo Industries, LLC for use by Million Air in servicing commercial and general aviation aircrafts in the amount of \$221,470.00.

He advised the purchase of an additional aircraft fueling vehicle will supplement our fleet of fueling equipment used for commercial and general aviation aircrafts. He further advised the delivery is 120 days after receipt of order. He stated this contract will be funded from CPN account number 2290 and is 100% airport funded.

Mr. Hicks moved to authorize a purchase of order for the purchase of one Aircraft Fueling Vehicle from ProFlo Industries, LLC for use by Million Air in servicing commercial and general aviation aircrafts in the amount of \$221,470. The motion was adopted unanimously.

**1.2 Contract No. 409-F Amendment No. 8 – Airport Rates and Charges Consultant – LeighFisher, Inc.**

Mr. O'Reilly recommended Amendment No. 8 of the contract with our Airport Rates and Charges Consultant, LeighFisher, Inc. Mr. O'Reilly stated Amendment No. 8 amount is estimated at \$120,000 over a two-year period.

Mr. Heider moved to authorize said Amendment No. 8 to the Airport Rates and Charges Consultant – LeighFisher, Inc. in the amount of \$120,000 over a two-year period. The motion was adopted unanimously.

**1.3 Contract No. 990-PARCS – Parking Access Revenue Control System**

Mr. O'Reilly recommended authorization to approve the PARCS Equipment contract with Amano McGann, Inc. for Parking Access and Revenue Control Systems (PARCS) Equipment and Installation in the amount of \$3,029,600.66.

Mr. O'Reilly advised Amano McGann was selected pursuant to a competitive procurement and after selection the Authority increased the scope of the work by adding necessary equipment on a predetermined unit price basis. He also stated this contract will be funded from CPN 2290 and is 75% state funded and 25% airport funded, but the percentages will vary with the final project costs.

The final contract will require approval of the New York State Department of Transportation and the contract will include an MWBE participation of 20%.

Dr. Greenberg moved to authorize said PARCS Equipment contract with Amano McGann for Parking Access and Revenue Control Systems (PARCS) Equipment and Installation in the amount of \$3,029,600.66. The motion was adopted unanimously.

**1.4 SELECTION/NEGOTIATIONS: Authorization to Select Professional Services Contract 999-I for Construction Inspection for the New Parking Garage with Creighton Manning, LLP (Construction Inspection)**

Mr. LaClair recommended Selection of Professional Services Contract 999-I for Construction Inspection for the New Parking Garage with Creighton Manning, LLP (Construction Inspection). He advised Creighton Manning LLP, of Albany, NY scored the highest by the evaluation committee for the RFP sent out, for the Project and the project includes onsite construction inspection and record keeping, material testing and Special Inspections per Albany County Building Codes.

Mr. Gorman moved to authorize Selection of Professional Services Contract 999-I for Construction Inspection for the New Parking Garage with Creighton Manning, LLP (Construction Inspection). The motion was adopted unanimously.

**1.5 Professional Service Contract: Authorization to Award Professional Services Contract 999-I for Construction Inspection for the New Parking Garage with Creighton Manning, LLP**

Mr. LaClair recommended authorization to award Professional Services Contract 999-I for Construction Inspection for the New Parking Garage with Creighton Manning, LLP (Construction Inspection) in the amount of \$400,000. He advised this contract will be funded from CPN and will be 52% state funded and 48% Airport funded.

Dr. Greenberg moved to authorize the award of Contract 999-I for Construction Inspection for the New Parking Garage with Creighton Manning, LLP (Construction Inspection) in the amount of \$400,000. The motion was adopted unanimously.

**1.6 Contract No. 989-SF – Parking Garage Site Work and Foundations**

Mr. O'Donnell recommended authorization to award Contract 989-SF Parking Garage Site Work and Foundations to the qualified low bidder, LeChase Construction Services, LLC in the amount of \$8,821,000 contingent upon satisfying completion of the pre-award submittals. He advised this contract will be funded from CPN 2261 and will be 55%+/- state funded and 45%+/- airport funded.

Ms. Reilly moved to authorize the award of Contract No. 989-SF for Parking Garage Site Work and Foundations with LeChase Construction Services, LLC in the amount of \$8,821,000 contingent upon satisfying completion of the pre-award submittals. Also, in the event that the low bidder cannot fulfill the requirements of the pre-award submittals, the CEO shall be authorized to award to the second low bidder, D.A. Collins Construction. The motion was adopted by majority with Mr. Gorman recusing himself.

**1.7 Professional Service: Authorization for Professional Services Contract S-1005 for consulting services with Raymond W. Casey for two years 2019 and 2020.**

Mr. O'Donnell recommended authorization to award Professional Services Contract S-1005 for consulting services to Raymond W. Casey for two years 2019 and 2020 in the amount not-to-exceed \$50,000. The contract will be funded from the Operating Budget.

Father Doyle moved to authorize Professional Service Contract No. S-1005 for Consulting Services to Raymond W. Casey for two years in the amount not-to-exceed \$50,000. The motion was adopted unanimously.

**1.8 Contract No. S-1004 - Financial Advisor Agreement with PARG (Public Resource Advisory Group)**

Mr. O'Reilly recommended authorization to award professional service contract S-1004 Financial Advisor Agreement with PARG (Public Resource Advisory Group) for a term effective February 1, 2019 through January 31, 2024. He advised the fees are based upon services which vary with finance transactions.

Mr. O'Reilly also advised the Authority contemplates entering the financial markets in the near term to take advantage of refunding opportunities and may issue additional financing.

Mr. Heider moved to authorize Professional Service Contract No. S-1004 Financial Advisor Agreement with PARG (Public Resource Advisory Group). The motion was adopted unanimously.

**1.9 Banking Services Agreement: Approve Bank form of Resolution and Authorize Secretary to Sign (Community Bank)**

Mr. O'Reilly recommended authorization to have the Authority Secretary sign the Corporate Authorization Resolution provided by Community Bank. He advised the Authority entered into a Line of Credit with Community Bank and agreed to open a bank account to receive and repay advances from the Line of Credit. Community Bank has requested the Authority's Secretary Sign a resolution. Our General and Bank Line of Credit Counsel have agreed to have the Board adopt this resolution and the Secretary Execute it with the CFO.

Father Doyle moved to authorize the Authority Secretary to sign the Corporate Authorization Resolution. The motion was adopted unanimously.

**2. Public Affairs Report (Regarding Government Shutdown & Community Response)**

Mr. Myers presented a Public Affairs Status Report regarding the government shutdown and the community response.

**3. Executive Session:**

**ES-1 – Matter Concerning the Hiring of a Particular Corporation**

Father Doyle made a motion to go into Executive Session to discuss one matter relative to a particular corporation. The motion was adopted unanimously.

Father Doyle made a motion to out of Executive Session. The motion was adopted unanimously.

There being no further business, the meeting was adjourned at 1:00 p.m.



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**ALBANY COUNTY AIRPORT AUTHORITY  
REGULAR MEETING  
AGENDA  
February 8, 2019**

- 1. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**
  - 1.1 Contract No. E-1000 – Aircraft Fueling Vehicle**
  - 1.2 Contract No. 409-F Amendment No. 8 – Airport Rates and Charges Consultant – LeighFisher, Inc.**
  - 1.3 Contract No. 990-PARCS – Parking Access Revenue Control System**
  - 1.4 Selection: Authorization to Select Professional Services Contract 999-I for Construction Inspection for the New Parking Garage with Creighton Manning, LLP (Construction Inspection)**
  - 1.5 Professional Service Contract: Authorization to Award Professional Services Contract 999-I for Construction Inspection for the New Parking Garage with Creighton Manning, LLP**
  - 1.6 Contract No. 989-SF – Parking Garage Site Work and Foundations – TO BE HANDED OUT AT MEETING**
  - 1.7 Professional Service: Authorization for Professional Services Contract S-1005 for consulting services with Raymond W. Casey for two years 2019 and 2020.**
  - 1.8 Contract No. S-1004 - Financial Advisor Agreement with PARG (Public Resource Advisory Group)**
  - 1.9 Banking Services Agreement: Approve Bank form of Resolution and Authorize Secretary to Sign (Community Bank)**
- 2. Public Affairs Report (Regarding Government Shutdown & Community Response)**
- 3. Executive Session:**

**ES-1 – Matter Concerning the Hiring of a Particular Corporation**

**Minutes of the Special/Informational Meeting  
of the Albany County Airport Authority**

**March 11, 2019**



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**Minutes of the Special/Informational Meeting of the Albany County Airport Authority**

**March 11, 2019**

ACAA  
 Approved  
 03/18/2019

Pursuant to notice duly given and posted, the Special/Informational meeting of the Albany County Airport Authority was called to order on Monday, March 11, 2019 @ 11:30 a.m. in the 3<sup>rd</sup> Floor Conference Room of the main terminal located at the Albany International Airport by Chairman Kenneth J. Doyle with the following present:

**MEMBERS PRESENT**

Rev. Kenneth J. Doyle  
 Patricia M. Reilly  
 Lyon M. Greenberg, M.D.  
 Steven H. Heider  
 Samuel A. Fresina

**MEMBERS ABSENT**

Tony Gorman  
 Kevin R. Hicks

**STAFF**

John A. O'Donnell  
 William J. O'Reilly  
 Peter Stuto  
 Margaret Herrmann  
 John LaClair  
 Steve Iachetta  
 Liz Charland  
 Helen Chadderdon  
 Doug Myers

**ATTENDEES**

Fred Acunto, Airport Manager, AvPorts  
 John DelBalso, Assistant Airport Manager, AvPorts  
 Michael DeMasi, Business Review  
 Deirdre Hargrave, Communications Manager, Gramercy Communications  
 Michael LaMontagne, R.A., Project Manager, C&S Engineers, Inc.  
 Robert Wagner, LEED, AP, Project Manager, Turner Construction Company  
 Captain Stephen Dorsey, ARFF, Union President IAFF

**Action Items:**

1. **Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**
  - 1.1 **Lease: Approve four month extension of Lease in Terminal with Federal General Services Administration (GSA)**

Mr. Stuto recommended authorization to approve a four month extension of a lease in the terminal with Federal General Services Administration (GSA)

Mr. Stuto advised that the United States General Service Administration (GSA) and the Authority entered into a twenty-year lease agreement, effective March 15, 1999, for the rental of the Air Traffic Control Tower including maintenance and associated indirect costs. The FAA Control Tower was constructed and financed by the Authority in 1998. The lease agreement was amended three times through 2005 and expires March 15, 2019. The GSA has requested a (4) four month extension through July 15, 2019 to finalize a capital improvement plan to be administered and funded by the Authority and to negotiate new lease terms and rates. The GSA's has expressed interest in a new lease term of ten or twenty years at rates determined by negotiation, that will become effective March 16, 2019, superseding the current rates continued by the extension. Current estimates of the Control Tower Capital Improvement project are in the range of \$1.5 million based upon a capital needs assessment report the Authority obtained at the request of the GSA and separate elevators improvement/replacement quotes.

Mr. Heider moved to authorize a four month lease extension in the terminal with federal General Services Administration (GSA). The motion was adopted unanimously.

**2. Mr. O'Donnell Introduced Presenters on the Major Capital Projects at the Albany International Airport**

**Presentation on Governor's Airport Modernization Program**

1. Terminal Amenities – Presenter: Michael LaMontagne, R. A. Project Manager
2. New 1,000 Car Parking Garage – John LaClair, P.E., Airport Engineer
3. Progress Report on Schedules and Estimates – Robert Wagner, LEED, AP, Project Manager, Turner Construction Company

**Presentation on FAA 2019 Grant Program**

4. 2019 AIP Program – Steve Iachetta, A.I.C.P., Airport Planner

There being no further business, the meeting was adjourned at 12:20 p.m.



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**ALBANY COUNTY AIRPORT AUTHORITY  
SPECIAL/INFORMATIONAL MEETING**

**AGENDA**

**March 11, 2019**

**Action Item:**

- 1. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**
  - 1.1 Lease: Approve four month extension of Lease in Terminal with Federal General Services Administration (GSA)**
- 2. Update on schedule, estimates and design of Parking Garage and Terminal Improvements**

**AGENDA ITEM NO. 3**

**Communications and  
Report of Chief Executive Officer**



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SITE: [www.flyalbany.com](http://www.flyalbany.com)

**MEMO:** March 13, 2019

**TO:** Albany County Airport Authority Board Members

**FROM:** John A. O'Donnell, Chief Executive Officer

Attached is the report of significant events for the period through March 13, 2019 as well as forward-looking, noteworthy items. If you have any questions regarding this report, please let me know.



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## CHIEF EXECUTIVE OFFICER'S REPORT

March 2019

### **Airport is Awarded \$1.4 million Grant Through the NYSDOT Aviation Grant Program**

The grant awarded is to construct two large photovoltaic solar arrays and two canopies to cover about 211 cars. The canopies and solar panels will be located in the Long Term Lot. The grant value is \$1.4 million with a contribution from the airport of \$600,000. The total project value is \$2.0 million. The benefit to the airport is two-fold. One is that the project will provide clean energy that will be used to power the lighting fixtures in the garage and the second benefit is that the project will provide two covered walkways which will connect to existing covered walkways offering weather protection from the remote areas of the Long Term Lot to the Terminal.

The solar panels will produce about 423,000 kwh/year and the energy savings has been estimated to be about \$42,000 per year. The work will advance after the opening of the new 1,000 car parking garage in March of 2020.

### **Piedmont Maintenance Repair Overhaul**

Piedmont, a subsidiary of American Airlines began operation of an Albany Jet Maintenance, Repair and Overhaul (MRO) facility in January.

The facility assumed the former Eclipse hangar that was being used to store general aviation aircraft. Piedmont approached the Authority about a year ago with a proposal that included the replacement of the original hangar door that was too short to provide adequate clearance for the tails of their regional jets. The enlarged hangar door was completed in the Fall of 2018. The Piedmont lease generates \$300,000 in annual rent. Piedmont has requested additional office space on the airport campus.

Piedmont's employment has increased to 36 individuals and the airline continues to recruit additional aircraft mechanics and techs.

A number of the Piedmont employees came from a large aircraft maintenance facility that was shuttered this summer in Rome, NY.

# AIR SERVICE OVERVIEW AND INDUSTRY TRENDS ALBANY INTERNATIONAL AIRPORT

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Prepared for:



Prepared by:

**InterVISTAS**

a company of Royal HaskoningDHV

MARCH 18, 2019



# PRESENTATION AGENDA

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**U.S. INDUSTRY UPDATE**

2

**ALBANY AIR SERVICE OVERVIEW**

8

**AIR SERVICE OPPORTUNITIES**

18

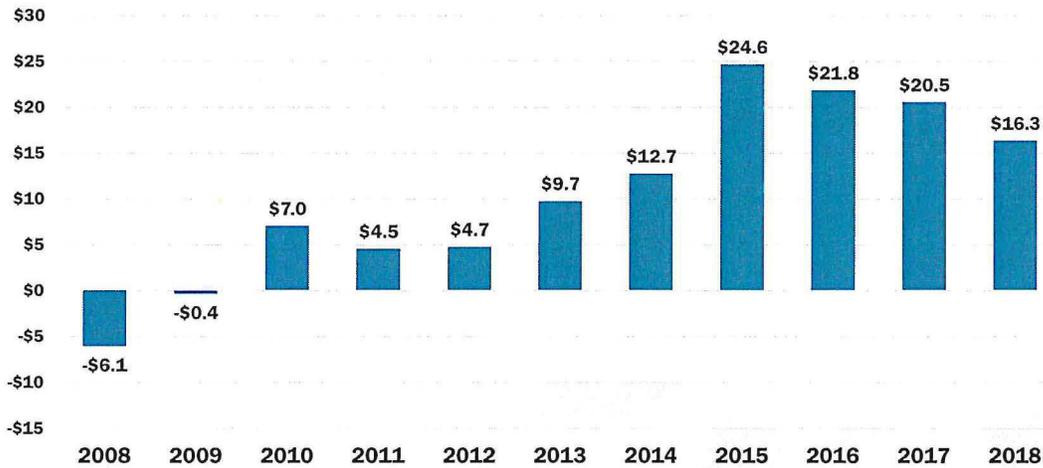


# U.S INDUSTRY UPDATE

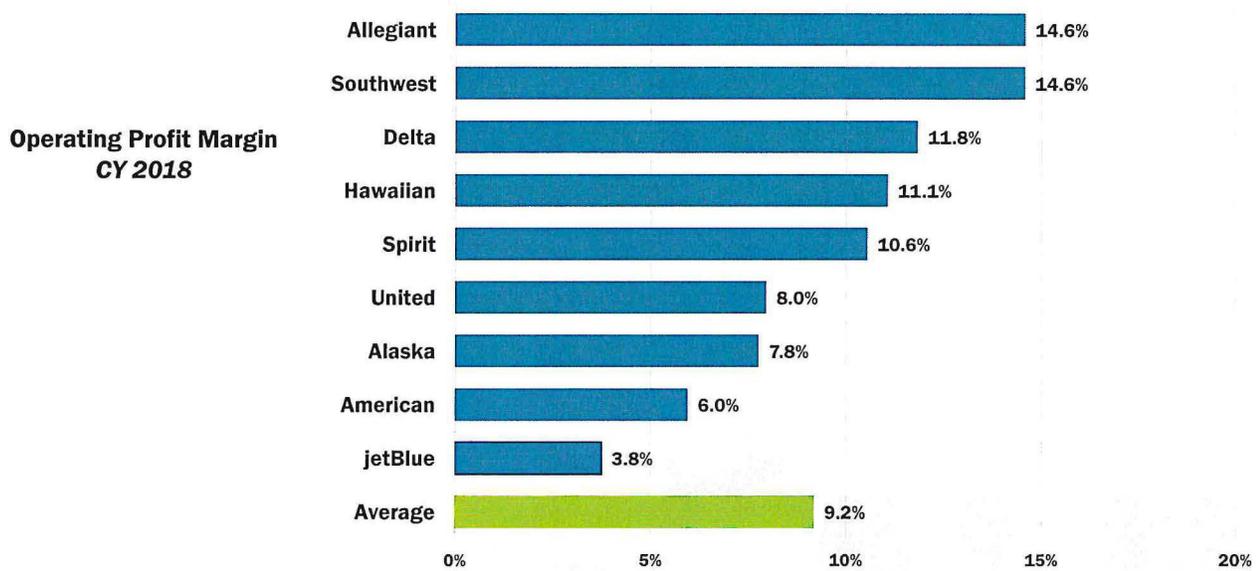


# DURING THE CURRENT BUSINESS CYCLE, US AIRLINES HAVE EARNED NEARLY \$125 BILLION

Operating Profit (\$ Billions) for Major US Airlines  
CY 2008 - CY 2018

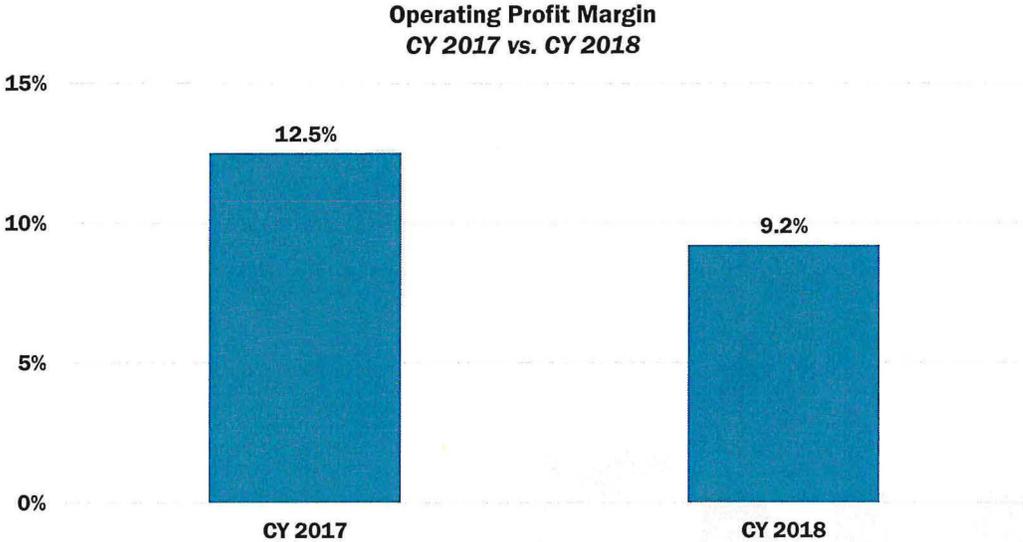


## OPERATING MARGINS FOR 2018 AVERAGED 9.2%...



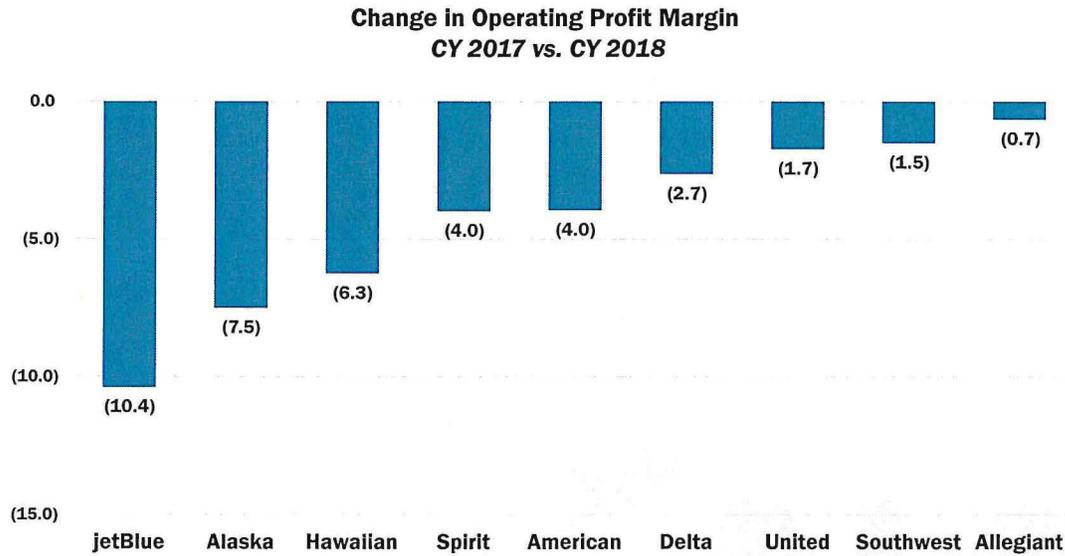
Note: Frontier has not reported CY 2018 financials.  
Source: Carrier Financial Reports.

**... OVER THREE PERCENTAGE POINTS LOWER THAN THE PRIOR YEAR –  
FUEL EXPENSE INCREASED 31%**



Note: Frontier has not reported CY 2018 financials.  
Source: Carrier Financial Reports.

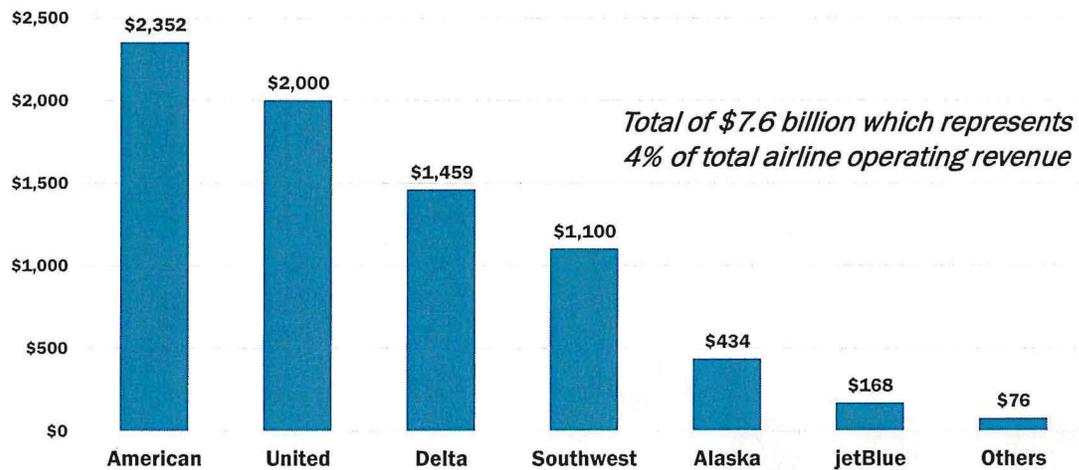
## JETBLUE HAD THE LARGEST DECLINE IN OPERATING MARGIN AMONG THE MAJOR AIRLINES – TOTAL EXPENSE UP 22% COMPARED TO US AVERAGE OF 11%



Note: Frontier has not reported CY 2018 financials.  
Source: Carrier Financial Reports.

# CO-BRANDED CREDIT CARD REVENUE HAS BECOME A MAJOR DRIVER OF AIRLINE PROFITS

Co-Branded Credit Card Revenue (\$ Millions)  
CY 2018



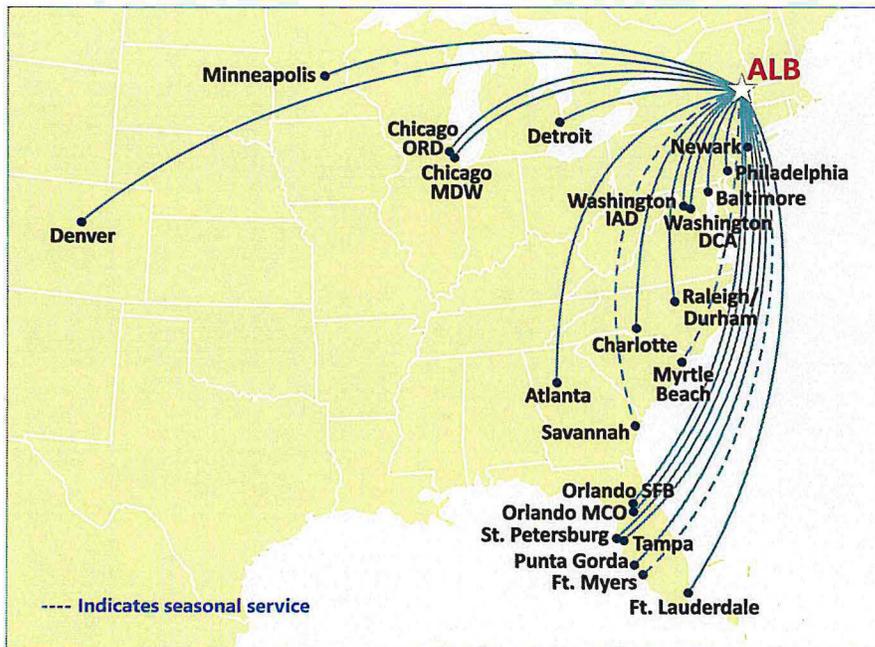


**ALB AIR SERVICE OVERVIEW**

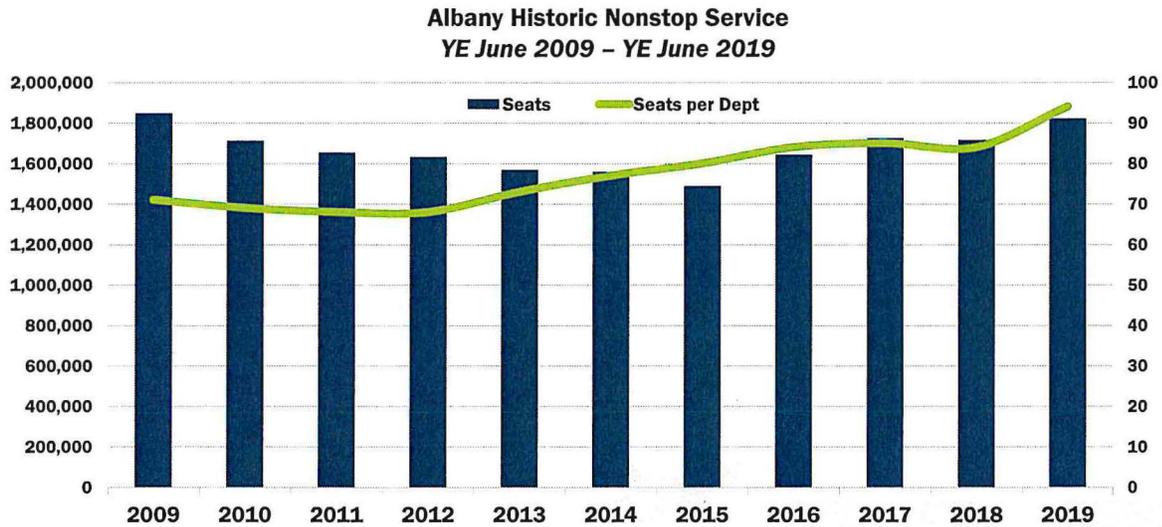


# ALBANY'S UPCOMING SERVICE PATTERN CONSISTS OF 55 PEAK DAY DEPARTURES TO 21 NONSTOP DESTINATIONS

Nonstop Routes  
June 2019



**OVER THE PAST FOUR YEARS, SEAT CAPACITY FROM ALBANY HAS INCREASED 23% - AVERAGE SEATS PER DEPARTURE INCREASED BY 14**



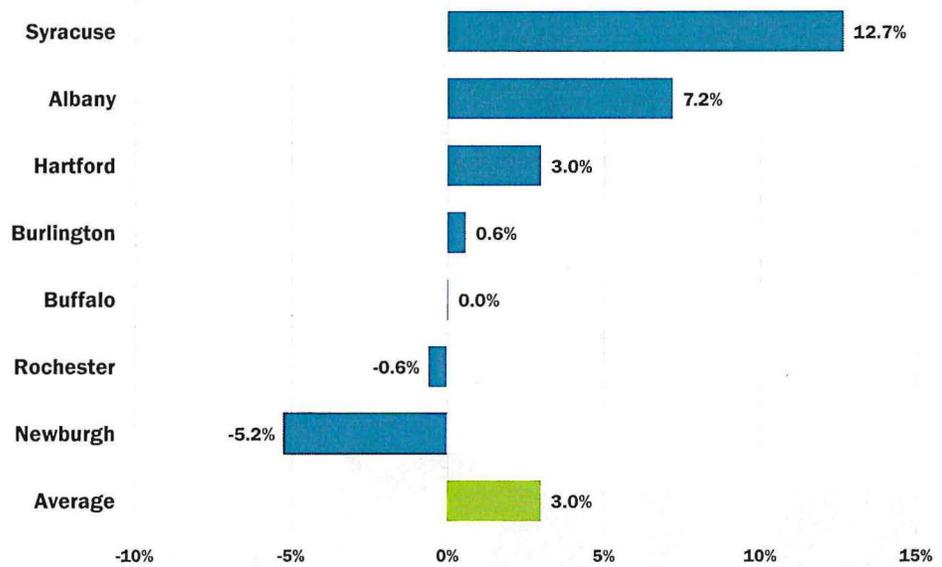
*Small Hub Average % Increase in seats 2015-2019: 25%*



Note: Percent changes for the 2019 vs 2015 period.  
Source: Innovata Schedules, via Dlio.

# ALBANY'S RECENT CAPACITY GROWTH COMPARES WELL AGAINST PEER AIRPORTS

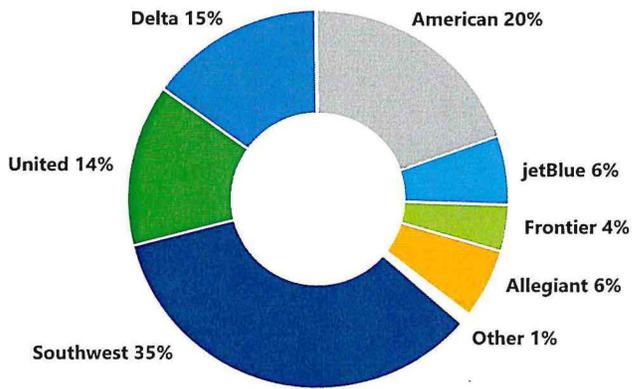
Percent Change in Capacity  
YTD June 2018  
vs.  
YTD June 2019



Source: Innovata Schedules, via Dilo.

## ULCC'S ACCOUNT FOR 10% OF ALBANY'S CAPACITY AND SERVE EIGHT NONSTOP DESTINATIONS

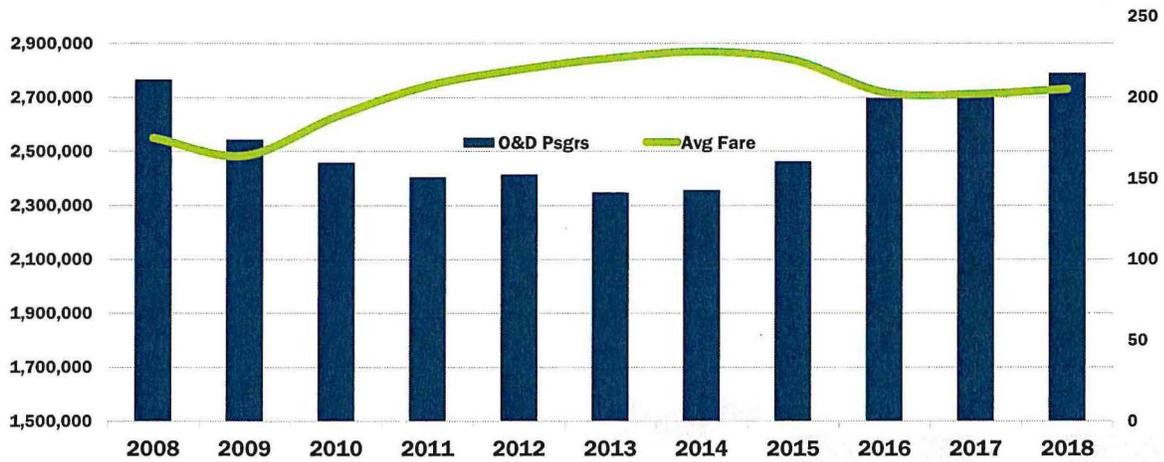
Albany Capacity Share by Carrier  
YTD June 2019



Source: Innovata Schedules, via Dilo.

**OVER THE LAST FIVE YEARS, ALBANY'S O&D PASSENGERS HAVE INCREASED 19%, WHILE THE AVERAGE FARES DECREASED 9%**

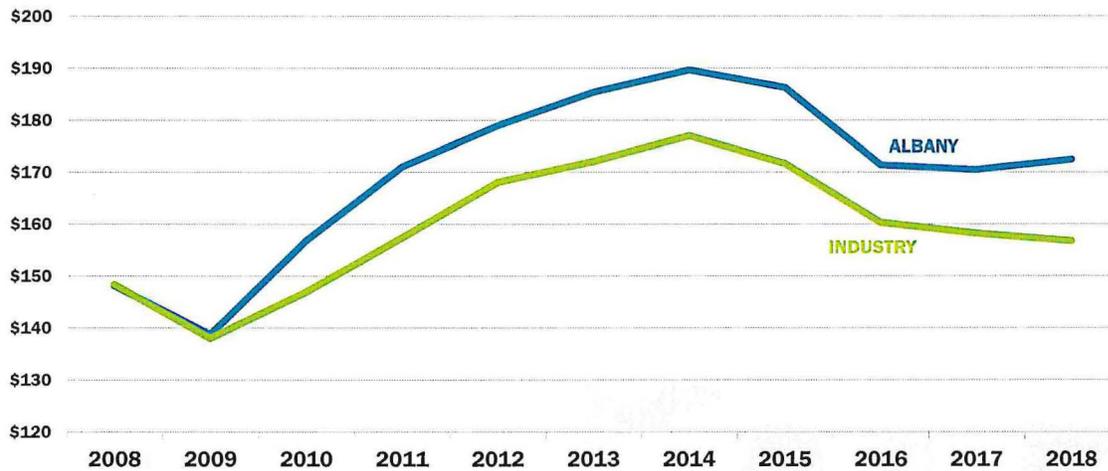
Albany Historic O&D Passengers and Average Fares  
YE 3Q 2008 – YE 3Q 2018



Note: Percent changes for the 2017 vs 2012 period.  
Source: USDOT, O&D Survey, via Dlio.

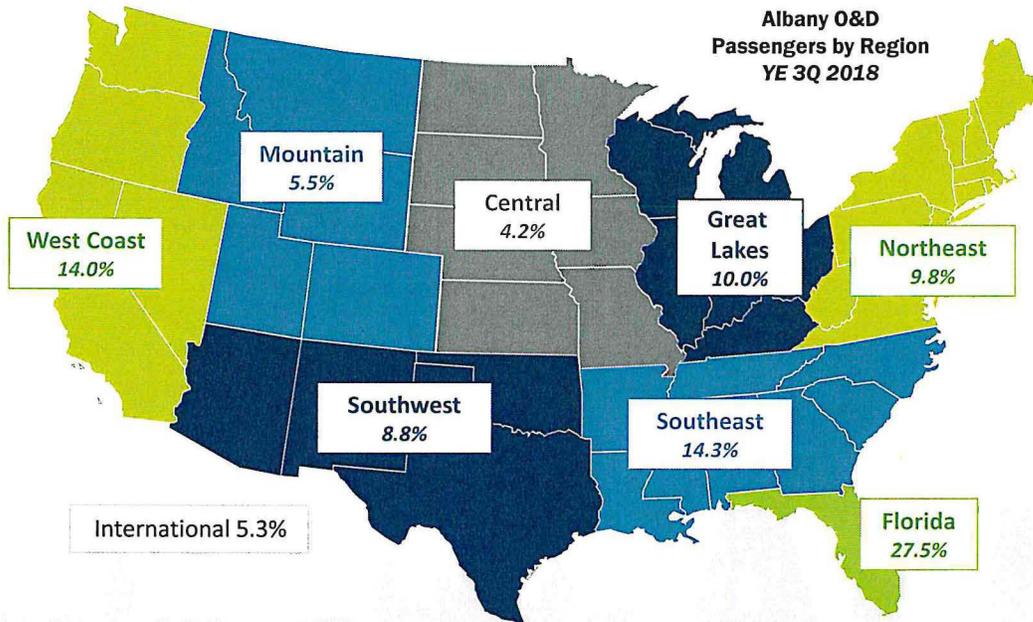
## OVER THE LAST EIGHT YEARS, ALBANY'S DOMESTIC FARES HAVE BEEN ON AVERAGE 8% HIGHER THAN THE INDUSTRY – THE GAP WIDENED IN 2018

Stage Adjusted Average Domestic One-Way Fares  
YE 3Q 2008 – YE 3Q 2018



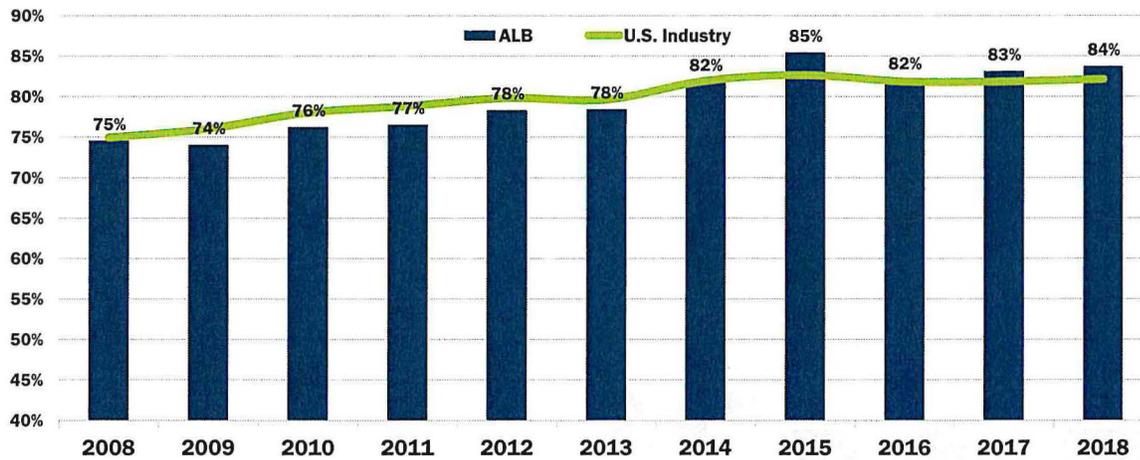
Note: Stage adjusted fares to 1,000 miles.  
Source: USDOT, O&D Survey, via Dlio.

## FLORIDA IS THE LARGEST REGION FOR ALBANY PASSENGERS, ACCOUNTING FOR OVER ONE-FOURTH OF THE TOTAL



## ALBANY'S LOAD FACTORS HAVE BEEN PERFORMING WELL THE PAST FIVE YEARS AND ARE AT OR ABOVE THE INDUSTRY AVERAGE

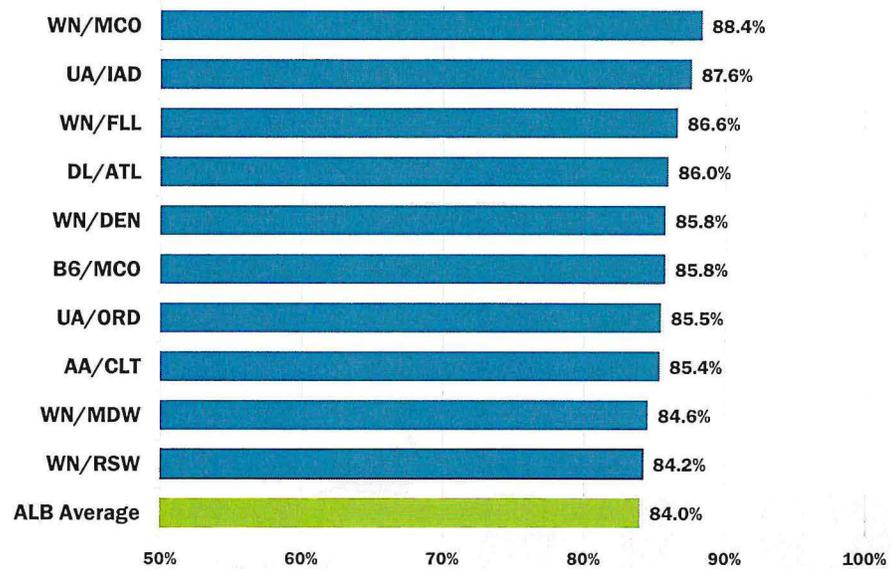
ALB Historic Load Factors  
YE November 2008 – YE November 2018



Note: Percent changes for the 2017 vs 2012 period.  
Source: Innovata Schedules, via Diio.

## NINE ALBANY MARKETS OPERATE WITH LOAD FACTORS AT 85% OR HIGHER

Top 10 Albany Markets  
Based on Load Factors  
YE November 2018





**ALB AIR SERVICE DEVELOPMENT**



**AIRLINE STRATEGIES  
AND INDUSTRY DYNAMICS  
NEED TO BE CONSIDERED  
WHEN PRIORITIZING  
OPPORTUNITIES**



- ▶ Needs of the business community
- ▶ Target carrier existing share in the potential markets – carriers do not want to dilute their current markets served.
- ▶ Appropriate sized aircraft availability
- ▶ Carrier service growth trends at target hubs. Is the carrier expanding in markets similar to Albany?
- ▶ Seasonal passenger demand. Could the target market be served initially on a peak season basis.
- ▶ Can the new service complement the carriers existing service.
- ▶ Albany’s ranking of unserved markets from the target hub.

## ALBANY ENJOYS NONSTOP SERVICE TO NINE OUT OF THEIR TOP 10 O&D MARKETS – TOP LARGEST UNSERVED MARKETS LOCATED IN THE FAR WEST

Top 30 Albany O&D Passenger Markets  
YE 3Q 2018

Rank	City	O&D	5-Year AAG	Served Nonstop	Rank	City	O&D	5-Year AAG	Served Nonstop
1	Orlando	289,717	7.2%	✓	16	Minneapolis	44,253	3.3%	✓
2	Fort Lauderdale	181,040	9.1%	✓	17	Houston	42,424	2.8%	
3	Tampa	135,504	0.9%	✓	18	San Diego	42,060	6.0%	
4	Chicago	121,050	0.8%	✓	19	Raleigh/Durham	38,691	1.3%	✓
5	Denver	102,002	12.6%	✓	20	Detroit	35,396	-0.8%	✓
6	Atlanta	100,585	7.2%	✓	21	Seattle/Tacoma	35,390	3.9%	
7	Baltimore	95,072	-5.8%	✓	22	Nashville	34,034	7.6%	
8	Washington	94,566	3.2%	✓	23	Jacksonville	30,378	7.5%	
9	Los Angeles	73,906	5.8%		24	Austin	29,820	6.6%	
10	Charlotte	65,063	3.0%	✓	25	New Orleans	29,080	10.0%	
11	Las Vegas	62,902	-5.6%		26	West Palm Beach	27,521	3.7%	
12	Dallas/Fort Worth	56,124	9.0%		27	Salt Lake City	25,706	5.8%	
13	San Francisco	54,750	1.1%		28	Portland	25,335	5.5%	
14	Phoenix	50,887	4.7%		29	Charleston	24,875	7.7%	
15	Fort Myers	49,302	8.9%	✓	30	St. Louis	22,455	0.0%	



Note: AAG indicates Average Annual Growth.  
Source: USDOT, O&D Survey, via Dilo.

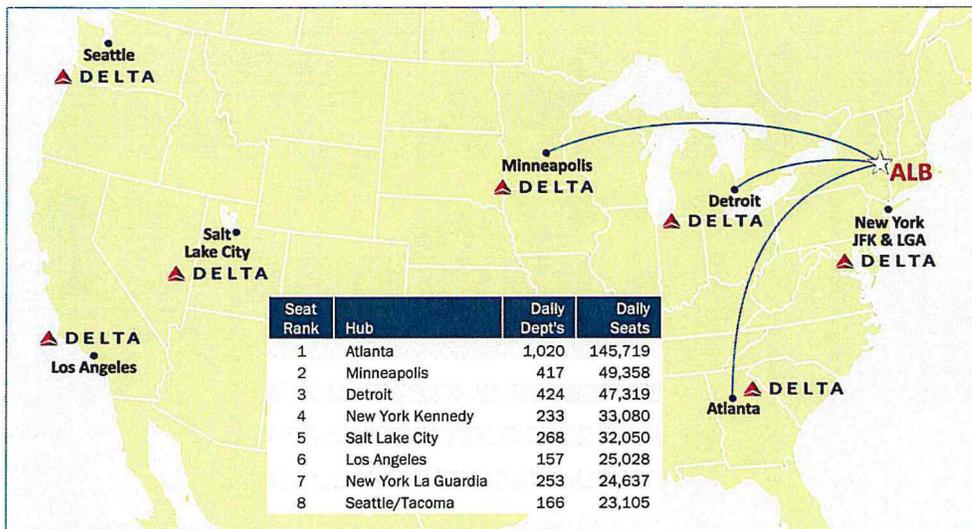
# AMERICAN'S SOUTHERN TIER HUBS ARE NOT CURRENTLY SERVED

American Airlines



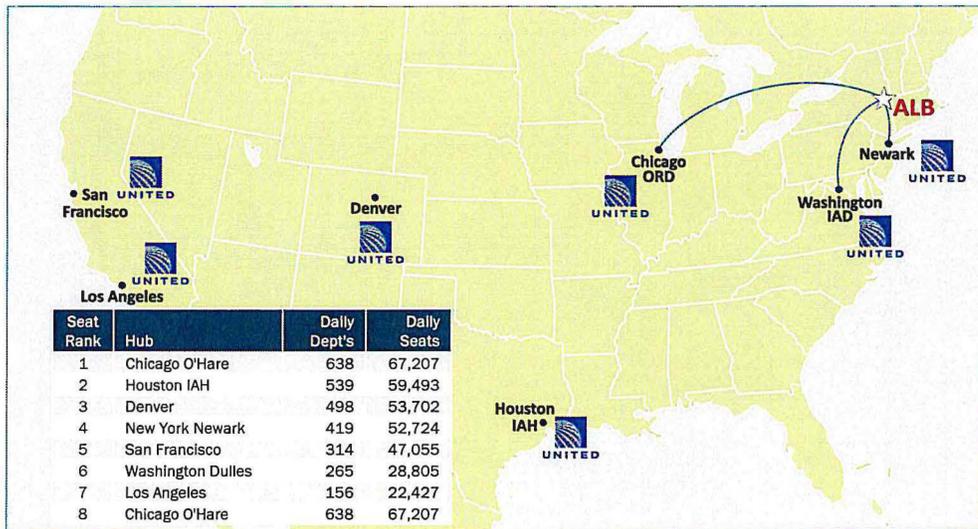
# DELTA AIR LINES PROVIDES SERVICE TO THEIR TOP THREE STATIONS FROM ALBANY

Delta Air Lines



# UNITED'S LONG-HAUL HUBS ARE NOT CURRENTLY SERVED

United Airlines



# SOUTHWEST SERVES FOUR OUT OF THEIR TOP 10 STATIONS FROM ALBANY

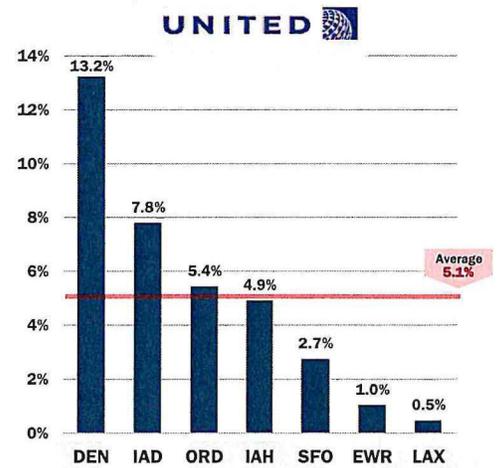
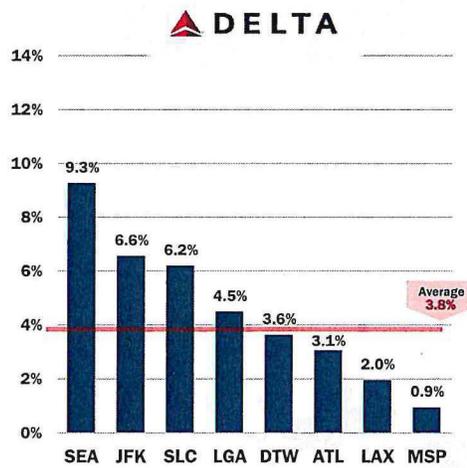
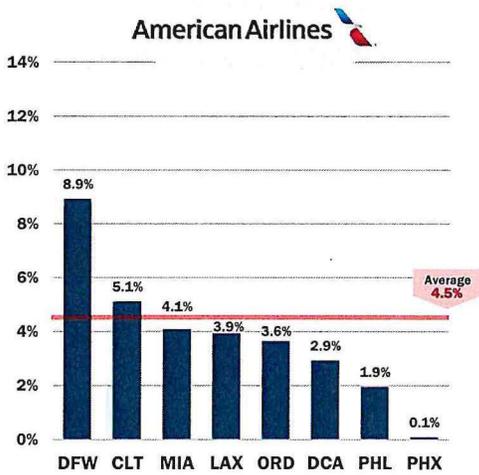
Seat Rank	Hub	Daily Dept's	Daily Seats
1	Chicago Midway	245	37,439
2	Denver	222	34,007
3	Baltimore-Washington	222	33,844
4	Las Vegas	209	31,809
5	Dallas Love Field	191	28,623
6	Phoenix	174	26,546
7	Houston Hobby	170	25,615
8	San Diego	127	19,245
9	Orlando	122	18,792
10	Oakland	122	18,687

Southwest also serves Fort Lauderdale, Fort Myers, and Tampa



# CURRENT GROWTH FOR THE BIG 3 AT THEIR TOP STATIONS

Percent Change in Capacity  
YTD June 2018 vs. YTD June 2019



## **ALBANY IS THE LARGEST DALLAS MARKET NOT SERVED ON A NONSTOP BASIS**



- ▶ Ranking based on local O&D
- ▶ Albany – Dallas O&D has been growing at an annual rate of 9% since 2013
- ▶ American is the logical candidate to approach to fill the nonstop void
- ▶ American is adding 13 new gates at DFW, allowing for major expansion opportunities
- ▶ American’s DFW current expansion is at a rate twice their system rate



## LAS VEGAS CONTINUES TO BE AN AIR SERVICE TARGET

- ▶ Previous service on Southwest connected a significant amount of passenger beyond LAS (46% of flight)
- ▶ Replacement carrier will need to rely on local demand to succeed
- ▶ ULCC's, who fly less than daily, are the most logical candidates
- ▶ 30 daily connections exist from Albany to Las Vegas
- ▶ At over 2,200 miles, the trip length may be problematic for ULCC airlines (crew issues)

## WEST COAST EXPANSION – ONE CITIES ATTEMPT TO SECURE SERVICE



- ▶ American will begin one daily roundtrip in the LAX-SDF market in April.
- ▶ A local Louisville coalition, Louisville regional Airlift Development or LRAD program – is using a \$3 million pool to backstop any losses.
- ▶ Much of that \$3 million is public money.
- ▶ Albany is the 63<sup>rd</sup> ranked Los Angeles O&D market (73,900 annual)
- ▶ 35 daily connections exist from Albany to Los Angeles
- ▶ LAX markets in the 2000-2500 mile range, that are currently served, have annual O&D volumes, that at a minimum are over twice as large as ALB (150,000 annual)

## OTHER POTENTIAL EXPANSION TARGETS INCLUDE; DENVER, NASHVILLE, AND MIAMI

---



## **AGENDA ITEM NO. 4**

### **Interesting Correspondence**



Shirley R. Brown  
9 June Dr  
Albany, NY 12211



Mr. John O'Donnell  
CEO

Getaway International Airport  
737 Getaway - Shaker Rd  
Getaway, N.Y.  
12211

Authenticity Blog

John,

Thanks so much  
for the lovely  
surprise party and  
gifts.

I would also like to  
thank you for the  
ways you always  
cooperated with me  
and helped me to get the  
information center where  
it is today. Good luck  
in the future

Shirley Brown



**Transportation  
Security  
Administration**

U.S. Department of Homeland Security  
Upstate New York Airports  
Albany International Airport  
737 Albany Shaker Road  
Albany, NY 12211

*book*

February 6, 2019

John O'Donnell  
Chief Executive Officer  
Albany County Airport Authority  
737 Albany shaker Road  
Albany, New York 12211

Dear Mr. O'Donnell:

I wanted to correspond with you to personally thank you for the generosity you and your staff provided to the entire Transportation Security Administration (TSA) Security Workforce who are assigned to the Albany International Airport.

As you are aware, the federal government just completed an unprecedented shut down that lasted 35 days. This lapse in funding resulted in the TSA Security workforce having to work without pay leading to the missing of two paychecks. This situation obviously caused stress on the Security Workforce, placed them in a potentially difficult financial situation and a sense of uncertainty as to what lied ahead for them.

Despite this uncertainty, each and every one of these dedicated security professionals arrived to work on time and fully prepared to perform their duties of securing the traveling public from harm. Not only did they perform their duties during this period of uncertainty, it also came at a time of elevated travel during this holiday season. I am glad to report that we did not incur an increase in call outs during this period of time and there were no operational incidents that have occurred at the airport and I attribute this to the dedication of the Security Workforce.

A large part of this success can be clearly attributed to the direct and personal support that you, along with members of the airport staff and also the Ambassador program, provide to the workforce on a daily basis. I can say, with a great deal of confidence, that the relationship that we have with you, and the support that you provide, is very much appreciated by us all.

The support that you provided was created a spirit of support amongst other entities, to include the United Way, the Salvation Army and other private entities who provided food throughout the event. If you and Mr. Doug Myers had not been so supportive and forward leaning on this matter I do not believe we would have received the response that we did.

As always, I look forward to continuing to work with you and your staff in the future.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bart R. Johnson".

Bart R. Johnson  
Federal Security Director



# CUSTOMER COMMENT

## INFORMATION DESK

(Hold At Information Desk for Public Affairs)

The Albany County Airport Authority invites our guests to comment on our performance. Your comments, positive or negative, will be addressed by the Office of Public Affairs. You may wish to leave your name, address, phone number or e-mail address to enable us to respond to your concerns. You are welcome to contact the Office of Public Affairs directly at 518 242-2222 Ext 1 or e-mail [dmyers@albanyairport.com](mailto:dmyers@albanyairport.com).

DATE: Jan 19, 2019 TIME 8:57 PM (Sat)

COMMENT: THANK THE BUSBY AIRPORT INFORMATION - "PAT"

\* Were I to look for another person in the entire world as professional and helpful than Pat, I could not find one in our universe to match her beauty, kindness, and caring. Thank you so much.

NAME Florentine Litalien  
ADDRESS 48 Rue Des Pins  
CITY Beloil STATE: Quebec Canada ZIP J3G 3E8  
PHONE 450-813-1557  
E-mail None



# CUSTOMER COMMENT

## INFORMATION DESK

(Hold At Information Desk for Public Affairs)

The Albany County Airport Authority invites our guests to comment on our performance. Your comments, positive or negative, will be addressed by the Office of Public Affairs. You may wish to leave your name, address, phone number or e-mail address to enable us to respond to your concerns. You are welcome to contact the Office of Public Affairs directly at 518 242-2222 Ext 1 or e-mail [dmyers@albanyairport.com](mailto:dmyers@albanyairport.com).

DATE: 1/18/19 TIME ≈ 6:00 pm

COMMENT: PAM TOBIN & SUE PECK

Our flight was cancelled and we were re-booked for 2 days later. We were in an unfamiliar city, an approaching winter storm, and we needed lodging for the next 2 nights. We approached the Information Desk and PAM TOBIN and Sue Peck were very helpful. They helped us find a hotel that met our criteria and even made a telephone call to help us get a reservation. They were pleasant, knowledgeable and helpful!

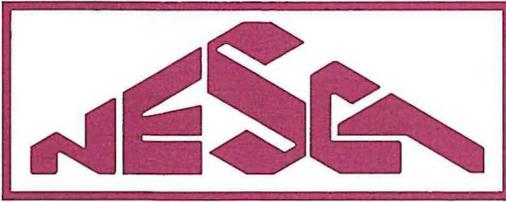
NAME MARY HAMMING

ADDRESS 128 PEMBROKE CIRCLE

CITY LAKE BLUFF STATE: IL ZIP 60044

PHONE \_\_\_\_\_

E-mail mhamming@comcast.net



Northeastern Subcontractors Association

PRESIDENT  
LEE KEIRSTEAD  
STONE BRIDGE IRON & STEEL, INC.

Treasurer  
Claudio Zullo  
Schenectady Steel Co., Inc.

*Book*

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SECRETARY  
SARAH DELUCA  
SRI FIRE SPRINKLER LLC

January 14, 2019



Mr. John O'Donnell  
Chief Executive Officer  
Albany International Airport  
737 Albany Shaker Road  
Albany, New York 12211

Dear John:

On behalf of NESCA's membership, thank you very much for your presentation to our members regarding the airport improvement project at our January 10<sup>th</sup> dinner meeting at the Century House.

Based on the great attendance we had at the meeting, it is clear our members wanted to hear about the various upcoming projects at the airport. As our members left the meeting, many indicated to me that your presentation was very informative and they were glad they had attended.

Again John, thank you very much. I appreciate the time and effort you put into your presentation.

Sincerely,

**NORTHEASTERN SUBCONTRACTORS ASSOCIATION, INC.**

A handwritten signature in black ink, appearing to read 'Mike'.

Michael Misenhimer  
Executive Director

MJM:mjm

January 8, 2019

Doug Myers, Director, Public Affairs  
Albany County Airport Authority  
Albany International Airport  
Administration Building  
Second Floor  
Albany, New York 12211



Dear Mr. Myers,

My son and I would like to formally thank you and the Albany County Airport Authority for the generosity extended to our family.

When Jacob flew to Georgia in August, we never imagined that he'd be here for months facing one health challenge after another, including gallbladder removal and 11 days in the hospital for post-operative pancreatitis. It's been a stressful several months, to say the least.

We greatly appreciate your willingness to take into account his unusual circumstances and waive the majority of his parking fees. It was a relief not to have to worry about his car and be able to focus on his health.

Not only did you help us financially but also, when I arrived at the economy lot, everyone involved was kind and supportive, from the shuttle driver who stayed with me until the service truck arrived to the gentleman who jump-started the car to the very nice lady in the ticket booth who knew who I was as soon as I pulled up. I felt very cared for.

Please extend our sincere gratitude to Mr. O'Reilly, CFO, as well as the entire staff of the Albany County Airport Authority.

With thanks,

Wendy Lyons



**Transportation  
Security  
Administration**

**U.S. Department of Homeland Security**  
Upstate New York Airports  
Albany International Airport  
737 Albany Shaker Road  
Albany, NY 12211

*Book*

January 3, 2019.

John O'Donnell  
Chief Executive Officer  
Albany County Airport Authority  
737 Albany shaker Road  
Albany, New York 12211

Dear Mr. O'Donnell:

I wanted to correspond with you to personally thank you for the generosity you and your staff provided on Thursday, January 3, 2019, to the entire Transportation Security Administration (TSA) Security Workforce who are assigned to the Albany International Airport.

As you are aware, the TSA is currently operating under a lapse in government funding that has placed the operational part of the Security Workforce in a potentially difficult financial situation and a sense of uncertainty. Despite this uncertainty, each and every one of these dedicated security professionals have arrived to work on time and fully prepared to perform their duties of securing the traveling public from harm. Not only did they perform their duties during this period of uncertainty, it also came at a time of elevated travel during this holiday season. As of this correspondence there have been no operational incidents that have occurred at the airport and I attribute this to the dedication of the Security Workforce.

A large part of this success can also be attributed to the direct and personal support that you, along with members of the airport staff and also the Ambassador program, provide to the workforce on a daily basis. I can say, with a great deal of confidence, that the relationship that we have with you, and the support that you provide, is very much appreciated by us all.

The support that you provided was on full display with the generosity offered to the Security Workforce on Thursday, January 3, 2019. This act of kindness and support was appreciated by all and we would all like to thank you and your staff for it. There were many people that I could list here to thank, but I don't want to miss anyone. I will rely on you to communicate those sentiments of thanks to your staff on behalf of the Security Workforce.

As always, I look forward to continuing to work with you and your staff in the future.

Sincerely,

  
Bart R. Johnson  
Federal Security Director

**InterVISTA – Dave Dague Presentation**

# AIR SERVICE OVERVIEW AND INDUSTRY TRENDS ALBANY INTERNATIONAL AIRPORT

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Prepared for:



Prepared by:

**InterVISTAS**

a company of Royal HaskoningDHV

**MARCH 18, 2019**



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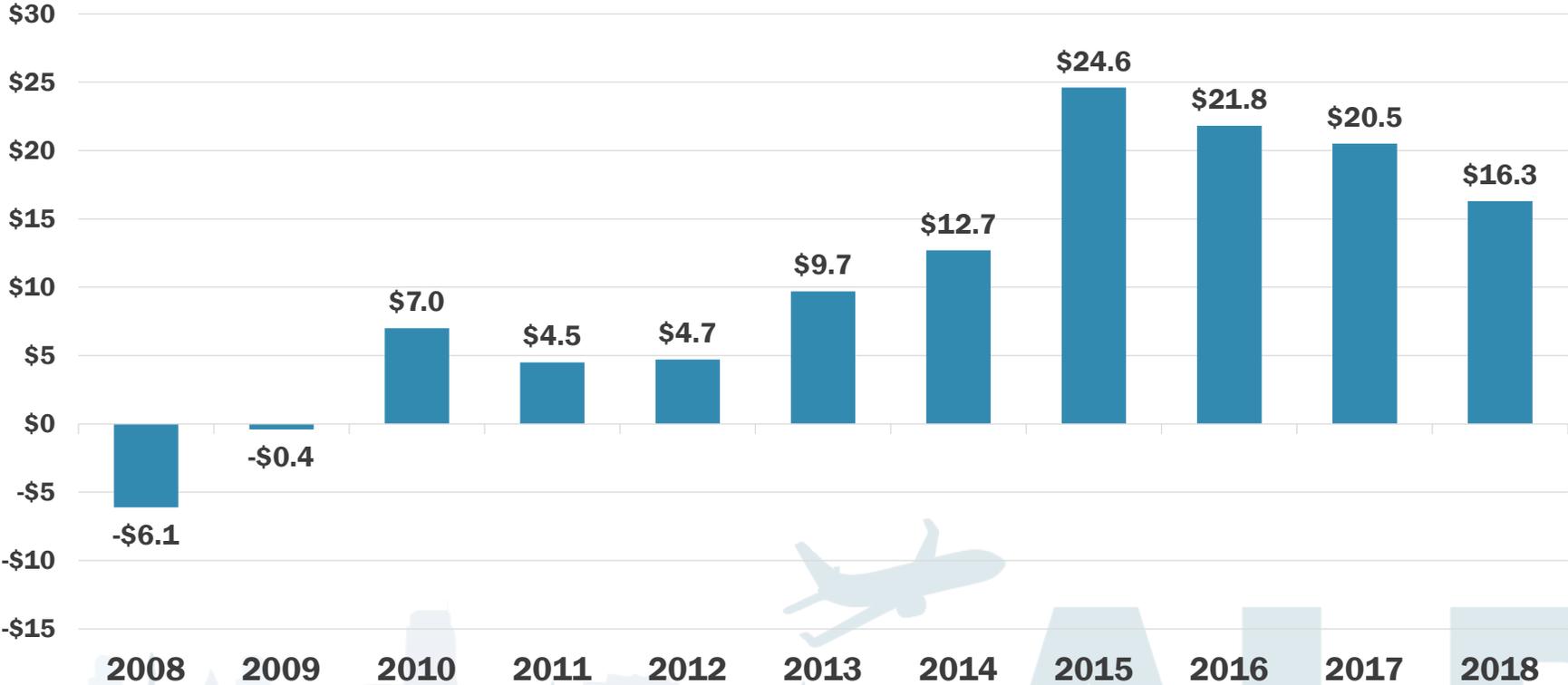


# U.S INDUSTRY UPDATE



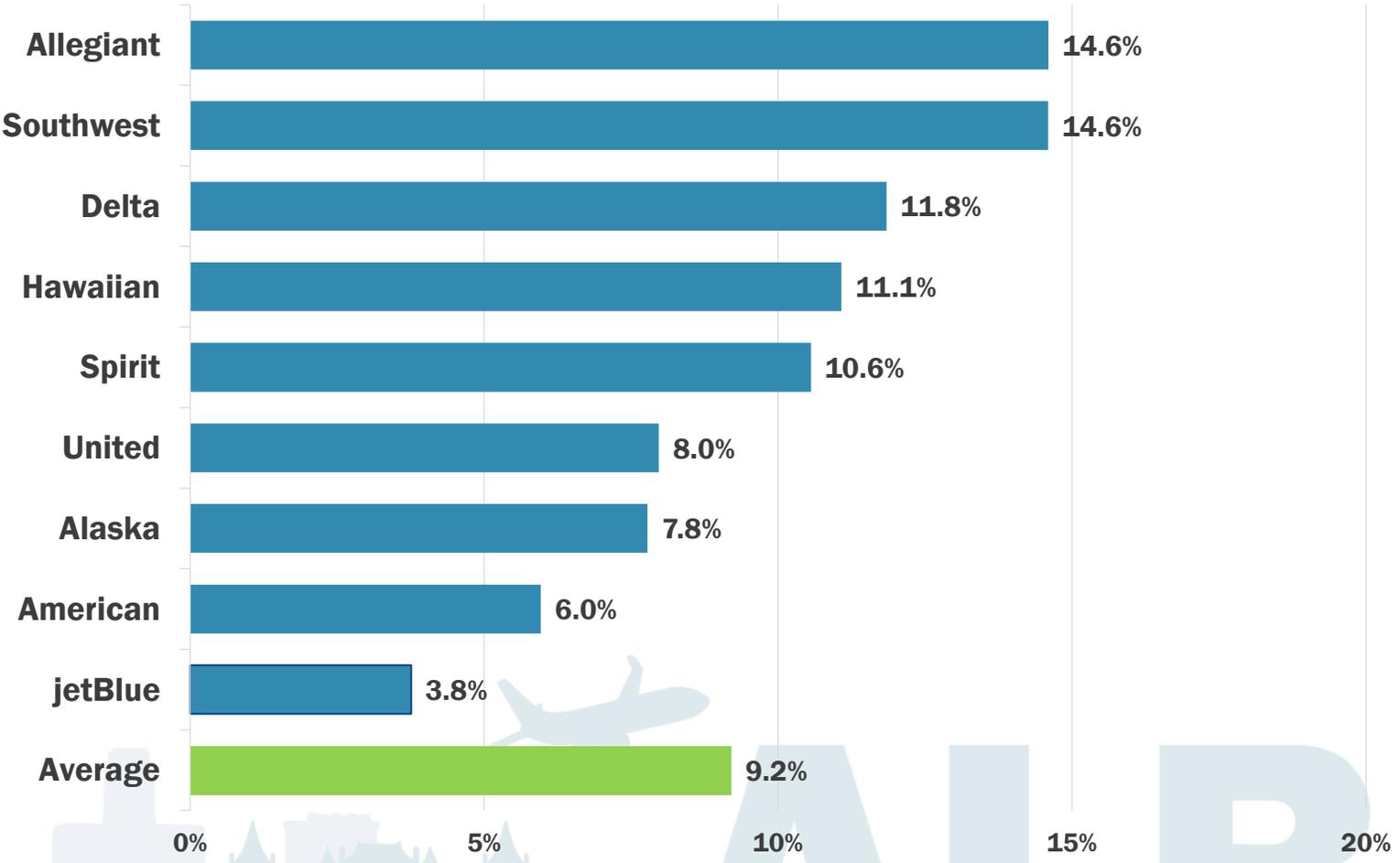
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Operating Profit (\$ Billions) for Major US Airlines  
CY 2008 - CY 2018



# OPERATING MARGINS FOR 2018 AVERAGED 9.2%...

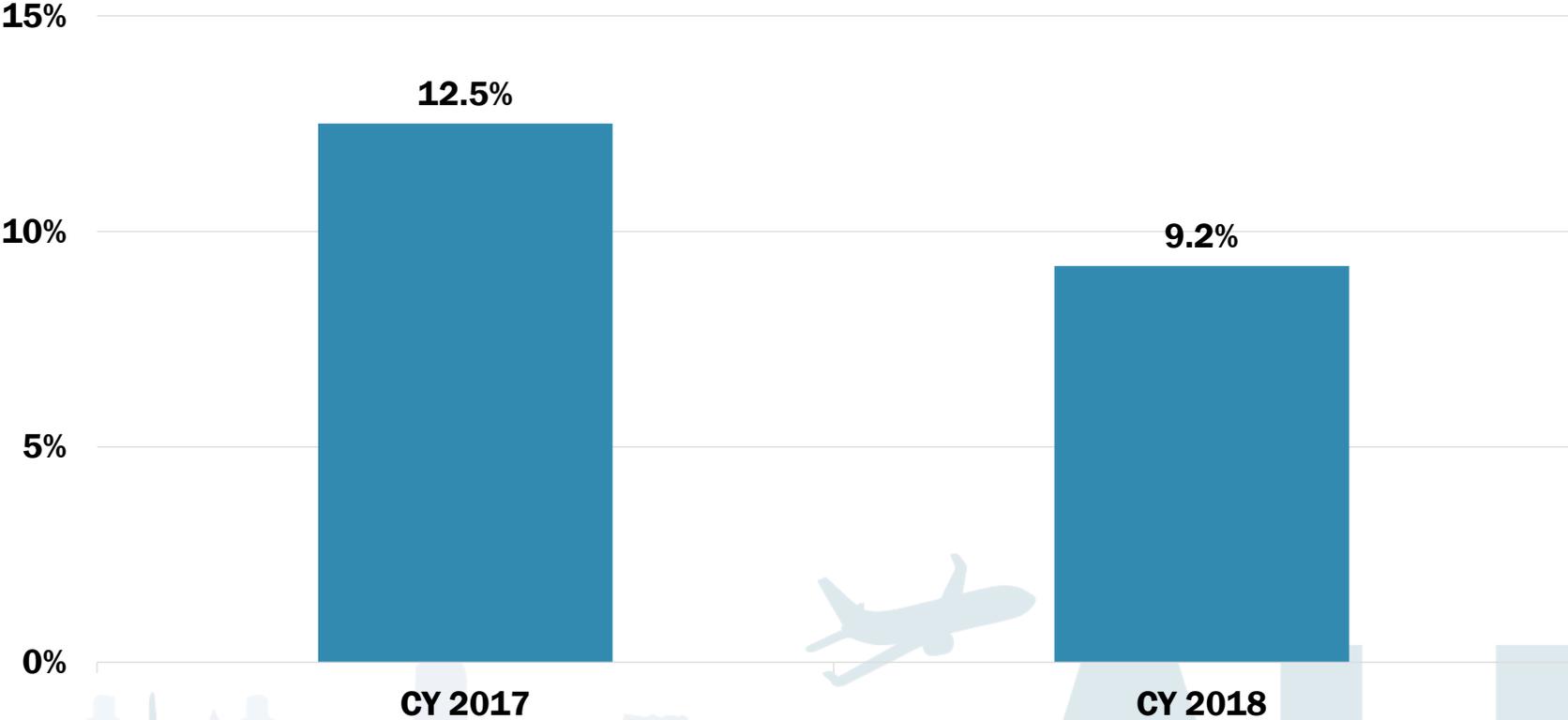
Operating Profit Margin  
CY 2018



Note: Frontier has not reported CY 2018 financials.  
Source: Carrier Financial Reports.

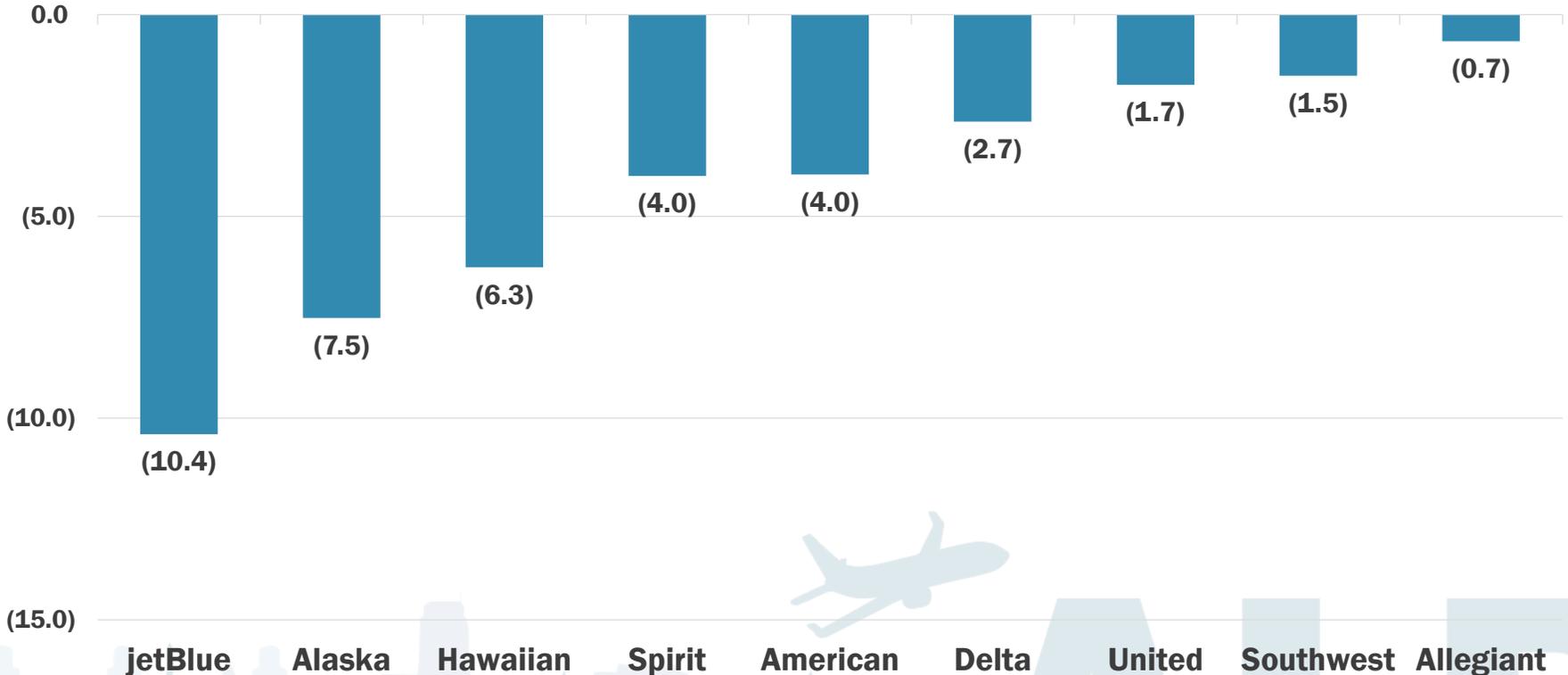
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Operating Profit Margin  
CY 2017 vs. CY 2018

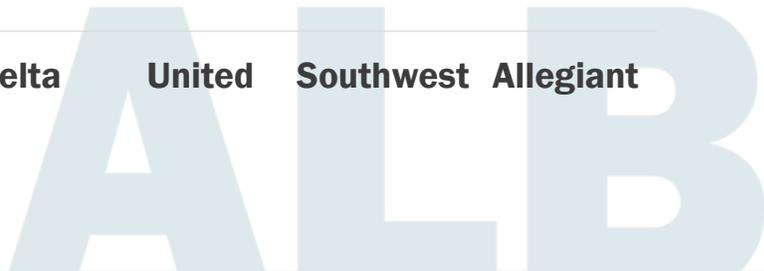


# JETBLUE HAD THE LARGEST DECLINE IN OPERATING MARGIN AMONG THE MAJOR AIRLINES – TOTAL EXPENSE UP 22% COMPARED TO US AVERAGE OF 11%

Change in Operating Profit Margin  
CY 2017 vs. CY 2018

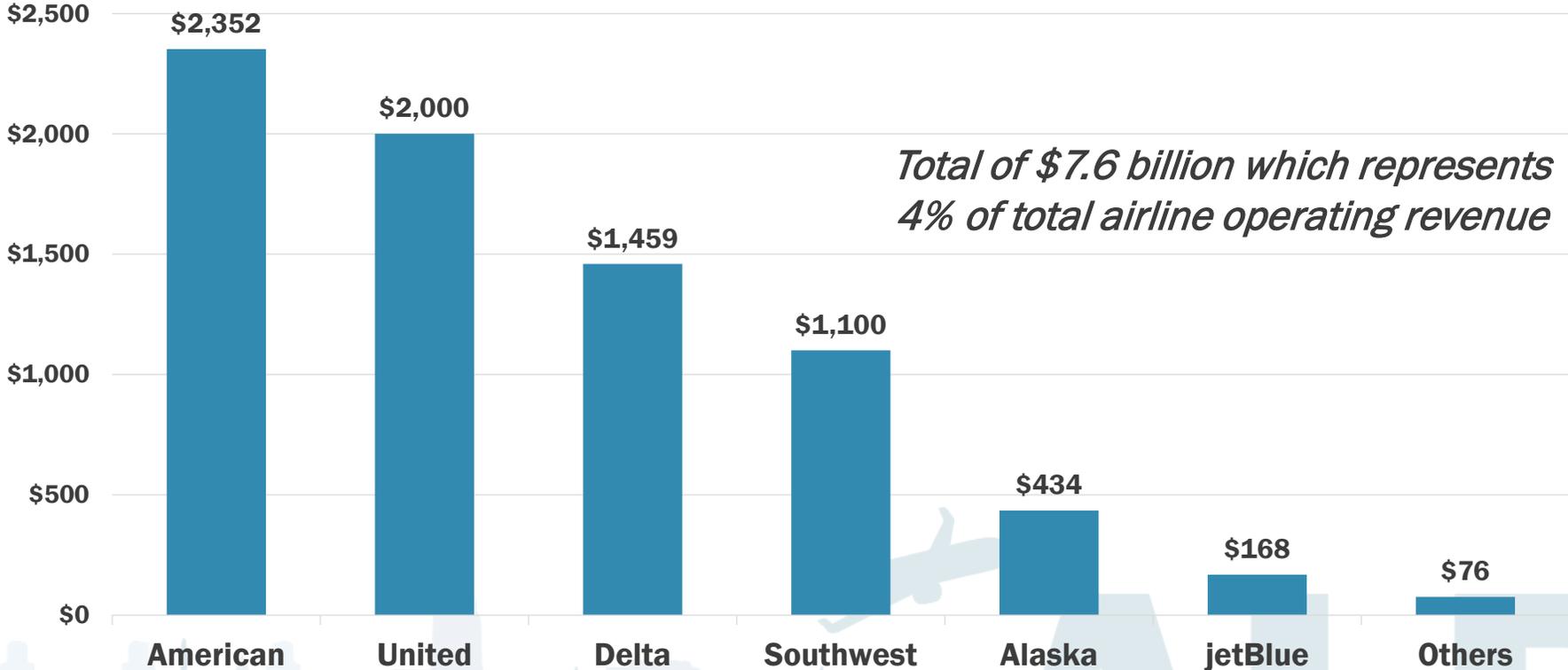


Note: Frontier has not reported CY 2018 financials.  
Source: Carrier Financial Reports.



# CO-BRANDED CREDIT CARD REVENUE HAS BECOME A MAJOR DRIVER OF AIRLINE PROFITS

Co-Branded Credit Card Revenue (\$ Millions)  
CY 2018





# ALB AIR SERVICE OVERVIEW



ALB

# ALBANY'S UPCOMING SERVICE PATTERN CONSISTS OF 55 PEAK DAY DEPARTURES TO 21 NONSTOP DESTINATIONS

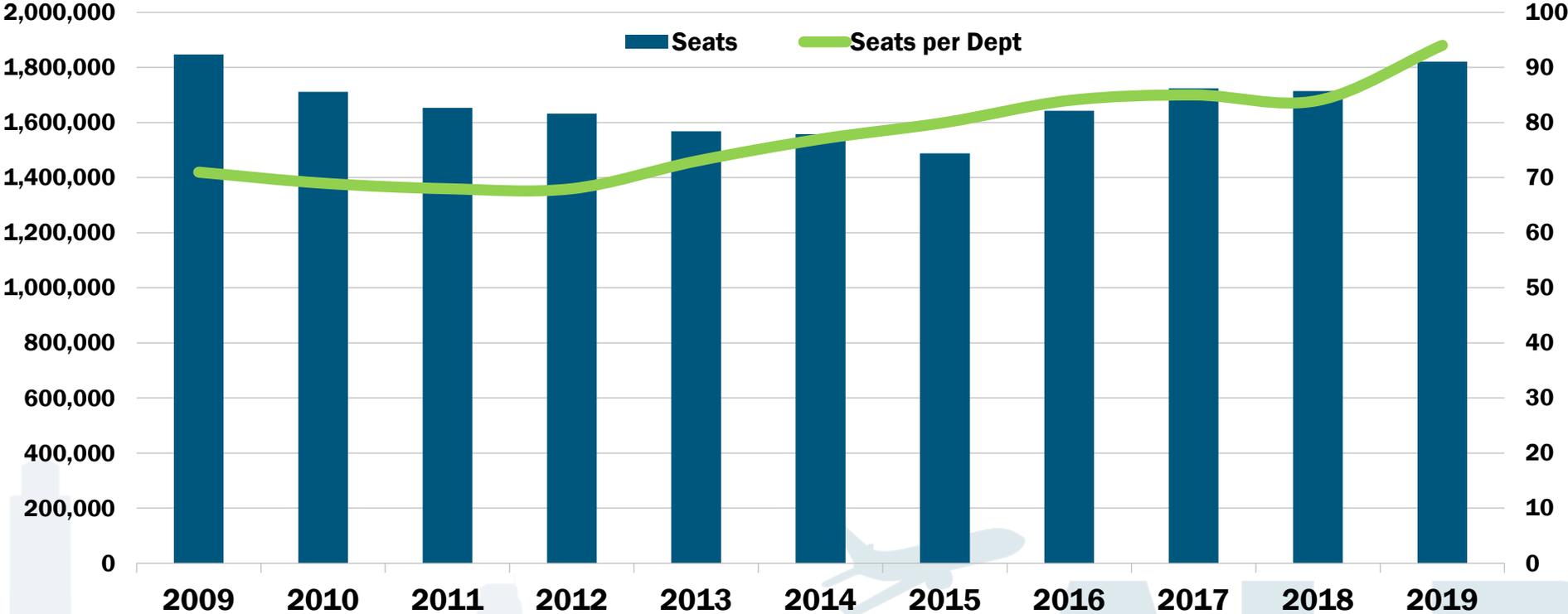
**Nonstop Routes**  
*June 2019*



Source: Innovata Schedules, via Diio.

# OVER THE PAST FOUR YEARS, SEAT CAPACITY FROM ALBANY HAS INCREASED 23% - AVERAGE SEATS PER DEPARTURE INCREASED BY 14

**Albany Historic Nonstop Service  
YE June 2009 – YE June 2019**



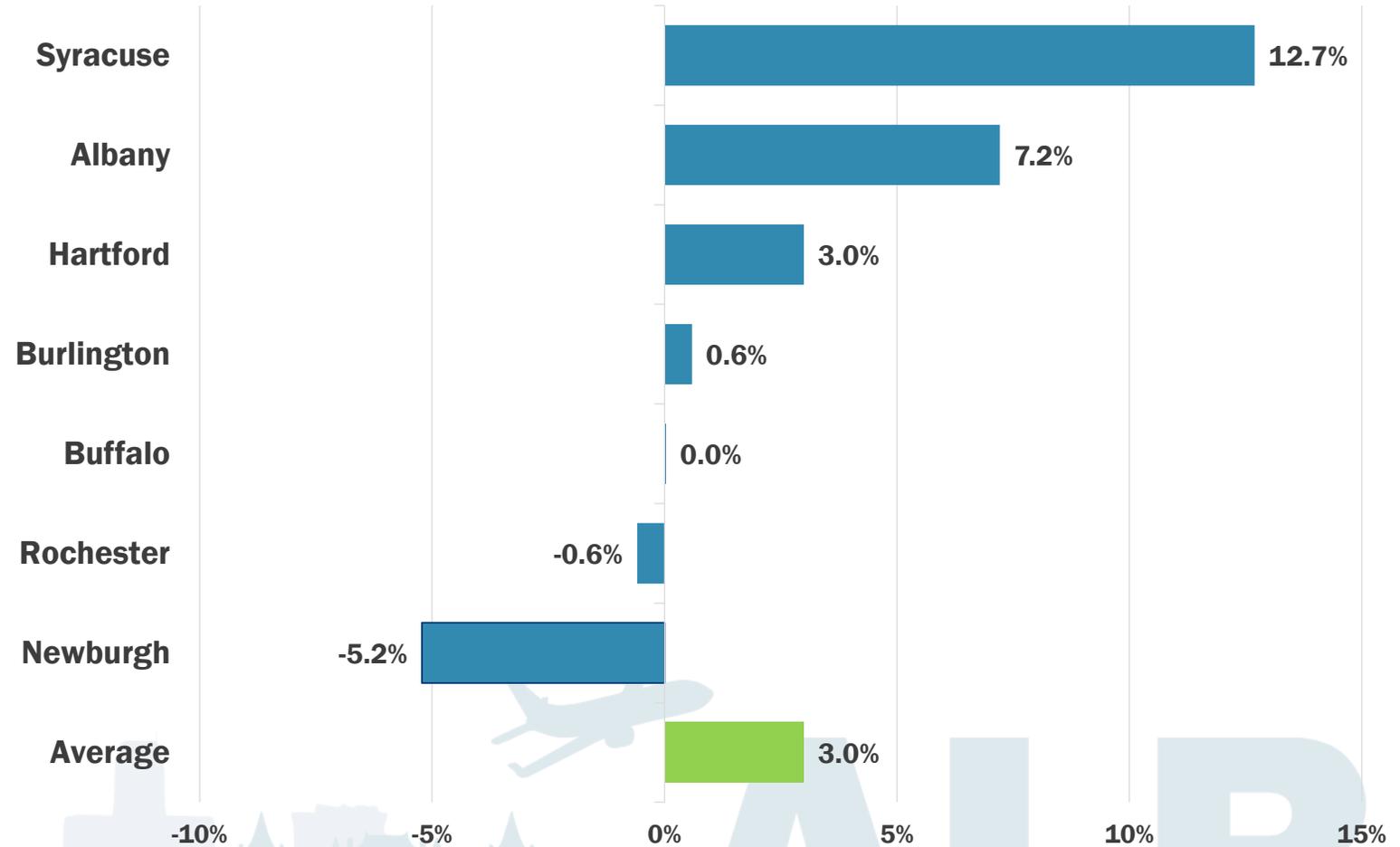
*Small Hub Average % Increase in seats 2015-2019: 25%*



Note: Percent changes for the 2019 vs 2015 period.  
Source: Innovata Schedules, via Diio.

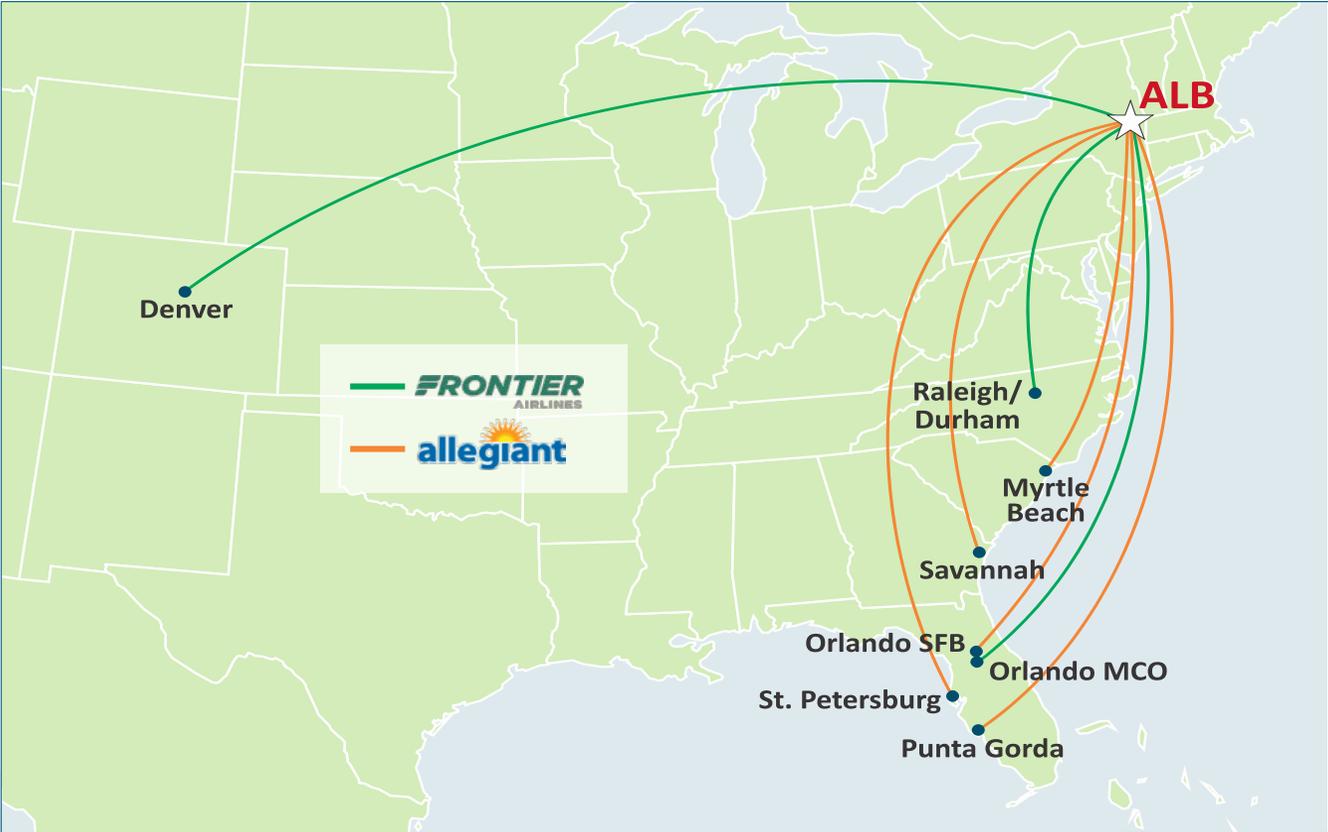
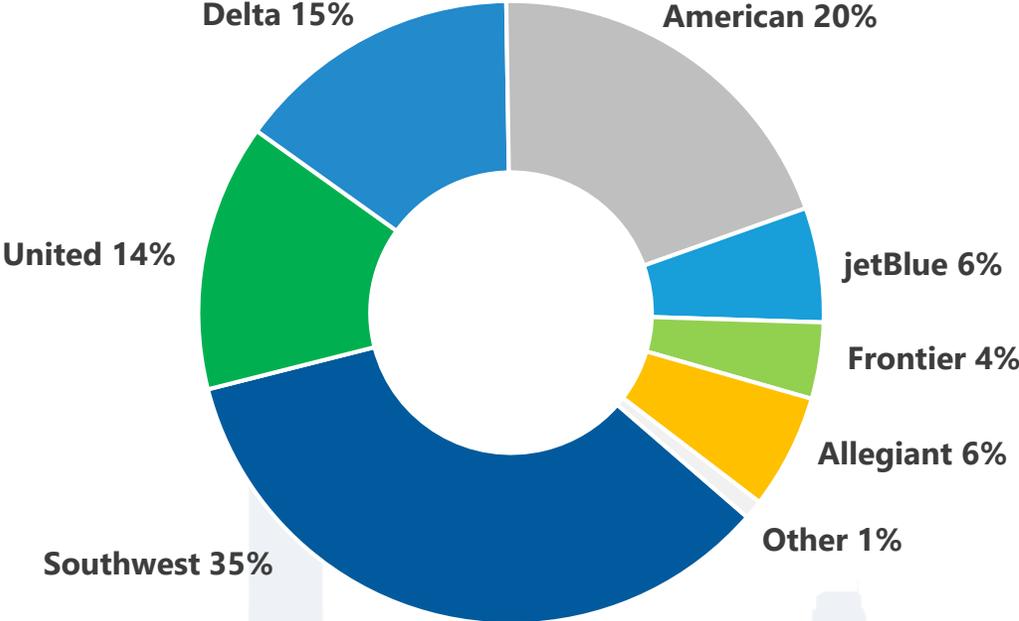
# ALBANY'S RECENT CAPACITY GROWTH COMPARES WELL AGAINST PEER AIRPORTS

**Percent Change in Capacity**  
**YTD June 2018**  
**vs.**  
**YTD June 2019**



# ULCC'S ACCOUNT FOR 10% OF ALBANY'S CAPACITY AND SERVE EIGHT NONSTOP DESTINATIONS

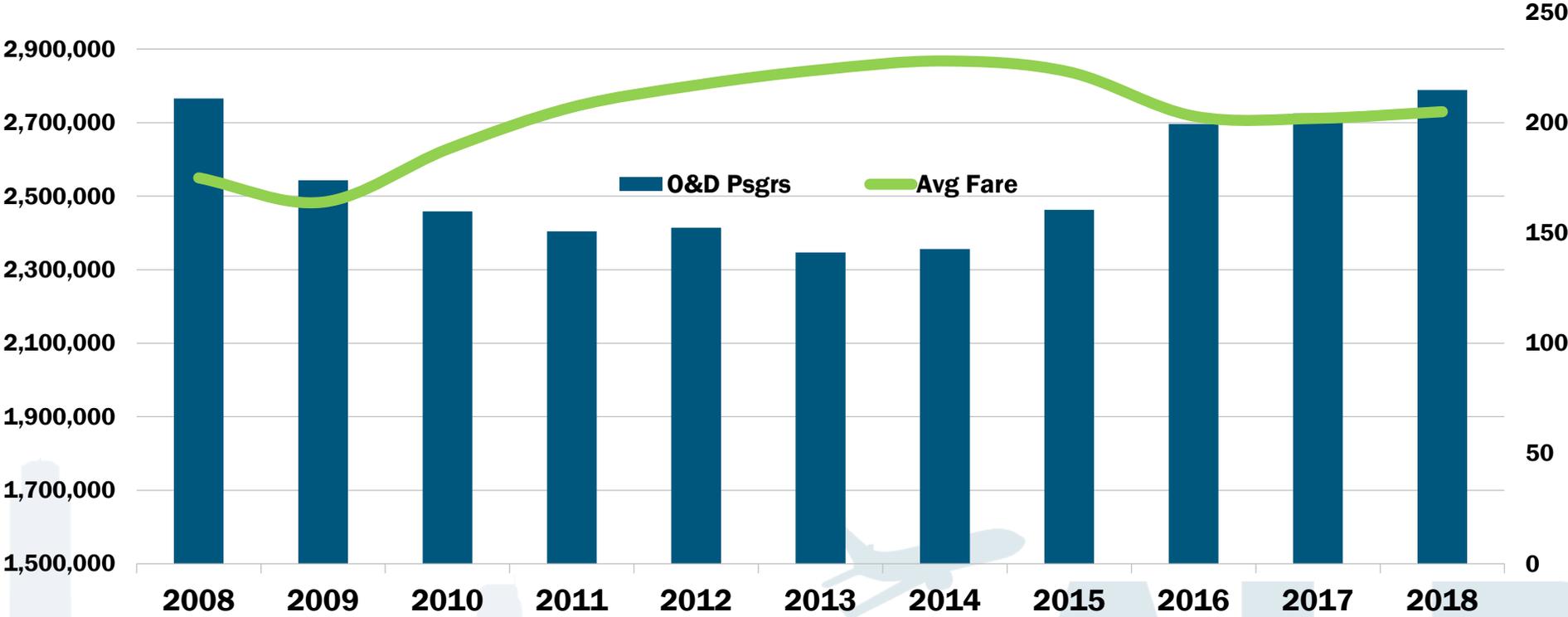
**Albany Capacity Share by Carrier  
YTD June 2019**



Source: Innovata Schedules, via Diio.

# OVER THE LAST FIVE YEARS, ALBANY'S O&D PASSENGERS HAVE INCREASED 19%, WHILE THE AVERAGE FARES DECREASED 9%

Albany Historic O&D Passengers and Average Fares  
YE 3Q 2008 – YE 3Q 2018

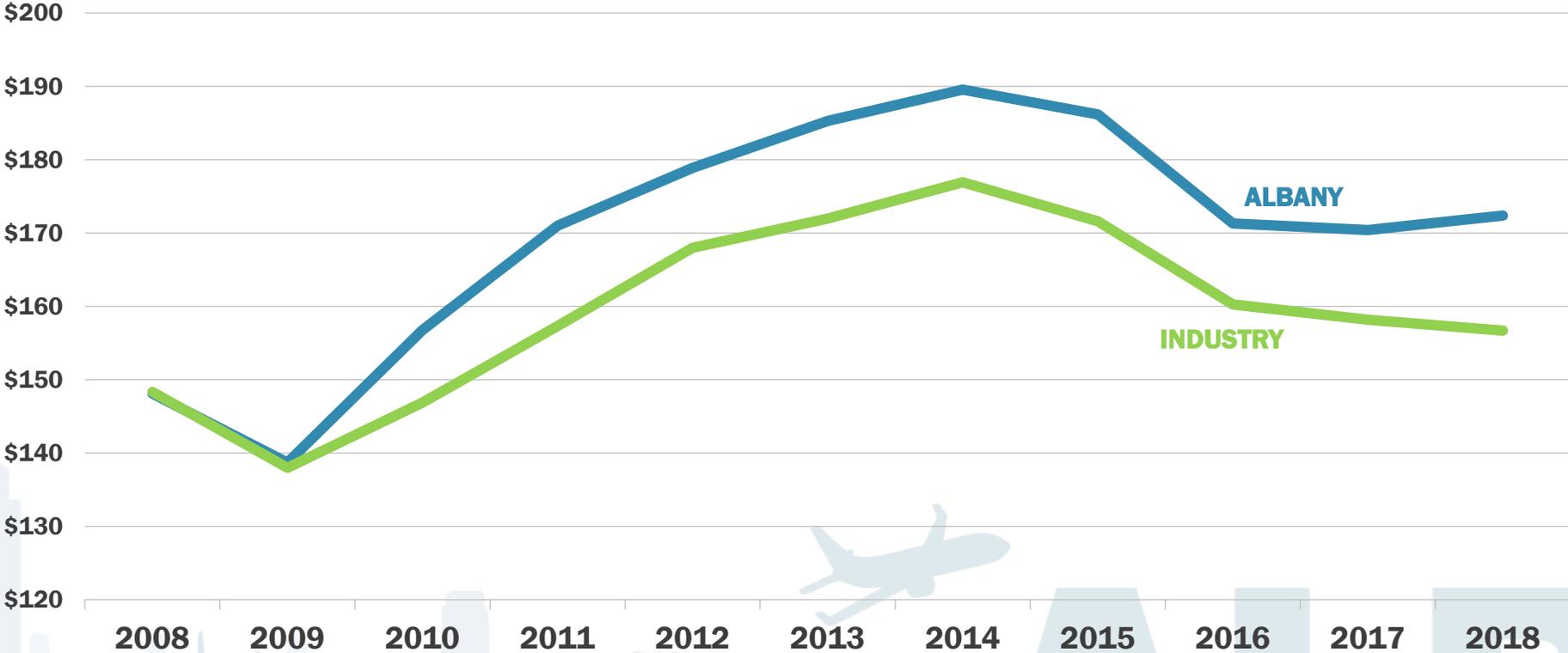


Note: Percent changes for the 2017 vs 2012 period.  
Source: USDOT, O&D Survey, via Diio.



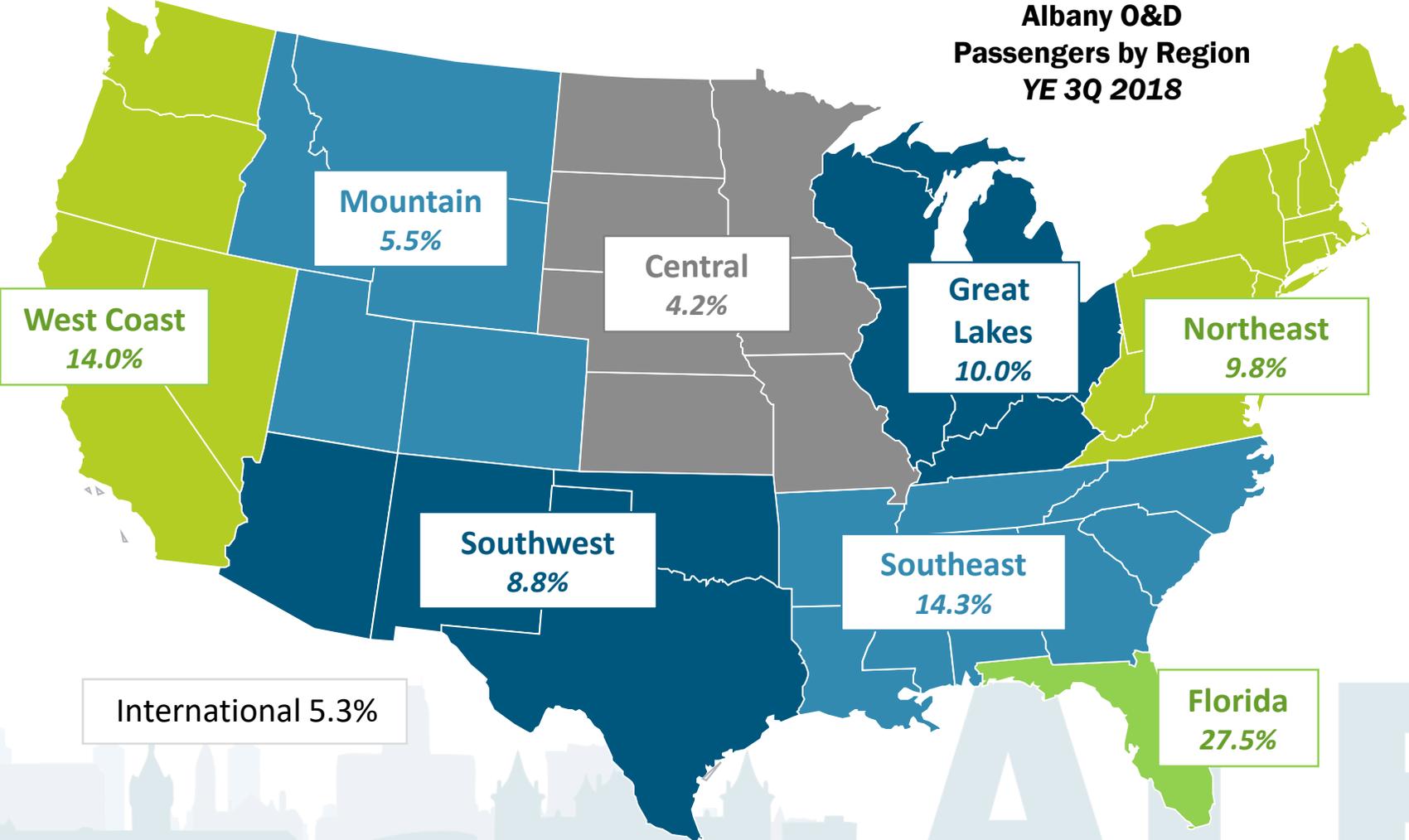
# OVER THE LAST EIGHT YEARS, ALBANY'S DOMESTIC FARES HAVE BEEN ON AVERAGE 8% HIGHER THAN THE INDUSTRY – THE GAP WIDENED IN 2018

Stage Adjusted Average Domestic One-Way Fares  
YE 3Q 2008 – YE 3Q 2018



Note: Stage adjusted fares to 1,000 miles.  
Source: USDOT, O&D Survey, via Diio.

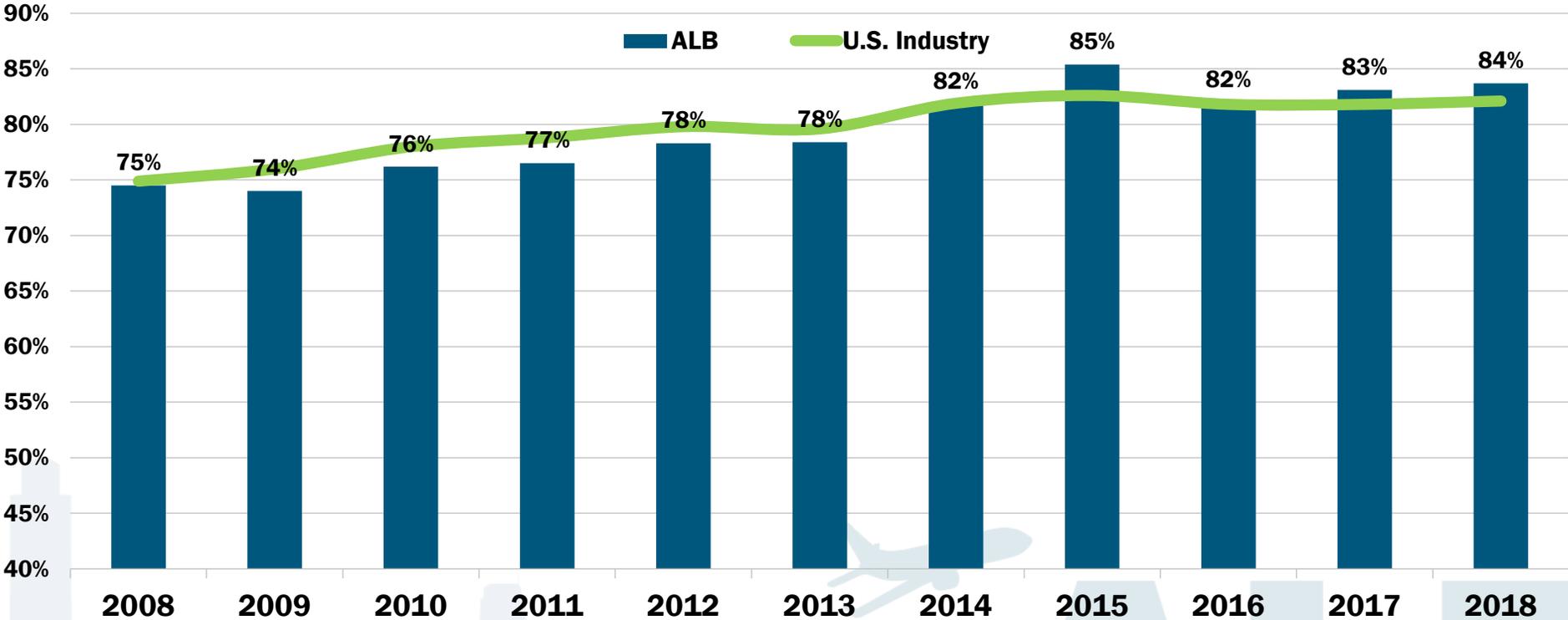
# FLORIDA IS THE LARGEST REGION FOR ALBANY PASSENGERS, ACCOUNTING FOR OVER ONE-FOURTH OF THE TOTAL



Source: USDOT, O&D Survey, via Diiio.

# ALBANY'S LOAD FACTORS HAVE BEEN PERFORMING WELL THE PAST FIVE YEARS AND ARE AT OR ABOVE THE INDUSTRY AVERAGE

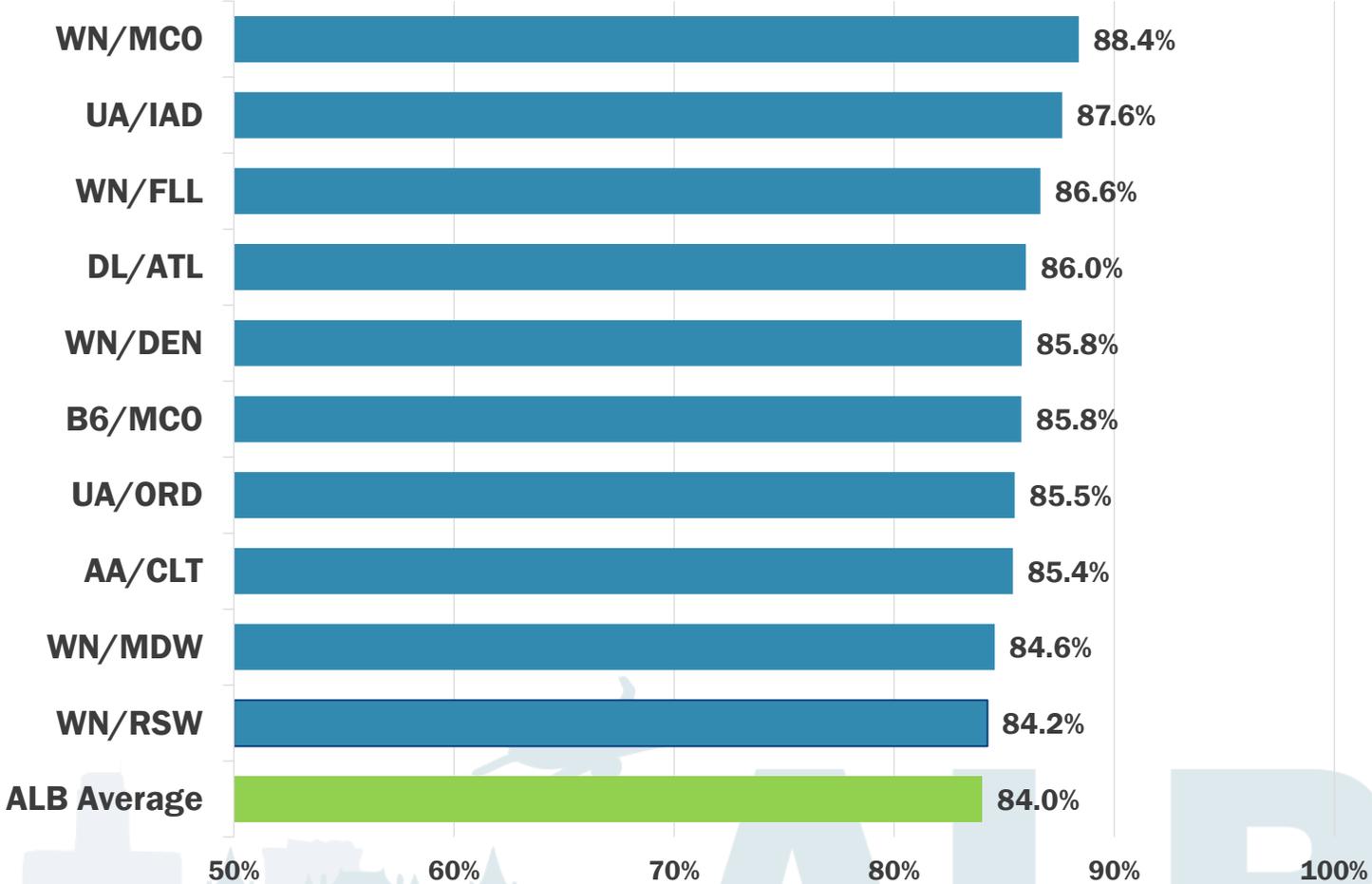
ALB Historic Load Factors  
YE November 2008 – YE November 2018



Note: Percent changes for the 2017 vs 2012 period.  
Source: Innovata Schedules, via Diio.

# NINE ALBANY MARKETS OPERATE WITH LOAD FACTORS AT 85% OR HIGHER

**Top 10 Albany Markets  
Based on Load Factors  
YE November 2018**





# ALB AIR SERVICE DEVELOPMENT



# AIRLINE STRATEGIES AND INDUSTRY DYNAMICS NEED TO BE CONSIDERED WHEN PRIORITIZING OPPORTUNITIES



- ▶ Needs of the business community
- ▶ Target carrier existing share in the potential markets – carriers do not want to dilute their current markets served.
- ▶ Appropriate sized aircraft availability
- ▶ Carrier service growth trends at target hubs. Is the carrier expanding in markets similar to Albany?
- ▶ Seasonal passenger demand. Could the target market be served initially on a peak season basis.
- ▶ Can the new service complement the carriers existing service.
- ▶ Albany's ranking of unserved markets from the target hub.

# ALBANY ENJOYS NONSTOP SERVICE TO NINE OUT OF THEIR TOP 10 O&D MARKETS – TOP LARGEST UNSERVED MARKETS LOCATED IN THE FAR WEST

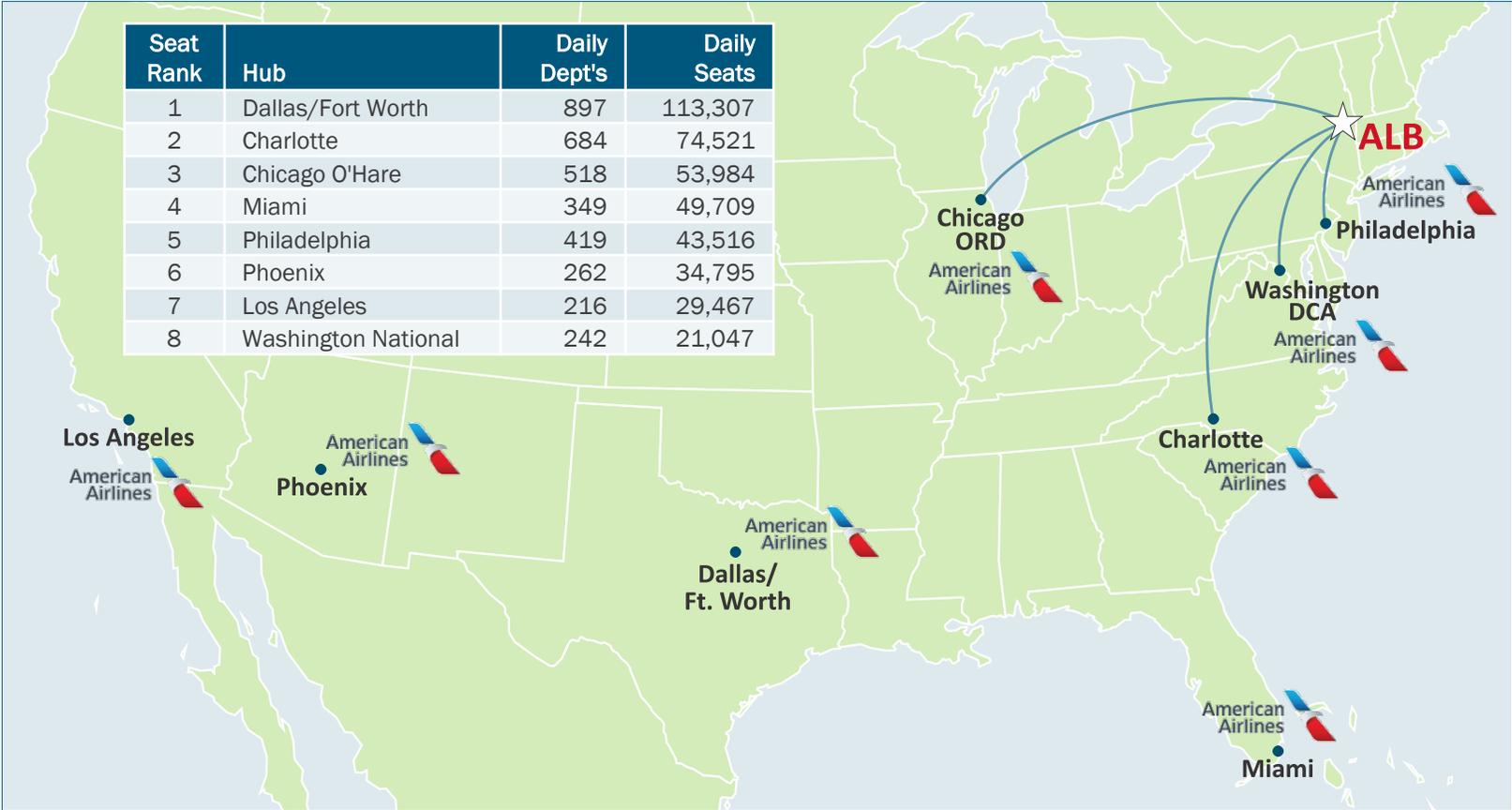
**Top 30 Albany O&D Passenger Markets  
YE 3Q 2018**

Rank	City	O&D	5-Year AAG	Served Nonstop	Rank	City	O&D	5-Year AAG	Served Nonstop
1	Orlando	289,717	7.2%	✓	16	Minneapolis	44,253	3.3%	✓
2	Fort Lauderdale	181,040	9.1%	✓	17	Houston	42,424	2.8%	
3	Tampa	135,504	0.9%	✓	18	San Diego	42,060	6.0%	
4	Chicago	121,050	0.8%	✓	19	Raleigh/Durham	38,691	1.3%	✓
5	Denver	102,002	12.6%	✓	20	Detroit	35,396	-0.8%	✓
6	Atlanta	100,585	7.2%	✓	21	Seattle/Tacoma	35,390	3.9%	
7	Baltimore	95,072	-5.8%	✓	22	Nashville	34,034	7.6%	
8	Washington	94,566	3.2%	✓	23	Jacksonville	30,378	7.5%	
9	Los Angeles	73,906	5.8%		24	Austin	29,820	6.6%	
10	Charlotte	65,063	3.0%	✓	25	New Orleans	29,080	10.0%	
11	Las Vegas	62,902	-5.6%		26	West Palm Beach	27,521	3.7%	
12	Dallas/Fort Worth	56,124	9.0%		27	Salt Lake City	25,706	5.8%	
13	San Francisco	54,750	1.1%		28	Portland	25,335	5.5%	
14	Phoenix	50,887	4.7%		29	Charleston	24,875	7.7%	
15	Fort Myers	49,302	8.9%	✓	30	St. Louis	22,455	0.0%	

Note: AAG indicates Average Annual Growth.  
Source: USDOT, O&D Survey, via Dito.

