



ALBANY COUNTY AIRPORT AUTHORITY

REGULAR MEETING

AGENDA

March 18, 2024

General:

- 1. Chairman's Remarks**
- 2. Approval of Minutes**
Regular Meeting – February 12, 2024
- 3. Communications and Report of Chief Executive Officer**

Reports:

- 4. Chief Financial Officer**
- 5. Project Development**
- 6. Counsel**
- 7. Concessions/Ambassador Program**
- 8. Public Affairs**
- 9. Business & Economic Development**

Action Items:

- 10. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**
 - 10.1 Intentionally Omitted**
 - 10.2 Purchase: Three (3) UTVs, Ranger Crew XP 1000 North Star Pre (Dpt 10 Airfield) \$35,836.01 ea; One (1) UTV Ranger XP 1000 NorthStar (Depart. 30, Parking) \$32,263.25 ea; One**



**(1) UTV Ranger XP 1000 NorthStar (Depart. 61, GA)
\$30,521.37 ea**

- 10.3 Purchase: One (1) 2024 Lektro Model AP8750CX Aircraft Tug; JBT LEKTRO Inc.**
- 10.4 Lease Amendment: Lease of a portion of 68 Sicker Road (ACAA Bldg. No. 215), with Innovative Chemical Systems, Inc.**
- 11. Authorization of Change Orders**
 - 11.1 Change Order 7: Authorization to Award Contract Time Extension (No cost) Change Order to Construction Contract 21-1082-GC for the Pre-TSA Terminal Expansion to MLB Construction Services, LLC.**
- 12. Authorization of Federal and State Grants**
- 13. Informational Only**
 - 13.1 iSTAR Relocation - Convergent Technologies**
 - 13.2 Purchase Order: Purchase and Installation of HVAC Control Upgrades for the Terminal to Siemens Industry, Inc.**
- 14. Financial - Audit - Draft**
 - **Comprehensive Annual Financial Report for the year-ended 2023 with draft auditor reports.**
 - **Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2023 with draft consultant report.**
 - **The Annual review and approval of the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law.**
 - **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 2023.**



- **Financial Statements – Other Post Employment Benefit Trust.**

Old Business:

New Business:

Executive Session - Attorney-Client Privilege Matters

AGENDA ITEM NO. 1

Chairman's Remarks

AGENDA ITEM NO. 2

Approval of Minutes



Minutes of the Regular Meeting of the Albany County Airport Authority

February 12, 2024

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday February 12, 2024 @ 9:00 a.m. in the 3rd Floor Conference Room of the main terminal located at the Albany International Airport by Chairman Samuel A. Fresina with the following present:

MEMBERS PRESENT

Samuel A. Fresina
Kevin R. Hicks, Sr. (Via Telephone)
Steven H. Heider
Sari M. O'Connor
John-Raphael Pichardo
Janet M. Thayer

MEMBERS ABSENT

Thomas A. Nardacci

STAFF

Philip F. Calderone, Esq.
Christine C. Quinn
Michael F. Zonsius
Connor Haskin
Matt Cannon
Liz Charland
Margaret Herrmann
John LaClair
Helen Chadderdon
Bobbi Matthews

ATTENDEES

Arturo García-Alonso, Chief Operating Officer, AvPorts
Todd Pennington, Airport Manager, AvPorts
Carmiena Brooks, Assistant Airport Manager, AvPorts
Steven Smith, Communications Director, AvPorts
George Penn, Director of Operations, Albany County
Beth DiBattista, VP Operations, Turner Construction
Captain Steve Dorsey, ARFF, AvPorts
Chris Menge, AvPorts ARFF
Jeff Lovell, Managing Director, Park Strategies, LLC
Kevin Butterfield, Albany County Communications
Elizabeth Kalin, Albany County Communications
Rich Amadon, CHA
Kevin Hehir, AvPorts
Ray Camilli, AvPorts



Jill Delaney, President & CEO, Discover Albany
Maeve McEneny-Johnson, Director of Community Engagement, Discover Albany

Chair Fresina noted that there was a quorum.

General:

1. Chairman's Remarks

2. Approval of Minutes

Mr. Pichardo moved to approve the minutes of January 23, 2024 meeting. The motion was adopted unanimously.

Management Reports:

3. Communications and Report of Chief Executive Officer

Mr. Calderone reported on the following in his Communications Report for the month of January 2024

- Strong Financial Performance
- 2023 Year-End Financials and Audit in Process
- Enplanements Strong
- Terminal Project continuing on Budget
- ACI Surveys

4. Chief Financial Officer Report

Mr. Zonsius presented the Financial Report for the month of February 2024.

5. Project Development

Mr. LaClair presented the Project Development report for the month of February 2024.

6. Counsel

Nothing that this point in the meeting – will need to go into Executive Session - ES-1 Contract Negotiations later in the meeting.

7. Concessions/Ambassador Program

Ms. Chadderdon presented the Concessions/Ambassador report for the month of February 2024.

8. Public Affairs



Mr. Smith presented a Public Affairs report for the month of February 2024.

9. Business & Economic Development

Jill Delaney, President & CEO of Discover Albany presented the contract overview of the Information Desk at the Airport. She advised they employ 20 part-time staff 365 days/year; Provide tourist information including: Regional Travel Information; Brochure Distribution; Bus Ticket Sales; Serve as the main resource for airport, flights, ground transportation and tourist information as well as paging services

Action Items:

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

10.1 Service Contract: Professional Services Contract No. S-24-1171 Financial Advisory Services - Public Resources Advisory Group, Inc. (PRAG), 39 Broadway, Suite 1210, New York, New York 10006

Mr. Zonsius recommended authorization to approve Professional Services Contract No. S-24-1171 Financial Advisory Services with Public Resources Advisory Group, Inc. (PRAG) 39 Broadway, Suite 1210; New York, New York 10006. He advised the fees are based upon services which vary with finance transaction opportunities. He advised the hourly rates are proved in the attached contract.

Mr. Zonsius further advised the term of the current contract for Financial Advisory is February 1, 2019 through January 31, 2024. The Authority is in need of a Financial Advisory for the issuance of a \$30 million Line of Credit and other future financial transactions that may include additional debt and refunding bond issuances within the next five (5) years. Rules issued by the Securities Exchange Commission in respect to “Municipal Advisors” make it necessary for issuer of Municipal Securities to have a “Financial Advisory” (FA) firm on record. Public Resources Advisory Group, Inc. (PRAG) was recently awarded a competitively issued contract for FA contract for Office of State Comptroller with a term March 1, 2023 through February 28, 2028. The contract provides for defined rates, blended rates and transaction caps. PRAG has been the Authority’s FA on record since 2008. Their contract complies with provision in New York State Law that are jointly applicable to the Authority and the State of New York Office of the State Comptroller. This contact will be funded from account number 24-41010-71-0000.

