



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

OK

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

**ACAA Approved  
 May 4, 2020**

**March 16, 2020**

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, March 16, 2020 @ 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  
 Tony Gorman (via telephone)  
 Lyon M. Greenberg, M.D.  
 Steven H. Heider  
 Kevin R. Hicks  
 Samuel A. Fresina (via telephone)  
 Sari M. O'Connor

**MEMBERS ABSENT**

**STAFF**

Philip F. Calderone, Esq.  
 Michael F. Zonsius  
 Liz Charland  
 Steve Iachetta  
 Helen Chadderdon  
 John LaClair  
 Margaret Herrmann  
 Kathy Greenwood

**ATTENDEES**

Fred Acunto, Airport Manager, AvPorts  
 John DelBalso, Assistant Airport Manager, AvPorts  
 Robert Heitz, Million Air  
 Dave Cook, Airport Fire Chief  
 Ray Casey, Airport Consultant

**General:**

- 1. Chairman's Remarks**
- 2. Approval of Minutes**

Ms. O'Connor moved to approve the minutes of the December 9, 2019 meeting.

The motion was adopted unanimously.

### **3. Communications and Report of Chief Executive Officer**

Mr. Calderone presented the Communications Report of the Chief Executive Officer for the month of March 2020.

### **4. Interesting Correspondence**

#### **Financial and Audit Items 14.1, 14.2, 14.3 & 14.4 for review/approval.**

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.

Father Doyle moved to “bundle” the approvals for the following items:

- 14.1 Comprehensive Annual Financial Report for the year-ended 2019 with draft auditor reports;**
- 14.2 Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2019 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;**
- 14.4 Performance Measurement Report for 2019**

The motion to “bundle” was adopted unanimously.

Dr. Greenberg moved to approve as a “bundle” the following items:

- 14.1 Comprehensive Annual Financial Report for the year-ended 2019 with draft auditor reports;**

Dr. Greenberg moved to approve the Comprehensive Annual Financial Report for the year-ended 2019 with draft auditor reports as recommended by the Audit Committee.

- 14.2 Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2019 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, 2019 with draft consultant report as recommended by the Audit Committee.

- 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.

**14.4 Performance Measurement Report for 2019**

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

The motion was adopted unanimously.

**Management Reports:**

**5. Chief Financial Officer**

Mr. Zonsius presented the Financial Report for the month of March, 2020.

**6. Project Development**

Mr. Iachetta presented the Project Development Status Report for the month of March 2020.

**7. Counsel**

**8. Concessions/Ambassador Program**

Ms. Chadderdon presented the Concessions/Ambassador Status Report for the month of March 2020.

**9. Public Affairs**

**Action Items:**

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

**10.1 Professional Service Contract Amendment: Amendment No. 3 to Professional Services Contract 999-I: Construction Inspection for the New Parking Garage and Terminal Amenities with Creighton Manning, LLP**

Mr. LaClair recommended authorization of the Amendment No. 3 in the amount of \$275,000 to amend Professional Services Contract 999-I to include onsite construction inspection of both the construction of the new Parking Garage and the Terminal Amenities including daily reports, SWPPPS inspections, material testing, progress photos, FAA Project Duration reports and Special Inspections per FAA, NYSDOT, NYS Building Codes and Albany County Building Codes. This amendment puts the Construction Inspection cost at 3.4% of the total construction project cost.

Mr. Heider moved to authorize Amendment No. 3 to Professional Service Contract 999-I for Construction Inspection by a timesheet in the amount of

\$275,000. The motion was adopted unanimously.

**10.2 Amendment #4 to Contract No. S-912 Runway 1-19 and Taxiway A Edge Lighting Replacement for AECOM for Construction Inspection (CI).**

Mr. LaClair recommended authorization to award Amendment #4 to Contract S-912 Construction Inspection Services for The Runway 1-19 and Taxiway A Edge Lighting Replacement project to AECOM in the amount of \$47,800.00. He advised the firm was previously selected and their fee for services was subsequently established by negotiation. He also advised that the contractor working on the project did not complete the work within the allotted contract time and is currently being assessed Liquidated Damages per calendar day which will help to offset the additional Construction Inspection costs. The proposed fee will include all construction inspection services during the execution of the construction contract and is in conformance with the Disadvantaged Business Enterprise requirements.

Dr. Greenberg moved to authorize Amendment No. 4 to Contract No. S-912 Runway 1-19 and Taxiway A Edge Lighting Replacement to AECOM for Construction Inspection (CI) in the amount of \$47,800. The motion was adopted unanimously.

**11. Authorization of Change Orders – None**

**12. Authorization to submit Application No. 4 to the FAA to impose and use Passenger Facility Charges.**

Mr. Zonsius recommended authorization to submit application #4 to the FAA to impose and use Passenger Facility Charges (PFCs) at the \$4.50 level. He advised the funding will be used to pay for the costs of previously financed projects along with new projects. Also, the list of projects and amount requested in the application to the FAA is listed under back-up information. Further, the ACAA has issued a public notice of its intent to submit the PFC and has commenced a 30-day public comment period. Approval is being sought to advance the final application to the FAA at the conclusion of the public comment period. After the public comment period, the ACAA shall review comments and, if deemed in the best interest of the ACAA, those comments and application shall be submitted to the FAA. Finally, notwithstanding any significant comments opposing the application, as determined by the FAA, the application will be approved.

Mr. Fresina moved to authorize the submittal of application #4 to the FAA to impose and use Passenger Facility Charges (PFC's) at the \$4.50 level. The motion was adopted unanimously.

**Old Business: None**

**New Business:**

**Executive Session: Attorney-Client Privilege Matters:**

There being no further business, the meeting was adjourned at 12:35 p.m.



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)

## ALBANY COUNTY AIRPORT AUTHORITY

### REGULAR MEETING

#### AGENDA

March 16, 2020

#### General:

3. Chairman's Remarks
4. Approval of Minutes  
Regular Meeting – December 9, 2019
5. Communications and Report of Chief Executive Officer
4. Interesting Correspondence

#### Management Reports:

5. Chief Financial Officer
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 Amendment No. 3 to Professional Services Contract 999-I: Construction Inspection for the New Parking Garage and Terminal Amenities with Creighton Manning, LLP
  - 10.2 Amendment #4 to Contract No. S-912 Runway 1-19 and Taxiway A Edge Lighting Replacement for AECOM for Construction Inspection (CI).

**11. Authorization of Change Orders**

None

**12. Application No. 4 to the FAA to impose and use Passenger Facility Charges**

**13. Authorization of Federal and State Grants**

None

**14.**

**14.1 Comprehensive Annual Financial Report for the year-ended 2019 with draft auditor reports;**

**14.2 Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2019 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 2019**

**Old Business:**

**New Business:**

**Executive Session:**

**Attorney-Client Privilege Matters:**

None

# **AGENDA ITEM NO. 1**

## **Chairman's Remarks**

## **AGENDA ITEM NO. 2**

### **Approval of Minutes**



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

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

**December 9, 2019**

**ACAA Approved  
 03/16/2020**

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, December 9, 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  
 Tony Gorman  
 Lyon M. Greenberg, M.D.  
 Samuel A. Fresina (Via Telephone)  
 Kevin R. Hicks  
 Sari M. O'Connor

**MEMBERS ABSENT**

Steven H. Heider

**STAFF**

Philip F. Calderone, Esq.  
 Michael F. Zonsius  
 John O'Donnell  
 Peter Stuto  
 Liz Charland  
 Steve Iachetta  
 Doug Myers

Helen Chadderdon  
 John LaClair  
 Margaret Herrmann  
 Dwayne Lovely  
 Rima Cerrone  
 Kathy Greenwood

**ATTENDEES**

Fred Acunto, Airport Manager, AvPorts  
 John DelBalso, Assistant Airport Manager, AvPorts  
 Ray Casey, Airport Consultant  
 Dave Cook, Airport Fire Chief  
 Dennis Feeney, Majority Leader  
 Michael DeSocio, Albany Business Review

**1. CHAIRMAN'S REMARKS**

**2. MINUTES**

Mr. Hicks moved to approve the minutes of the October 7, 2019 meeting. The motion was adopted unanimously.

Ms. O'Connor moved to approve the minutes of the November 4, 2019 meeting. The motion was adopted unanimously.

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

Mr. Calderone presented the Communications and Report of the Chief Executive Officer.

**4. INTERESTING CORRESPONDENCE**

Noted

**MANAGEMENT REPORTS:**

**5. Chief Financial Officer**

Michael F. Zonsius, presented the following:

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

**6. Project Development**

**7. Counsel**

**8. Concessions/Ambassador Program**

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

**9. Public Affairs**

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

**Action Items:**

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

**10.1 Lease Amendment: Addendum No. 6: Lease and Operating Agreement No. L-35: 72 Sicker Road, ACAA Bldg. No. 213 with Lansing Flight Support, Inc.**

Mr. Stuto recommended approval to extend the Lease with Lansing Flight Support, Inc. for five years. For the year commencing January 1, 2020, the rent

shall be \$3,793.70 (\$45,524.40/yr.) and shall increase by 3.0% each January 1 thereafter. The company owner, Michael Lansing, will provide a personal guaranty. The premises is a 5,000 SF office/warehouse. He further advised Lansing provides mechanical support to ground equipment for the Airlines.

Mr. Hicks moved to authorize Addendum No. 6. The motion was adopted unanimously.

**10.2 Amendment #1 to Contract No. S-969 Construction Management Services with Turner Construction Company**

Mr. LaClair recommended authorization for award of Amendment #1 to Contract S-969 Construction Management Services programmed for the execution of the NYSDOT Grant. Turner Construction was selected through the RFQ process and were selected to provide construction management for all work associated with the NYSDOT Grant including the new parking garage, terminal amenities and wayfinding signage. Turner Construction handles the project schedule tracking, project cost tracking, project meetings, material submittals, payment applications, RFIs and change orders. To manage all nine projects associated with the Grant, Turner needed to supply an additional fulltime person to handle the volume of paperwork required to keep all projects on schedule and to satisfy the reporting requirements of the NYSDOT.

Ms. O'Connor moved to authorize Amendment #1 to Contract No. S-969. The motion was adopted unanimously.

**10.3 Authorization to make purchases using State of New York Contracts: Road Salt (Group # 01800) Gasoline E-85 (Group # 05600)**

Mr. Iachetta recommended authorization for purchase from New York State Office of General Services Procurement for the above mentioned contracts. The awarded vendors have agreed to offer the Airport the same terms and conditions of these contracts. A vendor can bid pricing for commodities/services under these contracts with the assumption that larger quantities would be purchased state-wide as compared to the Airport completing a separate Request for Bid. Both Road Salt and Gasoline are purchased on an as needed basis. The cost of the Gasoline is \$2.1418/gal. The cost of the Road Salt is \$54.89/ton.

Dr. Greenberg moved to authorize purchases at a cost of \$2.1418/gallon for gasoline and \$54.89/ton for road salt. The motion was adopted unanimously.

**10.4 Authorization to contract with Adirondack Cabling for a Telecom Technician**

Mr. Zonsius recommended authorization to contract with Adirondack Cabling for a Telecom Technician as the previous Cable Plant Technician, an AvPorts employee, retired October 31, 2019 and it is more cost effective to hire a contractor that will provide a more broad based knowledge of cable technology. The contractor can also provide additional manpower as need.

Mr. Gorman asked if there was only one bidder and inquired as to where it had been advertised.

Mr. LaClair stated that the announcement was on BidNet.

Mr. Gorman moved to authorize contracting with Adirondack Cabling. The motion was adopted unanimously.

**10.5 Approve Operating Permit with H&H Aircraft Services, Inc. to provide Overnight Aircraft Cleaning for Piedmont Airlines (PA), a subsidiary of American Airlines Group**

Mr. Zonsius recommended approval of an Operating Permit with H&H Aircraft Services, Inc. to provide overnight aircraft cleaning in the hangar located at 22 Jetway Drive (Building 119) at Albany International Airport. H&H will provide services in this hangar leased by AA. He advised the operating permit will expire on December 31, 2023, the expiration date for the hangar with AA. The permit requires payment to the Authority of five (5) percent of all gross revenue generated from PA at the Airport along with other appropriate terms and conditions that include but are not limited to insurance, indemnification, contract assignment, current bankruptcy status of AE, and reporting obligations under the Agreement.

Ms. O'Connor moved to approve the Operating Permit. The motion was adopted unanimously.

**11. Authorization of Change Orders**

**11.1 Change Order #5: Authorization to award Change Order #5 to Contract # 989-SF New Parking Site and Foundations to LeChase Construction Services, LLC.**

Mr. LaClair recommended authorization of Change Order #5 for Contract 989-SF for New Parking Garage Site and Foundations, to LeChase Construction Services LLC of Schenectady, N.Y. in the amount of \$111,173.35 for additional work items including additional lengths and splices for the driven piles due to piles going deeper than plan depth and all labor and materials needed to reroute the sanitary sewer force main for the ACAA building to an existing system near C concourse and maintaining the temporary sanitary holding tank while the new connection was made.

Mr. Gorman moved to authorize Change Order #5 to Contract #989-SF – New Parking Garage Site and Foundations to LeChase Construction Service, LLC in the amount of \$111,173.35. The motion was adopted unanimously.

**11.2 Change Order #2: Authorization to award Change Order #2 to Contract # 989-GCR New Parking Garage General Construction to LeChase Construction Services, LLC.**

Mr. LaClair recommended authorization of Change Order #2 for Contract 989-GCr for New Parking Garage Site and Foundations, to LeChase Construction Services LLC of Schenectady, N.Y. in the amount of \$56,318.00 for unforeseen conditions encountered by the contractor during construction. The additional work items that include rerouting the first floor electric conduits underground, supplying a duct bank to the new pedestrian bridge, shifting the canopy footings to avoid conflict with the existing glycol pipe, pouring concrete to infill areas around drains in the garage, lowering a gas line and an electric duct for storm drain installation, installing two vent lines from the new oil water separator to the face of the new garage, change the type of glass to be used in the stairways on the garage and install new drain in existing sideway near new pedestrian bridge. All work was

done in accordance with contract specifications.

Mr. Hicks moved to authorize Change Order #2 to Contract # 989-GCR New Parking Garage General Construction to LeChase Construction Services, LLC. The motion was adopted unanimously.

**12. Authorization of Federal and State Grants**

None

**13. Informational Only**

**13.1 – Host Site Agreement**

Mr. Iachetta presented a Project Report to the board.

None

**14. Adoption of the \$55,292,363 Operating Budget for 2020 and authorization to transfer \$163,719 from the Authority to the Albany County Airport Authority OPEB Trust**

Mr. Gorman, Chair of the Finance Committee advised the Finance Committee met on November 26, 2019 and they recommend Adoption of the 2020 Airport Operating Budget and requests authorization to transfer \$163,719 from the Authority to the Albany County Airport Authority OPEB Trust. He further advised that the Authority's Airline Rates & Charges consultant has also reviewed the budgetary data and airline rates and charges for consistency with the Airline Use and Lease Agreement and the Master Bond Resolution.

Mr. Gorman moved to adopt the revisions to the Operating Budget for 2020 and authorizes the transfer of funds in the amount of \$163,719 to the ACAA OPEB Trust. The motion was adopted unanimously.

**15. Intentionally left blank.**

**16. Review and approval of the Authority's PROCUREMENT CONTRACT GUIDELINES, OPERATIVE POLICY, PETTY CASH ACCOUNTS AND INSTRUCTIONS (Procurement Guidelines) adopted December 14, 2015 and last reviewed December 10, 2018.**

Mr. Zonsius recommended review and approval of the Authority's Procurement Guidelines adopted December 14, 2015 and last reviewed and approved December 10, 2018. He advised that the NYS Authority Budget Office requires that the Authority annually disclose if the procurement guidelines have been annually reviewed, amended if needed, and approved by its governing Board. He further advised there is one proposed addition on Page 4 "[t]he Maximum hourly contractor rate for Professional Services will be equivalent to four times the highest paid ACAA employee rated."

Dr. Greenberg moved to approve the Procurement Guidelines with the one proposed addition on Page 4 "[t]he Maximum hourly contractor rate for Professional Services will be equivalent to four times the highest paid ACAA employee rated." The motion was adopted unanimously.

**Old Business:**

The Board expressed heartfelt thanks to John O'Donnell for his years of service as Chief Executive Officer for the Albany County Airport Authority. Mr. O'Donnell will continue as a consultant with the Authority and will work on a variety of special projects.

**New Business: -None**

**Executive Session:**

Mr. Hicks made a motion to go into Executive Session to discuss:

**ES-1 – Employment history of a particular individual.**

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

**Attorney-Client Privilege Matters:**

There being no further business, the meeting was adjourned at 1:10 p.m.

**AGENDA ITEM NO. 3**

**Communications and  
Report of Chief Executive Officer**



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)

**MEMO:** March 16, 2020

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

**FROM:** Philip F. Calderone, Esq., Chief Executive Officer

Attached is the report of significant events for the period through March 16, 2020 as well as forward-looking, noteworthy items. If you have any questions regarding this report, please let me know.



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)

## **CHIEF EXECUTIVE OFFICER'S REPORT**

**March 16, 2020**

- Introduction of Matt Cannon – new Director of Development & Governmental Affairs.
- Airport Coronavirus update.
- Meeting with Airlines (New Route Development/Renegotiation of Signatory Airline Agreements).
- Update on Buffalo route.
- Master Plan, Hotel RFQ and Authority Administration office relocation RFQ.
- Progress on Terminal renovations, Garage and Gateway.

## **AGENDA ITEM NO. 4**

### **Interesting Correspondence**

# Monthly Report

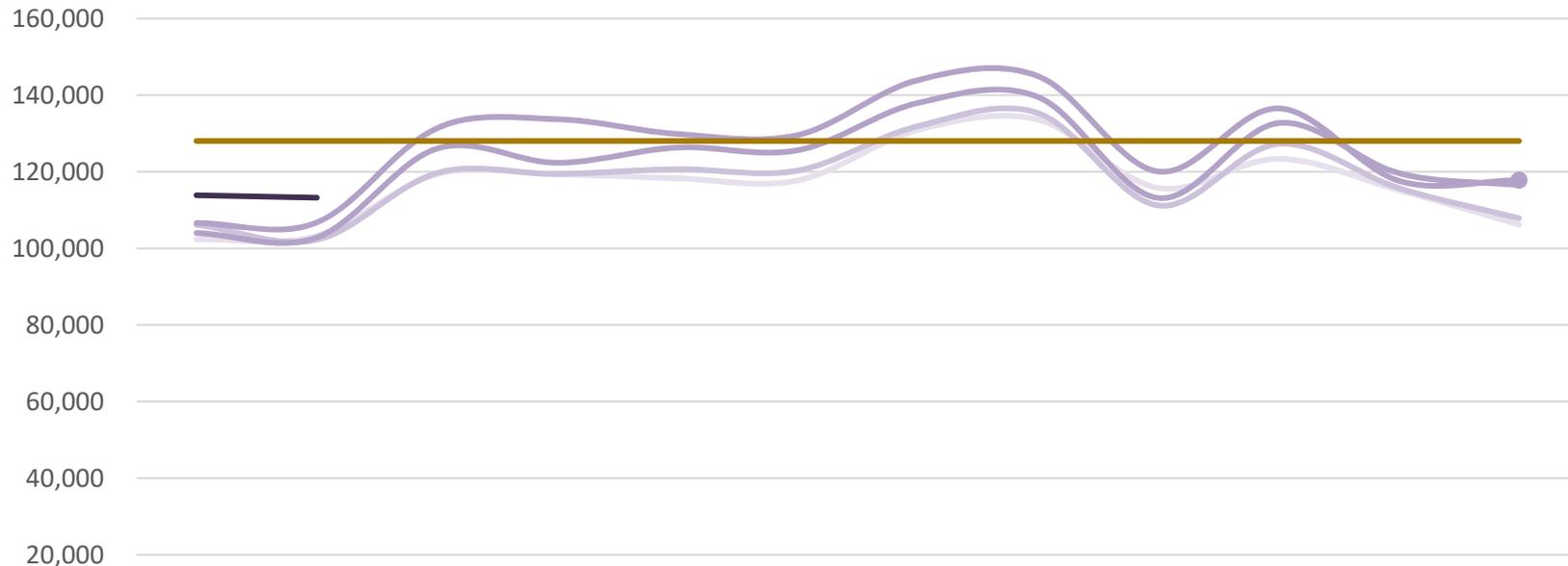
As of January 31, 2020

---



# Monthly Enplanements

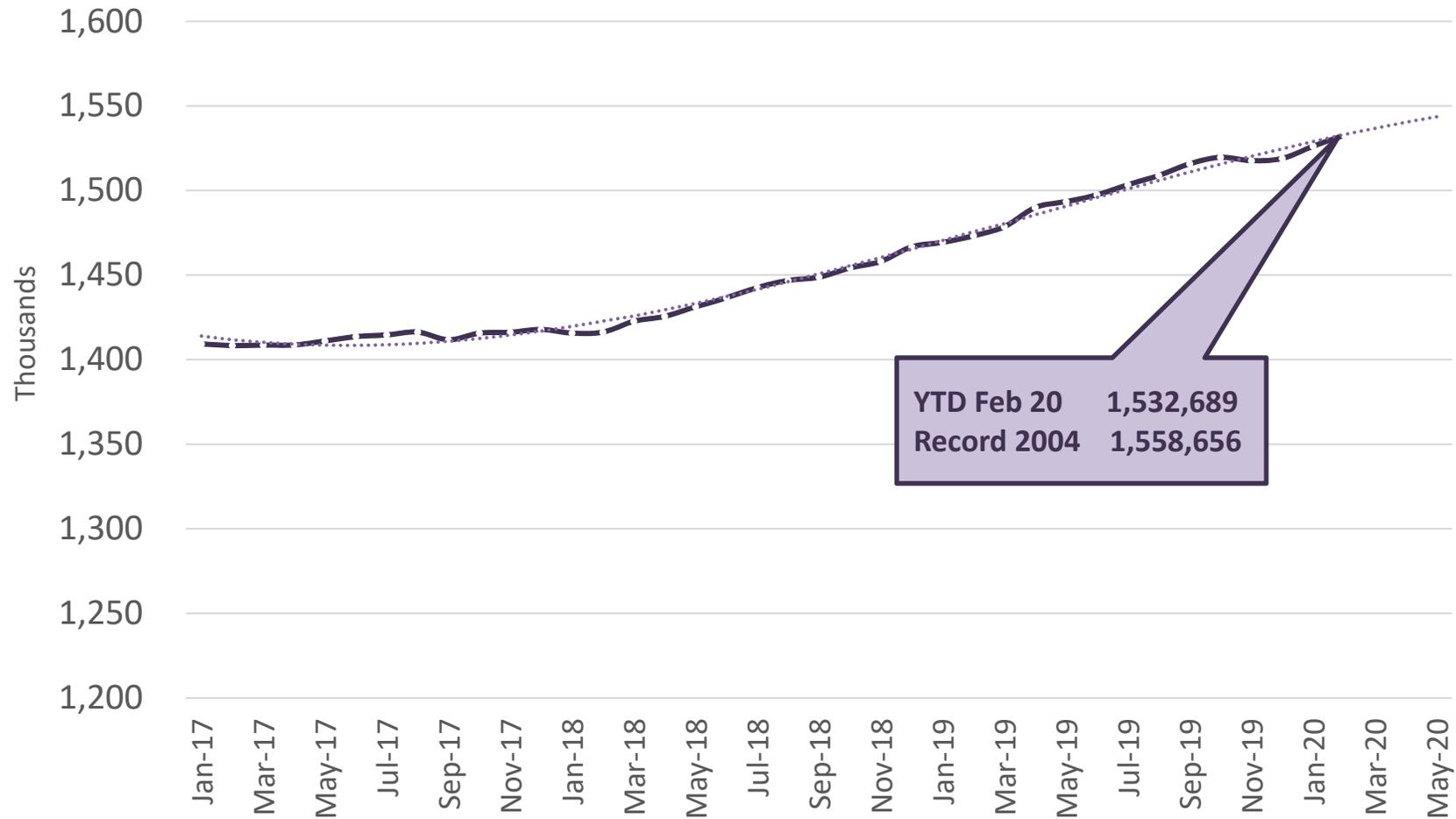
Jan 2020



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2016	102,325	103,214	119,403	119,362	118,293	117,743	130,930	133,612	115,752	123,374	115,220	106,206
2017	106,168	102,255	119,677	119,423	120,665	120,316	131,916	135,306	111,208	127,281	115,758	107,862
2018	104,011	102,852	126,052	122,342	126,345	125,618	137,983	139,520	113,139	132,723	119,639	116,482
2019	106,622	106,760	131,398	133,722	129,868	129,585	143,957	144,967	120,058	136,558	117,662	117,812
2020	113,870	113,232										
Budget	128,041	128,041	128,041	128,041	128,041	128,041	128,041	128,041	128,041	128,041	128,041	128,041

# Enplanements - Twelve Month Running Total

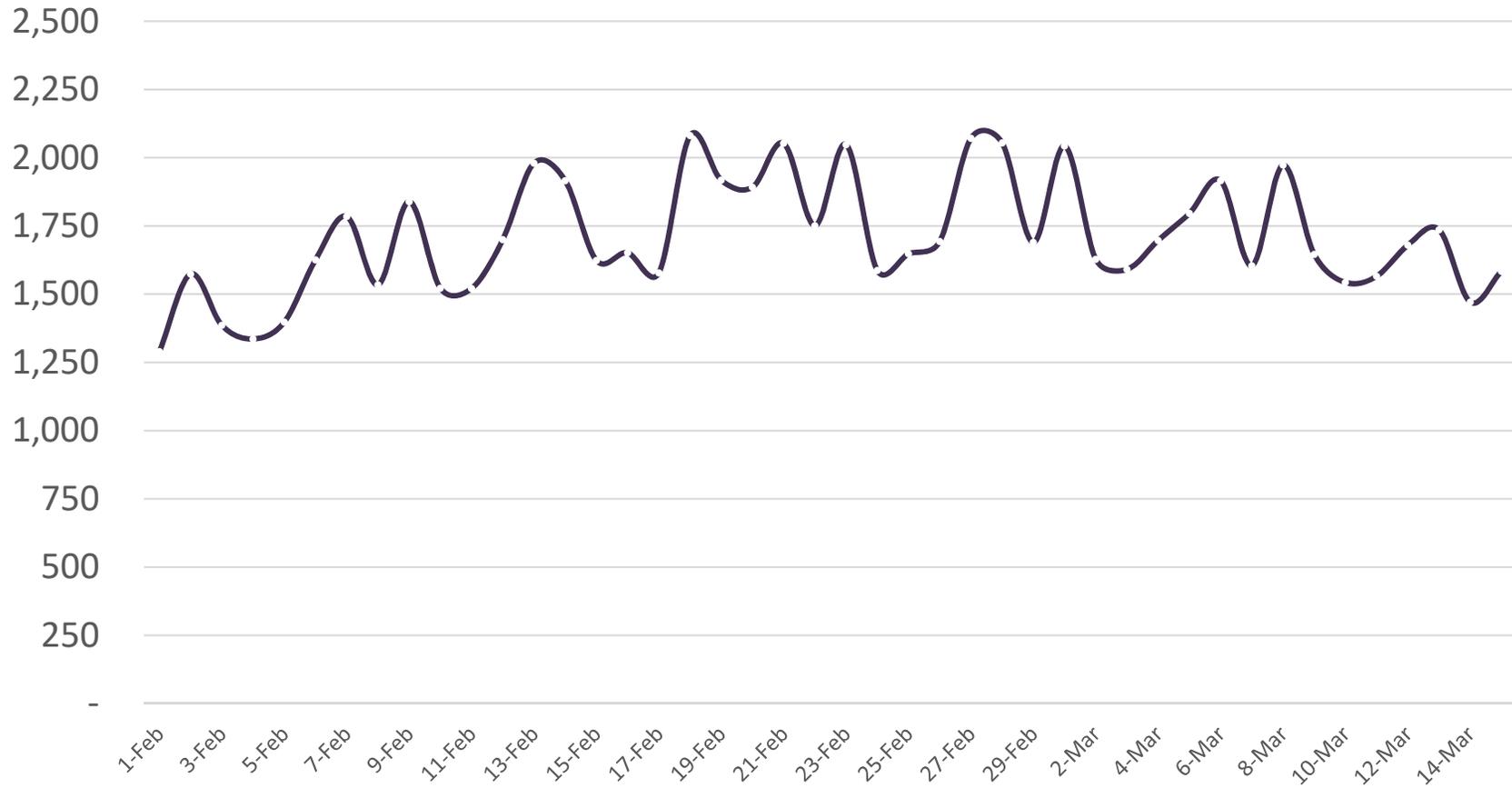
Jan 2020



YTD Feb 20	1,532,689
Record 2004	1,558,656

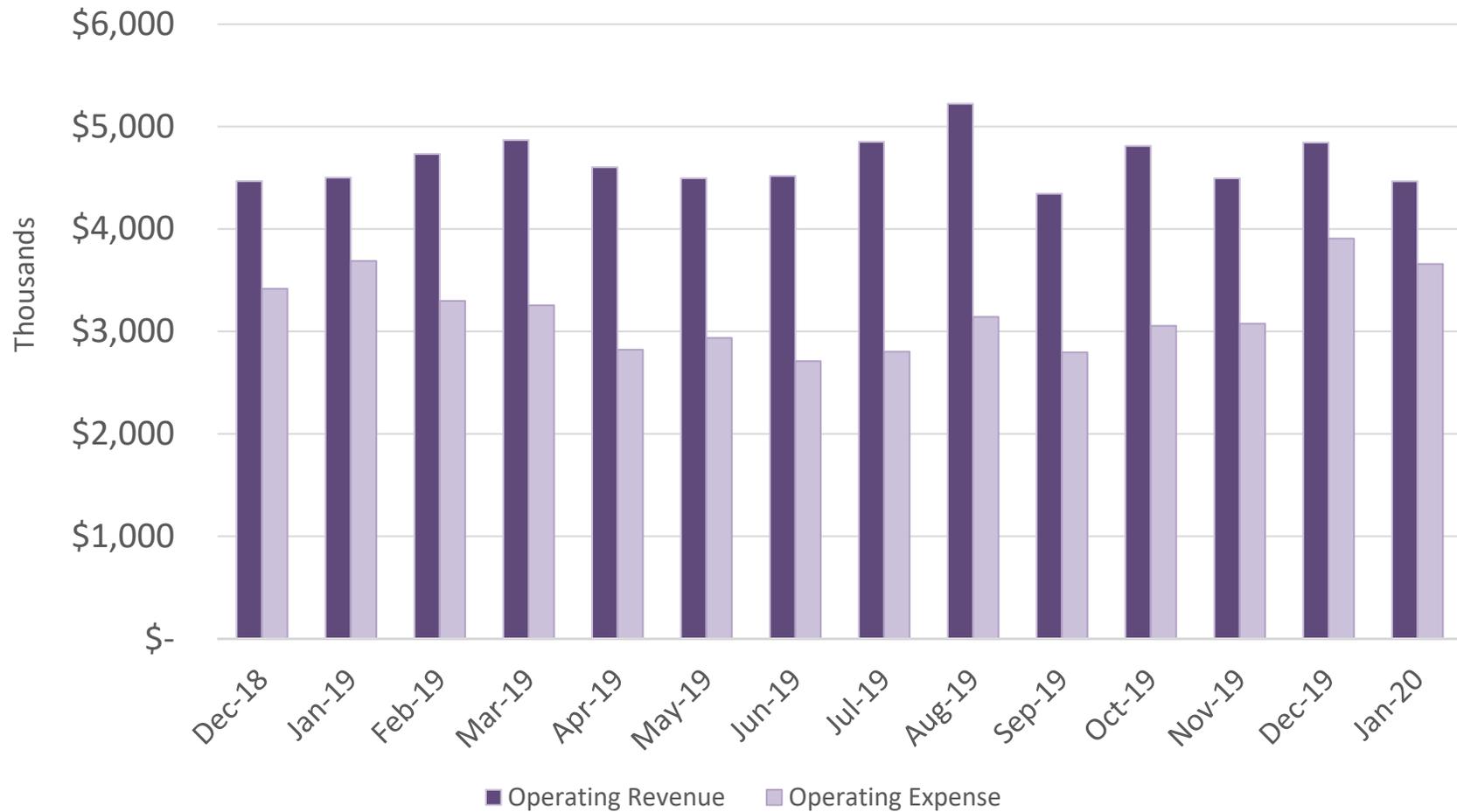
# Parking – Transactions

Jan 2020



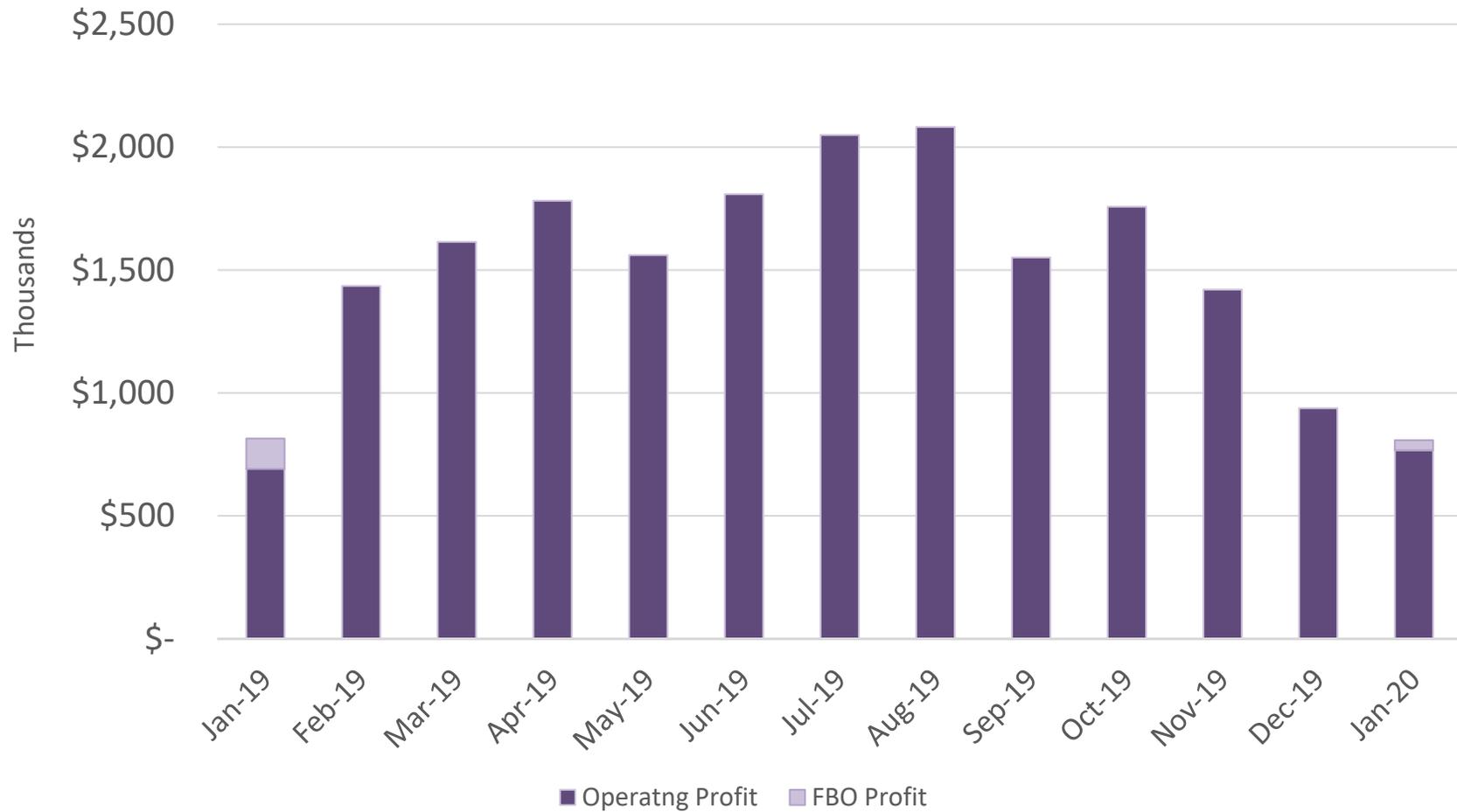
# Operating Revenue vs Operating Expense

Jan 2020



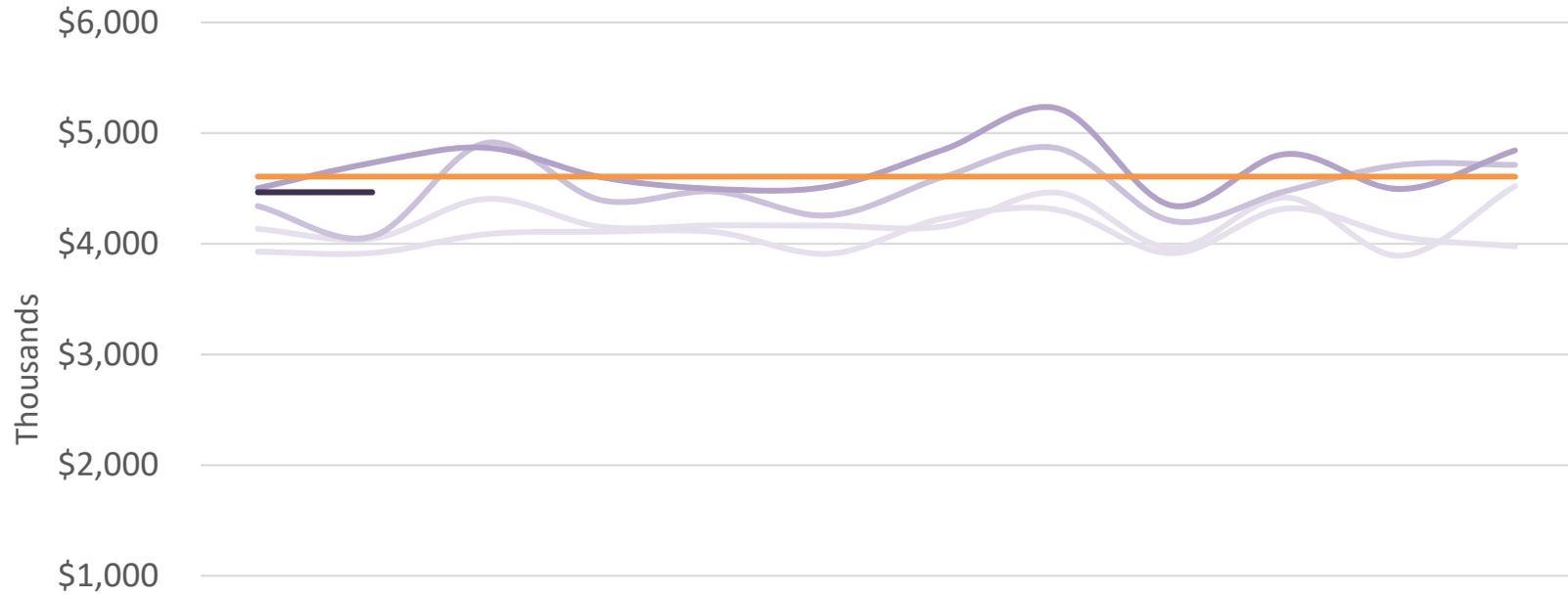
# Operating Profit w FBO Operating Profit

Jan 2020



# Operating Revenue

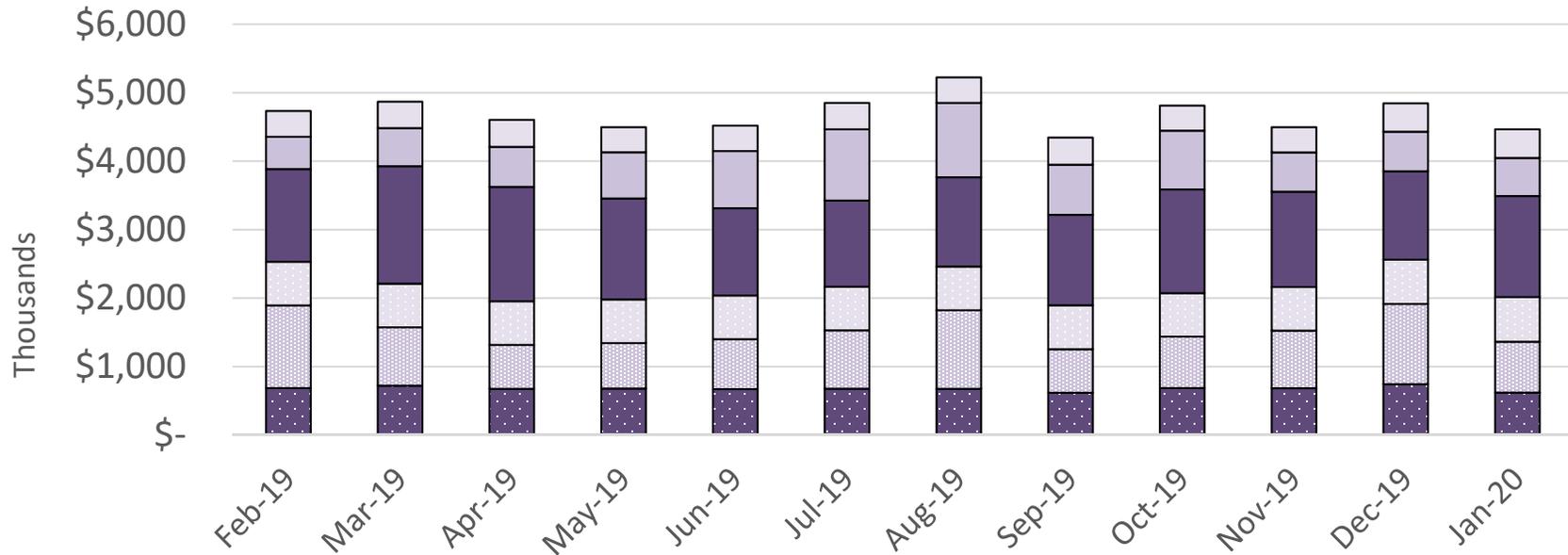
Jan 2020



\$-	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2016	3,928,860	3,917,499	4,087,012	4,109,382	4,106,818	3,910,886	4,231,228	4,307,318	3,914,972	4,319,343	4,064,148	3,978,554
2017	4,135,262	4,046,736	4,407,251	4,154,501	4,167,155	4,164,833	4,159,376	4,462,139	3,960,352	4,418,382	3,892,433	4,521,852
2018	4,341,336	4,067,370	4,912,273	4,395,345	4,473,235	4,256,906	4,604,285	4,863,261	4,206,101	4,477,987	4,712,918	4,712,918
2019	4,502,220	4,732,146	4,868,289	4,603,032	4,496,366	4,518,483	4,850,750	5,223,544	4,345,347	4,811,613	4,494,835	4,843,995
2020	4,465,887											
Budget	4,607,697	4,607,697	4,607,697	4,607,697	4,607,697	4,607,697	4,607,697	4,607,697	4,607,697	4,607,697	4,607,697	4,607,697

# Operating Revenue

Jan 2020

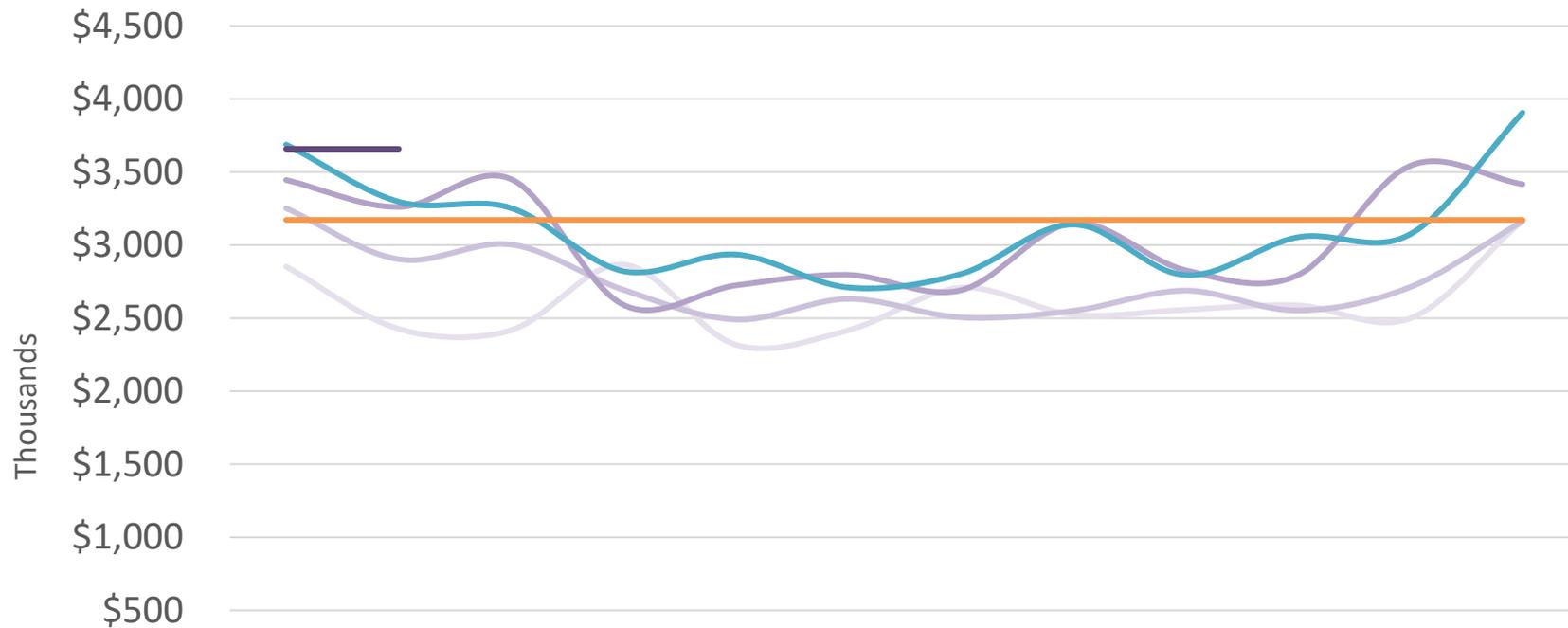


	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20
Other	375,774	384,887	394,631	365,431	371,940	385,831	372,369	398,274	365,945	367,161	413,705	419,768
Concessions	471,688	556,743	584,649	676,196	834,132	1,040,894	1,087,515	729,895	859,568	573,748	578,564	556,578
Ground Transportation	1,354,837	1,715,250	1,669,381	1,473,842	1,274,094	1,258,005	1,303,049	1,322,877	1,512,554	1,390,685	1,289,440	1,473,435
Terminal	636,817	638,233	636,963	638,045	638,575	637,284	637,301	641,302	636,237	637,308	648,082	653,527
FBO	1,207,500	852,991	642,494	664,296	729,805	852,230	1,148,274	634,829	751,308	841,822	1,170,465	742,496
Airfield	685,527	720,183	674,912	678,556	669,937	676,507	675,037	618,170	686,000	684,111	743,739	620,082

Airfield
  FBO
  Terminal
  Ground Transportation
  Concessions
  Other

# Operating Expense

Jan 2020



\$-	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2016	2,852,717	2,427,095	2,418,031	2,866,213	2,318,096	2,417,098	2,708,221	2,524,316	2,557,925	2,587,711	2,499,105	3,168,810
2017	3,251,894	2,903,201	3,004,037	2,694,039	2,491,006	2,631,640	2,505,195	2,550,098	2,688,234	2,552,571	2,712,782	3,163,109
2018	3,445,227	3,260,564	3,451,165	2,590,563	2,724,077	2,796,448	2,690,407	3,150,598	2,828,280	2,794,640	3,542,749	3,416,310
2019	3,687,922	3,297,104	3,254,095	2,821,328	2,935,808	2,710,040	2,801,912	3,141,724	2,794,858	3,054,094	3,074,811	3,906,218
2020	3,658,398	3,658,398										
Budget	3,172,139	3,172,139	3,172,139	3,172,139	3,172,139	3,172,139	3,172,139	3,172,139	3,172,139	3,172,139	3,172,139	3,172,139



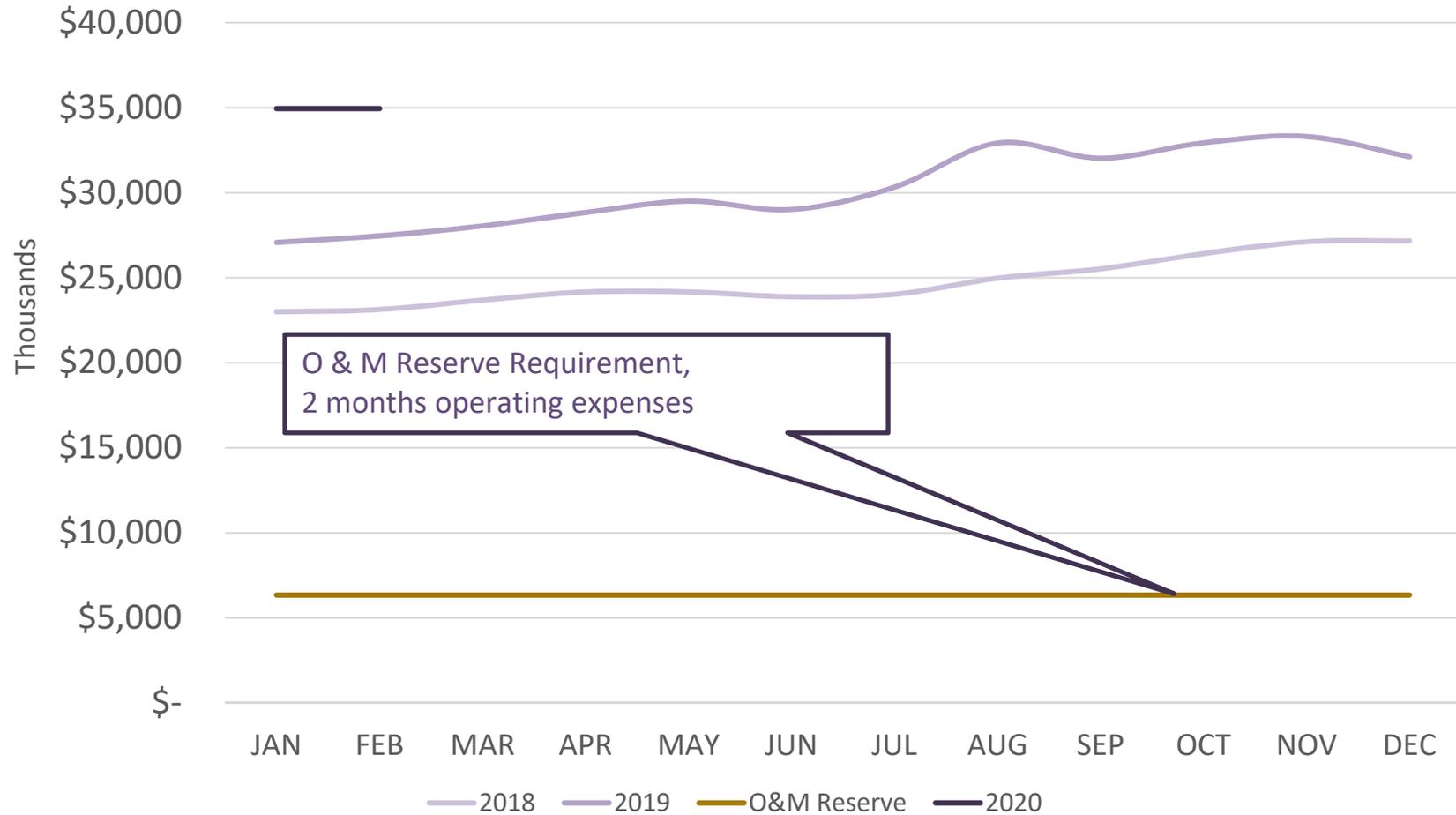
# Cash and Cash Equivalents

As of Jan 31, 2019 & 2020

	2019	2020
Operating	\$27,001,611	\$34,947,281
Capital	40,715,653	33,621,052
Reserves	13,785,505	12,849,637
	\$81,502,769	\$81,417,970