# AMERICAN'S SOUTHERN TIER HUBS ARE NOT CURRENTLY SERVED

## American Airlines



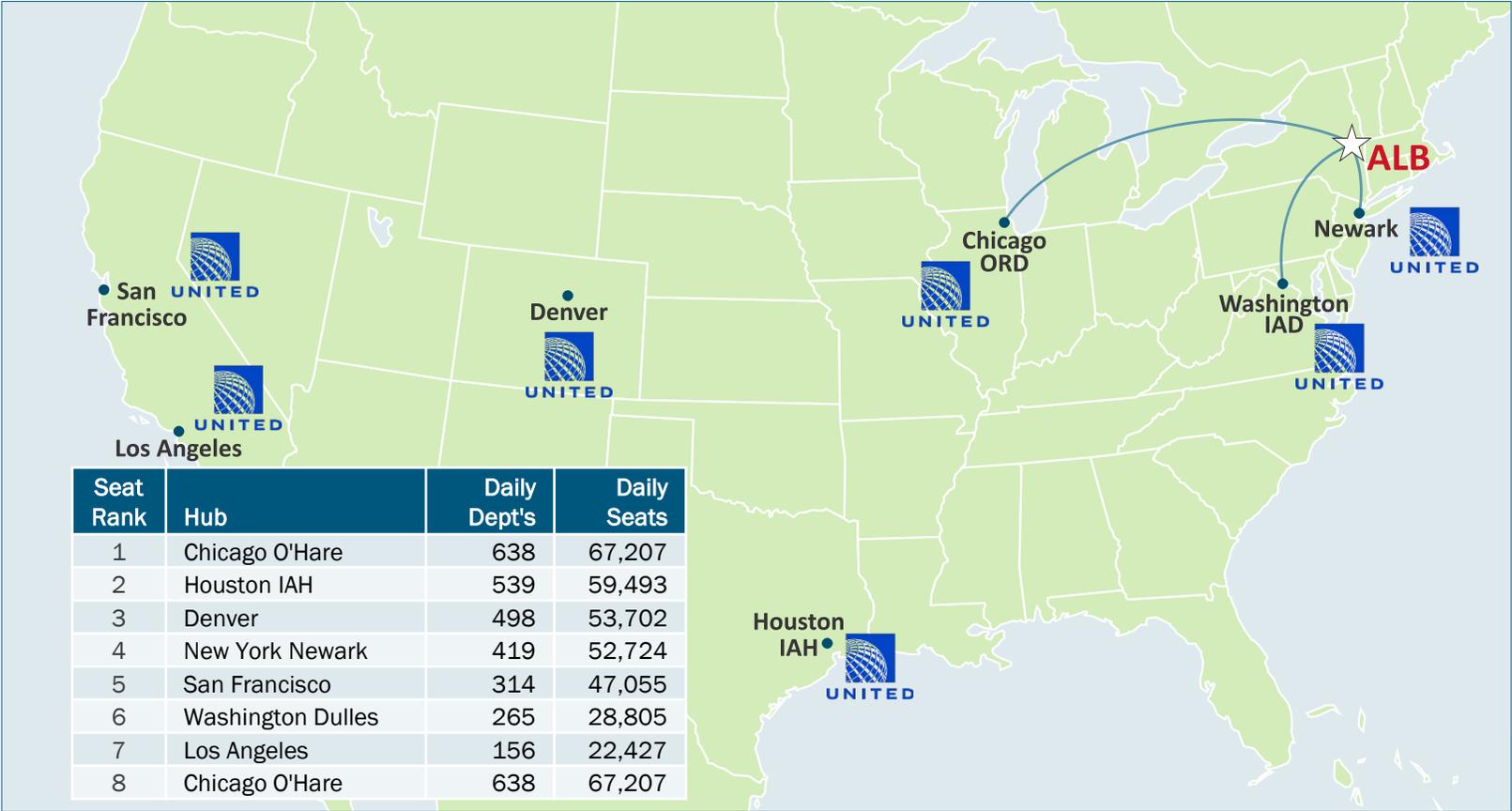
# DELTA AIR LINES PROVIDES SERVICE TO THEIR TOP THREE STATIONS FROM ALBANY

Delta Air Lines



# UNITED'S LONG-HAUL HUBS ARE NOT CURRENTLY SERVED

## United Airlines



# SOUTHWEST SERVES FOUR OUT OF THEIR TOP 10 STATIONS FROM ALBANY

Seat Rank	Hub	Daily Dept's	Daily Seats
1	Chicago Midway	245	37,439
2	Denver	222	34,007
3	Baltimore-Washington	222	33,844
4	Las Vegas	209	31,809
5	Dallas Love Field	191	28,623
6	Phoenix	174	26,546
7	Houston Hobby	170	25,615
8	San Diego	127	19,245
9	Orlando	122	18,792
10	Oakland	122	18,687

Southwest Airlines



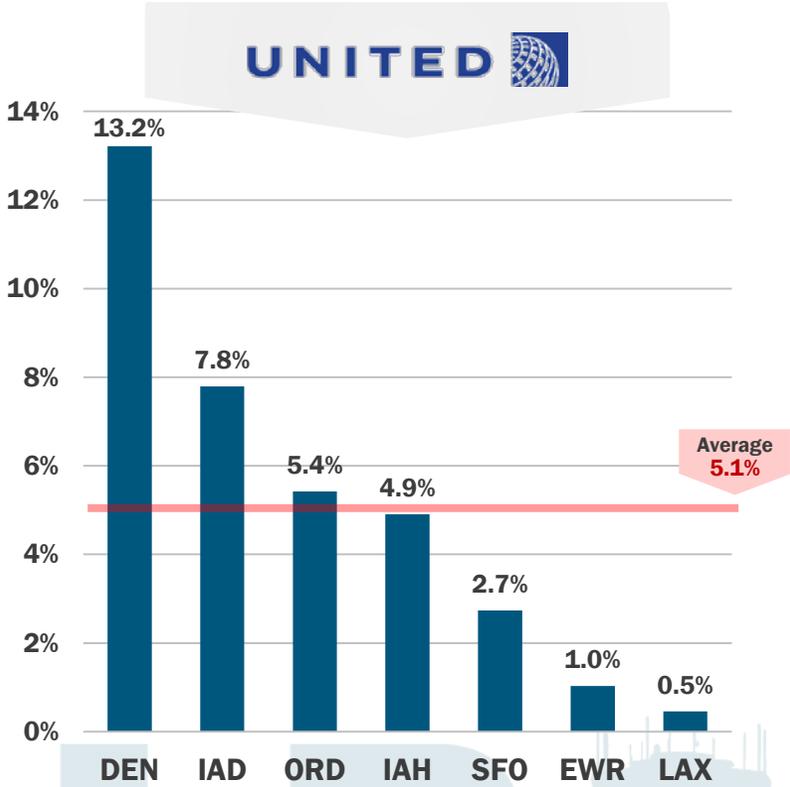
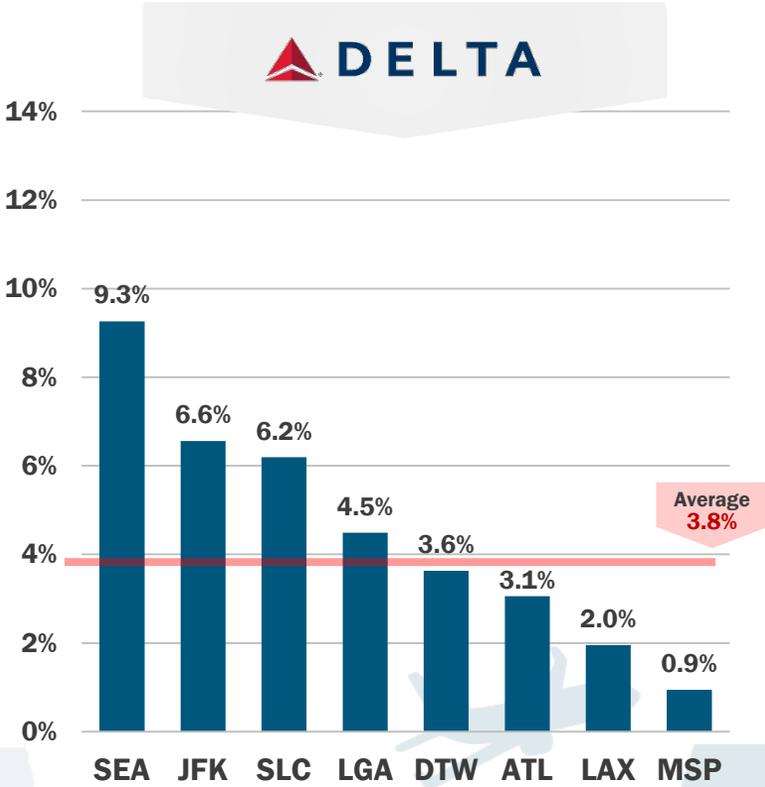
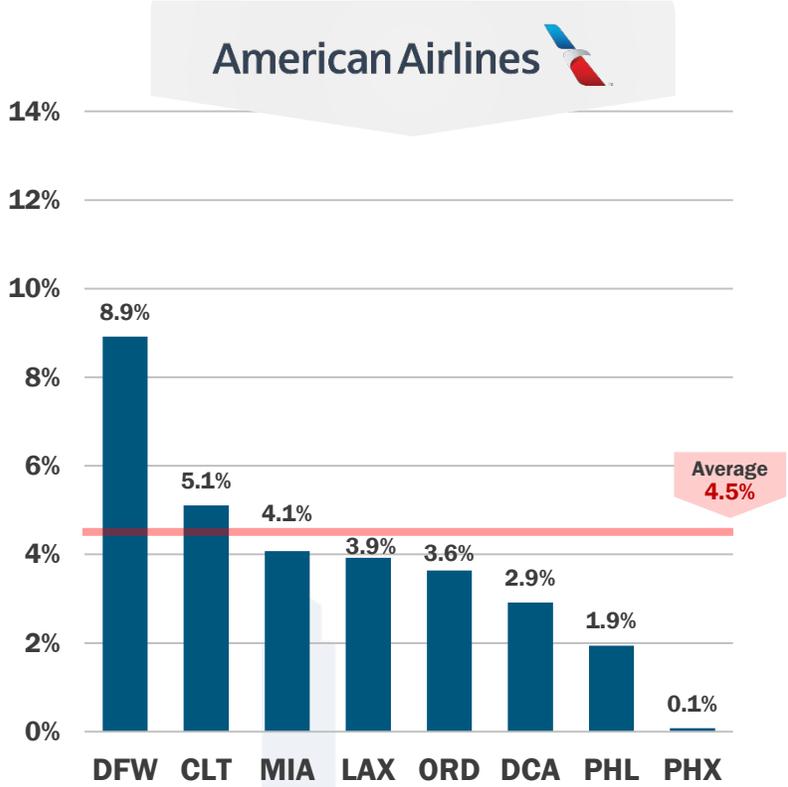
*Southwest also serves Fort Lauderdale, Fort Myers, and Tampa*



Source: Innovata Schedules, via Diio.

# CURRENT GROWTH FOR THE BIG 3 AT THEIR TOP STATIONS

Percent Change in Capacity  
YTD June 2018 vs. YTD June 2019



# ALBANY IS THE LARGEST DALLAS MARKET NOT SERVED ON A NONSTOP BASIS



- ▶ Ranking based on local O&D
- ▶ Albany – Dallas O&D has been growing at an annual rate of 9% since 2013
- ▶ American is the logical candidate to approach to fill the nonstop void
- ▶ American is adding 13 new gates at DFW, allowing for major expansion opportunities
- ▶ American’s DFW current expansion is at a rate twice their system rate



## LAS VEGAS CONTINUES TO BE AN AIR SERVICE TARGET

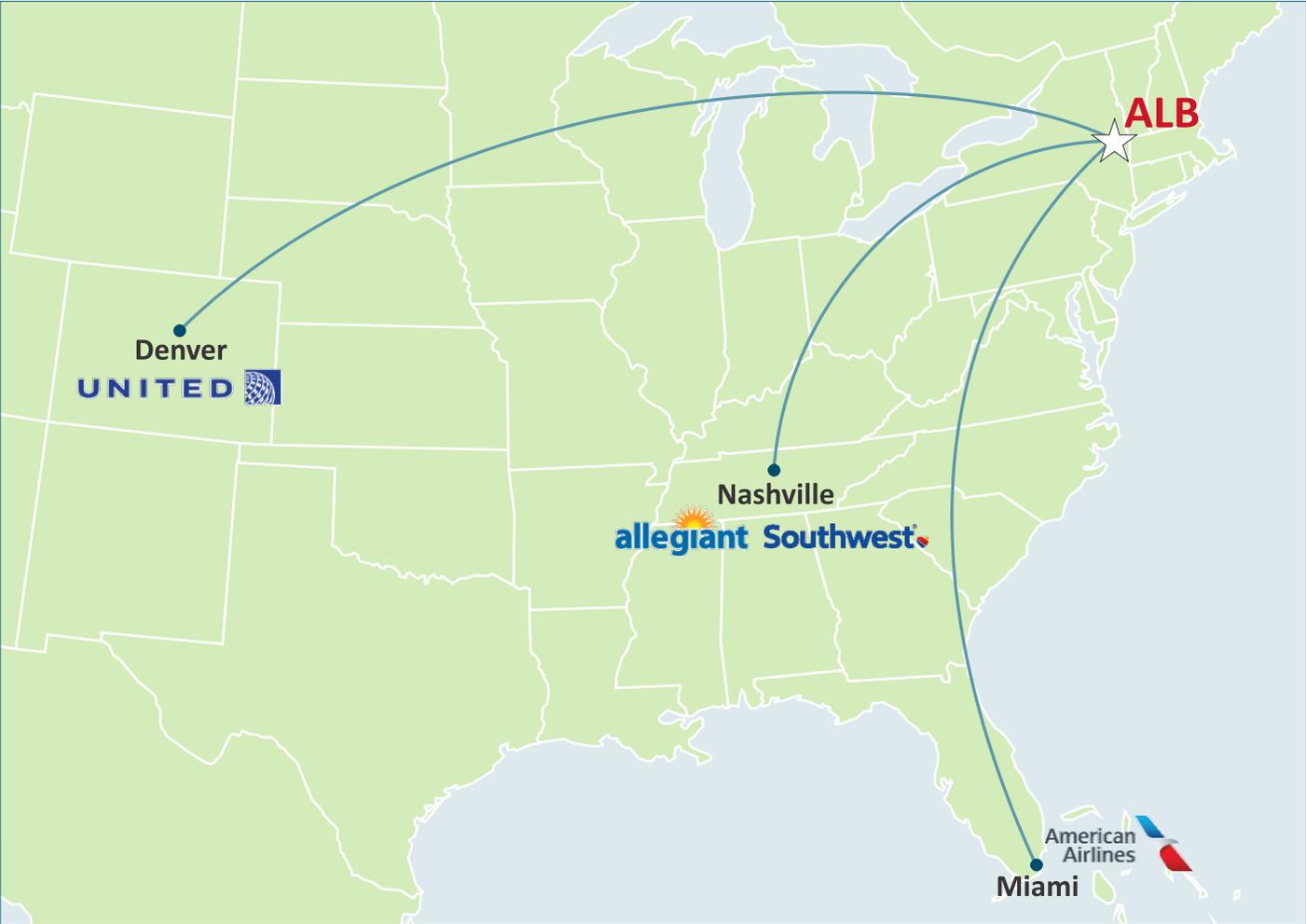
- ▶ Previous service on Southwest connected a significant amount of passenger beyond LAS (46% of flight)
- ▶ Replacement carrier will need to rely on local demand to succeed
- ▶ ULCC's, who fly less than daily, are the most logical candidates
- ▶ 30 daily connections exist from Albany to Las Vegas
- ▶ At over 2,200 miles, the trip length may be problematic for ULCC airlines (crew issues)

## WEST COAST EXPANSION – ONE CITIES ATTEMPT TO SECURE SERVICE



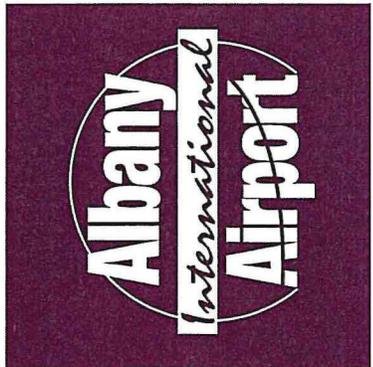
- ▶ American will begin one daily roundtrip in the LAX-SDF market in April.
- ▶ A local Louisville coalition, Louisville regional Airlift Development or LRAD program — is using a \$3 million pool to backstop any losses.
- ▶ Much of that \$3 million is public money.
- ▶ Albany is the 63<sup>rd</sup> ranked Los Angeles O&D market (73,900 annual)
- ▶ 35 daily connections exist from Albany to Los Angeles
- ▶ LAX markets in the 2000-2500 mile range, that are currently served, have annual O&D volumes, that at a minimum are over twice as large as ALB (150,000 annual)

# OTHER POTENTIAL EXPANSION TARGETS INCLUDE; DENVER, NASHVILLE, AND MIAMI

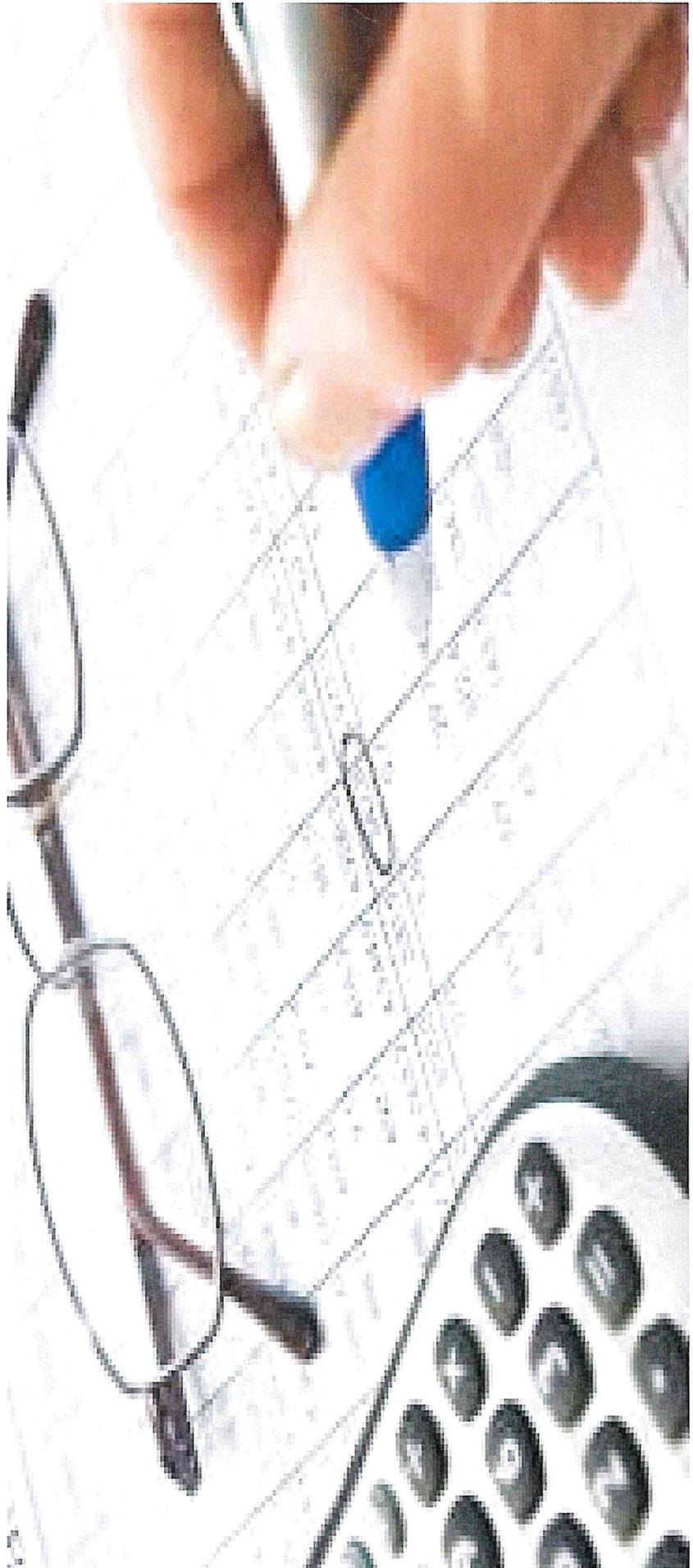


## **AGENDA ITEM NO. 5**

### **Financials**



# Finance Report



# **ALBANY COUNTY AIRPORT AUTHORITY**

**FINANCIAL & STATISTICAL  
RESULTS FOR  
January**

# ACAA STATISTICAL PERFORMANCE

1 Month Ended January 2019

	Actual	Budget	Variance
Enplanements	106,622	106,372	0.2%
Aircraft Operations	4,338	4,691	-7.5%
Landed Weight	121,089,432	125,515,413	-3.5%
Cargo (Tons)	1,474	1,462	0.8%
FBO Jet A (gallons)	83,336	87,543	-4.8%
FBO AvGas (gallons)	2,738	3,016	-9.2%
AvGas Commercial (gallons)	7,400	5,765	28.4%
FBO Into-Plane (gallons)	1,473,720	1,526,599	-3.5%
FBO Deicing (gallons)	34,366	32,833	4.7%

# ACAA BUDGET PERFORMANCE

## CHANGE IN UNRESTRICTED WORKING CAPITAL

	<u>January-19</u>	<u>December-18</u>	<u>CHANGE</u>
CASH	\$ 27,001,611	\$ 27,170,120	\$ (168,509)
ACCOUNTS RECEIVABLE	1,528,335	2,206,229	(677,894)
PREPAID EXPENSES	746,500	1,200,397	(453,897)
UNRESTRICTED ASSETS	<u>29,276,446</u>	<u>30,576,746</u>	<u>(1,300,300)</u>
PAYABLES FROM			
UNRESTRICTED ASSETS	<u>(5,878,692)</u>	<u>(7,117,842)</u>	<u>1,239,150</u>
UNRESTRICTED WORKING			
CAPITAL	<u>\$ 23,397,754</u>	<u>\$ 23,458,904</u>	<u>\$ (61,150)</u>

# ACAA BUDGET PERFORMANCE

## OPERATING REVENUES (1 Month Ended January 2019)

	<u>January-19</u>	<u>Budget January-19</u>	<u>VARIANCE</u>
AIRLINE REVENUES	\$ 1,272,497	\$ 1,247,625	\$ 24,872
NON-AIRLINE AIRFIELD REV	30,654	33,093	(2,439)
TERMINAL	283,519	262,751	20,768
GROUND TRANSPORTATION	1,623,906	1,594,865	29,041
OTHER AIRPORT REVENUE	513,934	498,143	15,791
FBO RETAIL SALES (net)	285,461	236,262	49,199
TOTAL	<u>4,009,971</u>	<u>3,872,739</u>	<u>137,232</u>

# ACAA BUDGET PERFORMANCE

## OPERATING EXPENSES (1 Month Ended January 2019)

	January-19	Budget January-19	VARIANCE
AIRFIELD	\$ 333,935	\$ 303,233	\$ (30,702)
FBO	219,898	261,368	41,470
TERMINAL	496,105	540,021	43,916
LOADING BRIDGES	18,220	25,184	6,964
LANDSIDE	140,289	144,280	3,991
PARKING	462,407	386,415	(75,992)
ARFF	147,062	180,016	32,954
OPERATIONS & SECURITY	327,858	347,019	19,161
VEHICLES & EQUIP	141,413	147,854	6,441
ADMINISTRATION	908,487	881,066	(27,421)
<b>TOTAL</b>	<b>3,195,674</b>	<b>3,216,456</b>	<b>20,782</b>

# ACAA BUDGET PERFORMANCE

## OTHER (NONOPERATING) REVENUES/EXPENSES (1 Month Ended January 2019)

	<u>January-19</u>	<u>Budget January-19</u>	<u>VARIANCE</u>
INTEREST EARNINGS	\$ 125,611	\$ 72,955	\$ 52,656
PASS. FAC. CHARGES	376,345	376,345	-
DEBT SERVICE	(993,368)	(993,368)	-
GRANT INCOME	11,780	11,558	222
ALL OTHER	12,572	(5,308)	17,880
TOTAL	<u>(467,060)</u>	<u>(537,818)</u>	<u>70,758</u>

# ACAA BUDGET PERFORMANCE

TOTAL OPERATING AND NONOPERATING NET RESULTS (1 Month Ended January 2019)

	January-19	Budget January-19	VARIANCE
OPERATING INCOME	\$ 4,009,971	\$ 3,872,739	\$ 137,232
OPERATING EXPENSES	(3,195,674)	(3,216,456)	20,782
OPERATING RESULTS	814,297	656,283	158,014
NONOPERATING, net	(467,060)	(537,818)	70,758
TOTAL	\$ 347,237	\$ 118,465	\$ 228,772

*Net operating results are \$229 thousand more favorable than budgeted*

# ALB COMPARISONS

FOR 2018 BUF HAD THE GREATEST EPAX GROWTH

	EPAX	CHANGE	Change from 2017		
	MONTH OF	FROM	2018	IN EPAX	As a %
	January	January			
	<u>2019</u>	<u>2018</u>	<u>2018</u>		
ALBANY	106,622	2.5%	1,466,706	48,871	3.4%
BRADLEY			3,330,734	123,518	3.9%
BUFFALO	158,054	-2.9%	2,528,896	199,751	8.6%
ROCHESTER	91,034	2.3%	1,287,721	75,067	6.2%
PLATTSBURGH	10,083	1.4%	119,761	-19,558	-14.0%
STEWART			344,868	e 116,875	51.3%
SYRACUSE	85,812	13.2%	1,156,458	118,150	11.4%
WESTCHESTER	60,594	6.1%	761,331	18,794	2.5%

e=estimate based upon total passengers

# **ALBANY COUNTY AIRPORT AUTHORITY**

## **2018 Final Audited Results**

# ACAA STATISTICAL PERFORMANCE

2018

	Actual	Budget	Variance
Enplanements	1,466,706	1,414,000	3.7%
Aircraft Operations	63,541	63,017	0.8%
Landed Weight	1,616,386,929	1,590,691,000	1.6%
Cargo (Tons)	18,896	18,957	-0.3%
FBO Jet A (gallons)	1,158,694	995,134	16.4%
FBO AvGas (gallons)	51,534	63,088	-18.3%
AvGas Commercial (gallons)	95,909	115,627	-17.1%
FBO Into-Plane (gallons)	21,013,458	19,507,384	7.7%
FBO Deicing (gallons)	208,128	157,311	32.3%

# 2018 Audited Result

## CHANGE IN UNRESTRICTED WORKING CAPITAL

	<u>December-18</u>	<u>December-17</u>	<u>CHANGE</u>
CASH	\$ 27,170,120	\$ 23,090,998	\$ 4,079,122
ACCOUNTS RECEIVABLE	2,206,229	2,262,330	(56,101)
PREPAID EXPENSES	1,200,397	1,364,985	(164,588)
UNRESTRICTED ASSETS	<u>30,576,746</u>	<u>26,718,313</u>	<u>3,858,433</u>
PAYABLES FROM			
UNRESTRICTED ASSETS	<u>(7,117,842)</u>	<u>(6,017,006)</u>	<u>(1,100,836)</u>
UNRESTRICTED WORKING CAPITAL	<u>\$ 23,458,904</u>	<u>\$ 20,701,307</u>	<u>\$ 2,757,597</u>

# 2018 Audited Result

## OPERATING REVENUES

	<u>2018</u>	<u>2017</u>	<u>VARIANCE</u>
AIRFIELD REVENUES	\$ 6,588,133	\$ 6,678,085	\$ (89,952)
FIXED BASE OF OPERATIONS	10,427,353	8,572,457	1,854,896
TERMINAL	5,538,045	5,019,779	518,266
CONCESSIONS	8,262,260	8,070,379	191,881
GROUND TRANSPORTATION	15,721,089	15,325,640	395,449
OTHER REVENUE	4,292,488	4,360,796	(68,308)
TOTAL	<u>50,829,368</u>	<u>48,027,136</u>	<u>2,802,232</u>

# 2018 Audited Result

## OPERATING EXPENSES

	2018	2017	VARIANCE
AIRFIELD	\$ 3,400,074	\$ 3,166,201	\$ 233,873
FIXED BASE OF OPERATIONS	8,004,735	6,597,625	1,407,110
TERMINAL	6,048,127	5,202,732	845,395
LOADING BRIDGES	349,282	309,227	40,055
LANDSIDE	5,927,475	5,653,834	273,641
PUBLIC SAFETY	3,671,658	3,356,287	315,371
ARFF	1,994,878	1,922,809	72,069
VEHICLE MAINTENANCE	1,567,003	1,373,378	193,625
ADMINISTRATION	6,386,895	5,812,919	573,976
TOTAL	<u>37,350,127</u>	<u>33,395,012</u>	<u>3,955,115</u>

# 2018 Audited Result

## OTHER NONOP. REVS/EXPS, CAP CONTRIBUTIONS

	2018	2017	VARIANCE
RESULTS B'FORE DEPREC.	\$ 13,479,241	\$ 14,632,124	\$ (1,152,883)
DEPRECIATION	(15,335,569)	(14,761,280)	(574,289)
LOSS B'FORE NON-OP ITEMS	(1,856,328)	(129,156)	(1,727,172)
PFC'S	5,638,922	5,431,444	207,478
INTEREST/INV INCOME	488,263	10,676	477,587
INTEREST EXPENSE	(3,898,788)	(4,261,394)	362,606
GRANT INCOME	300,997	138,700	162,297
Bond Issuance Costs	(390,361)	(252,877)	(137,484)
ALL OTHER	300,092	292,120	7,972
LOSS B'FORE CAP. CONTRIB.	582,797	1,229,513	(646,716)
CAPITAL CONTRIBUTIONS	3,297,047	4,616,709	(1,319,662)
Special Item - LIBOR Settlement	1,496,915	-	1,496,915
Special Item - asset impairment	(474,695)	-	(474,695)
Extraordinary Item - sale of land	148,595	-	148,595
INCREASE IN NET ASSETS	\$ 5,050,659	\$ 5,846,222	(795,563)

# 2018 Settlement

- *Net Revenues to share between the Airport and the Signatory Airlines equaled \$5,175,293*
- *Results in \$2,587,646 to the Airlines, \$2,342,955 to the Authority Development fund, and \$244,691 to fund 2018 Airline Incentives.*
- *Total credit to the Airlines after adjustment of rates and charges is \$2,950,014 (does not include incentives).*
- *Par amount of Bonds Outstanding increased by \$13.2 million. Par amount of bonds outstanding is \$90.5 million.*
- *Debt Service coverage ratio calculated under the master bond resolution improved to 1.44 (net revenues to net debt service).*
- *Airport Cost Per Enplaned Passenger was \$6.57 – same as 2017!*

# PROJECT BUDGET AND FUNDING PLAN

UPSTATE AIRPORT DEVELOPMENT & REVITALIZATION PROJECT  
BUDGET AND FUNDING SOURCES

Dated 03/5/2019

Albany Gateway Airport Modernization	PROJECT COST	AIP	PFC	NYS	Revised Airport Contribution	ACAA Cash or Future Bonds	ACAA Bonded 11/29/2018
Gateway Parking Plaza <i>Allocation by funding</i>	\$ 35,004,188	\$ 862,895 2.5%	\$ -	\$ 15,334,541 43.8%	\$ 18,806,752 53.7%	\$ 4,110,070	\$ 14,696,682
Customer Parking Access Improvements <i>Allocation by funding</i>	3,029,601	-	-	2,648,281 87.4%	381,320 12.6%	381,320	-
Other Passenger Amenities (Terminal Upstate Airport Development & Revitalization G <i>Allocation by funding</i>	13,323,624		7,109,392 53.4%	4,149,078 31.1%	2,065,154 15.5%	-	2,065,154
FAA AIP	1,961,340	\$ 1,765,206		98,067	98,067	98,067	-
Sub Total Passenger Amenities	\$ 15,284,964	\$ 1,765,206	\$ 7,109,392	\$ 4,247,145	\$ 2,163,221	\$ 98,067	\$ 2,065,154
<b>Total Project Costs</b>	<b>\$ 53,318,753</b>	<b>\$ 2,628,101</b>	<b>\$ 7,109,392</b>	<b>\$ 22,229,967</b>	<b>\$ 21,351,293</b>	<b>\$ 4,589,457</b>	<b>\$ 16,761,836</b>
Airport Development & Revitalization Grant				\$ 98,067			
AIP Grant				\$ 22,131,900	\$ 21,351,293	\$ 4,589,457	\$ 16,761,836

Note: AIP includes \$862,895 in proceeds from disposition of land to Exit 4 project which is restricted to AIP projects, PFC funds include \$7,109,392 from New Project Approval. AIP Share of Terminal Amenities are the Committed and Paid balances for the terminal escalator projects underway.

# FUNDING PLAN ACTION ITEMS

- ***FAA APPLICATION for \$8.6 million to use PFC funds for Project & Control Tower Improvements***
- ***PFC Application will change the collection authority for series 2010 bonds to reflect actual financing costs.***
  - *Air Carrier notice and consultation - Q2 2019*
  - *Public notice and hearing – Q2 2019*
  - *Work with Rates & Charges Consultant*
- ***Bond Issue close-out financing currently estimated at \$4.6 million***
  - *Wait until final costs are more certain – use other liquidity*
  - *Try to include in a Refunding of Series 2010 bonds callable in 12 months that will release \$9.5 million in debt service reserve funds. Refunded reserve would be half that amount or could be satisfied with a surety bond.*
  - *Use other liquidity to get us to that date or do a forward refunding if not possible.*
  - *Accelerate new money borrowing if close out grows significantly*
  - *Work with Financial Advisor*

***AGENDA ITEM NO. 5.1***

***FINANCIAL PERFORMANCE***



**STATISTICAL  
&  
FINANCIAL  
PERFORMANCE**

**January 2019**

**\*\*\* UNAUDITED - FOR INTERNAL REVIEW\*\*\***



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ALBANY COUNTY AIRPORT AUTHORITY  
 ALBANY INTERNATIONAL AIRPORT  
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**TO:** ACAA Members

**FROM:** William J. O'Reilly, CFO 

**RE:** January 2019 Financial Performance

**INTRODUCTION**

The attached report includes the Airport's January 2019 statistical highlights, financial information, and operating information. This financial information is presented for the purposes of comparing budget to actual results and for indicating generally how revenues and expenses have compared to budgeted revenues and expenses through January 2019. The financial information presented herewith is prepared on the Albany County Airport Authority's budgetary basis of accounting. The information provided in this report does not include a forecast of the effects of the final settlement based upon the calculation provided for in the Airport Use and Lease Agreement, which expires December 31, 2020, or make any provision for accrual of funds owed to or from the Signatory Airlines. *This report includes preliminary operating and performance statistics and financial forecasts based upon the budgetary basis of accounting estimates that involve uncertainties that could result in actual financial results differing materially from preliminary estimates.* This report is divided into the following sections: Statistical Highlights, Financial Statements, Airport Revenues, AFCO/AvPorts Airport Operations, Million Air FBO Operations, Authority Operations, and Investment Report.

	Current Year Versus		
	2019 YTD Budget	2018 January	2018 YTD
<b>Enplanements</b>	0.2%	2.5%	2.5%
<b>Operations</b>	-7.5%	-7.5%	-7.5%
<b>Landed Weight</b>	-3.5%	-0.3%	-0.3%
<b>Cargo, Mail &amp; Express</b>	0.9%	0.4%	0.4%

January 2019 seat capacity was 5.3% more than January 2018 and the monthly load factor increased from 78% to 76%.

## ENPLANEMENTS

A summary of YTD 2019 and 2018 market share by airline is as follows:

	2019			2018		
	Major Carriers	Express Carriers	Totals	Major Carriers	Express Carriers	Totals
Allegiant Air	3.8%		3.8%	0.0%		0.0%
American	8.7%	12.700%	21.4%	7.4%	15.2%	22.6%
Boutique Air	0.0%		0.0%	0.2%		0.2%
Cape Air	0.6%		0.6%	0.7%		0.7%
Delta	9.4%	5.300%	14.7%	10.6%	2.5%	13.1%
Frontier	3.5%		3.5%	0.0%		0.0%
Jet Blue	6.7%		6.7%	7.4%		7.4%
Southwest	37.5%		37.5%	43.5%		43.5%
OneJet	0.0%		0.0%	0.1%		0.1%
United	3.0%	8.700%	11.7%	1.1%	11.3%	12.4%
Charters	0.1%		0.1%	0.0%		0.0%
Totals	73.3%	26.7%	100.0%	71.0%	29.0%	100.0%

## FINANCIAL INFORMATION

The summary of Revenues, Expenses and Net Results shows YTD 2019 results compared to the 2019 budgeted amounts and 2018 actual amounts. The summary shows the YTD net operating results for 2019 are more than the amount budgeted by \$228,772. These YTD results do not reflect adjustments for year-end settlement incorporate the effects of revenue sharing or reflect other year-end adjustments for 2019.

	2019 YTD Budget	2019 YTD Actual	2018 YTD Actual	2019 YTD vs 2018 YTD
Airport revenues	\$ 3,636,477	\$ 3,724,510	\$ 3,518,163	206,347
FBO revenues less cost of sales	236,262	285,461	271,892	13,569
Total operating expenses	(3,216,456)	(3,195,674)	(2,893,947)	(301,727)
Operating results	656,283	814,297	896,108	(81,811)
Other revenue and expenses, net	(537,818)	(467,060)	(682,832)	215,772
Net results	\$ 118,465	\$ 347,237	\$ 213,276	
Net variances: (2019 Actual to Budget)		<u>\$ 228,772</u>		
(2019 Actual to 2018 Actual)				<u>\$ 133,961</u>

Under the revenue sharing formula, the net revenues or deficiency at year-end are split fifty (50) percent to the signatory airlines and fifty (50) percent to the Authority, subject to certain limitations which require the airlines to ensure the Authority's net revenues are not less than 125 percent of its annual debt service requirement. The summary information above does not reflect the effect of allocating all budget variances in accordance with the Airport Use and Lease Agreement or the potential assessment of charges to meet debt service coverage requirements, and accordingly, does not reflect the amount of an accumulated potential year-end settlement with the signatory airlines.

## AIRLINE RATES AND CHARGES

Airline Rates and Charges shown for 2019 are based on the adopted budget and are calculated using the formulas incorporated into the Airline Use and Lease Agreement. Final 2019 rates will be calculated in the final settlement and revenue sharing report. The signatory airlines will be billed or credited for their share of any final variance and the Authority will fund its share of any negative variance from its reserves.

## AIRPORT REVENUES

AIRPORT REVENUES for YTD 2019 are \$3.7 million and equal the budgeted of \$3.6 million.

PUBLIC PARKING REVENUES for YTD 2019 total \$1,267,200 compared to \$1,191,200 in YTD 2018, a 6.4% increase and are \$14,000 more than budget. Parking revenue per passenger increased from \$11.45 in YTD 2018 to \$11.88 in YTD 2019.

RENTAL CAR REVENUES for YTD 2019 total \$273,500 compared to \$274,400 in YTD 2018, and are \$5,700 more than budget. Revenue per passenger was \$2.57 in YTD 2019 compared to \$2.64 in YTD 2018.

FOOD AND BEVERAGE REVENUES for YTD 2019 total \$89,600 compared to \$59,500 in YTD 2018 and are \$17,000 more than budget. Sales per enplaned passenger were \$6.68 in YTD 2019 compared to \$5.94 in YTD 2018. Authority revenue per passenger was \$0.84 in YTD 2019, which is an increase from \$0.57 in YTD 2018.

RETAIL REVENUES for YTD 2019 total \$67,800 compared to \$62,900 in YTD 2018, and are \$1,800 more than budgeted. Sales for YTD 2019 per enplanement were \$2.69 in YTD 2019 compared to \$2.52 in YTD 2018. Authority revenue per passenger was \$0.64 in YTD 2019 compared to \$0.60 in YTD 2018.

## COMBINED MANAGEMENT OPERATING EXPENSES

The airports three operating centers have combined operating expense results as follows:

	2019 YTD Budget	2019 YTD Actual	Budget Variance	2018 YTD Actual	Prior Year Variance
AvPorts	\$ 2,145,280	\$ 2,131,900	\$ 13,380	\$ 1,901,045	\$ (230,855)
Million Air Authority	349,106	315,064	34,042	312,720	(2,344)
	722,070	748,710	(26,640)	680,182	(68,528)
Total	\$ 3,216,456	\$ 3,195,674	\$ 20,782	\$ 2,893,947	\$ (301,727)
Variance			0.65%		-10.43%

## OTHER REVENUES AND EXPENSES

Other revenues and expenses when netted together for YTD 2019 are \$70,800 more than budgeted mainly because interest earnings were \$52,700 more than budgeted.

## AFCO/AVPORTS AIRPORT OPERATIONS

Operating expenses for AFCO/AvPorts in YTD 2019 are \$13,400 (0.6%) under budget and included snow removal services that were \$160,200 more than budgeted.

## MILLION AIR FBO OPERATIONS

The commercial and retail YTD revenues and cost of sales results are as follows:

	2019 YTD Budget	2019 YTD Actual	2019 Variance	2018 YTD Actual	Prior Year Variance
Revenues	\$ 968,749	\$ 930,877	\$ (37,872)	\$ 981,904	\$ (51,027)
Cost of Sales	(566,759)	(492,248)	74,511	(581,280)	89,032
Net results before O & M Expenses	\$ 401,990	\$ 438,629	\$ 36,639	\$ 400,624	\$ 38,005
<b>FUEL SALES (gallons)</b>					
Jet A	87,543	83,336	(4,207)	82,592	744
AvGas - Retail	3,016	2,738	(278)	2,978	(240)
AvGas - Commercial	5,765	7,400	1,635	8,683	(1,283)
<b>DEICING SALES (gallons)</b>					
Sprayed	12,057	17,624	5,567	21,867	(4,243)
Consortium	20,776	16,742	(4,034)	20,525	(3,783)
<b>FUEL NET REVENUES</b>					
Jet A	\$ 149,546	\$ 131,406	\$ (18,140)	\$ 141,143	\$ (9,737)
AvGas - Retail	\$ 3,542	\$ 4,275	\$ 733	\$ 3,940	\$ 335
AvGas - Commercial	\$ 2,133	\$ 3,154	\$ 1,021	\$ 3,965	\$ (811)
<b>DEICING NET REVENUE</b>					
Sprayed	\$ 69,385	\$ 129,840	\$ 60,455	\$ 141,663	\$ (11,823)
Consortium	\$ -	\$ (276)	\$ (276)	\$ (28,775)	\$ 28,499

YTD Net Results before YTD Operating and Maintenance expenses were \$36,600 more than budgeted and \$38,000 more than the YTD 2018. Revenue from sprayed deicing services was the most significant variance from the budget amounts.

Operating expenses, not including the cost of retail sales, for YTD 2019 are \$34,000 less than budgeted. A detail account listing of expenses is included for all Million Air cost centers.

## AUTHORITY OPERATIONS

YTD operating expenses in 2019 were \$26,600 more than budgeted mainly because of timing differences between budgeted and actual expenses. Departure's net operating results are (\$2,800) for YTD 2019 compared to (\$100) for YTD 2018.

A detail account listing of expenses is included for the Authority.

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# **Statistical Highlights**

## Albany International Airport Januray Highlights

ACTIVITIES:		2019	2019	Percentage	2018	Percentage
		ACTUAL	BUDGET	Actual vs. Budget	AUDITED	Actual 2019 VS. 2018
<i>Enplanements</i>	Current Month	106,622	106,372	0.2%	104,011	2.5%
	Year - to - Date	106,622	106,372	0.2%	104,011	2.5%
<i>Aircraft Operations</i>	Current Month	4,338	4,691	-7.5%	4,692	-7.5%
	Year - to - Date	4,338	4,691	-7.5%	4,692	-7.5%
<i>Landed Weight (#)</i>	Current Month	121,089,432	125,515,413	-3.5%	121,408,632	-0.3%
	Year - to - Date	121,089,432	125,515,413	-3.5%	121,408,632	-0.3%
<i>Cargo, Mail &amp; Express (Tons)</i>	Current Month	1,474	1,462	0.9%	1,468	0.4%
	Year - to - Date	1,474	1,462	0.9%	1,468	0.4%
<i>FBO Jet A (Gallons)</i>	Current Month	83,336	87,543	-4.8%	82,592	0.9%
	Year - to - Date	83,336	87,543	-4.8%	82,592	0.9%
<i>FBO AvGas (Gallons)</i>	Current Month	2,738	3,016	-9.2%	2,978	-8.1%
	Year - to - Date	2,738	3,016	-9.2%	62,710	-95.6%
<i>AvGas Commercial (gallons)</i>	Current Month	7,400	5,765	28.4%	8,683	-14.8%
	Year - to - Date	7,400	5,765	28.4%	8,683	-14.8%
<i>FBO Into-Plane (Gallons)</i>	Current Month	1,473,720	1,526,599	-3.5%	1,557,953	-5.4%
	Year - to - Date	1,473,720	1,526,599	-3.5%	1,557,953	-5.4%
<i>FBO Deicing (Gallons)</i>	Current Month	34,366	32,833	0.0%	42,392	0.0%
	Year - to - Date	34,366	32,833	4.7%	42,392	-18.9%

### REVENUES:

<i>Landing Fees</i>	Current Month	\$471,936	\$486,676	-3.0%	\$470,747	0.3%
	Year - to - Date	\$471,936	\$486,676	-3.0%	\$470,747	0.3%
<i>Terminal</i>	Current Month	\$573,266	\$538,545	6.4%	\$536,204	6.9%
	Year - to - Date	\$573,266	\$538,545	6.4%	\$536,204	6.9%
<i>Parking</i>	Current Month	\$1,267,193	\$1,253,225	1.1%	\$1,191,119	6.4%
	Year - to - Date	\$1,267,193	\$1,253,225	1.1%	\$1,191,119	6.4%
<i>Rental Cars</i>	Current Month	\$273,534	\$267,859	2.1%	\$274,396	-0.3%
	Year - to - Date	\$273,534	\$267,859	2.1%	\$274,396	-0.3%
<i>Food &amp; Beverage</i>	Current Month	\$89,647	\$72,615	23.5%	\$59,517	50.6%
	Year - to - Date	\$89,647	\$72,615	23.5%	\$59,517	50.6%
<i>Retail</i>	Current Month	\$67,806	\$66,042	2.7%	\$62,868	7.9%
	Year - to - Date	\$67,806	\$66,042	2.7%	\$62,868	7.9%
<i>Departure</i>	Current Month	\$10,529	\$14,341	-26.6%	\$14,604	-27.9%
	Year - to - Date	\$10,529	\$14,342	-26.6%	\$14,604	-27.9%
<i>FBO Jet A , Net</i>	Current Month	\$131,406	\$149,546	-12.1%	\$141,143	-6.9%
	Year - to - Date	\$131,406	\$149,546	-12.1%	\$141,143	-6.9%
<i>FBO AvGas, Net</i>	Current Month	\$4,275	\$3,542	20.7%	\$3,940	8.5%
	Year - to - Date	\$4,275	\$3,542	20.7%	\$3,940	8.5%
<i>AvGas Commercial, Net</i>	Current Month	\$3,154	\$2,133	47.9%	\$3,965	-20.5%
	Year - to - Date	\$3,154	\$2,133	47.9%	\$3,965	-20.5%
<i>FBO Into-Plane</i>	Current Month	\$51,730	\$49,413	4.7%	\$53,420	-3.2%
	Year - to - Date	\$51,730	\$49,413	4.7%	\$53,420	-3.2%
<i>FBO Deicing, Net</i>	Current Month	\$129,564	\$69,385	0.0%	\$112,888	0.0%
	Year - to - Date	\$129,564	\$69,385	86.7%	\$112,888	14.8%

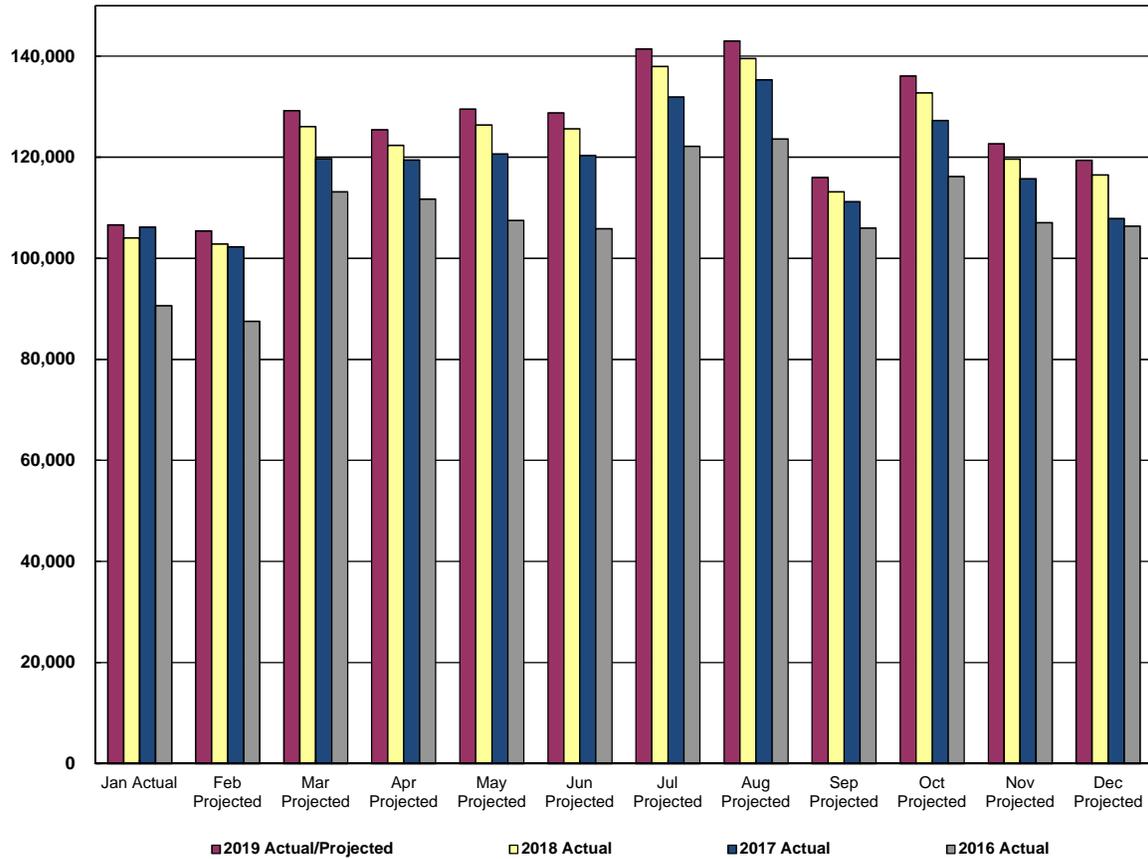
## Albany International Airport January Highlights

	2019 YTD	2018	2017	2016	2015
<b>REVENUE PER ENPLANEMENT:</b>	PRELIMINARY	AUDITED	AUDITED	AUDITED	AUDITED
Parking	\$11.88	\$10.40	\$10.57	\$10.57	\$9.87
Rental Car	\$2.57	\$3.79	\$3.83	\$3.59	\$3.89
Food & Beverage	\$0.84	\$0.62	\$0.57	\$0.56	\$0.51
Retail	\$0.64	\$0.58	\$0.57	\$0.56	\$0.54
Departure	\$0.10	\$0.17	\$0.20	\$0.17	\$0.19

## Annual Rates and Charges Summary

	2019	2018	2017	2016	2015
<b>AIRLINE RATES &amp; CHARGES:</b>	BUDGET	AUDITED	AUDITED	AUDITED	AUDITED
Landing Fees Per 1,000 lbs. MGLW:					
Signatory	\$3.35	\$2.92	\$3.12	\$2.73	\$3.27
Non-Signatory	\$4.19	\$4.16	\$3.91	\$4.04	\$4.04
Apron Fees Per Square Foot:	\$1.48	\$1.31	\$1.33	\$1.19	\$1.52
Terminal Rental Per Square Foot:					
Signatory	\$83.59	\$86.48	\$79.86	\$81.11	\$74.63
Non-Signatory	\$104.49	\$101.96	\$100.98	\$93.48	\$93.48
Loading Bridges - Annual:	\$43,232	\$51,611	\$47,237	\$40,383	\$44,761
Cost per Enplanement :					
Airport CPE (after revenue sharing)	\$6.52	\$6.57	\$6.57	\$6.00	\$7.12

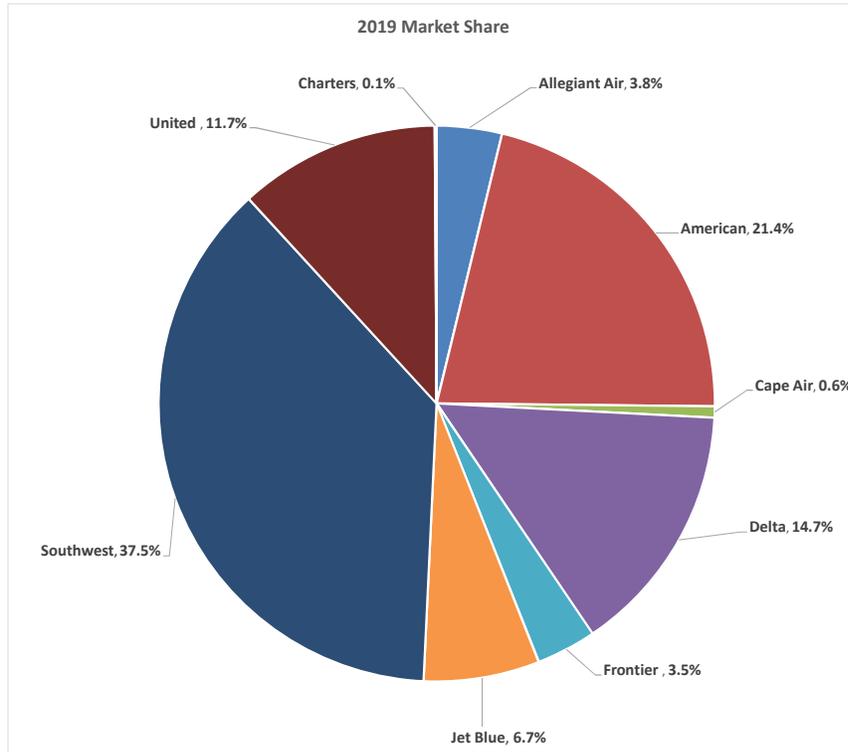
## Albany International Airport Monthly Enplanements 2016-2019 For the one month ended January 31



		2019	2019 Budget	# Variance	% Variance	2018	2019 vs. 2018	2017	2016
<b>January</b>	<b>(ACTUAL)</b>	<b>106,622</b>	<b>106,372</b>	<b>250</b>	<b>0.2%</b>	<b>104,011</b>	<b>2.5%</b>	<b>106,168</b>	<b>102,325</b>
February	(Projected)	105,434	105,187	247	0.2%	102,852	2.5%	102,255	103,214
March	(Projected)	129,216	128,913	303	0.2%	126,052	2.5%	119,677	119,403
April	(Projected)	125,413	125,119	294	0.2%	122,342	2.5%	119,423	119,362
May	(Projected)	129,517	129,213	304	0.2%	126,345	2.5%	120,665	118,293
June	(Projected)	128,771	128,470	302	0.2%	125,618	2.5%	120,316	117,743
July	(Projected)	141,447	141,115	332	0.2%	137,983	2.5%	131,916	130,930
August	(Projected)	143,022	142,687	335	0.2%	139,520	2.5%	135,306	133,612
September	(Projected)	115,979	115,707	272	0.2%	113,139	2.5%	111,208	115,752
October	(Projected)	136,055	135,736	319	0.2%	132,723	2.5%	127,281	123,374
November	(Projected)	122,642	122,355	288	0.2%	119,639	2.5%	115,758	115,220
December	(Projected)	119,406	119,126	280	0.2%	116,482	2.5%	107,862	108,206
<b>Total</b>		<b>1,503,525</b>	<b>1,500,000</b>	<b>3,525</b>	<b>0.2%</b>	<b>1,466,706</b>	<b>2.5%</b>	<b>1,417,835</b>	<b>1,407,434</b>

YTD Enplanements      106,622      106,372      250      0.2%      104,011      2.5%      106,168      102,325

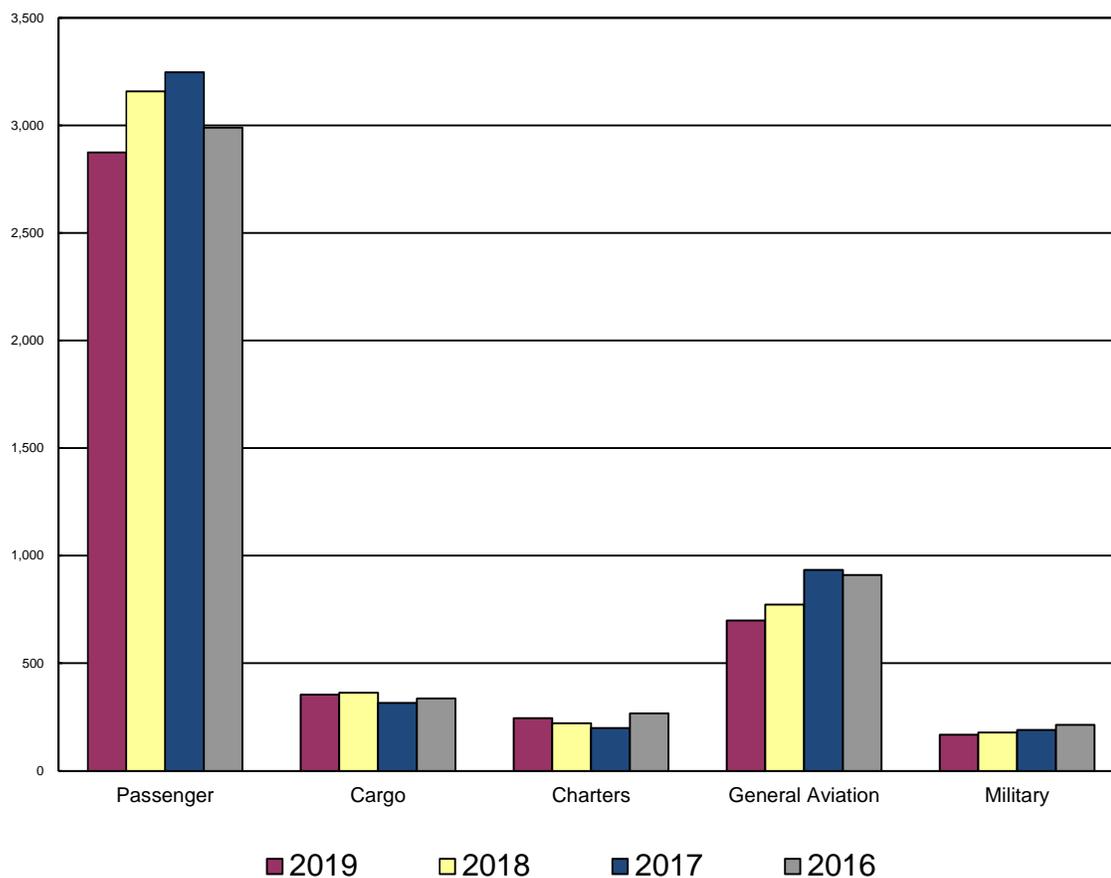
# Albany International Airport Enplanements Per Carrier For the one month ended January 31



Carrier	Current Month		#	%	Year To Date		#	%	YTD Market Share		%
	2019	2018			Change	Change			2019	2018	
Allegiant Air	4,048	0	4,048	100.0%	4,048	0	4,048	0.0%	3.8%	0.0%	3.8%
American	9,247	7,742	1,505	19.4%	9,247	7,742	1,505	19.4%	8.7%	7.4%	1.2%
American Eagle-Air Wisconsin	0	295	(295)	-100.0%	0	295	(295)	-100.0%	0.0%	0.3%	-0.3%
American Eagle - Envoy	3,236	3,236	0	0.0%	3,236	3,236	0	0.0%	3.0%	3.1%	-0.1%
American Eagle-Piedmont	5,972	2,894	3,078	106.4%	5,972	2,894	3,078	106.4%	5.6%	2.8%	2.8%
American Eagle-PSA	4,352	5,349	(997)	-18.6%	4,352	5,349	(997)	-18.6%	4.1%	5.1%	-1.1%
American Eagle-Republic	0	3,775	(3,775)	-100.0%	0	3,775	(3,775)	-100.0%	0.0%	3.6%	-3.6%
American Eagle-TransStates	0	197	(197)	-100.0%	0	197	(197)	-100.0%	0.0%	0.2%	-0.2%
Boutique Air	0	185	(185)	-100.0%	0	185	(185)	-100.0%	0.0%	0.2%	-0.2%
Cape Air	689	761	(72)	-9.5%	689	761	(72)	-9.5%	0.6%	0.7%	-0.1%
Delta	9,989	11,034	(1,045)	-9.5%	9,989	11,034	(1,045)	-9.5%	9.4%	10.6%	-1.2%
Delta - Endeavor	1,382	0	1,382	100.0%	1,382	0	1,382	0.0%	1.3%	0.0%	1.3%
Delta - Go Jet	3,042	180	2,862	1590.0%	3,042	180	2,862	1590.0%	2.9%	0.2%	2.7%
Delta - SkyWest	1,296	2,422	(1,126)	-46.5%	1,296	2,422	(1,126)	-46.5%	1.2%	2.3%	-1.1%
Frontier	3,726	0	3,726	100.0%	3,726	0	3,726	100.0%	3.5%	0.0%	3.5%
Jet Blue	7,181	7,705	(524)	-6.8%	7,181	7,705	(524)	-6.8%	6.7%	7.4%	-0.7%
One-Jet	0	137	(137)	-100.0%	0	137	(137)	-100.0%	0.0%	0.1%	-0.1%
Southwest	39,960	45,250	(5,290)	-11.7%	39,960	45,250	(5,290)	-11.7%	37.5%	43.5%	-6.0%
United	3,245	1,175	2,070	176.2%	3,245	1,175	2,070	176.2%	3.0%	1.1%	1.9%
United Express - Air Wisconsin	2,193	0	2,193	100.0%	2,193	0	2,193	100.0%	2.1%	0.0%	2.1%
United Exp-Commutair	5,404	6,013	(609)	-10.1%	5,404	6,013	(609)	-10.1%	5.1%	5.8%	-0.7%
United Exp-Express Jet	1,362	1,899	(537)	-28.3%	1,362	1,899	(537)	-28.3%	1.3%	1.8%	-0.5%
United Exp-Republic	118	0	118	0.0%	118	0	118	0.0%	0.1%	0.0%	0.1%
United Exp-SkyWest	50	1,664	(1,614)	-97.0%	50	1,664	(1,614)	-97.0%	0.0%	1.6%	-1.6%
United Exp-TransStates	0	2,098	(2,098)	-100.0%	0	2,098	(2,098)	-100.0%	0.0%	2.0%	-2.0%
Other - Charters	130	0	130	0.0%	130	0	130	0.0%	0.1%	0.0%	0.1%
<b>Total</b>	<b>106,622</b>	<b>104,011</b>	<b>2,611</b>	<b>2.5%</b>	<b>106,622</b>	<b>104,011</b>	<b>2,611</b>	<b>2.5%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

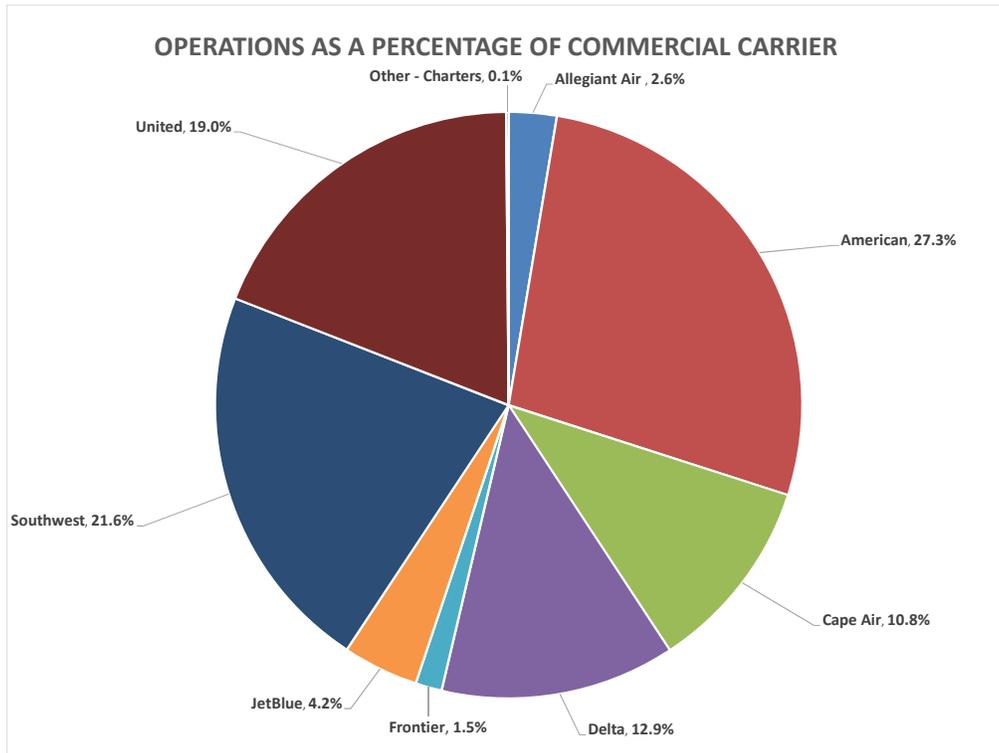
YTD Budget	YTD Actual	# Variance	% Variance
106,372	106,622	250	0.2%

## Albany International Airport Aircraft Operations by Type For the one month ended January 31



Type	2019	2018	% Change	2017	2016
Passenger	2,874	3,158	-9.0%	3,246	2,990
Cargo	354	362	-2.2%	316	336
Charters & Corporate	244	221	10.4%	198	266
Sub Total	3,472	3,741	-7.2%	3,760	3,592
General Aviation	699	773	-9.6%	934	910
Military	167	178	-6.2%	190	213
<b>Total</b>	<b>4,338</b>	<b>4,692</b>	<b>-7.5%</b>	<b>4,884</b>	<b>4,715</b>

## Albany International Airport Operations Per Carrier For one month ended January 31

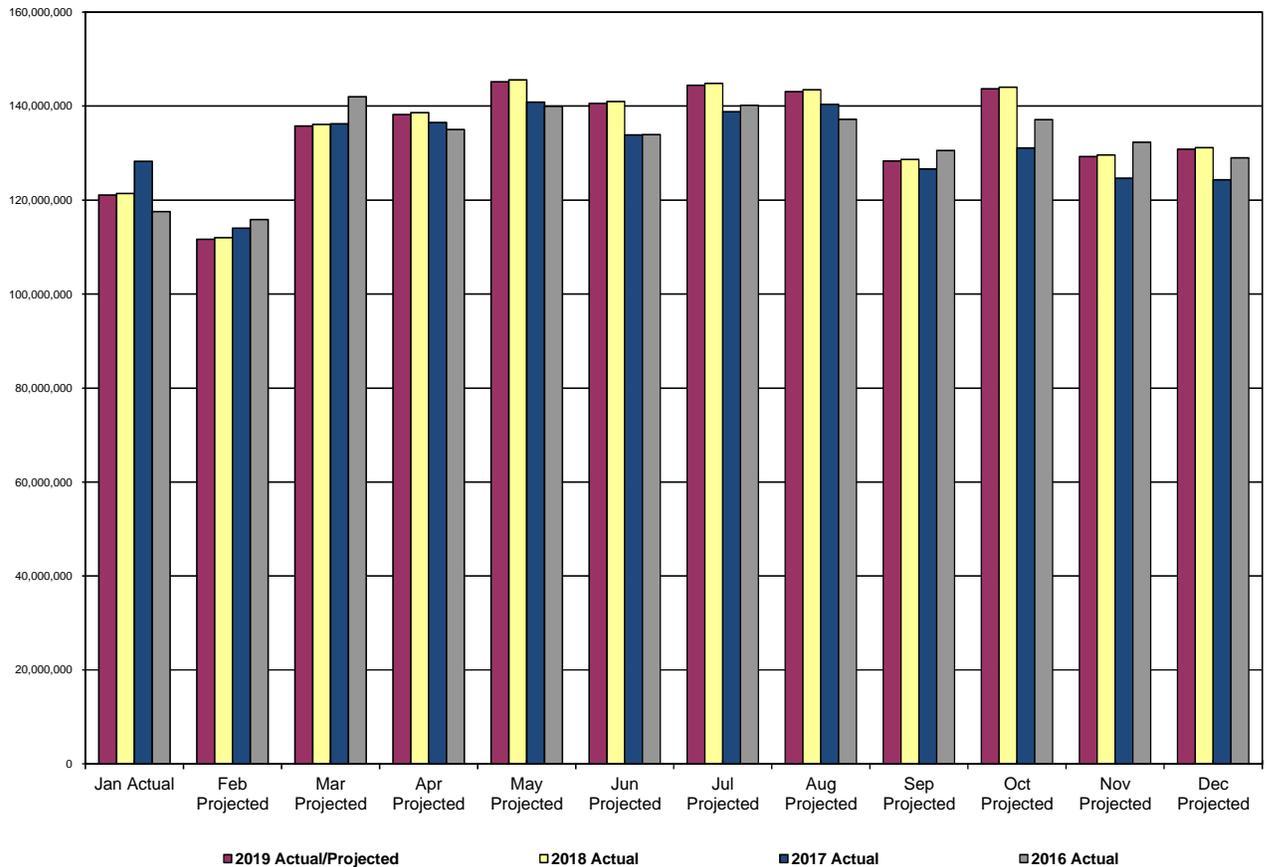


Carrier	# Sch.	Current Month				Year To Date				YTD Market Share		
		2019	2018	# Change	% Change	2019	2018	# Change	% Change	2019	2018	% Change
Allegiant Air	76	76	0	76	100.0%	76	0	76	100.0%	2.2%	0.0%	2.2%
American	176	168	130	38	29.2%	168	130	38	29.2%	4.8%	3.5%	1.3%
American - Air Wisconsin	0	0	16	(16)	-100.0%	0	16	-16	-100.0%	0.0%	0.4%	-0.4%
American - Envoy	152	128	120	8	6.7%	128	120	8	6.7%	3.7%	3.2%	0.5%
American - Piedmont	302	276	150	126	84.0%	276	150	126	84.0%	7.9%	4.0%	3.9%
American - PSA	232	214	270	(56)	-20.7%	214	270	-56	-20.7%	6.2%	7.2%	-1.0%
American - Republic Airways	0	0	128	(128)	-100.0%	0	128	-128	-100.0%	0.0%	3.4%	-3.4%
American - Skywest	0	0	0	0	0.0%	0	0	0	0.0%	0.0%	0.0%	0.0%
American - Trans States	0	0	10	(10)	-100.0%	0	10	-10	-100.0%	0.0%	0.3%	-0.3%
Boutique Air	0	0	100	(100)	-100.0%	0	100	-100	-100.0%	0.0%	2.7%	-2.7%
Cape Air	310	310	344	(34)	-9.9%	310	344	-34	-9.9%	8.9%	9.2%	-0.3%
Delta	172	172	228	(56)	-24.6%	172	228	-56	-24.6%	5.0%	6.1%	-1.1%
Delta - Endeavor	48	48	0	48	100.0%	48	0	48	100.0%	1.4%	0.0%	1.4%
Delta - Express Jet	0	0	0	0	0.0%	0	0	0	0.0%	0.0%	0.0%	0.0%
Delta - Go Jet	104	106	4	102	2550.0%	106	4	102	2550.0%	3.1%	0.1%	3.0%
Delta - Republic	0	0	0	0	0.0%	0	0	0	0.0%	0.0%	0.0%	0.0%
Delta - Sky West	48	46	110	(64)	-58.2%	46	110	-64	-58.2%	1.3%	2.9%	-1.6%
Elite Airlines	0	0	0	0	0.0%	0	0	0	0.0%	0.0%	0.0%	0.0%
Frontier	44	42	0	42	100.0%	42	0	42	100.0%	1.2%	0.0%	1.2%
JetBlue	124	120	122	(2)	-1.6%	120	122	-2	-1.6%	3.5%	3.3%	0.2%
One Jet	0	0	62	(62)	-100.0%	0	62	-62	-100.0%	0.0%	1.7%	-1.7%
Southwest	622	622	728	(106)	-14.6%	622	728	-106	-14.6%	17.9%	19.5%	-1.6%
United	66	66	24	42	175.0%	66	24	42	175.0%	1.9%	0.6%	1.3%
United Air Wisconsin	100	100	0	100	100.0%	100	0	100	100.0%	2.9%	0.0%	2.9%
United - Commut Air	274	274	346	(72)	-20.8%	274	346	-72	-20.8%	7.9%	9.2%	-1.3%
United - Express Jet	110	90	98	(8)	-8.2%	90	98	-8	-8.2%	2.6%	2.6%	0.0%
United - Go Jet	0	0	0	0	0.0%	0	0	0	0.0%	0.0%	0.0%	0.0%
United - Mesa	2	2	0	2	100.0%	2	0	2	100.0%	0.1%	0.0%	0.1%
United - Republic Airways	8	8	0	8	100.0%	8	0	8	100.0%	0.2%	0.0%	0.2%
United - SkyWest	2	2	68	(66)	-97.1%	2	68	-66	-97.1%	0.1%	1.8%	-1.7%
United - Trans States	0	0	100	(100)	-100.0%	0	100	-100	-100.0%	0.0%	2.7%	-2.7%
Other - Charters	4	4	0	4	100.0%	4	0	4	100.0%	0.1%	0.0%	0.1%
<b>Subtotal</b>	<b>2,976</b>	<b>2,874</b>	<b>3,158</b>	<b>(284)</b>	<b>-9.0%</b>	<b>2,874</b>	<b>3,158</b>	<b>-284</b>	<b>-9.0%</b>	<b>82.8%</b>	<b>84.4%</b>	<b>-1.6%</b>

DHL - Ameriflight, Inc.	46	46	0	0.0%	46	46	0	0.0%	1.3%	1.2%	0.1%
Federal Express	46	42	4	9.5%	46	42	4	9.5%	1.3%	1.1%	0.2%
Federal Express - Wiggins Airways	182	194	(12)	-6.2%	182	194	-12	-6.2%	5.2%	5.2%	0.0%
United Parcel Service	80	80	0	0.0%	80	80	0	0.0%	2.3%	2.1%	0.2%
<b>Subtotal</b>	<b>354</b>	<b>362</b>	<b>(8)</b>	<b>-2.2%</b>	<b>354</b>	<b>362</b>	<b>-8</b>	<b>-2.2%</b>	<b>10.2%</b>	<b>9.7%</b>	<b>0.5%</b>

Charter, Corporate & Diversions	244	221	23	10.4%	244	221	23	10.4%	7.0%	5.9%	1.1%
<b>Total</b>	<b>3,472</b>	<b>3,741</b>	<b>(269)</b>	<b>-7.2%</b>	<b>3,472</b>	<b>3,741</b>	<b>-269</b>	<b>-7.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

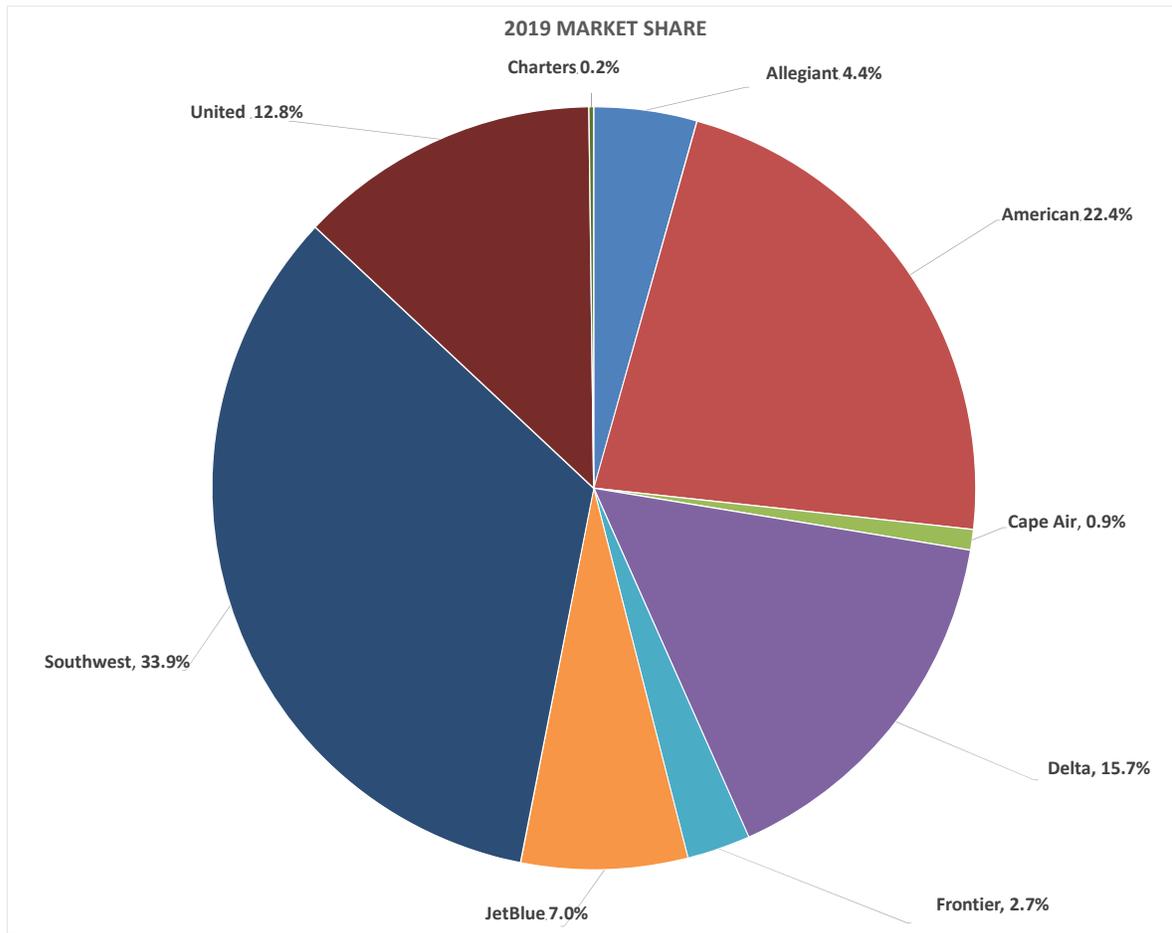
## Albany International Airport Landed Weights 2016 - 2019 For the one month ended January 31



		2019	2019 Budget	2019 Variance	2018	2019 vs. 2018	2017	2016
<b>January</b>	<b>(ACTUAL)</b>	<b>121,089,432</b>	<b>125,515,413</b>	<b>(4,425,981)</b>	<b>121,408,632</b>	<b>-0.3%</b>	<b>128,222,843</b>	<b>117,525,483</b>
February	(Projected)	111,679,259	115,761,286	(4,082,027)	111,973,654	-0.3%	114,046,534	115,840,308
March	(Projected)	135,735,629	140,696,948	(4,961,319)	136,093,437	-0.3%	136,249,073	142,019,773
April	(Projected)	138,227,757	143,280,167	(5,052,410)	138,592,135	-0.3%	136,505,291	135,028,314
May	(Projected)	145,166,063	150,472,077	(5,306,014)	145,548,731	-0.3%	140,846,914	139,980,749
June	(Projected)	140,599,956	145,739,073	(5,139,117)	140,970,587	-0.3%	133,835,433	133,960,121
July	(Projected)	144,432,469	149,711,669	(5,279,200)	144,813,203	-0.3%	138,796,395	140,184,045
August	(Projected)	143,109,771	148,340,625	(5,230,854)	143,487,018	-0.3%	140,343,697	137,206,202
September	(Projected)	128,327,053	133,017,578	(4,690,526)	128,665,331	-0.3%	126,632,991	130,566,058
October	(Projected)	143,659,263	148,910,201	(5,250,938)	144,037,958	-0.3%	131,118,304	137,092,985
November	(Projected)	129,287,765	134,013,405	(4,725,641)	129,628,576	-0.3%	124,636,868	132,288,190
December	(Projected)	130,822,809	135,604,558	(4,781,749)	131,167,667	-0.3%	124,327,179	128,999,178
<b>Total</b>		<b>1,612,137,225</b>	<b>1,671,063,000</b>	<b>(58,925,775)</b>	<b>1,616,386,930</b>	<b>-0.3%</b>	<b>1,575,561,523</b>	<b>1,590,691,408</b>

YTD Landed Weight	121,089,432	125,515,413	(4,425,981)	121,408,632	-0.3%	128,222,843	117,525,483
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## Albany International Airport Landed Weights Per Carrier For the one month ended January 31



Carrier	Current Month		#	%	Year To Date		#	%	YTD Market Share		%
	2019	2018			2019	2018			2019	2018	
Allegiant	5,281,152	0	5,281,152	100.0%	5,281,152	0	5,281,152	100.0%	4.4%	0.0%	4.4%
American	11,600,603	9,111,904	2,488,699	27.3%	11,600,603	9,111,904	2,488,699	27.3%	9.6%	7.5%	2.1%
American Eagle	15,476,752	20,621,399	(5,144,647)	-24.9%	15,476,752	20,621,399	(5,144,647)	-24.9%	12.8%	17.0%	-4.2%
Boutique Air	0	496,000	(496,000)	-100.0%	0	496,000	(496,000)	-100.0%	0.0%	0.4%	-0.4%
Cape Air	1,061,749	1,178,201	(116,452)	-9.9%	1,061,749	1,178,201	(116,452)	-9.9%	0.9%	1.0%	-0.1%
Delta	11,820,000	14,234,102	(2,414,102)	-17.0%	11,820,000	14,234,102	(2,414,102)	-17.0%	9.8%	11.7%	-2.0%
Delta Connection	7,248,003	2,767,099	4,480,904	161.9%	7,248,003	2,767,099	4,480,904	161.9%	6.0%	2.3%	3.7%
Frontier	3,250,038	0	3,250,038	100.0%	3,250,038	0	3,250,038	100.0%	2.7%	0.0%	2.7%
JetBlue	8,531,878	8,674,078	(142,200)	-1.6%	8,531,878	8,674,078	(142,200)	-1.6%	7.0%	7.1%	-0.1%
One Jet	0	486,692	(486,692)	-100.0%	0	486,692	(486,692)	-100.0%	0.0%	0.4%	-0.4%
Southwest	41,064,800	48,573,201	(7,508,401)	-15.5%	41,064,800	48,573,201	(7,508,401)	-15.5%	33.9%	40.0%	-6.1%
United	4,730,245	1,712,180	3,018,065	176.3%	4,730,245	1,712,180	3,018,065	176.3%	3.9%	1.4%	2.5%
United Expresses	10,782,212	13,553,775	(2,771,563)	-20.4%	10,782,212	13,553,775	(2,771,563)	-20.4%	8.9%	11.2%	-2.3%
Charters/Diversions	242,000	0	242,000	100.0%	242,000	0	242,000	100.0%	0.2%	0.0%	0.2%
<b>Total</b>	<b>121,089,432</b>	<b>121,408,632</b>	<b>(319,200)</b>	<b>-0.3%</b>	<b>121,089,432</b>	<b>121,408,632</b>	<b>(319,200)</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

YTD Budget	YTD Actual	# Variance	% Variance
125,515,413	121,089,432	(4,425,981)	-3.5%

# Albany International Airport

## Cargo, Mail & Express Handled by Carrier

### For the one month ended January 31

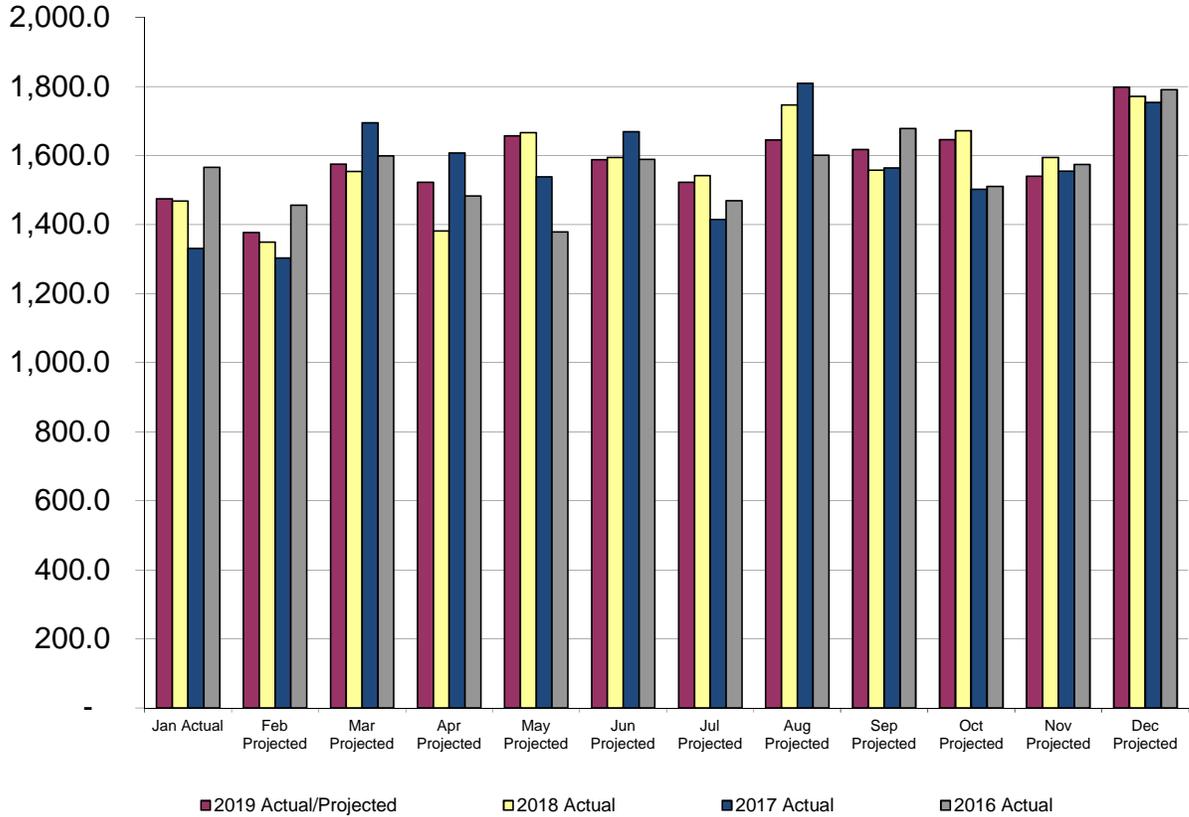
(In Tons)

	CARGO		19 vs. 18	MAIL & EXPRESS		19 vs. 18
	2019	2018	% Change	2019	2018	% Change
January	926.34	906.25	2.2%	547.91	561.55	-2.4%
February		867.99	-100.0%		481.10	-100.0%
March		985.47	-100.0%		568.51	-100.0%
April		871.82	-100.0%		509.85	-100.0%
May		1,011.26	-100.0%		655.23	-100.0%
June		970.52	-100.0%		624.09	-100.0%
July		940.60	-100.0%		600.88	-100.0%
August		1,039.71	-100.0%		706.45	-100.0%
September		925.13	-100.0%		632.21	-100.0%
October		1,023.92	-100.0%		647.75	-100.0%
November		976.95	-100.0%		617.48	-100.0%
December		928.31	-100.0%		842.98	-100.0%
<b>Total</b>	<b>926.34</b>	<b>906.25</b>	<b>2.2%</b>	<b>547.91</b>	<b>561.55</b>	<b>-2.4%</b>
<b>Total Fiscal Year</b>		<b>12,039.20</b>			<b>6,700.28</b>	

Carrier	Cargo, Mail & Express		19 vs. 18	Cargo, Mail & Express	
	2019	2018	% Change	2017	2016
American	0.14	1.22	-88.3%	3.00	2.23
American - Air Wisconsin	0.00	0.04	-100.0%	0.03	0.30
American - Envoy	0.00	0.13	-100.0%	0.00	0.00
American - Piedmont	0.91	0.15	515.5%	0.12	0.29
American - PSA	0.91	0.78	16.2%	0.00	0.00
American - Republic Airways	0.00	0.00	0.0%	0.01	0.01
American - Skywest	0.00	0.00	0.0%	0.00	0.00
American - Trans States	0.00	0.00	0.0%	0.00	0.00
Delta	6.00	10.33	-42.0%	6.60	8.52
Southwest	31.57	25.20	25.2%	28.34	63.61
United	0.39	0.08	404.6%	0.56	0.00
<b>Airline Subtotal</b>	<b>39.91</b>	<b>37.93</b>	<b>5.2%</b>	<b>38.67</b>	<b>74.96</b>
DHL - Ameriflight, Inc.	35.56	42.38	-16.1%	33.85	33.35
Federal Express	766.78	719.03	6.6%	711.95	875.15
Federal Express - Wiggins Airways	66.39	76.69	-13.4%	69.42	82.98
United Parcel Serv	565.60	591.78	-4.4%	477.03	498.96
<b>Subtotal Cargo</b>	<b>1,434.34</b>	<b>1,429.87</b>	<b>0.3%</b>	<b>1,292.25</b>	<b>1,490.44</b>
<b>Total</b>	<b>1,474.25</b>	<b>1,467.80</b>	<b>0.4%</b>	<b>1,330.91</b>	<b>1,565.40</b>
<b>Total Fiscal Year</b>		<b>18,739.48</b>		<b>18,692.11</b>	<b>19,372.93</b>

## Albany International Airport Cargo, Mail & Express 2016 - 2019 For the one month ended January 31



(In tons)						2018	2019 vs. 2018	2017	2016
		2019	Budget 2019	# Variance	% Variance				
<b>January</b>	<b>(ACTUAL)</b>	<b>1,474.3</b>	<b>1,461.6</b>	<b>12.7</b>	<b>0.9%</b>	<b>1,467.8</b>	<b>0.4%</b>	<b>1,330.9</b>	<b>1,565.4</b>
February	(Projected)	1,376.5	1,364.6	11.8	0.9%	1,349.1	2.0%	1,303.2	1,455.6
March	(Projected)	1,575.2	1,561.7	13.6	0.9%	1,554.0	1.4%	1,694.5	1,598.4
April	(Projected)	1,522.1	1,509.0	13.1	0.9%	1,381.7	10.2%	1,607.6	1,482.5
May	(Projected)	1,656.7	1,642.5	14.3	0.9%	1,666.5	-0.6%	1,537.5	1,379.0
June	(Projected)	1,587.9	1,574.3	13.7	0.9%	1,594.6	-0.4%	1,669.2	1,588.9
July	(Projected)	1,522.0	1,508.9	13.1	0.9%	1,541.5	-1.3%	1,414.4	1,468.6
August	(Projected)	1,644.5	1,630.3	14.2	0.9%	1,746.2	-5.8%	1,808.9	1,601.0
September	(Projected)	1,617.6	1,603.7	13.9	0.9%	1,557.3	3.9%	1,563.4	1,677.6
October	(Projected)	1,645.5	1,631.4	14.2	0.9%	1,671.7	-1.6%	1,502.2	1,510.3
November	(Projected)	1,539.4	1,526.2	13.2	0.9%	1,594.4	-3.4%	1,554.4	1,574.1
December	(Projected)	1,797.5	1,782.0	15.5	0.9%	1,771.3	1.5%	1,753.3	1,790.7
		18,959.2	18,796.0	163.2	0.9%	18,896.0	0.3%	18,739.5	18,692.1

YTD Cargo, Mail, & Express      1,474.3      1,461.6      12.7      0.9%      1,467.8      0.4%      1,330.9      1,565.4

*\*\*\* UNAUDITED - FOR INTERNAL REVIEW\*\*\**



# **Financial Information**

Albany County Airport Authority  
Statements of Net Position

	Unaudited January 31, 2019	Audited December 31, 2018
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Unrestricted Assets		
Cash and cash equivalents	\$ 27,001,611	\$ 27,170,120
Accounts receivable - net	1,528,335	2,206,229
Due from Albany County	244,961	248,724
Prepaid Expenses	501,539	951,673
Total Unrestricted Assets	<u>29,276,446</u>	<u>30,576,746</u>
Restricted Assets		
Capital Funds	25,985,677	25,897,864
PFC Funds	13,660,861	13,904,279
Revenue Bond Funds	13,785,505	12,778,763
ANCLUC Funds	198,463	198,096
Concession Improvement Funds	870,562	859,098
Total Restricted Assets	<u>54,501,068</u>	<u>53,638,100</u>
Total Current Assets	<u>83,777,514</u>	<u>84,214,846</u>
<b>NON-CURRENT ASSETS</b>		
Bond Insurance Premiums	295,789	300,790
Net Assets held in trust for OPEB	-	-
Capital Assets	236,906,537	237,254,042
Prepaid Expenses	240,538	255,973
Total Non-Current Assets	<u>237,442,864</u>	<u>237,810,805</u>
Total Assets	<u>321,220,378</u>	<u>322,025,651</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Refunding	4,084,309	3,031,913
OPEB Expenses	34,725	34,725
Pension Expenses	782,773	782,773
Total Deferred Outflows of Resources	<u>4,901,807</u>	<u>3,849,411</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Payable from Unrestricted Assets	\$ 5,878,692	\$ 7,117,841
Payable from Restricted Assets	9,131,490	9,320,889
Total Current Liabilities	<u>15,010,182</u>	<u>16,438,730</u>
<b>NON-CURRENT LIABILITIES</b>		
Bonds and other debt obligations	87,728,890	86,676,495
Net OPEB liability	6,621,984	6,621,984
Net pension liability-proportionate share	152,292	152,292
Total Non-Current Liabilities	<u>94,503,166</u>	<u>93,450,771</u>
Total Liabilities	<u>109,513,348</u>	<u>109,889,501</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>		
Concession Improvement Funds	870,562	859,098
OPEB	64,289	64,289
Pension	492,514	492,514
Total Deferred Inflows of Resources	<u>1,427,365</u>	<u>1,415,901</u>
<b><u>NET POSITION</u></b>		
Invested in Capital Assets, net of Related Debt	170,711,474	170,718,128
Restricted	27,280,998	26,650,235
Unrestricted	17,189,000	17,201,297
Net Position	<u>215,181,472</u>	<u>214,569,660</u>

**Albany County Airport Authority**  
**2019 Summary of Revenues, Expenses and Net Results**

	2019	Budget	JANUARY 2019			January	2019 Actual /
	Adopted FY		Actual	Variance	Variance	2018	Prior Year
	Budget	YTD	YTD	YTD	%	YTD Actual	Var %
<b>AIRPORT REVENUES</b>							
Airline	\$ 15,065,276	\$ 1,247,625	\$ 1,272,497	\$ 24,872	1.99%	\$ 1,245,130	2.20%
Non-Airline	30,777,802	2,388,852	2,452,013	63,161	2.64%	2,273,033	7.87%
Total Revenues	45,843,078	3,636,477	3,724,510	88,033	2.42%	3,518,163	5.87%
<b>FIXED BASED OPERATOR RETAIL SALES</b>							
Fixed Based Operator Retail Sales	8,083,298	803,021	777,710	(25,311)	-3.15%	823,172	-5.52%
Cost of Sales	5,494,245	566,759	492,249	74,510	13.15%	551,280	10.71%
Net FBO Retail Sales	2,589,053	236,262	285,461	49,199	20.82%	271,892	4.99%
<b>EXPENSE SUMMARY</b>							
AvPorts-Airport Management	24,011,186	2,145,280	2,131,900	13,380	0.62%	1,901,045	-12.14%
Million Air-FBO Management Authority	3,265,773	349,106	315,064	34,042	9.75%	312,720	-0.75%
	4,862,390	722,070	748,710	(26,640)	-3.69%	680,182	-10.07%
Total Expenses	32,139,349	3,216,456	3,195,674	20,782	0.65%	2,893,947	-10.43%
<b>OPERATING RESULTS</b>	16,292,782	656,283	814,297	158,014	24.08%	896,108	-9.13%
<b>OTHER REVENUES (EXPENSES)</b>							
Interest Earnings	875,457	72,955	125,611	52,656	72.18%	0	100.00%
Passenger Facility Charges	4,516,141	376,345	376,345	0	0.00%	360,909	4.28%
ACAA '99 EFC Debt	(712,765)	(59,397)	(59,397)	0	0.00%	(37,267)	-59.38%
ACAA '10 A Debt Service	(8,172,601)	(681,050)	(681,050)	0	0.00%	(885,512)	23.09%
ACAA '17 A Debt Service	(430,225)	(35,852)	(35,852)	0	100.00%	(63,115)	43.20%
ACAA '17 B Debt Service	(1,130,125)	(94,177)	(94,177)	0	100.00%	(100,327)	6.13%
ACAA '18 A Debt Service	(771,322)	(64,277)	(64,277)	0	0	0	100.00%
ACAA '18 B Debt Service	(703,378)	(58,615)	(58,615)	0	0	0	100.00%
Non-Capital Equipment	(432,090)	(36,008)	(18,128)	17,880	-49.66%	0	100.00%
Grant Income	138,700	11,558	11,780	222	1.92%	11,780	0.00%
Improvement Charges	368,400	30,700	30,700	0	0.00%	30,700	0.00%
Total Other Revenues(Expenses)	(6,453,808)	(537,818)	(467,060)	70,758	-13.16%	(682,832)	31.60%
<b>NET RESULTS BEFORE RESERVES</b>	9,838,974	118,465	347,237	228,772	193.11%	213,276	-62.81%
Less: Capital Improvements	(3,306,134)	(275,511)	(275,511)	0	0.00%	(260,308)	-5.84%
Less: Reserve Requirements	(435,879)	(435,879)	(435,879)	0	0.00%	(200,381)	117.53%
<b>NET RESULTS</b>	6,096,961	(592,925)	(364,153)	228,772	-38.58%	(247,413)	-47.18%
Revenue Sharing:							
Transfer to/from Airlines (50%)	3,048,481	(296,463)	(182,077)	114,386	-38.58%	(123,707)	-47.18%
Authority Share (50%)	3,048,481	(296,463)	(182,077)	114,386	-38.58%	(123,707)	-47.18%
Less: Airline Incentives	(1,000,000)	(83,333)	(89,202)	(5,869)	7.04%	(7,161)	0.00%
Net Authority Share	\$ 2,048,481	\$ (379,796)	\$ (271,279)	\$ 108,517	-28.57%	\$ (130,868)	-120.60%

MONTHLY RECAP	Adopted FY Budget		2019 Actual YTD		2018 Actual YTD	
	Operating Results	Net Results	Operating Results	Net Results	Operating Results	Net Results
JANUARY	\$ 656,283	\$ 118,465	\$ 814,297	\$ 347,237	\$ 896,108	\$ 213,276
Sub Total	\$ 656,283	\$ 118,465	\$ 814,297	\$ 347,237	\$ 896,108	\$ 213,276
FEBRUARY	935,136	397,318				
MARCH	1,298,732	760,914				
APRIL	1,521,551	983,734				
MAY	1,449,727	911,910				
JUNE	1,471,425	933,608				
JULY	1,717,001	1,179,184				
AUGUST	1,629,546	1,091,729				
SEPTEMBER	1,219,386	681,568				
OCTOBER	1,813,529	1,275,712				
NOVEMBER	1,317,012	779,195				
DECEMBER	1,263,454	725,637				
TOTAL	\$ 16,292,782	\$ 9,838,974	\$ 814,297	\$ 347,237	\$ 896,108	\$ 213,276

Albany County Airport Authority  
Revenue Summary

	2019	JANUARY 2019			January	2019 Actual /	
	Adopted FY Budget	Budget YTD	Actual YTD	Variance YTD	Variance %	2018 Actual	Prior Year Variance %
<b>AIRLINE REVENUES</b>							
COMMERCIAL	\$ 6,728,685	\$ 560,563	\$ 552,495	\$ (8,069)	-1.44%	\$ 559,079	-1.18%
CARGO	581,234	46,008	48,186	2,178	4.73%	46,826	2.90%
TERMINAL	6,462,546	538,545	573,266	34,720	6.45%	536,204	6.91%
FBO	1,292,811	102,509	98,550	(3,959)	-3.86%	103,021	-4.34%
TOTAL AIRLINE REVENUES	15,065,276	1,247,625	1,272,497	24,870	1.99%	1,245,130	2.20%
<b>NON-AIRLINE REVENUES</b>							
AIRFIELD	517,879	33,093	30,654	(2,438)	-7.37%	33,319	-8.00%
TERMINAL	3,549,419	262,751	283,519	20,768	7.90%	246,965	14.80%
GROUND TRANSPORTATION	21,082,046	1,594,865	1,623,906	29,040	1.82%	1,528,066	6.27%
OTHER AIRPORT	5,628,458	498,143	513,934	15,793	3.17%	464,683	10.60%
TOTAL NON AIRLINE REVENUES	30,777,802	2,388,852	2,452,013	63,163	2.64%	2,273,033	7.87%
TOTAL REVENUES	\$ 45,843,078	\$ 3,636,477	\$ 3,724,510	\$ 88,033	2.42%	\$ 3,518,163	5.87%

Albany County Airport Authority  
Net FBO Retail Sales  
For the One Month Ending Thursday, January 31, 2019

	Total Annual Budget	This Month Budget	This Month Actual	Var This Mo. To Budget	Year to Date Budget	Year to Date Actual	Var This Year to Budget
<b>FIXED BASED OPERATOR RETAIL SALES</b>							
Jet A Fuel Sales	\$5,782,543	\$421,956	\$374,378	(\$47,578)	\$421,956	\$374,378	(\$47,578)
Fuel Costs - Jet A	(3,383,148)	(246,871)	(216,039)	30,832	(246,871)	(216,039)	30,832
Fuel Discounts - Jet A	(350,000)	(25,540)	(26,933)	(1,393)	(25,540)	(26,933)	(1,393)
<b>Net Jet A Fuel Sales</b>	<b>2,049,395</b>	<b>149,546</b>	<b>131,406</b>	<b>(18,140)</b>	<b>149,546</b>	<b>131,406</b>	<b>(18,140)</b>
AvGas Fuel Sales	274,825	15,653	12,398	(3,254)	15,653	12,398	(3,254)
Fuel Costs - AvGas	(208,635)	(11,883)	(7,957)	3,925	(11,883)	(7,957)	3,925
Fuel Discounts - AvGas	(4,000)	(228)	(166)	62	(228)	(166)	62
<b>Net AvGas Fuel Sales</b>	<b>62,190</b>	<b>3,542</b>	<b>4,275</b>	<b>733</b>	<b>3,542</b>	<b>4,275</b>	<b>733</b>
Commercial AvGas Fuel Sales	256,631	23,234	25,312	2,078	23,234	25,312	2,078
Fuel Costs-Comm AvGas	(233,069)	(21,101)	(22,158)	(1,057)	(21,101)	(22,158)	(1,057)
<b>Net Comm AvGas Fuel Sales</b>	<b>23,562</b>	<b>2,133</b>	<b>3,154</b>	<b>1,021</b>	<b>2,133</b>	<b>3,154</b>	<b>1,021</b>
Auto & Diesel Fuel Sales	330,581	54,478	47,477	(7,001)	54,478	47,477	(7,001)
Fuel Costs - Auto & Diesel	(278,000)	(44,133)	(35,321)	8,813	(44,133)	(35,321)	8,813
<b>Net Auto &amp; Diesel Fuel Sales</b>	<b>52,581</b>	<b>10,345</b>	<b>12,156</b>	<b>1,811</b>	<b>10,345</b>	<b>12,156</b>	<b>1,811</b>
Deicing Services	734,920	148,272	201,699	53,427	148,272	201,699	53,427
Deicing Costs Type I, Type IV	(390,173)	(78,970)	(71,859)	7,111	(78,970)	(71,859)	7,111
<b>Net Deicing Services</b>	<b>344,747</b>	<b>69,302</b>	<b>129,840</b>	<b>60,538</b>	<b>69,302</b>	<b>129,840</b>	<b>60,538</b>
Deicing Consortium	643,220	137,700	111,539	(26,162)	137,700	111,539	(26,162)
Deicing Costs Type I, Type IV	(643,220)	(137,700)	(111,815)	25,885	(137,700)	(111,815)	25,885
<b>Net Deicing Consortium</b>	<b>0</b>	<b>0</b>	<b>(276)</b>	<b>(276)</b>	<b>0</b>	<b>(276)</b>	<b>(276)</b>
FBO Services	60,578	1,727	4,907	3,179	1,727	4,907	3,179
Catering	(1,000)	(83)	0	83	(83)	0	83
Oil	(3,000)	(250)	0	250	(250)	0	250
<b>Net FBO Services</b>	<b>56,578</b>	<b>1,394</b>	<b>4,907</b>	<b>3,513</b>	<b>1,394</b>	<b>4,907</b>	<b>3,513</b>
<b>NET FBO RETAIL SALES</b>	<b>2,589,053</b>	<b>236,262</b>	<b>285,461</b>	<b>49,200</b>	<b>236,262</b>	<b>285,461</b>	<b>49,200</b>

Albany County Airport Authority  
Expense Summary

	2019	JANUARY 2019			January	2019 Actual /	
	Adopted FY Budget	Budget YTD	Actual YTD	Variance YTD	Variance %	2018 Actual	Prior Year Variance %
<b>EXPENSES - SUMMARY</b>							
AvPort-Airport Management	\$ 24,011,186	\$ 2,145,280	\$ 2,131,900	\$ 13,380	0.6%	\$ 1,901,045	-12.1%
Million Air-FBO Management Authority	3,265,773	349,106	315,064	34,041	9.8%	312,720	-0.7%
	4,862,390	722,070	748,710	(26,640)	-3.7%	680,182	-10.1%
	<u>\$ 32,139,349</u>	<u>\$ 3,216,456</u>	<u>\$ 3,195,674</u>	<u>\$ 20,782</u>	<u>0.6%</u>	<u>\$ 2,893,947</u>	<u>-10.4%</u>
<b>EXPENSES BY CATEGORY</b>							
Personal Services	\$ 11,231,810	\$ 904,338	\$ 823,172	\$ 81,165	9.0%	\$ 842,239	2.3%
Employee Benefits	5,668,604	497,276	462,033	35,243	7.1%	450,530	-2.6%
Utilities & Communications	2,205,123	300,817	294,482	6,335	2.1%	270,420	-8.9%
<b>Purchased Services</b>							
Accounting & Auditing	61,000	2,634	26,875	(24,241)	-920.3%	(135)	20007.4%
Insurance	808,178	502,233	535,619	(33,386)	-6.6%	480,562	-11.5%
Legal Services	50,000	4,167	1,358	2,809	67.4%	-	100.0%
Public Safety	309,107	24,468	27,894	(3,426)	-14.0%	19,431	-43.6%
Albany County Sheriffs	2,731,859	227,655	227,655	-	0.0%	218,971	-4.0%
Parking Valet Service	350,000	26,465	32,912	(6,447)	-24.4%	28,102	-17.1%
Employee Shuttle	25,000	-	-	-	0.0%	-	0.0%
Janitorial	499,204	41,491	44,568	(3,077)	-7.4%	40,510	-10.0%
Public Communications	975,374	72,853	67,427	5,426	7.4%	56,478	-19.4%
Special Studies	69,200	5,767	-	5,767	100.0%	-	0.0%
Professional Services	879,160	74,591	61,502	13,090	17.5%	65,954	6.8%
Total Purchased Services	<u>6,758,082</u>	<u>982,324</u>	<u>1,025,810</u>	<u>(43,485)</u>	<u>-4.4%</u>	<u>909,873</u>	<u>-12.7%</u>
<b>Material &amp; Supplies</b>							
Airfield	914,500	82,577	89,824	(7,247)	-8.8%	93,236	3.7%
Buildings	2,134,569	175,827	85,443	90,384	51.4%	92,477	7.6%
Grounds	897,785	56,826	234,600	(177,774)	-312.8%	70,972	-230.6%
Vehicles	944,900	78,715	64,371	14,344	18.2%	51,685	-24.5%
Total Material & Supplies	<u>4,891,754</u>	<u>393,946</u>	<u>474,240</u>	<u>(80,290)</u>	<u>-20.4%</u>	<u>308,373</u>	<u>-53.8%</u>
Office Administration	477,206	37,368	38,229	(861)	-2.3%	33,920	-12.7%
	906,770	100,389	77,710	22,679	22.6%	78,594	1.1%
Total Expenses	<u>\$ 32,139,349</u>	<u>\$ 3,216,458</u>	<u>\$ 3,195,676</u>	<u>\$ 20,786</u>	<u>0.6%</u>	<u>\$ 2,893,949</u>	<u>-10.4%</u>
<b>DEPARTMENT SUMMARY (DIRECT &amp; INDIRECT)</b>							
<b>Direct Cost Centers</b>							
Airfield	\$ 3,408,313	\$ 303,233	\$ 333,935	\$ (30,702)	-10.1%	\$ 294,312	-13.5%
FBO	2,581,429	261,368	219,898	41,469	15.9%	240,115	8.4%
Terminal	5,575,507	540,021	496,105	43,916	8.1%	431,181	-15.1%
Loading Bridges	311,452	25,184	18,220	6,965	27.7%	17,330	-5.1%
Parking	4,725,138	386,415	462,407	(75,992)	-19.7%	341,180	-35.5%
Landside	1,271,568	144,280	140,289	3,991	2.8%	134,202	-4.5%
Total Direct Cost Centers	<u>17,873,407</u>	<u>1,660,501</u>	<u>1,670,854</u>	<u>(10,353)</u>	<u>-0.6%</u>	<u>1,458,320</u>	<u>-14.6%</u>
<b>Indirect Cost Center</b>							
ARFF	2,144,562	180,016	147,062	32,954	18.3%	160,056	8.1%
Operations	1,005,988	85,252	75,890	9,361	11.0%	83,374	9.0%
Security	3,152,170	261,767	251,968	9,798	3.7%	253,715	0.7%
Vehicles & Equipment	1,505,340	147,854	141,413	6,441	4.4%	121,724	-16.2%
Airport Mgmt Administration	911,147	71,258	64,612	6,647	9.3%	63,971	-1.0%
FBO Administration	684,344	87,738	95,165	(7,428)	-8.5%	72,605	-31.1%
Airport Authority Administration	4,862,390	722,070	748,710	(26,640)	-3.7%	680,182	-10.1%
Total Indirect Cost Centers	<u>14,265,941</u>	<u>1,555,955</u>	<u>1,524,820</u>	<u>31,133</u>	<u>2.0%</u>	<u>1,435,627</u>	<u>-6.2%</u>
Total Expenses	<u>\$ 32,139,348</u>	<u>\$ 3,216,456</u>	<u>\$ 3,195,674</u>	<u>\$ 20,780</u>	<u>0.6%</u>	<u>\$ 2,893,947</u>	<u>-10.4%</u>

*\*\*\* UNAUDITED - FOR INTERNAL REVIEW\*\*\**



## **Airport Revenues**

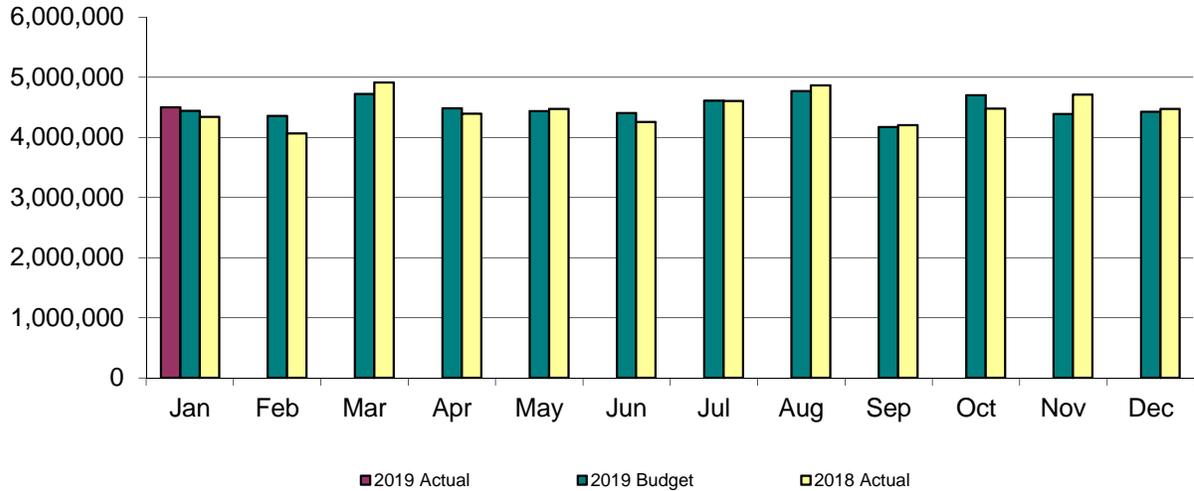
ALBANY COUNTY AIRPORT AUTHORITY  
For the One Month Ending Thursday, January 31, 2019

	2019	January 2019				January 2018 Actual	2019 Actual/ Prior Year Variance %
	Adopted FY Budget	Budget YTD	Actual YTD	Variance YTD	Variance %		
<b>AIRLINE REVENUES</b>							
<b>COMMERCIAL</b>							
Landing Fees	\$5,619,263	\$422,069	\$409,536	(\$12,534)	-2.97%	\$407,316	0.54%
Airline Apron Fees	749,370	62,876	67,457	4,581	7.29%	58,712	14.89%
Glycol Disposal Fee	360,052	75,618	75,502	(116)	-0.15%	93,051	-18.86%
<b>CARGO</b>							
Landing Fee	581,234	46,008	48,186	2,178	4.73%	46,826	2.90%
<b>TERMINAL</b>							
Loading Bridges	562,011	46,834	57,643	10,808	23.08%	47,657	20.95%
Space Rental	5,900,535	491,711	515,623	23,912	4.86%	488,547	5.54%
<b>FBO</b>							
Into Plane Fees	666,474	49,413	51,730	2,317	4.69%	53,420	-3.16%
Fuel Farm Fee	626,337	53,096	46,820	(6,276)	-11.82%	49,601	-5.61%
<b>TOTAL AIRLINE REVENUES</b>	<b>15,065,276</b>	<b>1,247,625</b>	<b>1,272,496</b>	<b>24,871</b>	<b>1.99%</b>	<b>1,245,131</b>	<b>2.20%</b>
<b>NON-AIRLINE REVENUES</b>							
<b>AIRFIELD</b>							
Fees	276,222	18,599	14,214	(4,385)	-23.57%	16,605	-14.40%
Aircraft Parking Fees	206,657	10,363	11,289	927	8.94%	8,210	37.50%
Tenant Maintenance	35,000	4,131	5,151	1,020	24.70%	8,504	-39.42%
<b>Total Airfield</b>	<b>517,879</b>	<b>33,092</b>	<b>30,655</b>	<b>(2,438)</b>	<b>-7.37%</b>	<b>33,320</b>	<b>-8.00%</b>
<b>TERMINAL</b>							
FIS Facility Use Fee	0	0	0	0	0.00%	1,520	-100.00%
Utility Reimbursement	24,000	1,768	1,809	41	2.31%	1,831	-1.20%
Tenant Maintenance	25,000	612	(3,763)	(4,376)	-714.64%	1,047	-459.60%
Space Rent - Non Airline	737,745	61,386	61,448	62	0.10%	59,223	3.76%
Food & Beverage	1,000,812	72,615	89,647	17,032	23.46%	59,517	50.63%
Retail	887,626	66,042	67,806	1,764	2.67%	62,868	7.85%
Advertising	300,000	22,992	27,155	4,162	18.10%	24,319	11.66%
Foreign Currency	26,600	2,217	2,217	0	0.00%	2,217	0.00%
Payphones	2,141	206	92	(113)	-55.12%	167	-44.73%
ATM	36,803	3,055	2,889	(166)	-5.44%	2,903	-0.48%
Museum Shop	256,092	14,341	10,529	(3,812)	-26.58%	14,604	-27.90%
Operating Permits	212,385	14,190	20,524	6,334	44.63%	13,391	53.27%
Vending Machines	33,215	2,743	3,167	424	15.45%	2,776	14.11%
Baggage Cart Rentals	7,000	583	0	(583)	-100.00%	583	-100.00%
<b>Total Terminal</b>	<b>3,549,419</b>	<b>262,751</b>	<b>283,519</b>	<b>20,768</b>	<b>7.90%</b>	<b>246,965</b>	<b>14.80%</b>
<b>GROUND TRANSPORTATION</b>							
Parking	15,283,333	1,253,225	1,267,193	13,968	1.11%	1,191,119	6.39%
Rental Cars	5,177,978	267,859	273,534	5,675	2.12%	274,396	-0.31%
Access Fees	330,970	49,635	52,529	2,894	5.83%	46,951	11.88%
TNCs	200,000	16,667	23,170	6,503	39.02%	8,338	177.88%
Garage Space Rent	89,765	7,480	7,480	0	0.00%	7,262	3.01%
<b>Total Ground Transportation</b>	<b>21,082,046</b>	<b>1,594,865</b>	<b>1,623,906</b>	<b>29,040</b>	<b>1.82%</b>	<b>1,528,066</b>	<b>6.27%</b>

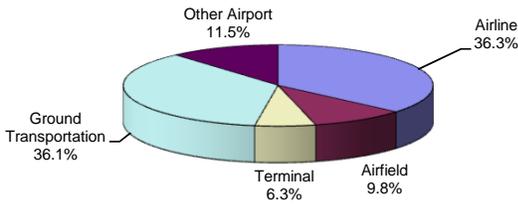
ALBANY COUNTY AIRPORT AUTHORITY  
For the One Month Ending Thursday, January 31, 2019

	2019	January 2019			January	2019 Actual/	
	Adopted FY Budget	Budget YTD	Actual YTD	Variance YTD	Variance %	2018 Actual	Prior Year Variance %
<b>OTHER AIRPORT</b>							
Telephone System -	71,000	6,231	5,797	(433)	-6.96%	6,013	-3.59%
Building Rental	110,882	7,150	30,114	22,964	321.16%	10,272	193.18%
Control Tower Rental	665,776	55,481	55,481	0	0.00%	55,481	0.00%
Air Cargo Facility	922,420	83,688	78,010	(5,679)	-6.79%	80,355	-2.92%
State Executive Hangar	1,247,083	103,924	103,924	0	0.00%	103,924	0.00%
T Hangars	100,328	8,361	8,709	348	4.17%	8,361	4.17%
Tie Downs	4,176	348	355	7	1.97%	348	1.97%
AV Gas Fuel Sales	41,068	3,212	899	(2,313)	-72.01%	2,237	-59.79%
FBO Properties	387,384	34,256	29,114	(5,141)	-15.01%	30,896	-5.77%
Industrial Park	568,282	46,993	46,470	(524)	-1.11%	45,367	2.43%
Land Rental	314,289	26,565	36,316	9,751	36.71%	26,460	37.25%
Eclipse Hangar	331,373	27,597	27,700	103	0.37%	3,432	707.05%
Hangar Rental	526,833	43,212	42,356	(856)	-1.98%	39,858	6.27%
Internet and Cable Access	7,680	1,040	1,040	0	0.00%	1,370	-24.09%
Fingerprinting	26,000	2,167	3,394	1,227	56.63%	1,636	107.44%
Tenant Maintenance	1,000	83	889	805	966.36%	0	0.00%
Purchasing Proposals	5,000	417	0	(417)	-100.00%	0	0.00%
Ebay/Scrap/Equipment	15,000	1,250	456	(794)	-63.52%	54	744.44%
Utility Reimbursement	170,000	18,892	20,880	1,988	10.52%	20,217	3.28%
Reimb of Property Taxes	42,883	21,442	17,189	(4,252)	-19.83%	20,386	-15.68%
Other	70,000	5,833	4,842	(992)	-17.00%	8,016	-39.60%
<b>Total Other Airport</b>	<b>5,628,458</b>	<b>498,143</b>	<b>513,935</b>	<b>15,792</b>	<b>3.17%</b>	<b>464,683</b>	<b>10.60%</b>
<b>TOTAL NON AIRLINE</b>							
<b>REVENUES</b>	<b>30,777,801</b>	<b>2,388,851</b>	<b>2,452,014</b>	<b>63,163</b>	<b>2.64%</b>	<b>2,273,034</b>	<b>7.87%</b>
<b>TOTAL REVENUES</b>	<b>45,843,078</b>	<b>3,636,476</b>	<b>3,724,511</b>	<b>88,035</b>	<b>2.42%</b>	<b>3,518,164</b>	<b>5.87%</b>

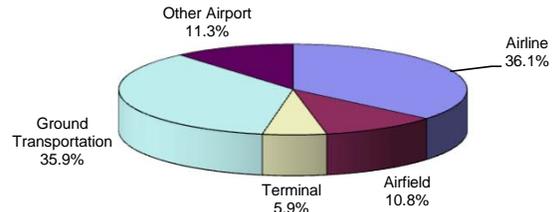
# Albany International Airport Operating Revenue For the one month ended January 31