Ms. O’Connor moved the approve Service Contract: Professional Services Contract No. S-24-1171 Financial Advisory Services - Public Resources Advisory Group, Inc. (PRAG), 39 Broadway, Suite 1210, New York, New York 10006 with the rates in the professional service contract attached. The motion was adopted unanimously.



10.2 License Agreement – License No. L-1173: 845 Watervliet Shaker Road with Avis Budget Group, Inc.

Ms. Quinn recommended authorization to enter into a License Agreement No. L-1173 at 845 Watervliet Shaker Road with Avis Budget Group, Inc.

She advised this license agreement is for approximately 2.6 acres and the rent is \$6,180 for a term of approximately five (5) months.

Mr. Pichardo moved to approve the license agreement with Avis Budget Group, Inc. for approximately 2.6 acres at 845 Watervliet Shaker Road in the amount of \$6,180 per month for approximately five (5) months. The motion was adopted unanimously.

10.3 Two D3 Live Units (Portable Cameras) with LiveView Technologies, Inc.

Ms. Quinn recommended authorization to lease of two (2) D3 Live Units (Portable Cameras) with LiveView Technologies, Inc. in the amount of \$74,910.

Ms. O'Connor moved to approve the lease of two D3 Live Unites (Portable Cameras) with LiveView Technologies, Inc. in the amount of \$74,910. The motion was adopted unanimously.

10.4 Resolution Authorizing the Execution and Delivery of a Line of Credit from M&T Bank

Mr. Zonsius recommended authorization to approve a revolving line of credit (the “Credit Line”) in the aggregate principal amount of not to exceed \$30M from M&T Bank (the “Bank”) and approving and authorizing the execution and delivery of various documents (the “Financing Documents”) in connection therewith. He advised the base amount of the Credit Line will be issued in an amount not to exceed \$30M. The costs will also include fees and expenses associated with the preparation and review of the Financing Documents.

Mr. Zonsius advised the construction of the Terminal Connector Bridge (the “Project”) in the amount of \$100M necessitates the establishment of the Credit Line to meet cash flow needs during construction of this facility. He stated although the Project will be funded in its entirety by federal and state grants, the funds available under such grants (the “Grant Funds”) are only receivable on a reimbursement basis after construction costs have been incurred and paid. Authority Staff estimates that each request for reimbursement will require at least two (2) months for processing before the Grant Funds are received. Accordingly, Authority Staff has proposed interim financing in the form of the Credit Line to “bridge” the gap between payment of expenses and receipt of the Grant Funds. The Authority should note that the Credit Line is intended to be structured as a “revolving line of credit,” meaning that the amount of the Credit Line cannot exceed \$30M at any given time. However, if the balance on the Credit Line is paid such that the amount



outstanding is less than \$30M, then the Authority will be permitted to make additional draws on the Credit Line.

He further advised that the Authority solicited financial institutions for the Credit Line in a public Request for Qualifications (RFQ) dated December 4, 2023. We received six (6) responses to this RFQ as of January 9, 2024. The Chief Financial Officer and the Finance Committee, acting as the “Selection Committee,” reviewed the proposals received with the financial advisors to the Authority and bond counsel. By resolution adopted by the members of the Finance Committee on January 23, 2024, the Finance Committee designated the Bank to serve as the financial institution to provide the Credit Line.

Documents are being prepared on the basis of the RFQ, and will be reviewed by bond counsel. Substantially final drafts are presented herewith for the Authority’s review and approval.

Mr. Pichardo moved to approve a revolving line of credit (the “Credit Line”) in the aggregate principal amount of not to exceed \$30M from M&T Bank (the “Bank”) and approving and authorizing the execution and delivery of various documents (the “Financing Documents”) in connection therewith with the Credit Line being issued in an amount not to exceed \$30M and the costs will also include fees and expenses associated with the preparation and review of the Financing Documents. The motion was adopted unanimously.

10.5 Amendment No. 1 to Contract No. S-21-1082 Terminal Pre-TSA Expansion – Design for National Grid Transformer Upgrade

Mr. LaClair recommended authorization to approve Amendment No. 1 to Professional Services Contract S-21-1082 Design Services programmed for the proposed Terminal Pre-TSA Expansion in the amount of \$149,508.00 to CHA Companies of Albany, N.Y. He advised this amendment is for the additional design work to facilitate the upgrading of two existing transformers from 15 kVa to 25 kVa in coordination with National Grid. He advised National Grid will not replace the existing transformers in the same location due to changes in the electrical codes since the originals were installed. Accordingly, this requires the Airport to create a new area that is accessible to National Grid which will require reconfiguring of the existing security wall along the loading dock area and new underground pathways to be established to lower A-concourse to ensure there is adequate electrical power for the Pre-TSA Terminal equipment and future needs in A-concourse.

Ms. O’Connor moved to approve Amendment No. 1 to Professional Services Contract S-21-1082 Design Services programmed for the proposed Terminal Pre-TSA Expansion in the amount of \$149,508.00 to CHA Companies for additional design work to facilitate the upgrading of two existing transformers from 15 kVa to 25 kVa in coordination with National Grid. The motion was adopted by majority with Mr. Pichardo recusing himself.

11. Authorization of Change Orders



11.1 Change Order No. 6: Authorization to Award Change Order No. 6 to Construction Contract 21-1082-GC for the Pre-TSA Terminal Expansion to MLB Construction Services, LLC.

Mr. LaClair recommended authorization to approve Change Order No. 6 to Construction Contract 21-1082-GC for the Pre-TSA Terminal Expansion to MLB Construction Services, LLC in the amount of \$344,659.00. This change order will be 100% State funded. He further advised Change Order No. 6 is for the work to install additional structural steel that is needed to make connections around the new elevators, that was discovered during the fabrication detailing. There is additional concrete and rebar to connect pile caps to facilitate the construction phasing. He advised change orders 1-5 were Board approved on January 23, 2024.

Ms. O'Connor moved to approve Change Order No. 6 to Construction Contract 21-1082-GC for the Pre-TSA Terminal Expansion to MLB Construction Services, LLC. in the amount of \$344,659.00. The motion was adopted unanimously.