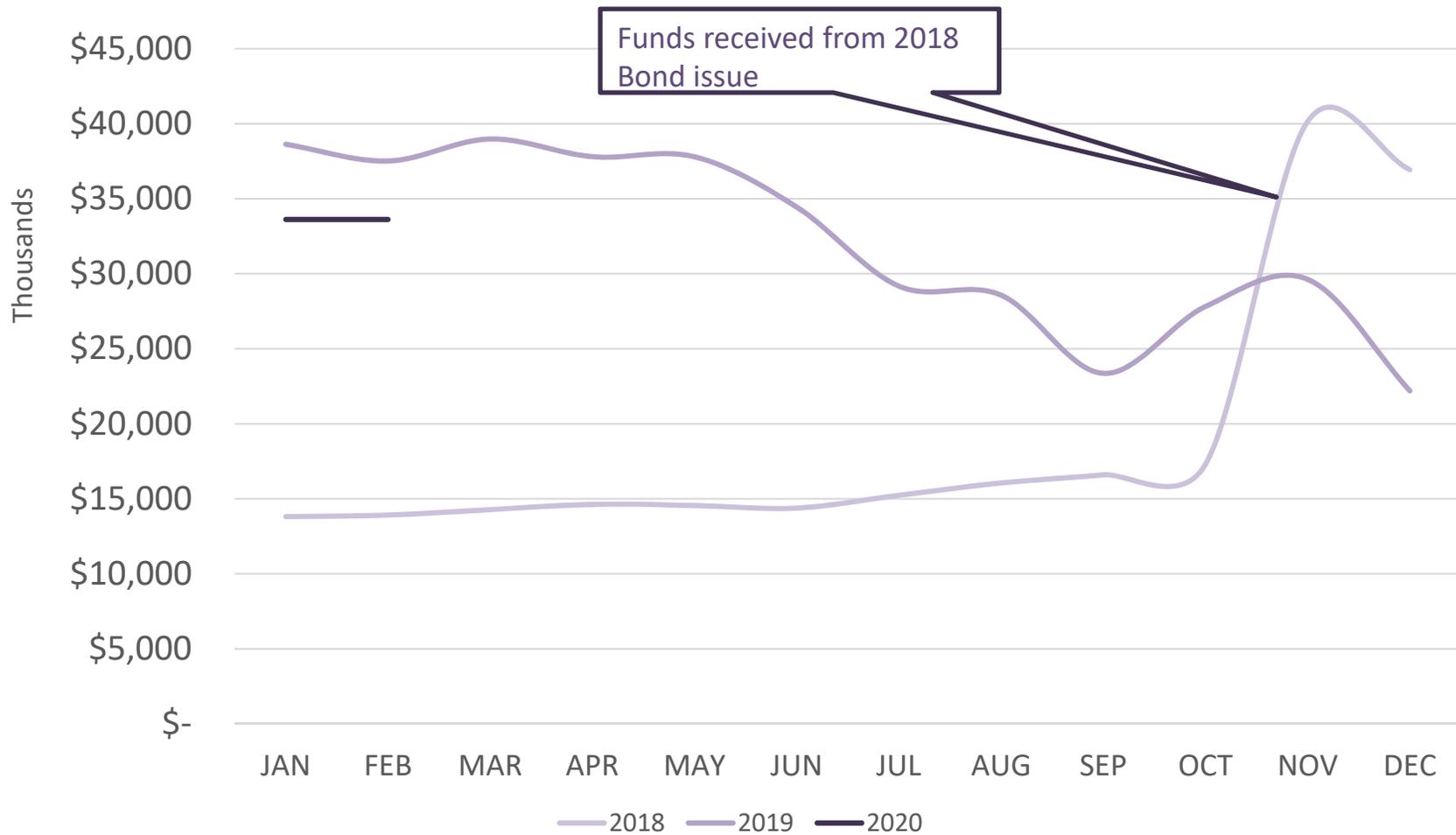
# Cash and Cash Equivalents - Operating

Jan 2020



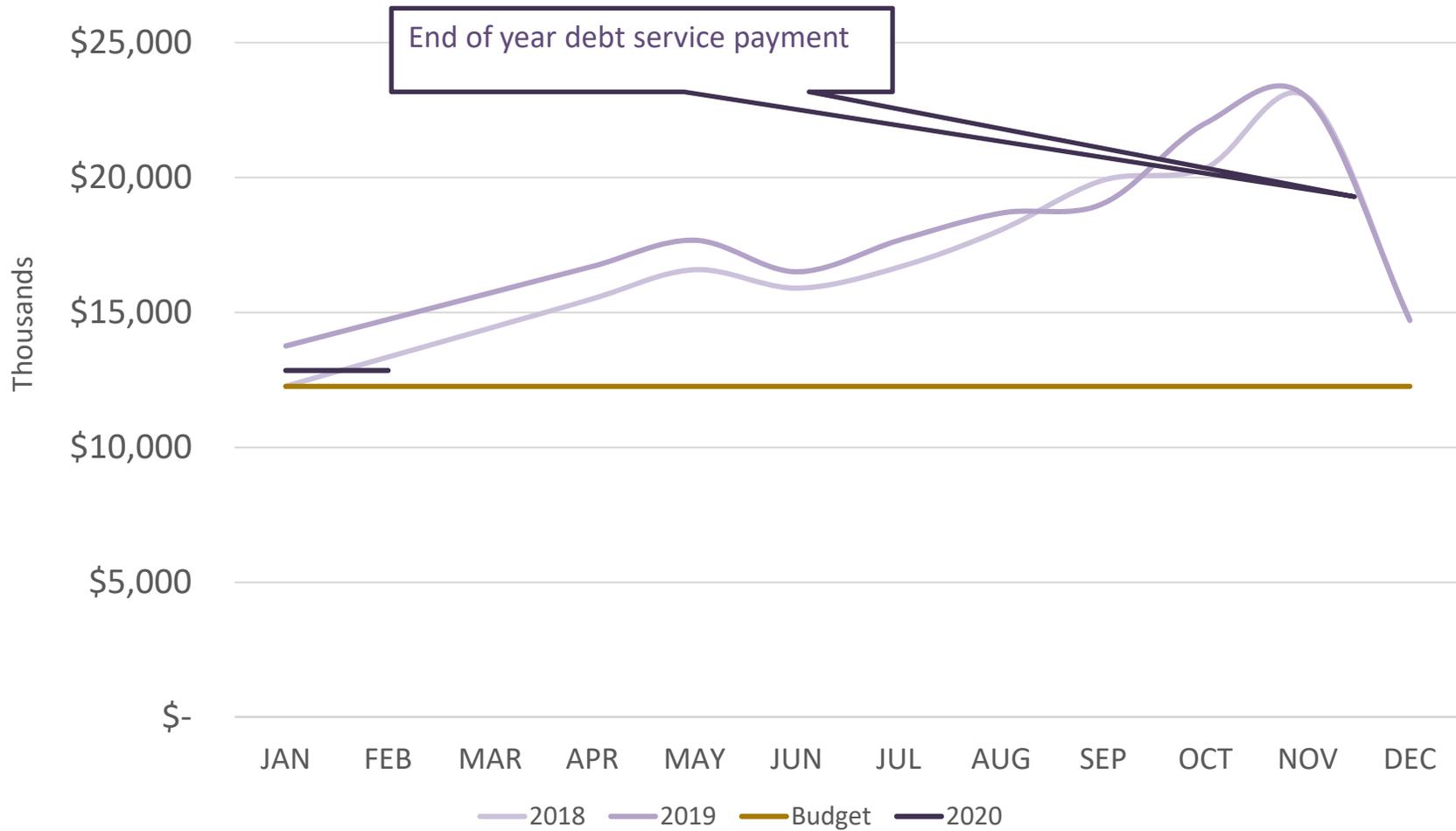
# Cash and Cash Equivalents - Capital

Jan 2020



# Cash and Cash Equivalents— Reserves & Debt Service

Jan 2020



# Monthly Report

---



THANK YOU

## **AGENDA ITEM NO. 5**

### **Financials**

**HANDOUT AT BOARD MEETING**

**MARCH 16, 2020**

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**

*(A Component Unit of the Albany County Airport Authority)*

**FINANCIAL STATEMENTS**

For the Year Ended December 31, 2019

**(Unaudited)**

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*

**TABLE OF CONTENTS**

	<u>Page</u>
REPORT of TRUSTEE .....	2
MANAGEMENT DISCUSSION AND ANALYSIS.....	3
FINANCIAL STATEMENTS	
Statement of Plan Net Position As of December 31, 2019.....	5
Statement of Changes in Plan Net Position For the Year Ended December 31, 2019 .....	6
Notes to Financial Statements .....	7
Required Supplementary Information.....	12

**Michael F. Zonsius**  
**Trustee**

**ALBANY COUNTY AIRPORT  
AUTHORITY OPEB TRUST**

Michael F. Zonsius  
c/o Albany County Airport Authority  
737 Albany Shaker Road  
Albany, New York 12211-1057

Phone: (518) 242-2204  
mzonsius@albanyairport.com  
Fax (518) 242-2640

Report of Trustee

I have prepared the accompanying statement of plan net position as of December 31, 2019 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**

ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST  
(A Component Unit of the Albany County Airport Authority)  
(Unaudited)

**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, 2019. 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 2019. 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 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 2019 are \$2,429,013 (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 2019 by the transfer of \$163,719 from the Albany County Airport Authority plus interest earnings in the amount of \$44,608 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

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*  
**(Unaudited)**

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, 2019 because the Plan had \$2,429,013 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, 2019 was \$7,599,110. 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)*  
(Unaudited)

ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST  
*(A Component Unit of the Albany County Airport Authority)*  
(Unaudited)

Statements of Fiduciary Fund Net Position  
As of December 31, 2018 and 2019

	<u>Dec</u> <u>2018</u>	<u>Dec</u> <u>2019</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$2,220,686	\$2,429,013
Total Assets	<u>2,220,686</u>	<u>2,429,013</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>
 <u>LIABILITIES</u>		
Total Liabilities	<u>-</u>	<u>-</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>		
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>
 <u>NET POSITION</u>		
Net Position - Restricted for OPEB	<u>\$2,220,686</u>	<u>\$2,429,013</u>

ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST  
(A Component Unit of the Albany County Airport Authority)  
(Unaudited)

Statements of Changes In Fiduciary Fund Net Position  
Year Ended December 31, 2018 and 2019

	<u>Dec 2018</u>	<u>Dec 2019</u>
Additions to Net Position Attributed to Contributions		
Employer	\$300,000	325,000
Interest Income	13,200	44,608
Implicit Cost Amount	<u>-</u>	<u>9,579</u>
Total Additions	313,200	379,187
Deductions from Net Position Attributed to Retirement Benefits	150,927	170,860
Administration Expenses	<u>-</u>	<u>-</u>
	<u>150,927</u>	<u>170,860</u>
Increase in Net Position	162,273	208,327
Net Position – Restricted for OPEB, Beginning of Year	<u>2,058,413</u>	<u>2,220,686</u>
Net Position – Restricted for OPEB, End of Year	<b>\$2,220,686</b>	<b>\$2,429,013</b>

ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST  
(A Component Unit of the Albany County Airport Authority)  
(Unaudited)

**Footnotes**  
**Period Ended December 31, 2019**

**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 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. 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 2019 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 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**

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*  
**(Unaudited)**

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, 2019 actuarial valuation, the individual entry age normal method was used. The actuarial assumptions included a 2.50 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 are estimated at a rate of 5 percent. The actuarial value of assets was not determined in this actuarial valuation. At December 31, 2019, the Plan held Net Position in the amount of \$2,429,013 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.

**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.

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*  
(Unaudited)

**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, 2019.

**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.

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*  
(Unaudited)

**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, were as follows:

	2019	2018
Net OPEB Liability at beginning of period	\$ 6,621,984	\$ -
Change in Accounting Principals for GASB 75	-	6,473,234
Service cost	276,198	217,039
Interest	338,961	325,272
Change in assumptions	731,575	-
Differences between expected and actual experience	-	(80,361)
Net investment income	(44,608)	(13,200)
Employer contributions to the trust	(325,000)	(300,000)
Benefit payments withdrawn from the trust	161,281	150,927
Benefit payment excluding implicit cost	(170,860)	(150,927)
Implicit cost amount	9,579	-
Net OPEB Liability at end of period	\$ 7,599,110	\$ 6,621,984

**Actuarial assumptions**

ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST  
(A Component Unit of the Albany County Airport Authority)  
(Unaudited)

Total OPEB liability was determined by actuarial valuations as of December 31, 2018. The following actuarial assumptions are as follows:

Investment rate of return	2.50%, net of OPEB plan investment expense, including inflation
Municipal bond rate	3.26% as of December 31, 2019 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG)
Single equivalent discount rate:	3.25%, net of OPEB plan investment expense, including inflation..
Inflation	2.50% as of December 31, 2019 and for future periods
Salary Increases	3.00% annually as of December 31, 2019 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 Healthy Annuitant Table projected generationally with scale BB and a base year 2009 for males and females
Disabled mortality	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2012 for males and females

**Discount rate**

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
**(A Component Unit of the Albany County Airport Authority)**  
**(Unaudited)**

The discount rate used to calculate the total OPEB liability was 3.25%. 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, Measurement Date

	OPEB Liability		
	1% Decrease	Current Discount Rate	1% Increase
2019 (3.75%)	\$ 11,887,781	\$ 10,028,123	\$ 8,549,823
2018 (3.25%)	10,427,489	8,842,670	7,579,562

	Service Cost		
	1% Decrease	Current Discount Rate	1% Increase
2019 (3.75%)	\$ 364,677	\$ 276,198	\$ 211,365
2018 (3.25%)	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, Measurement Date

	OPEB Liability		
	1% Decrease	Current Trend Rate	1% Increase
2019	\$ 8,375,461	\$ 10,028,123	\$ 12,143,887
2018	7,429,402	8,842,670	10,642,156

	Service Cost		
	1% Decrease	Current Trend Rate	1% Increase
2019	\$ 219,125	\$ 276,198	\$ 351,316
2018	173,163	217,039	274,490

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*  
(Unaudited)

**6. SCHEDULE OF NET OPEB LIABILITY CHANGE**

Schedule of Changes in the Airport's Net OPEB Liability and Related Ratios

	2019	2018
<b>Total OPEB Liability</b>	10,028,123	8,842,670
Service Cost	276,198	217,039
Interest on total OPEB liability, service cost and benefit payments	338,961	325,272
Changes in benefit terms	-	-
Difference between expected & actual plan experience	(161,281)	(80,361)
Changes of assumptions	731,575	-
Benefit payments excluding implicit cost	-	(150,927)
Implicit cost amount	N/A	N/A
Total benefit payments including implicit cost	N/A	N/A
Net change in OPEB liability	1,185,453	311,023
Total OPEB liability - beginning of period	8,842,670	8,531,647
Total OPEB liability - end of period	10,028,123	8,842,670
<b>Plan Fiduciary Net Position</b>	2,429,013	2,220,686
Interest on fiduciary net position		
Earning from plan investments	44,608	13,200
Employer contribution to trust	325,000	300,000
Benefit payments from trust, including refunds of member contributions	(161,281)	(150,927)
Administrative expense	-	-
Other	-	-
Net change in plan fiduciary net position	208,327	162,273
Plan fiduciary net position - beginning of period	2,220,686	2,058,413
Plan fiduciary net position - end of period	2,429,013	2,220,686
Net OPEB liability	7,599,110	6,621,984
Plan Fiduciary net position as a % of total OPEB liability	24.22%	25.11%
Covered employee payroll	1,962,761	1,966,055
Plan NOL as a % of covered employee payroll	387.16%	336.82%
Single discount rate to calculate plan liabilities	3.25%	3.75%

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*  
(Unaudited)

**7. ACTUARIALLY DETERMINED CONTRIBUTION (ADC)**

	2019	2018
Service Cost	276,198	217,039
30 year amortization of NOL at 3.75%	387,733	357,987
Actuarial determined contribution	663,931	575,026
Contributions in relation to the actuarially determined contribution	(325,000)	(300,000)
Contribution deficiency/(excess)	338,931	275,026
Covered Employee Payroll	1,962,761	1,966,055
Contributions as a % of covered employee payroll	16.56%	15.26%
Discount Rate	3.25%	3.75%

**8. MONEY WEIGHTED RATE OF RETURN**

	2019	2018
Beginning value	\$ 2,220,686	\$ 2,058,413
Annual contribution to OPEB Trust	163,719	149,073
Annual interest earnings	44,608	13,200
Ending Value	\$ 2,429,013	\$ 2,220,686
Money weighted rate of return	2.01%	0.64%

Data is being accumulated to present 10 years of the reported information.

ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST  
*(A Component Unit of the Albany County Airport Authority)*  
(Unaudited)



ALBANY COUNTY AIRPORT AUTHORITY TEL: 518-242-2222  
 ALBANY INTERNATIONAL AIRPORT ADMIN FAX: 518-242-2641  
 ADMINISTRATION BUILDING FINANCE FAX: 518-242-2640  
 SUITE 200 SITE: www.albanyairport.com  
 ALBANY, NEW YORK 12211-1057

TO: ACAA Members  
 FROM: Michael F. Zonsius, CFO  
 RE: January 2020 Financial Performance  
 DATE: March 3, 2020

**INTRODUCTION**

The attached report includes the Airport’s January 2020 financial and statistical highlights. 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 2020. The financial information presented herewith is prepared on the Albany County Airport Authority’s budgetary basis of accounting.

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: Transmittal Letter, Statement of Net Position, Summary of Revenues, Expenses and Net Results, Schedule of Revenue Detail, FBO Summary of Revenue and Expenses, and Statistical Sheet.

	Current Year Versus			
	2020 YTD Budget	2019 January	2019 YTD	2019 Prev. 12 Mon.
<b>Enplanements</b>	8.6%	6.8%	6.8%	3.9%
<b>Operations (TOs or Landings)</b>	(2.8)	(15.5)	(15.5)	(4.0)
<b>Cargo</b>	51.9	11.3	11.3	6.7
<b>Landed Weight</b>	6.8	6.0	6.0	3.6

January 2020 seat capacity was 140,977, an increase of 0.6% from the previous year.

January load factors were 81% and 76% for 2020 and 2019, respectively.

January daily flights were 45 and 49, respectively. The decrease primarily attributed to air service lost to Boston and Ogdensburg markets.

## **FINANCIAL INFORMATION**

A Statements of Net Position report is provided on Page 3. As shown, the Airport's net position increased \$31,162,082 over the previous year, and of the increase is attributed to January 2020 \$1,760,048 earnings.

The Summary of Revenues, Expenses and Net results on Page 4 shows the breakdown of the \$1,760,048 which is attributed to \$146,592 (before revenue sharing) and \$1,687,347 for operating profit and capital contributions, respectively. Of the \$146,592 operating profit, \$40,711 is attributed to the FBO operation.

OPERATING REVENUES for YTD 2020 are approximately \$3.7 million and are \$266,525 and \$152,048 greater than budgeted and the previous year, respectively.

PARKING REVENUES (Page 5) for YTD 2020 are approximately \$1.4 million and are \$83,044 and \$123,484 greater than budgeted and the previous year, respectively.

OPERATING EXPENSES for YTD 2020 are approximately \$3.0 million and are \$204,982 lower than budgeted and \$76,003 greater than the previous.

## **MILLION AIR FBO OPERATIONS**

The FBO Summary of Revenues, Expenses and Net results are shown on Page 6.

OPERATING PROFITS for YTD 2020 are \$40,711 and are \$3,086 greater and \$82,854 lower than budgeted and the previous year, respectively. respectively. The decrease is attributed to a \$46,266 reduction in JetA fuel sales.

Commercial AvGas Fuel Sales has decreased substantially from the prior year due to Cape Air leaving the Boston and Ogensburg

**Albany County Airport Authority**  
**Statements of Net Position**

	Unaudited January 31, 2019	Unaudited January 31, 2020
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Unrestricted Assets		
Cash and cash equivalents	\$ 27,001,611	\$ 34,897,281
Accounts receivable - net	1,528,335	1,143,513
Due from Albany County	244,961	200,115
Prepaid Expenses	501,539	471,449
Total Unrestricted Assets	<u>29,276,446</u>	<u>36,712,358</u>
Restricted Assets		
CFC Funds	-	447,971
Capital Funds	25,985,677	14,642,831
PFC Funds	13,660,861	16,758,825
Revenue Bond Funds	13,785,505	12,849,637
FAA Restricted Funds:	198,463	1,083,054
Concession Improvement Funds	870,652	688,371
Total Restricted Assets	<u>54,501,158</u>	<u>46,470,689</u>
Total Current Assets	<u>83,777,604</u>	<u>83,183,047</u>
<b>NON-CURRENT ASSETS</b>		
Bond Insurance Premiums	295,789	237,376
Capital Assets	236,906,537	278,569,089
Prepaid Expenses	240,538	225,103
Total Non-Current Assets	<u>237,442,864</u>	<u>279,031,568</u>
Total Assets	<u>321,220,468</u>	<u>362,214,615</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Refunding	4,084,309	2,145,789
OPEB Expenses	34,725	621,658
Pension Expenses	782,773	541,970
Total Deferred Outflows of Resources	<u>4,901,807</u>	<u>3,309,417</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<u>\$ 326,122,275</u>	<u>\$ 365,524,032</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Payable from Unrestricted Assets	\$ 5,878,692	\$ 3,003,801
Payable from Restricted Assets	9,131,580	18,126,188
Total Current Liabilities	<u>15,010,272</u>	<u>21,129,989</u>
<b>NON-CURRENT LIABILITIES</b>		
Bonds and other debt obligations	87,728,890	89,281,579
Net OPEB liability	6,621,984	7,619,505
Net pension liability - proportionate share	152,292	343,610
Total Non-Current Liabilities	<u>94,503,166</u>	<u>97,244,694</u>
Total Liabilities	<u>109,513,438</u>	<u>118,374,683</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>		
Concession Improvement Funds	870,562	688,371
OPEB expenses	64,289	48,217
Pension expenses	492,514	119,207
Total Deferred Inflows of Resources	<u>1,427,365</u>	<u>855,795</u>
<b><u>NET POSITION</u></b>		
Invested in Capital Assets, net of Related Debt	170,711,474	188,782,561
Restricted	27,280,998	30,544,244
Unrestricted	<u>17,189,000</u>	<u>27,016,749</u>
<b>Net Position</b>	<u>215,181,472</u>	<u>246,343,554</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<u>\$ 326,122,275</u>	<u>\$ 365,524,032</u>

**Albany County Airport Authority**  
**2020 Summary of Revenues, Expenses and Net Results**  
**For the one month ended January 31, 2020**

	Current Month			Year to Date		
	2020 Budget	2019 Actual	2020 Actual	2020 Budget	2019 Actual	2020 Actual
<b>AIRPORT</b>						
<b>OPERATING REVENUES</b>						
Airline	\$ 1,116,858	\$ 1,173,946	\$ 1,145,880	\$ 1,116,858	\$ 1,173,946	\$ 1,145,880
Non-Airline	2,340,008	2,397,397	2,577,511	2,340,008	2,397,397	2,577,511
<b>Total Revenues</b>	<b>3,456,866</b>	<b>3,571,343</b>	<b>3,723,391</b>	<b>3,456,866</b>	<b>3,571,343</b>	<b>3,723,391</b>
<b>OPERATING EXPENSES</b>						
Personal Services	956,147	714,972	861,858	956,147	714,972	861,858
Employee Benefits	469,649	422,698	445,237	469,649	422,698	445,237
Utilities & Communications	266,645	282,910	211,408	266,645	282,910	211,408
Purchased Services	910,759	899,001	961,773	910,759	899,001	961,773
Material & Supplies	423,512	455,828	381,753	423,512	455,828	381,753
Office	51,469	35,934	21,259	51,469	35,934	21,259
Administration	83,413	69,266	73,324	83,413	69,266	73,324
<b>Total Expenses</b>	<b>3,161,594</b>	<b>2,880,609</b>	<b>2,956,612</b>	<b>3,161,594</b>	<b>2,880,609</b>	<b>2,956,612</b>
<b>AIRPORT OPERATING RESULTS</b>	<b>295,272</b>	<b>690,734</b>	<b>766,779</b>	<b>295,272</b>	<b>690,734</b>	<b>766,779</b>
<b>FBO OPERATING RESULTS</b>	<b>37,625</b>	<b>123,565</b>	<b>40,711</b>	<b>37,625</b>	<b>123,565</b>	<b>40,711</b>
<b>TOTAL OPERATING RESULTS</b>	<b>332,897</b>	<b>814,299</b>	<b>807,490</b>	<b>332,897</b>	<b>814,299</b>	<b>807,490</b>
<b>OTHER REVENUES (EXPENSES)</b>						
Interest Earnings	77,322	125,611	76,617	77,322	125,611	76,617
Passenger Facility Charges	345,076	376,345	345,076	345,076	376,345	345,076
ACAA Debt Service	(920,797)	(993,368)	(1,086,794)	(920,797)	(993,368)	(1,086,794)
Line of Credit Interest	0	0	(15,097)	0	0	(15,097)
Non-Capital Equipment	(32,917)	(18,128)	(11,400)	(32,917)	(18,128)	(11,400)
Grant Income	10,575	11,780	10,575	10,575	11,780	10,575
Improvement Charges	30,700	30,700	30,700	30,700	30,700	30,700
<b>Total Other Revenues(Expenses)</b>	<b>(490,041)</b>	<b>(467,060)</b>	<b>(660,898)</b>	<b>(490,041)</b>	<b>(467,060)</b>	<b>(660,898)</b>
<b>INCOME/(LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<b>(157,144)</b>	<b>347,239</b>	<b>146,592</b>	<b>(157,144)</b>	<b>347,239</b>	<b>146,592</b>
<b>AIRLINE INCENTIVES</b>		<b>(89,202)</b>	<b>(73,891)</b>		<b>(89,202)</b>	<b>(73,891)</b>
<b>CAPITAL CONTRIBUTIONS</b>		<b>353,775</b>	<b>1,687,347</b>		<b>353,775</b>	<b>1,687,347</b>
<b>INCREASE IN NET POSITION</b>		<b>611,812</b>	<b>1,760,048</b>		<b>611,812</b>	<b>1,760,048</b>
<b>NET POSITION, BEGINNING OF PERIOD</b>		<b>214,569,660</b>	<b>244,583,506</b>		<b>214,569,660</b>	<b>244,583,506</b>
<b>NET POSITION, END OF PERIOD</b>		<b>\$ 215,181,472</b>	<b>\$ 246,343,554</b>		<b>\$ 215,181,472</b>	<b>\$ 246,343,554</b>
<b>RECONCIATION TO AIRLINE FUNDS REMAINING:</b>						
<b>NET RESULTS BEFORE RESERVES</b>	<b>(157,144)</b>	<b>347,239</b>	<b>146,592</b>	<b>(157,144)</b>	<b>347,239</b>	<b>146,592</b>
Less: Capital Improvements	(275,956)	(275,956)	(275,511)	(275,956)	(275,956)	(275,511)
Less: Reserve Requirements	(10,473)	(10,473)	(36,323)	(10,473)	(10,473)	(36,323)
<b>NET RESULTS</b>	<b>(443,573)</b>	<b>60,810</b>	<b>(165,242)</b>	<b>(443,573)</b>	<b>60,810</b>	<b>(165,242)</b>
Revenue Sharing:						
Transfer to/from Airlines (50%)	(221,786)	30,405	(82,621)	(221,786)	30,405	(82,621)
Authority Share (50%)	(221,786)	30,405	(82,621)	(221,786)	30,405	(82,621)
Less: Airline Incentives	(83,333)	(89,202)	(73,891)	(83,333)	(89,202)	(73,891)
<b>Net Authority Share</b>	<b>\$ (305,120)</b>	<b>\$ (58,797)</b>	<b>\$ (156,512)</b>	<b>\$ (305,120)</b>	<b>\$ (58,797)</b>	<b>\$ (156,512)</b>

**Albany County Airport Authority**  
**Revenues**  
**For the one month ended January 31, 2020**

	Current Month			Year to Date		
	2020 Budget	2019 Actual	2020 Actual	2020 Budget	2019 Actual	2020 Actual
<b>AIRLINE REVENUES</b>						
<b>COMMERCIAL</b>						
Landing Fees	\$ 374,226	\$ 409,536	\$ 395,773	\$ 374,226	\$ 409,536	\$ 395,773
Airline Apron Fees	56,674	67,457	61,107	56,674	67,457	61,107
Glycol Disposal Fee	72,373	75,502	47,451	72,373	75,502	47,451
<b>CARGO</b>						
Landing Fee	43,270	48,186	57,821	43,270	48,186	57,821
<b>TERMINAL</b>						
Loading Bridges	55,336	57,643	59,592	55,336	57,643	59,592
Space Rental	514,980	515,623	524,136	514,980	515,623	524,136
<b>TOTAL AIRLINE REVENUES</b>	<b>1,116,858</b>	<b>1,173,946</b>	<b>1,145,880</b>	<b>1,116,858</b>	<b>1,173,946</b>	<b>1,145,880</b>
<b>NON-AIRLINE REVENUES</b>						
<b>AIRFIELD</b>						
Tenant Maintenance	4,279	5,151	2,449	4,279	5,151	2,449
<b>Total Airfield</b>	<b>4,279</b>	<b>5,151</b>	<b>2,449</b>	<b>4,279</b>	<b>5,151</b>	<b>2,449</b>
<b>TERMINAL</b>						
Utility Reimbursement	1,893	1,809	1,777	1,893	1,809	1,777
Tenant Maintenance	362	(3,763)	9,399	362	(3,763)	9,399
Space Rent - Non Airline	61,638	61,448	58,624	61,638	61,448	58,624
Food & Beverage	69,494	89,647	95,886	69,494	89,647	95,886
Retail	63,686	67,806	66,669	63,686	67,806	66,669
Advertising	25,000	27,155	24,613	25,000	27,155	24,613
Concession	-	2,217	-	-	2,217	-
Payphones	190	92	80	190	92	80
ATM	2,965	2,889	2,778	2,965	2,889	2,778
Museum Shop	-	10,529	-	-	10,529	-
Operating Permits	16,265	20,524	31,286	16,265	20,524	31,286
Vending Machines	2,568	3,167	2,589	2,568	3,167	2,589
Baggage Cart Rentals	1,383	-	1,074	1,383	-	1,074
<b>Total Terminal</b>	<b>245,444</b>	<b>283,519</b>	<b>294,773</b>	<b>245,444</b>	<b>283,519</b>	<b>294,773</b>
<b>TRANSPORTATION</b>						
Parking	1,307,633	1,267,193	1,390,677	1,307,633	1,267,193	1,390,677
Rental Cars	266,029	273,534	322,705	266,029	273,534	322,705
Access Fees	51,585	52,529	51,216	51,585	52,529	51,216
TNCs	19,125	23,170	31,542	19,125	23,170	31,542
Garage Space Rent	7,708	7,480	6,080	7,708	7,480	6,080
<b>Total Ground Transportation</b>	<b>1,652,079</b>	<b>1,623,906</b>	<b>1,802,220</b>	<b>1,652,079</b>	<b>1,623,906</b>	<b>1,802,220</b>
<b>OTHER AIRPORT</b>						
Tenants	5,833	5,797	8,900	5,833	5,797	8,900
Building Rental	31,406	30,114	30,989	31,406	30,114	30,989
Control Tower Rental	55,481	55,481	55,481	55,481	55,481	55,481
Air Cargo Facility	39,005	78,010	73,010	39,005	78,010	73,010
State Executive Hangar	103,924	103,924	103,924	103,924	103,924	103,924
T Hangars	8,361	8,709	10,721	8,361	8,709	10,721
Tie Downs	355	355	241	355	355	241
AV Gas Fuel Sales	2,285	899	2,596	2,285	899	2,596
Industrial Park	48,170	46,470	47,736	48,170	46,470	47,736
Land Rental	26,673	36,316	29,171	26,673	36,316	29,171
Eclipse Hangar	27,806	27,700	28,279	27,806	27,700	28,279
Hangar Rental	42,848	42,356	43,356	42,848	42,356	43,356
Internet and Cable Access	1,040	1,040	1,040	1,040	1,040	1,040
Fingerprinting	2,500	3,394	3,137	2,500	3,394	3,137
Tenant Maintenance	83	889	-	83	889	-
Purchasing Proposals	83	-	-	83	-	-
Sales	1,250	456	5	1,250	456	5
Utility Reimbursement	18,699	20,880	16,315	18,699	20,880	16,315
Reimb of Property Taxes	15,736	17,189	18,128	15,736	17,189	18,128
Other	6,667	4,842	5,041	6,667	4,842	5,041
<b>Total Other Airport</b>	<b>438,205</b>	<b>484,820</b>	<b>478,069</b>	<b>438,205</b>	<b>484,820</b>	<b>478,069</b>
<b>TOTAL NON AIRLINE REVENUES</b>	<b>2,340,008</b>	<b>2,397,397</b>	<b>2,577,511</b>	<b>2,340,008</b>	<b>2,397,397</b>	<b>2,577,511</b>
<b>TOTAL REVENUES</b>	<b>\$3,456,865</b>	<b>\$3,571,343</b>	<b>\$3,723,391</b>	<b>\$3,456,865</b>	<b>\$3,571,343</b>	<b>\$3,723,391</b>

**Albany County Airport Authority**  
**FBO Results**  
**For the one month ended January 31, 2020**

	Current Month			Year to Date		
	2020 Budget	2019 Actual	2020 Actual	2020 Budget	2019 Actual	2020 Actual
<b>OPERATING REVENUES</b>						
Retail Fuel						
Jet A Fuel Sales	\$ 411,410	\$ 374,378	\$ 328,112	\$ 411,410	\$ 374,378	\$ 328,112
AvGas Fuel Sales	17,151	12,398	17,250	17,151	12,398	17,250
Commercial AvGas Fuel Sales	1,965	25,312	1,667	1,965	25,312	1,667
Auto & Diesel Fuel Sales	48,833	47,477	35,510	48,833	47,477	35,510
Retail Fuel Sales	479,359	459,565	382,538	479,359	459,565	382,538
Into Plane Fees	47,551	51,730	53,385	47,551	51,730	53,385
Fuel Farm Fees	48,135	46,820	53,354	48,135	46,820	53,354
General Aviation Landing Fees	17,491	14,214	17,004	17,491	14,214	17,004
Aircraft Parking Fees	12,171	11,289	13,033	12,171	11,289	13,033
Deicing Services	254,014	313,238	180,806	254,014	313,238	180,806
FBO Properties	32,209	29,114	33,204	32,209	29,114	33,204
FBO Services	2,503	4,907	9,172	2,503	4,907	9,172
<b>TOTAL REVENUES</b>	<b>893,433</b>	<b>930,877</b>	<b>742,496</b>	<b>893,433</b>	<b>930,877</b>	<b>742,496</b>
<b>COST OF SALES</b>						
Fuel Costs - Jet A	236,714	216,039	184,700	236,714	216,039	184,700
Fuel Discounts - Jet A	27,570	26,933	22,522	27,570	26,933	22,522
Fuel Costs - AvGas	12,855	7,957	11,528	12,855	7,957	11,528
Fuel Discounts - AvGas	237	166	301	237	166	301
Fuel Costs - Commercial AvGas	1,934	22,158	1,469	1,934	22,158	1,469
Fuel Costs - Auto & Diesel	41,439	35,321	26,008	41,439	35,321	26,008
Total Fuel Costs	320,748	308,574	246,528	320,748	308,574	246,528
Deicing Costs - Type I & IV	190,078	183,675	101,052	190,078	183,675	101,052
Catering, Oil & Other	417	0	0	417	0	0
Total Cost of Sales	511,242	492,248	347,579	511,242	492,248	347,579
Net Operating	382,191	438,629	394,917	382,191	438,629	394,917
<b>OPERATING EXPENSES</b>						
Personal Services						
Salaries	115,466	90,046	89,292	115,466	90,046	89,292
Overtime	14,352	18,154	18,073	14,352	18,154	18,073
Total Personal Services	129,818	108,200	107,364	129,818	108,200	107,364
Employee Benefits	48,799	39,335	42,485	48,799	39,335	42,485
Utilities & Communications	12,135	11,572	8,809	12,135	11,572	8,809
Purchased Services	101,034	126,809	149,624	101,034	126,809	149,624
Materials & Supplies						
Buildings	6,757	(976)	5,993	6,757	(976)	5,993
Grounds	1,883	1,080	2,581	1,883	1,080	2,581
Vehicles	30,251	18,306	24,891	30,251	18,306	24,891
Total Materials & Supplies	38,891	18,410	33,465	38,891	18,410	33,465
Administrative Expenses	13,889	10,738	12,458	13,889	10,738	12,458
Non-Capital Equipment	0	0	0	0	0	0
<b>TOTAL EXPENSES</b>	<b>344,566</b>	<b>315,064</b>	<b>354,206</b>	<b>344,566</b>	<b>315,064</b>	<b>354,206</b>
<b>FBO Net Operating Results</b>	<b>\$ 37,625</b>	<b>\$ 123,565</b>	<b>\$ 40,711</b>	<b>\$ 37,625</b>	<b>\$ 123,565</b>	<b>\$ 40,711</b>

**Albany International Airport  
Statistics  
Jan-20**

	Current Month			Year to Date			12 Month Running	
	Budget	2019	2020	Budget	2019	2020	2019	2020
<b>Statistics</b>								
<b>Enplanements</b>	104,836	106,622	113,870	104,836	106,622	113,870	1,469,317	1,526,217
<b>Operations</b>	4,530	5,213	4,403	4,530	5,213	4,403	67,327	64,658
<b>Landed Weight (000)</b>	120,464	121,374	128,675	120,464	121,374	128,675	1,616,352	1,675,100
<b>Cargo/Mail &amp; Express</b>	1,080.6	1,474.3	1,641.1	1,080.6	1,474.3	1,641.1	18,902.5	20,175.6
<b>Jet A Gallons</b>	87,348	83,336	72,189	87,348	83,336	72,189	1,159,438	1,205,933
<b>AvGas Gallons</b>	3,437	2,738	3,672	3,437	2,738	3,672	51,294	66,927
<b>Deicing Consortium</b>	20,684	16,067	10,858	20,684	16,067	10,858	105,927	81,465
<b>Deicing sprayed/retail</b>	10,738	16,742	10,218	10,738	16,742	10,218	87,848	93,606
<b>Parking Revenue</b>	\$ 1,307,633	\$ 1,267,193	\$ 1,390,677	\$ 1,307,633	\$ 1,267,193	\$ 1,390,677	\$ 15,324,155	\$ 16,375,668
Transactions		46,869	49,102		46,869	49,102	639,501	644,900
Average transaction		\$ 27.04	\$ 28.32		\$ 27.04	\$ 28.32	\$ 23.96	\$ 25.39
<b>Concession Sales</b>								
Rental Cars		\$ 2,735,336	\$ 2,099,693		\$ 2,735,336	\$ 2,099,693	\$ 49,909,551	\$ 53,330,163
Food and Beverage		\$ 712,169	\$ 784,638		\$ 712,169	\$ 784,638	\$ 8,598,845	\$ 10,028,439
Retail		\$ 286,891	\$ 286,891		\$ 286,891	\$ 286,891	\$ 3,754,099	\$ 4,458,143

## **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 16, 2020

### I. AIRSIDE IMPROVEMENTS

#### A) Runway 10-28 and Taxiway C Edge Light Replacement (Contract No. S-946)

DLC Electric, the low bid has shut down the project for the winter. The project was forced to shut down before Thanksgiving 2019 due to winter weather conditions. Work will resume in the Spring of 2020 when the weather permits.

#### B) Airport Drainage Culvert Replacement (Contract No. SD-930)

Rifenburg Contracting was the low bidder for this project. Rifenburg has shut down the project and demobilized for the winter. The airfield work will be done in the Spring of 2020.

#### C) Replacement of Boarding Bridges A3,A5,B10 & C1 (Contract No. S-1039)

C & S Engineering's contract was approved by the Board in February. The design has been started and will be completed by mid-April for advertising and bidding this summer.

### II. LANDSIDE IMPROVEMENTS

#### A) Revenue Upgrades and PARCS System (Contract #990-GC)

The existing parking revenue system is being replaced with the PARCS system. Amano McGann is working with ATI Access Control to install and test the new PARCS system which includes LPR's (License Plate Readers) and EZ Pass Plus antennas, which are all in place and active. The Pay on Foot kiosks are installed at key locations, which will allow parking customers to pay for parking before they get to their vehicle, speeding up their exit from the parking lot. The Long Term, Short Term and North Garage entrances and exits are operating with the new equipment. The new equipment is currently being installed in the new garage and testing of the new equipment has begun.

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

The project was divided into 4 separate contracts to expedite the construction. The Precast Concrete Contract 989-PC, which is the fabrication and erection of the precast garage, includes caulking the joints and sealing the top of the double T's which is complete. The contractor is completing a minor punch list. Contract 989-SF, which is the site and utility relocations, pile driving and concrete pile caps which LeChase Construction is working on is complete. Contract 989-ES is for the elevators (3 units) two for the Garage and one for the Pedestrian Bridge was awarded to Kone, Inc. Kone has the equipment onsite and has the installation of two elevators in the new parking garage and one in the new pedestrian bridge 95% complete. Testing of the new units has been started. Contract 989-GCR which includes the pedestrian bridge to the Terminal, the vehicle bridge to the garage, electrical, communication and plumbing work inside the new precast structure is being done by LeChase Construction. The contractor has almost completed the work on the new pedestrian bridge that will connect the garage to the Terminal. The plumbing work is complete and electrical installation work inside the new garage structure continues and the reconfiguration of the Jetway Drive intersection was completed including the new traffic signal system that was activated the last week of February 2020.

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

This project was 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 was awarded to VMJR Companies. VMJR has removed partitions in B & C Concourses since the terrazzo work is complete in those areas. The partitions in A concourse have been reduced in size and terrazzo work is continuing. The terrazzo floor pre-TSA checkpoint is complete and the wall covering work in that area is being done. 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 was awarded to VMJR Companies. VMJR has completed the work for this contract with only punch list items remaining. Contract 991-R for the removal of the existing skylight in A Concourse and replacement with a metal roof and photovoltaic panels mounted on top, which was awarded to Kasselmann Electric. Kasselmann has completed the installation and testing of the photovoltaic panels. Kasselmann has completed work and is working to close out the project. Contract 991-ES is for the replacement of the escalators in the existing parking garage was awarded to Wainschaf Associates. Wainschaf has completed the installation of the new escalators and is in the process of closing out the contract. Contract 991-W is for all new Wayfinding signs throughout the Terminal and new parking garage to guide people to all the Terminal amenities. Color Ad the contractor has been in full production of the signs. Color Ad has been installing new signs in both the Terminal and the new Parking Garage. The installation of large **Albany International Airport** signs for both the new garage and the Terminal will be started this week.

The Gateway Sign foundations are in and the structural steel is being painted and assembled. The precast columns are cast and curing, ready for delivery later in the week.

**D) Water Service for Sprinkler at Building 211 (Contract 1030-GC)**

CommutAir the tenant asked to have a sprinkler system installed their newly renovated aircraft parts storage area. The project to bring a water service to the building was awarded last Board meeting to J.H. Maloy, Inc. Latham Water District will be issuing a permit for the water main tap and Maloy will mobilize by the end of March 2020.

**E) Air Traffic Control Tower (Contract 1013-SW, M & E)**

The FAA has requested some upgrades to their facility. Sage Engineering put together bid packages for Sitework (SW), HVAC (M) and Electrical (E) which were bid the end of September and approved by the Board in October. J.H.Maloy Construction has completed all the sitework except landscaping which will be completed in the Spring 2020. Eckert Mechanical and Stilsing Electric have completed the installation of the new equipment and are working with ACAA and the FAA to complete the punch list. Sage Engineering is completing the design for the roof and elevator replacements to be bid later this year.

**F) New Terminal Concessions**

The Hudson Valley Wine Bar was closed on January 2, 2020, demolition was completed, and construction work is progressing. The vendor, HMS Host, has ordered the new equipment and is expecting delivery by the last week in March. The space is being converted to the Beer Union which is going to feature craft beers. It will be advertised as part of the Taste New York campaign.

**AGENDA ITEM NO. 7**

**Counsel**

## **AGENDA ITEM NO. 8**

### **Concessions/Ambassador Program**



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)

**March 16, 2020**

**Marketing, Concessions & Ambassador Program**

Minority Percentages in the Concession’s Workforce

Date	HMS Host	OHM	Paradies	Dunkin Donuts
Mar 2019	26/61=42.6%	34/52=65.3%	14/22=63.6%	4/9=44.4%
Apr 2019	21/57= 36.8%	35/42=83.3%	14/23=60%	4/8=50%
May 2019	18/67=26.8%	28/43=65%	15/22=68%	5/9=55%
June 2019	20/64=31.2%	24/41=58.5%	15/24=62.5%	6/10=60%
July 2019	20/64=31.2%	23/40=57.5%	15/24=62.5%	7/12=58.3%
Aug 2019	20/58=34.5%	27/33=81.8%	13/22=59%	6/10=60%
Sept 2019	21/55=38.2%	25/32=78%	12/20=65%	6/9=66.6%
Oct 2019	23/61=37.7%	37/48=77%	16/24=66%	7/10=70%
Nov 2019	29/61=47.5%	37/45=82%	15/22=68%	8/12=66.6%
Dec 2019	27/69=39%	64/75=85.3%	15/22=68%	5/11=45.45%
Jan 2020	26/67=38.8%	60/70=86%	15/22=68%	5/11=45.45%
Feb 2020	26/60=43.3%	50/63=79.3%	13/25= 52%	5/11=45.45%

**Concessions**

**Silks of Saratoga** – This remodel is planned to start in the Spring.

**HVWB** – This remodel is coming along and will reopen as the The Hudson Valley Beer Union.

**Dunkin Donuts** - A remodel is planned to start in April under the Dunkin only name.



## **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 2020

### ORDA

The Olympic Regional Development Authority along with several of the members of the 1980 USA Skating Team met with reporters at the Airport on February 17. The skaters were on route to Lake Placid for the 40<sup>th</sup> Anniversary of the 1980 Winter Olympic Games.



### Military Dignified Transfer

Public Affairs along with Airport Operations and Delta Air Lines coordinated a dignified transfer of a young Army serviceman on March 3. The Airport Authority provided a hospitality room in the ARFF headquarters for a small number of family members that attended the arrival and transfer.



### Military Room

The John J. McKenna, IV Military Courtesy Room celebrated its 10<sup>th</sup> anniversary on March 11. Over 60 local officials and Military Courtesy Room volunteers attended the event held on the Observation Level.



### NYAMA Advocacy Day

The New York Aviation Management Association will host Advocacy Day at the Capital on March 11. NYAMA's agenda seeks \$100 million in investment in upstate airports, increased appropriations to fund infrastructure needs and stricter enforcement and penalties for persons unlawfully soliciting and operating ground transportation services at airports.



### Delta Blood Drive

Delta Air Lines will host a blood drive in cooperation with the American Red Cross on March 17. The Red Cross typically collects 20-30 pints of blood at the drives that are conducted quarterly on the Observation Level.



## Airport Authority, DMV & TSA News Conference

Time is running short to obtain the required Real ID. The Airport Authority has been working with the New York State Department of Motor Vehicles to inform travelers that they must have the Real ID in order to travel beginning October 1. On March 19, the Airport Authority, DMV and the TSA will unveil a “count down” clock that will alert travelers to the number of days, hours, minutes and seconds left to obtain a Real ID.



## Skidmore Survey

A small group of Skidmore College students will be conducting a passenger survey at the Airport’s TSA checkpoint in late March. The students will seek to determine whether travelers are using paper or electronic boarding passes. The survey is being conducted in as part of with the students’ statistics class.



## AOPA

APOA, the Aircraft Owners and Pilots Association will host a Safety Seminar for regional pilots on March 25. We are expecting 70-80 area pilots to attend the event.



**AGENDA ITEM NO. 10**

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

**AGENDA ITEM NO. 10.1**

**Amendment No. 3 to Professional Services Contract  
999-I: Construction Inspection for the New Parking  
Garage and Terminal Amenities with Creighton  
Manning, LLP.**

AGENDA ITEM NO: 10.1  
MEETING DATE: March 16, 2020

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

ACAA Approved  
03/16/2020

**DEPARTMENT:** *Planning and Engineering*

Contact Person: *John LaClair, P.E., Airport Engineer*

**PURPOSE OF REQUEST:**

Professional Service  
Contract Amendment: *Amendment No. 3 to Professional Services Contract  
999-I: Construction Inspection for the New Parking  
Garage and Terminal Amenities with Creighton  
Manning, LLP*

**CONTRACT AMOUNT:**

Base Amount:	<i>\$ 400,000</i>
Amendment No.1	<i>\$ 400,000</i>
Amendment No. 2	<i>\$ 400,000</i>
Amendment No. 3*	<i><u>\$ 275,000</u></i>
Total Contract Amount:	<i><u>\$1,475,000**</u></i>

*\* Pending Approval This Meeting  
\*\*(Based on time sheets as authorized by the ACAA.)*

**BUDGET INFORMATION:**

Anticipated in Current ALB Capital Plan: Yes J No \_\_\_ NA  
Funding Account No.: CPN 2263

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

Federal <u>0%</u>	State <u>34%</u>	Airport <u>66%</u>
Term of Funding: <u>2019-2020</u>		
Grant No.: <u>N/A</u>	State PIN: <u>N/A</u>	

**JUSTIFICATION:**

*Authorization is requested to amend Professional Services Contract 999-I to include onsite construction inspection of both the construction of the new Parking Garage and the Terminal Amenities including daily reports, SWPPPS inspections, material testing, progress photos, FAA Project Duration reports and Special Inspections per FAA, NYSDOT, NYS Building Codes and Albany County Building Codes. This amendment puts the Construction Inspection cost at 3.4% of the total construction project cost.*

AGENDA ITEM NO: 10.1  
MEETING DATE: March 16, 2020

**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:**

*Supplemental Consultant Agreement 3 – Construction Inspection*



January 30, 2020

Mr. John LaClair, P.E., G.G.P.  
Albany County Airport Authority  
Albany International Airport  
Administration Building, Suite 200  
Albany, New York 12211-1057

**Re: Contract No. 999-I, CM Project No. 119-004  
Albany County Airport Authority Parking Garage & Terminal Amenities Upgrades  
Revised Supplemental Agreement 3**

Dear Mr. LaClair:

Enclosed for your review and approval, please find two (2) copies of the proposed Supplemental Consultant Agreement 3 for the above-referenced Project.

This package consists of the following:

- Consultant Agreement
- Attachment A: Project Description and Funding
- Attachment B: Scope of Services
- Attachment C: Cost Estimate (Staffing Schedule / Summary of Costs)

We look forward to progressing this project and helping to continue the construction efforts at the Albany County Airport. Once executed, please return one signed copy for our records. Please contact us if you have any questions regarding the enclosed.

Sincerely,  
***Creighton Manning Engineering, LLP***

Edward V. Woods, PE  
Creighton Manning Engineering, LLP

cc: B. Jones, Manager Construction Inspection  
J. Johnson, Resident Engineer

# **Albany County Airport Authority**

Terminal Amenities Upgrades

**Contract 999-1**

**Albany County Airport  
Albany County, New York**

## **Supplemental Consultant Agreement 3**

**Construction Administration**

---

Prepared by:



2 Winners Circle  
Albany, New York 12205  
PH: 518.446.0396

**January 30, 2020**

CM Project 119-004

Supplemental Consultant Agreement 3  
Albany County Airport Authority  
Construction Inspection Services  
Contract No. 999-1  
Town of Colonie, Albany County

**Executive Summary**

Albany County Airport Authority:

- Parking Garage

Creighton Manning Engineering (CM) will provide construction inspection services based on the scope of work in Attachment B.

- Terminal Amenities Upgrades

Creighton Manning Engineering (CM) will provide production tracking services based on the scope of work in Attachment B.

Total estimated CM service costs are \$ 275,000.

Original Agreement =	\$	400,000
SWA =	\$	400,000
SWA =	\$	400,000
SWA =	\$	275,000
<hr/>		
Total =	\$	1,475,000

# Architectural/ Engineering Consultant Supplemental Agreement

Title: **Albany County Airport Authority Construction Inspection Services – Contract 999-1**

PIN: \_\_\_\_\_ Municipal Contract No. \_\_\_\_\_

Agreement made this 30<sup>th</sup> day of January, 2020 by and between

**Albany County Airport Authority**

(municipal corporation)

having its principal office at **Albany International Airport, Administration Building**, in the **Town of Colonie** (to be known throughout this document as the “**Sponsor**”)

and

**Creighton Manning Engineering, L.L.P** with its office at **2 Winners Circle, Albany, New York** (to be known throughout this document as the “**Consultant**”)

**WITNESSETH:**

WHEREAS, identified for the purposes of this agreement as the **Albany County Airport Authority Terminal Amenities Upgrades** (as described in detail in Attachment A annexed hereto, the “Project”) the Municipality has sought to engage the services of a Consultant Engineer to perform the scope of services described in Attachment B annexed hereto; and

WHEREAS, in accordance with required consultant selection procedures, the Municipality has selected the Consultant to perform such services in accordance with the requirements of this Agreement; and

WHEREAS, Chairman, Rev. Kenneth J. Doyle, is authorized to enter this Agreement on behalf of the Authority,

NOW, THEREFORE, the parties hereto agree as follows:

**ARTICLE 1. DOCUMENTS FORMING THIS CONTRACT**

This contract consists of the following:

- **Agreement Form** - this document titled "Architectural/Engineering Consultant Supplemental Contract";
- **Attachment "A"** - Project Description and Funding;
- **Attachment "B"** – Scope of Services
- **Attachment "C"** – Cost Estimate (as applicable, Staffing Rates, Hours, Reimbursables and Fee).
- **Attachment "D"** – Required Terms for Contracts and Subcontracts Receiving SRF Financial Assistance.

**ARTICLE 2. SCOPE OF SERVICES/STANDARD PRACTICES AND REQUIREMENTS**

2.1 The CONSULTANT shall render all services and furnish all materials and equipment necessary to provide the Sponsor with plans, estimates and other services and deliverables more specifically described in Attachment "B".

2.2 The CONSULTANT shall ascertain the applicable practices of the Sponsor, NYSDOT and/or FHWA prior to beginning any of the work of this PROJECT. All work required under this Contract shall be performed in accordance with these practices, sound engineering standards, practices and criteria, and any special requirements, more particularly described in Attachment "B".

2.3 The CONSULTANT will commence work no later than ten (10) days after receiving notice to proceed from the Sponsor.

**ARTICLE 3. COMPENSATION METHODS, RATES AND PAYMENT**

As full compensation for Consultant's work, services and expenses hereunder the Sponsor shall pay to the CONSULTANT, and the CONSULTANT agrees to accept compensation based the methods designated and described below. Payment of the compensation shall be in accordance with the Interim Payment procedures shown in the table and the final payment procedure in Article 6.