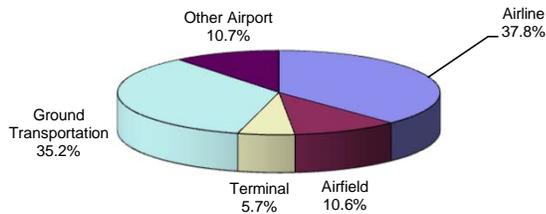
**YTD 2019 Actual**



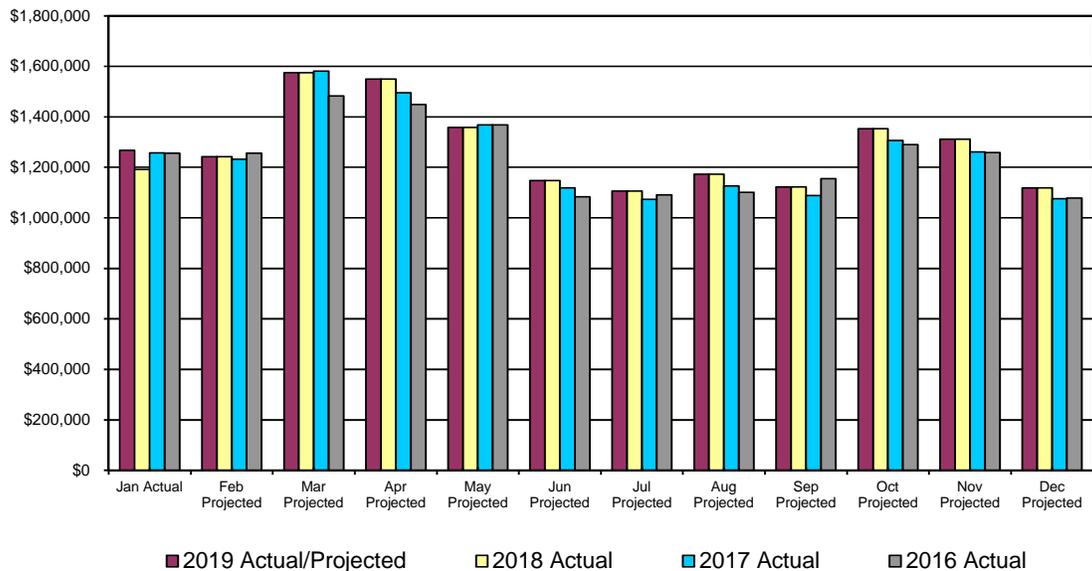
**YTD 2019 Budget**



**YTD 2018 Audited**



## Albany International Airport Public Parking Revenues 2016-2019 For the one month ended January 31

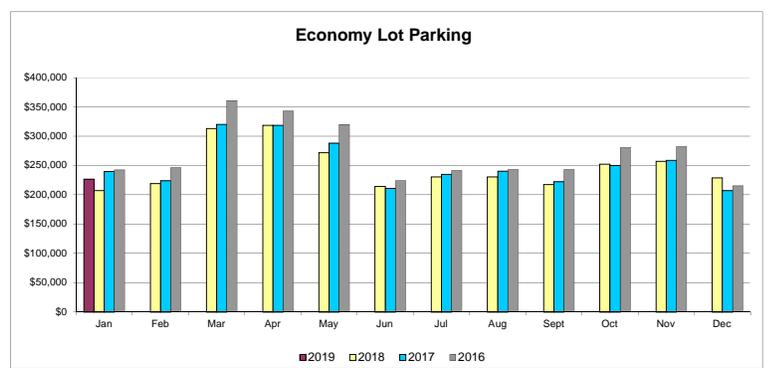
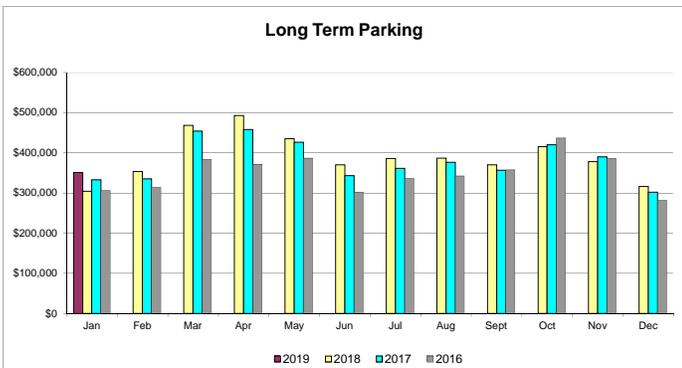
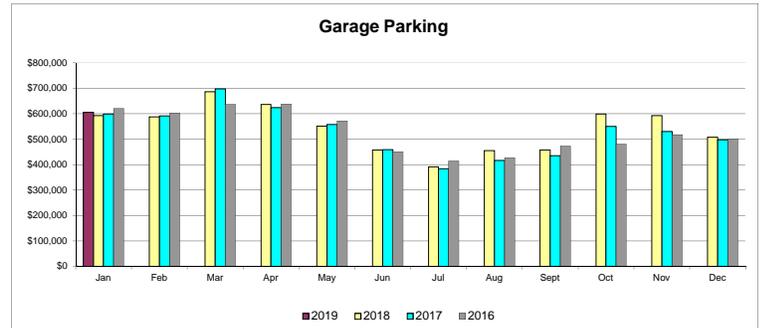
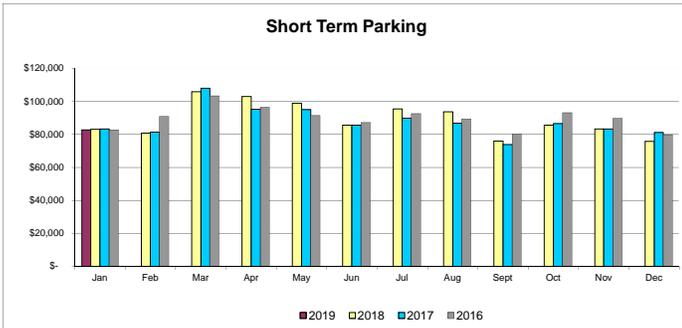


YTD Revenues	2019	% of Total Revenues	2018	2019 vs. 2018	2017	2016
Cash	\$116,320	9.2%	\$111,787	4.1%	\$127,366	\$139,685
Credit Cards	349,017	27.5%	151,775	130.0%	199,797	192,298
Express Credit Card Machine	475,982	37.6%	616,393	-22.8%	590,569	601,386
Express EZ Pass	272,461	21.5%	268,470	1.5%	296,271	280,102
EZ Pass	50,811	4.0%	39,150	29.8%	40,374	38,063
Misc Parking Revenue (*)	2,602	0.2%	3,544	-26.6%	3,357	4,429
Total Rev handled at the Parking Location	\$1,267,193	100.0%	\$1,191,119	115.9%	\$1,257,733	\$1,255,963

(\*) Employee Parking, Over/Short, and adjustments

	2019	2019 Budget	2019 Variance	2018	2019 vs. 2018	2017	2016
<b>January (ACTUAL)</b>	<b>\$1,267,193</b>	<b>\$1,253,225</b>	<b>\$13,968</b>	<b>\$1,191,119</b>	<b>6.4%</b>	<b>\$1,257,733</b>	<b>\$1,255,963</b>
February (Projected)	1,241,645	1,263,036	(21,391)	1,241,645	0.0%	1,232,330	1,255,458
March (Projected)	1,574,995	1,570,286	4,709	1,574,995	0.0%	1,581,307	1,483,347
April (Projected)	1,550,273	1,521,748	28,525	1,550,273	0.0%	1,495,565	1,449,407
May (Projected)	1,358,290	1,386,547	(28,257)	1,358,290	0.0%	1,368,602	1,368,289
June (Projected)	1,147,240	1,133,472	13,768	1,147,240	0.0%	1,118,414	1,083,242
July (Projected)	1,106,181	1,107,479	(1,298)	1,106,181	0.0%	1,073,350	1,091,119
August (Projected)	1,173,263	1,151,398	21,865	1,173,263	0.0%	1,125,907	1,101,308
September (Projected)	1,122,276	1,139,091	(16,815)	1,122,276	0.0%	1,088,340	1,155,036
October (Projected)	1,353,320	1,337,356	15,964	1,353,320	0.0%	1,306,746	1,290,474
November (Projected)	1,310,935	1,303,496	7,439	1,310,935	0.0%	1,260,873	1,258,315
December (Projected)	1,118,544	1,116,198	2,346	1,118,544	0.0%	1,076,105	1,078,518
<b>Total</b>	<b>\$15,453,675</b>	<b>\$15,283,333</b>	<b>\$40,823</b>	<b>\$15,248,081</b>	<b>1.3%</b>	<b>\$14,985,272</b>	<b>\$14,870,476</b>
YTD Revenues	\$1,267,193	\$1,253,225	\$13,968	\$1,191,119	6.4%	\$1,257,733	\$1,255,963
YTD Enplanements	106,622	106,372	250	104,011	2.5%	106,168	102,325
Revenue Per Enplanement:	\$11.88	\$11.78	\$0.10	\$11.45	3.8%	\$11.85	\$12.27

## Albany International Airport Public Parking by Parking Lots 2016-2019 For the one month ended January 31



### Current Month

	2019	2019 Budget	2019 Variance	2018	2019 vs. 2018	2017	2016
Short Term	\$ 82,689	\$ 84,381	\$ (1,692)	\$ 83,215	-0.6%	\$ 83,322	\$ 82,823
Long Term	351,086	318,955	32,131	304,268	15.4%	332,613	305,681
Garage	604,822	612,905	(8,083)	592,925	2.0%	598,700	619,604
E Lot	226,529	233,367	(6,838)	207,103	9.4%	239,913	242,620
Employee Parking	2,030	3,615	(1,585)	3,244	-37.4%	3,685	3,755
Customer Adjustments	281	0	281	(277)	-201.4%	(814)	429
Short/Over	(244)	0	(244)	641	-138.1%	314	1,051
<b>Total</b>	<b>\$ 1,267,193</b>	<b>\$ 1,253,225</b>	<b>\$ 13,968</b>	<b>\$ 1,191,119</b>	<b>6.4%</b>	<b>\$ 1,257,733</b>	<b>\$ 1,255,963</b>

### YTD Revenues

	2019	2019 Budget	2019 Variance	2018	2019 vs. 2018	2017	2016
Short Term	\$ 82,689	\$ 84,381	\$ (1,692)	\$ 83,215	-0.6%	\$ 83,322	\$ 82,823
Long Term	351,086	318,955	32,131	304,268	15.4%	332,613	305,681
Garage	604,822	612,905	(8,083)	592,925	2.0%	598,700	619,604
E Lot	226,529	233,367	(6,838)	207,103	9.4%	239,913	242,620
Employee Parking	2,030	3,615	(1,585)	3,244	-37.4%	3,685	3,755
Customer Adjustments	281	0	281	(277)	-201.4%	(814)	429
Short/Over	(244)	0	(244)	641	-138.1%	314	1,051
<b>Total</b>	<b>\$ 1,267,193</b>	<b>\$ 1,253,225</b>	<b>\$ 13,968</b>	<b>\$ 1,191,119</b>	<b>6.4%</b>	<b>\$ 1,257,733</b>	<b>\$ 1,255,963</b>

Parking Activity 2019

Monthly Totals

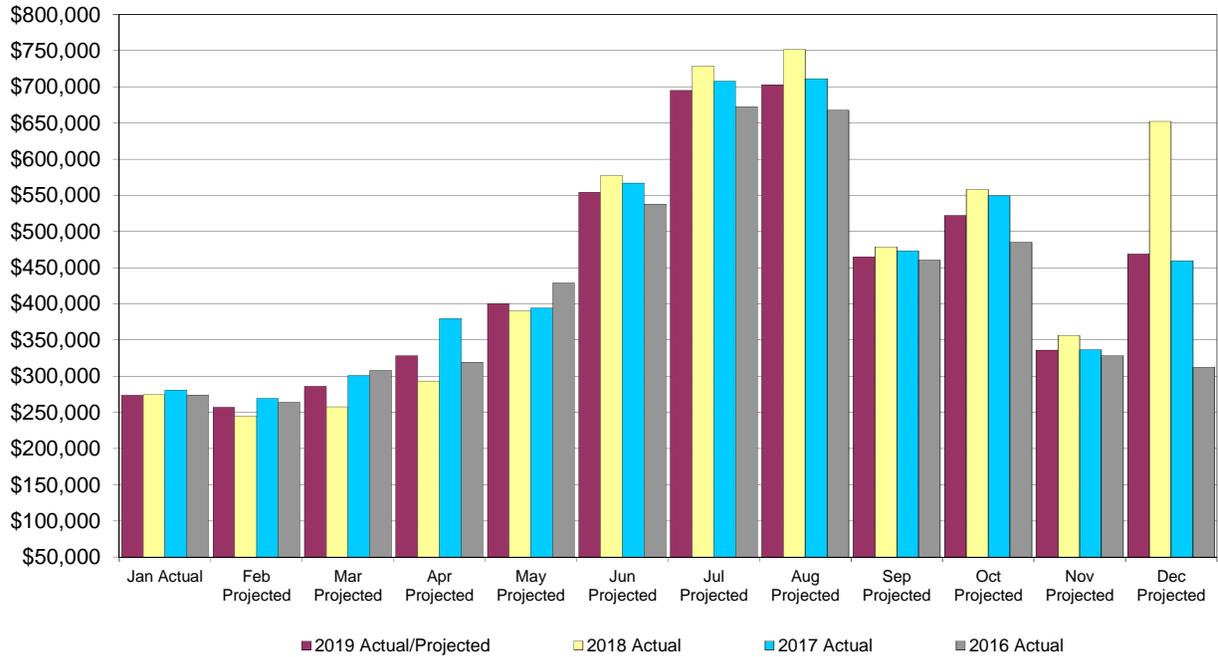
	SHORT TERM / LOT A				GARAGE				LONG TERM / LOT D				ECONOMY / LOT E				Total
	#	\$	\$/#	%	#	\$	\$/#	%	#	\$	\$/#	%	#	\$	\$/#	%	\$
January	20,887	\$82,689	\$3.96	6.5%	11,539	\$604,822	\$52.42	47.8%	8,748	\$351,086	\$40.13	27.8%	5,695	\$226,529	\$39.78	17.9%	\$1,265,126
February																	
March																	
April																	
May																	
June																	
July																	
August																	
September																	
October																	
November																	
December																	
Total	20,887	\$82,689	\$3.96	6.5%	11,539	\$604,822	\$52.42	47.8%	8,748	\$351,086	\$40.13	27.8%	5,695	\$226,529	\$39.78	17.9%	\$1,265,126

Parking Activity 2019

Cummulative Totals

	SHORT TERM / LOT A				GARAGE				LONG TERM / LOT D				ECONOMY / LOT E				Total
	#	\$	\$/#	%	#	\$	\$/#	%	#	\$	\$/#	%	#	\$	\$/#	%	\$
January	20,887	\$82,689	\$3.96	6.5%	11,539	\$604,822	\$52.42	47.8%	8,748	\$351,086	\$40.13	27.8%	5,695	\$226,529	\$39.78	17.9%	\$1,265,126
February																	
March																	
April																	
May																	
June																	
July																	
August																	
September																	
October																	
November																	
December																	

# Albany International Airport Rental Car Revenues 2016-2019 For the one month ended January 31

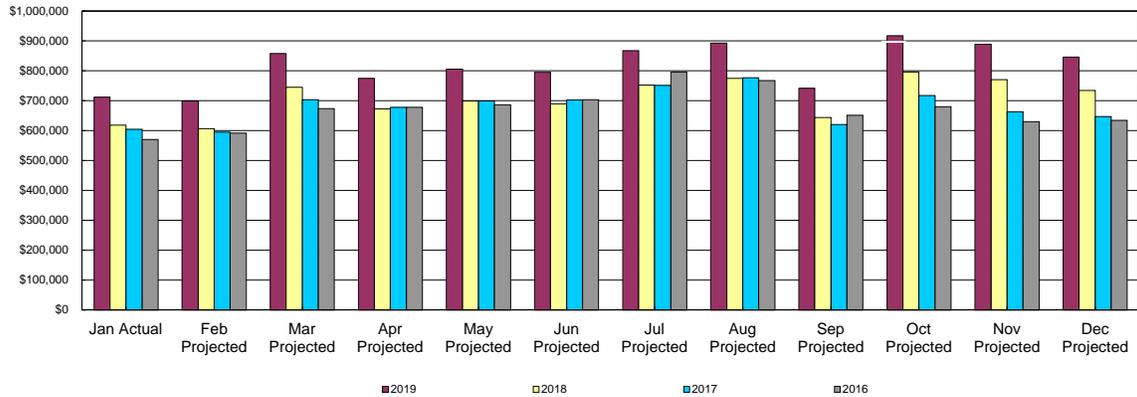


YTD Revenues		2019	2019 Budget	2019 Variance	2018	2019 vs. 2018	2017	2016
On Airport Rental Car Rev		\$260,760	\$260,049	\$710	\$264,171	-\$3,411	\$272,149	\$266,190
Off Airport Rental Car Rev		12,774	7,809	4,965	10,225	2,549	8,463	7,925
<b>Total YTD</b>		<b>\$273,534</b>	<b>\$267,859</b>	<b>\$5,675</b>	<b>\$274,396</b>	<b>-\$863</b>	<b>\$280,610</b>	<b>\$274,115</b>
		2019	2019 Budget	2019 Variance	2018	2019 vs. 2018	2017	2016
<b>January (ACTUAL)</b>		<b>\$273,534</b>	<b>\$267,859</b>	<b>\$5,675</b>	<b>\$274,396</b>	<b>-0.3%</b>	<b>\$280,610</b>	<b>\$274,115</b>
February (Projected)		256,900	251,570	5,330	244,464	5.1%	269,050	263,953
March (Projected)		286,019	280,085	5,934	257,554	11.1%	300,825	307,890
April (Projected)		328,072	321,266	6,806	293,529	11.8%	379,319	319,224
May (Projected)		400,341	392,036	8,306	390,188	2.6%	394,053	428,748
June (Projected)		554,085	542,589	11,495	577,170	-4.0%	566,799	537,901
July (Projected)		694,675	680,263	14,412	728,505	-4.6%	707,627	672,335
August (Projected)		702,741	688,162	14,579	751,410	-6.5%	711,095	667,716
September (Projected)		464,643	455,003	9,640	478,515	-2.9%	473,049	460,324
October (Projected)		521,973	511,144	10,829	557,914	-6.4%	549,416	484,966
November (Projected)		335,940	328,971	6,970	356,094	-5.7%	336,262	328,000
December (Projected)		468,757	459,032	9,725	652,180	-28.1%	459,637	312,090
<b>Total</b>		<b>5,287,678</b>	<b>\$5,177,978</b>	<b>\$109,700</b>	<b>5,561,921</b>	<b>-4.9%</b>	<b>\$5,427,741</b>	<b>\$5,057,262</b>

YTD Revenues	\$273,534	\$267,859	\$5,675	\$274,396	-0.3%	\$280,610	\$274,115
YTD Enplanements	106,622	106,372	250	104,011	2.5%	106,168	102,325
Revenue Per Enplanement:	\$2.57	\$2.52	\$0.05	\$2.64	-2.7%	\$2.64	\$2.68

# Albany International Airport Food & Beverage Sales & Revenues 2016-2019 For the one month ended January 31

## Gross Food & Beverage Sales



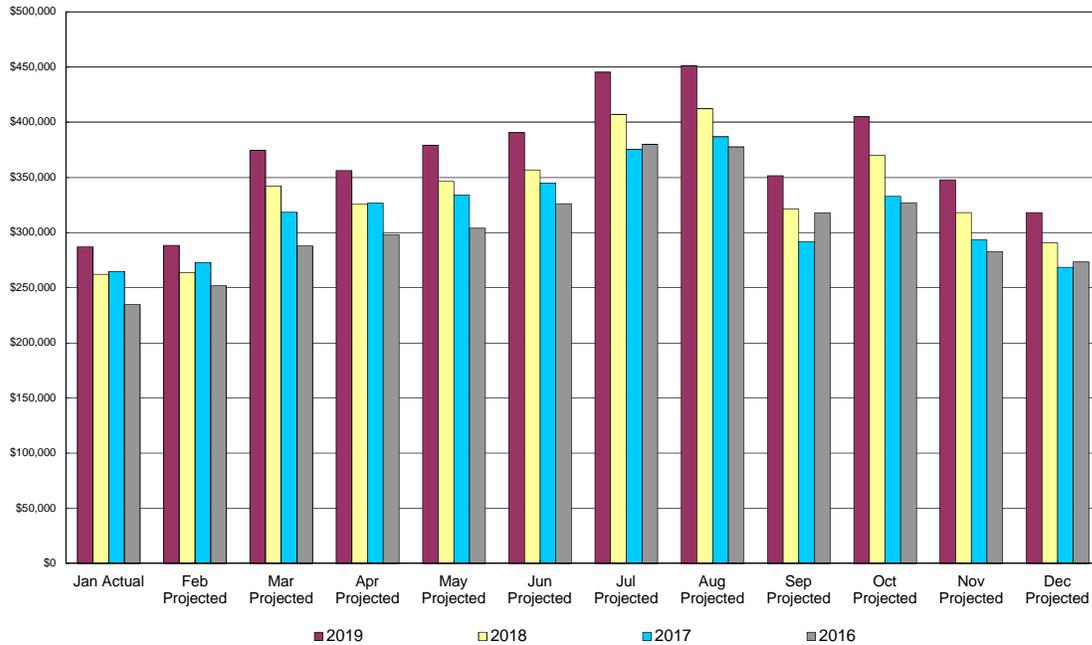
Sales per Enplanement:		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
<b>2019</b>	HMS Host	\$4.33												\$4.33
	OHM	\$2.35												\$2.35
	<b>Total 2019</b>	<b>\$6.68</b>	<b>\$0.00</b>	<b>\$6.68</b>										
<b>Sales per Enplanement:</b>		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
<b>2018</b>	McDonalds	\$1.11	\$1.10	\$1.33	\$1.23	\$1.21	\$1.21	\$1.23	\$1.25	\$1.23	\$1.08	\$0.93	\$0.94	\$1.11
	HMS Host	\$4.11	\$4.14	\$4.48	\$4.13	\$4.21	\$4.11	\$4.01	\$4.11	\$4.27	\$4.06	\$3.79	\$3.66	\$4.11
	Greenleaf's	\$0.28	\$0.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.28
	OHM	\$0.00	\$0.00	\$0.10	\$0.21	\$0.21	\$0.23	\$0.24	\$0.23	\$0.19	\$0.86	\$1.73	\$1.71	\$0.00
	Villa	\$0.44	\$0.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.44
	<b>Total 2018</b>	<b>\$5.94</b>	<b>\$5.90</b>	<b>\$5.91</b>	<b>\$5.57</b>	<b>\$5.63</b>	<b>\$5.55</b>	<b>\$5.48</b>	<b>\$5.59</b>	<b>\$5.69</b>	<b>\$6.00</b>	<b>\$6.45</b>	<b>\$6.30</b>	<b>\$5.94</b>
<b>Sales per Enplanement:</b>		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
<b>2017</b>	McDonalds	\$1.06	\$1.05	\$1.00	\$1.01	\$0.96	\$0.97	\$0.95	\$0.97	\$0.94	\$0.91	\$1.01	\$1.04	\$1.06
	HMS Host	\$3.78	\$3.81	\$3.94	\$3.72	\$3.96	\$4.02	\$3.75	\$3.81	\$3.81	\$3.92	\$4.00	\$4.26	\$3.78
	Greenleaf's	\$0.38	\$0.45	\$0.46	\$0.45	\$0.40	\$0.39	\$0.44	\$0.43	\$0.37	\$0.35	\$0.30	\$0.26	\$0.38
	Villa	\$0.47	\$0.51	\$0.47	\$0.49	\$0.48	\$0.47	\$0.54	\$0.54	\$0.46	\$0.45	\$0.41	\$0.44	\$0.47
	<b>Total 2017</b>	<b>\$5.69</b>	<b>\$5.82</b>	<b>\$5.88</b>	<b>\$5.67</b>	<b>\$5.80</b>	<b>\$5.84</b>	<b>\$5.69</b>	<b>\$5.74</b>	<b>\$5.58</b>	<b>\$5.64</b>	<b>\$5.73</b>	<b>\$6.00</b>	<b>\$5.69</b>
<b>Sales per Enplanement:</b>		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
<b>2016</b>	McDonalds	\$0.96	\$0.98	\$0.92	\$0.96	\$0.91	\$0.94	\$1.01	\$0.97	\$0.97	\$0.97	\$0.99	\$1.03	\$0.96
	HMS Host	\$3.74	\$3.79	\$3.76	\$3.72	\$3.91	\$4.00	\$4.03	\$3.79	\$3.84	\$3.73	\$3.60	\$3.94	\$3.74
	Greenleaf's	\$0.42	\$0.45	\$0.46	\$0.47	\$0.46	\$0.48	\$0.45	\$0.41	\$0.37	\$0.37	\$0.39	\$0.37	\$0.42
	Villa	\$0.46	\$0.51	\$0.50	\$0.54	\$0.52	\$0.55	\$0.59	\$0.58	\$0.46	\$0.45	\$0.49	\$0.53	\$0.46
	<b>Total 2016</b>	<b>\$5.57</b>	<b>\$5.73</b>	<b>\$5.64</b>	<b>\$5.68</b>	<b>\$5.80</b>	<b>\$5.97</b>	<b>\$6.08</b>	<b>\$5.75</b>	<b>\$5.63</b>	<b>\$5.52</b>	<b>\$5.47</b>	<b>\$5.86</b>	<b>\$5.57</b>

## ACAA Food & Beverage Revenues

		2019	2019 Budget	2019 Variance	2018	2019 vs. 2018	2017	2016
<b>January</b>	<b>(ACTUAL)</b>	<b>\$89,647</b>	<b>\$72,615</b>	<b>\$17,032</b>	<b>\$59,517</b>	<b>50.6%</b>	<b>\$57,444</b>	<b>\$54,811</b>
February	(Actual)	90,299	73,143	17,156	59,536	51.7%	57,118	56,890
March	(Actual)	105,493	85,450	20,043	74,351	41.9%	68,502	65,702
April	(Actual)	95,938	77,711	18,227	67,265	42.6%	65,228	65,817
May	(Actual)	101,889	82,531	19,358	70,417	44.7%	67,955	66,960
June	(Actual)	100,871	81,707	19,165	69,137	45.9%	68,162	68,057
July	(Actual)	112,010	90,729	21,281	76,437	46.5%	71,600	76,561
August	(Actual)	114,402	92,667	21,735	81,127	41.0%	75,973	74,763
September	(Actual)	98,440	79,737	18,703	68,439	43.8%	62,093	65,090
October	(Actual)	112,521	91,143	21,378	88,479	27.2%	73,404	68,546
November	(Actual)	112,595	91,203	21,392	98,121	14.8%	68,188	70,403
December	(Actual)	101,451	82,176	19,275	89,705	13.1%	68,271	51,597
<b>Total</b>		<b>1,235,556</b>	<b>\$1,000,812</b>	<b>\$234,744</b>	<b>\$902,530</b>	<b>36.9%</b>	<b>\$803,939</b>	<b>\$785,197</b>
YTD Revenues		\$89,647	\$72,615	\$17,032	\$59,517	50.6%	\$57,444	\$54,811
YTD Enplanements		106,622	106,372	250	104,011	2.5%	106,168	102,325
Revenue Per Enplanement:		\$0.84	\$0.68	\$0.16	\$0.57	47.4%	\$0.54	\$0.54

# Albany International Airport Retail Sales & Revenues 2016-2019 For the one month ended January 31

Gross Retail Sales



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
<b>Sales per Enplanement:</b>													
2019	\$2.69												\$2.69
2018	\$2.52	\$2.56	\$2.71	\$2.70	\$2.79	\$2.87	\$2.96	\$2.97	\$2.84	\$2.79	\$2.66	\$2.50	\$2.52
2017	\$2.49	\$2.67	\$2.66	\$2.74	\$2.77	\$2.87	\$2.84	\$2.86	\$2.63	\$2.61	\$2.53	\$2.49	\$2.49
2016	\$2.29	\$2.44	\$2.41	\$2.50	\$2.57	\$2.77	\$2.90	\$2.83	\$2.75	\$2.65	\$2.45	\$2.53	\$2.29

ACAA Retail Revenues

		2019	2019	2019	2018	2019 vs.	2017	2016
		2019	Budget	Variance	2018	2018	2017	2016
<b>January</b>	<b>(ACTUAL)</b>	<b>\$67,806</b>	<b>\$66,042</b>	<b>\$1,764</b>	<b>\$62,868</b>	<b>7.9%</b>	<b>\$65,706</b>	<b>\$65,583</b>
February	(Projected)	56,864	55,385	1,480	52,723	7.9%	55,583	55,584
March	(Projected)	73,788	71,868	1,920	68,414	7.9%	63,695	57,541
April	(Projected)	81,468	79,348	2,120	75,535	7.9%	75,478	69,653
May	(Projected)	74,715	72,771	1,944	69,274	7.9%	66,785	60,783
June	(Projected)	76,974	74,971	2,003	71,368	7.9%	68,968	65,255
July	(Projected)	99,023	96,447	2,577	91,812	7.9%	85,180	85,995
August	(Projected)	88,934	86,620	2,314	82,457	7.9%	77,344	75,532
September	(Projected)	69,319	67,516	1,804	64,271	7.9%	58,406	63,581
October	(Projected)	91,100	88,730	2,370	84,466	7.9%	76,689	75,432
November	(Projected)	68,604	66,819	1,785	63,608	7.9%	58,637	56,553
December	(Projected)	62,743	61,111	1,633	58,174	7.9%	50,063	55,583
<b>Total</b>		<b>\$911,339</b>	<b>\$887,626</b>	<b>\$23,713</b>	<b>\$844,970</b>	<b>7.9%</b>	<b>\$802,534</b>	<b>\$787,075</b>
YTD Revenues		\$67,806	\$66,042	\$1,764	\$62,868	7.9%	\$65,706	\$65,583
YTD Enplanements		106,622	106,372	250	104,011	2.5%	106,168	102,325
Revenue Per Enplanement:		\$0.64	\$0.62	\$0.02	\$0.60	6.7%	\$0.62	\$0.64

*\*\*\* UNAUDITED - FOR INTERNAL REVIEW\*\*\**



# **AvPort Airport Operations**

Albany County Airport Authority  
Summary of AvPorts Expenses

	2018	January 2019				January	2019 Actual/ & Prior Year
	Adopted FY Budget	Budget YTD	Actual YTD	Variance YTD	Variance %	2018 Actual	Variance %
<b>EXPENSES BY CATEGORY</b>							
Personal Services	\$ 7,805,707	\$ 626,336	\$ 546,084	\$ 80,251	12.81%	\$ 566,149	3.54%
Employee Benefits	3,694,377	323,883	298,969	24,914	7.69%	285,040	-4.89%
Utilities & Communications	2,019,051	277,658	270,941	6,717	2.42%	245,631	-10.30%
Purchased Services							
Insurance	269,656	80,788	102,716	(21,928)	-27.14%	79,496	-29.21%
Public Safety	309,107	24,468	27,894	(3,426)	100.00%	19,431	-43.55%
Albany County Sheriffs	2,731,859	227,655	227,655	0	0.00%	218,971	-3.97%
Parking Valet Service	350,000	26,465	32,912	(6,447)	-24.36%	28,102	-17.12%
Employee Shuttle	25,000	0	0	0	0.00%	0	0.00%
Janitorial	479,141	39,928	42,948	(3,019)	-7.56%	38,926	-10.33%
Public Communications	518,420	34,773	36,975	(2,202)	-6.33%	31,878	-15.99%
Special Studies	34,200	2,850	0	2,850	100.00%	0	0.00%
Professional Services	498,000	41,500	34,160	7,340	17.69%	34,167	0.02%
Total Purchased Services	5,215,383	478,427	505,259	(26,832)	-5.61%	450,971	-12.04%
Material & Supplies							
Airfield	914,500	82,577	89,824	(7,247)	-8.78%	93,236	3.66%
Buildings	2,020,884	166,353	84,803	81,550	49.02%	89,943	5.71%
Grounds	874,185	54,984	233,520	(178,535)	-324.70%	69,852	-234.31%
Vehicles	652,900	55,501	46,065	9,436	17.00%	34,229	-34.58%
Total Material & Supplies	4,462,469	359,415	454,212	(94,796)	-26.38%	287,260	-58.12%
Office	212,248	14,916	7,024	7,892	52.91%	14,755	52.40%
Administration	601,950	64,644	49,411	15,234	23.57%	51,239	3.57%
Total Expenses	\$ 24,011,185	\$ 2,145,279	\$ 2,131,900	\$ 13,380	0.62%	\$ 1,901,045	-12.14%

**DEPARTMENT SUMMARY (DIRECT & INDIRECT)**

<b>Direct Cost Centers</b>							
Airfield	\$ 3,408,313	\$ 303,233	\$ 333,935	\$ (30,702)	-10.12%	\$ 294,312	-13.46%
Terminal	5,575,507	540,021	496,105	43,916	8.13%	431,181	-15.06%
Loading Bridges	311,452	25,184	18,220	6,965	27.66%	17,330	-5.14%
Parking	4,725,138	386,415	462,407	(75,992)	-19.67%	341,180	-35.53%
Landside	1,271,568	144,280	140,289	3,991	2.77%	134,202	-4.54%
Total Direct Cost Centers	15,291,978	1,399,133	1,450,956	(51,822)	-3.70%	1,218,205	-19.11%
<b>Indirect Cost Center</b>							
ARFF	2,144,562	180,016	147,062	32,954	18.31%	160,056	8.12%
Operations	1,005,988	85,252	75,890	9,361	10.98%	83,374	8.98%
Security	3,152,170	261,767	251,968	9,798	3.74%	253,715	0.69%
Vehicles & Equipment	1,505,340	147,854	141,413	6,441	4.36%	121,724	-16.18%
Airport Mgmt Administration	911,147	71,258	64,612	6,647	9.33%	63,971	-1.00%
Total Indirect Cost Centers	8,719,207	746,147	680,945	65,201	8.74%	682,840	0.28%
Total Expenses	\$ 24,011,185	\$ 2,145,280	\$ 2,131,901	\$ 13,379	0.62%	\$ 1,901,045	-12.14%

ALBANY COUNTY AIRPORT AUTHORITY  
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		Total Annual Budget	This Month Budget	This Month Actual	Var this Mo To Budget	Year to Date Budget	Year to Date Actual	Var this Yr to Budget
<b>EXPENSES</b>								
<b>Personal Services</b>								
11000	Salaries	\$7,088,746	\$545,288	\$435,553	\$109,735	\$545,288	\$435,553	\$109,735
12010	Overtime 1.5	678,976	76,518	95,850	(19,332)	76,518	95,850	(19,332)
12020	Overtime 2.0	37,985	4,530	14,681	(10,152)	4,530	14,681	(10,152)
	<b>Total Personal Services</b>	<b>7,805,707</b>	<b>626,336</b>	<b>546,084</b>	<b>80,251</b>	<b>626,336</b>	<b>546,084</b>	<b>80,251</b>
<b>Employee Benefits</b>								
21000	Social Security	563,085	45,225	40,191	5,034	45,225	40,191	5,034
22000	Health Insurance	2,173,435	181,120	172,471	8,649	181,120	172,471	8,649
24000	Medical Exams	21,600	1,800	572	1,228	1,800	572	1,228
25000	Uniforms & Laundry	46,700	3,892	5,080	(1,189)	3,892	5,080	(1,189)
25005	Uniform Purchases	32,600	2,367	673	1,695	2,367	673	1,695
26010	Disability Insurance	135,481	11,290	16,627	(5,337)	11,290	16,627	(5,337)
26020	Unemployment Insurance	52,123	23,736	20,548	3,188	23,736	20,548	3,188
26030	Workers Compensation	506,275	42,190	29,841	12,349	42,190	29,841	12,349
29001	Airport & FBO 401K	163,078	12,264	12,967	(703)	12,264	12,967	(703)
	<b>Total Employee Benefits</b>	<b>3,694,377</b>	<b>323,883</b>	<b>298,969</b>	<b>24,914</b>	<b>323,883</b>	<b>298,969</b>	<b>24,914</b>
<b>Utilities &amp; Communications</b>								
31000	Electric	1,456,250	139,720	137,376	2,343	139,720	137,376	2,343
33000	Natural Gas	273,500	37,976	46,589	(8,614)	37,976	46,589	(8,614)
34000	Sewer	92,400	92,400	79,331	13,069	92,400	79,331	13,069
35000	Water	106,150	0	286	(286)	0	286	(286)
36010	Telephone Charges-Local	13,870	1,156	1,121	35	1,156	1,121	35
36011	Tele Chg-Long Dist	675	56	38	18	56	38	18
36012	Telephone - Sheriff	4,200	350	336	14	350	336	14
36017	Payphones-Annual & Mo Serv	21,271	1,773	1,021	752	1,773	1,021	752
36018	Payphones-Monthly Usage	300	25	24	1	25	24	1
36020	Telephone Repairs	5,000	417	2,478	(2,061)	417	2,478	(2,061)
36030	Telephone-Cellular	42,000	3,500	2,340	1,160	3,500	2,340	1,160
36060	Cable Television	3,435	286	0	286	286	0	286
	<b>Total Utilities &amp; Communications</b>	<b>2,019,051</b>	<b>277,658</b>	<b>270,941</b>	<b>6,717</b>	<b>277,658</b>	<b>270,941</b>	<b>6,717</b>
<b>PURCHASED SERVICES</b>								
<b>Insurance</b>								
42010	Airport Liability Insurance	5,750	479	479	0	479	479	0
42020	Automotive Insurance	68,378	23,458	26,397	(2,939)	23,458	26,397	(2,939)
42060	Property Insurance	180,028	55,559	75,839	(20,281)	55,559	75,839	(20,281)
42095	Insurance Claims	15,500	1,292	0	1,292	1,292	0	1,292
	<b>Total Insurance</b>	<b>269,656</b>	<b>80,788</b>	<b>102,716</b>	<b>(21,928)</b>	<b>80,788</b>	<b>102,716</b>	<b>(21,928)</b>
<b>Public Safety</b>								
44000	Public Safety	2,731,859	227,655	227,655	0	227,655	227,655	0
44005	Outside Security Services	298,107	23,551	27,160	(3,609)	23,551	27,160	(3,609)
44010	Armored Car Service	11,000	917	734	183	917	734	183
44020	Parking Valet Service	350,000	26,465	32,912	(6,447)	26,465	32,912	(6,447)
44030	Employee Shuttle Service	25,000	0	0	0	0	0	0
	<b>Total Public Safety</b>	<b>3,415,966</b>	<b>278,588</b>	<b>288,461</b>	<b>(9,873)</b>	<b>278,588</b>	<b>288,461</b>	<b>(9,873)</b>
<b>Janitorial</b>								
45000	Janitorial Services	413,081	34,423	36,265	(1,842)	34,423	36,265	(1,842)

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45010 Refuse Removal Services	66,060	5,505	6,682	(1,177)	5,505	6,682	(1,177)
<b>Total Janitorial</b>	<b>479,141</b>	<b>39,928</b>	<b>42,948</b>	<b>(3,019)</b>	<b>39,928</b>	<b>42,948</b>	<b>(3,019)</b>
<b>Public Communications</b>							
46012 Artistic Exhibits	100,817	6,454	11,019	(4,565)	6,454	11,019	(4,565)
46013 Museum Shop	266,471	15,725	13,361	2,363	15,725	13,361	2,363
46020 Passenger Information Booth	151,132	12,594	12,594	0	12,594	12,594	0
<b>Total Public Communications</b>	<b>518,420</b>	<b>34,773</b>	<b>36,975</b>	<b>(2,202)</b>	<b>34,773</b>	<b>36,975</b>	<b>(2,202)</b>
<b>Studies</b>							
47000 Special Studies	22,000	1,833	0	1,833	1,833	0	1,833
47010 GIS Services	12,200	1,017	0	1,017	1,017	0	1,017
<b>Total Studies</b>	<b>34,200</b>	<b>2,850</b>	<b>0</b>	<b>2,850</b>	<b>2,850</b>	<b>0</b>	<b>2,850</b>
<b>Professional Services</b>							
49010 Architectural	40,000	3,333	(7)	3,340	3,333	(7)	3,340
49020 Engineering Services	33,000	2,750	0	2,750	2,750	0	2,750
49040 Professional Management	425,000	35,417	34,167	1,250	35,417	34,167	1,250
<b>Total Professional Services</b>	<b>498,000</b>	<b>41,500</b>	<b>34,160</b>	<b>7,340</b>	<b>41,500</b>	<b>34,160</b>	<b>7,340</b>
<b>Total Purchased Services</b>	<b>5,215,383</b>	<b>478,427</b>	<b>505,259</b>	<b>(26,832)</b>	<b>478,427</b>	<b>505,259</b>	<b>(26,832)</b>
<b>MATERIALS &amp; SUPPLIES</b>							
<b>Airfield</b>							
51010 Fencing	10,000	2,600	233	2,367	2,600	233	2,367
51011 Airfield Lighting	100,000	8,258	5,408	2,850	8,258	5,408	2,850
51014 Pavement Repairs	10,000	833	0	833	833	0	833
51015 Apron Maintenance	50,000	0	0	0	0	0	0
51016 Runway Painting	40,000	1,255	0	1,255	1,255	0	1,255
51017 Airfield Shop Supplies	25,000	2,083	1,342	742	2,083	1,342	742
51019 Snow Removal Supplies	250,000	38,957	69,050	(30,093)	38,957	69,050	(30,093)
51020 Rubber Removal	35,000	0	0	0	0	0	0
51030 EMS Supplies	12,000	1,000	0	1,000	1,000	0	1,000
51031 ARFF Supplies	25,000	2,083	1,346	737	2,083	1,346	737
51032 Hazardous Material Supplies	6,000	500	0	500	500	0	500
51033 Foam	24,000	2,000	0	2,000	2,000	0	2,000
51052 Wastewater Conveyance	7,500	0	0	0	0	0	0
51053 Electric	95,000	14,612	5,445	9,167	14,612	5,445	9,167
51054 Sewer District Charges	5,000	5,000	0	5,000	5,000	0	5,000
51055 Water District Charges	20,000	1,927	7,657	(5,730)	1,927	7,657	(5,730)
51057 System Maint & Repairs	200,000	1,467	(656)	2,123	1,467	(656)	2,123
<b>Total Airfield</b>	<b>914,500</b>	<b>82,577</b>	<b>89,824</b>	<b>(7,247)</b>	<b>82,577</b>	<b>89,824</b>	<b>(7,247)</b>
<b>Buildings</b>							
52010 Alarm & PA Systems	107,995	9,000	4,100	4,900	9,000	4,100	4,900
52012 Card Access Control	55,000	4,583	7,004	(2,421)	4,583	7,004	(2,421)
52013 CTV Repair	35,000	2,917	4,503	(1,586)	2,917	4,503	(1,586)
52014 Key Access System	25,000	2,083	(1,728)	3,811	2,083	(1,728)	3,811
52020 Baggage System	20,000	1,667	2	1,665	1,667	2	1,665
52031 Electrical Repairs & Supplies	209,000	17,417	10,154	7,263	17,417	10,154	7,263
52032 Elevator Repairs & Supplies	120,000	10,000	1,289	8,711	10,000	1,289	8,711
52033 HVAC	211,000	17,583	4,078	13,506	17,583	4,078	13,506

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52034 Roof	28,000	2,333	0	2,333	2,333	0	2,333
52035 Plumbing Repairs & Supplies	66,000	5,500	7,078	(1,578)	5,500	7,078	(1,578)
52036 Automatic Door Repairs	9,000	750	0	750	750	0	750
52037 Pest Control	16,640	1,387	828	559	1,387	828	559
52040 Fire Equipment Services	6,000	500	0	500	500	0	500
52041 Fire Equipment Testing	3,800	317	89	228	317	89	228
52050 US Customs	25,000	30	24	6	30	24	6
52051 Control Tower	300,000	25,000	21,760	3,240	25,000	21,760	3,240
52060 Building Maintenance	437,500	36,458	12,339	24,119	36,458	12,339	24,119
52062 Janitorial Supplies	153,500	12,792	12,126	666	12,792	12,126	666
52063 Window Washing	64,907	5,409	0	5,409	5,409	0	5,409
52071 ID Tags	27,000	2,250	0	2,250	2,250	0	2,250
52080 Sign Expense	4,000	333	408	(75)	333	408	(75)
52090 Flight Information Displays	96,542	8,045	750	7,295	8,045	750	7,295
<b>Total Buildings</b>	<b>2,020,884</b>	<b>166,353</b>	<b>84,803</b>	<b>81,550</b>	<b>166,353</b>	<b>84,803</b>	<b>81,550</b>
<b>Grounds</b>							
53010 Landscaping	19,200	0	0	0	0	0	0
53020 Fencing	1,500	125	14,264	(14,139)	125	14,264	(14,139)
53030 Pavement Repairs	120,000	0	0	0	0	0	0
53035 Utility Repairs	500	42	0	42	42	0	42
53040 Sign Expense	15,000	1,250	0	1,250	1,250	0	1,250
53041 Traffic Light Repairs	2,000	167	0	167	167	0	167
53045 Catch Basin Maintenance	3,000	250	0	250	250	0	250
53048 Snow Removal Supplies	70,000	1,461	0	1,461	1,461	0	1,461
53050 Snow Removal Services	265,600	20,241	180,401	(160,160)	20,241	180,401	(160,160)
53051 NYS Police Hangar Maint	125,000	10,417	15,854	(5,438)	10,417	15,854	(5,438)
53060 Dump Fees - Landfill	9,150	763	759	3	763	759	3
53070 Hazardous Waste Mgmt	12,300	1,025	0	1,025	1,025	0	1,025
53071 Wildlife Hazard Management	38,000	3,167	14,344	(11,178)	3,167	14,344	(11,178)
53078 Liquid Waste Disposal	30,000	2,500	0	2,500	2,500	0	2,500
53085 Land Lease	22,935	1,911	1,286	625	1,911	1,286	625
53090 T-Hangar Facility Maintenance	140,000	11,667	6,610	5,057	11,667	6,610	5,057
<b>Total Grounds</b>	<b>874,185</b>	<b>54,984</b>	<b>233,520</b>	<b>(178,535)</b>	<b>54,984</b>	<b>233,520</b>	<b>(178,535)</b>
<b>Vehicles</b>							
54010 Gasoline	67,000	3,521	2,607	914	3,521	2,607	914
54011 Diesel Fuel	137,000	22,425	17,846	4,579	22,425	17,846	4,579
54012 Oil / Grease	28,000	2,333	185	2,149	2,333	185	2,149
54015 CNG Fuel	23,000	2,083	5,295	(3,211)	2,083	5,295	(3,211)
54013 Vehicle / Equipment Tires	43,000	3,583	1,139	2,445	3,583	1,139	2,445
54021 Vehicle Repair & Maintenance	62,000	5,167	3,631	1,536	5,167	3,631	1,536
54022 Vehicle Communication Equip	7,000	583	0	583	583	0	583
54023 Sheriff Vehicle Repair & Maint	100	8	0	8	8	0	8
54030 General Equip Repair & Maint	70,800	5,900	3,520	2,380	5,900	3,520	2,380
54040 Heavy Equipment Maint	60,000	441	3,157	(2,716)	441	3,157	(2,716)
54045 ARFF Vehicle Repair & Maint	20,000	1,667	1,847	(180)	1,667	1,847	(180)
54050 Snow Equip Repair & Maint	80,000	4,447	1,921	2,526	4,447	1,921	2,526
54060 Mower Repair & Maintenance	15,000	8	1,824	(1,816)	8	1,824	(1,816)
54070 Vehicle Shop Tools & Supplies	40,000	3,333	3,094	239	3,333	3,094	239
<b>Total Vehicles</b>	<b>652,900</b>	<b>55,501</b>	<b>46,065</b>	<b>9,436</b>	<b>55,501</b>	<b>46,065</b>	<b>9,436</b>
<b>Total Material &amp; Supplies</b>	<b>4,462,469</b>	<b>359,415</b>	<b>454,212</b>	<b>(94,797)</b>	<b>359,415</b>	<b>454,212</b>	<b>(94,797)</b>

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<b>Office</b>							
55010 Office Equipment Rental	5,794	483	194	289	483	194	289
55011 Copy Machine Use	25	2	0	2	2	0	2
55012 Office Equipment Serv Agrmnt	3,292	337	187	150	337	187	150
55013 Office Equipment Repairs	700	58	0	58	58	0	58
55014 Computer System Supplies	31,850	2,654	83	2,571	2,654	83	2,571
55015 Hardware/Software Maint	82,637	6,886	0	6,886	6,886	0	6,886
55016 Computer Equipment	13,500	1,125	0	1,125	1,125	0	1,125
55020 Office Furniture & Fixtures	6,750	563	0	563	563	0	563
55030 Printed Forms / Letterhead	3,200	267	0	267	267	0	267
55031 Parking Ticket Stock	16,000	1,333	5,647	(4,313)	1,333	5,647	(4,313)
55032 Printing Outside Services	100	8	0	8	8	0	8
55041 Express Mail	600	50	41	9	50	41	9
55050 Reference Materials	700	58	0	58	58	0	58
55060 Office Supplies	13,100	1,092	873	219	1,092	873	219
55070 Payroll Services	34,000	0	0	0	0	0	0
<b>Total Office</b>	<b>212,248</b>	<b>14,916</b>	<b>7,024</b>	<b>7,892</b>	<b>14,916</b>	<b>7,024</b>	<b>7,892</b>
<b>Administration</b>							
66000 Dues & Subscriptions	8,850	7,096	1,578	5,518	7,096	1,578	5,518
66002 A.A.A.E. Memberships	1,100	0	0	0	0	0	0
66010 AvPorts/MA Training & Travel	70,600	3,674	897	2,777	3,674	897	2,777
66030 Advertising - Public Meetings	2,000	167	0	167	167	0	167
66031 Economic Development	10,000	833	0	833	833	0	833
66040 License & Permits	2,400	0	0	0	0	0	0
66050 Property Taxes	37,000	18,500	11,224	7,276	18,500	11,224	7,276
66060 Credit Card Service Charges	350,000	24,190	26,773	(2,583)	24,190	26,773	(2,583)
66061 EZ Pass Fees	120,000	10,184	8,939	1,245	10,184	8,939	1,245
<b>Total Administration</b>	<b>601,950</b>	<b>64,644</b>	<b>49,411</b>	<b>15,234</b>	<b>64,644</b>	<b>49,411</b>	<b>15,234</b>
Total Expenses	24,011,186	2,145,280	2,131,900	13,380	2,145,280	2,131,900	13,380
83000 Non Capital Equipment	432,090	36,008	18,128	17,879	36,008	18,128	17,879
Total Exp & Non Cap Equip.	<u>24,443,276</u>	<u>2,181,287</u>	<u>2,150,028</u>	<u>31,259</u>	<u>2,181,287</u>	<u>2,150,028</u>	<u>31,259</u>

Albany International Airport  
Employee Count 2019

	Budget	As of	As of	As of	As of	As of	As of	As of	As of	As of	As of	As of	As of	Variance
	2019	Jan 31, 19	Feb 28, 19	Mar 31, 19	Apr 30, 19	May 31, 19	Jun 30, 19	Jul 31, 19	Aug 31, 19	Sep 30, 19	Oct 31, 19	Nov 30, 19	Dec 31, 19	Budget vs. Jan 31, 19
<b>AIRPORT MANAGEMENT - AVPORTS:</b>														
<b>Airfield</b>														
Maintenance Manager	1.00	1.00												0.00
Deputy Maintenance Manager	1.00	1.00												0.00
Airport Maintenance Supervisor	1.00	1.00												0.00
Airport Maintenance Lead-Airfield	2.00	2.00												0.00
Electrician	2.00	2.00												0.00
Airport Maintenance Tech-Electrical	1.00	1.00												0.00
Airport Maintenance Lead-Grounds	1.00	1.00												0.00
Airport Maint Tech Lead-Glycol	1.00	1.00												0.00
Airport Maint Tech -Chief Glycol	0.00	1.00												1.00
Airport Maint Tech-Glycol	4.00	1.00												-3.00
Airport Maint Tech Airfield	12.00	9.00												-3.00
Secretary	0.50	0.50												0.00
<b>Terminal</b>														
Facilities Manager	1.00	1.00												0.00
Facilities Coordinator	0.50	0.50												0.00
Facilities Maint Lead	2.00	2.00												0.00
Facilities Maint - HVAC	1.00	1.00												0.00
Facilities Maint Technician	5.00	4.00												-1.00
Custodial Supervisor	1.00	1.00												0.00
Custodial Lead	5.00	5.00												0.00
Custodial Worker	18.00	18.00												0.00
Floor Care Technician	1.00	1.00												0.00
Airport Custodial Technician	1.00	1.00												0.00
Artistic Exhibits	0.50	0.50												0.00
Museum Shop	5.50	3.50												-2.00
<b>Loading Bridges</b>														
Facilities Maint Lead-Loading Bridge	2.00	2.00												0.00
<b>Parking</b>														
Deputy, Commercial Services	1.00	1.00												0.00
Parking Supervisor	2.00	2.00												0.00
Lead Cashier	5.00	5.00												0.00
Cashier, Full Time	14.00	14.00												0.00
Cashier, Part Time - FTE	2.50	0.50												-2.00
Shuttle Operator Lead	1.00	1.00												0.00
Shuttle Detailer	1.00	1.00												0.00
Shuttle Operator, Full Time	12.00	12.00												0.00
Shuttle Operator, Part Time - FTE	1.00	1.00												0.00
Lead Parking Maint Tech	1.00	0.00												-1.00
Parking Assistant	1.00	0.00												-1.00
Parking Maint Technician	4.00	4.00												0.00
<b>Security</b>														
Curbside Monitors, Full Time	4.00	2.00												-2.00
Curbside Monitors, Part Time - FTE	2.50	2.00												-0.50
<b>Landside</b>														
Tower/Custodial	2.00	2.00												0.00
Admin Building/Custodial	0.50	0.50												0.00
<b>ARFF</b>														
Chief/Safety Manager	1.00	1.00												0.00
Captains/Safety Supervisor	4.00	4.00												0.00
Firefighters/Safety Officer	16.00	15.00												-1.00
<b>Operations</b>														
Airport Operations Manager	1.00	1.00												0.00
Airport Security Supervisor	1.00	1.00												0.00
Asst Airport Security Supervisor	1.00	1.00												0.00
Airport Operations Supervisor	5.00	5.00												0.00
Airport Operations Officer	4.00	4.00												0.00
Receptionist	1.00	1.00												0.00
<b>Vehicles &amp; Equipment</b>														
Airport Maint Lead-Vehicle Maint	2.00	2.00												0.00
Inventory Control Specialist	1.00	1.00												0.00
Airport Maint Tech-Vehicle Maint	8.00	7.00												-1.00
<b>Administration</b>														
	3.50	3.50												0.00
<b>Total AvPORTS Positions</b>	<b>173.00</b>	<b>156.50</b>	<b>0.00</b>	<b>-16.50</b>										

## Personnel Services & Benefits

For the one month ended January 31, 2019

	<b>AFCO (AvPorts)</b>		
	Year to Date Budget	Year to Date Actual	Variance
<b>Personnel Services</b>			
Regular - Salaries	\$ 438,772	\$ 375,248	\$ 63,524
Holiday Pay	17,341	26,850	(9,509)
Other Dollars/Funeral/Jury/Retro	38,562	9,070	29,492
Shift Premium	6,862	6,948	(86)
Lead Pay	693	462	231
Sick Pay	9,397	10,406	(1,009)
Personal Pay	-	-	-
Vacation Pay	33,661	6,569	27,092
Sub Total	545,288	435,553	109,735
Overtime	76,518	95,850	(19,332)
Double Time Pay	4,530	14,681	(10,151)
Total	626,336	546,084	80,252
<b>Employee Benefits</b>			
Social Security & Medicare	45,225	40,191	5,034
Federal Unemployment Tax	3,852	4,405	(553)
NYS Unemployment	19,884	16,143	3,741
Workers Compensation	42,190	29,841	12,349
401 (K) Plan Match	12,264	12,967	(703)
Health & Dental Insurance	205,207	191,515	13,692
Employee Benefits Deductions	(24,087)	(19,044)	(5,043)
Disability/Life Insurance	11,290	16,627	(5,337)
Total	315,825	292,645	23,180
Total Salaries and Benefits	\$ 942,161	\$ 838,729	\$ 103,432

## Albany International Airport 2019 AvPort's Performance Measurements For the one month ended January 31

Airfield Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Number of vehicle accidents on Airfield over \$1,000	1	1	0	0	0
Airport remained open for all airline operations	100%	100%	100%	100%	100%
Electrical work-orders	727	868	1026	700	85
SPEDES permit sanctions	0	0	0	0	0
Gallons of deicing aircraft storm water fluid collected	13,606,000	18,499,000	17,013,812	25,000,000	4,004,000
water removed (the higher the better)	2.9%	3.3%	4.4%	3.5%	2.7%
Employees with CDL licenses	34	33	33	40	35
Runway incidents	0	0	0	0	1
Notices to Airmen (NOTAMs) for airfield lighting	66	28	37	0	3
Occupational Safety and Health Administration (OSHA) reportable incidents	2	2	2	0	0
Liquid potassium acetate used on runways (avg gallons per snow ice event)	785	2,418	2,419	4,000	4,000
Airfield electric usage (KWH)	636,751	659,988	678,226	675,000	70,873
Overtime/Personnel Services (%)	11.3%	14.0%	13.2%	10.6%	30.2%

Terminal Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
HVAC Equipment in operation	100.0%	100.0%	100.0%	100.0%	100.0%
Work Orders	3,586	3,548	4,228	4,000	415
Survey: cleanliness of the terminal	N/A	N/A	N/A	80%	N/A
Average # of days a work order remains open	2.5	2.5	2.5	2.5	3.0
Plumbing Equipment in operation	100%	100%	100%	100%	100%
Terminal Maintenance direct cost per square foot	\$18.38	\$17.77	\$20.34	\$19.43	\$1.71
Terminal electrical usage (KWH): 79 Building	1,547,262	1,337,120	1,412,191	1,400,000	153,855
Terminal electrical usage (KWH): 98 Building	7,339,716	7,041,849	6,945,277	7,000,000	612,922
Overtime/Personnel Services (%)	6.9%	7.6%	8.4%	6.2%	13.0%

Loading Bridge Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Direct Cost per Loading Bridge	\$20,933	\$23,787	\$26,868	\$23,958	\$1,402
Airline Employees trained	2	13	35	10	0
Over-the-Wing (OTW) Loading Bridge total operations	4,278	4,249	4,031	4,200	337
Loading Bridge electrical usage (KWH) (6.1% of 98 building gets allocated)	635,970	635,970	601,792	600,000	53,108
OTW Loading Bridge Maintenance calls (new measurement for 2009)	93	80	93	10	10
OTW Loading Bridge out of service (new measurement for 2009)	19.5%	30.2%	32.3%	0.0%	20.2%
Number of leased loading bridges	14	13	13	13	13
Overtime/Personnel Services (%)	16.8%	16.1%	15.4%	11.2%	18.7%

Parking Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Express parking transactions	327,771	345,998	336,899	350,000	21,295
Cashier parking transactions	322,647	292,572	301,127	300,000	25,574
Cashier parking transaction errors	110	67	53	50	6
Shuttle Bus Survey (new measurement for 2008)	N/A	N/A	80%	85%	N/A
Customer/Vehicle Contact	0	0	0	0	0
OSHA recordable accidents	6	2	2	0	0
Parking electrical usage (KWH)	348,356	348,356	351,034	345,000	37,726
Parking Garage electrical usage (KWH) (23.5% of 98 building gets allocated)	2,450,047	2,450,047	2,318,381	2,500,000	204,598
YTD Loss/Gain	-\$1,080	-\$636	\$165	\$0	-\$244
Overtime/Personnel Services (%)	18.0%	14.8%	16.2%	11.6%	18.1%

Landside Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Number of tenants	53	56	55	56	57
Landside building rental (Sq ft) *	327,108	329,478	428,094	429,165	362,184
Landside land rental (acres)*	34	36	36	36	37
Tenant complaints	0	0	0	0	0

\*Includes rented space/land only

ARFF Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Annual Dispatch Calls	536	658	643	650	55
Tour conducted by ARFF	34	21	41	35	1
AED classes conducted	27	22	4	15	1
Fire Extinguishers inspected/serviced	5,711	5,970	5,920	5,800	204
NYS Fire Fighter training (training hours)	504	504	504	504	42
OSHA required fire training (training hours)	156	156	156	156	13
NYS EMT training (training hours)	480	480	480	480	40
FAA ARFF training (training hours)	516	516	516	516	43
Building code inspections	52	45	31	20	0
Overtime/Personnel Services (%)	16.2%	18.6%	15.2%	11.4%	19.8%

Operations Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Work Orders (Facility) Building Maintenance calls	3,698	3,644	4,236	3,500	415
Work Orders (139) aeronautical areas	729	999	1,030	1,000	171
Notice to airmen (NOTAMS)	978	1,471	2,488	1,500	356
Bird Strikes	48	71	28	15	0
Property Damage Reports	147	176	190	140	20
Bodily Injury Reports	248	246	227	200	28
FAA 139 Inspections discrepancies	18	9	7	5	3
Operations' employee accidents	0	0	0	0	0
Operations' property accidents	2	0	1	0	0
Overtime/Personnel Services (%)	13.1%	11.0%	12.3%	8.0%	22.9%

Security Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Security Trainees	686	697	797	700	69
Driver Trainees	408	422	501	400	41
Finger Printing	763	743	934	750	71
Badges Issued	166	186	260	200	36
Revalidations*	656	681	854	900	68
Escort Required Badges Issued	2,840	2,137	3,490	2,500	450
Business Center Security Passes	169	64	199	100	28
Curbside Accidents	0	0	0	0	0
Curbside Security - Overtime/Personnel Services (%)	8.6%	5.4%	5.2%	2.7%	8.6%

\*Revalidations of badges are performed every other year

Vehicle Maintenance Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Heavy Equipment (Units)	47	47	45	45	45
Light Vehicles (Units)	34	34	35	36	35
Light Equipment (Units)	233	233	230	230	230
Average age of ARFF Fleet (yrs)	9	8	9	9	9
Average age of Shuttle Buses (yrs)	4	3	4	5	4
Average age of Fuel Trucks (yrs)	12	14	15	16	15
Average age of other large vehicles	17	16	17	18	17
Average age of Pick-ups	15	10	11	8	11
Shuttle Bus (Not less than 6 operational)	7	7	7	8	7
Fuel Truck (Not less than 7 operational)	7	7	7	7	7
Technicians trained	0	24	16	2	0
Overtime/Personnel Services (%)	9.7%	10.2%	9.0%	8.5%	29.9%

AvPort's Administration Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
AvPort's total full time employment equivalents	154.3	159.5	153.8	173.0	156.5
Total AvPort's overtime	12.4%	12.4%	12.2%	9.2%	20.2%
Budgetary needs met	Yes	Yes	Yes	Yes	Yes
Saving/revenue producing ideas	0	0	0	0	0
Total AvPorts Property Damage Reports	16	23	4	1	0
Administration Overtime/Personnel Services (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Employee turnover	15.9%	12.9%	15.4%	13.0%	1.0%

*\*\*\* UNAUDITED - FOR INTERNAL REVIEW\*\*\**

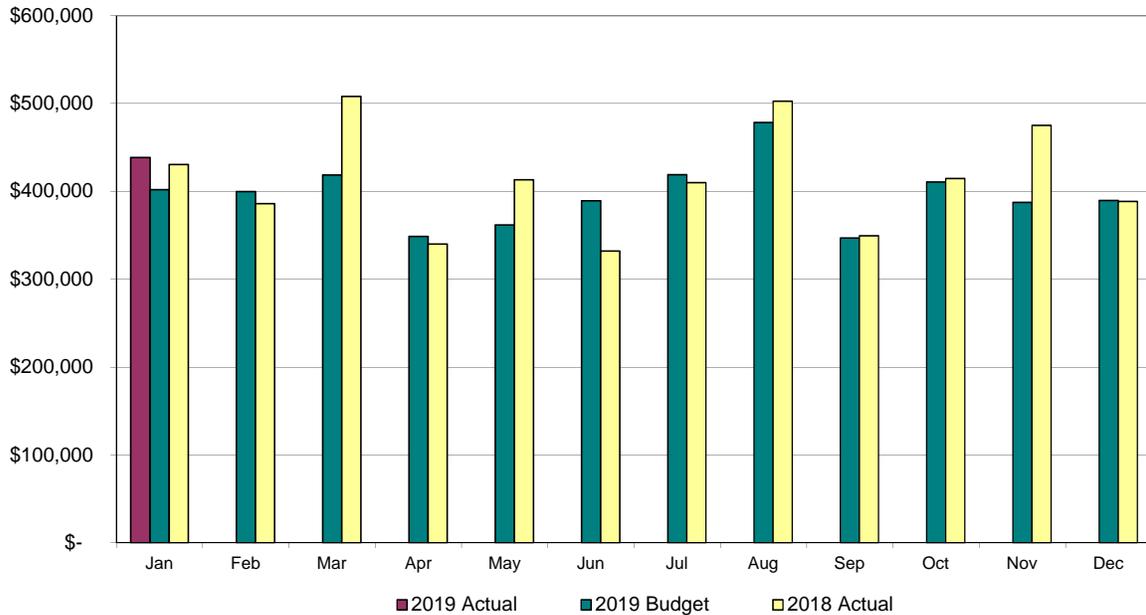


# **Million Air FBO Operations**

Albany County Airport Authority  
FBO Operations Summary  
For the one month ended January 31, 2019

	Commercial Fueling (60)		GA & Facilities (61)		Administration (69)		TOTAL		
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Variance
<b>REVENUES</b>									
<b>Retail Fuel</b>									
Jet A Fuel Sales	\$ -	\$ -	\$ 421,956	\$ 374,378	\$ -	\$ -	\$ 421,956	\$ 374,378	\$ (47,578)
AvGas Fuel Sales	-	-	15,653	12,398	-	-	15,653	12,398	(3,255)
Commercial AvGas Fuel Sales	23,234	25,312	-	-	-	-	23,234	25,312	2,078
Auto & Diesel Fuel Sales	54,478	47,477	-	-	-	-	54,478	47,477	(7,001)
<b>Retail Fuel Sales</b>	<b>77,712</b>	<b>72,789</b>	<b>437,609</b>	<b>386,776</b>	<b>-</b>	<b>-</b>	<b>515,321</b>	<b>459,565</b>	<b>(55,756)</b>
Into Plane Fees	49,413	51,730	-	-	-	-	49,413	51,730	2,317
Fuel Farm Fees	53,096	46,820	-	-	-	-	53,096	46,820	(6,276)
General Aviation Landing Fees	-	-	18,599	14,214	-	-	18,599	14,214	(4,385)
Aircraft Parking Fees	-	-	10,363	11,289	-	-	10,363	11,289	926
Deicing Services	279,233	288,485	6,740	24,753	-	-	285,973	313,238	27,265
FBO Properties	-	-	34,256	29,114	-	-	34,256	29,114	(5,142)
FBO Services	-	-	1,727	4,907	-	-	1,727	4,907	3,180
<b>TOTAL REVENUES</b>	<b>\$ 459,454</b>	<b>\$ 459,824</b>	<b>\$ 509,294</b>	<b>\$ 471,053</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 968,748</b>	<b>\$ 930,877</b>	<b>\$ (37,871)</b>
<b>COST OF SALES ( )</b>									
Fuel Costs - Jet A	-	-	246,871	216,039	-	-	246,871	216,039	(30,832)
Fuel Volume Discounts - Jet	-	-	25,540	26,933	-	-	25,540	26,933	1,393
Fuel Costs - AvGas	-	-	11,883	7,957	-	-	11,883	7,957	(3,926)
Fuel Volume Discounts - AvGas	-	-	228	166	-	-	228	166	(62)
Fuel Costs - Commercial AvGas	21,101	22,158	-	-	-	-	21,101	22,158	1,057
Fuel Costs - Auto & Diesel	44,133	35,321	-	-	-	-	44,133	35,321	(8,812)
<b>Fuel Costs</b>	<b>65,234</b>	<b>57,479</b>	<b>284,522</b>	<b>251,095</b>	<b>-</b>	<b>-</b>	<b>349,756</b>	<b>308,574</b>	<b>(41,182)</b>
Deicing Costs - Type I & IV	216,587	183,675	-	-	-	-	216,587	183,675	(32,912)
Catering, Oil & Other	-	-	417	-	-	-	417	-	(417)
<b>Total Cost of Sales</b>	<b>281,821</b>	<b>241,154</b>	<b>284,939</b>	<b>251,095</b>	<b>-</b>	<b>-</b>	<b>566,760</b>	<b>492,249</b>	<b>(74,511)</b>
<b>Net Operating</b>	<b>\$ 177,633</b>	<b>\$ 218,670</b>	<b>\$ 224,355</b>	<b>\$ 219,958</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 401,988</b>	<b>\$ 438,628</b>	<b>\$ 36,640</b>
<b>EXPENSES ( )</b>									
Personal Services									
Salaries	\$ 34,980	\$ 27,507	\$ 46,488	\$ 46,724	\$ 16,528	\$ 15,814	\$ 97,996	\$ 90,045	\$ 7,951
Overtime	5,050	4,478	10,216	13,676	-	-	15,266	18,154	(2,888)
Total Personal Services	40,030	31,985	56,704	60,400	16,528	15,814	113,262	108,199	5,063
Employee Benefits	16,205	11,699	29,738	24,380	8,813	3,256	54,756	39,335	15,421
Utilities & Communications	3,062	1,747	10,484	9,779	479	47	14,025	11,573	2,452
Purchased Services	48,159	40,085	14,506	12,970	57,751	73,754	120,416	126,809	(6,393)
Materials & Supplies									
Buildings	1,058	747	5,810	(1,723)	-	-	6,868	(976)	7,844
Grounds	1,667	1,080	175	-	-	-	1,842	1,080	762
Vehicles	16,705	8,901	6,509	9,405	-	-	23,214	18,306	4,908
Total Materials & Supplies	19,430	10,728	12,494	7,682	-	-	31,924	18,410	13,514
Office & Administration	-	-	10,557	8,444	4,167	2,294	14,724	10,738	3,986
Non-Capital Equipment	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>126,886</b>	<b>96,244</b>	<b>134,483</b>	<b>123,655</b>	<b>87,738</b>	<b>95,165</b>	<b>349,107</b>	<b>315,064</b>	<b>34,043</b>
<b>FBO Net Direct Cost</b>	<b>\$ 50,747</b>	<b>\$ 122,426</b>	<b>\$ 89,872</b>	<b>\$ 96,303</b>	<b>\$ (87,738)</b>	<b>\$ (95,165)</b>	<b>\$ 52,881</b>	<b>\$ 123,564</b>	<b>\$ 70,683</b>
<b>Allocation of Indirect Cost Centers</b>									
ARFF	5,400	4,412	5,400	4,412	-	-	10,801	8,824	1,977
Operations	4,263	3,795	4,263	3,795	-	-	8,525	7,589	936
Security	2,618	2,520	2,618	2,520	-	-	5,235	5,039	196
Vehicles & Equipment	7,393	7,071	4,436	4,242	-	-	11,828	11,313	515
Airport Mgmt Administration	12,433	8,451	15,444	15,862	-	-	27,877	24,313	3,564
FBO Administration	39,130	33,079	48,608	62,086	(87,738)	(95,165)	-	-	-
ACAA Administration	130,889	102,443	162,590	192,275	-	-	293,479	294,718	(1,239)
<b>Total Allocation</b>	<b>202,125</b>	<b>161,769</b>	<b>243,358</b>	<b>285,192</b>	<b>(87,738)</b>	<b>(95,165)</b>	<b>357,745</b>	<b>351,796</b>	<b>5,949</b>
<b>FBO Net Results</b>	<b>\$ (151,378)</b>	<b>\$ (39,343)</b>	<b>\$ (153,486)</b>	<b>\$ (188,889)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (304,864)</b>	<b>\$ (228,232)</b>	<b>\$ 76,632</b>

# Albany International Airport FBO Net Revenue Before Operating and Maintenance Expenses For the one month ended January 31

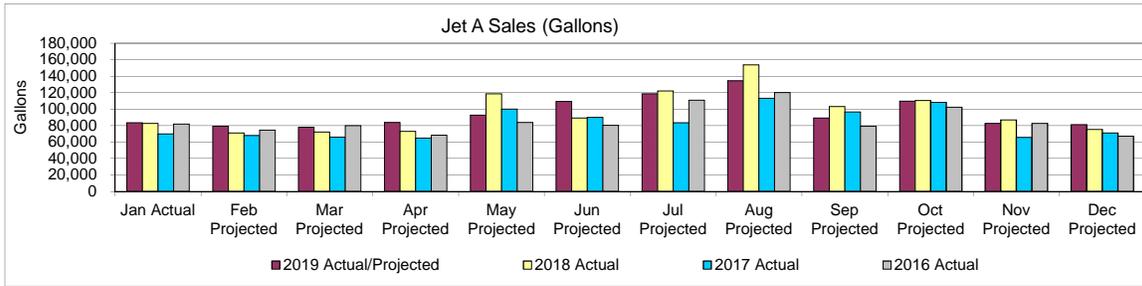


YTD Revenues	2019 Actual			2019 Budget			2018 Actual		
	Gross Revenues	Cost of Sales	Net Revenue	Gross Revenues	Cost of Sales	Net Revenue	Gross Revenues	Cost of Sales	Net Revenue
Jet A Fuel Sales	\$ 374,378	\$ 216,039	\$ 158,339	\$ 421,956	\$ 246,871	\$ 175,085	\$ 382,136	\$ 215,849	\$ 166,287
Fuel Volume Discounts-Jet A	-	26,933	(26,933)	-	25,540	(25,540)	-	25,144	(25,144)
AvGas Fuel Sales-Commercial	25,312	22,158	3,154	23,234	21,101	2,133	33,855	29,890	3,965
AvGas Fuel Sales	12,398	7,957	4,441	15,653	11,883	3,770	15,045	40,862	(25,817)
Fuel Volume Discounts-AvGas	-	166	(166)	-	228	(228)	-	243	(243)
Auto & Diesel Fuel Sales	47,477	35,321	12,156	54,478	44,134	10,344	57,642	47,686	9,956
Into-Plane Fees	51,730	-	51,730	49,413	-	49,413	53,420	-	53,420
Fuel Farm Fees	46,820	-	46,820	53,096	-	53,096	49,601	-	49,601
Landing Fees	14,214	-	14,214	18,599	-	18,599	16,605	-	16,605
Parking Fees	11,289	-	11,289	10,363	-	10,363	8,210	-	8,210
Deicing	313,238	183,674	129,564	285,974	216,588	69,386	334,494	221,606	112,888
Properties	29,114	-	29,114	34,256	-	34,256	33,770	-	33,770
FBO Services (Catering, etc)	4,907	0	4,907	1,727	414	1,313	(2,874)	-	(2,874)
<b>Total</b>	<b>\$ 930,877</b>	<b>\$ 492,248</b>	<b>\$ 438,629</b>	<b>\$ 968,749</b>	<b>\$ 566,759</b>	<b>\$ 401,990</b>	<b>\$ 981,904</b>	<b>\$ 581,280</b>	<b>\$ 400,624</b>

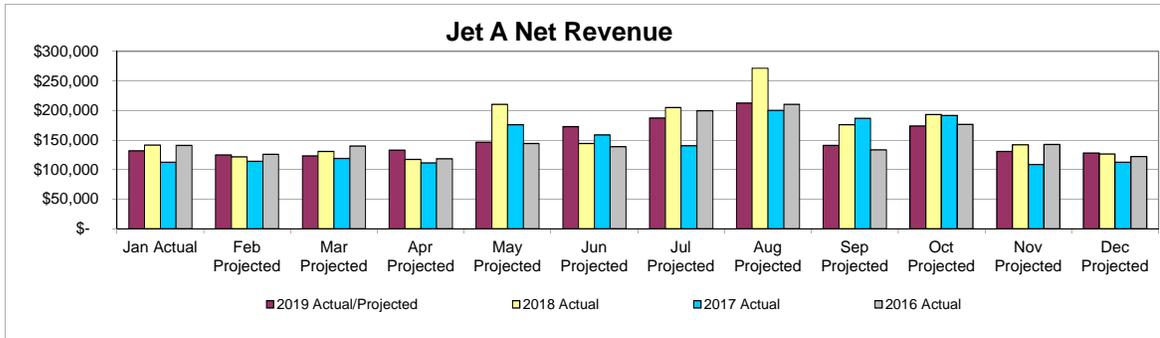
	2019 Actual			2019 Budget			2018 Actual		
	Gross Revenues	Cost of Sales	Net Revenue	Gross Revenues	Cost of Sales	Net Revenue	Gross Revenues	Cost of Sales	Net Revenue
January	\$ 930,877	\$ 492,248	\$ 438,629	\$ 968,749	\$ 566,759	\$ 401,990	\$ 981,904	\$ 551,280	\$ 430,624
February	-	-	-	973,400	573,590	399,810	838,732	452,647	386,085
March	-	-	-	880,075	461,376	418,699	1,060,934	552,644	508,290
April	-	-	-	715,370	366,690	348,680	682,197	342,099	340,098
May	-	-	-	722,868	361,190	361,678	843,555	430,353	413,202
June	-	-	-	801,318	412,050	389,268	673,250	341,233	332,017
July	-	-	-	863,799	444,701	419,098	859,036	448,941	410,095
August	-	-	-	980,582	502,274	478,308	1,057,757	555,130	502,627
September	-	-	-	693,298	346,517	346,781	738,734	389,209	349,525
October	-	-	-	864,159	453,603	410,556	857,474	442,605	414,869
November	-	-	-	833,239	445,685	387,554	1,054,884	579,770	475,114
December	-	-	-	949,515	559,811	389,704	778,895	390,318	388,577
<b>Total</b>	<b>\$ 930,877</b>	<b>\$ 492,248</b>	<b>\$ 438,629</b>	<b>\$ 10,246,372</b>	<b>\$ 5,494,246</b>	<b>\$ 4,752,126</b>	<b>\$ 10,427,352</b>	<b>\$ 5,476,229</b>	<b>\$ 4,951,123</b>

YTD \$ 930,877 \$ 492,248 \$ 438,629 \$ 968,749 \$ 566,759 \$ 401,990 \$ 981,904 \$ 551,280 \$ 430,624

## Albany International Airport FBO Jet A Fuel Sales For the one month ended January 31

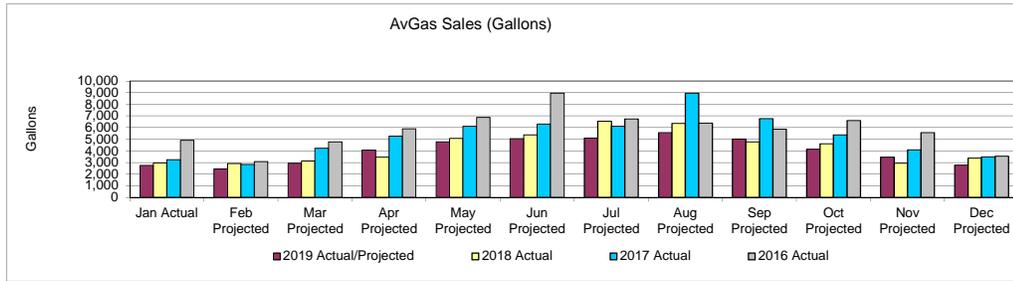


Jet A Gallons		2019	2019 Budget	# Variance	% Variance	2018	2019 vs 2018	2017	2016
<b>January</b>	<b>(ACTUAL)</b>	<b>83,336</b>	<b>87,543</b>	<b>(4,207)</b>	<b>-4.8%</b>	<b>82,592</b>	<b>0.9%</b>	<b>70,070</b>	<b>81,710</b>
February	(Projected)	79,013	83,002	(3,989)	-4.8%	71,125	11.1%	67,820	74,536
March	(Projected)	77,995	81,932	(3,937)	-4.8%	72,099	8.2%	66,129	79,951
April	(Projected)	83,936	88,173	(4,237)	-4.8%	72,863	15.2%	65,069	68,402
May	(Projected)	92,664	97,342	(4,678)	-4.8%	118,650	-21.9%	99,920	83,850
June	(Projected)	109,444	114,968	(5,525)	-4.8%	89,409	22.4%	89,950	80,224
July	(Projected)	118,484	124,465	(5,981)	-4.8%	122,091	-3.0%	83,365	110,860
August	(Projected)	134,413	141,198	(6,785)	-4.8%	153,689	-12.5%	113,131	120,313
September	(Projected)	89,284	93,791	(4,507)	-4.8%	103,321	-13.6%	96,413	79,169
October	(Projected)	109,893	115,440	(5,547)	-4.8%	110,506	-0.6%	107,989	102,474
November	(Projected)	82,593	86,762	(4,169)	-4.8%	86,915	-5.0%	65,483	82,517
December	(Projected)	80,993	85,081	(4,089)	-4.8%	75,434	7.4%	70,963	67,060
<b>Total</b>		<b>1,142,047</b>	<b>1,199,698</b>	<b>(57,651)</b>	<b>-4.8%</b>	<b>1,158,694</b>	<b>-1.4%</b>	<b>996,302</b>	<b>1,031,066</b>
<b>YTD Gallons</b>		<b>83,336</b>	<b>87,543</b>	<b>(4,207)</b>	<b>-4.8%</b>	<b>82,592</b>	<b>0.9%</b>	<b>70,070</b>	<b>81,710</b>

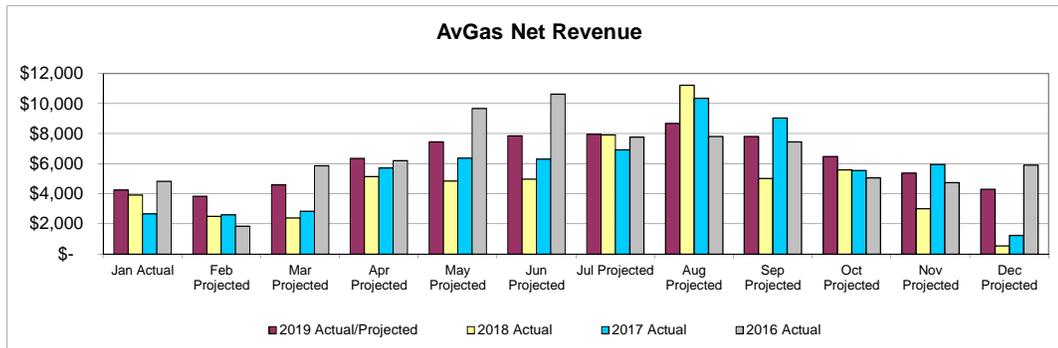


Jet A Net Revenue		2019	2019 Budget	# Variance	% Variance	2018	2019 vs 2018	2017	2016
<b>January</b>	<b>(ACTUAL)</b>	<b>\$ 131,406</b>	<b>\$ 149,546</b>	<b>\$ (18,140)</b>	<b>-12.1%</b>	<b>\$ 141,143</b>	<b>-6.9%</b>	<b>\$ 112,128</b>	<b>\$ 140,607</b>
February	(Projected)	124,589	141,788	(17,199)	-12.1%	121,451	2.6%	113,822	125,545
March	(Projected)	122,984	139,961	(16,977)	-12.1%	130,403	-5.7%	118,397	139,416
April	(Projected)	132,353	150,623	(18,271)	-12.1%	117,160	13.0%	111,173	117,903
May	(Projected)	146,115	166,285	(20,170)	-12.1%	210,246	-30.5%	175,376	143,880
June	(Projected)	172,573	196,396	(23,823)	-12.1%	143,769	20.0%	158,488	138,577
July	(Projected)	186,828	212,619	(25,791)	-12.1%	204,549	-8.7%	140,062	199,181
August	(Projected)	211,946	241,203	(29,258)	-12.1%	271,633	-22.0%	199,745	210,063
September	(Projected)	140,785	160,220	(19,435)	-12.1%	175,786	-19.9%	186,356	132,912
October	(Projected)	173,281	197,201	(23,920)	-12.1%	192,929	-10.2%	191,217	176,189
November	(Projected)	130,235	148,213	(17,978)	-12.1%	141,572	-8.0%	108,259	142,396
December	(Projected)	127,711	145,341	(17,630)	-12.1%	126,192	1.2%	111,976	121,863
<b>Total</b>		<b>\$ 1,800,805</b>	<b>\$ 2,049,396</b>	<b>\$ (248,591)</b>	<b>-12.1%</b>	<b>\$ 1,976,833</b>	<b>-8.9%</b>	<b>\$ 1,726,999</b>	<b>\$ 1,788,532</b>
<b>YTD Net Revenues</b>		<b>\$ 131,406</b>	<b>\$ 149,546</b>	<b>\$ (18,140)</b>	<b>-12.1%</b>	<b>\$ 141,143</b>	<b>-6.9%</b>	<b>\$ 112,128</b>	<b>\$ 140,607</b>

## Albany International Airport FBO Av Gas Retail Sales For the one month ended January 31



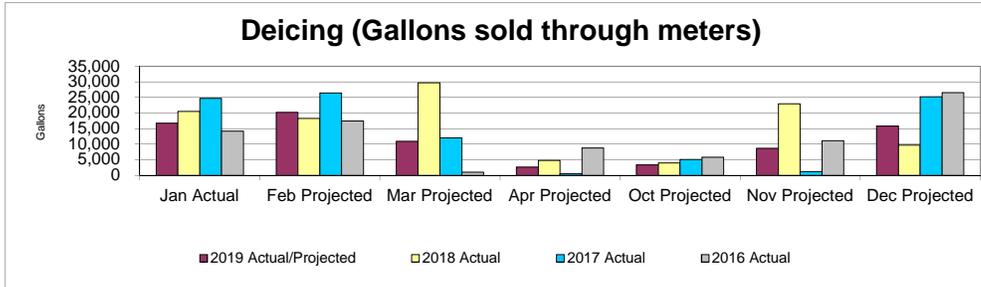
	2019	2019 Budget	# Variance	% Variance	2018	2019 vs 2018	2017	2016
<b>January (ACTUAL)</b>	<b>2,738</b>	<b>3,016</b>	<b>(278)</b>	<b>-9.2%</b>	<b>2,978</b>	<b>-8.1%</b>	<b>3,248</b>	<b>4,915</b>
February (Projected)	2,457	2,706	(249)	-9.2%	2,914	-15.7%	2,836	3,087
March (Projected)	2,950	3,250	(299)	-9.2%	3,134	-5.9%	4,236	4,773
April (Projected)	4,069	4,482	(413)	-9.2%	3,471	17.2%	5,261	5,879
May (Projected)	4,781	5,266	(485)	-9.2%	5,062	-5.5%	6,101	6,884
June (Projected)	5,029	5,539	(510)	-9.2%	5,378	-6.5%	6,292	8,954
July (Projected)	5,109	5,627	(519)	-9.2%	6,547	-22.0%	6,118	6,733
August (Projected)	5,564	6,128	(565)	-9.2%	6,341	-12.3%	8,939	6,380
September (Projected)	5,009	5,517	(508)	-9.2%	4,772	5.0%	6,751	5,863
October (Projected)	4,150	4,571	(421)	-9.2%	4,616	-10.1%	5,359	6,588
November (Projected)	3,455	3,805	(351)	-9.2%	2,952	17.0%	4,090	5,563
December (Projected)	2,764	3,044	(281)	-9.2%	3,369	-18.0%	3,479	3,537
<b>Total</b>	<b>48,074</b>	<b>52,953</b>	<b>(4,879)</b>	<b>-9.2%</b>	<b>51,534</b>	<b>-6.7%</b>	<b>62,710</b>	<b>69,156</b>
<b>YTD Gallons</b>	<b>2,738</b>	<b>3,016</b>	<b>(278)</b>	<b>-9.2%</b>	<b>2,978</b>	<b>-8.1%</b>	<b>3,248</b>	<b>4,915</b>



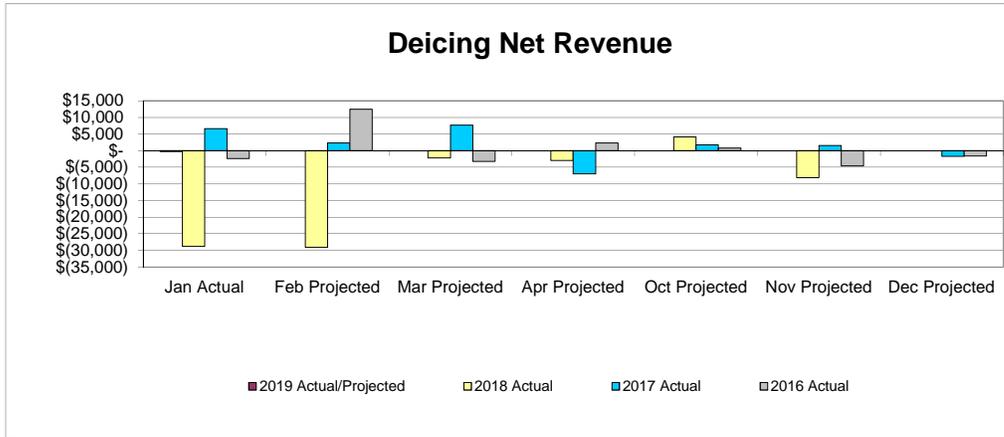
	2019	2019 Budget	# Variance	% Variance	2018	2019 vs 2018	2017	2016
<b>January (ACTUAL)</b>	<b>\$ 4,275</b>	<b>\$ 3,542</b>	<b>\$ 733</b>	<b>20.7%</b>	<b>\$ 3,940</b>	<b>8.5%</b>	<b>\$ 2,687</b>	<b>\$ 4,839</b>
February (Projected)	3,836	3,178	658	20.7%	2,516	52.5%	2,618	1,857
March (Projected)	4,606	3,817	790	20.7%	2,405	91.5%	2,843	5,885
April (Projected)	6,353	5,264	1,089	20.7%	5,159	23.1%	5,721	6,205
May (Projected)	7,465	6,185	1,280	20.7%	4,869	53.3%	6,373	9,675
June (Projected)	7,852	6,506	1,346	20.7%	4,982	57.6%	6,322	10,632
July (Projected)	7,977	6,609	1,368	20.7%	7,935	0.5%	6,925	7,786
August (Projected)	8,687	7,197	1,489	20.7%	11,213	-22.5%	10,360	7,815
September (Projected)	7,821	6,480	1,341	20.7%	5,023	55.7%	9,049	7,463
October (Projected)	6,479	5,368	1,111	20.7%	5,591	15.9%	5,560	5,076
November (Projected)	5,394	4,469	925	20.7%	3,028	78.1%	5,967	4,755
December (Projected)	4,315	3,576	740	20.7%	554	679.0%	1,237	5,917
<b>Total</b>	<b>\$ 75,060</b>	<b>\$ 62,191</b>	<b>\$ 12,869</b>	<b>20.7%</b>	<b>\$ 57,215</b>	<b>31.2%</b>	<b>\$ 65,662</b>	<b>\$ 77,905</b>
<b>YTD Net Revenues</b>	<b>\$ 4,275</b>	<b>\$ 3,542</b>	<b>\$ 733</b>	<b>20.7%</b>	<b>\$ 3,940</b>	<b>8.5%</b>	<b>\$ 2,687</b>	<b>\$ 4,839</b>



**Albany International Airport  
FBO Deicing Sales Consortium  
For the one month ended January 31**

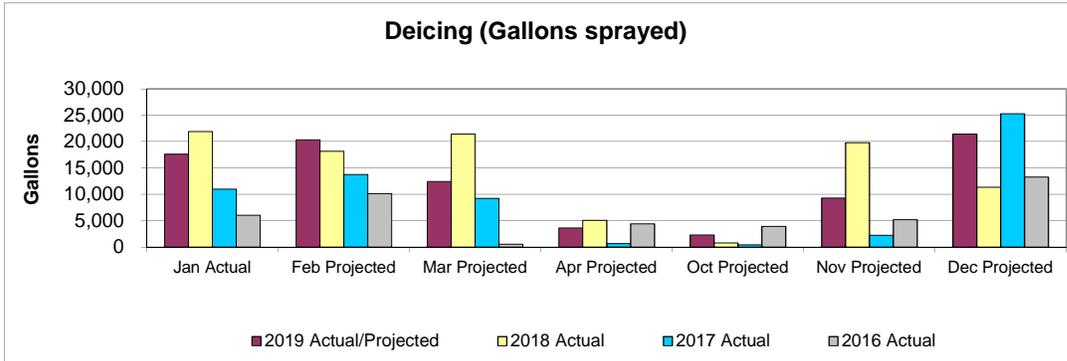


Deicing gallons sold through meters		2019	2019	#	%	2019	2019 vs	2017	2016
		2019	Budget	Variance	Variance	2018	2018	2017	2016
<b>January</b>	<b>(ACTUAL)</b>	<b>16,742</b>	<b>20,776</b>	<b>(4,034)</b>	<b>-19.4%</b>	<b>20,525</b>	<b>-18.4%</b>	<b>24,685</b>	<b>14,145</b>
February	(Projected)	20,165	25,024	(4,859)	-19.4%	18,289	10.3%	26,437	17,437
March	(Projected)	10,874	13,494	(2,620)	-19.4%	29,689	-63.4%	11,991	981
April	(Projected)	2,626	3,259	(633)	-19.4%	4,758	-44.8%	530	8,786
October	(Projected)	3,294	4,088	(794)	-19.4%	3,917	-15.9%	5,049	5,767
November	(Projected)	8,661	10,747	(2,087)	-19.4%	22,905	-62.2%	1,184	11,114
December	(Projected)	15,804	19,613	(3,808)	-19.4%	9,627	64.2%	25,203	26,507
<b>Total</b>		<b>78,165</b>	<b>97,000</b>	<b>(18,835)</b>	<b>-19.4%</b>	<b>109,710</b>	<b>-28.8%</b>	<b>95,079</b>	<b>84,737</b>
YTD Gallons		16,742	20,776	(4,034)	-19.4%	20,525	-18.4%	24,685	14,145



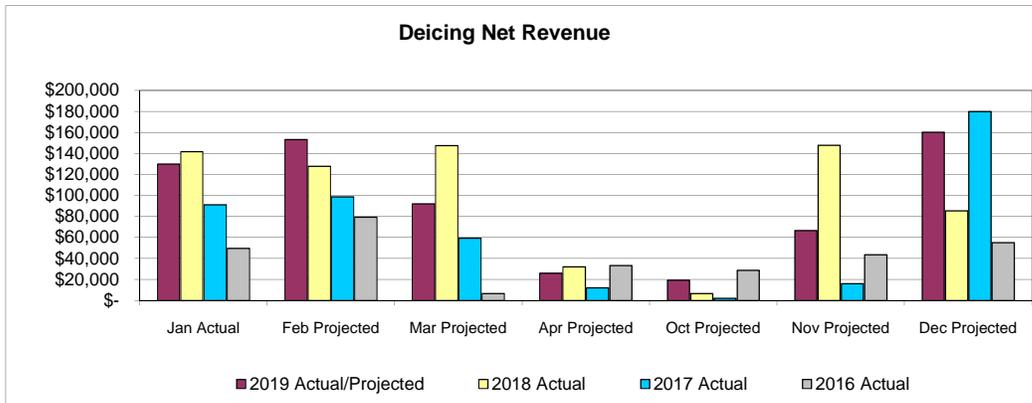
Deicing gallons sold through meters Net Revenue		2019	2019	#	%	2019	2019 vs	2017	2016
		2019	Budget	Variance	Variance	2018	2018	2017	2016
<b>January</b>	<b>(ACTUAL)</b>	<b>\$ (276)</b>	<b>0</b>	<b>\$ (276)</b>	<b>100.0%</b>	<b>\$(28,775)</b>	<b>-99.0%</b>	<b>\$ 6,670</b>	<b>\$(2,395)</b>
February	(Projected)	0	0	-	0.0%	\$(29,046)	-100.0%	2,322	12,514
March	(Projected)	0	0	-	0.0%	\$(2,171)	-100.0%	7,706	\$(3,199)
April	(Projected)	0	0	-	0.0%	\$(2,912)	0.0%	\$(6,980)	2,292
October	(Projected)	0	0	-	0.0%	4,102	-100.0%	1,749	778
November	(Projected)	0	0	-	0.0%	\$(8,081)	-100.0%	1,574	\$(4,603)
December	(Projected)	0	0	-	0.0%	-	#DIV/0!	\$(1,730)	\$(1,648)
<b>Total</b>		<b>\$(276)</b>	<b>0</b>	<b>\$(276)</b>	<b>100.0%</b>	<b>\$(66,883)</b>	<b>-99.6%</b>	<b>\$ 11,311</b>	<b>\$ 3,739</b>
YTD Net Revenues		\$ (276)	\$ -	\$ (276)	100.0%	\$(28,775)	-99.0%	\$ 6,670	\$(2,395)

**Albany International Airport  
FBO Deicing Sales Sprayed  
For the one month ended January 31**



**Deicing gallons sprayed**

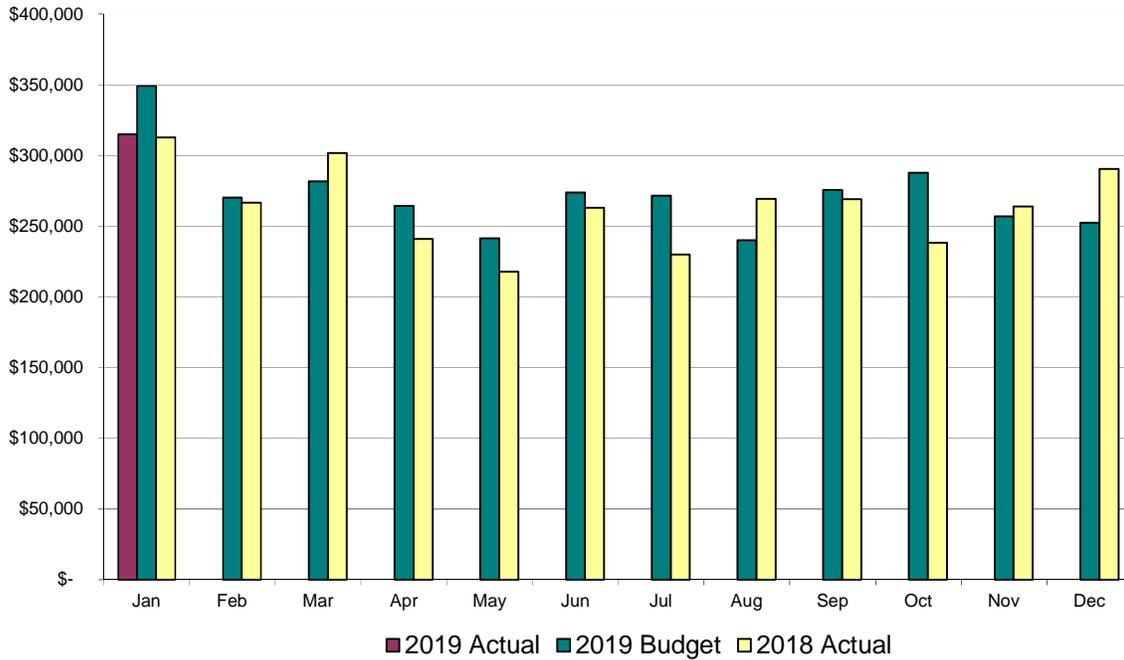
	2019	2019 Budget	# Variance	% Variance	2018	2019 vs 2018	2017	2016
<b>January (ACTUAL)</b>	<b>17,624</b>	<b>12,057</b>	<b>5,567</b>	<b>46.2%</b>	<b>21,867</b>	<b>-19.4%</b>	<b>10,964</b>	<b>6,053</b>
February (Projected)	20,331	13,908	6,422	46.2%	18,176	11.9%	13,776	10,149
March (Projected)	12,441	8,511	3,930	46.2%	21,401	-41.9%	9,246	551
April (Projected)	3,612	2,471	1,141	46.2%	5,064	-28.7%	675	4,433
October (Projected)	2,285	1,563	722	46.2%	772	196.0%	431	3,928
November (Projected)	9,291	6,356	2,935	46.2%	19,799	-53.1%	2,231	5,209
December (Projected)	21,391	14,634	6,757	46.2%	11,339	88.7%	25,237	13,260
<b>Total</b>	<b>86,975</b>	<b>59,500</b>	<b>27,475</b>	<b>46.2%</b>	<b>98,418</b>	<b>-11.6%</b>	<b>62,560</b>	<b>43,583</b>
YTD Gallons	17,624	12,057	27,475	227.9%	21,867	-19.4%	10,964	6,053



**Deicing gallons sprayed Net Revenue**

	2019	2019 Budget	# Variance	% Variance	2018	2019 vs 2018	2017	2016
<b>January (ACTUAL)</b>	<b>\$ 129,840</b>	<b>\$ 69,385</b>	<b>\$ 60,455</b>	<b>87.1%</b>	<b>\$ 141,663</b>	<b>-8.3%</b>	<b>\$ 91,123</b>	<b>\$ 49,782</b>
February (Projected)	153,199	81,868	71,331	87.1%	127,744	19.9%	98,604	79,410
March (Projected)	91,917	49,120	42,798	87.1%	147,445	-37.7%	59,441	6,732
April (Projected)	25,977	13,882	12,095	87.1%	32,128	-19.1%	12,121	33,181
October (Projected)	19,325	10,327	8,998	87.1%	6,556	194.8%	2,237	28,882
November (Projected)	66,635	35,609	31,026	87.1%	147,769	-54.9%	16,093	43,735
December (Projected)	160,100	85,556	74,544	87.1%	85,365	87.5%	179,788	55,253
<b>Total</b>	<b>646,994</b>	<b>\$ 345,747</b>	<b>\$ 301,247</b>	<b>87.1%</b>	<b>\$ 688,670</b>	<b>-6.1%</b>	<b>\$ 459,407</b>	<b>\$ 296,975</b>
YTD Net Revenues	\$ 129,840	\$ 69,385	\$ 60,455	87.1%	\$ 141,663	-8.3%	\$ 91,123	\$ 49,782

# Albany International Airport FBO Operating and Maintenance Expenses For the one month ended January 31



YTD Expenses	2019 Actual	2019 Budget	2018 Actual
Personal Services			
Salaries	\$ 90,046	\$ 97,995	\$ 94,396
Overtime	18,154	15,266	19,968
Total Personal Services	108,200	113,261	114,364
Employee Benefits	39,335	54,755	45,154
Utilities & Communications	11,572	14,025	14,738
Purchased Services	126,809	120,415	100,247
Material & Supplies			
Buildings	(976)	6,868	1,923
Grounds	1,080	1,842	1,120
Vehicles	18,306	23,214	17,456
Total Materials & Supplies	18,410	31,924	20,499
Administration	10,741	14,726	17,718
Non-Capital Equipment	-	-	-
<b>Total Expenses</b>	<b>\$ 315,065</b>	<b>\$ 349,105</b>	<b>\$ 312,720</b>

	2019 Actual	2019 Budget	2018 Actual
January	\$ 315,065	\$ 349,105	\$ 312,720
February		270,382	266,639
March		281,675	301,868
April		264,505	241,095
May		241,383	217,740
June		273,886	263,094
July		271,679	229,965
August		240,138	269,334
September		275,642	269,166
October		287,887	238,330
November		257,095	263,932
December		252,395	290,514
<b>Total</b>	<b>\$ 315,065</b>	<b>\$ 3,265,772</b>	<b>\$ 3,164,397</b>

YTD \$ 315,065 \$ 349,105 \$ 312,720

ALBANY COUNTY AIRPORT AUTHORITY  
Detail of FBO/Million Air Departments  
For the One Month Ending Thursday, January 31, 2019

	Total Annual Budget	This Month Budget	This Month Actual	Var this Mo To Budget	Year to Date Budget	Year to Date Actual	Var this Yr to Budget
<b>EXPENSES</b>							
<b>Personal Services</b>							
11000 Salaries	\$1,273,941	\$97,995	\$90,046	\$7,950	\$97,995	\$90,046	\$7,950
12010 Overtime 1.5	175,277	15,266	18,154	(2,888)	15,266	18,154	(2,888)
<b>Total Personal Services</b>	<b>1,449,218</b>	<b>113,261</b>	<b>108,200</b>	<b>5,062</b>	<b>113,261</b>	<b>108,200</b>	<b>5,062</b>
<b>Employee Benefits</b>							
21000 Social Security	110,866	9,347	8,018	1,328	9,347	8,018	1,328
22000 Health Insurance	410,237	34,186	27,178	7,009	34,186	27,178	7,009
24000 Medical Exams	1,500	125	0	125	125	0	125
25000 Uniforms & Laundry	6,650	554	399	155	554	399	155
25005 Uniform Purchases	11,500	958	0	958	958	0	958
26010 Disability Insurance	3,470	289	0	289	289	0	289
26020 Unemployment Insurance	19,910	8,148	2,520	5,628	8,148	2,520	5,628
29001 Airport & FBO 401K	13,967	1,147	1,220	(72)	1,147	1,220	(72)
<b>Total Employee Benefits</b>	<b>578,100</b>	<b>54,755</b>	<b>39,335</b>	<b>15,420</b>	<b>54,755</b>	<b>39,335</b>	<b>15,420</b>
<b>Utilities &amp; Communications</b>							
31000 Electric	53,000	5,835	4,880	955	5,835	4,880	955
33000 Natural Gas	33,000	7,344	5,045	2,300	7,344	5,045	2,300
35000 Water	1,400	0	0	0	0	0	0
36010 Telephone Charges-Local	550	46	31	15	46	31	15
36011 Tele Chg-Long Dist	650	54	24	30	54	24	30
36033 Wireless	2,414	201	200	1	201	200	1
36035 Radio Communications	400	400	0	400	400	0	400
36060 Cable Television	1,740	145	1,393	(1,248)	145	1,393	(1,248)
<b>Total Utilities &amp; Communications</b>	<b>93,154</b>	<b>14,025</b>	<b>11,572</b>	<b>2,453</b>	<b>14,025</b>	<b>11,572</b>	<b>2,453</b>
<b>PURCHASED SERVICES</b>							
<b>Insurance</b>							
42010 Airport Liability Insurance	120,868	40,501	56,504	(16,004)	40,501	56,504	(16,004)
42041 Environmental Liability	7,642	7,642	0	7,642	7,642	0	7,642
42060 Property Insurance	52,017	42,195	43,006	(812)	42,195	43,006	(812)
42095 Insurance Claims	20,000	1,667	0	1,667	1,667	0	1,667
<b>Total Insurance</b>	<b>200,527</b>	<b>92,004</b>	<b>99,510</b>	<b>(7,507)</b>	<b>92,004</b>	<b>99,510</b>	<b>(7,507)</b>
<b>Janitorial</b>							
45010 Refuse Removal Services	3,000	250	220	30	250	220	30
<b>Total Janitorial</b>	<b>3,000</b>	<b>250</b>	<b>220</b>	<b>30</b>	<b>250</b>	<b>220</b>	<b>30</b>
<b>Public Communications</b>							
46010 Public Relations	42,000	3,500	3,500	0	3,500	3,500	0
<b>Total Public Communications</b>	<b>42,000</b>	<b>3,500</b>	<b>3,500</b>	<b>0</b>	<b>3,500</b>	<b>3,500</b>	<b>0</b>
<b>Professional Services</b>							
49040 Professional Management	280,000	24,661	23,578	1,083	24,661	23,578	1,083
<b>Total Professional Services</b>	<b>280,000</b>	<b>24,661</b>	<b>23,578</b>	<b>1,083</b>	<b>24,661</b>	<b>23,578</b>	<b>1,083</b>
<b>Total Purchased Services</b>	<b>525,527</b>	<b>120,415</b>	<b>126,809</b>	<b>(6,394)</b>	<b>120,415</b>	<b>126,809</b>	<b>(6,394)</b>

ALBANY COUNTY AIRPORT AUTHORITY  
Detail of FBO/Million Air Departments  
For the One Month Ending Thursday, January 31, 2019

	Total Annual Budget	This Month Budget	This Month Actual	Var this Mo To Budget	Year to Date Budget	Year to Date Actual	Var this Yr to Budget
<b>MATERIALS &amp; SUPPLIES</b>							
<b>FBO</b>							
51101 Fuel Costs - Jet A	3,383,148	246,871	216,039	30,832	246,871	216,039	30,832
51102 Fuel Discounts - Jet A	350,000	25,540	26,933	(1,393)	25,540	26,933	(1,393)
51103 Fuel Costs - AvGas	208,635	11,883	7,957	3,925	11,883	7,957	3,925
51104 Fuel Discount - AvGas	4,000	228	166	62	228	166	62
51108 Fuel Costs - Comm AvGas	233,069	21,101	22,158	(1,057)	21,101	22,158	(1,057)
51105 Fuel Costs - Auto Gas	78,000	13,151	11,344	1,807	13,151	11,344	1,807
51107 Fuel Costs - Diesel	200,000	30,983	23,977	7,006	30,983	23,977	7,006
51110 Deicing Type I - Sprayed	344,414	66,136	61,549	4,587	66,136	61,549	4,587
51111 Deicing Type I - Consortium	505,500	107,305	94,744	12,561	107,305	94,744	12,561
51112 Deicing Type IV - Sprayed	44,759	12,751	10,310	2,440	12,751	10,310	2,440
51113 Deicing Type IV - Consortium	137,720	30,396	17,071	13,325	30,396	17,071	13,325
51120 Catering	1,000	83	0	83	83	0	83
51125 Oil	3,000	250	0	250	250	0	250
51126 TKS	1,000	83	0	83	83	0	83
<b>Total FBO</b>	<b>5,494,246</b>	<b>566,759</b>	<b>492,248</b>	<b>74,511</b>	<b>566,759</b>	<b>492,248</b>	<b>74,511</b>
<b>Buildings</b>							
52010 Alarm & PA Systems	6,200	517	0	517	517	0	517
52031 Electrical Repairs & Supplies	10,000	833	(2,532)	3,365	833	(2,532)	3,365
52032 Elevator Repairs & Supplies	5,000	417	0	417	417	0	417
52033 HVAC	10,500	875	0	875	875	0	875
52034 Roof	5,500	458	0	458	458	0	458
52035 Plumbing Repairs & Supplies	3,500	292	0	292	292	0	292
52036 Automatic Door Repairs	4,000	333	0	333	333	0	333
52037 Pest Control	744	62	62	0	62	62	0
52060 Building Maintenance	27,000	2,250	580	1,670	2,250	580	1,670
52062 Janitorial Supplies	5,000	417	914	(497)	417	914	(497)
52063 Window Washing	4,477	373	0	373	373	0	373
52080 Sign Expense	500	42	0	42	42	0	42
<b>Total Buildings</b>	<b>82,421</b>	<b>6,868</b>	<b>(976)</b>	<b>7,845</b>	<b>6,868</b>	<b>(976)</b>	<b>7,845</b>
<b>Grounds</b>							
53010 Landscaping	500	0	0	0	0	0	0
53030 Pavement Repairs	500	0	0	0	0	0	0
53040 Sign Expense	100	8	0	8	8	0	8
53070 Hazardous Waste Mgmt	10,000	833	0	833	833	0	833
53078 Liquid Waste Disposal	12,000	1,000	1,080	(80)	1,000	1,080	(80)
<b>Total Grounds</b>	<b>23,100</b>	<b>1,842</b>	<b>1,080</b>	<b>762</b>	<b>1,842</b>	<b>1,080</b>	<b>762</b>
<b>Vehicles</b>							
54010 Gasoline	10,000	1,206	1,387	(181)	1,206	1,387	(181)
54011 Diesel Fuel	64,000	8,056	7,567	489	8,056	7,567	489
54013 Vehicle / Equipment Tires	10,500	875	1,557	(682)	875	1,557	(682)
54021 Vehicle Repair & Maintenance	1,500	125	103	22	125	103	22
54022 Vehicle Communication Equip	2,000	167	0	167	167	0	167
54030 General Equip Repair & Maint	57,500	4,792	0	4,792	4,792	0	4,792
54031 Quality Control Testing Equip	15,000	1,250	0	1,250	1,250	0	1,250
54040 Heavy Equipment Maint	125,000	6,201	7,660	(1,458)	6,201	7,660	(1,458)
54070 Vehicle Shop Tools & Supplies	6,500	542	32	510	542	32	510
<b>Total Vehicles</b>	<b>292,000</b>	<b>23,214</b>	<b>18,306</b>	<b>4,908</b>	<b>23,214</b>	<b>18,306</b>	<b>4,908</b>

ALBANY COUNTY AIRPORT AUTHORITY  
Detail of FBO/Million Air Departments  
For the One Month Ending Thursday, January 31, 2019

	<u>Total Annual Budget</u>	<u>This Month Budget</u>	<u>This Month Actual</u>	<u>Var this Mo To Budget</u>	<u>Year to Date Budget</u>	<u>Year to Date Actual</u>	<u>Var this Yr to Budget</u>
<b>Total Material &amp; Supplies</b>	<b>5,891,767</b>	<b>598,683</b>	<b>510,658</b>	<b>88,025</b>	<b>598,683</b>	<b>510,658</b>	<b>88,025</b>
<b>Office</b>							
55010 Office Equipment Rental	1,912	159	0	159	159	0	159
55012 Office Equipment Serv Agrmnt	600	0	0	0	0	0	0
55013 Office Equipment Repairs	100	8	0	8	8	0	8
55014 Computer System Supplies	6,250	521	0	521	521	0	521
55015 Hardware/Software Maint	8,390	699	195	504	699	195	504
55016 Computer Equipment	650	54	0	54	54	0	54
55020 Office Furniture & Fixtures	2,000	167	0	167	167	0	167
55030 Printed Forms / Letterhead	1,000	83	0	83	83	0	83
55032 Printing Outside Services	300	25	0	25	25	0	25
55041 Express Mail	250	21	0	21	21	0	21
55060 Office Supplies	5,000	417	665	(248)	417	665	(248)
55070 Payroll Services	18,000	1,596	1,434	162	1,596	1,434	162
<b>Total Office</b>	<b>44,452</b>	<b>3,751</b>	<b>2,294</b>	<b>1,456</b>	<b>3,751</b>	<b>2,294</b>	<b>1,456</b>
<b>Administration</b>							
66000 Dues & Subscriptions	17,300	0	0	0	0	0	0
66010 AvPorts/MA Training & Travel	11,500	958	0	958	958	0	958
66013 Function Refreshments	1,000	83	0	83	83	0	83
66015 Incentives	43,000	2,019	1,030	989	2,019	1,030	989
66031 Economic Development	1,000	83	0	83	83	0	83
66060 Credit Card Service Charges	104,000	7,830	7,414	416	7,830	7,414	416
<b>Total Administration</b>	<b>177,800</b>	<b>10,974</b>	<b>8,444</b>	<b>2,530</b>	<b>10,974</b>	<b>8,444</b>	<b>2,530</b>
Total Expenses	8,760,018	915,864	807,313	108,552	915,864	807,313	108,552
Total Exp & Non Cap Equip.	<u>8,760,018</u>	<u>915,864</u>	<u>807,313</u>	<u>108,552</u>	<u>915,864</u>	<u>807,313</u>	<u>108,552</u>

Albany International Airport  
Employee Count 2019

	Budget	As of	As of	As of	As of	As of	As of	As of	As of	As of	As of	As of	As of	Variance
	2019	Jan 31, 19	Feb 28, 19	Mar 31, 19	Apr 30, 19	May 31, 19	Jun 30, 19	Jul 31, 19	Aug 31, 19	Sep 30, 19	Oct 31, 19	Nov 30, 19	Dec 31, 19	Budget vs.
														Jan 31, 19
<b><u>FBO MANAGEMENT - MILLION AIR:</u></b>														
<b>Commercial</b>														
Fuel Farm Technician	2.00	2.00												0.00
Line Service Technician	9.00	8.00												-1.00
Fuel Farm /Facility Manager	1.00	1.00												0.00
<b>General Aviation</b>														
Line Service Technician	15.00	16.00												1.00
Facilities Maintenance	0.00	0.00												0.00
Customer Service Representative	5.00	5.00												0.00
<b>Administration</b>														
General Manager	1.00	1.00												0.00
LSM-GA Trainer	1.00	1.00												0.00
Operations Supervisors/PM	1.00	1.00												0.00
<b>Total Million Air Positions</b>	<b>35.00</b>	<b>35.00</b>	<b>0.00</b>											

## Personnel Services & Benefits

For the one month ended January 31, 2019

	<b>Million Air</b>		
	Year to Date Budget	Year to Date Actual	Variance
<b>Personnel Services</b>			
Regular - Salaries	\$ 85,737	\$ 80,524	\$ 5,213
Holiday Pay	-	-	-
Other Dollars/Funeral/Jury/Retro	5,282	3,720	1,562
Shift Premium	479	646	(167)
Lead Pay	150	98	52
Sick Pay	1,623	2,148	(525)
Personal Pay	2,516	1,702	814
Vacation Pay	2,209	1,207	1,002
Sub Total	97,995	90,045	7,950
Overtime	15,266	18,154	(2,888)
Double Time Pay	-	-	-
Total	113,261	108,199	5,062
<b>Employee Benefits</b>			
Social Security & Medicare	9,347	8,018	1,329
Federal Unemployment Tax	1,668	801	867
NYS Unemployment	6,480	1,720	4,760
Workers Compensation	-	-	-
401 (K) Plan Match	1,147	1,220	(73)
Health & Dental Insurance	38,176	30,704	7,472
Employee Benefits Deductions	(3,990)	(3,526)	(464)
Disability/Life Insurance	289	-	289
Total	53,117	38,937	14,180
Total Salaries and Benefits	\$ 166,378	\$ 147,136	\$ 19,242

# Albany International Airport 2019 FBO Performance Measurements For the one month ended January 31

Commercial Aviation Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Number of accidents/incidents	5	1	4	0	1
Number of airline delays counted against MA	14	14	36	0	1
Into-plane gallons pumped	18,602,032	19,495,122	21,013,458	20,590,563	1,473,720
Number of Audits performed by Airlines/ Quality Control-Employee Training Records	25	28	31	5	2
Number of non-compliance items reported in Airline Audits	10	9	6	4	0
AvGas fuel sales commercial	152,586	109,593	95,909	63,680	7,400
Deicing gallons pumped	128,320	157,039	208,128	156,500	34,366
Workers' compensation cases	4	0	0	0	0
Employees who have completed Safety Programs	20	55	60	15	3
Quality control audits at the Fuel Farm (less the better)	13	25	17	5	1
Completed monthly training programs	12	12	12	12	1
Monthly survey of airlines	100%	100%	100%	100%	100%
Overtime/Personnel Services (%)	13.3%	14.3%	13.9%	10.7%	14.0%

General Aviation Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
AvGas fuel sales (gallons)	69,156	62,710	51,534	52,953	2,738
Jet A fuel sales (gallons)	1,031,066	996,302	1,158,694	1,199,698	83,336
Number of international flights	517	456	426	500	26
General Aviation Aircraft customer transactions	7,392	6,931	7,479	7,687	433
Number of Aircraft Arrivals	7,349	7,260	7,822	8,000	447
Number of Aircraft fueled	5,958	6,307	5,833	6,000	409
Number of ramp fees collected	2,102	1,743	2,071	2,200	106
Number of landing fees collected	4,147	3,637	3,682	3,800	337
Employees who completed the NATA Safety 1st Program	20	9	21	20	0
Employees who completed all Safety Programs	15	54	79	14	3
Property Accidents	5	0	2	0	0
Quarterly reports from monthly safety meetings	100%	100%	100%	100%	100%
Overtime/Personnel Services (%)	16.4%	17.6%	20.7%	16.6%	22.6%

Million Air's Administrative Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
Million Air's total full time employment equivalents	33	36	32	35.0	35.0
Total Million Air overtime	13.0%	13.9%	15.5%	12.1%	16.8%
Number of marketing events attended	1	2	3	4	0
Number of based tenants	15	18	16	16	18
Employee turnover annum	30%	16%	25%	10%	9%
Workers' compensation cases	2	3	1	0	0
Number of customers gained (prior year comparison)	6%	-6%	8%	1%	-18%
Overtime/Personnel Services (%)	0.0%	0.0%	0.0%	0.0%	0.0%

**\*\*\* UNAUDITED - FOR INTERNAL REVIEW \*\*\***



# **Authority Operations**

Albany County Airport Authority  
Expense Summary

	2018	January 2019				January 2018 Actual	2019 Actual/ Prior Year Variance %
	Adopted FY Budget	Budget YTD	Actual YTD	Variance YTD	Variance %		
<b>EXPENSES BY CATEGORY</b>							
Personal Services	\$ 1,976,885	\$ 164,740	\$ 168,888	\$ ( 4,148 )	-2.52%	\$ 161,726	-4.43%
Employee Benefits	1,396,127	118,637	123,729	(5,092)	-4.29%	120,335	-2.82%
Utilities & Communications	92,918	9,134	11,969	(2,835)	-31.04%	10,051	-19.08%
<b>Purchased Services</b>							
Accounting & Auditing	61,000	2,634	26,875	(24,241)	-920.31%	(135)	20007.41%
Insurance	337,994	329,441	333,393	(3,952)	-1.20%	328,871	-1.37%
Legal Services	50,000	4,167	1,358	2,809	67.41%	0	0.00%
Janitorial	17,063	1,313	1,400	(88)	-6.70%	1,368	-2.38%
Public Communications	414,954	34,580	26,952	7,627	22.06%	21,101	-27.73%
Special Studies	35,000	2,917	0	2,917	100.00%	0	0.00%
Professional Services	101,160	8,430	3,763	4,667	55.36%	7,451	49.49%
<b>Total Purchased Services</b>	<b>1,017,171</b>	<b>383,482</b>	<b>393,741</b>	<b>(10,261)</b>	<b>-2.68%</b>	<b>358,656</b>	<b>-9.78%</b>
<b>Material &amp; Supplies</b>							
Buildings	31,263	2,605	1,616	990	37.98%	611	-164.40%
Grounds	500	0	0	0	0.00%	0	0.00%
<b>Total Material &amp; Supplies</b>	<b>31,763</b>	<b>2,605</b>	<b>1,616</b>	<b>990</b>	<b>37.98%</b>	<b>611</b>	<b>-164.40%</b>
Office	220,506	18,701	28,910	(10,209)	-54.59%	12,544	-130.48%
Administration	127,020	24,771	19,855	4,915	19.84%	16,259	-22.12%
<b>Total Expenses</b>	<b>\$ 4,862,390</b>	<b>\$ 722,070</b>	<b>\$ 748,708</b>	<b>\$ ( 26,640 )</b>	<b>-3.69%</b>	<b>\$ 680,182</b>	<b>-10.07%</b>