12. Authorization of Federal and State Grants

12.1 Accept American Rescue Plant Act (ARPA) of 2021 Coronavirus State and Local Fiscal Recover Funds

Ms. Quinn recommended authorization to accept American Rescue Plan Act (ARPA) of 2021 Coronavirus State and Local Fiscal Recovery Funds from the County of Albany in the amount of \$50,000. Mr. Calderone also expressed his thanks and appreciation to the County Executive and the Legislature for this grant.

Ms. O'Connor moved to accept the American Rescue Plan Act (ARPA) of 2021 Coronavirus State and Local Fiscal Recovery Funds from the County of Albany in the amount of \$50,000. The motion was adopted unanimously.

13. Informational Only

Old Business:

New Business:

Executive Session - Attorney-Client Privilege Matters

Mr. Fresina made a motion to go into executive Session to discuss:

ES-1 Contract Negotiations

There being no action taken and no further business, the meeting was adjourned at 10:00 a.m.



ALBANY COUNTY AIRPORT AUTHORITY

REGULAR MEETING

AGENDA

February 12, 2024

General:

- 1. Chairman's Remarks**
- 2. Approval of Minutes**
Regular Meeting – January 23, 2024
- 3. Communications and Report of Chief Executive Officer**

Reports:

- 4. Chief Financial Officer**
- 5. Project Development**
- 6. Counsel**
- 7. Concessions/Ambassador Program**
- 8. Public Affairs**
- 9. Business & Economic Development**

Action Items:

- 10. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**
 - 10.1 Service Contract: Professional Services Contract No. S-24-1171 Financial Advisory Services - Public Resources Advisory Group, Inc. (PRAG), 39 Broadway, Suite 1210, New York, New York 10006**
 - 10.2 License Agreement – License No. L-1173: 845 Watervliet Shaker Road with Avis Budget Group, Inc.**



- 10.3 Two D3 Live Units (Portable Cameras) with LiveView Technologies, Inc.**
- 10.4 Resolution Authorizing the Execution and Delivery of a Line of Credit from M&T Bank**
- 10.5 Amendment No. 1 to Contract No. S-21-1082 Terminal Pre-TSA Expansion – Design for National Grid Transformer Upgrade**
- 11. Authorization of Change Orders**
 - 11.1 Change Order No. 6: Authorization to Award Change Order No. 6 to Construction Contract 21-1082-GC for the Pre-TSA Terminal Expansion to MLB Construction Services, LLC.**
- 12. Authorization of Federal and State Grants**
 - 12.1 Accept American Rescue Plant Act (ARPA) of 2021 Coronavirus State and Local Fiscal Recover Funds**
- 13. Informational Only**

Old Business:

New Business:

Executive Session - Attorney-Client Privilege Matter

AGENDA ITEM NO. 3

Communications and Report of Chief Executive Officer

AGENDA ITEM NO. 4

Financials



Monthly Financial Report

January 2024

(dated February 27, 2024)

Table of Contents

Transmittal Letter	1
Financial Report	
Statement of Net Position	4
Summary of Revenues, Expenses and Net Results	5
Schedule of Operating Revenues	6
FBO Summary of Revenues, Expenses and Net Results	7
Notes to Financial Statements	8
Schedule of Statistics	9
Schedule of Scheduled Passenger Airline Services	10
Schedule of Positions by Entity	11
Schedule of Positions by Department	12
Schedule of RFP/B Solicitations	13



February 27, 2024

ACAA Members
Philip F. Calderone, Esq.

INTRODUCTION

Enplanement, Cargo and Operations continue to trend positively from the prior year, as shown below:

	2024 Current Year versus			
	2023 Month Budget	2023 Month Actual	2023 YTD 12 Mo.	2023 Prev. 12 Mo.
Enplanements	(18.4%)	6.8%	6.8%	5.5%
Cargo	(35.7)	(9.1)	(9.1)	(0.7)
Operations	(28.1)	(3.9)	(3.9)	(0.6)

	Month	
	Jan23	Jan24
Destination Airports	19	20
Scheduled Monthly Flight	1,140	1,154
Average Daily Flights	36.8	37.2
Pax Lift (Pax Seats)	120,608	129,460
Enplanements	93,882	102,258

FINANCIAL INFORMATION

Cash Position – Unrestricted (Operating)

The Airport continues to maintain a strong cash position. The Statements of Net Position provided on Page 4 reports unrestricted cash of \$35,400,560 and equates to approximately 10.53 months of operating reserves (Notes to Financial Statements #2, Page 8).

Cash Position – Restricted

Restricted cash available for capital purposes is as follows:

Projects	\$11,545,409
Projects – PFC	9,926,046
Projects – Other	1,212,998
	<u>\$22,684,453</u>

Accounts Receivable

The Accounts Receivable balance is approximately 1.10 of average day total operating revenues.

Equity – YTD Earnings

The Summary of Revenues, Expenses and Net results is provided on Page 5. The Airport recorded a change in net position for the month and year-to-date shown as follows:

	Month	YTD
Airport Operating	\$ 1,112,781	\$ 1,112,781
FBO Profit	255,080	255,080
	1,367,861	1,367,861
Other Rev/Exp (d.ser.)	(254,485)	(254,485)
Capital Contributions	-	-
Airline Incnt. Payts.	(42,931)	(42,931)
	(297,416)	(297,416)
	\$1,070,445	\$1,070,445*

*Please note, depreciation is not recorded on the monthly financial statements.

Airport Operating Revenues

Monthly operating revenues increased approximately \$441K from the same month the prior year. YTD operating revenues increased approximately \$441K over the same time period the prior year.

Airport Operating Expenses

Monthly operating expenses were approximately \$3,095K and \$2,991K for 2024 and 2023, respectively. YTD operating expenses were \$3,095K and \$2,991K for 2024 and 2023, respectively.

Notes to Financial Statements

1. Accounting Basis

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 on a monthly basis. 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.