(Continued next page)

<input type="checkbox"/> 3.1 Cost Plus Fixed Fee Method			
ITEM	DESCRIPTION OF ITEMS WITHIN METHOD	APPLICABLE RATE/AMT or %	INTERIM PAYMENTS
<b>Item I</b>	<ul style="list-style-type: none"> <li>o Actual Direct Technical Salaries, regular time plus straight time portion of overtime compensation of all employees assigned to this PROJECT on a full-time basis for all or part of the term of this Contract, plus properly allocable partial salaries of all persons working part-time on this PROJECT.</li> <li>o The cost of Principals', Officers' and Professional Staffs' salaries (productive time) included in Direct Technical Salaries is eligible for reimbursement if their comparable time is also charged directly to all other projects in the same manner. Otherwise, Principals' salaries are only eligible as an overhead cost, subject to the current limitations, generally established therefore by the Sponsor.</li> <li>o If, within the term of this Contract, any direct salary rates are paid in excess of the maximums shown in Attachment A, the excess amount shall be borne by the CONSULTANT WITHOUT REIMBURSEMENT either as a direct cost or as part of the overhead allowance</li> </ul>	<ul style="list-style-type: none"> <li>o Actual cost incurred in the performance of this contract as identified in Attachment C or otherwise approved in writing by the Sponsor or its representative.</li> <li>o Not to exceed the maximum allowable hourly rates of pay described in Attachment C of this Contract, all subject to audit.</li> <li>o Actual overtime premium portion of Direct Technical Salaries, all subject to audit and prior approval by the Sponsor.</li> </ul>	<ul style="list-style-type: none"> <li>o The CONSULTANT shall be paid in Monthly progress payments based on the maximum salary rates and allowable costs incurred during the period as established in Attachment C.</li> <li>o Bills are subject to approval of the Sponsor and Sponsor's Representative.</li> </ul>
<b>Item II</b>	Actual Direct Non-Salary Project-related Costs incurred in fulfilling the terms of this Contract; all subject to audit.	All reimbursement for travel, meals and lodging shall be made at actual cost paid but such reimbursement shall not exceed the per diem rates established by the NY State Comptroller. All reimbursement shall not exceed the prevailing wage rates established by the NYS Department of Labor.	
<b>Item III</b>	Items required to be purchased for this Project not otherwise encompassed in Direct Non-salary Project-related Costs, which become the property of the Sponsor at the completion of the work or at the option of the Sponsor.	Salvage value	

<input type="checkbox"/> 3.1 Cost Plus Fixed Fee Method			
ITEM	DESCRIPTION OF ITEMS WITHIN METHOD	APPLICABLE RATE/AMT or %	INTERIM PAYMENTS
Item IV	<p>Overhead Allowance based on actual allowable expenses incurred during the term of this Agreement, subject to audit. Submitted overhead amounts will be audited based upon the Federal Acquisition Regulations, sub part 1-31.2 as modified by sub part 1-31.105 (“FAR “), and applicable policies and guidelines of the Municipality, NYSDOT and FHWA.</p> <p>For the purpose of this Agreement, an accounting period shall be the CONSULTANT's fiscal year. An audit of the accounting records of the CONSULTANT shall be made by the Municipality for each accounting period. For monthly billing purposes, the latest available overhead percentage established by such audit shall be applied to the charges made, under Item IA of this subdivision to determine the charge to be made under this Item.</p>	<p>The overhead allowance shall be established as a percentage of Item IA only (Actual Direct Technical Salaries) of this ARTICLE, and shall be a FAR compliant rate initially established as 0% for Field, 0% for Office. In all events the above rates shall not exceed 0%.</p>	
Item V	<ul style="list-style-type: none"> <li>○ Negotiated Lump Sum Fixed Fee.</li> <li>○ Payment of the Fixed Fee for the described scope of services is not subject to pre-audit and is not subject to review or modification based on cost information or unless this Contract is formally amended or supplemented by reason of a substantial change in the scope, complexity or character of the work to be performed.</li> </ul>	<p>A negotiated Lump Sum Fee which in this CONTRACT shall equal <b>\$0</b>.</p>	
Item VI	<p>The Maximum Amount Payable under this Contract including Fixed Fees unless this contract is formally amended or supplemented by reason of a substantial change in the scope, complexity or character of the work to be performed.</p>	<p>Maximum Amount Payable under this Method shall be <b>\$0</b>.</p>	

<input checked="" type="checkbox"/> 3.2 Specific Hourly Rate Method			
ITEM	DESCRIPTION OF ITEMS WITHIN METHOD	APPLICABLE RATE/ AMOUNT OR PERCENTAGE	
Item I	Specific Hourly rates of pay shown in Attachment C for employees assigned to this PROJECT. The Specific Hourly rates and all components of those rates are not subject to audit. The number of hours charged are subject to audit.	Rates in Attachment C	<ul style="list-style-type: none"> <li>○ The CONSULTANT shall be paid in Monthly progress payments based on the maximum salary rates and allowable costs incurred during the period as established in Attachment C.</li> <li>○ Bills are subject to approval of the Sponsor and Sponsor's Representative.</li> </ul>
Item II	Actual Direct Non-Salary Costs incurred in fulfilling the terms of this Contract; all subject to audit.	<ul style="list-style-type: none"> <li>○ Actual costs incurred in the performance of this contract as identified in Attachment C or otherwise approved in writing by the Sponsor or its representative.</li> <li>○ All reimbursement for travel, meals and lodging shall be made at actual cost paid but such reimbursement shall not exceed the per diem rates established by NY State Comptroller. All reimbursement shall not exceed the prevailing wage rates established by the NYS Dept. of Labor.</li> <li>○ For Reimbursable Direct Non-Salary Costs a multiple of <b>One</b> times shall be applied to the expenses incurred by the Consultant, the consultant's employees, or the sub-consultant not to exceed \$ <u>0</u>.</li> </ul>	
ITEM III	Items required to be purchased for this Project not otherwise encompassed in Direct Non-salary Project-related Costs, which become the property of the Sponsor at the completion of the work or at the option of the Sponsor.	Salvage value	

<input checked="" type="checkbox"/> 3.2 Specific Hourly Rate Method			
ITEM	DESCRIPTION OF ITEMS WITHIN METHOD	APPLICABLE RATE/ AMOUNT OR PERCENTAGE	
ITEM IV	Maximum Amount Payable under this Method unless this Contract is formally amended or supplemented by reason of a substantial change in the scope, complexity or character of the work to be performed.	The Maximum Amount Payable under this Method shall be <u>\$ 275,000</u> .	

<input type="checkbox"/> 3.3 Lump Sum Cost Plus Reimbursables Method			
ITEM	DESCRIPTION OF ITEMS WITHIN METHOD	APPLICABLE RATE/ AMOUNT OR PERCENTAGE	
ITEM I	A Lump Sum paid to Consultant for the scope of services hereunder, unless this Contract is formally amended or supplemented by reason of a substantial change in the scope, complexity or character of the work to be performed.	A Lump Sum of \$_____.	<ul style="list-style-type: none"> <li>○ The CONSULTANT shall be paid in Monthly progress payments based on the maximum salary rates and allowable costs incurred during the period as established in Attachment C.</li> <li>○ Bills are subject to approval of the Sponsor and Sponsor's Representative.</li> </ul>
ITEM II	Actual Direct Non-Salary Costs incurred in fulfilling the terms of this Contract; all subject to audit.	<ul style="list-style-type: none"> <li>○ Actual costs incurred in the performance of this contract as identified in Attachment C or otherwise approved in writing by the Sponsor or its representative.</li> <li>○ All reimbursement for travel, meals and lodging shall be made at actual cost paid, but such reimbursement shall not exceed the per diem rates established by NY State Comptroller. All reimbursement shall not exceed the prevailing wage rates established by the NYS Dept. of Labor.</li> </ul>	

<input type="checkbox"/> 3.3 Lump Sum Cost Plus Reimbursables Method			
ITEM	DESCRIPTION OF ITEMS WITHIN METHOD	APPLICABLE RATE/ AMOUNT OR PERCENTAGE	
		<ul style="list-style-type: none"> <li>○ For Reimbursable Direct Non-Salary Costs a multiple of <b>One</b> times shall be applied to the expenses incurred by the Consultant, the consultant’s employees, or the subconsultant not to exceed \$_____.</li> </ul>	
<b>ITEM III</b>	Items required to be purchased for this Project not otherwise encompassed in Direct Non-salary Project-related Costs, which become the property of the Sponsor at the completion of the work or at the option of the Sponsor.	Salvage value	

**ARTICLE 4. INSPECTION**

The duly authorized representatives of the Sponsor, and on Federally aided projects, representatives of the NEW YORK STATE DEPARTMENT OF TRANSPORTATION and the FEDERAL HIGHWAY ADMINISTRATION, shall have the right at all times to inspect the work of the CONSULTANT.

**ARTICLE 5. AUDITS**

5.1 Payment to the Consultant is subject to the following audit rights of the Sponsor:

- A. For Cost Plus Fixed Fee Method - All costs are subject to audit, i.e. labor, direct non-salary, overhead, and fee.
- B. For Specific Hourly Rate Method - Labor hours and direct non-salary costs are subject to audit. If elements subject to audit are less than \$300,000, an audit may be waived by the Sponsor.
- c. For Lump Sum Cost Plus Reimbursables Method - Only direct non-salary costs are subject to audit. If elements subject to audit are less than \$300,000, an audit may be waived by the Sponsor.

5.2 In order to enable the Sponsor to process the final payment properly and expeditiously, the CONSULTANT is advised that all of the following documents and submissions, as the same may be appropriate to this contract, are considered to be necessary to enable the commencement of the audit.

- II. Records of Direct Non-Salary Costs;
- III. Copies of any subcontracts relating to said contract;
- IV. Location where records may be examined; and
- V. Name, address, telephone number of person to contact for production.

The application for final payment is not considered complete until receipt of these documents and information.

**ARTICLE 6. FINAL PAYMENT**

6.1 The Sponsor will make final payment within sixty (60) calendar days after receipt of an invoice which is properly prepared and submitted, and all appropriate documents and records are received.

6.2 The acceptance by the CONSULTANT of the final payment shall operate as and shall be a release to the Sponsor from all claims and liability to the CONSULTANT, its representatives and assigns for any and all things done, furnished for or relating to the services rendered by the CONSULTANT under or in connection with this Contract or for any part thereof except as otherwise provided herein.

**ARTICLE 7. EXTRA WORK**

7.1 Consultant's performance of this Contract within the compensation provided shall be continuously reviewed by the CONSULTANT. The CONSULTANT shall notify the Sponsor of the results of those reviews

in writing by submittal of a Cost Control Report. Such Cost Control Report shall be submitted to the Sponsor on a monthly basis or such alternative interval as the Sponsor directs in writing.

7.2 If the CONSULTANT is of the opinion that any work the CONSULTANT has been directed to perform is beyond the scope of the PROJECT Contract and constitutes extra work, the CONSULTANT shall promptly notify the Sponsor, in writing, of this fact prior to beginning any of the work. The Sponsor shall be the sole judge as to whether or not such work is in fact beyond the scope of this Contract and constitutes extra work. In the event that the Sponsor determines that such work does constitute extra work, the Sponsor shall provide extra compensation to the CONSULTANT in a fair and equitable manner. If necessary, an amendment to the PROJECT CONTRACT, providing the compensation and describing the work authorized, shall be prepared and issued by the Sponsor. In this event, a Supplemental Agreement providing the compensation and describing the work authorized shall be issued by the Sponsor to the CONSULTANT for execution after approvals have been obtained from necessary Sponsor officials, and, if required from the Federal Highway Administration.

7.3 In the event of any claims being made or any actions being brought in connection with the PROJECT, the CONSULTANT agrees to render to the Sponsor all assistance required by the Sponsor. Compensation for work performed and costs incurred in connection with this requirement shall be made in a fair and equitable manner. In all cases provided for in this Contract for the additional services above described, the Sponsor's directions shall be exercised by the issuance of a separate Contract, if necessary.

#### **ARTICLE 8. CONSULTING LIABILITY**

The CONSULTANT shall be responsible for all damage to life and property due to negligent acts, errors or omissions of the CONSULTANT, his subcontractors, agents or employees in the performance of his service under this Contract.

Further, it is expressly understood that the CONSULTANT shall indemnify and save harmless the Sponsor from claims, suits, actions, damages and costs of every name and description resulting from the negligent performance of the services of the CONSULTANT under this Contract, and such indemnity shall not be limited by reasons of enumeration of any insurance coverage herein provided. Negligent performance of service, within the meaning of this Article, shall include, in addition to negligence founded upon tort, negligence based upon the CONSULTANT's failure to meet professional standards and resulting in obvious or patent errors in the progression of his work. Nothing in this Article or in this Contract shall create or give to third parties any claim or right of action against the Sponsor beyond such as may legally exist irrespective of this Article or this Contract.

The CONSULTANT shall procure and maintain for the duration of the work for such project(s), Professional Liability Insurance in the amount of One Million Dollars (\$1,000,000) per project, issued to and covering damage for liability imposed on the CONSULTANT by this Contract or law arising out of any negligent act, error, or omission in the rendering of or failure to render professional services required by the Contract. The CONSULTANT shall supply any certificates of insurance required by the Sponsor and adhere to any additional requirements concerning insurance.

#### **ARTICLE 9. WORKER'S COMPENSATION AND LIABILITY INSURANCE**

This contract shall be void and of no effect unless the CONSULTANT shall secure Workman's Compensation Insurance for the benefit of, and keep insured during the life of this contract, such employees as are

necessary to be insured in compliance with the provisions of the Workman's Compensation Law of the State of New York.

The CONSULTANT shall secure policies of general and automobile liability insurance, and maintain said policies in force during the life of this contract. Said policies of insurance shall protect against liability arising from errors and omissions, general liability and automobile liability in the performance of this contract in the sum of at least \$1,000,000.00 (One Million dollars) each.

The CONSULTANT shall furnish a certified copy of said policies to the Sponsor at the time of execution of this contract.

#### **ARTICLE 10. INTERCHANGE OF DATA**

All technical data in regard to the PROJECT existing in the office of the Sponsor or existing in the offices of the CONSULTANT shall be made available to the other party to this Contract without expense to such other party.

#### **ARTICLE 11. RECORDS RETENTION**

The CONSULTANT shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (collectively called the "Records"). The Records must be kept for a minimum of six (6) years or three (3) years after final payment is received, whichever is later. The Sponsor, State, Federal Highway Administration, or any authorized representatives of the Federal Government, shall have access to the Records during normal business hours at an office of THE CONSULTANT within the State of New York or, a mutually agreeable reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying.

#### **ARTICLE 12. DAMAGES AND DELAYS**

The CONSULTANT agrees that no charges or claim for damages shall be made by him for any delays or hindrances from any cause whatsoever during the progress of any portion of the services specified in this Contract. Such delays or hindrances, if any, shall be compensated for by an extension of time for such reasonable period as the Sponsor may decide, it being understood however, that the permitting of the CONSULTANT to proceed to complete any services or any part of them after the date of completion or after the date to which the time of completion may have been extended, shall in no way operate as a waiver on the part of the Sponsor of any of its rights herein. Nothing in this ARTICLE will prevent the CONSULTANT from exercising his rights under ARTICLE 7 of this contract.

#### **ARTICLE 13. TERMINATION**

The Sponsor shall have the absolute right to terminate this Contract, and such action shall in no event be deemed a breach of contract:

- A. for convenience of the Sponsor - if a termination is brought about for the convenience of the Sponsor and not as a result of unsatisfactory performance on the part of the CONSULTANT, final payment shall be made based on the basis of the CONSULTANT'S compensable work delivered or completed prior to and under any continuing directions of such termination.

- B. for cause - if the termination is brought about as a result of the Sponsor's determination of unsatisfactory performance or breach of contract on the part of the CONSULTANT, the value of the work performed by the CONSULTANT prior to termination shall be established by the percent of the amount of such work satisfactorily delivered or completed by the CONSULTANT to the point of termination and acceptable to the Sponsor, of the total amount of work contemplated by the PROJECT CONTRACT.

#### **ARTICLE 14. DEATH OR DISABILITY OF THE CONSULTANT**

In case of the death or disability of one or more but not all the persons herein referred to as CONSULTANT, the rights and duties of the CONSULTANT shall descend upon the survivor or survivors of them, who shall be obligated to perform the services required under this Contract, and the Sponsor shall make all payments due to him, her or them.

In case of the death or disability of all the persons herein referred to as CONSULTANT, all data and records pertaining to the PROJECT shall be delivered within sixty (60) days to the Sponsor or his duly authorized representative. In case of the failure of the CONSULTANT's successors or personal representatives to make such delivery on demand, then in that event the representatives of the CONSULTANT shall be liable to the Sponsor for any damages it may sustain by reason thereof. Upon the delivery of all such data to the Sponsor, the Sponsor will pay to the representatives of the CONSULTANT all amounts due the CONSULTANT, including retained percentages to the date of the death of the last survivor.

#### **ARTICLE 15. CODE OF ETHICS**

The CONSULTANT specifically agrees that this Contract may be canceled or terminated if any work under this Contract is in conflict with the provisions of any applicable law establishing a Code of Ethics for Federal, State or Municipal officers and employees.

#### **ARTICLE 16. INDEPENDENT CONTRACTOR**

The CONSULTANT, in accordance with his status as an independent contractor, covenants and agrees that he will conduct himself consistent with such status, that he will neither hold himself out as, nor claim to be, an officer or employee of the Sponsor by reason hereof, and that he will not, by reason hereof, make any claim, demand or application to or for any right or privilege applicable to an officer or employee of the Sponsor, including but not limited to Worker's Compensation coverage, Unemployment Insurance benefits, Social Security coverage or Retirement membership or credit.

#### **ARTICLE 17. COVENANT AGAINST CONTINGENT FEES**

The CONSULTANT warrants that he has not employed or retained any company or person, other than a bona fide employee working for the CONSULTANT, to solicit or secure this Contract, and that he has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the Sponsor shall have the right to annul this Contract without liability, or, in its discretion, to deduct from the Contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

## ARTICLE 18. TRANSFER OF AGREEMENT

The CONSULTANT specifically agrees, that he is prohibited from assigning, transferring, conveying, subletting or otherwise disposing of the Contract or of his right, title or interest therein, or his power to execute such Contract, to any other person, company or corporation, without the previous consent in writing of the Sponsor.

If this provision is violated, the Sponsor may revoke and annul the Contract and the Sponsor shall be relieved from any and all liability and obligations there under to the person, company or corporation to whom the CONSULTANT shall purport to assign, transfer, convey, sublet or otherwise dispose of the Contract without such consent in writing of the Sponsor.

## ARTICLE 19. PROPRIETARY RIGHTS

The CONSULTANT agrees that if patentable discoveries or inventions should result from work described herein, all rights accruing from such discoveries or inventions shall be the sole property of the CONSULTANT. However, the CONSULTANT agrees to and does hereby grant to the United States Government and the State of New York and the Sponsor a nonexclusive, nontransferable, paid-up license to make, use, and sell each subject invention throughout the world by and on behalf of the Government of the United States and states and domestic municipal governments, all in accordance with the provisions of 48 CFR 1-27.

## ARTICLE 20. SUBCONTRACTORS/ SUBCONSULTANTS

All SUBCONTRACTORS and SUBCONSULTANTS performing work on this project shall be bound by the same required contract provisions as the CONSULTANT. All agreements between the CONSULTANT and a subcontractor or other SUBCONSULTANT shall include all standard required contract provisions, and such agreements shall be subject to review by the Sponsor.

**ARTICLE 20.1 PROMPT PAYMENT.** While federal regulation ([49 CFR 26.29<sup>1</sup>](#)) requires payment to subcontractors within 30 days, New York State law is more stringent. NYS General Municipal Law §106-b and NYS Finance Law Article 9, §139-f require prime contractors and prime consultants to pay their vendors within seven (7) calendar days of receipt of payment from the public owner/sponsor, and provides for interest on late payments for all public works contracts. Contract provisions incorporating any other payment schedule will not be allowed. A subcontractor's work is satisfactorily completed when all the tasks called for in the subcontract have been accomplished and documented. When the Sponsor has made an incremental acceptance of a portion of a prime contract, the work of a subcontractor covered by that acceptance is deemed to be satisfactorily completed.

---

<sup>1</sup> <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=936406b1c92895795069232a53fb110f&rqn=div8&view=text&node=49:1.0.1.1.20.2.18.5&idno=49>

**ARTICLE 21. CERTIFICATION REQUIRED BY 49 CFR, PART 29**

The signator to this Contract, being duly sworn, certifies that, EXCEPT AS NOTED BELOW, its company and any person associated therewith in the capacity of owner, partner, director, officer, or major stockholder (five percent or more ownership)

- A. is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
- B. has not been suspended, debarred, voluntarily excluded or determined ineligible by any federal agency within the past three years;
- C. does not have a proposed debarment pending; and
- D. has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three years.

**ARTICLE 22. CERTIFICATION FOR FEDERAL-AID CONTRACTS**

The prospective participant certifies, by signing this Contract to the best of his or her knowledge and belief, that:

- A. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit the standard "Disclosure Form to Report Lobbying," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be, included in all lower tier subcontracts, which exceed \$100,000 and that all such subrecipients shall certify and disclose accordingly.

**ARTICLE 23. RESPONSIBILITY OF THE CONSULTANT**

- A. The CONSULTANT shall be responsible for the professional quality, technical accuracy, and the coordination of all designs, drawings, specifications and other services furnished by the CONSULTANT under this contract. The CONSULTANT shall, without additional compensation, correct or revise any errors or deficiencies in its designs, drawings, specifications, and other services. However, the Sponsor may in certain circumstances, provide compensation for such work.
- B. Neither the Sponsor's review, approval or acceptance of, nor payment for, the services required under this contract shall be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the performance of this contract, and the CONSULTANT shall be and remain liable to the Sponsor in accordance with applicable law for all damages to the Sponsor caused by the CONSULTANT'S negligent performance or breach of contract of any of the services furnished under this contract.
- C. The rights and remedies of the Sponsor provided for under this contract are in addition to any other rights and remedies provided by law.
- D. If the CONSULTANT is comprised of more than one legal entity, each such entity shall be jointly and severally liable hereunder.

**ARTICLE 24. NON-DISCRIMINATION REQUIREMENTS**

The CONSULTANT agrees to comply with all applicable Federal, State and Sponsor Civil Rights and Human Rights laws with reference to equal employment opportunities and the provision of services. In accordance with Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal Statutory and constitutional non-discrimination provisions, the CONSULTANT will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, age, disability or marital status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, CONSULTANT agrees that neither it nor its SUBCONSULTANTS shall, by reason of race, creed, color, disability, sex or national origin; (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this Contract. CONSULTANT is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this Contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

**ARTICLE 25. CERTIFICATION REQUIRED BY 40 CFR 111506.5(c)**

If the work of the PROJECT includes the preparation of an Environmental Impact Statement (EIS), the signator to this Contract, being duly sworn, certifies that its company and any person associated therewith in the capacity of owner, partner, director, officer, or major stockholder (five percent or more ownership) does not have any financial or other interest in the outcome of the project including:

- a. an existing contract for the PROJECTS ROW incidental work or construction engineering; or

- b. ownership of land, options to buy land, or some business enterprise which would be financially enhanced or diminished by any of the PROJECT alternatives.

This does not preclude the CONSULTANT from being awarded a future contract covering the work describe in this Article or being awarded Phases V & VI Final Design after the EIS has been approved.

**ARTICLE 26. BIDDING OF DIRECT NON-SALARY ITEMS** *(unless more restrictive municipal laws apply)*

For all contracts other than personal services in excess of \$5,000, the consultant shall solicit a number of quotes from qualified subcontractors so that at least three (3) quotes will be received. For all contracts other than personal services in excess of \$20,000 except printing contracts in excess of \$10,000, the consultant shall solicit a number of sealed bids from qualified subcontractors so that at least three (3) bids will be received. The consultant shall then enter into a subcontract with the lowest bidder or entity submitting the lowest quotation who is fully responsive to the invitation to submit a quote/bid.

**ARTICLE 27. WAGE AND HOURS PROVISIONS**

If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Consultant's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Consultant and its subconsultants must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law.

**ARTICLE 28. INTERNATIONAL BOYCOTT PROHIBITION**

In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Consultant agrees, as a material condition of the contract, that neither the Consultant nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Consultant, or any of the aforesaid affiliates of Consultant, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the Sponsor and the New York State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (see 2 NYCRR 105.4).

**ARTICLE 29. SERVICE OF PROCESS**

In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Consultant hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Consultant's actual receipt of process or upon the Sponsor's receipt of the return thereof by the United State Postal Service as refused or undeliverable. Consultant must promptly notify the Sponsor, in writing, of each and every change of address to which service of

process can be made. Service by the Sponsor to the last known address shall be sufficient. Consultant will have thirty (30) calendar days after service hereunder is complete in which to respond.

**ARTICLE 30. DISPOSITION OF PLANS, ESTIMATES AND OTHER DATA**

At the time of completion of the work, the Consultant shall make available to the Sponsor all survey notes, computations, maps, tracings, original aerial film and photo indices if any, and all other documents and data pertaining to the work or to the project which material at all times shall be the property of the Sponsor. Or in the event that this Agreement is terminated for any reason, then, within ten (10) days after such termination, the Consultant shall make available to the Sponsor all the aforementioned engineering data and material. All original tracings of maps and other engineering data furnished to the Sponsor by the Consultant shall bear thereon the endorsement of the Consultant. All plans, estimates and other data prepared in accordance with this Agreement shall be considered confidential and shall be released only to the Sponsor.

**ARTICLE 31. MISCELLANEOUS**

31.1 **Executory Contract.** This Contract shall be deemed only executory to the extent of the monies available, and no liability shall be incurred by the Sponsor beyond the monies legally available for the purposes hereof.

**IN WITNESS WHEREOF**, the parties have duly executed this Contract effective the day and year first above written.

Reference: Sponsor Contract # \_\_\_\_\_

Sponsor	Consultant
by: _____	by: _____
Date: _____	Date: _____

**Authority Acknowledgement**

STATE OF NEW YORK

ss:

Albany County Airport Authority

On this \_\_\_\_\_ day of \_\_\_\_\_, 2019 before me, the subscriber, personally appeared to me known, who, being by me duly sworn, did depose and say; that he/she resides in the \_\_\_\_\_, New York; that he/she is the Chairman of the A.C.A.A. Board, the corporation described in and which executed the foregoing instrument; that he/she is the authorized with the execution of the matter herein provided for, and that he/she signed and acknowledged the said instrument in his/her position as a duly authorized representative of Sponsor.

\_\_\_\_\_  
Notary Public, \_\_\_\_\_ County, N.Y.

**Consultants Acknowledgement**

STATE OF NEW YORK

ss:

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of **January**, 2020 before me, **Edward V. Woods**, personally appeared to me known, who, being by me duly sworn, did depose and say; that he resides in the **Village of Voorheesville, NY**; that he is a **Partner** in **Creighton Manning Engineering, LLP** and that this instrument was signed on behalf of said Limited Liability Partnership by authority of its partners and principals agreement; and said **Edward V. Woods**, acknowledge this instrument to be the free act and deed of said Limited Liability Partnership.

\_\_\_\_\_  
Notary Public, \_\_\_\_\_ County, N.Y.

## **ATTACHMENT A**

**Attachment A**  
**Project Description and Funding**

PIN: N/A  
BIN: N/A

*Term of Agreement Ends: December 31, 2020*

Main Agreement    Amendment to Agreement [#]    Supplement to Agreement [SWA 3]

***Phase of Project Consultant to work on:***

P.E./Design    ROW Incidentals    ROW Acquisition    Construction, C/I, & C/S

Dates or term of Consultant Performance:

Start Date: Demcember 1, 2019

Finish Date: December 31, 2020

***PROJECT DESCRIPTION:***

**Contract No. 999-1, CM Project No. 119-004**  
**Albany County Airport Authority Parking Garage**  
**Albany County Airport Authority Terminal Amenities Upgrades**

***Project Location:***

**Town of Colonie**  
**Albany County, New York**

Consultant Work Type(s): See Attachment B for more detailed Scope of Services.

**MAXIMUM AMOUNT OF FUNDS FOR ALL COMPENSATION PAYABLE UNDER THIS AGREEMENT FOR THE SCOPE OF WORK DESCRIBED IN ATTACHMENT B FOR THE PROJECT DESCRIBED IN THIS ATTACHMENT A, OTHERWISE IN ACCORDANCE WITH THE CHOSEN METHOD OF COMPENSATION AND OTHER TERMS OF THIS AGREEMENT:**

**\$ 275,000**

## **TABLE OF CONTENTS**

- I. Executive Summary**
- II. Agreement**
- III. Attachment A – Project Description and Funding**
- IV. Attachment B – Scope of Services**
- V. Attachment C**
  - Staffing Table**
  - Summary of Costs**

## **ATTACHMENT B**

May 20, 2019

Mr. John LaClair, P.E., G.G.P.  
Albany County Airport Authority  
Albany International Airport  
Administration Building, Suite 200  
Albany, New York 12211-1057

**RE: Contract No. 999-I, CM Project No. 119-004  
Albany County Airport Authority Parking Garage  
Supplemental Agreement #1**

Dear Mr. LaClair:

As discussed, the following is a summary of the scope of work to be provided by Creighton Manning Engineering, LLP for the construction of a new multi-level parking facility with vehicle and pedestrian access accommodations for the Albany County Airport Authority.

This supplemental agreement will continue to provide the services outlined in the original agreement for Contract No. 999-I, dated April 8, 2019, the Agreement scope of work shall include Construction Inspection Services and Project Closeout.

Construction Inspection shall include:

- a. Review and Recommendation of Contractor's Application for Payment based on site observations and work performed according to contract documents.
- b. Resident Inspection: Provide technical observations of construction by a Resident Project Representative along with supporting staff. Their responsibility shall include:
  1. Maintaining a comprehensive project record system.
  2. Complete, review and verify requests for payments for the Contractor(s).
  3. Assist the Authority in preparation of partial and final requests for reimbursement for State aid.
  4. Attend periodic job meetings with stakeholders and interested parties.
  5. Employ a qualified Materials Testing Firm to test and document conformance with State requirements for specified materials.
- c. Submit periodic progress reports for construction activity and problems encountered to the Authority and Construction Inspection Progress Reports to the FAA.
- d. Contractor(s) Completion Documents: Receive and review maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals for items to be assembled by the Contractor(s).

- e. Inspections: Conduct an inspection to determine if the work is substantially complete and a final inspection to determine if the work acceptable to recommend, in writing, final payment to the Contractor(s), and provide written notice to the Authority and the Contractor(s) that all work is acceptable. (This shall include conducting special inspections for sitework, deep pilings and structural erections.
- f. Issue certificates of completion to the Authority at the completion of construction.

Project Closeout shall include:

- a. Prepare and furnish the final construction testing and quality control report for the completed project to the Authority.

Creighton Manning is pleased to be providing the construction inspection services for this contract. If you need any further information, please feel free to contact me at (518) 689-1820.

Thank you,

Robert K. Remmers, P.E.  
Manager, Construction Inspection  
Creighton Manning Engineering, LLP

cc: E. Woods, Managing Partner  
J. Johnson, Resident Engineer

May 20, 2019

Mr. John LaClair, P.E., G.G.P.  
Albany County Airport Authority  
Albany International Airport  
Administration Building, Suite 200  
Albany, New York 12211-1057

RE: Contract No. 999-I, CM Project No. 119-004  
Albany County Airport Authority Terminal Amenities Upgrades  
Supplemental Agreement #2

Dear Mr. LaClair:

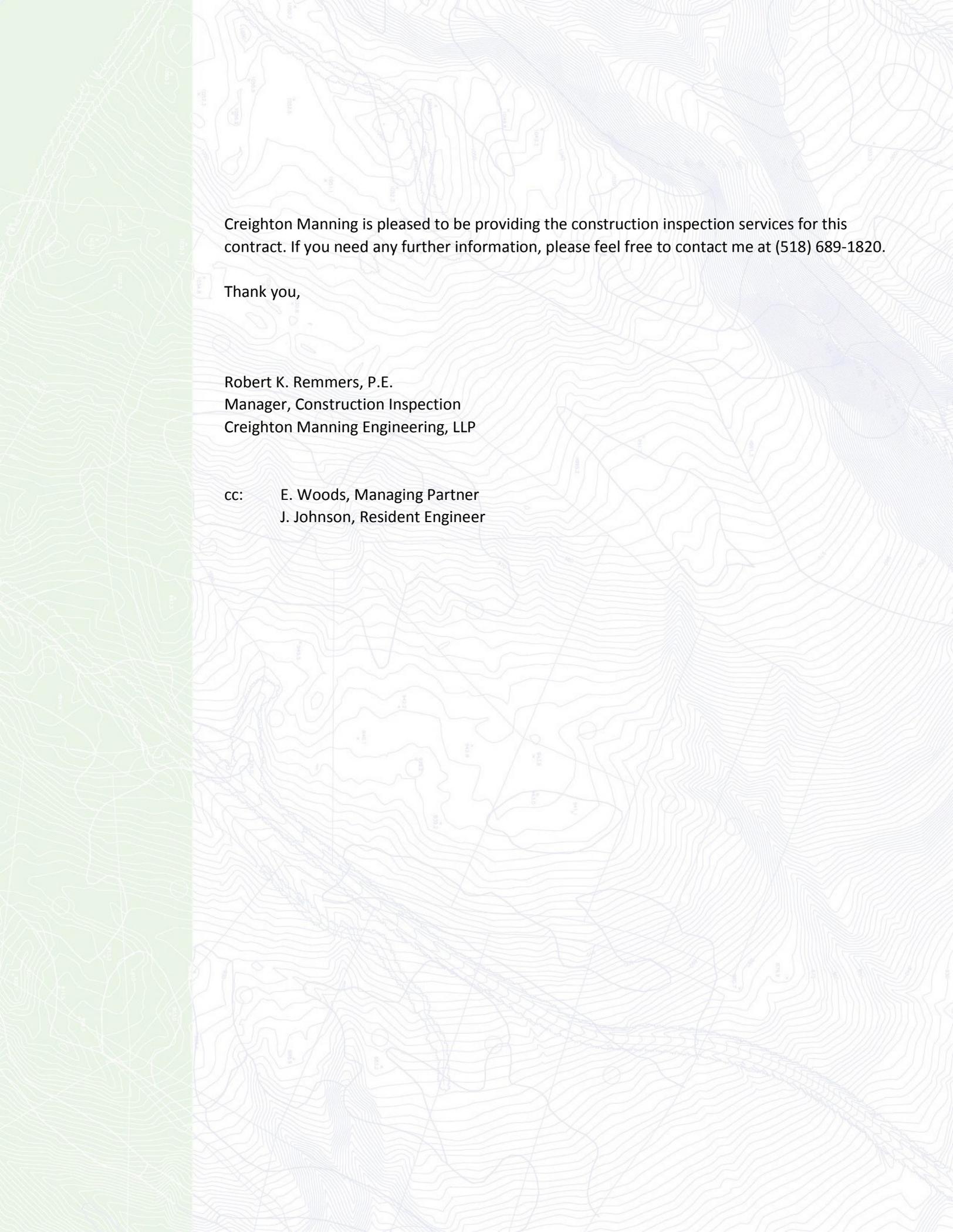
As requested, the following is a summary of the scope of work to be provided by Creighton Manning Engineering, LLP for the terminal improvements for the Albany County Airport Authority.

These contracts include:

Construction Contract 991-ES, Garage Escalator Replacement  
Construction Contract 991-GC, Concourse Renovations  
Construction Contract 991-P, Toilet Room Renovations and Miscellaneous Upgrades  
Construction Contract 991-R, Photovoltaic Panel System  
Construction Contract 991-W, Wayfinding

This supplemental agreement will continue to provide the services outlined in the original agreement for Contract No. 999-I, dated April 8, 2019 and in addition shall provide the following services:

- a. Perform daily progress monitoring of each Contractor's projected work and verified completed work.
- b. Maintain a comprehensive project record system for each contract. Records will be stored in the Procore Management System used for Contract 999-1.
- c. Review and Recommendation of Contractor's Application for Payment based on site observations and work performed according to contract documents.
- d. Assist the Authority in preparation of partial and final requests for reimbursement for State aid.
- e. Attend periodic job meetings with stakeholders and interested parties.
- f. This agreement shall not provide for construction inspection of the associated improvements nor shall it require any performance or documentation of special inspections required.



Creighton Manning is pleased to be providing the construction inspection services for this contract. If you need any further information, please feel free to contact me at (518) 689-1820.

Thank you,

Robert K. Remmers, P.E.  
Manager, Construction Inspection  
Creighton Manning Engineering, LLP

cc: E. Woods, Managing Partner  
J. Johnson, Resident Engineer

## **ATTACHMENT C**

**Attachment C  
Salary Schedule**

**Creighton Manning Engineering, LLP**

**Construction Inspection Services - Contract No. 999-1  
Albany County Airport Authority**

Job Title	ASCE (A)	Average Hourly Rates				Maximum Hourly Rate			Overtime Category
	OR NICET (N) GRADE	Present 2019	Projected 2020	Projected 2021	Contract Midpoint	2018	2019	2020	
Engineer VIII	VIII (A)	\$ 76.00	\$ 76.00	\$ 73.50	\$ 76.00	\$ 74.50	\$ 76.00	\$ 76.00	A
Engineer VII	VII (A)	\$ 67.17	\$ 69.52	\$ 71.95	\$ 67.17	\$ 64.90	\$ 67.50	\$ 70.20	A
Engineer VI	VI (A)	\$ 67.17	\$ 69.52	\$ 71.95	\$ 67.17	\$ 64.90	\$ 67.50	\$ 70.20	A
Engineer V	V (A)	\$ 58.90	\$ 60.96	\$ 63.09	\$ 58.90	\$ 60.10	\$ 62.50	\$ 65.00	A
Engineer IV	IV (A)	\$ 46.20	\$ 47.82	\$ 49.49	\$ 46.20	\$ 49.23	\$ 51.20	\$ 53.25	B
Engineer III	III (A)	\$ 39.29	\$ 40.67	\$ 42.09	\$ 39.29	\$ 43.70	\$ 45.45	\$ 47.27	B
Engineer II	II/I (A)	\$ 31.91	\$ 33.03	\$ 34.19	\$ 31.91	\$ 37.14	\$ 38.63	\$ 40.18	B
Sr. Planner	V (A)	\$ 54.75	\$ 56.67	\$ 58.65	\$ 54.75	\$ 52.90	\$ 55.02	\$ 57.22	B
Planner	III (A)	\$ 42.56	\$ 44.05	\$ 45.59	\$ 42.56	\$ 41.12	\$ 42.76	\$ 44.47	B
Planner II	II/I (A)	\$ 29.06	\$ 30.08	\$ 31.13	\$ 29.06	\$ 28.08	\$ 29.20	\$ 30.37	B
Principal Engineering Tech IV	IV (N)	\$ 55.99	\$ 57.95	\$ 59.98	\$ 55.99	\$ 54.10	\$ 56.26	\$ 58.51	B
Engineering Technician IV	IV (N)	\$ 43.93	\$ 45.47	\$ 47.06	\$ 43.93	\$ 42.44	\$ 44.14	\$ 45.91	B
Engineering Technician III	III (N)	\$ 37.73	\$ 39.05	\$ 40.42	\$ 37.73	\$ 41.52	\$ 43.18	\$ 44.91	B
Engineering Technician II	II (N)	\$ 32.51	\$ 33.65	\$ 34.83	\$ 32.51	\$ 36.04	\$ 37.48	\$ 38.98	B
Engineering Technician I	I (N)	\$ 21.13	\$ 21.87	\$ 22.64	\$ 21.13	\$ 20.42	\$ 21.24	\$ 22.09	C
Principal Surveyor IV	IV (N)	\$ 55.99	\$ 57.95	\$ 59.98	\$ 55.99	\$ 54.10	\$ 56.26	\$ 58.51	B
Land Surveyor III	III (N)	\$ 42.83	\$ 44.33	\$ 45.88	\$ 42.83	\$ 41.38	\$ 43.04	\$ 44.76	B
Survey Crew Chief II (Office)	II (N)	\$ 30.55	\$ 31.62	\$ 32.73	\$ 30.55	\$ 29.52	\$ 30.70	\$ 31.93	C
Instrument Person (Office)	II (N)	\$ 30.55	\$ 31.62	\$ 32.73	\$ 30.55	\$ 29.52	\$ 30.70	\$ 31.93	C
Survey Crew Chief (Field)	II (N)	\$ 30.55	\$ 31.62	\$ 32.73	\$ 30.55	\$ 29.52	\$ 30.70	\$ 31.93	C
Instrument Person (Field)	I (N)	\$ 26.04	\$ 26.95	\$ 27.89	\$ 26.04	\$ 25.16	\$ 26.17	\$ 27.22	C
Instrument Person (Office)	I (N)	\$ 26.04	\$ 26.95	\$ 27.89	\$ 26.04	\$ 25.16	\$ 26.17	\$ 27.22	C
Instrument Person (Field)	II (N)	\$ 30.55	\$ 31.62	\$ 32.73	\$ 30.55	\$ 29.52	\$ 30.70	\$ 31.93	C
Inspector IV	IV (A)	\$ 56.58	\$ 58.56	\$ 60.61	\$ 56.58	\$ 60.10	\$ 62.50	\$ 65.00	C
Inspector IV	IV (N)	\$ 51.02	\$ 52.81	\$ 54.66	\$ 51.02	\$ 51.36	\$ 53.41	\$ 55.55	C
Inspector III	III (A)	\$ 40.72	\$ 42.15	\$ 43.63	\$ 40.72	\$ 40.66	\$ 42.29	\$ 43.98	C
Inspector III	III (N)	\$ 39.97	\$ 41.37	\$ 42.82	\$ 39.97	\$ 41.94	\$ 43.62	\$ 45.36	C
Inspector II	II (N)	\$ 28.79	\$ 29.80	\$ 30.84	\$ 28.79	\$ 30.90	\$ 32.14	\$ 33.43	C
Technical Typist	N/A N/A	\$ 35.18	\$ 36.41	\$ 37.68	\$ 35.18	\$ 43.28	\$ 45.01	\$ 46.81	C

**NOTES**

Hourly rates shall not exceed those shown above or the current NYSDOT Maximum Allowable.

**OVERTIME POLICY**

Category A - No overtime compensation.

Category B - Overtime compensated at straight time rate.

Category C - Overtime compensated at straight time rate x 1.50.

Overtime applies to hours worked in excess of the normal working hours of 40 hours per week.

Prevailing Wage Rates - The difference between the required prevailing wage rate and the normal hourly rate is considered a direct cost:

<b>Warren County</b>		Prevailing Rate	Contract Mid-Point Rate	Difference	Payroll Additive	Total
Party/Survey Crew Chief (Field)	II (N)	\$ 36.53	\$ 56.58	\$ -	\$ -	\$ -
Instrument Person/Rod Person (Field)	I/II (N)	\$ 24.46	\$ 51.02	\$ -	\$ -	\$ -

Supplemental Benefits are also considered direct costs. The net benefit is the difference between required amounts and deductions made through existing plans (overhead):

<b>Warren County</b>		Prevailing Benefit	Normal Rate	Difference (Net)	Wage Adjustment	Payroll Additive	Total
Party/Survey Crew Chief (Field)	II (N)	\$ 23.75	\$ 3.80	\$ 19.95	\$ -	\$ -	\$ 19.95
Instrument Person/Rod Person (Field)	I/II (N)	\$ 23.75	\$ 3.16	\$ 20.59	\$ -	\$ -	\$ 20.59

**Attachment C  
Staffing Table  
Creighton Manning Engineering, LLP  
Construction Inspection/Support Staffing Table**

**Construction Inspection Services - Contract No. 999-1  
Albany County Airport Authority**

JOB TITLE	ASCE (A) OR NICET (N) GRADE		Construction Support	Construction Inspection			TOTAL HOURS THIS SHEET	2019 Rates	TOTAL DIRECT LABOR THIS SHEET
			8000	9000					
Engineer VIII	VIII	(A)					0	\$ 76.00	\$ -
Engineer VII	VII	(A)					0	\$ 67.17	\$ -
Engineer VI	VI	(A)	40				40	\$ 67.17	\$ 2,686.80
Engineer V	V	(A)					0	\$ 58.90	\$ -
Engineer IV	IV	(A)					0	\$ 46.20	\$ -
Engineer III	III	(A)					0	\$ 39.29	\$ -
Engineer II	II/I	(A)					0	\$ 31.91	\$ -
Sr. Planner	V	(A)					0	\$ 54.75	\$ -
Planner	III	(A)					0	\$ 42.56	\$ -
Planner II	II/I	(A)					0	\$ 29.06	\$ -
Principal Engineering Tech IV	IV	(N)					0	\$ 55.99	\$ -
Engineering Technician IV	IV	(N)	32				32	\$ 43.93	\$ 1,405.76
Engineering Technician III	III	(N)					0	\$ 37.73	\$ -
Engineering Technician II	II	(N)					0	\$ 32.51	\$ -
Engineering Technician I	I	(N)					0	\$ 21.13	\$ -
Principal Surveyor IV	IV	(N)					0	\$ 55.99	\$ -
Land Surveyor III	III	(N)					0	\$ 42.83	\$ -
Survey Crew Chief II (Office)	II	(N)					0	\$ 30.55	\$ -
Instrument Person (Office)	II	(N)					0	\$ 30.55	\$ -
Survey Crew Chief (Field)	II	(N)					0	\$ 30.55	\$ -
Instrument Person (Field)	I	(N)					0	\$ 26.04	\$ -
Instrument Person (Office)	I	(N)					0	\$ 26.04	\$ -
Instrument Person (Field)	II	(N)					0	\$ 30.55	\$ -
Inspector IV	IV	(A)					0	\$ 56.58	\$ -
Inspector IV	IV	(N)		704			704	\$ 51.02	\$ 35,918.08
Inspector III	III	(A)					0	\$ 40.72	\$ -
Inspector III	III	(N)		704			704	\$ 39.97	\$ 28,138.88
Inspector II	II	(N)		1408			1408	\$ 28.79	\$ 40,536.32
Technical Typist	N/A	N/A	4				4	\$ 35.18	\$ 140.72
<b>TOTAL</b>			<b>76</b>	<b>2816</b>		<b>0</b>	<b>0</b>	<b>2892</b>	<b>\$ 108,826.56</b>

**Attachment C**  
**Estimate of Direct Non-Salary Costs**  
**Construction Inspection**  
**Creighton Manning Engineering, LLP**

**Construction Inspection Services - Contract No. 999-1**  
**Albany County Airport Authority**

<b>1. Travel, Lodging and Subsistence</b>							Sub-Total
Per Diem -	0 days @	\$ 85.00 /day					\$ -
<u>Trips to</u>	<u>trips</u>	<u>miles per</u>					
On-Site	50	5	miles/trip	250	@	\$ 0.580	\$ 145.00
Site	250	2	miles/trip	500	@	\$ 0.580	\$ 290.00
		Total Mileage					\$ 435.00
<b>TOTAL TRAVEL, LODGING, &amp; SUBSISTENCE:</b>							<u>\$ 435.00</u>
<b>2. Appia Software</b>							
	0 Licenses	\$ 2,000.00 /Year					<u>\$ -</u>
<b>3. Owner's Protective Insurance (Estimated)</b>							
	0 Years @	\$ 1,000.00 /year					<u>\$ -</u>
<b>4. Mailings</b>							
	7 Months At	2 Mailings/Mth	\$ 8.00 per mailing				<u>\$ 112.00</u>
<b>Total Direct Non-Salary Costs:</b>							<u><u>\$ 547.00</u></u>

**Attachment C  
Summary of Costs**

**Creighton Manning Engineering, LLP**

**Construction Inspection Services - Contract No. 999-1  
Albany County Airport Authority**

		.121	.221	.222	.321	
		(Design)	(ROW Incidentals)	(ROW Acquisition)	(Construction Inspection)	Total
Item I, Direct Technical Salaries (estimated) (subject to audit)	Office	\$ -			\$ 4,233	\$ 4,233
	Field	\$ -			\$ 104,593	\$ 104,593
						\$ 108,827
Item IB, Direct Technical Salaries Premium Portion of Overtime (estimated) (subject to audit)		\$ -			\$ 14,263	\$ 14,263
Item II, Direct Non-Salary Cost (estimated) (subject to audit)		\$ -			\$ 547	\$ 547
Item II, Direct Non-Salary Cost (estimated) (Sub-Contractor Cost) (subject to audit)		\$ -			\$ -	\$ -
Materials Testing		\$ -				
Item IV, Overhead (estimated) (subject to audit)	Office (124%)	\$ -			\$ 5,249	\$ 5,249
	Field (115%)	\$ -			\$ 120,282	\$ 120,282
						\$ 125,531
Item V, Fixed Fee (negotiated)		\$ -			\$ 25,832	\$ 25,832
Item II, Direct Non-Salary Cost (estimated) (Sub-Consultant Cost) (subject to audit)		\$ -	\$ -	\$ -	\$ -	\$ -
Ryan Biggs Clark Davis Engineering		\$ -				
QCQA Testing Labs (SDVOSB)		\$ -				
Atlantic Testing Labs		\$ -				
<b>ITEM VI - Maximum Amount Payable</b>		\$ -	\$ -	\$ -	\$ 275,000	\$ 275,000

2020 Construction Inspection Hours																																									
JOB TITLE	ASCE (A) OR NICET (N) GRADE	January-20			February-20			March-20			April-20			May-20			June-20			July-20			August-20			September-20			October-20			November-20			December-20			Total Hours			
		Wrkg Days = 22			Wrkg Days = 20			Wrkg Days = 22			Wrkg Days = 22			Wrkg Days = 0			Total Wrkg Days = 86																								
		OT Hrs/day 3			OT Hrs/day 3			OT Hrs/day 3			OT Hrs/day 0			OT Hrs/day 0			OT Hrs/day 0			OT Hrs/day 0			OT Hrs/day 0			OT Hrs/day 0			OT Hrs/day 0												
		Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Tot Hrs	Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Total Hrs	Std Hrs	OT Hrs	Total Hrs				
Engineer VI	VI (A)	10	0	10	10	0	10	10	0	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	0	30	
Engineering Technician	IV (N)	8	0	8	8	0	8	8	0	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	24	0	24	
Inspector IV	IV (N)	176	66	242	160	60	220	176	66	242	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	512	192	704
Inspector III	III (N)	176	66	242	160	60	220	176	66	242	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	512	192	704
Inspector II	II (N)	352	132	484	320	120	440	352	132	484	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1024	384	1408
<b>TOTAL</b>		<b>370</b>	<b>132</b>	<b>502</b>	<b>338</b>	<b>120</b>	<b>458</b>	<b>370</b>	<b>132</b>	<b>502</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1078</b>	<b>384</b>	<b>1462</b>	

**Construction Inspection Hours Work Up  
 Creighton Manning Engineering, LLP  
 Construction Inspection Services - Contract No. 999-1  
 Albany County Airport Authority**

JOB TITLE	ASCE (A) OR NICET (N) GRADE		Total CI Field Hours			Total Construction Inspection Labor		
			Std Hrs	OT Hrs	Total Hrs	2019 Rates	Standard Hours Direct Labor	Overtime Premium
Engineer VI	VI	(A)	40	0	30	\$ 67.17	\$ 2,015.10	\$ -
Engineering Technician IV	IV	(N)	32	0	24	\$ 43.93	\$ 1,054.32	\$ -
Inspector IV	IV	(N)	512	192	704	\$ 51.02	\$ 35,918.08	\$ 4,897.92
Inspector III	III	(N)	512	192	704	\$ 39.97	\$ 28,138.88	\$ 3,837.12
Inspector II	II	(N)	1024	384	1408	\$ 28.79	\$ 40,536.32	\$ 5,527.68
<b>TOTAL</b>			<b>2120</b>	<b>768</b>	<b>2870</b>		<b>\$ 107,662.70</b>	<b>\$ 14,262.72</b>

## **AGENDA ITEM NO. 10.2**

**Amendment #4 to Contract No. S-912 runway  
1-19 and Taxiway A Edge Lighting Replacement  
for AECOM for Construction Inspection (CI).**

AGENDA ITEM NO: 10.2  
MEETING DATE: March 16, 2019

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

**DEPARTMENT:**

ACAA Approved  
03/16/2020

Contact Person: *John LaClair, P.E. Airport Engineer*

**PURPOSE OF REQUEST:**

*Amendment #4 to Contract No. S-912 Runway 1-19 and Taxiway A Edge Lighting Replacement for AECOM for Construction Inspection (CI).*

**CONTRACT AMOUNT:**

Base Amount:	\$248,495.00
Amendment #1:	\$299,970.00
Amendment #2:	\$107,690.00
Amendment #3:	\$139,300.00
Amendment #4:	<u>\$ 47,800.00*</u>
Total:	\$843,255.00

\*Pending Board approval.