ALBANY COUNTY AIRPORT AUTHORITY  
 ACAA  
 For the One Month Ending Thursday, January 31, 2019

	Total Annual Budget	This Month Budget	This Month Actual	Var this Mo To Budget	Year to Date Budget	Year to Date Actual	Var this Yr to Budget
<b>EXPENSES</b>							
<b>Personal Services</b>							
11000 Salaries	\$1,976,885	\$164,740	\$163,103	\$1,638	\$164,740	\$163,103	\$1,638
13000 Temporary Help	0	0	5,785	(5,785)	0	5,785	(5,785)
<b>Total Personal Services</b>	<b>1,976,885</b>	<b>164,740</b>	<b>168,888</b>	<b>(4,148)</b>	<b>164,740</b>	<b>168,888</b>	<b>(4,148)</b>
<b>Employee Benefits</b>							
21000 Social Security	151,803	13,315	12,336	979	13,315	12,336	979
22000 Health Insurance	598,427	49,869	53,531	(3,662)	49,869	53,531	(3,662)
22105 OPEB	325,000	27,083	27,083	0	27,083	27,083	0
22200 Health-Dental	45,232	3,769	3,424	346	3,769	3,424	346
22300 Health-Vision	6,643	554	516	37	554	516	37
23000 Health - AFLAC	7,560	630	561	69	630	561	69
24010 EAP Program	970	0	0	0	0	0	0
24015 Smoking Cessation Class	1,200	100	0	100	100	0	100
26010 Disability Insurance	644	54	0	54	54	0	54
26020 Unemployment Insurance	3,259	1,981	1,417	564	1,981	1,417	564
26030 Workers Compensation	4,812	401	3,279	(2,878)	401	3,279	(2,878)
29000 NYS Retirement	250,577	20,881	21,582	(701)	20,881	21,582	(701)
<b>Total Employee Benefits</b>	<b>1,396,127</b>	<b>118,637</b>	<b>123,729</b>	<b>(5,092)</b>	<b>118,637</b>	<b>123,729</b>	<b>(5,092)</b>
<b>Utilities &amp; Communications</b>							
31000 Electric	23,000	2,731	582	2,149	2,731	582	2,149
33000 Natural Gas	5,500	1,035	1,240	(205)	1,035	1,240	(205)
36010 Telephone Charges-Local	5,500	458	421	37	458	421	37
36011 Tele Chg-Long Dist	1,500	125	67	58	125	67	58
36015 Telephones-Monthly Service	15,000	1,250	1,234	16	1,250	1,234	16
36016 Telephones-Monthly Usage	1,500	125	143	(18)	125	143	(18)
36020 Telephone Repairs	23,585	1,965	6,845	(4,880)	1,965	6,845	(4,880)
36032 Internet Access	17,100	1,425	1,437	(12)	1,425	1,437	(12)
36060 Cable Television	233	19	0	19	19	0	19
<b>Total Utilities &amp; Communications</b>	<b>92,918</b>	<b>9,134</b>	<b>11,969</b>	<b>(2,835)</b>	<b>9,134</b>	<b>11,969</b>	<b>(2,835)</b>
<b>PURCHASED SERVICES</b>							
<b>Accounting &amp; Auditing</b>							
41010 Financial Services	55,000	2,634	26,875	(24,241)	2,634	26,875	(24,241)
41020 Rates & Charges	6,000	0	0	0	0	0	0
<b>Total Accounting &amp; Auditing</b>	<b>61,000</b>	<b>2,634</b>	<b>26,875</b>	<b>(24,241)</b>	<b>2,634</b>	<b>26,875</b>	<b>(24,241)</b>
<b>Insurance</b>							
42010 Airport Liability Insurance	227,168	227,168	227,168	0	227,168	227,168	0
42041 Environmental Liability	38,705	38,705	38,705	0	38,705	38,705	0
42060 Property Insurance	2,027	699	809	(110)	699	809	(110)
42065 Crime Insurance	2,397	2,397	6,577	(4,180)	2,397	6,577	(4,180)
42090 Fiduciary Insurance	1,272	0	0	0	0	0	0
42070 Public Official Liability	24,519	24,519	25,061	(542)	24,519	25,061	(542)
42080 Cyber Liability	11,906	5,953	5,073	880	5,953	5,073	880
42093 Agency Fee	30,000	30,000	30,000	0	30,000	30,000	0
<b>Total Insurance</b>	<b>337,994</b>	<b>329,441</b>	<b>333,393</b>	<b>(3,952)</b>	<b>329,441</b>	<b>333,393</b>	<b>(3,952)</b>
<b>Legal</b>							

ALBANY COUNTY AIRPORT AUTHORITY  
 ACAA  
 For the One Month Ending Thursday, January 31, 2019

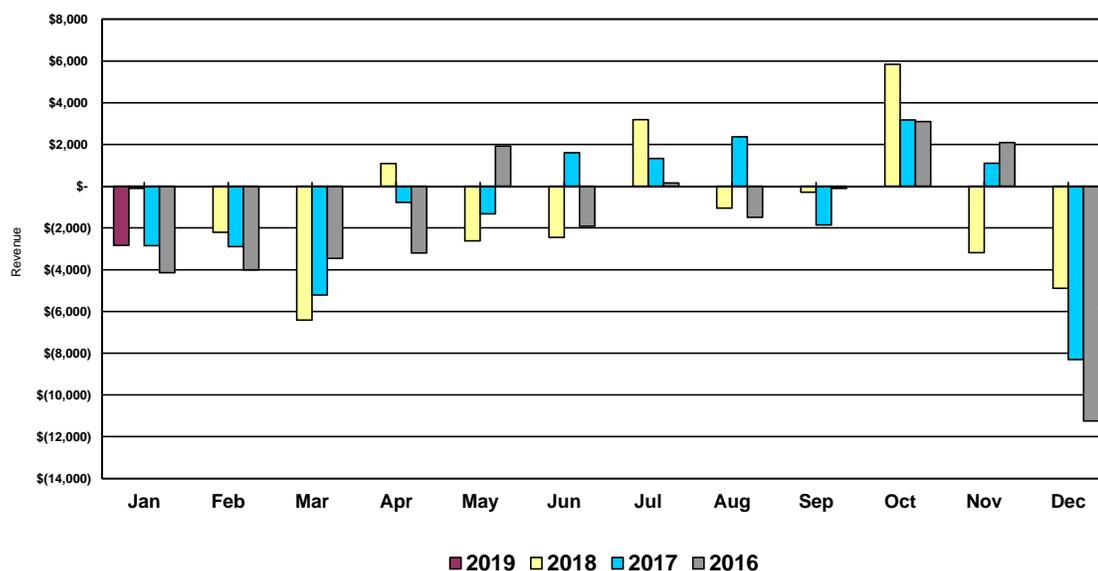
	<u>Total Annual Budget</u>	<u>This Month Budget</u>	<u>This Month Actual</u>	<u>Var this Mo To Budget</u>	<u>Year to Date Budget</u>	<u>Year to Date Actual</u>	<u>Var this Yr to Budget</u>
43000 Legal Services	50,000	4,167	1,358	2,809	4,167	1,358	2,809
<b>Total Legal</b>	<b>50,000</b>	<b>4,167</b>	<b>1,358</b>	<b>2,809</b>	<b>4,167</b>	<b>1,358</b>	<b>2,809</b>
<b>Janitorial</b>							
45000 Janitorial Services	17,063	1,313	1,400	(88)	1,313	1,400	(88)
<b>Total Janitorial</b>	<b>17,063</b>	<b>1,313</b>	<b>1,400</b>	<b>(88)</b>	<b>1,313</b>	<b>1,400</b>	<b>(88)</b>
<b>Public Communications</b>							
46010 Public Relations	85,389	7,116	20,222	(13,107)	7,116	20,222	(13,107)
46015 Advertising	329,565	27,464	6,730	20,734	27,464	6,730	20,734
<b>Total Public Communications</b>	<b>414,954</b>	<b>34,580</b>	<b>26,952</b>	<b>7,627</b>	<b>34,580</b>	<b>26,952</b>	<b>7,627</b>
<b>Studies</b>							
47000 Special Studies	35,000	2,917	0	2,917	2,917	0	2,917
<b>Total Studies</b>	<b>35,000</b>	<b>2,917</b>	<b>0</b>	<b>2,917</b>	<b>2,917</b>	<b>0</b>	<b>2,917</b>
<b>Professional Services</b>							
49005 Appraisal	5,000	417	0	417	417	0	417
49010 Architectural	30,000	2,500	0	2,500	2,500	0	2,500
49015 Consultant	18,000	1,500	0	1,500	1,500	0	1,500
49020 Engineering Services	3,000	250	0	250	250	0	250
49060 Code Enforcement	45,160	3,763	3,763	0	3,763	3,763	0
<b>Total Professional Services</b>	<b>101,160</b>	<b>8,430</b>	<b>3,763</b>	<b>4,667</b>	<b>8,430</b>	<b>3,763</b>	<b>4,667</b>
<b>Total Purchased Services</b>	<b>1,017,171</b>	<b>383,481</b>	<b>393,742</b>	<b>(10,261)</b>	<b>383,481</b>	<b>393,742</b>	<b>(10,261)</b>
<b>MATERIALS &amp; SUPPLIES</b>							
<b>Buildings</b>							
52010 Alarm & PA Systems	3,000	250	1,500	(1,250)	250	1,500	(1,250)
52031 Electrical Repairs & Supplies	8,000	667	116	551	667	116	551
52032 Elevator Repairs & Supplies	3,000	250	0	250	250	0	250
52033 HVAC	1,500	125	0	125	125	0	125
52034 Roof	500	42	0	42	42	0	42
52035 Plumbing Repairs & Supplies	1,500	125	0	125	125	0	125
52036 Automatic Door Repairs	500	42	0	42	42	0	42
52037 Pest Control	1,500	125	0	125	125	0	125
52059 Storage Space Rental	7,500	625	0	625	625	0	625
52060 Building Maintenance	3,000	250	0	250	250	0	250
52063 Window Washing	1,263	105	0	105	105	0	105
<b>Total Buildings</b>	<b>31,263</b>	<b>2,605</b>	<b>1,616</b>	<b>990</b>	<b>2,605</b>	<b>1,616</b>	<b>990</b>
<b>Grounds</b>							
53010 Landscaping	500	0	0	0	0	0	0
<b>Total Grounds</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Material &amp; Supplies</b>	<b>31,763</b>	<b>2,605</b>	<b>1,616</b>	<b>990</b>	<b>2,605</b>	<b>1,616</b>	<b>990</b>
<b>Office</b>							
55010 Office Equipment Rental	10,133	844	655	189	844	655	189
55012 Office Equipment Serv Agrmnt	3,297	275	138	137	275	138	137
55013 Office Equipment Repairs	500	42	0	42	42	0	42
55014 Computer System Supplies	26,500	2,208	685	1,524	2,208	685	1,524

ALBANY COUNTY AIRPORT AUTHORITY  
 ACAA  
 For the One Month Ending Thursday, January 31, 2019

	<u>Total Annual Budget</u>	<u>This Month Budget</u>	<u>This Month Actual</u>	<u>Var this Mo To Budget</u>	<u>Year to Date Budget</u>	<u>Year to Date Actual</u>	<u>Var this Yr to Budget</u>
55015 Hardware/Software Maint	107,356	9,221	21,085	(11,864)	9,221	21,085	(11,864)
55016 Computer Equipment	10,720	893	0	893	893	0	893
55020 Office Furniture & Fixtures	10,000	833	0	833	833	0	833
55030 Printed Forms / Letterhead	1,000	83	103	(19)	83	103	(19)
55032 Printing Outside Services	20,000	1,667	3,524	(1,857)	1,667	3,524	(1,857)
55040 Postage	8,500	708	1,346	(638)	708	1,346	(638)
55041 Express Mail	500	42	30	12	42	30	12
55050 Reference Materials	1,000	83	0	83	83	0	83
55060 Office Supplies	15,000	1,250	930	320	1,250	930	320
55070 Payroll Services	6,000	551	414	137	551	414	137
<b>Total Office</b>	<b>220,506</b>	<b>18,701</b>	<b>28,910</b>	<b>(10,209)</b>	<b>18,701</b>	<b>28,910</b>	<b>(10,209)</b>
<b>Administration</b>							
66000 Dues & Subscriptions	18,000	3,569	1,104	2,465	3,569	1,104	2,465
66001 Airport Membership (ACI)	14,000	14,000	14,217	(217)	14,000	14,217	(217)
66002 A.A.A.E. Memberships	550	0	0	0	0	0	0
66003 G.F.O.A.	800	67	620	(553)	67	620	(553)
66005 NYS Bar Association	670	0	0	0	0	0	0
66006 NY Airport Managers Assoc	5,000	0	0	0	0	0	0
66007 Local Chamber Of Commerce	6,000	435	318	117	435	318	117
66008 Center For Economic Growth	3,000	0	0	0	0	0	0
66011 Authority Travel & Education	500	42	0	42	42	0	42
66012 Authority Mgmt Travel & Educ	20,000	1,667	45	1,622	1,667	45	1,622
66013 Function Refreshments	20,000	1,667	302	1,364	1,667	302	1,364
66014 Outside Functions	5,000	417	0	417	417	0	417
66030 Advertising - Public Meetings	20,000	1,667	1,678	(11)	1,667	1,678	(11)
66031 Economic Development	1,000	83	0	83	83	0	83
66060 Credit Card Service Charges	2,500	325	406	(81)	325	406	(81)
66062 Bank & Paying Agent Fees	10,000	833	1,166	(333)	833	1,166	(333)
<b>Total Administration</b>	<b>127,020</b>	<b>24,771</b>	<b>19,855</b>	<b>4,915</b>	<b>24,771</b>	<b>19,855</b>	<b>4,915</b>
Total Expenses	4,862,390	722,070	748,710	(26,640)	722,070	748,710	(26,640)
Total Exp & Non Cap Equip.	<u>4,862,390</u>	<u>722,070</u>	<u>748,710</u>	<u>(26,640)</u>	<u>722,070</u>	<u>748,710</u>	<u>(26,640)</u>

# Albany International Airport Departure Revenue and Expenses 2016 - 2019

## Departure Operating Results



	2019 Gross Revenues	2019 Direct Expenses	2019 Operating Results	2018 Gross Revenues	2018 Direct Expenses	2018 Operating Results	2017 Operating Results	2016 Operating Results
YTD Revenues								
Museums	\$6,096	\$3,543	\$2,553	\$8,389	\$4,729	\$3,660	\$3,558	\$2,059
Direct Purchase	4,132	476	3,656	6,032	55	5,977	3,235	3,002
Salaries	0	8,967	(8,967)	0	9,215	(9,215)	(9,588)	(9,191)
Misc Rev/Exp (*)	301	375	(74)	182	714	(532)	(51)	(15)
<b>Total</b>	<b>\$10,529</b>	<b>\$13,361</b>	<b>(\$2,832)</b>	<b>\$14,604</b>	<b>\$14,713</b>	<b>(\$109)</b>	<b>(\$2,845)</b>	<b>(\$4,146)</b>

(\*) Supplies, shipping, parking discounts, credit card expenses

	2019 Gross Revenues	2019 Direct Expenses	2019 Operating Results	2018 Gross Revenues	2018 Direct Expenses	2018 Operating Results	2017 Operating Results	2016 Operating Results
January	\$ 10,529	\$ 13,361	\$ (2,832)	\$ 14,604	\$ 14,713	\$ (109)	\$ (2,845)	\$ (4,146)
February	-	-	-	14,215	16,419	(2,204)	(2,900)	(4,010)
March	-	-	-	15,175	21,595	(6,420)	(5,204)	(3,459)
April	-	-	-	18,944	17,859	1,085	(769)	(3,193)
May	-	-	-	22,284	24,897	(2,613)	(1,320)	1,929
June	-	-	-	19,899	22,354	(2,455)	1,602	(1,923)
July	-	-	-	22,297	19,108	3,188	1,322	154
August	-	-	-	21,174	22,218	(1,044)	2,359	(1,491)
September	-	-	-	19,849	20,137	(288)	(1,863)	(107)
October	-	-	-	24,362	18,519	5,842	3,178	3,092
November	-	-	-	21,398	24,578	(3,180)	1,093	2,089
December	-	-	-	27,917	32,813	(4,896)	(8,310)	(11,250)
<b>Total</b>	<b>\$10,529</b>	<b>\$ 13,361</b>	<b>(\$2,832)</b>	<b>\$ 242,117</b>	<b>\$ 255,211</b>	<b>(\$13,094)</b>	<b>(\$13,658)</b>	<b>(\$22,315)</b>

YTD      \$ 10,529    \$ 13,361    \$ (2,832)    \$ 14,604    \$ 14,713    \$ (109)    \$ (2,845)    \$ (4,146)

# Albany International Airport Departure Operating Summary For the one month ended January 31

	Total 2019 Budget	This Month		Year to Date		
		Budget	Actual	Budget	Actual	Variance
<b>Revenue</b>						
Museum Shop	\$141,607	8,246.08	\$6,096	\$8,246	\$6,096	(\$2,150)
Direct Buy	113,560	5,930	4,132	5,930	4,132	(1,797)
Shipping	926	165	35	165	35	(130)
Layaway	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Over/(Short)	0	0	(0)	0	(0)	(0)
Gift Cert. Redeemed/(Sold)	0	0	266	0	266	266
<b>Total Revenues</b>	<b>\$256,092</b>	<b>\$14,341</b>	<b>\$10,529</b>	<b>\$14,342</b>	<b>\$10,529</b>	<b>(\$3,812)</b>
<b>Expenses</b>						
Salaries and Benefits						
Salaries	\$101,593	\$7,138	\$6,220	\$7,138	\$6,220	\$918
Benefits	31,574	2,710	2,747	2,710	2,747	(37)
<b>Total Salaries and Benefits</b>	<b>133,166</b>	<b>9,848</b>	<b>8,967</b>	<b>9,848</b>	<b>8,967</b>	<b>882</b>
Museum Shop	80,751	5,054	3,543	5,054	3,543	1,511
Direct Buy	38,213	59	476	59	476	(417)
Shipping	610	65	18	65	18	46
Parking	584	49	108	49	108	(59)
Telephone	156	12	9	12	9	3
Travel/Membership/Donations	285	139	50	139	50	89
Equipment/Repairs/Loss/Supplies	3,345	498	189	498	189	308
Credit Card Fees	9,362	0	0	0	0	0
<b>Total Expenses</b>	<b>\$266,471</b>	<b>\$15,725</b>	<b>\$13,361</b>	<b>\$15,725</b>	<b>\$13,361</b>	<b>\$2,363</b>
<b>Net Revenues</b>	<b>(\$10,379)</b>	<b>(\$1,384)</b>	<b>(\$2,832)</b>	<b>(\$1,383)</b>	<b>(\$2,832)</b>	<b>(\$1,450)</b>

Albany International Airport  
Employee Count 2019

	Budget 2019	As of Jan 31, 19	As of Feb 28, 19	As of Mar 31, 19	As of Apr 30, 19	As of May 31, 19	As of Jun 30, 19	As of Jul 31, 19	As of Aug 31, 19	As of Sep 30, 19	As of Oct 31, 19	As of Nov 30, 19	As of Dec 31, 19	Variance Budget vs. Jan 31, 19
<b><u>AUTHORITY</u></b>														
Administration	23.00	22.00												-1.00
<b>Total Authority Positions</b>	<b>23.00</b>	<b>22.00</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>-1.00</b>
<b>Total Airport Positions</b>	<b>231.00</b>	<b>213.50</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>-17.50</b>

# Albany International Airport 2019 ACAA Performance Measurements For the one month ended January 31

ACAA Performance Measurements					
	2016 Final	2017 Final	2018 Final	2019 Budget	2019 YTD Actual
ACAA's total full time employment equivalents	22	22	22	23	22
Community meetings	70	62	86	50	9
Aviation conferences/meetings	29	30	51	30	3
Open Accounts Receivable/Total Operating Revenues	4.2%	4.3%	4.0%	3.0%	4.0%
Open Accounts Payable/Total Operating Expenses	1.9%	1.8%	2.9%	1.6%	2.9%
SPDES Permit	yes	yes	yes	yes	yes
FAA: Part 139 Operation Compliance	yes	yes	yes	yes	yes
Part 77 Airspace Compliance	yes	yes	yes	yes	yes
Part 150 Noise Program	yes	yes	yes	yes	yes
Part 121 Air Cargo Carriers	yes	yes	yes	yes	yes
Update maps & charts of Airport	yes	yes	yes	yes	yes
Landside building rent increase/(decrease) from previous year	8%	2%	1%	10%	18%
T Hangar rent increase/(decrease) from previous year	-3%	1%	4%	-2%	4%
Tie Down rent increase/(decrease) from previous year	-6%	26%	2%	0%	2%
Landside land rent increase/(decrease) from previous year	4%	14%	2%	0%	37%
DBE Participation for construction/engineer contractors	9%	9%	7%	7%	7%
MWBE Participation for construction/engineer contractors	30%	30%	30%	20%	30%
Minority Representation in the Workforce-Concessions					
HMS Host	28%	29%	38%	30%	
McDonalds	44%	53%	57%	N/A	N/A
Villa Fresh Italian Kitchen/Green Leafs	53%	54%	64%	N/A	N/A
Paradies	37%	43%	54%	38%	N/A
Dunkin Donuts	33%	44%	48%	50%	N/A
OHM (New concessionaire as of March 2018)	N/A	N/A	33%	20%	N/A
Terminal Survey Results (average, 5 being the highest)	N/A	N/A	4.54	N/A	N/A
Ambassador Program-hours volunteered	15,879	15,827	14,963	15,000	N/A
Ambassador assistance - landside	66,111	120,038	21,750	20,000	N/A
Ambassador assistance - airside	31,768	29,670	27,568	30,000	N/A
Canine assistance-landside (new for 2015)	45,294	93,060	80,333	80,000	N/A
Canine assistance-airside (new for 2015)	6,442	7,024	4,375	5,000	N/A
Concession revenue increase from previous year	3.7%	7.0%	2.4%	1.3%	8.5%
Business Center Visitors (new for 2017)	1278	2670	3275	3,500	N/A
Community tours	33	44	30	40	N/A

*\*\*\* UNAUDITED - FOR INTERNAL REVIEW\*\*\**



## **Investment Schedule**

**ALBANY COUNTY AIRPORT AUTHORITY  
INVESTMENT SCHEDULE  
JANUARY 31, 2019**

**DEBT SERVICE RESERVE FUNDS:**

	SECURITY	DATES		AMOUNT	RATE
		INV.	MAT.		
<u>Series:</u>					
1999 EFC	SLGS *	6/24/2010	10/15/2019	\$ 277,389	3.093%
2010	SLGS	12/31/2018	6/30/2019	\$ 9,512,000	2.540%
2017A	SLGS	12/31/2018	6/30/2019	\$ 704,000	2.540%
2017B	SLGS	12/31/2018	6/30/2019	\$ 556,000	2.540%
2018A	SLGS	12/31/2018	6/30/2019	\$ 962,000	2.540%
2018B	SLGS	12/31/2018	6/30/2019	\$ 513,000	2.540%

\* SLGS are State and Local Government Series Securities sold by the U.S. Treasury and offered only to issuers of state and local government tax-exempt debt to assist with compliance of yield restriction or arbitrage rebate provisions of the Internal Revenue Code. Purchasers may only invest Tax-Exempt Bond Proceeds. The Authority makes purchases of SLGS directly from the U.S. Treasury without a broker or dealer and with maturities of generally no more than twelve months.

***AGENDA ITEM NO. 5.2***

***COMPARISON OF ENPLANEMENTS***

## Comparison of Enplanements 2018 - 2019

	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	TOTAL
<b>Albany International Airport (ALB)</b>													
Current Year	102,852	126,052	122,342	126,345	125,618	137,983	139,520	113,139	132,723	119,639	116,482	106,622	1,469,317
Prior Year	102,255	119,677	119,423	120,665	120,316	131,916	135,306	111,208	127,281	115,758	107,862	104,011	1,415,678
% of Change	0.58%	5.33%	2.44%	4.71%	4.41%	4.60%	3.11%	1.74%	4.28%	3.35%	7.99%	2.51%	3.79%
<b>Bradley International Airport (BDL)</b>													
Current Year	235,417	269,481	288,239	284,122	284,975	311,100	312,711	255,985	295,060	285,639	270,790	N/A	3,093,519
Prior Year	222,512	261,870	274,438	282,732	283,061	295,649	296,002	240,489	287,873	264,878	264,878	N/A	2,974,382
% of Change	5.80%	2.91%	5.03%	0.49%	0.68%	5.23%	5.64%	6.44%	2.50%	7.84%	2.23%	N/A	4.01%
<b>Buffalo Niagara International Airport (BUF)</b>													
Current Year	158,607	212,421	213,631	237,279	232,716	246,058	244,123	206,248	222,735	201,219	191,142	158,054	2,524,233
Prior Year	155,735	191,121	202,696	208,707	204,662	224,446	226,490	193,870	196,194	189,261	180,112	162,717	2,336,011
% of Change	1.84%	11.14%	5.39%	13.69%	13.71%	9.63%	7.79%	6.38%	13.53%	6.32%	6.12%	-2.87%	8.06%
<b>Greater Rochester International Airport (ROC)</b>													
Current Year	91,691	107,777	108,161	117,556	112,539	121,371	115,854	100,068	114,121	109,024	100,547	91,034	1,289,743
Prior Year	84,398	96,622	101,950	106,604	104,204	111,621	111,901	95,523	109,805	104,404	99,445	89,012	1,215,489
% of Change	8.64%	11.54%	6.09%	10.27%	8.00%	8.73%	3.53%	4.76%	3.93%	4.43%	1.11%	2.27%	6.11%
<b>Plattsburgh International Airport (PBG)</b>													
Current Year	13,711	17,305	12,352	6,803	5,832	9,943	9,432	5,020	8,227	9,787	11,404	10,083	119,899
Prior Year	17,530	19,076	16,904	9,262	9,134	13,276	12,255	3,988	6,903	7,568	10,783	9,945	136,624
% of Change	-21.79%	-9.28%	-26.93%	-26.55%	-36.15%	-25.11%	-23.04%	25.88%	19.18%	29.32%	5.76%	1.39%	-12.24%
<b>Stewart International Airport (SWF)</b>													
Current Year	19,631	23,893	25,249	30,417	32,325	34,999	38,163	30,074	31,647	28,417	28,589	N/A	323,402
Prior Year	11,683	11,683	12,746	15,054	15,054	27,854	28,311	22,997	25,849	22,562	23,242	N/A	217,034
% of Change	68.03%	104.51%	98.09%	102.05%	114.72%	25.65%	34.80%	30.78%	22.43%	25.95%	23.01%	N/A	49.01%
<b>Syracuse International Airport (SYR)</b>													
Current Year	81,317	91,908	97,947	96,879	96,337	110,919	109,613	94,907	107,426	98,723	94,647	85,812	1,166,435
Prior Year	73,127	85,175	83,486	90,416	85,789	92,969	95,736	83,242	98,274	89,892	85,481	75,835	1,039,422
% of Change	11.20%	7.90%	17.32%	7.15%	12.30%	19.31%	14.50%	14.01%	9.31%	9.82%	10.72%	13.16%	12.22%
<b>Westchester County Airport (HPN)</b>													
Current Year	56,060	62,078	64,854	63,429	63,828	70,569	73,990	58,935	68,356	55,952	66,193	60,594	764,838
Prior Year	54,707	63,943	58,769	64,043	62,919	67,836	66,218	54,319	67,530	61,476	62,600	57,087	741,447
% of Change	2.47%	-2.92%	10.35%	-0.96%	1.44%	4.03%	11.74%	8.50%	1.22%	-8.99%	5.74%	6.14%	3.15%

N/A - Not Available

***AGENDA ITEM NO. 5.3***

***SUMMARY AIRLINES SCHEDULED***

***FLIGHTS AND MARKETS***



**ALBANY INTERNATIONAL AIRPORT  
DAILY DEPARTURES  
CHANGES TO BE IMPLEMENTED BY MARCH 13, 2019**

<u>JET SERVICE</u>	<u>Destination</u>	<u># of Flights</u>		<u>Inc/(Dec) in Flights</u>	<u>Daily Seat Changes</u>
		<u>This Month</u>	<u>Last Month</u>		
<b>ALLEGIANT AIR</b>	Punta Gorda	1	0	1	177
	Sanford, FL	1	0	1	156
	St. Petersburg/Clearwater	1	0	1	156
<b>AMERICAN AIRLINES</b>	Charlotte	2	3	-1	-128
<b>AMERICAN EAGLE</b> PSA	Charlotte	1	0	1	75
<b>DELTA AIR LINES</b>	Detroit Wayne County	1	0	1	110
<b>DELTA CONNECTION</b>					
Endeavor	Detroit Wayne County	0	1	-1	-76
GoJet	Detroit Wayne County-Equipment Change	2	2	0	-14
SkyWest	Minneapolis-Equipment Change	1	0	1	76
<b>SOUTHWEST</b>	Baltimore-Washington-Equipment Change	5	5	0	32
	Denver	1	0	1	175
	Fort Lauderdale/Hollywood-Equipment change	1	1	0	-32
	Fort Myers	1	0	1	143
	Orlando-Equipment Change	2	2	0	32
<b>UNITED AIRLINES</b>	Chicago O'Hare-Equipment Change	1	1	0	-26
<b>UNITED EXPRESS</b>					
Air Wisconsin	Washington Dulles	0	1	-1	-50
Commutair	New York Newark	4	3	1	50
	Washington Dulles	3	1	2	100
SkyWest	Chicago O'Hare	1	0	1	50
<b>TOTAL</b>				9	1,006

**RECAP OF CHANGES BY MARKET**

<b>Baltimore</b>	Southwest	32
<b>Charlotte</b>	American	-53
<b>Chicago O'Hare</b>	United	24
<b>Denver</b>	Southwest	175
<b>Detroit Wayne County</b>	Delta	20
<b>Fort Lauderdale/Hollywood</b>	Southwest	-32
<b>Fort Myers</b>	Southwest	143
<b>Minneapolis</b>	Delta	76
<b>New York Newark</b>	United	50
<b>Orlando</b>	Southwest	32
<b>Punta Gorda</b>	Allegiant	177
<b>Sanford, FL</b>	Allegiant	156
<b>St. Petersburg/Clearwater</b>	Allegiant	156
<b>Washington Dulles</b>	United	50
<b>TOTAL</b>		1,006







***AGENDA ITEM NO. 5.4***

***USDOT ARRIVAL AND DEPARTURE STATISTICS***

## U.S. DEPARTMENT OF TRANSPORTATION AIR TRAVEL CONSUMER REPORT

	OCT 18	OCT 18	9 MO 2018	SEP 18	AUG 18	JUL 18	6 MO 2018	JUN 18	MAY 18	APR 18	3 MO 2018	MAR 18	FEB 18	JAN 18	12 MO 2017	DEC 17	NOV 17	OCT 17
<b>ALBANY ON-TIME (%)</b>																		
Arrivals	78.2	84.6	-	83.3	71.8	72.6	-	76.7	78.1	82.0	-	74.4	79.1	77.1	-	78.2	89.9	87.9
Departures	83.0	87.7	-	89.5	79.4	77.2	-	83.2	83.8	86.3	-	78.1	82.1	78.1	-	78.6	89.1	88.2
<b>ON-TIME ARRIVALS (%)</b>																		
Delta	83.3	90.0	85.1	88.3	83.3	83.4	82.6	81.5	85.0	86.4	86.4	87.0	87.9	84.3	88.9	83.5	93.7	89.4
Express Jet	71.6	75.5	77.5	75.9	74.0	77.2	78.5	78.3	83.0	80.9	76.3	79.1	74.9	74.6	81.1	76.4	86.3	80.6
Jetblue	71.2	78.8	69.7	77.5	66.7	67.2	69.4	73.8	71.0	67.6	67.9	64.2	74.6	65.8	80.0	74.1	86.6	79.7
Southwest	81.7	83.5	78.5	85.0	77.9	74.5	78.3	77.7	76.4	77.7	79.3	78.9	77.1	81.8	83.8	79.1	87.6	84.6
United	77.8	81.9	79.5	82.2	70.8	75.1	78.8	74.1	78.9	83.9	84.4	83.9	84.7	84.7	86.4	84.6	88.6	86.0
American	80.9	78.8	77.9	78.3	72.5	70.0	78.1	72.4	78.6	83.9	81.9	82.3	80.8	82.5	85.2	82.0	88.8	85.1

SUMMARY ALL AIRLINES - NOV - On-time 79.28%; Cancelled 1.22%; Diverted 0.20%; Delays: Air Carrier 5.09%, Weather 0.51%; Aviation System 6.68%; Security 0.03%; Late Arrivals 6.99%

### COMPLAINTS/100,000 PASSENGERS (%)

Delta	1.11	0.39	0.65	0.50	0.78	0.61	0.65	0.65	0.51	0.55	0.74	0.56	0.79	0.93	0.92	0.76	0.71	0.57
Express Jet	0.31	0.28	0.36	0.88	0.37	0.36	0.28	0.35	0.00	0.49	0.28	0.54	0.13	0.12	0.73	0.31	0.10	0.61
Jetblue	0.71	0.92	1.04	0.81	1.61	1.11	0.96	0.35	0.74	0.86	1.10	0.77	1.10	1.49	1.14	0.50	0.69	1.36
Southwest	0.31	0.27	0.39	0.32	0.43	0.51	0.38	0.41	0.37	0.46	0.34	0.27	0.37	0.38	0.47	0.31	0.22	0.31
United	1.09	1.08	1.38	1.38	1.51	1.21	1.39	1.19	0.97	1.12	1.74	2.25	1.32	1.51	1.89	1.10	1.19	1.43
American	1.20	1.56	1.39	1.68	1.65	1.69	1.24	1.57	1.24	1.11	1.16	1.05	1.18	1.28	1.96	1.46	1.40	1.39

SUMMARY ALL AIRLINES - NOV - 0.96%; 2018 NINE MONTHS- 1.02%

### MISHANDLED BAGS/1,000 PASSENGERS (%)

Delta	1.75	1.30	1.86	1.39	1.94	1.83	1.93	2.15	1.54	1.53	1.81	1.81	1.72	3.01	1.82	2.50	1.08	1.40
Express Jet	4.11	3.97	5.2	4.31	5.87	5.46	5.10	6.00	4.58	4.01	4.7	4.7	4.67	6.70	3.88	5.34	2.08	2.72
Jetblue	1.63	1.45	1.8	1.60	1.97	1.96	1.77	1.76	1.62	1.59	1.8	1.8	1.58	2.30	1.65	1.77	1.37	1.58
Southwest	2.66	2.50	2.87	2.50	2.90	3.39	2.82	3.03	2.84	2.56	2.65	2.65	2.78	3.11	2.83	3.37	2.33	2.43
United	2.33	1.96	2.59	2.08	3.15	2.77	2.54	2.77	2.33	1.98	2.42	2.42	2.52	3.31	2.38	3.00	1.77	2.01
American	3.39	3.34	3.86	3.58	4.34	4.39	3.73	4.42	3.36	3.05	3.33	3.33	3.65	4.62	2.84	3.92	2.01	2.24

SUMMARY ALL AIRLINES - NOV - 2.58%; 2018 NINE MONTHS - 2.85%

### OVERSALES/10,000 PASSENGERS (Denied Boarding= "V" Voluntary, "INV" Involuntary) (%)

	Nine Months	V	INV	Six Months	V	INV	Three Months	V	INV	Twelve Months	V	INV
Delta		4.77	0.01		4.86	0.00		7.70	0.00		9.70	0.05
Express Jet	Stats	n/a	n/a	Stats	9.46	0.05	Stats	9.25	0.01	Stats	13.22	0.54
Jetblue		0.62	0.01		0.56	0.01		1.06	0.01		0.57	0.41
Southwest		1.61	0.24		1.43	0.09		1.17	0.18		2.34	0.53
United		4.19	0.01		3.32	0.01		3.85	0.01		5.02	0.23
American		3.71	0.11		3.67	0.06		4.97	0.15		3.63	0.38
ALL AIRLINES		4.35	0.13		3.91	0.10		4.75	0.12		5.02	0.34

### COMPLAINTS

	Screening Procedures	Processing Time	Personal Property
Courtesy	715	91	499
	0.00108%	0.00014%	0.00076%

### Animal Incidents

Death	0
Injury	0
Loss	0

## **AGENDA ITEM NO. 6**

### **Project Development**



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](http://www.albanyairport.com)

## PROJECT STATUS REPORT

March 18, 2019

### I. AIRSIDE IMPROVEMENTS

#### A) Airport Aeronautical Survey and Obstruction Evaluation (Contract No. S-886)

Stantec Engineering has collected all data required by the FAA including flights over the Airport to collect photogrammetry information. All data was compiled, reviewed and will be submitted in accordance with FAA regulations. The Airport Authority and Stantec Engineering are collating the data collected. Final report was submitted to the FAA.

#### B) Runway 01-19 and Taxiway A Edge Light Replacement (Contract No. S-912)

George Martin & Son Electric, the low bidder for this contract began work last fall. The contractor will resume installing new conduits and light bases along Runway 1-19 and Taxiway "A", working at night to allow for runway and taxiway closures. The contractor will also work days installing new wire and edge light assemblies. The contractor was forced to take a shutdown due to winter weather conditions, but will resume as soon as the weather allows. Project to be completed June 2019.

#### C) Terminal Glycol Deicing Collection System Replacement (Contract No. S-906)

The project for the replacement of approximately 1300 ft. of glycol collection trench drains around the B-concourse was awarded to VMJR Companies, the low bidder. The project will replace existing 10" trench drains with 14" trench drains to increase the collection capacity of the system and reduce the amount of icing in the trench during snow removal. The project is being funded by a grant from NYSDOT. The contractor shutdown for winter, with two sections out of fourteen left to complete in April 2019.

**D) Airport Drainage Culvert Replacement (Contract No. SD-930)**

C.T. Male Associates has submitted the 75% design plans for the drainage project based on the Drainage Report done by CHA Companies. C.T. Male Assocs. has made several visits to the airfield gathering hydrologic information. C.T. Male is working on the new culvert design and is working with Albany County and the Town of Colonie for proposed additional roadway crossings for additional drainage pipes.

**E) Passenger Boarding Bridges B5, B7, B8 & C3 (Contract S-945)**

Oxford Airport Technical Services was the low bidder for both the GC & E portions of this project. Oxford has ordered the new bridges and they are currently being fabricated. Oxford will schedule the installation of all 4 new bridges starting in May 6, 2019.

**F) Runway 10-28 and Taxiway C Edge Light Replacement (Contract S-946)**

C & S Companies, the firm selected to design the Runway 10-28 Edge Lighting project, has had a survey crew working on the Airfield. Also C & S has provided the FAA with required preliminary documents for this project. C & S has submitted 100% drawings for review, the final revised drawings were submitted in March 2019. This project is scheduled to be put out to bid in May 2019.

**G) Resurfacing Metal Roofing on Buildings 112 & 216 (Contract No. 985-GC)**

Titan Roofing was the low bidder and the Board approved their contract in the August Board meeting. Titan roofing has completed work removing and replacing the roof on Building #216. Building #112 work was started at March 1, 2019 and is currently under construction. Work to be completed by early April, 2019.

**II. LANDSIDE IMPROVEMENTS**

**A) Million Air Hangar Door Replacement (Contract No. 971-GC)**

The existing hangar door system at the Million Air Hangar (building #109) will be removed and a new ASSA Abloy "Mega Door" will be installed. The new door has been designed, ordered and is in fabrication. The delivery date has scheduled for May 13, 2019, with the installation time being 2-3 weeks.

**B) New Parking Garage (Contract No. S-989)**

Turner Construction was selected as the Construction Managers for this project and CHA Companies design team (including Desman Design) were selected as the designers for the new Parking Garage. The project has been divided into 3 separate contracts to expedite the construction. There is Contract 989-PC which is the fabrication and erection of the precast garage. Contract 989-SF which is the site and utility relocations, pile driving and concrete pile caps. Contract 989-GC which includes the pedestrian bridge to the Terminal, the vehicle bridge to the garage, as well as the

elevators, electrical and plumbing work inside the new Precast structure. All three Contracts have been bid and work has begun on both 989-PC and 989-SF. Project 989-General Construction was bid with one sole bidder. The project is being advertised once again with bids due on April 4, 2019.

**C) Terminal Amenities (Contract No. S-991)**

C & S Companies has been working on the design for the project which has been divided into 5 separate contracts. Contract 991-GC is for the new Terminal flooring (terrazzo tile and carpet), soffit lighting, new ceiling in Times Square and various wall finishes. Contract 991-P is for the Toilet rooms rehab and upgrades, the Pet Relief area, the ceiling and lighting in the baggage carousel area, HVAC upgrade at the ticket counters and door refinishing and replacements. Contract 991-R is for the removal of the existing skylight in A Concourse and replacement with a metal roof and photovoltaic panels mounted on top. Contract 991-E is for the replacement of the escalators in the existing parking garage. Contract 991-W is for all new Wayfinding signs throughout the Terminal and new parking garage to guide people to all the Terminal amenities.

**D) CommutAir Alterations (Contract 1003-GC)**

Bergmann Associates made an onsite survey of the interior of the office area in Building 211 that is leased by CommutAir. The tenant asked to increase their aircraft parts storage area within the existing building. Bergmann designed a new parts area which includes demolition of existing walls, construction of new walls, electrical, plumbing and HVAC work. This project will be presented to the Board for award later this meeting.

**AGENDA ITEM NO. 7**

**Counsel**

## **AGENDA ITEM NO. 8**

### **Concessions/Ambassador Program**



## **AGENDA ITEM NO. 9**

**Public Affairs**



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.flyalbany.com](http://www.flyalbany.com)

## Public Affairs Report March 18, 2019

### **Schroon Lake Central School**

Twenty-five students from the Schroon Lake Central School District visited the Airport on February 8 for a discussion of job opportunities at airports. Presentations were made by Airport Operations, TSA, Albany County Sheriff's Office and the Paradies Shops.

### **The 50 Group**

The 50 Group, a group of presidents and CEO's of leading area corporations, held its monthly dinner meeting on the observation level on March 4. Airport Authority CEO John O'Donnell was the guest speaker and provided an update on airport construction projects and terminal improvements.

### **Delta Blood Drive**

Delta Air Lines continued its quarterly blood drives for the American Red Cross on March 12.

### **Paul Vandenburg Show**

Talk 1300 Radio host Paul Vandenburg broadcast live from the terminal on March 6. Airport CEO John O'Donnell was a guest on the program and provided listeners with an update on airport improvements and the addition of Frontier and Allegiant airlines.

### **Patriot Flight**

Patriot Flight, the region's first program to take WWII veterans to the WWII memorial in Washington DC, will once again conduct its flight send-off celebration at Albany International Airport. Patriot Flight had been conducting its send off from Christian Brothers Academy. The first event is scheduled for May 4.

**AGENDA ITEM NO. 10**

**Authorization of Contracts/Leases/Contract  
Negotiations/Contract Amendments**

**AGENDA ITEM NO. 10.1**

**Lease Renewal: Lease No. L-842: 14 Jetway  
Drive (5,595 sq. ft.) with Red Hawk Fire &  
Security, LLC and parking areas depicted.  
3-year Renewal**

AGENDA ITEM NO: 10.1  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

ACAA Approved  
03/18/2019

**DEPARTMENT:** *Administrative/Legal Department*

Contact Person: *John A. O'Donnell, Chief Executive Officer  
Peter F. Stuto, General Counsel*

**PURPOSE OF REQUEST:**

Lease Renewal: *Lease No. L-842: 14 Jetway Drive (5,595 sq. ft.) with Red Hawk Fire & Security, LLC and parking areas depicted. 3-year Renewal*

**LEASE AMOUNT:**

*\$56,756.52 annually  
Subject to a three percent (3%) annual increase.*

**BUDGET INFORMATION:**

Anticipated in Current Budget: Yes J No NA

**FISCAL IMPACT - FUNDING (Dollars or Percentages)**

Federal \_\_\_\_\_ State \_\_\_\_\_ Airport J NA \_\_\_\_\_  
Funding Source: Airport Operating Budget

**JUSTIFICATION:**

*Red Hawk Fire and Security, LLC has been a tenant of the Airport Authority since 2014. The leases initial 5-year term ends May 31, 2019. Red Hawk has requested a 3-year extension under the same terms and conditions. The premises is a 5,595 sf warehouse office. The rent in the first year of the extension will be \$56,756.52 per year (\$10.14/sf) (includes base rent and maintenance charges) and is subject to a 3% annual cost-of-living increase.*

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

**FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES** J **NA** \_\_\_\_\_

**PROCUREMENT DEPARTMENT APPROVAL:**

*Procurement complies with Authority Procurement Guidelines and Chief Financial Officer has approved. Yes* J *NA* \_\_\_\_\_

AGENDA ITEM NO: 10.1  
MEETING DATE: March 18, 2019

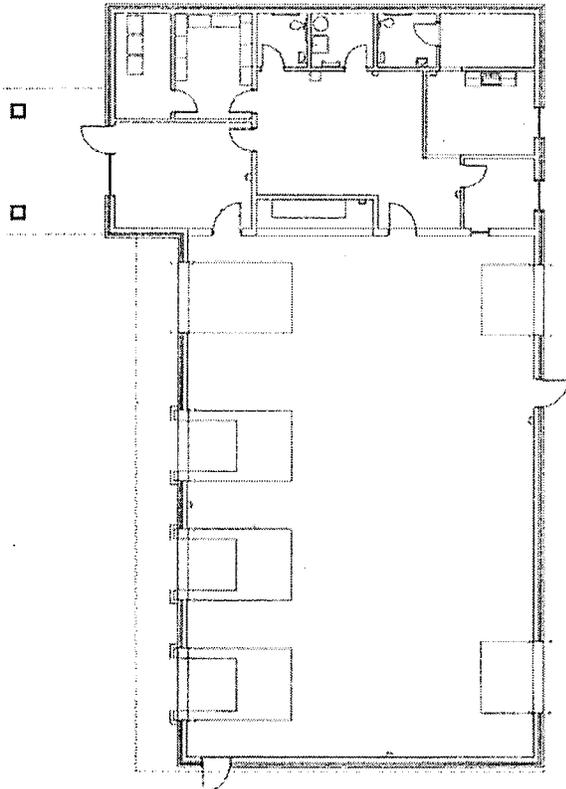
**BACK-UP MATERIAL:**

- 1) *Fact Sheet*
- 2) *Site Locator*
- 3) *Lease*



## 14 JETWAY DRIVE, ALBANY NY 12211

### 5, 595 SQ. FT. WAREHOUSE/OFFICE FOR LEASE



**5,595 square feet** is available in this single story warehouse facility. This location has great highway access. It is as centrally located in the Capital District as you can hope to be.

#### Great Highway Access:

Albany-Shaker Road (0.1 miles)

Interstate: I-87 /Northway (1 mile), I-90 (3 miles)

#### General

Total Square Feet: 5,595

Available Square Feet: 5,595

Price: \$1.00 per sq. ft. per month

Location: Southeast quadrant

Zoning: Airport Business Area

Availability: Immediately available

#### Specifications

Warehouse Square Feet: 3,675

Clear Ceiling Height: 12 ft.

Column Spacing: Clear span

Dock Doors: (3) 9'8" ft. x 10 ft. w/electric opener

Drive-in Doors: (1) 9'8" ft. x 10 ft. w/electric opener

Dock Leveler System

Office Square Feet: 1,920

Restrooms: 2 restrooms, 2 toilets

HVAC: Gas heat, air conditioning in office

Sprinkler System: No

Parking: 12 Cars

#### Construction

Year Built: 2004

Exterior: Concrete block and brick

Roof: EPDM

#### Utilities

Electric: National Grid

Three Phase Power: Yes

Gas: National Grid

Water: Town of Colonie (on site)

Sewer: Town of Colonie (on site)

Telecommunications: Various providers available

Lines: Copper and fiber available

\*Exclusive Area Maintenance Charges of \$1.50 include:  
Landscaping, HVAC, Plumbing, Electrical, Fire Alarm, Building Alarm, telecommunications, window washing, Property Insurance, Property Taxes, Interior Maintenance, Snow Removal.

\*\*Common Area Maintenance Charges of \$0.75 include:

Maintenance of access roads, Property is located adjacent to Airport Fire House and near main terminal and airfield, comprising a nearly protected structure with continuous access maintained through all weather conditions.



**14 JETWAY DRIVE, ALBANY NY 12211**  
**5, 595 SQ. FT. WAREHOUSE/OFFICE FOR LEASE**

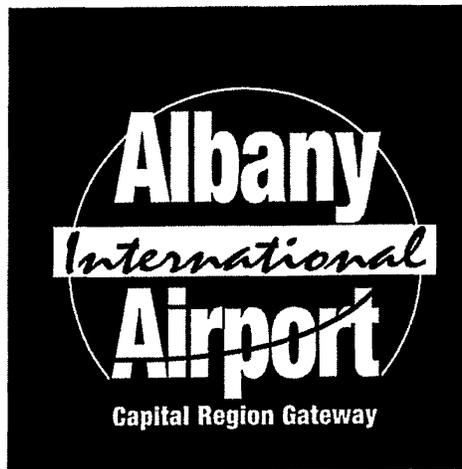


Albany International Airport | Albany County Airport Authority | Administration Building, Suite 200 Albany, NY 12211 | Telephone: 518.242.2222

[www.albanyairport.com](http://www.albanyairport.com)

**ALBANY COUNTY AIRPORT AUTHORITY**

**Administration Building  
Suite 204  
Albany, NY 12211-1057**



**Lease of 14 Jetway Drive**

**To**

**RED HAWK FIRE & SECURITY, LLC**

**CONTRACT NO: L-842**

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- EXHIBIT "A" – Leased Area**
- EXHIBIT "B" – Authority Work**
- EXHIBIT "C" – EAM and CAM Services**

**LEASE AGREEMENT**  
**BETWEEN THE**  
**ALBANY COUNTY AIRPORT AUTHORITY**  
**AND**  
**RED HAWK FIRE & SECURITY, LLC+**  
**AT**  
**THE ALBANY INTERNATIONAL AIRPORT**

THIS LEASE is made and entered into effective the 26<sup>th</sup> day of <sup>March</sup> February, 2014 by and between the **ALBANY COUNTY AIRPORT AUTHORITY** (the "Authority"), a body corporate and politic constituting a public benefit corporation established and existing pursuant to the Albany County Airport Authority Act enacted by Chapter 686 of the laws of 1993 and set forth in Title 32 of the New York Public Authorities Law, having offices at the Administration Building, Room 200, Albany County Airport, Albany, NY, 12211 and **Red Hawk Fire & Security, LLC** (the "Tenant") a corporation organized and existing under the laws of the State of Florida, and authorized to do business in the State of New York, having offices at Boca Center Tower II, 5100 Town Center Circle, Suite 350, Boca Raton, FL, 33486.

**RECITALS**

1. The County of Albany (the "County") is the owner of the Albany International Airport (the "Airport"), located in the Town of Colonie, County of Albany, State of New York;
2. The County and the Authority have entered into an Airport Lease Agreement, effective as of May 16, 1996, for a term of forty (40) years, whereby the Authority has the exclusive right to operate, maintain and improve the Airport and do anything else permitted by law, subject only to the restrictions and conditions stated in such Airport Lease Agreement and in accordance with applicable law;
3. The Tenant has requested the use of this space for its warehouse and distribution operations;
4. The Authority has accepted the request of the Tenant for the lease of space as described herein; and
5. This Lease has been duly authorized by the Authority by a resolution of the Authority adopted at a meeting of the Authority on February 3, 2014.

**NOW THEREFORE**, In consideration of the mutual covenants contained herein, the parties agree as follows:

**ARTICLE I: DEFINITIONS**

- 1.1 "Agreement", "Lease" or "Lease Agreement" shall mean this lease agreement between Tenant and Authority under the terms and conditions expressly set forth herein.
- 1.2 "Airport" shall mean the land, with all improvements thereon and to be erected thereon, owned and/or operated by the Authority and other locations as may be added from time to time.
- 1.3 "Airport Terminal" and "Terminal" shall mean the terminal building at the Airport as of the date of the execution of the Agreement.
- 1.4 "Assigned Area" or "Leased Area" shall mean the area or areas at the Airport designated by this lease as the place in which the Tenant is permitted to use space, illustrated in **EXHIBIT "A"**, hereto.
- 1.5 "Authority" or "Albany County Airport Authority" shall mean such public officials as may, by operation of law, succeed to any or all of the rights, powers, or duties, which lawfully reside in the Albany County Airport Authority.
- 1.6 "CEO" shall mean the Chief Executive Officer of Albany County Airport Authority as, from time to time, appointed by the Authority and shall include such person or persons as may, from time to time, be authorized in writing by the CEO to act for him or her with respect to any or all matters pertaining to this Agreement.
- 1.7 "County" shall mean such public officials and public bodies as may, by operation of law, succeed to any or all of the rights, powers or duties which lawfully reside in the County of Albany.
- 1.8 "Rental Fee" shall mean the rent paid by Tenant.
- 1.9 "Tenant" shall mean the company or corporation who is bound by contract to lease space identified in this document.

**ARTICLE II: ASSIGNED AREAS**

- 2.1 The Authority hereby leases to Tenant and Tenant hereby agrees to lease from the Authority for its use, and for the uses and purposes defined in Article IV hereinafter, subject to all the terms, conditions, and covenants of this Agreement, 14 Jetway Drive, Albany NY 12211 (ACAA Building #118) which is hereby designated the "Leased Area" and shown herein as **EXHIBIT "A"**.

Tenant agrees that the Authority will have access at all times to the gate located north of the building and that tenant will not park vehicles or place other obstructions that block

this gate.

The Authority has installed a fence on the airside of the building approximately 15 feet from the building. This will allow doors to be opened and provide ventilation through the building.

- 2.2 The Authority reserves the right upon 120 days notice to recapture all or a portion of Tenant's Leased Area if it needs to do so for an airport purpose. In such case, the Authority will make a good faith effort to relocate the Tenant in comparable space. Tenant shall, at its option, be permitted to terminate the lease with sixty (60) days' written notice, without penalty, if it deems the proposed alternate space unsuitable for its purposes.

### **ARTICLE III: TERM**

- 3.1 The Term of this lease and the rights and obligations of Tenant and Authority hereunder, shall be for five (5) years commencing on June 1, 2014 and terminating on May 31, 2019, which date shall be the "Date of Termination". Prior to the commencement date, Tenant shall be allowed thirty (30) days' early access to the space in order to install fixtures and furnishings. The Premises should be at or near completion by this time. Such early access shall not constitute commencement of the lease. The AUTHORITY shall complete the items of fit up to the Leased Area set forth in EXHIBIT "B" If the Leased Premises not able to be occupied due to the delays caused by the Authority or its contractors, the commencement date shall be pushed back to the date the Tenant is able to take possession of the space, and Tenant's rent, as well as EAM and CAM charges (as hereinafter defined) shall be prorated accordingly.
- 3.2 The Date of Termination can be extended if approved in writing by both the Authority and the Tenant at least ninety (90) days before the expiration of the then current term In no event shall the Lease be extended beyond December 31, 2035 unless the Authority's lease with the County has been extended, or approval has been obtained from the County. The Authority and the Tenant acknowledge that the financial and other terms may by mutual written agreement be revised in connection with any subsequent renewal.
- 3.3 In the event the Tenant shall continue to occupy the Leased Area beyond the lease term without Authority's written renewal thereof, such holding over shall not constitute a renewal or extension of this Lease, but shall create a tenancy from month-to-month which may be terminated at any time by the Authority or the Tenant by giving ninety (90) days written notice to the other party. During any such holdover month-to-month period, the rental fee shall increase 35%. The Authority may, however, at its option, renegotiate the fee consideration of the Agreement to be used during the month-to-month terms.
- 3.4 The Tenant further agrees that upon the expiration of the term of this Lease or sooner cancellation thereof, the Leased Area will be delivered to the Authority in good condition, reasonable wear and tear and matters covered by insurance excepted. Reasonable wear and tear shall be determined at the sole discretion of the Authority upon inspection of the Leased Area from time to time.

#### **ARTICLE IV: USES AND PRIVILEGES**

- 4.1 The Tenant has a right and privilege to utilize the office and warehouse portion of the Leased Area for its warehouse and distribution operations.
- 4.2 The Tenant has the rights of ingress and egress from its Leased Area over Airport roadways, including common use roadways, subject to any rules or regulations which may have been established or shall be established in the future by the Authority. Such rights of ingress and egress shall apply to all the Tenant's employees.
- 4.3 The Tenant, its officers, employees, agents and those under its control, shall comply with security measures required of the Airport by the Federal Aviation Administration (FAA), the Transportation Security Agency (TSA) or contained in any Airport master security plan approved by either. If the Tenant, its officers, employees, agents or those under its control, shall fail or refuse to comply with said measures and such non-compliance results in a monetary penalty being assessed against the Authority, then the Tenant shall be responsible and shall reimburse the Authority in the full amount of any such monetary penalty or other damages. Failure to pay or reimburse the Authority for any amounts due within sixty (60) days of written request of the Authority shall be considered an event of default. Nothing contained herein shall prohibit the Tenant from contesting with the FAA the validity or amount of such penalty.

#### **ARTICLE V: OBLIGATIONS OF TENANT**

- 5.1 The Tenant shall be responsible for the conduct, demeanor and appearance of its employees and invitees and of those doing business with it. Upon receipt of any complaint or objection to the conduct, demeanor or appearance of the employees, invitees or those doing business with the Tenant, the Tenant shall take all reasonable steps necessary to remove the cause of the complaint or objection.
- 5.2 Except as otherwise provided in this Agreement, the Authority prohibits the use of any public area for the storage of anything.
- 5.3 Should a conflict arise between the Tenant and other tenants at the Airport regarding the scope of tenant privileges, the CEO will serve as the final arbitrator. The Tenant agrees to abide by the CEO's decision.
- 5.4 The Tenant hereby warrants and agrees that: (1) it will conduct an operation which complies with the highest standards for use of space and will furnish all necessary fixtures, equipment, supplies, materials, and personnel; (2) it will furnish such services promptly, efficiently and adequately to meet all reasonable demands therefore on a fair, equal and nondiscriminatory basis.
- 5.5 Tenant agrees:

- A. The Tenant agrees to abide by all Airport Rules and Regulations.
  - B. The area will be maintained to meet NYS Codes and all Federal and State standards for fire protection and safety.
  - C. No structural changes will be made without prior Authority written approval.
  - D. No changes in the intended use of the Leased Area without first receiving written permission from the Authority.
  - E. All bulk oil will be stored with proper spill containment. Quantities will be kept to minimum.
  - F. All chemicals, flammables, combustibles and any other hazardous materials will be stored and handled per applicable OSHA regulations.
  - G. All chemicals will be stored in proper containers. A copy of all MSDS sheets will be furnished to the Airport Fire Department on any hazardous materials, as required by law.
  - H. The Fire Department will be notified before all welding. The Fire Department will issue the required permit for same.
  - I. No vehicles will be left running unattended in the work area.
  - J. The Tenant will be responsible for any environmental impact from products used.
- 5.6 The Authority shall furnish, and the Tenant shall pay for, heat, electricity, water and sewer adequate and reasonable for the Leased Area.
- 5.7 Landlord agrees to provide tenant the following Exclusive Area Maintenance items: Lawn mowing and gardening of property surrounding immediately around building; HVAC, Plumbing and Electrical Repairs; Exterior Building Maintenance; Fire suppression system; Building Alarm and Security Systems with 24 hour Airport Emergency Response Maintenance of telecommunication systems; Twice per year window washing; Building Property Insurance covering structure loss and owners liability; Property Taxes; Periodic Interior Maintenance upon renewals – paint, carpet, other miscellaneous refreshments of space; and Snow Removal. Landlord agrees to provide the following Common Area Maintenance items: Maintenance of Access Roads; Airport Fire and Emergency Rescue Department services; Lawn Mowing and Gardening of property; Snow Removal; Airport-wide Telecommunication Systems; General Liability and Pollution Insurance.

**ARTICLE VI: FEES, CHARGES AND ACCOUNTABILITY**

- 6.1 Tenant agrees to pay an annual rental fee of \$36,367.50 or \$3,030.63 monthly (\$6.50 psf) for the first 12 months of the term (“Rent”). Tenant also agrees to pay Exclusive Area

Maintenance ("EAM") Charges and Common Area Maintenance ("CAM") Charges totaling \$12,588.75 or \$1,049.25 monthly (\$2.25 psf) during the first year of the rental term of the lease. The maintenance items to be provided by the AUTHORITY for EAM and CAM are set forth in **EXHIBIT "C"**.

Rent, EAM and CAM Charges are to be paid monthly on the first of the month for the period of the lease. Rent, EAM and CAM Charges for each subsequent 12 month period shall be adjusted annually, (the "Rent Adjustment Date") beginning with the first anniversary of this lease and continuing on each subsequent anniversary . The Rent, EAM and CAM Charges will be increase by three percent (3%) on Each Rent Adjustment Date..

6.2 Landlord agrees to abate first two monthly rental payments and EAM and CAM Charges.

6.3 Payments shall be made in lawful money of the United States, free from all claims, demands, set-offs, or counter-claims of any kind against the Authority. Any payments not paid when due shall be subject to interest thereon at the rate of eighteen (18%) percent per annum. These payments shall be made payable to the Albany County Airport Authority and sent to:

Albany County Airport Authority  
ATTN. Accounts Receivable  
Administration Building, Suite 204  
Albany, New York 12211-1057

#### **ARTICLE VII: SIGNS**

7.1 No signs may be constructed or erected without the Authority's prior written approval. Prior to the erection, construction or placing of any such signs on the premises or on Tenant's equipment, the Tenant shall submit to the Authority for its written approval such drawings, sketches, design dimensions and type, number and character of the signs.

The Tenant shall utilize the existing sign located near the road. Such sign shall be maintained with the Authority's purple coloring on the base to match the similar signage of other buildings along Jetway Drive. The Tenant's name or logo can replace the current wording on the sign. The Authority's prior written approval will be required for changes on this sign as well as other signs placed on the building. The cost of signage will be paid by the Tenant.

#### **ARTICLE VIII: MAINTENANCE OF LEASED AREA**

8.1 The Tenant shall maintain the Leased Premises at all times in a safe, neat and attractive condition, and shall not permit the accumulation of any trash, paper, or debris on the Leased Premises. The Tenant shall repair all damages to the Leased Premises caused by its employees, patrons, visitors, any other persons, or its operation thereon or neglect, and shall maintain and repair all equipment thereon, including any building improvements.

Without limiting the foregoing, the Tenant shall be responsible for and perform all maintenance with respect to the Lease Area, including but not limited to:

1. Janitorial services;
2. Supply and replacement of light bulbs;  
The Tenant shall advise the Authority and obtain the Authority's consent in writing before making changes involving structural changes to building or premises;
3. The Tenant is responsible for maintaining electric loads within the designed capacity of the system;
4. The Tenant shall provide and maintain hand fire extinguisher for the interior of the building and shall maintain, either with Tenant personnel or through third-party maintenance agreements; and
9. The Tenant shall pick-up, and provide for, a complete and proper arrangement for the adequate sanitary handling and disposal, away from the Airport, of all trash, garbage, and other refuse caused as a result of the operation of its business. The Tenant shall provide and use suitable covered metal receptacles for all such garbage, trash, and other refuse. Piling of boxes, cartons, barrels, pallets, debris, or similar items in an unattractive or unsafe manner, on or about the Leased Premises, shall not be permitted.

8.2 The Tenant shall not store or place product, containers, boxes or similar items outside of the building in parking areas or in view of the general public. The Authority requires that the Leased Area be maintained in a neat and orderly fashion.

8.3 All repairs done by the Tenant or on its behalf shall be of first class quality in both materials and workmanship. All repairs will be made in conformity with the rules and regulations prescribed from time to time by Federal, state or local authority having jurisdiction over the work in the Tenant's Leased Area.

8.4 The CEO or his duly appointed representatives shall have the right to enter the Tenant's Leased Areas to:

- A. Inspect the Leased Areas at reasonable intervals during the Tenant's regular business hours, or at any time in case of emergency, to determine whether the Tenant has complied with and is complying with the terms and conditions of this Lease, or to conduct any maintenance or repairs that might be the responsibility of the Authority or for any other legal purpose. The CEO may, at his discretion, require the Tenant to affect repairs at the Tenant's own cost.
- B. Perform any and all things which the Tenant is obligated to and has failed after reasonable notice to do so, including: maintenance, repairs and replacements to

the Tenant's Leased Area. The cost of all labor and materials required to complete the work will be paid by the Tenant to the Authority. Such work shall be paid for by the Tenant within ten (10) days following demand by CEO for said payment at the Authority's standard rates plus any reasonable overhead which may be determined by the CEO.

C. Exercise the Authority's police power.

8.5 The Authority shall be responsible for regular structural repairs, except those caused by Tenant neglect or abuse.

#### **ARTICLE IX: REMOVAL OF PROPERTY**

9.1 All improvements made to the Leased Areas, and additions and alterations thereto, by the Tenant, shall be and remain the property of the Tenant until the expiration of the term of this Lease. Upon termination of this Lease (whether by expiration of the term, cancellation, forfeiture, or otherwise, whichever first occurs), the improvements shall become the property of the Authority, provided, however, that any trade fixtures, signs and other personal property of Tenant not permanently affixed to the Leased Areas shall remain the property of Tenant if removed from the Leased Areas no later than fourteen (14) days following such expiration or termination. Should Tenant fail within fourteen (14) days following the expiration or termination of this Lease to remove its trade fixtures, signs and other personal property of Tenant not permanently affixed to the Leased Areas, the Authority, at its sole option, may determine that title to the property shall vest in the Authority, without cost to the Authority or compensation to the Tenant. In addition, the Authority may elect to exercise its rights set forth in Paragraph 14.5 of this Lease. Should Tenant effect removal of its personal property, signs and trade fixtures under the provisions of this Paragraph, such removal will be undertaken in a manner and at a time which permits continued, uninterrupted operation of the facilities. Tenant shall repair all damage done to the Leased Areas or other Authority-owned property resulting from the removal of such personal property, signs and trade fixtures and shall restore the Leased Areas and said property to the state of good repair which existed prior to the installation of such personal property, signs and trade fixtures, less normal wear and tear.

#### **ARTICLE X: LIABILITY, INDEMNITY, AND INSURANCE**

10.1 To the fullest extent permitted by law, Tenant shall indemnify, save, hold harmless, and defend the Authority, its officials, agents and employees, its successors and assigns, individually or collectively, from and against any claim, action, loss, damage, injury, liability, and the cost and expenses of whatsoever kind or nature (including, but not limited to, reasonable attorney's fees, disbursements, court costs and expert fees) of any environmental claim arising out of, resulting from, or incident to Tenant's use and occupancy of the Assigned Area or use of the Airport, including, but not limited to any claim for (1) contamination of the Assigned Area and/or Airport, including the air, surface water, ground water or soil from any source, including underground septic tanks,

(2) generation, handling, treatment, storage, disposal or transportation of solid, gaseous or liquid waste, (3) electromagnetic or other radiation or noise, (4) exposure to any hazardous materials, (5) manufacture, processing, distribution, use, or storage of any hazardous material, (6) the release or threatened release of any contamination or hazardous material to, from or through the Assigned Area and/or the Airport, or (7) any of the foregoing related to, caused by or arising from Tenant related activities. Notwithstanding the above, Tenant shall not be liable for any environmental claim solely and directly attributable to a pre-existing condition on any Airport property leased by Tenant hereunder and not previously occupied by Tenant at any prior time.

- 10.2 The Tenant hereby agrees to release, indemnify and save harmless the Authority, the County of Albany, and AFCO AvPorts Management LLC their officers, agents and employees, if any, from and against any and all loss of, or damage to, property, or injuries to, or death of, any person or persons, including property and employees or agents of the Authority, and shall defend, indemnify and save harmless the Authority, their officers, agents and employees from any and all claims, damages, suits, costs, expense, liability, actions or proceedings of any kind or nature whatsoever, including Worker's Compensation claims, of or by anyone whomsoever, in any way resulting from, or arising out of, directly or indirectly, Tenant's operations in connection herewith, or its use or occupancy of any portion of the Airport, and including acts and omissions of officers, employees, representatives, suppliers, invitees, customers, guests, patrons, contractors, and agents of the Tenant; provided, however, that the Tenant need not release, indemnify, or save harmless the Authority, the County of Albany and AFCO AvPorts Management LLC, the County of Albany, their officers, agents, and employees from damages resulting from the negligence of the Authority's or County's, AFCO AvPorts Management LLC's officers, agents, or employees. The minimum insurance requirements prescribed herein shall not be deemed to in any way limit or define the obligations of the Tenant hereunder.
- 10.3 Each party hereto shall give to the other prompt and timely written notice of any claim made or suit instituted coming to its knowledge which in any way, directly, or indirectly, contingently, or otherwise, affects or might affect either, and each shall have the right to participate in the defense of the same to the extent of its own interest.
- 10.4 The Tenant shall procure and maintain at its own expense, the following types and amounts of insurance for the term of this Lease:
- A. Commercial General Liability Insurance - The policy or policies providing said coverage shall include premises-operations, independent contractors, personal injury (deleting any exclusion relating to employees), products, and contractual liability including, but not limited to, the liability assumed by Tenant under the Hold Harmless provisions of this Lease. Said policy or policies shall cover loss or liability for damages in an amount not less than Five Million Dollars (\$5,000,000), combined single limit, for each occurrence for bodily injury, death, or property damage occurring by reason of the Tenant's operations in, on, or about the Airport.

- B. Worker's Compensation and Employers' Liability insurance in the amounts and form required by the Worker's Compensation Act and insurance laws of the State of New York.
  - C. Fire Legal Liability Insurance (Included in Tenant's Commercial General Liability Insurance policy) - Tenant shall insure against the perils of fire, extended coverage, and other perils on any and all of the Leased Area. Such insurance shall be in the amount of \$100,000. The Authority and County of Albany shall be named as additional insured under the policy or policies herein described.
- 10.5 The insurance specified above shall, either by provisions in the policies or by special endorsements attached thereto, primarily insure the Authority, the County of Albany and AvPorts, against the risks to which it is exposed as the owner, and except for Worker's Compensation and Employers' Liability coverage, shall include the Authority, the County of Albany and AvPorts and all of their officers, employees, and agents, as additional insureds, shall contain a standard cross-liability provision and shall stipulate that no insurance held by the Authority, the County of Albany will be called on to contribute to a loss covered there under, except for losses caused by the sole negligence of the Authority and/or the County of Albany and/or AvPorts. The Authority and the County of Albany shall have no liability for any premiums charged for such coverage, and the inclusion of the Authority and the County of Albany as additional insureds is not intended to, and shall not, make the Authority and the County of Albany a partner or joint venturer with Tenant in Tenant's operations at the Airport. Such policies shall also insure Tenant against the risks to which it is exposed as Tenant under this Lease, including fire insurance on personal property, and shall be for full coverage with any deductibles and/or retentions subject to approval by the Authority and shall contain provisions on the part of the respective insurers waiving the right of such insurers to subrogation.
- 10.6 The original certificates evidencing the existence thereof, and a copy of the policy endorsement that adds the requested entities as Additional Insureds, shall be delivered to the Authority upon the execution of this Lease. Each such policy shall contain a valid provision or endorsement that **“This policy will not be canceled or materially changed or altered with respect to this agreement, that any said change would impact this agreement only, without first giving thirty (30) days written notice thereof to the Chief Executive Officer, Albany County Airport Authority, Administration Building, Room 200, Albany, New York, 12211, sent by certified mail, return receipt requested.”**
- 10.7 A renewal policy shall be delivered to the CEO promptly following a policy's expiration date except for any policy expiring on the expiration date of this Lease or thereafter. Tenant shall allow no lapse in coverage for the duration of the Lease.

**ARTICLE XI: ASSIGNMENT AND SUBLEASING**

- 11.1 The Tenant shall not assign or transfer this Lease or any other right, privilege, or license conferred by this Lease, either in whole or in part, or sublet or in any manner encumber

Leased Area or any part thereof without first receiving written consent from the Authority which consent may be withheld in the sole discretion of the Authority.

- 11.2 The Tenant must obtain the consent of the Authority to keep this Lease in effect prior to any transfer or merger of ownership between the Tenant and any other corporation or company, such consent will not be unreasonable withheld.

## **ARTICLE XII: DAMAGE OR DESTRUCTION**

- 12.1 Partial Damage - If all or a portion of the premises are partially damaged by fire, explosion, the elements, public enemy or other casualty, but not rendered uninhabitable, the same will be repaired with due diligence by the Authority at its own cost and expense, subject to the limitations as hereinafter provided; if said damage is caused by the negligence or omission to act by Tenant, its sub-contractors, agents, or employees, Tenant shall be responsible to reimburse the Authority for the cost and expenses incurred in such repair.
- 12.2 Extensive Damage - If the damages are so extensive as to render the Leased Area or a portion thereof uninhabitable, but are capable of being repaired within thirty (30) days, the same shall be repaired with due diligence by the Authority at its own cost and expenses, subject to the limitations as hereinafter provided, and an appropriate portion of the fees and charges payable herein shall abate from the time of the damage until such time as the Leased Area is fully restored and certified by the Authority as again ready for use; provided, however, that if said damage is caused by the negligence or omission to act of Tenant, its subcontractors, agents, or employees, said fees and charges will not abate and Tenant shall be responsible for reimbursing the Authority for the cost and expenses incurred in such repair.
- 12.3 Complete Destruction - In the event all or a substantial portion of the Leased Area is completely destroyed by fire, explosion, the elements, public enemy or other casualty, or are so damaged that they are uninhabitable and cannot be replaced except after more than thirty (30) days the Authority shall be under no obligation to repair, replace, or reconstruct said premises, and an appropriate portion of the fees and charges payable hereunder shall abate at the time of such damage or destruction and shall henceforth cease until such time as the said premises are fully restored. If within twelve (12) months after the time of such damage or destruction said premises shall not have been repaired or reconstructed, Tenant may cancel this Lease in its entirety as of the date of such damage or destruction. Notwithstanding the foregoing, if the said premises, or a substantial portion thereof are completely destroyed as a result of the negligence or omission to act of Tenant, its subcontractors, agents, or employees, said fees and charges shall not abate and the Authority may, in its discretion, require Tenant to repair and reconstruct said premises within twelve (12) months of such destruction and pay the cost therefore, or the Authority may repair and reconstruct the same within twelve (12) months of such destruction and Tenant shall be responsible for reimbursing the Authority for the cost and expense incurred in such repair.

- 12.4 Limits of Authority's Obligations Defined - It is understood that, in the application of the foregoing provisions, the Authority's obligations shall be limited to repair or reconstruction of the premises to the same extent and of equal quality as obtained by Tenant at the commencement of its operations hereunder. Replacement of equipment and supplies shall be the responsibility of the Tenant and any such and refurbishing/re-equipping shall be equivalent in quality to that originally installed.

### **ARTICLE XIII: COMPLIANCE**

- 13.1 The Tenant, its officers, agents, servants, employees, contractors, licenses, and any other person over which the Tenant controls or has the right to control shall comply with all present and future laws, ordinances, orders, directives, rules, and regulations of the Federal, State, and Municipal governments as well as the Rules & Regulations of the Authority which may be applicable to its operations at the Airport.
- 13.2 Tenant shall pay, on or before their respective due dates, to the appropriate collecting authority, all Federal, State, and local taxes and fees, which are now or may hereafter be levied upon the premises, or upon Tenant, or upon the business conducted on the premises, or upon any of Tenant's property used in connection therewith; and shall have and maintain in current status all Federal, State, and local licenses and permits required for the operation of the business conducted by Tenant.
- 13.3 This Lease is governed by the laws of New York. Any disputes relating to this Lease must be resolved in accordance with the laws of New York. Claims, disputes and other matters in question will be decided in the Supreme Court, State of New York, Albany County.

### **ARTICLE XIV: DEFAULT BY TENANT**

- 14.1 The following contingencies shall be a condition of default by Tenant, which if uncorrected after reasonable notice and opportunity to cure, shall be sufficient for Authority to terminate the Lease:
- A. Tenant fails to pay the rentals or to make any other payments required hereunder when due to the Authority within fifteen (15) days after receipt of written notice from the Authority of non-payment therefore;
  - B. Tenant permits to continue, for a period of three (3) days after receipt of written notice from CEO, the existence of unsanitary conditions or practices in or about the Leased Area; provided, however, if the unsanitary condition is such as to require replacement, repair, construction, or reconstruction, Tenant shall have a reasonable time in which to correct, but must begin action on the matter immediately upon receipt of said 3-day notice;
  - C. The happening of any act which results in the suspension or revocation of the

Tenant's rights, powers, licenses, permits, and authorities necessary for the conduct and operation of the business authorized herein for a period of more than thirty (30) days;

- D. The interest of Tenant under this Lease is transferred, passes to, or devolves upon, by operation of law or otherwise, any other person, firm, or corporation without the written consent of the Authority;
- E. Tenant becomes, without the prior written consent (as provided in Section 11.2) of the Authority, a successor or merged corporation in a merger, a constituent corporation in a consolidation or a corporation in dissolution;
- F. Tenant fails to keep, perform, and observe each and every promise, covenant, and condition set forth in this Lease on its part to be kept, performed, or observed after receipt of written notice of default from the Authority, except where fulfillment of Tenant's obligation requires activity over a period of time and Tenant has commenced to perform whatever may be required within thirty (30) days after receipt of such notice and continues such performance without interruption except for causes beyond its control;
- G. The levy of any attachment or execution, or the appointment of any receiver, or the execution of any other process of any court of competent jurisdiction which is not vacated, dismissed, or set aside within a period of thirty (30) days;
- H. Tenant becomes insolvent, or takes the benefit of any present or future insolvency statute, or makes a general assignment for the benefit of creditors, or files a voluntary petition in bankruptcy, or a petition or answer seeking an arrangement for its reorganization, or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law, or statute of the United States, or of any state law, or consents to the appointment of a receiver, trustee or liquidator of all or substantially all of its property or its property located within the Leased Area;
- I. By order or decree of court, Tenant is adjudged bankrupt, or an order is made approving a petition filed by any of the creditors or stockholders of Tenant seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws, or under any law or statute of the United States, or any state thereof;
- J. A petition under any part of the federal bankruptcy laws, or an action under any present or future solvency law or statute is filed against Tenant and is not dismissed with sixty (60) days;
- K. By or pursuant to, or under authority of, any legislative act, resolution or rule, order or decree of any court, governmental board, agency or officer having jurisdiction, a receiver, trustee or liquidator takes possession or control of all or substantially all of the property of Tenant, and such possession or control continues in effect for a period of sixty (60) days;

- L. Cessation or deterioration of service for any period which, in the opinion of the Authority, materially and adversely affects the operation of service required to be performed by Tenant under this Lease, which is not corrected within thirty (30) days of notice from the Authority;
  - M. Any lien is filed against the Leased Area because of any act or omission of Tenant and such lien is not removed, enjoined or a bond for satisfaction of such lien is not posted within thirty (30) days; or
  - N. Tenant voluntarily abandons, deserts, vacates, or discontinues its operation of the business herein authorized.
- 14.2 Nothing in this Article shall require Tenant to observe or conform to any governmental authority's requirements to pay any tax, lien, claim, charge, or demand so long as the validity or enforceability thereof is contested in good faith and to the extent appropriate, unless in the Authority's judgment the performance of Tenant's obligations is being materially and adversely affected thereby.
- 14.3 No acceptance by the Authority of the rentals or other payments specified herein, in whole or in part, and for any period of periods, after a default of any of the terms, covenants, and conditions to be performed, kept or observed by Tenant, other than the default in the payment thereof, shall be deemed a waiver of any right on the part of the Authority to cancel or terminate this Lease on account of such default.
- 14.4 No waiver by the Authority at any time of any default on the part of the Tenant in the performance of any of the terms, covenants, or conditions hereof to be performed, kept, or observed by Tenant shall be or be construed to be a waiver at any time thereafter by the Authority of any other or subsequent default in performance of any of said terms, covenants, or conditions, and no notice by the Authority shall be required to restore or revive time as of the essence hereof after waiver by the Authority of default in one or more instances.
- 14.5 The Authority shall, as an additional remedy, upon the giving of written notice of cancellation or termination as above provided, have the right to re-enter the premises and every part thereof on the effective date of cancellation or termination without further notice of any kind, remove any and all persons therefrom and may regain and resume possession either with or without the institution of summary or legal proceedings or otherwise. Such re-entry, however, shall not in any manner affect, alter, or diminish any of the obligations of Tenant under this Lease.
- 14.6 The Authority, upon termination or cancellation of this Lease, or upon reentry, regaining, or resumption of possession of the Leased Area, may occupy said premises and shall have the right to permit any person, firm, or corporation to enter upon the Leased Area and use the same. Such occupation by others may be of only a part of the Leased Area, or the whole thereof or a part thereof together with other space, and for a period of time the same as or different from the balance of the term remaining hereunder, and on terms

and conditions the same as or different from those set forth in this Lease. The Authority shall also have the right to repair or to make such structural or other changes in the Leased Area as are necessary in its judgment to maintain the suitability thereof for uses and purposes similar to those granted under this Lease without affecting, altering, or diminishing the obligations of the Tenant hereunder.

- 14.7 In the event this Lease is terminated or canceled by the Authority, or in the event the Authority re-enters, regains, or resumes possession of the premises, all of the obligations of Tenant hereunder shall survive and shall remain in full force and effect for the full term of this Lease. And, subject to the Authority's obligation to mitigate damages, the amount or amounts of rental charges shall become due and payable to the Authority to the same extent, at the same time or times and in the same manner as if no termination, cancellation, re-entry, regaining, or resumption of possession had taken place. The Authority may maintain separate actions each month to recover any monies then due, or at its option and at any time, may sue to recover the full deficiency.

#### **ARTICLE XV: GENERAL PROVISIONS**

- 15.1 Nondiscrimination - The Tenant, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree: (1) that no person, on the grounds of race, color, creed, political ideas, sex, age, or physical or mental handicap, shall be excluded from participation, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements and the furnishing of services, no person on the grounds of race, color, creed, political ideas, sex, age, or physical or mental handicaps, shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (3) that the Tenant shall use the Leased Areas in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended; (4) that should the Authority provide handicapped accessible ingress and egress in specific locations, Tenant shall not block or close or otherwise cause the access way to be nonfunctional without providing an alternative means of access approved in writing by the Authority.

Noncompliance shall constitute a material breach hereof, and in the event of such noncompliance, within a reasonable period, the Authority shall have the right to terminate this Lease.

- 15.2 Federal Aviation Act, Section 308 - Nothing herein contained shall be deemed to grant the Tenant any exclusive right or privilege within the meaning of Section 308 of the Federal Aviation Act or the conduct of any activity on the Airport, except that, subject to the terms and conditions hereof, the Tenant shall have the right to possess the Leased Area under the provisions of this Lease.

- 15.3 Subordination to Agreements with the United States Government - This Lease is subject and subordinate to the provisions of any agreement heretofore or hereafter made between the Authority and the United States Government, relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of federal rights or property to the Authority for Airport purposes, or the expenditure of federal funds for the improvement or development of the Airport, including the expenditure of federal funds for the development of the Airport in accordance with the provisions of the Federal Aviation Act of 1958, as it has been amended from time to time. The Authority covenants that it has no existing agreements with the United States Government in conflict with the express provisions hereof.
- 15.4 Nonwaiver of Rights - No waiver of default by either party of any of the terms, covenants, and conditions hereof to be performed, kept, and observed by the other party shall be construed as, or shall operate as, a waiver of any subsequent default of any of the terms, covenants, or conditions herein contained, to be performed, kept, and observed by the other party.
- 15.5 Notices - Notices required herein may be given by registered or certified mail by depositing the same in the United States mail in the continental United States, postage prepaid. Any such notice so mailed shall be presumed to have been received by the addressee seventy-two (72) hours after deposit of same in the mail. Either party shall have the right, by giving written notice to the other, to change the address at which its notices are to be received. Until any such change is made, notices to Authority shall be delivered as follows:

Chief Executive Officer  
Albany International Airport  
Administration Building, Suite 200  
Albany, NY 12211-1057

Notices to Tenant shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, addressed to Tenant at the following address:

Red Hawk Fire & Security, LLC  
Attn:  
Boca Center Tower II  
5100 Town Center Circle  
Suite 350  
Boca Raton, FL 33486

- 15.6 Captions - The headings of the several articles of this Lease are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or intent of any provisions of this Lease and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.
- 15.7 Severability - If one or more clauses, section, or provisions of this Lease shall be held to be unlawful, invalid, or unenforceable, it is agreed that the remainder of the Lease shall

not be affected thereby.

- 15.8 Waiver of Claims - The Tenant hereby waives any claim against the Authority and its officers, or employees for loss of anticipated profits caused by any suit or proceedings directly or indirectly attacking the validity of this Lease or any part thereof, or by any judgment or award in any suit proceeding declaring this Lease null, void or voidable, or delaying the same or any part hereof, from being carried out.
- 15.9 Right to Develop Airport - It is further covenanted and agreed that the Authority reserves the right to further develop or improve the Airport and all landing areas and taxiways as it may see fit, regardless of the desires or views of the Tenant and without interference or hindrance.
- 15.10 Incorporation of Exhibits - All exhibits referred to in this Lease are intended to be and hereby are specifically made a part of this Lease.
- 15.11 Incorporation of Required Provision - The parties incorporate herein by this reference all provisions lawfully required to be contained herein by any governmental body or agency.
- 15.12 Non-liability of Agents or Employees - No member, officer, agent, director, or employee of the Authority shall be charged personally or held contractually liable by or to the other party under term or provisions of this Lease or because of any breach thereof or because of its or their execution or attempted execution.
- 15.13 Successors and Assigns Bound - This Lease shall be binding upon and inure to the benefit of the successors and assignees of the parties hereto where permitted by this Lease.
- 15.14 Right to Amend - In the event that the Federal Aviation Administration or its successors requires modifications or changes in this Lease Airport, or otherwise, the Tenant agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements of this Lease as may be reasonably required.
- 15.15 Time of Essence - Time is expressed to be of the essence in this Lease.
- 15.16 Gender - Words of any gender used in this lease shall be held and construed to include any other gender and words in the singular number shall be held to include the plural, unless the context otherwise requires.
- 15.17 Force Majeure - Neither party hereto shall be liable to the other for any failure, delay or interruption in the performance of any of the terms, covenants or conditions of this Lease due to causes beyond the control of that party including, without limitation, strikes, boycotts, labor disputes, embargoes, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellion, sabotage or any other circumstance for which such party is not responsible or which is not in its own power to control.

15.18 Broker – The Tenant warrants to the Authority that the Tenant was represented by CBRE-Albany, Great Oaks Blvd. Suite 114, Albany, NY 12203. Brokerage fees are limited to five percent (5%) of rental payments for the initial five year period and are payable by the Authority. Any additional brokerage fees are payable by Tenant and Tenant indemnifies, holds the Authority harmless and agrees to defend the Authority for and against and claims for such brokerage fees.

#### **ARTICLE XVI: ENTIRE LEASE**

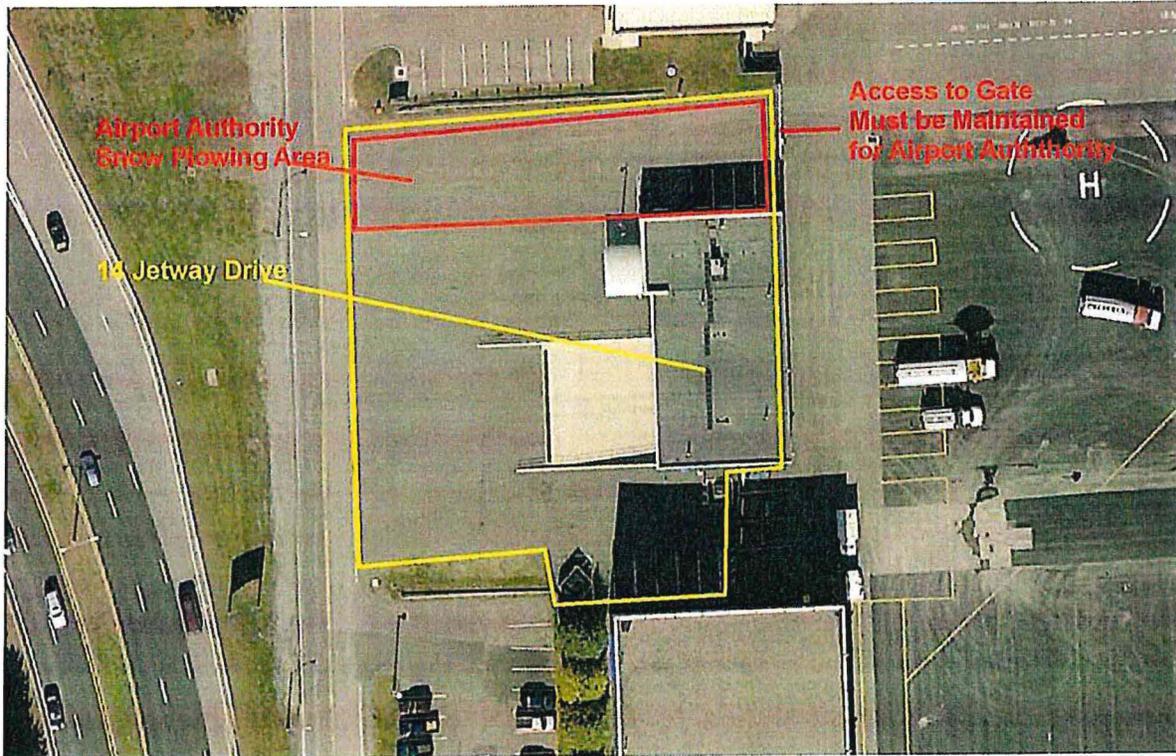
- 16.1 This Lease represents the entire and integrated Lease between the Authority and the Tenant and supersedes all prior negotiations, representations and agreements, either written or oral. This Lease may be amended only by written instrument signed by both the Authority and the Tenant.
- 16.2 Nothing in this Lease shall be deemed or construed to give any third party any claim or right of action against the Authority or the Tenant which does not otherwise exist without regard to this Lease.



**EXHIBIT "A"**

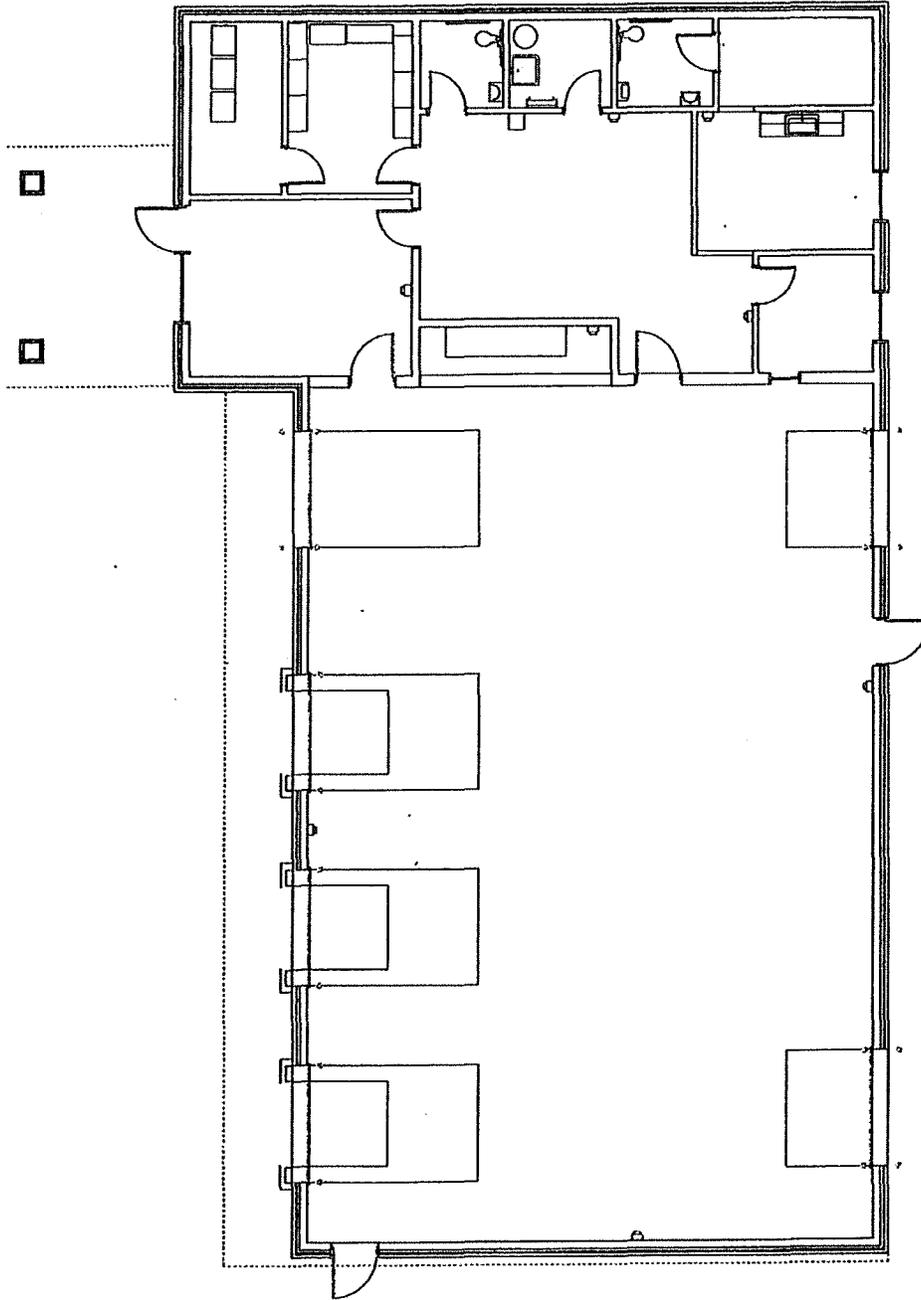
**LEASED AREA**

**(See Attached Site Map and Floor Plan)**



**EXHIBIT "A" CONTINUED**

**LEASED AREA**



## **EXHIBIT "B"**

### **Authority Work**

AUTHORITY will perform the following work in accordance with municipal codes:

#### **AUTHORITY BUILDING WORK:**

1. Construct an exterior windbreak/vestibule at the main entrance of the building as agreed between AUTHORITY and Tenant.
2. Secure the upper cabinet in the kitchen and remove the temporary wood braces that appear to be holding up the cabinet.
3. Better secure/seal the overhead doors, to eliminate the gap at the bottom of the doors, to prevent outside air from entering.
4. Ensure all light lenses are clean and all bulbs are working throughout the Leased Premises.
5. Ensure all plumbing, electrical, heating & cooling fixtures are in good working order throughout the Leased Premises.
6. Ensure all doors, windows, overhead doors (both grade and loading dock height) are in good working order.
7. Replace any damaged or stained ceiling tiles throughout the Leased Premises.

#### **AUTHORITY INTERIOR WORK:**

1. Remove one (1) wall as agreed between AUTHORITY and Tenant.
2. Remove the water fountain and cap the plumbing.
3. Replace the bright blue Formica in kitchen (both on the sink counter and the window sill) with "Red Hawk Red" color to be chosen by Tenant.
4. Entire office premises (including block walls, doors and hollow metal door frames ) will be painted with 2 coats latex paint, eggshell finish, a neutral color to be chosen by Tenant.
5. The left-side wall in the reception area will be painted as an accent wall in "Red Hawk Red", color to be chosen by Tenant.
6. Other than the file rooms, restrooms, mechanical room and Kitchen area, the entire office premises will be carpeted with a minimum of a 28 oz. commercial grade, glued-down application of Cambridge or equal. 4" High vinyl cove base to be installed with carpet. Colors chosen by Tenant.
7. Vinyl composition tile ("VCT") flooring to remain will be stripped and polished in accordance with manufacturer's recommendations. These areas include the bathrooms, mechanical room, kitchen and file areas.

#### **TENANT WORK:**

1. All signage will have prior, written approval and all costs associated with will be borne by Tenant.
2. Security alarm system.
3. All voice and data wiring.

**EXHIBIT "C"**  
**EAM and CAM Services**

14 Jetway Drive  
Albany International Airport

**Exclusive Area Maintenance includes:**

- Lawn mowing and gardening of property immediately around building
- HVAC, plumbing and electrical repairs
- Exterior building maintenance
- Fire suppression system
- Building alarm and security systems with 24 hour Airport Emergency Response
- Maintenance of telecommunication systems
- Twice per year window washing
- Building property insurance
- Property taxes
- Periodic maintenance upon renewals-paint, carpet, other miscellaneous refreshments of space
- Snow removal

**Common Area Maintenance includes:**

- Maintenance of access roads
- Located next to Airport Fire and Emergency Rescue Department and near Terminal and airfield comprising a nearly highly protected structure with continuance access maintained through all weather conditions
- Lawn mowing and gardening of surrounding property
- Snow removal
- Airport-wide telecommunication systems
- Allocation of insurance for General Liability and Pollution Insurance

**AGENDA ITEM NO. 10.2**

**Purchase Order: Purchase & Install of  
carpeting at Million Air Facility**

AGENDA ITEM NO: 10.2  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:** *Finance*

ACAA Approved  
03/18/2019

Contact Person: *John O'Donnell, Chief Executive Officer,  
William J. O'Reilly, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Purchase Order: Purchase & Install of carpeting at Million Air Facility.

**CONTRACT AMOUNT:**

Labor: \$ 24,060.00

Materials: \$ 59,215.86

Total for Labor & Materials: \$ 83,275.86

**BUDGET INFORMATION:**

Anticipated in Current ALB Capital Plan: Yes  No  NA

Funding Account No.: CPN 2272

\* May be reimbursed from Available Bond Proceeds

**FISCAL IMPACT - FUNDING (Dollars or Percentages)**

Federal  State  Airport  NA

**JUSTIFICATION:**

*Authorization is requested to purchase and install new carpet at the Million Air Facility. The current carpet is over 10 years old and showing wear. The carpet is under NYS Contract pricing; Shaw Carpet purchased through the authorized dealer; Flooring Environment. The lowest proposed installation quote was received from Flooring Environment. This project is included in the scope of improvements for FBO Hangar 4 Improvements included in Series 2018B bond proceeds.*

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

**PROCUREMENT DEPARTMENT APPROVAL:**

*Procurement complies with Authority Procurement Guidelines and Chief Financial Officer has approved. YES  NA*

AGENDA ITEM NO: 10.2  
MEETING DATE: March 18, 2019

**FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES  NA**

**BACK-UP MATERIAL:**

*Quotes received.*  
*NYS Contract Information*

Million Air Carpet

Labor: Flooring Env. \$ 24,060.

Broadway \$ 26,960.

Rayben no show/no quote

Materials: Flooring Env. State Contract Pricing

Flooring Env. \$ 59,215.86

ProSource \$ 78,578.66

1 st Floor \$ 48,190.00

2 nd Floor \$ 30,387.99

# FLOORING Environment

200 Fillpoint Drive  
 Mechanicville, NY 12118  
 Ph: 518.383.5510 Fax:518.383.4740  
 Woman-Owned Business Enterprise

Attn: **SAM BOSCHELLI**  
 From: **TIM WILBER**  
 Estimator:  
 Admin:  
 Revision #:

## Proposal

52000.61  
 BMO

Date: 2/7/2019 Bid Due Date: 2/7/2019  
 Plan Date: Addendum:

LABOR ONLY

To  
 ALBANY COUNTY AIRPORT AUTHORITY  
 ALBANY INTERNATIONAL AIRPORT  
 ADMINISTRATION BLDG SUITE 200  
 ALBANY, NY 12211-1087  
 Phone: (518) 378-5965-  
 Fax: (518) 242-2618-

Project  
 MILLIONAIRE—LABOR  
 ALBANY AIRPORT  
 ALBANY SHAKER ROAD  
 ALBANY, NY 12205

### PROPOSAL TO

			Quantity	Unit	Price	Line Total
<b>1 LABOR ONLY—CPT 2 -</b>	SHAW COMMERCIAL CARPETS FAULT BROADLOOM 6'X6' PATTERN	ALABASTER GOLD 20111	576.00	SY	8.750	5,040.00
<b>2 LABOR ONLY—CPT 2 -</b>	SHAW COMMERCIAL CARPETS ERASE	GESSO 13111	636.00	SY	8.750	5,565.00
<b>3 LABOR ONLY—LVT 1 -</b>	SHAW COMMERCIAL CARPETS SOLITUDE LVT	COTTONWOOD 48120	1,360.00	SF	2.000	2,720.00
<b>4 LABOR ONLY—WALL BASE -</b>	JOHNSONITE® COVE BASE-VINYL 4" X 1/8" X 48"	GREY 48	1,440.00	LF	2.000	2,880.00
<b>5 LABOR ONLY—TRANSITIONS -</b>	JOHNSONITE® CTA-XX-A	GREY 48	108.00	LF	2.510	271.08
<b>6 FLOOR PREP -</b>	ARDEX® FEATHER FINISH	N/A	12,000.00	SF	0.200	2,402.92
<b>7 MISC CHARGES—FURNITURE MOVING -</b>	FLOORING ENVIRONMENT, INC. N/A	N	12.00	EA	88.000	1,056.00
<b>8 DEMO &amp; DISPOSAL OF EXISTING CARPET -</b>	FLOORING ENVIRONMENT, INC. N/A	N	1,100.00	SY	3.750	4,125.00

**TOTAL (THESE LINE ITEMS TAX EXEMPT) \$24,060.00**

## WOMAN OWNED BUSINESS ENTERPRISE

- Unless specifically included in this proposal: excludes floor preparation, leveling or repair; removal of existing flooring or adhesive, buffing, waxing or floor protection, moving or lifting furniture. Excludes labor premiums for evening or weekend work. Flooring Environment is not responsible for any claims that might result from product delivery date changes beyond their control. This proposal is valid for forty-five (45) days. Full payment is due ten (10) days from receipt of invoice unless otherwise specified.

**WARRANTY DOES NOT INCLUDE ANY MOISTURE RELATED SUBFLOOR FAILURES**



CARPET & LINOLEUM



1142 BATTER ST.

PATTERSONVILLE, N.Y. 12137

518 864-5053 FAX 518 864-5058

BROADWAYCARPET620@YAHOO.COM

RPOTTER@YAHOO.COM

SOLD TO Albany Airport

ADDRESS Shaker Rd.

CITY & STATE Colonie NY ZIP

P.O. NUMBER

DATE 2/5/19

BUILDER'S PHONE

CUSTOMER PHONE 518 378 5965

CUSTOMER WORKPHONE

CONTACT SAM

JOB SITE ADDRESS Million Ave

INSTALLATION DATE

SIZE	SQ. YD.	PAD	AREA	DESCRIPTION	COLOR	OFFICE	PRICE	AMOUNT
	1108			Installation of Customers Carpet				
				Rip up old Carpet and Dispose of.				
				Use Customers Dumpster.				
				Installation of customers LiVet to main walk Area and upstairs Hall 12x8.				
				Prevailing wage				26960

SPECIAL INSTRUCTIONS: Labor Only TAX

TOTAL CASH PRICE

DOWN PAYMENT  CASH  OTHER

UNPAID BALANCE OF CASH PRICE

SALESMAN

WRITTEN BY Rick Potter

PAYMENT TERMS: C.O.D. \$ 26,960<sup>00</sup>

SERVICE CHARGE 1 3/4% will be added to unpaid new balance 30 days after installation and additional 1 3/4% will be added each 30 days thereafter

5184615696

No. 000315 Labor only

WORD FROM YOUR SALESMAN

YOU ARE ABOUT TO HAVE CARPETING/VINYL INSTALLED. BEAUTY, PRIDE & COMFORT ARE ABOUT TO BE YOURS - AT LEAST THAT IS OUR INTENTION. SO THAT THIS ACQUISITION MAY BE AN UNSPOILED PLEASURE, WE ARE PROVIDING YOU WITH THIS MEMORANDUM OF WHAT TO EXPECT & WHAT TO DO TO MAKE READY FOR THIS HAPPY EVENT. REMEMBER THAT WE WANT YOU TO BE PLEASD WITH THE MATERIALS & WORKMANSHIP. ALL MERCHANDISE WE SELL IS FIRST QUALITY. ALL LABOR IS DONE ACCORDING TO MANUFACTURERS SPECIFICATIONS & TO YOUR SATISFACTION. IF YOU ARE DISSATISFIED WITH ANY ASPECT OF YOUR JOB, CALL US.

FURNITURE & VALUABLES IF POSSIBLE, ALL FURNITURE, TV & APPLIANCES SHOULD BE REMOVED. IF NOT POSSIBLE, THE FOLLOWING SHOULD BE DONE: 1. REMOVE ALL VALUABLES, LAMPS, PLANTS, NIC-NACS, ETC. 2. REMOVE ALL DISHES & CRYSTALS FROM HUTCH CABINETS. 3. REMOVE PERFUMES & COSMETICS FROM DRESSER TOPS. 4. STRIP BED LINENS IF BEDROOM IS BEING CARPETED. 5. REMOVE SMALLER ITEMS OF FURNITURE TO NON-CARPETED AREAS. 6. A SLIGHT CHARGE WILL BE MADE FOR MOVING PIANOS, ORGANS, POOL TABLES, ETC. IF WE DO MOVE ITEMS FOR YOU WE UNFORTUNATELY CANNOT ACCEPT RESPONSIBILITY FOR DAMAGE.

DOORS WHEN CARPETING/VINYL IS BEING INSTALLED FOR THE FIRST TIME, THERE IS ALWAYS THE POSSIBILITY THAT THE DOORS, ESPECIALLY TO CLOSETS, CELLAR STAIRS, & BEDROOM SLIDING DOORS, MAY NOT CLEAR & SWING FREE. WE WILL REMOVE THE DOORS IN ORDER TO ACCOMMODATE YOU ON THIS, BUT IT IS A JOB FOR A TRAINED CARPENTER, NOT A FLOORING MECHANIC. THIS IS FOR YOUR PROTECTION AS WELL, AS OUR OWN. WE CAN PROVIDE THE NAME & PHONE NUMBER OF A DOOR CUTTING SERVICE UPON REQUEST.

MOULDING-WE DO NOT REMOVE MOULDING IN MOST INSTANCES QUARTER ROUND MOULDING SHOULD BE REMOVED FOR A BETTER INSTALLATION. IF IN DOUBT, CHECK WITH YOUR SALESMAN. ON CARPET GLUE DOWN INSTALLATIONS QUARTER ROUND MOULDING MUST BE REMOVED.

REMOVAL OF OLD CARPET & PADDING REMOVING OLD CARPET CAN RUN INTO CONSIDERABLE TIME. WE ARE HAPPY TO ACCOMMODATE, BUT A CHARGE WILL BE MADE. WE SUGGEST THAT THIS BE DONE A DAY AHEAD OF TIME BY MEMBERS OF THE FAMILY TO ALLOW CLEANING OF FLOORS & TO SAVE THE ADDITIONAL COST.

KITCHEN INSTALLATIONS ALL APPLIANCES MUST BE DISCONNECTED. AT YOUR REQUEST WE WILL MOVE DISCONNECTED APPLIANCES FOR A SLIGHT CHARGE. NOT RESPONSIBLE IF OUR COMPANY DOES MOVE APPLIANCES.

CANCELLATION OF ORDER SHOULD CIRCUMSTANCES CAUSE THE CANCELLATION OR RESELECTION OF MATERIAL, AFTER 72 HOURS, A CANCELLATION CHARGE OF 35% OF THE SELLING PRICE OF THE MATERIAL WILL BE CHARGED. SUCH A CHARGE WILL BE DEDUCTED FROM THE DEPOSIT PRIOR TO ANY REFUND BEING MADE.

BATHROOM FLOORS WE DO NOT REMOVE TOILET BOWL.

SIGNED

**FLOORING Environment**

200 Fillpoint Drive  
 Mechanicville, NY 12118  
 Ph: 518.383.5510 Fax:518.383.4740  
 Woman-Owned Business Enterprise

Attn: **SAM BOSCHELLI**  
 From: **TIM WILBER**  
 Estimator:  
 Admin:  
 Revision #:  
 Date: 2/7/2019 Bid Due Date: 12/27/2018  
 Plan Date: Addendum :

52060.61  
 OMS

<u>To</u>	<u>Project</u>
ALBANY COUNTY AIRPORT AUTHORITY ALBANY INTERNATIONAL AIRPORT ADMINISTRATION BLDG SUITE 200 ALBANY, NY 12211-1087 Phone: (518) 378-5965- Fax: (518) 242-2618-	MILLIONAIRE---MATERIAL ALBANY AIRPORT ALBANY SHAKER ROAD ALBANY, NY 12205

**PROPOSAL TO FURNISH MATERIAL ON THE NYS CONTRACT PC #67778**

		Quantity	Unit	Price	Line Total
<b>1 FURNISH MATERIAL ONLY -</b>					
SHAW COMMERCIAL CARPETS	ALABASTER GOLD	576.00	SY	64.150	36,950.40
FAULT BROADLOOM 6'X6' PATTERN	20111				
<b>2 FURNISH MATERIAL ONLY -</b>					
SHAW COMMERCIAL CARPETS	GISSO	636.00	SY	21.170	13,464.12
ERASE	13111				
<b>3 FURNISH MATERIAL ONLY -</b>					
SHAW COMMERCIAL CARPETS	COTTONWOOD	1,360.00	SF	3.480	4,732.80
SOLITUDE LVT	48120				
<b>4 FURNISH MATERIAL ONLY--CPT ADH -</b>					
SHAW COMMERCIAL CARPETS	NA	30.00	EA	40.390	1,211.70
ADHESIVE H-1200 MULTI PURPOSE					
<b>5 FURNISH MATERIAL ONLY -</b>					
SHAW COMMERCIAL CARPETS	NA	2.00	EA	197.920	395.84
ADHESIVE--9150R PRESSURE SENSITIVE (LVT)					
<b>6 FREIGHT--CARPET -</b>					
SHAW COMMERCIAL CARPETS	NA	1,212.00	SY	1.750	2,121.00
FREIGHT					
<b>7 FREIGHT--LVT -</b>					
SHAW HARD SURFACE	NA	1,360.00	SF	0.250	340.00
FREIGHT					

**TOTAL (THESE LINE ITEMS TAX EXEMPT) \$59,215.86**

**WOMAN OWNED BUSINESS ENTERPRISE**

- Unless specifically included in this proposal: excludes floor preparation, leveling or repair; removal of existing flooring or adhesive, buffing, waxing or floor protection, moving or lifting furniture. Excludes labor premiums for evening or weekend work. Flooring Environment is not responsible for any claims that might result from product delivery date changes beyond their control. This proposal is valid for forty-five (45) days. Full payment is due ten (10) days from receipt of invoice unless otherwise specified.  
**WARRANTY DOES NOT INCLUDE ANY MOISTURE RELATED SUBFLOOR FAILURES**



PROSOURCE OF ALBANY  
 110 RAILROAD AVENUE  
 ALBANY, NY 12205  
 Telephone: 518-437-0000

ES705015

**ESTIMATE**

Sold To	Ship To
STACEY SABIANI INTERIOR STYLING & DESIGN 10 STONELEDGE DRIVE #11 Home: 5183007793 Business: 5183007793	<i>First Floor</i>

Order Date	Purchase Order	Order Number
10/11/17	MILLION AIR-	ES705015

Style/Item	Color/Description	Size	Quantity	Units	Price	Total
ERASE	GISSO	12X265	3,180.00	SF	3.56	11,320.80
HALLWAY OFF GALLERY, BEHIND OPERATIONS/RECEPTION AND PILOTS LOUNGE AREA						
VINYL PLANK 48120	COLOR COTTONWOOD	-----	1,600.00	SF	3.69	5,904.00
GALLERY-1ST FLOOR ONLY - INSTALLED HERRINGBONE 80 cartons at 20/sf per carton						
FAULT 5A221	ALABASTER GOLD-20111	12X260	3,120.00	SF	8.22	25,646.40
FIRST FLOOR ONLY - LOUNGE AND OPERATIONS/RECEPTION						
VINYL PLANK ADHESIVE	4-GAL	-----	4.00	EA	175.00	700.00
Approximately 700sf coverage per 4-gal pail						
CARPET BROADLOOM ADHESIVE	4-GAL	-----	21.00	EA	49.99	1,049.79
COVERAGE IS APPROXIMATELY 300SF PER 4-GAL PAIL						

Sign up for a FREE myProSource account today to organize designs, view estimates, and collaborate on your project. Visit [www.prosourcewholesale.com](http://www.prosourcewholesale.com)

- 11/16/17 -		10:57AM -
Sales Representative(s):	Material:	44,620.99
SUE KIRSCH	Service:	0.00
	Misc. Charges:	0.00
	Sales Tax:	3,569.68
	Misc. Tax:	0.00

HOMEOWNERS: 12 month no interest financing is available for your project!

MEMBERS: Apply for a ProSource credit account and enjoy generous payment terms on all of your purchases!

**QUOTE TOTAL:** \$48,190.67

30 387.99

*1st fl.*  
*2nd fl.*  
 \$ 78,578.66



PROSOURCE OF ALBANY  
 110 RAILROAD AVENUE  
 ALBANY, NY 12205  
 Telephone: 518-437-0000

ES705386

**ESTIMATE**

Sold To	Ship To
SABIANI, STACEY 10 STONELEDGE DRIVE #11 TROY, NY 12182 Home: 5183007793 Business: 5183007793	2 <sup>nd</sup> FLOOR

Order Date	Purchase Order	Order Number
11/03/17	MILLION AIR-2ND FLOOR ONLY	ES705386

Style/Item	Color/Description	Size	Quantity	Units	Price	Total
ERASE	GEDSO	12X242	2,904.00	SF	3.56	10,338.24
MEZZANINE LEVEL PLUS STAIRS AND LANDING						
VINYL PLANK 48120	COLOR COTTONWOOD	-----	760.00	SF	3.69	2,804.40
FUTURE VIP ROOM AND CATWALK- 2ND FLOOR ONLY - INSTALLED HERRINGBONE 38 cartons at 20/sf per carton						
FAULT 5A221	ALABASTER GOLD-20111	12X139	1,668.00	SF	8.39	13,994.52
2ND FLOOR-CONFERENCE ROOM AND GENERAL MANAGER'S OFFICE						
VINYL PLANK ADHESIVE	4-GAL	-----	2.00	EA	175.00	350.00
Approximately 700sf coverage per 4-gal pail						
CARPET BROADLOOM ADHESIVE	4-GAL	-----	13.00	EA	49.99	649.87
COVERAGE IS APPROXIMATELY 300SF PER 4-GAL PAIL						

Sign up for a FREE myProSource account today to organize designs, view estimates, and collaborate on your project. Visit [www.prosourcewholesale.com](http://www.prosourcewholesale.com)

12/10/18	4:02PM
Sales Representative(s):	Material: 28,137.03
SUE KIRSCH	Service: 0.00
	Misc. Charges: 0.00
	Sales Tax: 2,250.96
	Misc. Tax: 0.00

HOMEOWNERS: 12 month no interest financing is available for your project!

MEMBERS: Apply for a ProSource credit account and enjoy generous payment terms on all of your purchases!

**QUOTE TOTAL: \$30,387.99**

**Group: 20600, Award: 23063 Floor Coverings  
New York State Certified M/WBE Dealer List**

Contractor Name(s)	Dealer Company Name	Address	City & Zip Code	NYS Certified M/WBE	Company Phone #	Contact Name & Email	Fax #	NYS Vendor ID #	FEIN #
Mohawk	Decorator's Choice of Hornwell, Inc.	37 Seneca St.	Hornell 14843	WBE	(607) 324-6001	Maureen Broughton decochoice@verizon.net		1100012476	16-1352285
Bentley Mills, Interface, Mannington, Mohawk, Shaw and Tandus Centiva and The Dixie Group Inc. dba Masland Contract	Flooring Environment Inc.	200 Fill Point Dr.	Mechanicville 12118	WBE	(518) 383-5510	Martha Tyler mtyler@flooringenv.com	(518) 383-4740	1000008579	20-1919012
The Dixie Group Inc. dba Masland Contract	FM Office Express	106 Despach Drive, Suite 2	East Rochester 14445	MBE	(585) 238-2875	Fabricio Morales fmorales@fmop.com	Fabricio Morales	1000008256	16-1478699
Mohawk, Shaw, Tandus Centiva and The Dixie Group Inc. dba Masland Contract	Gato Flooring LLC	54 Franklin Square, Suite A	Utica 13502	WBE	(315) 790-5508	Sofia Gato sofiagato@gatoflooring.com	(315) 790-5516	1100092843	45-4444566
Bentley Mills, Interface, Mannington, Mohawk, Tandus and Shaw	GP Flooring Solutions (Formerly GP Land & Carpet Corp)	5905 Lake Road South	Brockport 14420	WBE	(585) 637-2828	Abby Reinhard abby@gpflooringsolutions.com	(585) 637-4434	1000008516	16-6330058
Mannington, Mohawk, Shaw, Tandus Centiva, and The Dixie Group Inc. dba Masland Contract	Interior Solutions of WNY LLC	472 Franklin Street	Buffalo, NY 14202	WBE	(716) 583-7637	Jan Malof jmalof@is-wny.com Jackie Flynn jflynn@is-wny.com	(716) 884-0894	1100044729	11-3774585
Interface and Shaw	JFD Sales Consulting Services Corp	11-12 44th Drive	Long Island City 11101	MBE	718-729-5222	Juan Corchado jcorchado@jfdsales.com		1000006509	13-3966283
Bentley Mills, Interface, Mannington, Mohawk, Shaw and The Dixie Group Inc. dba Masland Contract	Karen A. Davis dba D&D Floorcovering	18980 State Route 22	Petersburg 12138	WBE	(518) 658-0298	Karen Davis ddfloorcovering98@yahoo.com	(518) 658-0034	1100046324	27-3542190
Bentley Mills, Interface, Mannington, Mohawk and Tandus Centiva	Maiya Greenfield dba Greenfield Flooring LLC	235 Middle Road, Suite 100	Henrietta 14467	WBE	(585) 444-0105	Matt Greenfield mgreenfield@greenfieldflooring.com	(518) 444-0131	1100120199	050746994
Tandus Centiva and The Dixie Group Inc. dba Masland Contract	Maya Carpet Co., Inc.	303 Fifth Avenue, Suite 412	New York 10016	MBE	(212) 759-0022	Kazuho Hojo HOJO@MAYACARPET.COM	(212) 317-9718	11001226059	13-2828532
Mannington, Tandus Centiva and The Dixie Group Inc. dba Masland Contract	Oliver's Flooring Inc	PO BOX 102	Northville 12134	WBE	(518) 356-4297	Bob Oliver roliver18@nycap.rr.com	(518) 355-4542	1000018900	26-4729593
Interface	Pisos Contracting Inc	1055 Bronx River Ave	Bronx 10472	MBE	(718) 499-7474	Jerson Diaz pisosconstruction@gmail.com	(718) 292-2462	1100092088	20-3327668
Bentley Mills, Interface, Mannington, Mohawk, Shaw, Tandus Centiva and The Dixie Group Inc. dba Masland Contract	Pro Carpet Inc.	5580 Ridge Road West	Spencerport 14559	WBE	(585) 352-5905	Lou Mandell lmandelljr@procarpetinc.com	(585) 352-1843	1000008228	16-1459440
Interface, Mohawk, Mannington, Shaw Tandus Centiva and The Dixie Group Inc. dba Masland Contract	R V P Flooring	35 Commerce Drive	Carmel 10512	WBE	(845) 878-7787	Michael Aversano maversano@rvpflooring.com	(845) 878-7786	1100024718	26-0149267
Mohawk, Shaw, Tandus Centiva and The Dixie Group Inc. dba Masland Contract	Rayben Enterprises Inc. dba Green Facility Solution	31 Railroad Avenue	Albany 12205	MBE	(518) 426-7643 Ext 7	Raymond Walker rwalker@gfs31.com	(518) 426-7693	1000055003	14-1645987
Shaw	Right Price Companies Inc	304 E. Onondaga St. Suite B	Syracuse 13039	MWBE	315-701-2380	Darin Price dprice@rightpricecompanies.com		1100017204	20-1275007

Updated 8/10/18

**AGENDA ITEM NO. 10.3**

**Lease: Approval of Amendment of Lease  
No. 96-1007: Sublease between AFCO Cargo  
ALB Limited Partnership and United Parcel  
Services, Inc. at Cargo Facility**

AGENDA ITEM NO: 10.3  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

ACAA Approved  
03/18/2019

**DEPARTMENT:** *Finance/Legal*

Contact Person: *William J. O'Reilly, CFO and Peter Stuto, General Counsel*

**PURPOSE OF REQUEST:**

Lease: *Approval of Amendment of Lease No. 96-1007: Sublease between AFCO Cargo ALB Limited Partnership and United Parcel Services, Inc. at Cargo Facility.*

**CONTRACT AMOUNT:** *\$362,457.36 annually and first year rates.*

**BUDGET INFORMATION:**

Anticipated in Current Budget: Yes  No  NA

**FISCAL IMPACT - FUNDING (Dollars or Percentages)**

Federal  State  Airport  NA

**JUSTIFICATION:**

*Pursuant to Article XI, Paragraph C of the Authority's Air Cargo Facility Agreement, AFCO is required to request approval from the Authority for any leases to tenants of the cargo building.*

*This is an amendment to a sublease between AFCO and United Parcel Services, Inc. at the cargo building for warehouse, aircraft apron, storage, and parking. The Annual Rent is fixed for the first year of the five year term beginning October 23, 2018 and increases by the change in the Consumer Price Index starting on October 23, 2019.*

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

**FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL:** YES  NA

**BACK-UP MATERIAL:** *Please see attached sublease, cover letter and rate summary.*

<b>UPS Renewal 2018</b>			<b>Annual *</b>	<b>Monthly *</b>
	<b>sq. ft.</b>	<b>rate \$</b>	<b>rent \$</b>	<b>rent \$</b>
<b>Warehouse</b>	8,000	14.01	112,080.00	9,340.00
<b>Apron</b>	78,084	2.62	204,580.08	17,048.34
<b>GSE Area</b>	4,799	1.77	8,494.23	707.85
			<b>325,154.31</b>	<b>27,096.19</b>
<b>WHSE CAM</b>	8,000	2.87	22,960.00	1,913.33
<b>APRON CAM</b>	78,084	0.18	14,055.12	1,171.26
<b>GSE Area</b>	4,799	0.06	287.94	24.00
			<b>37,303.06</b>	<b>3,108.59</b>
			<b>362,457.37</b>	<b>30,204.78</b>
<b>SUMMARY</b>				
<b>WHSE</b>			<b>135,040.00</b>	<b>11,253.33</b>
<b>APRON</b>			<b>218,635.20</b>	<b>18,219.60</b>
<b>GSE Area</b>			<b>8,782.17</b>	<b>731.85</b>
			<b>362,457.37</b>	<b>30,204.78</b>

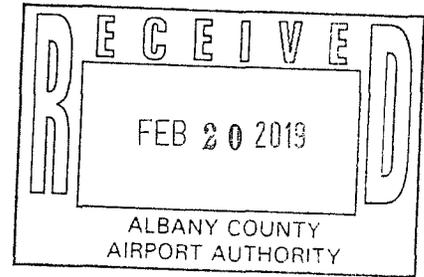
\* amounts may differ from contract due to rounding

The Base Rent shall be increased annually by CPI starting on October 23, 2019

**SENT VIA E-MAIL & USPS**

February 14, 2019

Mr. William J. O'Reilly, CPA, CGFM & CFO  
Albany County Airport Authority  
Administration Building, Suite 204  
737 Albany Shaker Road  
Albany, New York 12211



Re: Air Cargo Facility Agreement, between AFCO Cargo ALB LLC and Albany County Airport Authority (ACAA), dated October 1, 1998 as amended - UPS Third Amendments

Dear Bill,

Enclosed please find six (6) executed Third Amendments for the 5-year extension of the UPS lease that have been signed by UPS and AFCO. Please review and if acceptable, present to ACAA for its execution. Please return four (4) fully executed Third Amendments to me for our files and return to UPS.