2. Cash Reserves

2024 Operating Budget - Airport	\$40,097,302
2024 Operating Budget – FBO	<u>10,476,951</u>
	\$50,574,253

Monthly Operating Outflow	(\$50,574,253/12)
	\$4,214,521

Months Operating Reserves Unrestricted	
\$35,400,560/\$4,214,521	~ 8.40 months

Months Operating and Renewal Reserves	
\$9,000,444/\$4,214,521	~ 2.13 months

	Unrest.	Restr	Total
Jan21	5.30	2.0	7.30
May21	5.23	2.1	7.33
Jun21	5.50	2.1	7.71
Jul21	5.98	2.1	8.08
Aug21	5.99	2.1	8.09
Sep21	6.22	2.1	8.32
Oct21	6.11	2.1	8.21
Nov21	6.19	2.1	8.29
Dec21	6.09	2.1	8.19
Jan22	6.51	2.0	8.51
Feb	6.51	2.0	8.51
Mar	6.72	2.0	8.72
Apr	6.88	2.0	8.88
May	6.95	2.0	8.95
Jun	6.93	2.0	8.93
Jul	7.26	2.0	9.26
Aug	7.65	2.0	9.65
Sep	8.03	2.0	10.03
Oct	8.26	2.0	10.26
Nov	8.23	2.0	10.23
Dec	7.94	2.0	9.94
Jan23	6.85	2.1	8.95
Feb23	7.19	2.1	9.29
Mar23	7.49	2.1	9.59
Apr23	7.36	2.16	9.52
May23	8.03	2.16	10.19
Jun23	8.44	2.16	10.60
Jul23	8.92	2.17	11.09
Aug23	9.63	2.17	11.80
Sep23	10.22	2.18	12.40
Oct23	10.41	2.19	12.60
Nov23	10.61	2.19	12.80
Dec23	11.19	2.34	13.53
Jan23	8.40	2.13	10.53

3. Accounts Receivable

The amount of accounts receivables, shown as days of average annual (2023 Budget) daily revenues, is as follows:

\$63,781,565 / 365 = \$174,744
 \$2,359,371 / \$174,744 = 13.50

Jan22	14.98
Oct	6.40
Nov	8.23
Dec	3.23
Jan23	6.96
Feb	4.99
Mar	2.71
Apr	6.65
May	10.59
Jun	16.06
Jul	1.02
Aug	0.68
Sep	5.00
Oct	10.58
Nov	2.74
Dec	1.10
Jan	13.50

4. Capital Assets

The following are capital expenditures that are greater than \$50,000 and have a useful life greater than one year:

	Collected
Land	\$ 48,899,432
Buildings	247,884,827
Equipment	21,685,447
Improvements	295,695,571
	<u>614,165,277</u>
Accumulated Depreciation	(358,738,428)
	255,426,849
Construction In Progress	
CIP – Terminal Connector	14,865,420
CIP – Other	<u>6,239,170</u>
	21,104,590
	\$276,531,439

5. FAA AIP Funding

The following are grant amounts awarded to the Authority. Revenue is recognized when expenses are submitted for reimbursement, not when they are awarded.

	Awarded	Collected
AIP141-M.Plan	\$ 751,154	\$ 644,551
AIP143-CARES	15,277,876	15,277,876 C
AIP144-CHRSSA ³	5,093,917	5,093,917 C
AIP145-CHRSSA ²	320,510	320,510 C
AIP146-Taxi A	6,256,890	6,256,890 C
AIP147-Snow Equi	1,537,634	954,635
AIP148-ARPA	12,113,224	-
AIP149-Con Relief	1,282,039	1,282,039 C
AIP150-Taxi C	7,144,824	5,427,142
AIP151-B #303 CT	2,000,000	282,364
Jobs Act of 21 ¹	28,551,945	-

¹ Bipartisan Infrastructure Law, annual appropriation \$5,568,244, award pending.

FULL TIME FILLED POSITIONS

Workforce consists of the following Full-Time Filled positions:

	Begin	+	-	End
Mar 2022	173	2	(5)	170
Apr 2022	170	3	(2)	171
May 2022	171	7	(3)	175
Jun 2022	175	4	(2)	177
Jul 2022	173	-	(3)*	174
Aug 2022	174	8	(1)	181
Sep 2022	181	5	(3)	183
Oct 2022	187 ⁽¹⁾	6	(10)	184
Thru Week 50	184	-	(3)	181
Thru Week 23-02	181	-	(2)	179
Thru Week 23-06	179	-	-	181
Thru Week 23-10	181	4	(1)	184
Thru Week 23-18	184	13	(11)	186
Thru Week 23-22	186	5	(3)	188
Thru Week 23-33	188	2	(5)	185
Thru Week 23-36	185	5	(5)	185
Thru Week 23-41	185	6	(4)	187
Thru Week 23-46	187	5	(3)	189
Thru Week 23-50	189	6	4	191
Thru Week 24-03	191	7	7	191
Thru Week 24-07	191	7	2	196

(1) 4 position adjustment

*adjustment

Cargo (tons)

	Month YOY%		YTD YOY%		12YE YOY%	
	NAM	ALB	NAM	ALB	NAM	ALB
Sep21	3.8	(6.6)	7.1	9.3	8.4	8.5
Oct21	(0.5)	(10.6)	6.4	7.0	7.6	6.6
Nov21	4.1	0.7	6.6	6.5	7.5	6.2
Dec21	0.4	(2.1)	5.8	5.5	5.8	5.5
Jan22	(7.3)	(14.3)	(7.3)	(14.3)	4.1	3.3
Feb22	3.3	(0.3)	(2.5)	(8.0)	4.0	2.6
Mar22	(0.8)	(8.5)	(1.8)	(8.2)	2.6	0.1
Apr22	(6.7)	(24.2)	(3.3)	(12.8)	0.5	(4.6)
May22	(6.3)	(18.7)	(3.9)	(14.1)	(0.4)	(7.1)
Jun22	(3.1)	(6.8)	(3.7)	(14.6)	(0.8)	(7.8)
Jul22	(5.5)	(14.5)	(4.0)	(13.0)	(1.3)	(9.1)
Aug22	(1.1)	(0.1)	(3.7)	(11.5)	(1.7)	(9.0)
Sep22	(2.5)	(2.3)	(3.5)	(11.7)	(2.3)	(9.5)
Oct22	(5.7)	(5.6)	(3.9)	(10.0)	(2.8)	(8.3)
Nov22	(3.4)	(0.8)	(3.8)	(9.2)	(3.4)	(8.4)
Dec22	(9.2)	(3.0)	(4.2)	(8.5)	(4.2)	(8.5)
Jan23	(7.7)	(7.7)	(7.7)	(7.7)	(4.2)	(8.0)
Feb23	(6.7)	(10.3)	(7.5)	(9.4)	(5.0)	(9.4)
Mar23	(8.5)	(2.0)	(7.9)	(6.2)	(5.8)	(8.1)
Apr23	(11.0)	(2.4)	(8.7)	(5.2)	(6.0)	(6.1)
May23	(2.5)	4.6	(7.5)	(3.2)	(5.7)	(4.1)
Jun23	(6.6)	(1.5)	(7.3)	(2.9)	(6.0)	(3.7)
Jul23	(11.5)	(5.4)	(7.9)	(3.3)	(6.3)	(2.9)
Aug23	(3.1)	21.8	(7.3)	0.1	(6.6)	(1.0)
Sep23	(8.5)	(8.3)	(7.4)	(0.9)	(7.1)	(1.5)
Oct23	(7.7)	1.9	(7.5)	(0.6)	(7.2)	(0.9)
Nov23	(5.5)	4.2	(7.4)	(0.1)	(7.6)	(0.5)