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

Federal 90% State 5% Airport 5% NA \_\_\_\_\_  
Term of Funding: 2017-2019  
Grant No.: 3-36-0001-xx-17 State PIN: <pending>

**JUSTIFICATION:**

*Authorization is requested for the award of Amendment #4 to Contract S-912 Construction Inspection Services for The Runway 1-19 and Taxiway A Edge Lighting Replacement project to AECOM in the amount of \$47,800.00. The firm was previously selected as the most qualified firm responding to a competitive Request for Qualifications process. Their fee for services was subsequently established by negotiation as provided for in the Federal Aviation Administration Advisory Circular 150/5100-14-D. The contractor working on the project did not complete the work within the allotted contract time and is currently being assessed Liquidated Damages per calendar day which will help to offset the additional Construction Inspection costs. The proposed fee conforms will include all construction inspection services during the execution of the construction contract and is in conformance with the Disadvantaged Business Enterprise requirements.*

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend approval.*

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

AGENDA ITEM NO: 10.2  
MEETING DATE: March 16, 2019

**PROCUREMENT DEPARTMENT APPROVAL:**

*Procurement complies with Authority Procurement Guidelines and Chief Financial Officer has approved. YES J NO     .*

**BACK-UP MATERIAL:**

*Please refer to attached CI fee proposal from AECOM.*



In reply, please refer to: 60536536

February 21, 2020

Mr. John LaClair, PE, GGP  
Albany County Airport Authority  
Albany International Airport  
Administration Building  
Albany, NY 12211

Reference: Price Proposal  
Professional Engineering and Construction Services, 2018-Addendum No. 4  
Runway 01-19 and Taxiway "A" Edge Lighting Systems Replacement Project  
Professional Engineering Services Contract S-912  
AIP No.: 3-36-0001-134-2017  
Albany International Airport  
Albany, New York

---

Dear Mr. LaClair:

The Albany County Airport Authority (Authority) has requested that AECOM USA, Inc. (AECOM) provide additional professional engineering and construction phase services at Albany International Airport (ALB) for the Runway 01-19 and Taxiway "A" Edge Lighting System Replacement Project. Additional professional services accommodate the modified project schedule which extended Construction Inspection Services beyond the June 1, 2019 construction end date to the revised July 24, 2019 construction end date.

This Scope of Services sets forth the work efforts required to complete the requested task.

A. PROFESSIONAL ENGINEERING AND CONSTRUCTION PHASE SERVICES

Task 1 Project Management and Quality Assurance

AECOM provided additional project management services and associated office support, including coordination with the Authority for preparation of this detailed scope for extra work, overall supervision of subconsultant activities, invoicing, safety management oversight, quality management oversight, risk management oversight, change management oversight, and coordination with the Authority.

Task 2 Resident Inspection

During the extended construction period, between June 2, 2019 and July 24, 2019, AECOM provided one (1) Construction Inspector part time at one day a week at 8-hour days, excluding a holiday break between July 3 to July 6, 2019, to inspect, monitor and support the Contractor's work force and construction activities for compliance with the Contract Documents dated July 2017.

No additional hours are being requested in this proposal for Resident Engineer project closeout efforts.



Mr. John LaClair, PE, GGP  
February 21, 2020  
Page 2

The Inspection Team was responsible for:

- Review of Contractor's submittals, outstanding shop drawings, and material for content;
- Addressing Submittals, Outstanding Shop Drawings, Field Revisions, Change Orders and Pay Requests;
- Contractor RFI coordination;
- Weekly Inspection Reports;
- Schedule Analysis;
- Final Inspection/Project Acceptance - 2019 Services, Not Included in this proposal;
- Acquisition and development of contractor-supplied Red Line Revision Drawings - 2019 Services, Not Included in this proposal;
- Coordinate with the Engineer to develop Record Drawings; and
- Project Closeout

B. ITEMS FURNISHED BY THE AUTHORITY

The following items were provided by the Authority:

- Right of entry onto Airport property;
- Available operational data;
- Resident Inspection Team office space;
- Coordination of closure for site investigations; and
- Comments on design submittals.

C. ITEMS NOT INCLUDED

The following items are not included in this Scope of Services:

- Provisions for field office space, office setup and necessary office equipment;
- Grant coordination, acceptance and reimbursements efforts;
- GIS data collection and reporting in accordance with FAA Advisory Circular 150/5300-18B;
- Attendance at meetings or site visits other than those identified herein;
- Permit fees;
- Preparation of permit applications with supporting drawings, figures and attachments;
- Geotechnical Analysis;
- Claims analysis, resolution, or arbitration;
- Design and/or construction phase services for work not included in the scope of work;
- Issuance of Notices to Airmen (NOTAMS) for airfield or apron closures or other reasons;
- Printing or delivery of hard copies of any submittal;
- Existing Structure(s) evaluations;
- Design of airfield pavement or infield horizontal or vertical geometry compliant to FAA Advisory Circular 150/5300-13A, Change 1;
- Value Engineering efforts.
- Review and analyze unanticipated Contractor claims of Delay and Extra Work raised during the Contract Closeout process; assist the ACAA in the resolution / facilitation of these disputes to a mutually acceptable outcome.



Mr. John LaClair, PE, GGP  
February 21, 2020  
Page 3

D. COMPENSATION

For CI services between June 2, 2019 and July 24, 2019 and described above, we ask compensation to be on a Time and Material Basis. We estimate the cost of these services to be \$47,800. Approval of this proposal shall authorize AECOM to invoice an additional \$47,800 for Construction Inspection Services under Contract # S-912.

A detailed breakdown of man-hours and derivation of the costs is given in attached Exhibit A.

E. PROJECT SCHEDULE

Additional CI Services - June 2, 2019 to July 24, 2019

F. AUTHORIZATION

Thank you for the opportunity to submit this Price Proposal. Should you have any questions, please feel free to contact me.

Sincerely,

AECOM USA, INC.



Kenneth J. Kraich, Jr., PE  
Vice President

cc: Mr. Frank Wengler, Vice President  
Mr. Navin Natarajan, Vice President  
Ms. Jennifer Lutz, Associate Vice President  
Mr. Curtis Grieveson, Associate Vice President  
Mr. Kenneth Lepera, Project Manager

PROFESSIONAL ENGINEERING AND CONSTRUCTION PHASE SERVICES  
 Albany County Airport Authority  
 Albany International Airport

2019 Engineering Costs  
 Runway 01-19 and Taxiway A Edge Lighting System Replacement

Category	Man-Hours	Billing Base Rate*	Total
Project Manager	4	\$ 192.77	\$771
Senior Engineer	-	\$ -	\$0
Resident Engineer	-	\$ 295.63	\$0
Inspector	344	\$ 136.62	\$46,997
Design Engineer (to be billed at Office Overhead)	-	\$ 95.17	\$0
Office Assistant	-	\$ 71.28	\$0
Subtotal	348		\$47,768
Subtotal			\$47,768
Expenses (See Attached)			\$30
TOTAL			\$47,800

PROFESSIONAL ENGINEERING AND CONSTRUCTION PHASE SERVICES  
 Albany County Airport Authority  
 Albany International Airport

2019 Man-Hours Estimate - Office  
 Runway 01-19 and Taxiway A Edge Lighting System Replacement

	Project Manager	Senior Engineer	Design Engineer	Office Assistant	Total
<b>B. Professional Engineering and Construction Phase Services</b>					
Task 1: Project Management					
Project Management	4	0	0	0	4
Subtotal	4	0	0	0	4
Task 3: Office Support Staff					
Subtotal	0	0	0	0	0
Task 4: Quality Assurance Survey					
Coordination with Atlantic Testing Laboratory	0	0	0	0	0
Subtotal	0	0	0	0	0
Task 5: Record Drawings					
Subtotal	0	0	0	0	0
Task 6: Project Closeout					
Subtotal	0	0	0	0	0
<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>



PROFESSIONAL ENGINEERING AND CONSTRUCTION PHASE SERVICES

Albany County Airport Authority

Albany International Airport

2019 Man-Hours Estimate - Field

Runway 01-19 and Taxiway A Edge Lighting System Replacement

Phase	Duration			Total Hours
	Weeks	Total Actual Work Days	Hours/Day	
Task 2: Construction				
Resident Engineer - Part Time 04/1/2019 - 06/01/2019 (Construction)	0	0	0	0
Resident Engineer - Part Time 06/2/2019 - 07/13/2019 (Closeout)	0	0	0	0
Total	0	0	0	0
Inspector - FullTime 06/02/2019 - 7/24/19 (Construction)	8	43	8	344
Inspector - Part Time 06/2/2019 - 07/13/2019 (Closeout)	8	8	0	0
Total				344

Field Office set up, and furniture/equipment is provided by the Authority. Cost is not included.

PROFESSIONAL ENGINEERING AND CONSTRUCTION PHASE SERVICES  
 Albany County Airport Authority  
 Albany International Airport

2019 Out-of-Pocket Expenses  
 Runway 01-19 and Taxiway A Edge Lighting System Replacement

Printing

Field Revisions

10 Sheets x \$ 1.00 Sheet x 3 copies = 30.00

Drawings

0 Sheets x \$ 1.00 Sheet x 3 copies = 0.00

Reports

0 B&W 8.5x11 x \$ 0.80 Sheet x 6 copies = 0.00

0 Sheets x \$ 1.00 Sheet x 6 copies = 0.00

SUBTOTAL 30

TOTAL 30

**AGENDA ITEM NO. 11**

**Authorization of Change Orders**

**AGENDA ITEM NO. 12**

**Authorization to Submit Application No. 4 to  
the FAA to impose and use Passenger Facility  
Charges.**

AGENDA ITEM NO: 12  
MEETING DATE: March 16, 2020

ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION

ACAA Approved  
03/16/2020

**DEPARTMENT:** Administration

Contact Person: Philip F. Calderone, Esq., Chief Executive Officer

**PURPOSE OF REQUEST:**

*Authorization to submit Application No. 4 to the FAA to impose and use Passenger Facility Charges.*

**CONTRACT AMOUNT:** N/A

**BUDGET:** YES √

**FISCAL IMPACT:** N/A √

**JUSTIFICATION:**

*Authorization is requested to submit application #4 to the FAA to impose and use Passenger Facility Charges (PFCs) at the \$4.50 level. The funding will be used to pay for the costs of previously financed projects along with new projects. The list of projects and amount requested in the application to the FAA is listed under back-up information.*

*The ACAA has issued a public notice of its intent to submit the PFC and has commenced a 30-day public comment period. Approval is being sought to advance the final application to the FAA at the conclusion of the public comment period.*

*After the public comment period, the ACAA shall review comments and, if deemed in the best interest of the ACAA, those comments and application shall be submitted to the FAA.*

*Notwithstanding any significant comments opposing the application, as determined by the FAA, the application will be approved.*

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

*Recommend Approval*

**CHIEF FINANCIAL OFFICER'S RECOMMENDATION:**

*Recommend Approval*

AGENDA ITEM NO: 12  
MEETING DATE: March 16, 2020

**BACK-UP MATERIAL:**

*The following is the notice forwarded to the airlines to obtain their approval of the Passenger Facility Charge application #4. This notice details prior PFC approvals and outlines the airport's application in detail which includes projects and amounts to be approved by the airlines and the Authority Board.*



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)

March 3, 2020

**TO:** Distribution List

**RE:** PFC Consultation Notice of Intent to submit New Application #4 at Albany International Airport (ALB)

Dear Air Carrier Representative:

The purpose of this letter is to formally announce to all air carriers with a "significant business interest"<sup>1</sup> operating at Albany International Airport (ALB), in accordance with Section 158.23 of 14 CFR Part 158, that the Albany County Airport Authority (the Authority) intends to submit Application #4 to fund airport projects. This letter acts as a notice of the airline consultation meeting to be held on Friday, April 3, 2020 at 10:00AM EST.

## BACKGROUND

On August 5, 1993, the Authority submitted the application for PFC #1 to impose PFC at \$3.00 level for the eligible cost of terminal building renovations and other projects. The application requested a total collection of \$40,726,364 starting March 1, 1994 and expiring in 2005. On December 6, 1993, the FAA published its Record of Decision and approved PFC #1.

On November 23, 1994, the Authority submitted the application for PFC #2 to use PFC revenues for runway and taxiway improvements, flood management improvements, environmental remediation, and airport studies. On January 23, 1996, the Authority revised the application and adjusted the use authority request to \$822,120. On January 26, 1996, the FAA published its Record of Decision and approved PFC #2.

On May 30, 1996, the Authority submitted the application for PFC #3 and amendment for PFC #1 and PFC #2. On September 27, 1996, the FAA approved the application. Impose authority for PFC #1 was increased to \$104,999,461. Use authority for PFC #2 was increased to \$1,158,387. The approvals for PFC #3 includes additional impose authority of \$11,888,847 and use authority of \$115,581,951. As a result, estimated collection expiration date was adjusted to January 1, 2023.

On July 6, 2009 the Authority submitted amendments to PFC Applications #1 and #2 to increase the imposition rate from \$3.00 per eligible enplaned passenger to \$4.50 per eligible enplaned passenger. The estimated expiration date was changed to February 1, 2020.

On October 18, 2019, the Authority submitted a 43C notice letter in conformance with Title 14 of the Code of Federal Regulations, Part 158 (14CFR158), "Passenger Facility Charges," Section 158.43 requesting a change in the PFC charge expiration date from February 1, 2020 to February 1, 2021. This request was subsequently approved by the Federal Aviation Administration.

---

<sup>1</sup> "Significant business interest" is defined by the FAA as a carrier that (1) had no less than 1.0% of passenger boardings at ALB in the prior calendar year (2007), (2) had at least 25,000 passenger boardings at ALB in 2017, OR (3) currently provides scheduled service at ALB.

## **JUSTIFICATION FOR APPLICATION #4**

The following describes the projects to be funded under PFC Application #4 for which the Authority intends to use PFC revenues collected for Applications #1, #2, and #3 which will result in a newly extended estimated collection date.

### **PFC #4 projects with impose and use authority in PFC #4**

#### ***B.1 Air Traffic Control Tower Rehabilitation, Phase I and Phase II***

The Air Traffic Control Tower (ATCT) is 21 years old and many of its building system and components are in need of replacement. The Albany County Airport Authority (ACAA) owns the ATCT and the FAA leases the facility from ACAA. A building assessment was completed as requested by the FAA and this documents serves as our basis of design. (See attached Building Assessment dated February 4, 2019).

The project has been advanced in two phases. The first phase addresses those elements of the project which are weather dependent. These items include but, are not limited to, minor roof replacements, minor concrete repairs, painting, pavement, and sealing of critical areas on exterior of the building. The second phase of the work includes, but it not limited to the following items:

1. Replacement of roofs on the tower cab, penthouse, TRACON building and connecting walkways.
2. Remove and replace concrete sidewalks and posts on the exterior of the building.
3. Remove rubber tile floors and replace with vinyl.
4. Replace all exterior weather tight joints along the precast panels and other areas of the building.
5. Replace Elevator.
6. Repair and replace several doors, hardware and frames.
7. Replace two boilers and associated system pumps.
8. Replace condensing units along with associated refrigerant piping.
9. Replace computer room air conditional units (CRAC) in equipment room and TRACON building.
10. Provide electric heaters in tower stairwell.
11. Replace humidifiers throughout facility.
12. Replace fire pumps.

#### ***B.2 Terminal Public Address System Replacement***

The project is to replace a twenty-one year old Terminal Building Public Address System installed in 1998 to meet current standards and ensure ongoing public safety. The new Public Address System includes the replacement of all airline microphones, amplifiers, controllers and cabling to upgrade to the system. TTY visual paging monitors are included and will be installed to meet the NYS ADA requirements for public address systems. Emergency announcements and other instructions will also be broadcasted throughout the Terminal and Concourses to alert passengers of urgent situations as they arise.

#### ***B.3 Terminal Fire Alarm System Replacement***

The terminal-wide fire alarm system replacement project consists of the removal of the existing 22 years old fire alarm system and replacement of all system components. The system consists of the head-end equipment, software, annunciators, cabling, detector heads, and equipment located in the Operations Center and the Air Rescue and Firefighting Building. The system covers all three concourses, ticketing, baggage make-up and airline offices. Included are carbon monoxide detectors, smoke and heat detectors, duct detectors, pull stations, smoke barrier doors, and other equipment to provide protection to the Terminal. Connections will also be made to the public address system to alert the passengers, visitors and employees of pending emergency.

**B.4 Terminal Amenities – Toilet Room Renovations and Miscellaneous Upgrades**

991-P Terminal Amenities – Toilet Room Renovations and Miscellaneous Upgrades. The project scope includes the modernization of public bathrooms including any mechanical, electrical, plumbing, and fire protection work. The work also includes a FAA mandated pet relief station, security and non-security door repairs, ceiling and light modernization in the baggage claim area. Mechanical upgrades located above the ticket counters have been excluded to meet PFC eligibility requirements.

**B.5 Terminal Amenities – Photovoltaic Panel System**

991-R Terminal Amenities Photovoltaic Panel System. The project scope includes the removal of existing skylight panels and provide a new metal roofing system in its place. Modifications need to be made to the existing structure to accommodate the new roofing system. The useful life of the reconstruction is greater than 40 years.

The work includes the reconstruction of a roof opening, infilling with steel beams, fire-proofing of steel members, roof underlayment, roof membrane, and interior finishes which included gypsum board and paint. The array of photovoltaic panels has been adjusted. The photovoltaic panels are a small portion of the project and are not PFC eligible.

**B.6 Terminal Amenities – Garage Escalator Replacement**

991-ES Garage Escalator Replacement. The scope includes the replacement of escalator located in the Collector Building located at the end of the pedestrian bridge. The work includes the removal and disposal of the existing escalators. All new electrical and plumbing connections will need to be made with the new installation.

**B.7 Terminal Amenities – Wayfinding Signs**

991-W The project scope includes removal and installation of Terminal wayfinding signage and the removal and installation of curbside signage. The work also includes new signage in the Parking Garage, and all electrical and data connections.

The project objective is to install new wayfinding signage which meets the safety requirements of the New York State Building Codes.

**B.8 Airport Pavement Management Program**

The project will consist of providing planning services associated with the development of a Pavement Management Plan (PMP) at the Albany International Airport (ALB) in accordance with FAA AC 150/5380-7B, *Airport Pavement Management Program*.

**B.9 Terminal Amenities – Escalators #22 and #23 Replacement**

The scope includes the replacement of the two escalators located in the Terminal which convey passengers and others from the second floor into the baggage claim area. The work includes the removal and disposal of the existing escalators. All new electrical and plumbing connections will need to be made with the new installation.

## SUMMARY OF PROPOSED CHANGES

The Authority intends to extend the time period for which PFCs are collected from February 1, 2021 to October, 2022 and use PFCs to fund certain capital projects currently underway. The following table summarizes the current PFC approvals with total impose and use authority of \$116,740,338.

### Existing PFC Approvals Albany County Airport Authority

	Approved for Collection	Approved for Use
93-01-I-00-ALB	\$ 40,726,364	\$ 0
93-01-I-01-ALB	11,560	0
93-01-I-02-ALB	64,113,567	0
95-02-U-00-ALB	0	822,120
95-02-U-01-ALB	0	336,267
96-03-C-00-ALB	<u>11,888,847</u>	<u>115,581,951</u>
Total	<u>\$116,740,338</u>	<u>\$116,740,338</u>

## NOTICE OF INTENT INFORMATION REQUIREMENTS

The following paragraphs provide the information required under Section 158.23 of 14 CFR Part 158 for the notice to the air carriers serving Albany International Airport.

### **Section 158.23(a)(I). Description of Project**

As mentioned, the Authority has completed all projects under PFC #1, #2 and #3. The Authority intends to extend the time period for which PFCs are collected from February 1, 2020 to October 1, 2022 for these previously approved projects:

#### **PFC #1 projects with impose authority in PFC #1 and use authority in PFC #3**

- ***Terminal Building Renovation and Expansion***

This project included an extensive renovation of the then-current terminal building at ALB, including the construction of a new concourse and concourse connector bridge. The project also included the demolition of a portion of the then-current terminal complex (constructed in 1959) to provide room for the concourse expansion, the acquisition and rehabilitation of passenger loading bridges, and the construction of a central utility plant. The then-current terminal facilities were antiquated and could not accommodate increasing passenger traffic. In addition, the terminal configuration could not adequately accommodate the aircraft mix utilizing the airport at that time.

- ***Air Traffic Control Tower***

This project included the design and construction of a new Air Traffic Control Tower facility. This project also included a Tracon-equipped base building, a 500-foot road to the tower, and employee parking. The prior tower was demolished as part of the project to accommodate the terminal expansion.

- ***New Interior Roadways***

This project included design and construction of access roadway improvements necessary to support the terminal improvements. The new roadways eliminated terminal curbside congestion and provided for continued growth.

- ***Airport Equipment***

This project included the acquisition of 13 pieces of snow removal equipment including dump trucks, loaders, snow blowers, spreaders, plows, and sweepers. This equipment replaced prior equipment that was aged and had become unreliable. This project was later amended to include 7 pieces of snow removal equipment: 3 snow blowers, 1 sweeper, 2 plow trucks and 1 spreader.

- ***New Storage Building***

This project included the design and construction of a snow removal equipment storage facility to house eligible snow removal equipment. This facility contained approximately 18,900 square feet to replace a prior facility located on the preferred site for the relocated control tower and Tracon facility. The building provided additional storage for airport equipment described above.

#### **PFC #2 projects with impose authority in PFC #1 and use authority in PFC #2**

- ***Runway and Taxiway Improvements***

This project included the rehabilitation of taxiways D, A, C (formerly B), commercial and general aviation aprons, and runways 1/19 and 10/28 overruns. The airfield pavement corrected deficits which included traverse and longitudinal cracking, some alligator cracking, and surface distortions, all occurring as a result of pavement staging and long term use. The project also included the acquisition of avigation easements for the runway 1 approach and transitional surfaces, the removal of obstruction (approximately 34 acres) from runways 1 and 19 approach and transitional surfaces. The completion of avigation easement acquisition and obstruction removals from the approach and transitional surface of runways 1 and 19 improved the effectiveness of the instrument approaches to the airport by eliminating restrictions on approach minimums.

- ***Flood Management Improvements***

This project included construction of three new sets of culverts along Shaker Creek, 2-10 feet culverts under runway 10/28, 2-10 feet and 2-9 ½ foot culverts under a proposed crossing near the terminal, and 2-10 foot by 8 ½ foot culverts under the airport access road. The improvements in these areas mitigated flood hazards within the terminal area by reducing the water surface elevation.

- ***Environmental Remediation***

This project included the removal of two 550 gallon, one 1,000 gallon, and two 7,500 gallon underground fuel storage tanks and associated piping, and equipment concrete pads. The project also included sheeting, dewatering, temporary ground water treatment, and disposal of approximately 800 cubic yards of contaminated soil. The underground tanks are owned by the County and their removal was required for the construction of a new terminal ramp.

- ***Airport Studies***

This project included the preparation of airport noise exposure maps and a noise compatibility plan in conformance with the requirements of the federal regulation part 150. The noise compatibility plan provided a balanced and cost effective program to mitigate aircraft related noise impacts in neighboring communities.

### **PFC #3 projects with impose and use authority in PFC #3**

- ***Federal Inspection Facility***

This project reimbursed the County of Albany for the design and construction of the Federal Inspection Facility completed in 1995. Also included were all utilities, furnishings, and other appurtenances as requested by the Federal Custom and Immigration and Naturalization Service Directors. The prior facilities were inadequate to support the demand for international flight service and terminal area requirements.

- ***Passenger Access Lift Equipment Acquisition***

This project reimbursed the County of Albany for the local match of funds expended to acquire a passenger access lift. This lift allowed physically challenged passengers to be enplaned and deplaned on commercial aircraft.

- ***Airport Master Plan Study***

This project included the development of an updated airport master plan and airfield demand capacity analysis. The prior airport master plan was completed in 1975, was outdated and required updating to provide for the orderly growth and development of ALB.

- ***FAR Part 150 Run Up Study***

This project reimbursed the County of Albany for a part 150 engine maintenance run up study. The study, completed in fiscal year 1995, provided baseline run up requirements and noise conditions in support of an analysis of appropriate mitigating measure alternatives. This study was required to enable the County of Albany to reduce noise and to mitigate noise impacts from engine maintenance safety checks.

- ***Glycol Collection System***

This project included the rehabilitation of the aircraft apron propylene glycol deicing fluid collection system. This project included the design and rehabilitation of a 6 million gallon aircraft deicing fluid containment lagoon and associated mechanical equipment situated in the Northwest airfield quadrant. The prior facilities were constructed in 1989 and, due to their advanced age and wear, required rehabilitation.

- ***Terminal Ramp Improvements***

This project included the design, rehabilitation and expansion of the terminal apron. Also included in this element is installation of new Portland cement concrete hardstands, rehabilitation of adjoining asphaltic surfaces; realignment of the glycol collection system and adjoining taxi lanes; upgraded electrical distribution services and installation of high mast apron lighting systems; apron drainage improvements; the dredging of storm outfalls, and demolition of the former postal facility. The ditch dredging element was excluded from the PFC approval.

- **Emergency Generator Installation**

This project included the design and installation of an emergency generator for the electrical circuits servicing the airfield lighting and signage, providing emergency power in the event of primary feed power failure.

The following describes the projects to be funded under PFC Applications #4 for which the Authority intends to use PFC revenues collected for Applications #1, #2, and #3 which will result in a newly extended estimated collection date.

**PFC #4 projects with impose and use authority in PFC #4**

***B.1 Air Traffic Control Tower Rehabilitation, Phase I and Phase II***

The Air Traffic Control Tower (ATCT) is 21 years old and many of its building system and components are in need of replacement. The Albany County Airport Authority (ACAA) owns the ATCT and the FAA leases the facility from ACAA. A building assessment was completed as requested by the FAA and this documents serves as our basis of design. (See attached Building Assessment dated February 4, 2019).

The project has been advanced in two phases. The first phase addresses those elements of the project which are weather dependent. These items include but, are not limited to, minor roof replacements, minor concrete repairs, painting, pavement, and sealing of critical areas on exterior of the building. The second phase of the work includes, but it not limited to the following items:

1. Replacement of roofs on the tower cab, penthouse, TRACON building and connecting walkways.
2. Remove and replace concrete sidewalks and posts on the exterior of the building.
3. Remove rubber tile floors and replace with vinyl.
4. Replace all exterior weather tight joints along the precast panels and other areas of the building.
5. Replace Elevator.
6. Repair and replace several doors, hardware and frames.
7. Replace two boilers and associated system pumps.
8. Replace condensing units along with associated refrigerant piping.
9. Replace computer room air conditional units (CRAC) in equipment room and TRACON building.
10. Provide electric heaters in tower stairwell.
11. Replace humidifiers throughout facility.
12. Replace fire pumps.

***B.2 Terminal Public Address System Replacement***

The project is to replace a twenty-one year old Terminal Building Public Address System installed in 1998 to meet current standards and ensure ongoing public safety. The new Public Address System includes the replacement of all airline microphones, amplifiers, controllers and cabling to upgrade to the system. TTY visual paging monitors are included and will be installed to meet the NYS ADA requirements for public address systems. Emergency announcements and other instructions will also be broadcasted throughout the Terminal and Concourses to alert passengers of urgent situations as they arise.

### **B.3 Terminal Fire Alarm System Replacement**

The terminal-wide fire alarm system replacement project consists of the removal of the existing 22 years old fire alarm system and replacement of all system components. The system consists of the head-end equipment, software, annunciators, cabling, detector heads, and equipment located in the Operations Center and the Air Rescue and Firefighting Building. The system covers all three concourses, ticketing, baggage make-up and airline offices. Included are carbon monoxide detectors, smoke and heat detectors, duct detectors, pull stations, smoke barrier doors, and other equipment to provide protection to the Terminal. Connections will also be made to the public address system to alert the passengers, visitors and employees of pending emergency.

### **B.4 Terminal Amenities – Toilet Room Renovations and Miscellaneous Upgrades**

991-P Terminal Amenities – Toilet Room Renovations and Miscellaneous Upgrades. The project scope includes the modernization of public bathrooms including any mechanical, electrical, plumbing, and fire protection work. The work also includes a FAA mandated pet relief station, security and non-security door repairs, ceiling and light modernization in the baggage claim area. Mechanical upgrades located above the ticket counters have been excluded to meet PFC eligibility requirements.

### **B.5 Terminal Amenities – Photovoltaic Panel System**

991-R Terminal Amenities Photovoltaic Panel System. The project scope includes the removal of existing skylight panels and provide a new metal roofing system in its place. Modifications need to be made to the existing structure to accommodate the new roofing system. The useful life of the reconstruction is greater than 40 years.

The work includes the reconstruction of a roof opening, infilling with steel beams, fire-proofing of steel members, roof underlayment, roof membrane, and interior finishes which included gypsum board and paint. The array of photovoltaic panels has been adjusted. The photovoltaic panels are a small portion of the project and are not PFC eligible.

### **B.6 Terminal Amenities – Garage Escalator Replacement**

991-ES Garage Escalator Replacement. The scope includes the replacement of escalator located in the Collector Building located at the end of the pedestrian bridge. The work includes the removal and disposal of the existing escalators. All new electrical and plumbing connections will need to be made with the new installation.

### **B.7 Terminal Amenities – Wayfinding Signs**

991-W The project scope includes removal and installation of Terminal wayfinding signage and the removal and installation of curbside signage. The work also includes new signage in the Parking Garage, and all electrical and data connections.

The project objective is to install new wayfinding signage which meets the safety requirements of the New York State Building Codes.

### **B.8 Airport Pavement Management Program**

The project will consist of providing planning services associated with the development of a Pavement Management Plan (PMP) at the Albany International Airport (ALB) in accordance with FAA AC 150/5380-7B, *Airport Pavement Management Program*.

### **B.9 Terminal Amenities – Escalators #22 and #23 Replacement**

The scope includes the replacement of the two escalators located in the Terminal which convey passengers and others from the second floor into the baggage claim area. The work includes the removal and disposal of the existing escalators. All new electrical and plumbing connections will need to be made with the new installation.

**Section 158.23(a)(2). PFC Level, Effective Date, Expiration Date, and Total Revenue**

	PFC #1-#3 In Effect	PFC #1-#3 Proposed Amendment		
		\$3.00 Level	\$4.50 Level	Total
PFC Level per eligible e.p.	\$3.00/\$4.50	\$3.00	\$4.50	\$3.00/\$4.50
Charge Effective Date	March 1, 1994	March 1, 1994	October 1, 2009	March 1, 1994
Est. Charge Expiration Date	January 1, 2023	Sept. 1, 2009	October 1, 2022	October 1, 2022
Subtotal	\$116,740,338	\$ 54,868,846	\$ 76,455,579	\$131,324,425

	PFC #4 New	PFC #4 Proposed		
		\$4.50 Level	Total	
PFC Level per eligible e.p.	\$4.50	\$4.50	\$4.50	
Charge Effective Date	December 1, 2019	December 1, 2019	December 1, 2019	
Est. Charge Expiration Date	October 1, 2022	October 1, 2022	October 1, 2022	
Subtotal	\$ 11,249,384	\$ 11,249,384	\$ 11,249,384	
Total		\$ 54,868,846	\$ 87,704,963	\$142,573,809

**Section 158.23(a)(3). Request that a Class of Carrier Not be Required to Collect PFCs**

**(i) Class Designation**

The Authority intends to continue to exclude from the requirement to collect PFCs the class of carriers titled Non-Scheduled On-Demand Air Carriers (formerly called Air Taxi/Commercial Operators.) The FAA compiles enplaned passengers for these operators, by airport, annually on Form 1800-31.

**(ii) and (iii) Names of Known Carriers Belonging to Class Identified in this Section and Estimated Number of Annual Enplaned Passengers**

According to the most recent data provided by the FAA, the number of passengers enplaned by this class of carriers at ALB in calendar year 2017 was 318, consisting of:

Reliant Air Charter, Inc. (QREA)  
Seneca Flight Operations (SFOA)  
Ultimate Jetcharters LLC (DTHA)

**(iv) Reasons for Requesting that Carriers Identified in this Section Not be Required to Collect the PFC**

Non-scheduled on-demand air carriers are excluded from the requirement to collect a PFC because the administrative burden of collecting the fees associated with these carriers is greater than the revenue that would be collected. The number of passengers collectively enplaned at ALB by air taxi/commercial operators in 2017 accounted for significantly less than one percent of the total number of enplaned passengers at ALB in 2017.

**Section 158.23 (a)(4). Date, Time and Location of Airline Consultation Meeting**

The Authority will hold the air carrier consultation meeting on:

Date: Friday, April 3, 2020  
Time: 10:00AM EST  
Location: Albany International Airport  
Conference Room, Third Floor  
Albany, NY 12211

A toll free conference line has been established for carriers that would like to participate via teleconference as follows:

Telephone: 888-278-0296  
Participant Code: 9715889

Consultation materials will be available at the meeting. If you have any questions about the PFC program prior to the meeting or would like an electronic copy of the consultation materials in advance of the meeting please contact Michael Zonsius, Chief Financial Officer, at [mzonsius@albanyairport.com](mailto:mzonsius@albanyairport.com) or (518) 242-2204 by no later than Friday, April 3, 2020.

Air carriers will have 30 days to present any objections to this amendment in writing from the date of the consultation meeting. If no response is received within 30 days, it will be considered as a certification of agreement.

\* \* \* \* \*

We would appreciate you acknowledging receipt of this Notice within 30 days, as stipulated in Section 158.23(c)(1).

We look forward to seeing you or your representative at the meeting.

Sincerely,

  
Philip F. Calderone, Esq.  
Chief Executive Officer  
Albany County Airport Authority

**Distribution:**

Air Wisconsin Airlines Corporation (ZW)  
Allegiant (G4)  
American Airlines, Inc. (AA)  
Cape Air (9K)  
Commutair AKA Champlain Enterprises, Inc. (C5)  
Delta Air Lines, Inc. (DL)  
Endeavor Air, Inc. (9E#)  
Envoy Air (MQ#)  
Expressjet Airlines (EV#)  
Frontier (F9)  
GoJet Airlines, LLC (G7)  
Jetblue Airways Corporation (B6)  
Mesa Airlines, Inc. (YV)  
Piedmont Airlines (PT#)  
PSA Airlines, Inc. (OH#)  
Republic Airlines (YX#)  
Sky West Airlines, Inc. (OO)  
Southwest Airlines Co (WN)  
Sun Country Airlines (SY)  
Swift Air, LLC. (09Q)  
Trans States Airlines, Inc. (AX)  
United Airlines, Inc. (UA)  
Xtra Airways (XP#)

Federal Aviation Administration, New York Airports District Office

**AGENDA ITEM NO. 13**

**Emergency Procurement Approvals by CEO –  
Informational Only**

**AGENDA ITEM NO. 14.1**

**Comprehensive Annual Financial Report for  
the year-ended 2019 with draft auditor reports**

**AGENDA ITEM NO: 14.1**  
**MEETING DATE: March 16, 2020**

**ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION**

**DEPARTMENT: Finance**

**ACAA Approved  
03/16/2020**

Contact Person: *Audit Committee*  
*Michael F. Zonsius, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-third Comprehensive Annual Financial Report as of and for the year ended December 31, 2019 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- The Authority's 2019 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 2019 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2019 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- Comprehensive Annual Financial Report for the year-ended 2019 with draft auditor reports;
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2019 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 2019; and
- Financial Statements – Other Post Employment Benefit Trust

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 16, 2020 meeting and will present their recommendations for approval by the Board.



ALBANY COUNTY AIRPORT AUTHORITY  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
Years Ended December 31, 2019 and 2018

Prepared by the  
Finance Department

Michael F. Zonsius, 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

# 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 16, 2020

Domestically, airline passenger traffic remains healthy. According to the Bureau of Transportation Statistics (BTS) estimates, in 2019 U.S. airlines carried more passengers than in the previous year. During 2019, U.S. airlines carried 925.5 million passengers, the highest total based on comparable records since 2003. Also, passenger traffic reached a new high for its fifth consecutive year. The 2019 estimated passenger total is up 4.1%, 9.0%, and 12.3% for 2018, 2017, and 2016, respectively.

The above strong results are not that all that different from those at the Albany International Airport. In 2019, the Airport had a total of 1,518,969 enplanements, the highest total based on comparable records since 2005. Also, passenger traffic reached a new high for its seventh consecutive year.

We expect the above trends to continue in 2020. The 737 Max is expected to re-enter service in 2020 and will provide additional seat capacity for those air passenger carriers with the aircraft in their fleets. In concert with the continued growth in the economy, we also expect both segments of the air passenger market, business and leisure, to increase as well.

The completion of the five story 1,000 passenger garage in 2020, funded with a \$22 million grant by Governor Cuomo, will relieve the parking capacity issues of the recent years. In addition to the garage, the Authority also invested and implemented a new parking control system in 2019. This system automated the parking revenue collection process. Other improvement projects completed in 2019 include improvements in the terminal escalators, concessions, and the public address system.

The close of 2019 marked the completion of the fourth 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 2019, the prudent management of the Airport budget allowed the Airport cost per enplaned passenger to settle at \$5.90, which was less than the budgeted amount of \$6.69. This cost was achieved in part by the generation of \$7,349,665 million in net revenue in 2019, half of which is shared between the signatory airlines and signatory cargo carries under the Signatory Airline and Cargo Carrier Agreements.

During 2020, 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



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)

March 16, 2020

## **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, 2019 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 general accepted accounting principles (GAAP) in the United States of America. 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 2019 and 2018. 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, 2019 and 2018 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, 2019 and December 31, 2018 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, 2019 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. Phillip F. Calderone, Esq., Chief Executive Officer, is responsible for planning and directing the management of all operations at the Airport including its capital improvement programs. Michael F. Zonsius, 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 2018 the Airport ranked 82nd in total enplanements and 106th 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 Institute 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 continued economic recovery, the airlines were able to raise fares 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 2019 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 2020 assumed enplanements would be 1,500,000 which is the same as 2019 budget. If the budget assumptions and activity projections prove to be reasonable, the projected airline cost per enplanement, net of revenue sharing, should approximate \$6.44, 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 2020 operating budget, which is on the Authority's web site.

## *CAPITAL FINANCIAL PLANNING*

The \$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 capital plan was subsequently amended in 2019 and decreased approximately \$5.6 million to approximately \$136.9 million. 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 2019 the Authority was awarded approximately \$5.5 million in airport improvement project grants to provide a portion of the funding for three projects that include reconstruction of Runway 10/28 and Taxiway C edge lighting, replacement of snow removal equipment, and airport drainage improvements. 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.

The current \$180 million 2020-2024 capital improvement program was approved by the Authority and County in 2019. The budget consists of; \$48 million in airfield improvements; \$63 million in terminal improvements; \$57 million in landside improvements; and, \$12 million in vehicle and equipment purchases.

In 2020 the Authority will apply to the Federal Aviation Administration to collect an approximate \$11.2 million of PFC funds for twelve airport projects.

All the projects included in the five-year program are designed to meet the objectives as set forth in the Airport's 2020-2024 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 effect 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 2019, or scheduled for completion in 2020, have their projected additional operating costs and related revenues incorporated into the Authority's 2020 operating budget.

#### *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 2020 budget, the Authority projected 2020 enplanements would be 1,500,000 which is the same as the amount budgeted for 2019. The Authority has set its rates and charges for 2020 under the Airline Use and Lease Agreement to meet all projected obligations. For 2020, signatory landing fees have been set at \$3.05 per 1,000 pounds, compared to \$3.35 budgeted in 2019; apron fees at \$1.35 per square foot, an increase from \$1.48 budgeted in 2019; and the terminal rental rate at \$84.97 per square foot, an increase from \$83.59 budgeted in 2019.

As of December 31, 2019, the Authority had \$31.8 million in unrestricted funds available which included \$15.5 million in an operating and maintenance reserve, more than sufficient to meet two months of operating expenditures totaling \$6.3 million, and \$15.7 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 \$12.8 million in debt service reserve funds, plus \$15.7 million in Passenger Facility Funds on-hand, that when combined, exceeds the total annual debt service principal and estimated interest payments of \$11.7 million due in 2020. The Authority does not anticipate experiencing any cash flow deficiencies during 2020 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, 2019, there is approximately \$92.6 million of debt outstanding issued directly by the Authority to be reduced by \$7.4 million of principal payments during 2020. Debt service coverage was 1.78 for 2019 and is projected to be 1.77 for 2020 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 2019 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 aggressively pursue the air service opportunities to Airlines and promoted underserved markets.
- As part of the Upstate Airport Development & Revitalization project, construction continued on a new 1,000 space parking garage as well as all new parking revenue equipment. Rehabilitation of most of the restrooms, signage, roofing and flooring in the terminal also took place during 2019.
- Runway 1/19 and Taxiway A were retrofitted with new energy efficient edge lighting.
- Four Passenger Boarding Bridges were replaced.
- Three new concessions opened; Wolfgang Puck, Burger King, and The Deli.
- The general aviation hangar door was replaced at Hangar 1.
- 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.
- The Authority produced \$7.3 million in net revenue to share with the Airlines.
- The Authority experienced its 6<sup>th</sup> consecutive year on growth in enplanements.

## **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, 2018. This was the twenty-fourth 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 2019 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 2019. 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 2020 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, 2019 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:

Phillip F. Calderone, Esq.  
Chief Executive Officer

Michael F. Zonsius  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

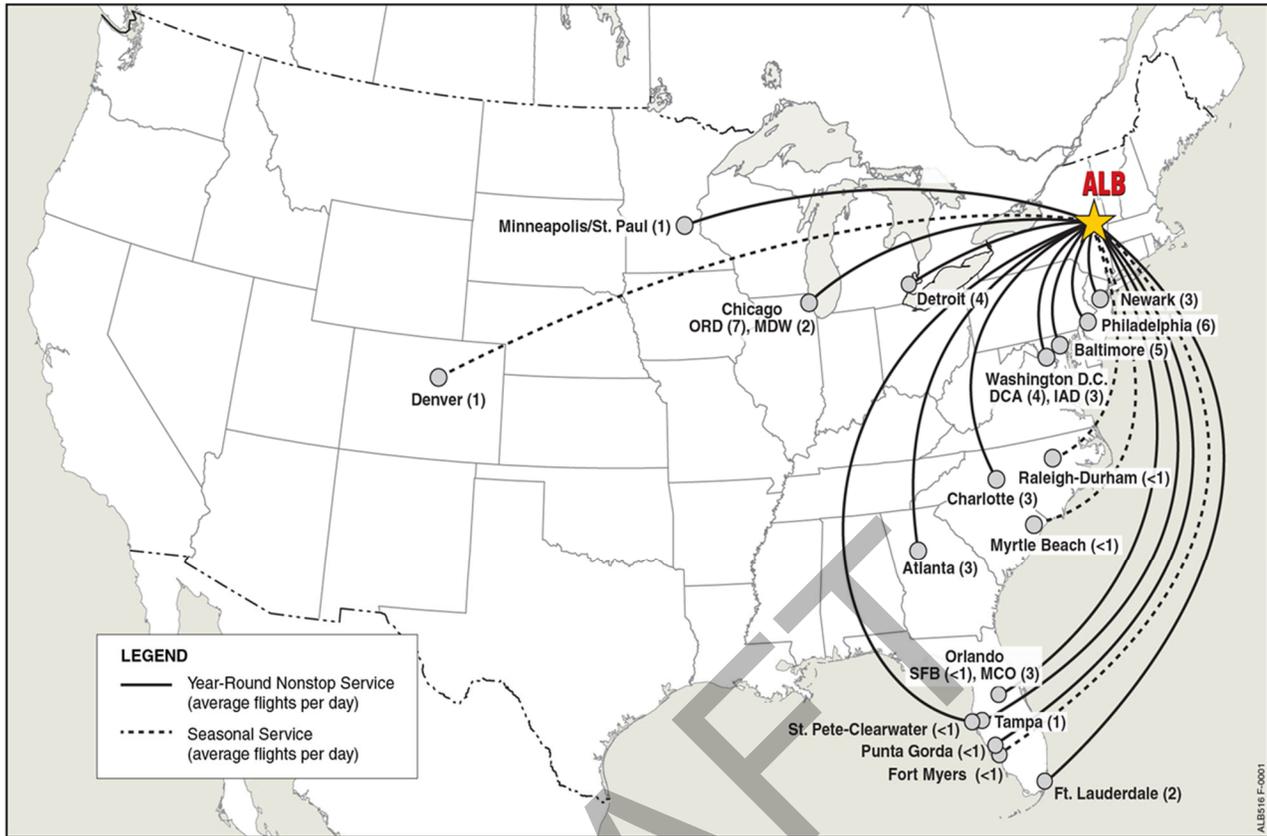
**Albany County Airport Authority**  
**New York**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morvill*

Executive Director/CEO



14 non-stop destinations are served from Albany with a total of 49 daily departures

SERVICE PROVIDED BY

Carrier	Daily (March 2020)		Percent of Total	
	Departures	Seats	Departures	Seats
Southwest	11	1,797	22.45%	36.36%
American	18	1,370	36.73%	27.72%
Delta	7	825	14.29%	16.69%
United	11	650	22.45%	13.15%
jetBlue	2	300	4.08%	6.07%
<b>Total</b>	<b>49</b>	<b>4,942</b>	<b>100.00%</b>	<b>100.00%</b>

\* Allegiant has 9 flights a week and Frontier has 7 flights a week

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, 2019 and 2018, 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, 2019 and 2018, 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.

## **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 21 through 37, 80 through 84 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 15, the schedules of debt service requirements to maturity and of governmental payments and services on pages 86 and 87, the statistical section on pages 90 through 114, and the biographies of the Authority's members and senior staff on pages 129 through 131 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, 2019, 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, 2019, 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 \_\_\_\_, 2020 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.

Latham, NY  
March \_\_, 2020

## 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, 2019 with selected comparative information for the year ended December 31, 2018 and December 31, 2017. 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, 2019 and December 31, 2018, 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, 2019 and 2018. 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, 2019 and 2018. 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, 2019 and December 31, 2018. 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, 2019 and 2018.

## 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:

	2019	2018	2017
Enplanements	1,518,969	1,466,706	1,417,835
<i>% increase/(decrease)</i>	3.6%	3.4%	0.7%
Aircraft Landed Weight (lbs)	1,667,798,688	1,616,386,930	1,575,561,524
<i>% increase/(decrease)</i>	3.2%	2.6%	-1.0%
Operations (take-offs and landings)			
Commercial (inc corporate operations)	43,941	48,294	47,168
General Aviation	13,863	13,009	14,018
Military	2,944	3,300	2,974
Total	60,748	64,603	64,160
<i>% increase/(decrease)</i>	-6.0%	0.7%	-0.9%

Regular scheduled daily passenger flights departing from Albany decreased to 47 in December 2019 from 54 in December 2018 and 57 in December 2017. The number of flights for 2019 does not include the 6 flights a week for Frontier Airlines and the 9 flights a week for Allegiant Air. The 2019 decrease in 7 flights a day was primarily due to the loss of 6 flights of day when Cape Air ceased operations in May 2019.

	2019		2018		2017	
	Carriers	Flights	Carriers	Flights	Carriers	Flights
Jet Service						
Major Carriers	5	23	5	20	5	22
Regional Carriers	9	24	9	28	7	25
Commuter Service						
Regional Carriers	-	-	1	6	3	10
Foreign Carriers	-	-	-	-	-	-
Total	14	47	15	54	15	57

Published available seats for 2019 increased by 82,153 or 4.7% while the passenger load factor decreased to 83% from 84% in 2019. This resulted in an increase in enplanements for 2019. The published available seats and the yearly load factors for the last three years are below:

	2019	2018	2017
Total Available Seats	1,833,990	1,751,837	1,704,994
Passenger Load Factor	83%	84%	83%

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 2019 compared to 2018 and 2018 compared to 2017 is as follows:

	2019 vs. 2018		2018 vs. 2017	
	Change in Operations	Change in Landed Weight	Change in Operations	Change in Landed Weight
Allegiant Air	1,150	80,237,985	56	3,884,529
American Airlines	838	(2,480,235)	(512)	(9,553,083)
Boutique Air	(502)	(2,489,923)	(476)	(2,445,059)
Cape Air	(2,808)	(9,617,398)	(488)	(1,671,403)
Delta Air Lines	278	28,709,917	(52)	2,596,049
Elite Airways	(92)	(2,182,000)	92	2,182,000
Frontier Airlines	604	43,899,018	156	11,049,772
JetBlue	24	1,656,198	8	749,591
OneJet	(744)	(11,115,418)	320	7,779,370
Southwest Airlines	(1,062)	(71,029,199)	(278)	(7,999,201)
United Airlines	(682)	(6,726,632)	608	33,664,287
Other	40	2,549,445	10	588,555
Total	(2,956)	51,411,758	(556)	40,825,407

As of December 31, 2019, two regularly scheduled express mail and various special cargo carriers serve this Airport.

	2019	2018	2017
Mail and Express Cargo Tons	20,009	18,896	18,739
% increase/(decrease)	5.9%	0.8%	0.3%

## ENPLANEMENTS

Enplanements for 2019 compared to 2018 increased by 52,263 passengers, compared to an increase of 48,871 for 2018 vs. 2017. The changes in enplanements by airline, including their express carriers is as follows:

	2019				
	Market Share	Total 2019 Enplanements	2019 vs. 2018	Total 2018 Enplanements	2018 vs. 2017
Allegiant Air	0.2%	78,107	74,472	3,635	3,635
American Airlines	20.8%	312,378	7,643	304,735	(1,836)
Boutique Air	0.1%	-	(827)	827	(1,025)
Cape Air	0.8%	3,275	(8,502)	11,777	(1,189)
Delta Air Lines	15.5%	250,816	23,188	227,628	3,683
Elite Airways	0.1%	-	(1,044)	1,044	1,044
Frontier Airlines	0.8%	60,804	49,681	11,123	11,123
JetBlue	6.1%	92,149	2,540	89,609	(1,135)
OneJet	0.3%	-	(3,964)	3,964	2,975
Southwest Airlines	38.5%	488,147	(77,584)	565,731	(1,070)
United Airlines	16.7%	230,996	(14,376)	245,372	32,521
Other	0.1%	2,297	1,036	1,261	145
<b>Total</b>	<b>100.0%</b>	<b>1,518,969</b>	<b>52,263</b>	<b>1,466,706</b>	<b>48,871</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 2019, 2018 and 2017:

	2019	2019 vs. 2018	2018	2018 vs. 2017	2017
Revenues	\$ 10,426,891	0.0%	\$ 10,427,352	21.6%	\$ 8,572,457
Expenses (inc. cost of sales and administration)	\$ 8,450,119	-2.2%	\$ 8,640,624	19.4%	\$ 7,237,327
<b>Retail Gallons Sold</b>					
Jet A	1,217,080	5.0%	1,158,694	16.3%	996,302
AvGas	65,993	28.1%	51,534	-17.8%	62,710
Commercial AvGas	35,780	-62.7%	95,909	-12.5%	109,593
Glycol Gallons - Consortium	87,349	-20.4%	109,710	15.4%	95,079
Glycol Gallons - Sprayed	99,455	1.1%	98,418	57.3%	62,560
Jet A Fuel Into-Plane Gallons	22,022,122	4.8%	21,013,458	7.8%	19,495,122

## CONCESSIONS

Concession revenues for 2019 were \$8,496,949, a 2.8% increase from 2018. Concession revenues for 2018 were 2.4% higher than 2017.