Should you have any questions or concerns, please call me at (703) 288-8599. Your assistance in this matter is appreciated.

Sincerely,  
Aviation Facilities Company Management, LLC, As Managing Agent for AFCO Cargo ALB LLC

John H. Garrott, Jr.  
Director - Facilities

Enclosures  
cc: Peter S.

### THIRD AMENDMENT TO LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE (the "Third Amendment") is made and entered into as of the 12<sup>th</sup> day of February 2019, by and between **AFCO Cargo ALB LLC**, a Virginia limited liability company ("Landlord"), and **UNITED PARCEL SERVICE, INC.**, an Ohio corporation ("Tenant").

#### RECITALS:

R-1. Landlord and Tenant entered into a certain Sublease dated October 10, 1997 (the "Lease"), for a term of ten (10) years expiring October 22, 2008, whereby Tenant leased from Landlord the Premises containing approximately 8,000 SF cargo/office located within the AFCO Cargo Building at the Albany County Airport. Tenant also leased approximately 78,320 SF of Reserved Apron and approximately 4,968 SF of Ground Staging Equipment Area.

R-2. By the Form of Commencement Notice dated October 16, 1998, Tenant and Landlord acknowledged that: (1) the Premises had been delivered to, and accepted by Tenant, (2) the Commencement Date was October 23, 1998, (3) the Expiration Date would be October 22, 2008, (4) the Premises consist of 8,000 SF (cargo space of approximately 5,977 SF and office space of approximately 2,023 SF), and (5) Tenant also leased: (a) approximately 78,084 SF of Reserved Apron and (b) approximately 4,799 SF of Ground Staging Equipment Area.

R-3. By the First Amendment to Lease Agreement dated October 17, 2008, Landlord and Tenant amended the Lease to grant Tenant a Five (5) year extension to the term of the Lease expiring on October 22, 2013 and a Renewal Option consisting of two (2) additional Renewal Periods of approximately five (5) years each.

R-4. By the Second Amendment to Lease Agreement dated September 30, 2013, Landlord and Tenant amended the Lease to grant Tenant a five (5) year extension to the term of the Lease expiring on October 22, 2018 and a Renewal Option consisting of one (1) additional Renewal Period of approximately five (5) years.

R-5. By this Third Amendment to Lease Agreement, Landlord and Tenant desire to amend the terms of the Lease to grant Tenant a five (5) year extension to the term of the Lease expiring on October 22, 2023.

R-6. The Lease along with the Form of Commencement Notice, the First Amendment to Lease Agreement, the Second Amendment to Lease Agreement and this Third Amendment to Lease Agreement are hereinafter collectively referred to as the "Lease."

R-7. Landlord under the Lease, AFCO Cargo ALB Limited Partnership, with the consent of Master Landlord, has converted to a Virginia limited liability company known as AFCO Cargo ALB LLC, but may determine to be known under a different name.

NOW, THEREFORE, for and in consideration for the sum of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto, Landlord and Tenant hereby agree to modify the Lease as follows:

1. **Incorporation of Recitals: Defined Terms.** The Recitals are incorporated into this Third Amendment as fully and completely as if they were set forth herein. Any defined terms not expressly defined herein shall have the meaning ascribed to them in the Lease.

2. **ARTICLE I BASIC LEASE INFORMATION AND DEFINITIONS, Section 1.01(H) Expiration Date** is hereby deleted in its entirety and replaced by the following:

October 22, 2023, unless earlier terminated as provided in the Lease.

3. **ARTICLE I BASIC LEASE INFORMATION AND DEFINITIONS, Section 1.01(I) Term** is hereby deleted in its entirety and replaced with the following:

That certain period beginning on the Commencement Date and ending on the Expiration Date, unless earlier terminated as provided in the Lease.

4. **ARTICLE I BASIC LEASE INFORMATION AND DEFINITIONS, Section 1.01(N) Base Rent** is hereby deleted in its entirety and replaced by the following as of October 22, 2018:

The annual Base Rent during the first twelve (12) months of the period starting October 23, 2018 shall be one hundred and twelve thousand and eighty dollars and zero cents (\$112,080.00) (\$9,340.00 per month) computed based on \$14.01 per square foot annually on 8,000 SF cargo/office ( $\$14.01 \times 8,000 \text{ SF} = \$112,080.00$  divided by 12 months = \$9,340.00) and is subject to adjustment per the Lease. The payment of the Tenant's Pro Rata Share of Expenses for Common Area Maintenance (CAM) per Section 11 of the Lease shall be paid as Additional Rent, is estimated to be twenty-two thousand, nine hundred and fifty-nine dollars and ninety-six cents (\$22,959.96) per annum (\$1,913.33 per month) during the first calendar year from October 23, 2018 computed based on \$2.87 per square foot ( $\$2.87 \times 8,000 \text{ SF} = \$22,959.96$  divided by 12 months = \$1,913.33) and is subject to adjustment per the Lease.

*N.B.* Sections 7 and 8 of this Third Amendment detail Additional Rent from the apron space (Tenant's Reserved Area) and from Tenant's Ground Staging Equipment Area. The information shown below summarizes the Additional Rent detailed in Paragraphs 7 and 8 and that Additional Rent has been combined with the Base Rent and Additional Rent as shown above in order to show in one place the estimated Total Rent.

The combination of Base Rent and Additional Rent for CAM for the Premises, and Tenant's Reserved Area and Tenant's Ground Staging Equipment Area is defined as the estimated "Total Rent."

The estimated Total Rent during the first year from October 23, 2018 is estimated to be three hundred and sixty-two thousand, four hundred and fifty-seven dollars and

thirty-six cents (\$362,457.36) per annum (\$30,204.78 per month). The initial estimated Total Monthly Rent starting October 23, 2018 is calculated as follows: cargo/office Base Rent of \$9,340.00 + cargo/office Additional Rent: CAM of \$1,913.33 + Tenant's Reserved Area of \$17,048.34 + Tenant's Reserved Additional Rent: CAM of \$1,171.26 + Tenant's Ground Staging Equipment Area of \$707.85 + Tenant's Ground Staging Equipment Area Additional Rent: CAM \$24.00 = \$30,204.78 per month. The foregoing is due without notice or offset on the first day of each month.

**5. ARTICLE I BASIC LEASE INFORMATION AND DEFINITIONS, Section 1.01(Q)**  
**Landlord's Address for Notice** is hereby deleted in its entirety and replaced by the following:

AFCO Cargo ALB LLC  
c/o Aviation Facilities Company Management, LLC  
P.O. Box 16860  
Washington, DC 20041-6860

For Over-Night Deliveries only (i.e. FedEx or UPS, etc.):

AFCO Cargo ALB LLC  
Aviation Facilities Company Management, LLC  
45025 Aviation Drive, Suite 100  
Dulles, VA 20166

Landlord's Contact Information:

John A. Northcott, Jr.  
Vice President - Facilities  
Aviation Facilities Company Management, LLC  
P.O. Box 16860  
Washington, DC 20041-6860  
Direct Dial: (703) 902-1184  
Fax: (703) 902-2901  
Cell: (703) 926-8874  
E-mail: jnorthcott@aviationfacilities.com

**6. ARTICLE I BASIC LEASE INFORMATION AND DEFINITIONS, Section 1.01(R)**  
**Landlord's Address for Payment** is hereby deleted in its entirety and replaced by the following:

AFCO Cargo ALB LLC  
c/o Aviation Facilities Company Management, LLC  
P.O. Box 16860  
Washington, DC 20041-6860

or

Payments of Rent may be made to Landlord via Automatic Clearing House (ACH) per the following instructions:

Bank Name: TD Bank  
Account Name: AFCO Cargo ALB LLC  
ABA#: 054001725  
Acct#: 4335806117  
Ref: UPS - Rental

If ACH is used, each month Tenant agrees to notify, by e-mail, Kimberly L. Stanley at [kstanley@aviationfacilities.com](mailto:kstanley@aviationfacilities.com) and Natasha Carter at [ncarter@aviationfacilities.com](mailto:ncarter@aviationfacilities.com), and/or such other individual(s) specified by Landlord from time to time by notice to Tenant, when a payment of has been sent via ACH.

**7. ARTICLE I BASIC LEASE INFORMATION AND DEFINITIONS, Section 1.01(V)**  
**Reserved Area** is hereby deleted in its entirety for the purposes of the Third Amendment and replaced by the following:

Those portions of the Apron Area reserved for the priority use of certain tenants of the Project as designated by Landlord from time to time (“Tenant’s Reserved Area”) shall mean the seventy-eight thousand and eighty-four (78,084) square feet of Reserved Area reserved for Tenant’s preferential use pursuant to Section 2.03 of the Lease. The Reserved Area and the Tenant’s Reserved Area are depicted on Exhibit B-2, subject to change in accordance with the terms of the Lease. Rent for Tenant’s Reserved Area shall be at the rate of two dollars and sixty-two cents (\$2.62) per square foot per annum for the first twelve (12) months starting October 23, 2018, *i.e.*, two hundred and four thousand, five hundred and eighty dollars and eight cents (\$204,580.08) per annum, to be paid as Base Rent in equal monthly installments of seventeen thousand and forty-eight dollars and thirty-four cents (\$17,048.34 per month) on the first day of each calendar month. The payment of the Tenant’s Pro Rata Share of Expenses for Tenant’s Reserved Area per Section 11 of the Lease, to be paid as Additional Rent, is estimated to be fourteen thousand and fifty-five dollars and twelve cents (\$14,055.12) per annum (\$1,171.26 per month) during the first calendar year commencing October 23, 2018, for the Tenant’s Reserved Area, computed based on \$0.18 per square foot ( $\$0.18 \times 78,084 \text{ SF} = \$14,055.12$  divided by 12 months = \$1,171.26) and is subject to adjustment per the Lease. The total due for Tenant’s Reserved Area during the first calendar year of the extension is estimated to be two hundred and eighteen thousand and six hundred and thirty-five dollars and twenty cents (\$218,635.20) per annum (\$18,219.60 per month). The foregoing rent (\$2.62/SF/year) shall escalate as, when and in the same proportion as the Base Rent escalates pursuant to Section 4.02 of the Lease as amended by this Third Amendment.

**8. ARTICLE I BASIC LEASE INFORMATION AND DEFINITIONS, Section 1.01(W)**  
**Ground Staging Equipment Area** is hereby deleted in its entirety for the purposes of the Third Amendment and replaced by the following:

Those portions of the Apron Area reserved for the exclusive use of certain tenants of the Project as an equipment staging area as designated by Landlord from time to time.

“Tenant’s Ground Staging Equipment Area” shall mean and refer to that portion of the Ground Staging Equipment Area containing approximately four thousand, seven hundred and ninety-nine (4,799) square feet reserved for Tenant’s exclusive use. The Ground Staging Equipment Area and the Tenant’s Ground Staging Equipment Area are depicted on Exhibit G, subject, however, to change in accordance with the terms of the Lease. Rent for Tenant’s Ground Staging Equipment Area shall be at the rate of one dollar and seventy-seven cents (\$1.77) per square foot per annum, for the first twelve (12) months starting October 23, 2018, *i.e.*, eight thousand, four hundred and ninety-four dollars and twenty cents (\$8,494.20) to be paid as Additional Rent in equal monthly installments of seven hundred and seven dollars and eighty-five cents (\$707.85) on the first day of each calendar month. The payment of the Tenant’s Pro Rata Share of Expenses for Tenant’s Ground Staging Equipment Area per Section 11 of the Lease shall be paid as Additional Rent, is estimated to be two hundred and eighty-eight dollars and zero cents (\$288.00) per annum (\$24.00 per month) during the first calendar year of the extension, for the Tenant’s Ground Staging Equipment Area, computed based on \$0.06 per square foot ( $\$0.06 \times 4,799 \text{ SF} = \$288.00$  divided by 12 months = \$24.00) and is subject to adjustment per the Lease. The Total Additional Rent for Tenant’s Ground Staging Equipment Area during the first calendar year of the extension is estimated to be eight thousand, seven hundred and eighty-two dollars and twenty cents (\$8,782.20) per annum (\$731.85 per month). The foregoing rent (\$1.77/SF/year) shall escalate as, when and in the same proportion as the Base Rent escalates pursuant to Section 4.02 of the Lease as amended by this Third Amendment.

9. **ARTICLE VI – RENT, Section 4.02. Base Rent Escalation** is hereby replaced with the following as of October 23, 2018:

The Base Rent and Additional Rent for each subsequent 12 month period shall be adjusted annually, on October 23<sup>rd</sup> of each year (the “Rent Adjustment Date”) beginning October 23, 2019. The rent adjustment will be based upon the change in the Consumer Price Index (CPI). The CPI adjustment will include any increase but exclude any decrease. The CPI Index is the Consumer Price Index – for All Urban Consumers – Northeast, Not Seasonally Adjusted, All Items (1982-84 = 100) as established by the U. S. Department of Labor, Bureau of Labor Statistics, or similar successor index (the CPI Index). The CPI Index adjustment is computed by multiplying the percentage increase, if any, in the CPI Index for the 12 months ended in the calendar month 3 months immediately preceding the Rent Adjustment Date (July 2019) by the base rental rates or Additional Rent then in effect. The CPI Index adjustment is then added to the base rental rates or Additional Rent last in effect to arrive at the new adjusted base rental rates or Additional Rent to become effective on the Rent Adjustment Date. Each rental adjustment is cumulative and added to any prior rental adjustments.

10. **RATIFICATION.** Except as modified by this Third Amendment, the Lease shall be and remain in full force and effect in accordance with its terms and is ratified and adopted by the parties hereto.

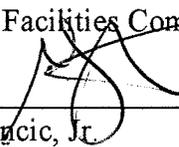
[Signatures appear on the following page]

IN WITNESS WHEREOF, Landlord and Tenant have set their signatures and seals to this Third Amendment as of the dates shown below.

LANDLORD:

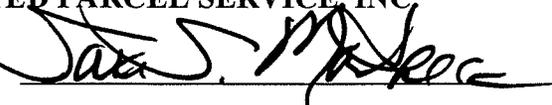
**AFCO Cargo ALB LLC**

By: Aviation Facilities Company Management, LLC, its Manager

By:   
\_\_\_\_\_  
Charles Stipanovic, Jr.  
President & CEO  
Date: FEBRUARY 12, 2019

TENANT:

**UNITED PARCEL SERVICE, INC.**

By:   
\_\_\_\_\_

Name: Sara S. Martineson

Title: Vice President

Date: February 9, 2019

Approved  
Legal Department

Approved  
Accounting Department

\_\_\_\_\_

**[Master Landlord signature appears on the following page]**

The Master Landlord, as defined in the Lease, executes the Third Amendment where provided below to indicate the foregoing Third Amendment has been approved by the Master Landlord as required in accordance with the certain Air Cargo Facility Agreement, dated October 1, 1998, by and between Albany County Airport Authority and AFCO Cargo ALB LLC.

**ALBANY COUNTY AIRPORT AUTHORITY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2019

**AGENDA ITEM NO. 10.4**

**Loan Agreement: Loan of Decommissioned  
Runway Lights to Integra Optics, Inc.**

AGENDA ITEM NO: 10.4  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

ACAA Approved  
03/18/2019

**DEPARTMENT:**      *Administration/Legal Department*

Contact Person:    *John A. O'Donnell, Chief Executive Officer*  
                              *Peter F. Stuto, General Counsel*

**PURPOSE OF REQUEST:**

Loan Agreement:    *Loan of Decommissioned Runway Lights to Integra Optics, Inc.*

**CONTRACT AMOUNT:**

*N/A*

**BUDGET INFORMATION:**

Anticipated in Current Budget: Yes ✓ No \_\_\_ NA \_\_\_

**FISCAL IMPACT - FUNDING (Dollars or Percentages)**

Federal \_\_\_                      State \_\_\_                      Airport \_\_\_                      NA ✓

**JUSTIFICATION:**

*The Authority is storing 2 older, decommissioned runway lights which have some historical interest. Integra Optics, Inc. has requested use of the lights for display in their leased area. Integra has offered to paint and refurbish the lights so that they are suitable for display, in exchange for use of the lights for display. Integra Leases 743 and 745 Albany Shaker Road. Approval is requested to enter into a ten-year loan agreement with Integra Optics, Inc. for these purposes.*

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

**FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES ✓ NA \_\_\_**

**BACK-UP MATERIAL:**

1. *Photos of Lights*
2. *Personal Property Loan Agreement*

**PERSONAL PROPERTY LOAN AGREEMENT**

**ALBANY COUNTY AIRPORT AUTHORITY  
TO  
[Integra Optics, Inc.]**

This Agreement is entered into by and between **ALBANY COUNTY AIRPORT AUTHORITY** ("LENDER"), and Integra Optics, Inc. ("BORROWER").

WHEREAS, BORROWER has expressed a need and placed a request to LENDER to borrow LENDER's personal property for a limited period of time for BORROWER's use in order to accomplish a cooperative research, educational, or extension effort.

WHEREAS LENDER owns and is willing to lend to BORROWER the personal property as described in below (the "Personal Property").

NOW THEREFORE the parties agree as follows:

1. **TERM:** The term ("Term") of this Agreement shall begin April 1, 2019 and end March 31 2029, unless otherwise sooner terminated.
2. **Personal Property:** Airfield Lights depicted in Attachment A. In consideration for being loaned the property, BORROWER shall rehabilitate the lights into like-new condition.
3. **CARE:** BORROWER shall use proper care, industry recommended standards and good judgment in maintaining Personal Property in the same condition lent to BORROWER, normal wear and tear excluded.
4. **REPAIR:** BORROWER will contact LENDER promptly if the Personal Property is in need of repair. BORROWER and LENDER will work cooperatively to determine the appropriate and necessary repair action. BORROWER agrees not to repair or fix the Personal Property without LENDER's written consent, unless, in BORROWER's judgment, such delay to obtain consent would cause irreparable damage to the Personal Property or otherwise. BORROWER will not be responsible for the damage or repair of Personal Property in its custody. Repairs shall be at the expense of the LENDER unless repairs are attributable to the negligent acts of BORROWER.
5. **OWNERSHIP:** The title and ownership of the Personal Property shall be and remain in the name of LENDER. BORROWER will not be listed as an owner of the Personal Property or have title to the Personal Property.
6. **POSSESSION:** At the beginning of the Term, BORROWER will be responsible for arranging pick-up and delivery of the Personal Property. At the end of the Term BORROWER will be responsible for returning the Personal Property to LENDER to the address provided by the LENDER.
7. **NOTICES:** All notices between the parties must be given in writing to the address(es) indicated below and delivered either by hand delivery; commercial overnight delivery service such as Federal Express or United Parcel Service; Email; or Facsimile. Either party may change its address for notices by written notice to the other. Notice is effective when received.

**LENDER:**

Albany County Airport Authority  
Albany International Airport  
Administration Building, Suite 200  
Albany, New York 12211

**BORROWER:**

Dave Prescott  
Integra Optics, Inc.  
745 Albany Shaker Road  
Latham, New York 12110

8. **LIABILITY AND INSURANCE:**

BORROWER's property insurance will cover the Personal Property listed in Attachment A in accordance with policy terms. LENDER shall not hold BORROWER responsible for any additional financial loss beyond the cost to repair or replace like size, kind and quality. The department/unit is subject to the \$5,000 deductible for covered claims. This option must be approved by Department Head and/or Dean and Enterprise Risk Services.

9. **INDEMNITY AND HOLD HARMLESS:** BORROWER shall indemnify and hold harmless BORROWER, its officers, departments, employees, agents, and Board members from all claims, suits, actions, loss, damage, injury, demand, cost and expense, of any nature, resulting from, or connected with, the use or operation of the Personal Property unless due to the negligent acts of LENDER.

10. **TERMINATION:** This Agreement may be terminated immediately by mutual consent or by either party with sixty (60) days advance written notice. This Agreement may be terminated for default by either party upon ten (10) days written notice. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the parties prior to termination. If Personal Property is used as an essential element of an educational course or research activity, the parties agree that every effort will be made to prevent termination of this Agreement in the middle of an educational term or research project.

11. **BORROWER NAME:** LENDER's use of the BORROWER name, logos or trademarks is prohibited unless granted in writing by BORROWER University Relations and Marketing. Personal Property may be photographed by BORROWER and reproduced for its own purposes, unless the LENDER otherwise notifies BORROWER in writing.

12. **ASSIGNMENT:** The rights of each party under this Agreement are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other party.

13. **VALUES:** Estimated values on Attachment A are provided by the LENDER and does not represent and shall not be construed as BORROWER's appraisal or valuation of the Personal Property.

14. **RELATIONSHIP OF PARTIES:** BORROWER and LENDER intend that their relationship at all times and for all purposes under this Agreement be independent. Neither party is to be considered an agent or employee of the other party for any purpose.

15. **THIRD PARTY BENEFICIARY:** BORROWER and LENDER are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

16. **GOVERNING LAW:** This Agreement shall be governed and construed in accordance with the laws of the State of New York. Any suit for enforcement shall be filed in the Circuit Court for Benton County, Oregon.

**THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE IN TERMS IF MADE SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE**

SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. THE PARTIES, BY THEIR SIGNATURE BELOW, ACKNOWLEDGE THAT THEY HAVE READ THIS AGREEMENT, UNDERSTAND IT, AND AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

**LENDER:  
ALBANY COUNTY AIRPORT AUTHORITY**

\_\_\_\_\_

\_\_\_\_\_ Date

Name: \_\_\_\_\_

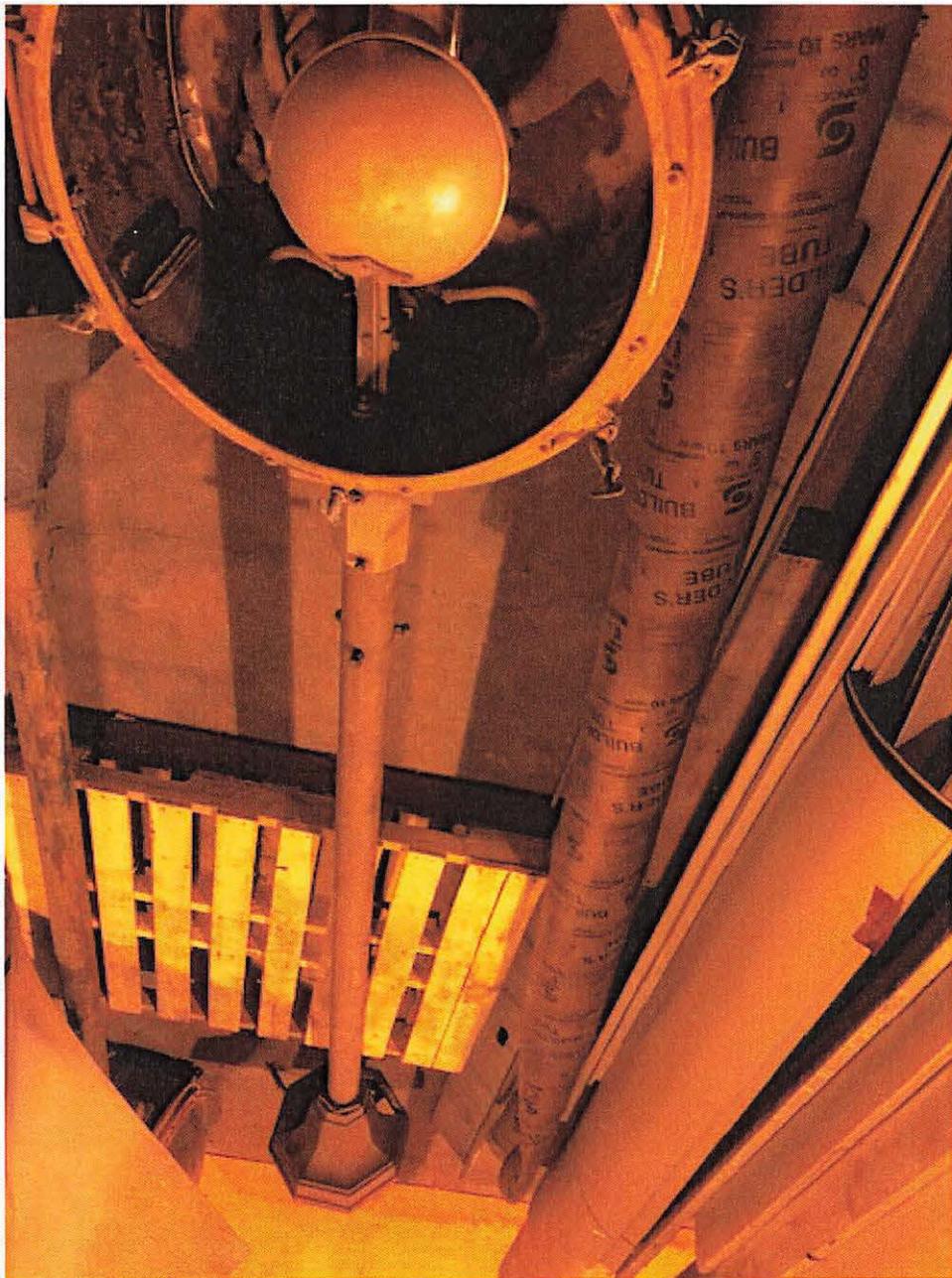
Title: \_\_\_\_\_

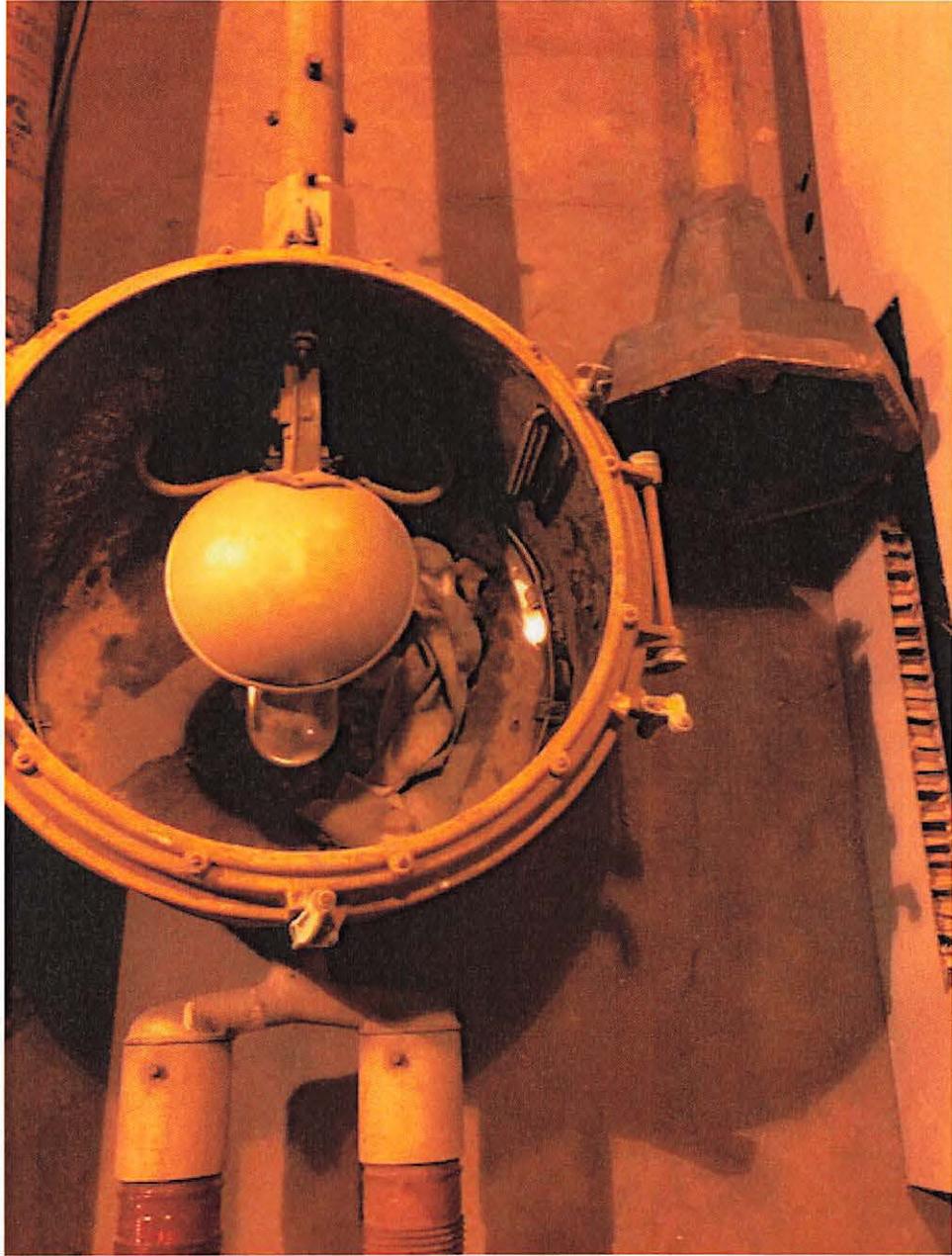
**BORROWER:  
INTEGRA OPTICS, INC.**

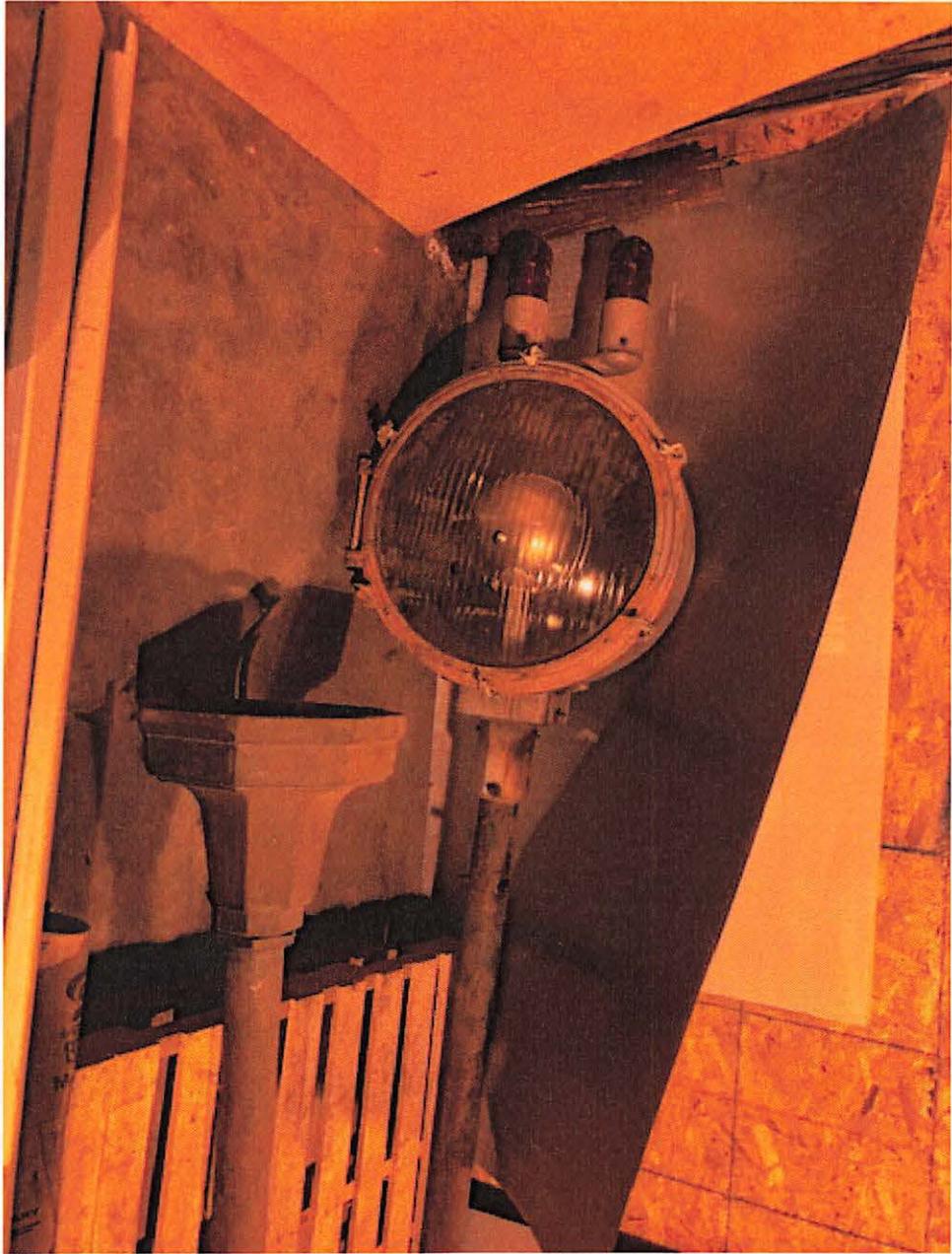
\_\_\_\_\_ By Dave Prescott, President

\_\_\_\_\_ Date

**ATTACHMENT A  
PERSONAL PROPERTY DEPICTION**







**AGENDA ITEM NO. 10.5**

**Intentionally Omitted**

## **AGENDA ITEM NO. 10.6**

**Construction Contract: Authorization to Award  
Construction Contract 991-P Terminal Amenities  
Toilet Room Renovations to VMJR Companies.**

AGENDA ITEM NO: 10.6  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:** *Planning and Engineering* ACAA Approved  
03/18/2019  
**Contact Person:** *John LaClair, P.E., Airport Engineer*

**PURPOSE OF REQUEST:**

**Construction Contract:** *Authorization to Award Construction Contract 991-P  
Terminal Amenities Toilet Room Renovations to VMJR Companies.*

**CONTRACT AMOUNT:**

Base Amount \$2,620,000.00

**BUDGET INFORMATION:**

Anticipated in Current ALB Capital Plan: Yes ✓ No     NA  
Funding Account No.: CPN 2250

**AWARD CONDITIONS MET:**

Apprenticeship   Y   DBE   N/A   MWBE   Y    
Service Disable Veteran Owned Business (SDVOB)   N/A  

**FISCAL IMPACT - FUNDING (Dollars or Percentages)**

Federal   0%\*   State   31.1%\*   Airport   68.9%\*    
Term of Funding:   2019-2020    
Grant No.:   N/A   STATE PIN:   N/A  

**JUSTIFICATION:**

*Request to award Contract 991-P for Terminal Amenities Toilet Room Renovations to qualified low bidder VMJR Companies of Glens Falls, NY for \$2,620,000.00. The contract scope includes replacement of plumbing fixtures, installation of new ceilings, flooring, counter tops, wall covering, stall dividers in the existing toilet rooms. The construction of a Pet Relief station for FAA compliance, new ceiling and LED lighting in the baggage carousel area, door repairs throughout the Terminal and HVAC upgrades over the existing ticket counters. The award of this contract is contingent on NYS DOT concurrence and compliance with the M/WBE requirements. In case these requirements are not met contract then award will be made to the second low bidder LeChase Construction, of Albany, NY.*

AGENDA ITEM NO: 10.6  
MEETING DATE: March 18, 2019

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

**FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL:** YES ✓ NA \_\_\_\_\_

**PROCUREMENT DEPARTMENT APPROVAL:**

*Procurement complies with Authority Procurement Guidelines and Chief Financial Officer has approved. YES ✓ NA \_\_\_\_\_*

**BACK-UP MATERIAL:**

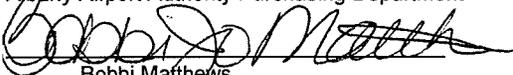
*Please refer to the attached Contract 991-P Bid Table and Bid Offering.*

**CONTRACT #991-P**  
**Terminal Amenities-Toilet Room Renovations**

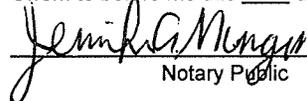
Company Name	LeChase Construction	Duncan & Cahill	Kasselmann Electric	VMJR Companies
Addendum #1	X	X	X	X
Addendum #2	X	X	X	X
Addendum #3	X	X	X	X
Lump Sum Bid	\$3,060,000.00	\$3,488,000.00	\$3,337,977.00	\$2,620,000.00
Bid Bond	5%	5%	5%	5%
Board of Directors	X	X	X	X
Non-Collusion	X	X	X	X
Qualification Questionnaire	X	X	X	X
Acknowledgment	X	X	X	X

I, Bobbi Matthews, certify that this bid tabulation is a true copy of the prices submitted by each bidder for the construction project shown above.

Albany Airport Authority Purchasing Department

  
 Bobbi Matthews  
 Purchasing Agent

Sworn to before me this 14<sup>th</sup> day of March 2019

  
 Notary Public

JENNIFER A. MUNGER  
 Notary Public, State of New York  
 No. 01MU6246332  
 Qualified in Schenectady County  
 Commission Expires Aug. 08, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
INVITATION FOR BID

Sealed bids are hereby requested by the Albany County Airport Authority for **Contract No. 991-P Terminal Amenities – Toilet Room Renovations and Miscellaneous Upgrade at Albany International Airport**. This project includes the construction of the public bathroom upgrades and various modernizations throughout the terminal and consists of, but not limited to, provide the following (1) modernization of public bathrooms including any mechanical, electrical, plumbing and fire protection work, (2) pet relief station, (3) door repairs, (4) ceiling and lighting modernization at the baggage carousels area, (5) HVAC upgrades at the ticketing counters and (6) temporary partitions and final cleaning. DOCUMENTS MAY BE OBTAINED beginning at 10:00 AM on **February 25, 2019**, from Bid Net Direct by visiting [www.bidnetdirect.com//albany-county-airport-authority](http://www.bidnetdirect.com//albany-county-airport-authority) or AT THE ALBANY COUNTY AIRPORT AUTHORITY PURCHASING OFFICE for a non-refundable fee of \$75.00. No bid shall be considered unless the organization making the bid has first obtained a copy of the IFB. No bid shall be considered unless the organization making the bid has first obtained a copy of the IFB. In accordance with Article 15A of the Executive Law, this project includes a combined Minority Owned Business Enterprise Participation and Woman Owned Business Enterprise Participation goal of thirty percent (30%). Certified MWBEs can be found at <https://ny.newnycontracts.com/FrontEnd/VendorSearchPublic.asp>. In accordance with State Finance Law §§139-j and 139-k, this solicitation includes and imposes certain restrictions on communications between the Airport Authority and an Offerer/bidder during the procurement process. An Offerer/bidder is restricted from making contacts from the earliest notice of intent to solicit offers by this solicitation through final award and approval of the Procurement Contract by the Authority (“restricted period”) to other than designated staff unless it is a contact that is included among certain statutory exceptions set forth in State Finance Law §139-j(3)(a). Designated staff, as of the date hereof, is Bobbi Matthews, Purchasing Agent. Authority employees are also required to obtain certain information when contacted during the restricted period and make a determination of the responsibility of the Offerer/bidder pursuant to these two statutes. Certain findings of non-responsibility can result in rejection for contract award and in the event of two findings within a 4 year period the Offerer/bidder is debarred from obtaining governmental Procurement Contracts. Further information about these requirements can be found by request to the designated staff and the New York State Office of General Services Advisory Council on Procurement Lobbying Web site at: <https://www.ogs.ny.gov/acpl/>. A non-mandatory pre-bid meeting will be held on **March 5, 2019 at 1:00 P.M.** in the Albany County Airport Authority Conference Room, located in the Administration Building, Second Floor at Albany International Airport. Only those bids in the hands of the ALBANY COUNTY AIRPORT AUTHORITY, PURCHASING OFFICE, ADMINISTRATION BUILDING, ROOM 204, SECOND FLOOR, ALBANY, NEW YORK 12211 available to read at **2:00 P.M. (EST) March 14, 2019**, shall be considered. Bids shall be opened read aloud at such time in the Albany County Airport Authority Conference Room, Administration Building, Second Floor, Room 202, Albany, New York. All interested parties may attend. MWBE / SDVOB RESPONSES ARE ENCOURAGED.

**AGENDA ITEM NO. 10.7**

**Construction Contract: Authorization to Award  
Construction Contract 991-GC Terminal  
Amenities Concourse to VMJR Companies.**

AGENDA ITEM NO: 10.7  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:** *Planning and Engineering* ACAA Approved  
03/18/2019  
**Contact Person:** *John LaClair, P.E., Airport Engineer*

**PURPOSE OF REQUEST:**

**Construction Contract:** *Authorization to Award Construction Contract 991-GC Terminal Amenities Concourse to VMJR Companies.*

**CONTRACT AMOUNT:**

Base Amount \$3,935,000.00

**BUDGET INFORMATION:**

Anticipated in Current ALB Capital Plan: Yes ✓ No \_\_\_ NA  
Funding Account No.: CPN 2250

**AWARD CONDITIONS MET:**

Apprenticeship Y DBE N/A MWBE Y

Service Disable Veteran Owned Business (SDVOB) N/A

**FISCAL IMPACT - FUNDING (Dollars or Percentages)**

Federal 0%\* State 31.1%\* Airport 68.9%\*  
Term of Funding: 2019-2020  
Grant No.: N/A STATE PIN: N/A

**JUSTIFICATION:**

*Request to award Contract 991-GC for Terminal Amenities Concourse to qualified low bidder VMJR Companies of Glens Falls, NY for \$3,935,000. The contract scope includes the installation of new ceilings in Times Square, new terrazzo tile flooring in Times Square and Concourses A, B & C, new LED soffit lighting, and seating area wall finish upgrades near concessions. Award of this contract is contingent upon concurrence from NYSDOT and compliance with the M/WBE requirements. In case these requirements are not met contract then award will be made to the second low bidder LeChase Construction, of Albany, NY at \$5,360,000.*

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

AGENDA ITEM NO: 10.7  
MEETING DATE: March 18, 2019

**FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL:** YES ✓ NA \_\_\_\_\_

**PROCUREMENT DEPARTMENT APPROVAL:**

*Procurement complies with Authority Procurement Guidelines and Chief Financial Officer has approved.* YES ✓ NA \_\_\_\_\_

**BACK-UP MATERIAL:**

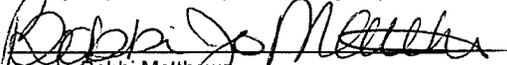
*Please refer to the attached Contract 991-GC Bid Table and Bid Offering.*

**CONTRACT #991-GC**  
**Terminal Amenities-Concourse Renovations**

Company Name	LeChase Construction	VMJR Companies
Addendum #1	X	X
Addendum #2	X	X
Addendum #3	X	X
Lump Sum Bid	\$5,360,000.00	\$3,935,000.00
Add Alternate (Optional)	Deduct \$250,000.00	Deduct \$200,000.00
Bid Bond	5%	5%
Board of Directors	X	X
Non-Collusion	X	X
Qualification Questionnaire	X	X
Acknowledgment	X	X

I, Bobbi Matthews, certify that this bid tabulation is a true copy of the prices submitted by each bidder for the construction project shown above.

Albany Airport Authority Purchasing Department

  
 Bobbi Matthews  
 Purchasing Agent

Sworn to before me this 14<sup>th</sup> day of March 2019

  
 Notary Public

JENNIFER A. MUNGER  
 Notary Public, State of New York  
 No. 01MU6246332  
 Qualified in Schenectady County  
 Commission Expires Aug. 08, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
INVITATION FOR BID

Sealed bids are hereby requested by the Albany County Airport Authority for **Contract No. 991-GC Terminal Amenities – Concourse Renovations at Albany International Airport**. This project includes the construction of the modernization of the concourse level, “Times Square” area and Pre TSA Checkpoint Area. This work consists of, but not limited to, (1) removal and replacement of terrazzo flooring, ceramic tile and carpet flooring, (2) furniture, (3) light fixtures, (4) way finding signage, (5) ceiling, and (6) wall finishes. DOCUMENTS MAY BE OBTAINED beginning at 10:00 AM on **February 25, 2019**, from Bid Net Direct by visiting [www.bidnetdirect.com/albany-county-airport-authority](http://www.bidnetdirect.com/albany-county-airport-authority) or AT THE ALBANY COUNTY AIRPORT AUTHORITY PURCHASING OFFICE for a non-refundable fee of \$75.00. No bid shall be considered unless the organization making the bid has first obtained a copy of the IFB. No bid shall be considered unless the organization making the bid has first obtained a copy of the IFB. In accordance with Article 15A of the Executive Law, this project includes a combined Minority Owned Business Enterprise Participation and Woman Owned Business Enterprise Participation goal of fifteen percent (15%). Certified MWBEs can be found at <https://ny.newnycontracts.com/FrontEnd/ VendorSearchPublic.asp>. In accordance with State Finance Law §§139-j and 139-k, this solicitation includes and imposes certain restrictions on communications between the Airport Authority and an Offerer/bidder during the procurement process. An Offerer/bidder is restricted from making contacts from the earliest notice of intent to solicit offers by this solicitation through final award and approval of the Procurement Contract by the Authority (“restricted period”) to other than designated staff unless it is a contact that is included among certain statutory exceptions set forth in State Finance Law §139-j(3)(a). Designated staff, as of the date hereof, is Bobbi Matthews, Purchasing Agent. Authority employees are also required to obtain certain information when contacted during the restricted period and make a determination of the responsibility of the Offerer/bidder pursuant to these two statutes. Certain findings of non-responsibility can result in rejection for contract award and in the event of two findings within a 4 year period the Offerer/bidder is debarred from obtaining governmental Procurement Contracts. Further information about these requirements can be found by request to the designated staff and the New York State Office of General Services Advisory Council on Procurement Lobbying Web site at: <https://www.ogs.ny.gov/acpl/> . A non-mandatory pre-bid meeting will be held on **March 5, 2019 at 11:00 A.M.** in the Albany County Airport Authority Conference Room, located in the Administration Building, Second Floor at Albany International Airport. Only those bids in the hands of the ALBANY COUNTY AIRPORT AUTHORITY, PURCHASING OFFICE, ADMINISTRATION BUILDING, ROOM 204, SECOND FLOOR, ALBANY, NEW YORK 12211 available to read at **2:00 P.M. (EST) March 14, 2019**, shall be considered. Bids shall be opened read aloud at such time in the Albany County Airport Authority Conference Room, Administration Building, Second Floor, Room 202, Albany, New York. All interested parties may attend. MWBE / SDVOB RESPONSES ARE ENCOURAGED.

**AGENDA ITEM NO. 10.8**

**Construction Contract: Authorization to  
Award Construction Contract 1003-GC  
Building 211 CommutAir Alterations to  
Rosch Brothers, Inc.**

AGENDA ITEM NO: 10.8  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:** *Planning and Engineering* ACAA Approved  
03/18/2019  
**Contact Person:** *John LaClair, P.E., Airport Engineer*

**PURPOSE OF REQUEST:**

**Construction Contract:** *Authorization to Award Construction Contract 1003-GC  
Building 211 CommutAir Alterations to Rosch Brothers, Inc.*

**CONTRACT AMOUNT:**

Base Amount \$345,800.00

**BUDGET INFORMATION:**

Anticipated in Current ALB Capital Plan: Yes ✓ No     NA  
Funding Account No.: CPN 2276

**AWARD CONDITIONS MET:**

Apprenticeship Y DBE N/A MWBE Y

Service Disable Veteran Owned Business (SDVOB) N/A

**FISCAL IMPACT - FUNDING (Dollars or Percentages)**

Federal 0%\* State 0%\* Airport 100%\*  
Term of Funding: 2019-2020  
Grant No.: N/A STATE PIN: N/A

**JUSTIFICATION:**

*Request to award Contract 1003-GC for Building 211 CommutAir Alterations to qualified low bidder Rosch Brothers, Inc. of Latham, NY for \$345,800. The contract scope includes converting existing office, locker room and breakroom for CommutAIR employees into a parts storage facility. This will include removal of exiting sheetrock walls, electric wiring, HVAC ducts and plumbing fixtures. The new parts storage room will have new sheetrock walls with secure doors, new electric lights and outlets and upgraded HVAC for humidity control. Award will be pending contractor's compliance with M/WBE requirements. The cost of improvements will be amortized over time and will be addressed in the next lease agreement with CommutAir.*

AGENDA ITEM NO: 10.8  
MEETING DATE: March 18, 2019

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

**FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES  NA**

**PROCUREMENT DEPARTMENT APPROVAL:**

*Procurement complies with Authority Procurement Guidelines and Chief Financial Officer has approved. YES  NA*

**BACK-UP MATERIAL:**

*Please refer to the attached Contract 1003-GC Bid Table and Bid Offering.*

**\*\*REVISED\*\***

ALBANY COUNTY AIRPORT AUTHORITY  
INVITATION FOR BID

Sealed bids are hereby requested by the Albany County Airport Authority for **Contract No. 1003-GC for Commutair Alterations at Albany International Airport**. This project consists of demolition and removal of interior walls, framing, sheetrock, electrical work and HVAC work. The scope of this contract will include the removal of abandoned utilities and relocation of existing utilities, relocation of Jetway Drive, site preparation for the foundation systems, foundation systems (driven piles and concrete caps/ grade beams) for the parking area, and pedestrian bridge. DOCUMENTS MAY BE OBTAINED beginning at 10:00 AM on **January 31, 2019**, from Bid Net Direct by visiting [www.bidnetdirect.com/albany-county-airport-authority](http://www.bidnetdirect.com/albany-county-airport-authority) or AT THE ALBANY COUNTY AIRPORT AUTHORITY PURCHASING OFFICE for a non-refundable fee of \$75.00. No bid shall be considered unless the organization making the bid has first obtained a copy of the IFB. In accordance with Article 15A of the Executive Law, this project includes a combined Minority Owned Business Enterprise Participation and Woman Owned Business Enterprise Participation goal of fifteen percent (15%). Certified MWBEs can be found at <https://ny.newnycontracts.com/FrontEnd/VendorSearchPublic.asp>. In accordance with State Finance Law §§139-j and 139-k, this solicitation includes and imposes certain restrictions on communications between the Airport Authority and an Offerer/bidder during the procurement process. An Offerer/bidder is restricted from making contacts from the earliest notice of intent to solicit offers by this solicitation through final award and approval of the Procurement Contract by the Authority (“restricted period”) to other than designated staff unless it is a contact that is included among certain statutory exceptions set forth in State Finance Law §139-j(3)(a). Designated staff, as of the date hereof, is Bobbi Matthews, Purchasing Agent. Authority employees are also required to obtain certain information when contacted during the restricted period and make a determination of the responsibility of the Offerer/bidder pursuant to these two statutes. Certain findings of non-responsibility can result in rejection for contract award and in the event of two findings within a 4 year period the Offerer/bidder is debarred from obtaining governmental Procurement Contracts. Further information about these requirements can be found by request to the designated staff and the New York State Office of General Services Advisory Council on Procurement Lobbying Web site at: <https://www.ogs.ny.gov/acpl/>. A non-mandatory pre-bid meeting will be held on **February 13, 2019 at 10:00 A.M.** in the Albany County Airport Authority Conference Room, located in the Administration Building, Second Floor at Albany International Airport. Only those bids in the hands of the ALBANY COUNTY AIRPORT AUTHORITY, PURCHASING OFFICE, ADMINISTRATION BUILDING, ROOM 204, SECOND FLOOR, ALBANY, NEW YORK 12211 available to read at **2:00 P.M. (EST) February 21, 2019**, shall be considered. Bids shall be opened read aloud at such time in the Albany County Airport Authority Conference Room, Administration Building, Second Floor, Room 202, Albany, New York. All interested parties may attend. MWBE/SDVOB RESPONSES ARE ENCOURAGED.

**CONTRACT #1003-GC  
Commutair Alterations**

Company Name	VMJR Companies	Rosch Brothers	Duncan & Cahill
Addendum #1	X	X	X
Lump Sum Bid	\$372,000.00	\$345,800.00	\$396,000.00
Bid Bond	5%	5%	5%
Board of Directors	X	X	X
Non-Collusion	X	X	X
Qualification Questionnaire	X	X	X
Acknowledgment	X	X	X

I, Bobbi Matthews, certify that this bid tabulation is a true copy of the prices submitted by each bidder for the construction project shown above.

Albany Airport Authority Purchasing Department

*Bobbi Matthews*  
Bobbi Matthews  
Purchasing Agent

Sworn to before me this 27<sup>th</sup> day of February 2019.

*Jennifer A. Munger*  
\_\_\_\_\_  
Notary Public

JENNIFER A. MUNGER  
Notary Public, State of New York  
No. 01MU6246332  
Qualified in Schenectady County, 19  
Commission Expires Aug. 08, 2019

**AGENDA ITEM NO. 10.9**

**10.9 Construction Contract: Authorization to Award  
Construction Contract 989-EL Parking Garage  
Elevators (ITEM TO BE HANDED OUT AT  
MEETING)**

AGENDA ITEM NO: 10.9  
HANDOUT  
MEETING DATE: March 18, 2019

**, ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION**

ACAA Approved  
03/18/2019

**DEPARTMENT:** *Planning and Engineering*

Contact Person: *John LaClair, P.E., Airport Engineer*

**PURPOSE OF REQUEST:**

Construction Contract: *Authorization to Award Construction Contract 989-EL  
Parking Garage Elevators to Kone, Inc.*

**CONTRACT AMOUNT:**

Base Amount \$498,750.00

**BUDGET INFORMATION:**

Anticipated in Current ALB Capital Plan: Yes J No NA  
Funding Account No.: CPN 2263

**AWARD CONDITIONS MET:**

Apprenticeship Y DBE N/A MWBE N/A

Service Disable Veteran Owned Business (SDVOB) N/A

**FISCAL IMPACT - FUNDING (Dollars or Percentages)**

Federal 2.5%\* State 43.8%\* Airport 53.7%\*  
Term of Funding: 2018-2020  
Grant No.: N/A STATE PIN: N/A

**JUSTIFICATION:**

*Request to award Contract 989-EL for Parking Garage Precast Elevators to qualified low bidder Kone, Inc. of Albany, N.Y. for \$498,750.00. The contract scope includes fabricating three elevators and installing them into the Parking garage. The contractor will also be responsible for all testing and adjustments of the newly installed equipment. A signed Project Labor Agreement (PLA) is included in the contract documents for this project. Award of this contract pending NYSDOT concurrence and compliance with the apprenticeship requirement.*

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

AGENDA ITEM NO: 10.9  
HANDOUT  
MEETING DATE: March 18, 2019

**FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES  NA**

**PROCUREMENT DEPARTMENT APPROVAL:**

*Procurement complies with Authority Procurement Guidelines and Chief Financial Officer has approved. YES  NA*

**BACK-UP MATERIAL:**

*Please refer to the attached Contract 989-EL Bid Table and Bid Offering*

ALBANY COUNTY AIRPORT AUTHORITY  
INVITATION FOR BID

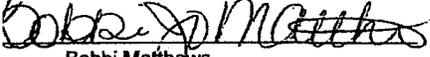
Sealed bids are hereby requested by the Albany County Airport Authority for **Contract No. 989-EL for Parking Garage-Elevators (3) at Albany International Airport**. This new parking garage will provide 1,050 spaces and will feature a heated pedestrian walkway linking the existing terminal to the new parking garage with direct entry on the third level from Airport Terminal Drive. The work for this contract consists of providing elevators for the new parking garage and pedestrian bridge. An Offerer/bidder is restricted from making contacts from the earliest notice of intent to solicit offers by this solicitation through final award and approval of the Procurement Contract by the Authority ("restricted period") to other than designated staff unless it is a contact that is included among certain statutory exceptions set forth in State Finance Law §139-j(3)(a). Designated staff, as of the date hereof, is Bobbi Matthews, Purchasing Agent. Authority employees are also required to obtain certain information when contacted during the restricted period and make a determination of the responsibility of the Offerer/bidder pursuant to these two statutes. Certain findings of non-responsibility can result in rejection for contract award and in the event of two findings within a 4 year period the Offerer/bidder is debarred from obtaining governmental Procurement Contracts. Further information about these requirements can be found by request to the designated staff and the New York State Office of General Services Advisory Council on Procurement Lobbying Web site at: <https://www.ogs.ny.gov/acpl/>. Electronic bid submittals can be sent to the Airport Purchasing Agent, Bobbi Matthews at [bmatthews@albanyairport.com](mailto:bmatthews@albanyairport.com) no later than **10:00 A.M. (EST) March 18, 2019**, shall be considered. Bids shall be acknowledged at such time in the Albany County Airport Authority Conference Room, Administration Building, Second Floor, Room 202, Albany, New York. All interested parties may attend.

**CONTRACT #989-EL**  
**Parking Garage Elevators (3)**

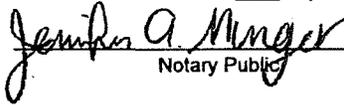
Company Name	Kone, Inc.
Lump Sum Bid	\$498,750.00
Board of Directors	X
Non-Collusion	X
Qualification Questionnaire	X
Acknowledgment	X

I, Bobbi Matthews, certify that this bid tabulation is a true copy of the prices submitted by each bidder for the construction project shown above.

Albany Airport Authority Purchasing Department

  
 Bobbi Matthews  
 Purchasing Agent

Sworn to before me this 18<sup>th</sup> day of March 2019.

  
 Notary Public

JENNIFER A. MUNGER  
 Notary Public, State of New York  
 No. 01MU6246332  
 Qualified in Schenectady County  
 Commission Expires Aug. 08, 2019

**AGENDA ITEM NO. 10.10**

**Lease: 6 Jetway Drive, Building 112 – Office Space  
with LeChase Construction Services, LLC**

AGENDA ITEM NO: 10.10  
HANDOUT  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

ACAA Approved  
Contingent upon  
NYSDOT  
Concurrence and  
Compliance with the  
Apprenticeship  
Requirement.  
03/18/2019

**DEPARTMENT:** Administration/Legal/Finance

Contact Person: John O'Donnell, CEO  
Peter Stuto, General Counsel

**PURPOSE OF REQUEST:**

Lease: 6 Jetway Drive, Building 112 – Office Space with LeChase  
Construction Services, LLC

**NEW LEASE AMOUNT:**

\$13,702 per year (\$1,142 per month)

**BUDGET INFORMATION:**

Anticipated in Current Budget: Yes \_\_\_ No ✓ NA \_\_\_

**FISCAL IMPACT - FUNDING** (Dollars or Percentages)

Federal \_\_\_ State \_\_\_ Airport \_\_\_ NA ✓

**JUSTIFICATION:**

*Authorization is requested to lease 884 SF +/- office space in 6 Jetway Drive to LeChase Construction Services. The rental fee will be \$13,702 per year (inclusive of Maintenance fees) or \$1,142 per month. The term will be one year, but earlier termination will be permitted. LeChase wants to use the space for its construction office for the new Parking Garage.*

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

**FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL:** YES ✓ NA \_\_\_

**BACK-UP MATERIAL:** 1) Lease

**HANGAR LEASE AGREEMENT**

**BETWEEN**

**LECHASE CONSTRUCTION SERVICES, LLC**

**AND**

**ALBANY COUNTY AIRPORT AUTHORITY**

**CONTRACT NO: L-1011**

**884± Office Space 6 JETWAY DRIVE  
BUILDING #112**

## AGREEMENT

THIS AGREEMENT (the "Agreement" or "Lease") made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, between the **ALBANY COUNTY AIRPORT AUTHORITY** (the "AUTHORITY"), a body corporate and politic constituting a public benefit corporation established and existing pursuant to the Albany County Airport Authority Act enacted by Chapter 686 of the laws of 1993 and set forth in Title 32 of the New York Public Authorities Law, having offices at the Administration Building, Room 200, Albany International Airport, Albany, NY, 12211 and LeChase Construction Services, LLC, (the "TENANT"), a corporation organized and existing under the laws of the State of Delaware, and authorized to do business in the State of New York.

### RECITALS

1. The County of Albany (the "County") is the owner of the Albany International Airport (the "Airport"), located in the Town of Colonie, County of Albany, State of New York;
2. The County and the AUTHORITY have entered into a lease agreement (the "Airport Lease Agreement") effective as of May 16, 1996, for a term of forty (40) years, whereby the AUTHORITY has the exclusive right to operate, maintain and improve the Airport and do anything else permitted by law, subject only to the restrictions and conditions stated in such Airport Lease Agreement and in accordance with applicable law;
3. The AUTHORITY is entitled to reasonably regulate the business of any company that desires to provide any aeronautical services at the Airport in accordance with the Minimum Standards Requirements adopted by the AUTHORITY on February 3, 2003 as such requirements may be amended from time to time by the AUTHORITY.
4. The use of the Airport facilities by a provider of aeronautical services imposes additional costs on the operations and maintenance of the Airport for which the AUTHORITY is entitled to establish and collect fees as it may deem necessary or desirable and such fees shall at all times in the judgment of the AUTHORITY be sufficient to maintain the operations of the AUTHORITY on a self-sustaining basis.
5. The TENANT desires to lease hangar space at the Airport and is requesting permission to have access to the Airport as provided for in this Agreement.

NOW, THEREFORE, in consideration of the use of the facilities of the Airport in accordance with the Rules and Regulations of the Airport and the terms and conditions herein, and in further consideration of the business benefits received by the TENANT from the Airport, and other good and valuable considerations, mutual covenants, term, privileges and obligations as set forth herein, the AUTHORITY agrees to allow the TENANT to lease hangar space at the Airport, and the TENANT hereby agrees to abide by all the following terms and conditions:

## ARTICLE I - TERM OF AGREEMENT

- A. TERM -- The term of this Agreement shall be for the period commencing March 15, 2019 and ending March 31, 2020 ("Initial Term"). The AUTHORITY and the TENANT agree that the term of this Agreement may be extended at the written request of the TENANT, and with the written approval of the AUTHORITY.
- B. TERMINATION -- This LEASE may not be terminated by either party prior to the end of its Initial Term except by mutual written agreement of the parties.
- C. HOLDING OVER -- In the event TENANT shall, with the written consent of the AUTHORITY, hold over and continue to occupy the Premises after the expiration of the Date of Termination, such holding over shall not be deemed to operate as a renewal or extension of this LEASE but shall only create a month-to-month extension on all the same terms, conditions and covenants, including the payment of Rent and Fees contained herein. The AUTHORITY may, however, at its option, renegotiate the Rent and Fees consideration of the LEASE to be used with the month-to-month terms. No conduct of the AUTHORITY shall be deemed to constitute a waiver by the AUTHORITY of its right of re-entry, nor shall the receipt of rent or any part thereof or any act in apparent affirmance of the continued tenancy operate as a waiver of the AUTHORITY's right to terminate the TENANT's use and occupancy of the Premises by eviction action or otherwise.
- D. Nothing in shall this LEASE or its performance shall be interpreted to create a partnership, agency, joint venture, bailment, trust or fiduciary relationship between AUTHORITY and TENANT.

## ARTICLE II - PREMISES

- A. LEASE AREA -- The AUTHORITY in consideration of the rents, terms, covenants, conditions and agreements contained herein, hereby demises and lets to the TENANT, and the TENANT hereby accepts, the use of such real property depicted in Exhibit "A" (the "Leased Area" or "Premises"). The Premises is a 884± SF office at 6 Jetway Drive at the Airport. The AUTHORITY makes no representations or warranties respecting the condition of the Leased Area and the TENANT accepts the same "as is".
- B. ANCILLARY RIGHTS -- The AUTHORITY grants the TENANT the following rights:
1. The right in common with others of ingress and egress to the Premises, subject to all Airport Rules and Regulations, over the Airport service roads and airfield for TENANT, its employees, contractors and subcontractors, suppliers of goods and materials, furnishes of service agents, guests, patrons, sub-TENANTS and invitees;
  2. The right in common with others to use the common areas of the Airport and appurtenances thereto, such as the airfield, ramps, and parking lots, and any additions thereto which may be designated by AUTHORITY for common use, together with the facilities, equipment, improvements and services which have been or may hereafter be provided at the Airport for common use.

Notwithstanding the foregoing rights, the AUTHORITY shall maintain the right to implement and periodically update reasonable Rules and Regulations governing these rights; provided, however, if there shall be any conflict between the express provisions of this Agreement and such Rules and Regulations, the provisions of this Agreement shall control.

C. RESERVATION OF RIGHTS BY THE AUTHORITY -- The AUTHORITY, for the benefit of itself, its agents, employees, contractors and invitees, expressly reserves and excepts from the Premises and the rights granted under this Agreement, the following:

1. The right of flight for the passage of aircraft above the Premises, together with the right to cause such noise, vibrations and disturbances as may be inherent in the operation of an airport and of aircraft now known or hereafter used;
2. The right to inspect the Premises at any time and the right to enter upon the Premises at any time, for any purpose necessary, incidental to, or connected with any matter related to the exercise of its governmental functions, or as may be required in the operation, maintenance or development of the Airport, or to determine whether the TENANT has complied or is complying with the terms and conditions of this Agreement, or as may be permitted in connection with the enforcement of the AUTHORITY's rights as set forth in this Agreement; provided, however, that except in emergency circumstances or in situations where inspections must necessarily be undertaken during other than normal business hours, such inspections will occur only after reasonable written notice to the TENANT, during regular business hours, and in such manner as to minimize interference with the TENANT's business and operations;
3. The right and easement to install, maintain, repair, replace, or remove and replace water or sewer pipes, electrical lines, gas pipes, or any other utilities or services at the Airport or on the Premises along with the right to enter the Premises in order to accomplish such actions as are related to this right at all times; provided, however, in the exercise of such right, the AUTHORITY shall use commercially reasonable efforts to minimize interference with the TENANT's business and operations; and
4. All easements, if any, shown in Exhibit "A" and all other current or future, temporary or permanent easements necessitated in the AUTHORITY's sole discretion for its construction program and/or any local, state or Interstate Highway relocation or construction program; provided, however, in the exercise of such right, the AUTHORITY shall use commercially reasonable efforts to minimize interference with the TENANT's business and operations.

### ARTICLE III - RENT

A. RENT -- In consideration of TENANT's right to use and occupy the Premises, TENANT shall pay monthly a fixed rent ("Rent") equal to Twenty Four Thousand, One Hundred Sixty-Five Dollars (\$1,142) a month. This Rent is based upon a total rental rate of \$15.50 per square foot per year comprised of: base rent \$12.00 per

square foot per year; common area maintenance charge of \$.75 per square foot per year; and EAM charge of \$1.75 per square foot per year. Such Rent shall be payable commencing January 1, 2019 and thereafter on or before the first (1st) day of each month without demand or offset. Beginning April 1, 2020 and each January 1 thereafter, the Rent shall escalate by two percent (2%). Any rent payable for any month which is less than a full month shall be prorated.

**B. TIME AND PLACE OF PAYMENT.** The Rent shall be paid monthly on the first (1st) day of each month preceding the TENANT's occupancy of the Premises. All payments shall be made at or sent to:

Albany County Airport AUTHORITY  
Attn: Account Receivable  
Administration Bldg., Suite 204  
Albany, New York, 12211-1057

**C. DELINQUENT FEES.** There shall be added to all sums due AUTHORITY and unpaid, an interest charge of one and one-half (1-1/2%) percent per month. No interest shall be charged upon any account until payment is ten (10) days overdue but such interest, when assessed thereafter, shall be computed from the due date.

#### **ARTICLE IV - PROHIBITED USES**

**A.** Other than the maintenance of aircraft in the premises, no other goods or services may be provided, expanded or conducted by TENANT without the prior written consent of the AUTHORITY, which consent shall be within the AUTHORITY's sole discretion. Without limiting the generality of such prohibition, the following uses are specifically prohibited unless prior written consent of the AUTHORITY is secured:

1. Sale of alcoholic beverages;
2. Maintenance or sale of non-aviation products or services;
3. Any use prohibited by law or regulation.

#### **ARTICLE V - LEASEHOLD IMPROVEMENTS**

**A.** The TENANT shall make no Leasehold Improvements (as hereinafter defined), alterations or modifications to the Premises unless (i) it shall first obtain the written approval of the AUTHORITY, which approval shall not be unreasonably withheld, conditioned or delayed; (ii) the AUTHORITY shall have approved the plans and specifications therefor in writing; and (iii) any and all performance and payment bonds required by the AUTHORITY, and all required building permits shall have been obtained by the TENANT. The term "Leasehold Improvements" shall be construed to include all fencing, paving, landscaping, and all underground or above ground wires, pipes, conduits, tanks, and drains, and all buildings, fixtures, structures, improvements and other property of every kind, nature and description (excluding only trade fixtures) which are now or hereafter installed or placed upon or attached to the Premises.

- B. Within ninety (90) days following receipt of AUTHORITY's approval of such plans and specifications, the TENANT shall commence the work therein described, and once commenced, such construction shall be diligently prosecuted; provided, however, that the TENANT shall be excused for delays in the commencement or completion of construction caused by the circumstances not within the TENANT's control.
- C. The TENANT shall warrant that such Leasehold Improvements and the items and materials used in making the same are, at the time of installation, free and clear of any liens, mortgages, or encumbrances, and shall indemnify and save the AUTHORITY harmless from and against any and all claims with respect thereto.
- D. Title to all Leasehold Improvements and alterations constructed or installed on the Premises by the TENANT shall at all times during the term of the Agreement remain in the TENANT. At the termination of this Agreement, whether by expiration, mutual agreement, or by default, title to all such Leasehold Improvements, modifications and alterations shall vest in the AUTHORITY. Trade fixtures which may be removed without material injury to the Premises shall be and remain the property of the TENANT, and, if the TENANT shall not then be in default on any payment due hereunder, shall be removed by the TENANT within thirty (30) days after the expiration or earlier termination of this Agreement, and the TENANT, at its own expense, shall simultaneously therewith repair and restore any damage to the Premises caused by such removal in a manner reasonably satisfactory to the AUTHORITY. The failure to remove such fixtures within the time above specified shall be deemed abandoned, in which case the AUTHORITY may use or dispose of the same as it sees fit without any liability to the TENANT therefor, or may remove the same at the TENANT's expense.
- E. Prior to the commencement date, the AUTHORITY shall alter the main hangar door to accommodate an ERJ135/ERJ145 aircraft. Such door shall be a minimum of 84 feet wide.

#### **ARTICLE VI - MAINTENANCE AND REPAIRS**

- A. The AUTHORITY at its own cost and expense, unless caused by the negligence or willful misconduct of TENANT, shall keep the interior and exterior, structural and non-structural portions of the Premises, including the plumbing, heating, lighting, air conditioning, and other systems in connection therewith, and all other parts of the Premises in good order and condition and will make all necessary repairs thereto, ordinary and extraordinary, foreseen and unforeseen, and will make all necessary replacements thereto of like quality when beyond repair. TENANT shall be responsible for all cleaning, custodial and janitorial services required to meet its obligations hereunder. Without limiting the generality of the foregoing, TENANT shall keep the interior portions of the Premises in an orderly, neat and clean condition and in good repair, and shall remove all dirt and trash therefrom.
- B. The TENANT shall keep all furniture, fixtures and equipment utilized at the Airport in good condition, order and repair at all times. Should damage occur to TENANT's fixtures, furniture or equipment, repair and/or replacement shall be made by TENANT. All furniture, fixtures and equipment which becomes damaged so as not to present a good appearance or which become incapable of being kept in

good working order shall be removed and replaced by TENANT. All maintenance, repair and replacement of such furniture, fixtures and equipment shall be at TENANT's sole cost and expense.

- C. The TENANT shall, at its sole cost and expense, take such measures as may be necessary to keep the Premises secure and safe at all times.
- D. The AUTHORITY and the authorized representatives or contractors of the AUTHORITY shall be permitted to enter the Premises, for the purpose of inspecting the Premises and any construction being performed thereon, and/or for performing any work therein that may be necessary by reason of TENANT's failure to make any repairs or perform any work required of TENANT under this Agreement; provided, however, that except in cases of emergency, the AUTHORITY shall provide the TENANT with reasonable written notice prior to such entry and further provided that the AUTHORITY shall not perform any such work or make such repairs until the AUTHORITY has provided TENANT written notice of such failure and afforded TENANT ten (10) days to make such necessary repairs or perform such work. All costs and expenses related to such work shall be paid by TENANT to AUTHORITY immediately upon demand therefore. Nothing herein shall imply any duty on the part of AUTHORITY to do any work on the Premises, and the performance thereof by AUTHORITY shall not constitute a waiver of TENANT's default in failing to make any repairs or performing any work required of TENANT under this Agreement. The AUTHORITY shall not in any event be liable for cessation of revenues, inconvenience, annoyance, disturbance or any other damage to TENANT or any other party by reason of making such repairs or the performance of such work in the Premises or on account of bringing materials, supplies and equipment into or through the Premises during the course thereof, and the obligations of TENANT under this Agreement shall not thereby be affected in any manner whatsoever. AUTHORITY shall, however, make any such repairs or conduct any such work under this in a manner that minimizes interference with TENANT's conduct of business on the Premises.
- E. Snow removal for the automotive parking areas, taxiways and apron, and for the hangar areas shall be the responsibility of the AUTHORITY. Snow and ice removal in front of the hangar doors or on or adjacent to an aircraft parked on the apron shall be the responsibility of the TENANT.

#### **ARTICLE VII - RESERVED**

#### **ARTICLE VIII - INSURANCE**

- A. This Lease is ancillary to the work Tenant is doing pursuant to the construction contract ("Construction Contract") relative to the new parking garage at the Airport. The insurance provisions and indemnity provisions of the Construction Contract shall apply to the use of the Premises under this Lease.

#### **ARTICLE IX - RESTORATION OF PREMISES DUE TO CASUALTY**

- A. If the Premises shall be damaged or destroyed by fire or other casualty, TENANT shall immediately give notice thereof to the AUTHORITY, and AUTHORITY

shall promptly and diligently proceed to repair, rebuild or replace the Premises, so as to restore the Premises to the condition in which they were immediately prior to such damage or destruction. Any changes in the construction of Premises shall be made only pursuant to plans and specifications approved by AUTHORITY. If AUTHORITY determines that such net insurance proceeds will not be adequate for Restoration, TENANT shall pay for Restoration out of funds other than such net insurance proceeds, the amount by which the estimated cost will exceed such net insurance proceeds and shall furnish proof to AUTHORITY of the payment of such excess before AUTHORITY shall be required to release any part of such net insurance proceeds. TENANT shall also be liable for any costs in excess of the estimated cost.

- B. The policy or policies of insurance required pursuant to this Agreement shall provide that any loss shall be payable to AUTHORITY upon the terms and conditions provided in this Article. All proceeds collected by AUTHORITY shall be made available to the TENANT for the purpose of Restoration. Such proceeds shall be paid out by AUTHORITY from time to time as the work of Restoration shall progress, upon submission of architects, certificates (by architects and/or engineers licensed to do business in the State of New York), subject to verification by AUTHORITY, showing the amount paid or due for such Restoration. Any excess of monies received from insurance remaining with AUTHORITY after the Restoration and payment therefor shall be retained by and belong to TENANT inasmuch as TENANT is funding the construction directly and/or through insurance proceeds.
- C. All costs, fees, expenses and charges of AUTHORITY in connection with the collection, administration and disbursement of the proceeds of the policy or policies of insurance for Restoration shall be paid by TENANT upon demand by AUTHORITY. In the event the TENANT shall fail to pay the aforesaid costs, fees, expenses and charges upon demand therefor, AUTHORITY may deduct the amount thereof from the insurance proceeds.
- D. In case TENANT does not commence the Restoration which TENANT is required to perform pursuant to this Article promptly after the date of payment of loss for damage occasioned by fire or other casualty for which insurance monies shall be payable, and prosecute it thereafter as required by this Article, then AUTHORITY, at its election, may enter upon and complete the Restoration. In that event, AUTHORITY shall continue to hold the balance of the insurance proceeds and pay them out from time to time as the work of Restoration shall progress.
- E. There shall be no abatement of Rent following any damage or destruction to the Premises or other interference with TENANT's ability to use and enjoy the Premises, but TENANT shall obtain rental insurance and the TENANT shall receive credit against the Rent payments next falling due for all proceeds of rent insurance paid directly to AUTHORITY.
- F. Notwithstanding anything to the contrary set forth in the Section, if the damage to the Premises is of such extent that it would require more than one year to repair, or if the damage (other than inconsequential damage) occurs during the last year of the Term, AUTHORITY may, at its option, terminate this Agreement by giving written notice to TENANT, and, in such event, the entire proceeds of the insurance policies covering the Premises, except as set forth below, shall be paid to and retained by AUTHORITY, and TENANT shall have no right or claim against

AUTHORITY with respect to the such insurance proceeds. Notwithstanding the foregoing, in the event AUTHORITY so terminates this Agreement and so long as TENANT has performed all of its obligations hereunder, TENANT shall be entitled to a portion of the insurance proceeds equal to the unamortized portion of the actual out-of-pocket costs paid by TENANT to third parties for construction of the leasehold improvements amortized on a straight line basis over the shorter of (a) the useful life of the leasehold improvements (with separate calculations if there are different useful lives for different portions of the leasehold improvements) or (b) the balance of the Term at the time of construction of the leasehold improvement. If the insurance proceeds are less than such amount, TENANT shall be entitled only to the insurance proceeds.

**ARTICLE X - [Intentionally Omitted]**

A. TENANT shall not engage, and shall not permit others to engage, in

**ARTICLE XI - ADDITIONAL OBLIGATIONS OF TENANT**

A. TENANT shall appoint a local representative who shall have the AUTHORITY to make day-to-day decisions and shall be responsible for coordinating activities with AUTHORITY. The name, address and telephone number of the local representative shall be submitted to AUTHORITY simultaneously with the execution of this Agreement, and AUTHORITY is to be notified of any change in the local representative.

B. NON-INTERFERENCE WITH OPERATION OF AIRPORT.

1. TENANT by accepting this Agreement expressly agrees for itself, its successors and assigns that it will not in any manner interfere with the landing and taking off of aircraft at the Airport or otherwise create a related hazard. In the event this covenant is breached, the AUTHORITY reserves the right to cause the abatement of such interference at the expense of TENANT.
2. If the FAA shall determine that any right or claim of right in or to the property leased herein creates an undue risk of interference with the operation of the Airport or the performance of or compliance with any covenants and conditions to which the use of the Airport is subject, said right or claim shall be extinguished or modified in a manner acceptable to the FAA.

C. UTILITIES.

1. The AUTHORITY shall provide and pay for heat and electricity. TENANT shall pay the AUTHORITY for utilities as set forth in Article III of this Agreement.
2. TENANT shall use commercially reasonable efforts to minimize the usage of heat by keeping the hangar doors closed at all times when not needed for the movement of aircraft into and out of the hangar.

3. AUTHORITY shall not be liable or responsible for any unavailability, failure, stoppage, interruption or shortage of any utilities or other services, however or by whomever caused, except to the extent caused by the gross negligence or willful misconduct of the AUTHORITY, its employees, agents or contractors.
- 4 Any special telephone or other communication services, if requested, shall be the responsibility of the TENANT. All equipment will be furnished by the AUTHORITY and the costs thereof and any usage charges shall be payable to the AUTHORITY within thirty (30) days of billing by the AUTHORITY.

D. SIGNS.

No sign shall be installed or maintained by TENANT except in compliance with the AUTHORITY's requirements for location and use of signs at the Airport and specifically on the exterior of the building within which the Leased Premises are located ("Building"). Prior to installation, TENANT must obtain written approval from AUTHORITY, which approval shall not be unreasonably withheld, conditioned or delayed.

E. NON-DISCRIMINATION.

1. The TENANT for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (i) no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of the Premises; (ii) that in the construction of any improvements on, over or under such land the furnishing of services thereon, no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination, (iii) that the TENANT shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-Discrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 and as said Regulations may be amended.
2. The TENANT shall comply with the laws of the State of New York prohibiting discrimination because of sex, religion, age or physical handicap. Should the TENANT authorizes another person or entity to provide services or benefits in or in connection with its rights or obligations under this Agreement, the TENANT shall obtain from such person or entity a written agreement pursuant to which such person or entity shall, with respect to the services or benefits which it is authorized to provide, undertake for itself the obligations contained in this Section. The TENANT shall furnish the original of such agreement to the AUTHORITY.
3. The TENANT will provide all information and reports required by said Regulations, or by directives issued pursuant thereto, and shall permit

access to its books, records, accounts, other sources of information, and its facilities as may be determined by AUTHORITY or the FAA to be pertinent to ascertain whether there has been compliance with said Regulations and directives. Where any information required of the TENANT is in the exclusive possession of another who fails or refuses to furnish this information, the TENANT shall so certify to the AUTHORITY or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

4. In the event of breach of any of the above nondiscrimination covenants, the AUTHORITY shall have the right to terminate this Agreement and re-enter and repossess the Premises, and hold the same as if this Agreement had never been made or issued, or impose such contract sanctions as it or the FAA may determine to be appropriate. The right granted to the AUTHORITY by the foregoing sentence shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights
5. The TENANT further assures that it will undertake an affirmative action program as required by 14 CFR, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR, Part 152, Subpart E. The TENANT assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this Subpart. The TENANT assures that it will require that its covered suborganizations provide assurances to the TENANT that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR, Part 152, Subpart E, to the same effect. The AUTHORITY may from time to time be required by the United States Government, or its agencies, to adopt additional or amended nondiscrimination provisions concerning the furnishing of services to or at the Airport, and the TENANT agrees that it will adopt any such requirements as part of this Agreement.

F. COMPLIANCE WITH LAWS, RULES AND REGULATIONS.

TENANT shall, at its sole expense, observe and comply with the statutes, rules and, regulations, guidelines and other pronouncements in whichever form, of all governmental authorities and the AUTHORITY which are applicable to the conduct of TENANT's business. Any penalties and costs levied as a result of the TENANT's breach of any of the above shall be borne by the TENANT, and said penalty or cost shall be paid and the underlying violation cured by TENANT immediately.

G. INDEMNITY BY TENANT.

This Lease is ancillary to the work Tenant is doing pursuant to the construction contract ("Construction Contract") relative to the new parking garage at the Airport. The insurance provisions and indemnity provisions of the Construction Contract shall apply to the use of the Premises under this Lease.

H. SECURITY REGULATIONS.

The TENANT shall comply with all applicable regulations relating to airport security set forth in Part 107 of the FAA's Regulations and shall control the Premises so as to prevent unauthorized persons from obtaining access to the air operations area of the Airport.

I. ADDITIONAL CHARGES.

Except the fees and charges specifically provided for in this Agreement, the TENANT shall not collect any fees or charges from parties utilizing the Airport or the Premises. If the TENANT violates this provision, the AUTHORITY, in addition to all other remedies, shall be entitled to one hundred (100%) percent of all such fees and charges collected, and the same shall be payable immediately.

J. SURRENDER.

Upon the termination of this Agreement, whether by expiration of its term, by default, or otherwise, the TENANT shall quit and surrender the Premises and all Leasehold Improvements and Major Leasehold Improvements thereon, free of all liens and in good condition and repair, except for reasonable wear and tear. Such surrender shall, more specifically, be made in accordance with the standards set forth in Exhibit "B", "Move-Out Standards", attached hereto and made part hereof.

**ARTICLE XII - DEFAULTS AND REMEDIES AND SPECIAL TERMINATION**

- A. In the event TENANT shall fail to pay when due any Rent or any other sum required to be paid by TENANT under this Agreement, or shall fail to perform or comply with any of the terms, covenants, conditions or provisions of this Agreement, or if TENANT vacates, abandons or deserts the Premises or any part thereof (except due to force majeure or fire or other casualty) or occupies real property outside the boundaries of the Premises as defined in this Agreement, or if TENANT shall be adjudicated bankrupt, or shall make an assignment for the benefit of creditors or shall file a bill in equity or otherwise initiate proceedings for the appointment of a receiver of its assets, or shall file any proceedings in bankruptcy or for reorganization, adjustment, composition or an arrangement under any Federal or state law, or if any proceedings in bankruptcy or a petition seeking reorganization, arrangement, adjustment or composition or proceedings for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) shall be instituted with respect to TENANT under any state or Federal law and shall not be discharged within sixty (60) days, or if a material portion of the assets of TENANT are attached or levied under execution or other legal process, or if TENANT fails to pay its debts generally as they become due, or if TENANT admits in writing its inability to pay its debts as they mature, then and in addition to any other rights or remedies the AUTHORITY may have under this Agreement or at law or in equity, the AUTHORITY, at the AUTHORITY's sole option, shall have the following rights:
1. To accelerate the whole or any part of the Rent for the entire unexpired balance of the Term of this Agreement, as well as all other charges, payments, costs and expenses herein agreed to be paid by TENANT, and any Rent or other charges, payments, costs and expenses if so accelerated shall, in addition to any and all installments of Rent already due and payable and in arrears, and/or any charge or

payment herein reserved, included or agreed to be treated or collected as Rent and/or any other charge, expense or cost herein agreed to be paid by TENANT which may be due and payable and in arrears, be deemed due and payable as if, by the terms and provisions of this Agreement, such accelerated Rent, and other charges, payments, costs and expenses were on that date payable in advance;

2. To terminate this Agreement and the Term hereby created without any right on the part of TENANT to waive the forfeiture by payment of any sum due or by other performance of any condition, term or covenant broken, but TENANT shall remain liable as herein provided;
  3. Whether or not this Agreement has been terminated as herein provided, to reenter and repossess the Premises or any part thereof by force, summary proceedings, ejectment or otherwise and AUTHORITY shall have the right to remove all persons and property therefrom. AUTHORITY shall be under no liability for or by reason of any such entry, repossession or removal. At any time or from time to time after the repossession of the Premises or any part thereof whether or not this Agreement shall, have been terminated, AUTHORITY may (but shall be under no obligation to) relet all or any part of the Premises for the account of TENANT for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the Term) and on such conditions (which may include concessions or free rent) and for such uses as AUTHORITY, in its absolute discretion, may determine, and AUTHORITY may collect and receive any rents payable by reason of such reletting. For the purpose of such reletting, AUTHORITY may decorate or make repairs, changes, alterations or additions in or to the Premises or any part thereof to the extent deemed by AUTHORITY desirable or convenient, and the cost of such decoration, repairs, changes, alterations or additions and any reasonable brokerage and legal fees expended by AUTHORITY shall be charged to and be payable by TENANT. No expiration or termination of this Agreement, by operation of law or otherwise, and no repossession of the Premises or any part thereof pursuant to this Section, or otherwise, and no reletting of the Premises or any part thereof pursuant to this Section shall relieve TENANT of its liabilities and obligations hereunder, all of which shall survive such expiration, termination, repossession or reletting.
- B. In the event of any expiration or termination of this Agreement or repossession of the Premises or any part thereof by reason of default, and if AUTHORITY has not elected to accelerate Rent pursuant to this Section, TENANT shall pay to AUTHORITY the Rent and other sums required to be paid by TENANT to and including the date of such expiration, termination or repossession and, thereafter, TENANT shall, until the end of what would have been the expiration of the Term in the absence of such expiration, termination or repossession, and whether or not the Premises or any part thereof shall have been relet, be liable to AUTHORITY for, and shall pay to AUTHORITY, as current damages, the Rent, and other sums which would be payable under this Agreement by TENANT in the absence of such expiration, termination or repossession, less the net proceeds, if any, of any reletting effected for the account of TENANT pursuant to this Section, after deducting from such proceeds all of AUTHORITY's expenses in connection with such reletting (including, without limitation, all related repossession costs, brokerage commissions, legal expenses, attorneys, fees, employees expenses, alteration costs and expenses or preparation for such reletting). TENANT shall pay such current damages on the days on which the Rent would have been payable

under this Agreement in the absence of such expiration, termination or repossession, and AUTHORITY shall be entitled to recover the same from TENANT on each such day.

- C. No right or remedy herein conferred upon or reserved to AUTHORITY is intended to be exclusive of any other right or remedy herein or by law provided but each shall be cumulative and concurrent and in addition to every other right or remedy given herein or now or hereafter existing at law or in equity or by statute or ordinance. The exercise of any one or more of such remedies shall not preclude the exercise by AUTHORITY, at the same or different times, of any other remedies for the same default or any other default. No termination of this Agreement or taking or recovering possession of the Premises shall deprive AUTHORITY of any remedies or actions against TENANT for Rent or charges or for damages for the breach of any covenant or condition herein contained, nor shall the bringing of any such action for Rent, charges or breach of covenant or condition, nor the resort to any other remedy or right for the recovery of Rent, charges or demands for such breach be construed as a waiver or release of the right to insist upon the forfeiture and to obtain possession. No reentering or taking possession of the Premises, or making of repairs, alterations or improvements thereto, or reletting thereof, shall be construed as an election on the part of AUTHORITY to terminate this Agreement unless written notice of such intention be given by AUTHORITY to TENANT. The failure of AUTHORITY to insist upon the strict and/or prompt performance of the terms, agreements, covenants and conditions of this Agreement or any of them, and/or the acceptance of such performance thereafter shall not constitute or be construed as a waiver of AUTHORITY's right to thereafter enforce the same strictly according to the terms of this Agreement in the event of a continuing or subsequent default.
- D. If TENANT fails to perform any covenant or observe any condition to be performed or observed by TENANT hereunder or acts in violation of any covenant or condition hereof, AUTHORITY may, but shall not be required to, on behalf of TENANT, perform such covenant and/or take such steps, including entering upon the Premises, as may be necessary or appropriate to meet the requirements of any such covenant or condition, and all costs and expenses incurred by AUTHORITY in so doing, including reasonable legal fees, shall be paid by TENANT to AUTHORITY upon demand. Any action taken by AUTHORITY pursuant to this Section shall not in any way waive or restrict any rights or remedies AUTHORITY may otherwise have against TENANT on account of TENANT's defaults.
- E. TENANT shall pay upon demand all AUTHORITY's costs, charges and expenses, including the reasonable fees of counsel, agents and others retained by AUTHORITY (or, if AUTHORITY utilizes its own employees for such services, the amount that AUTHORITY would have paid had it engaged the services of outside counsel or others) incurred by AUTHORITY in connection with the enforcement of any of AUTHORITY's rights or remedies under this Agreement, and also in connection with any litigation, negotiation or transaction in which TENANT causes AUTHORITY to become involved or concerned as a result of a default by TENANT.
- F. To secure all of its obligations under the Agreement, TENANT hereby grants to AUTHORITY a security interest in the personal property and all fixtures located at the Premises necessary, useful or desirable in connection with the operation of

the Premises, including without limitation all furniture, fixtures, equipment, machinery, furnishings, inventory, goods, appliances and other property of every kind and nature whatsoever, other than aircraft and other than that which is owned by a subTENANT (the "Collateral").

TENANT shall, execute, deliver and file any financing statements, continuation statements and other documents AUTHORITY may reasonably require from time to time to perfect and maintain in favor of AUTHORITY a security interest in the Collateral under the Uniform Commercial Code as in effect in New York. From and after the occurrence of any default hereunder AUTHORITY shall have all of the remedies of a secured party under the Uniform Commercial Code as in effect in New York with respect to all Collateral, including without limitation the right and power to own and use the Collateral in connection with the operation of the Premises or otherwise, to sell or otherwise dispose of the Collateral or any part thereof.

- G. Notwithstanding anything herein above stated, AUTHORITY agrees that, except as hereinafter provided, TENANT shall not be in default hereunder, and AUTHORITY shall not have the right to exercise any right or remedy provided for in this Agreement or allowed by law because of any default (other than AUTHORITY's remedy under Section "E" of this Article), unless TENANT shall have failed to pay, within a period of ten (10) calendar days after the date due, the sum or sums due if the default consists of the failure to pay money, or if the default consists of something other than the failure to pay money, TENANT shall have failed, within thirty (30) calendar days after the giving by AUTHORITY of written notice of such default to TENANT, to commence to correct such default and thereafter to actively and diligently in good faith proceed with and continue the correction of the potential default and to correct the same.

The notice requirements and grace period set forth above shall not apply to the following defaults by TENANT under this Agreement, and TENANT in such circumstances shall be considered in default under this Agreement without any notice or grace, and AUTHORITY may exercise all remedies set forth in this Agreement, and without limitation Article XII of this Agreement:

1. TENANT shall have permanently ceased operating and using the Premises to the extent and in the manner required by this Agreement; or
2. TENANT shall have filed a petition in bankruptcy or for reorganization or a bill in equity or otherwise initiated proceedings for the appointment of a receiver of its assets, or if a receiver or trustee is appointed for TENANT, or TENANT makes an assignment for the benefit of creditors or if a material portion of the assets ofTENANT are attached or levied under execution on a judgment; or
3. INTENTIONALLY OMITTED
4. Failure by TENANT to obtain any of the insurance required by Article;
5. Any default which creates a risk of either (a) bodily injury or damage to property, or (b) judicial sale or loss of title to the Premises; or

6. Any default which results in interference with Airport operations or with use of the Airport by others.

#### ARTICLE XIII - ASSIGNMENT

- A. TENANT may not assign or transfer this Agreement or any right or obligation hereunder, or assign or sublet any portion of the Premises, without the prior written consent of the AUTHORITY, which consent shall be within the AUTHORITY's sole discretion; provided, however, with the AUTHORITY's consent (which shall not be unreasonably withheld or delayed), TENANT may assign this Agreement to any corporation with which TENANT may merge or consolidate, or to which TENANT may sell or assign all or substantially all of its corporate assets, or to a wholly owned subsidiary or affiliate. In no event shall an assignment, transfer, or sublease release TENANT from its monetary and/or non-monetary obligations under this Agreement.

#### ARTICLE XIV - GENERAL PROVISIONS

##### A. AUTHORITY'S RESERVED RIGHTS.

1. AUTHORITY at its sole discretion reserves the right to further develop or improve the Airport as it sees fit and to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions, together with the right to prevent TENANT from erecting or permitting to be erected, any building or other structure on the Airport which, in the opinion of AUTHORITY would limit the usefulness of the Airport or constitute a hazard to aircraft.
2. This Agreement shall be subject to all restrictions of record affecting the Airport and the use thereof, all federal, state and county laws and regulations affecting the same, and shall be subject and subordinate to the provisions of any existing or future agreements between the AUTHORITY and the United States or State of New York relative to the operation or maintenance of the Airport, the execution of which may be required as a condition precedent to the expenditure of federal, state, or county funds for the development of the Airport, or any part thereof. All provisions hereof shall be subordinate to the right of the United States to occupy or use the Airport, or any part thereof, during time of war or national emergency.
3. In the event the Federal Aviation Administration or its successors (collectively, "FAA") requires modifications or changes in this Agreement which may or may not be a condition precedent to obtaining funds for the improvement of the Airport, the TENANT hereby consents to any and all such modifications and changes as may be required and agrees to execute an amendment to this Agreement to reflect the required modification or changes.

##### B. NON-EXCLUSIVE RIGHT.

Nothing contained in this Agreement shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308 (a) of the Federal Aviation Act of 1958, as amended, or any other statute, ordinance, regulation or policy of any governmental agency having jurisdiction over the Airport and/or the activities that take place at the Airport, and the AUTHORITY reserves the right to conduct or to grant others the privilege and right to conduct one or more activities of an aeronautical nature at the Airport.

This Lease is subject and subordinate to the provisions of any agreement heretofore or hereafter made between the Authority and the United States Government, relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of federal rights or property to the Authority for Airport purposes, or the expenditure of federal funds for the improvement or development of the Airport, including the expenditure of federal funds for the development of the Airport in accordance with the provisions of the Federal Aviation Act of 1958, as it has been amended from time to time. The Authority covenants that it has no existing agreements with the United States Government in conflict with the express provisions hereof.

C. ATTORNEY'S FEES.

If either the AUTHORITY or the TENANT commences, engages in, or threatens to commence or engage in any legal action or proceeding against the other party (including, without limitation, litigation or arbitration) arising out of or in connection with this Agreement, the Premises, or the Airport) (including without limitation (a) the enforcement or interpretation of either party's rights or obligations under this Agreement (whether in contract, tort or both) or (b) the declaration of any rights or obligations under this Agreement) the prevailing party shall be entitled to recover from the losing party reasonable attorney's fees, together with any costs and expenses, incurred in any such action or proceeding, including any attorneys' fees, costs and expenses incurred on collection and on appeal.

D. PARAGRAPH HEADINGS.

The paragraph headings are for convenience in reference and are not intended to define or limit the scope of any provision of this Agreement.

E. NOTICE.

Whenever any notice is required by this Agreement to be made, given or transmitted to a party, such notice shall be served by Certified Mail, return receipt requested, or sent by a nationally recognized overnight service, return receipt requested or the equivalent, to the addresses listed below. In the case of notices sent by overnight courier, delivery shall be deemed effective one day after such notice is sent.

If to TENANT:

LeChase Construction Services, LLC  
205 Indigo Creek Drive  
Rochester, NY 14626

If to AUTHORITY:

Albany County Airport AUTHORITY  
Albany International Airport  
Administration Building, Suite 200  
Albany, New York 12211-1057  
ATTN: Chief Executive Officer

or to such other addresses as the parties may designate to each other in writing.

F. NEW YORK LAW.

The TENANT and the AUTHORITY explicitly agree this Agreement shall be governed and construed according to the laws of the State of New York and the parties further agree that the Supreme Court, State of New York, County of Albany, or the United States District Court, Northern District of New York shall be the forum for any actions brought under this Agreement. It is agreed by and between the TENANT and the AUTHORITY that if any covenant, condition or provision contained in this Agreement is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other covenant, condition or provision herein contained.

G. ENTIRE AGREEMENT.

This Agreement contains the entire agreement of the parties with respect to the leasing of the Premises for the storage of aircraft and maintenance thereto; and this Agreement may not be amended, modified, released or discharged, in whole or in part, except by an instrument in writing signed by the parties hereto, their respective successors or assigns.

H. SUCCESSORS AND ASSIGNS.

All of the terms, covenants and agreements herein contained shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.

I. REGULATIONS OF AUTHORITY. The rights and privileges granted to the TENANT hereunder and the occupancy and use by the TENANT of the Premises shall be subject to the reasonable rules and regulations of the AUTHORITY as the same are now or may hereafter be prescribed through the lawful exercise of its power.

J. NO WAIVER. No waiver of any covenant or condition contained in this Agreement or of any breach of any such covenant or condition shall constitute a waiver of any subsequent breach of such covenant or condition by either party, or justify or authorize the non-observance of any other occasion of the same or any other covenant or condition hereof of either party. Further, the parties agree that time is of the essence under this Agreement.

K. RELATIONSHIP OF PARTIES.

1. The TENANT is not authorized hereby to act as the AUTHORITY's agent, and shall have no AUTHORITY whatsoever, express or implied, to act for or bind the AUTHORITY.

2. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal, and agent, partnership, joint venture or any association between the AUTHORITY and the TENANT, it being expressly understood and agreed that neither the method of computation of payment hereunder nor any other provisions contained in this Agreement nor any act of the parties hereto shall be deemed to create any relationship between the AUTHORITY and the TENANT other than the relationship of a landlord and tenant. Nothing in this Agreement shall be deemed or construed to create any benefit in any party other than the AUTHORITY and the TENANT.

\*\*\*\*\*

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the date first above mentioned.

**ALBANY COUNTY AIRPORT AUTHORITY**

By: \_\_\_\_\_  
John A. O'Donnell, Chief Executive Officer

**LECHASE CONSTRUCTION SERVICES, LLC**

By: \_\_\_\_\_  
President

STATE OF NEW YORK        )  
  ) ss.:  
COUNTY OF ALBANY        )

On this \_\_\_ day of \_\_\_\_\_, 2019, before me personally came and appeared **JOHN A. O'DONNELL** to me known to be the person who executed the above instrument, who, being duly sworn, did depose and say that he resides in the County of Albany, that he is the Chief Executive Officer of the Albany County Airport AUTHORITY, the public benefit corporation described in, and which executed, the foregoing instrument; that he executed the foregoing instrument in the name of the Albany County Airport AUTHORITY and that he signed his name thereto by like authorization.

\_\_\_\_\_  
Notary Public

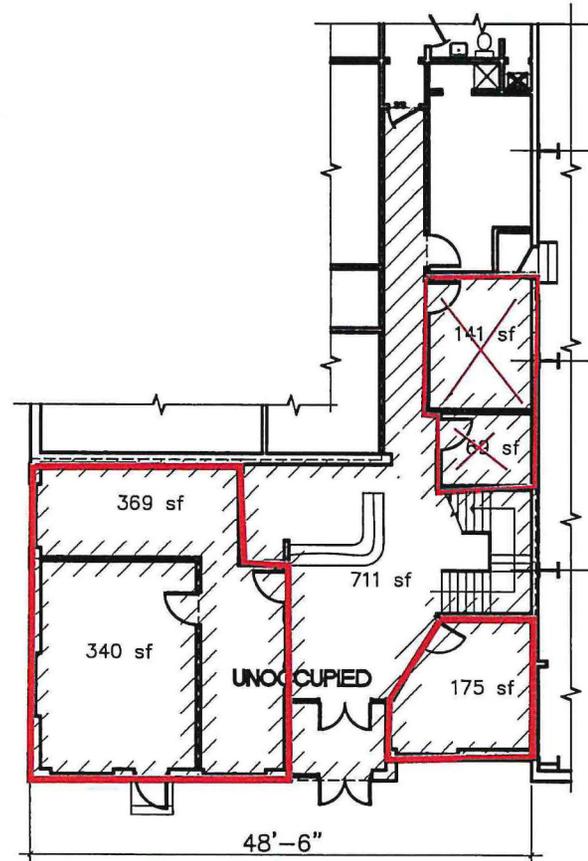
STATE OF                        )  
  ) ss.:  
COUNTY OF                    )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2019, before me personally came to me personally known, who being duly sworn, did depose and say that he resides in \_\_\_\_\_ County, in the Commonwealth of Pennsylvania and which executed the within instrument and that he signed his name thereto by like order.

\_\_\_\_\_  
Notary Public

**EXHIBIT "A"**  
**LEASED AREA**

1. 6 Jetway Drive, Building 119



LeChase Office  
Space 884 SF

(711 SF Common  
area)

**HR** HOFFMAN + RILEY  
ARCHITECTS  
1705 CENTRAL AVENUE • ALBANY, N.Y. 12205 • 482-0073

EXISTING  
FLOOR PLAN

BUILDING 112  
OFFICE AND  
HANGAR FACILITY  
ALBANY INTERNATIONAL AIRPORT

## EXHIBIT B

### **MOVE-OUT STANDARDS**

At the expiration or earlier termination of this Lease, OPERATOR shall surrender the Premises in the same condition (normal wear and tear accepted) as they were upon delivery of possession thereto under this Lease and shall deliver all keys to AUTHORITY or AUTHORITY's Property Management Agent. Before surrendering the Premises, OPERATOR shall remove all personal property, trade fixtures, unless AUTHORITY requests, in writing, that OPERATOR not remove some or all of such fixtures (other than trade fixtures), additions or improvements installed by or on behalf of OPERATOR or situated in or about the Premises. By the date, which is twenty (20) days prior to such expiration or earlier termination of this Lease, AUTHORITY shall notify OPERATOR in writing of those fixtures (other than trade fixtures), alterations, additions and other improvements, which AUTHORITY shall require, OPERATOR not to remove from the Premises. OPERATOR shall repair any damage caused by the installation or removal of such signs, trade fixtures, furniture, furnishings, fixtures, additions and improvements which are to be removed from the Premises by OPERATOR hereunder. If AUTHORITY fails to so notify OPERATOR at least twenty (20) days prior to such expiration or earlier termination of this Lease, then OPERATOR shall remove all OPERATOR signage, alterations, furniture, furnishings, trade fixtures, additions and other improvements (other than the OPERATOR Improvements) installed in or about the Premises by, or on behalf of OPERATOR. OPERATOR shall ensure that the removal of such items and the repair of the Premises will be completed prior to such expiration or earlier termination of this Lease. If OPERATOR fails to remove its personal property and trade fixtures upon the expiration or earlier termination of this Lease, the same shall be deemed abandoned, and AUTHORITY shall have the right to store or dispose of the abandoned property. If AUTHORITY does not elect to store such property, AUTHORITY may consider such property to be abandoned by OPERATOR, and AUTHORITY may thereupon dispose of such property in any manner deemed appropriate by AUTHORITY. Any proceeds realized by AUTHORITY on the disposal of any such property shall be applied first to offset all expenses of removal, storage and sale, and then credited against OPERATOR's outstanding obligations to AUTHORITY under the Lease. Any balance remaining after satisfaction of all obligations of OPERATOR under the Lease shall be delivered to OPERATOR.

The OPERATOR shall surrender the Premises, at the time of the expiration or earlier termination of the Lease, in the same condition as they were upon delivery of possession; such condition shall include, but is not limited to, addressing the following items:

1. Lights: Office lights will be fully operational with all bulbs functioning.
2. Carpeting/Floors: Free of stains, clean and free of debris Repair and return to move-in condition.
3. Walls: Sheetrock (drywall) damage must be patched and fire-taped, ready for paint, so that there are no holes in either office, hangar or other leased space. Ready to paint.
4. Signs: All exterior signs must be removed, unless OPERATOR is otherwise notified by AUTHORITY as set forth in the first paragraph of this Exhibit, and holes patched and paint touched-up to match as necessary. All window signs inside and outside, unless OPERATOR is otherwise notified by AUTHORITY as set forth in the first paragraph of this Exhibit, must likewise be removed.

EXHIBIT B

**MOVE-OUT STANDARDS (continued)**

5. Overall Cleanliness: Clean windows, sanitize bathroom(s), vacuum carpet, and remove any and all debris from office and warehouse. Remove all debris, equipment and personal belongings from exterior of premises.
  
6. Upon Completion: Contact AUTHORITY's property manager to coordinate date of turning off power, turning in keys, and obtaining final AUTHORITY inspection of Premises which, in turn, will facilitate refund of security deposit.

**AGENDA ITEM NO. 11**

**Authorization of Change Orders**

**AGENDA ITEM NO. 12**

**Authorization of Federal and State Grants**

**AGENDA ITEM NO. 13**

**Emergency Procurement Approvals by CEO –  
Informational Only**

**AGENDA ITEM NO. 14.1**

**Comprehensive Annual Financial Report  
for the year-ended 2018 with draft  
auditor reports.**

AGENDA ITEM NO: 14.1  
AUDIT COMMITTEE  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:** Finance

Contact Person: *Audit Committee*  
*William J. O'Reilly, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-second Comprehensive Annual Financial Report as of and for the year ended December 31, 2018 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- the Authority's 2018 Rates and Charges Settlement Report to the Signatory Airlines and Signatory Cargo Carriers with draft Consultant Report;
- the Authority's Annual Investment Report in accordance with its Cash Management and Investment Policy and Section 2925 of the Public Authorities Law (with draft audit compliance report of Marvin and Company, P.C., certified public accountants);
- The Annual review and approval of the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law;
- Review of mission statement and performance measures and acceptance of measurement report for 2018 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2018 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- **Comprehensive Annual Financial Report for the year-ended 2018 with draft auditor reports;**
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2018 with draft consultant report;
- Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report;
- Performance Measurement Report for 2018; and
- Financial Statements – Other Post Employment Benefit Trust

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 18, 2019 meeting and will present their recommendations for approval by the Board.



ALBANY COUNTY AIRPORT AUTHORITY  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
Years Ended December 31, 2018 and 2017

Prepared by the  
Finance Department

William J. O'Reilly, CPA  
Chief Financial Officer

Margaret Herrmann  
Chief Accountant

A Component Unit of the County of Albany  
Town of Colonie, New York

[www.albanyairport.com](http://www.albanyairport.com)

CUSIP #012123XXX

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# Introduction





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

TELEPHONE: 518-242-2222  
ADMIN FAX: 518-242-2641  
FINANCE FAX: 518-242-2640  
SITE: [www.albanyairport.com](http://www.albanyairport.com)

## Chairman's Message

March 18, 2019

U.S. Domestic Airlines experienced continued favorable industry conditions during 2018 while surveys by the airline association, Airlines for America (A4A), showed that airports in North America have achieved a record high in overall passenger satisfaction.

“The combination of creative freedom and new-generation aircraft has led to another hugely significant development in recent years: the hundreds of new city pairs that airlines have launched and continue to add to their networks. These directly link communities by air as they’ve never before been connected, making the movement of people and goods easier, and stimulating economies,” said Ken Walker, Editor-in-Chief of Air Transport World.

Indeed, Albany has been a benefactor of that growth with the recent addition of Frontier Airlines and Allegiant Air. Newly announced non-stop destinations include Ft. Myers, Orlando-Sanford, St. Petersburg, Punta Gorda, Raleigh-Durham, Myrtle Beach and Savannah. As a result, in 2018, Albany International Airport served over 2.9 million passengers with the anticipation that overall enplanements will continue to increase during the coming year.

Increased air service and passenger growth have strained the airport's parking capability. The addition of valet parking helped to reduce the pressure on our long-term ground lots but sufficient parking in close proximity to the terminal continues to be an issue. In 2018, the Airport Authority was awarded a \$22 million grant by Governor Cuomo to design and construct a new 1,000-car parking garage, provide terminal improvements and parking access improvements to help accommodate the airport's increasing number of travelers.

The new garage will feature easy access from Albany-Shaker Road, wayfinding equipment that will direct traffic to available parking spaces and license plate readers for ticketless transactions. The five-story garage will be connected directly to the terminal. Site preparation was well underway by the end of the year with a scheduled completion date of March 2020. Improvements within the now 20-year-old terminal including new escalators, public address system, LED lighting, restrooms and charging stations for electronic devices. Well-traveled concourses will see carpeting replaced with flowing terrazzo flooring. The airport's food court will undergo a transformation and improvements will be made to the TSA security checkpoint. The Airport Authority has earmarked another \$31 million in funds to support significant improvements.

Chick-fil-A opened its food court location in October and has proven to be the most popular airport food venue. 2019 will see the addition of Burger King and Wolfgang Puck pizza in the food court. The Albany Empire Deli will also open in a location before the security checkpoint.

The close of 2018 marked the completion of the third year of a the current five-year Airport Use and Lease Agreement and Common Cargo Carrier Airfield Use Agreement with its seven Signatory Airlines and two Signatory Cargo Carriers. These agreements ensure the Airport's most important

aviation business relationships are soundly in place for years to come and are expected to continue to produce attractive airline rates and charges and net revenue for the Airport to share with the Airlines. In 2018, the prudent management of the Airport budget allowed the Airport cost per enplaned passenger to settle at \$6.57 which was less than the budgeted amount of \$7.17. This cost was achieved in part by the generation of \$5.1 million in net revenue in 2018, half of which is shared between the signatory airlines and signatory cargo carriers under the Signatory Airline and Cargo Carrier Agreements.

During 2019, the Airport Authority will continue to both operate and improve Airport facilities and operations, in accordance with its adopted budget and capital plans. In the coming year, we will continue our mission to provide travelers with outstanding service in full recognition that our success as an airport is dependent on the skills and dedication of all the employees at Albany International Airport.



Rev. Kenneth J. Doyle  
Chairman

DRAFT



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March 18, 2019

**TO THE MEMBERS OF THE AUTHORITY:**

The Comprehensive Annual Financial Report (CAFR) of the Albany County Airport Authority (Authority) for the fiscal year ended December 31, 2018 is hereby submitted to the Authority Board and all others interested in the financial condition of Albany International Airport (Airport). This report is published in accordance with the requirements of the State of New York (State) enabling legislation creating the Authority, Article 9, Section 2800 of the Public Authorities Law, and the master bond resolution covering the issuance of indebtedness by the Authority. Pursuant to those requirements, this Comprehensive Annual Financial Report of the Authority has been prepared in accordance with accounting principles general accepted in the United States of America (GAAP). This report consists of four sections: Introductory, Financial, Statistical, and Compliance. The basic financial statements included in the Financial Section have been audited by Marvin and Company, P.C.

This report is management's representations concerning the financial position and changes in net financial position of the Authority. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control framework that has been designed to both protect the Authority's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this report is complete and reliable in all material respects.

This introductory letter of transmittal should be read in conjunction with Management's Discussion and Analysis (MD&A) which provides an introduction, overview and analysis of the basic financial statements for 2018 and 2017. The MD&A is located immediately following the report of the independent auditor in the Financial Section. The MD&A is required supplementary information to the basic financial statements, but is not a part of the basic financial statements and was not audited.

## **INDEPENDENT REVIEW**

### *FINANCIAL AUDIT*

The goal of an independent audit is to provide reasonable assurance that the basic financial statements of the Authority for the year ended December 31, 2018 and 2017 are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and any significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concludes, based upon their audit, that there is a reasonable basis for rendering an unmodified (“clean”) opinion and that the Authority’s financial statements for the year ended December 31, 2018 and December 31, 2017 are presented in conformity with GAAP. The independent auditor’s report is the first component of the Financial Section.

### *UNIFORM GUIDANCE AUDIT*

The independent audit of the financial statements is part of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards commonly called the “Uniform Guidance”, relative to financial funds received from the U.S. Government, the New York State Department of Transportation Draft Part 43 of the Codification of Rules and Regulations, relative to State transportation funds received, and also, in conformity with the provisions of the Passenger Facility Charge Audit Guide for Public Agencies. The standards governing these provisions require the independent auditor to report on the fair presentation of the financial statements and on the Authority’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state grant awards. The independent auditor’s reports are included in the Compliance Section.

As a recipient of federal and state financial assistance, the Authority also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. As part of the Authority’s Uniform Guidance audit, tests were made to determine the adequacy of the internal control structure, including that portion related to federal assistance awards, as well as to determine that the Authority has complied with applicable laws and regulations. The results of the Authority’s audit under the Federal Uniform Guidance for the year ended December 31, 2018 provided no instances of material weaknesses in the internal control structure and no instances of noncompliance that are required to be reported under Government Auditing Standards.

## **THE AUTHORITY**

The Albany County Airport Authority (Authority) is a body corporate and politic constituting a public benefit corporation established and existing pursuant to the Albany County Airport Authority Act, Title 32 of Article 8, as amended, of the State of New York Public Authorities Law (Act). The State created the Authority in 1993 in order to promote the strengthening and improvement of the Airport and to facilitate the financing and construction of the initial Terminal Improvement Project (TIP), other

subsequent capital improvement plans and gave the Authority the power to operate, maintain and improve the Airport.

The County of Albany (County) and the Authority entered into a permanent Airport Lease Agreement dated December 5, 1995, which became effective May 16, 1996 following approval by the Federal Aviation Administration (FAA) of the United States Department of Transportation for the transfer of the sponsorship of the Airport from the County to the Authority. Under the Lease Agreement the County leases to the Authority the Airport, including all lands, buildings, improvements, structures, easements, rights of access, and all other privileges and appurtenances pertaining to the Airport. On November 5, 2018, the termination date of the lease was extended from May 16, 2036 to December 31, 2049.

The Act creating the Authority set forth the following for its creation:

**GOALS**– To provide adequate, safe, secure and efficient aviation and transportation facilities at a reasonable cost to the people.

**OBJECTIVES** – (1) To promote safe, secure, efficient and economic air transportation by preserving and enhancing Airport capacity; (2) to acquire, construct, reconstruct, continue, develop, equip, expand, improve, maintain, finance and operate aviation and other related facilities and services; (3) to stimulate and promote economic development, trade and tourism; (4) to form an integral part of a safe and effective nationwide system of Airports to meet the present and future needs of civil aeronautics and national defense and to assume inclusion of the Authority's facilities in state, national and international programs for air transportation and for airway capital improvements; and (5) to ensure that aviation facilities shall provide for the protection and enhancement of the natural resources and the quality of the environment of the state and the capital district area.

## **THE REPORTING ENTITY**

The Authority is composed of seven members with four members appointed by the majority leader of the Albany County Legislature and three members by the Albany County Executive, all with approval of the Albany County Legislature. The Authority members are appointed for a term of four years or until a successor is appointed, except that any person appointed to fill a vacancy is appointed to serve only the unexpired term.

Rev. Kenneth J. Doyle became the Acting Chair of the Board in 2012 and Chair in 2014. John A. O'Donnell, P.E., Chief Executive Officer, is responsible for planning and directing the management of all operations at the Airport including its capital improvement programs. William O'Reilly, CPA, Chief Financial Officer, is responsible for financial planning, budgeting, operating and capital accounting procedures and controls, debt management, airline affairs, and all Authority financial policies and procedures.

The Authority has engaged the services of AFCO AvPorts Management LLC, (d/b/a Avports) to manage the daily operations of the Airport and REW Investments, Inc. (d/b/a Million Air-Albany) to

manage the daily operations of the Fixed Base Operations (FBO). An Organizational Chart is included in this Introductory Section.

Based on the County's responsibility for the appointment of Authority members and their approval of all Airport capital improvement programs and for the issuance of certain debt, the Authority is defined as a component unit of the County under the criteria established by the Governmental Accounting Standards Board (GASB). The Authority has one component unit created in 2009 – the Albany County Airport Authority OPEB Trust – which is reported as a fiduciary component unit.

## **PROFILE OF ALBANY INTERNATIONAL AIRPORT**

Albany International Airport is the gateway to the New York State Greater Capital Region. The Airport, located on approximately a 1,200 acre site in the Town of Colonie, is the primary provider of commercial air transportation to the Albany area, including the northeast-central region of the State, southern Vermont and western Massachusetts. The Airport, located seven miles from downtown City of Albany, is accessible via U.S. Interstate 87, 88 and 90 highways. The Airport is strategically located at the center of New York's Capital Region and represents the heart of the burgeoning Hudson Valley Corridor known as "Tech Valley."