COMPARISON WITH NATIONAL

Comparison of enplanement and cargo levels with the North American (NAM) amounts as provided by ACI-NA are as follows:

Enplanements

	Month YOY%		YTD YOY%		12YE YOY%	
	NAM	ALB	NAM	ALB	NAM	ALB
Jan22	90.6	188.4	90.6	188.4	104.6	137.3
Feb22	104.2	168.6	95.5	177.6	142.3	208.4
Mar22	65.5	117.1	81.9	149.3	148.5	237.6
Apr22	46.8	70.7	69.8	119.0	122.9	196.6
May22	31.8	38.4	59.9	93.6	101.2	161.5
Jun22	18.1	21.7	49.6	43.3	82.2	136.7
Jul22	7.8	15.1	40.3	61.0	65.5	107.1
Aug22	12.4	15.1	35.6	51.7	54.5	83.7
Sep22	18.5	10.6	33.4	31.4	47.4	21.8
Oct22	13.8	4.9	30.9	39.8	40.0	53.1
Nov22	8.4	3.3	28.5	35.7	32.8	41.6
Dec22	5.8	(0.4)	26.2	32.2	26.2	32.2
Jan23	26.8		26.8		23.8	
Feb23	17.5	15.7	22.6	18.4	20.6	18.9
Mar23	9.7	0.6	17.5	13.6	17.0	17.0
Apr23	7.1	(2.7)	14.4	8.7	14.1	12.1
May23	7.1	2.2	12.7	7.2	12.2	9.5
Jun23	7.7	(1.2)	11.8	5.6	11.4	7.2
Jul23	7.8	(0.2)	11.2	4.6	11.4	5.7
Aug23	7.7	4.8	10.7	4.6	11.0	4.7
Sep23	5.7	3.3	10.2	4.5	10.0	3.9
Oct23	7.3	11.7	10.0	5.2	9.5	4.6
Nov23	7.0	11.0	9.7	5.9	9.4	5.5

Albany County Airport Authority
Statements of Net Position

Page 4

	Unaudited January 31, 2023	Unaudited January 31, 2024
<u>ASSETS</u>		
CURRENT ASSETS		
Unrestricted Assets		
Cash and cash equivalents	\$4,246,535	\$8,731,026
Development Fund	21,949,196	26,669,534
Accounts Receivable - net	1,111,632	2,359,371
Lease Receivable	2,567,186	2,722,345
Prepaid Expenses	1,515,554	1,376,507
Total Unrestricted Assets	31,390,103	41,858,783
Restricted Assets		
Operating and Renewal Reserves	8,187,989	9,000,444
CFC Funds	454,324	466,631
Capital Funds	10,218,896	11,545,409
PFC Funds	9,085,082	9,926,046
Revenue Bond Funds	8,560,730	8,757,982
FAA Restricted Funds	206,006	211,461
Concession Improvement Funds	706,536	724,906
Total Restricted Assets	37,419,563	40,632,879
Total Current Assets	68,809,666	82,491,662
NON-CURRENT ASSETS		
Capital Assets	268,194,048	276,531,439
Lease Receivable	18,404,031	16,969,066
Prepaid Expenses	194,232	178,797
Total Non-Current Assets	286,792,311	293,679,302
Total Assets	355,601,977	376,170,964
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Refunding	959,399	638,650
OPEB Expenses	1,025,989	906,998
Pension Expenses	1,048,107	1,063,610
Total Deferred Outflows of Resources	3,033,495	2,609,258
TOTAL ASSETS AND DEFERRED OUTFLOWS	358,635,472	378,780,222
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Payable from Unrestricted Assets	7,069,638	12,824,740
Payable from Restricted Assets	9,865,289	14,465,516
Total Current Liabilities	16,934,927	27,290,256
NON-CURRENT LIABILITIES		
Bonds and other debt obligations	59,817,198	51,326,409
Net OPEB Liability	6,071,683	6,400,085
Net Pension Liability - proportionate share	(322,978)	1,055,043
Total Non-Current Liabilities	65,565,903	58,781,537
Total Liabilities	82,500,830	86,071,793
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Concession Improvement Funds	790,379	917,553
OPEB Expenses	1,275,576	766,596
Pension Expenses	1,246,137	75,313
Leases	20,221,742	18,721,114
Total Deferred Inflows of Resources	23,533,834	20,480,576
<u>NET POSITION</u>		
Invested in Capital Assets, net of Related Debt	210,366,529	223,432,328
Restricted	25,817,458	27,853,809
Unrestricted	16,416,821	20,941,716
Net Position	252,600,808	272,227,853
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION		
	\$ 358,635,472	\$ 378,780,222

January 2024 Monthly Financial Report

Albany County Airport Authority
2023 Summary of Revenues, Expenses and Net Results
For the one month ended January 31, 2024