Concession revenue highlights for 2019 compared to 2018 and 2017 are as follows:

	2019	2019 vs. 2018	2018	2018 vs. 2017	2017
<b>Rental Car Revenues</b>					
Sales	\$ 53,965,538	2.5%	\$ 52,653,517	1.3%	\$ 51,978,497
Authority Revenues	\$ 5,396,550	-3.0%	\$ 5,561,921	2.5%	\$ 5,427,741
<b>Food &amp; Beverage</b>					
Sales	\$ 9,643,935	13.4%	\$ 8,504,756	4.2%	\$ 8,158,604
Authority Revenues	\$ 1,214,919	34.6%	\$ 902,530	12.3%	\$ 803,939
<b>Retail</b>					
Sales	\$ 4,458,143	11.0%	\$ 4,016,301	5.4%	\$ 3,810,221
Authority Revenues	\$ 933,339	10.5%	\$ 844,970	5.3%	\$ 802,534
<b>Total Authority Concession Revenues</b>	\$ 8,496,949	2.8%	\$ 8,262,260	2.4%	\$ 8,070,379
<b>Concession Revenue per Enplanement</b>	\$ 5.59	-0.7%	\$ 5.63	-1.0%	\$ 5.69

## PARKING

The Airport directly manages all on-airport parking operations which at December 31, 2019 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 2019 compared to 2018 and 2017 are as follows:

	2019	2019 vs. 2018	2018	2018 vs. 2017	2017
<b>Public Parking</b>					
Revenues	\$ 16,249,821	6.6%	\$ 15,248,081	1.8%	\$ 14,985,272
# of Vehicles Parked	642,667	0.8%	637,611	-0.2%	638,570
Parking Revenue per Enplanement	\$ 10.70	2.9%	\$ 10.40	-1.6%	\$ 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:

	2019	2018	2017
Operating revenues	\$ 51,843,391	\$ 50,829,368	\$ 48,027,136
Operating expenses	(39,535,764)	(37,350,127)	(33,395,012)
Revenues in excess of expenses			
before depreciation	12,307,627	13,479,241	14,632,124
Depreciation	(15,344,151)	(15,335,569)	(14,761,280)
Loss before non-operating income			
and expenses	(3,036,524)	(1,856,328)	(129,156)
Non-operating income and (expenses), net	3,914,070	2,439,125	1,358,669
Income/(loss) before capital contributions	877,546	582,797	1,229,513
Capital contributions, special and extraordinary items	25,142,535	4,467,862	4,616,709
Net position			
Increase in net position	26,020,081	5,050,659	5,846,222
Total net position, beginning of year	214,569,660	216,300,740	210,454,518
Cumulative change in accounting principle	-	(6,781,739)	-
Total net position, end of year	<u>\$ 240,589,741</u>	<u>\$ 214,569,660</u>	<u>\$ 216,300,740</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 996,302, 1,158,694 and 1,217,080 for 2017 through 2019, 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 2017 through 2019 were 62,560, 98,418 and 99,455 gallons, respectively. The table below summarizes FBO revenues, expenses and net revenues for 2019, 2018 and 2017:

	2019	2018	2017
FBO revenues	\$ 10,426,892	\$ 10,427,352	\$ 8,572,457
FBO expenses	8,450,119	8,640,624	7,237,327
FBO net revenues	<u>\$ 1,976,773</u>	<u>\$ 1,786,728</u>	<u>\$ 1,335,130</u>

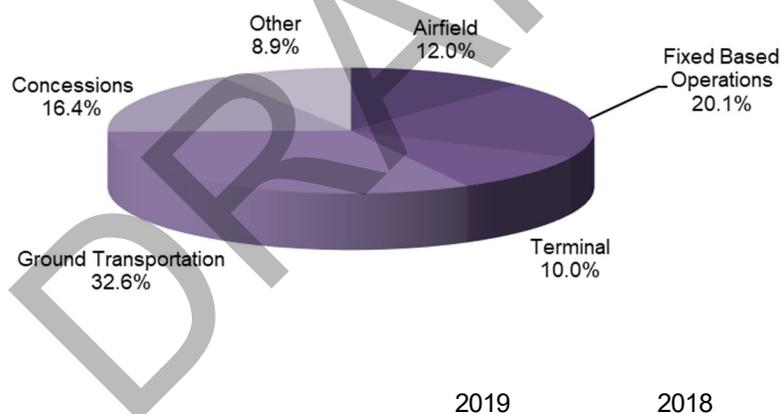
## OPERATING REVENUES AND NON-OPERATING INCOME HIGHLIGHTS

Total revenues for 2019 were \$2.9 million or 5.1% greater than 2018. Ground Transportation revenues increased by \$1.2 million in 2019 due to a parking rate increase in November 2018 and an increase in the number of parking transactions. Interest revenues also increased by \$0.9 million due to a new banking relationship formed in 2019 giving higher interest rates on Authority cash deposits. Customer facility charges were implemented for the first time in 2019 to pay for improvements to the rental car areas in the garage.

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 2019 Operating Revenues by Category

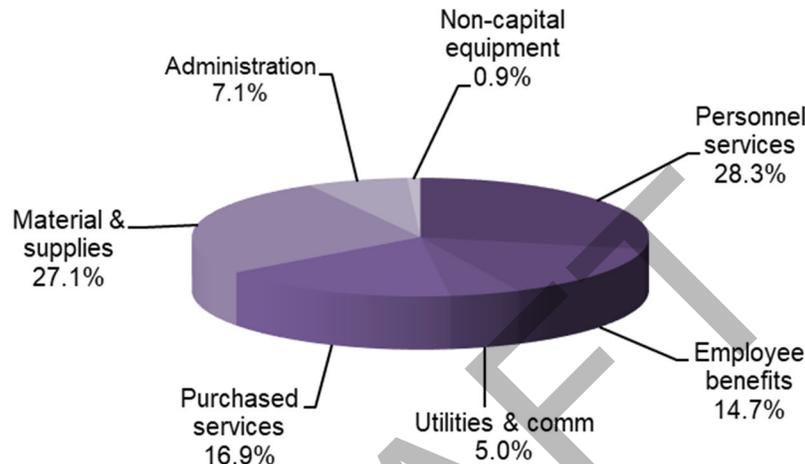


	2019	2018	2017
<b>Operating Revenues</b>			
Airfield	\$ 6,207,119	\$ 6,588,133	\$ 6,678,085
Fixed Based Operations	10,426,891	10,427,353	8,572,457
Terminal	5,178,553	5,538,045	5,019,779
Ground Transportation	16,906,909	15,721,089	15,325,640
Concessions	8,496,949	8,262,260	8,070,379
Other	4,626,970	4,292,488	4,360,796
<b>Non-Operating Income</b>			
Passenger facility charges	6,194,834	5,638,922	5,431,444
Customer facility charges	757,428	-	-
Grant Income	150,480	300,997	138,700
Improvement Charges	368,400	368,400	368,400
Insurance Recoveries	8,704	170,896	-
Interest Income	1,403,088	488,263	10,676
<b>Total</b>	<b>\$ 60,726,325</b>	<b>\$ 57,796,846</b>	<b>\$ 53,976,356</b>
<i>Percentage of Increase</i>	<i>5.1%</i>	<i>7.1%</i>	<i>4.3%</i>

## OPERATING EXPENSES AND NON-OPERATING EXPENSES HIGHLIGHTS

Total expenses for 2019 increased \$2.6 million or 4.6% as compared to the 2018. \$1.5 million of the increase was attributed to the Authority's share of airline incentives paid to new airlines or new destinations for existing airlines.

Allocation of 2019 Operating Expenses by Category



	2019	2018	2017
Operating Expenses			
Personnel services	\$ 11,178,562	\$ 10,749,751	\$ 10,187,245
Employee benefits	5,803,103	5,269,613	4,827,227
Utilities & communications	1,957,730	2,203,014	2,004,109
Purchased services	6,700,471	6,421,597	5,891,496
Material & supplies	10,700,625	10,744,507	9,020,199
Administration	2,826,322	1,547,235	1,284,572
Non-capital equipment	368,951	414,411	180,164
Depreciation	15,344,151	15,335,569	14,761,280
Non-Operating Expenses			
Insured expenses	-	170,896	-
Customer facility charges	302,039	-	-
Interest	4,369,737	3,898,788	4,261,394
Bond issuance costs	237,068	390,361	252,877
Amortization of Bond insurance premiums	60,020	68,308	76,280
<b>Total</b>	<b>\$ 59,848,779</b>	<b>\$ 57,214,050</b>	<b>\$ 52,746,843</b>
<i>Percentage of Increase</i>	<i>4.6%</i>	<i>8.5%</i>	<i>2.2%</i>

## SPECIAL ITEMS

There were no special items in 2019. 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

There were no extraordinary items in 2019. 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 \$240.6 million at December 31, 2019, a \$26.0 million increase from December 31, 2018.

A condensed summary of the Authority's total net position at December 31, 2019 and December 31, 2018 and 2017 is set forth below:

	2019	2018	2017
<b>ASSETS</b>			
Capital assets	\$ 280,990,137	\$ 237,254,042	\$ 245,397,366
Other assets	83,389,548	84,771,609	55,013,670
Total Assets	364,379,685	322,025,651	300,411,036
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	3,309,417	3,849,411	4,722,111
<b>LIABILITIES</b>			
Current (payable from unrestricted assets)	8,441,109	7,117,842	6,017,006
Current (payable from restricted assets)	20,608,481	9,320,889	11,366,663
Noncurrent liabilities	97,200,925	93,450,771	70,583,675
Total Liabilities	126,250,515	109,889,502	87,967,344
<b>DEFERRED INFLOWS OF RESOURCES</b>	848,846	1,415,901	865,063
<b>NET POSITION</b>			
Net investment in capital assets	189,798,618	170,718,128	172,661,198
Restricted	30,532,217	26,650,235	22,238,003
Unrestricted	20,258,906	17,201,296	21,401,539
Net Position	\$ 240,589,741	\$ 214,569,659	\$ 216,300,740

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 (78.9% at December 31, 2019). 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* (12.7% at December 31, 2019), 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 \$20.3 million (8.4% at December 31, 2019) 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, 2019, 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:

	2019	2018	2017
Landing Fees (per 1,000 lbs. MGLW)	\$ 2.75	\$ 2.92	\$ 3.12
Terminal Rental Rate (per square foot)	\$ 90.57	\$ 86.48	\$ 79.86
Apron Fees (per square foot)	\$ 1.16	\$ 1.31	\$ 1.33
Loading Bridge (annual rate)	\$ 40,948	\$ 51,611	\$ 47,237
Airline Cost per Enplanement	\$ 5.90	\$ 6.57	\$ 6.57
Rate Settlement/Revenue Sharing Credits	\$ 3,674,833	\$ 2,587,646	\$ 2,439,847

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 2019 and 2018 the Authority provided air service development incentive credits to Airlines totaling \$1,489,603 and \$244,691 respectively. The incentive credits are reported as an expense in the financial statements in the year earned and are 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 2019, 2018 and 2017:

	2019	2018	2017
Cash flows from (used):			
Operating activities	\$ 13,913,726	\$ 14,976,866	\$ 12,937,136
Noncapital financing activities	150,480	300,997	138,700
Investing activities	14,220,061	(11,661,475)	29,152
Capital and related financing activities	(25,476,487)	14,753,369	(13,223,722)
Net increase/(decrease) in cash	2,807,780	18,369,757	(118,734)
Beginning of period	66,275,365	47,905,608	48,024,342
End of period	\$ 69,083,145	\$ 66,275,365	\$ 47,905,608

The Authority's available cash and cash equivalents increased during 2019 by \$2,807,780. Cash and cash equivalents as of December 31, 2019, 2018 and 2017 are composed of:

	2019	2018	2017
Cash flows from (used):			
Operating activities	\$ 13,913,726	\$ 14,976,866	\$ 12,937,136
Noncapital financing activities	150,480	300,997	138,700
Investing activities	14,220,061	(11,661,475)	29,152
Capital and related financing activities	<u>(25,476,487)</u>	<u>14,753,369</u>	<u>(13,223,722)</u>
Net increase/(decrease) in cash	2,807,780	18,369,757	(118,734)
Beginning of period	<u>66,275,365</u>	<u>47,905,608</u>	<u>48,024,342</u>
End of period	<u>\$ 69,083,145</u>	<u>\$ 66,275,365</u>	<u>\$ 47,905,608</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 October 15, 2019, the County of Albany approved an amendment to the capital plan to reallocate certain projects and decrease the total authorized by \$5.6 million to a new total of \$136.9 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 \$57.4 million, which the Authority intends to fund with \$22.2 million in State grants, \$0.8 million in federal funds, \$4.6 million in Passenger Facility Charge Funds and \$26.7 million in bond proceeds. The Authority obtained \$16.8 million in project proceeds from a portion of the \$22.6 million Series 2018 bonds issued on November 29, 2018 for new projects and \$10 million from the issuance of the Series 2019 bonds issued on November 20, 2019. The balance of the project will be funded with the Authority's cash on hand. At December 31, 2019, the Authority had \$23.6 million outstanding capital commitments. Additional information about capital activity can found under "Note 7 – Fixed Assets" in the Notes to the Financial Statements.

The following is a summary of the amended 2015 – 2019 capital plan including the activity through December 31, 2019:

	Total 2015-2019 Amended Plan	Total 2015- 12-31-19 Activity
Approved Projects		
Airfield	\$ 27,850,000	\$ 12,719,158
Terminal	26,900,000	21,417,986
Landside	70,110,000	53,409,309
Major Equipment	12,000,000	7,601,219
Total	<u>\$ 136,860,000</u>	<u>\$ 95,147,672</u>
Projected Funding Sources		
Federal Funds	\$ 45,100,000	\$ 26,564,849
State Funds	30,900,000	23,824,869
Debt Issuances	33,000,000	12,735,700
Authority Funds	27,860,000	32,022,254
Total	<u>\$ 136,860,000</u>	<u>\$ 95,147,672</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) plus the line of credit was \$99,097,341 as compared to \$90,489,000 as of December 31, 2018. The aggregate par amount of bonds and bank loans issued by the Authority and outstanding as of December 31, 2019 and 2018 is summarized in the following table:

	Issued	Outstanding at 12-31-18	Outstanding at 12-31-19
Authority Revenue Bonds and Other Debt			
1999 NYS EFC	\$ 7,895,303	\$ 699,000	\$ -
2010 Refunding Series A & B	109,855,000	55,220,000	49,665,000
2017 Refunding Series A & B	14,395,000	11,980,000	10,975,000
2018 GARB Series A & B	22,590,000	22,590,000	22,295,000
2019 GARB Series A	9,620,000	-	9,620,000
Bank Line of Credit - 2018	10,000,000	-	6,542,341
Total Authority Debt Obligations	<u>\$ 174,355,303</u>	<u>\$ 90,489,000</u>	<u>\$ 99,097,341</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, 2018, additions and/or deletions during 2019, and the balances reported at December 31, 2019 with adjustments to the reported value required by generally accepted accounting principles is summarized in the following table:

	Outstanding at 12-31-18	Additions	Deletions	Outstanding at 12-31-19
Authority Revenue Bonds/Debt Obligations				
Bonds Payable				
Series 1999 NYS EFC	\$ 699,000	\$ -	\$ (699,000)	\$ -
Series 2010A Refunding	55,220,000	-	(5,555,000)	49,665,000
Series 2017A & B Refunding	11,980,000	-	(1,005,000)	10,975,000
Series 2018A & B GARB	22,590,000	-	(295,000)	22,295,000
Series 2019A GARB	-	9,620,000	-	9,620,000
Total Bonds Payable	90,489,000	9,620,000	(7,554,000)	92,555,000
Deferred Loss on Refunding	(3,031,916)	-	886,125	(2,145,791)
Unamortized Premiums/Discounts (net)	3,741,495	1,193,529	(818,446)	4,116,578
Net Bonds Payable	91,198,579	10,813,529	(7,486,321)	94,525,787
Bank Line of Credit - 2018	-	6,542,341	-	6,542,341
Total Debt	\$ 91,198,579	\$ 17,355,870	\$ (7,486,321)	\$ 101,068,128

## 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.

## BONDS ISSUED IN 2019

On November 20, 2019 the Authority completed the marketing and pricing for the sale of its Series 2019 Bonds in the total par amount of \$9,620,000 sold as of Non-AMT (not subject to any Federal Tax). The Series 2019 Bonds were issued to provide a portion of the funds required for the Upstate Airport Development & Revitalization Project. On November 20, 2019 the Authority also completed a refunding of the Series 2010A bonds by issuing \$4,390,000 of Non-AMT Series 2020A bonds and \$30,220,000 AMT (subject to the Federal Alternative Minimum Tax) Series 2020B bonds. The closing on the 2020 Series bonds will close on March 18, 2020.

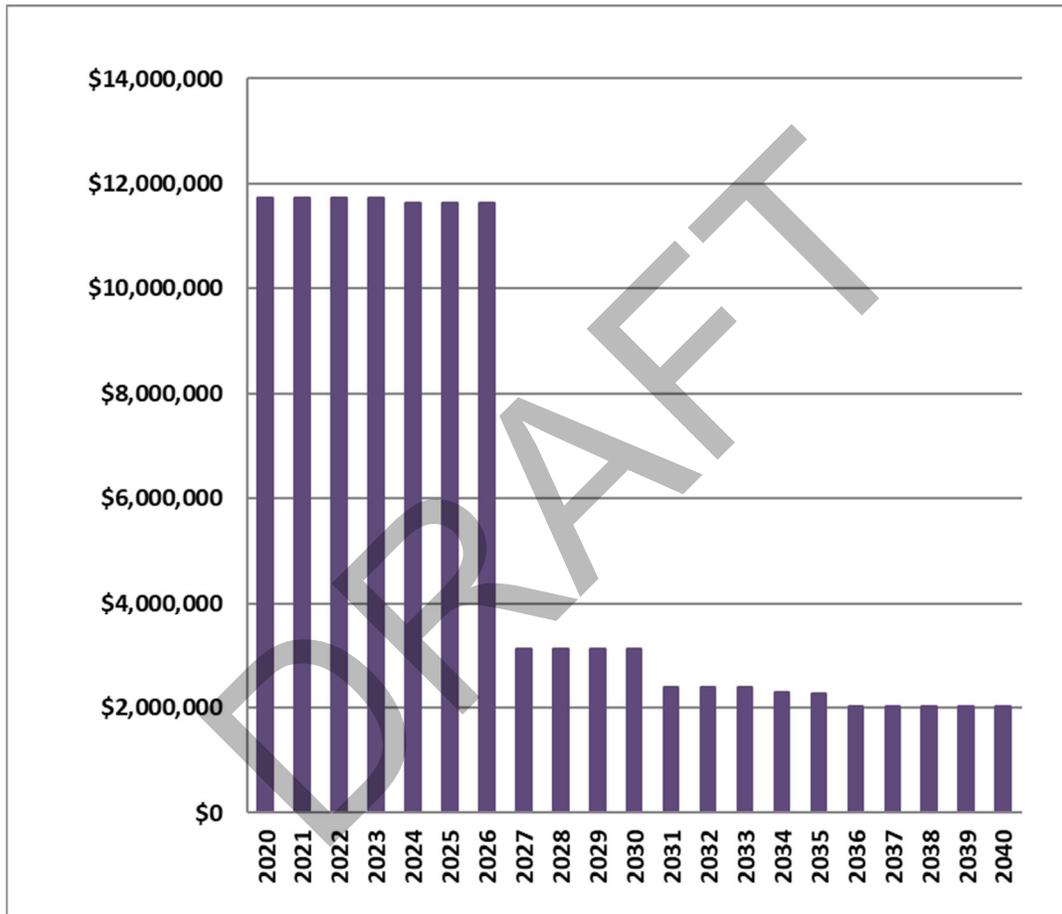
## LINE OF CREDIT OBTAINED IN 2018

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, 2019 there was \$6,542,341 outstanding balance under the LOC (see Note 8).

At December 31, 2019 the Authority maintained debt service reserve funds in the amount of \$12.8 million and Passenger Facility Charge Funds in the amount of \$15.7 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 \$64.1 million in aggregate par amount of bonds outstanding.

The graph and table below presents combined annual debt service to maturity as of December 31, 2019:



<b>2020</b>	\$11,717,347	<b>2030</b>	\$ 3,110,781	<b>2040</b>	\$ 2,029,650
<b>2021</b>	11,722,281	<b>2031</b>	2,382,963	<b>2041</b>	2,031,350
<b>2022</b>	11,727,431	<b>2032</b>	2,388,906	<b>2042</b>	2,024,950
<b>2023</b>	11,733,881	<b>2033</b>	2,386,800	<b>2043</b>	2,025,700
<b>2024</b>	11,629,131	<b>2034</b>	2,281,400	<b>2044</b>	2,028,100
<b>2025</b>	11,618,731	<b>2035</b>	2,271,750	<b>2045</b>	2,026,950
<b>2026</b>	11,635,313	<b>2036</b>	2,024,600	<b>2046</b>	2,027,050
<b>2027</b>	3,117,425	<b>2037</b>	2,029,350	<b>2047</b>	2,023,700
<b>2028</b>	3,124,050	<b>2038</b>	2,026,100	<b>2048</b>	2,021,800
<b>2029</b>	3,109,525	<b>2039</b>	2,030,100	<b>2049</b>	556,200

## 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). As of December 31, 2019 and 2018 the Authority reported \$7,599,110 and \$6,621,984 respectively as its share of the unfunded OPEB liability. The Authority also reported \$320,236 and \$152,292 at December 31, 2019 and 2018 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, 2019, the Authority has collected PFCs, including interest earnings thereon, totaling \$110,137,922, or 94.2% 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 89.9% 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. 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”.

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
2019A	uninsured	N/A	A3/NR/A

\* Not all maturities within a Series are insured.  
NR = Not Rated

## **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, 2019 the reserve requirement was \$6.3 million and for which the Authority had \$15.5 million on hand. The Authority also had \$15.7 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, 2019 the debt service reserve funds totaled \$12.8 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: [mzonsius@albanyairport.com](mailto:mzonsius@albanyairport.com) or in writing to, Albany County Airport Authority, Administration Building, Suite 204, Albany, NY 12211-1057.

Respectfully submitted,

Michael F. Zonsius, CPA  
Chief Financial Officer

Albany County Airport Authority  
 Statements of Net Position  
 As of December 31, 2019 and December 31, 2018

	December 31, 2019	December 31, 2018
<u>ASSETS</u>		
CURRENT ASSETS		
Unrestricted Assets:		
Cash and cash equivalents	\$ 31,833,828	\$ 27,170,120
Accounts receivable - net	2,357,771	2,206,229
Due from County of Albany	200,115	248,724
Prepaid expenses	990,905	951,673
Total Unrestricted Assets	35,382,619	30,576,746
Restricted Assets:		
CFC Funds:		
Cash and cash equivalents	455,389	-
Capital Funds:		
Cash and cash equivalents	6,538,342	23,375,582
Grant funds receivable	10,082,878	1,660,986
Passenger Facility Charge Funds:		
Cash and cash equivalents	15,660,918	13,558,608
Passenger Facility Charges receivable	674,734	345,671
Revenue Bond Funds:		
Cash and cash equivalents	12,831,704	252,565
Investments	-	12,524,389
Accrued interest receivable	-	1,809
FAA Restricted Funds:		
Cash and cash equivalents	1,081,542	1,059,392
Concession Improvement Funds:		
Cash and cash equivalents	681,422	859,098
Total Restricted Assets	48,006,929	53,638,100
Total Current Assets	83,389,548	84,214,846
NON-CURRENT ASSETS		
Bond Insurance Premiums	240,770	300,790
Prepaid expenses	240,538	255,973
Capital Assets:		
Land and easements	48,201,828	48,102,683
Buildings, improvements and equipment, net of depreciation	176,859,050	183,421,405
Construction in progress	55,447,951	5,729,954
Total Capital Assets	280,508,829	237,254,042
Total Non-Current Assets	280,990,137	237,810,805
Total Assets	364,379,685	322,025,651
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Refunding	2,145,789	3,031,913
OPEB Expenses	621,658	34,725
Pension Expenses	541,970	782,773
Total Deferred Outflows of Resources	3,309,417	3,849,411

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority  
 Statements of Net Position  
 As of December 31, 2019 and December 31, 2018

	December 31, 2019	December 31, 2018
<u>LIABILITIES AND NET POSITION</u>		
<u>CURRENT LIABILITIES</u>		
Payable from Unrestricted Assets:		
Accounts payable	\$ 459,059	\$ 1,054,285
Accrued expenses	7,982,050	6,063,556
Total Payable from Unrestricted Assets	8,441,109	7,117,841
Payable from Restricted Assets:		
Construction contracts payable	3,866,952	1,303,881
Construction contract retainages	2,637,118	232,105
Bank line of credit payable	6,542,341	-
Accrued interest payable	172,070	230,903
Current maturities of long - term debt	7,390,000	7,554,000
Total Payable From Restricted Assets	20,608,481	9,320,889
Total Current Liabilities	29,049,590	16,438,730
<u>NON-CURRENT LIABILITIES</u>		
Bonds and other debt obligations	\$ 89,281,579	\$ 86,676,495
Net OPEB liability	7,599,110	6,621,984
Net pension liability - proportionate share	320,236	152,292
Total Non-Current Liabilities	97,200,925	93,450,771
Total Liabilities	126,250,515	109,889,501
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Concession Improvement funds	681,422	859,098
OPEB expenses	48,217	64,289
Pension expenses	119,207	492,514
Total Deferred Inflows of Resources	848,846	1,415,901
<u>NET POSITION</u>		
Net investment in capital assets	189,798,618	169,856,832
Restricted:		
Bond reserve funds	12,659,634	12,547,860
Passenger facility charge funds	16,335,652	13,904,279
Other restricted funds	1,536,931	1,059,392
Total Restricted:	30,532,217	27,511,531
Unrestricted	20,258,906	17,201,297
Net Position	240,589,741	214,569,660

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 Year Ended December 31, 2019 and December 31, 2018

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Operating Revenues		
Airfield	\$ 6,207,119	\$ 6,588,133
Fixed Based Operations	10,426,891	10,427,353
Terminal	5,178,553	5,538,045
Concessions	8,496,949	8,262,260
Ground transportation	16,906,909	15,721,089
Other revenue	4,626,970	4,292,488
Total Operating Revenues	<u>51,843,391</u>	<u>50,829,368</u>
Operating Expenses		
Airfield	3,670,043	3,400,074
Fixed Based Operations	7,824,736	8,004,735
Terminal	6,440,717	6,048,127
Loading bridges	311,987	349,282
Landside	6,404,947	5,927,475
Public safety	3,941,802	3,671,658
Aircraft Rescue and Fire Fighting	2,186,848	1,994,878
Vehicle maintenance	1,519,057	1,567,003
Administration	7,235,627	6,386,895
Total Operating Expenses	<u>39,535,764</u>	<u>37,350,127</u>
Revenues in excess of expenses before depreciation	12,307,627	13,479,241
Depreciation	<u>15,344,151</u>	<u>15,335,569</u>
Loss Before Non-Operating Income and Expenses	<u>(3,036,524)</u>	<u>(1,856,328)</u>
Non-Operating Income and (Expenses)		
Passenger facility charges	6,194,834	5,638,922
Grant income	150,480	300,997
Improvement charges	368,400	368,400
Interest income	1,403,088	488,263
Customer facility charges	757,428	-
Customer facility charges	(302,039)	-
Insurance recoveries	8,704	170,896
Insured expenses	-	(170,896)
Interest expense	(4,369,737)	(3,898,788)
Bond issuance expense	(237,068)	(390,361)
Amortization of bond insurance premiums	(60,020)	(68,308)
Total Non-Operating Income and (Expenses)	<u>3,914,070</u>	<u>2,439,125</u>
Income before Capital Contributions	877,546	582,797
Capital Contributions		
Capital Contributions	25,142,535	3,297,047
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>25,142,535</u>	<u>4,467,862</u>
Net Position		
Increase in Net Position	26,020,081	5,050,659
Net Position, Beginning of Year	214,569,660	216,300,740
Cumulative change in accounting principle	-	(6,781,739)
Net Position, Beginning of Year, as restated	<u>214,569,660</u>	<u>209,519,001</u>
Net Position, End of Year	<u>\$ 240,589,741</u>	<u>\$ 214,569,660</u>

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority  
 Statements of Cash Flows  
 For the Year Ended December 31, 2019 and December 31, 2018

	December 31, 2019	December 31, 2018
Cash Flows From Operating Activities		
Cash received from providing services	\$ 51,691,849	\$ 50,885,469
Cash paid to suppliers	(36,461,993)	(34,607,021)
Cash paid to employees	(1,316,130)	(1,301,582)
Net Cash Provided By Operating Activities	13,913,726	14,976,866
Cash Flows From Noncapital Financing Activities		
Grant income	150,480	300,997
Net Cash Provided By Noncapital Financing Activities	150,480	300,997
Cash Flows From Investing Activities		
Purchase of Investments	12,524,389	(12,247,000)
Interest received	1,404,897	488,263
Interest on passenger facility charges	290,775	97,262
Net Cash Provided/(Used) by Investing Activities	14,220,061	(11,661,475)
Cash Flows From Capital and Related Financing Activities		
Purchase of property and equipment	(53,630,854)	(8,637,400)
Principal payments made on bonds and notes payable	(7,554,000)	(9,419,000)
Proceeds from issuance of bonds	10,556,850	24,865,926
Cost of issuance	-	(390,361)
Interest paid	(4,341,280)	(3,549,403)
Concession improvement funds	(177,676)	75,447
Customer facility charges	455,389	-
Improvement charges	368,400	368,400
Insurance recoveries	8,704	-
Bank line of credit	6,542,341	-
Capital grants	16,720,643	3,324,887
LIBOR Settlement	-	1,496,915
Sale of Land	-	858,257
Passenger facility charges	5,574,996	5,759,701
Net Cash Provided/(Used) By Capital and Related Financing Activities	(25,476,487)	14,753,369
Net Increase in cash and cash equivalents	2,807,780	18,369,757
Cash and cash equivalents, beginning of year	66,275,365	47,905,608
Cash and cash equivalents, end of year	\$ 69,083,145	\$ 66,275,365
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:		
Loss before non-operating income and expenses	\$ (3,036,524)	\$ (1,856,328)
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation	15,344,151	15,335,569
Decrease/(Increase) in assets:		
Accounts receivable	(151,542)	56,101
Due from County of Albany	48,609	54,754
Prepaid expenses	(23,797)	125,269
Deferred OPEB expenses	374,121	178,314
Deferred pension expenses	35,440	(17,648)
Increase in liabilities:		
Accounts payable and accrued expenses	1,323,268	1,100,835
Net Cash Provided By Operating Activities	\$ 13,913,726	\$ 14,976,866
Noncash Capital and Related Financing Activities:		
Capital Assets and related receivables	\$ (8,421,892)	\$ 27,840
Total Noncash Capital and Related Financing Activities	\$ (8,421,892)	\$ 27,840

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority OPEB Trust  
 Statements of OPEB Fund Net Position  
 As of December 31, 2019 and December 31, 2018

	December 31, 2019	December 31, 2018
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,429,013	\$ 2,220,686
Total Assets	2,429,013	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	\$ 2,429,013	\$ 2,220,686

DRAFT

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority OPEB Trust  
 Statements of Changes in OPEB Fund Net Position  
 For the Year Ended December 31, 2019 and December 31, 2018

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Additions to Net Position Attributed to:		
Contributions		
Employer	\$ 163,719	\$ 149,073
Interest Income	44,608	13,200
Total Additions	<u>208,327</u>	<u>162,273</u>
Deductions from Net Position Attributed to:		
Retirement benefits	-	-
Administrative expenses	-	-
Total Deductions	<u>-</u>	<u>-</u>
Increase in Net Position	<u>208,327</u>	<u>162,273</u>
Net Position - Restricted for OPEB, Beginning of Year	<u>2,220,686</u>	<u>2,058,413</u>
Net Position - Restricted for OPEB, End of Year	<u>\$ 2,429,013</u>	<u>\$ 2,220,686</u>

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority  
Notes to Financial Statements

Note	Page
1	Organization and Reporting Entity .....45
2	Summary of Significant Accounting Policies .....46
3	Cash, Cash Equivalents and Investments .....52
4	Receivables .....53
5	FAA Restricted Funds .....53
6	Due From County of Albany .....54
7	Capital Assets .....54
8	Long-Term Indebtedness .....55
9	Capital Contributions and Net Position .....64
10	Airline Lease and Use Agreements.....65
11	Airport Tenant Agreements .....66
12	Pension Plans .....66
13	Other Post Employment Benefits (OPEB).....70
14	Risk Management .....75
15	Commitments and Contingencies .....75
16	Subsequent Events and Related Party Transactions.....76

# ALBANY COUNTY AIRPORT AUTHORITY

## Notes to Financial Statements

December 31, 2019 and December 31, 2018

### **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, 2021. 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 a 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.

*Customer Facility Charges* - These assets represent Customer Facility Charges (CFC) collections based on approved Amendment No. 1 to Rental Car Concession Agreements. These funds are restricted for designated capital projects related to the reallocation of Rental Car Company terminal counters and offices, and costs of relocating and reallocating the parking garage spaces. The Authority recognizes and reports as other income CFCs earned when all conditions have been met that entitles the Authority to retain the CFCs.

*Revenue Bond Funds* - These assets represent Series 2010, 2017, 2018 and 2019 general airport revenue bond (GARB) proceeds held in Bond Reserve Accounts. Bond reserve accounts for the Series 2010, Series 2017, Series 2018 and Series 2019 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, 2019, the Authority has collected PFCs including interest earnings thereon totaling \$110,137,922.

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, 2019, the Authority has applied \$92.0 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 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 was 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 2019, the Authority adopted Governmental Accounting Standards Board Statement No. 83 – *Certain Asset Retirement Obligations*. This Statement, issued in November 2016, addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The provisions of this Statement are effective for financial statements for fiscal years beginning after June 15, 2018, which is the fiscal year beginning January 1, 2019 for the Authority. This Statement had no material effect on the financial statements of the Authority.

During 2019 the Authority adopted Governmental Accounting Standards Board Statement No. 84 – *Fiduciary Activities*, effective for the fiscal year ended December 31, 2019. This standard establishes criteria for identifying and reporting fiduciary activities of all state and local governments. The statement requires the presentation of a Statement of Changes in Fiduciary Net Position in addition to a Statement of Fiduciary Net Position for all fiduciary funds. The adoption of this accounting standard did not have a significant effect on the Authority's financial statements.

During 2019 the Authority adopted Governmental Accounting Standards Board Statement No. 90 – *Accounting and Financial Reporting for Majority Equity Interests*, effective for the fiscal year ended December 31, 2019. This standard improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The adoption of this accounting standard did not have a significant effect on the Authority's financial statements.

During 2018 the Authority adopted Governmental Accounting Standards Board Statement No. 85 – *Governmental Accounting Standards Board Ominbus 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.

## Future Governmental Accounting Standards Board Statements To Be Implemented

In June 2017, the Governmental Accounting Standards Board issued GASB Statement No. 87 - *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2020.

During 2019, the Authority adopted Governmental Accounting Standards Board Statement No. 91 – *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The provisions of this Statement are effective for financial statements for fiscal years beginning after December 15, 2020. The effects of this Statement on the financial statements of the Authority are not presently determinable.

During 2019, the Authority Adopted Governmental Accounting Standards Board Statement No. 92 – *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation of GASB standards. The provisions of this Statement are effective for financial statements for fiscal years beginning after June 15, 2020. The effects of this Statement on the financial statements of the Authority are not presently determinable.

### NOTE 3 - Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments of the Authority at December 31 consist of the following:

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.

	Book Balance		Bank Balance
	2019	2018	2019
Cash and Cash Equivalents			
Cash on hand	\$ 10,409	\$ 6,750	
Cash in bank accounts	69,083,145	66,268,616	\$ 74,864,891
Total Cash and Cash Equivalents	<u>69,093,554</u>	<u>66,275,366</u>	
Investments		Cost	
U.S. Treasury SLGS note maturing			
2019 at 3.093%	-	277,389	
2019 at 2.54%	-	12,247,000	
Total Investments		<u>-</u>	<u>12,524,389</u>
Total cash, cash equivalents and investments	<u>\$ 69,093,554</u>	<u>\$ 78,799,755</u>	

The Authority's SLGS are a 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, 2019 and December 31, 2018 plus \$79,112,836 and \$71,407,389 of pledged collateral held by a third party trustee bank at December 31, 2019 and 2018, 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 12-31-19	As of 12-31-18
Airlines	\$ 1,274,822	\$ 1,078,110
Concessions	78,995	32,771
Other	1,183,954	1,095,348
Sub-Total	2,537,771	2,206,229
Less Allowances	-	-
Net Accounts Receivable	<u>\$ 2,537,771</u>	<u>\$ 2,206,229</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:

	2019	2018
Airport Noise Compatibility Grants (FAR150)		
Opening Balance	\$ 198,096	\$ 196,857
Interest Received during the year	4,208	1,239
Ending Balance	<u>\$ 202,304</u>	<u>\$ 198,096</u>
Airport Improvement Program Grants		
Opening Balance	\$ 861,296	\$ -
Funds Received	-	855,000
Interest Received during the year	17,942	6,296
Ending Balance	<u>\$ 879,238</u>	<u>\$ 861,296</u>
Total	<u>\$ 1,081,542</u>	<u>\$ 1,059,392</u>

#### NOTE 6 - Due from County of Albany

The net amount from the county consists of the following:

	As of 12-31-19	As of 12-31-18
Reimbursement of expenses due from County	\$ 200,115	\$ 248,724
	<u>\$ 200,115</u>	<u>\$ 248,724</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, 2019 and 2018 for these services totaled \$2,509,680 and \$2,448,514, respectively.

## NOTE 7 - Capital Assets

Capital Assets balances and activity for the years ended December 31, 2018 and 2019 were as follows:

	Total 12-31-17	Additions	Deletions	Total 12-31-18	Additions	Deletions	Total 12-31-19
Capital Assets that are not depreciated:							
Land and Easements	\$ 48,812,345	\$ -	\$ (709,662)	\$ 48,102,683	\$ 99,145	\$ -	\$ 48,201,828
Construction in Progress	3,540,817	2,189,137		5,729,954	49,717,997	-	55,447,951
Total	52,353,162	2,189,137	(709,662)	53,832,637	49,817,142	-	103,649,779
Capital Assets that are depreciated:							
Buildings	203,520,852	563,190		204,084,042	-	-	204,084,042
Improvements, other than buildings	231,051,479	5,215,345	(562,572)	235,704,252	8,646,466	-	244,350,718
Machinery and Equipment	15,657,983	408,929	(1,422,217)	14,644,695	135,330	-	14,780,025
Sub-total	450,230,314	6,187,464	(1,984,789)	454,432,989	8,781,796	-	463,214,785
Less accumulated depreciation:							
Buildings	(122,960,342)	(6,611,323)		(129,571,665)	(6,610,589)	-	(136,182,254)
Improvements	(121,642,902)	(8,120,690)	562,572	(129,201,020)	(8,240,643)	-	(137,441,663)
Machinery and Equipment	(12,582,866)	(603,556)	947,523	(12,238,899)	(492,919)	-	(12,731,818)
Sub-total	(257,186,110)	(15,335,569)	1,510,095	(271,011,584)	(15,344,151)	-	(286,355,735)
Total depreciable Capital Assets, net	193,044,204	(9,148,105)	(474,694)	183,421,405	(6,562,355)	-	176,859,050
Total Capital Assets, Net	\$ 245,397,366	\$ (6,958,968)	\$ (1,184,356)	\$ 237,254,042	\$ 43,254,787	\$ -	\$ 280,508,829

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 2018 and 2019 were as follows:

	Outstanding at 12-31-17	Additions	Deletions	Outstanding at 12-31-18	Additions	Deletions	Outstanding at 12-31-19
Authority Revenue Bonds/Debt Obligations							
Bonds Payable							
Series 1999 NYS EFC	\$ 1,128,000	\$ -	\$ (429,000)	\$ 699,000	\$ -	\$ (699,000)	\$ -
Series 2010A Refunding	62,845,000	-	(7,625,000)	55,220,000	-	(5,555,000)	49,665,000
Series 2017A & B Refunding	13,345,000	-	(1,365,000)	11,980,000	-	(1,005,000)	10,975,000
Series 2018A & B GARB	-	22,590,000	-	22,590,000	-	(295,000)	22,295,000
Series 2019A GARB	-	-	-	-	9,620,000	-	9,620,000
Total Bonds Payable	77,318,000	22,590,000	(9,419,000)	90,489,000	9,620,000	(7,554,000)	92,555,000
Unamortized Premiums	2,248,605	2,275,926	(783,036)	3,741,495	1,193,529	(818,446)	4,116,578
Total Long-term Indebtedness	\$ 79,566,605	\$ 24,865,926	\$ (10,202,036)	\$ 94,230,495	\$ 10,813,529	\$ (8,372,446)	\$ 96,671,578

## 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 1999A bonds were paid off in October 2019.

	As of December 31, 2019	As of December 31, 2018
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
Less amortization of: Deferred Loss	-	(684)
Series 1999A Revenue Bond net carrying amount	-	698,316
Less current portion including amortization	-	698,316
Long - Term Portion	\$ -	\$ -

## 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, 2019	As of December 31, 2018
Series 2010A General Airport Revenue Refunding Bond Issue:		
Principal paid annually on December 15, in payments of \$5,835,000 in 2020 to \$690,000 in 2030 with interest at 4.00% to 4.50% due semi-annually on June 15 and December 15	\$ 49,665,000	\$ 55,220,000
Plus amortization of:		
Bond Premium	121,787	480,662
Less amortization of:		
Deferred Loss on Refunding	(1,877,274)	(2,713,217)
Bond Insurance	(240,770)	(300,790)
Series 2010A GARB net carrying amount	47,668,743	52,686,655
Less current portion including amortization	5,269,186	5,017,912
Long - Term Portion	<u>\$ 42,399,557</u>	<u>\$ 47,668,743</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, 2019:

Year Ended	Principal	Interest	Total
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	7,025,000	1,085,981	8,110,981
2025-2029	16,860,000	1,535,969	18,395,969
2030	690,000	31,050	721,050
TOTAL	<u>\$ 49,665,000</u>	<u>\$ 10,015,675</u>	<u>\$ 59,680,675</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, 2019	As of December 31, 2018
Series 2017A General Airport Revenue Refunding Bond Issue:		
Principal paid annually on December 15, in payments of \$585,000 in 2020 to \$110,000 in 2033 with interest at 3.00% to 5.00% due semi-annually on June 15 and December 15	\$ 6,975,000	\$ 7,065,000
Plus amortization of:		
Bond Premium	616,230	770,584
Less amortization of:		
Deferred Loss on Refunding	(147,469)	(177,831)
Series 2017A GARB net carrying amount	7,443,761	7,657,753
Less current portion including amortization	709,650	213,992
Long - Term Portion	\$ 6,734,111	\$ 7,443,761

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, 2019:

Year Ended	Principal	Interest	Total
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	925,000	168,375	1,093,375
2025-2029	2,275,000	254,625	2,529,625
2030-2033	410,000	35,869	445,869
TOTAL	\$ 6,975,000	\$ 1,583,369	\$ 8,558,369

## 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, 2019	As of December 31, 2018
Series 2017B General Airport Revenue Refunding Bond Issue:		
Principal paid annually on December 15, in payments of \$470,000 in 2020 to \$235,000 in 2035 with interest at 3.25% to 5.00% due semi-annually on June 15 and December 15	\$ 4,000,000	\$ 4,915,000
Plus amortization of:		
Bond Premium	165,399	234,525
Less amortization of:		
Deferred Loss on Refunding	(121,048)	(140,184)
Series 2017B GARB net carrying amount	4,044,351	5,009,341
Less current portion including amortization	503,237	964,990
Long - Term Portion	<u>\$ 3,541,114</u>	<u>\$ 4,044,351</u>

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, 2019:

Year Ended	Principal	Interest	Total
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	280,000	116,525	396,525
2025-2029	1,165,000	383,950	1,548,950
2030-2034	1,080,000	175,681	1,255,681
2035	235,000	9,400	244,400
TOTAL	<u>\$ 4,000,000</u>	<u>\$ 1,291,906</u>	<u>\$ 5,291,906</u>

## 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, 2019	As of December 31, 2018
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	\$ 14,770,000
Plus amortization of:		
Bond Premium	1,316,659	1,437,895
Series 2018A GARB net carrying amount	16,086,659	16,207,895
Less current portion including amortization	125,992	121,236
Long - Term Portion	\$ 15,960,667	\$ 16,086,659

Maturities of the long-term Series 2018A 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, 2019:

Year Ended	Principal	Interest	Total
2020	\$ -	\$ 738,500	\$ 738,500
2021	-	738,500	738,500
2022	-	738,500	738,500
2023	-	738,500	738,500
2024	-	738,500	738,500
2025-2029	-	3,692,500	3,692,500
2030-2034	195,000	3,692,500	3,887,500
2035-2039	4,110,000	3,252,750	7,362,750
2040-2044	5,250,000	2,116,750	7,366,750
2045-2048	5,215,000	667,750	5,882,750
TOTAL	\$ 14,770,000	\$ 17,114,750	\$ 31,884,750

The 2018A Bonds provided funds for a portion for the Upstate Airport Development & Revitalization Project at the Airport. The bonds are payable from a lien on net revenues derived by the Authority for the operation of the airport.

## 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, 2019	As of December 31, 2018
Series 2018B General Airport Revenue Bond Issue:		
Principal paid annually on December 15, in payments of \$360,000 in 2020 to \$515,000 in 2034 with interest at 5.00% due semi-annually on June 15 and December 15	\$ 7,525,000	\$ 7,820,000
Plus amortization of:		
Bond Premium	709,670	817,829
Series 2018B GARB net carrying amount	8,234,670	8,637,829
Less current portion including amortization	463,457	403,159
Long - Term Portion	\$ 7,771,213	\$ 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, 2019:

Year Ended	Principal	Interest	Total
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	435,000	299,000	734,000
2025-2029	2,525,000	1,146,250	3,671,250
2030-2034	3,020,000	449,750	3,469,750
TOTAL	\$ 7,525,000	\$ 3,288,750	\$ 10,813,750

The 2018B Bonds provided funds for a portion for the Upstate Airport Development & Revitalization Project at the Airport. The bonds are payable from a lien on net revenues derived by the Authority for the operation of the airport.

## Series 2019A General Airport Revenue Bonds

In November of 2019, the Authority issued \$9,620,000 (non AMT) of Series 2019A 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 2019A General Airport Revenue Bonds consists of the following:

	As of December 31, 2019	As of December 31, 2018
Series 2019A General Airport Revenue Bond Issue:		
Principal paid annually on December 15, in payments of \$140,000 in 2020 to \$425,000 in 2042 with interest at 3.00% to 5.00% due semi-annually on June 15 and December 15	\$ 9,620,000	\$ -
Plus amortization of:		
Bond Premium	1,186,833	-
Series 2019B GARB net carrying amount	10,806,833	-
Less current portion including amortization	270,833	-
Long - Term Portion	\$ 10,536,000	\$ -

Maturities of the long-term Series 2019A 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, 2019:

Year Ended	Principal	Interest	Total
2020	\$ 140,000	\$ 416,216	\$ 556,216
2021	165,000	391,150	556,150
2022	170,000	384,550	554,550
2023	175,000	377,750	552,750
2024	185,000	370,750	555,750
2025-2029	1,050,000	1,716,750	2,766,750
2030-2034	1,345,000	1,426,000	2,771,000
2035-2039	1,720,000	1,054,750	2,774,750
2040-2044	2,130,000	643,000	2,773,000
2045-2049	2,540,000	232,950	2,772,950
TOTAL	\$ 9,620,000	\$ 7,013,866	\$ 16,633,866

The 2019A Bonds provided funds for a portion for the Upstate Airport Development & Revitalization Project at the Airport. The bonds are payable from a lien on net revenues derived by the Authority for the operation of the airport.

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 2010A Refunding	\$ 5,269,186	\$ 42,399,557	\$ 47,668,743
Series 2017A Refunding	709,650	6,734,111	7,443,761
Series 2017B Refunding	503,237	3,541,114	4,044,351
Series 2018A GARB	125,992	15,960,667	16,086,659
Series 2018B GARB	463,457	7,771,213	8,234,670
Series 2019A GARB	270,833	10,536,000	10,806,833
Total Long-term Indebtedness	\$ 7,342,355	\$ 86,942,662	\$ 94,285,017

### 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 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.

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, 2019, the Authority had \$92.6 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 2019 or 2018.

**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 2019	Year Ended 2018
County of Albany	\$ 46,824,500	\$ -	\$ -
Federal	140,102,472	7,068,852	2,268,616
State	90,521,415	18,073,683	1,028,431
<b>Total</b>	<b>\$ 277,448,387</b>	<b>\$ 25,142,535</b>	<b>\$ 3,297,047</b>

Unrestricted net position consists of the following:

	2019	2018
Designation of unrestricted net position		
Operations and maintenance reserve	\$ 15,487,297	\$ 12,683,238
Renewal and replacement reserve	500,715	500,875
Total designations	15,988,012	13,184,113
Undesignated unrestricted net position	4,270,894	4,017,183
<b>Total unrestricted net position</b>	<b>\$ 20,258,906</b>	<b>\$ 17,201,296</b>

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 2019, 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 \$774,321 for the rates and charges settlements and they also received \$3,674,833 for their share of the revenue sharing; totaling \$4,449,154. In 2018, the airlines and cargo carriers were given total credits of \$2,950,014 for their share of the final settlement and revenue sharing. In 2017, the total credits were \$2,463,136.

## **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, ATMs and vending machines. 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 2019 of \$12,236,032 by \$1,663,205. In 2018 the revenues exceeded the MAG amounts due of \$12,154,961 by \$1,489,084. 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:

2020	\$ 9,018,627
2021	8,126,708
2022	7,695,034
2023	7,433,670
2024	6,184,403
2025-2030	<u>26,419,946</u>
Total	<u>\$ 64,878,388</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, 2019, 2018 and 2017 were \$243,034, \$256,525 and \$252,468 respectively, or approximately 16.3%, 15.7% and 15.1%, 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, 2019, 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, 2019. 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, 2019 and 2018:

	2019	2018
Actuarial valuation date	April 1, 2018	April 1, 2017
Net pension asset/(liability)	(\$320,236)	(\$152,292)
Authority's portion of the Plan's total net pension asset/(liability)	0.0045197%	0.0047187%

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, 2020 were prepaid at a discounted amount of \$243,034 during the Authority's year ended December 31, 2019. Accordingly, the Authority did not owe any payables to the Pension System as of December 31, 2019 or 2018.

Pension Expense - For the year ended December 31, 2019, the Authority recognized its proportionate share of pension expense of \$209,744. For December 31, 2018, the Authority's pension expense was \$184,117.

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, 2019 and 2018 were \$278,474 and \$238,877 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, 2019 and 2018:

	Outflows of Resources 2019	Outflows of Resources 2018	Inflows of Resources 2019	Inflows of Resources 2018
Differences between expected and actual experiences	\$ 63,061	\$ 54,318	\$ 21,497	\$ 44,886
Changes of assumptions	80,494	100,982	-	-
Net difference between projected and actual earnings on pension plan investments	-	221,192	82,190	436,611
Changes in proportion and differences between contributions and proportionate share of contributions	155,381	149,756	15,520	11,017
Contributions subsequent to the measurement date	243,034	256,525	-	-
Total	<u>\$ 541,970</u>	<u>\$ 782,773</u>	<u>\$ 119,207</u>	<u>\$ 492,514</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, 2020. 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, 2019 and 2018:

	2019	2018
Year ended:		
2019	\$ -	\$ 87,365
2020	123,387	67,526
2021	(22,428)	(83,988)
2022	21,880	(37,169)
2023	56,890	-
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, 2019 and 2018 are as follows:

	2019	2018
Measurement date	March 31, 2019	March 31, 2018
Actuarial valuation date	April 1, 2018	April 1, 2017
Inflation rate	2.5%	2.5%
Salary Scale	4.2%	3.8%
Interest Rate, compounded annually	7.0%	7.0%
Projected Cost of Living Adjustments	1.3% annually	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

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 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%)
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$1,400,125	\$320,236	(\$586,946)

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 two employees who participate in the NYS VDC Plan. The Authority's employer contributions to the NYS VDC plan through December 31, 2019 and 2018 were \$9,820 and \$8,960 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 and 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 be 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 2019 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, 2019, 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, 2019 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:

	2019	2018
Service Cost	276,198	217,039
30 year amortization of NOL at 3.75%	387,733	357,987
Actuarial determined contribution	663,931	575,026
Contributions in relation to the actuarially determined contribution	(325,000)	(300,000)
Contribution deficiency/(excess)	338,931	275,026
Covered Employee Payroll	1,962,761	1,966,055
Contributions as a % of covered employee payroll	16.56%	15.26%
Discount Rate	3.25%	3.75%

### **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, 2019 Measurement Date, total Authority premiums implicit costs for the retiree medical program were \$161,281. The Authority also made a contribution to the OPEB Trust of \$163,719 for a total contribution during the measurement period of \$325,000 to be reported on the financial statement for the fiscal year ending December 31, 2019.

As of the December 31, 2019 Measurement Date, the plan was 24.2% funded. The Total OPEB Liability (TOL) for benefits was \$10,028,123, and the Fiduciary Net Position was \$2,429,013, resulting in a Net OPEB Liability (NOL) of \$7,599,110. The covered payroll (annual payroll of active employees covered by the plan) was \$1,962,761 and the ratio of the NOL to the covered payroll was 387.2%.

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.

### Changes in the OPEB Liability

	2019	2018
Net OPEB Liability at beginning of period	\$ 6,621,984	\$ -
Change in Accounting Principals for GASB 75	-	6,473,234
Service cost	276,198	217,039
Interest	338,961	325,272
Change in assumptions	731,575	-
Differences between expected and actual experience	-	(80,361)
Net investment income	(44,608)	(13,200)
Employer contributions to the trust	(325,000)	(300,000)
Benefit payments withdrawn from the trust	161,281	150,927
Benefit payment excluding implicit cost	(170,860)	(150,927)
Implicit cost amount	9,579	-
Net OPEB Liability at end of period	<u>\$ 7,599,110</u>	<u>\$ 6,621,984</u>

### Changes in the Deferred Outflows/Inflows

	Outflows of Resources 2019	Outflows of Resources 2018	Inflows of Resources 2019	Inflows of Resources 2018
Beginning of the period	\$ 34,725	\$ -	\$ (64,289)	\$ -
Created during the period	744,518	43,406	-	(80,361)
Recognized during the period	(157,585)	(8,681)	16,072	16,072
End of the period	<u>\$ 621,658</u>	<u>\$ 34,725</u>	<u>\$ (48,217)</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, 2019 and 2018:

Year ended:	2019	2018
2019	\$ -	\$ (7,391)
2020	141,513	(7,391)
2021	141,513	(7,391)
2022	141,513	(7,391)
2023	148,902	-
2024	-	-
Thereafter	-	-

## OPEB Expense Development

Components of the Airport's OPEB expenses for the fiscal years ending December 31, 2019 and 2018:

	2019	2018
Service Cost	\$ 276,198	\$ 217,039
Interest on the Net OPEB Liability (asset), service cost, and benefit payments	338,961	325,272
Deferred (inflows)/outflows from plan design changes	11,270	-
Deferred (inflows)/outflows from plan experience	(16,072)	(16,072)
Deferred (inflows)/outflows from changes of assumptions	146,315	-
Projected earnings on OPEB plan investments	(57,551)	(56,606)
Total employer contribution	-	8,681
Net financial statement OPEB expense	<u>\$ 699,121</u>	<u>\$ 478,314</u>

## Money Weighted Rate of Return and Plan Cash Flows

	2019	2018
Beginning value	\$ 2,220,686	\$ 2,058,413
Annual contribution to OPEB Trust	163,719	149,073
Annual interest earnings	44,608	13,200
Ending Value	<u>\$ 2,429,013</u>	<u>\$ 2,220,686</u>
Money weighted rate of return	2.01%	0.64%

## Discount rate

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, Measurement Date

	OPEB Liability		
	1% Decrease	Current Discount Rate	1% Increase
2019 (3.75%)	\$ 11,887,781	\$ 10,028,123	\$ 8,549,823
2018 (3.25%)	10,427,489	8,842,670	7,579,562
	Service Cost		
	1% Decrease	Current Discount Rate	1% Increase
2019 (3.75%)	\$ 364,677	\$ 276,198	\$ 211,365
2018 (3.25%)	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, Measurement Date

	OPEB Liability		
	1% Decrease	Current Trend Rate	1% Increase
2019	\$ 8,375,461	\$ 10,028,123	\$ 12,143,887
2018	7,429,402	8,842,670	10,642,156

	Service Cost		
	1% Decrease	Current Trend Rate	1% Increase
2019	\$ 219,125	\$ 276,198	\$ 351,316
2018	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, 2019 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, 2019. There was no reduction in insurance coverage during 2019. Changes in the balance of claims paid directly by the Authority during the past two years are as follows:

	Year Ended 2019	Year Ended 2018
Unpaid claims, beginning of year	\$ -	\$ -
Claims incurred	39,008	96,477
Claims paid	(39,008)	(96,477)
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, 2021. 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, 2019, the Authority has outstanding contractual commitments for completion of certain capital improvement projects totaling \$23.6 million of which an estimated \$9.1 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 50.2% of accounts receivable and airline revenues represent 23.3% of operating revenues for the year ended December 31, 2019.