The Airport is defined by the FAA as a small air traffic hub, an Airport which handles between 0.05 percent and 0.249 percent of the enplaned passengers by U.S. air carriers nationwide. Based on the latest FAA data available, in 2017 the Airport ranked 80th in total enplanements and 104st in total cargo weight. The Airport also ranked 232nd in total aircraft operations in 2018.

The Airport has two primary runways, 1-19 and 10-28. The Airport services commercial, cargo, general aviation and military operations with a 24-hour operating air traffic control tower, U.S. Customs and Border Protections support services, and general aviation FBO facilities. Additional Airport data information is included in the Statistical Section of this report.

## **AIRPORT ECONOMICS AND DEMOGRAPHICS**

The Airport's 13 county primary air-trade service area for drawing passengers, located in New York State, southern Vermont and western Massachusetts, is home within a 75-mile radius to 1.4 million people and many businesses. Albany's secondary air-trade service area extends in a 150-mile radius from the Airport deeper into New England and upstate New York and adds an additional population of approximately 1.8 million for a combined total population exceeding 3.1 million in the primary and secondary areas.

The Airport's primary air trade area is at the core of the State Capital of the Nation's 4th<sup>rd</sup> largest state by population with more than fifty-thousand state employees and the "Tech Valley," an ongoing high-technology development program. High tech development continues in the region. The College of Nanoscale Science and Engineering at the SUNY Polytechnic Institute campus in Albany continues to expand its nanotechnology research and development programs. This nanotechnology center is located within a few miles of the Airport and is the first college in the world dedicated to

research, development, education, and deployment in the disciplines of nanoscience, nanoengineering, nanobioscience, and nanoeconomics. With over \$16 billion in public and private investments, CNSE's Albany NanoTech Complex has attracted over 250 global corporate partners - and is the most advanced research complex at any university in the world. Nearby Rensselaer Polytechnic is home to the Center for Biotechnology and Interdisciplinary Studies. This technology research center ranks among the world's most advanced research. Computer chip manufacturer GlobalFoundries built a major chip fab plant 20 miles north of the Airport that became operational in 2012. The combination of technology businesses and comparatively low unemployment rates position Albany for continued growth in airline activities and passenger usage of the airport.

The Airport's air-trade service area is also the home to world-class summer and winter vacation and recreation attractions that draw individuals and families from across the nation and from around the globe. The Adirondack, Berkshire, Catskill and Green Mountains, Lake George, the Hudson River Valley, and the Mohawk River - Erie Canal corridor offers a cornucopia of excellent entertainment and recreation venues. Features such as the Baseball Hall of Fame in Cooperstown, the Olympic Village in Lake George, the 130-year-old Saratoga Thoroughbred Race Track, and the Tanglewood and Saratoga Performing Arts Centers highlight this region. This area is also home for numerous major colleges, universities and hospitals, the largest of which are set forth in the Statistical Section of this report.

## **AIRLINE ECONOMICS**

The airlines have endured major financial impacts resulting from a series of events beginning in 2001 that have caused business and leisure passengers to reassess their use of commercial air travel or to elect to use other means of transportation. In 2008, the airlines were especially impacted by high jet fuel prices, forcing a reduction in capacity and reducing the number of flights throughout the system. During the latter part of 2008 the recession reduced the level of travelers and weakened the airlines financial stability. The airlines responded by reducing the size of their work forces, their operating expenses, airline seat capacity and some consolidation among carriers. The recession brought about low fuel prices which did provide a stabilizing effect on the financial health of the airlines. During the continue economic recovery, the airlines were able to raise airfares and charge additional fees for new and existing services such as internet access and baggage. According to Airlines for America, an industry trade association, U.S. Airlines lost \$65 billion from 2001 through 2009 and produced profits of \$75.9 billion in 2010 through 2017.

Some of the potential factors that can impact the airlines and therefore the number of flights and enplanements at this Airport are: the availability and costs of aviation fuel and other necessary supplies; changes in demand; national and international disasters and hostilities; service and fare competition; mergers; high fixed costs; high capital requirements; the cost and availability of financing; technological changes; the cost and availability of employees; strikes and employee disruptions; the maintenance and replacement requirements of aircraft; the availability of routes and slots at various airports; litigation liability; regulation by the federal government; environmental risks and regulations; noise abatement concerns; federal and state bankruptcy and insolvency laws; acts of terrorism; world health concerns such as Severe Acute Respiratory Syndrome and influenza A

(H1N1“Swine Flu);” availability of satisfactory travel substitution such as video conference; and other risks.

## **AUTHORITY’S FINANCIAL RESOURCES**

The information presented in the Financial Section is best understood when it is considered from the broader perspective of the specific environment within which the Airport operates. The Authority’s and Airport’s profile, its goals and objectives, the Airport’s economic and demographics and the Authority’s financial resources are all components of the Airport’s financial health and its ability to meet its financial obligations and service commitments.

### *FINANCIAL CONTROLS*

The Authority prepares an annual operating budget on the modified accrual basis of accounting. This basis differs from full accrual basis of accounting in that certain expenses are included on a cash basis. These include an expenditure classification for the principal portion of long-term debt obligations, the local share for certain capital projects, and the lack of depreciation expense. All other major revenues and expenses are included in the budget on the accrual basis. The Authority adopts an annual operating budgetary basis of accounting to facilitate calculation of the rates and charges billed to the airlines. A separate capital improvement program budget is prepared for capital projects given their multi-year nature.

The Authority and the Airlines entered into a five-year agreement that began January 1, 2016 that continues basically the same rates and charges model from the prior agreement with some modifications. The Agreement includes a majority-in-interest (MII) provision that allows for airline disapproval of capital projects, subject to a number of exceptions, if they would add to airline rates and charges. The MII disapproval occurs if a project is disapproved by more than 50% of the signatory airlines representing not less than 50 percent of the maximum gross landed weight of all signatory airlines during the most recent six months or Airlines representing more than 50% of the total signatory terminal rentals for the most recent six months for projects in the Terminal. The Authority must also notify the Signatory Airlines of any project in excess of \$1,000,000, net of any state and federal grants, in the Airfield or Terminal.

The Agreement with the signatory airlines incorporates a hybrid method for calculating airline rates and charges which applies a residual rate making methodology for the airfield and a compensatory methodology for the terminal. The Agreement provides for the signatory passenger airlines to receive 50% of the Airport’s net revenues, as defined in Agreement. The Authority also has the ability under the Agreement to adjust airline rates and charges at any time throughout the year to ensure adherence to all financial covenants in its bond resolutions. No such adjustments were required during 2018 or in any prior year.

## *OPERATING FINANCIAL PLANNING*

As part of preparing its operating budget, each year the Authority prepares a multi-year projection of revenues and expenses for airline activities covering the next five years in accordance with the current Airline Use and Lease Agreement, and beyond assuming that the Agreement remains substantially unchanged. The projections for 2019 assumed enplanements would be 1,500,000 which is 3.4% growth from the 2018 budget. If the budget assumptions and activity projections prove to be reasonable, the projected airline cost per enplanement, net of revenue sharing, should approximate \$6.52, excluding FBO costs per enplaned passengers, and debt service coverage should be 1.75 (Net Revenues to Net Debt Service calculated under the provisions of the Master Bond Resolution). Certain assumptions are used in determining the projected activity levels and the related projected revenues and expenditures at this Airport and accordingly, subsequent actual results in any one year, or for the entire period, could differ substantially from those projected. Details for these projections are included in the Authority's adopted \$55.3 million 2019 operating budget, which is on the Authority's web site.

## *CAPITAL FINANCIAL PLANNING*

The current \$120.5 million 2015-2019 capital improvement program was approved by the Authority and the County in 2014. On May 1, 2017 the Authority amended the capital plan to increase and reallocate amounts within categories and increased the total to \$142.5 million. The amended plan consists of \$34.5 million for airfield projects, \$21.0 million for terminal improvements and expansion, \$75.0 million for landside development and \$12 million for major equipment and vehicles. Many of the projects therein are dependent on their eligibility for available Federal and State funding, or on the ability of the Authority to issue indebtedness. During 2018 the Authority was awarded a \$22.1 million airport improvement project grant to provide a portion of the funding for three projects that include a new 1,000 space garage, terminal improvements, and a modernized parking access system with a combined estimated cost of \$53.3 million. The Authority intends to utilize \$2.6 million in Federal grants, \$7.1 million in Passenger Facility Charges (PFC) funds and \$21.4 million in bond proceeds of which \$16.8 million were allocated from the \$24.8 million Series 2018 bonds issued November 29, 2018. The Series 2018 bonds were issued to provide funding \$6.3 million in other capital projects of a substantially smaller nature. The Authority will apply to the Federal Aviation Administration to use approximate \$8.5 million of PFC funds on hand for eligible airport improvement project already underway or planned for 2019. Because the State grant funds are provided on an expenditure reimbursement basis, the Authority did obtain a \$10 million bank revolving line of credit to provide interim financing of expenditures eligible for grant reimbursement.

All the projects included in the five-year program are designed to meet the objectives as set forth in the Airport's 2015-2019 Capital Plan. All projects have or will be subject to a Federal Environmental Assessment (FEA) pursuant to the National Environmental Policy Act of 1969 (NEPA), as amended, and a New York State Environmental Impact Statement (EIS) under the New York State Environmental Review Act (SEQR). Specific airfield related projects eligible for Federal or State funding support will also be subject to Federal Aviation Administration and New York State Department of Transportation review and approval.

The total affect any capital program will have on future operating budgets are evaluated at the time a specific project is authorized by the Authority to be started unless a project is mandated for safety or health purposes. All capital projects completed in 2018, or scheduled for completion in 2019, have their projected additional operating costs and related revenues incorporated into the Authority's 2019 operating budget and it is projected that capital projects will result in additional borrowing currently anticipated to be \$4.6 million. This additional borrowing could be included in a refunding of the Series 2010 bonds when they are callable on March 15, 2020 and contain the growth of debt outstanding based upon an anticipated lower debt service reserve required on the refunded bonds.

#### *FISCAL CAPACITY*

The Authority has the ongoing ability and willingness, as needed, to raise revenues, incur debt, control expenses and meet its financial obligations as they become due. In adopting its 2019 budget, the Authority projected 2019 enplanements would be 1,500,000 which is 2.3% more than the actual 1,466,706 passengers for 2018. The Authority has set its rates and charges for 2019 under the Airline Use and Lease Agreement to meet all projected obligations. For 2019, signatory landing fees have been set at \$3.35 per 1,000 pounds, compared to \$3.33 budgeted in 2018; apron fees at \$1.48 per square foot, an increase from \$1.38 budgeted in 2018; and the terminal rental rate at \$83.59 per square foot, an increase from \$81.57 budgeted in 2018.

As of December 31, 2018, the Authority had \$27.1 million in unrestricted funds available which included \$12.7 million in an operating and maintenance reserve, more than sufficient to meet two months of operating expenditures totaling \$6.0 million, and \$13.5 million in its development fund which can be used to restore a deficiency in any other fund, and \$500,000 in an equipment repair & replacement reserve fund. In addition, the Authority has \$12.5 million in debt service reserve funds, plus \$13.6 million in Passenger Facility Funds on-hand, that when combined, exceeds the total annual debt service principal and estimated interest payments of \$11.9 million due in 2019. The Authority does not anticipate experiencing any cash flow deficiencies during 2019 requiring short-term cash flow financing or increases during the year to the rates and charges billed to the Airlines. The Authority does plan to advance one or more applications to utilize PFC funds collected or to be collected.

#### *DEBT CAPACITY*

The Albany County Airport Authority Act sets the Authority's debt limit at \$285 million. At December 31, 2018, there is \$90.5 million of debt outstanding issued directly by the Authority to be reduced by \$7.4 million of principal payments during 2019. Debt service coverage was 1.44 for 2018 and is projected to be 1.80 for 2019 based on the adopted budget. Currently the Authority's entire debt portfolio is fixed rate debt.

## **AUTHORITY'S INITIATIVES**

The Airport moved forward with various activities during 2018 to enhance and maintain the services provided to the airlines, the traveling public, and other uses of the Airport. These initiatives include:

- The Authority continued to market the air service opportunities to Airlines and promoted underserved markets and secured Allegiant and Frontier.
- In 2018 the Authority was awarded a \$22.1 million discretionary grant from the State of New York for Airport improvements.
- During 2018 the Authority continued to control costs and maintained reasonable rates and charges for an airport that provides a high level of services to its airlines including jet bridge maintenance, all janitorial services, waste removal and utilities.
- In 2018 the Authority produced \$5.2 million in net revenue to share with the Airlines.
- In 2018 the Authority experienced its 5<sup>th</sup> consecutive year on growth in enplanements.
- In 2018 the Authority received \$1.5 million in settlement proceeds from a lawsuit lead by the Attorneys General of forty-five states. These funds were used to refund debt service that would have otherwise been funded from PFCs, which can now be allocated to new projects, subject to FAA approval.

## **AWARDS**

### *FINANCIAL REPORTING*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2017. This was the twenty-third consecutive year that the Authority has achieved this prestigious award. In order to receive this award a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this 2018 CAFR continues to meet the Certificate of Achievement Program's requirements and will be submitting it to the GFOA to determine its eligibility for a certificate.

### *DISTINGUISHED BUDGET PRESENTATION*

The Government Finance Officers Association of the United States and Canada (GFOA) also has presented an award of Distinguished Presentation to the Authority for its annual budget for 2018. In order to qualify for this award, a governmental unit must publish a budget document judged proficient in several categories including as a policy document, as an operations guide, as a financial plan, and as a communications device. The 2019 budget has been submitted to the GFOA to determine its eligibility for an award.

## ACKNOWLEDGMENTS

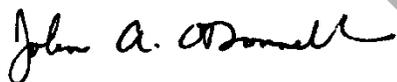
It is the strong continuing commitment of the Authority Board to the highest standards of financial reporting, disclosure and professionalism that the preparation of this report has been accomplished and for that we extend our sincere appreciation. We also give credit for the dedication, service and performance by all the employees of the Authority, AvPorts and Million Air-Albany in cooperation with all the employees of the airlines and other tenants located at the Airport for serving all the travelers, users and visitors to the Airport.

The preparation of this report on a timely and efficient basis is achieved by the professionalism, efficiency and dedicated services contributed by the entire staff of the Finance Department under the guidance of Margaret Herrmann, Chief Accountant. We wish to express our appreciation for their continuing efforts for maintaining the highest standards of professionalism in managing the financial operations of the Authority in a progressive and responsible manner. It is recognized and a source of pride to the Authority. We also express our specific appreciation to all members of the Finance Department who contributed to assembling and formatting the data included in this report.

## CERTIFICATION

The following sections of this report include the basic financial statements of Authority for the fiscal year ended December 31, 2018 including the Independent Auditor's Report on the basic financial statements. The Auditor's Report provides an unmodified opinion. Based on our knowledge, the information provided in the basic financial statements is accurate, correct and does not contain any untrue statement of material fact; does not omit any material fact which, if omitted, would cause the basic financial statements to be misleading in light of the circumstances under which such statements are made; and fairly presents in all material respects the financial condition and results of operations of the Authority as of, and for, the periods presented in the basic financial statements.

Respectfully submitted:



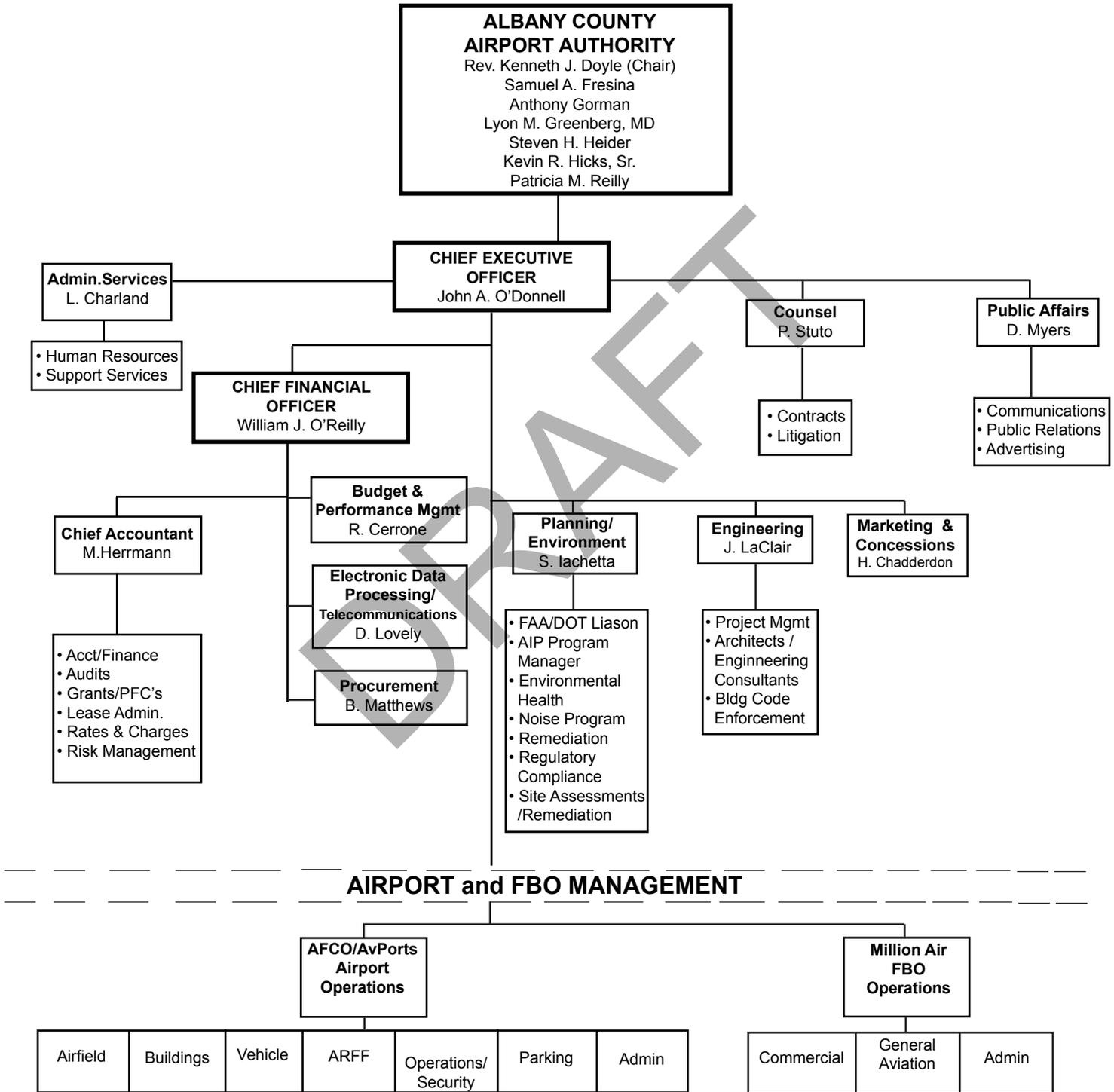
John A. O'Donnell  
Chief Executive Officer



William J. O'Reilly, CPA  
Chief Financial Officer

# ALBANY INTERNATIONAL AIRPORT ORGANIZATIONAL CHART

As of December 31, 2018





Government Finance Officers Association

**Certificate of  
Achievement  
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Reporting**

Presented to

**Albany County Airport Authority  
New York**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morvill*

Executive Director/CEO

DRAFT

Financial

DRAFT

## INDEPENDENT AUDITOR'S REPORT

To the Members  
Albany County Airport Authority

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and fiduciary funds of the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York, as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the comptroller general of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary funds of the Albany County Airport Authority as of December 31, 2018 and 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Change in Accounting Principle**

As described in Note 2 to the financial statements, the Authority changed its method of accounting for Postemployment Benefits Other than Pensions in 2018 as required by the provisions of GASB Statement Number 75. Our opinion is not modified with respect to that matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net OPEB liability and related ratios, schedule of actuarially determined contribution – deficiency/(excess), schedule of OPEB actuarial methods and assumptions, schedules of proportionate share of net pension liability (asset) and schedule of authority contributions on pages 19 through 34, 70 and 71 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 auditing standards generally accepted in the United States of America, 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.

### *Other Information*

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Albany County Airport Authority's basic financial statements. The introductory section on pages 1 through 14, the schedules of debt service requirements to maturity and of governmental payments and services on pages 74 and 75, the statistical section on pages 78 through 102, and the biographies of the Authority's members and senior staff on pages 117 through 120 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance for the year ended December 31, 2018, is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and by the New York State Department of Transportation *Preliminary Draft Part 43 of the New York State Codification of Rules and Regulations* and are also not a required part of the basic financial statements. The accompanying Schedule of Passenger Facility Charges Collected and Expended for the year ended December 31, 2018, is presented for purposes of additional analysis as specified in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and is also not a required part of the basic financial statements.

The schedule of debt service requirements to maturity, the schedule of government payments and services, the Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance, and the Schedule of Passenger Facility Charges Collected and Expended are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, the statistical section and biographies have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2019 on our consideration of the Albany County Airport 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 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 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 the Albany County Airport Authority's internal control over financial reporting and compliance.

*Marvin and Company, P.C.*

Latham, NY  
March XX, 2019

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) of the Albany County Airport Authority (the Authority) provides an introduction of the basic financial statements for the year ended December 31, 2018 with selected comparative information for the year ended December 31, 2017 and December 31, 2016. Management prepared this unaudited MD&A, which should be read in conjunction with the financial statements, and the notes thereto, which follow in this section.

### BASIC FINANCIAL STATEMENTS

The Authority is a business-type activity and the Authority's basic financial statements include: the *Statements of Net Position*, the *Statements of Revenues, Expenses and Changes in Net Position* and the *Statements of Cash Flows*. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). Also included are the *Statements of Fiduciary Fund Net Position*, and the *Statements of Changes in Fiduciary Fund Net Position* for the Authority's Fiduciary Fund which also has a December 31st year end.

The *Statements of Net Position* depict the Authority's financial position at December 31, 2018 and December 31, 2017, the end of the Authority's previous fiscal year. The Statements report all assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Net position is displayed in three components: net investment in capital assets, restricted (distinguished between major categories of restrictions) and unrestricted.

The *Statements of Revenues, Expenses and Changes in Net Position* report total operating revenues, operating expenses, non-operating income and expenses, capital contributions and the changes in net position during the year ended December 31, 2018 and 2017. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows.

The *Statements of Cash Flows* present information showing how the Authority's cash and cash equivalents position changed during the year ended December 31, 2018 and 2017. The Statements classify cash receipts and cash payments by Operating Activities, Noncapital Financing Activities, Investing Activities, and Capital and Related Financing Activities.

The *Statements of Fiduciary Fund Net Position* is a snapshot of account balances of the Authority's fiduciary fund at December 31, 2018 and December 31, 2017. It indicates the assets available for future payments for retiree benefits and any current liabilities that are owed at this time.

The *Statements of Changes in Fiduciary Fund Net Position*, on the other hand, provides a view of current period additions to and deductions from the net position held in the Trust during the year ended December 31, 2018 and 2017.

## AIRPORT ACTIVITIES HIGHLIGHTS

The County of Albany owns the Albany International Airport (the Airport) and entered into an Airport Lease Management Agreement, pursuant to which the County leased the Airport to the Authority for a 40 year term commencing May 16, 1996. On November 5, 2018 the term of the Lease was extended through December 31, 2049. The Authority employs two firms to manage the daily operations of the Airport:

→ AFCO AvPorts Management LLC, (d/b/a Avports) manages the daily operations of the airport including airfield, terminal, security, ARFF, landside, building and vehicle maintenance and public parking pursuant to a management services agreement.

→ REW Investments, Inc., (d/b/a Million Air) manages the daily operations of the Fixed Based Operations (FBO) of the airport including fuel farm management, commercial aviation into-plane fueling, and ground handling, fueling and hangaring of general aviation aircraft pursuant to a management services agreement.

The Authority's revenues are derived primarily from: Airline rates and charges for the use of the Airport's facilities in the form of landing fees, terminal rentals, apron fees and loading bridge charges received from airlines using the Airport; concession fees from vendors serving the passengers including food and beverage, retail and rental cars; public parking fees including surface and garage parking; and FBO activities from general aviation activities.

## AIRPORT REVENUES

Five major factors impact airport revenues: commercial operations, enplanements, FBO operations, concessions and parking:

### COMMERCIAL OPERATIONS

The following shows the major indicators of the total commercial airline activities during the past three years:

	2018	2017	2016
Enplanements	1,466,706	1,417,835	1,407,434
<i>% increase/(decrease)</i>	<i>3.4%</i>	<i>0.7%</i>	<i>8.5%</i>
Aircraft Landed Weight (lbs)	1,616,386,930	1,575,561,524	1,590,691,388
<i>% increase/(decrease)</i>	<i>2.6%</i>	<i>-1.0%</i>	<i>12.6%</i>
Operations (take-offs and landings)			
Commercial (inc corporate operations)	48,294	47,168	47,346
General Aviation	13,009	14,018	14,328
Military	3,300	2,974	3,057
Total	64,603	64,160	64,731
<i>% increase/(decrease)</i>	<i>0.7%</i>	<i>-0.9%</i>	<i>7.9%</i>

Regular scheduled daily passenger flights departing from Albany decreased to 54 in December 2018 from December 2017 and December 2016. The number of flights for 2018 does not include the 5 flights a week for Frontier Airlines and the 8 flights a week for Allegiant Air which began in the late 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2018.

	2018		2017		2016	
	Carriers	Flights	Carriers	Flights	Carriers	Flights
Jet Service						
Major Carriers	5	20	5	22	5	23
Regional Carriers	9	28	7	25	10	19
Commuter Service						
Regional Carriers	1	6	3	10	3	15
Foreign Carriers	-	-	-	-	-	-
<b>Total</b>	<b>15</b>	<b>54</b>	<b>15</b>	<b>57</b>	<b>18</b>	<b>57</b>

Published available seats for 2018 increased by 46,843 or 2.7% while the passenger load factor remained steady at 83%, resulting in an increase in enplanements for 2018. The published available seats and the yearly load factors for the last three years are below:

	2018	2017	2016
Total Available Seats	1,751,837	1,704,994	1,715,318
Passenger Load Factor	83%	83%	82%

Landing fee revenues are not sensitive to the number of operations or landed weight because the agreements with the airlines and cargo carriers provide for the Signatory Passenger and Cargo Airlines to fund the operating costs of the Airfield after receiving credit for all airfield revenue. Accordingly, landing fee revenue is sensitive to changes in the annual cost of operating the airfield that fluctuate with the weather and maintenance needs and costs of staffing. The change in airline operations and gross landed weight by airline for 2018 compared to 2017 and 2017 compared to 2016 is as follows:

	2018 vs. 2017		2017 vs. 2016	
	Change in Operations	Change in Landed Weight	Change in Operations	Change in Landed Weight
Allegiant Air	56	3,884,529	-	-
American Airlines	(512)	(9,553,083)	(4)	1,598,622
Boutique Air	(476)	(2,445,059)	978	4,934,982
Cape Air	(488)	(1,671,403)	(1,308)	(4,479,907)
Delta Air Lines	(52)	2,596,049	(86)	1,150,662
Elite Airways	92	2,182,000	-	-
Frontier Airlines	156	11,049,772	-	-
JetBlue	8	749,591	(30)	(2,328,165)
OneJet	320	7,779,370	424	3,336,049
Southwest Airlines	(278)	(7,999,201)	(36)	(6,168,399)
United Airlines	608	33,664,287	164	(14,537,728)
Other	10	588,555	22	1,384,000
<b>Total</b>	<b>(556)</b>	<b>40,825,407</b>	<b>124</b>	<b>(15,109,884)</b>

As of December 31, 2018, two regularly scheduled express mail and various special cargo carriers serve this Airport.

	2018	2017	2016
Mail and Express Cargo Tons	18,896	18,739	18,692
% increase/(decrease)	0.8%	0.3%	-3.5%

## ENPLANEMENTS

Enplanements for 2018 compared to 2017 increased by 48,871 passengers, compared to an increase of 10,401 for 2017 vs. 2016. The changes in enplanements by airline, including their express carriers is as follows:

	2018				
	Market Share	Total 2018 Enplanements	2018 vs. 2017	Total 2017 Enplanements	2017 vs. 2016
Allegiant Air	0.2%	3,635	3,635	-	-
American Airlines	20.8%	304,735	(1,836)	306,571	8,271
Boutique Air	0.1%	827	(1,025)	1,852	1,852
Cape Air	0.8%	11,777	(1,189)	12,966	(3,124)
Delta Air Lines	15.5%	227,628	3,683	223,945	1,571
Elite Airways	0.1%	1,044	1,044	-	-
Frontier Airlines	0.8%	11,123	11,123	-	-
JetBlue	6.1%	89,609	(1,135)	90,744	3,708
OneJet	0.3%	3,964	2,975	989	989
Southwest Airlines	38.5%	565,731	(1,070)	566,801	(2,300)
United Airlines	16.7%	245,372	32,521	212,851	(1,253)
Other	0.1%	1,261	145	1,116	687
<b>Total</b>	<b>100.0%</b>	<b>1,466,706</b>	<b>48,871</b>	<b>1,417,835</b>	<b>10,401</b>

## FBO OPERATIONS

REW Investments, Inc. (d/b/a Million Air) manages the daily operations of the FBO. A summary of the operating revenues and expenses, the gallons of Jet A and Aviation Gasoline sold, gallons of glycol sold and sprayed and the Jet A transferred to the commercial and cargo airlines is as follows for 2018, 2017 and 2016:

	2018	2018 vs. 2017	2017	2017 vs. 2016	2016
Revenues	\$ 10,427,352	21.6%	\$ 8,572,457	3.3%	\$ 8,300,218
Expenses (inc. cost of sales and administration)	\$ 8,640,624	19.4%	\$ 7,237,327	7.1%	\$ 6,759,573
Retail Gallons Sold					
Jet A	1,158,694	16.3%	996,302	-3.4%	1,031,066
AvGas	51,534	-17.8%	62,710	-9.3%	69,156
Commercial AvGas	95,909	-12.5%	109,593	-28.2%	152,586
Glycol Gallons - Consortium	109,710	15.4%	95,079	12.2%	84,737
Glycol Gallons - Sprayed	98,418	57.3%	62,560	43.5%	43,583
Jet A Fuel Into-Plane Gallons	21,013,458	7.8%	19,495,122	4.8%	18,602,032

## CONCESSIONS

Concession revenues for 2018 were \$8,262,260, a 2.4% increase from 2017. Concession revenues for 2017 were 7.0% higher than 2016.

Concession revenue highlights for 2018 compared to 2017 and 2016 are as follows:

	2018	2018 vs. 2017	2017	2017 vs. 2016	2016
<b>Rental Car Revenues</b>					
Sales	\$ 52,653,517	1.3%	\$ 51,978,497	6.3%	\$ 48,885,882
Authority Revenues	\$ 5,561,921	2.5%	\$ 5,427,741	7.3%	\$ 5,057,260
<b>Food &amp; Beverage</b>					
Sales	\$ 8,504,756	4.2%	\$ 8,158,604	1.2%	\$ 8,063,285
Authority Revenues	\$ 902,530	12.3%	\$ 803,939	2.4%	\$ 785,197
<b>Retail</b>					
Sales	\$ 4,016,301	5.4%	\$ 3,810,221	4.1%	\$ 3,661,638
Authority Revenues	\$ 844,970	5.3%	\$ 802,534	2.0%	\$ 787,075
<b>Total Authority Concession Revenues</b>	\$ 8,262,260	2.4%	\$ 8,070,379	7.0%	\$ 7,540,431
<b>Concession Revenue per Enplanement</b>	\$ 5.63	-1.0%	\$ 5.69	6.2%	\$ 5.36

## PARKING

The Airport directly manages all on-airport parking operations which at December 31, 2018 consisted of 181 short-term garage/surface, 1,912 long-term garage, 1,880 long-term surface, and 2,763 remote shuttle served parking spaces. Revenue for 2018 compared to 2017 and 2016 are as follows:

	2018	2018 vs. 2017	2017	2017 vs. 2016	2016
<b>Public Parking</b>					
Revenues	\$ 15,248,081	1.8%	\$ 14,985,272	0.8%	\$ 14,870,476
# of Vehicles Parked	637,611	-0.2%	638,570	-1.4%	647,332
Parking Revenue per Enplanement	\$ 10.40	-1.6%	\$ 10.57	0.0%	\$ 10.57

## SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The changes in net position over time may serve as a useful indicator of changes in the Authority's financial position. A summary of the Authority's change in net position for the year ended December 31 is below:

	2018	2017	2016
Operating revenues	\$ 50,829,368	\$ 48,027,136	\$ 45,738,665
Operating expenses	(37,350,127)	(33,395,012)	(32,113,613)
Revenues in excess of expenses			
before depreciation	13,479,241	14,632,124	13,625,052
Depreciation	(15,335,569)	(14,761,280)	(14,396,008)
Loss before non-operating income			
and expenses	(1,856,328)	(129,156)	(770,956)
Non-operating income and (expenses), net	2,439,125	1,358,669	886,851
Income/(loss) before capital contributions	582,797	1,229,513	115,895
Capital contributions, special and extraordinary items	4,467,862	4,616,709	2,389,827
Net position			
Increase in net position	5,050,659	5,846,222	2,505,722
Total net position, beginning of year	216,300,740	210,454,518	207,948,796
Cumulative change in accounting principle	(6,781,739)	-	-
Total net position, end of year	<u>\$ 214,569,660</u>	<u>\$ 216,300,740</u>	<u>\$ 210,454,518</u>

The Authority's operating revenues and expenses include the sales and cost of sales of fuel purchased and sold to general aviation customers through the FBO and also revenues for deicing activities. Gallons of jet fuel sold were 1,031,066, 996,302, and 1,158,694 for 2016 to 2018, respectively. The FBO provides fueling services for all commercial airlines at the Airport. Some of the airlines provide their own aircraft deicing services. Accordingly, commercial aircraft deicing service revenue is sensitive to both demand for services and need for services based upon weather conditions. The total gallons of sprayed deicing services delivered in 2016 through 2018 were 43,583, 62,560 and 98,418 gallons, respectively. The table below summarizes FBO revenues, expenses and net revenues for 2018, 2017 and 2016:

	2018	2017	2016
FBO revenues	\$ 10,427,352	\$ 8,572,457	\$ 8,300,218
FBO expenses	8,640,624	7,237,327	6,759,573
FBO net revenues	<u>\$ 1,786,728</u>	<u>\$ 1,335,130</u>	<u>\$ 1,540,645</u>

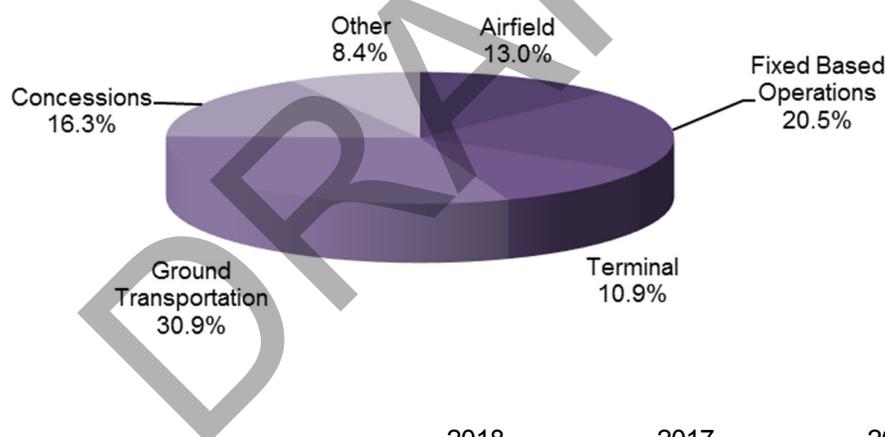
## OPERATING REVENUES AND NON-OPERATING INCOME HIGHLIGHTS

Total revenues for 2018 were \$3.8 million or 7.1% greater than 2017. Fixed Based Operations revenues increased by \$1.9 million in 2018 due to higher volumes of Jet-A fuel sold to general aviation customer.

Under the signatory airline use and lease agreement, the airfield is a “residual cost center” requiring signatory airlines to pay the residual cost after all airfield and certain non-airfield revenues allocable to the airfield have been applied which include all interest income and PFCs applicable to airfield related debt service. Accordingly airfield revenues are sensitive to airfield cost, interest earnings, PFC revenues applied to airfield debt service, and the amount of airfield debt service. The terminal revenue is sensitive to the amount of rented space and terminal operating costs used to determine the annual rental rate. FBO revenues are sensitive to the price of purchased fuel and the volume of fuel sold. Ground transportation revenue is sensitive to airline passenger activity. Concession and Other revenue are based upon passenger and other activity but are generally reinforced with minimum annual revenue guarantees and property leases.

Airfield revenues are sensitive to airfield operating cost because the revenue center is a residual cost center. Variations in airfield revenue from year to year reflect variations in cost which are impacted by variations in the cost of snow removal and maintenance required based upon conditions that change from year to year. The signatory landing fee rate is also sensitive to the volume of landed weight in any given year and its allocation to signatory airlines and other aircraft.

### Allocation of 2018 Operating Revenues by Category

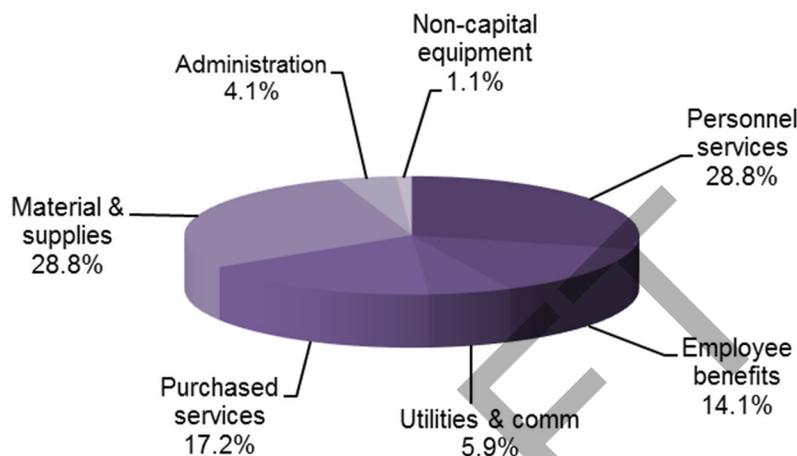


	2018	2017	2016
<b>Operating Revenues</b>			
Airfield	\$ 6,588,133	\$ 6,678,085	\$ 5,882,274
Fixed Based Operations	10,427,353	8,572,457	8,300,218
Terminal	5,538,045	5,019,779	4,777,241
Ground Transportation	15,721,089	15,325,640	15,163,022
Concessions	8,262,260	8,070,379	7,540,431
Other	4,292,488	4,360,796	4,075,479
<b>Non-Operating Income</b>			
Passenger Facility Charges	5,638,922	5,431,444	5,385,946
Grant Income	300,997	138,700	222,772
Improvement Charges	368,400	368,400	368,400
Insurance Recoveries	170,896	-	-
Interest Income	488,263	10,676	12,280
<b>Total</b>	<b>\$ 57,796,846</b>	<b>\$ 53,976,356</b>	<b>\$ 51,728,063</b>
<i>Percentage of Increase</i>	<i>7.1%</i>	<i>4.3%</i>	<i>3.5%</i>

## OPERATING EXPENSES AND NON-OPERATING EXPENSES HIGHLIGHTS

Total expenses for 2018 increased \$4.5 million or 8.5% as compared to the 2017. Increased fuel sales resulted in \$0.9 million in increased costs for Fixed Based Operations. Other increased costs included building maintenance, snow removal, public safety and non-capital equipment during 2018 as compared to 2017.

### Allocation of 2018 Operating Expenses by Category



	2018	2017	2016
Operating Expenses			
Personal services	\$ 10,749,751	\$ 10,187,245	\$ 9,913,293
Employee benefits	5,269,613	4,827,227	4,296,313
Utilities & communications	2,203,014	2,004,109	2,112,135
Purchased services	6,421,597	5,891,496	5,621,321
Material & supplies	10,744,507	9,020,199	8,171,161
Administration	1,547,235	1,284,572	1,770,835
Non-capital equipment	414,411	180,164	228,555
Depreciation	15,335,569	14,761,280	14,396,008
Non-Operating Expenses			
Insured expenses	170,896	-	
Interest	3,898,788	4,261,394	5,002,200
Bond issuance costs	390,361	252,877	
Amortization of Bond insurance premiums	68,308	76,280	100,347
<b>Total</b>	<b>\$ 57,214,050</b>	<b>\$ 52,746,843</b>	<b>\$ 51,612,168</b>
<i>Percentage of Increase/(Decrease)</i>	<i>8.5%</i>	<i>2.2%</i>	<i>1.5%</i>

## SPECIAL ITEMS

During 2018, the Authority received \$1.5 million from its inclusion in a multi-state action led by 45-State Attorney Generals against a former derivative instrument counter-party related to manipulation of the former London Interbank Offered Rate index. During 2018, the Authority began a capital project that resulted in the early retirement of \$474.7 thousand in assets determined to be permanently impaired.

## EXTRAORDINARY ITEM

During 2018, the Authority was required to convey twelve acres of land for a state highway project. The Authority recognized a gain of \$148.6 thousand on the disposition of the land.

## FINANCIAL POSITION SUMMARY

The Statements of Net Position depict the Authority's financial position as of one point in time – December 31 – and reflects the residual difference between all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the Authority. Net position represents the residual interest in the Authority's assets after deducting liabilities. The Authority's net position was \$214.6 million at December 31, 2018, a \$1.7M decrease from December 31, 2017.

A condensed summary of the Authority's total net position at December 31, 2018 and December 31, 2017 and 2016 is set forth below:

	2018	2017	2016
<b>ASSETS</b>			
Capital assets	\$ 237,254,042	\$ 245,397,366	\$ 249,869,538
Other assets	84,771,609	55,013,670	53,736,552
<b>Total Assets</b>	<b>322,025,651</b>	<b>300,411,036</b>	<b>303,606,090</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>3,849,411</b>	<b>4,722,111</b>	<b>5,918,434</b>
<b>LIABILITIES</b>			
Current (payable from unrestricted assets)	7,117,842	6,017,006	7,063,124
Current (payable from restricted assets)	9,320,889	11,366,663	9,721,183
Noncurrent liabilities	93,450,771	70,583,675	81,509,179
<b>Total Liabilities</b>	<b>109,889,502</b>	<b>87,967,344</b>	<b>98,293,486</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>1,415,901</b>	<b>865,063</b>	<b>776,520</b>
<b>NET POSITION</b>			
Net investment in capital assets	170,718,128	172,661,198	170,626,920
Restricted	26,650,235	22,238,003	21,191,423
Unrestricted	17,201,296	21,401,539	18,636,175
<b>Net Position</b>	<b>\$ 214,569,659</b>	<b>\$ 216,300,740</b>	<b>\$ 210,454,518</b>

Net position is comprised of three components as follows:

*Investment in capital assets* (e.g., land, buildings, improvements, and equipment), less the related indebtedness outstanding used to acquire those capital assets, represents the largest portion of the Authority's net position (79.6% at December 31, 2018). The Authority uses these capital assets to provide services to the airlines, passengers and to service providers and users located at the Airport; consequently, these assets are not available for future spending. Although the Authority's net investment in capital assets is net of related debt, the resources required to repay this debt annually are paid from operations, since it is unlikely that the capital assets will be liquidated to pay liabilities.

*Restricted net position* (12.4% at December 31, 2018), principally representing bond reserves and PFC funds, are restricted as to use pursuant to bond resolutions and Federal regulations. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

*Unrestricted net position* totaling \$17.2 million (8.0% at December 31, 2018) are available to meet any of the Authority's ongoing obligations. The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

## **AIRLINE SIGNATORY RATES AND CHARGES**

The Authority and airlines entered into a Use and Lease Agreement ("Agreement") effective January 1, 2016 for five years, with an option for a five-year renewal, which establishes how the airlines that signed the Agreement will be assessed annual rates and charges for their use of the Airport. In the Agreement, signatory airlines have the option to designate some or all of their affiliate carriers as signatory airlines. This entitles the affiliates to signatory rates and charges for use of the Airport. As of December 31, 2018, signatories in the Agreement include seven commercial, nineteen affiliate carriers and two cargo airlines.

The Agreement with the signatory airlines is based on a hybrid rates and charges methodology. A residual cost methodology is used for the airfield and a commercial rental rate methodology for the terminal. The apron charge is based on a 10% allocation of total airfield costs and loading bridge rental rates is based on total actual operating costs for all the loading bridges. The resulting funds remaining each year are split fifty/fifty between the Authority and the signatory airlines. Each year the Authority prepares and issues an actual airline rates and charges analysis report in accordance with the Agreement and financial statements prepared in accordance with GAAP as audited by independent public accountants as of December 31. The Authority has the ability under the Agreement to adjust airline rates and charges at any time throughout the year to ensure adherence to all financial covenants in its bond resolutions. The Authority can impose a "Capital Charge Coverage" equal to 25% of its required debt service and also apply the Airline Share of Revenue sharing to meet debt service coverage if needed. Capital Charge Coverage provides for revenues less expenses, to be not less than one-hundred twenty-five percent (125%) of annual debt service. If needed to meet debt service coverage, the Airline Revenue Sharing is first suspended. The Authority may also impose "Extraordinary Coverage Protection", if necessary to meet the covenant debt service coverage ratio. The final rates and charges, after all year-end settlement adjustments and the revenue sharing allocations in accordance with the definitions and formulas contained in the Agreement with the signatory airlines are as follows:

	2018	2017	2016
Landing Fees (per 1,000 lbs. MGLW)	\$ 2.92	\$ 3.12	\$ 2.73
Terminal Rental Rate (per square foot)	\$ 86.48	\$ 79.86	\$ 81.11
Apron Fees (per square foot)	\$ 1.31	\$ 1.33	\$ 1.19
Loading Bridge (annual rate)	\$ 51,611	\$ 47,237	\$ 40,383
Airline Cost per Enplanement	\$ 6.57	\$ 6.57	\$ 6.00
Rate Settlement/Revenue Sharing Credits	\$ 2,587,646	\$ 2,439,847	\$ 3,137,355

The Authority has from time to time adopted Air Service Development Incentive programs which can provide qualifying airlines with credits that maybe used to offset Airport rates in charges after the qualification period ends. In 2018 and 2017 the Authority provided air service development incentive credits to Airlines totaling \$244,691 and \$67,041 respectively. The incentive credits are reported as an expense in the financial statements in the year earned and is funded from the Authority's portion of Revenue Sharing under the Agreement.

### **CASH MANAGEMENT POLICIES AND CASH FLOW ACTIVITIES**

All cash receipts are initially deposited daily into collateralized or insured bank accounts. After initial deposit of receipts, all funds are transferred to various segregated bank accounts comprising the various funds defined in the Authority's Master Bond Resolution. The Authority's temporarily idle cash is maintained in collateralized or insured bank accounts consistent with the Authority's liquidity, available short-term investment opportunities, and desired level of risk. The Authority maintains some debt service reserves in United States Treasury obligations. All deposits and investments are in compliance with the laws of the State and the Cash Management and Investment Policy adopted by the Authority.

Cash equivalents represent cash-on-hand, bank deposits and liquid investments with a maturity of three months or less. The following shows a summary of the major sources and uses of cash and cash equivalents for 2018, 2017 and 2016:

	2018	2017	2016
Cash flows from (used):			
Operating activities	\$ 14,976,866	\$ 12,937,136	\$ 16,164,746
Noncapital financing activities	300,997	138,700	222,772
Investing activities	(11,661,475)	29,152	27,221
Capital and related financing activities	14,753,369	(13,223,722)	(8,528,941)
Net increase/(decrease) in cash	18,369,757	(118,734)	7,885,798
Beginning of period	47,905,608	48,024,342	40,138,544
End of period	\$ 66,275,365	\$ 47,905,608	\$ 48,024,342

The Authority's available cash and cash equivalents increased during 2018 by \$18,369,757. Cash and cash equivalents as of December 31, 2018, 2017 and 2016 are composed of:

	2018	2017	2016
Funds available for unrestricted operations	\$ 27,170,120	\$ 23,090,998	\$ 22,020,622
Restricted for:			
Capital projects	23,375,582	2,484,987	4,735,041
PFCs available for debt service payments	13,558,608	10,439,296	8,692,358
Revenue bond reserves	252,565	10,909,819	11,703,502
Other restrictions	1,918,490	980,508	872,819
Total	<u>\$ 66,275,365</u>	<u>\$ 47,905,608</u>	<u>\$ 48,024,342</u>

## CAPITAL ACTIVITIES

The enabling legislation creating the Authority set forth that every five years the Authority must submit to the County legislature a capital plan for approval for the subsequent five year period. The plan for 2015 – 2019 was approved by the County on December 1, 2014. The original plan provided for total spending of up to \$120.5 million over five years of which \$61 million is eligible for 95% grant funding. On May 8, 2017, the County of Albany approved an amendment to the capital plan to reallocate certain projects and increase the total authorized by \$22 million to a new total of \$142.5 million. The plan does not represent a firm commitment of the Authority. The Authority has included every known possible project that could conceivably occur during the five-year period for disclosure purposes. During 2018 the Authority was awarded a \$22.1 million Upstate Airport Development and Revitalization Project grant from the State of New York (the project). The grant requires the Authority to provide additional funding to complete a modernization project. The project's estimated total cost is \$53.3 million, which the Authority intends to fund with \$22.2 million in State grants, \$2.6 million in federal funds, \$7.1 million in Passenger Facility Charge Funds and \$21.4 million in bond proceeds. The Authority obtained \$16.8 million in project proceeds from a portion of the \$22.6 million Series 2018 bond issued on November 29, 2018 for new projects. The Authority intends to obtain the final project funds needed, currently estimated at \$4.6 million, from an additional bond issuance that would likely be combined with a refunding issue of the Series 2010 bonds in early 2020 and would be reflected in the Authority's next five-year capital plan for 2020-2024. There is no assurance that future additional Federal or State grant funds will be awarded to the Authority as anticipated in the plan. At December 31, 2018, the Authority had \$21.1 million outstanding capital commitments.

The following is a summary of the approved 2015 – 2019 capital plan including the activity through December 31, 2018:

	Total 2015- 2019 Plan	Total 2015- 12-31-18 Activity
Approved Projects		
Airfield	\$ 34,520,000	\$ 9,818,993
Terminal	14,000,000	10,059,063
Landside	60,000,000	17,400,158
Major Equipment	12,000,000	4,213,279
Total	<u>\$ 120,520,000</u>	<u>\$ 41,491,493</u>
Projected Funding Sources		
Federal Funds	\$ 61,020,000	\$ 19,722,297
State Funds	6,250,000	6,115,210
Debt Issuances	34,500,000	2,735,700
Authority Funds	18,750,000	12,918,286
Total	<u>\$ 120,520,000</u>	<u>\$ 41,491,493</u>

## DEBT ADMINISTRATION

The Authority's obligation for debts that are fixed and settled in cash include General Airport Revenue bonds and a revolving bank line of credit. The Authority issues Airport Revenue Bonds to provide funds for the acquisition and construction of major capital facilities. Airport Revenue Bonds are direct obligations and are pledged by the full faith and credit of the Authority. Certain outstanding bonds may be redeemed prior to their normal maturity dates in accordance with the terms of the related bond indentures. The Authority has never defaulted on any principal or interest payments.

The Authority has also obtained a \$10,000,000 revolving bank line of credit. Repayment of principal under the bank line of credit is secured by a pledge and assignment of certain grant payments receivable. Grant payments are not included in revenue as defined under the Master Bond Resolution and are not pledged to bondholders. Interest due on the line of credit is payable from the net revenues of the Authority not needed to pay bondholders.

In accordance with Section 2785 of the New York Public Authorities Law, the Authority may issue Bonds, Notes and Other Obligations up to \$285 million outstanding at any time plus certain amounts issued for refunding purposes. The total Authority principal debt outstanding at December 31, 2018 for General Airport Revenue Bonds (GARB) was \$90,489,000 as compared to \$77,318,000 as of December 31, 2017. The aggregate par amount of bonds bank loans issued by the Authority and outstanding as of December 31, 2018 and 2017 is summarized in the following table:

	Issued	Outstanding at 12-31-17	Outstanding at 12-31-18
Authority Revenue Bonds and Other Debt			
1999 NYS EFC	\$ 7,895,303	\$ 1,128,000	\$ 699,000
2010 Refunding Series A & B	109,855,000	62,845,000	55,220,000
2017 Refunding Series A & B	14,395,000	13,345,000	11,980,000
2018 GARB Series A & B	22,590,000	-	22,590,000
Bank Line of Credit - 2018	10,000,000	-	-
Total Authority Debt Obligations	<u>\$ 164,735,303</u>	<u>\$ 77,318,000</u>	<u>\$ 90,489,000</u>

In the table above, the bonds and debt obligation are presented on a stated par-amount basis. Under generally accepted accounting principles certain items associated with the debts above are deferred and amortized into future periods by subtracting or adding the deferred items to the stated par amounts outstanding and expensing those deferred items in future periods as the debt matures using a systematic and rational method that conforms with generally accepted accounting described in Note 2 to the Financial Statements. The reported amount of bonds issued by the Authority that was outstanding as of December 31, 2017, additions and/or deletions during 2018, and the balances reported at December 31, 2018 with adjustments to the reported value required by generally accepted accounting principles is summarized in the following table:

	Outstanding at 12-31-17	Additions	Deletions	Outstanding at 12-31-18
<b>Authority Revenue Bonds/Debt Obligations</b>				
<b>Bonds Payable</b>				
Series 1999 NYS EFC	\$ 1,128,000	\$ -	\$ (429,000)	\$ 699,000
Series 2010A Refunding	62,845,000	-	(7,625,000)	55,220,000
Series 2017A & B Refunding	13,345,000	-	(1,365,000)	11,980,000
Series 2018A & B GARB	-	22,590,000	-	22,590,000
<b>Total Bonds Payable</b>	<b>77,318,000</b>	<b>22,590,000</b>	<b>(9,419,000)</b>	<b>90,489,000</b>
Deferred Loss on Refunding	(4,084,312)	-	1,052,396	(3,031,916)
Unamortized Premiums/Discounts (net)	2,248,605	2,275,926	(783,036)	3,741,495
<b>Net Bonds Payable</b>	<b>75,482,293</b>	<b>24,865,926</b>	<b>(9,149,640)</b>	<b>91,198,579</b>
Bank Line of Credit - 2018	-	-	-	-
<b>Total Debt</b>	<b>\$ 75,482,293</b>	<b>\$ 24,865,926</b>	<b>\$ (9,149,640)</b>	<b>\$ 91,198,579</b>

## **BONDS ISSUED IN 2018**

On November 29, 2018 the Authority completed the marketing and pricing for the sale of its Series 2018 Bonds in the total par amount of \$22,590,000 of which \$14,770,000 were sold as Series 2018A Non-AMT (not subject to any Federal Tax) and \$7,820,000 were sold as Series 2018B AMT (subject to the Federal Alternative Minimum Tax). The Series 2018 Bonds were issued to provide a portion of the funds required for the Upstate Airport Development & Revitalization Project and other projects.

## **LINE OF CREDIT OBTAINED IN 2018**

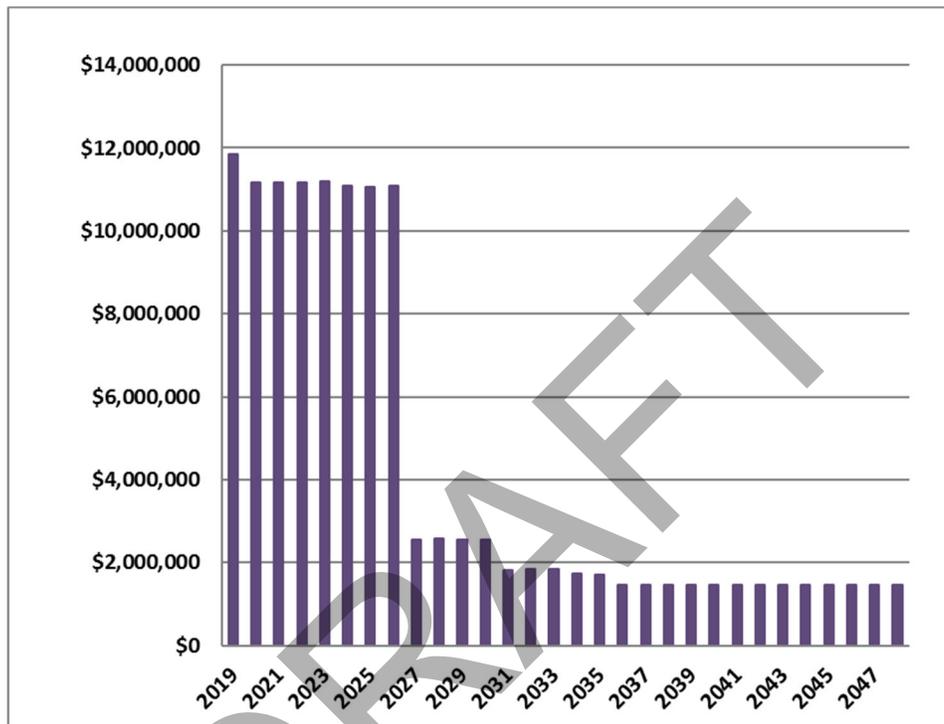
On December 31, 2018 the Authority obtained a \$10 million Bank Line of Credit (LOC) to provide contingent and temporary financing of grants receivable from the State under the \$22,131,900 Upstate Airport Development & Revitalization Project funding agreement with the State. The State grant funds are paid on a reimbursement basis. At December 31, 2018 there was no outstanding balance under the LOC (see Note 8).

## **REFUNDING BONDS ISSUED IN 2017**

On April 13, 2017 the Authority completed the marketing and pricing for the sale of its Series 2017 Bonds in the total par amount of \$14,395,000 of which \$7,795,000 were sold as Series 2017A Non-AMT (not subject to any Federal Tax) and \$6,600,000 were sold as Series 2017B AMT (subject to the Federal Alternative Minimum Tax). The Series 2017 Bonds were used, along with other funds of the Authority, to fully refund the Authority's Series 2003A, Series 2006A, Series 2006B, and Series 2006C Bonds in the aggregate amount of \$16,490,000 (the Refunded Bonds).

At December 31, 2018 the Authority maintained debt service reserve funds in the amount of \$12.5 million and Passenger Facility Charge Funds in the amount of \$13.6 million, both of which are restricted to repayment of debt. Thus, the Authority’s direct obligations outstanding, net of funds restricted for the repayment of debt, was \$64.4 million in aggregate par amount of bonds outstanding.

The graph and table below presents combined annual debt service to maturity as of December 31, 2018:



<b>2019</b>	\$11,860,396	<b>2029</b>	\$ 2,557,175	<b>2039</b>	\$ 1,473,500
<b>2020</b>	11,161,131	<b>2030</b>	2,554,931	<b>2040</b>	1,473,250
<b>2021</b>	11,166,131	<b>2031</b>	1,829,363	<b>2041</b>	1,475,750
<b>2022</b>	11,172,881	<b>2032</b>	1,833,056	<b>2042</b>	1,470,750
<b>2023</b>	11,181,131	<b>2033</b>	1,834,450	<b>2043</b>	1,473,500
<b>2024</b>	11,073,381	<b>2034</b>	1,728,050	<b>2044</b>	1,473,500
<b>2025</b>	11,065,381	<b>2035</b>	1,718,150	<b>2045</b>	1,470,750
<b>2026</b>	11,081,463	<b>2036</b>	1,471,500	<b>2046</b>	1,470,250
<b>2027</b>	2,563,575	<b>2037</b>	1,472,500	<b>2047</b>	1,471,750
<b>2028</b>	2,570,700	<b>2038</b>	1,471,500	<b>2048</b>	1,470,000

## OTHER LONG-TERM DEBT

Under generally accepted accounting principles, the term “debt” includes bonds, notes, loans, leases and other obligations including the net unfunded obligations for employee benefits. During 2018, the Authority adopted Governmental Accounting Standards Board Statement Number 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). GASB 75 required the Authority to report its actuarially estimated net unfunded liability for retiree health insurance (OPEB) as a liability on the Statement of Net Position for 2018. The Authority restated its January 1, 2018 Net Position by decreasing it by \$6,781,739 and reported a net unfunded liability for OPEB of \$6,621,984 at December 31, 2018. (See Note 13). The Authority also reported \$152,292 and \$436,071 at December 31, 2018 and 2017 respectively for its proportionate share of the unfunded liability for employee pensions (See Note 12).

For additional information about the Authority’s long term debt, see “Note 8 – Long-Term Indebtedness” in the Notes to the Financial Statements.

## PASSENGER FACILITY CHARGE (PFC)

The Authority initially received approval from the FAA to impose a PFC of \$3.00 per enplaned passenger beginning March 1, 1994, not to exceed \$40,726,364, principally to finance the Terminal Improvement Program. During 1996, the Authority requested and received approval to increase the amount of PFCs to \$116,888,308 to be collected through the year 2022. Effective September 1, 2009, the Authority implemented an approved change in the PFC collection from \$3.00 per passenger to \$4.50 per passenger, with a current estimated collection period through 2020. Through December 31, 2018, the Authority has collected PFCs, including interest earnings thereon, totaling \$104,272,152, or 89.2% of the total authorized. Passengers pay PFCs on the first two and last two portions of any trip. No PFCs are collected from non-revenue passengers such as a passenger using a frequent flier award ticket. The Authority calculates that it is collecting PFCs on approximately 86.7% of its enplanements. Additional information about PFC activity can found under “Note 2 – Summary of Significant Accounting Policies” in the Notes to the Financial Statements.

## CREDIT RATINGS AND BOND INSURANCE

The table below presents the enhanced and underlying ratings on each of the Authority’s outstanding bonds.

Series *	Bond Insurer	Moody's/Fitch/S&P/Kroll Enhanced Rating	Moody's/Fitch/S&P Underlying Rating
Series 2010A	AGMC	A2/NR/AA/AA+	A3/A-/A
2017A	uninsured	N/A	A3/NR/A
2017B	uninsured	N/A	A3/NR/A
2018A	uninsured	N/A	A3/NR/A
2018B	uninsured	N/A	A3/NR/A

\* Not all maturities within a Series are insured.

NR = Not Rated

Fitch Ratings has withdrawn its insured rating of all bonds insured by AGMC effective February 25, 2010. Moody’s lowered their rating of AGMC from “A3” to “A2” on January 17, 2013. Standard and Poor’s upgraded

their enhanced rating of AGMC from “AA-” to “AA” on March 18, 2014. On June 14, 2018, Standard and Poor’s raised the Authority’s underlying credit rating from “A-” to “A”. On January 23, 2018 AGMC received a rating of AA+ from Kroll Bond Rating Agency. The Authority’s underlying credit ratings are: Moody’s Investors Service “A3”, Fitch Ratings “A-” and Standard and Poor’s “A”.

## **RESERVES AND DEBT SERVICE COVERAGE**

Under the Authority’s master bond resolution adopted in 1997, it is required to maintain an operating reserve equal to two months operating expenses. At December 31, 2018 the reserve requirement was \$6.0 million and for which the Authority had \$12.7 million on hand. The Authority also had \$13.5 million in its airport Development Fund which can be used to restore a deficiency in any other fund and it had a repair and replacement reserve fund of \$500,000. Also provided for in the bond resolution for each bond issue, the Authority maintains debt service reserve funds. As of December 31, 2018 the debt service reserve funds totaled \$12.5 million.

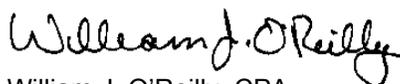
## **FINANCIAL STATEMENTS**

The Authority’s financial statements are prepared on an accrual basis of accounting in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Authority operates as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and (except land) are depreciated over their estimated useful lives. Certain funds are reported as restricted based upon constraints placed on their use by contributors, grantors and debt covenants. See the Notes to the Financial Statements for a summary of the Authority’s significant accounting policies.

## **REQUEST FOR INFORMATION**

The Authority’s basic financial statements are designed to provide detailed information on the Authority’s operations and to the Authority’s Board, management, investors, creditors, customers and all others with an interest in the Authority’s financial affairs and to demonstrate the Authority’s accountability for the assets it controls and the funds it receives and expends. Questions concerning any of the information provided in this report or any request for additional information should be addressed to the Chief Financial Officer by e-mail: [boreilly@albanyairport.com](mailto:boreilly@albanyairport.com) or in writing to, Albany County Airport Authority, Administration Building, Suite 204, Albany, NY 12211-1057.

Respectfully submitted,



William J. O'Reilly, CPA  
Chief Financial Officer

Albany County Airport Authority  
 Statements of Net Position  
 As of December 31, 2018 and December 31, 2017

	December 31, 2018	December 31, 2017
<u>ASSETS</u>		
CURRENT ASSETS		
Unrestricted Assets:		
Cash and cash equivalents	\$ 27,170,120	\$ 23,090,998
Accounts receivable - net	2,206,229	2,262,330
Due from County of Albany	248,724	303,478
Prepaid expenses	951,673	1,061,507
Total Unrestricted Assets	30,576,746	26,718,313
Restricted Assets:		
Capital Funds:		
Cash and cash equivalents	23,375,582	2,484,987
Grant funds receivable	1,660,986	1,688,826
Passenger Facility Charge Funds:		
Cash and cash equivalents	13,558,608	10,439,296
Passenger Facility Charges receivable	345,671	563,712
Revenue Bond Funds:		
Cash and cash equivalents	252,565	10,909,819
Investments	12,524,389	277,389
Accrued interest receivable	1,809	1,809
FAA Restricted Funds:		
Cash and cash equivalents	1,059,392	196,857
Concession Improvement Funds:		
Cash and cash equivalents	859,098	783,651
Total Restricted Assets	53,638,100	27,346,346
Total Current Assets	84,214,846	54,064,659
NON-CURRENT ASSETS		
Bond Insurance Premiums	300,790	369,098
Net Assets held in trust for OPEB	-	308,505
Prepaid expenses	255,973	271,408
Capital Assets:		
Land and easements	48,102,683	48,812,345
Buildings, improvements and equipment, net of depreciation	183,421,405	193,044,204
Construction in progress	5,729,954	3,540,817
Total Capital Assets	237,254,042	245,397,366
Total Non-Current Assets	237,810,805	246,346,377
Total Assets	322,025,651	300,411,036
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Refunding	3,031,913	4,084,309
OPEB Expenses	34,725	-
Pension Expenses	782,773	637,802
Total Deferred Outflows of Resources	3,849,411	4,722,111

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority  
 Statements of Net Position  
 As of December 31, 2018 and December 31, 2017

	December 31, 2018	December 31, 2017
<u>LIABILITIES AND NET POSITION</u>		
CURRENT LIABILITIES		
Payable from Unrestricted Assets:		
Accounts payable	\$ 1,054,285	\$ 609,926
Accrued expenses	6,063,557	5,407,080
Total Payable from Unrestricted Assets	7,117,842	6,017,006
Payable from Restricted Assets:		
Construction contracts payable	1,303,881	1,478,791
Construction contract retainages	232,105	317,993
Accrued interest payable	230,903	150,879
Current maturities of long - term debt	7,554,000	9,419,000
Total Payable From Restricted Assets	9,320,889	11,366,663
Total Current Liabilities	16,438,731	17,383,669
NON-CURRENT LIABILITIES		
Bonds and other debt obligations	86,676,495	70,147,604
Net OPEB liability	6,621,984	-
Net pension liability - proportionate share	152,292	436,071
Total Non-Current Liabilities	93,450,771	70,583,675
Total Liabilities	109,889,502	87,967,344
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Concession Improvement funds	859,098	783,651
OPEB expenses	64,289	-
Pension expenses	492,514	81,412
Total Deferred Inflows of Resources	1,415,901	865,063
<u>NET POSITION</u>		
Net investment in capital assets	170,718,128	172,661,198
Restricted:		
Bond reserve funds	12,547,860	11,038,138
Passenger facility charge funds	13,904,279	11,003,008
Other restricted funds	198,096	196,857
Total Restricted:	26,650,235	22,238,003
Unrestricted	17,201,296	21,401,539
Net Position	214,569,659	216,300,740

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority  
 Statements of Revenues, Expenses and Changes in Net Position  
 For the Years Ended December 31, 2018 and December 31, 2017

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Operating Revenues		
Airfield	\$ 6,588,133	\$ 6,678,085
Fixed Based Operations	10,427,353	8,572,457
Terminal	5,538,045	5,019,779
Concessions	8,262,260	8,070,379
Ground transportation	15,721,089	15,325,640
Other revenue	4,292,488	4,360,796
Total Operating Revenues	<u>50,829,368</u>	<u>48,027,136</u>
Operating Expenses		
Airfield	3,400,074	3,166,201
Fixed Based Operations	8,004,735	6,597,625
Terminal	6,048,127	5,202,732
Loading bridges	349,282	309,227
Landside	5,927,475	5,653,834
Public safety	3,671,658	3,356,287
Aircraft Rescue and Fire Fighting	1,994,878	1,922,809
Vehicle maintenance	1,567,003	1,373,378
Administration	6,386,895	5,812,919
Total Operating Expenses	<u>37,350,127</u>	<u>33,395,012</u>
Revenues in excess of expenses before depreciation	13,479,241	14,632,124
Depreciation	15,335,569	14,761,280
Loss Before Non-Operating Income and Expenses	<u>(1,856,328)</u>	<u>(129,156)</u>
Non-Operating Income and (Expenses)		
Passenger Facility Charges	5,638,922	5,431,444
Grant income	300,997	138,700
Improvement charges	368,400	368,400
Interest income	488,263	10,676
Insurance Recoveries	170,896	-
Insured Expenses	(170,896)	-
Interest expense	(3,898,788)	(4,261,394)
Bond Insurance expense	(390,361)	(252,877)
Amortization of bond insurance premiums	(68,308)	(76,280)
Total Non-Operating Income and (Expenses)	<u>2,439,125</u>	<u>1,358,669</u>
Income before Capital Contributions	582,797	1,229,513
Capital Contributions, Special and Extraordinary Items		
Capital Contributions	3,297,047	4,616,709
Special Item - LIBOR settlement	1,496,915	-
Special Item - cost of permanently impaired assets	(474,695)	-
Extraordinary Item - sale of land	148,595	-
Total Capital Contributions, Special and Extraordinary Items	<u>4,467,862</u>	<u>4,616,709</u>
Net Position		
Increase in Net Position	5,050,659	5,846,222
Net Position, Beginning of Year	216,300,740	210,454,518
Cumulative change in accounting principle	(6,781,739)	-
Net Position, Beginning of Year, as restated	<u>209,519,001</u>	<u>210,454,518</u>
Net Position, End of Year	<u>\$ 214,569,660</u>	<u>\$ 216,300,740</u>

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority  
 Statements of Cash Flows  
 For the Years Ended December 31, 2018 and December 31, 2017

	December 31, 2018	December 31, 2017
Cash Flows From Operating Activities		
Cash received from providing services	\$ 50,885,469	\$ 47,841,699
Cash paid to suppliers	(34,607,021)	(33,667,443)
Cash paid to employees	(1,301,582)	(1,237,120)
Net Cash Provided By Operating Activities	14,976,866	12,937,136
Cash Flows From Noncapital Financing Activities		
Grant income	300,997	138,700
Net Cash Provided By Noncapital Financing Activities	300,997	138,700
Cash Flows From Investing Activities		
Purchase of Investments	(12,247,000)	-
Interest received	488,263	10,676
Interest on passenger facility charges	97,262	18,476
Net Cash Provided/(Used) by Investing Activities	(11,661,475)	29,152
Cash Flows From Capital and Related Financing Activities		
Purchase of property and equipment	(8,637,400)	(9,055,546)
Principal payments made on bonds and notes payable	(9,419,000)	(8,803,000)
Payments to refunding agent	-	(16,794,552)
Proceeds from issuance of bonds	24,865,926	15,826,250
Cost of issuance	(390,361)	(336,179)
Interest paid	(3,549,403)	(3,673,229)
Concession improvement funds	75,447	107,689
Improvement charges	368,400	368,400
Capital contributions	3,324,887	3,797,722
LIBOR Settlement	1,496,915	-
Sale of Land	858,257	-
Passenger facility charges	5,759,701	5,338,723
Net Cash Provided/(Used) By Capital and Related Financing Activities	14,753,369	(13,223,722)
Net Increase/(decrease) in cash and cash equivalents	18,369,757	(118,734)
Cash and cash equivalents, beginning of year	47,905,608	48,024,342
Cash and cash equivalents, end of year	\$ 66,275,365	\$ 47,905,608
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:		
Loss before non-operating income and expenses	\$ (1,856,328)	\$ (129,156)
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation	15,335,569	14,761,280
Decrease/(increase) in assets:		
Accounts receivable	56,101	(185,437)
Due from County of Albany	54,754	(41,342)
Net Assets held in trust for OPEB	-	(92,374)
Prepaid expenses	125,269	(367,654)
Deferred OPEB expenses	178,314	-
Deferred pension expenses	(17,648)	37,937
Increase/(decrease) in liabilities:		
Accounts payable and accrued expenses	1,100,835	(1,046,118)
Net Cash Provided By Operating Activities	\$ 14,976,866	\$ 12,937,136
Noncash Capital and Related Financing Activities:		
Capital Assets and related receivables	\$ 27,840	\$ (818,987)
Total Noncash Capital and Related Financing Activities	\$ 27,840	\$ (818,987)

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority OPEB Trust  
 Statements of Fiduciary Fund Net Position  
 As of December 31, 2018 and December 31, 2017

	December 31, 2018	December 31, 2017
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,220,686	\$ 2,058,413
Total Assets	2,220,686	2,058,413
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Total Deferred Outflows of Resources	-	-
 <u>LIABILITIES</u>		
Total Liabilities	-	-
 <u>DEFERRED INFLOWS OF RESOURCES</u>		
Total Deferred Inflows of Resources	-	-
 <u>NET POSITION</u>		
Net Position - Restricted for OPEB	\$ 2,220,686	\$ 2,058,413

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The accompanying notes are an integral part of these financial statements

Albany County Airport Authority OPEB Trust  
 Statements of Changes in Fiduciary Fund Net Position  
 For the Years Ended December 31, 2018 and December 31, 2017

	December 31, 2018	December 31, 2017
Additions to Net Position Attributed to:		
Contributions		
Employer	\$ 149,073	\$ 155,615
Interest Income	13,200	1,910
Total Additions	162,273	157,525
Deductions from Net Position Attributed to:		
Retirement benefits	-	-
Administrative expenses	-	-
Total Deductions	-	-
Increase in Net Position	162,273	157,525
Net Position - Restricted for OPEB, Beginning of Year	2,058,413	1,900,888
Net Position - Restricted for OPEB, End of Year	\$ 2,220,686	\$ 2,058,413

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority  
Notes to Financial Statements

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# ALBANY COUNTY AIRPORT AUTHORITY

## Notes to Financial Statements

December 31, 2018 and December 31, 2017

### **NOTE 1 - Organization and Reporting Entity**

#### **Organization:**

The Albany County Airport Authority (Authority), a body corporate and politic, constituting a public benefit corporation, was established by the State of New York (State) August 4, 1993, pursuant to the provisions of Chapter 686 of the Laws of 1993 as set forth in Title 32 of the State's Public Authorities Law. As a public benefit corporation, the Authority is independent, distinct from, and not an agent of the State or any other of the State's political subdivisions, including the County of Albany (County).

The Authority consists of seven members, four appointed by the majority leader of the County Legislature and three by the County Executive, who jointly designate one of the seven members as chairperson, and all with approval of the County Legislature. The Authority members serve for a term of four years or until their successor is appointed, except that any person appointed to fill a vacancy will be appointed to serve only the unexpired term. Members of the Authority are eligible for reappointment.

On March 15, 1994, the Authority and the County entered into an Interim Agreement whereby the County granted, and the Authority accepted, sole possession, use, occupancy and management of the Albany International Airport (Airport), including all rights, interest, powers, privileges and other benefits in each and every contract relating to the maintenance, operation, leasing, management or construction of the Airport, and all other rights, privileges or entitlement necessary to continue to use, operate and develop the Airport.

The Authority and the County entered into a permanent Airport Lease Agreement, dated December 5, 1995, which upon its approval by the Federal Aviation Administration (FAA) became effective on May 16, 1996 for a term of forty (40) years, whereby the Authority has the exclusive right to operate, maintain and improve the Airport and do anything else permitted by law, subject only to the restrictions and conditions stated in such Airport Lease Agreement and in accordance with applicable Federal, State and local laws. On November 5, 2018 the term of the Lease was extended through December 31, 2049

Pursuant to the State enabling Legislation, the Authority may not undertake any capital project (see Note 15), other than the redevelopment project described in the enabling legislation, known as the Terminal Improvement Program, unless the project has first been approved by the County as part of a five-year Capital Improvement Program. For these purposes, the term "capital project" is defined as the construction, reconstruction or acquisition of airport or aviation facilities.

Prior to March 15, 1994, the Airport operated as a fund of the County. As of March 15, 1994 the County transferred the use of all assets and substantially all liabilities of the County's Airport Enterprise Fund to the Authority. These assets and liabilities were recorded by the Authority at a Net Asset value equal to \$46,824,500.

The Authority is not subject to Federal, State or local income, property or sales taxes, except for property taxes due on properties acquired by the Authority until they are removed from the tax rolls as of the next assessment date. However, the Authority may agree to make certain payments in lieu of taxes for real property owned or used by the Authority for purposes other than public aviation purposes and under other limited circumstances.

The Authority has contracted with AFCO AvPorts Management LLC, (d/b/a Avports), to manage the daily operations of the airport under a three year term expiring December 31, 2021. The Authority has also contracted with REW Investments, Inc., (d/b/a Million Air), to manage the fixed based operations of the airport under a three year term expiring August 31, 2019. Both agreements are renewable with the approval of both parties.

### **Reporting Entity:**

The Authority meets the criteria set forth in generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB) for inclusion as a component unit within the County's basic financial statements based on the County's responsibility for the appointment of the Authority members, and their approval of capital programs and certain debt issuances. As such, the Authority is included in the County's basic financial statements. The accompanying financial statements present the financial position and the changes in net position and cash flows of the Authority only. The Authority is not involved in any joint ventures.

The Authority has established a written, single employer, defined benefit plan to provide healthcare benefits to eligible former employees and/or their qualifying dependents. The Authority also established a legally separate trust known as the Albany County Airport Authority OPEB Trust to receive and manage contributions from the Authority to fund its obligations for retiree health care benefits under the written plan. The Albany County Airport Authority OPEB Trust is included in the Authority's financial statements as a separate Fiduciary Fund of the Authority under accounting principles promulgated by GASB.

## **NOTE 2 - Summary of Significant Accounting Policies**

### **Basis of Accounting:**

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) for state and local governments. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for state and local governments in the United States of America.

The Authority's operations are presented as a single enterprise fund. Enterprise funds distinguish operating revenues and expenses from non-operating items in accordance with the flow of economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, net position, revenues, and expenses are accounted for through a single enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred.

Revenues from airlines, FBO operations, concessions, property rentals, operating permits, and parking fees are reported as operating revenues. All expenses related to operating the Airport are reported as expenses. Passenger facility charges, noncapital grants, capital improvement charges, interest and investment income

are reported as non-operating income. Interest expense, financing costs and grant expenses are reported as non-operating expenses. Capital contributions, special and extraordinary items are reported separately after non-operating revenues and non-operating expenses.

#### **Cash, Cash Equivalents and Investments:**

The deposit and investment of Authority monies is governed by provisions in its enabling legislation and by a Cash Management and Investment Policy adopted by the Authority on September 13, 1994 and last amended July 23, 2018. The policy allows the Authority to use any depository bank that is State or Federally chartered commercial bank that can meet the Authority's requirements for cash vault services, is a member of the National Automated Clearing House Association (NACHA), and is able to act as an Originating Depository Financial Institution (ODFI) for direct deposit of payments. Additionally, the bank must have a minimum long term credit rating of "A" without regard to subcategories from at least one of the Nationally Recognized Statistical Rating Organizations (NRSRO) and no rating below investment grade from any other NRSRO.

Monies not needed for immediate expenditure may be invested in (1) United States Treasury obligations with maturities of seven years or less, (2) obligations backed by the United States Government full faith and credit, (3) New York State, New York State agency or New York State subdivisions (cities, towns, villages, counties) obligations with, (4) certificates of deposit fully collateralized from a bank or trust company in New York State, (5) notes, bonds, debentures, mortgages and other evidences of indebtedness of certain agencies sponsored by the United States government provided at the time of investment such agency or its obligations are rated and the agency receives, or its obligations receive, the highest rating of all independent rating agencies that rate such agency or its obligations, and (6) repurchase agreements using United States Treasury obligations with maturities of seven years or less. Investments are stated at fair value or amortized cost.

For purposes of the statement of cash flows, the Authority considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents. Cash equivalents, which are stated at cost, consist of certificates of deposit, and treasury notes. Investments are reported at fair value.

Note 3 sets forth information about the use of federal depository insurance (FDIC) and collateralization to insure the Authority's deposits.

#### **Receivables:**

Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. The allowance for uncollectible amounts is based on collection history, aviation industry trends and current information regarding the credit worthiness of the tenants and others doing business with the Authority. When continued collection activity results in receipt of amounts previously written off, revenue is recognized for the amount collected.

#### **Restricted Assets:**

Restricted assets consist of monies and other resources which are restricted legally as described below:

*Capital Funds* - These assets represent capital debt proceeds and grant funds that are restricted for designated capital projects and cannot be expended for any other item.

*Passenger Facility Charges Funds* - These assets represent Passenger Facility Charges (PFC) collections based on an approved FAA application to “Impose” such charges on enplaned passengers at the Airport. These funds are restricted for designated capital projects and any debt incurred to finance the construction of those projects. The Authority recognizes and reports as other income PFCs earned when all conditions have been met that entitles the Authority to retain the PFCs. PFCs received prior to this time are reported as restricted net position.

*Revenue Bond Funds* - These assets represent Series 2010, 2017 and 2018 general airport revenue bond (GARB) proceeds and Series 1999 Environmental Facilities Corporation (EFC) bond proceeds held in Bond Reserve Accounts. Bond reserve accounts for the Series 2010, Series 2017 and Series 2018 Bonds equal 125% of the average annual debt service due on bonds at the time of issuance.

*FAA Restricted Funds* - These assets represent proceeds from the disposition of property acquired with capital grants from the Federal Aviation Administration through the Airport Improvement Program and the Airport Noise Compatibility Grants under FAR150 or a combination of both. These Airport funds were generated through the disposition of properties acquired with Federal and State aid and interest earnings thereon. The use of such revenues is restricted to Airport Improvement Program eligible project costs contingent upon FAA concurrence.

*Concession Improvement Funds* - These assets represent 1% of gross revenues of all food and beverage and retail concessions held in escrow to potentially fund the planning, developing, construction, remodeling, renovating or replacing of any of the concessionaires’ leased areas during the term of the concession agreement. Use of the funds during the term of the lease is subject to the Authority’s sole approval. Funds remaining at the end of a concession agreement are retained by the Authority.

**Capital Assets:**

Capital assets include land, improvements to land, easements, buildings, building improvements, vehicles, equipment and all other tangible assets that are used in operations and have useful lives extending beyond a single reporting period. Capital Assets assumed by the Authority on March 15, 1994 are carried at historical cost, net of accumulated depreciation. Acquisitions of new assets costing \$50,000 or more are recorded at cost.

Maintenance and repairs are expensed as incurred. When depreciable assets are disposed of, the related costs and accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited or charged to an expense. Capital Assets are written off when fully depreciated unless clearly identified as still being in use. Capital Assets are written-down due to impairment if circumstances indicate a significant or unexpected decline in an assets service utility has occurred. Impaired Capital assets are written down using an approach that best reflects the decline in service utility. Assets to be disposed of and assets held for sale are reported at the lower of carrying value or fair value less costs to dispose of.

Depreciation of capital assets is computed using the straight-line method at various rates considered adequate to allocate costs over the estimated useful lives of such assets. The estimated lives by general classification are as follows:

	<u>Years</u>
Buildings and improvements .....	5-30
Vehicles, machinery and equipment .....	5-15

**Capitalization of Interest:**

Interest costs incurred during the construction period for capital assets acquired with debt was capitalized in certain years prior to 2018. After 2007 the Authority did not incur or pay any interest that was eligible for capitalization.

**Bond Issue Costs, Original Issue Discount and Deferred Loss on Bond Refundings:**

Bond insurance (an issuance cost) is deferred and amortized over the life of the respective issue on an effective interest method. Original issue discounts and deferred loss on refundings on long-term indebtedness are amortized using the effective interest method over the life of the debt to which it relates. Interest on capital appreciation debt is accreted using the effective interest method.

**Capital Contributions:**

Certain expenditures for Airport capital assets are significantly funded through the Airport Improvement Program (AIP) of the Federal Aviation Administration (FAA), with certain matching funds provided by the State and the Authority, or from various State allocations or grant programs. Capital funding provided under government grants is considered earned as the related allowable expenditures are incurred.

Grants for capital asset acquisition, facility development and rehabilitation and eligible long-term planning studies are reported in the *Statements of Revenues, Expenses and Changes in Net Position*, after non-operating income and expenses, as capital contributions.

**Revenue Recognition:**

*Airfield Landing Fee Charges* - Landing fees are principally generated from scheduled airlines, cargo carriers and non-scheduled commercial aviation and are based on the gross landed weight of the aircraft. The estimated landing fee structure is determined annually pursuant to an agreement between the Authority and the signatory airlines based on the adopted operating budget of the Authority and is adjusted at year end for the actual landed weight of all aircraft. Landing fees are recognized as revenue when the related facilities are utilized.

*FBO, Terminal Rents, Concessions and Ground Transportation* - FBO revenues are generated from commercial and general aviation users, rental and concession fees are generated from airlines, parking lots, food and beverage, retail, rental cars, advertising and other commercial tenants. Leases are for terms from one to ten years and generally require rentals based on the volume of business, with specific minimum annual rental payments required. Rental revenue is recognized over the life of the respective leases and concession revenue is recognized based on reported concessionaire revenue.

*Other* - All other types of revenues are recognized when earned.

**Special Items and Extraordinary Items:**

*Special Items* - Special items are significant transactions or other events within the control of management that are either unusual in nature or infrequent in occurrence. During 2018, the Authority received \$1.5 million from its inclusion in a multi-state action led by 45-State Attorney Generals against a former derivative instrument counter-party related to manipulation of the former London Interbank Offered Rate index. During

2018, the Authority began a capital project that resulted in the early retirement of \$474.7 thousand in assets determined to be permanently impaired.

*Extraordinary Items* - Extraordinary items are transactions or other events that are both unusual in nature and infrequent in occurrence. During 2018, the Authority was required to convey twelve acres of land for a state highway project. The Authority recognized a gain of \$148.6 thousand on the disposition of the land.

#### **Passenger Facility Charges:**

Passenger Facility Charges (PFC) at the rate of \$3 per enplaned passenger have been levied by the Airport since March 1, 1994 under an FAA approved application to impose \$40,726,364 with collection thereof estimated to be complete in the year 2005. During 1996, the Authority received approval to increase the amount of PFC collections to \$116,888,308 extending the estimated collection period through the year 2022. In 2009, the Authority received approval to change the PFC collection from \$3.00 per passenger to \$4.50 per passenger, with a current estimated collection period through 2020. Through December 31, 2018, the Authority has collected PFCs including interest earnings thereon totaling \$104,272,152.

PFC funds, along with related interest earnings, are recorded as restricted net position until they are applied against future debt service payments under an FAA approved Application to Use. PFC receipts are recognized and recorded as non-operating revenues in the year they are collected.

The Authority previously expended \$11.2 million of PFCs on projects funded on a pay-as-you-go basis. The Authority also covenanted in the Resolution authorizing the Series 2010A Refunding Bonds to apply future PFC collections to pay a portion of the debt service related to the FAA approved projects included in the Applications. Pursuant to the Resolution, PFCs collected and deposited in a segregated account, together with the interest earned thereon, are applied towards the subsequent debt service payments reducing the amount of debt to be funded from net operating revenue. Through December 31, 2018, the Authority has applied \$89.6 million of PFC's towards the payment of debt service.

#### **Compensated Absences:**

Employees accrue vacation in varying amounts based on length of service. Employees can accumulate up to 300 hours, or 37.5 days of vacation time. Unused vacation time can be liquidated for cash upon separation, retirement or death.

Sick leave is earned by regular, full-time employees at the rate of one day per month. Employees can accumulate up to 1,320 hours or 165 days of sick leave. Any sick leave hours unused at the time of an employee's retirement can be applied as additional service credit in calculating retirement benefits in the New York State Employees' Retirement System. It is the policy of the Authority not to pay accumulated sick leave to employees who terminate prior to retirement.

The liability for compensated absences earned through year-end, but not yet taken, is accrued by charging the expense for the change in the liability from the prior year.

**Pension Plans:**

The Authority applies GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68) to recognize the net pension asset (liability), deferred outflows and deferred inflows of resources, pension expense (revenue), and information about and changes in the fiduciary net position on the same basis as reported by the cost-sharing, multiple employer, defined benefit pension plan. The Authority also applies GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date (GASB 71) to report additional deferred outflows. The Authority's participation in the plans are mandated by State law and includes the New York State and Local Employees' Retirement System (ERS) and the New York State Voluntary Defined Contribution (NYS VDC) plan (the Systems). The Systems recognize benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. More information on pension activity for the Systems is included in Note 12.

**Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, through subsequent events, actual results could differ from those estimated. Some estimates, such as the liability for Net Pension (Note 12) and Other Post-Employment Benefits (OPEB) (Note 13) have the potential to vary more significantly over time than other estimates.

**Adoption of New Accounting Standards:**

During 2017 the Authority adopted Governmental Accounting Standards Board Statements No. 80 - *Blending Requirements for Certain Component Units*, and No. 81 - *Irrevocable Split-Interest Agreements*, and No. 82 *Pension Issues*, effective for the fiscal year ended December 31, 2017. The adoption of these accounting standards did not have a significant effect on the Authority's financial statements.

During 2018 the Authority adopted Governmental Accounting Standards Board Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). GASB 75 establishes financial reporting standards for other postemployment benefits (OPEB) plans for state and local governments. This standard replaces the requirements of GASB Statement No. 45 - *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended. The statement establishes standards for recognizing and measuring liabilities, deferred inflows and outflows of resources, and expense/expenditures, as well as identifying the methods and assumptions required to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Additionally, GASB No. 75 lays out the requirements for additional note disclosures and required supplementary information. As a result, beginning of year net position has been restated as follows:

Net position previously reported, January 1, 2018	\$ 216,300,740
Recognition of net OPEB liability, January 1, 2018	(6,473,234)
Eliminate net assets held in trust for OPEB, January 1, 2018	<u>(308,505)</u>
Net position, January 1, 2018, as restated	<u>\$ 209,519,001</u>

During 2018 the Authority adopted Governmental Accounting Standards Board Statement No. 85 – *Governmental Accounting Standards Board Omnibus 2017* (GASB 85). GASB 85 establishes accounting and financial reporting requirements for blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

During 2018 the Authority adopted Governmental Accounting Standards Board Statement No. 86 – *Certain Debt Extinguishment Issues* (GASB 86). GASB 86 primarily requires disclosure for in-substance defeasance of debt in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt and also provides guidance on accounting for prepaid insurance on debt that is extinguished by in-substance defeasance. This Statement also requires that any remaining prepaid insurance related to the extinguished debt be included in the net carrying amount of that debt for the purpose of calculating the difference between the reacquisition price and the net carrying amount of the debt.

During 2018 the Authority adopted Governmental Accounting Standards Board Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* (GASB 88). GASB 88 requires that additional essential information related to debt be disclosed in the notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. (see Note 8).

During 2018, the Authority prospectively adopted Governmental Accounting Standards Board Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Project* (GASB 89). GASB 89 requires interest cost incurred before the end of a construction period be included in current expense and not included in the cost of the capital asset. Under prospective adoption, interest included in the reported cost of capital assets prior to adoption of GASB 89 continues to be included in the cost of capital assets.

### NOTE 3 - Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments of the Authority at December 31 consist of the following:

	Book Balance		Bank Balance	
	2018	2017	2018	2017
Cash and Cash Equivalents				
Cash on hand	\$ 6,750	\$ 6,750		
Cash in bank accounts	66,268,615	48,017,592	\$ 68,804,999	\$ 49,603,591
Total Cash and Cash Equivalents	<u>66,275,365</u>	<u>48,024,342</u>		
Investments	Cost			
U.S. Treasury SLGS note maturing				
2019 at 3.093%	277,389	277,389		
2019 at 2.54%	12,247,000	-		
Total Investments	<u>12,524,389</u>	<u>277,389</u>		
Total cash, cash equivalents and investments	<u>\$ 78,799,754</u>	<u>\$ 48,301,731</u>		

The U.S. Treasury State and Local Government Series (SLGS) Securities are special purpose securities issued by the U.S. Department of the Treasury that can only be purchased with Tax-Exempt Bond Proceeds.

The Authority's SLGS are time deposit with a maturity of less than one year and were purchased with the debt service reserve funds.

The Authority's deposits were secured by insurance from the Federal Depository Insurance Corporation (FDIC) covering \$500,000 on December 31, 2018 and December 31, 2017 plus \$71,407,389 and \$49,603,591 of pledged collateral held by a third party trustee bank at December 31, 2018 and 2017, respectively. The FDIC bank insurance program Permanent Rule provides up to \$250,000 in coverage for the Authority's Savings Accounts and up to \$250,000 for the Authority's Demand Accounts. Collective balances in excess of these amounts are collateralized at 102% of the prior day closing bank balance.

#### NOTE 4 - Receivables

Accounts receivable is recorded net of allowances for probable uncollectible accounts.

	As of 12-31-18	As of 12-31-17
Airlines	\$ 1,078,110	\$ 1,260,815
Concessions	32,771	93,137
Other	1,095,348	999,154
Sub-Total	2,206,229	2,353,106
Less Allowances	-	(90,776)
Net Accounts Receivable	<u>\$ 2,206,229</u>	<u>\$ 2,262,330</u>

#### NOTE 5 – FAA Restricted Funds

The Authority holds funds derived from the disposition of property acquired with grants received from the Federal Aviation Administration (FAA). These funds are restricted for use and limited to capital expenditures approved by the FAA. The following table presents the amounts and changes in such funds:

	2018	2017
Airport Noise Compatibility Grants (FAR150)		
Opening Balance	\$ 196,857	\$ 196,857
Interest Received during the year	1,239	-
Ending Balance	<u>\$ 198,096</u>	<u>\$ 196,857</u>
Airport Improvement Program Grants		
Opening Balance	\$ -	\$ -
Funds Received	855,000	
Interest Received during the year	6,296	
Ending Balance	<u>\$ 861,296</u>	<u>\$ -</u>
Total	<u>\$ 1,059,392</u>	<u>\$ 196,857</u>

## NOTE 6 - Due from County of Albany

The net amount from the county consists of the following:

	As of 12-31-18	As of 12-31-17
Reimbursement of expenses due from County	\$ 248,724	\$ 303,478
	<u>\$ 248,724</u>	<u>\$ 303,478</u>

The County provides certain services to the Authority including sheriff officers for public safety, code enforcement inspections, sewer district charges, and salt for the winter roadways. The total expenditures incurred by the Authority during the years ended December 31, 2018 and 2017 for these services totaled \$2,442,014 and \$2,624,527, respectively.

## NOTE 7 - Capital Assets

Capital Assets balances and activity for the years ended December 31, 2017 and 2018 were as follows:

	Total 12-31-16	Additions	Deletions	Total 12-31-17	Additions	Deletions	Total 12-31-18
Capital Assets that are not depreciated:							
Land and Easements	\$ 48,005,527	\$ 806,818		\$ 48,812,345		\$ (709,662)	\$ 48,102,683
Construction in Progress	2,179,258	10,289,108	\$ (8,927,549)	3,540,817	\$ 2,189,137		5,729,954
Total	<u>50,184,785</u>	<u>11,095,926</u>	<u>(8,927,549)</u>	<u>52,353,162</u>	<u>2,189,137</u>	<u>(709,662)</u>	<u>53,832,637</u>
Capital Assets that are depreciated:							
Buildings	203,520,852			203,520,852	563,190		204,084,042
Improvements, other than buildings	223,244,853	7,806,626		231,051,479	5,215,345	(562,572)	235,704,252
Machinery and Equipment	15,343,878	314,105		15,657,983	408,929	(1,422,217)	14,644,695
Sub-total	<u>442,109,583</u>	<u>8,120,731</u>	<u>-</u>	<u>450,230,314</u>	<u>6,187,464</u>	<u>(1,984,789)</u>	<u>454,432,989</u>
Less accumulated depreciation:							
Buildings	(116,366,544)	(6,593,798)		(122,960,342)	(6,611,323)		(129,571,665)
Improvements	(114,065,844)	(7,577,058)		(121,642,902)	(8,120,690)	562,572	(129,201,020)
Machinery and Equipment	(11,992,442)	(590,424)		(12,582,866)	(603,556)	947,523	(12,238,899)
Sub-total	<u>(242,424,830)</u>	<u>(14,761,280)</u>	<u>-</u>	<u>(257,186,110)</u>	<u>(15,335,569)</u>	<u>1,510,095</u>	<u>(271,011,584)</u>
Total depreciable Capital Assets, net	199,684,753	(6,640,549)		193,044,204	(9,148,105)	(474,694)	183,421,405
Total Capital Assets, Net	<u>\$ 249,869,538</u>	<u>\$ 4,455,377</u>	<u>\$ (8,927,549)</u>	<u>\$ 245,397,366</u>	<u>\$ (6,958,968)</u>	<u>\$ (1,184,356)</u>	<u>\$ 237,254,042</u>

In 2018, certain parking equipment was abandoned due to new capital improvements that began in 2018 and were scheduled to start during 2019. Equipment valued at a cost of \$738,018 with a net book value of \$521,428 as of December 31, 2018 was immediately written to their remaining value after impairment of \$46,733 reflecting a remaining service life of one year using the service units method. Other assets in the amount of \$1,510,094 were written off as they are no longer in service.

## NOTE 8 - Long-Term Indebtedness

A summary of the changes in the Authority's long-term indebtedness outstanding during 2017 and 2018 were as follows:

	Outstanding at 12-31-16	Additions	Deletions	Outstanding at 12-31-17	Additions	Deletions	Outstanding at 12-31-18
Authority Revenue Bonds/Debt Obligations							
Bonds Payable							
Series 1999 NYS EFC	\$ 1,546,000	\$ -	\$ (418,000)	\$ 1,128,000	\$ -	\$ (429,000)	\$ 699,000
Series 2010A Refunding	70,180,000	-	(7,335,000)	62,845,000	-	(7,625,000)	55,220,000
Series 2017A & B Refunding		14,395,000	(1,050,000)	13,345,000	-	(1,365,000)	11,980,000
Series 2018A & B GARB				-	22,590,000	-	22,590,000
Total Bonds Payable	88,216,000	14,395,000	(25,293,000)	77,318,000	22,590,000	(9,419,000)	90,489,000
Unamortized Premiums	1,483,693	1,431,250	(666,338)	2,248,605	2,275,926	(783,036)	3,741,495
Total Long-term Indebtedness	\$ 89,699,693	\$ 15,826,250	\$ (25,959,338)	\$ 79,566,605	\$ 24,865,926	\$ (10,202,036)	\$ 94,230,495

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**Authority Outstanding Debt Issues:**

**Series 1999A NYS Environmental Facilities Corporation Bonds**

In 1998, the Authority, through the New York State Environmental Facilities Corporation (EFC), entered into a \$7.5 million Series A, no interest, loan agreement with the New York State Water Pollution Control Revolving Fund to finance the total construction of a new glycol wastewater treatment system. In July 1999, the loan was replaced with a new twenty year bond issued by the EFC. Under the Agreement with the EFC, the interest on the first \$3 million was and is 100 percent subsidized and the remaining \$4.5 million was and is 50 percent subsidized by the New York State Water Pollution Control Revolving Fund. During 2010, EFC refunded bonds they had previously issued to provide financing to the Authority and reduce the amount of the remaining debt service due from the Authority to EFC. On June 24, 2010 the Authority's obligation to EFC on the remaining partially subsidized bonds then outstanding was amended and restated to lower the Authority's cost of borrowing on the remaining bonds outstanding. The net carrying amount on the Series 1999A EFC Airport Revenue Bonds consists of the following:

	As of December 31, 2018	As of December 31, 2017
Series 1999A Airport Revenue Bond Issue:		
Principal paid annually on October 1, in payments of \$699,000 in 2019 with interest at 3.382% due semi-annually April 18 and October 15	\$ 699,000	\$ 1,128,000
Less amortization of:		
Deferred Loss	(684)	(1,719)
Series 1999A Revenue Bond net carrying amount	698,316	1,126,281
Less current portion including amortization	698,316	427,965
Long - Term Portion	\$ -	\$ 698,316

Maturities of the long-term Series 1999A Airport Revenue Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2018:

Year Ended	Principal	Interest	Int. Subsidy	Total
2019	\$ 699,000	\$ 18,567	\$ (4,802)	\$ 712,765
TOTAL	\$ 699,000	\$ 18,567	\$ (4,802)	\$ 712,765

## Series 2010A General Airport Revenue Refunding Bonds

In August of 2010, the Authority issued \$105,745,000 (non AMT) of General Airport Revenue Refunding Bonds to refund the Series 1998B Airport Revenue Bonds, the Series 2000B Airport Revenue Bonds, and the Series 2008A Airport Revenue Bonds. The net carrying amount on the Series 2010A General Airport Revenue Refunding Bonds consists of the following:

	As of December 31, 2018	As of December 31, 2017
Series 2010A General Airport Revenue Refunding Bond Issue:		
Principal paid annually on December 15, in payments of \$5,555,000 in 2019 to \$690,000 in 2030 with interest at 4.00% to 4.50% due semi-annually on June 15 and December 15	\$ 55,220,000	\$ 62,845,000
Plus amortization of:		
Bond Premium	480,662	954,555
Less amortization of:		
Deferred Loss on Refunding	(2,713,217)	(3,709,602)
Bond Insurance	(300,790)	(369,098)
Series 2010A GARB net carrying amount	52,686,655	59,720,855
Less current portion including amortization	5,017,912	7,034,200
Long - Term Portion	<u>\$ 47,668,743</u>	<u>\$ 52,686,655</u>

Maturities of the long-term Series 2010A General Airport Revenue Refunding Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2018:

Year Ended	Principal	Interest	Total
2019	\$ 5,555,000	\$ 2,557,581	\$ 8,112,581
2020	5,835,000	2,281,231	8,116,231
2021	6,115,000	1,991,981	8,106,981
2022	6,410,000	1,703,731	8,113,731
2023	6,730,000	1,385,731	8,115,731
2024-2028	23,225,000	2,561,200	25,786,200
2029-2030	1,350,000	91,800	1,441,800
TOTAL	<u>\$ 55,220,000</u>	<u>\$ 12,573,256</u>	<u>\$ 67,793,256</u>

The Facilities financed with Series 2010A included portions of the terminal, the New York State Police Aviation Facility, the FAA Control Tower, parking facilities and other Airport improvements. Lease agreements with the State of New York and the Federal Aviation Administration provide revenue to support a portion of the debt service and remain in effect through 2030 and 2019 respectively.

## Series 2017A&B General Airport Revenue Refunding Bonds

In March of 2017, the Authority closed on the sale of two General Airport Revenue Refunding Bond issues totaling \$14,395,000.

The Authority issued \$7,795,000 (non AMT) of Series 2017A General Airport Revenue Refunding Bonds to refund the Series 2003A Airport Revenue Bonds and Series 2006A. The net carrying amount on the Series 2017A General Airport Revenue Bonds consists of the following:

	As of December 31, 2018	As of December 31, 2017
Series 2017A General Airport Revenue Refunding Bond Issue:		
Principal paid annually on December 15, in payments of \$90,000 in 2019 to \$110,000 in 2033 with interest at 3.00% to 5.00% due semi-annually on June 15 and December 15	\$ 7,065,000	\$ 7,470,000
Plus amortization of:		
Bond Premium	799,632	943,983
Less amortization of:		
Deferred Loss on Refunding	(177,831)	(209,933)
Series 2017A GARB net carrying amount	7,686,801	8,204,050
Less current portion including amortization	196,163	517,249
Long - Term Portion	\$ 7,490,638	\$ 7,686,801

Maturities of the long-term Series 2017A General Airport Revenue Refunding Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2018:

Year Ended	Principal	Interest	Total
2019	\$ 90,000	\$ 340,225	\$ 430,225
2020	585,000	336,625	921,625
2021	880,000	307,375	1,187,375
2022	925,000	263,375	1,188,375
2023	975,000	217,125	1,192,125
2024-2028	3,105,000	406,175	3,511,175
2029-2033	505,000	52,694	557,694
TOTAL	\$ 7,065,000	\$ 1,923,594	\$ 8,988,594

## Series 2017A&B General Airport Revenue Refunding Bonds, Con't

The Authority issued \$6,600,000 (AMT) of Series 2017B General Airport Revenue Refunding Bonds to refund the Series 2006B Airport Revenue Bonds and Series 2006C. The net carrying amount on the Series 2017B General Airport Revenue Bonds consists of the following:

	As of December 31, 2018	As of December 31, 2017
Series 2017B General Airport Revenue Refunding Bond Issue:		
Principal paid annually on December 15, in payments of \$915,000 in 2019 to \$235,000 in 2035 with interest at 3.00% to 5.00% due semi-annually on June 15 and December 15	\$ 4,915,000	\$ 5,875,000
Plus amortization of:		
Bond Premium	300,959	350,067
Less amortization of:		
Deferred Loss on Refunding	(140,184)	(163,058)
Series 2017B GARB net carrying amount	5,075,775	6,062,009
Less current portion including amortization	936,948	986,234
Long - Term Portion	\$ 4,138,827	\$ 5,075,775

Maturities of the long-term Series 2017B General Airport Revenue Refunding Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2018:

Year Ended	Principal	Interest	Total
2019	\$ 915,000	\$ 215,125	\$ 1,130,125
2020	470,000	178,525	648,525
2021	245,000	155,025	400,025
2022	255,000	142,775	397,775
2023	270,000	130,025	400,025
2024-2028	1,250,000	443,125	1,693,125
2029-2033	1,040,000	214,231	1,254,231
2034-2035	470,000	28,200	498,200
TOTAL	\$ 4,915,000	\$ 1,507,031	\$ 6,422,031

## Series 2018A&B General Airport Revenue Bonds

In November of 2018, the Authority closed on the sale of two General Airport Revenue Bond issues totaling \$22,590,000.

The Authority issued \$14,770,000 (non AMT) of Series 2018A General Airport Revenue Bonds to fund a portion of the cost of the Upstate Airport Development & Revitalization Project at the Airport and other projects in the Authority's 2015-2019 capital plan. The net carrying amount on the Series 2018A General Airport Revenue Bonds consists of the following:

	As of December 31, 2018	As of December 31, 2017
Series 2018A General Airport Revenue Bond Issue:		
Principal paid annually on December 15, in payments of \$195,000 in 2034 to \$1,400,000 in 2048 with interest at 5.00% due semi-annually on June 15 and December 15	\$ 14,770,000	\$ -
Plus amortization of:		
Bond Premium	1,437,895	-
Series 2018A GARB net carrying amount	16,207,895	-
Less current portion including amortization	121,236	-
Long - Term Portion	<u>\$ 16,086,659</u>	<u>\$ -</u>

Maturities of the long-term Series 2018A General Airport Revenue Refunding Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2018:

Year Ended	Principal	Interest	Total
2019	-	\$ 771,322	771,322
2020	-	738,500	738,500
2021	-	738,500	738,500
2022	-	738,500	738,500
2023	-	738,500	738,500
2024-2028	-	3,692,500	3,692,500
2029-2033	-	3,692,500	3,692,500
2034-2038	\$ 3,400,000	3,422,750	6,822,750
2039-2043	5,000,000	2,366,750	7,366,750
2044-2048	6,370,000	986,250	7,356,250
TOTAL	<u>\$ 14,770,000</u>	<u>\$ 17,886,072</u>	<u>\$ 32,656,072</u>

## Series 2018A&B General Airport Revenue Refunding Bonds, Con't

The Authority issued \$7,820,000 (AMT) of Series 2018B General Airport Revenue Bonds to fund projects in the Authority's 2015-2019 capital plan. The net carrying amount on the Series 2018B General Airport Revenue Bonds consists of the following:

	As of December 31, 2018	As of December 31, 2017
Series 2018B General Airport Revenue Bond Issue:		
Principal paid annually on December 15, in payments of \$295,000 in 2019 to \$515,000 in 2034 with interest at 5.00% due semi-annually on June 15 and December 15	\$ 7,820,000	\$ -
Plus amortization of:		
Bond Premium	817,829	-
Series 2018B GARB net carrying amount	8,637,829	-
Less current portion including amortization	403,159	-
Long - Term Portion	\$ 8,234,670	\$ -

Maturities of the long-term Series 2018B General Airport Revenue Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2018:

Year Ended	Principal	Interest	Total
2019	\$ 295,000	\$ 408,378	\$ 703,378
2020	360,000	376,250	736,250
2021	375,000	358,250	733,250
2022	395,000	339,500	734,500
2023	415,000	319,750	734,750
2024-2028	2,405,000	1,266,500	3,671,500
2029-2033	3,060,000	602,750	3,662,750
2034	515,000	25,750	540,750
TOTAL	\$ 7,820,000	\$ 3,697,128	\$ 11,517,128

The table below provides a summary of Authority Revenue Bonds net of unamortized amounts for cost of issuance, net premium/discount and deferred loss on refunding:

	Current	Long-Term	Total
Authority Revenue Bonds/Debt Obligations			
Series 1999 NYS EFC	\$ 698,316	\$ -	\$ 698,316
Series 2010A Refunding	5,017,912	47,668,743	52,686,655
Series 2017A Refunding	213,992	7,443,761	7,657,753
Series 2017B Refunding	964,990	4,044,351	5,009,341
Series 2018A GARB	121,236	16,086,659	16,207,895
Series 2018B GARB	403,159	8,234,670	8,637,829
Total Long-term Indebtedness	<u>\$ 7,419,605</u>	<u>\$ 83,478,184</u>	<u>\$ 90,897,789</u>

### Refunding of Debt

On April 13, 2017 the Authority issued its Series 2017 Bonds in the total par amount of \$14,395,000 of which \$7,795,000 were sold as Series 2017A Non-AMT (not subject to any Federal Tax) and \$6,600,000 were sold as Series 2017B AMT (subject to the Federal Alternative Minimum Tax). The Series 2017 Bonds were used, along with other funds of the Authority, to fully refund the Authority's Series 2003A, Series 2006A, Series 2006B, and Series 2006C Bonds in the aggregate amount of \$16,490,000 (the Refunded Bonds). The result will produce an estimated gain of \$2,167,050 million in future cash flow savings, with an estimated present value of \$1,438,263. The difference between the reacquisition price of the refunded bonds and the net carrying values of the refunded bonds generated a deferred accounting loss of \$412,456. The deferred accounting loss will be amortized into interest expense over the life of the bonds using the Bonds Outstanding Method of Amortization which is a systematic and rational approach that approximates the Effective Interest Method.

The impact of the refunding is summarized below:

Description	Series 2017 Bonds Issued	Bonds Refunded	Cash Flow Gain	Present Value Gain
Refunding Bonds	\$14,395,000	\$16,490,000	\$2,167,050	\$1,438,263

### Bank Line of Credit

During 2018 the Authority accepted a \$22,131,900 grant from the State of New York under a State Aviation Project Funding Agreement (APFA). Pursuant to the APFA, State grant funds are being provided for funding a portion of Upstate Airport Development & Revitalization Project (the project). The project has an agreed upon completion date of March 31, 2020. The Authority expects to file monthly reimbursement claims for reimbursement of expenditures that are eligible for reimbursement under the APFA and it will initially pay from funds on hand that are available for capital project funding. On December 31, 2018 the Authority closed on a \$10,000,000 revolving bank line of credit (the Loan Agreement) with Community Bank, N.A. to provide contingent interim financing for grant reimbursement claims in the event the that the balance of accumulated grant reimbursements payable from the State becomes temporarily larger than anticipated.

There have been no payment draws, there is currently no outstanding loan balance, but the Authority expects to make an initial draw in March 2019 under the Loan Agreement. The Loan Agreement provides that a \$10,000,000 revolving line of credit is available until December 31, 2020 subject to the terms and conditions therein. The Authority's Loan Counsel has issued an opinion that from the date of the first draw until the loan is first fully repaid, interest paid under Loan Agreement is exempt from the Federal and State Income Tax but subject to the Federal Alternative Minimum Tax. The Authority intends upon the initial draw to maintain an outstanding minimum balance of \$50,000 until the termination of the Loan Agreement.

The Tax Exempt interest rate under the Loan Agreement is a rate per year equal to the sum of LIBOR One-Month Floating Rate and 1.75 percentage points, multiplied by 0.76. Should for any reason it be determined interest paid under the Loan Agreement is subject to Income Tax, the rate reverts to the LIBOR One-Month Floating Rate and 1.75 percentage points effective as of the date on which the interest payable was been determined to be taxable.

The Loan Agreement was approved by Resolution adopted by the Authority at its December 10, 2018 meeting which establishes that any payments made pursuant to the Loan Agreement are subordinate to payments required to be made to the Authority's bondholders under its Master Bond Resolution Adopted January 6, 1997, which excludes restricted grant income from the definition of Revenue. The Loan Agreement requires the Authority to continue to maintain a debt service coverage ratio established in the Master Bond Resolution for its bondholders.

The Authority also entered into a Pledge and Assignment of the APFA Grant Proceeds, contingent upon approval by the State, with respect to both the APFA and the grant funds due to the Authority from the State pursuant to the APFA. Under the APFA, the grant proceeds may only be used to repay principal under the financing agreement and any interest paid must be funded from other sources of funds. The Authority will fund any interest payments due under the Loan Agreement from net revenues of the Authority, which excludes grant proceeds.

#### **Debt Limit:**

The Authority's debt limit was increased from \$175 million to \$285 million during 2004 by State legislation enacted (Chapter 500), amending the Albany County Airport Authority Act, Title 32 of Article 8, of the New York State Public Authorities Law. The Act authorizes the Authority to issue bonds, notes or other obligations in the aggregate outstanding principal amount not exceeding \$285,000,000. In addition, the Authority is authorized to issue refunding bonds, provided that upon a refunding the aggregate principal amount of bonds, notes or other obligations outstanding under the Act may be greater than \$285,000,000 only if the present value of the aggregate debt service of the refunding bonds, notes or other obligations does not exceed the present value of the refunded bonds, notes or other obligations (calculated as provided in the Act). As of December 31, 2018, the Authority had \$90.5 million of principal debt outstanding issued which does not include deferred losses, bond premiums and amortization of bond insurance costs.

The Authority adopted a Derivatives Policy which allows for the use of Derivative Financial products for capital financing. The Derivatives Policy prohibits the use of Derivative Financial products for either investment or speculation. The Derivatives Policy recognizes derivatives as non-traditional financial products, including but not limited to, floating to fixed rate swaps, swaptions, caps, floors, collars and municipal warrants. The Derivatives Policy requires:

- that transactions entered into under the policy must be for a market transaction for which competing good faith quotations may be obtained at the discretion of the Authority and with the advice and recommendation of the Authority's swap advisor, and other financial professionals;
- that transactions should produce material economic benefit believed to not otherwise be attainable under the current existing market conditions, or existing conventional debt structures, and improve the flexibility of debt management strategies;
- employ a structure that will attempt to minimize any additional floating rate basis risk, tax law risk or credit risk to the Authority and justify the acceptance of these risks for a particular transaction, based on the additional benefits to the Authority; and
- limits the total amount of derivative financial product transactions so as not to exceed thirty-three percent (33%) of the total authorized debt limit of the Authority (currently \$285 million).

The Authority adopted a Variable Rate Debt Policy which allows for the use of variable rate debt within prescribed limitations. The Variable Rate Debt Policy recognizes permanent and interim uses of variable rate debt. Interim use of variable rate debt may occur during the construction phase of a project for which the Authority intends to obtain permanent financing at the conclusion of the construction phase. The Variable Rate Debt Policy provides that:

- "Permanent Variable Rate Debt Exposure" includes variable rate debt which the Authority does not intend to be refinanced by a long-term fixed rate debt;
- "Net Permanent Variable Rate Debt Exposure" is permanent variable rate debt that is not offset by the cash, cash equivalent and short-term investment assets of the Authority;
- permanent variable rate debt excludes, with some exceptions, variable debt that has been synthetically changed to fixed rate debt by the use of a financial derivative hedge product with a fixed-payer interest rate swap;
- net permanent variable rate debt, excluding synthetic fixed rate transactions, should not generally exceed twenty percent (20%) of the Authority's outstanding indebtedness;
- the Authority did not utilize any derivative or variable rate debt products in 2018 or 2017.

**NOTE 9 - Capital Contributions and Net Position**

Since its inception, the Authority has received capital contributions from the County of Albany in the form of net assets transferred from the date of inception and from Federal and State grants as follows:

	Inception To Date	Year Ended 2018	Year Ended 2017
County of Albany	\$ 46,824,500	\$ -	\$ -
Federal	133,033,620	2,268,616	4,144,523
State	72,447,732	1,028,431	472,186
<b>Total</b>	<b>\$ 252,305,852</b>	<b>\$ 3,297,047</b>	<b>\$ 4,616,709</b>

Unrestricted net position consists of the following:

	<u>2018</u>	<u>2017</u>
Designation of unrestricted net position		
Operations and maintenance reserve	\$ 12,683,238	\$ 11,021,931
Renewal and replacement reserve	500,875	500,000
Total designations	13,184,113	11,521,931
Undesignated unrestricted net position	4,017,183	9,879,608
Total unrestricted net position	<u>\$ 17,201,296</u>	<u>\$ 21,401,539</u>

Under the master bond resolution adopted in 1997, the Authority agreed to create and maintain two reserves. Both were to be funded by depositing funds in separate bank accounts in accordance with the master bond resolution and are included as a component of unrestricted cash and cash equivalents on the statements of net position. The Operating and Maintenance Reserve is to be equal to two months operating and maintenance expenses and is to be used only if the Authority does not have sufficient funds in its current operating accounts to pay these expenses on a timely basis.

The Renewal and Replacement Reserve is to be equal to \$500,000 and can be used solely for non-recurring major maintenance, repairs, renewals, or replacements related to Airport facilities. Both reserves have been funded as required.

## **NOTE 10 - Airline Lease and Use Agreements**

Seven commercial passenger airlines, fifteen affiliated commercial passenger airlines and two cargo airlines serving the Airport have executed the first five year renewal option on the Airline Use and Lease Agreement (“Agreement”). This Agreement has a five-year term effective January 1, 2016 with an option for one five year renewal to extend the Agreement to December 31, 2025. The Authority charges signatory rates to carriers who have executed the Agreement and non-signatory rates to all other airlines and Airport users.

In general, the rate formulas under the Airline and Cargo Carrier Agreements in effect provide that at the end of each year the total financial requirements for each of the Airport cost centers be determined by applying revenues related to that cost center before the rate required to be paid by Signatory Airlines and Cargo Carriers is determined. The landing fee calculation uses a residual cost methodology. The terminal rate is based upon calculation of the total cost per square foot subject to annual settlement based upon actual cost. The Agreement also contains a calculation of an amount for capital expenditures not subject to majority-in-interest (MII) approval by the Signatory Airlines in the rates and charges calculation. This amount is deducted after the net amount available for revenue sharing between the signatory airlines and the Authority is determined; therefore, not affecting the initial rates and charges established for billing the airlines. The net requirement is then divided by appropriate usage factors to determine the rates and fees applicable to signatory airlines.

The Agreements provide a net income sharing mechanism by which the Signatory Airlines and Cargo Carriers receive a percentage of the Airport’s net income (as defined in the Agreements) during the term of the agreement in the form of a rate credit offset. The Agreements also provide for extraordinary coverage protection where the Signatory Airlines and Cargo carriers have agreed to provide additional revenue to the Airport should net revenues be less than the required amount under the Master Bond Resolution.

In 2018, the net revenue sharing was fifty percent to the airlines and fifty percent to the Authority. Under this formula, the airlines and cargo carriers received a credit of \$362,369 for the rates and charges settlements and they also received \$2,587,645 for their share of the revenue sharing; totaling \$2,950,014. In 2017, the airlines and cargo carriers were given total credits of \$2,463,136 for their share of the final settlement and revenue sharing. In 2016, the total credits were \$3,137,355.