	Current Month			Year to Date		
	2024 Budget	2023 Actual	2024 Actual	2024 Budget	2023 Actual	2024 Actual
AIRPORT OPERATING REVENUES						
Airline	\$ 1,846,426	\$ 1,297,506	\$ 1,615,213	\$ 1,846,426	\$ 1,297,506	\$ 1,615,213
Non-Airline	2,951,175	2,469,395	2,592,688	2,951,175	2,469,395	2,592,688
Total Revenues	4,797,601	3,766,901	4,207,901	4,797,601	3,766,901	4,207,901
AIRPORT OPERATING EXPENSES						
Personal Services	1,073,882	842,034	1,100,448	1,073,882	842,034	1,100,448
Employee Benefits	561,368	473,791	509,954	561,368	473,791	509,954
Utilities & Communications	277,108	427,780	278,615	277,108	427,780	278,615
Purchased Services	644,465	520,590	640,521	644,465	520,590	640,521
Material & Supplies	483,710	483,100	415,935	483,710	483,100	415,935
Office	91,116	118,087	58,087	91,116	118,087	58,087
Administration	100,155	82,639	91,560	100,155	82,639	91,560
Non-Capital Equipment	76,304	42,841	0	76,304	42,841	0
Total Expenses	3,308,108	2,990,862	3,095,120	3,308,108	2,990,862	3,095,120
AIRPORT OPERATING RESULTS	1,489,493	776,039	1,112,781	1,489,493	776,039	1,112,781
FBO OPERATING RESULTS	201,040	332,003	255,080	201,040	332,003	255,080
TOTAL OPERATING RESULTS	1,690,533	1,108,042	1,367,861	1,690,533	1,108,042	1,367,861
OTHER REVENUES (EXPENSES)						
Interest Earnings	66,667	112,634	227,364	66,667	112,633	227,364
Passenger Facility Charges	303,456	303,456	303,456	303,456	303,456	303,456
ACAA Debt Service	(827,785)	(835,222)	(827,785)	(827,785)	(835,222)	(827,785)
Line of Credit Interest	(66,667)	-	-	(66,667)	-	-
Grant Income	11,558	11,780	11,780	11,558	11,780	11,780
Insurance Recoveries	-	-	-	-	-	-
Improvement Charges	30,700	30,700	30,700	30,700	30,700	30,700
Total Other Revenues(Expenses)	(482,071)	(376,652)	(254,485)	(482,071)	(376,653)	(254,485)
INCOME/(LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,208,462	731,390	1,113,376	1,208,462	731,389	1,113,376
AIRLINE INCENTIVES	(33,333)	-	(42,931)	(33,333)	-	(42,931)
CAPITAL CONTRIBUTIONS	-	-	-	-	-	-
INCREASE (DECREASE) IN NET POSITION	\$ 1,175,129	\$ 731,390	\$ 1,070,445	\$ 1,175,129	731,389	1,070,445
NET POSITION, BEGINNING OF PERIOD					251,869,419	271,157,408
NET POSITION, END OF PERIOD					\$ 252,600,808	\$ 272,227,853
RECONCIATION TO AIRLINE FUNDS REMAINING:						
NET RESULTS BEFORE RESERVES	1,208,462	731,390	1,113,376	1,208,462	731,389	1,113,376
Less: Capital Improvements	(332,701)	(287,060)	(332,701)	(332,701)	(287,060)	(332,701)
Less: Reserve Requirements	(107,545)	(71,443)	(107,545)	(107,545)	(71,443)	(107,545)
NET RESULTS	768,216	372,888	673,130	768,216	372,887	673,130
Revenue Sharing:						
Transfer to/from Airlines (50%)	384,108	186,444	336,565	384,108	186,443	336,565
Authority Share (50%)	384,108	186,444	336,565	384,108	186,443	336,565
Less: Airline Incentives	(33,333)	-	(42,931)	(33,333)	-	(42,931)
Net Authority Share	\$ 350,775	\$ 186,444	\$ 293,634	\$ 350,775	\$ 186,443	\$ 293,634

Albany County Airport Authority
Operating Revenues
For the one month ended January 31, 2024

	Current Month			Year to Date		
	2024 Budget	2023 Actual	2024 Actual	2024 Budget	2023 Actual	2024 Actual
AIRLINE REVENUES						
COMMERCIAL						
Landing Fees-Signatory	\$ 758,159	\$ 463,373	\$ 648,392	\$ 758,159	\$ 463,373	\$ 648,392
Landing Fees-Non Signatory	7,030	0	0	7,030	0	0
Airline Apron Fees	82,544	69,361	74,405	82,544	69,361	74,405
Glycol Disposal Fee	25,120	95,011	102,750	25,120	95,011	102,750
CARGO						
Landing Fees-Signatory	0	54,806	63,593	0	54,806	63,593
Landing Fees-Non Signatory	0	3,458	903	0	3,458	903
TERMINAL						
Loading Bridges	73,556	59,389	68,955	73,556	59,389	68,955
Space Rental	899,268	552,108	656,216	899,268	552,108	656,216
Non-Signatory Per Turn Fee	750	0	0	750	0	0
TOTAL AIRLINE REVENUES	1,846,426	1,297,506	1,615,213	1,846,426	1,297,506	1,615,213
NON-AIRLINE REVENUES						
AIRFIELD						
Tenant Maintenance	2,500	5,308	18,585	2,500	5,308	18,585
Total Airfield	2,500	5,308	18,585	2,500	5,308	18,585
TERMINAL						
Utility Reimbursement	2,000	2,710	2,816	2,000	2,710	2,816
Tenant Maintenance	1,713	1,630	0	1,713	1,630	0
Space Rent - Non Airline	13,011	19,458	17,035	13,011	19,458	17,035
Space Rent - Fixed Non Airline	48,329	47,130	47,130	48,329	47,130	47,130
Food & Beverage	121,125	89,521	94,393	121,125	89,521	94,393
Retail	90,250	74,833	65,847	90,250	74,833	65,847
ATM	1,167	1,733	1,209	1,167	1,733	1,209
Operating Permits	29,256	28,095	24,828	29,256	28,095	24,828
Vending Machines	1,601	1,777	1,261	1,601	1,777	1,261
Baggage Cart Rentals	1,167	1,035	1,210	1,167	1,035	1,210
Total Terminal	309,619	267,921	255,728	309,619	267,921	255,728
GROUND TRANSPORTATION						
Parking	1,549,451	1,322,373	1,440,686	1,549,451	1,322,373	1,440,686
Rental Cars	546,250	364,291	314,287	546,250	364,291	314,287
Access Fees	16,714	17,481	12,000	16,714	17,481	12,000
TNCs	28,000	23,145	29,576	28,000	23,145	29,576
Garage Space Rent	7,187	6,911	7,188	7,187	6,911	7,188
Garage Kiosk Rent	1,800	1,800	1,800	1,800	1,800	1,800
Total Ground Transportation	2,149,402	1,736,001	1,805,536	2,149,402	1,736,001	1,805,536
OTHER AIRPORT						
Telephone System - Tenants	4,261	4,419	4,265	4,261	4,419	4,265
Building Rental	6,638	11,633	6,594	6,638	11,633	6,594
Control Tower Rental	66,210	64,595	65,887	66,210	64,595	65,887
Air Cargo Facility	91,667	42,807	109,550	91,667	42,807	109,550
State Executive Hangar	103,924	103,924	103,924	103,924	103,924	103,924
T Hangars	15,530	16,373	18,451	15,530	16,373	18,451
Tie Downs	132	252	136	132	252	136
Industrial Park	52,614	35,206	48,181	52,614	35,206	48,181
Land Rental	36,993	43,673	35,986	36,993	43,673	35,986
Eclipse Hangar	0	26,157	0	0	26,157	0
Hangar Rental	76,675	48,954	76,206	76,675	48,954	76,206
Antenna Space Rental	9,373	6,827	6,934	9,373	6,827	6,934
Internet and Cable Access	442	775	555	442	775	555
Fingerprinting	2,083	1,559	3,305	2,083	1,559	3,305
Tenant Maintenance	167	0	0	167	0	0
Ebay/Scrap/Equipment Sales	417	645	0	417	645	0
Utility Reimbursement	13,750	25,157	17,046	13,750	25,157	17,046
Reimb of Property Taxes	2,113	26,819	15,741	2,113	26,819	15,741
Other	6,667	390	77	6,667	390	77
Total Other Airport	489,654	460,165	512,838	489,654	460,165	512,838
TOTAL NON AIRLINE REVENUES	2,951,175	2,469,395	2,592,688	2,951,175	2,469,395	2,592,688
TOTAL REVENUES	\$ 4,797,601	\$ 3,766,902	\$ 4,207,901	\$ 4,797,601	\$ 3,766,902	\$ 4,207,901