*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, 2019 and 2018 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 \$1 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.

*PFC Application* – During the first quarter of 2020 the Authority is preparing PFC Application #4 in the amount of \$11,249,384 of which \$4,476,880 is intended to fund a portion of the Authority's share of the Upstate Airport Development & Revitalization Project. Projects included in the application include: air traffic control tower rehabilitation, terminal public address system replacement, terminal fire alarm system replacement, airport pavement management program and certain escalator replacements. Projects included in the Upstate Airport Development & Revitalization Project include various terminal amenities including wayfinding signage, restroom renovations, and removal and replacement of skylight panels.

*Refunding of Debt* - On November 20, 2019 the Authority sold Series 2020 Bonds in the total par amount of \$34,610,000 of which \$4,390,000 were sold as Series 2020A Non-AMT (Forward Delivery) (not subject to any Federal Tax) and \$30,220,000 were sold as Series 2020B AMT (Forward Delivery) (subject to the Federal Alternative Minimum Tax). The Series 2020 Bonds were used, along with other funds of the Authority, to fully refund the Authority's Series 2010 in the aggregate amount of \$43,830,000 (the Refunded Bonds). The result will produce an estimated gain of \$5,270,204 in future cash flow savings, with an estimated present value of \$4,448,059.

The impact of the refunding is summarized below:

Description	Series 2020 Bonds Issued	Bonds Refunded	Cash Flow Gain	Present Value Gain
Refunding Bonds	\$34,610,000	\$43,830,000	\$5,270,204	\$4,448,059

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,	2019	2018	2017	2016	2015
Proportion percentage of net pension liability	0.00452%	0.00472%	0.00464%	0.00497%	0.00525%
Proportion amount of net pension liability	\$ 320,236	\$ 152,292	\$ 436,071	\$ 797,486	\$ 177,342
Covered payroll	\$ 1,596,306	\$ 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 payroll	20.06%	9.05%	26.85%	48.62%	11.09%
pension liability	96.27%	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,	2019	2018	2017	2016	2015
Contractually required contribution	\$ 243,034	\$ 256,525	\$ 252,468	\$ 260,215	\$ 305,211
Contributions in relation to the contractually required contribution	(243,034)	(256,525)	(252,468)	(260,215)	(305,211)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,596,306	\$ 1,682,703	\$ 1,623,832	\$ 1,640,182	\$ 1,599,482
Contributions as a percentage of covered payroll	15.22%	15.24%	15.55%	15.87%	19.08%

*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,

	2019	2018
<b>Total OPEB Liability</b>	10,028,123	8,842,670
Service Cost	276,198	217,039
Interest on total OPEB liability, service cost and benefit payments	338,961	325,272
Changes in benefit terms	-	-
Difference between expected & actual plan experience	(161,281)	(80,361)
Changes of assumptions	731,575	-
Benefit payments excluding implicit cost	-	(150,927)
Implicit cost amount	N/A	N/A
Total benefit payments including implicit cost	N/A	N/A
 Net change in OPEB liability	 1,185,453	 311,023
Total OPEB liability - beginning of period	8,842,670	8,531,647
Total OPEB liability - end of period	10,028,123	8,842,670
 <b>Plan Fiduciary Net Position</b>	 2,429,013	 2,220,686
Interest on fiduciary net position		
Earning from plan investments	44,608	13,200
Employer contribution to trust	325,000	300,000
Benefit payments from trust, including refunds of member contributions	(161,281)	(150,927)
Administrative expense	-	-
Other	-	-
Net change in plan fiduciary net position	208,327	162,273
 Plan fiduciary net position - beginning of period	 2,220,686	 2,058,413
Plan fiduciary net position - end of period	2,429,013	2,220,686
 Net OPEB liability	 7,599,110	 6,621,984
 Plan Fiduciary net position as a % of total OPEB liability	 24.22%	 25.11%
 Covered employee payroll	 1,962,761	 1,966,055
 Plan NOL as a % of covered employee payroll	 387.16%	 336.82%
 Single discount rate to calculate plan liabilities	 3.25%	 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 OPEB Determined Contribution – Deficiency / (Excess)  
For the year ended December 31,

	2019	2018
Service Cost	276,198	217,039
30 year amortization of NOL at 3.75%	287,733	357,987
Actuarial determined contribution	563,931	575,026
Contributions in relation to the actuarially determined contribution	(325,000)	(300,000)
Contribution deficiency/(excess)	238,931	275,026
Covered Employee Payroll	1,962,761	1,966,055
Contributions as a % of covered employee payroll	16.56%	15.26%
Discount Rate	3.25%	3.75%
Money Weighted Rate of Return	2.01%	0.64%

DRAFT

\*\* 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	2.50%, net of OPEB plan investment expense, including inflation.
Municipal bond rate	3.26% as of December 31, 2019 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG)
Actuarial Cost Method	Individual Entry Age Normal
Single equivalent discount rate	3.25%, net of OPEB plan investment expense, including inflation
Inflation	2.50% as of December 31, 2019 and for future periods
Salary Increases	3.00% annually as of December 31, 2019 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, 2108 to December 31, 2019 – Due to GASB 75 standards, the discount rate has been changed from 3.75% to 3.25%.

### **OBEB Contributions**

The contribution requirements of plan members and the Airport are established and may be amended through Airport ordinances. The Airport contributed \$163,719 beyond the pay-as-you-go cost for the period ending on December 31, 2019 Measurement Date. For the year ending on December 31, 2019 Measurement Date total Airport premiums plus implicit costs for the retiree medical program were \$161,281. (\$9,579) of the \$161,281 represents implicit cost.

DRAFT

Other  
Supplemental  
Information



Albany County Airport Authority  
Debt Service Requirements to Maturity

GENERAL AIRPORT REVENUE BONDS

YEAR	Principal	Interest	Authority Total
2020	\$ 7,390,000	\$ 4,327,347	\$ 11,717,347
2021	7,780,000	3,942,281	11,722,281
2022	8,155,000	3,572,431	11,727,431
2023	8,565,000	3,168,881	11,733,881
2024	8,850,000	2,779,131	11,629,131
2025	9,210,000	2,408,731	11,618,731
2026	9,660,000	1,975,313	11,635,313
2027	1,595,000	1,522,425	3,117,425
2028	1,675,000	1,449,050	3,124,050
2029	1,735,000	1,374,525	3,109,525
2030	1,815,000	1,295,781	3,110,781
2031	1,170,000	1,212,963	2,382,963
2032	1,230,000	1,158,906	2,388,906
2033	1,285,000	1,101,800	2,386,800
2034	1,240,000	1,041,400	2,281,400
2035	1,290,000	981,750	2,271,750
2036	1,105,000	919,600	2,024,600
2037	1,165,000	864,350	2,029,350
2038	1,220,000	806,100	2,026,100
2039	1,285,000	745,100	2,030,100
2040	1,345,000	684,650	2,029,650
2041	1,410,000	621,350	2,031,350
2042	1,470,000	554,950	2,024,950
2043	1,540,000	485,700	2,025,700
2044	1,615,000	413,100	2,028,100
2045	1,690,000	336,950	2,026,950
2046	1,765,000	262,050	2,027,050
2047	1,840,000	183,700	2,023,700
2048	1,920,000	101,800	2,021,800
2049	540,000	16,200	556,200
<b>TOTAL</b>	<b>\$ 92,555,000</b>	<b>\$ 40,308,316</b>	<b>\$ 132,863,316</b>

**Albany County Airport Authority**  
**Governmental Payments and Services**  
**For the Years Ended December 31, 2019 and 2018**

	2019	2018
UNITED STATES - Department of Agriculture		
Dept. of Agriculture - Wildlife Management Program	\$ 34,325	\$ 27,095
STATE OF NEW YORK		
Department of Civil Service - Health Insurance	617,747	640,466
State and Local Employees' Retirement System	243,034	256,525
Unemployment Insurance	2,545	3,262
Bureau of Weights and Measures	600	-
Dept. of Taxation & Finance-Sales Tax	199,820	222,559
Dept. of Taxation & Finance-Petroleum Business Tax	118,806	100,770
Dept. of Labor Bureau of Public Works	767	10,054
DEC-Oil Spill Fee	15,161	21,704
DEC-SPDES Program Fees & Permits	2,520	2,300
Total State of New York	1,201,000	1,257,640
COUNTY OF ALBANY		
Direct Costs:		
Sheriff	2,303,569	2,281,644
Purchase of Land	90,000	-
Code Enforcement	55,316	97,288
Dept. of Public Works - Salt for Roadways	49,795	58,082
Land Rent	6,000	6,500
Sewer District Charges	5,000	5,000
Total County of Albany	2,509,680	2,448,514
LATHAM WATER DISTRICT - Water Service	136,470	101,851
TOWN OF COLONIE, RECEIVER OF TAXES		
Sewer Taxes	79,331	91,686
Verdoy Fire Dept.	1,672	1,654
Albany County Tax	5,600	5,553
Town of Colonie Tax	4,237	3,772
School Taxes - North Colonie	26,840	26,322
Total Town of Colonie, Receiver of Taxes	117,680	128,987
VILLAGE OF COLONIE		
Wastewater Conveyance	7,500	7,500
CAPITAL DISTRICT TRANSPORTATION AUTHORITY		
Employee Ground Transportation	30,000	25,000
TOTAL PAYMENTS TO OTHER GOVERNMENTAL ENTITIES	\$4,154,335	\$4,125,574

**INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

To the Members  
Albany County Airport Authority  
Administrative Building, Suite 200  
Albany, New York 12211

We have performed the procedures enumerated below, which were agreed to by the Albany County Airport Authority (the specified party) for the period January 1, 2019 - December 31, 2019. The Albany County Airport Authority's management is responsible for Compliance with Customer Facility Charges (CFC) for the period January 1, 2019 - December 31, 2019. The sufficiency of these procedures is solely the responsibility of the Albany County Airport Authority's management. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and associated findings are:

1. Determine that the CFC funds expended did not exceed the CFC funds available.

Findings: There were no exceptions noted as a result of applying this procedure.

2. Excess CFC funds, if any, will be designated for future CFC projects. Determine any excess CFC funds are appropriately restricted by the Authority for future CFC use.

Findings: There were no exceptions noted as a result of applying this procedure.

3. Determine funds expended were in compliance with NYS law § 396.z. (f), specifically "...for the finance, design, construction and operation of consolidated airport facilities or the finance, design, construction and operation of common use transportation systems that move passengers between airport terminals and consolidated airport car rental facilities..."

Findings: There were no exceptions noted as a result of applying this procedure.

4. Determine funds expended were in accordance with the amendment to the rental car concession agreement with the Authority subsection 4.8. "...initial project...relocation of terminal counters and offices including improvement of IT, data, counter inserts, backwall signs, and excluding proprietary improvements; costs of relocating and reallocating the parking garage spaces including moving wireless access points, parking stall signs and customer kiosks/booths; movement of jersey barriers; curb cuts if required, expansion of the number of Ready Return Spaces; restriping the parking area; and updating the lighting in the garage with LED, and other improvements agreed upon by the Authority and all Concessionaires; which are constructed by or on behalf of the Authority to be jointly used by or to benefit the customers of all car rental companies operating at the Airport pursuant to concession agreements." "CFCs shall also pay for unforeseen costs agreed upon by Concessionaires and the Authority."

Findings: There were no exceptions noted as a result of applying this procedure.

5. For payments made to the Concessionaires from CFC funds ensure the support was in accordance with the amendment to the rental car concession agreement with the Authority subsection 4.8. “Concessionaire shall be responsible for managing and paying for the Project once approved by the Authority and shall submit paid invoices to the Authority. Authority shall reimburse Concessionaire with CFC funds within 60 days of receipt of invoices, or as soon thereafter as there are sufficient CFCs collected to pay such invoices.”

Findings: There were no exceptions noted as a result of applying this procedure.

6. Determine that the Authority reported CFC collections and expenditures to the concessionaires at the end of each month in accordance with subsection 4.8 of the amendment to the rental car concession agreement with the Authority.

Findings: Through our procedures we noted that monthly reports were not provided to concessionaires at the end of each month.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Compliance with the Customer Facility Charges for the period January 1, 2019 - December 31, 2019. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is to determine compliance with New York State law and the contracts between the concessionaires and the Authority and is not suitable for any other purpose. This report is intended solely for the use of the Authority Board and management, The State of New York, and the concessionaires participating in the CFC program and is not intended and should not be used by anyone other than these specified parties.

Latham, NY  
January \_\_\_\_\_, 2020

Albany County Airport Authority  
Customer Facility Charges  
Statements of Revenues, Expenses and Changes in Net Position  
For the Year Ended December 31, 2019

	<u>December 31, 2019</u>
Revenue	
Customer facility charges	\$ 757,428
Total Revenue	<u>757,428</u>
Expenses	
Customer facility charges cost for rental car improvements	302,039
Administrative expenses	-
Total Expenses	<u>302,039</u>
Increase in Net Position	<u>455,389</u>
Net Position - CFC, Beginning of Year	<u>-</u>
Net Position - CFC, End of Year	<u><u>\$ 455,389</u></u>

DRAFT

# 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 78-81**

These tables contain trend information to assist the reader understand how the Authority's financial performance has changed over time.

## **Revenue Capacity**

**Pages 82-83**

These tables contain trend information to assist the reader understand the Authority's most significant revenue source, airline rates and charges.

## **Debt Capacity**

**Pages 84-87**

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 88-90**

These tables contain trend information to assist the reader understand the environment within which the Authority's financial activities take place.

## **Operating Information**

**Pages 91-102**

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,**

	2010	2011	2012	2013
<b>REVENUES</b>				
Airfield	\$ 6,249,734	\$ 6,620,031	\$ 6,517,132	\$ 6,382,280
Fixed based operations	8,339,501	10,816,078	9,732,965	9,641,415
Terminal	5,760,454	5,549,272	5,220,736	5,146,616
Concessions	6,135,012	6,531,954	6,490,578	6,390,371
Ground transportation	10,695,016	10,737,419	11,035,611	10,998,265
Other	3,772,841	3,739,595	3,703,440	3,656,336
	<u>40,952,558</u>	<u>43,994,349</u>	<u>42,700,462</u>	<u>42,215,283</u>
<b>OTHER REVENUES</b>				
Interest income	196,224	102,137	94,418	84,959
Passenger facility charges	5,043,851	4,832,209	4,843,563	4,693,348
Customer facility charges	-	-	-	-
Grant income	3,442,758	1,112,504	344,845	366,420
Insurance recovery	-	-	-	-
Improvement charges	368,400	368,400	368,400	368,400
	<u>9,051,233</u>	<u>6,415,250</u>	<u>5,651,226</u>	<u>5,513,127</u>
<b>TOTAL REVENUES</b>	<u>50,003,791</u>	<u>50,409,599</u>	<u>48,351,688</u>	<u>47,728,410</u>
<b>EXPENSES</b>				
Salaries and benefits	12,532,967	12,608,658	12,858,828	13,385,948
Services and supplies	17,354,401	20,064,093	17,939,145	18,275,162
Depreciation	13,585,503	13,406,698	13,537,373	13,716,881
	<u>43,472,871</u>	<u>46,079,449</u>	<u>44,335,346</u>	<u>45,377,991</u>
<b>OTHER EXPENSES</b>				
Grant expense	3,013,773	683,300	-	-
Interest expense	5,961,984	6,971,497	6,615,097	6,255,548
Insured expenses	-	-	-	-
Customer facility charges	-	-	-	-
Bond issuance costs	-	-	-	-
Amortization of bond issuance costs	145,928	269,204	164,459	156,676
	<u>9,121,685</u>	<u>7,924,001</u>	<u>6,779,556</u>	<u>6,412,224</u>
<b>TOTAL EXPENSES</b>	<u>52,594,556</u>	<u>54,003,450</u>	<u>51,114,902</u>	<u>51,790,215</u>
Capital contributions	5,883,974	7,063,708	4,385,124	4,009,502
Special Items	(553,347)	-	(980,110)	-
Extraordinary Item	(169,007)	-	-	-
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u>\$ 2,570,855</u>	<u>\$ 3,469,857</u>	<u>\$ 641,800</u>	<u>\$ (52,303)</u>
<b>NET POSITION AT YEAR END COMPOSED OF:</b>				
Net investment in capital assets	\$ 164,991,633	<1> \$ 167,205,678	\$ 166,644,993	\$ 165,997,945
Restricted	16,539,805	16,487,232	16,852,644	17,049,812
Unrestricted	11,037,746	12,346,131	13,183,204	13,580,781
	<u>\$ 192,569,184</u>	<u>\$ 196,039,041</u>	<u>\$ 196,680,841</u>	<u>\$ 196,628,538</u>

<1> The 2010 Investment in Capital Assets, net of Related Debt was adjusted by \$938,262 as required by 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,**

2014	2015	2016	2017	2018	2019
\$ 6,320,065	\$ 6,457,974	\$ 5,882,274	\$ 6,678,085	\$ 6,588,133	\$ 6,207,119
10,348,396	8,570,119	8,300,218	8,572,457	10,427,353	10,426,891
4,816,946	5,000,721	4,777,241	5,019,779	5,538,045	5,178,553
7,027,934	7,268,718	7,540,431	8,070,379	8,262,260	8,496,949
11,575,593	13,089,872	15,163,022	15,325,640	15,721,089	16,906,909
3,505,150	3,850,200	4,075,479	4,360,796	4,292,488	4,626,970
43,594,084	44,237,604	45,738,665	48,027,136	50,829,368	51,843,391
54,043	20,739	12,280	10,676	488,263	1,403,088
4,777,691	5,080,183	5,385,946	5,431,444	5,638,922	6,194,834
-	-	-	-	-	757,428
292,938	292,000	222,772	138,700	300,997	150,480
-	-	-	-	170,896	8,704
368,400	368,400	368,400	368,400	368,400	368,400
5,493,072	5,761,322	5,989,398	5,949,220	6,967,478	8,882,934
49,087,156	49,998,926	51,728,063	53,976,356	57,796,846	60,726,325
13,375,148	13,519,423	14,209,606	15,014,472	16,019,364	16,981,665
18,948,402	17,850,888	17,904,007	18,380,540	21,330,763	22,554,099
13,957,515	13,893,673	14,396,008	14,761,280	15,335,569	15,344,151
46,281,065	45,263,984	46,509,621	48,156,292	52,685,696	54,879,915
-	-	-	-	-	-
5,870,629	5,463,254	5,002,200	4,261,394	3,898,788	4,369,737
-	-	-	-	170,896	-
-	-	-	-	-	302,039
-	-	-	252,877	390,361	237,068
133,008	109,988	100,347	76,280	68,308	60,020
6,003,637	5,573,242	5,102,547	4,590,551	4,528,353	4,968,864
52,284,702	50,837,226	51,612,168	52,746,843	57,214,049	59,848,779
6,414,378	8,942,652	2,389,827	4,616,709	3,297,047	25,142,535
-	-	-	-	1,022,220	-
-	-	-	-	148,595	-
\$ 3,216,832	\$ 8,104,352	\$ 2,505,722	\$ 5,846,222	\$ 5,050,659	\$ 26,020,081
\$ 167,432,611	\$ 171,751,795	\$ 170,626,920	\$ 172,661,198	\$ 170,718,128	\$ 189,798,618
17,573,958	19,387,387	21,191,423	22,238,003	26,650,235	30,532,217
14,838,801	16,809,614	<2> 18,636,175	21,401,539	17,201,297	<3> 20,258,906
\$ 199,845,370	\$ 207,948,796	\$ 210,454,518	\$ 216,300,740	\$ 214,569,660	\$ 240,589,741

**Albany County Airport Authority**  
**Changes in Cash and Cash Equivalents**  
**For Years Ended December 31,**

	2010	2011	2012	2013
<b>Cash Flows From Operating Activities</b>				
Cash received from providing services	\$ 40,707,911	\$ 44,327,193	\$ 42,253,033	\$ 42,311,459
Cash paid to suppliers	(28,284,795)	(31,992,962)	(28,813,561)	(30,404,614)
Cash paid to employees	(1,154,379)	(1,099,021)	(1,104,020)	(1,149,945)
<b>Net Cash Provided By Operating Activities</b>	<b>11,268,737</b>	<b>11,235,210</b>	<b>12,335,452</b>	<b>10,756,900</b>
<b>Cash Flows from Noncapital Financing Activities</b>				
Grant Income	3,442,758	1,071,409	344,845	366,420
Grant Expense	(3,013,773)	(642,205)	-	-
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>428,985</b>	<b>429,204</b>	<b>344,845</b>	<b>366,420</b>
<b>Cash Flows From Investing Activities</b>				
Interest received	204,908	102,137	94,418	85,056
Purchase of investments	(277,389)	-	-	-
Sale of investments	442,237	-	-	-
Interest on passenger facility charges	13,940	11,002	8,470	9,293
<b>Net Cash Provided by Investing Activities</b>	<b>383,696</b>	<b>113,139</b>	<b>102,888</b>	<b>94,349</b>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Purchase of capital assets	(8,080,522)	(9,243,027)	(5,954,942)	(7,804,302)
Principal payments on bonds and notes payable	(3,531,847)	(8,574,618)	(8,736,422)	(8,598,074)
Interest paid	(5,931,827)	(5,724,131)	(5,502,063)	(5,409,940)
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	1,139	(347,296)	449	490
Concession improvement funds	89,745	44,668	67,457	337,258
Customer facility charges	-	-	-	-
Improvement charges	368,400	368,400	368,400	368,400
Insurance recoveries	-	-	-	-
Bank line of credit	-	-	-	-
LIBOR settlement	-	-	-	-
Sale of Land	-	-	-	-
Capital contributions	7,077,968	6,579,972	3,488,992	4,411,353
Passenger facility charges	5,036,950	4,850,569	4,794,831	4,727,885
<b>Net Cash Provided (Used) By Capital and Related Financing Activities</b>	<b>(13,347,031)</b>	<b>(12,045,463)</b>	<b>(11,473,298)</b>	<b>(11,966,930)</b>
<b>Net increase (decrease)</b>	<b>(1,265,613)</b>	<b>(267,910)</b>	<b>1,309,887</b>	<b>(749,261)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>38,363,936</b>	<b>37,098,323</b>	<b>36,830,413</b>	<b>38,140,300</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 37,098,323</b>	<b>\$ 36,830,413</b>	<b>\$ 38,140,300</b>	<b>\$ 37,391,039</b>

**Albany County Airport Authority**  
**Changes in Cash and Cash Equivalents, Con't**  
**For Years Ended December 31,**

	2014	2015	2016	2017	2018	2019
\$	43,862,468	\$ 44,211,164	\$ 45,595,258	\$ 47,814,646	\$ 50,885,469	\$ 51,691,849
	(30,679,673)	(31,277,486)	(28,239,666)	(33,640,390)	(34,607,021)	(36,461,993)
	(1,114,606)	(1,143,581)	(1,190,846)	(1,237,120)	(1,301,582)	(1,316,130)
	12,068,189	11,790,097	16,164,746	12,937,136	14,976,866	13,913,726
	292,938	292,000	222,772	138,700	300,997	150,480
	-	-	-	-	-	-
	292,938	292,000	222,772	138,700	300,997	150,480
	54,043	20,739	12,280	10,676	488,263	1,404,897
	-	-	-	-	(12,247,000)	-
	-	-	-	-	-	12,524,389
	9,257	11,688	14,941	18,476	97,262	290,775
	63,300	32,427	27,221	29,152	(11,661,475)	14,220,061
	(8,249,851)	(12,534,202)	(4,244,291)	(9,055,546)	(8,637,400)	(53,630,854)
	(8,102,182)	(8,266,000)	(8,567,000)	(8,803,000)	(9,419,000)	(7,554,000)
	(5,136,989)	(4,700,250)	(4,394,462)	(3,673,229)	(3,549,403)	(4,341,280)
	-	-	-	(16,794,552)	-	-
	-	-	-	15,826,250	24,865,926	10,556,850
	-	-	-	-	-	-
	-	-	-	(336,179)	(390,361)	-
	395	(1,334)	-	-	-	-
	(359,380)	101,374	(212,759)	107,689	75,447	(177,676)
	-	-	-	-	-	455,389
	368,400	368,400	368,400	368,400	368,400	368,400
	-	-	-	-	-	8,704
	-	-	-	-	-	6,542,341
	-	-	-	-	1,496,915	-
	-	-	-	-	858,257	-
	4,826,042	10,209,459	3,164,885	3,797,722	3,324,887	16,720,643
	4,745,288	4,939,384	5,356,286	5,338,723	5,759,701	5,574,996
	(11,908,277)	(9,883,169)	(8,528,941)	(13,223,722)	14,753,369	(25,476,487)
	516,150	2,231,355	7,885,798	(118,734)	18,369,757	2,807,780
	37,391,039	37,907,189	40,138,544	48,024,342	47,905,608	66,275,365
\$	37,907,189	\$ 40,138,544	\$ 48,024,342	\$ 47,905,608	\$ 66,275,365	\$ 69,083,145

**Albany County Airport Authority**  
**Principal Revenue Sources, Revenue per Enplaned Passenger and**  
**Signatory Airlines Rates and Charges <1>**  
**For Years Ended December 31,**

	2010	2011	2012	2013
<b>PRINCIPAL REVENUE SOURCES</b>				
<b>AIRLINE REVENUE</b>				
Landing fees	\$ 3,843,738	\$ 3,964,651	\$ 4,041,201	\$ 4,035,420
Landing fee surcharge	169,427	168,015	168,400	-
Apron fees	807,430	847,651	810,760	797,936
Fixed based operations	3,261,577	3,979,252	3,031,163	3,289,020
Terminal rental	4,530,851	4,358,719	3,980,775	3,925,842
Loading bridge rentals	533,360	501,336	528,303	471,669
<b>TOTAL AIRLINE REVENUE</b>	<b>13,146,383</b>	<b>13,819,624</b>	<b>12,560,602</b>	<b>12,519,887</b>
Percent of Total Revenues	26.3%	27.4%	26.0%	26.2%
<b>NON-AIRLINE REVENUES</b>				
Parking	10,428,141	10,478,603	10,787,568	10,724,464
Rental car	4,263,770	4,718,960	4,723,808	4,679,586
Other	13,114,264	14,977,162	14,628,484	14,291,346
<b>TOTAL NON-AIRLINE REVENUES</b>	<b>27,806,175</b>	<b>30,174,725</b>	<b>30,139,860</b>	<b>29,695,396</b>
Percent of Total Revenues	55.6%	59.9%	62.3%	62.2%
<b>NON-OPERATING REVENUES</b>				
Passenger facility charges	5,043,851	4,832,209	4,843,563	4,693,348
Customer facility charges	-	-	-	-
Grant income	3,442,758	1,112,504	344,845	366,420
Interest	196,224	102,137	94,418	84,959
Insurance recovery	-	-	-	-
Other	368,400	368,400	368,400	368,400
<b>TOTAL NON-OPERATING REVENUES</b>	<b>9,051,233</b>	<b>6,415,250</b>	<b>5,651,226</b>	<b>5,513,127</b>
Percent of Total Revenues	18.1%	12.7%	11.7%	11.6%
<b>TOTAL REVENUES</b>	<b>\$ 50,003,791</b>	<b>\$ 50,409,599</b>	<b>\$ 48,351,688</b>	<b>\$ 47,728,410</b>
Enplaned Passengers	1,264,381	1,242,399	1,244,976	1,215,076
<b>TOTAL REVENUE PER ENPLANED PASSENGER</b>	<b>\$ 39.55</b>	<b>\$ 40.57</b>	<b>\$ 38.84</b>	<b>\$ 39.28</b>
<b>SIGNATORY AIRLINES RATES AND CHARGES</b>				
Landing Fee (per 1,000 lbs MGLW)	\$ 2.45	\$ 2.61	\$ 2.92	\$ 2.92
Landing Fee Surcharge (per 1,000 lbs MGLW)	0.10	0.11	0.11	-
Apron Fees (per sq. foot)	1.51	1.75	1.78	1.58
Annual Terminal Rental Rates (per sq. foot)	72.70	69.55	68.46	66.56
Annual Loading Bridge Rental (per bridge)	35,532.00	33,422.00	35,220.00	31,445.00
Airline Cost per Enplanement: Airport Operations	7.82	7.92	7.64	7.60

The Authority has entered into a series of five-year agreements with its signatory airlines that provides a rate setting methodology. The current agreement term ends on December 31, 2020.

<1> The revenue basis to which the signatory rates and charges apply and the principal airline revenue payers can be found on pages 104-109

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,**

2014	2015	2016	2017	2018	2019
\$ 3,934,458	\$ 4,090,831	\$ 3,838,764	\$ 4,436,193	\$ 4,239,274	\$ 3,938,543
-	-	-	-	-	-
811,176	826,683	571,813	649,858	654,321	633,074
3,135,354	2,645,138	2,564,049	2,753,266	3,320,378	3,144,641
3,697,979	3,701,504	3,471,855	3,613,674	4,077,678	3,741,740
437,980	626,660	565,362	614,076	670,939	655,170
12,016,947	11,890,816	11,011,843	12,067,067	12,962,590	12,113,168
24.5%	23.8%	21.3%	22.4%	22.4%	19.9%
11,311,640	12,810,052	14,870,476	14,985,272	15,248,081	16,249,822
4,854,354	5,053,412	5,057,259	5,427,741	5,561,921	5,396,551
15,411,143	14,483,324	14,799,086	15,547,056	17,056,776	18,083,850
31,577,137	32,346,788	34,726,821	35,960,069	37,866,778	39,730,223
64.3%	64.7%	67.1%	66.6%	65.5%	65.4%
4,777,691	5,080,183	5,385,947	5,431,444	5,638,922	6,194,834
-	-	-	-	-	757,428
292,938	292,000	222,772	138,700	300,997	150,480
54,043	20,739	12,280	10,676	488,263	1,403,088
-	-	-	-	170,896	8,704
368,400	368,400	368,400	368,400	368,400	368,400
5,493,072	5,761,322	5,989,399	5,949,220	6,967,478	8,882,934
11.2%	11.5%	11.6%	11.0%	12.1%	14.6%
\$ 49,087,156	\$ 49,998,926	\$ 51,728,063	\$ 53,976,356	\$ 57,796,846	\$ 60,726,325
1,230,376	1,297,749	1,407,005	1,417,835	1,466,706	1,518,969
\$ 39.90	\$ 38.53	\$ 36.76	\$ 38.07	\$ 39.41	\$ 39.98
\$ 3.06	\$ 3.27	\$ 2.73	\$ 3.12	\$ 2.92	\$ 2.75
-	-	-	-	-	-
1.59	1.52	1.19	1.33	1.31	1.16
68.13	74.63	81.11	79.86	86.48	90.57
31,284.00	44,761.00	40,383.00	47,237.00	51,611.00	40,948.00
7.22	7.12	6.00	6.57	6.57	5.90

**Albany County Airport Authority  
Ratios of Outstanding Debt  
For Years Ended December 31,**

	2010	2011	2012
Ratio of Authority issued Revenue Bond Debt Service to Total Expenses			
Principal	\$ 3,531,847	\$ 8,574,618	\$ 8,736,422
Interest	6,107,912	7,240,701	6,779,556
Total Debt Service	\$ 9,639,759	\$ 15,815,319	\$ 15,515,978
Total Expenses	\$ 52,594,556	\$ 54,003,450	\$ 51,114,902
Ratio of Debt Service to Total Expenses	18.33%	29.29%	30.36%
Debt Service per Enplaned Passenger			
Net Debt Service	\$ 5,913,971	\$ 10,962,543	\$ 11,054,389
Enplaned Passengers	1,264,381	1,242,399	1,244,976
Debt Service per Enplaned Passenger	\$ 4.68	\$ 8.82	\$ 8.88
Outstanding Debt (Authority and County) per Enplaned Passenger			
Outstanding debt by type:			
County of Albany Debt Issued for the Authority <1>	\$ 2,454,409	\$ 1,510,678	\$ 584,256
General Airport Revenue Bond (GARB)	132,560,000	125,340,000	117,950,000
NYS EFC	4,045,887	3,635,000	3,215,000
Subtotal	139,060,296	130,485,678	121,749,256
Unamortized Premiums/Discounts (net)	6,354,402	5,419,410	4,500,194
Total Outstanding Debt and Premiums	\$ 145,414,698	\$ 135,905,088	\$ 126,249,450
Enplaned Passengers	1,264,381	1,242,399	1,244,976
Outstanding Debt per Enplaned Passenger	\$ 115	\$ 109	\$ 101
Debt Limit per Enplaned Passenger			
Debt Limit	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000
Enplaned Passengers	1,264,381	1,242,399	1,244,976
Debt Limit per Enplaned Passenger	\$ 225	\$ 229	\$ 229

<1> Airport share of debt issued by the County prior to the creation of the Albany County Authority Authority

<2> 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	2019
\$ 8,598,074	\$ 8,102,182	\$ 8,266,000	\$ 8,567,000	\$ 8,803,000	\$ 9,419,000	\$ 7,554,000
5,361,990	5,077,305	4,797,018	4,477,430	3,730,422	3,697,735	4,248,934
\$ 13,960,064	\$ 13,179,487	\$ 13,063,018	\$ 13,044,430	\$ 12,533,422	\$ 13,116,735	\$ 11,802,934
\$ 51,790,215	\$ 52,284,702	\$ 50,837,226	\$ 51,612,168	\$ 52,746,843	\$ 57,214,049	\$ 59,848,779
26.96%	25.21%	25.70%	25.27%	23.76%	22.93%	19.72%
\$ 9,260,064	\$ 8,966,388	\$ 9,769,698	\$ 9,436,220	\$ 8,923,166	\$ 10,281,822	\$ 8,039,474
1,215,076	1,230,376	1,297,749	1,407,005	1,417,835	1,466,706	1,518,969
\$ 7.62	\$ 7.29	\$ 7.53	\$ 6.71	\$ 6.29	\$ 7.01	\$ 5.29
\$ 81,182	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
110,315,000	102,690,000	94,825,000	86,670,000	76,190,000	89,790,000	92,555,000
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	92,555,000
3,663,730	2,886,785	2,155,497	1,483,693	2,248,604	3,741,495	4,116,578
\$ 116,814,912	\$ 107,935,785	\$ 98,938,497	\$ 89,699,693	\$ 79,566,604	\$ 94,230,495	\$ 96,671,578
1,215,076	1,230,376	1,297,749	1,407,005	1,417,835	1,466,706	1,518,969
\$ 96	\$ 88	\$ 76	\$ 64	\$ 56	\$ 64	\$ 64
\$ 285,000,000	\$ 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	1,518,969
\$ 235	\$ 232	\$ 220	\$ 203	\$ 201	\$ 194	\$ 188

**Albany County Airport Authority**  
**Revenue Bond Debt Service Coverage**  
**For Years Ended December 31,**

	2010	2011	2012	2013
<b>NET REVENUES</b>				
Operating Revenues	\$ 40,952,560	\$ 43,994,350	\$ 42,700,503	\$ 42,215,294
Interest Income <1>	184,276	83,120	76,334	59,013
Air Service Development Grant	-	-	-	75,000
TSA (LEO) Reimbursement	428,984	429,204	344,845	291,420
Grant income	-	-	-	-
Improvement Charges	368,400	368,400	368,400	368,400
<b>Total Revenues</b>	<b>\$ 41,934,220</b>	<b>\$ 44,875,074</b>	<b>\$ 43,490,082</b>	<b>\$ 43,009,127</b>
LESS: Total Operating Expenses <2>	(29,886,704)	(32,675,747)	(30,797,979)	(31,661,110)
LESS: Albany County Debt Service	(1,080,407)	(1,022,352)	(967,198)	(511,616)
LESS: Air Service Incentive Cost to Airport	-	-	-	-
<b>Net Revenues</b>	<b>\$ 10,967,109</b>	<b>\$ 11,176,975</b>	<b>\$ 11,724,905</b>	<b>\$ 10,836,401</b>
<b>DEBT SERVICE</b>				
1998 B & C Revenue Bonds	1,455,142	-	-	-
1999 NYS EFC Revenue Bonds	577,873	443,618	451,094	452,309
Less: 1999 NYS EFC Interest Subsidy	(143,792)	(26,907)	(25,819)	(24,265)
2000 B Revenue Bonds	511,813	-	-	-
2003 A Revenue Bonds	746,692	748,577	744,250	742,130
2004 NYS EFC Revenue Bonds	40,893	39,362	38,642	72,452
Less: 2004 NYS EFC Interest Subsidy	(2,673)	(2,004)	(1,336)	(668)
2006 A & B Revenue Bonds	1,102,531	1,099,788	1,101,051	1,099,875
2006 C Revenue Bonds	401,838	401,429	400,822	400,013
2008 A Refunding Bonds	3,963,413	-	-	-
2010 A Refunding Bonds	2,707,162	9,628,519	9,621,151	9,622,600
Less: PFC Revenues used for Debt Service	(2,806,622)	(4,852,776)	(4,461,589)	(4,700,000)
2010 B Refunding Bonds	62,112	923,852	925,376	927,326
2017 A Refunding Bonds	-	-	-	-
2017 B Refunding Bonds	-	-	-	-
2018 A Revenue Bonds	-	-	-	-
2018 B Revenue Bonds	-	-	-	-
<b>Net Debt Service</b>	<b>\$ 8,616,382</b>	<b>\$ 8,403,458</b>	<b>\$ 8,793,642</b>	<b>\$ 8,591,772</b>
<b>DEBT SERVICE COVERAGE &lt;3&gt; &lt;4&gt;</b>	<b>1.27</b>	<b>1.33</b>	<b>1.33</b>	<b>1.26</b>
<b>&lt;3&gt; Does not include required amounts held in Bond Reserve Accounts as follows:</b>				
1998 B & C Revenue Bonds	\$ -	\$ -	\$ -	\$ -
1999 NYS EFC Bonds	277,389	277,389	277,389	277,389
2000 NYS EFC Bonds	-	-	-	-
2000 B Revenue Bonds	-	-	-	-
2003 A Revenue Bonds	514,100	514,100	514,100	514,100
2004 NYS EFC Bonds	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	-	-	-	-
2010 A Refunding Bonds	9,523,517	9,523,517	9,523,517	9,523,517
2017 A & B Refunding Bonds	-	-	-	-
2018 A & B Revenue Bonds	-	-	-	-
2019 A Revenue Bonds	-	-	-	-
<b>Total Bond Reserve Accounts</b>	<b>\$ 11,886,700</b>	<b>\$ 11,886,700</b>	<b>\$ 11,886,700</b>	<b>\$ 11,847,869</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 reflect \$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,**

2014	2015	2016	2017	2018	2019
\$ 43,594,101	\$ 44,237,599	\$ 45,738,668	\$ 48,027,140	\$ 50,829,607	\$ 51,843,389
51,374	10,784	12,280	10,676	243,269	700,892
-	-	-	-	-	-
292,938	292,000	222,772	138,700	126,921	150,480
-	-	-	-	174,077	-
368,400	368,400	368,400	368,400	368,400	368,400
\$ 44,306,813	\$ 44,908,783	\$ 46,342,120	\$ 48,544,916	\$ 51,742,274	\$ 53,063,161
(32,323,557)	(31,452,654)	(31,521,233)	(33,373,689)	(36,935,812)	(37,622,202)
(81,180)	-	-	-	-	-
-	(50,732)	(539,720)	(67,041)	(244,691)	(1,489,603)
\$ 11,902,076	\$ 13,405,397	\$ 14,281,167	\$ 15,104,186	\$ 14,561,771	\$ 13,951,356
-	-	-	-	-	-
453,637	452,972	457,308	455,397	458,514	441,549
(22,283)	(19,808)	(16,856)	(13,277)	(9,241)	(4,803)
-	-	-	-	-	-
474,876	464,391	463,473	118,080	-	-
-	-	-	-	-	-
1,102,502	1,103,706	1,098,489	275,865	-	-
403,996	402,588	400,980	99,867	-	-
-	-	-	-	-	-
9,627,239	9,625,169	10,540,689	10,549,011	10,557,831	8,112,581
(4,213,099)	(3,293,320)	(3,608,210)	(3,610,256)	(2,834,913)	(3,763,460)
925,329	924,104	-	-	-	-
-	-	-	583,089	757,375	430,225
-	-	-	913,764	1,203,925	1,130,125
-	-	-	-	-	771,322
-	-	-	-	-	703,378
\$ 8,752,197	\$ 9,659,802	\$ 9,335,873	\$ 9,371,540	\$ 10,133,491	\$ 7,820,917
1.36	1.39	1.53	1.61	1.44	1.78
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
277,389	277,389	277,389	277,389	277,389	-
-	-	-	-	-	-
-	-	-	-	-	-
514,100	514,100	514,100	-	-	-
-	-	-	-	-	-
1,128,600	1,128,600	1,128,600	-	-	-
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	1,261,496
-	-	-	-	1,475,750	1,475,750
-	-	-	-	-	556,850
\$ 11,847,869	\$ 11,847,869	\$ 11,847,869	\$ 11,062,401	\$ 12,538,151	\$ 12,817,613

**Albany International Airport  
Population in the Air Trade Area**

	2018	2010	2010 vs. 2000	2000	2000 vs. 1990	1990
<b><u>PRIMARY TRADE AREA</u></b>						
State of New York						
Albany County	307,117	304,204	3.3%	294,565	0.7%	292,594
Columbia County	59,916	63,096	0.0%	63,094	0.2%	62,982
Fulton County	53,591	55,531	0.8%	55,073	1.6%	54,191
Greene County	47,491	49,221	2.1%	48,195	7.7%	44,739
Montgomery County	49,455	50,219	1.0%	49,708	-4.4%	51,981
Rensselaer County	159,442	159,429	4.5%	152,538	-1.2%	154,429
Saratoga County	230,163	219,607	9.5%	200,635	10.7%	181,276
Schenectady County	155,350	154,727	5.6%	146,555	-1.8%	149,285
Schoharie County	31,097	32,749	3.7%	31,582	-0.9%	31,859
Warren County	64,265	65,707	3.8%	63,303	6.9%	59,209
Washington County	61,197	63,216	3.6%	61,042	2.9%	59,330
State of Massachusetts						
Berkshire County	126,348	131,219	-2.8%	134,953	-3.2%	139,352
State of Vermont						
Bennington County	35,631	37,125	0.4%	36,994	3.2%	35,845
<b>PRIMARY TRADE AREA</b>	<b>1,381,063</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	44,527	47,980	-0.2%	48,055	1.8%	47,225
Dutchess County	293,718	297,488	6.2%	280,150	8.0%	259,462
Essex County	37,300	39,370	1.3%	38,851	4.6%	37,152
Hamilton County	4,434	4,836	-10.1%	5,379	1.9%	5,279
Herkimer County	61,833	64,519	0.1%	64,427	-2.1%	65,797
Otsego County	59,749	62,259	0.9%	61,676	1.9%	60,517
Ulster County	178,599	182,493	2.7%	177,749	7.5%	165,304
State of Connecticut						
Litchfield County	181,111	189,927	4.2%	182,193	4.7%	174,092
State of Massachusetts						
Franklin County	70,963	71,372	-0.2%	71,535	2.1%	70,092
Hampden County	470,406	463,490	1.6%	456,228	0.0%	456,310
Hampshire County	161,355	158,080	3.8%	152,251	3.9%	146,568
State of Vermont						
Addison County	36,973	36,821	2.4%	35,974	9.2%	32,953
Rutland County	58,672	61,642	-2.8%	63,400	2.0%	62,142
Windham County	42,756	44,513	0.7%	44,216	6.3%	41,588
Windsor County	55,286	56,670	-1.3%	57,418	6.2%	54,055
<b>SECONDARY TRADE AREA</b>	<b>1,757,682</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>3,138,745</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	19,524,209	19,378,102	2.1%	18,976,457	5.5%	17,990,455
United States	327,167,434	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  
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

		2010	2019
Acres (+/-):		1,157	1,171
Runways:	1/19 North/South ILS / VOR / GPS	8,500 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.	90,860	91,484
	Tenants - sq. ft.	42,828	44,501
	Public/Common - sq. ft.	105,218	103,509
	Mechanical - sq. ft.	51,382	50,794
	Total - sq. ft.	290,288	290,288
	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	23.5	21.3
	Airport Operations	155.5	153.00
	Fixed Based Operator	33.0	34.0
	Total	212.0	208.30

**Albany International Airport  
Enplaned Passengers  
2010-2019**

AIRLINE	2019	Percent of Total 2019	2018	Percent of Total 2018	2017
Southwest Airlines	488,147	32.1%	565,731	38.6%	566,801
Delta Airlines	171,022	11.3%	164,105	11.2%	173,086
United Airlines	104,868	6.9%	92,342	6.3%	83,366
American Airlines	96,650	6.4%	109,476	7.5%	115,904
Jet Blue	92,149	6.1%	89,609	6.1%	90,744
American Eagle (Piedmont)	92,085	6.1%	51,098	3.5%	56,509
United Express (Commutair)	87,554	5.8%	96,702	6.6%	80,981
Allegiant Air	78,107	5.1%	3,635	0.2%	
Frontier Airlines	60,804	4.0%	11,123	0.8%	
American Eagle (PSA)	57,755	3.8%	48,234	3.3%	38,262
Delta Connection (SkyWest)	51,147	3.4%	31,211	2.1%	27,157
American Eagle (SkyWest)	27,580	1.8%			92
American Eagle (Envoy)	27,306	1.8%	43,436	3.0%	37,949
United Express (Air Wisconsin)	17,488	1.2%	10,683	0.7%	
Delta Connection (Endeavor)	14,753	1.0%	10,109	0.7%	19,527
Delta Connection (Go Jet)	13,739	0.9%	22,203	1.5%	3,651
American Eagle (Republic)	11,002	0.7%	44,001	3.0%	19,831
United Express (Express Jet)	7,019	0.5%	9,312	0.6%	3,593
United Express (Mesa)	5,712	0.4%	4,448	0.3%	8,122
United Express (SkyWest)	5,426	0.4%	15,390	1.0%	17,881
Cape Air	3,275	0.2%	11,777	0.8%	12,966
United Express (Transtates)	1,418	0.1%	11,255	0.8%	4,644
United Express (Republic)	853	0.1%	4,078	0.3%	185
United Express (Go Jet)	658	0.0%	1,162	0.1%	13,964
Delta Connection (Republic)	155	0.0%			
American Eagle (Transtates)			8,177	0.6%	3,980
OneJet			3,964	0.3%	989
Elite Airways			1,044	0.1%	
Boutique Air			827	0.1%	1,852
American Eagle (Air Wisconsin)			313	0.0%	34,044
Delta Connection (Express Jet)					524
United Express (Shuttle America)					115
Delta Connection (Shuttle America)					
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					
Sub Total	<u>1,516,672</u>	<u>99.8%</u>	<u>1,465,445</u>	<u>99.9%</u>	<u>1,416,719</u>
Charters	2,297	0.2%	1,261	0.1%	1,116
TOTAL	<u>1,518,969</u>	<u>100.0%</u>	<u>1,466,706</u>	<u>100.0%</u>	<u>1,417,835</u>

Source: Albany County Airport Authority

**Albany International Airport  
Enplaned Passengers  
2010-2019**

2016	2015	2014	2013	2012	2011	2010
569,101	557,183	525,585	504,095	504,987	511,735	511,636
158,638	160,607	112,905	68,589	72,590	46,606	18,251
95,299	85,743	69,742	30,881	51,913	64,408	66,191
115,298	101,734	84,127	89,607	87,207	81,980	83,513
87,036	5,492					
32,788	10,851	12,474	14,080	33,403	16,393	29,701
72,990	62,159	51,507	22,692	18,075		
23,360	1,170	1,168	6,935	47		1,993
4,336				1,534		
1,946						
33,591						
39,496	29,856	42,722	78,580	85,535	100,678	54,130
4,768		756				
38,616	91,520	86,721	98,369	104,199	76,919	90,263
10,964	16,517	21,713	81,039	98,820	36,282	26,609
10,653	25,002	11,165	17,467	14,014	21,460	25,230
14,603	4,862	5,258				
16,090	16,119	16,802	16,752	16,429	16,284	8,677
4,059	1,162				38	4,733
286	8,354	30,259	36,109			
5,185	15,459	13,390	32,044	18,078	7,489	47,605
52,701	68,805	62,440	43,099	28,835	51,029	35,060
13,525	26,626	38,219	26,924	12,054		
65	41		214	2	47	
1,611	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
		14,558	2,878	10,743	576	4,437
		3,401	12,129			
			3,436	4,392	4,482	4,782
				49,998	33,298	
				5,900	40,463	63,067
				5,278	1,762	26,189
				4,612	28,434	30,702
				3,843	23,615	8,001
				1,230	6,902	8,408
				146	12,302	30,699
				41		
					37,155	48,212
					18,491	12,284
						193
1,407,005	1,297,749	1,230,376	1,215,076	1,244,976	1,242,399	1,264,381
429	461	1,009	911	904	1,131	1,493
1,407,434	1,298,210	1,231,385	1,215,987	1,245,880	1,243,530	1,265,874

**Albany International Airport  
Airline Landed Weight (lbs.)  
2010-2019**

<u>Commercial Carriers</u>	2019	Percent of Total 2019	2018	Percent of Total 2018	2017
Southwest Airlines	500,895,200	27.3%	571,924,399	32.0%	579,923,601
Delta Airlines	193,329,310	10.5%	185,285,718	10.4%	197,829,323
United Airlines	130,077,387	7.1%	111,690,471	6.3%	96,782,482
American Airlines	115,775,436	6.3%	129,717,613	7.3%	142,955,406
Jet Blue	105,034,143	5.7%	103,377,946	5.8%	102,628,355
United Express (Commutair)	96,448,000	5.3%	103,927,006	5.8%	96,037,006
American Eagle (Piedmont)	94,895,104	5.2%	52,247,399	2.9%	61,141,955
Allegiant Air	84,122,513	4.6%	3,884,529	0.2%	
American Eagle (PSA)	65,256,809	3.6%	60,450,498	3.4%	48,282,802
Delta Connection (Sky West)	58,877,612	3.2%	34,467,201	1.9%	29,942,300
Frontier Airlines	54,948,790	3.0%	11,049,772	0.6%	
American Eagle (SkyWest)	34,103,000	1.9%	67,000	0.0%	134,000
American Eagle (Envoy)	32,802,755	1.8%	53,400,168	3.0%	48,111,665
United Express (Air Wisconsin)	18,659,000	1.0%	11,562,000	0.7%	
Delta Connection (Endeavor)	16,654,910	0.9%	12,478,297	0.7%	21,488,406
Delta Connection (Go Jet)	16,331,904	0.9%	24,185,598	1.4%	3,791,201
American Eagle (Republic)	13,263,507	0.7%	54,108,619	3.0%	24,958,355
United Express (Express Jet)	9,487,770	0.5%	11,104,057	0.6%	4,112,026
United Express (Mesa)	6,432,000	0.4%	4,623,000	0.3%	8,860,000
United Express (SkyWest)	6,227,313	0.3%	17,178,060	1.0%	18,891,990
Charters	5,514,002	0.3%	2,964,555	0.2%	2,376,000
Cape Air	4,644,301	0.3%	14,261,700	0.8%	15,933,102
United Express (Transtates)	1,489,869	0.1%	11,342,682	0.6%	4,305,591
United Express (Republic)	1,343,937	0.1%	4,861,628	0.3%	291,898
United Express (Go Jet)	670,000	0.0%	1,273,000	0.1%	14,472,000
Delta Connection (Republic)	514,116	0.0%	514,123	0.0%	291,888
OneJet			11,115,418	0.6%	3,336,049
American Eagle (Transtates)			8,162,550	0.5%	4,146,748
Boutique Air			2,489,923	0.1%	4,934,982
Elite Airways			2,182,000	0.1%	
American Eagle (Air Wisconsin)			423,000	0.0%	38,399,000
Delta Connection (Express Jet)			67,000	0.0%	911,502
Delta Connection (Shuttle America)					147,268
United Express (Shuttle America)					144,623
Delta Connection (Compass)					
American Eagle (Mesa)					
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					
	1,667,798,688	90.9%	1,616,386,930	90.6%	1,575,561,524
<u>Cargo Carriers</u>					
United Parcel Service	103,060,000	5.6%	102,199,838	5.7%	102,618,000
Federal Express	53,262,000	2.9%	51,876,000	2.9%	50,420,000
Wiggins Airways	7,182,500	0.4%	9,163,514	0.5%	10,166,496
Ameriflight	4,390,800	0.2%	4,670,805	0.3%	4,233,647
Air Now					
<u>Misc Cargo Carriers</u>					
	167,895,300	9.1%	167,910,157	9.4%	167,438,143
<b>Grand Total</b>	<b>1,835,693,988</b>	<b>100.0%</b>	<b>1,784,297,087</b>	<b>100.0%</b>	<b>1,742,999,667</b>