**NOTE 11 - Airport Tenant Agreements**

The Authority has entered into agreements with tenants for the use of certain Airport facilities including ready/return rental car parking areas, buildings, terminals, hangars and customer service areas. The Authority entered into concession agreements. These agreements include: advertising, food and beverage, retail, on-airport rental cars, vending machines, baggage delivery services, baggage cart management, ATMs, vending machines and foreign currency exchange. Normally the terms of the agreements include a fixed minimum annual guaranteed (MAG) payment to the Airport as well as additional contingent payments based on the tenants' annual sales volume of business. Revenues exceeded the MAG amounts due in 2018 of \$12,154,961 by \$1,489,084. In 2017 the revenues exceeded the MAG amounts due of \$11,694,658 by \$1,348,383. Some of the agreements provide for a periodic review and redetermination of the payment amounts.

Future MAG payments due to the Authority under non-cancelable agreements are as follows for the years ending December 31:

2019	\$ 9,530,556
2020	8,781,422
2021	8,275,930
2022	7,678,184
2023	7,665,915
2024-2030	32,555,820
Total	<u>\$ 74,487,827</u>

**NOTE 12 - Pension Plans**

Plan Descriptions - The Authority participates in the New York State and Local Employees' Retirement System (ERS) cost-sharing multiple-employee retirement system. The ERS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and amend rules and regulations for the administration and transaction of the business of the systems and for the custody and control of their funds. The Systems issue a publicly available annual financial report that includes audited financial statements and required supplementary information. This report may be obtained by writing to the New York State and Local Employees' Retirement System, Office of the State Comptroller, 110 State Street, Albany, NY 12207.

Funding Policy - Contributory and noncontributory requirements depend upon the point in time at which an employee last joined the System. Most members of the ERS who joined the System on or before July 26, 1976 are enrolled in a non-contributory plan. Employees who last joined ERS subsequent to July 26, 1976 are enrolled in a contributory Plan. Tier 3 through Tier 5 employees must contribute 3 percent of their salary. Tier 3 and Tier 4 employees with more than ten years of membership or credited service within the System are not

required to contribute. Tier 6 member contribution rates vary from 3 percent to 6 percent depending on salary. Tier 5 and 6 members are required to contribute for all years of service. Members cannot be required to begin contributing or to make increased contributions beyond what was required when their memberships began.

The Authority is required to contribute at an actuarially determined rate. The required contributions for the years ended December 31, 2018, 2017 and 2016 were \$256,525, \$252,468, and \$260,215 respectively, or approximately 15.7%, 15.1% and 16.2%, respectively of the covered employees' payrolls. The Authority's contributions made to the Systems were equal to 100% of the required contributions for each year.

Pension Liability - At December 31, 2018, the Authority reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for the System. The net pension asset/(liability) was measured as of March 31, 2018. The total net pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension asset/(liability) was based on a projection of the Authority's long-term share of contributions of all participating members, actuarially determined. This information was provided by the ERS System in a report provided to the Authority. The net pension (liability) is included in the non-current liabilities on the Statement of Net Position for December 31, 2018 and 2017:

	2018	2017
Actuarial valuation date	April 1, 2017	April 1, 2016
Net pension asset/(liability)	(\$152,292)	(\$436,071)
Authority's portion of the Plan's total net pension asset/(liability)	0.0047187%	0.0046409%

Payables to the pension plan - ERS employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Payments to the ERS due February 1, 2018 were prepaid at a discounted amount of \$256,525 during the Authority's year ended December 31, 2018. Accordingly, the Authority did not owe any payables to the Pension System as of December 31, 2018 or 2017.

Pension Expense - For the year ended December 31, 2018, the Authority recognized its proportionate share of pension expense of \$184,117. For December 31, 2017, the Authority's pension expense was \$249,719.

Collective Pension Expense - Collective pension expenses includes certain current period changes in the collective net pension asset/(liability), projected earnings on pension plan investments, and the amortization of deferred outflows or resources and deferred inflows of resources for the current period. The collective pension expense for the periods ended December 31, 2018 and 2017 were \$238,877 and \$290,406 respectively.

Deferred Outflows and Inflows of Resources Related to Pension - The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for December 31, 2018 and 2017:

	Outflows of Resources 2018	Outflows of Resources 2017	Inflows of Resources 2018	Inflows of Resources 2017
Differences between expected and actual experiences	\$ 54,318	\$ 10,928	\$ 44,886	\$ 66,220
Changes of assumptions	100,982	148,978	-	-
Net difference between projected and actual earnings on pension plan investments	221,192	87,101	436,611	-
Changes in proportion and differences between contributions and proportionate share of contributions	149,756	138,327	11,017	15,192
Contributions subsequent to the measurement date	256,525	252,468	-	-
Total	<u>\$ 782,773</u>	<u>\$ 637,802</u>	<u>\$ 492,514</u>	<u>\$ 81,412</u>

The Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows as of December 31, 2018 and 2017:

Year ended:	2018	2017
2018	\$ -	\$ 123,154
2019	87,365	123,154
2020	67,526	103,450
2021	(83,988)	(45,834)
2022	(37,169)	-
Thereafter	-	-

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with updated procedures used to roll forward the total pension asset/(liability) to the measurement date. 2018 was the third year of the current year experience study cycle and recommends that the current assumptions be maintained. The actuarial valuation for December 31, 2018 and 2017 are as follows:

Measurement date	March 31, 2018
Actuarial valuation date	April 1, 2017
Inflation rate	2.5%
Salary Scale *	3.8%
Interest Rate	7% compounded annually, net of investment expense
Projected Cost of Living Adjustments	1.3% annually
Decrements	Developed from the Plan's 2015 experience study of the period April 1, 2010 through March 31, 2015
Mortality improvement	Society of Actuaries Scale MP-2014

\* For FY 2018, each service value to be increased by 10%

Pensioner mortality rates are based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2014.

The actuarial assumptions used in the April 1, 2015 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015. 2018 was the third year of the current year experience study cycle and recommends that the current assumptions be maintained with the exception of the salary scale.

The long term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

The long term expected 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 the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Asset class	Target allocation	Long-Term expected real rate of return
Domestic equity	36.0%	4.55%
International equity	14.0%	6.35%
Private equity	10.0%	7.50%
Real estate	10.0%	5.55%
Absolute return strategies	2.0%	3.75%
Opportunistic portfolio	3.0%	5.68%
Real assets	3.0%	5.29%
Bonds and mortgages	17.0%	1.31%
Cash	1.0%	-0.25%
Inflation-Indexed bonds	4.0%	1.25%
	<u>100.0%</u>	

Discount rate - The discount rate used to calculate the total pension asset/(liability) was 7.0%. 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 asset/(liability).

Sensitivity of the Proportionate Share of the Net Pension Asset/(Liability) to the Discount Rate Assumption - The following presents the Authority's proportionate share of the net pension asset/(liability) calculated using the discount rate of 7.0%, as well as what the Authority's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount (7.0%)	1% Increase (8.0%)
Proportionate Share	\$1,152,282	\$152,292	(\$693,660)

New York State Voluntary Defined Contribution (NYS VDC) Plan - Under state legislation enacted in 2012, Authority Employees first hired after June 30, 2013 who earn least \$75,000 per year or more are eligible to join the NYS VDC Plan instead of the ERS Plan. The NYS VDC Plan is administered by the State University of New York Optional Retirement Plan (SUNY OPR). SUNY OPR has contracted with TIAA-CREF to administer the NYS VDC Plan. The NYS VDC plan is portable among employers and eligible employees vest 366 days after first joining the plan or other employer funded contract with any of the NYS VDC investment providers. The Authority's contribution rate is 8% of participating employee salary for the duration of employment. Participating employee contribution rates range from 5.75% to 6% based upon salary level. During the initial vesting period the Authority must contribute 4% interest to a vesting employee's contribution deduction not yet remitted to the Plan. The Authority has one employee who joined the plan in October 2015. The Authority's employer contributions to the NYS VDC plan through December 31, 2018 and 2017 were \$8,960 and \$8,721 respectively.

**NOTE 13 - Other Post Employment Benefits (OPEB)**

During 2009 the Authority adopted a formal written OPEB plan and created a legally separate trust to accumulate resources to fund the Authority's obligation to pay for OPEB benefits under the plan. The OPEB plan provides that all full-time and regular part-time employees with qualifying years of service with the Authority (including any years with the State of New York or County of Albany immediately preceding becoming an Authority employee) who retire from the Authority and are collecting retirement benefits through the New York State and Local Employees' Retirement System, shall receive health insurance benefits from the Authority as a retired employee. Such benefits shall be equal to the health insurance benefits received by the employee at the time of their retirement and the costs thereof to the retired employee shall be at the same rate or percentage sharing the employee was paying at the time of their retirement. A qualifying retiree's surviving spouse and eligible dependents can continue to receive OPEB benefits as long as they do remain otherwise eligible to be a dependent of the deceased employee. Retired employees are required to contribute to the cost of the plan benefit in proportion to the amount they contributed toward the cost of their health insurance prior to retirement. The Authority allows each employee to accumulate up to 1,320 hours of unused sick time and apply the value of this to fund their required contribution. The plan is a single-employer defined benefit plan Effective January 1, 2008, the Authority adopted GASB Statement 45 - *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*-, prospectively which requires reporting, on an accrual basis, the liability associated with other postemployment benefits. The OPEB liability at transition was zero was being amortized over a thirty-year period. Effective January 1, 2018 the Authority adopted GASB Statement 75, which replaced GASB 45 and required the previously unrecognized liability for OPEB benefits to reported as a liability on the statement of Net Position and also changed the measurement focus to fair value measurement. The accrued liability is based upon an actuarial valuation that reflects a long-term perspective. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Albany County Airport Authority OPEB Trust has issued a separate unaudited financial statement which may be obtained by contacting the Albany County Airport Authority OPEB Trustee c/o the

Albany County Airport Authority, 737 Albany Shaker Road, Administration Building, Suite 204, Albany, NY 12211-1057.

The OPEB Plan is a single-employer defined benefit healthcare plan trust administered by the Authority. The Plan provides medical insurance benefits to eligible retirees who elect to receive it and their eligible dependents. Membership of the Plan consists of 36 plan members composed of; 21 Active, 14 retired and 1 deceased employee. The Plan is a governmental plan that is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was created by the Albany County Airport Authority to be managed by a sole trustee intended to be the Chief Financial Officer of the Authority who is the plan Trustee. The Plan is a component unit of the Albany County Airport Authority. The Trust has a fiduciary duty to provide plan benefits to eligible beneficiaries. As long as the Albany County Airport Authority provides the required benefits, the Trust's obligation is fulfilled and it may then reimburse the Albany County Airport Authority for the cost of the benefits provided, if requested to do so.

**Eligibility**

An employee hired on or after January 1, 2005 shall become eligible to retire under this plan upon attainment of age 55 as an active member and completion of 10 years of service. Those hired after January 1, 2017 must have 15 years of service and have reached the age of 55.

**Contributions**

Contributions to the Plan are likely to be entirely funded by the employer (the Authority). Participants hired prior to July 1, 2005 are not required to contribute to the plan. Participants hired on or after July 1, 2005 are required to contribute 10% of the cost of benefits to the plan, offset by the value of their unused sick leave up to 1,320 hours at the time of retirement. The Plan was established and may be amended by the Authority. The Authority has no obligation to fund the plan. Contributions made were provided for in the Authority's annual budgets for 2008 through 2018 along with interest earnings thereon. Any future contributions to the plan would be authorized by a future resolution of the Authority.

**Net OPEB Liability**

The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

**Investment Policy**

The Authority has adopted an investment policy for the Trust that the Authority may amend from time to time. The Authority adopted an Investment Policy for effectively supervising, monitoring and evaluating the investment assets of the Plan. The investment policy allows for the plan assets to be comprised of:

Fixed Income .....	0%-60%
Cash Equivalent.....	5%-100%
Domestic Equity .....	0%-60%
International Equity .....	0%-60%
Other Equity .....	0%-20%

As of December 31, 2018 all plan assets were on deposit with M & T Bank, in an interest bearing demand deposit account, the entire balance of which was collateralized by obligations that are guaranteed by the U.S. Government and held by a 3<sup>rd</sup> party custodian. The Trustee believes the investment and management of the assets of the Plan have complied with the Trust investment policy adopted by the Authority.

### Actuarially Determined Contribution (ADC)

The Airport's Actuarially Determined Contribution (ADC) is an amount actuarially determined in accordance with parameters of GASB Statement 74/75 which is composed of the service cost and amortization of the unfunded liability using a 30 year flat dollar amortization of such unfunded liability. The following table shows the components of the Airport's annual ADC for the fiscal year and the amount actually contributed to the plan:

	For the fiscal year ending December 31, 2018
Service Cost	217,039
30 year amortization of NOL at 3.75%	357,987
Actuarial determined contribution	575,026
Contributions in relation to the actuarially determined contribution	(300,000)
Contribution deficiency/(excess)	275,026
 Covered Employee Payroll	 1,966,055
 Contributions as a % of covered employee payroll	 15.26%

### Funded Policy, Status and Progress

The contribution requirements of plan members and the Authority are established and may be amended through Authority resolutions. For the period ending on the December 31, 2018 Measurement Date, total Authority premiums implicit costs for the retiree medical program were \$150,927. The Authority also made a contribution to the OPEB Trust of \$149,073 for a total contribution during the measurement period of \$300,000 to be reported on the financial statement for the fiscal year ending December 31, 2018.

As of the December 31, 2018 Measurement Date, the plan was 25.1% funded. The Total OPEB Liability (TOL) for benefits was \$8,842,670, and the Fiduciary Net Position was \$2,220,686, resulting in a Net OPEB Liability (NOL) of \$6,621,984. The covered payroll (annual payroll of active employees covered by the plan) was \$1,966,055 and the ratio of the NOL to the covered payroll was 336.8%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is

increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Since this is the first year of implementation, only the current year information is presented.

**Changes in the OPEB Liability**

Net OPEB Liability at beginning of period	\$ -
Change in Accounting Principals for GASB 75	6,473,234
Service cost	217,039
Interest	325,272
Change in assumptions	-
Differences between expected and actual experience	(80,361)
Net investment income	(13,200)
Employer contributions to the trust	(300,000)
Benefit payments withdrawn from the trust	150,927
Benefit payment excluding implicit cost	(150,927)
Net OPEB Liability at end of period	<u>\$ 6,621,984</u>

**Changes in the Deferred Outflows/Inflows**

	Outflows of Resources 2018	Inflows of Resources 2018
Beginning of the period	\$ -	\$ -
Created during the period	43,406	(80,361)
Recognized during the period	(8,681)	16,072
End of the period	<u>\$ 34,725</u>	<u>\$ (64,289)</u>

The Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset/(liability) in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows as of December 31, 2018:

Year ended:		
	2019	\$ (7,391)
	2020	(7,391)
	2021	(7,391)
	2022	(7,391)
	2023	-
Thereafter		-

## OPEB Expense Development

Components of the Airport's OPEB expenses for the fiscal year ending December 31, 2018:

Service Cost	\$ 217,039
Interest on the Net OPEB Liability (asset), service cost, and benefit payments	325,272
Deferred (inflows)/outflows from plan design changes	-
Deferred (inflows)/outflows from plan experience	(16,072)
Deferred (inflows)/outflows from changes of assumptions	-
Projected earnings on OPEB plan investments	(56,606)
Total employer contribution	8,681
Net financial statement OPEB expense	<u>\$ 478,314</u>

## Money Weighted Rate of Return and Plan Cash Flows

Beginning value - December 31, 2017	\$ 2,058,413
Annual contribution to OPEB Trust	149,073
Annual interest earnings	13,200
Ending Value - December 31, 2018	<u>\$ 2,220,686</u>
Money weighted rate of return	0.64%

## Discount rate

The discount rate used to calculate the total OPEB liability was 3.75%. The following table presents the results if the discount rate was 1% lower or 1% higher:

### Impact of a 1% Change in the Discount Rate as of the December 31, 2018 Measurement Date

	Current Discount Rate		
	1% Decrease (2.75%)	(3.75%)	1% Increase (4.75%)
Net OPEB Liability	\$ 10,427,489	\$ 8,842,670	\$ 7,579,562
Fiduciary Net Position	<u>2,220,686</u>	<u>2,220,686</u>	<u>2,220,686</u>
Service Cost	\$ 8,206,803	\$ 6,621,984	\$ 5,358,876
	\$ 285,125	\$ 217,039	\$ 166,982

## Healthcare Trend

The healthcare cost trend used to calculate the total OPEB liability was 5%. The following table presents the results if the healthcare cost rate was 1% lower or 1% higher:

### Impact of a 1% Change in the Healthcare Cost Trend as of the December 31, 2018 Measurement Date

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net OPEB Liability	\$ 7,429,402	\$ 8,842,670	\$ 10,642,156
Fiduciary Net Position	2,220,686	2,220,686	2,220,686
Service Cost	\$ 5,208,716	\$ 6,621,984	\$ 8,421,470
	\$ 173,163	\$ 217,039	\$ 274,490

## NOTE 14 - Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has purchased commercial insurance for all risk above minimal deductible amounts and named the operator of the Airport, AFCO AvPorts Management LLC (AvPorts) as an additional insured. In addition, the FBO, REW Investments (Million Air) and all tenants and users of the Airport are required to have insurance coverage naming the Authority and the County as additional insured.

No liability is recorded at December 31, 2018 for outstanding claims or for any potential claims incurred but not reported as of that date. Settled claims have not exceeded these commercial coverages by any material amounts during the three years ended December 31, 2018. There was no reduction in insurance coverage during 2018. Changes in the balance of claims paid directly by the Authority during the past two years are as follows:

	Year Ended 2018	Year Ended 2017
Unpaid claims, beginning of year	\$ -	\$ -
Claims incurred	96,477	90,549
Claims paid	(96,477)	(90,549)
Unpaid claims, end of year	\$ -	\$ -

## NOTE 15 - Commitments and Contingencies

*FBO Operations* – As of September 1, 2013 the Authority entered into an agreement with REW Investments, Inc., (Million Air) to manage the fixed based operations on airport. The Agreement has been modified and extended through August 31, 2019. Under the agreement, Million Air is obligated to manage a full and complete general aviation support function including ground handling, apron services, repair and maintenance, and hangar storage. The agreement also provides for operating and managing the Airport's fuel farm and deicing program for all commercial and general aviation aircraft. Million Air receives full reimbursement of all their on-airport pre-approved related expenses plus a base management fee of \$165,000 per annum and various incentive fees based on certain revenue performance indicators.

*Airport Operations* – AFCO AvPorts Management LLC (d/b/a AvPorts) manages the daily operations and maintenance of the airport under an agreement dated October 11, 2005 and initially expiring December 31, 2010, subject optional extension. The agreement has been extended through December 31, 2021. Operational centers include the airfield, terminal, parking, ARFF, operations, security and vehicle and equipment maintenance. AvPorts receives full reimbursement of all their on-airport pre-approved related expenses plus a base management fee of not less than \$425,000. AvPorts may be entitled to an additional incentive fee of \$55,000 each year based on performance indicators negotiated between the parties.

*Capital Improvement Programs* - As of December 31, 2018, the Authority has outstanding contractual commitments for completion of certain capital improvement projects totaling \$14.2 million of which an estimated \$10.3 million is eligible for partial reimbursement from the FAA and the State. The remaining amount is expected to be funded from Airport funds.

*Concentration of Credit Risk* - The Authority leases facilities to the airlines under certain leases and/or use agreements and to other businesses under agreements to operate concessions at the Airport. Amounts due from airlines represent approximately 48.9% of accounts receivable and airline revenues represent 24.7% of operating revenues for the year ended December 31, 2018.

*Environmental Remediation* - Pursuant to the enabling legislation creating the Authority, the Airport completed an environmental audit in 1994. It is the opinion of the Authority that all audit findings have been resolved with no material adverse effect on the financial position of the Authority. In prior years, elevated levels of propylene glycol had been detected in Shaker Creek which runs through the Airport. The Authority now operates a glycol collection and disposal system completed in 1999 which successfully addresses this issue.

*Compliance Audits* - The Authority participates in a number of programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government or agency. An independent audit of these programs has been performed for the years ended December 31, 2018 and 2017 in compliance with: 1) requirements stated in the Single Audit Act of 1996 and Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; 2) compliance requirements described in the Passenger Facility Charge Audit Guide for Public Agencies issued by the Federal Aviation Administration; and 3) compliance requirements described in the preliminary Draft Part 43 of the New York State Codification of Rules and Regulations applicable to state transportation assistance. The amounts, if any, of expenditures that may be disallowed by the granting government or agency cannot be determined at this time, although any such amounts, if any, are expected to be immaterial.

*Litigation* - The nature of the business of the Authority generates certain litigation against the Authority arising in the ordinary course of business. The Authority is a defendant in various lawsuits. In the opinion of the Authority's counsel the resolution of any legal actions in the aggregate will not have a material adverse effect on the financial position of the Authority.

## **NOTE 16 – Subsequent Events and Related Party Transactions**

*Land Acquisition* – During 2017 the Authority and County of Albany came to an agreement in principle for the Authority to acquire from the County two parcels of land comprising approximately 13 acres for \$2,655,000 for future airport development. The land is presently developed with a community ice hockey recreational facility

and an access road. The Airport currently uses a portion of the undeveloped portion of the parcels for Airport Valet Parking operations. Under the agreement the County would continue to operate the ice hockey facility as a community recreational facility for five years paying rent of \$1 per year. The acquired land parcels will be added to the Airport Layout Plan and become part of the Airport. The agreement to acquire the property is based upon consideration that approximated appraised fair value. The agreement to allow the County to continue to operate the hockey facility for five years for annual rent fee of one dollar is a bargain price at less than fair value to the Airport but management believes it is permissible under federal regulations. The Authority intends to fund the acquisition of these parcels by obtaining discretionary Federal Grants at a future date after the completion of a Master Plan Study.

*Upstate Airport Development & Revitalization Project* – During 2018 the Authority was awarded a \$22,131,900 grant from the State of New York Department of Transportation. The preliminary project budget was estimated at \$42,181,900. The Grant Agreement requires the Authority to fund any project costs in excess of the preliminary project budget. Currently based upon plans, completed bids and estimates of the value of work of work to be bid for the project, the Authority believes the project will cost approximately \$53.3 million. The Authority intends to fund the \$11.5 million in estimated project costs in excess of the preliminary project budget through a combination of Passenger Facility Charge Funds on hand an additional borrowing of \$4.6 million. Actual projects costs will vary as the project progresses and the amounts the Authority may need to borrow can increase. The Authority intends to file a grant payment request of approximately \$550,000 in March 2019 which it will seek an advance on the revolving line of credit. The Authority intends to keep at least \$50,000 outstanding on the revolving line of credit until its termination in 2020.

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Required  
Supplemental  
Information



Albany County Airport Authority  
Schedule for the Authority's Proportionate Share of Net Pension Liability  
New York State and Local Employees' Retirement System

As of the measurement date of March 31,	2018	2017	2016	2015
Proportion percentage of net pension liability	0.00472%	0.00464%	0.00497%	0.00525%
Proportion amount of net pension liability	\$ 152,292	\$ 436,071	\$ 797,486	\$ 177,342
Covered payroll	\$ 1,682,703	\$ 1,623,832	\$ 1,640,182	\$ 1,599,482
Authority's proportionate share of net pension liability as a percentage of covered-employee payroll	9.05%	26.85%	48.62%	11.09%
Plan fiduciary net position as a percentage of total pension liability	98.24%	94.70%	90.70%	97.90%

*Data prior to 2015 is unavailable.*

Albany County Airport Authority  
Schedule for the Authority Contributions  
New York State and Local Employees' Retirement System

As of December 31,	2018	2017	2016	2015
Contractually required contribution	\$ 256,525	\$ 252,468	\$ 260,215	\$ 305,211
Contributions in relation to the contractually required contribution	(256,525)	(252,468)	(260,215)	(305,211)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,635,511	\$ 1,674,841	\$ 1,608,253	\$ 1,650,458
Contributions as a percentage of covered payroll	15.68%	15.07%	16.18%	18.49%

*Data prior to 2015 is unavailable.*

Albany County Airport Authority  
Schedule of Changes in the Airport's Net OPEB Liability and Related Ratios  
For the year ended December 31

	2018
<b>Total OPEB Liability</b>	<b>8,842,670</b>
Service Cost	217,039
Interest on total OPEB liability, service cost and benefit payments	325,272
Changes in benefit terms	-
Difference between expected & actual plan experience	(80,361)
Changes of assumptions	-
Benefit payments excluding implicit cost	(150,927)
Implicit cost amount	N/A
Total benefit payments including implicit cost	N/A
Net change in OPEB liability	311,023
Total OPEB liability - beginning of period	8,531,647
Total OPEB liability - end of period	8,842,670
<b>Plan Fiduciary Net Position</b>	<b>2,220,686</b>
Interest on fiduciary net position	13,200
Earning from plan investments	300,000
Employer contribution to trust	(150,927)
Benefit payments from trust, including refunds of member contributions	-
Administrative expense	-
Other	-
Net change in plan fiduciary net position	162,273
Plan fiduciary net position - beginning of period	2,058,413
Plan fiduciary net position - end of period	2,220,686
Net OPEB liability	6,621,984
Plan Fiduciary net position as a % of total OPEB liability	25.11%
Covered employee payroll	1,966,055
Plan NOL as a % of covered employee payroll	336.82%
Single discount rate to calculate plan liabilities	3.75%

\*\* Schedule is intended to show information for 10 years. Information will be provided as available until a full 10 years of data is included.

Albany County Airport Authority  
 Actuarially Determined Contribution – Deficiency / (Excess)  
 For the year ended December 31

	For the fiscal year ending December 31, 2018
Service Cost	217,039
30 year amortization of NOL at 3.75%	357,987
Actuarial determined contribution	575,026
Contributions in relation to the actuarially determined contribution	(300,000)
Contribution deficiency/(excess)	275,026
Covered Employee Payroll	1,966,055
Contributions as a % of covered employee payroll	15.26%
Discount Rate	3.75%
Money Weighted Rate of Return	0.64%

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\*\* Schedule is intended to show information for 10 years. Information will be provided as available until a full 10 years of data is included

## Albany County Airport Authority

### OPEB Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the written plan as currently approved by the Authority and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation.
Municipal bond rate	3.64% as of December 31, 2018 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG)
Actuarial Cost Method	Individual Entry Age Normal
Single equivalent discount rate	3.75%, net of OPEB plan investment expense, including inflation
Inflation	2.75% as of December 31, 2018 and for future periods
Salary Increases	3.00% annually as of December 31, 2018 and for future periods
Cost of living adjustments	Not Applicable
Pre-retirement mortality	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Post-retirement mortality	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Disabled mortality	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2012 for males and females

#### **OPEB Plan Membership**

At January 1, 2018, OPEB plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits:	15
Active Employees:	<u>21</u>
Total:	36

#### **Events Subsequent to the OPEB Measurement Date**

To the best of our knowledge there were no material events subsequent to the Measurement Date that would impact the figures shown in this report.

### **Changes in OPEB Assumptions**

From December 31, 2107 to December 31, 2018:

None

### **OBEB Contributions**

The contribution requirements of plan members and the Airport are established and may be amended through Airport ordinances. The Airport contributed \$149,073 beyond the pay-as-you-go cost for the period ending on December 31, 2018 Measurement Date. For the year ending on December 31, 2018 Measurement Date total Airport premiums plus implicit costs for the retiree medical program were \$150,927. (\$9,147) of the \$150,927 was implicit cost.

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Other  
Supplemental  
Information



Albany County Airport Authority  
Debt Service Requirements to Maturity

GENERAL AIRPORT REVENUE BONDS AND EFC BONDS

YEAR	Principal	Interest	Interest Subsidy	Authority Total
2019	\$ 7,554,000	\$ 4,311,198	\$ (4,802)	\$ 11,860,396
2020	7,250,000	3,911,131	-	11,161,131
2021	7,615,000	3,551,131	-	11,166,131
2022	7,985,000	3,187,881	-	11,172,881
2023	8,390,000	2,791,131	-	11,181,131
2024	8,665,000	2,408,381	-	11,073,381
2025	9,020,000	2,045,381	-	11,065,381
2026	9,460,000	1,621,463	-	11,081,463
2027	1,385,000	1,178,575	-	2,563,575
2028	1,455,000	1,115,700	-	2,570,700
2029	1,505,000	1,052,175	-	2,557,175
2030	1,570,000	984,931	-	2,554,931
2031	915,000	914,363	-	1,829,363
2032	960,000	873,056	-	1,833,056
2033	1,005,000	829,450	-	1,834,450
2034	945,000	783,050	-	1,728,050
2035	980,000	738,150	-	1,718,150
2036	780,000	691,500	-	1,471,500
2037	820,000	652,500	-	1,472,500
2038	860,000	611,500	-	1,471,500
2039	905,000	568,500	-	1,473,500
2040	950,000	523,250	-	1,473,250
2041	1,000,000	475,750	-	1,475,750
2042	1,045,000	425,750	-	1,470,750
2043	1,100,000	373,500	-	1,473,500
2044	1,155,000	318,500	-	1,473,500
2045	1,210,000	260,750	-	1,470,750
2046	1,270,000	200,250	-	1,470,250
2047	1,335,000	136,750	-	1,471,750
2048	1,400,000	70,000	-	1,470,000
<b>TOTAL</b>	<b>\$ 90,489,000</b>	<b>\$ 37,605,649</b>	<b>\$ (4,802)</b>	<b>\$ 128,089,846</b>

**Albany County Airport Authority**  
**Governmental Payments and Services**  
**For the Years Ended December 31, 2018 and 2017**

	2018	2017
UNITED STATES - Department of Agriculture		
Dept. of Agriculture - Wildlife Management Program	\$ 27,095	\$ 36,662
STATE OF NEW YORK		
Department of Civil Service - Health Insurance	640,466	602,863
State and Local Employees' Retirement System	256,525	252,468
Unemployment Insurance	3,262	4,456
Dept. of Taxation & Finance-Sales Tax	222,559	272,190
Dept. of Taxation & Finance-Petroleum Business Tax	100,770	94,179
Dept. of Labor Bureau of Public Work	10,054	5,713
DEC-Oil Spill Fee	21,704	32,046
DEC-SPDES Program Fees & Permits	2,300	2,520
Total State of New York	1,257,640	1,266,435
COUNTY OF ALBANY		
Direct Costs:		
Sheriff	2,281,644	2,109,844
Purchase of Land	-	420,000
Code Enforcement	97,288	48,073
Dept. of Public Works - Salt for Roadways	58,082	41,610
Sewer District Charges	5,000	5,000
Total County of Albany	2,442,014	2,624,527
LATHAM WATER DISTRICT - Water Service	101,851	112,665
TOWN OF COLONIE, RECEIVER OF TAXES		
Sewer Taxes	91,686	86,748
Verdoy Fire Dept.	1,654	1,649
Albany County Tax	5,553	5,561
Town of Colonie Tax	3,772	3,701
School Taxes - North Colonie	26,322	25,801
Total Town of Colonie, Receiver of Taxes	128,987	123,460
VILLAGE OF COLONIE		
Wastewater Conveyance	7,500	7,500
CAPITAL DISTRICT TRANSPORTATION AUTHORITY		
Employee Ground Transportation	25,000	20,000
TOTAL PAYMENTS TO OTHER GOVERNMENTAL ENTITIES	\$4,119,074	\$4,314,709

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# Statistical

This section of the Authority's comprehensive annual financial report presents detailed information for understanding and supporting the information in the financial statements, note disclosures and required supplementary information.

## **Financial Trends**

**Pages 89-90**

These tables contain trend information to assist the reader understand how the Authority's financial performance has changed over time.

## **Revenue Capacity**

**Pages 91-94**

These tables contain trend information to assist the reader understand the Authority's most significant revenue source, airline rates and charges.

## **Debt Capacity**

**Pages 95-98**

These tables contain trend information to assist the reader understand the Authority's current debt outstanding, debt history and the Authority's ability to issue additional debt in the future.

## **Demographic and Economic Information**

**Pages 99-101**

These tables contain trend information to assist the reader understand the environment within which the Authority's financial activities take place.

## **Operating Information**

**Pages 102-113**

These tables contain trend information to assist the reader understand the underlying factors affecting the Authority's ability to generate revenue, highlighting trends in operations, activities and resources.

**Albany County Airport Authority**  
**Total Annual Revenues, Expenses and Changes in Net Position**  
**For Years Ended December 31,**

	2009	2010	2011	2012
<b>REVENUES</b>				
Airfield	\$ 7,303,064	\$ 6,249,734	\$ 6,620,031	\$ 6,517,132
Fixed Based Operations	7,579,581	8,339,501	10,816,078	9,732,965
Terminal	6,513,311	5,760,454	5,549,272	5,220,736
Concessions	6,044,347	6,135,012	6,531,954	6,490,578
Ground transportation	10,818,594	10,695,016	10,737,419	11,035,611
Other	3,991,942	3,772,841	3,739,595	3,703,440
	<u>42,250,839</u>	<u>40,952,558</u>	<u>43,994,349</u>	<u>42,700,462</u>
<b>OTHER REVENUES</b>				
Interest income	265,017	196,224	102,137	94,418
Passenger Facility Charges	4,077,806	5,043,851	4,832,209	4,843,563
Grant income	5,480,166	3,442,758	1,112,504	344,845
Insurance recovery	-	-	-	-
Investments received	-	-	-	-
Improvement charges	368,400	368,400	368,400	368,400
	<u>10,191,389</u>	<u>9,051,233</u>	<u>6,415,250</u>	<u>5,651,226</u>
<b>TOTAL REVENUES</b>	<u>52,442,228</u>	<u>50,003,791</u>	<u>50,409,599</u>	<u>48,351,688</u>
<b>EXPENSES</b>				
Salaries and benefits	12,036,671	12,532,967	12,608,658	12,858,828
Services and supplies	17,588,812	17,354,401	20,064,093	17,939,145
Depreciation	14,067,322	13,585,503	13,406,698	13,537,373
	<u>43,692,805</u>	<u>43,472,871</u>	<u>46,079,449</u>	<u>44,335,346</u>
<b>OTHER EXPENSES</b>				
Grant expense	4,943,468	3,013,773	683,300	-
Interest expense	6,845,764	5,961,984	6,971,497	6,615,097
Insured expenses	-	-	-	-
Bond Issuance Costs	-	-	-	-
Amortization of bond issuance costs	130,653	145,928	269,204	164,459
Decrease in fair value of investments	82,204	-	-	-
	<u>12,002,089</u>	<u>9,121,685</u>	<u>7,924,001</u>	<u>6,779,556</u>
<b>TOTAL EXPENSES</b>	<u>55,694,894</u>	<u>52,594,556</u>	<u>54,003,450</u>	<u>51,114,902</u>
Capital Contributions	6,524,938	5,883,974	7,063,708	4,385,124
Special Items	-	(553,347)	-	(980,110)
Extraordinary Item	-	(169,007)	-	-
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u>\$ 3,272,272</u>	<u>\$ 2,570,855</u>	<u>\$ 3,469,857</u>	<u>\$ 641,800</u>
<b>NET POSITION AT YEAR END COMPOSED OF:</b>				
Net investment in capital assets	\$ 161,268,212	\$ 164,991,633	<1> \$ 167,205,678	\$ 166,644,993
Restricted	18,703,079	16,539,805	16,487,232	16,852,644
Unrestricted	10,965,300	11,037,746	12,346,131	13,183,204
	<u>\$ 190,936,591</u>	<u>\$ 192,569,184</u>	<u>\$ 196,039,041</u>	<u>\$ 196,680,841</u>

<1> The 2010 Investment in Capital Assets, net of Related Debt was adjusted by \$938,262 in accordance with GASB Statement No. 65

<2> The 2015 Unrestricted net assets was adjusted by \$926 in accordance with GASB Statement No. 68

<3> The 2018 Unrestricted net assets was adjusted by \$6,781,739 in accordance with GASB Statement No. 74

Source: Authority's audited financial statements.

**Albany County Airport Authority**  
**Total Annual Revenues, Expenses and Changes in Net Position, Con't**  
**For Years Ended December 31,**

	2013	2014	2015	2016	2017	2018
\$	6,382,280	\$ 6,320,065	\$ 6,457,974	\$ 5,882,274	\$ 6,678,085	\$ 6,588,133
	9,641,415	10,348,396	8,570,119	8,300,218	8,572,457	10,427,353
	5,146,616	4,816,946	5,000,721	4,777,241	5,019,779	5,538,045
	6,390,371	7,027,934	7,268,718	7,540,431	8,070,379	8,262,260
	10,998,265	11,575,593	13,089,872	15,163,022	15,325,640	15,721,089
	3,656,336	3,505,150	3,850,200	4,075,479	4,360,796	4,292,488
	42,215,283	43,594,084	44,237,604	45,738,665	48,027,136	50,829,368
	84,959	54,043	20,739	12,280	10,676	488,263
	4,693,348	4,777,691	5,080,183	5,385,946	5,431,444	5,638,922
	366,420	292,938	292,000	222,772	138,700	300,997
	-	-	-	-	-	170,896
	-	-	-	-	-	-
	368,400	368,400	368,400	368,400	368,400	368,400
	5,513,127	5,493,072	5,761,322	5,989,398	5,949,220	6,967,478
	47,728,410	49,087,156	49,998,926	51,728,063	53,976,356	57,796,846
	13,385,948	13,375,148	13,519,423	14,209,606	15,014,472	
	18,275,162	18,948,402	17,850,888	17,904,007	18,380,540	37,350,127
	13,716,881	13,957,515	13,893,673	14,396,008	14,761,280	15,335,569
	45,377,991	46,281,065	45,263,984	46,509,621	48,156,292	52,685,696
	-	-	-	-	-	-
	6,255,548	5,870,629	5,463,254	5,002,200	4,261,394	3,898,788
	-	-	-	-	-	170,896
	-	-	-	-	252,877	390,361
	156,676	133,008	109,988	100,347	76,280	68,308
	-	-	-	-	-	-
	6,412,224	6,003,637	5,573,242	5,102,547	4,590,551	4,528,353
	51,790,215	52,284,702	50,837,226	51,612,168	52,746,843	57,214,049
	4,009,502	6,414,378	8,942,652	2,389,827	4,616,709	3,297,047
	-	-	-	-	-	1,022,220
	-	-	-	-	-	148,595
\$	(52,303)	\$ 3,216,832	\$ 8,104,352	\$ 2,505,722	\$ 5,846,222	\$ 5,050,659
\$	165,997,945	\$ 167,432,611	\$ 171,751,795	\$ 170,626,920	\$ 172,661,198	\$ 170,718,128
	17,049,812	17,573,958	19,387,387	21,191,423	22,238,003	26,650,235
	13,580,781	14,838,801	16,809,614	<2> 18,636,175	21,401,539	17,201,297
						<3>
\$	196,628,538	\$ 199,845,370	\$ 207,948,796	\$ 210,454,518	\$ 216,300,740	\$ 214,569,660

**Albany County Airport Authority**  
**Changes in Cash and Cash Equivalents**  
**For Years Ended December 31,**

	2009	2010	2011	2012
<b>Cash Flows From Operating Activities</b>				
Cash received from providing services	\$ 44,152,367	\$ 40,707,911	\$ 44,327,193	\$ 42,253,033
Cash paid to suppliers	(29,110,669)	(28,284,795)	(31,992,962)	(28,813,561)
Cash paid to employees	(1,248,160)	(1,154,379)	(1,099,021)	(1,104,020)
<b>Net Cash Provided By Operating Activities</b>	<b>13,793,538</b>	<b>11,268,737</b>	<b>11,235,210</b>	<b>12,335,452</b>
<b>Cash Flows from Noncapital Financing Activities</b>				
Grant Income	5,480,166	3,442,758	1,071,409	344,845
Grant Expense	(4,943,468)	(3,013,773)	(642,205)	-
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>536,698</b>	<b>428,985</b>	<b>429,204</b>	<b>344,845</b>
<b>Cash Flows From Investing Activities</b>				
Interest received	265,803	204,908	102,137	94,418
Purchase of Investments	-	(277,389)	-	-
Sale of Investments	65,110	442,237	-	-
Interest on Passenger Facility Charges	43,285	13,940	11,002	8,470
<b>Net Cash Provided by Investing Activities</b>	<b>374,198</b>	<b>383,696</b>	<b>113,139</b>	<b>102,888</b>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Purchase of capital assets	(7,627,276)	(8,080,522)	(9,243,027)	(5,954,942)
Principal payments on bonds and notes payable	(8,177,659)	(3,531,847)	(8,574,618)	(8,736,422)
Interest paid	(6,835,858)	(5,931,827)	(5,724,131)	(5,502,063)
Payment to refunding agent	-	(125,391,340)	-	-
Proceeds from debt issuance	-	119,021,872	-	-
Payment of 1997 refunding bonds	-	-	-	-
Less: Cost of Issuance	-	(2,007,569)	-	-
ANCLUC funds	100,492	1,139	(347,296)	449
Concession Improvement funds	(183,611)	89,745	44,668	67,457
Improvement charges	368,400	368,400	368,400	368,400
LIBOR settlement	-	-	-	-
Sale of Land	-	-	-	-
Capital contributions	7,716,862	7,077,968	6,579,972	3,488,992
Passenger facility charges	3,921,553	5,036,950	4,850,569	4,794,831
<b>Net Cash Provided (Used) By Capital and Related Financing Activities</b>	<b>(10,717,097)</b>	<b>(13,347,031)</b>	<b>(12,045,463)</b>	<b>(11,473,298)</b>
<b>Net increase (decrease)</b>	<b>3,987,337</b>	<b>(1,265,613)</b>	<b>(267,910)</b>	<b>1,309,887</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>34,376,599</b>	<b>38,363,936</b>	<b>37,098,323</b>	<b>36,830,413</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 38,363,936</b>	<b>\$ 37,098,323</b>	<b>\$ 36,830,413</b>	<b>\$ 38,140,300</b>

Source: Authority's audited financial statements

**Albany County Airport Authority**  
**Changes in Cash and Cash Equivalents, Con't**  
**For Years Ended December 31,**

	2013	2014	2015	2016	2017	2018
\$	42,311,459	\$ 43,862,468	\$ 44,211,164	\$ 45,595,258	\$ 47,814,646	\$ 50,885,469
	(30,404,614)	(30,679,673)	(31,277,486)	(28,239,666)	(33,640,390)	(34,607,021)
	(1,149,945)	(1,114,606)	(1,143,581)	(1,190,846)	(1,237,120)	(1,301,582)
	10,756,900	12,068,189	11,790,097	16,164,746	12,937,136	14,976,866
	366,420	292,938	292,000	222,772	138,700	300,997
	-	-	-	-	-	-
	366,420	292,938	292,000	222,772	138,700	300,997
	85,056	54,043	20,739	12,280	10,676	488,263
	-	-	-	-	-	(12,247,000)
	-	-	-	-	-	-
	9,293	9,257	11,688	14,941	18,476	97,262
	94,349	63,300	32,427	27,221	29,152	(11,661,475)
	(7,804,302)	(8,249,851)	(12,534,202)	(4,244,291)	(9,055,546)	(8,637,400)
	(8,598,074)	(8,102,182)	(8,266,000)	(8,567,000)	(8,803,000)	(9,419,000)
	(5,409,940)	(5,136,989)	(4,700,250)	(4,394,462)	(3,673,229)	(3,549,403)
	-	-	-	-	(16,794,552)	-
	-	-	-	-	15,826,250	24,865,926
	-	-	-	-	-	-
	-	-	-	-	(336,179)	(390,361)
	490	395	(1,334)	-	-	-
	337,258	(359,380)	101,374	(212,759)	107,689	75,447
	368,400	368,400	368,400	368,400	368,400	368,400
	-	-	-	-	-	1,496,915
	-	-	-	-	-	858,257
	4,411,353	4,826,042	10,209,459	3,164,885	3,797,722	3,324,887
	4,727,885	4,745,288	4,939,384	5,356,286	5,338,723	5,759,701
	(11,966,930)	(11,908,277)	(9,883,169)	(8,528,941)	(13,223,722)	14,753,369
	(749,261)	516,150	2,231,355	7,885,798	(118,734)	18,369,757
	38,140,300	37,391,039	37,907,189	40,138,544	48,024,342	47,905,608
\$	37,391,039	\$ 37,907,189	\$ 40,138,544	\$ 48,024,342	\$ 47,905,608	\$ 66,275,365

**Albany County Airport Authority**  
**Principal Revenue Sources, Revenue per Enplaned Passenger and**  
**Signatory Airlines Rates and Charges <1>**  
**For Years Ended December 31,**

	2009	2010	2011	2012
<b>PRINCIPAL REVENUE SOURCES</b>				
<b>AIRLINE REVENUE</b>				
Landing Fees	\$ 4,770,538	\$ 3,843,738	\$ 3,964,651	\$ 4,041,201
Landing Fee Surcharge	170,810	169,427	168,015	168,400
Apron Fees	879,251	807,430	847,651	810,760
Fixed Based Operations	3,040,483	3,261,577	3,979,252	3,031,163
Terminal Rents	5,273,885	4,530,851	4,358,719	3,980,775
Loading Bridge Rentals	508,181	533,360	501,336	528,303
<b>TOTAL AIRLINE REVENUE</b>	<b>14,643,148</b>	<b>13,146,383</b>	<b>13,819,624</b>	<b>12,560,602</b>
Percent of Total Revenues	27.9%	26.3%	27.4%	26.0%
<b>NON-AIRLINE REVENUES</b>				
Parking	10,818,593	10,428,141	10,478,603	10,787,568
Rental Car	3,902,274	4,263,770	4,718,960	4,723,808
Other	12,886,824	13,114,264	14,977,162	14,628,484
<b>TOTAL NON-AIRLINE REVENUES</b>	<b>27,607,691</b>	<b>27,806,175</b>	<b>30,174,725</b>	<b>30,139,860</b>
Percent of Total Revenues	52.6%	55.6%	59.9%	62.3%
<b>NON-OPERATING REVENUES</b>				
PFCs	4,077,806	5,043,851	4,832,209	4,843,563
Grant Income	5,480,166	3,442,758	1,112,504	344,845
Interest	265,017	196,224	102,137	94,418
Insurance Recovery	-	-	-	-
Other	368,400	368,400	368,400	368,400
<b>TOTAL NON-OPERATING REVENUES</b>	<b>10,191,389</b>	<b>9,051,233</b>	<b>6,415,250</b>	<b>5,651,226</b>
Percent of Total Revenues	19.4%	18.1%	12.7%	11.7%
<b>TOTAL REVENUES</b>	<b>\$ 52,442,228</b>	<b>\$ 50,003,791</b>	<b>\$ 50,409,599</b>	<b>\$ 48,351,688</b>
Enplaned Passengers	1,318,819	1,264,381	1,242,399	1,244,976
<b>TOTAL REVENUE PER ENPLANED PASSENGER</b>	<b>\$ 39.76</b>	<b>\$ 39.55</b>	<b>\$ 40.57</b>	<b>\$ 38.84</b>
<b>SIGNATORY AIRLINES RATES AND CHARGES</b>				
Landing Fee (per 1,000 lbs MGLW)	\$ 3.11	\$ 2.45	\$ 2.61	\$ 2.92
Landing Fee Surcharge (per 1,000 lbs MGLW)	0.10	0.10	0.11	0.11
Apron Fees (per sq. foot)	1.46	1.51	1.75	1.78
Annual Terminal Rental Rates (per sq. foot)	79.61	72.70	69.55	68.46
Annual Loading Bridge Rental (per bridge)	36,299.00	35,532.00	33,422.00	35,220.00
Airline Cost per Enplanement: Airport Operations	8.80	7.82	7.92	7.64

The Authority entered a ten year airline agreement which governs the calculation of rates and fees charged to signatory airlines effective January 1, 2006, renewed in 2011 and renegotiated effective January 1, 2016.

<1> The revenue basis to which the signatory rates and charges apply and the principal airline revenue payers can be found on pages xx-xx

Source: Authority's audited financial statements and statistics reports

**Albany County Airport Authority**  
**Principal Revenue Sources, Revenue per Enplaned Passenger and**  
**Signatory Airlines Rates and Charges <1>**  
**For Years Ended December 31,**

2013	2014	2015	2016	2017	2018
\$ 4,035,420	\$ 3,934,458	\$ 4,090,831	\$ 3,838,764	\$ 4,436,193	\$ 4,239,274
-	-	-	-	-	-
797,936	811,176	826,683	571,813	649,858	654,321
3,289,020	3,135,354	2,645,138	2,064,220	3,912,800	4,619,254
3,925,842	3,697,979	3,701,504	3,471,855	3,613,674	4,077,678
471,669	437,980	626,660	565,362	614,076	670,939
12,519,887	12,016,947	11,890,816	10,512,014	13,226,601	14,261,466
26.2%	24.5%	23.8%	20.3%	24.5%	24.7%
10,724,464	11,311,640	12,810,052	14,870,476	14,985,272	15,248,081
4,679,586	4,854,354	5,053,412	5,057,259	5,427,741	5,561,921
14,291,346	15,411,143	14,483,324	15,298,915	14,387,522	15,757,900
29,695,396	31,577,137	32,346,788	35,226,650	34,800,535	36,567,902
62.2%	64.3%	64.7%	68.1%	64.5%	63.3%
4,693,348	4,777,691	5,080,183	5,385,947	5,431,444	5,638,922
366,420	292,938	292,000	222,772	138,700	300,997
84,959	54,043	20,739	12,280	10,676	488,263
-	-	-	-	-	170,896
368,400	368,400	368,400	368,400	368,400	368,400
5,513,127	5,493,072	5,761,322	5,989,399	5,949,220	6,967,478
11.6%	11.2%	11.5%	11.6%	11.0%	12.1%
\$ 47,728,410	\$ 49,087,156	\$ 49,998,926	\$ 51,728,063	\$ 53,976,356	\$ 57,796,846
1,215,076	1,230,376	1,297,749	1,407,005	1,417,835	1,466,706
\$ 39.28	\$ 39.90	\$ 38.53	\$ 36.76	\$ 38.07	\$ 39.41
\$ 2.92	\$ 3.06	\$ 3.27	\$ 2.73	\$ 3.12	\$ 2.92
-	-	-	-	-	-
1.58	1.59	1.52	1.19	1.33	1.31
66.56	68.13	74.63	81.11	79.86	86.48
31,445.00	31,284.00	44,761.00	40,383.00	47,237.00	51,611.00
7.60	7.22	7.12	6.00	6.57	6.57

**Albany County Airport Authority**  
**Ratios of Outstanding Debt**  
**For Years Ended December 31,**

	2009	2010	2011	2012
<b>Ratio of Authority issued Revenue Bond Debt Service to Total Expenses</b>				
Principal	\$ 8,177,659	\$ 3,531,847	\$ 8,574,618	\$ 8,736,422
Interest <1>	6,976,417	6,107,912	7,240,701	6,779,556
Total Debt Service	<u>\$ 15,154,076</u>	<u>\$ 9,639,759</u>	<u>&lt;3&gt; \$ 15,815,319</u>	<u>\$ 15,515,978</u>
Total Expenses	\$ 55,694,894	\$ 52,594,556	\$ 54,003,450	\$ 51,114,902
Ratio of Debt Service to Total Expenses	27.21%	18.33%	29.29%	30.36%
<b>Debt Service per Enplaned Passenger</b>				
Net Debt Service	\$ 11,428,288	\$ 5,913,971	\$ 10,962,543	\$ 11,054,389
Enplaned Passengers	1,318,819	1,264,381	1,242,399	1,244,976
Debt Service per Enplaned Passenger	\$ 8.67	\$ 4.68	\$ 8.82	\$ 8.88
<b>Outstanding Debt (Authority and County) per Enplaned Passenger</b>				
<b>Outstanding debt by type:</b>				
County of Albany Debt Issued for the Authority <2>	\$ 3,418,256	\$ 2,454,409	\$ 1,510,678	\$ 584,256
General Airport Revenue Bond (GARB)	136,681,250	132,560,000	125,340,000	117,950,000
NYS EFC	4,627,000	4,045,887	3,635,000	3,215,000
Subtotal	<u>144,726,506</u>	<u>139,060,296</u>	<u>130,485,678</u>	<u>121,749,256</u>
Unamortized Premiums/Discounts (net)	-	6,354,402	5,419,410	4,500,194
Total Outstanding Debt and Premiums	<u>\$ 144,726,506</u>	<u>\$ 145,414,698</u>	<u>\$ 135,905,088</u>	<u>\$ 126,249,450</u>
Enplaned Passengers	1,318,819	1,264,381	1,242,399	1,244,976
Outstanding Debt per Enplaned Passenger	\$ 110	\$ 115	\$ 109	\$ 101
<b>Debt Limit per Enplaned Passenger</b>				
Debt Limit	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000
Enplaned Passengers	1,318,819	1,264,381	1,242,399	1,244,976
Debt Limit per Enplaned Passenger	\$ 216	\$ 225	\$ 229	\$ 229

<1> Interest does not include capitalized interest or interest paid from bond proceeds.

<2> The County pays this indebtedness and is reimbursed by the Authority.

<3> Debt service does not include \$5,145,000 of principal retired and certain accrued interest on \$107,395,000 of bonds refunded in 2010 for which the Authority contributed \$8,398,522 in cash on hand to reduce the amount of refunding bonds issued and scheduled debt service due in 2010.

Source: Authority's audited financial statements and statistics reports

**Albany County Airport Authority  
Ratios of Outstanding Debt, Con't  
For Years Ended December 31,**

	2013	2014	2015	2016	2017	2018
\$	8,598,074	\$ 8,102,182	\$ 8,266,000	\$ 8,567,000	\$ 8,803,000	\$ 9,419,000
	5,361,990	5,077,305	4,797,018	4,477,430	3,730,422	3,697,735
\$	13,960,064	\$ 13,179,487	\$ 13,063,018	\$ 13,044,430	\$ 12,533,422	\$ 13,116,735
\$	51,790,215	\$ 52,284,702	\$ 50,837,226	\$ 51,612,168	\$ 52,746,843	\$ 57,214,049
	26.96%	25.21%	25.70%	25.27%	23.76%	22.93%
\$	9,260,064	\$ 8,966,388	\$ 9,769,698	\$ 9,436,220	\$ 8,923,166	\$ 8,784,907
	1,215,076	1,230,376	1,297,749	1,407,005	1,417,835	1,466,706
\$	7.62	\$ 7.29	\$ 7.53	\$ 6.71	\$ 6.29	\$ 5.99
\$	81,182	\$ -	\$ -	\$ -	\$ -	\$ -
	110,315,000	102,690,000	94,825,000	86,670,000	76,190,000	89,790,000
	2,755,000	2,359,000	1,958,000	1,546,000	1,128,000	699,000
	113,151,182	105,049,000	96,783,000	88,216,000	77,318,000	90,489,000
	3,663,730	2,886,785	2,155,497	1,483,693	2,248,604	3,741,495
\$	116,814,912	\$ 107,935,785	\$ 98,938,497	\$ 89,699,693	\$ 79,566,604	\$ 94,230,495
	1,215,076	1,230,376	1,297,749	1,407,005	1,417,835	1,466,706
\$	96	\$ 88	\$ 76	\$ 64	\$ 56	\$ 64
\$	285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000
	1,215,076	1,230,376	1,297,749	1,407,005	1,417,835	1,466,706
\$	235	\$ 232	\$ 220	\$ 203	\$ 201	\$ 194

**Albany County Airport Authority  
Revenue Bond Debt Service Coverage  
For Years Ended December 31,**

	2009	2010	2011	2012
<b>NET REVENUES</b>				
Operating Revenues	\$ 42,250,595	\$ 40,952,560	\$ 43,994,350	\$ 42,700,503
Interest Income <1>	233,567	184,276	83,120	76,334
Investments Received	(79,087)	-	-	-
Air Service Development	-	-	-	-
TSA (LEO) Reimbursement	-	428,984	429,204	344,845
Grant income	-	-	-	-
Improvement Charges	368,400	368,400	368,400	368,400
<b>Total Revenues</b>	<b>\$ 42,773,475</b>	<b>\$ 41,934,220</b>	<b>\$ 44,875,074</b>	<b>\$ 43,490,082</b>
LESS: Total Operating Expenses <2>	(29,625,492)	(29,886,704)	(32,675,747)	(30,797,979)
LESS: Albany County Debt Service	(1,156,056)	(1,080,407)	(1,022,352)	(967,198)
LESS: Air Service Incentive Cost to Airport	-	-	-	-
<b>Net Revenues</b>	<b>\$ 11,991,927</b>	<b>\$ 10,967,109</b>	<b>\$ 11,176,975</b>	<b>\$ 11,724,905</b>
<b>DEBT SERVICE</b>				
1997 Revenue Bonds	\$ -	\$ -	\$ -	\$ -
Less: PFC Revenues used for Debt Service	(3,725,788)	(2,806,622)	(4,852,776)	(4,461,589)
1998 B & C Revenue Bonds	2,444,052	1,455,142	-	-
1999 NYS EFC Revenue Bonds	617,141	577,873	443,618	451,094
Less: 1999 NYS EFC Interest Subsidy	(157,301)	(143,792)	(26,907)	(25,819)
2000 NYS EFC Revenue Bonds	279,829	-	-	-
Less: 2000 NYS EFC Interest Subsidy	(12,846)	-	-	-
2000 B Revenue Bonds	957,471	511,813	-	-
2003 A Revenue Bonds	748,637	746,692	748,577	744,250
2004 NYS EFC Revenue Bonds	41,289	40,893	39,362	38,642
Less: 2004 NYS EFC Interest Subsidy	(3,341)	(2,673)	(2,004)	(1,336)
2006 A & B Revenue Bonds	1,099,188	1,102,531	1,099,788	1,101,051
2006 C Revenue Bonds	402,048	401,838	401,429	400,822
2008 A Refunding Bonds	6,902,639	3,963,413	-	-
2010 A Refunding Bonds	-	2,707,162	9,628,519	9,621,151
2010 B Refunding Bonds	-	62,112	923,852	925,376
2017 A Refunding Bonds	-	-	-	-
2017 B Refunding Bonds	-	-	-	-
<b>Net Debt Service</b>	<b>\$ 9,593,018</b>	<b>\$ 8,616,382</b>	<b>\$ 8,403,458</b>	<b>\$ 8,793,642</b>
<b>DEBT SERVICE COVERAGE &lt;3&gt; &lt;4&gt;</b>	<b>1.25</b>	<b>1.27</b>	<b>1.33</b>	<b>1.33</b>
<b>&lt;3&gt; Does not include required amounts held in Bond Reserve Accounts as follows:</b>				
1998 B & C Revenue Bonds	\$ 2,447,415	\$ -	\$ -	\$ -
1999 NYS EFC Bonds	442,237	277,389	277,389	277,389
2000 NYS EFC Bonds	237,494	-	-	-
2000 B Revenue Bonds	926,700	-	-	-
2003 A Revenue Bonds	514,100	514,100	514,100	514,100
2004 NYS EFC Bonds	38,831	38,831	38,831	38,831
2006 A & B Revenue Bonds	1,128,600	1,128,600	1,128,600	1,128,600
2006 C Revenue Bonds	404,263	404,263	404,263	404,263
2008 A Refunding Bonds	8,232,976	-	-	-
2010 A Refunding Bonds	-	9,523,517	9,523,517	9,523,517
2017 A & B Refunding Bonds	-	-	-	-
2018 A & B Refunding Bonds	-	-	-	-
<b>Total Bond Reserve Accounts</b>	<b>\$ 14,372,616</b>	<b>\$ 11,886,700</b>	<b>\$ 11,886,700</b>	<b>\$ 11,886,700</b>

<1> Includes only interest allocated to the airline revenue centers under the Master Bond Resolution.

<2> Beginning in 2015, Total Operating Expenses include contributions actually paid to employee benefit trusts, as provided for under the master bond resolution rather than the expense under GASB Statements No. 68, No. 71 and No. 75.

<3> Debt service does not include \$5,145,000 of principal retired and certain accrued interest on \$107,395,000 of bonds refunded in 2010 for which the Authority contributed \$8,398,522 in cash on hand to reduce the amount of refunding bonds issued and scheduled debt service due in 2010.

<4> 2018 debt service coverage does not include \$1,496,915 received for a settlement for an alleged manipulation of LIBOR.

Source: Authority's audited financial statements and statistics reports

**Albany County Airport Authority**  
**Revenue Bond Debt Service Coverage, Con't**  
**For Years Ended December 31,**

2013	2014	2015	2016	2017	2018
\$ 42,215,294	\$ 43,594,101	\$ 44,237,599	\$ 45,738,668	\$ 48,027,140	\$ 50,829,607
59,013	51,374	10,784	12,280	10,676	243,269
-	-	-	-	-	-
75,000	-	-	-	-	-
291,420	292,938	292,000	222,772	138,700	126,921
-	-	-	-	-	174,077
368,400	368,400	368,400	368,400	368,400	368,400
\$ 43,009,127	\$ 44,306,813	\$ 44,908,783	\$ 46,342,120	\$ 48,544,916	\$ 51,742,274
(31,661,110)	(32,323,557)	(31,452,654)	(31,521,233)	(33,373,689)	(36,935,812)
(511,616)	(81,180)	-	-	-	-
-	-	(50,732)	(539,720)	(67,041)	(244,691)
\$ 10,836,401	\$ 11,902,076	\$ 13,405,397	\$ 14,281,167	\$ 15,104,186	\$ 14,561,771
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(4,700,000)	(4,213,099)	(3,293,320)	(3,608,210)	(3,610,256)	(2,834,913)
-	-	-	-	-	-
452,309	453,637	452,972	457,308	455,397	458,514
(24,265)	(22,283)	(19,808)	(16,856)	(13,277)	(9,241)
-	-	-	-	-	-
-	-	-	-	-	-
742,130	474,876	464,391	463,473	118,080	-
72,452	-	-	-	-	-
(668)	-	-	-	-	-
1,099,875	1,102,502	1,103,706	1,098,489	275,865	-
400,013	403,996	402,588	400,980	99,867	-
-	-	-	-	-	-
9,622,600	9,627,239	9,625,169	10,540,689	10,549,011	10,557,831
927,326	925,329	924,104	-	-	-
-	-	-	-	583,089	757,375
-	-	-	-	913,764	1,203,925
\$ 8,591,772	\$ 8,752,197	\$ 9,659,802	\$ 9,335,873	\$ 9,371,540	\$ 10,133,491
1.26	1.36	1.39	1.53	1.61	1.44
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
277,389	277,389	277,389	277,389	277,389	277,389
-	-	-	-	-	-
-	-	-	-	-	-
514,100	514,100	514,100	514,100	-	-
-	-	-	-	-	-
1,128,600	1,128,600	1,128,600	1,128,600	-	-
404,263	404,263	404,263	404,263	-	-
-	-	-	-	-	-
9,523,517	9,523,517	9,523,517	9,523,517	9,523,517	9,523,517
-	-	-	-	1,261,495	1,261,495
-	-	-	-	-	1,475,750
\$ 11,847,869	\$ 11,847,869	\$ 11,847,869	\$ 11,847,869	\$ 11,062,401	\$ 12,538,151

**Albany International Airport  
Population in the Air Trade Area**

	2017	2010	2010 vs. 2000	2000	2000 vs. 1990	1990
<b><u>PRIMARY TRADE AREA</u></b>						
State of New York						
Albany County	309,612	304,204	3.3%	294,565	0.7%	292,594
Columbia County	60,604	63,096	0.0%	63,094	0.2%	62,982
Fulton County	53,877	55,531	0.8%	55,073	1.6%	54,191
Greene County	47,470	49,221	2.1%	48,195	7.7%	44,739
Montgomery County	49,258	50,219	1.0%	49,708	-4.4%	51,981
Rensselaer County	159,722	159,429	4.5%	152,538	-1.2%	154,429
Saratoga County	229,869	219,607	9.5%	200,635	10.7%	181,276
Schenectady County	155,565	154,727	5.6%	146,555	-1.8%	149,285
Schoharie County	31,420	32,749	3.7%	31,582	-0.9%	31,859
Warren County	64,532	65,707	3.8%	63,303	6.9%	59,209
Washington County	61,620	63,216	3.6%	61,042	2.9%	59,330
State of Massachusetts						
Berkshire County	127,751	131,219	-2.8%	134,953	-3.2%	139,352
State of Vermont						
Bennington County	36,054	37,125	0.4%	36,994	3.2%	35,845
<b>PRIMARY TRADE AREA</b>	<b>1,387,354</b>	<b>1,386,050</b>	<b>3.6%</b>	<b>1,338,237</b>	<b>1.6%</b>	<b>1,317,072</b>
<b><u>SECONDARY TRADE AREA</u></b>						
State of New York						
Delaware County	45,001	47,980	-0.2%	48,055	1.8%	47,225
Dutchess County	595,568	297,488	6.2%	280,150	8.0%	259,462
Essex County	37,956	39,370	1.3%	38,851	4.6%	37,152
Hamilton County	4,485	4,836	-10.1%	5,379	1.9%	5,279
Herkimer County	62,240	64,519	0.1%	64,427	-2.1%	65,797
Otsego County	60,094	62,259	0.9%	61,676	1.9%	60,517
Ulster County	179,417	182,493	2.7%	177,749	7.5%	165,304
State of Connecticut						
Litchfield County	182,177	189,927	4.2%	182,193	4.7%	174,092
State of Massachusetts						
Franklin County	70,926	71,372	-0.2%	71,535	2.1%	70,092
Hampden County	469,188	463,490	1.6%	456,228	0.0%	456,310
Hampshire County	161,197	158,080	3.8%	152,251	3.9%	146,568
State of Vermont						
Addison County	36,825	36,821	2.4%	35,974	9.2%	32,953
Rutland County	59,676	61,642	-2.8%	63,400	2.0%	62,142
Windham County	43,332	44,513	0.7%	44,216	6.3%	41,588
Windsor County	55,485	56,670	-1.3%	57,418	6.2%	54,055
<b>SECONDARY TRADE AREA</b>	<b>2,063,567</b>	<b>1,781,460</b>	<b>2.4%</b>	<b>1,739,502</b>	<b>3.6%</b>	<b>1,678,536</b>
<b>TOTAL PRIMARY AND SECONDARY TRADE AREA POPULATION</b>	<b>3,450,921</b>	<b>3,167,510</b>	<b>2.9%</b>	<b>3,077,739</b>	<b>2.7%</b>	<b>2,995,608</b>
State of New York	19,850,000	19,378,102	2.1%	18,976,457	5.5%	17,990,455
United States	326,474,013	308,745,538	9.4%	282,171,936	13.5%	248,709,873

Sources: U.S. Department of Commerce, Bureau of the Census

**Albany International Airport  
Major Employers in Primary Air Trade Area**

Rank	Employer	Industry	Employees	
			2018	2009
1	New York State	State Government	51,800	53,800
2	St. Peter's Health Partners	Health Care	12,002	3,550
3	Albany Medical Center	Health Care	9,469	6,083
4	Golub Corporation	Retail Grocery, Headquarters, and Dist. Center	8,075	9,715
5	U.S. Government	Federal Government	7,901	6,900
6	General Electric Company	Energy, Research, Industrial	6,000	7,000
7	University of Albany	Educational Services	5,000	N/A
8	Hannaford Brothers	Retail Grocery	5,000	3,580
9	Ellis Medicine	Health Care	3,529	2,535
10	Stewart's Shops Corp.	Dairy Products/Convenience Stores	3,120	1,283
11	Bechtel Marine Propulsion Corp.	Research and development	3,000	2,600
12	Global Foundries	Semiconductor Manufacturing	3,000	N/A
13	Glens Falls Hospital	Health Care	2,684	2,341
14	County of Albany	Government	2,567	2,921
15	Saratoga Hospital & Nursing Home	Health Care	2,561	1,271
16	Center for Disability Services	Health Care	2,544	2,322
17	Regeneron Pharmaceuticals Inc.	Health Services	2,500	N/A
18	Rensselaer Polytechnic Institute	Educational Services	1,940	1,902
19	Rensselaer County	Local Government	1,700	1,600
20	Shenendehowa School District	Educational Services	1,680	1,900
21	Albany City School District	Educational Services	1,538	1,270
22	St Mary's Healthcare	Health Care	1,532	N/A
23	City of Schenectady School District	Educational Services	1,519	1,800
24	Empire Blue Cross/Blue Shield	Health Insurance	1,500	1,562
25	City of Albany	Local Government	1,488	1,493
26	Schenectady County	Local Government	1,412	1,500
27	Northern Rivers Family Services	Children and Family Services	1,200	N/A
28	Saratoga County	Local Government	1,099	1,100
29	National Grid	Electric and Gas Utility	1,000	1,158
30	Momentive Performance Materials	Manufacturing	1,000	N/A

N/A - Not Available

Sources: Various

**Albany International Airport  
Colleges and Universities in Primary Air Trade Area**

Name	County	Public/Private	Enrollment	
			2018	2009
Excelsior College	Albany	Private	34,022	33,057
State University of New York at Albany	Albany	Public	17,944	18,126
Hudson Valley Comm. College	Rensselaer	Public	10,896	12,787
SUNY Empire State College	Albany	Public	10,424	11,104
Rensselaer Polytechnic Institute	Rensselaer	Private	7,633	7,417
Schenectady Comm. College	Schenectady	Public	5,231	5,128
College Of Saint Rose	Albany	Private	3,950	5,102
SUNY Adirondack	Warren	Public	3,727	3,536
Siena College	Albany	Private	3,236	3,305
SUNY Polytechnic	Albany	Public	3,023	N/A
Skidmore College	Saratoga	Private	2,684	2,484
The Sage Colleges	Rensselaer	Private	2,633	2,635
Fulton-Montgomery Comm. College	Fulton-Montgomery	Public	2,451	2,400
SUNY College of Agriculture & Tech at Cobleskill	Schoharie	Public	2,332	N/A
Union College	Schenectady	Private	2,267	2,240
Williams College	Berkshire, MA	Private	2,117	2,150
Massachusetts College of Liberal Arts	Berkshire, MA	Public	1,588	1,925
Columbia-Greene Comm. College	Columbia-Greene	Public	1,578	1,840
Albany College Of Pharmacy	Albany	Private	1,329	1,536
Maria College	Albany	Private	855	775
Bennington College	Bennington, VT	Private	851	600
Albany Medical College	Albany	Private	828	758
Mildred Elley	Albany	Private	521	541
Albany Law School	Albany	Private	465	793
Clarkson University Capital Region Campus	Schenectady	Private	410	400
Bard College at Simon's Rock	Berkshire, MA	Private	400	420
Bryant & Stratton Business Institute	Albany	Private	371	689
Southern Vermont College	Bennington, VT	Public	361	500
Samaritan Hospital School of Nursing	Rensselaer	Private	147	N/A
Memorial Hospital School of Nursing	Albany	Private	131	N/A
Ellis Hospital School of Nursing	Albany	Private	127	155
New School Center for Media	Albany	Private	55	80
			<b>124,587</b>	<b>122,483</b>

N/A - Not Available  
Sources: Various

**Albany International Airport  
Airport Information  
As of December 31,**

Airport Code: ALB  
 Location: 7 miles Northwest of downtown Albany, New York, the capital of the State of New York  
 Elevation: 285 ft.  
 International: Customs / Immigration F.I.S. Facility  
 Tower: TRACON 24 / 7 - 365  
 FBO: Million Air

		2009	2018
Acres (+/-):		1,156	1,171
Runways:	1/19 North/South ILS / VOR / GPS	7,200 X 150 ft.	8,500 X 150 ft.
	10/28 East/West VOR / GPS	7,200 X 150 ft.	7,200 X 150 ft.
Terminal:	Airlines - sq. ft.	92,107	91,744
	Tenants - sq. ft.	41,639	44,501
	Public/Common - sq. ft.	104,837	103,534
	Mechanical - sq. ft.	51,702	50,506
	Total - sq. ft.	290,285	290,285
	Number of passenger gates	21	21
	Number of loading bridges	16	16
	Number of Concessionaires in Terminal	6	6
	Number of Rental Car Agencies in Terminal	6	6
Apron:	Commercial Airlines - sq. ft.	810,901	810,901
	Cargo Airlines - sq. ft.	210,600	210,600
	FBO - sq. ft.	640,000	640,000
Parking:	Spaces assigned Garage	1,907	1,912
	Short-term	353	181
	Long-term	1,117	1,880
	Economy	2,783	2,763
	Rental Cars	307	307
	Employees	514	336
	Total	6,981	7,379
Cargo:	Air Cargo Building - sq. ft.	50,500	50,500
Employees:	Authority	28.5	22.0
	Airport Operations	161.0	157.25
	Fixed Based Operator	35.0	32.0
	Total	224.5	211.25

**Albany International Airport  
Enplaned Passengers  
2009-2018**

AIRLINE	2018	Percent of Total 2018	2017	Percent of Total 2017	2016
Southwest Airlines	565,731	38.6%	566,801	40.0%	569,101
Delta Airlines	164,105	11.2%	173,086	12.2%	158,638
American Airlines (formerly US Airways)	109,476	7.5%	115,904	8.2%	115,298
United Express (Commutair)	96,702	6.6%	80,981	5.7%	72,990
United Airlines	92,342	6.3%	83,366	5.9%	95,299
Jet Blue	89,609	6.1%	90,744	6.4%	87,036
American Eagle (Piedmont)	51,098	3.5%	56,509	4.0%	32,788
American Eagle (PSA)	48,234	3.3%	38,262	2.7%	23,360
American Eagle (Republic)	44,001	3.0%	19,831	1.4%	38,616
American Eagle (Envoy)	43,436	3.0%	37,949	2.7%	33,591
Delta Connection (SkyWest)	31,211	2.1%	27,157	1.9%	4,336
Delta Connection (Go Jet)	22,203	1.5%	3,651	0.3%	4,768
United Express (SkyWest)	15,390	1.0%	17,881	1.3%	14,603
Cape Air	11,777	0.8%	12,966	0.9%	16,090
United Express (Transtates)	11,255	0.8%	4,644	0.3%	4,059
Frontier Airlines	11,123	0.8%			
United Express (Air Wisconsin)	10,683	0.7%			
Delta Connection (Endeavor)	10,109	0.7%	19,527	1.4%	39,496
United Express (Express Jet)	9,312	0.6%	3,593	0.3%	10,964
American Eagle (Transtates)	8,177	0.6%	3,980	0.3%	
United Express (Mesa)	4,448	0.3%	8,122	0.6%	10,653
United Express (Republic)	4,078	0.3%	185	0.0%	286
OneJet	3,964	0.3%	989	0.1%	
Allegiant Air	3,635	0.2%			
Others	1,261	0.1%	1,116	0.1%	
United Express (Go Jet)	1,162	0.1%	13,964	1.0%	5,185
Elite Airways	1,044	0.1%			
Boutique Air	827	0.1%	1,852	0.1%	
American Eagle (Air Wisconsin)	313	0.0%	34,044	2.4%	52,701
Delta Connection (Express Jet)			524	0.0%	13,525
United Express (Shuttle America)			115	0.0%	65
American Eagle (SkyWest)			92	0.0%	1,946
Delta Connection (Shuttle America)					1,611
Delta Connection (Compass)					
American Eagle (Mesa)					
Delta Connection (Chautauqua)					
United Express (Chautauqua)					
Air Canada					
United Express (Colgan)					
Continental (Express Jet)					
Delta Connection (Comair)					
Continental Connection (Colgan)					
Continental Connection (Commutair)					
US Airways Express (Colgan Air)					
Delta Connection (Mesaba)					
US Airways Express (Chautauqua)					
Delta Connection (ASA)					
United Express (ASA)					
Northwest Airlines					
Northwest Airlin (Pinnacle)					
Northwest Airlin (Mesaba)					
Delta Connection (Freedom)					
Continental Airlines					
Sub Total	1,466,706	100.0%	1,417,835	100.0%	1,407,005
Charters	0	0.0%	0	0.0%	429
TOTAL	1,466,706	100.0%	1,417,835	100.0%	1,407,434

Source: Albany County Airport Authority

**Albany International Airport  
Enplaned Passengers  
2009-2018**

2015	2014	2013	2012	2011	2010	2009
557,183	525,585	504,095	504,987	511,735	511,636	511,094
160,607	112,905	68,589	72,590	46,606	18,251	
101,734	84,127	89,607	87,207	81,980	83,513	104,799
62,159	51,507	22,692	18,075			
85,743	69,742	30,881	51,913	64,408	66,191	75,828
5,492						
10,851	12,474	14,080	33,403	16,393	29,701	52,723
1,170	1,168	6,935	47		1,993	2,270
91,520	86,721	98,369	104,199	76,919	90,263	62,626
			1,534			
	756					
4,862	5,258					
16,119	16,802	16,752	16,429	16,284	8,677	8,013
1,162				38	4,733	33,266
29,856	42,722	78,580	85,535	100,678	54,130	
16,517	21,713	81,039	98,820	36,282	26,609	
25,002	11,165	17,467	14,014	21,460	25,230	24,623
8,354	30,259	36,109				
15,459	13,390	32,044	18,078	7,489	47,605	52,875
68,805	62,440	43,099	28,835	51,029	35,060	31,665
26,626	38,219	26,924	12,054			
41		214	2	47		
6,473	64			60		
1,632	4,265	18,941	10,992	2,665	18,447	
382	21,135	10,216	79	846	5,368	3,971
	14,558	2,878	10,743	576	4,437	5,061
	3,401	12,129				
		3,436	4,392	4,482	4,782	4,153
			49,998	33,298		
			5,900	40,463	63,067	57,528
			5,278	1,762	26,189	40,369
			4,612	28,434	30,702	40,255
			3,843	23,615	8,001	9,201
			1,230	6,902	8,408	7,092
			146	12,302	30,699	
			41			
				37,155	48,212	72,330
				18,491	12,284	
					193	63,724
						21,995
						21,435
						11,116
						807
1,297,749	1,230,376	1,215,076	1,244,976	1,242,399	1,264,381	1,318,819
461	1,009	911	904	1,131	1,493	1,600
1,298,210	1,231,385	1,215,987	1,245,880	1,243,530	1,265,874	1,320,419

**Albany International Airport  
Airline Landed Weight (lbs.)  
2009-2018**

<u>Commercial Carriers</u>	2018	Percent of Total 2018	2017	Percent of Total 2017	2016
Southwest Airlines	571,924,399	32.0%	579,923,601	33.3%	586,092,000
Delta Airlines	185,285,718	10.4%	197,829,323	11.3%	183,615,710
American Airlines (formerly US Airways)	129,717,613	7.3%	142,955,406	8.2%	139,386,707
United Airlines	111,690,471	6.3%	96,782,482	5.6%	126,927,674
United Express (Commutair)	103,927,006	5.8%	96,037,006	5.5%	83,099,012
Jet Blue	103,377,946	5.8%	102,628,355	5.9%	104,956,520
American Eagle (PSA)	60,450,498	3.4%	48,282,802	2.8%	29,126,003
American Eagle (Republic)	54,108,619	3.0%	24,958,355	1.4%	50,137,054
American Eagle (Envoy)	53,400,168	3.0%	48,111,665	2.8%	42,416,420
American Eagle (Piedmont)	52,247,399	2.9%	61,141,955	3.5%	39,101,103
Delta Connection (Sky West)	34,467,201	1.9%	29,942,300	1.7%	4,573,100
Delta Connection (Go Jet)	24,185,598	1.4%	3,791,201	0.2%	5,261,399
United Express (SkyWest)	17,178,060	1.0%	18,891,990	1.1%	14,888,118
Cape Air	14,261,700	0.8%	15,933,102	0.9%	20,413,009
Delta Connection (Endeavor)	12,478,297	0.7%	21,488,406	1.2%	42,351,100
United Express (Air Wisconsin)	11,562,000	0.7%			
United Express (Transtates)	11,342,682	0.6%	4,305,591	0.2%	4,156,332
OneJet	11,115,418	0.6%	3,336,049	0.2%	
United Express (Express Jet)	11,104,057	0.6%	4,112,026	0.2%	11,818,840
Frontier Airlines	11,049,772	0.6%			
American Eagle (Transtates)	8,162,550	0.5%	4,146,748	0.2%	
United Express (Republic)	4,861,628	0.3%	291,898	0.0%	522,057
United Express (Mesa)	4,623,000	0.3%	8,860,000	0.5%	11,524,000
Allegiant Air	3,884,529	0.2%			
Charters	2,964,555	0.2%	2,376,000	0.1%	1,012,000
Boutique Air	2,489,923	0.1%	4,934,982	0.3%	
Elite Airways	2,182,000	0.1%			
United Express (Go Jet)	1,273,000	0.1%	14,472,000	0.8%	5,427,000
Delta Connection (Republic)	514,123	0.0%	291,888	0.0%	
American Eagle (Air Wisconsin)	423,000	0.0%	38,399,000	2.2%	63,497,000
Delta Connection (Express Jet)	67,000	0.0%	911,502	0.1%	15,960,701
American Eagle (SkyWest)	67,000	0.0%	134,000	0.0%	2,867,000
Delta Connection (Shuttle America)			147,268	0.0%	1,489,218
United Express (Shuttle America)			144,623	0.0%	72,311
Delta Connection (Compass)					
American Eagle (Mesa) formerly US Airways Express					
Delta Connection (Chautauqua)					
United Express (Chautauqua)					
Air Canada					
United Express (Colgan)					
Continental Connection (Colgan)					
Continental Connection (Express Jet)					
Delta Connection (Comair)					
Continental Connection (Commutair)					
US Airways Express (Colgan)					
Delta Connection (Mesaba)					
US Airways Express (Chautauqua)					
Delta Connection (ASA)					
United Express (ASA)					
Continental Airlines					
Northwest Airlines					
Northwest AirlinK (Pinnacle)					
Northwest AirlinK (Mesaba)					
Delta Connection (Freedom)					
	1,616,386,930	90.6%	1,575,561,524	90.4%	1,590,691,388
<u>Cargo Carriers</u>					
United Parcel Service	102,199,838	5.7%	102,618,000	5.9%	103,574,000
Federal Express	51,876,000	2.9%	50,420,000	2.9%	51,084,000
Wiggins Airways	9,163,514	0.5%	10,166,496	0.6%	9,992,302
Ameriflight	4,670,805	0.3%	4,233,647	0.2%	4,100,650
Air Now					
<u>Misc Cargo Carriers</u>					
	167,910,157	9.4%	167,438,143	9.6%	168,750,952
<b>Grand Total</b>	<b>1,784,297,087</b>	<b>100.0%</b>	<b>1,742,999,667</b>	<b>100.0%</b>	<b>1,759,442,340</b>

Source: Albany County Airport Authority

**Albany International Airport  
Airline Landed Weight (lbs.)  
2009-2018**

2015	2014	2013	2012	2011	2010	2009
563,978,000	564,078,000	556,334,000	569,014,000	571,920,000	572,100,000	592,288,000
182,901,118	127,177,598	87,394,799	91,360,813	53,982,509	20,349,608	
114,046,440	91,538,758	92,454,358	84,659,102	81,480,800	80,754,302	120,409,823
107,841,768	85,883,301	41,049,688	71,647,362	86,114,744	89,909,713	101,716,477
73,147,505	62,790,000	25,018,500	19,233,003			
6,256,712						
1,476,401	1,157,201	8,104,000	134,000		2,997,000	3,269,000
102,046,749	31,496,000	136,527,617	136,105,502	111,779,265	123,518,991	88,692,047
12,780,307	14,116,804	16,170,306	46,331,413	35,475,009	48,466,505	80,372,091
			1,504,000			
201,000	1,072,000	268,000				
4,856,000	5,511,000		47,000			
21,029,502	21,029,500	21,276,102	21,296,654	25,995,749	21,385,706	21,337,751
32,467,901	46,824,798	85,479,997	91,611,511	110,381,509	60,855,208	
1,241,634				42,548	5,616,465	32,549,986
16,833,427	22,487,074	87,352,775	103,135,949	37,630,283	28,116,619	
9,052,000	104,824,601	45,756,000				
26,666,000	12,328,000	19,832,000	15,745,000	26,532,000	30,218,000	5,254,000
1,164,000	2,756,784	2,500,198	4,119,338	4,145,995	5,722,930	4,230,983
16,214,000	15,075,000	38,659,000	20,368,000	9,695,000	59,831,000	74,035,000
78,396,000	69,325,000	54,426,000	36,049,000	67,351,000	49,914,000	42,065,000
30,950,102	41,728,699	30,800,102	13,969,006			
6,601,260	72,310			74,958		
144,624		462,795	289,241	72,309		
1,824,972	4,996,736	22,259,441	13,314,317	3,298,107	20,613,616	
588,003	24,402,000	12,862,500	73,500	808,500	6,100,505	26,215,500
	13,828,429	2,850,784	12,977,453	1,021,174	5,105,879	5,573,926
	3,574,118	14,211,365				
		6,092,200	8,797,995	8,200,404	11,122,003	10,707,003
			49,228,000	35,898,000		
			11,780,000	39,308,000	40,405,906	46,934,000
			9,457,726	42,769,610	63,076,374	61,830,055
			5,624,606	2,820,000	29,995,506	46,718,101
			5,515,502	29,176,504	10,453,508	9,694,500
			4,617,006	19,266,005	25,450,508	25,958,476
			225,299	15,802,598	37,117,103	
			42,549			
				42,377,404	54,193,008	77,199,700
				19,552,000	12,831,000	
				1,361,544		1,560,000
					196,200	74,479,110
						23,443,397
						22,951,402
						13,956,071
1,412,705,425	1,368,073,711	1,408,142,527	1,448,273,847	1,484,333,528	1,516,417,163	1,613,441,399
100,192,000	101,441,920	99,121,840	98,839,841	100,395,604	98,503,762	98,163,713
50,886,000	51,480,000	50,651,000	51,171,000	51,337,000	42,670,000	42,947,679
7,471,500	7,493,598	7,250,511	7,378,000	7,514,000	7,684,009	7,520,270
4,273,641	4,066,902	3,996,509	3,961,299	4,054,101	4,142,604	5,646,338
						184,014
			5,401	45,901		
162,823,141	164,482,420	161,019,860	161,355,541	163,346,606	153,000,375	154,462,014
1,575,528,566	1,532,556,131	1,569,162,387	1,609,629,388	1,647,680,134	1,669,417,538	1,767,903,413

**Albany International Airport  
Aircraft Operations  
2009-2018**

	2018	Percent of Total 2018	2017	Percent of Total 2017	2016
<b>Commercial Carriers</b>					
Southwest Airlines	8,586	19.7%	8,864	20.0%	8,900
United Express (Commutair)	4,730	10.9%	4,946	11.1%	4,396
Cape Air	4,164	9.6%	4,652	10.5%	5,960
Delta Airlines	2,770	6.4%	3,040	6.9%	2,792
Allegiant Airlines	2,394	5.5%	2,946	6.6%	1,902
Elite Airways	2,292	5.3%	1,506	3.4%	864
Frontier Airlines	1,848	4.2%	2,060	4.6%	2,010
American Eagle (Piedmont)	1,568	3.6%	1,446	3.3%	1,510
American Airlines	1,466	3.4%	1,330	3.0%	1,636
American Eagle (Air Wisconsin)	1,454	3.3%	1,446	3.3%	1,476
United Express (Air Wisconsin)	1,444	3.3%	666	1.5%	1,346
American Eagle (PSA)	1,222	2.8%	1,134	2.6%	190
American Eagle (Envoy)	744	1.7%	424	1.0%	
Jet Blue	706	1.6%	112	0.3%	144
United Airlines	578	1.3%	610	1.4%	530
Delta Connection (Sky West)	518	1.2%	196	0.4%	190
Boutique Air	502	1.2%	978	2.2%	
Delta Connection (Endeavor)	496	1.1%	188	0.4%	540
American Eagle (Republic)	492	1.1%			
United Express (SkyWest)	374	0.9%	190	0.4%	
United Express (Go Jet)	360	0.8%	802	1.8%	1,514
OneJet	156	0.4%			
United Express (Mesa)	138	0.3%	264	0.6%	344
United Express (Transtates)	130	0.3%	8	0.0%	14
American Eagle (Transtates)	92	0.2%			
United Express (Express Jet)	56	0.1%			
Delta Connection (Go Jet)	48	0.1%	38	0.1%	16
Delta Connection (Express Jet)	38	0.1%	432	1.0%	162
Delta Connection (Republic)	18	0.0%	1,634	3.7%	2,702
United Express (Republic)	14	0.0%	8	0.0%	
American Eagle (SkyWest)	2	0.0%	26	0.1%	502
Delta Connection (Shuttle America)	2	0.0%	4	0.0%	122
United Express (Shuttle America)			4	0.0%	70
Charters			4	0.0%	2
Delta Connection (Compass)					
American Eagle (Mesa)					
Delta Connection (Chautauqua)					
United Express (Chautauqua)					
Air Canada					
United Express (Colgan)					
Continental Connection (Express Jet)					
US Airways Express (Colgan)					
Continental Connection (Commutair)					
Delta Connection (Comair)					
Continental Connection (Colgan)					
Delta Connection (Mesaba)					
US Airways Express (Chautauqua)					
Delta Connection (ASA)					
United Express (ASA)					
Northwest Airlines					
Northwest Airlink (Pinnacle)					
Northwest Airlink (Mesaba)					
Delta Connection (Freedom)					
Continental Airlines					
	39,402	90.5%	39,958	90.1%	39,834
<b>Cargo Carriers</b>					
Wiggins Airways	2,154	4.9%	2,390	5.4%	2,350
United Parcel Service	886	2.0%	974	2.2%	982
Ameriflight	584	1.3%	534	1.2%	456
Federal Express	524	1.2%	508	1.1%	476
Air Now					
Misc. Cargo Carriers					
	4,148	9.5%	4,406	9.9%	4,264
<b>Grand Total</b>	<b>43,550</b>	<b>100.0%</b>	<b>44,364</b>	<b>100.0%</b>	<b>44,098</b>

Source: Albany County Airport Authority

**Albany International Airport  
Aircraft Operations, Con't  
2009-2018**

2015	2014	2013	2012	2011	2010	2009
8,632	8,710	8,670	9,018	9,152	9,182	9,510
3,960	3,380	1,286	998			
6,140	6,140	6,212	6,218	7,590	6,244	6,230
2,718	1,842	1,250	1,318	786	342	
754	832	954	2,668	2,100	2,754	4,538
40	46	344	4		102	134
1,576	1,380	1,462	1,426	1,388	1,348	2,070
1,428	1,186	590	1,028	1,232	1,280	1,538
88						
2,760	2,838	3,688	3,700	3,034	3,360	2,396
			64			
6	32	8				
176	226		2			
58				2	264	1,530
768	1,022	3,946	4,716	1,716	1,286	
1,048	1,696	3,482	3,438	4,440	2,360	
796	368	592	470	792	988	956
292	1,016	1,476				
48	58	41	67	69	56	42
484	450	1,154	608	288	1,786	2,210
3,336	2,950	2,316	1,534	2,866	2,124	1,788
940	1,350	852	442			
300	2			2		
4		16	4	4		
50	134	596	356	88	550	
16	664	350	2	18	166	122
	650	134	612	48	246	264
	168	668				
		734	1,060	988	1,340	1,290
			1,780	1,158		
			432	1,962	2,964	2,902
			324	1,368	1,866	1,904
			298	1,582	606	562
			214	120	1,238	1,974
			188	1,268	1,246	1,514
			6	462	1,088	
			2			
				1,222	1,624	2,414
				832	546	
						1,356
						1,004
						764
						496
						22
36,418	37,140	40,821	42,997	46,577	46,956	49,530
1,758	1,760	1,706	1,740	1,687	1,770	1,768
952	964	942	936	950	934	928
550	526	518	526	524	542	642
514	520	468	518	520	516	528
						40
			2	6		
3,774	3,770	3,634	3,722	3,687	3,762	3,906
40,192	40,910	44,455	46,719	50,264	50,718	53,436

**Albany International Airport  
Aircraft Operations  
2009-2018**

Year	Airlines	Cargo	General Aviation	Military	Total
2009	49,488	3,906	34,579	6,540	94,513
2010	46,900	3,762	30,698	7,137	88,497
2011	46,508	3,687	25,980	4,226	80,401
2012	42,932	3,722	24,322	4,543	75,519
2013	40,780	3,676	23,873	4,436	72,765
2014	37,082	3,770	18,124	2,316	61,292
2015	36,370	3,774	17,376	2,481	60,001
2016	39,834	4,264	17,576	3,057	64,731
2017	39,962	4,406	16,818	2,974	64,160
2018	39,402	4,148	17,753	3,300	64,603
Annual Compounded Change 2009-2018	-20.4%	6.2%	-48.7%	-49.5%	-31.6%

Source: Albany County Airport Authority

**Albany International Airport  
Airlines Serving the Albany International Airport**

**MAJORS / NATIONALS**

Allegiant Air  
American Airlines  
Delta Air Lines  
Frontier Airlines  
Jet Blue Airways  
Southwest Airlines  
United Airlines

**REGIONAL / COMMUTERS**

Air Wisconsin d/b/a United Express  
CommutAir d/b/a United Express  
Endeavor d/b/a Delta Connection  
Envoy d/b/a American Eagle  
Express Jet Airlines d/b/a United Express  
Go Jet Airlines d/b/a Delta Connection  
Hyannis Air Service d/b/a Cape Air & Nantucket Airlines  
Mesa Air d/b/a United Express  
Piedmont Airlines d/b/a American Eagle  
PSA d/b/a American Eagle  
Sky West d/b/a Delta Connection  
Sky West d/b/a United Express

**ALL-CARGO CARRIERS**

Federal Express  
United Parcel Service  
Ameriflight  
Wiggins Airways

**Albany International Airport  
Major Carrier Airline Service**

SCHEDULED JET AIRLINE SERVICE

CARRIER	NON-STOP SERVICE	ONE-STOP, SAME-PLANE SERVICE
Allegiant Air	Orlando (SFB) Punta Gorda (PGD) Tampa (PIE)	
American Airlines - Envoy - Piedmont - PSA	Charlotte (CLT) Chicago (ORD) Philadelphia (PHL) Washington National (DCA)	
Delta Air Lines - Endeavor - GoJet - SkyWest	Atlanta (ATL) Detroit (DTW) Minneapolis (MSP)	
Frontier Airlines	Fort Myers (RSW) Orlando (MCO)	
JetBlue	Fort Lauderdale (FLL) Orlando (MCO)	
Southwest Airlines	Baltimore (BWI) Chicago (MDW) Denver (DEN) Fort Lauderdale (FLL) Fort Myers (RSW) Orlando (MCO) Tampa (TPA)	Atlanta (ATL) Austin (AUS) Dallas (DAL) Detroit (DTW) Indianapolis (IND) Las Vegas (LAS) Nashville (BNA) Panama City (ECP) Phoenix (PHX) Portland (PDX) San Juan (SJU) St Louis (STL) West Palm Beach (PBI)
United Airlines - Air Wisconsin - Commutair - Expressjet - Mesa - SkyWest	Chicago (ORD) New York/Newark (EWR) Washington Dulles (IAD)	Lincoln (LNK) Montreal (YUL) Syracuse (SYR)

As of March 2018

Source: Official Airline Guide Schedule, February 2018

**Albany International Airport  
Commuter Airline Service**

SCHEDULED COMMUTER AIRLINE SERVICE

CARRIER	NON-STOP SERVICE	ONE-STOP, SAME-PLANE SERVICE
Cape Air	Boston (BOS) Ogdensburg (OGS)	

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As of March 2018  
Source: Official Airline Guide Schedule, February 2018

**Albany International Airport  
Primary Origination and Destination Passenger Markets**

Market	Length	Rank	2018 Passengers	Rank	2017 Passengers	Rank	2009 Passengers
Orlando	MH	1	289,848	1	296,285	1	236,300
Southeast Florida (1)	MH	2	223,850	2	227,504	3	156,690
Tampa	MH	3	135,560	3	137,016	4	127,030
Chicago (2)	MH	4	123,743	4	130,276	5	115,790
Denver	MH	5	102,741	6	90,749	8	58,230
Atlanta	MH	6	100,911	5	93,078	10	54,030
Baltimore	SH	7	95,069	7	86,650	2	193,920
Washington, DC (3)	SH	8	94,978	8	102,142	9	55,020
Los Angeles	LH	9	74,093	10	66,298	7	68,630
Charlotte	SH	10	64,643	11	66,065	17	42,510
Las Vegas	LH	11	62,907	9	72,821	6	90,030
San Francisco	LH	12	55,054	12	55,963	14	46,770
Phoenix	LH	13	50,777	13	51,895	12	49,890
Fort Myers	MH	14	49,333	14	49,176	15	46,250
Minneapolis	MH	15	44,831	15	40,879		N/A
San Diego	LH	16	42,176	16	38,212	20	35,060
Raleigh/Durham	SH	17	38,911	18	35,566	13	47,740
Detroit	MH	18	35,900	19	33,680	19	36,040
Seattle/Tacoma	LH	19	35,433	17	37,595		N/A
Dallas/Fort Worth	MH	20	35,082	20	31,454	16	45,440

\* Notes:

SH Short Haul = 0 to 600 miles

MH Medium Haul = 601 to 1,800 miles

LH Long Haul = over 1,801 miles

(1) Includes Fort Lauderdale, Miami, and West Palm Beach

(2) Includes Midway and O'Hare

(3) Includes National and Dulles

N/A - Not Available

Source: O & D Passenger Survey of Airline Passenger Traffic, U.S. DOT, Databank 12

# Compliance



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Members  
Albany County Airport Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and fiduciary funds of the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March XX, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Marvin and Company, P.C.*

Latham, NY  
March XX, 2019

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**Albany County Airport Authority**  
**Schedule Of Federal Financial and NYS DOT Assistance**  
**December 31, 2018**

Federal Project Number	NYS Project Number	Federal * Percent Participation	Description Of Project	CFDA Number	Total Grant Amount		Year Ended 12/31/18 Expenditures	
					Federal	State	Federal	State
<b>CAPITAL CONTRIBUTIONS:</b>								
<b>Direct Award - Department of Transportation Airport Improvement Program</b>								
131-16	1A00.20	90.00%	Passenger Boarding Bridges A4, B11 and C2	20.106	\$ 3,065,406	\$ 170,300	\$ 219,190	\$ 12,177
132-17	1A00.21	90.00%	Passenger Boarding Bridges Gate B9	20.106	1,013,342	56,297	953,776	52,988
133-17	1A00.22	90.00%	Airport Drainage Study	20.106	90,000	5,000	54,393	3,022
134-17	1A00.23	90.00%	RWY 01-19 & Taxiway A,B,D,E,F,L,M,P,Q & R Edge Lighting Systems	20.106	3,763,329	189,115	544,291	30,238
135-18	1A00.24	90.00%	Passenger Boarding Bridges B5, B7, B8 and C3	20.106	3,404,073	185,007	69,075	3,838
136-18	1A00.25	90.00%	Terminal Escalators 16-17 and 20-21	20.106	1,774,141	98,564	297,068	16,504
137-18	1A00.26	90.00%	Runway 10-28 and Taxiway C and Design	20.106	159,975	8,888	130,823	7,268
	1A00.97		Parking Garage	20.106	-	22,131,901	-	330,923
	1A00.98		Terminal Ramp Deicing Drainage System Replacement	20.106	-	616,000	-	571,474
TOTAL CAPITAL CONTRIBUTION					\$ 13,270,266	\$ 23,461,072	\$ 2,268,615	\$ 1,028,431
<b>NON-OPERATING GRANTS:</b>								
<b>Direct Award - U.S. Department of Homeland Security</b>								
N/A	N/A	N/A	TSA Law Enforcement Officer Cooperative Agreement	97.090	\$ 126,920	\$ -	\$ 126,920	\$ -
<b>Pass-Through Award - New York State Homeland Security and Emergency Services</b>								
N/A	PA-02-NY-4322-PW-00125	N/A	Disaster Grant - Public Assistance	97.036	149,209	24,868	149,209	24,868
TOTAL NON-OPERATING GRANTS					\$ 276,129	\$ 24,868	\$ 276,129	\$ 24,868
GRAND TOTAL					\$ 13,546,395	\$ 23,485,940	\$ 2,544,744	\$ 1,053,299

(\*) The remaining percentage is shared equally between the State of New York and the Authority.  
See accompanying Notes to Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance.

**Albany County Airport Authority**  
**Notes to Schedule of Expenditures of Federal and**  
**New York State Department of Transportation Financial Assistance**  
**For the Year Ended December 31, 2018**

1. Scope of Audit Pursuant to the Uniform Guidance

The Albany County Airport Authority (Authority) is a body corporate and politic constituting a public benefit corporation. The Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance (the Schedule) includes all of the federal award programs and the New York State Department of Transportation matching grant award for the FAA's Airport Improvement Act (CFDA #20.106) administered by the Albany County Airport Authority, an entity defined in the financial statements.

2. Basis of Accounting

The accompanying Schedule includes the federal award activity of the Authority under programs of the federal government for the year ended December 31, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

3. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Authority has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance and did not claim any indirect costs and has not claimed any indirect costs.

4. Federal Reimbursements

Federal reimbursements are based upon specific expenditures. Therefore, the amounts reported here represent grant income earned rather than cash received.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Members  
Albany County Airport Authority

**Report on Compliance for Each Major Federal Program**

We have audited the Albany County Airport Authority's (the Authority), a component unit of the County of Albany, New York's, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2018. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

### **Report on Internal Control over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's 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 a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 a federal 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 a federal 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Marvin and Company, P.C.*

Latham, NY  
March XX, 2019

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR THE NEW YORK STATE DEPARTMENT OF  
TRANSPORTATION FINANCIAL ASSISTANCE  
PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY NEW YORK STATE  
CODIFICATION OF RULES AND REGULATIONS**

To the Members  
Albany County Airport Authority

**Report on Compliance**

We have audited the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York's, compliance with the types of compliance requirements described in the *Preliminary Draft Part 43 of the New York State Codification of Rules and Regulations* (NYCRR), that could have a direct and material effect on its state transportation assistance program for the year ended December 31, 2018.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the state transportation assistance program.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Authority's compliance for the state transportation assistance program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Preliminary Draft Part 43 of NYCRR*. Those standards and the *Preliminary Draft Part 43 of NYCRR* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state transportation assistance program has occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the state transportation assistance program. However, our audit does not provide a legal determination of the Authority's compliance.

## Opinion

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that are applicable to its state transportation assistance program for the year ended December 31, 2018.

## Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the state transportation assistance program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the state transportation assistance program and to test and report on internal control over compliance in accordance with the NYCRR, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's 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 state transportation assistance program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 state transportation assistance 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 state transportation assistance 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 *Preliminary Draft Part 43 of the New York State Codification of Rules and Regulations*. Accordingly, this report is not suitable for any other purpose.

*Marvin and Company, P.C.*

Latham, NY  
March XX, 2019

**Albany County Airport Authority  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2018**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unmodified opinion on the financial statements of the Albany County Airport Authority.
2. No material weaknesses were identified during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Albany County Airport Authority were disclosed during the audit.
4. No material weaknesses were identified during the audit of the major federal award program.
5. The auditor's report on compliance for the major federal award program for the Albany County Airport Authority expresses an unmodified opinion.
6. There were no audit findings related to the major federal award program for the Albany County Airport Authority.
7. The Airport Improvement Program (CFDA #20.106), including the New York State Department of Transportation (NYSDOT) matching grants for this program was the major program for the year ended December 31, 2018.
8. The dollar threshold used to distinguish between Type A and B programs was \$750,000.
9. The Albany County Airport Authority was considered a low-risk auditee.

**B. FINDINGS - FINANCIAL STATEMENT AUDIT**

NONE

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AND NYS DOT AWARD PROGRAM AUDIT**

NONE

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR THE PASSENGER FACILITY CHARGE PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE FEDERAL AVIATION ADMINISTRATION**

To the Members  
Albany County Airport Authority

**Report on Compliance**

We have audited the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York's, compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), that could have a direct and material effect on its Passenger Facility Charge Program for the year ended December 31, 2018.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Passenger Facility Charge Program.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Authority's compliance for the Passenger Facility Charge Program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the Passenger Facility Charge Program has occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the Passenger Facility Charge Program. However, our audit does not provide a legal determination of the Authority's compliance.

## **Opinion**

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that are applicable to its Passenger Facility Charge Program for the year ended December 31, 2018.

## **Report on Internal Control over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the Passenger Facility Charge Program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the Passenger Facility Charge Program and to test and report on the internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's 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 Passenger Facility Charge Program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 Passenger 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 Passenger 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. Accordingly, this report is not suitable for any other purpose.

*Marvin and Company, P.C.*

Latham, NY  
March XX, 2019

Albany County Airport Authority  
Schedule of Passenger Facility Charges  
Collected and Expended

For the Year Ended December 31, 2018

Quarter Ended	PFC Charges Received	Interest Earned	Total Received	Expenditures on Approved Projects	
Beginning Balance	\$95,558,356	\$2,759,571	\$98,317,927	\$87,878,631	\$10,439,296
3/31/2018	1,246,842	5,211	1,252,053	1,082,730	
6/30/2018	1,442,302	5,414	1,447,716	1,082,730	
9/30/2018	1,463,204	19,910	1,483,114	334,540	
12/31/2018	1,704,614	66,728	1,771,342	334,913	
Total 2018	5,856,962	97,263	5,954,225	2,834,913	3,119,312
Total Program to Date	\$101,415,318	\$2,856,834	\$104,272,152	\$90,713,544	
PFC Funds to be used for future debt service payments:					<u>\$13,558,608</u>

PFCs Received	12/31/2017 PFC Receivable	12/31/2018 PFC Receivable	PFC Net Income Per Financials
\$ 5,856,962	\$ (563,711)	\$ 345,671	\$ 5,638,922

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**A. Scope of Audit Pursuant to September 2000 Passenger Facility Charge Audit Compliance and Reporting Guide for Public Agencies.**

The Albany County Airport Authority is a body corporate and politic, constituting a public benefit corporation. The Schedule of Passenger Facility Charges Collected and Expended includes all the PFCs and the interest earnings thereon collected by the Authority beginning May 1, 1994 through December 31, 2018. Passenger Facility Charges are collected pursuant to a Federal Aviation Administration (FAA) approved application in 1994 to Impose \$40,726,364. During 1996, the Authority requested and received approval to increase the amount of PFCs to \$116,888,308 projected to be collected through the year 2022. Effective September 1, 2009, the Authority implemented an approved change the PFC collection from \$3.00 per passenger to \$4.50 per passenger, with a current estimated collection period through 2020.

**B. Basis of Accounting**

The above schedule was prepared on an accrual basis of accounting. Passenger Facility Charges are recorded as deferred revenue until used for debt service payments under an FAA approved application to use.

**Albany County Airport Authority  
Passenger Facility Charge Program  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2018**

**A. SUMMARY OF AUDIT RESULTS**

1. No material weaknesses were identified during the audit of the passenger facility program.
2. The auditor's report on compliance for the passenger facility charge program expresses an unmodified opinion.
3. There were no audit findings related to the passenger facility charge program.

**B. FINDINGS AND QUESTIONED COSTS**

NONE

DRAFT

## Biographies of the Members of the Albany County Airport Authority

**Rev. Kenneth J. Doyle, Chair** is a native of Troy, New York. He attended the Mater Christi Seminary in Albany, New York and later graduated with a Master of Arts in philosophy from Basselin College, Catholic University of America in Washington, D.C. Father Doyle is a graduate of the Theological College, Catholic University of American, Washington D.C. He was ordained in 1966. Father Doyle later graduated from Albany Law School and was admitted to the New York State Bar in 1978. Father Doyle has undertaken a number of assignments for the Roman Catholic Church including instructor in religion at Cardinal McCloskey High School, Albany, NY; Editor of the Evangelist diocesan newspaper; Bureau Chief National Catholic News Service, Rome, Italy; Director of Government Relations, New York State Catholic Conference; Albany, New York and Director for Media Relations, United States Catholic Conference, Washington, DC; Pastor, Parish of Mater Christi, Albany, New York and Chancellor for Public Information, Roman Catholic Diocese of Albany. Father Doyle currently resides in Albany.

**Anthony Gorman, Secretary** is a lifelong resident of Capital Region and lives in Colonie. He is a graduate of The Albany Academy and Georgetown University. Anthony Gorman has been principal in The Gorman Group, a highway construction company, since 1972. He has been continuously active in numerous charitable and civic groups for the last 25 years. He currently is a trustee at The Fort Orange Club in Albany.

**Lyon M. Greenberg, M.D.** is a Dartmouth College and John Hopkins Medical School graduate and the founding partner of the Capital Region Otolaryngology Head and Neck Group in Albany, New York since 1964. Dr. Greenberg has held numerous positions on medical committees, including President of the Upstate New York Alumni Association at Johns Hopkins University; National Program Chairman, Section on Otolaryngology, American Academy of Pediatrics; Executive Committee, Section on Otolaryngology, American Academy of Pediatrics; CME Chairman, Section on Otolaryngology, American Academy of Pediatrics; Legislative Chairman, New York State Society of Otolaryngologists; Secretary/Treasurer of The Child's Hospital; President of New York State Society of Otolaryngologists; member of the founding Committee of the American Society of Pediatric Otolaryngology; President of the Eastern New York Dartmouth Alumni Club; Vice-President of Congregation Beth-Abraham Jacob and Member of the Dr. David Axelrod Committee at the School of Public Health SUNY. Dr. Greenberg has received numerous awards over his career including The Willard W. Eggleston Memorial Botany Prize (1954) (Dartmouth College); Outstanding Service Award (1973) (Dartmouth College); Air Defense Command Commendation, U.S.A.F. (1962); Air Force Commendation Medal, U.S.A.F. (1962) and The Class of 1954 Award (2004) (Dartmouth College). Dr. Greenberg currently resides in Slingerlands with his wife Marcia and has four grown children.

**Kevin Hicks, Sr.** is a lifelong resident of Albany County. He is the retired President and Political Director of the Empire State Regional Council of Carpenters, representing over 20,000 Union Carpenters in New York State. During this tenure he served as a Board member of the Eastern Occupational Health and Safety Board. He is also President Emeritus of the Greater Capitol Region Building Trades Council and a former Board member of the New York State Building Trades Council. Kevin is a decorated United States Army Veteran of the Vietnam War. He presently serves as the Legislative Liaison for the Tri-County Council of Vietnam Veterans. In addition to serving on the Albany County Airport Authority, he also serves as a Board member on the Guilderland Industrial Development Agency. He remains active in many civic and Veterans organizations in the capital district. Kevin currently lives in Guilderland with his wife Deborah.

**Patricia M. Reilly** enjoyed a 30-year career in New York State and Local government. As the Department of Motor Vehicles' Deputy Commissioner for Customer Service, she was an architect of DMV's "Reinvent" program, which won national praise for its forward thinking on the role of customer service in government. She also served as the Chief Legislative Representative for the New York City Council in Albany, where she represented the Speaker before the Legislative and the Executive branch. Finally, she served as Nassau County's Executive Director of the Traffic and Parking Violations Agency and was cited in a Newsday editorial for turning around an agency that was labeled by the Nassau County Comptroller as "the worst run agency in the worst run county in America". Ms. Reilly holds a BA and MA from St. John's University and taught Public Administration in their Government and Politics Department for 10 years. She is a consultant with the firm of Bolton St.-Johns on State Street in Albany.

**Steven Heider**, retired Chief of Police for the Town of Colonie Police Department, is nearly a lifelong resident of Colonie. He served as the Town's fifth Police Chief, retiring in 2015 after serving on the force for 42 ½ years. During his tenure as Colonie Police Chief, the Town of Colonie was rated the #1 community with the lowest crime rating in the country for two consecutive years. A graduate of Colonie Central High School, Hudson Valley Community College and Russell Sage College, he began his career in 1973 and continues today to be involved in many community activities. Throughout his long career he has served on many committees and boards to promote public safety and to advocate for those that lacked the resources to do so throughout the Capital Region and beyond. He also served as President of the New York State Association of Chiefs of Police, Inc., and is the secretary and treasurer of the Northeastern Chiefs of Police Conference. The retired Chief is also a former member of the Village of Colonie Planning board and the former First Vice Chairman for the Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network, of which he is still an active advisor to their policy board. In addition to the Albany County Airport Authority board, he also serves on the boards of the Colonie Youth Center Inc., and the Scatub Insurance Agency located in Scotia, New York.

**Samuel Fresina** is president of the New York State Professional Fire Fighters Association. He was elected in 2016, after his career as a full-time, professional fire fighter in the City of Albany. Previous to his current position, he served as the NYSPPFA's secretary-treasurer and executive vice president. Born and raised in Albany,

NYSPFFA's secretary-treasurer and executive vice president. Born and raised in Albany, NY, Sam graduated from the Christian Brothers Academy in 1985 to enlist in the U.S. Air Force, where he served as a crash/rescue and structural fire fighter. After four years of military service (two abroad) he received an honorable discharge to become a professional firefighter in Albany. During his two decades of service to Albany residents in firehouses around the city, Sam became actively involved in the union— first as a shop steward for Local 2007, then trustee on the union's executive board, before being elected president of the local in 1997, a position he retained for fourteen years. Additionally, Sam has served as vice president of the Capital District affiliate of the AFL-CIO and, since 2004, has worked as a field services representative for the International Association of Fire Fighters (IAFF). He also currently serves on the advisory board for the New York State Comptroller.

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## **Biographies of the Albany County Airport Authority Senior Staff**

**John A. O'Donnell, PE**, is the Chief Executive Officer of the Authority and is responsible for the oversight of the affairs of the Authority. Prior to his appointment in 2003, Mr. O'Donnell served as Chief Operating Officer (2000-2003) and Director of Project Development (1996-2000) for the Authority. Prior to the Authority, Mr. O'Donnell served as Director of Design Consultant Services for the Office of General Services for the State of New York and Assistant to the Chief Engineer at Callanan Industries.

**William J. O'Reilly, CPA**, is the Chief Financial Officer of the Authority and is responsible for financial planning, budgeting, operating and capital accounting procedures and controls, and financial policies and procedures. Mr. O'Reilly was previously employed from 1986-2008 with the Office of the State Comptroller for the State of New York where he held positions in accounting, auditing, public authority administration, cash and debt management, and budget and policy analysis.

**Peter F. Stuto, Esq.**, Airport Counsel, is responsible for the day to day legal affairs of the Authority. Mr. Stuto was most recently Senior Assistant Counsel in the Office of the Majority Counsel of the New York State Assembly. Mr. Stuto has held positions of financial consultant with Merrill Lynch, attorney with Hiscock & Barclay, and Floor Counsel to New York State Senate Minority Leader.

**AGENDA ITEM NO. 14.2**

**Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2018 with draft consultant report.**

AGENDA ITEM NO: 14.2  
AUDIT COMMITTEE  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:** Finance

Contact Person: *Audit Committee*  
*William J. O'Reilly, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-second Comprehensive Annual Financial Report as of and for the year ended December 31, 2018 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- the Authority's 2018 Rates and Charges Settlement Report to the Signatory Airlines and Signatory Cargo Carriers with draft Consultant Report;
- the Authority's Annual Investment Report in accordance with its Cash Management and Investment Policy and Section 2925 of the Public Authorities Law (with draft audit compliance report of Marvin and Company, P.C., certified public accountants);
- The Annual review and approval of the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law;
- Review of mission statement and performance measures and acceptance of measurement report for 2018 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2018 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- Comprehensive Annual Financial Report for the year-ended 2018 with draft auditor reports;
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2018 with draft consultant report;
- Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report;
- Performance Measurement Report for 2018; and
- Financial Statements – Other Post Employment Benefit Trust

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 18, 2019 meeting and will present their recommendations for approval by the Board.



**2018**

**AIRLINE RATES AND CHARGES  
SETTLEMENT AND REVENUE SHARING TRANSFER  
CALCULATION**

**Year Ended December 31, 2018**

**MARCH 18, 2019**

March 11, 2019

Members of the Albany County Airport Authority  
Administration Building, 2nd Floor  
Albany International Airport  
Albany, New York 12211

Re: Rates and Charges Settlement and Revenue Sharing Transfer Calculation for Fiscal Year 2018

Honorable Members of the Authority:

The Albany County Airport Authority (the Authority) is required, pursuant to the terms of the 2016 Airline Use and Lease Agreement (the Airline Agreement), to perform certain calculations using audited financial information for such fiscal year (the Settlement Calculation). The Settlement Calculation must be performed within 180 days following the close of each fiscal year. Authority staff presents the results of each fiscal year's Settlement Calculation in a report titled the *Airline Rates and Charges Settlement and Revenue Sharing Transfer Calculation* (the Settlement Report).

As requested by the Authority, we have reviewed the Settlement Report covering fiscal year 2018 to assess its accuracy, completeness, and conformity with requirements. In connection with this review of the 2018 Settlement Report, we examined the 2018 Settlement Calculation, the Airline Agreement, and such other documents and calculations as were needed by us to achieve the necessary level of comfort with the accuracy and completeness of the 2018 Settlement Report.

We found the operating revenues and operating expenses presented in the 2018 Settlement Report to be in agreement with the Authority's Comprehensive Annual Financial Report for the year ended December 31, 2018, and with the 2018 Settlement Calculation. We believe the methodology used in the 2018 Settlement Calculation is consistent with the requirements of the Airline Agreement and established practices.

We are pleased to have been of service to the Authority in this matter.

Respectfully submitted,



LeighFisher

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# ALBANY COUNTY AIRPORT AUTHORITY ALBANY INTERNATIONAL AIRPORT

## INTRODUCTION

This report presents the 2018 Signatory Airline rates and charges settlement and revenue sharing transfer calculation for Albany International Airport (Airport), as provided for in Schedule “G” of the 2016 Airline Use and Lease Agreement (Agreement). The results are based upon the Authority’s financial statements as audited by Marvin & Company, PC, an independent public accounting firm and adjustment specified in the Airline Use and Lease Agreement.

The Authority and the Airlines completed negotiations in 2015 for a five year Airline Use and Lease Agreement to expire December 31, 2020 with an option for one five year renewal. Under the Agreement the Authority charges signatory rates to carriers who have executed the Agreement ("Signatory Airlines") and non-signatory rates to those who have not ("Non-Signatory Airlines"). The Agreement permits Signatory Airlines to designate a non-signatory airline as an affiliate by providing a payment guarantee, thereby enabling its affiliate to enjoy the benefits of Signatory Airline Rates and Charges. As of December 2018, there were a total of seven signatory passenger carriers, nineteen signatory affiliate carriers, and two signatory cargo carriers operating at the Airport.

### **Overview:**

Airport revenues and expenses in 2018 were impacted by certain factors, each of which had a significant effect on the rates and charges settlement calculation. These factors include enplanements, commercial and cargo landed weights and are summarized as follows:

	2018 Actual	2017 Actual	2018 vs. 2017	% inc/ (dec)	2018 Budget	2018 vs. Budget	% inc/ (dec)
Enplanements	1,466,706	1,417,835	48,871	3.4%	1,414,000	52,706	3.7%
Passenger Landed Weight (M-lbs)	1,616,387	1,575,562	40,825	2.6%	1,590,691	25,696	1.6%
Cargo Landed Weight (M-lbs)	167,910	167,438	472	0.3%	167,562	348	0.2%

The results for 2018 after including the Rates and Charges adjustments and the results of the Revenue Sharing calculation can be summarized as follows:

	<u>Budget</u>	<u>Actual</u>
Revenues (before Revenue Sharing)	\$ 51,482,785	\$ 54,329,920
Expenses		
Operating & Non-Capital Equipment	35,450,398	36,935,812
Debt Service, net of PFCs	8,703,730	8,704,884
Capital Expenditures	3,123,697	3,313,550
Reserves	200,381	200,381
Total Expenses	<u>47,478,206</u>	<u>49,154,627</u>
Funds Remaining	<u>\$ 4,004,579</u>	<u>\$ 5,175,293</u>
Revenue Sharing		
Authority (50%)	\$ 2,002,290	\$ 2,587,646
Less: Cost of Air Service Incentives	<u>(107,464)</u>	<u>(244,691)</u>
Authority Net Share	<u>\$ 1,894,826</u>	<u>\$ 2,342,955</u>
Airlines (50%)	<u>2,002,290</u>	<u>2,587,646</u>
Total	<u>\$ 4,004,579</u>	<u>\$ 5,175,293</u>

The final rates and charges settlement and revenue sharing calculation for 2018 will result in the Authority crediting the Airlines \$2,950,014. The settlement impact on the Rates and Charges can be summarized as follows:

	<u>Rates</u>	<u>Settlement</u>
Landing Fee:		
Budget rate calculation	\$ 3.33	
Final rate per settlement	\$ 2.92	\$ (713,671)
Terminal Rental Fee:		
Budget rate calculation	\$ 81.57	
Final rate per settlement	\$ 86.48	335,759
Apron Fee:		
Budget rate calculation	\$ 1.38	
Final rate per settlement	\$ 1.31	(47,273)
Loading Bridge Fee:		
Budget rate calculation	\$ 40,849	
Final rate per settlement	\$ 51,611	<u>62,817</u>
Total Rates and Charges Settlement		<u>(362,368)</u>
Revenue Sharing		<u>(2,587,646)</u>
Total Due to the Airlines		<u>\$ (2,950,014)</u>

The remaining sections of this report discuss in detail the various elements of the rates and charges settlement together with the revenue sharing calculation for 2018.