Albany County Airport Authority
FBO Results
For the one month ended January 31, 2024

	Current Month			Year to Date		
	2024 Budget	2023 Actual	2024 Actual	2024 Budget	2023 Actual	2024 Actual
REVENUES						
Retail Fuel						
Jet A Fuel Sales	\$ 620,833	\$ 408,310	\$ 418,942	\$ 620,833	\$ 408,310	\$ 418,942
AvGas Fuel Sales	35,363	14,747	13,749	35,363	14,747	13,749
Commercial AvGas Fuel Sales	1,667	1,005	1,084	1,667	1,005	1,084
Auto & Diesel Fuel Sales	24,583	35,915	40,930	24,583	35,915	40,930
Retail Fuel Sales	682,446	459,977	474,705	682,446	459,977	474,705
Into Plane Fees	67,500	58,615	55,690	67,500	58,615	55,690
Fuel Farm Fees	76,375	65,633	76,900	76,375	65,633	76,900
General Aviation Landing Fees	28,333	21,896	32,815	28,333	21,896	32,815
Aircraft Parking Fees	45,833	33,309	28,708	45,833	33,309	28,708
Deicing Services	124,954	774,164	541,863	124,954	774,164	541,863
FBO Properties	37,428	34,820	38,475	37,428	34,820	38,475
FBO Services	11,250	7,182	8,097	11,250	7,182	8,097
TOTAL REVENUES	1,074,119	1,455,596	1,257,252	1,074,119	1,455,596	1,257,252
COST OF SALES						
Fuel Costs - Jet A	311,667	231,647	229,296	311,667	231,647	229,296
Fuel Discounts - Jet A	25,000	10,708	16,902	25,000	10,708	16,902
Fuel Costs - SAF	0	0	0	0	0	0
Fuel Costs - AvGas	26,738	14,396	9,900	26,738	14,396	9,900
Fuel Discounts - AvGas	0	560	376	0	560	376
Fuel Costs - Commercial AvGas	1,250	840	867	1,250	840	867
Fuel Costs - Auto & Diesel	18,500	22,880	37,036	18,500	22,880	37,036
Total Fuel Costs	383,154	281,031	294,377	383,154	281,031	294,377
Deicing Costs - Type I & IV	94,442	504,869	366,325	94,442	504,869	366,325
Customs Garbage, Oil & Other	167	0	0	167	0	0
Total Cost of Sales	477,763	785,900	660,702	477,763	785,900	660,702
Net Operating	596,356	669,697	596,549	596,356	669,697	596,549
CATEGORY						
Personal Services						
Salaries	150,710	142,293	144,316	150,710	142,293	144,316
Overtime	20,669	21,945	18,168	20,669	21,945	18,168
Total Personal Services	171,379	164,238	162,484	171,379	164,238	162,484
Employee Benefits	67,067	53,637	61,187	67,067	53,637	61,187
Utilities & Communications	8,507	8,094	7,526	8,507	8,094	7,526
Purchased Services	57,568	49,481	20,071	57,568	49,481	20,071
Materials & Supplies						
Buildings	11,117	14,155	12,850	11,117	14,155	12,850
Grounds	3,167	1,055	0	3,167	1,055	0
Vehicles	38,099	21,633	48,546	38,099	21,633	48,546
Total Materials & Supplies	52,383	36,843	61,397	52,383	36,843	61,397
Administrative Expenses	28,870	25,401	28,804	28,870	25,401	28,804
Non-Capital Equipment	9,542	0	0	9,542	0	0
TOTAL EXPENSES	395,316	337,693	341,469	395,316	337,693	341,469
FBO Net Direct Cost	\$ 201,040	\$ 332,003	\$ 255,080	\$ 201,040	\$ 332,003	\$ 255,080

Notes to Financial Statements

1. Accounting Basis

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 on a monthly basis. 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.

2. Cash Reserves

2024 Operating Budget - Airport	\$40,097,302
2024 Operating Budget – FBO	<u>10,476,951</u>
	\$50,574,253

Monthly Operating Outflow (\$50,574,253/12)
\$4,214,521

Months Operating Reserves Unrestricted
\$35,400,560/\$4,214,521 ~ 8.40 months

Months Operating and Renewal Reserves
\$9,000,444/\$4,214,521 ~ 2.13 months

	Unrest.	Restr	Total
Jan21	5.30	2.0	7.30
May21	5.23	2.1	7.33
Jun21	5.50	2.1	7.71
Jul21	5.98	2.1	8.08
Aug21	5.99	2.1	8.09
Sep21	6.22	2.1	8.32
Oct21	6.11	2.1	8.21
Nov21	6.19	2.1	8.29
Dec21	6.09	2.1	8.19
Jan22	6.51	2.0	8.51
Feb	6.51	2.0	8.51
Mar	6.72	2.0	8.72
Apr	6.88	2.0	8.88
May	6.95	2.0	8.95
Jun	6.93	2.0	8.93
Jul	7.26	2.0	9.26
Aug	7.65	2.0	9.65
Sep	8.03	2.0	10.03
Oct	8.26	2.0	10.26
Nov	8.23	2.0	10.23
Dec	7.94	2.0	9.94
Jan23	6.85	2.1	8.95
Feb23	7.19	2.1	9.29
Mar23	7.49	2.1	9.59
Apr23	7.36	2.16	9.52
May23	8.03	2.16	10.19
Jun23	8.44	2.16	10.60
Jul23	8.92	2.17	11.09
Aug23	9.63	2.17	11.80
Sep23	10.22	2.18	12.40
Oct23	10.41	2.19	12.60
Nov23	10.61	2.19	12.80
Dec23	11.19	2.34	13.53
Jan24	8.40	2.13	10.53