Source: Albany County Airport Authority

**Albany International Airport  
Airline Landed Weight (lbs.)  
2010-2019**

2016	2015	2014	2013	2012	2011	2010
586,092,000	563,978,000	564,078,000	556,334,000	569,014,000	571,920,000	572,100,000
183,615,710	182,901,118	127,177,598	87,394,799	91,360,813	53,982,509	20,349,608
126,927,674	107,841,768	85,883,301	41,049,688	71,647,362	86,114,744	89,909,713
139,386,707	114,046,440	91,538,758	92,454,358	84,659,102	81,480,800	80,754,302
104,956,520	6,256,712					
83,099,012	73,147,505	62,790,000	25,018,500	19,233,003		
39,101,103	12,780,307	14,116,804	16,170,306	46,331,413	35,475,009	48,466,505
29,126,003	1,476,401	1,157,201	8,104,000	134,000		2,997,000
4,573,100				1,504,000		
2,867,000						
42,416,420						
42,351,100	32,467,901	46,824,798	85,479,997	91,611,511	110,381,509	60,855,208
5,261,399	201,000	1,072,000	268,000			
50,137,054	102,046,749	31,496,000	136,527,617	136,105,502	111,779,265	123,518,991
11,818,840	16,833,427	22,487,074	87,352,775	103,135,949	37,630,283	28,116,619
11,524,000	26,666,000	12,328,000	19,832,000	15,745,000	26,532,000	30,218,000
14,888,118	4,856,000	5,511,000		47,000		
1,012,000	1,164,000	2,756,784	2,500,198	4,119,338	4,145,995	5,722,930
20,413,009	21,029,502	21,029,500	21,276,102	21,296,654	25,995,749	21,385,706
4,156,332	1,241,634				42,548	5,616,465
522,057	9,052,000	104,824,601	45,756,000			
5,427,000	16,214,000	15,075,000	38,659,000	20,368,000	9,695,000	59,831,000
63,497,000	78,396,000	69,325,000	54,426,000	36,049,000	67,351,000	49,914,000
15,960,701	30,950,102	41,728,699	30,800,102	13,969,006		
1,489,218	6,601,260	72,310			74,958	
72,311	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
		13,828,429	2,850,784	12,977,453	1,021,174	5,105,879
		3,574,118	14,211,365			
			6,092,200	8,797,995	8,200,404	11,122,003
				49,228,000	35,898,000	
				11,780,000	39,308,000	40,405,906
				9,457,726	42,769,610	63,076,374
				5,624,606	2,820,000	29,995,506
				5,515,502	29,176,504	10,453,508
				4,617,006	19,266,005	25,450,508
				225,299	15,802,598	37,117,103
				42,549		
					42,377,404	54,193,008
					19,552,000	12,831,000
					1,361,544	
						196,200
1,590,691,388	1,412,705,425	1,368,073,711	1,408,142,527	1,448,273,847	1,484,333,528	1,516,417,163
103,574,000	100,192,000	101,441,920	99,121,840	98,839,841	100,395,604	98,503,762
51,084,000	50,886,000	51,480,000	50,651,000	51,171,000	51,337,000	42,670,000
9,992,302	7,471,500	7,493,598	7,250,511	7,378,000	7,514,000	7,684,009
4,100,650	4,273,641	4,066,902	3,996,509	3,961,299	4,054,101	4,142,604
				5,401	45,901	
168,750,952	162,823,141	164,482,420	161,019,860	161,355,541	163,346,606	153,000,375
1,759,442,340	1,575,528,566	1,532,556,131	1,569,162,387	1,609,629,388	1,647,680,134	1,669,417,538

**Albany International Airport  
Aircraft Operations  
2010-2019**

<u>Commercial Carriers</u>	2019	Percent of Total 2019	2018	Percent of Total 2018	2017
Southwest Airlines	7,524	18.8%	8,586	19.7%	8,864
United Express (Commutair)	4,384	11.0%	4,730	10.9%	4,946
American Eagle (Piedmont)	4,348	10.9%	1,568	3.6%	1,446
Delta Airlines	2,838	7.1%	2,770	6.4%	3,040
American Eagle (Republic)	2,450	6.1%	492	1.1%	
United Airlines	1,738	4.3%	578	1.3%	610
American Airlines	1,660	4.1%	1,466	3.4%	1,330
Delta Connection (Sky West)	1,588	4.0%	518	1.2%	196
Jet Blue	1,478	3.7%	706	1.6%	112
Cape Air	1,356	3.4%	4,164	9.6%	4,652
Allegiant Airlines	1,206	3.0%	2,394	5.5%	2,946
American Eagle (Transtates)	1,018	2.5%	92	0.2%	
American Eagle (Envoy)	948	2.4%	744	1.7%	424
United Express (Air Wisconsin)	794	2.0%	1,444	3.3%	666
Frontier Airlines	760	1.9%	1,848	4.2%	2,060
Delta Connection (Go Jet)	466	1.2%	48	0.1%	38
Delta Connection (Endeavor)	446	1.1%	496	1.1%	188
United Express (Express Jet)	432	1.1%	56	0.1%	
American Eagle (SkyWest)	354	0.9%	2	0.0%	26
United Express (SkyWest)	240	0.6%	374	0.9%	190
United Express (Mesa)	192	0.5%	138	0.3%	264
United Express (Transtates)	68	0.2%	130	0.3%	8
United Express (Republic)	36	0.1%	14	0.0%	8
United Express (Go Jet)	20	0.0%	360	0.8%	802
Delta Connection (Republic)	14	0.0%	18	0.0%	1,634
American Eagle (Air Wisconsin)			1,454	3.3%	1,446
Elite Airways			2,292	5.3%	1,506
American Eagle (PSA)			1,222	2.8%	1,134
Boutique Air			502	1.2%	978
OneJet			156	0.4%	
Delta Connection (Express Jet)			38	0.1%	432
Delta Connection (Shuttle America)			2	0.0%	4
United Express (Shuttle America)					4
Charters					4
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)					
	36,358	90.8%	39,402	90.5%	39,958
<u>Cargo Carriers</u>					
Wiggins Airways	1,690	4.2%	2,154	4.9%	2,390
United Parcel Service	904	2.3%	886	2.0%	974
Ameriflight	546	1.4%	584	1.3%	534
Federal Express	538	1.3%	524	1.2%	508
Air Now					
Misc. Cargo Carriers					
	3,678	9.2%	4,148	9.5%	4,406
Grand Total	40,036	100.0%	43,550	100.0%	44,364

Source: Albany County Airport Authority

**Albany International Airport  
Aircraft Operations, Con't  
2010-2019**

2016	2015	2014	2013	2012	2011	2010
8,900	8,632	8,710	8,670	9,018	9,152	9,182
4,396	3,960	3,380	1,286	998		
1,510						
2,792	2,718	1,842	1,250	1,318	786	342
530	176	226		2		
1,636	1,428	1,186	590	1,028	1,232	1,280
190	58				2	264
144	6	32	8			
5,960	6,140	6,140	6,212	6,218	7,590	6,244
1,902	754	832	954	2,668	2,100	2,754
1,346	2,760	2,838	3,688	3,700	3,034	3,360
2,010	1,576	1,380	1,462	1,426	1,388	1,348
16	48	58	41	67	69	56
540	768	1,022	3,946	4,716	1,716	1,286
502	940	1,350	852	442		
344	796	368	592	470	792	988
14	292	1,016	1,476			
1,514	1,048	1,696	3,482	3,438	4,440	2,360
2,702	3,336	2,950	2,316	1,534	2,866	2,124
1,476	88					
864	40	46	344	4		102
190				64		
162	484	450	1,154	608	288	1,786
122						
70	300	2			2	
2	4		16	4	4	
	50	134	596	356	88	550
	16	664	350	2	18	166
		650	134	612	48	246
		168	668			
			734	1,060	988	1,340
				1,780	1,158	
				432	1,962	2,964
				324	1,368	1,866
				298	1,582	606
				214	120	1,238
				188	1,268	1,246
				6	462	1,088
				2		
					1,222	1,624
					832	546
39,834	36,418	37,140	40,821	42,997	46,577	46,956
2,350	1,758	1,760	1,706	1,740	1,687	1,770
982	952	964	942	936	950	934
456	550	526	518	526	524	542
476	514	520	468	518	520	516
				2	6	
4,264	3,774	3,770	3,634	3,722	3,687	3,762
44,098	40,192	40,910	44,455	46,719	50,264	50,718

**Albany International Airport  
Aircraft Operations  
2010-2019**

Year	Airlines	Cargo	General Aviation	Military	Total
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
2019	36,446	3,678	17,680	3,944	61,748
Annual Compounded Change 2010-2019	-22.3%	-2.2%	-42.4%	-44.7%	-30.2%

DRAFT

**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  
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 American Eagle  
Sky West d/b/a Delta Connection  
Sky West d/b/a United Express  
TransStates 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	Orlando Sanford (SFB) Punta Gorda (PGD) St. Pete–Clearwater (PIE)	
American	Charlotte (CLT) Chicago O'Hare (ORD) Philadelphia (PHL) Washington National (DCA)	
Delta	Atlanta (ATL) Detroit (DTW)	
Frontier	Fort Myers (RSW) Orlando Int'l (MCO)	
JetBlue	Fort Lauderdale (FLL) Orlando Int'l (MCO)	
Southwest	Baltimore (BWI) Chicago Midway (MDW) Denver (DEN) Fort Lauderdale (FLL) Fort Myers (RSW) Orlando Int'l (MCO) Tampa (TPA)	Atlanta (ATL) Boise (BOI) Charleston (CHS) Charlotte (CLT) Dallas/Fort Worth (DFW) Las Vegas (LAS) New Orleans (MSY) Raleigh/Durham (RDU) San Diego (SAN) San Juan (SJU) St. Louis (STL) West Palm Beach (PBI)
United	Chicago O'Hare (ORD) New York/Newark (EWR) Washington Dulles (IAD)	Las Vegas (LAS)  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 2020

Source: Official Airline Guide Schedule, February 2020

**Albany International Airport  
Primary Origination and Destination Passenger Markets**

Market	Length	Rank	2019 Passengers	Rank	2018 Passengers	Rank	2010 Passengers
Orlando (1)	MH	1	362,687	1	289,848	1	217,980
Southeast Florida (2)	MH	2	212,125	2	223,850	3	159,180
Tampa (3)	MH	3	159,785	3	135,560	5	119,040
Chicago (4)	MH	4	131,573	4	123,743	4	119,880
Denver	MH	5	114,424	5	102,741	9	55,260
Atlanta	MH	6	107,545	6	100,911	8	55,740
Fort Myers (6)	MH	7	98,500	14	49,333	14	43,330
Washington, DC (5)	SH	8	95,479	8	94,978	10	49,990
Baltimore	SH	9	93,795	7	95,069	2	182,070
Charlotte	SH	10	72,883	10	64,643	17	39,140
Los Angeles	LH	11	69,253	9	74,093	7	59,870
Las Vegas	LH	12	64,238	11	62,907	6	85,370
Raleigh/Durham	SH	13	54,828	17	38,911	13	43,720
San Francisco	LH	14	51,419	12	55,054	11	46,180
Phoenix	LH	15	48,575	13	50,777	12	45,690
Detroit	MH	16	45,859	18	35,900	18	34,670
Minneapolis	MH	17	41,395	15	44,831	19	33,270
San Diego	LH	18	38,863	16	42,176		N/A
Seattle/Tacoma	LH	19	37,662	19	35,433	20	32,550
Nashville	MH	20	37,549		N/A		N/A

\* 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 Orlando and Orlando Sanford

(2) Includes Fort Lauderdale, Miami, and West Palm Beach

(3) Includes Tampa and St. Petersburg

(4) Includes Midway and O'Hare

(5) Includes National and Dulles

(6) Includes Fort Myers and Punta Gorda

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, 2019, 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 \_\_, 2020.

**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.

Latham, NY  
March \_\_, 2020

DRAFT

**Albany County Airport Authority**  
**Schedule of Expenditures of Federal and NYS DOT Financial Assistance**  
**December 31, 2019**

Federal Project Number	NYS Project Number	Federal * Percent	Description Of Project	CFDA Number	Total Grant Amount		Year Ended 12/31/19 Expenditures	
					Federal	State	Federal	State
<i><u>CAPTITAL CONTRIBUTIONS:</u></i>								
<b>Direct Award - Department of Transportation Airport Improvement Program</b>								
132-17	1A00.21	90.00%	Passenger Boarding Bridges Gate B9	20.106	\$ 1,013,342	\$ 56,297	\$ (315)	\$ (18)
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	3,404,073	189,115	751,596	41,754
135-18	1A00.24	90.00%	Passenger Boarding Bridges B5, B7, B8 and C3	20.106	3,330,123	185,007	3,224,139	179,119
136-18	1A00.25	90.00%	Terminal Escalators 16-17 and 20-21	20.106	1,774,141	98,564	1,467,944	81,552
137-18	1A00.26	90.00%	Runway 10-28 and Taxiway C and Design	20.106	159,975	8,888	6,053	336
138-19	1A00.27	90.00%	Runway 10-28 and Associated Taxiways Edge Lighting	20.106	2,603,546	144,642	1,363,044	75,725
140-19	1A00.29	90.00%	Airfield Drainage Improvements Phase II	20.106	1,638,140	94,508	256,391	14,244
	1A00.97		Parking Garage	20.106	-	22,131,901	-	17,636,445
	1A00.98		Terminal Ramp Deicing Drainage System Replacement	20.106	-	616,000	-	44,526
TOTAL CAPITAL CONTRIBUTION					<u>\$13,923,340</u>	<u>\$23,524,922</u>	<u>\$ 7,068,852</u>	<u>\$18,073,683</u>
<i><u>NON-OPERATING GRANTS:</u></i>								
<b>Direct Award - U.S. Department of Homeland Security</b>								
N/A	N/A	N/A	TSA Law Enforcement Officer Cooperative Agreement	97.090	\$ 150,480	\$ -	\$ 150,480	\$ -
TOTAL NON-OPERATING GRANTS					<u>\$ 150,480</u>	<u>\$ -</u>	<u>\$ 150,480</u>	<u>\$ -</u>
GRAND TOTAL					<u>\$14,073,820</u>	<u>\$23,524,922</u>	<u>\$ 7,219,332</u>	<u>\$18,073,683</u>

(\*) 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, 2019**

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, 2019. 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. There were no funds provided to subrecipients.

**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, 2019. 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, 2019.

### **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.

Latham, NY  
March \_\_, 2020

**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, 2019.

***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, 2019.

## **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.

Latham, NY  
March \_\_, 2020

**Albany County Airport Authority**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2019**

**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, 2019.
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

Albany County Airport Authority  
 Schedule of Passenger Facility Charges  
 Collected and Expended

For the Year Ended December 31, 2019

Quarter Ended	PFC Charges Received	Interest Earned	Total Received	Expenditures on Approved Projects	
Beginning Balance	\$101,415,318	\$2,856,834	\$104,272,152	\$90,713,544	\$13,558,608
3/31/2019	1,039,280	72,163	1,111,443	1,129,038	
6/30/2019	1,521,395	75,827	1,597,222	1,129,038	
9/30/2019	1,499,976	76,246	1,576,222	1,129,038	
12/31/2019	1,514,345	66,539	1,580,884	376,347	
Total 2019	<u>5,574,996</u>	<u>290,775</u>	<u>5,865,771</u>	<u>3,763,461</u>	<u>2,102,310</u>
Total Program to Date	<u>\$106,990,314</u>	<u>\$3,147,609</u>	<u>\$110,137,923</u>	<u>\$94,477,005</u>	
PFC Funds to be used for future debt service payments:					<u>\$15,660,918</u>

PFC and Interest Received	12/31/2018 PFC Receivable	12/31/2019 PFC Receivable	PFC Net Income Per Financials
\$ 5,865,771	\$ (345,671)	\$ 674,734	\$ 6,194,834

**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, 2019. 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, 2019**

**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, Vice-Chair** 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.

**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 Scautub 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 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 Common Retirement Fund.

**Sari O'Connor**, Principal at the Albany Consulting Group, has more than a decade of experience in community relations, development and fundraising, and communications to support non-profits in the greater Capital Region. Her professional experience includes arts and culture and human services serving as Executive Operating Officer at the Palace Performing Arts Center and Chief Development Officer at Northern Rivers Family Services. Sari graduated Adelphi University Cum Laude and earned a Master's Degree in Education from SUNY Stony Brook. She also achieved Certificates of Completion in Human Resources from Indiana/Purdue University and Performance Measurement for Effective Management of Nonprofit Organizations from the Harvard Business School Executive Education Program. In addition to supporting numerous educational, artistic and philanthropic organizations, Sari currently serves as the Volunteer Executive Director of the Albany Police and Fire Foundation. Prior service includes, a Mayoral appointee on the City of Albany Planning Board, Charter Review Commission and Board of Zoning Appeals. She was also the founder and volunteer chair of "A Community of Excellence" at The College of Saint Rose raising more than \$1.5 million for student scholarships and the Sullivan Institute during her ten years as chairwoman.

DRAFT

## **Biographies of the Albany County Airport Authority Senior Staff**

**Philip F. Calderone**, began serving as the Chief Executive Officer of the Authority on December 2, 2019. Previously, Mr. Calderone served as Albany County's Deputy County Executive since January 2014 when he was appointed to the position by County Executive Daniel P. McCoy. As Deputy County Executive, Mr. Calderone provided oversight and development of policies and operations for all executive departments and agencies. He also acted as counsel to the County Executive on a variety of legal issues. Prior to his service as Deputy County Executive, he served in a similar role for 19 years as the Deputy Mayor of Albany, having been appointed to that newly created position in 1996 by then Mayor Gerald D. Jennings. Prior to his years in public service, Mr. Calderone was an "A" rated attorney in the Albany law firm of Garry, Cahill, Edmunds and Calderone where he maintained a private legal practice focusing on civil litigation, commercial law and financial planning. Mr. Calderone serves on numerous non for profit boards in the community, was awarded the Commitment to Excellence Award by the Urban League and the Distinguished Alumni Award by the Albany Law School among other honors and recognitions.

**Michael F. Zonsuis, CPA**, Chief Financial Officer, is responsible for financial planning, budgeting, operating and capital accounting procedures and controls, financial policies and procedures, cash and debt management, issuance of debt, post debt issuance compliance, financial reporting, original and continuing disclosure, procurement, insurance, information technology, and air service development. Mr. Zonsius was hired by the Authority in September 2019. Mr. Zonsius has held Chief Financial Officer positions for the Chicago Department of Aviation, the City of Kansas City Department of Aviation, the Greater Rockford Airport Authority and the Chicago Executive Airport. He has also worked as the General Manager for AvPorts Management, LLC at the Gary Chicago International Airport and the Assistant Treasurer for the Village of Tinley Park, Illinois.

**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, 2019 with draft consultant report;**

**AGENDA ITEM NO: 14.2**  
**MEETING DATE: March 16, 2020**

**ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION**

**ACAA Approved**  
**03/16/2020**

**DEPARTMENT: Finance**

Contact Person: *Audit Committee*  
*Michael F. Zonsius, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-third Comprehensive Annual Financial Report as of and for the year ended December 31, 2019 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- The Authority's 2019 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 2019 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2019 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- Comprehensive Annual Financial Report for the year-ended 2019 with draft auditor reports;
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2019 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 2019; and
- Financial Statements – Other Post Employment Benefit Trust

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 16, 2020 meeting and will present their recommendations for approval by the Board.



**2019**

**AIRLINE RATES AND CHARGES  
SETTLEMENT AND REVENUE SHARING TRANSFER  
CALCULATION**

**Year Ended December 31, 2019**

**MARCH 16, 2020**

March 09, 2020

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 2019

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 2019 to assess its accuracy, completeness, and conformity with requirements. In connection with this review of the 2019 Settlement Report, we examined the 2019 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 2019 Settlement Report.

We found the operating revenues and operating expenses presented in the 2019 Settlement Report to be in agreement with the Authority's Comprehensive Annual Financial Report for the year ended December 31, 2019, and with the 2019 Settlement Calculation. We believe the methodology used in the 2019 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

ALB

# ALBANY COUNTY AIRPORT AUTHORITY ALBANY INTERNATIONAL AIRPORT

## INTRODUCTION

This report presents the 2019 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. During 2019, there were a total of seven signatory passenger carriers, seventeen signatory affiliate carriers, and two signatory cargo carriers operating at the Airport.

### **Overview:**

Airport revenues and expenses in 2019 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:

	2019 Actual	2018 Actual	2019 vs. 2018	% inc/ (dec)	2019 Budget	2019 vs. Budget	% inc/ (dec)
Enplanements	1,518,969	1,466,706	52,263	3.6%	1,500,000	18,969	1.3%
Passenger Landed Weight (M-lbs)	1,667,798	1,616,387	51,411	3.2%	1,671,063	(3,265)	-0.2%
Cargo Landed Weight (M-lbs)	167,895	167,910	(15)	0.0%	169,884	(1,989)	-1.2%

The results for 2019 after including the Rates and Charges adjustments and the results of the Revenue Sharing calculation can be summarized as follows:

	Budget	Actual
Revenues (before Revenue Sharing)	\$ 55,308,944	\$ 56,737,993
Expenses		
Operating & Non-Capital Equipment	38,065,676	37,622,202
Debt Service, net of PFCs	7,404,275	7,880,937
Capital Expenditures	3,306,134	3,449,308
Reserves	435,880	435,880
Total Expenses	<u>49,211,965</u>	<u>49,388,327</u>
Funds Remaining	<u>\$ 6,096,979</u>	<u>\$ 7,349,666</u>
Revenue Sharing		
Authority (50%)	\$ 3,048,490	\$ 3,674,833
Less: Cost of Air Service Incentives	<u>(1,000,000)</u>	<u>(1,489,603)</u>
Authority Net Share	\$ 2,048,490	\$ 2,185,230
Airlines (50%)	<u>3,048,490</u>	<u>3,674,833</u>
Total	<u>\$ 6,096,979</u>	<u>\$ 7,349,666</u>

The final rates and charges settlement and revenue sharing calculation for 2019 will result in the Authority crediting the Airlines \$4,449,154. The settlement impact on the Rates and Charges can be summarized as follows:

	Rates	Settlement
Landing Fee:		
Budget rate calculation	\$ 3.35	
Final rate per settlement	\$ 2.75	\$ (1,058,194)
Terminal Rental Fee:		
Budget rate calculation	\$ 83.59	
Final rate per settlement	\$ 90.57	494,128
Apron Fee:		
Budget rate calculation	\$ 1.48	
Final rate per settlement	\$ 1.16	(173,713)
Loading Bridge Fee:		
Budget rate calculation	\$ 43,232	
Final rate per settlement	\$ 40,948	(36,542)
Total Rates and Charges Settlement		<u>(774,321)</u>
Revenue Sharing		<u>(3,674,833)</u>
Total Due to the Airlines		<u>\$ (4,449,154)</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 2019.

Tables 1 through 4 present a detailed comparison of 2019 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 2019. Revenues in 2019, after the settlement and revenue sharing, were \$53,063,161, higher than the amount budgeted of \$52,260,454 by \$802,706 or 1.5%. 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 \$734,967, resulted in final revenues being lower than the amounts budgeted by \$1,173,882. The landing fee as budgeted was \$3.35 and the final settlement calculated a rate of \$2.75 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 \$1,058,194.
- Airline terminal rental revenues, including the revenue sharing credit of \$2,939,866 resulted in final revenues being higher than the amount budgeted by \$279,997. The terminal rental rate after the settlement was \$90.57 versus the budgeted at \$83.59. This resulted in a settlement due from the signatory carriers of \$494,128.
- Apron fee revenues, a 10% allocation of the landing fee requirement, including a settlement credit of \$173,713 resulted in final revenues being below budget by \$116,296 due to a decrease in the 10% landing fee requirement in the landing fee calculation. The final apron fee rate was \$1.16 per square foot versus the \$1.48 rate budgeted.
- Loading bridge revenues, including the settlement credit due to the signatory carrier of \$36,542 resulted in final revenues being \$93,159 higher than the budget due to higher than budgeted expenses.
- Glycol Disposal Fees were \$69,470 or 19.3% higher than budget due to increased deicing activity during the winter season.

### ***Fixed Based Operator (FBO) Revenues:***

Highlights from the Airport owned FBO operated by R.E.W. Investment (d/b/a Million Air) to perform all of the daily operations in 2019 were as follows:

- The sales of Jet A and AvGas fuels to general aviation customers were \$110,096 or 1.8% lower than the budgeted amount. The number of Jet A and AvGas gallons sold in total was 1,283,073, an increase of 30,422 or 2.4% as compared to 1,252,651 budgeted for 2019. The net results for the sales of Jet A (revenues minus the cost of sales) for 2019 was \$2,072,886 which was 1.1% higher than the budget of \$2,049,395. The net results for the sales of AvGas for 2019 was \$66,044 or 6.2% higher than the budget of \$62,190.
- Auto and Diesel net fuel sales to the airlines were \$75,504.
- 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 2019, into-plane fees were \$23,541 or 3.5% higher than the budget. Fuel farm fees were \$24,245 or 3.9% higher than the budget.
- General Aviation landing fees were \$10,389 or 3.8% higher than the budget and General Aviation aircraft parking fees were \$6,611 or 3.2% lower than the budget.
- AvGas Commercial net fuel sales were \$15,208, 35.5% lower than the budget of \$23,562 due to the discontinuation of service by Cape Air in May 2019.
- Deicing services are performed for both the commercial airlines and the general aviation customers. Net deicing revenues were \$683,920, 124.1% 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 2019, rents of the hangar and ramp were \$35,736 or 9.2% lower than the budget and ancillary customer services were \$23,318 or 38.5% higher 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 \$774 higher than the budget of \$737,745.

#### ***Ground Transportation Revenues:***

- Parking revenues were \$966,489 or 6.3% higher than the budget. The parking revenue increase is due to a full year of a rate increase implemented in November 2018 and higher enplanement levels. Access fee revenues were \$37,342 or 11.3% lower than the budget due to the impact of the Transportation Network Companies (TNCs). Revenues from TNCs were \$163,460 or 81.7% higher than the budget.

**Concessions:**

- Revenues generated from the concessions totaled \$8,496,950. This is \$485,298 or 6.1% higher than the budget due primarily to higher revenues from rental cars and food & beverage.

**Other Airport:**

- The revenue generated from other airport sources was \$4,626,970. This is \$32,908 or 0.7% higher than the budget.

**Other (Non-Operating) Revenues:**

- Interest earnings allocated to the airline revenue centers under the Master Bond Resolution were \$700,892 in 2019. 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 \$11,780 or 8.5% higher than the budget.
- Revenues from Improvement Charges were \$368,400, in line with the 2019 budget.

## EXPENSES

Table 2 presents the 2019 adopted budget and audited expenses by category and cost center. The 2019 actual expenses were \$37,622,202, lower than the budget of \$38,065,676 by \$443,474 or 1.3%. The majority of this variance is the cost personnel services and benefits, public safety and airfield material and supplies.

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	\$ 7,805,707	\$ 3,694,377	\$ 11,500,084	\$ 7,659,253	\$ 3,529,481	\$ 11,188,734
FBO	1,449,218	578,100	2,027,318	1,504,385	554,064	2,058,449
Authority	1,976,885	1,396,127	3,373,012	2,014,924	1,719,558	3,734,482
Total	\$ 11,231,810	\$ 5,668,604	\$ 16,900,414	\$ 11,178,562	\$ 5,803,103	\$ 16,981,665

The primary variances in each of the cost centers are a result of the following:

- Airfield expenses were \$311,577 or 9.1% lower than the budget due primarily to savings in salaries and benefits and snow removal services offset by higher than the budget expenses for non-capital equipment.
- Terminal expenses were \$187,332 or 3.3% higher than the budget due primarily to higher than budgeted expenses for janitorial services and higher building maintenance expenses.
- Loading Bridge expenses were \$536 higher than the budget.
- Parking expenses were \$231,910 or 4.9% higher than the budget due to higher than the budgeted expenses for building and grounds maintenance.
- Landside expenses were \$126,332 or 9.6% higher than the budget due to higher than the budgeted building maintenance expenses.
- ARFF expenses were \$5,768 lower than the budget.
- Operations expenses were \$94,945 or 9.2% higher than the budget due to higher personnel and benefit expenses.
- Security expenses were \$336,297 or 10.7% lower than the budget primarily due to lower than the budget County Sheriff's expenses.
- Vehicle/Equipment Maintenance expenses were \$229,619 or 13.1% lower than the budget due to savings in personnel and benefits and non-capital equipment. Certain non-capital equipment was not purchased as budgeted.

- The FBO Commercial expenses were \$232,551 or 9.1% lower than the budget due to cost of glycol purchased for deicing services and savings in personnel services and benefits.
- The FBO General Aviation and Facilities expenses were \$18,386 or 0.3% lower than the budget due to higher than the budget cost of personnel services and employee benefits offset by a saving in the cost of Jet and AvGas purchases.
- FBO Administration expenses were \$48,781 or 7.1% lower than the budget due to savings in all categories.
- Airport Management Administration expenses were \$133,383 or 14.6% higher than the budget due to higher than budgeted personnel services and benefits.
- Authority Administration expenses were \$34,933 or 0.7% lower 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 2019 are set forth in Table 2-2.

## **DEBT SERVICE**

A summary of 2019 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 3-4)
- Series 2017A & B General Airport Revenue Bonds (Table 3-2)
- Series 2018A & B General Airport Revenue Bonds (Table 3-3)

In total, actual debt service expenditures, net of PFCs in 2019 were \$7,880,938 which is higher than the amount budgeted of \$7,404,275 due to the reduction of PFCs used for the 2010A Refunding Bonds.

## **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 2019 was \$3,449,308. 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 2019 of \$2.75 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 2019 was \$3.35. This \$0.60 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 \$0.60 landing fee rate differential resulting in a credit of \$1,058,194 due to the signatory carriers. The individual settlement for each signatory airline and cargo carrier is calculated by multiplying the \$0.60 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 \$633,074 is an allocation equal to 10% of the airfield total requirement. The amount billed during 2019 was \$806,787 resulting in a credit of \$173,713 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 2019 of \$90.57 is determined by taking the Net Terminal Requirement and dividing by the total rentable terminal space. The terminal rental rate budgeted in 2019 was \$83.59, or a \$6.98 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 \$6.98 terminal rental settlement which results in \$335,759 due from the signatory carriers. \$369,996 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 \$124,132 of the terminal rental settlement.
- Table 8 presents the loading bridge settlement. The total loading bridge requirement was \$655,170 and the amount billed was \$691,712. This resulted in a \$36,542 settlement due to 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 2019, the funds remaining, after including all of the above settlements, was \$7,349,666 of which 50%, or \$3,674,833, is the Airlines' share. Per the Agreement, the airline share is allocated 80% to the terminal, \$2,939,866, and 20% to the airfield, \$734,967.
- Table 9-1 presents the allocation of the airfield portion of the revenue sharing. The amount of \$734,967 is distributed to each of the passenger signatory carriers based on their total 2019 landed weight.
- Table 9-2 presents the allocation of the terminal portion of the revenue sharing. The amount of \$2,939,866 is distributed to each of the passenger signatory carriers based on their prorated share of the 2019 total airline portion of the terminal rentable space and common use space.
- Table 10 presents the Airline Cost per Enplanement for 2019. This calculation is after including all the settlement and revenue sharing calculation shown in Tables 6 through 9. For 2019, the airline cost per enplanement from airport operations was \$5.90. This is a decrease of 11.8% from the \$6.69 anticipated in the adopted budget.

## **ALLOCATION OF 2019 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 2019.

DRAFT

Table 1  
Albany County Airport Authority  
Albany International Airport  
2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**REVENUES**  
(page 1 of 2)

	Budget 2019	Audited 2019
<b>AIRFIELD</b>		
Airline Landing Fees	\$5,619,263	\$4,673,510
Airline Airfield Revenue Sharing	(609,698)	(734,967)
Cargo Landing Fees	581,237	478,378
Glycol Disposal Fee	360,059	429,529
Airline Apron Fee	749,370	633,074
Tenant Maintenance	35,000	61,816
Control Tower Rental	665,776	665,776
	<u>\$7,401,008</u>	<u>\$6,207,116</u>
<b>FBO</b>		
Jet A Fuel Sales	\$5,782,543	\$5,622,733
Avgas Fuel Sales General Aviation	274,825	324,539
Auto Gas Fuel Sales	95,068	109,412
Diesel Fuel Sales	235,513	208,288
Into-plane	666,474	690,015
Fuel Farm	626,337	650,582
General Aviation Landing Fees	276,222	286,611
General Aviation Parking Fees	206,657	200,046
Avgas Fuel Sales Commercial	256,631	135,402
Deicing Type I - Sprayed	612,000	986,147
Deicing Type IV - Sprayed	82,320	127,795
Deicing Type I - Consortium	505,500	453,382
Deicing Type IV - Consortium	137,720	101,318
Deicing - GA	40,600	95,077
General Aviation Tenants	387,384	351,648
General Aviation Customer Services	60,578	83,896
	<u>\$10,246,373</u>	<u>\$10,426,891</u>
<b>TERMINAL</b>		
Airline Space Rental	\$5,900,535	\$6,681,606
Airline Terminal Revenue Sharing	(2,438,791)	(2,939,866)
TSA Space Rental	448,828	448,828
Nonairline Space Rental - Flat Rate	80,186	80,186
Nonairline Space Rental - Signatory Rate	41,069	41,069
Nonairline Space Rental	167,662	168,436
FIS Facility Use Fee	-	-
Loading Bridge Rentals	562,011	655,170
Tenant Maintenance	25,000	18,847
Utility Reimbursement	24,000	24,277
	<u>\$4,810,499</u>	<u>\$5,178,552</u>
<b>GROUND TRANSPORTATION</b>		
Parking	\$15,283,333	\$16,249,822
Access Fees	330,969	293,627
TNCs	200,000	363,460
	<u>\$15,814,302</u>	<u>\$16,906,909</u>

Table 1  
Albany County Airport Authority  
Albany International Airport  
2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**REVENUES**  
(page 2 of 2)

	Budget 2019	Audited 2019
<b>CONCESSIONS</b>		
Rental Cars	\$5,177,978	\$5,396,551
Food and Beverage	1,000,812	1,214,921
Retail	887,626	933,339
Advertising	300,000	297,444
Foreign Currency	26,600	8,867
Museum Shop	256,092	191,483
Operating Permits	212,385	309,179
Telephone - Payphones	2,141	1,241
Telephone - Tenants	71,000	60,555
Bank ATMs	36,803	34,479
Vending Machines	33,215	34,634
Baggage Cart Concessions	7,000	14,257
	<u>\$8,011,652</u>	<u>\$8,496,950</u>
<b>OTHER AIRPORT</b>		
Land Rental	\$314,289	\$316,237
Industrial Park	568,282	562,585
T Hangars	100,328	109,835
Tie Downs	4,176	3,948
T Hangar Avgas Fuel Sales	41,068	39,873
Parking Garage Space Rent	89,765	91,872
Hangar Rentals	526,833	512,363
Building Rental	110,882	120,637
Cargo Building Rental	922,420	925,203
Aircraft Maintenance & Service Center	331,373	332,615
State Executive Hangar/Maint	1,247,083	1,247,083
Utility Reimbursement	170,000	163,342
Reimbursement of Property Taxes	42,883	27,804
Internet and Cable Access	7,680	7,680
Fingerprinting	26,000	48,476
Tenant Maintenance	1,000	6,964
Purchasing Proposals	5,000	530
Scrap and Equipment Sales	15,000	9,089
Other	70,000	100,834
	<u>\$4,594,062</u>	<u>\$4,626,970</u>
<b>TOTAL REVENUES</b>	<b>\$50,877,897</b>	<b>\$51,843,389</b>
<b>OTHER REVENUES</b>		
Interest Earnings	\$875,457	\$700,892
TSA (LEO) Reimbursement	138,700	150,480
Grant	0	0
Improvement Charges	368,400	368,400
	<u>\$1,382,557</u>	<u>\$1,219,772</u>
<b>TOTAL REVENUES</b>	<b>\$52,260,454</b>	<b>\$53,063,161</b>
<b>TOTAL REVENUES BEFORE REVENUE SHARING</b>	<b>\$55,308,944</b>	<b>\$56,737,993</b>

Table 2  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**SUMMARY OF EXPENSES**

	Budget 2019	Audited 2019
<b>EXPENSES - SUMMARY</b>		
Airport Management	\$24,443,271	\$24,334,448
FBO Management	3,265,773	3,302,173
FBO Cost of Sales	5,494,244	5,158,125
Authority	4,862,389	4,827,456
<b>TOTAL EXPENSES</b>	<u>\$38,065,676</u>	<u>\$37,622,202</u>
<b>EXPENSES BY CATEGORY</b>		
Personnel Services	\$11,231,809	\$11,178,563
Employee Benefits	5,668,597	5,379,144
Utilities & Communications	2,205,123	1,957,729
Purchased Services		
Accounting & Auditing	\$61,000	\$152,727
Insurance	808,178	835,625
Legal	50,000	23,568
Public Safety	309,107	830,580
Albany County Sheriffs	2,731,859	2,441,586
Janitorial	499,203	652,116
Public Communications	975,374	713,743
Special Studies & GIS Services	94,200	97,660
Professional Services	1,229,160	952,866
Total Purchased Services	<u>\$6,758,081</u>	<u>\$6,700,471</u>
Materials & Supplies		
Airfield	\$914,500	\$700,974
FBO	0	0
FBO - Cost of Sales	5,494,244	5,158,125
Buildings	2,134,569	2,757,510
Grounds	897,785	1,018,848
Vehicles & Equipment	944,900	1,065,168
Total Material & Supplies	<u>\$10,386,000</u>	<u>\$10,700,625</u>
Office	\$477,205	\$406,797
Administration	906,770	929,323
Noncapital Equipment & Facilities	432,090	369,550
<b>TOTAL EXPENSES</b>	<u>\$38,065,676</u>	<u>\$37,622,202</u>
<b>DEPARTMENT SUMMARY (Direct &amp; Indirect)</b>		
Direct Cost Centers		
Airfield	\$3,408,312	\$3,096,735
Terminal	5,641,207	5,828,539
Loading Bridges	311,451	311,987
Landside:		
Parking	4,733,138	4,965,048
Landside Development	1,313,568	1,439,900
FBO Commercial	2,562,503	2,329,952
FBO GA & Facilities	5,513,170	5,494,784
Total Direct Cost Centers	<u>\$23,483,350</u>	<u>\$23,466,945</u>
Indirect Cost Centers		
ARFF	\$2,192,616	\$2,186,848
Operations	1,030,987	1,125,932
Security	3,152,169	2,815,872
Vehicle/Equipment	1,748,677	1,519,058
Airport Management Administration	911,146	1,044,529
FBO Administration	684,343	635,562
Airport Authority Administration	4,862,389	4,827,456
Total Indirect Cost Centers	<u>\$14,582,327</u>	<u>\$14,155,257</u>
<b>TOTAL EXPENSES</b>	<u>\$38,065,676</u>	<u>\$37,622,202</u>

Table 2-1  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**EXPENSES**  
 (Page 1 of 4)

	Budget 2019	Audited 2019
<u>AIRFIELD</u>		
Personnel Services	\$1,355,075	\$1,196,672
Employee Benefits	627,657	558,239
Utilities & Communications	129,500	97,528
Purchased Services	260,613	261,485
Materials & Supplies	1,017,988	898,873
Office	8,880	5,229
Administration	8,600	8,645
Noncapital Equipment & Facilities	0	70,064
	<u>\$3,408,312</u>	<u>\$3,096,735</u>
<u>TERMINAL</u>		
Personnel Services	\$1,425,177	\$1,495,504
Employee Benefits	717,856	758,931
Utilities & Communications	1,125,156	977,246
Purchased Services	1,201,072	1,269,648
Materials & Supplies	1,069,861	1,263,465
Office	34,385	19,154
Administration	2,000	0
Noncapital Equipment & Facilities	65,700	44,591
	<u>\$5,641,207</u>	<u>\$5,828,539</u>
<u>LOADING BRIDGES</u>		
Personnel Services	\$90,060	\$100,591
Employee Benefits	54,241	54,666
Utilities & Communications	68,250	68,250
Purchased Services	0	0
Materials & Supplies	97,900	88,480
Office	0	0
Administration	1,000	0
Noncapital Equipment & Facilities	0	0
	<u>\$311,451</u>	<u>\$311,987</u>

Table 2-1  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**EXPENSES**  
 (Page 2 of 4)

	Budget 2019	Audited 2019
<u>PARKING</u>		
Personnel Services	\$1,868,633	\$1,739,654
Employee Benefits	852,760	764,444
Utilities & Communications	318,875	271,504
Purchased Services	435,219	523,702
Materials & Supplies	695,067	1,060,832
Office	77,984	43,347
Administration	476,600	514,277
Noncapital Equipment & Facilities	8,000	47,288
	<u>\$4,733,138</u>	<u>\$4,965,048</u>
<u>LANDSIDE</u>		
Personnel Services	\$0	\$0
Employee Benefits	0	0
Utilities & Communications	274,125	252,528
Purchased Services	83,743	\$181,509
Materials & Supplies	863,450	967,156
Office	3,250	644
Administration	47,000	38,063
Noncapital Equipment & Facilities	42,000	0
	<u>\$1,313,568</u>	<u>\$1,439,900</u>
<u>ARFF</u>		
Personnel Services	\$1,330,970	\$1,311,042
Employee Benefits	604,905	578,284
Utilities & Communications	26,300	20,290
Purchased Services	3,749	4,417
Materials & Supplies	133,104	121,638
Office	9,383	6,802
Administration	36,150	35,858
Noncapital Equipment & Facilities	48,054	108,517
	<u>\$2,192,616</u>	<u>\$2,186,848</u>

Table 2-1  
Albany County Airport Authority  
Albany International Airport  
2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**EXPENSES**  
(Page 3 of 4)

	Budget 2019	Audited 2019
<b><u>OPERATIONS</u></b>		
Personnel Services	\$633,484	\$691,965
Employee Benefits	284,549	309,942
Utilities & Communications	49,650	51,383
Purchased Services	0	0
Materials & Supplies	0	0
Office	16,554	7,683
Administration	21,750	14,039
Noncapital Equipment & Facilities	25,000	50,920
	<u>\$1,030,987</u>	<u>\$1,125,932</u>
<b><u>SECURITY</u></b>		
Personnel Services	\$178,731	\$155,881
Employee Benefits	90,879	54,637
Utilities & Communications	4,200	3,695
Purchased Services	2,731,859	2,441,586
Materials & Supplies	142,000	140,810
Office	4,500	19,263
Administration	0	0
Noncapital Equipment & Facilities	0	0
	<u>\$3,152,169</u>	<u>\$2,815,872</u>
<b><u>VEHICLE/EQUIPMENT</u></b>		
Personnel Services	\$607,506	\$540,046
Employee Benefits	349,666	322,081
Utilities & Communications	22,595	20,917
Purchased Services	68,378	77,061
Materials & Supplies	443,100	506,177
Office	10,796	3,567
Administration	3,300	1,039
Noncapital Equipment & Facilities	243,336	48,170
	<u>\$1,748,677</u>	<u>\$1,519,058</u>
<b><u>FBO COMMERCIAL</u></b>		
Personnel Services	\$509,304	\$438,335
Employee Benefits	165,810	146,146
Utilities & Communications	21,064	17,641
Purchased Services	74,663	66,682
Materials & Supplies	1,791,662	1,661,148
Office	0	0
Administration	0	0
Noncapital Equipment & Facilities	0	0
	<u>\$2,562,503</u>	<u>\$2,329,952</u>
<b><u>FBO GENERAL AVIATION AND FACILITIES</u></b>		
Personnel Services	\$725,053	\$849,128
Employee Benefits	322,777	333,522
Utilities & Communications	70,740	60,569
Purchased Services	122,996	124,936
Materials & Supplies	4,100,104	3,966,986
Office	2,000	1,026
Administration	169,500	158,617
Noncapital Equipment & Facilities	0	0
	<u>\$5,513,170</u>	<u>\$5,494,784</u>

Table 2-1  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**EXPENSES**  
 (Page 4 of 4)

	Budget 2019	Audited 2019
<b><u>FBO ADMINISTRATION</u></b>		
Personnel Services	\$214,861	\$216,922
Employee Benefits	89,513	74,396
Utilities & Communications	1,350	861
Purchased Services	327,868	306,178
Materials & Supplies	0	0
Office	42,452	32,043
Administration	8,300	5,162
Noncapital Equipment & Facilities	0	0
	<u>\$684,343</u>	<u>\$635,562</u>
<b><u>AIRPORT MANAGEMENT ADMINISTRATION</u></b>		
Personnel Services	\$316,071	\$427,899
Employee Benefits	111,860	128,257
Utilities & Communications	400	324
Purchased Services	430,750	429,567
Materials & Supplies	0	0
Office	46,516	35,250
Administration	5,550	23,232
Noncapital Equipment & Facilities	0	0
	<u>\$911,146</u>	<u>\$1,044,529</u>
<b><u>AIRPORT AUTHORITY ADMINISTRATION</u></b>		
Personnel Services	\$1,976,885	\$2,014,924
Employee Benefits	1,396,126	1,295,599
Utilities & Communications	92,918	114,993
Purchased Services	1,017,171	1,013,700
Materials & Supplies	31,763	25,060
Office	220,506	232,789
Administration	127,020	130,391
Noncapital Equipment & Facilities	0	0
	<u>\$4,862,389</u>	<u>\$4,827,456</u>
<b>TOTAL EXPENSES</b>	<b><u>\$38,065,676</u></b>	<b><u>\$37,622,202</u></b>

Table 2-2  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF INDIRECT COST CENTERS  
 TO DIRECT COST CENTERS**  
 (Page 1 of 3)

	Budget 2019	Audited 2019
<b>ARFF</b>		
Airfield	\$328,892	\$328,027
Terminal	1,052,456	1,049,687
Loading Bridges	21,926	21,868
Landside	526,228	524,844
Parking	131,557	131,211
FBO Commercial	65,778	65,605
FBO GA & Facilities	65,778	65,605
Total Allocated	\$2,192,616	\$2,186,848
<b>OPERATIONS</b>		
Airfield	\$412,395	\$450,373
Terminal	309,296	337,780
Loading Bridges	51,549	56,297
Landside	103,099	112,593
Parking	51,549	56,297
FBO Commercial	51,549	56,297
FBO GA & Facilities	51,549	56,297
Total Allocated	\$1,030,987	\$1,125,932
<b>SECURITY</b>		
Airfield	\$472,825	\$422,381
Terminal	1,576,084	1,407,936
Loading Bridges	94,565	84,476
Landside	315,217	281,587
Parking	630,434	563,174
FBO Commercial	31,522	28,159
FBO GA & Facilities	31,522	28,159
Total Allocated	\$3,152,169	\$2,815,872
<b>VEHICLE/EQUIPMENT</b>		
Airfield	\$612,037	\$531,670
Terminal	87,434	75,953
Landside	647,010	562,051
Parking	262,302	227,859
FBO Commercial	87,434	75,953
FBO GA & Facilities	52,460	45,572
Total Allocated	\$1,748,677	\$1,519,058

Table 2-2  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF INDIRECT COST CENTERS  
 TO DIRECT COST CENTERS**  
 (Page 2 of 3)

	Budget 2019	Audited 2019
<b>Subtotal Allocation before Admin Departments</b>		
Airfield	\$5,234,462	\$4,829,186
Terminal	8,666,477	8,699,895
Loading Bridges	479,492	474,628
Landside	2,905,121	2,920,975
Parking	5,808,980	5,943,589
FBO Commercial	2,798,787	2,555,966
FBO GA & Facilities	5,714,480	5,690,417
<b>Total Allocated</b>	<b>\$31,607,798</b>	<b>\$31,114,655</b>
<b>Airport Management Administration</b>		
Airfield	\$182,639	\$194,314
Terminal	302,388	350,061
Loading Bridges	16,730	19,098
Landside	101,365	117,532
Parking	202,685	239,154
FBO Commercial	43,800	48,641
FBO GA & Facilities	61,538	75,730
<b>Total Allocated</b>	<b>\$911,146</b>	<b>\$1,044,529</b>
<b>FBO Administration</b>		
Airfield	\$0	\$0
Terminal	0	0
Loading Bridges	0	0
Landside	0	0
Parking	0	0
FBO Commercial	284,553	248,567
FBO GA & Facilities	399,790	386,995
<b>Total Allocated</b>	<b>\$684,343</b>	<b>\$635,562</b>
<b>Airport Authority Administration</b>		
Airfield	\$950,594	\$877,400
Terminal	1,573,858	1,580,658
Loading Bridges	87,077	86,234
Landside	527,579	530,703
Parking	1,054,928	1,079,873
FBO Commercial	277,904	263,047
FBO GA & Facilities	390,448	409,541
<b>Total Allocated</b>	<b>\$4,862,389</b>	<b>\$4,827,456</b>

Table 2-2

Albany County Airport Authority

Albany International Airport

**ALLOCATION OF INDIRECT COST CENTERS  
TO DIRECT COST CENTERS**

(Page 3 of 3)

	Budget 2019	Audited 2019
<b>TOTAL INDIRECT ALLOCATIONS</b>		
Airfield	\$2,959,383	\$2,804,165
Terminal	4,901,516	4,802,074
Loading Bridges	271,848	267,973
Landside	2,220,497	2,129,311
Parking	2,333,455	2,297,567
FBO Commercial	842,541	786,269
FBO GA & Facilities	1,053,087	1,067,898
Total Allocated	\$14,582,327	\$14,155,257
<b>TOTAL DIRECT &amp; INDIRECT EXPENSES BY COST CENTER</b>		
Airfield	\$6,367,695	\$5,900,900
Terminal	10,542,724	10,630,613
Loading Bridges	583,299	579,960
Landside	3,534,065	3,569,211
Parking	7,066,593	7,262,615
FBO Commercial	3,405,044	3,116,221
FBO GA & Facilities	6,566,257	6,562,682
Total Allocated	\$38,065,676	\$37,622,202

Table 3  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**DEBT SERVICE SUMMARY**

	Budget 2019	Audited 2019
Airport Revenue Bonds:		
1999 EFC Revenue Bonds, net of interest subsidy	\$712,764	\$436,746
2010 A Refunding Bonds	8,172,601	8,172,601
2017 A Refunding Bonds	430,225	430,225
2017 B Refunding Bonds	1,130,125	1,130,125
2018 A Revenue Bonds	771,322	771,322
2018 B Revenue Bonds	703,378	703,378
Less: PFC's Applied to 2010A Revenue Bonds	<u>(4,516,141)</u>	<u>(3,763,460)</u>
<b>TOTAL DEBT SERVICE</b>	<b><u>\$7,404,275</u></b>	<b><u>\$7,880,938</u></b>
Allocation of Total Debt Service to Cost Centers		
Airfield	\$1,274,592	\$1,092,886
FBO	\$196,776	\$529,474
ARFF	12,248	12,248
Terminal	1,872,701	2,677,145
Loading Bridges	58,496	73,550
Landside and Other	<u>3,989,461</u>	<u>3,495,635</u>
<b>TOTAL ALLOCATION</b>	<b><u>\$7,404,275</u></b>	<b><u>\$7,880,938</u></b>

DRAFT

Table 3-1  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**NYS ENVIRONMENTAL FACILITIES CORPORATION (EFC)**  
**AIRPORT REVENUE BONDS DEBT SERVICE**

	Budget 2019	Audited 2019
<b>1999 A EFC Revenue Bonds Debt Service</b>	\$717,567	\$441,549
Less: Interest Subsidy Earnings	<u>(4,803)</u>	<u>(4,803)</u>
<b>TOTAL 1999 A EFC REVENUE BONDS DEBT SERVICE</b>	<u>\$712,764</u>	<u>\$436,746</u>
Allocation of EFC Revenue Bonds Debt Service to Cost Centers		
Airfield	\$712,764	\$436,746
Terminal	-	-
Loading Bridges	-	-
Landside	<u>-</u>	<u>-</u>
Total	<u>\$712,764</u>	<u>\$436,746</u>

DRAFT

Table 3-2  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**AIRPORT REVENUE BONDS DEBT SERVICE**