Tables 1 through 4 present a detailed comparison of 2018 budget versus the audited financial statements. Tables 5 through 10 present the rates and charges settlements and the revenue sharing transfer calculation. The net settlement and revenue sharing for each signatory airline is summarized in Table 11.

## **REVENUES**

Table 1 presents budget versus audited revenues for 2018. Revenues in 2018, after the settlement and revenue sharing, were \$51,742,274, higher than the amount budgeted of \$49,480,495 by \$2,261,779, or 4.6%. Primary variances from the budgeted amounts include the following:

### ***Commercial and Cargo Airline Revenues:***

- Revenues from the airlines and cargo carriers for landing fees, including the revenue sharing credit of \$517,529, resulted in final revenues being lower than the amounts budgeted by \$720,706. The landing fee as budgeted was \$3.33 and the final settlement calculated a rate of \$2.92 due to higher than anticipated commercial deicing services and non-signatory landing fees. This resulted in a settlement credit due to the signatory airlines and cargo carriers of \$713,671.
- Airline terminal rental revenues, including the revenue sharing credit of \$2,070,117 resulted in final revenues being higher than the amount budgeted by \$66,433. The terminal rental rate after the settlement was \$86.48 versus the budgeted at \$81.57. This resulted in a settlement due from the signatory carriers of \$335,759.
- Apron fee revenues, a 10% allocation of the landing fee requirement, including a settlement credit of \$47,273 resulted in final revenues being below budget by \$41,079 due to a decrease in the 10% landing fee requirement in the landing fee calculation. The final apron fee rate was \$1.31 per square foot versus the \$1.38 rate budgeted.
- Loading bridge revenues, including the settlement due from the signatory carrier of \$62,817 resulted in final revenues being \$139,900 higher than the budget due to higher than budgeted expenses.
- Glycol Disposal Fees were \$101,447 or 28.0% higher than budget due to increased deicing activity during the winter season.

### ***Fixed Based Operator (FBO) Revenues:***

As of September 1, 2005, the Authority acquired the physical assets of the FBO and engaged a management company, currently R.E.W. Investment (d/b/a Million Air) to perform all of the daily operations. Highlights from 2018 were as follows:

- The sales of Jet A and AvGas fuels to general aviation customers were \$1,099,534 or 23.5% higher than the budgeted amount. The number of Jet A and AvGas gallons sold in total was 1,210,228, an increase of 152,008 or 14.4% as compared to 1,058,220 budgeted for 2018. The net results for the sales of Jet A (revenues minus the cost of sales) for 2018 was \$1,976,834 which was 17.0% higher than the budget of \$1,690,268. The net results for the sales of AvGas for 2018 was \$57,216 or 22.5% lower than the budget of \$73,860.
- Auto and Diesel net fuel sales to the airlines were \$74,432.
- The Authority bills each commercial and cargo airline a fee for the transfer of their fuel from the fuel farm to their aircraft (into-plane fees) and a fee per gallon of the fuel and glycol that passes through the Authority owned fuel farm (fuel farm fees). During 2018, into-plane fees were \$9,487 or 1.4% higher than the budget. Fuel farm fees were \$29,681 or 4.9% higher than the budget.
- General Aviation landing fees were \$11,534 or 4.5% higher than the budget and General Aviation aircraft parking fees were \$19,300 or 10.9% higher than the budget.
- AvGas Commercial net fuel sales were \$35,971, 15.9% lower than the budget of \$42,782.
- Deicing services are performed for both the commercial airlines and the general aviation customers. Net deicing revenues were \$621,227, 95.6% higher than the budget due to increased deicing activity during the winter season.
- Rental payments are collected from tenants in the FBO facilities and hangars. Service fees are also collected from aviation customers for ground handling, labor and other ancillary services. In 2018, rents of the hangar and ramp were \$33,853 or 10.4% higher than the budget and ancillary customer services were \$20,611 or 25.3% lower than the budget.

***Non-Airline Terminal Revenues:***

- Non-Airline terminal revenues such as non-airline space rental, TSA space rental, tenant maintenance and utility reimbursement were in total \$20,776 or 2.7% higher than the budget of \$768,893.

***Ground Transportation Revenues:***

- Parking revenues were \$77,362 or 0.5% higher than the budget. Access fee revenues were \$4,998 or 1.6% higher than the budget. Revenues from Transportation Network Companies (TNCs) were \$154,540.

**Concessions:**

- Revenues generated from the concessions totaled \$8,262,260. This is \$83,600 or 1.0% higher than the budget due primarily to higher revenues from rental cars.

**Other Airport:**

- The revenue generated from other airport sources was \$4,292,489. This is \$155,309 or 3.8% higher than the budget of \$4,137,180.

**Other (Non-Operating) Revenues:**

- Interest earnings allocated to the airline revenue centers under the Master Bond Resolution were \$232,486 in 2018. In 2018 the Authority requested proposals for banking services and selected a bank which offered interest rates starting at 1.94% and are currently at 2.22% of collateralized deposits. Debt service reserves are invested in interest bearing U.S. Treasuries. The interest earnings are allocated in the rates calculations to the direct cost centers to which they relate as provided for in the Master Bond Resolution and the Agreement.
- Revenues from the grant for the TSA (LEO) Reimbursement were \$11,779 or 8.5% lower than the budget.
- Revenues from Improvement Charges were \$368,400, in line with the 2018 budget.

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## EXPENSES

Table 2 presents the 2018 adopted budget and audited expenses by category and cost center. The 2018 actual expenses were \$36,935,812, higher than the budget of \$35,450,398 by \$1,485,414 or 4.2%. The majority of this variance is the cost of fuel purchased for the FBO, building maintenance expenses, parking valet services and non-capital equipment.

Personnel Services and Employee Benefits for AvPorts, Million Air and the Authority is summarized as follows:

	Budget			Actual		
	Salaries	Benefits	Total	Salaries	Benefits	Total
Airport Mgmt	\$ 7,644,241	\$ 3,705,727	\$ 11,349,968	\$ 7,373,154	\$ 3,142,614	\$ 10,515,768
FBO	1,425,922	504,798	1,930,720	1,421,039	607,526	2,028,565
Authority	1,967,333	1,290,056	3,257,389	1,955,557	1,349,847	3,305,404
Total	\$ 11,037,496	\$ 5,500,581	\$ 16,538,077	\$ 10,749,750	\$ 5,099,987	\$ 15,849,737

The primary variances in each of the cost centers are a result of the following:

- Airfield expenses were \$44,047 or 1.4% higher than the budget due primarily to savings in salaries and benefits offset by higher than the budget expenses for non-capital equipment.
- Terminal expenses were \$446,529 or 8.2% higher than the budget due primarily to higher than budgeted expenses for purchased services and higher building maintenance expenses.
- Loading Bridge expenses were \$55,800 or 19.0% higher than the budget due to higher loading bridge maintenance.
- Parking expenses were \$296,081 or 6.2% lower than the budget due to lower than the budgeted expenses for salaries & benefits.
- Landside expenses were \$343,398 or 30.3% higher than the budget due to higher than the budgeted building maintenance expenses.
- ARFF expenses were \$80,179 or 3.9% lower than the budget due primarily to lower salaries, benefits and administration expenses.
- Operations expenses were \$1,232 or 0.1% lower than the budget.
- Security expenses were \$372,917 or 12.3% lower than the budget primarily due to lower than the budget County Sheriff's expenses.
- Vehicle/Equipment Maintenance expenses were \$171,758 or 12.3% higher than the budget due to higher maintenance expenses.

- The FBO Commercial expenses were \$230,896 or 9.5% higher than the budget due to cost of glycol purchased for deicing services.
- The FBO General Aviation and Facilities expenses were \$873,987 or 19.6% higher than the budget due to higher than the budget cost of sales for Jet and AvGas purchases.
- FBO Administration expenses were \$19,375 or 2.9% lower than the budget due to savings in all categories.
- Airport Management Administration expenses were \$1,203 or 0.1% higher than the budget.
- Authority Administration expenses were \$87,581 or 1.9% higher than the budget.

## **COST CENTER ALLOCATIONS**

Under the Airline Use and Lease Agreement, the expense budget includes seven direct costs centers: airfield, terminal, loading bridges, parking, landside, FBO commercial and FBO General Aviation and five indirect costs centers: ARFF, operations, security, vehicle/equipment maintenance, and administration - including Airport Management, FBO and Authority. The expenses for four of the five indirect costs centers (excluding administration) are allocated to the direct costs centers based on an analysis of the staff hours worked or the related activities that occurred during the year. After those indirect costs are allocated to the direct cost centers, administration is allocated based on the total actual direct and indirect costs for each direct cost center. The allocated amounts for 2018 are set forth in Table 2-2.

## **DEBT SERVICE**

A summary of 2018 debt service requirements and the allocation by cost centers is shown in Table 3. The details for each of the three Revenue Bond issues by the Authority are shown as follows:

- 1999 NYS Environmental Facilities Corporation (EFC) Revenue Bonds (Table 3-1)
- Series 2010A Refunding Bonds (Table 3-2), which is in part offset by Passenger Facility Charges (PFC's) (Table 3-3)
- Series 2017A & B General Airport Revenue Bonds (Table 3-2)

In April of 2018 the Authority received a Notice of Settlement from the New York State Attorney General's office which offered the Authority the opportunity to receive a settlement in the amount of \$1,496,915 from an out-of-court settlement between 45 State Attorney Generals (including New York) and Deutsche Bank for alleged manipulation of LIBOR. This settlement was received in 2018 and is shown as a credit to the Series 2010A Refunding Bonds debt service requirement for 2018.

In total, actual debt service expenditures, net of PFCs in 2018 were \$8,704,884 which is in line with the amount budgeted of \$8,703,730.

## **CAPITAL EXPENDITURES FUND CONTRIBUTION**

Table 4 shows the calculation of the Capital Expenditures Fund Contribution. In the 2016 Airline Use and Lease Agreement, capital expenditures up to \$3.0 million are not subject to the signatory Airlines majority-in-interest (MII) vote. The \$3.0 million shall be adjusted by the same percentage as the increase or decrease in current year non-airline revenue versus 2016 non-airline revenues. The amount of the capital expenditures fund contribution calculated for 2018 was \$3,313,550. The basis for this calculation is set forth in Article 9 of the Agreement.

## **RATES AND CHARGES IMPLICATIONS**

All settlement calculations are based on the methodology set forth in the Airline Use and Lease Agreement. There are individual settlement calculations for landing fees, landing fee surcharges, apron fees, terminal rental rates, and loading bridge charges. Upon completion of the settlement calculation, the revenues for each of these items are updated to reflect the adjusted revenues and then a revenue sharing calculation is applied. Below is a summary of each of the settlement areas:

- Table 5 presents the landing fee revenues budgeted versus actual. The calculated signatory landing rate for 2018 of \$2.92 is determined by taking the Net Airfield Requirement and dividing by the signatory airline and cargo landed weight. The signatory landing fee rate budgeted in 2018 was \$3.33. This \$0.41 decrease was due to an increase in non-signatory airline revenues and increased deicing revenues allocated to the landing fee calculation.
- Table 5-1 presents the allocation of the \$0.41 landing fee rate differential resulting in a credit of \$713,671 due to the signatory carriers. The individual settlement for each signatory airline and cargo carrier is calculated by multiplying the \$0.41 times their landed weight to arrive at the settlement amount.
- Table 6 and Table 6-1 present the apron fee rate calculation and settlement. The apron fee of \$654,321 is an allocation equal to 10% of the airfield total requirement. The amount billed during 2018 was \$701,594 resulting in a credit of \$47,273 due to the signatory carriers. This amount is allocated to the carriers based on the amount of apron area (in square feet) leased to each of the signatory carriers.

- Table 7 presents the terminal rental rate calculations budgeted versus actual. The calculated signatory terminal rental rate for 2018 of \$86.48 is determined by taking the Net Terminal Requirement and dividing by the total rentable terminal space. The terminal rental rate budgeted in 2018 was \$81.57, or a \$4.91 increase. The increase in the rate is principally due to higher than the budget expenses for the terminal direct cost centers allocated to the terminal rental rate calculation.
- Table 7-1 presents the allocation of the \$4.91 terminal rental settlement which results in \$335,759 due from the signatory carriers. \$248,439 of the settlement is an allocation to each of the signatory carriers is based on their pro-rated share of the airline area utilized in the terminal. Per the Agreement, the amount allocated to the baggage claim area is 20% split equally to each airline and 80% based on each signatory airline's enplanements, accounting for \$87,319 of the terminal rental settlement.
- Table 8 presents the loading bridge settlement. The total loading bridge requirement was \$670,939 and the amount billed was \$608,122. This resulted in a \$62,817 settlement due from the signatory carriers allocated based on the number of bridges each airline utilizes.

## **CALCULATION OF REVENUE SHARING TRANSFERS**

Exhibit G-3 of the Agreement provides the methodology for the calculation of the net revenue sharing between the Authority and the signatory passenger airlines. This calculation allows the passenger signatory airlines to share in any net funds remaining after fulfillment of all the Airport's requirements.

- Table 9 presents the calculation and allocation of funds remaining. For 2018, the funds remaining, after including all of the above settlements, was \$5,175,293 of which 50%, or \$2,587,646, is the Airlines' share. Per the Agreement, the airline share is allocated 80% to the terminal, \$2,070,117, and 20% to the airfield, \$517,529.
- Table 9-1 presents the allocation of the airfield portion of the revenue sharing. The amount of \$517,529 is distributed to each of the passenger signatory carriers based on their total 2018 landed weight.
- Table 9-2 presents the allocation of the terminal portion of the revenue sharing. The amount of \$2,070,117 is distributed to each of the passenger signatory carriers based on their prorated share of the 2018 total airline portion of the terminal rentable space and common use space.
- Table 10 presents the Airline Cost per Enplanement for 2018. This calculation is after including all the settlement and revenue sharing calculation shown in Tables 6 through 9. For 2018, the airline cost per enplanement from airport operations was \$6.57. This is a decrease of 8.4% from the \$7.17 anticipated in the adopted budget.

## ALLOCATION OF 2018 SETTLEMENT AND REVENUE SHARING CALCULATION

- Table 11 presents a summary showing the allocation for each of the settlement items and the revenue sharing amounts to each of the signatory carriers for the year 2018.

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Table 1  
Albany County Airport Authority  
Albany International Airport  
2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**REVENUES**  
(page 1 of 2)

	Budget 2018	Audited 2018
<b>AIRFIELD</b>		
Airline Landing Fees	\$5,297,871	\$4,756,803
Airline Airfield Revenue Sharing	(400,458)	(517,529)
Cargo Landing Fees	570,016	507,450
Glycol Disposal Fee	361,925	463,372
Airline Apron Fee	695,400	654,321
Tenant Maintenance	30,000	57,937
Control Tower Rental	665,776	665,776
	<u>\$7,220,530</u>	<u>\$6,588,130</u>
<b>FBO</b>		
Jet A Fuel Sales	\$4,378,590	\$5,521,148
Avgas Fuel Sales General Aviation	307,869	264,845
Auto Gas Fuel Sales	68,487	96,213
Diesel Fuel Sales	211,221	232,081
Into-plane	664,133	673,620
Fuel Farm	600,144	629,825
General Aviation Landing Fees	256,964	268,498
General Aviation Parking Fees	176,437	195,737
Avgas Fuel Sales Commercial	412,788	382,653
Deicing Type I - Sprayed	504,616	818,631
Deicing Type IV - Sprayed	74,445	136,610
Deicing Type I - Consortium	423,449	521,481
Deicing Type IV - Consortium	117,357	157,558
Deicing - GA	28,220	109,057
General Aviation Tenants	324,732	358,585
General Aviation Customer Services	81,422	60,811
	<u>\$8,630,876</u>	<u>\$10,427,353</u>
<b>TERMINAL</b>		
Airline Space Rental	\$5,613,076	\$6,147,795
Airline Terminal Revenue Sharing	(1,601,832)	(2,070,117)
TSA Space Rental	448,828	448,828
Nonairline Space Rental - Flat Rate	59,190	68,323
Nonairline Space Rental - Signatory Rate	39,350	39,158
Nonairline Space Rental	160,526	166,627
FIS Facility Use Fee	0	1,520
Loading Bridge Rentals	531,039	670,939
Tenant Maintenance	35,000	30,427
Utility Reimbursement	26,000	34,786
	<u>\$5,311,177</u>	<u>\$5,538,286</u>
<b>GROUND TRANSPORTATION</b>		
Parking	\$15,170,719	\$15,248,081
Access Fees	313,470	318,468
TNCs	0	154,540
	<u>\$15,484,189</u>	<u>\$15,721,089</u>

Table 1  
Albany County Airport Authority  
Albany International Airport  
2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**REVENUES**  
(page 2 of 2)

	Budget 2018	Audited 2018
<b>CONCESSIONS</b>		
Rental Cars	\$5,277,984	\$5,561,921
Food and Beverage	1,045,060	902,530
Retail	830,657	844,970
Advertising	385,624	306,782
Foreign Currency	26,600	26,600
Museum Shop	271,122	242,117
Operating Permits	190,684	230,025
Telephone - Payphones	2,500	1,984
Telephone - Tenants	72,425	70,479
Bank ATMs	36,415	35,228
Vending Machines	32,589	32,624
Baggage Cart Concessions	7,000	7,000
	<u>\$8,178,660</u>	<u>\$8,262,260</u>
<b>OTHER AIRPORT</b>		
Land Rental	\$312,956	\$313,007
Industrial Park	557,765	554,978
T Hangars	100,328	101,477
Tie Downs	4,096	4,176
T Hangar Avgas Fuel Sales	43,138	39,836
Parking Garage Space Rent	87,162	87,144
Hangar Rentals	441,385	499,036
Building Rental	126,291	114,856
Cargo Building Rental	884,349	928,820
Aircraft Maintenance & Service Center	39,987	41,393
State Executive Hangar/Maint	1,247,083	1,247,083
Utility Reimbursement	136,000	162,248
Reimbursement of Property Taxes	37,000	42,883
Internet and Cable Access	11,640	9,770
Fingerprinting	25,000	37,600
Tenant Maintenance	1,000	178
Purchasing Proposals	7,000	930
Scrap and Equipment Sales	15,000	7,730
Other	60,000	99,344
	<u>\$4,137,180</u>	<u>\$4,292,489</u>
<b>TOTAL REVENUES</b>	<b>\$48,962,612</b>	<b>\$50,829,607</b>
<b>OTHER REVENUES</b>		
Interest Earnings	\$10,783	\$243,269
TSA (LEO) Reimbursement	138,700	126,921
Grant	0	174,077
Improvement Charges	368,400	368,400
	<u>\$517,883</u>	<u>\$912,667</u>
<b>TOTAL REVENUES</b>	<b>\$49,480,495</b>	<b>\$51,742,274</b>
<b>TOTAL REVENUES BEFORE REVENUE SHARING</b>	<b>\$51,482,785</b>	<b>\$54,329,920</b>
Airport Operations	\$42,334,026	\$42,989,900
FBO Operations	\$8,630,876	\$10,427,353
Other Revenues	\$517,883	\$912,667
<b>Total Revenues</b>	<b>\$51,482,785</b>	<b>\$54,329,920</b>

Table 2  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**SUMMARY OF EXPENSES**

	Budget 2018	Audited 2018
<b>EXPENSES - SUMMARY</b>		
Airport Management	\$23,280,662	\$23,592,988
FBO Management	3,238,577	3,175,065
FBO Cost of Sales	4,327,209	5,476,229
Authority	4,603,949	4,691,530
<b>TOTAL EXPENSES</b>	<b>\$35,450,398</b>	<b>\$36,935,812</b>
<b>EXPENSES BY CATEGORY</b>		
Personnel Services	\$11,037,496	\$10,749,750
Employee Benefits	5,500,581	5,099,987
Utilities & Communications	2,118,939	2,203,013
Purchased Services		
Accounting & Auditing	\$61,000	\$58,306
Insurance	751,830	852,950
Legal	50,000	164,680
Public Safety	262,650	704,686
Albany County Sheriffs	2,627,656	2,281,644
Janitorial	484,681	548,350
Public Communications	845,866	789,566
Special Studies & GIS Services	89,200	111,284
Professional Services	1,213,160	910,131
Total Purchased Services	\$6,386,044	\$6,421,597
Materials & Supplies		
Airfield	\$901,000	\$793,991
FBO - Cost of Sales	4,327,209	5,476,229
Buildings	1,890,077	2,741,085
Grounds	800,885	815,081
Vehicles & Equipment	845,100	918,121
Total Material & Supplies	\$8,764,272	\$10,744,507
Office	\$492,662	\$372,704
Administration	910,405	929,843
Noncapital Equipment & Facilities	240,000	414,411
<b>TOTAL EXPENSES</b>	<b>\$35,450,398</b>	<b>\$36,935,812</b>
<b>DEPARTMENT SUMMARY (Direct &amp; Indirect)</b>		
Direct Cost Centers		
Airfield	\$3,255,010	\$3,299,057
Terminal	5,459,185	5,905,714
Loading Bridges	293,482	349,282
Landside:		
Parking	4,745,146	4,449,065
Landside Development	1,133,753	1,477,151
FBO Commercial	2,432,586	2,663,482
FBO GA & Facilities	4,467,266	5,341,253
Total Direct Cost Centers	\$21,786,429	\$23,485,004
Indirect Cost Centers		
ARFF	\$2,075,056	\$1,994,877
Operations	1,005,829	1,004,597
Security	3,039,977	2,667,060
Vehicle/Equipment	1,395,246	1,567,004
Airport Management Administration	877,978	879,181
FBO Administration	665,934	646,559
Airport Authority Administration	4,603,949	4,691,530
Total Indirect Cost Centers	\$13,663,969	\$13,450,808
<b>TOTAL EXPENSES</b>	<b>\$35,450,398</b>	<b>\$36,935,812</b>

Table 2-1  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**EXPENSES**  
 (Page 1 of 4)

	Budget 2018	Audited 2018
<u><b>AIRFIELD</b></u>		
Personnel Services	\$1,250,297	\$1,275,485
Employee Benefits	610,657	550,905
Utilities & Communications	118,100	132,843
Purchased Services	247,851	255,973
Materials & Supplies	1,007,488	886,394
Office	10,177	3,831
Administration	10,440	54,397
Noncapital Equipment & Facilities	0	139,229
	<u>\$3,255,010</u>	<u>\$3,299,057</u>
<u><b>TERMINAL</b></u>		
Personnel Services	\$1,420,955	\$1,379,686
Employee Benefits	694,973	694,233
Utilities & Communications	1,121,189	1,114,945
Purchased Services	1,161,024	1,310,133
Materials & Supplies	910,240	1,299,598
Office	48,805	8,905
Administration	2,000	23,829
Noncapital Equipment & Facilities	100,000	74,385
	<u>\$5,459,185</u>	<u>\$5,905,714</u>
<u><b>LOADING BRIDGES</b></u>		
Personnel Services	\$89,187	\$96,311
Employee Benefits	52,145	50,705
Utilities & Communications	68,250	68,250
Purchased Services	0	0
Materials & Supplies	82,900	134,016
Office	0	0
Administration	1,000	0
Noncapital Equipment & Facilities	0	0
	<u>\$293,482</u>	<u>\$349,282</u>

Table 2-1  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**EXPENSES**  
 (Page 2 of 4)

	Budget 2018	Audited 2018
<u>PARKING</u>		
Personnel Services	\$1,951,409	\$1,632,046
Employee Benefits	870,223	724,719
Utilities & Communications	313,875	333,331
Purchased Services	431,414	453,732
Materials & Supplies	625,441	794,079
Office	78,184	38,692
Administration	451,600	461,430
Noncapital Equipment & Facilities	23,000	11,036
	<u>\$4,745,146</u>	<u>\$4,449,065</u>
<u>LANDSIDE</u>		
Personnel Services	\$0	\$0
Employee Benefits	0	0
Utilities & Communications	230,025	275,171
Purchased Services	85,528	136,311
Materials & Supplies	762,950	977,914
Office	8,250	1,862
Administration	47,000	43,643
Noncapital Equipment & Facilities	0	42,250
	<u>\$1,133,753</u>	<u>\$1,477,151</u>
<u>ARFF</u>		
Personnel Services	\$1,265,746	\$1,250,664
Employee Benefits	553,129	535,758
Utilities & Communications	21,300	25,724
Purchased Services	3,459	3,749
Materials & Supplies	129,304	90,814
Office	9,758	10,271
Administration	44,360	30,302
Noncapital Equipment & Facilities	48,000	47,595
	<u>\$2,075,056</u>	<u>\$1,994,877</u>

Table 2-1  
Albany County Airport Authority  
Albany International Airport  
2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**EXPENSES**  
(Page 3 of 4)

	Budget 2018	Audited 2018
<b><u>OPERATIONS</u></b>		
Personnel Services	\$640,772	\$646,720
Employee Benefits	276,946	278,870
Utilities & Communications	51,350	54,113
Purchased Services	0	0
Materials & Supplies	0	0
Office	15,111	12,577
Administration	21,650	12,317
Noncapital Equipment & Facilities	0	0
	<u>\$1,005,829</u>	<u>\$1,004,597</u>
<b><u>SECURITY</u></b>		
Personnel Services	\$175,485	\$153,329
Employee Benefits	88,006	76,648
Utilities & Communications	4,200	4,025
Purchased Services	2,627,656	2,281,644
Materials & Supplies	109,000	149,754
Office	16,630	1,660
Administration	0	0
Noncapital Equipment & Facilities	19,000	0
	<u>\$3,039,977</u>	<u>\$2,667,060</u>
<b><u>VEHICLE/EQUIPMENT</u></b>		
Personnel Services	\$558,693	\$594,289
Employee Benefits	291,883	306,063
Utilities & Communications	20,095	23,209
Purchased Services	61,505	70,063
Materials & Supplies	403,100	487,252
Office	6,670	2,783
Administration	3,300	1,371
Noncapital Equipment & Facilities	50,000	81,974
	<u>\$1,395,246</u>	<u>\$1,567,004</u>
<b><u>FBO COMMERCIAL</u></b>		
Personnel Services	\$504,291	\$465,933
Employee Benefits	200,892	144,183
Utilities & Communications	17,962	20,022
Purchased Services	74,663	64,842
Materials & Supplies	1,634,778	1,951,109
Office	0	0
Administration	0	17,393
Noncapital Equipment & Facilities	0	0
	<u>\$2,432,586</u>	<u>\$2,663,482</u>
<b><u>FBO GENERAL AVIATION AND FACILITIES</u></b>		
Personnel Services	\$711,778	\$754,758
Employee Benefits	321,944	282,866
Utilities & Communications	66,500	65,876
Purchased Services	120,837	118,853
Materials & Supplies	3,070,707	3,950,805
Office	2,500	805
Administration	173,000	167,290
Noncapital Equipment & Facilities	0	0
	<u>\$4,467,266</u>	<u>\$5,341,253</u>

Table 2-1  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**EXPENSES**  
 (Page 4 of 4)

	Budget 2018	Audited 2018
<b><u>FBO ADMINISTRATION</u></b>		
Personnel Services	\$204,970	\$205,231
Employee Benefits	84,690	77,749
Utilities & Communications	3,950	1,502
Purchased Services	317,868	322,742
Materials & Supplies	0	0
Office	46,156	35,034
Administration	8,300	4,301
Noncapital Equipment & Facilities	0	0
	<u>\$665,934</u>	<u>\$646,559</u>
<b><u>AIRPORT MANAGEMENT ADMINISTRATION</u></b>		
Personnel Services	\$308,356	\$327,965
Employee Benefits	105,247	87,232
Utilities & Communications	550	231
Purchased Services	415,750	415,750
Materials & Supplies	0	0
Office	42,525	43,449
Administration	5,550	4,554
Noncapital Equipment & Facilities	0	0
	<u>\$877,978</u>	<u>\$879,181</u>
<b><u>AIRPORT AUTHORITY ADMINISTRATION</u></b>		
Personnel Services	\$1,955,557	\$1,967,333
Employee Benefits	1,349,847	1,290,056
Utilities & Communications	81,592	83,771
Purchased Services	838,489	987,803
Materials & Supplies	28,363	22,774
Office	207,896	212,835
Administration	142,205	109,016
Noncapital Equipment & Facilities	0	17,942
	<u>\$4,603,949</u>	<u>\$4,691,530</u>
<b>TOTAL EXPENSES</b>	<b><u>\$35,450,398</u></b>	<b><u>\$36,935,812</u></b>

Table 2-2  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF INDIRECT COST CENTERS  
 TO DIRECT COST CENTERS**  
 (Page 1 of 3)

	Budget 2018	Audited 2018
<b>ARFF</b>		
Airfield	\$311,258	\$299,232
Terminal	996,027	957,541
Loading Bridges	20,751	19,949
Landside	498,013	478,770
Parking	124,503	119,693
FBO Commercial	62,252	59,846
FBO GA & Facilities	62,252	59,846
Total Allocated	\$2,075,056	\$1,994,877
<b>OPERATIONS</b>		
Airfield	\$402,331	\$401,839
Terminal	301,749	301,379
Loading Bridges	50,291	50,230
Landside	100,583	100,460
Parking	50,291	50,230
FBO Commercial	50,291	50,230
FBO GA & Facilities	50,291	50,230
Total Allocated	\$1,005,829	\$1,004,597
<b>SECURITY</b>		
Airfield	\$455,997	\$400,059
Terminal	1,519,989	1,333,530
Loading Bridges	91,199	80,012
Landside	303,998	266,706
Parking	607,995	533,412
FBO Commercial	30,400	26,671
FBO GA & Facilities	30,400	26,671
Total Allocated	\$3,039,977	\$2,667,060
<b>VEHICLE/EQUIPMENT</b>		
Airfield	\$488,336	\$548,451
Terminal	69,762	78,350
Landside	516,241	579,791
Parking	209,287	235,051
FBO Commercial	69,762	78,350
FBO GA & Facilities	41,857	47,010
Total Allocated	\$1,395,246	\$1,567,004

Table 2-2  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF INDIRECT COST CENTERS  
 TO DIRECT COST CENTERS**  
 (Page 2 of 3)

	Budget 2018	Audited 2018
Subtotal Allocation before Admin Departments		
Airfield	\$4,912,933	\$4,948,638
Terminal	8,346,712	8,576,514
Loading Bridges	455,723	499,472
Landside	2,552,588	2,902,879
Parking	5,737,223	5,387,450
FBO Commercial	2,645,291	2,878,579
FBO GA & Facilities	4,652,066	5,525,010
Total Allocated	\$29,302,536	\$30,718,542
Airport Management Administration		
Airfield	\$172,708	\$172,359
Terminal	293,419	298,717
Loading Bridges	16,020	17,396
Landside	89,733	101,106
Parking	201,685	187,643
FBO Commercial	43,792	40,280
FBO GA & Facilities	60,621	61,679
Total Allocated	\$877,978	\$879,181
FBO Administration		
Airfield	\$0	\$0
Terminal	0	0
Loading Bridges	0	0
Landside	0	0
Parking	0	0
FBO Commercial	279,300	255,430
FBO GA & Facilities	386,634	391,129
Total Allocated	\$665,934	\$646,559
Airport Authority Administration		
Airfield	\$882,907	\$897,537
Terminal	1,499,995	1,555,526
Loading Bridges	81,898	90,590
Landside	458,728	526,496
Parking	1,031,041	977,124
FBO Commercial	272,357	254,520
FBO GA & Facilities	377,022	389,736
Total Allocated	\$4,603,949	\$4,691,530

Table 2-2

Albany County Airport Authority

Albany International Airport

**ALLOCATION OF INDIRECT COST CENTERS  
TO DIRECT COST CENTERS**

(Page 3 of 3)

	Budget 2018	Audited 2018
TOTAL INDIRECT ALLOCATIONS		
Airfield	\$2,713,538	\$2,719,477
Terminal	4,680,940	4,525,044
Loading Bridges	260,160	258,176
Landside	1,967,296	2,053,330
Parking	2,224,804	2,103,152
FBO Commercial	808,154	765,327
FBO GA & Facilities	1,009,077	1,026,301
Total Allocated	\$13,663,969	\$13,450,808
TOTAL DIRECT & INDIRECT EXPENSES BY COST CENTER		
Airfield	\$5,968,549	\$6,018,534
Terminal	10,140,125	10,430,758
Loading Bridges	553,642	607,458
Landside	3,101,049	3,530,481
Parking	6,969,949	6,552,217
FBO Commercial	3,240,740	3,428,809
FBO GA & Facilities	5,476,343	6,367,554
Total Allocated	\$35,450,398	\$36,935,812

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Table 3  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**DEBT SERVICE SUMMARY**

	Budget 2018	Audited 2018
Albany County G.O. Bonds		
Airport Revenue Bonds:		
1999 EFC Revenue Bonds, net of interest subsidy	447,204	449,273
2010 A Refunding Bonds	10,626,139	10,626,139
2017 A Refunding Bonds	757,375	757,375
2017 B Refunding Bonds	1,203,925	1,203,925
Less LIBOR credit	0	(1,496,915)
Less: PFC's Applied to 2010A Revenue Bonds	<u>(4,330,913)</u>	<u>(2,834,913)</u>
<b>TOTAL DEBT SERVICE</b>	<b><u>\$8,703,730</u></b>	<b><u>\$8,704,884</u></b>
Allocation of Total Debt Service to Cost Centers		
Airfield	\$1,130,901	\$1,199,257
FBO	\$273,028	\$273,028
ARFF	42,226	42,226
Terminal	1,871,988	2,269,336
Loading Bridges	55,965	61,982
Landside and Other	<u>5,329,623</u>	<u>4,859,056</u>
<b>TOTAL ALLOCATION</b>	<b><u>\$8,703,730</u></b>	<b><u>\$8,704,884</u></b>

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Table 3-1  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**NYS ENVIRONMENTAL FACILITIES CORPORATION (EFC)**  
**AIRPORT REVENUE BONDS DEBT SERVICE**

	Budget 2018	Audited 2018
<b>1999 A EFC Revenue Bonds Debt Service</b>	\$456,445	\$458,514
Less: Interest Subsidy Earnings	<u>(9,241)</u>	<u>(9,241)</u>
<b>TOTAL 1999 A EFC REVENUE BONDS DEBT SERVICE</b>	<u>\$447,204</u>	<u>\$449,273</u>
Allocation of EFC Revenue Bonds Debt Service to Cost Centers		
Airfield	\$447,204	\$449,273
Terminal	0	0
Loading Bridges	0	0
Landside	<u>0</u>	<u>0</u>
Total	<u>\$447,204</u>	<u>\$449,273</u>

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Table 3-2  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**AIRPORT REVENUE BONDS DEBT SERVICE**

	Budget 2018	Audited 2018
<b>2010A Revenue Refunding Bonds Debt Service</b>	\$10,557,831	\$10,557,831
Amortization of Bond Issue Costs	<u>\$68,308</u>	<u>\$68,308</u>
<b>TOTAL 2010A REVENUE BONDS DEBT SERVICE</b>	\$10,626,139	\$10,626,139
Credit of LIBOR Settlement	<u>-</u>	<u>(1,496,915)</u>
Amount for Rate Calculation	\$10,626,139	\$9,129,224
Allocation of 2010A Refunding Bonds Debt Service to Cost Centers		
Airfield	\$869,760	\$748,596
Terminal	4,862,102	4,172,055
Loading Bridges	142,584	118,680
Landside	<u>4,751,694</u>	<u>4,089,892</u>
Total	<u>\$10,626,139</u>	<u>\$9,129,224</u>
<b>2017 A Revenue Refunding Bonds Debt Service</b>	\$757,375	\$757,375
<b>TOTAL 2017 A REVENUE REFUNDING BONDS DEBT SERVICE</b>	<u>\$757,375</u>	<u>\$757,375</u>
Allocation of 2017 A Revenue Refunding Bonds Debt Service to Cost Centers		
Airfield	158,957	158,957
FBO	73,496	73,496
ARFF	42,226	42,226
Terminal	98,808	98,808
Landside and other	262,929	262,929
Parking	<u>120,960</u>	<u>120,960</u>
Total	<u>\$757,375</u>	<u>\$757,375</u>
<b>2017 B Revenue Refunding Bonds Debt Service</b>	1,203,925	1,203,925
<b>TOTAL 2017 REVENUE REFUNDING BONDS DEBT SERVICE</b>	<u>\$1,203,925</u>	<u>\$1,203,925</u>
Allocation of 2017 B Refunding Bonds Debt Service to Cost Centers		
Airfield	197,651	197,651
FBO	199,532	199,532
Parking	154,062	154,062
Landside and other	593,601	593,601
Terminal	<u>59,080</u>	<u>59,080</u>
Total	<u>\$1,203,925</u>	<u>\$1,203,925</u>

Table 3-3  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**CALCULATION OF PFC REVENUES**

	Budget 2018	Audited 2018
<b>ENPLANEMENTS</b>	1,414,000	1,466,706
PFC's charged	\$4.50	\$4.50
LESS: Carrier Compensation	<u>(0.11)</u>	<u>(0.11)</u>
Net PFC Revenue	\$4.39	\$4.39
% of PFCs collected on Enplanements	88.0%	91.0%
PFC Revenue	\$5,462,565	\$5,856,962
LESS: Applied Pay-As-You-Go	<u>0</u>	<u>0</u>
PFC's Available for Debt Service	<u>\$5,462,565</u>	<u>\$5,856,962</u>
<b>PFC DEBT SERVICE FUND ACTIVITY</b>		
BEGINNING BALANCE	\$10,439,299	\$10,439,299
PLUS: Deposit of PFC's	5,462,565	5,856,962
PLUS: Interest Earnings on PFC's	19,877	97,263
LESS: Applied Towards 2010A Debt Service	<u>(4,330,913)</u>	<u>(2,834,913)</u>
ENDING BALANCE	<u>\$11,590,828</u>	<u>\$13,558,611</u>
<b>PFC's APPLIED TO DEBT SERVICE</b>	\$4,330,913	\$2,834,913
Allocation of PFC's to Cost Centers		
Airfield	\$542,671	\$355,219
Terminal	3,148,001	2,060,607
Loading Bridges	86,618	56,698
Landside	<u>553,623</u>	<u>362,388</u>
Total	<u>\$4,330,913</u>	<u>\$2,834,913</u>

Table 4  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**CALCULATION OF CAPITAL EXPENDITURES FUND CONTRIBUTION**

	Budget 2018	Audited 2018
Total Revenues before Revenue Sharing	\$51,482,785	\$54,329,920
Less:		
Airline Landing Fees	5,297,871	4,756,803
Airline Landing Fee Surcharge	0	0
Airline Apron Fee	695,400	654,321
Airline Space Rental	5,613,076	6,147,795
FBO Commercial	0	0
Loading Bridge Rentals	531,039	670,939
Nonoperating Revenues	517,883	912,667
<b>NON-AIRLINE REVENUES</b>	<u>\$38,827,515</u>	<u>\$41,187,395</u>
2016 Non-Airline Revenues	37,289,966	37,289,966
% of Current Year over 2016/2026 Non-Airline Revenues	4.1%	10.5%
Total Capital Expenditure % times \$3,000,000 thru 2020	<u>\$3,123,697</u>	<u>\$3,313,550</u>

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Table 5  
Albany County Airport Authority  
Albany International Airport  
2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
LANDING FEE RATES

	Budget 2018	Audited 2018
Airfield:		
Direct O&M Expenses	\$3,255,010	\$3,299,057
Indirect O&M Expenses	2,713,538	2,719,477
O&M Reserve Requirement	33,737	33,737
FBO:		
Commercial Direct O&M Expenses	1,033,008	941,387
Commercial Indirect O&M Expenses	808,154	765,327
Commercial O&M Reserve Requirement	10,407	10,407
Airfield Capital Charges:		
2010A Revenue Bond Debt Service	869,760	748,596
LESS: Applicable Approved PFC Revenues	(542,671)	(355,219)
EFC Revenue Bond Debt Service 1999 - Net	447,204	449,273
2017 A Refunding Revenue Bonds Debt Service	158,957	158,957
2017 B Refunding Revenue Bonds Debt Service	197,651	197,651
FBO Commercial Capital Charges	0	0
Airfield Capital Charge Coverage	0	0
FBO Commercial Capital Charge Coverage	0	0
Airfield Debt Service Reserve Requirement	0	0
FBO Commercial Debt Service Reserve Requirement	0	0
Airfield Extraordinary Coverage Protection	0	0
FBO Commercial Revenues Credit:		
Into Plane	(664,133)	(673,620)
Fuel Farm Throughput Fee	(600,144)	(629,825)
Avgas Fuel Sales Commercial	(412,788)	(382,653)
LESS: Cost of Sales, Avgas	370,006	346,682
Deicing - Commercial	(1,119,867)	(1,743,337)
LESS: Cost of Sales, Deicing	829,572	1,121,551
General Aviation Landing Fees	(256,964)	(268,498)
General Aviation Parking Fees	(176,437)	(195,737)
Total LANDING FEE REQUIREMENT	\$6,953,999	\$6,543,212
Total Landed Weight (000-lbs)	1,758,253	1,784,297
COMPENSATORY LANDING FEE RATE	\$3.96	\$3.67
LESS: Interest Earning Credit Allocated to Airfield	\$1,401	\$23,000
LESS: FEMA Grant	0	85,485
LESS: Glycol disposal Fee	\$361,925	\$463,372
LESS: Aircraft Aprons Fee Credit (Per Table 6)	695,400	654,321
LESS: FBO Commercial Revenues Credit		
LESS: Airfield Tenant Maintenance	30,000	57,937
LESS: Non-signatory Airline Landing Fee Credit	62,875	181,526
NET LANDING FEE REQUIREMENT	\$5,802,398	\$5,077,571
Signatory Commercial & Cargo Carrier Landed Wt (000-lbs)	1,743,247	1,740,660
Signatory Landing Fee Rate	\$3.33	\$2.92
SIGNATORY AIRLINE LANDING FEE REVENUE	\$5,293,631	\$4,632,828
NON-SIGNATORY PASSENGER LANDING FEE REVENUE	4,240	123,975
TOTAL AIRLINE LANDING FEE REVENUE	\$5,297,871	\$4,756,803
SIGNATORY CARGO LANDING FEE REVENUE	\$511,381	\$449,899
NON-SIGNATORY CARGO LANDING FEE REVENUE	58,635	57,551
TOTAL CARGO LANDING FEE REVENUE	\$570,016	\$507,450

Table 5-1

Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF LANDING FEE PORTION OF SETTLEMENT**

Landing Fee Rate as calculated	\$	2.92
Landing Fee Rate Billed	\$	3.33
<b>LANDING FEE RATE SETTLEMENT</b>	\$	<b>(0.41)</b>

ALLOCATION TO SIGNATORY AIRLINES	Landed Weights 000's	Total Allocated
<b>COMMERCIAL AIRLINES:</b>		
Allegiant Air	3,885	\$ (1,593)
American Airlines	129,718	(53,184)
American - Air Wisconsin	423	(173)
American - Envoy	53,400	(21,894)
American - Piedmont	52,247	(21,421)
American - PSA	60,450	(24,785)
American - Republic	54,109	(22,185)
American - SkyWest	67	(27)
American - Transtates	8,163	(3,347)
Cape Air	14,262	(5,847)
Delta	185,286	(75,967)
Delta - Express Jet	67	(27)
Delta - Go Jet	24,186	(9,916)
Delta - Endeavor	12,478	(5,116)
Delta - Republic	514	(211)
Delta - SkyWest	34,467	(14,131)
jetBlue	103,378	(42,385)
Southwest	571,924	(234,489)
United	111,690	(45,793)
United - Air Wisconsin	11,562	(4,740)
United - Commutair	103,927	(42,610)
United - Express Jet	11,104	(4,553)
United - Go Jet	1,273	(522)
United - Mesa	4,623	(1,895)
United - Republic	4,862	(1,993)
United - Shuttle America	0	-
United - SkyWest	17,178	(7,043)
United - Transtates	11,343	(4,651)
<b>TOTAL COMMERCIAL AIRLINES:</b>	<b>1,586,586</b>	<b>\$ (650,500)</b>
<b>CARGO:</b>		
FedEx	51,876	\$ (21,269)
United Parcel Service	102,200	(41,902)
<b>TOTAL CARGO:</b>	<b>154,076</b>	<b>\$ (63,171)</b>
<b>TOTAL LANDING FEE SETTLEMENT</b>	<b>1,740,662</b>	<b>\$ (713,671)</b>

Table 6  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
 AIRCRAFT APRON FEE

	Budget 2018	Audited 2018
TOTAL AIRFIELD REQUIREMENT	\$6,953,999	\$6,543,212
10% of AIRFIELD REQUIREMENT	\$695,400	\$654,321
TOTAL APRON SQUARE FEET	505,472	500,973
AIRCRAFT APRON FEE (PER SQ FT)	\$1.38	\$1.31

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Table 6-1

Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF APRON FEE PORTION OF SETTLEMENT**

Total Airfield Requirement	\$	6,543,212
Aprons Fees (10% of Airfield Requirement)	\$	654,321
Total Aprons Fees Billed	\$	701,594
APRONS FEES SETTLEMENT	\$	(47,273)

ALLOCATION TO SIGNATORY AIRLINES

	<u>Square Footage</u>	<u>Total Allocated</u>
Allegiant		
Dececeber 11 - December 31 29,700 Sq Ft		
Average Sq Ft	1,627	\$ (157)
American	128,070	(12,376)
Cape Air	12,807	(1,238)
Delta	106,326	(10,275)
jetBlue	32,724	(3,162)
Southwest	126,018	(12,178)
United	81,603	(7,886)
Charter/Authority Use	-	\$ -
<b>TOTAL APRONS FEE SETTLEMENT</b>	<b>489,175</b>	<b>\$ (47,273)</b>

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Table 7  
Albany County Airport Authority  
Albany International Airport  
2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
TERMINAL RENTAL RATE CALCULATIONS

	Budget 2018	Audited 2018
Terminal Direct O&M Expenses	\$5,459,185	\$5,905,714
Terminal Indirect O&M Expenses	4,680,940	4,525,044
Terminal O&M Reserve Requirement	57,316	57,316
Terminal Capital Charges:		
2010A Revenue Bond Debt Service	4,862,102	4,172,055
LESS: Applicable PFC Revenues	(3,148,001)	(2,060,607)
2017 A Refunding Revenue Bonds Debt Service	98,808	98,808
2017 B Refunding Revenue Bonds Debt Service	59,080	59,080
Terminal Capital Charge Coverage	0	0
Terminal Debt Service Reserve Requirement	0	0
TERMINAL Extraordinary Coverage Protection	0	0
TOTAL REQUIREMENT	<u>\$12,069,430</u>	<u>\$12,757,410</u>
Rentable Terminal Space	136,814	136,245
COMPENSATORY TERMINAL RENTAL RATE	\$88.22	\$93.64
LESS: Interest Earning Credit allocated to Terminal	2,319	59,807
LESS: Non-airline Terminal Space Rentals - Flat Rate	59,190	68,323
LESS: Non-airline Terminal Space Rentals - Signatory Rate	39,350	39,158
LESS: Non-airline Terminal Space Rentals - Calculated Rate	160,526	166,627
LESS: TSA Space Rental	448,828	448,828
LESS: TSA (LEO) Reimbursement	138,700	126,921
LESS: Utility Reimbursements	26,000	34,786
LESS: Terminal Tenant Maintenance Reimbursements	35,000	30,427
NET TERMINAL REQUIREMENT	<u>\$11,159,517</u>	<u>\$11,782,533</u>
Rentable Terminal Space	136,814	136,245
SIGNATORY TERMINAL RENTAL RATE	\$81.57	\$86.48
Signatory Airline Terminal Rental Space	51,029	50,599
SIGNATORY AIRLINE RENTAL REVENUE	<u>4,162,436</u>	<u>4,375,802</u>
MONTH TO MONTH AIRLINE REVENUE	0	82,467
TOTAL AIRLINE RENTAL REVENUE	<u>\$ 4,162,436</u>	<u>\$ 4,458,269</u>
Baggage Claim Room Square Footage	17,784	17,784
BAGGAGE CLAIM ROOM REVENUE	<u>\$1,450,641</u>	<u>\$1,537,960</u>
NONSIGNATORY AIRLINE RENTAL REVENUE	\$0	\$151,566
AIRLINE RENTAL REVENUE	<u>\$5,613,076</u>	<u>\$6,147,795</u>

Table 7-1

Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF TERMINAL RENTAL PORTION OF SETTLEMENT**

**TERMINAL RENTAL AREAS:**

Terminal Rental Rate as calculated	\$	86.48
Terminal Rental Rate Billed	\$	81.57
<b>TERMINAL RENTAL RATE SETTLEMENT</b>	<b>\$</b>	<b>4.91</b>

## ALLOCATION TO SIGNATORY AIRLINES

	<u>Square Footage</u>	<u>Total Allocated</u>
Allegiant		
December 11 - December 31 2,549 Sq Ft		
Average Sq Ft	140	\$ 686
American	12,765	62,676
Cape Air	1,381	6,781
Delta	7,496	36,805
jetBlue	4,697	23,062
Southwest	14,337	70,395
United	9,783	48,035
<b>TOTAL TERMINAL SETTLEMENT</b>	<b>50,599</b>	<b>\$ 248,439</b>

**BAGGAGE CLAIM AREA - JOINT USE:**

Terminal Rental Rate	\$	86.48
Terminal Rental Rate Billed - Baggage Claim Room	\$	81.57
<b>TERMINAL RENTAL RATE SETTLEMENT - Baggage Claim</b>	<b>\$</b>	<b>4.91</b>

Baggage Claim Square Footage 17,784  
 Adjustment of Baggage Claim Area to 2018 Rate \$87,319

**ALLOCATION OF COMMON USE SPACE:**

<u>Signatory Airlines</u>	<u>Enplanements 2018</u>	<u>80 % Pro-Rated Allocation</u>	<u>20 % Fixed Portion</u>	<u>Total Allocation</u>
Allegiant	3,635	\$ 175	\$ 2,495	\$ 2,670
American	304,735	14,696	2,495	17,191
Cape Air	11,777	568	2,495	3,063
Delta	227,628	10,978	2,495	13,473
jetBlue	89,609	4,322	2,495	6,816
Southwest	565,731	27,283	2,495	29,778
United Airlines	245,372	11,833	2,495	14,328
<b>TOTAL SIGNATORY ENPLANEMENTS</b>	<b>1,448,487</b>	<b>\$ 69,856</b>	<b>\$ 17,464</b>	<b>\$ 87,319</b>

## TOTAL TERMINAL PORTION OF SETTLEMENT:

	<u>Total</u>
Allegiant	\$ 3,356
American	79,867
Cape Air	9,844
Delta	50,278
jetBlue	29,879
Southwest	100,173
United Airlines	62,363
<b>TOTAL TERMINAL PORTION OF SETTLEMENT</b>	<b>\$ 335,759</b>

Table 8

Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF LOADING BRIDGE PORTION OF SETTLEMENT**

	Budget 2018	Actual 2018
<b>LOADING BRIDGE RENTALS</b>		
Tenant Loading Bridge Debt Service	\$ 142,584	\$ 118,680
LESS: Applicable PFC Revenues	(86,618)	(56,698)
LESS: Interest Earnings Credit Allocated to Loading Bridges	-	(1,630)
Direct Loading Bridge Expenses	293,482	349,282
Indirect Loading Bridge Expenses	260,160	258,176
Loading Bridge Expense Reserve	3,129	3,129
<b>TOTAL LOADING BRIDGE REQUIREMENT</b>	<b>\$ 612,737</b>	<b>\$ 670,939</b>
Total Loading Bridge Rentals Billed		\$ 608,122
<b>LOADING BRIDGE SETTLEMENT</b>		<b>\$ 62,817</b>
<b>ALLOCATION TO SIGNATORY AIRLINES</b>		
	<u># of Bridges</u>	<u>Total Allocated</u>
Allegiant	0.05	\$ 241
American	3	14,441
Delta	3	14,441
jetBlue	1	4,814
Southwest	4	19,254
United	2	9,627
<b>TOTAL SIGNATORY LOADING BRIDGES</b>	<b>13</b>	<b>\$ 62,817</b>
Charter/Authority Use	-	\$ -
<b>TOTAL LOADING BRIDGE SETTLEMENT</b>	<b>13</b>	<b>\$ 62,817</b>

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Table 9  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**CALCULATION AND ALLOCATION OF FUNDS REMAINING**

	Budget 2018	Audited 2018
TOTAL REVENUES BEFORE REV SHARING	\$51,482,785	\$54,329,920
TOTAL EXPENSES	<u>35,450,398</u>	<u>36,935,812</u>
NET REVENUES	\$16,032,387	\$17,394,108
LESS:		
Capital Charges:		
Less: Applicable Approved PFC Revenues	(4,330,913)	(2,834,913)
1999 EFC Revenue Bond Debt Service	456,445	458,514
Less: NYS EFC Interest Subsidy	(9,241)	(9,241)
2010 A Revenue Bonds	10,626,139	9,129,224
2017 A Revenue Refunding Bonds Debt Service	757,375	757,375
2017 B Revenue Refunding Bonds Debt Service	1,203,925	1,203,925
Capital Charge Coverage	0	0
Debt Service Reserve Requirement	0	0
Capital Expenditures (Per Table 4)	3,123,697	3,313,550
Operating & Maintenance Reserve	200,381	200,381
Renewal and Replacement Reserve	0	0
Subtotal	<u>12,027,808</u>	<u>12,218,816</u>
FUNDS REMAINING	<u>\$4,004,579</u>	<u>\$5,175,293</u>
	50%	50%
Authority Share - 50%	2,002,290	2,587,646
Less Cost of Air Service Incentive Programs	<u>(107,464)</u>	<u>(244,691)</u>
Authority Share Net of Air Service Incentive	<u>1,894,826</u>	<u>2,342,955</u>
	50%	50%
Airline Share - 50%	2,002,290	2,587,646
Net Airline Share	<u>2,002,290</u>	<u>2,587,646</u>
	<u>4,004,579</u>	<u>5,175,293</u>
ALLOCATION OF AIRLINE SHARE		
Terminal	1,601,832	2,070,117
Airfield	<u>400,458</u>	<u>517,529</u>
TOTAL AIRLINE SHARE	<u>\$2,002,290</u>	<u>\$2,587,646</u>

Table 9-1

Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF AIRFIELD PORTION OF REVENUE SHARING**

AIRFIELD PORTION OF REVENUE SHARING \$ (517,529)

ALLOCATION TO SIGNATORY AIRLINES	Landed Weights	Total Allocated
<b>COMMERCIAL AIRLINES:</b>		
Allegiant	3,885	\$ (1,578)
American	129,718	(52,685)
Cape Air	14,262	(5,793)
Delta	185,286	(75,255)
jetBlue	103,378	(41,987)
Southwest	571,924	(232,289)
United	111,690	(45,363)
<b>TOTAL COMMERCIAL AIRLINES:</b>	<b>1,120,143</b>	<b>\$ (454,951)</b>
<b>CARGO:</b>		
FedEx	51,876	\$ (21,070)
United Parcel Service	102,200	(41,509)
<b>TOTAL CARGO:</b>	<b>154,076</b>	<b>\$ (62,579)</b>
<b>TOTAL LANDING FEE SETTLEMENT</b>	<b>1,274,219</b>	<b>\$ (517,529)</b>

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Table 9-2

Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF TERMINAL PORTION OF REVENUE SHARING**

TERMINAL PORTION OF REVENUE SHARING \$ (2,070,117)

**ALLOCATION OF DIRECT PORTION:**

<u>Signatory Airlines</u>	<u>Square Footage</u>	<u>Total Allocated</u>
Allegiant		
December 11 - December 31 2,549 Sq Ft		
Average Sq Ft	140	\$ (4,228)
American	12,765	(386,429)
Cape Air	1,381	(41,806)
Delta	7,496	(226,923)
jetBlue	4,697	(142,190)
Southwest	14,337	(434,017)
United	9,783	(296,156)
	50,599	\$ (1,531,750)

JOINT USE SPACE: 17,784 \$ (538,367)

TOTAL 68,383 \$ (2,070,117)

**ALLOCATION OF JOINT USE SPACE:**

<u>Signatory Airlines</u>	<u>2018 Enplanements</u>	<u>80 % Pro-Rated Allocation</u>	<u>20 % Fixed Portion</u>	<u>Total Allocation</u>
Allegiant	3,635	\$ (1,081)	\$ (15,382)	\$ (16,463)
American	304,735	(90,610)	(15,382)	(105,992)
Cape Air	11,777	(3,502)	(15,382)	(18,884)
Delta	227,628	(67,683)	(15,382)	(83,065)
jetBlue	89,609	(26,644)	(15,382)	(42,026)
Southwest	565,731	(168,215)	(15,382)	(183,596)
United Airlines	245,372	(72,959)	(15,382)	(88,341)
TOTAL SIGNATORY ENPLANEMENTS	1,448,487	\$ (430,693)	\$ (107,673)	\$ (538,367)

TOTAL TERMINAL PORTION OF REVENUE SHARING	<u>Total</u>
Allegiant	\$ (20,691)
American	(492,421)
Cape Air	(60,690)
Delta	(309,988)
jetBlue	(184,216)
Southwest	(617,614)
United Airlines	(384,497)
TOTAL TERMINAL PORTION OF REVENUE SHARING	\$ (2,070,117)

Table 10  
 Albany County Airport Authority  
 Albany International Airport  
 2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
 AIRLINE COST PER ENPLANEMENT

(Includes Settlement and Revenue Sharing Calculation)	Budget 2018	Audited 2018
<b>AIRPORT OPERATIONS:</b>		
Airline Landing Fees	\$5,297,871	\$4,756,803
Airline Space Rental	5,613,076	6,147,795
Loading Bridge Rentals	531,039	670,939
Airline Apron Fee	695,400	654,321
Airline Share of Revenue Sharing	(2,002,290)	(2,587,646)
Total Airport Operations	<u>10,135,097</u>	<u>9,642,212</u>
<b>FBO OPERATIONS:</b>		
Avgas Fuel Sales Commercial	412,788	382,653
Deicing	1,119,867	1,634,280
Into Plane & Fuel Farm	1,264,277	1,303,445
Total FBO Operations	<u>2,796,933</u>	<u>3,320,378</u>
<b>TOTAL AIRLINES FEES &amp; CHARGES</b>	<u>12,932,030</u>	<u>12,962,590</u>
<b>ENPLANEMENTS</b>	1,414,000	1,466,706
<b>COST PER ENPLANEMENT</b>	7.17	6.57
<b>FBO OPERATIONS COST PER ENPLANEMENT</b>	<u>1.69</u>	<u>2.00</u>
<b>TOTAL COMBINED COST PER ENPLANEMENT</b>	<u>8.85</u>	<u>8.58</u>

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Table 11

Albany County Airport Authority  
Albany International Airport  
2018 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION SETTLEMENT AND REVENUE SHARING**

TOTAL SETTLEMENT AND REVENUE SHARING		\$ (2,950,014)					
	SETTLEMENTS				REVENUE SHARING		TOTAL
	Landing Fee	Terminal Rent	Aprons Fees	Loading Bridges	Airfield	Terminal	
Allegiant Air	\$ (1,593)	\$ 3,356	\$ (157)	\$ 241	\$ (1,578)	\$ (20,691)	\$ (20,422)
American Airlines	(53,184)	79,867	(12,376)	14,441	(52,685)	(492,421)	(516,359)
American - Air Wisconsin	(173)						(173)
American - Envoy	(21,894)						(21,894)
American - Piedmont	(21,421)						(21,421)
American - PSA	(24,785)						(24,785)
American - Republic	(22,185)						(22,185)
American - SkyWest	(27)						(27)
American - Transtates	(3,347)						(3,347)
Cape Air	(5,847)	9,844	(1,238)		(5,793)	(60,690)	(63,724)
Delta	(75,967)	50,278	(10,275)	14,441	(75,255)	(309,988)	(406,766)
Delta - Express Jet	(27)						(27)
Delta - Go Jet	(9,916)						(9,916)
Delta - Endeavor	(5,116)						(5,116)
Delta - Republic	(211)						(211)
Delta - SkyWest	(14,131)						(14,131)
FedEx	(21,269)				(21,070)		(42,339)
jetBlue	(42,385)	29,879	(3,162)	4,814	(41,987)	(184,216)	(237,059)
Southwest	(234,489)	100,173	(12,178)	19,254	(232,289)	(617,614)	(977,143)
United	(45,793)	62,363	(7,886)	9,627	(45,363)	(384,497)	(411,549)
United - Air Wisconsin	(4,740)						(4,740)
United - Commutair	(42,610)						(42,610)
United - Express Jet	(4,553)						(4,553)
United - Go Jet	(522)						(522)
United - Mesa	(1,895)						(1,895)
United - Republic	(1,993)						(1,993)
United - Shuttle America	-						-
United - SkyWest	(7,043)						(7,043)
United - Transtates	(4,651)						(4,651)
United Parcel Service	(41,902)				(41,509)		(83,411)
<b>TOTAL SIGNATORY AIRLINE DISTRIBUTION</b>	<b>\$ (713,671)</b>	<b>\$ 335,759</b>	<b>\$ (47,273)</b>	<b>\$ 62,817</b>	<b>\$ (517,529)</b>	<b>\$ (2,070,117)</b>	<b>\$ (2,950,014)</b>

## **AGENDA ITEM NO. 14.3**

**Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report.**

AGENDA ITEM NO: 14.3  
AUDIT COMMITTEE  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:** Finance

Contact Person: *Audit Committee*  
*William J. O'Reilly, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-second Comprehensive Annual Financial Report as of and for the year ended December 31, 2018 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- the Authority's 2018 Rates and Charges Settlement Report to the Signatory Airlines and Signatory Cargo Carriers with draft Consultant Report;
- the Authority's Annual Investment Report in accordance with its Cash Management and Investment Policy and Section 2925 of the Public Authorities Law (with draft audit compliance report of Marvin and Company, P.C., certified public accountants);
- The Annual review and approval of the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law;
- Review of mission statement and performance measures and acceptance of measurement report for 2018 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2018 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- Comprehensive Annual Financial Report for the year-ended 2018 with draft auditor reports;
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2018 with draft consultant report;
- Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report;
- Performance Measurement Report for 2018; and
- Financial Statements – Other Post Employment Benefit Trust

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 18, 2019 meeting and will present their recommendations for approval by the Board.



**ALBANY COUNTY AIRPORT AUTHORITY  
ANNUAL INVESTMENT REPORT  
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2018**

**PREPARED IN ACCORDANCE WITH  
SECTION 2925 OF THE PUBLIC AUTHORITIES LAW**

# Introduction

In accordance with Sections 2925(6) and 2925(7) of the Public Authorities Law and as required by the Albany County Airport Authority (the Authority) Cash Management and Investment Policy (the "guidelines"), the Authority shall annually prepare and approve an Investment Report.

The organization of this report is structured to conform with the prescribed format specified in the section on "Reporting to Oversight Agencies" of the Guidelines. Section I of this Annual Investment Report contains the Authority's Investment Guidelines that were adopted by the Authority on December 7, 2009 and most recently approved on July 23, 2018. Section II presents the amendments to the guidelines since the last investment report. Section III contains a concise explanation of the Guidelines and amendments. Section IV presents the annual independent audit of investments. Section V summarizes the recorded results of the Corporation's investment activity for the year ended December 31, 2018. Section VI presents a list of fees, commissions or other charges paid to firms rendering investment associated services. Section VII presents a list of investments at December 31, 2018.

After the Authority has reviewed and accepted this report, copies of the report will be submitted to the chief executive officer and chief fiscal officer of the County of Albany and the Office of the State Comptroller.

# **Section I**

**ALBANY COUNTY AIRPORT AUTHORITY**

**CASH MANAGEMENT AND INVESTMENT POLICY**

Last Amended:

July 23, 2018

# ALBANY COUNTY AIRPORT AUTHORITY

## CASH MANAGEMENT AND INVESTMENT POLICY

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## **ALBANY COUNTY AIRPORT AUTHORITY**

### **CASH MANAGEMENT AND INVESTMENT POLICY**

#### **I. SCOPE**

This cash management and investment policy applies to all moneys and other financial resources held on its own behalf or on the behalf of any entity or individual and the investment of those moneys and resources.

#### **II. OBJECTIVES**

The primary objectives of the Authority's cash management and investment activities are, in priority order:

- To Conform with all applicable federal, state and other legal requirements (legal);
- To Adequately safeguard principal (safety);
- To provide sufficient liquidity to meet all operating requirements (liquidity); and
- To obtain a reasonable rate of return (yield).

#### **III. DELEGATION OF AUTHORITY**

The governing board's responsibility for administration of the cash management and investment program for the Authority is delegated to the Chief Financial Officer who shall establish written procedures for the operation of the cash management and investment program consistent with these guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on a data base or records incorporating description and amount of receipts, disbursements, and investments, transaction dates, and other relevant information and regulate the activities of subordinate employees.

#### **IV. PRUDENCE**

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Authority to govern effectively.

Cash management and investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the cash management and investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

#### V. DIVERSIFICATION REQUIREMENTS

In order to safeguard principal from imprudent risks, it is the policy of Authority, where possible, to diversify a portfolio among the investment instruments which it may legally and prudently hold and also among investment firms with which it transacts business. However, since the Authority is legally limited in the type of securities it may invest in, the opportunity to diversify among investments is very limited. The terms of each investment will be consistent with the Authority's cash liquidity requirements. The term of Repurchase Agreements will be for periods no longer than ninety days.

#### VI. INTERNAL CONTROLS

It is the policy of the Authority for all moneys collected by any officer or employee of the Authority to transfer those funds to the Chief Financial Officer within one day for deposit, or within the time period specified in law, whichever is shorter.

The Chief Financial Officer is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with the Authority's authorization and recorded properly, and is managed in compliance with applicable laws and regulations.

#### VII. DESIGNATION OF DEPOSITARIES

Any State or Federally chartered commercial bank that can meet the Authority's requirements for cash vault services, is a member of the National Automated Clearing House Association (NACHA), and is able to act as an Originating Depository Financial Institution (ODFI) for direct deposit of payments. The bank must have a minimum long term credit rating of "A" without regard to subcategories from at least one of the Nationally Recognized Statistical Rating Organizations (NRSRO) and no rating below investment grade from any other NRSRO.

## VIII. COLLATERALIZING OF DEPOSITS

In accordance with the provisions of Title 32 of the Public Authorities Law, Section 2788, all deposits of the Authority including certificate of deposits and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by obligations with a market value equal at all times to the amount of the deposit. Obligations eligible for use as collateralization include those issued by the United States or issued by the State of New York or any municipality therein rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

## IX. SAFEKEEPING AND COLLATERALIZATION

Eligible securities used for collateralizing deposits shall be held by a third party bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure Authority deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the Authority to exercise its right against the pledged securities. In the event the securities are not registered or inscribed in the name of the Authority, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Authority or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the Authority will be kept separate and apart from the general assets of the custodial bank or trust company and will not in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Authority a perfected interest in the securities.

## X. PERMITTED INVESTMENTS

Title 32 of the Public Authorities Law, Section 2788 authorized the Authority to invest in those obligations specified pursuant to the provisions of Section 98-a of the State Finance Law. In accordance therewith, the Authority authorized the Chief Financial Officer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the investments designated in Appendix A to this policy.

All investment obligations shall be payable or redeemable at the option of the Authority within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bond or notes, shall be payable or redeemable at the option of the Authority within two years of the date of purchase.

#### XI. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Authority shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the Authority conducts business must be business worthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Authority. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Chief Financial Officer is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such list shall be evaluated at least annually.

#### XII. PURCHASE OF INVESTMENTS

The Chief Financial Officer is authorized to contract for the purchase of investments:

1. Directly, including by use of a repurchase agreement, from an authorized trading partner.
2. By utilizing an ongoing investment program with an authorized trading partner.

All purchased obligations, unless registered or inscribed in the name of the Authority shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Authority by the bank or trust. However, written contracts are not practical, nor is it a regular business practice to enter such contracts for permitted investments other than Repurchase Agreements. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Authority will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposits or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and

release of the securities. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

### XIII. REPURCHASE AGREEMENTS

Repurchase agreements are authorized subject to the following restrictions:

1. All repurchase agreements must be entered into subject to a Master Repurchase Agreement;
2. Repurchase Agreements shall be for no more than 90 days and agreements which are “open” (continuing in nature) shall not be made;
3. Trading partners are limited to banks or trust companies authorized to do business in the State of New York and primary reporting dealers;
4. Obligations shall be limited to obligations of the United States and obligations of agencies of the United States where principal and interest are guaranteed by the United States;
5. The Authority or its custodian must take possession of the securities by physical delivery or book entry;
6. The custodian shall be a party other than the trading partner and shall be a member of the Federal Reserve Bank or maintain accounts with member banks to accomplish book-entry transfer of securities to the credit of the Authority.

The Master Repurchase Agreements must include:

1. The events of default which would permit the purchaser to liquidate the pledged collateral;
2. The relationship between parties to the agreement, which shall ordinarily be purchaser and seller;
3. Procedures which ensure that the Authority obtains a perfected security interest in the securities which are the subject of the agreement;
4. The method of computing margin maintenance requirements and providing for timely correction of margin deficiencies or excesses. Specific guidelines regarding margin maintenance shall be established, taking into consideration:
  - a. the type of collateral or purchased security;
  - b. the maturity of the collateral or purchased security;
  - c. the method by which additional margin will be maintained; and
5. Circumstances, if any, under which substitution of securities (collateral) subject to the agreement shall be permitted.

#### XIV. REQUIRED REPORTS

##### Internal Management Reporting

In accordance with Section 2925(5) of the Public Authorities, the Chief Financial Officer shall cause to be prepared and filed with the Authority's board of directors a quarterly report on any new investments, the inventory of existing investments and the selection of investment bankers, brokers, agents, dealers, or auditors.

##### Reporting to Oversight Agencies

Annually, in accordance with Sections 2925(6) and 2925(7) of the Public Authorities Law, the Authority shall prepare and approve an investment report which shall include:

1. the investment guidelines;
2. amendments to such guidelines since the last investment report;
3. an explanation of the investment guidelines and amendments;
4. the results of the annual independent audit;
5. the investment income record of the Authority; and
6. a list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and adviser rendering investment associated services to the Authority since the last investment report.

Such investment report may be a part of any other annual report that the Authority is required to make. The Investment Report shall be submitted to the chief executive officer and chief fiscal officer of the County of Albany and the Office of the State Comptroller.

##### Performance Evaluation and Audit

The Authority shall annually engage its financial statement auditor to perform an audit of investments to determine whether: the Authority complies with its own investment policies; investment assets are adequately safeguarded; adequate accounts and records are maintained which accurately reflect all transactions and report on the disposition of Authority investment assets; a system of adequate internal controls is maintained; the Authority complied with the applicable laws and regulations.

The audit of investments shall be designed, to the extent practical, to satisfy both the common interests of the Authority and the public officials accountable to others.

A written audit report shall be prepared presenting the results of the annual independent audit of all investments and shall include:

- 1 a description of the scope and objectives of the audit;
- 2 a statement attesting that the audit was conducted in accordance with generally accepted government auditing standards;
- 3 a description of any material weaknesses found in the internal controls;
- 4 a description of all non-compliance with the Authority's own investment policies as well as applicable laws and regulations;
- 5 a statement of positive assurance of compliance on the items tested; and
- 6 a statement on any other material deficiency or finding identified during the audit not covered in (5) above.

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**APPENDIX A**

**SCHEDULE OF ELIGIBLE INVESTMENTS**

(Pursuant to Section 98-a of the State Finance Law)

- (i) Bonds and notes of the United States.
- (ii) Bonds and notes of this state.
- (iii) General obligation bonds and notes of any state other than this State, provided that such bonds and notes receive the highest rating of at least one independent rating agency designated by the State Comptroller.
- (iv) Obligations for the payment of which the faith and credit of the United States or of this state are pledged. Notes, bonds, debentures, mortgages and other evidences of indebtedness of the United States Postal Service; the federal national mortgage association; federal home loan mortgage corporation; student loan marketing association; federal farm credit system or any other United States government sponsored agency, provided that at the time of the investment such agency or its obligations are rated and the agency receives, or its obligations receive, the highest rating of all independent rating agencies that rate such agency or its obligations, provided, however, that no more than two hundred fifty million dollars may be invested in the obligations of any one agency.
- (v) Bonds and notes of the Savings and Loan Bank of the state of New York.
- (vi) Collateral trust notes issued by a trust company, all of the capital stock of which is owned by not less than twenty savings banks of the state of New York.
- (vii) Obligations of any corporation organized under the laws of any state in the United States maturing within six days provided that such obligations received the highest rating of two independent rating services designated by the State Comptroller and that the issuer of such obligations has maintained such ratings on similar obligations during the preceding year, provided however, that no more than one hundred million dollars may be invested in such obligations of any one corporation.
- (viii) Bonds and notes issued for any of the corporate purposes of the New York state housing finance agency.
- (ix) Judgments or awards of the court of claims of New York

- \_\_\_\_(x) Bonds and notes issued for any of the corporate purposes of the New York state medical care facilities finance agency.
- \_\_\_\_(xi) Bonds and notes issued for any of the corporate purposes of the New York state project finance agency.
- \_\_\_\_(xii) Bonds and notes issued for any of the corporate purposes of the municipal assistance corporation for New York City.
- X  (xiii) Certificate of deposits of a bank or trust company in this state. Any certificate of deposit shall be fully secured by the issuer thereof.
- X  (xiv) Repurchase agreements using United States Treasury obligations seven years or less.

All investments must conform to section 98-a of the State Finance Law as may be amended from time to time.

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## **Section II**

### **AMENDMENTS TO THE GUIDELINES SINCE THE LAST ANNUAL INVESTMENT REPORT**

The Cash Management and Investment Policy was amended on July 23, 2018 to revise the criteria for designation of depository banks to better reflect the needs of the Authority and Bank industry risk. The Amendment to the designation of depositories was changed from:

“Any bank or trust company with a full service office in the County of Albany is authorized for deposit of monies”

to:

“Any State or Federally chartered commercial bank that can meet the Authority’s requirements for cash vault services, is a member of the National Automated Clearing House Association (NACHA), and is able to act as an Originating Depository Financial Institution (ODFI) for direct deposit of payments. The bank must have a minimum long term credit rating of “A” without regard to subcategories from at least one of the Nationally Recognized Statistical Rating Organizations (NRSRO) and no rating below investment grade from any other NRSRO.”

# Section III

## Explanation of the Guidelines and Amendments

The Albany County Airport Authority "Cash Management and Investment Policy" most recently amended by the Board on July 23, 2018 is based on the principles of investment safety and control. The Authority's Guidelines contained in Section I are the Authority's Investment Guidelines which are currently in effect.

The Guidelines set forth the Authority's statement of policy regarding the investment of Authority funds and the objectives of such investments. By the Guidelines, the Authority has determined that the basic guide for the investment of Authority funds shall be the "prudent person rule" as further limited by statute and the Authority's Bond Resolutions. As indicated in the Guidelines, the Authority's objectives for its investment program are to:

- To conform with all applicable federal, state and other legal requirements (legal);
- To adequately safeguard principal (safety);
- To provide sufficient liquidity to meet all operating requirements (liquidity);  
and
- To obtain a reasonable rate of return (yield).

The Authority has not amended its investment guidelines since July 23, 2018.

# **Section IV**

## **Annual examination of Compliance with Investment Guidelines**

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## INDEPENDENT ACCOUNTANT'S REPORT

To the Members  
Albany County Airport Authority

We have examined the Albany County Airport Authority's (the Authority) compliance with its investment guidelines included in the attached annual investment report, and with the requirements of Section 2925 of the NYS Public Authorities Law for the year ended December 31, 2018. Management is responsible for the Authority's compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Authority's compliance with the specified requirements.

In our opinion, the Albany County Airport Authority complied, in all material respects, with the aforementioned requirements for the year ended December 31, 2018.

In accordance with *Government Auditing Standards*, we are required to report significant deficiencies in internal control, identifying those considered to be material weaknesses, violations of provisions of contracts or grant agreements, and abuse that could have a material effect on the Authority's compliance with Section 2925 of the NYS Public Authorities Law and any fraud and illegal acts that are more than inconsequential that come to our attention during our examination. We performed our examination to express an opinion on whether the Authority complied with the aforementioned requirements and not for the purpose of expressing an opinion on the internal control over compliance with those requirements or other matters; accordingly, we express no such opinion. Our examination disclosed no matters that are required to be reported under *Government Auditing Standards*.

Our examination is not intended to provide any assurance as to the income from investments, fees paid, or investments at the end of the year in Section V through Section VII.

This report is intended solely for the information and use of management and the Members of the Albany County Airport Authority, and the chief executive officer and chief fiscal officer of the County of Albany and the Office of the State Comptroller and is not intended to be, and should not be, used by anyone other than these specified parties.

*Marvin and Company, P.C.*

Latham, NY

\_\_\_\_\_, 2019

## Section V

The Authority's cash management and investment strategy is intended to comply with the Authority's Cash Management and Investment Policy, its Master Bond Resolution, and other external restrictions.

The Authority's investment and cash management activity during 2018 resulted in \$488,263 in interest income to the Authority, which includes \$104,306 in interest received from investments in U.S. Treasury Obligations and \$383,957 from interest on insured or collateralized bank demand deposits.

Based on the provisions of the Master Bond Resolution and the Federal Aviation Administration Passenger Facility Charge handbook, the interest earned by the Authority's cash and investments during 2018 were allocated as follows:

Passenger Facility Charges	\$	97,262
Debt Service Funds		154,716
Construction Funds		61,416
Development Fund		86,316
Operating Funds		<u>88,553</u>
	\$	<u>488,263</u>

## Section VI

The Authority paid \$2,240 to firms rendering investment associated services during 2018.

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## Section VII

The Authority's cash is invested when market conditions are appropriate based on the Chief Financial Officer's determination of the permissibility and risk of temporary or permanent loss of market value of any cash invested. Because investments, even Treasury Obligations, are reported at fair market value, there is no tolerance for market declines in Debt Service Reserve funds or Construction funds. Passenger Facility Charge (PFC) funds must be retained in interest bearing accounts. Investment of other funds is based upon an assessment of the value of additional potential income versus the loss of liquidity.

Investments held by the Authority at December 31, 2018 are presented below:

**DEBT SERVICE RESERVE FUNDS:**

	SECURITY	DATES		AMOUNT	RATE
		INV.	MAT.		
<u>Series:</u>					
1999 EFC	SLGS *	6/24/2010	10/15/2019	\$ 277,389	3.093%
2010	SLGS	12/31/2018	6/30/2019	\$ 9,512,000	2.540%
2017A	SLGS	12/31/2018	6/30/2019	\$ 704,000	2.540%
2017B	SLGS	12/31/2018	6/30/2019	\$ 556,000	2.540%
2018A	SLGS	12/31/2018	6/30/2019	\$ 962,000	2.540%
2018B	SLGS	12/31/2018	6/30/2019	\$ 513,000	2.540%

\* SLGS are State and Local Government Series Securities sold by the U.S. Treasury and offered only to issuers of state and local government tax-exempt debt to assist with compliance of yield restriction or arbitrage rebate provisions of the Internal Revenue Code. Purchasers may only invest Tax-Exempt Bond Proceeds. The Authority makes purchases of SLGS directly from the U.S. Treasury without a broker or dealer and with maturities of generally no more than twelve months.

Based upon market conditions, all of the Authority's cash was invested or deposited at the following rates in the following amounts as of December 31, 2018:

	Maturity Date	Amount	Type	Rate
Debt Service Reserves	10/15/2019	\$ 277,389	SLGS	3.09%
Debt Service Reserves	6/30/2019	\$ 12,247,000	SLGS	2.54%
Sub Total Debt Service Reserves		\$ 12,524,389		
Debt Service Accounts	On Demand	\$ 252,565	Collateralized Deposit	2.21%
Construction Funds	On Demand	\$ 24,236,878	Collateralized Deposit	2.21%
Passenger Facility Charges	On Demand	\$ 13,558,608	Collateralized Deposit	2.21%
Development Fund	On Demand	\$ 13,472,032	Collateralized Deposit	2.21%
Other Operating Funds	On Demand	\$ 14,755,282	Collateralized Deposit	2.21%
		<u>\$ 78,799,754</u>		

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**AGENDA ITEM NO. 14.4**

**Performance Measurement Report for 2018**

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AGENDA ITEM NO: 14.4  
AUDIT COMMITTEE  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:** Finance

Contact Person: *Audit Committee*  
*William J. O'Reilly, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-second Comprehensive Annual Financial Report as of and for the year ended December 31, 2018 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- the Authority's 2018 Rates and Charges Settlement Report to the Signatory Airlines and Signatory Cargo Carriers with draft Consultant Report;
- the Authority's Annual Investment Report in accordance with its Cash Management and Investment Policy and Section 2925 of the Public Authorities Law (with draft audit compliance report of Marvin and Company, P.C., certified public accountants);
- The Annual review and approval of the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law;
- Review of mission statement and performance measures and acceptance of measurement report for 2018 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2018 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- Comprehensive Annual Financial Report for the year-ended 2018 with draft auditor reports;
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2018 with draft consultant report;
- Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report;
- Performance Measurement Report for 2018; and
- Financial Statements – Other Post Employment Benefit Trust

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 18, 2019 meeting and will present their recommendations for approval by the Board.

**ALBANY COUNTY AIRPORT AUTHORITY**  
**Mission Statement and Performance Measurement Report**  
**Year Ended December 31, 2018**

**BACKGROUND**

The Public Authorities Reform Act of 2009 introduced a requirement that Public Authorities adopt a mission statement and performance measurements. During 2010, the Albany County Airport Authority adopted a new Mission Statement and related Performance Measurements. The Albany County Airport Authority adopted Mission Statement Performance Measurements that are consistent with the recommendations found in the Transportation Research Board ACRP Report 19, - *Developing and Airport Performance Measurement System* issued in 2010 and sponsored by the Federal Aviation Administration. The Albany County Airport Authority had already previously implemented a detailed set of performance measurements at a division and department level which it reports the goals and results which are stated in the annual budget and monthly financial statements. The remainder of this report contains the previously adopted Mission Statement and actual performance measurements for 2014-2018. Division/department level performance measurements for 2014-2018 are presented as supplemental information.

**MISSION STATEMENT AND PERFORMANCE MEASURES**

The Albany County Airport Authority (Authority) is a body corporate and politic constituting a public benefit corporation established and existing pursuant to the Albany County Airport Authority Act, Title 32 of Article 8 of the New York Public Authorities Law. The State of New York (State) created the Authority in 1993 in order to promote the strengthening and improvement of the Airport, to facilitate the financing and construction of the Terminal Improvement Project (TIP) and subsequent capital improvement programs, and give the Authority the power to operate, maintain and improve the Airport.

The Authority is governed by seven members, with four members appointed by the majority leader of the County of Albany (County) Legislature and three members by the County Executive, all with approval of the County Legislature. The Authority members are appointed for a term of four years or until a successor is appointed, except that any person appointed to fill a vacancy will be appointed to serve only the unexpired term.

Based on the County's responsibility for the appointment of the Authority members, their approval of any Airport capital improvement programs and the issuance of certain debt, the Authority is considered a component unit of the County under the criteria set forth by the Governmental Accounting Standards Board (GASB). The Authority does not have any component units. The financial transactions of the Authority are accounted for in a single enterprise fund.

The Authority is responsible for the efficient planning, development, administration, operation and financial condition of the Airport. The Authority, as landlord, rents space and assesses fees and charges to the airlines and businesses providing goods and services to the traveling public and to the civilian, business, governmental and military users of the Airport. The Authority is responsible for assuring residents of the County, the Town of Colonie and the surrounding areas of minimal environmental impact from air navigation and transportation. The Authority contracted the services of AFCO AvPorts Management LLC ("AvPorts") and Aviation Facilities Company, Inc. to manage the daily operations and maintenance of the Airport and Cargo Facilities and the services of REW Investments, Inc., d/b/a Million Air to manage the daily operations of the Fixed Base Operation (FBO) and Fuel Farm.

The Authority's strategic direction for the Airport is based upon the following vision, mission, goals, and objectives.

## **VISION**

The Authority's vision statement is a measurable statement describing the future results the Authority seeks to achieve. The Authority's vision for Albany International Airport is to provide an exemplary airport in which to visit, travel, and work.

## **MISSION**

The Authority's mission statement is a broad statement of what the Authority has been charged to accomplish. The Authority's mission is to provide adequate, safe, secure and efficient aviation and transportation facilities at a reasonable cost to the people. To accomplish our mission we will:

- Provide world-class, customer-oriented transportation services;
- Promote airline, cargo, business and general aviation services on airport by providing quality airport facilities;
- Operate the airport and provide services in the most cost-effective manner;
- Foster inter-modal transportation;
- Implement the airport's Capital Improvement Plan; and,
- Maintain financial security.

## **GOAL**

The Authority's goal for the airport is derived from its mission and vision for the airport and describes the enduring end state desired for the airport. The Authority's goal for Albany International Airport is:

- To be widely recognized as the best airport of its size in the Northeast as well as an innovative model for a facility with vitality, enthusiasm, friendliness, competence, and efficiency.

## **OBJECTIVES**

The Authority's objectives describe the outcomes required to accomplish the goal. The Authority's objectives in operating the airport are:

- To promote safe, secure, efficient and economic air transportation by preserving and enhancing Airport capacity;
- To acquire, construct, reconstruct, continue, develop, equip, expand, improve, maintain, finance and operate aviation and other related facilities and services;
- To stimulate and promote economic development, trade and tourism;
- To form an integral part of a safe and effective nationwide system of airports to meet the present and future needs of civil aeronautics and national defense and to assure inclusion of the Authority's facilities in state, national and international programs for air transportation and for airway capital improvements; and,
- To ensure that aviation facilities shall provide for the protection and enhancement of the natural resources and the quality of the environment of the state and the capital district area.

## **VALUES**

The Authority's values describe how the Authority will conduct itself, both internally and externally, while engaging in business activities. The Authority's values are:

**Responsiveness** – being proactive; having a bias for action and sense of urgency in getting things done; anticipating the needs of tenants and passengers by taking fast action to surpass their expectations; encouraging tenant and passenger input.

**Integrity** – possessing a commitment to doing the right things right, with consistent adherence to the highest professional standards; keeping commitments to our tenants, passengers, employees, and others.

**Innovation** – dedicating ourselves to learning and growing; constantly searching for better ways to get the job done; using our collective imagination effectively to solve problems for our tenants, passengers and employees; going beyond perceived boundaries to get desired results.

**Teamwork** – recognizing that every board member, employee, volunteer, tenant, and others are important to the complete satisfaction of Albany International Airport; feeling personally responsible for successful outcomes; treating everyone with respect; communicating regularly, directly and honestly with our board members, employees, volunteers, tenants, and others.

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## MISSION STATEMENT LEVEL PERFORMANCE MEASURES

The Authority has identified the following performance measurements to assess its success in achieving its mission and intended public purpose.

Area of Measurement	Performance Measure	Performance Measure Component	Final 2014	Final 2015	Final 2016	Final 2017	Final 2018
<b>Safety</b>	Employee Accidents and Incidents	Construction Injuries Lost Time Injury Rate	9	26	21	28	15
	Airfield Violations	Runway Incursions	0	0	0	0	0
		Runway Condition FAA Safety Compliance	0	0	12	0	0
		Inspection Discrepancies	8	10	17	9	0
<b>Security</b>	Security Incidents and Violations	Security Badge Breaches					
		Letters of investigation	1	2	1	1	0
		Violations	0	0	1	1	0
<b>Financial</b>	Revenue Management	Total Airline per EPAX*	\$9.77	\$9.16	\$7.82	\$8.50	\$9.72
		Total Non-Airline Revenue per EPAX*	\$25.66	\$25.45	\$25.10	\$25.74	\$24.93
		Total Revenue per EPAX*	\$39.90	\$34.61	\$32.93	\$34.24	\$34.66
	Cost Performance	Operating Cost per EPAX*	\$9.09	\$8.68	\$7.47	\$8.22	\$8.58
		Airport Cost per EPAX*	\$7.22	\$7.12	\$6.00	\$6.57	\$6.57
	Debt Management	Debt Service Coverage Ratio	1.36	1.39	1.53	1.61	1.44
		Debt per EPAX*	\$85	\$75	\$63	\$55	\$64
Liquidity	Days Unrestricted Cash on Hands	189	205	235	252	261	
<b>Operational</b>	Aircraft Delays caused by Airport	Number of Aircraft Delay caused by Airport or Runway Closings	0	0	0	2	2
	Aircraft Delays caused by Fixed Base Operations	Number of Aircraft Fueling Delays	3	3	14	14	30
<b>Customer Service</b>	Service Quality	Terminal Cleanliness Concessions Quality and Variety (5 is the highest)	4.6	note 1	note 1	note 1	4.0
	Customer Satisfaction	Customer Survey Results (5 is the highest)	4.6	note 1	note 1	note 1	4.0
<b>Environmental Sustainability</b>	Environmental Compliance	Violations Identified by Regulatory Agency De-Icing Material Discharge Frequency and Severity of Spills	0	0	0	0	0
		SPDES violations DEC violations	0	0	0	0	0
	Noise	Noise Levels /Noise Complaints	33	26	25	14	20
<b>People</b>	Employee Satisfaction	Employee Turnover					
		AFCO AvPorts	19.9%	27.0%	15.9%	14.1%	16.0%
		Million Air FBO	25.0%	25.0%	10.0%	24%	21%
	Workforce Diversity	Albany County Airport Authority	0%	6.4%	0%	0%	0%
		Minority Representation in Workforce					
		AFCO AvPorts	15.0%	16.7%	17.4%	22.4%	14.0%
Million Air FBO	11.9%	16.7%	35.4%	48.7%	37.1%		
Albany County Airport Authority	4.3%	4.3%	4.3%	4.3%	4.3%		

\*EPAX is enplaned passenger.

Note 1. An Insufficient number of customer satisfaction surveys were conducted to report on this performance measure.

## SUPPLEMENTAL INFORMATION

### DIVISION/DEPARTMENT LEVEL PERFORMANCE MEASURES

The following pages contain the division and department level performance measures from 2014-2018. There are three major divisions: “AvPort’s” performance; “FBO” performance; and the Authority (ACAA) performance. AvPorts performance measures provide information on the performance of the major management services contractor at the Airport, which is AFCO AvPorts, LLC (d/b/a AvPorts). The FBO performance measurements provide information on the performance of the management services contractor for the Fixed Base Operations and Fuel Farm, which is REW Investments, Inc. (d/b/a Million Air). The Authority performance measures provide information the Authority is exclusively responsible for. Collectively these division/department level performance measures support the achievement of the Mission level performance measures.

# Albany International Airport 2018 AvPort's Performance Measurements For the twelve months ended December 31

Airfield Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
Number of vehicle accidents on Airfield over \$1,000	0	1	1	1	0
Airport remained open for all airline operations	100%	100%	100%	100%	100%
Electrical work-orders	659	621	727	868	1026
SPEDES permit sanctions	0	0	0	0	0
Gallons of deicing aircraft storm water fluid collected	18,495,907	15,586,695	13,606,000	18,499,000	17,013,812
water removed (the higher the better)	2.7%	3.1%	2.9%	3.3%	4.4%
Employees with CDL licenses	34	35	34	33	33
Runway incidents	1	0	0	0	0
Notices to Airmen (NOTAMs) for airfield lighting	1	54	66	28	37
Occupational Safety and Health Administration (OSHA) reportable incidents	1	7	2	2	2
Liquid potassium acetate used on runways (avg gallons per snow ice event)	3,000	1,768	785	2,418	2,419
Airfield electric usage (KWH)	475,158	595,519	636,751	659,988	678,226
Overtime/Personnel Services (%)	10.5%	14.1%	11.3%	14.0%	13.2%

Terminal Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
HVAC Equipment in operation	97.9%	100.0%	100.0%	100.0%	100.0%
Work Orders	3,587	3,413	3,586	3,548	4,228
Survey: cleanliness of the terminal	98%	N/A	N/A	N/A	N/A
Average # of days a work order remains open	3.0	2.5	2.5	2.5	2.5
Plumbing Equipment in operation	100%	100%	100%	100%	100%
Terminal Maintenance direct cost per square foot	\$15.87	\$16.63	\$18.38	\$17.77	\$20.48
Terminal electrical usage (KWH): 79 Building	1,563,618	1,569,493	1,547,262	1,337,120	1,412,191
Terminal electrical usage (KWH): 98 Building	7,681,612	7,700,324	7,339,716	7,041,849	6,945,277
Overtime/Personnel Services (%)	5.6%	7.4%	6.9%	7.6%	8.4%

Loading Bridge Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
Direct Cost per Loading Bridge	\$12,773	\$25,158	\$20,933	\$23,787	\$26,868
Airline Employees trained	2	11	2	13	35
Over-the-Wing (OTW) Loading Bridge total operations	4,238	3,881	4,278	4,249	4,031
Loading Bridge electrical usage (KWH) (6.1% of 98 building gets allocated)	665,594	667,216	635,970	635,970	601,792
OTW Loading Bridge Maintenance calls (new measurement for 2009)	4	59	93	80	93
OTW Loading Bridge out of service (new measurement for 2009)	1.8%	10.9%	19.5%	30.2%	32.3%
Number of leased loading bridges		14	14	13	13
Overtime/Personnel Services (%)	13.0%	19.7%	16.8%	16.1%	15.4%

Parking Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
Express parking transactions	290,517	308,094	327,771	345,998	336,899
Cashier parking transactions	321,395	315,367	322,647	292,572	301,127
Cashier parking transaction errors	93	109	110	67	53
Shuttle Bus Survey (new measurement for 2008)	N/A	N/A	N/A	N/A	80%
Customer/Vehicle Contact	N/A	0	0	0	0
OSHA recordable accidents	1	6	6	2	2
Parking electrical usage (KWH)	352,612	345,278	348,356	348,356	351,034
Parking Garage electrical usage (KWH) (23.5% of 98 building gets allocated)	2,564,174	2,570,421	2,450,047	2,450,047	2,318,381
YTD Loss/Gain	-\$399	-\$1,178	-\$1,080	-\$636	\$165
Overtime/Personnel Services (%)	14.1%	18.2%	18.0%	14.8%	16.2%

Landside Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
Number of tenants	56	53	53	56	55
Landside building rental (Sq ft) *	279,026	316,243	327,108	329,478	428,094
Landside land rental (acres)*	32	31	34	36	36
Tenant complaints	0	0	0	0	0

\*Includes rented space/land only

ARFF Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
Annual Dispatch Calls	394	527	536	658	643
Tour conducted by ARFF	23	36	34	21	41
AED classes conducted	22	2	27	22	4
Fire Extinguishers inspected/serviced	5,743	5,904	5,711	5,970	5,920
NYS Fire Fighter training (training hours)	1,992	1,992	504	504	504
OSHA required fire training (training hours)	156	156	156	156	156
NYS EMT training (training hours)	480	480	480	480	480
FAA ARFF training (training hours)	516	516	516	516	516
Building code inspections	19	30	52	45	31
Overtime/Personnel Services (%)	16.4%	18.9%	16.2%	18.6%	15.2%

Operations Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
Work Orders (Facility) Building Maintenance calls	3,315	3,491	3,698	3,644	4,236
Work Orders (139) aeronautical areas	448	793	729	999	1,030
Notice to airmen (NOTAMS)	1,261	1,158	978	1,471	2,488
Bird Strikes	42	27	48	71	28
Property Damage Reports	164	154	147	176	190
Bodily Injury Reports	222	185	248	246	227
FAA 139 Inspections discrepancies	9	9	18	9	7
Operations' employee accidents	0	0	0	0	0
Operations' property accidents	0	0	2	0	1
Overtime/Personnel Services (%)	5.4%	10.5%	13.1%	11.0%	12.3%

Security Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
Security Trainees	667	559	686	697	797
Driver Trainees	377	277	408	422	501
Finger Printing	689	727	763	743	934
Badges Issued	174	130	166	186	260
Revalidations*	602	521	656	681	854
Escort Required Badges Issued	2,672	3,524	2,840	2,137	3,490
Business Center Security Passes	775	186	169	64	199
Curbside Accidents	0	0	0	0	0
Curbside Security - Overtime/Personnel Services (%)	3.8%	10.9%	8.6%	5.4%	5.2%

\*Revalidations of badges are performed every other year

Vehicle Maintenance Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
Heavy Equipment (Units)	61	47	47	47	45
Light Vehicles (Units)	47	34	34	34	35
Light Equipment (Units)	233	233	233	233	230
Average age of ARFF Fleet (yrs)	7	9	9	8	9
Average age of Shuttle Buses (yrs)	7	4	4	3	4
Average age of Fuel Trucks (yrs)	10	12	12	14	15
Average age of other large vehicles	15	17	17	16	17
Average age of Pick-ups	11	15	15	10	11
Shuttle Bus (Not less than 6 operational)	6	7	7	7	7
Fuel Truck (Not less than 7 operational)	8	7	7	7	7
Technicians trained	1	33	0	24	16
Overtime/Personnel Services (%)	9.1%	12.9%	9.7%	10.2%	9.0%

AvPort's Administration Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
AvPort's total full time employment equivalents	154.5	150.5	154.3	159.5	153.8
Total AvPort's overtime	10.5%	13.6%	12.4%	12.4%	12.2%
Budgetary needs met	yes	Yes	Yes	Yes	Yes
Saving/revenue producing ideas	0	0	0	0	0
Total AvPorts Property Damage Reports	24	35	16	23	4
Administration Overtime/Personnel Services (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Employee turnover	19.9%	27.0%	15.9%	12.9%	15.4%

# Albany International Airport 2018 FBO Performance Measurements For the twelve months ended December 31

Commercial Aviation Performance Measurements						
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Budget	2018 Final
Number of accidents/incidents	2	0	5	1	0	4
Number of airline delays counted against MA	2	3	14	14	0	36
Into-plane gallons pumped	16,971,830	16,835,885	18,602,032	19,495,122	19,507,385	21,013,458
Number of Audits performed by Airlines/ Quality Control- Employee Training Records	11	24	25	28	5	31
Number of non-compliance items reported in Airline Audits	3	3	10	9	4	6
AvGas fuel sales commercial	180,785	173,843	152,586	109,593	115,627	95,909
Deicing gallons pumped	154,363	123,604	128,320	157,039	157,311	208,128
Workers' compensation cases	0	0	4	0	0	0
Employees who have completed Safety Programs	16	17	20	55	15	60
Quality control audits at the Fuel Farm (less the better)	8	12	13	25	5	17
Completed monthly training programs	12	12	12	12	12	12
Monthly survey of airlines	100%	100%	100%	100%	100%	100%
Overtime/Personnel Services (%)	12.8%	12.0%	13.3%	14.3%	11.5%	13.9%

General Aviation Performance Measurements						
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Budget	2018 Final
AvGas fuel sales (gallons)	55,902	70,438	69,156	62,710	63,088	51,534
Jet A fuel sales (gallons)	952,761	967,345	1,031,066	996,302	995,134	1,158,694
Number of international flights	753	707	517	456	500	426
General Aviation Aircraft customer transactions	6,515	6,949	7,392	6,931	7,000	7,479
Number of Aircraft Arrivals	6,073	3,949	7,349	7,260	7,000	7,822
Number of Aircraft fueled	4,870	5,901	5,958	6,307	6,500	5,833
Number of ramp fees collected	1,883	1,661	2,102	1,743	1,500	2,071
Number of landing fees collected	4,060	3,811	4,147	3,637	3,500	3,682
Employees who completed the NATA Safety 1st Program	11	12	20	9	20	21
Employees who completed all Safety Programs	10	20	15	54	14	79
Property Accidents	1	2	5	0	0	2
Quarterly reports from monthly safety meetings	100%	100%	100%	100%	100%	100%
Overtime/Personnel Services (%)	10.0%	11.1%	16.4%	17.6%	13.8%	20.7%

Million Air's Administrative Performance Measurements						
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Budget	2018 Final
Million Air's total full time employment equivalents	35	35	33	36	35.0	32.0
Total Million Air overtime	9.3%	9.7%	13.0%	13.9%	11.0%	15.5%
Number of marketing events attended	2	2	1	2	4	3
Number of based tenants	25	14	15	18	15	16
Employee turnover annum	25%	25%	30%	16%	10%	25%
Workers' compensation cases	0	0	2	3	0	1
Number of customers gained (prior year comparison)	6%	7%	6%	-6%	1%	8%
Overtime/Personnel Services (%)	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%

# Albany International Airport 2018 ACAA Performance Measurements For the twelve months ended December 31

ACAA Performance Measurements					
	2014 Final	2015 Final	2016 Final	2017 Final	2018 Final
ACAA's total full time employment equivalents	24	22	22	22	22
Community meetings	61	63	70	62	86
Aviation conferences/meetings	23	36	29	30	51
Open Accounts Receivable/Total Operating Revenues	4.6%	4.2%	4.2%	4.3%	4.0%
Open Accounts Payable/Total Operating Expenses	1.8%	1.7%	1.9%	1.8%	2.9%
SPDES Permit	yes	yes	yes	yes	yes
FAA: Part 139 Operation Compliance	yes	yes	yes	yes	yes
Part 77 Airspace Compliance	yes	yes	yes	yes	yes
Part 150 Noise Program	yes	yes	yes	yes	yes
Part 121 Air Cargo Carriers	yes	yes	yes	yes	yes
Update maps & charts of Airport	yes	yes	yes	yes	yes
Landside building rent increase/(decrease) from previous year	-2%	9%	8%	2%	1%
T Hangar rent increase/(decrease) from previous year	7%	-6%	-3%	1%	4%
Tie Down rent increase/(decrease) from previous year	-51%	-6%	-6%	26%	2%
Landside land rent increase/(decrease) from previous year	-2%	-1%	4%	14%	2%
DBE Participation for construction/engineer contractors	9%	9%	9%	9%	7%
MWBE Participation for construction/engineer contractors	39%	30%	30%	30%	30%
Minority Representation in the Workforce-Concessions					
HMS Host	17%	24%	28%	29%	396%
McDonalds	48%	32%	44%	53%	57%
Villa Fresh Italian Kitchen/Green Leafs	48%	57%	53%	54%	64%
Paradies	24%	29%	37%	43%	54%
Dunkin Donuts	53%	52%	33%	44%	48%
OHM (New concessionaire as of March 2018)	N/A	N/A	N/A	N/A	33%
Terminal Survey Results (average, 5 being the highest)	N/A	N/A	N/A	N/A	4.54
Ambassador Program-hours volunteered	16,647	15,428	15,879	15,827	14,963
Ambassador assistance - landside	49,516	51,313	66,111	120,038	21,750
Ambassador assistance - airside	21,301	24,461	31,768	29,670	27,568
Canine assistance-landside (new for 2015)	N/A	23,016	45,294	93,060	80,333
Canine assistance-airside (new for 2015)	N/A	5,427	6,442	7,024	4,375
Concession revenue increase from previous year	10.4%	4.1%	3.7%	7.0%	2.4%
Business Center Visitors (new for 2017)	N/A	1124	1278	2670	3275
Community tours	29	35	33	44	30

**AGENDA ITEM NO. 14.5**

**Financial Statements – Other Post  
Employment Benefit Trust**

AGENDA ITEM NO: 14.5  
AUDIT COMMITTEE  
MEETING DATE: March 18, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:** Finance

Contact Person: *Audit Committee*  
*William J. O'Reilly, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-second Comprehensive Annual Financial Report as of and for the year ended December 31, 2018 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- the Authority's 2018 Rates and Charges Settlement Report to the Signatory Airlines and Signatory Cargo Carriers with draft Consultant Report;
- the Authority's Annual Investment Report in accordance with its Cash Management and Investment Policy and Section 2925 of the Public Authorities Law (with draft audit compliance report of Marvin and Company, P.C., certified public accountants);
- The Annual review and approval of the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law;
- Review of mission statement and performance measures and acceptance of measurement report for 2018 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2018 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- Comprehensive Annual Financial Report for the year-ended 2018 with draft auditor reports;
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2018 with draft consultant report;
- Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report;
- Performance Measurement Report for 2018; and
- **Financial Statements – Other Post Employment Benefit Trust**

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 18, 2019 meeting and will present their recommendations for approval by the Board.

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*

**FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018  
**(Unaudited)**

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**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*

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**William J. O'Reilly**  
**Trustee**  
**ALBANY COUNTY AIRPORT**  
**AUTHORITY OPEB TRUST**

William J. O'Reilly, CPA  
c/o Albany County Airport Authority  
737 Albany Shaker Road  
Albany, New York 12211-1057

Phone: (518) 242-2204  
boreilly@albanyairport.com  
Fax (518) 242-2640

Report of Trustee

I have prepared the accompanying statement of plan net position as of December 31, 2018 and the related Statement of changes in plan net position for the year then ended in accordance with accounting principles generally accepted in the United States of America. In preparing these financial statements I am presenting information in the form of financial statements that is my own representation as trustee. These financial statements have not been compiled, reviewed or audited by independent certified public accountants and, accordingly, there is no accountant's opinion or other form of assurance on them.

I have prepared these statements in my capacity as Trustee the Albany County Airport Authority OPEB Trust.

**March 18, 2019**

DRAFT

## **MANAGEMENT DISCUSSION AND ANALYSIS (Unaudited)**

This section provides an overview and analysis of the financial activities of Albany County Airport Authority OPEB Trust (the Trust) for the year ended December 31, 2018. The creation of the Trust and its initial funding was authorized on December 7, 2009 by the Albany County Airport Authority's (the Authority) Board of Directors. The Trust was created December 17, 2009 when the trust document was fully executed. Irrevocable transfer of assets to the Trust occurred in each year 2009 through 2018. The purpose of the Trust is to accumulate resources for the payment of medical insurance benefits, to the Authority's retired employees who qualify for and elect to receive the benefit an for which the Authority is obligated to pay under the postemployment medical benefit plan it sponsors.

Comparative year information will be presented next year when the trust has been funded and in existence for more than one year. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the financial statements.

### **FINANCIAL HIGHLIGHTS**

The net position of Albany County Airport Authority Other retiree medical insurance plan (the Plan) at the close of fiscal year 2018 are \$2,220,686 (net assets held in trust for retiree medical insurance benefits). All of the net assets are available to meet the Plan's ongoing obligations to Plan participants and beneficiaries. The Plan's funding objective is to meet long-term benefit obligations through contributions and investment income. The Plan was funded in 2018 by the transfer of \$149,073 from the Albany County Airport Authority plus interest earnings in the amount of \$13,200 on the deposited balance.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The following discussion and analysis are intended to serve as an introduction to the Plan's financial statements, which comprises these components:

- Statement of Plan Net Position
- Statement of Changes in Plan Net Position
- Notes to the Basic Financial Statements

This report also contains required supplementary information in addition to the basic financial statements themselves.

**The Statement of Plan Net Position** is a snapshot of account balances at year-end. It indicates the assets available for future payments for retiree benefits and any current liabilities that are owed at this time.

**The Statement of Changes in Plan Net Position**, on the other hand, provides a view of current year/period additions to and deductions from the Plan. Both statements are in compliance with Governmental Accounting Standard Board Statements (GASB) This report uses the standards established by GASB's Statement No. 74 Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. Statement No. 74 superseded Statement No. 43 of the same title. Statement No. 74 did not change the reporting in the two primary financial statements but added requirements for additional and multi-year disclosures in the Notes and RSI. Readers are encouraged to review the Notes and RSI to better understand the financial and operational results of the OPEB Trust.

The Statement of Plan Net Position and the Statement of Changes in Plan Net Position report information about the Plan's activities. These statements include all assets and liabilities, using the full accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Net Position, the difference between assets and liabilities, is one way to measure the plan's financial position. Over time, increase and decrease in Net Position is one indicator of whether its financial health is improving or deteriorating. Other factors, such as market conditions, should also be considered in measuring the Plan's overall health. Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

In addition to the financial statements the accompanying notes present information that is essential to understanding the financial statements. The Required Supplementary Information presents certain required information concerning the Plan's progress in funding its obligations to provide resources for retiree medical benefits to members.

## **FINANCIAL ANALYSIS**

As previously noted, Net Position may serve over time as a useful indication of the Plan's financial position. The assets of the Plan exceeded its liabilities at the December 31, 2018 because the Plan had \$2,220,686 in assets and no recorded liabilities. It should be kept in mind the Trust for the Plan was only recently formed. The Trust is intended to accumulate net resources to fund the Albany County Airport Authority's obligation to pay for postemployment benefits (OPEB) of retired employees, other than pensions. This OPEB benefit is retiree medical care insurance. The Albany County Airport Authority's actuarial determined obligation for OPEB as of December 31, 2018 was \$6,621,984. Accordingly the Plans Net Position is not sufficient to fully fund this obligation and additional contributions will be necessary along with investment earnings to fully fund the Authority's estimated OPEB obligation. The Albany County Airport Authority's actuarial determined OPEB obligation is based upon significant assumptions and estimates about future events, costs, funding decisions and is subject to frequent change and revision.

## **Contacting the Trust's Financial Management**

This financial report is designed to provide the public with a general overview of the Plan's finances and to show the Plan's accountability for the money it receives. If you have any questions about this report or need any additional financial information, contact the Albany County Airport Authority Other Post Employment Benefit Plan Trustee at c/o Albany County Airport Authority, Administration Building, Suite 204, 737 Albany Shaker Road, Albany, NY 12211

Albany County Airport Authority OPEB Trust  
(A Component Unit of the Albany County Airport Authority)  
Statements of Fiduciary Fund Net Position  
As of December 31, 2018

	<u>December 31, 2018</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 2,220,686
Total Assets	2,220,686
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Total Deferred Outflows of Resources	-
<u>LIABILITIES</u>	
Total Liabilities	-
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Total Deferred Inflows of Resources	-
<u>NET POSITION</u>	
Net Position - Restricted for OPEB	\$ 2,220,686

DRAFT

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority OPEB Trust  
(A Component Unit of the Albany County Airport Authority)  
Statements of Changes in Fiduciary Fund Net Position  
Year ended December 31, 2018

	December 31, 2018
Additions to Net Position Attributed to:	
Contributions	
Employer	\$ 300,000
Interest Income	13,200
Total Additions	313,200
Deductions from Net Position Attributed to:	
Retirement benefits	150,927
Administrative expenses	-
Total Deductions	150,927
Increase in Net Position	162,273
Net Position - Restricted for OPEB, Beginning of Year	2,058,413
Net Position - Restricted for OPEB, End of Year	\$ 2,220,686

The accompanying notes are an integral part of these financial statements

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(Unaudited)

**NOTES TO THE FINANCIAL STATEMENTS**

**Short Period ended December 31, 2018**

**1. DESCRIPTION OF THE PLAN**

The following information of the Albany County Airport Authority OPEB Trust (the Plan), a component unit of the Albany County Airport Authority (the Authority) provides only general information. Readers should refer to the plan agreement for a more complete description of the Plan's provisions.

**General**

The OPEB Plan is a single-employer defined benefit healthcare plan trust administered by the Authority. The Plan provides medical insurance benefits to eligible retirees who elect to receive it and their eligible dependents. Membership of the Plan consists of 9 retirees currently receiving benefits and 30 plan members composed of; 21 Active, 14 retired and 1 deceased employee. The Plan is a governmental plan that is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was created by the Albany County Airport Authority to be managed by a sole trustee intended to be the Chief Financial Officer of the Authority who is the plan Trustee. The Plan is a component unit of the Albany County Airport Authority. The Trust has a fiduciary duty to provide plan benefits to eligible beneficiaries. So long as the Albany County Airport Authority provides the required benefits, the Trust's obligation is fulfilled and it may than reimburse the Albany County Airport Authority for the cost of the benefits provided, if requested to do so.

**Contributions**

Contributions to the Plan are likely to be entirely funded by the employer (the Authority). Participants hired prior to July 1, 2005 are not required to contribute to the plan. Participants hired on or after July 1, 2005 are required to contribute 10% of the cost of plan benefits to the plan, offset by the value of their unused sick leave up to 1,320 hours at the time of retirement. The Plan was established and may be amended by the Authority. The Authority has no obligation to fund the plan. Contributions made were provided for in the Authority's annual budgets for 2008 through 2018 along with interest earnings thereon. Any future contributions to the plan would be authorized by a future resolution of the Authority.

**Funded Status and Funding Progress**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with

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past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Since this is the first year of implementation, only the current year information is presented.

### **Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the written plan as currently approved by the Authority and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2018 actuarial valuation, the individual entry age normal method was used. The actuarial assumptions included a 3.04 percent investment rate of return (net of administrative expenses), based on the plan being funded in an irrevocable employee benefit trust invested allowing for both an equity and fixed income portfolio. Healthcare cost trend rates ranged from an initial 9 percent to an ultimate rate of 5 percent. The Unfunded Actuarial Accrued Liability (UAAL) is being amortized at a level percentage of payroll method. The remaining amortization period at January 1, 2018, was 19 years. The actuarial value of assets was not determined in this actuarial valuation. At December 31, 2018, the Plan held Net Position in the amount of \$2,220,686 which consisted of amounts on deposit with the Trust.

### **Investment Options**

The Trustee holds the Assets of the Plan. Contributions received from the Authority are allocated between assets available for investment and assets maintained for payment of benefits and administrative expenses.

### **Plan Termination**

In the event of Plan termination or if the Trust were to fully accomplish its purpose, the net assets of the Trust would be allocated as prescribed in the Trust document, generally to pay in the order indicated:

- The Authority's remaining retiree medical benefit liabilities
- Reasonable expenses of administering the Plan

Any assets remaining in the Trust after paying off the above liabilities shall revert back to the Authority.

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## 2. SIGNIFICANT ACCOUNTING POLICIES

### **Basis of Accounting**

The accompanying basic financial statements are presented on the accrual basis of accounting. Revenue is recognized when earned, and liabilities are recognized when incurred. Employer contributions are recognized when received because only one employer contributor exists. Benefits and refunds of contributions are recognized when due and payable or upon receipt of claim for reimbursement for payment of benefits by the Authority based upon a certificate signed by its Chief Executive Officer.

### **Governmental Accounting Standards**

The financial statements of the plan have been prepared in accordance with generally accepted accounting principles (GAAP) followed in the United States of America. In the U.S. the Governmental Accounting Standards Board (GASB) is the established and recognized standard-setting body for governmental accounting and financial reporting. GASB Statement No. 74 was implemented beginning with the this fiscal year; the Statement did not change the to primary financial statements but made significant changes to the Notes to the Financial Statements and the Required Supplementary Information.

### **Cash and Cash Equivalents**

The Plan's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of one year or less from the date of acquisition.

### **Administrative Expenses**

Certain internal costs of administering the Plan will be paid by the Plan. There were no Administrative expenses for the ended December 31, 2018.

### **Benefits**

Benefits will be recognized when paid or when a claim for reimbursement for payment of benefits is received from the Authority. The Plan has not yet paid any benefits or claims for reimbursement directly and the Authority continues to fund retiree health care costs directly.

### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

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**3. TAX STATUS**

The Authority structured and intends that the Trust administering the Plan shall be a tax-exempt governmental trust under Section 115 of the Internal Revenue Code (the Code) and that income derived from the Trust Estate shall be excludable from gross income for federal tax purposes pursuant to Section 115 of the Code.

**4. INVESTMENTS**

The Authority has adopted an investment policy for the Trust that the Authority may amend from time to time. The Authority adopted an Investment Policy for effectively supervising, monitoring and evaluating the investment assets of the Plan. The investment policy allows for the plan assets to be comprised of:

Fixed Income .....	0%-60%
Cash Equivalent .....	5%-100%
Domestic Equity .....	0%-60%
International Equity .....	0%-60%
Other Equity .....	0%-20%

As of December 31, 2018 all plan assets were on deposit with M&T Bank, in a cash in and interest bearing demand deposit account, the entire balance of which was collateralized by obligations that are guaranteed by the U.S. Government and held by a 3<sup>rd</sup> party custodian. The Trustee believes the investment and management of the assets of the Plan have complied with the Trust investment policy adopted by the Authority.

**5. OTHER POSTEMPLOYMENT BENEFITS UNDER GASB 74**

The components of the net OPEB liability of the Authority as of December 31, 2018 were as follows:

Net OPEB Liability at beginning of period	\$	6,473,234
Service cost		217,039
Interest		325,272
Change in assumptions		-
Differences between expected and actual experience		(80,361)
Net investment income		(13,200)
Employer contributions to the trust		(300,000)
Benefit payments withdrawn from the trust		150,927
Benefit payment excluding implicit cost		(150,927)
Net OPEB Liability at end of period	\$	6,621,984

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**Actuarial assumptions**

Total OPEB liability was determined by actuarial valuations as of December 31, 2018. The following actuarial assumptions are as follows:

Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation
Municipal bond rate	3.64% as of December 31, 2017 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG)
Single equivalent discount rate:	3.75%, net of OPEB plan investment expense, including inflation. Using a blend of the Municipal Bond Index Rate for unfunded periods and the Investment Rate of Return for funded periods, based on GASB No. 74 Implementation Guide Exposure Draft; IG ED 4.136.
Inflation	2.75% as of December 31, 2017 and for future periods
Salary Increases	3.00% annually as of December 31, 2017 and for future periods
Cost of living adjustments	Not Applicable
Pre-retirement mortality	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Post-retirement mortality	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Disabled mortality	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Mortality experience study	The mortality assumptions reflect an experience analysis published in 2014 (based on the years 2006-2011), updated to reflect data through January 1, 2015 for post-retirement mortality, and professional judgement. As such, mortality assumptions reflect observed current mortality as well as expected mortality improvements.

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**Discount rate**

The discount rate used to calculate the total OPEB liability was 3.75%. The following table presents the results if the discount rate was 1% lower or 1% higher:

Impact of a 1% Change in the Discount Rate as of the December 31, 2018 Measurement Date

	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
Total OPEB Liability	\$ 10,427,489	\$ 8,842,670	\$ 7,579,562
Fiduciary Net Position	2,220,686	2,220,686	2,220,686
	\$ 8,206,803	\$ 6,621,984	\$ 5,358,876
Service Cost	\$ 285,125	\$ 217,039	\$ 166,982

**Healthcare Trend**

The healthcare cost trend cost rate used to calculate the total OPEB liability was 5%. The following table presents the results if the healthcare cost rate was 1% lower or 1% higher:

Impact of a 1% Change in the Healthcare Cost Trend as of the December 31, 2018 Measurement Date

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net OPEB Liability	\$ 7,429,402	\$ 8,842,670	\$ 10,642,156
Fiduciary Net Position	2,220,686	2,220,686	2,220,686
	\$ 5,208,716	\$ 6,621,984	\$ 8,421,470
Service Cost	\$ 173,163	\$ 217,039	\$ 274,490

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**6. SCHEDULE OF NET OPEB LIABILITY CHANGE**

Schedule of Changes in the Airport's Net OPEB Liability and Related Ratios

	2018
<b>Total OPEB Liability</b>	<b>8,842,670</b>
Service Cost	217,039
Interest on total OPEB liability, service cost and benefit payments	325,272
Changes in benefit terms	-
Difference between expected & actual plan experience	(80,361)
Changes of assumptions	-
Benefit payments excluding implicit cost	(150,927)
Implicit cost amount	N/A
Total benefit payments including implicit cost	N/A
Net change in OPEB liability	311,023
Total OPEB liability - beginning of period	8,531,647
Total OPEB liability - end of period	8,842,670
<b>Plan Fiduciary Net Position</b>	<b>2,220,686</b>
Interest on fiduciary net position	
Earning from plan investments	13,200
Employer contribution to trust	300,000
Benefit payments from trust, including refunds of member contributions	(150,927)
Administrative expense	-
Other	-
Net change in plan fiduciary net position	162,273
Plan fiduciary net position - beginning of period	2,058,413
Plan fiduciary net position - end of period	2,220,686
Net OPEB liability	6,621,984
Plan Fiduciary net position as a % of total OPEB liability	25.11%
Covered employee payroll	2,025,037
Plan NOL as a % of covered employee payroll	327.01%
Single discount rate to calculate plan liabilities	3.75%

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**7. ACTUARIALLY DETERMINED CONTRIBUTION (ADC)**

	For the fiscal year ending <u>December 31, 2018</u>
Service Cost	217,039
30 year amortization of NOL at 3.75%	<u>357,987</u>
Actuarial determined contribution	575,026
Contributions in relation to the actuarially determined contribution	<u>(300,000)</u>
Contribution deficiency/(excess)	275,026
Covered Employee Payroll	1,966,055
Contributions as a % of covered employee payroll	15.26%

**8. MONEY WEIGHTED RATE OF RETURN**

Beginning value - December 31, 2017	\$ 2,058,413
Annual contribution to OPEB Trust	149,073
Annual interest earnings	<u>13,200</u>
Ending Value - December 31, 2018	\$ 2,220,686
Money weighted rate of return	0.64%

Data is being accumulated to present 10 years of the reported information.

## **Old Business**

## **New Business**

## **Executive Session**

## **Attorney-Client Privilege Matters**