	Budget 2019	Audited 2019
<b>2010A Revenue Refunding Bonds Debt Service</b>	\$8,112,581	\$8,112,581
Amortization of Bond Issue Costs	<u>60,020</u>	<u>60,020</u>
<b>TOTAL 2010A REVENUE BONDS DEBT SERVICE</b>	\$8,172,601	\$8,172,601
Allocation of 2010A Refunding Bonds Debt Service to Cost Centers		
Airfield	\$907,795	\$907,795
Terminal	5,074,726	5,074,726
Loading Bridges	148,819	148,819
Landside	<u>2,041,261</u>	<u>2,041,261</u>
Total	<u>\$8,172,601</u>	<u>\$8,172,601</u>
<b>2017 A Revenue Refunding Bonds Debt Service</b>	\$430,225	\$430,225
Allocation of 2017 A Revenue Refunding Bonds Debt Service to Cost Centers		
Airfield	\$97,647	\$97,647
FBO	73,348	73,348
ARFF	12,248	12,248
Terminal	44,067	44,067
Landside and other	127,656	127,656
Parking	<u>75,259</u>	<u>75,259</u>
Total	<u>\$430,225</u>	<u>\$430,225</u>
<b>2017 B Revenue Refunding Bonds Debt Service</b>	\$1,130,125	\$1,130,125
Allocation of 2017 B Refunding Bonds Debt Service to Cost Centers		
Airfield	\$122,265	\$122,265
FBO	123,428	123,428
Parking	95,301	95,301
Landside and other	752,584	752,584
Terminal	<u>36,546</u>	<u>36,546</u>
Total	<u>\$1,130,125</u>	<u>\$1,130,125</u>

Table 3-3  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**AIRPORT REVENUE BONDS DEBT SERVICE**

	Budget 2019	Audited 2019
<b>2018 A Revenue Bonds Debt Service</b>	\$ 771,322	\$ 771,322
Allocation of 2018 A Revenue Bonds Debt Service to Cost Centers		
Terminal	-	\$6,942
Landside and other	\$269,963	-
Parking	501,359	764,380
Total	<u>\$771,322</u>	<u>\$771,322</u>
<b>2018 B Revenue Bonds Debt Service</b>	703,378	703,378
Allocation of 2018 B Revenue Bonds Debt Service to Cost Centers		
FBO	-	\$332,698
Terminal	-	250,402
Landside and other	\$246,182	120,278
Parking	457,196	-
Total	<u>\$703,378</u>	<u>\$703,378</u>

DRAFT

Table 3-4  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**CALCULATION OF PFC REVENUES**

	Budget 2019	Audited 2019
<b>ENPLANEMENTS</b>	1,500,000	1,518,969
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	87.0%	83.6%
PFC Revenue	\$5,728,950	\$5,574,995
LESS: Applied Pay-As-You-Go	<u>0</u>	<u>0</u>
PFC's Available for Debt Service	<u>\$5,728,950</u>	<u>\$5,574,995</u>
<b>PFC DEBT SERVICE FUND ACTIVITY</b>		
BEGINNING BALANCE	\$13,558,611	\$13,558,611
PLUS: Deposit of PFC's	5,728,950	5,574,995
PLUS: Interest Earnings on PFC's	228,000	290,775
LESS: Refunding Contribution		
LESS: PFC Other Deposits	0	0
LESS: Applied Towards 2010A Debt Service	<u>(4,516,141)</u>	<u>(3,763,460)</u>
ENDING BALANCE	<u>\$14,999,420</u>	<u>\$15,660,921</u>
<b>PFC's APPLIED TO DEBT SERVICE</b>	\$4,516,141	\$3,763,460
Allocation of PFC's to Cost Centers		
Airfield	\$565,880	\$471,568
Terminal	3,282,638	2,735,538
Loading Bridges	90,323	75,269
Landside	<u>577,300</u>	<u>481,085</u>
Total	<u>\$4,516,141</u>	<u>\$3,763,460</u>

Table 4  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**CALCULATION OF CAPITAL EXPENDITURES FUND CONTRIBUTION**

	Budget 2019	Audited 2019
Total Revenues before Revenue Sharing	\$55,308,944	\$56,737,993
Less:		
Airline Landing Fees	5,619,263	4,673,510
Airline Apron Fee	749,370	633,074
Airline Space Rental	5,900,535	6,681,606
Loading Bridge Rentals	562,011	655,170
Nonoperating Revenues	1,382,557	1,219,772
NON-AIRLINE REVENUES	<u>\$41,095,207</u>	<u>\$42,874,861</u>
2016 Non-Airline Revenues	37,289,966	37,289,966
% of Current Year over 2016/2026 Non-Airline Revenues	10.2%	15.0%
Total Capital Expenditure % times \$3,000,000 thru 2020	<u>\$3,306,134</u>	<u>\$3,449,308</u>

DRAFT

Table 5  
Albany County Airport Authority  
Albany International Airport  
2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
LANDING FEE RATES

	Budget 2019	Audited 2019
Airfield:		
Direct O&M Expenses	\$3,408,312	\$3,096,735
Indirect O&M Expenses	2,959,383	2,804,165
O&M Reserve Requirement	72,915	72,915
FBO:		
Commercial Direct O&M Expenses	1,019,041	982,840
Commercial Indirect O&M Expenses	842,541	786,269
Commercial O&M Reserve Requirement	21,316	21,316
Airfield Capital Charges:		
2010A Revenue Bond Debt Service	907,795	907,795
LESS: Applicable Approved PFC Revenues	(565,880)	(471,568)
EFC Revenue Bond Debt Service 1999 - Net	712,764	436,746
2017 A Refunding Revenue Bonds Debt Service	97,647	97,647
2017 B Refunding Revenue Bonds Debt Service	122,265	122,265
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	(666,474)	(690,015)
Fuel Farm Throughput Fee	(626,337)	(650,582)
Avgas Fuel Sales Commercial	(256,631)	(135,402)
LESS: Cost of Sales, Avgas	233,069	120,194
Deicing - Commercial	(1,337,540)	(1,668,642)
LESS: Cost of Sales, Deicing	1,032,393	984,722
General Aviation Landing Fees	(276,222)	(286,611)
General Aviation Parking Fees	(206,657)	(200,046)
Total LANDING FEE REQUIREMENT	\$7,493,700	\$6,330,744
Total Landed Weight (000-lbs)	1,840,947	1,835,693
COMPENSATORY LANDING FEE RATE	\$4.07	\$3.45
LESS: Interest Earning Credit Allocated to Airfield	\$150,704	\$50,612
LESS: Glycol disposal Fee	360,059	429,529
LESS: Aircraft Aprons Fee Credit (Per Table 6)	749,370	633,074
LESS: Airfield Tenant Maintenance	35,000	61,816
LESS: Non-signatory Airline Landing Fee Credit	163,154	301,831
NET LANDING FEE REQUIREMENT	\$6,035,413	\$4,853,881
Signatory Commercial & Cargo Carrier Landed Wt (000-lbs)	1,802,193	1,763,657
Signatory Landing Fee Rate	\$3.35	\$2.75
SIGNATORY AIRLINE LANDING FEE REVENUE	\$5,515,470	\$4,420,171
NON-SIGNATORY PASSENGER LANDING FEE REVENUE	103,793	253,339
TOTAL AIRLINE LANDING FEE REVENUE	\$5,619,263	\$4,673,510
SIGNATORY CARGO LANDING FEE REVENUE	\$521,876	\$429,886
NON-SIGNATORY CARGO LANDING FEE REVENUE	59,361	48,492
TOTAL CARGO LANDING FEE REVENUE	\$581,237	\$478,378

Table 5-1

Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF LANDING FEE PORTION OF SETTLEMENT**

Landing Fee Rate as calculated	\$	2.75
Landing Fee Rate Billed	\$	3.35
<b>LANDING FEE RATE SETTLEMENT</b>	\$	<b>(0.60)</b>

ALLOCATION TO SIGNATORY AIRLINES	Landed Weights 000's	Total Allocated
<b>COMMERCIAL AIRLINES:</b>		
Allegiant Air	84,123	\$ (50,474)
American Airlines	115,775	(69,465)
American - Air Wisconsin	0	-
American - Envoy	32,803	(19,682)
American - Piedmont	94,895	(56,937)
American - PSA	65,257	(39,154)
American - Republic	13,263	(7,958)
American - SkyWest	34,103	(20,462)
American - Transtates	0	-
Cape Air	4,644	(2,786)
Delta	193,329	(115,997)
Delta - Express Jet	0	-
Delta - Go Jet	16,332	(9,799)
Delta - Endeavor	16,655	(9,993)
Delta - Republic	514	(308)
Delta - SkyWest	58,878	(35,327)
jetBlue	105,034	(63,020)
Southwest	500,895	(300,537)
United	130,077	(78,046)
United - Air Wisconsin	18,659	(11,195)
United - Commutair	96,448	(57,869)
United - Express Jet	9,488	(5,693)
United - Go Jet	670	(402)
United - Mesa	6,432	(3,859)
United - Republic	1,344	(806)
United - Shuttle America	0	-
United - SkyWest	6,227	(3,736)
United - Transtates	1,490	(894)
<b>TOTAL COMMERCIAL AIRLINES:</b>	<b>1,607,335</b>	<b>\$ (964,401)</b>
<b>CARGO:</b>		
FedEx	53,262	\$ (31,957)
United Parcel Service	103,060	(61,836)
<b>TOTAL CARGO:</b>	<b>156,322</b>	<b>\$ (93,793)</b>
<b>TOTAL LANDING FEE SETTLEMENT</b>	<b>1,763,657</b>	<b>\$ (1,058,194)</b>

Table 6  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
 AIRCRAFT APRON FEE

	Budget 2019	Audited 2019
TOTAL AIRFIELD REQUIREMENT	\$7,493,700	\$6,330,744
10% of AIRFIELD REQUIREMENT	\$749,370	\$633,074
TOTAL APRON SQUARE FEET	505,472	546,948
AIRCRAFT APRON FEE (PER SQ FT)	\$1.48	\$1.16

DRAFT

Table 6-1

Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF APRON FEE PORTION OF SETTLEMENT**

Total Airfield Requirement	\$	6,330,744
Aprons Fees (10% of Airfield Requirement)	\$	633,074
Total Aprons Fees Billed	\$	806,787
APRONS FEES SETTLEMENT	\$	(173,713)

## ALLOCATION TO SIGNATORY AIRLINES

	<u>Square Footage</u>	<u>Total Allocated</u>
Allegiant	29,700	\$ (9,974)
American	128,070	(43,011)
Cape Air	12,807	(4,301)
Delta	106,326	(35,709)
jetBlue	32,724	(10,990)
Southwest	126,018	(42,322)
United	81,603	(27,406)
Charter/Authority Use	-	\$ -
TOTAL APRONS FEE SETTLEMENT	<u>517,248</u>	<u>\$ (173,713)</u>

Table 7  
Albany County Airport Authority  
Albany International Airport  
2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
TERMINAL RENTAL RATE CALCULATIONS

	Budget 2019	Audited 2019
Terminal Direct O&M Expenses	\$5,641,207	\$5,828,539
Terminal Indirect O&M Expenses	4,901,516	4,802,074
Terminal O&M Reserve Requirement	120,722	120,722
Terminal Capital Charges:		
2010A Revenue Bond Debt Service	5,074,726	5,074,726
LESS: Applicable PFC Revenues	(3,282,638)	(2,735,538)
2017 A Refunding Revenue Bonds Debt Service	44,067	44,067
2017 B Refunding Revenue Bonds Debt Service	36,546	36,546
2018 A Revenue Bonds Debt Service	0	6,942
2018 B Revenue Bonds Debt Service	0	250,402
Terminal Capital Charge Coverage	0	0
Terminal Debt Service Reserve Requirement	0	0
TERMINAL Extraordinary Coverage Protection	0	0
TOTAL REQUIREMENT	<u>\$12,536,146</u>	<u>\$13,428,479</u>
Rentable Terminal Space	136,245	135,986
COMPENSATORY TERMINAL RENTAL RATE	\$92.01	\$98.75
LESS: Interest Earning Credit allocated to Terminal	221,422	179,596
LESS: Non-airline Terminal Space Rentals - Flat Rate	80,186	80,186
LESS: Non-airline Terminal Space Rentals - Signatory Rate	41,069	41,069
LESS: Non-airline Terminal Space Rentals - Calculated Rate	167,662	168,436
LESS: TSA Space Rental	448,828	448,828
LESS: TSA (LEO) Reimbursement	138,700	150,480
LESS: Utility Reimbursements	24,000	24,277
LESS: Terminal Tenant Maintenance Reimbursements	25,000	18,847
NET TERMINAL REQUIREMENT	<u>\$11,389,279</u>	<u>\$12,316,760</u>
Rentable Terminal Space	136,245	135,986
SIGNATORY TERMINAL RENTAL RATE	\$83.59	\$90.57
Signatory Airline Terminal Rental Space	52,805	53,008
SIGNATORY AIRLINE RENTAL REVENUE	<u>\$4,413,970</u>	<u>\$4,800,935</u>
MONTH TO MONTH AIRLINE REVENUE	0	84,509
TOTAL AIRLINE RENTAL REVENUE	<u>4,413,970</u>	<u>4,885,444</u>
Baggage Claim Room Square Footage	17,784	17,784
BAGGAGE CLAIM ROOM REVENUE	<u>\$1,486,565</u>	<u>\$1,610,697</u>
NONSIGNATORY AIRLINE RENTAL REVENUE	\$0	\$185,465
AIRLINE RENTAL REVENUE	<u><u>\$5,900,535</u></u>	<u><u>\$6,681,606</u></u>

Table 7-1

Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF TERMINAL RENTAL PORTION OF SETTLEMENT**

**TERMINAL RENTAL AREAS:**

Terminal Rental Rate as calculated	\$	90.57
Terminal Rental Rate Billed	\$	83.59
<b>TERMINAL RENTAL RATE SETTLEMENT</b>	<b>\$</b>	<b>6.98</b>

## ALLOCATION TO SIGNATORY AIRLINES

	<u>Square Footage</u>	<u>Total Allocated</u>
Allegiant	2,549	\$ 17,792
American	12,765	89,100
Cape Air	1,381	9,639
Delta	7,496	52,322
jetBlue	4,697	32,785
Southwest	14,337	100,072
United	9,783	68,285
<b>TOTAL TERMINAL SETTLEMENT</b>	<b>53,008</b>	<b>\$ 369,996</b>

**BAGGAGE CLAIM AREA - JOINT USE:**

Terminal Rental Rate	\$	90.57
Terminal Rental Rate Billed - Baggage Claim Room	\$	83.59
<b>TERMINAL RENTAL RATE SETTLEMENT - Baggage Claim</b>	<b>\$</b>	<b>6.98</b>

Baggage Claim Square Footage	17,784
Adjustment of Baggage Claim Area to 2019 Rate	\$124,132

**ALLOCATION OF COMMON USE SPACE:**

<u>Signatory Airlines</u>	<u>Enplanements 2019</u>	<u>80 % Pro-Rated Allocation</u>	<u>20 % Fixed Portion</u>	<u>Total Allocation</u>
Allegiant	78,107	\$ 5,328	\$ 3,547	\$ 8,874
American	312,378	21,308	3,547	24,854
Cape Air	3,275	223	3,547	3,770
Delta	250,816	17,108	3,547	20,655
jetBlue	92,149	6,286	3,547	9,832
Southwest	488,147	33,297	3,547	36,844
United Airlines	230,996	15,756	3,547	19,303
<b>TOTAL SIGNATORY ENPLANEMENTS</b>	<b>1,455,868</b>	<b>\$ 99,306</b>	<b>\$ 24,826</b>	<b>\$ 124,132</b>

**TOTAL TERMINAL PORTION OF SETTLEMENT:**

	<u>Total</u>
Allegiant	\$ 26,666
American	113,954
Cape Air	13,409
Delta	72,977
jetBlue	42,617
Southwest	136,916
United Airlines	87,588
<b>TOTAL TERMINAL PORTION OF SETTLEMENT</b>	<b>\$ 494,128</b>

Table 8

Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF LOADING BRIDGE PORTION OF SETTLEMENT**

	Budget 2019	Actual 2019
<b>LOADING BRIDGE RENTALS</b>		
Tenant Loading Bridge Debt Service	\$ 148,819	\$ 148,819
LESS: Applicable PFC Revenues	(90,323)	(75,269)
LESS: Interest Earnings Credit Allocated to Loading Bridges	-	(5,019)
Direct Loading Bridge Expenses	311,451	311,987
Indirect Loading Bridge Expenses	271,848	267,973
Loading Bridge Expense Reserve	6,679	6,679
<b>TOTAL LOADING BRIDGE REQUIREMENT</b>	<b>\$ 648,474</b>	<b>\$ 655,170</b>
Total Loading Bridge Rentals Billed		\$ 691,712
<b>LOADING BRIDGE SETTLEMENT</b>		<b>\$ (36,542)</b>
<b>ALLOCATION TO SIGNATORY AIRLINES</b>		
	<u># of Bridges</u>	<u>Total Allocated</u>
Allegiant	1	\$ (2,436)
American	3	(7,308)
Delta	3	(7,308)
jetBlue	1	(2,436)
Southwest	4	(9,745)
United	3	(7,308)
<b>TOTAL SIGNATORY LOADING BRIDGES</b>	<b>15</b>	<b>\$ (36,542)</b>
Charter/Authority Use	-	\$ -
<b>TOTAL LOADING BRIDGE SETTLEMENT</b>	<b>15</b>	<b>\$ (36,542)</b>

Table 9  
Albany County Airport Authority  
Albany International Airport  
2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**CALCULATION AND ALLOCATION OF FUNDS REMAINING**

	Budget 2019	Audited 2019
TOTAL REVENUES BEFORE REV SHARING	\$55,308,944	\$56,737,993
TOTAL EXPENSES	<u>38,065,676</u>	<u>37,622,202</u>
NET REVENUES	\$17,243,267	\$19,115,791
LESS:		
Capital Charges:		
Less: Applicable Approved PFC Revenues	(4,516,141)	(3,763,460)
1999 EFC Revenue Bond Debt Service	717,567	441,549
Less: NYS EFC Interest Subsidy	(4,803)	(4,803)
2010 A Revenue Bonds	8,172,601	8,172,601
2017 A Revenue Refunding Bonds Debt Service	430,225	430,225
2017 B Revenue Refunding Bonds Debt Service	1,130,125	1,130,125
2018 A Revenue Bond	771,322	771,322
2018 B Revenue Bonds Debt Service	703,378	703,378
Capital Charge Coverage	0	0
Debt Service Reserve Requirement	0	0
Capital Expenditures (Per Table 4)	3,306,134	3,449,308
Operating & Maintenance Reserve	435,880	435,880
Renewal and Replacement Reserve	0	0
Landing Fee Surcharge Credit	0	0
Subtotal	<u>11,146,289</u>	<u>11,766,126</u>
FUNDS REMAINING	<u>\$6,096,979</u>	<u>\$7,349,666</u>
	50%	50%
Authority Share - 50%	3,048,489	3,674,833
Less Cost of Air Service Incentive Programs	<u>(1,000,000)</u>	<u>(1,489,603)</u>
Authority Share Net of Air Service Incentive	<u>2,048,489</u>	<u>2,185,230</u>
	50%	50%
Airline Share - 50%	3,048,489	3,674,833
Net Airline Share	<u>3,048,489</u>	<u>3,674,833</u>
	<u>6,096,979</u>	<u>7,349,666</u>
ALLOCATION OF AIRLINE SHARE		
Terminal	2,438,791	2,939,866
Airfield	<u>609,698</u>	<u>734,967</u>
TOTAL AIRLINE SHARE	<u>\$3,048,489</u>	<u>\$3,674,833</u>

Table 9-1

Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF AIRFIELD PORTION OF REVENUE SHARING**

AIRFIELD PORTION OF REVENUE SHARING \$ (734,967)

ALLOCATION TO SIGNATORY AIRLINES	Landed Weights	Total Allocated
<b>COMMERCIAL AIRLINES:</b>		
Allegiant	84,123	\$ (47,921)
American	115,775	(65,952)
Cape Air	4,644	(2,645)
Delta	193,329	(110,131)
jetBlue	105,034	(59,833)
Southwest	500,895	(285,337)
United	130,077	(74,099)
<b>TOTAL COMMERCIAL AIRLINES:</b>	<b>1,133,877</b>	<b>\$ (645,917)</b>
<b>CARGO:</b>		
FedEx	53,262	\$ (30,341)
United Parcel Service	103,060	(58,709)
<b>TOTAL CARGO:</b>	<b>156,322</b>	<b>\$ (89,049)</b>
<b>TOTAL LANDING FEE SETTLEMENT</b>	<b>1,290,199</b>	<b>\$ (734,967)</b>

DRAFT

Table 9-2

Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION OF TERMINAL PORTION OF REVENUE SHARING**

TERMINAL PORTION OF REVENUE SHARING \$ (2,939,866)

**ALLOCATION OF DIRECT PORTION:**

<u>Signatory Airlines</u>	<u>Square Footage</u>	<u>Total Allocated</u>
Allegiant	2,549	\$ (105,855)
American	12,765	(530,108)
Cape Air	1,381	(57,350)
Delta	7,496	(311,296)
jetBlue	4,697	(195,058)
Southwest	14,337	(595,390)
United	9,783	(406,271)
	53,008	\$ (2,201,328)
JOINT USE SPACE:	17,784	\$ (738,538)
<b>TOTAL</b>	<b>70,792</b>	<b>\$ (2,939,866)</b>

**ALLOCATION OF JOINT USE SPACE:**

<u>Signatory Airlines</u>	<u>2019 Enplanements</u>	<u>80 % Pro-Rated Allocation</u>	<u>20 % Fixed Portion</u>	<u>Total Allocation</u>
Allegiant	78,107	\$ (31,698)	\$ (21,101)	\$ (52,799)
American	312,378	(126,771)	(21,101)	(147,872)
Cape Air	3,275	(1,329)	(21,101)	(22,430)
Delta	250,816	(101,788)	(21,101)	(122,889)
jetBlue	92,149	(37,397)	(21,101)	(58,498)
Southwest	488,147	(198,103)	(21,101)	(219,204)
United Airlines	230,996	(93,744)	(21,101)	(114,845)
<b>TOTAL SIGNATORY ENPLANEMENTS</b>	<b>1,455,868</b>	<b>\$ (590,830)</b>	<b>\$ (147,708)</b>	<b>\$ (738,538)</b>

<u>TOTAL TERMINAL PORTION OF REVENUE SHARING</u>	<u>Total</u>
Allegiant	\$ (158,654)
American	(677,980)
Cape Air	(79,781)
Delta	(434,185)
jetBlue	(253,556)
Southwest	(814,594)
United Airlines	(521,116)
<b>TOTAL TERMINAL PORTION OF REVENUE SHARING</b>	<b>\$ (2,939,866)</b>

Table 10  
 Albany County Airport Authority  
 Albany International Airport  
 2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
 AIRLINE COST PER ENPLANEMENT

(Includes Settlement and Revenue Sharing Calculation)	Budget 2019	Audited 2019
<b>AIRPORT OPERATIONS:</b>		
Airline Landing Fees	\$5,619,263	\$4,673,510
Airline Space Rental	5,900,535	6,681,606
Loading Bridge Rentals	562,011	655,170
Airline Apron Fee	749,370	633,074
Airline Share of Revenue Sharing	(3,048,489)	(3,674,833)
Total Airport Operations	<u>9,782,690</u>	<u>8,968,528</u>
<b>FBO OPERATIONS:</b>		
Avgas Fuel Sales Commercial	256,631	135,402
Deicing	1,337,540	1,668,642
Into Plane & Fuel Farm	1,292,812	1,340,597
Total FBO Operations	<u>2,886,983</u>	<u>3,144,641</u>
<b>TOTAL AIRLINES FEES &amp; CHARGES</b>	<b><u>12,669,673</u></b>	<b><u>12,113,169</u></b>
<b>ENPLANEMENTS</b>	<b>1,500,000</b>	<b>1,518,969</b>
<b>COST PER ENPLANEMENT</b>	<b>6.69</b>	<b>5.90</b>
<b>FBO OPERATIONS COST PER ENPLANEMENT</b>	<b>1.75</b>	<b>1.98</b>
<b>TOTAL COMBINED COST PER ENPLANEMENT</b>	<b>8.45</b>	<b>7.89</b>

DRAFT

Table 11

Albany County Airport Authority  
Albany International Airport  
2019 Airline Rates & Charges Settlement and Revenue Sharing Calculation  
**ALLOCATION SETTLEMENT AND REVENUE SHARING**

TOTAL SETTLEMENT AND REVENUE SHARING

\$ (4,449,154)

	SETTLEMENTS				REVENUE SHARING		TOTAL
	Landing Fee	Terminal Rent	Aprons Fees	Loading Bridges	Airfield	Terminal	
Allegiant Air	\$ (50,474)	\$ 26,666	\$ (9,974)	\$ (2,436)	\$ (47,921)	\$ (158,654)	\$ (242,793)
American Airlines	(69,465)	113,954	(43,011)	(7,308)	(65,952)	(677,980)	(749,763)
American - Envoy	(19,682)						(19,682)
American - Piedmont	(56,937)						(56,937)
American - PSA	(39,154)						(39,154)
American - Republic	(7,958)						(7,958)
American - SkyWest	(20,462)						(20,462)
Cape Air	(2,786)	13,409	(4,301)		(2,645)	(79,781)	(76,104)
Delta	(115,997)	72,977	(35,709)	(7,308)	(110,131)	(434,185)	(630,352)
Delta - Go Jet	(9,799)						(9,799)
Delta - Endeavor	(9,993)						(9,993)
Delta - Republic	(308)						(308)
Delta - SkyWest	(35,327)						(35,327)
FedEx	(31,957)				(30,341)		(62,298)
jetBlue	(63,020)	42,617	(10,990)	(2,436)	(59,833)	(253,556)	(347,218)
Southwest	(300,537)	136,916	(42,322)	(9,745)	(285,337)	(814,594)	(1,315,619)
United	(78,046)	87,588	(27,406)	(7,308)	(74,099)	(521,116)	(620,387)
United - Air Wisconsin	(11,195)						(11,195)
United - Commutair	(57,869)						(57,869)
United - Express Jet	(5,693)						(5,693)
United - Go Jet	(402)						(402)
United - Mesa	(3,859)						(3,859)
United - Republic	(806)						(806)
United - SkyWest	(3,736)						(3,736)
United - Transtates	(894)						(894)
United Parcel Service	(61,836)				(58,709)		(120,545)
<b>TOTAL SIGNATORY AIRLINE DISTRIBUTION</b>	<b>\$ (1,058,194)</b>	<b>\$ 494,128</b>	<b>\$ (173,713)</b>	<b>\$ (36,542)</b>	<b>\$ (734,967)</b>	<b>\$ (2,939,866)</b>	<b>\$ (4,449,154)</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**  
**MEETING DATE: March 16, 2020**

**ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION**

**DEPARTMENT: Finance**

**ACAA Approved  
03/16/2020**

Contact Person: *Audit Committee*  
*Michael F. Zonsius, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-third Comprehensive Annual Financial Report as of and for the year ended December 31, 2019 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- The Authority's 2019 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 2019 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2019 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- Comprehensive Annual Financial Report for the year-ended 2019 with draft auditor reports;
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2019 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 2019; and
- Financial Statements – Other Post Employment Benefit Trust

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 16, 2020 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, 2019**

**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 March 18, 2019. 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, 2019. 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, 2019.

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**

Last Amended:

July 23, 2018

Last Reviewed and Approved:

March 18, 2019

# ALBANY COUNTY AIRPORT AUTHORITY

## CASH MANAGEMENT AND INVESTMENT POLICY

<u>SECTION</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
I.	Scope.....	1
II.	Objectives.....	1
III.	Delegation of Authority.....	1
IV.	Prudence.....	1
V.	Diversification.....	2
VI.	Internal Controls.....	2
VII.	Designation of Depositories.....	2
VIII.	Collateralizing of Deposits.....	3
IX.	Safekeeping and Collateralization.....	3
X.	Permitted Investments.....	3
XI.	Authorized Financial Institutions and Dealers.....	4
XII.	Purchase of Investments.....	4
XIII.	Repurchase Agreements.....	5
XIV.	Required Reports.....	6
 <b><u>APPENDIX</u></b>		
A.	Schedule of Eligible Investments.....	8

\*\*\*\*\*

## 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.

\*\*\*\*\*

DRAFT

**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.

\*\*\*\*\*

DRAFT

## **Section II**

### **AMENDMENTS TO THE GUIDELINES SINCE THE LAST ANNUAL INVESTMENT REPORT**

There have been no amendments to the Investment Guidelines since the last annual investment report.

DRAFT

# 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**

DRAFT

## 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, 2019. 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, 2019.

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.

Latham, NY  
\_\_\_\_\_, 2020

## 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 2019 resulted in \$1,714,905 in interest income to the Authority, which includes \$161,028 in interest received from investments in U.S. Treasury Obligations and \$1,553,877 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 2019 were allocated as follows:

Passenger Facility Charges	\$ 290,775
Debt Service Funds	370,477
Construction Funds	391,796
Development Fund	310,400
Operating Funds	<u>351,457</u>
	<u>\$ 1,714,905</u>

## Section VI

The Authority paid no fees, commissions or other charges to firms rendering investment associated services during 2019.

DRAFT

## 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.

There were no investments held by the Authority at December 31, 2019.

**AGENDA ITEM NO. 14.4**

**Performance Measurement Report for 2019**

**AGENDA ITEM NO: 14.4**  
**MEETING DATE: March 16, 2020**

**ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION**

**DEPARTMENT: Finance**

**ACAA Approved  
03/16/2020**

Contact Person: *Audit Committee*  
*Michael F. Zonsius, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-third Comprehensive Annual Financial Report as of and for the year ended December 31, 2019 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- The Authority's 2019 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 2019 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2019 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- Comprehensive Annual Financial Report for the year-ended 2019 with draft auditor reports;
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2019 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 2019;** and
- Financial Statements – Other Post Employment Benefit Trust

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 16, 2020 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, 2019**

**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 2015-2019. Division/department level performance measurements for 2015-2019 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.

DRAFT

## 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 2015	Final 2016	Final 2017	Final 2018	Final 2019
<b>Safety</b>	Employee Accidents and Incidents	Construction Injuries Lost Time Injury Rate	26	21	28	14	15
	Airfield Violations	Runway Incursions	0	0	0	0	
		Runway Condition FAA Safety Compliance	0	12	0	0	
		Inspection Discrepancies	10	17	9	3	3
<b>Security</b>	Security Incidents and Violations	Security Badge Breaches					
		Letters of investigation	2	1	1	1	0
		Violations	0	1	1	0	0
<b>Financial</b>	Revenue Management	Total Airline per EPAX*	\$9.16	\$7.47	\$9.33	\$9.72	\$7.97
		Total Non-Airline Revenue per EPAX*	\$24.96	\$25.04	\$24.54	\$24.93	\$26.16
		Total Non-Operating Revenue per EPAX	\$4.44	\$4.26	\$4.20	\$4.75	\$5.35
		Total Revenue per EPAX*	\$38.53	\$36.76	\$38.07	\$39.41	\$39.48
	Cost Performance	Operating Cost per EPAX*	\$8.68	\$7.47	\$8.22	\$8.58	\$7.89
		Airport Cost per EPAX*	\$7.12	\$6.00	\$6.57	\$6.57	\$5.90
	Debt Management	Debt Service Coverage Ratio	1.39	1.53	1.61	1.44	1.78
		Debt per EPAX*	\$76	\$64	\$56	\$64	\$64
	Liquidity	Days Unrestricted Cash on Hands	205	235	252	261	294
	<b>Operational</b>	Aircraft Delays caused by Airport	Number of Aircraft Delay caused by Airport or Runway Closings	0	0	2	0
Aircraft Delays caused by Fixed Base Operations		Number of Aircraft Fueling Delays	3	14	14	36	27
<b>Customer Service</b>	Service Quality	Terminal Cleanliness Concessions Quality and Variety (5 is the highest)	note 1	note 1	note 1	4.5	4.7
	Customer Satisfaction	Customer Survey Results (5 is the highest)	note 1	note 1	note 1	4.5	4.6
<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	26	25	14	36	11
<b>People</b>	Employee Satisfaction	Employee Turnover					
		AFCO AvPorts	27.0%	15.9%	14.1%	15.4%	15.4%
		Million Air FBO	25.0%	10.0%	24.0%	19.0%	25.0%
	Workforce Diversity	Albany County Airport Authority	6.4%	0%	0%	0%	0%
		Minority Representation in Workforce					
		AFCO AvPorts	16.7%	17.4%	22.4%	34.0%	20.4%
Million Air FBO	16.7%	35.4%	48.7%	48.4%	45.4%		
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 2015-2019. 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.

**2019 AFCO AvPorts Management, LLC’s Performance Measurements**

<b>Airfield Performance Measurements</b>					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Number of vehicle accidents on Airfield over \$1,000	1	1	1	0	0
Airport remained open for all airline operations	100%	100%	100%	100%	100%
Electrical work-orders	621	727	868	1026	722
SPEDES permit sanctions	0	0	0	0	0
Gallons of deicing aircraft storm water fluid collected	15,586,695	13,606,000	18,499,000	17,013,812	16,330,000
water removed (the higher the better)	3.1%	2.9%	3.3%	4.4%	3.6%
Employees with CDL licenses	35	34	33	33	30
Runway incidents	0	0	0	0	1
Notices to Airmen (NOTAMs) for airfield lighting	54	66	28	37	119
Occupational Safety and Health Administration (OSHA) reportable incidents	7	2	2	2	1
Liquid potassium acetate used on runways (avg gallons per snow ice event)	1,768	785	2,418	2,419	2,960
Airfield electric usage (KWH)	595,519	636,751	659,988	678,226	723,662
Overtime/Personnel Services (%)	14.1%	11.3%	14.0%	13.2%	13.8%

<b>Terminal Performance Measurements</b>					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
HVAC Equipment in operation	100.0%	100.0%	100.0%	100.0%	100.0%
Work Orders	3,413	3,586	3,548	4,228	3,556
Survey: cleanliness of the terminal	N/A	N/A	N/A	N/A	N/A
Average # of days a work order remains open	2.5	2.5	2.5	2.5	2.7
Plumbing Equipment in operation	100%	100%	100%	100%	100%
Terminal Maintenance direct cost per square foot	\$16.63	\$18.38	\$17.77	\$20.34	\$19.81
Terminal electrical usage (KWH): 79 Building	1,569,493	1,547,262	1,337,120	1,412,191	1,247,866
Terminal electrical usage (KWH): 98 Building	7,700,324	7,339,716	7,041,849	6,945,277	6,852,472
Overtime/Personnel Services (%)	7.4%	6.9%	7.6%	8.4%	8.4%

Loading Bridge Performance Measurements					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Direct Cost per Loading Bridge	\$25,158	\$20,933	\$23,787	\$26,868	\$20,757
Airline Employees trained	11	2	13	35	54
Over-the-Wing (OTW) Loading Bridge total operations (no longer in use as of September)	3,881	4,278	4,249	4,031	1,788
Loading Bridge electrical usage (KWH) (6.1% of 98 building gets allocated)	667,216	635,970	635,970	601,792	593,751
OTW Loading Bridge Maintenance calls (new measurement for 2009)	59	93	80	93	47
OTW Loading Bridge out of service (new measurement for 2009)	10.9%	19.5%	30.2%	32.3%	36.4%
Number of leased loading bridges	14	14	13	13	15
Overtime/Personnel Services (%)	19.7%	16.8%	16.1%	15.4%	19.7%

Parking Performance Measurements					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Express parking transactions	308,094	327,771	345,998	336,899	317,144
Cashier parking transactions*	315,367	322,647	292,572	301,127	325,523
Cashier parking transaction errors (no longer available after Sept 2019)	109	110	67	53	53
Shuttle Bus Survey (new measurement for 2008)	N/A	N/A	N/A	80%	N/A
Customer/Vehicle Contact	0	0	0	0	0
OSHA recordable accidents	6	6	2	2	3
Parking electrical usage (KWH)	345,278	348,356	348,356	351,034	334,184
Parking Garage electrical usage (KWH) (23.5% of 98 building gets allocated)	2,570,421	2,450,047	2,450,047	2,318,381	2,287,402
YTD Loss/Gain	-\$1,178	-\$1,080	-\$636	\$165	-\$493
Overtime/Personnel Services (%)	18.2%	18.0%	14.8%	16.2%	18.5%

Landside Performance Measurements					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Number of tenants	53	53	56	55	59
Landside building rental (Sq ft) *	316,243	327,108	329,478	428,094	375,367
Landside land rental (acres)*	31	34	36	36	35
Tenant complaints	0	0	0	0	0

\*Includes rented space/land only

ARFF Performance Measurements					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Annual Dispatch Calls	527	536	658	643	645
Tour conducted by ARFF	36	34	21	41	28
AED classes conducted	2	27	22	4	7
Fire Extinguishers inspected/serviced	5,904	5,711	5,970	5,920	5,608
NYS Fire Fighter training (training hours)	1,992	504	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	30	52	45	31	14
Overtime/Personnel Services (%)	18.9%	16.2%	18.6%	15.2%	18.4%

<b>Operations Performance Measurements</b>					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Work Orders (Facility) Building Maintenance calls	3,491	3,698	3,644	4,236	3,486
Work Orders (139) aeronautical areas	793	729	999	1,030	829
Notice to airmen (NOTAMS)	1,158	978	1,471	2,488	2,438
Bird Strikes	27	48	71	28	16
Property Damage Reports	154	147	176	190	212
Bodily Injury Reports	185	248	246	227	222
FAA 139 Inspections discrepancies	9	18	9	7	17
Operations' employee accidents	0	0	0	0	0
Operations' property accidents	0	2	0	1	0
Overtime/Personnel Services (%)	10.5%	13.1%	11.0%	12.3%	16.6%

<b>Security Performance Measurements</b>					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Security Trainees	559	686	697	797	836
Driver Trainees	277	408	422	501	62
Finger Printing	727	763	743	934	1,066
Badges Issued	130	166	186	260	375
Revalidations*	521	656	681	854	5,872
Escort Required Badges Issued	3,524	2,840	2,137	3,490	4,911
Business Center Security Passes	186	169	64	199	311
Curbside Accidents	0	0	0	0	0
Curbside Security - Overtime/Personnel Services (%)	10.9%	8.6%	5.4%	5.2%	5.9%

<b>Vehicle Maintenance Performance Measurements</b>					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Heavy Equipment (Units)	47	47	47	45	47
Light Vehicles (Units)	34	34	34	35	38
Light Equipment (Units)	233	233	233	230	232
Average age of ARFF Fleet (yrs)	9	9	8	9	9
Average age of Shuttle Buses (yrs)	4	4	3	4	5
Average age of Fuel Trucks (yrs)	12	12	14	15	17
Average age of other large vehicles	17	17	16	17	16
Average age of Pick-ups	15	15	10	11	8
Shuttle Bus (Not less than 6 operational)	7	7	7	7	6
Fuel Truck (Not less than 7 operational)	7	7	7	7	11
Technicians trained	33	0	24	16	24
Overtime/Personnel Services (%)	12.9%	9.7%	10.2%	9.0%	12.3%

<b>AvPort's Administration Performance Measurements</b>					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
AvPort's total full time employment equivalents	150.5	154.3	159.5	153.8	153.0
Total AvPort's overtime	13.6%	12.4%	12.4%	12.2%	13.9%
Budgetary needs met	Yes	Yes	Yes	Yes	Yes
Saving/revenue producing ideas	0	0	0	0	1
Total AvPorts Property Damage Reports	35	16	23	4	17
Administration Overtime/Personnel Services (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Employee turnover	27.0%	15.9%	12.9%	15.4%	15.1%

## 2019 REW Investments, Inc. (d/b/a Million Air) Performance Measurements

Commercial Aviation Performance Measurements					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Number of accidents/incidents	0	5	1	4	2
Number of airline delays counted against MA	3	14	14	36	25
Into-plane gallons pumped	16,835,885	18,602,032	19,495,122	21,013,458	22,022,122
Number of Audits performed by Airlines/ Quality Control- Employee Training Records	24	25	28	31	22
Number of non-compliance items reported in Airline Audits	3	10	9	6	10
AvGas fuel sales commercial	173,843	152,586	109,593	95,909	35,780
Deicing gallons pumped	123,604	128,320	157,039	208,128	192,746
Workers' compensation cases	0	4	0	0	2
Employees who have completed Safety Programs	17	20	55	60	50
Quality control audits at the Fuel Farm (less the better)	12	13	25	17	16
Completed monthly training programs	12	12	12	12	12
Monthly survey of airlines	100%	100%	100%	100%	100%
Overtime/Personnel Services (%)	12.0%	13.3%	14.3%	13.9%	12.8%

General Aviation Performance Measurements					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
AvGas fuel sales (gallons)	70,438	69,156	62,710	51,534	65,993
Jet A fuel sales (gallons)	967,345	1,031,066	996,302	1,158,694	1,217,080
Number of international flights	707	517	456	426	482
General Aviation Aircraft customer transactions	6,949	7,392	6,931	7,479	7,858
Number of Aircraft Arrivals	3,949	7,349	7,260	7,822	7,774
Number of Aircraft fueled	5,901	5,958	6,307	5,833	6,374
Number of ramp fees collected	1,661	2,102	1,743	2,071	2,378
Number of landing fees collected	3,811	4,147	3,637	3,682	4,036
Employees who completed the NATA Safety 1st Program	12	20	9	21	1
Employees who completed all Safety Programs	20	15	54	79	59
Property Accidents	2	5	0	2	0
Quarterly reports from monthly safety meetings	100%	100%	100%	100%	100%
Overtime/Personnel Services (%)	11.1%	16.4%	17.6%	20.7%	23.8%

Million Air's Administrative Performance Measurements					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
Million Air's total full time employment equivalents	35	33	36	32	34.0
Total Million Air overtime	9.7%	13.0%	13.9%	15.5%	17.2%
Number of marketing events attended	2	1	2	3	0
Number of based tenants	14	15	18	16	17
Employee turnover annum	25%	30%	16%	25%	25%
Workers' compensation cases	0	2	3	1	3
Number of customers gained (prior year comparison)	7%	6%	-6%	8%	5%
Overtime/Personnel Services (%)	0.6%	0.0%	0.0%	0.0%	0.0%

## 2019 Albany County Airport Authority's Performance Measurements

ACAA Performance Measurements					
	2015 Final	2016 Final	2017 Final	2018 Final	2019 Final
ACAA's total full time employment equivalents	22	22	22	22	21.3
Community meetings	63	70	62	86	79
Aviation conferences/meetings	36	29	30	51	40
Open Accounts Receivable/Total Operating Revenues	4.2%	4.2%	4.3%	4.0%	2.1%
Open Accounts Payable/Total Operating Expenses	1.7%	1.9%	1.8%	2.9%	1.2%
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	9%	8%	2%	1%	10%
T Hangar rent increase/(decrease) from previous year	-6%	-3%	1%	4%	8%
Tie Down rent increase/(decrease) from previous year	-6%	-6%	26%	2%	-5%
Landside land rent increase/(decrease) from previous year	-1%	4%	14%	2%	1%
DBE Participation for construction/engineer contractors	9%	9%	9%	7%	7%
MWBE Participation for construction/engineer contractors	30%	30%	30%	30%	30%
Minority Representation in the Workforce-Concessions					
HMS Host	24%	28%	29%	38%	37%
Paradies	29%	37%	43%	54%	63%
Dunkin Donuts	52%	33%	44%	48%	57%
OHM (New concessionaire as of March 2018)	N/A	N/A	N/A	33%	75%
Terminal Survey Results (average, 5 being the highest)	N/A	N/A	N/A	4.8	4.6
Ambassador Program-hours volunteered	15,428	15,879	15,827	14,963	14,846
Ambassador assistance - landside	51,313	66,111	120,038	21,750	22,589
Ambassador assistance - airside	24,461	31,768	29,670	27,568	47,295
Canine assistance-landside (new for 2015)	23,016	45,294	93,060	80,333	73,044
Canine assistance-airside (new for 2015)	5,427	6,442	7,024	4,375	3,710
Concession revenue increase from previous year	4.1%	3.7%	7.0%	2.4%	2.8%
Business Center Visitors (new for 2017)	1124	1278	2670	3275	4009
Community tours	35	33	44	30	32

**AGENDA ITEM NO. 14.5**

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

**AGENDA ITEM NO: 14.5**  
**MEETING DATE: March 16, 2020**

**ALBANY COUNTY AIRPORT AUTHORITY  
REQUEST FOR AUTHORIZATION**

**ACAA Approved**  
**03/16/2020**

**DEPARTMENT: Finance**

Contact Person: *Audit Committee*  
*Michael F. Zonsius, Chief Financial Officer*

**PURPOSE OF REQUEST:**

Review and acceptance of the Authority's:

- Twenty-third Comprehensive Annual Financial Report as of and for the year ended December 31, 2019 (with the draft audit and compliance reports of Marvin and Company, P.C., certified public accountants);
- The Authority's 2019 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 2019 required by Section 2800 of the Public Authorities Law; and
- Financial Statements for 2019 for the Other Post Employment Benefit Trust

**BACKUP MATERIALS:**

- Comprehensive Annual Financial Report for the year-ended 2019 with draft auditor reports;
- Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2019 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 2019; and
- **Financial Statements – Other Post Employment Benefit Trust**

**CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:**

The Audit Committee will review the above documents at their March 16, 2020 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, 2019

**(Unaudited)**

**ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST**  
*(A Component Unit of the Albany County Airport Authority)*

**TABLE OF CONTENTS**

	<u>Page</u>
REPORT of TRUSTEE.....	2
MANAGEMENT DISCUSSION AND ANALYSIS .....	3
FINANCIAL STATEMENTS	
Statement of Plan Net Position As of December 31, 2019.....	6
Statement of Changes in Plan Net Position For the Year Ended December 31, 2019 .....	7
Notes to Financial Statements .....	8
Required Supplementary Information.....	12

**Michael F. Zonsius**  
**Trustee**  
**ALBANY COUNTY AIRPORT**  
**AUTHORITY OPEB TRUST**

Michael F. Zonsius  
c/o Albany County Airport Authority  
737 Albany Shaker Road  
Albany, New York 12211-1057

Phone: (518) 242-2204  
mzonsius@albanyairport.com  
Fax (518) 242-2640

Report of Trustee

I have prepared the accompanying statement of plan net position as of December 31, 2019 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.



*Michael F. Zonsius*

**March 16, 2020**

## 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, 2019. 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 2019. 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.

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 2019 are \$2,429,013 (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 2019 by the transfer of \$163,719 from the Albany County Airport Authority plus interest earnings in the amount of \$44,608 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, 2019 because the Plan had \$2,429,013 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, 2019 was \$7,599,110. 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)  
(Unaudited)

Statements of Fiduciary Fund Net Position  
As of December 31, 2018 and 2019

	<u>Dec</u> <u>2018</u>	<u>Dec</u> <u>2019</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$2,220,686	\$2,429,013
Total Assets	2,220,686	2,429,013
<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	\$2,429,013

ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST  
(A Component Unit of the Albany County Airport Authority)  
(Unaudited)

Statements of Changes In Fiduciary Fund Net Position  
Year Ended December 31, 2018 and 2019

	<u>Dec 2018</u>	<u>Dec 2019</u>
Additions to Net Position Attributed to Contributions		
Employer	\$300,000	325,000
Interest Income	13,200	44,608
Implicit Cost Amount	<u>-</u>	<u>9,579</u>
Total Additions	313,200	379,187
Deductions from Net Position Attributed to Retirement Benefits	150,927	170,860
Administration Expenses	<u>-</u>	<u>-</u>
	<u>150,927</u>	<u>170,860</u>
Increase in Net Position	162,273	208,327
Net Position – Restricted for OPEB, Beginning of Year	<u>2,058,413</u>	<u>2,220,686</u>
Net Position – Restricted for OPEB, End of Year	<b>\$2,220,686</b>	<b>\$2,429,013</b>

**Footnotes**  
**Period Ended December 31, 2019**

**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 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. So 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.

**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 2019 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 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, 2019 actuarial valuation, the individual entry age normal method was used. The actuarial assumptions included a 2.50 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 are estimated at a rate of 5 percent. The actuarial value of assets was not determined in this actuarial valuation. At December 31, 2019, the Plan held Net Position in the amount of \$2,429,013 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.

## **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, 2019.

### **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.

### 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, were as follows:

	2019	2018
Net OPEB Liability at beginning of period	\$ 6,621,984	\$ -
Change in Accounting Principals for GASB 75	-	6,473,234
Service cost	276,198	217,039
Interest	338,961	325,272
Change in assumptions	731,575	-
Differences between expected and actual experience	-	(80,361)
Net investment income	(44,608)	(13,200)
Employer contributions to the trust	(325,000)	(300,000)
Benefit payments withdrawn from the trust	161,281	150,927
Benefit payment excluding implicit cost	(170,860)	(150,927)
Implicit cost amount	9,579	-
Net OPEB Liability at end of period	\$ 7,599,110	\$ 6,621,984

## REQUIRED SUPPLEMENTAL INFORMATION

### Discount rate

The discount rate used to calculate the total OPEB liability was 3.25% for 2018 and 3.75% for 2019. 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, Measurement Date

		OPEB Liability		
		1% Decrease	Current Discount Rate	1% Increase
2019 (3.75%)	\$	11,887,781	\$	10,028,123
			\$	8,549,823
2018 (3.25%)		10,427,489		8,842,670
				7,579,562

		Service Cost		
		1% Decrease	Current Discount Rate	1% Increase
2019 (3.75%)	\$	364,677	\$	276,198
			\$	211,365
2018 (3.25%)		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, Measurement Date

		OPEB Liability		
		1% Decrease	Current Trend Rate	1% Increase
2019	\$	8,375,461	\$	10,028,123
			\$	12,143,887
2018		7,429,402		8,842,670
				10,642,156

		Service Cost		
		1% Decrease	Current Trend Rate	1% Increase
2019	\$	219,125	\$	276,198
			\$	351,316
2018		173,163		217,039
				274,490

ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST  
(A Component Unit of the Albany County Airport Authority)  
(Unaudited)

**SCHEDULE OF NET OPEB LIABILITY CHANGE**

Schedule of Changes in the Airport's Net OPEB Liability and Related Ratios

	2019	2018
<b>Total OPEB Liability</b>	10,028,123	8,842,670
Service Cost	276,198	217,039
Interest on total OPEB liability, service cost and benefit payments	338,961	325,272
Changes in benefit terms	-	-
Difference between expected & actual plan experience	(161,281)	(80,361)
Changes of assumptions	731,575	-
Benefit payments excluding implicit cost	-	(150,927)
Implicit cost amount	N/A	N/A
Total benefit payments including implicit cost	N/A	N/A
Net change in OPEB liability	1,185,453	311,023
Total OPEB liability - beginning of period	8,842,670	8,531,647
Total OPEB liability - end of period	10,028,123	8,842,670
<b>Plan Fiduciary Net Position</b>	2,429,013	2,220,686
Interest on fiduciary net position		
Earning from plan investments	44,608	13,200
Employer contribution to trust	325,000	300,000
Benefit payments from trust, including refunds of member contributions	(161,281)	(150,927)
Administrative expense	-	-
Other	-	-
Net change in plan fiduciary net position	208,327	162,273
Plan fiduciary net position - beginning of period	2,220,686	2,058,413
Plan fiduciary net position - end of period	2,429,013	2,220,686
Net OPEB liability	7,599,110	6,621,984
Plan Fiduciary net position as a % of total OPEB liability	24.22%	25.11%
Covered employee payroll	1,962,761	1,966,055
Plan NOL as a % of covered employee payroll	387.16%	336.82%
Single discount rate to calculate plan liabilities	3.25%	3.75%

ALBANY COUNTY AIRPORT AUTHORITY OPEB TRUST  
(A Component Unit of the Albany County Airport Authority)  
(Unaudited)

**ACTUARIALLY DETERMINED CONTRIBUTION (ADC)**

	2019	2018
Service Cost	276,198	217,039
30 year amortization of NOL at 3.75%	387,733	357,987
Actuarial determined contribution	663,931	575,026
Contributions in relation to the actuarially determined contribution	(325,000)	(300,000)
Contribution deficiency/(excess)	338,931	275,026
Covered Employee Payroll	1,962,761	1,966,055
Contributions as a % of covered employee payroll	16.56%	15.26%
Discount Rate	3.25%	3.75%

**MONEY WEIGHTED RATE OF RETURN**

	2019	2018
Beginning value	\$ 2,220,686	\$ 2,058,413
Annual contribution to OPEB Trust	163,719	149,073
Annual interest earnings	44,608	13,200
Ending Value	\$ 2,429,013	\$ 2,220,686
Money weighted rate of return	2.01%	0.64%

Data is being accumulated to present 10 years of the reported information.

**Actuarial assumptions**

Total OPEB liability was determined by actuarial valuations as of December 31, 2019. The following actuarial assumptions are as follows:

Investment rate of return	2.50%, net of OPEB plan investment expense, including inflation
Municipal bond rate	3.26% as of December 31, 2019 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG)
Single equivalent discount rate:	3.25%, net of OPEB plan investment expense, including inflation..
Inflation	2.50% as of December 31, 2019 and for future periods
Salary Increases	3.00% annually as of December 31, 2019 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 Healthy Annuitant Table projected generationally with scale BB and a base year 2009 for males and females
Disabled mortality	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2012 for males and females

## **Old Business**

## **New Business**

## **Executive Session**

## **Attorney-Client Privilege Matters**