3. Accounts Receivable

The amount of accounts receivables, shown as days of average annual (2023 Budget) daily revenues, is as follows:

$$\$63,781,565 / 365 = \$174,744$$

$$\$2,359,371 / \$174,744 = 13.50$$

Jan22	14.98
Oct	6.40
Nov	8.23
Dec	3.23
Jan23	6.96
Feb	4.99
Mar	2.71
Apr	6.65
May	10.59
Jun	16.06
Jul	1.02
Aug	0.68
Sep	5.00
Oct	10.58
Nov	2.74
Dec	1.10
Jan	13.50

4. Capital Assets

The following are capital expenditures that are greater than \$50,000 and have a useful life greater than one year:

	Collected
Land	\$ 48,899,432
Buildings	247,884,827
Equipment	21,685,447
Improvements	295,695,571
	<u>614,165,277</u>
Accumulated Depreciation	(358,738,428)
	255,426,849
Construction In Progress	
CIP – Terminal Connector	14,865,420
CIP – Other	<u>6,239,170</u>
	21,104,590
	\$276,531,439

5. FAA AIP Funding

The following are grant amounts awarded to the Authority. Revenue is recognized when expenses are submitted for reimbursement, not when they are awarded.

	Awarded	Collected
AIP141-M.Plan	\$ 751,154	\$ 644,551
AIP143-CARES	15,277,876	15,277,876 C
AIP144-CHRSSA ³	5,093,917	5,093,917 C
AIP145-CHRSSA ²	320,510	320,510 C
AIP146-Taxi A	6,256,890	6,256,890 C
AIP147-Snow Equi	1,537,634	954,635
AIP148-ARPA	12,113,224	-
AIP149-Con Relief	1,282,039	1,282,039 C
AIP150-Taxi C	7,144,824	5,427,142
AIP151-B #303 CT	2,000,000	282,364
Jobs Act of 21 ¹	28,551,945	-

¹ Bipartisan Infrastructure Law, annual appropriation \$5,568,244, award pending.

² Closed, March 2022

³ Must collect by March 19, 2025

Albany International Airport
For the one month ended January 31, 2024

	Current Month			Year to Date			12 Month Running	
	Budget	2023	2024	Budget	2023	2024	2023	2024
Statistics								
Enplanements	118,750	93,882	100,258	118,750	93,882	100,258	1,310,391	1,383,015
	-18.4%		6.8%			6.8%		5.5%
Operations								
<i>Passenger</i>	2,491	2,324	2,282	2,491	2,324	2,282	29,458	29,679
<i>Cargo</i>	230	240	148	230	240	148	3,340	2,652
<i>Charter, Corporate & Diversions</i>	363	247	265	363	247	265	4,108	4,343
<i>General Aviation</i>	1,283	753	654	1,283	753	654	14,430	14,548
<i>Military</i>	167	119	189	167	119	189	2,463	2,243
Total Operations	4,533	3,683	3,538	4,533	3,683	3,538	53,799	53,465
	-28.1%		-3.9%			-3.9%		-0.6%
Landed Weight (000)	125,000	110,855	122,108	125,000	110,855	122,108	1,464,636	1,547,007
	-2.4%		10.2%			10.2%		5.6%
Cargo/Mail & Express	1,788	1,450	1,317	1,788	1,450	1,317	20,962	20,817
	-35.7%		-9.1%			-9.1%		-0.7%
Jet A Gallons	116,667	77,542	77,587	116,667	77,542	77,587	1,235,805	1,279,466
	-50.4%		0.1%			0.1%		3.5%
AvGas Gallons	5,750	2,493	2,429	5,750	2,493	2,429	68,312	72,407
	-136.7%		-2.6%			-2.6%		6.0%
Deicing Consortium	5,417	17,543	24,189	5,417	17,543	24,189	60,671	66,599
Deicing sprayed/retail	7,000	25,853	22,043	7,000	25,853	22,043	74,227	71,837
Parking Revenue	\$ 1,549,451	\$ 1,322,373	\$ 1,440,686	\$ 1,549,451	\$ 1,322,373	\$ 1,440,686	\$ 16,199,476	\$ 17,484,853
Revenue per enplanement	\$ 13.05	\$ 14.09	\$ 14.37	\$ 13.05	\$ 14.09	\$ 14.37	\$ 12.36	\$ 12.64
Transactions		39,967	41,613		39,967	41,613	539,315	573,627
Average transaction		\$ 33.09	\$ 34.62		\$ 33.09	\$ 34.62	\$ 30.04	\$ 30.48
Concession Sales								
Rental Cars		\$ 3,365,913	\$ 3,142,867		\$ 3,365,913	\$ 3,142,867	\$ 61,254,628	\$ 63,812,080
Revenue per enplanement		\$ 35.85	\$ 31.35		\$ 35.85	\$ 31.35	\$ 46.75	\$ 46.14
Food and Beverage		\$ 720,497	\$ 774,678		\$ 720,497	\$ 774,678	\$ 9,580,763	\$ 10,610,733
Revenue per enplanement		\$ 7.67	\$ 7.73		\$ 7.67	\$ 7.73	\$ 7.31	\$ 7.67
Retail		\$ 308,642	\$ 329,237		\$ 308,642	\$ 329,237	\$ 4,310,908	\$ 4,875,421
Revenue per enplanement		\$ 3.29	\$ 3.28		\$ 3.29	\$ 3.28	\$ 3.29	\$ 3.53

SCHEDULED AIRLINE PASSENGER SERVICE

	Airlines	Non-Stop Destination Airports	Non-Stop Destination Cities ⁽¹⁾	Scheduled Flights	Average Flights per Day	Monthly Seats Available	Monthly Landed Weight (lbs.)	Enplane.	Projected Load Factor
Jan2020	7	17	13	1,391	44.9	141,803	147,829,062	114,119	80.5%
Jan2021	7	15	11	622	20.6	56,129	58,693,922	25,665	45.7
Jan2022	7	18	13	1,066	34.4	111,340	107,337,992	74,020	66.5
Jan2023	6	19	13	1,140	36.8	120,608	116,740,592	93,882	77.8
Mar23	6	20	14	1,321	42.6	140,331	136,110,262	108,087	77.0
Apr23	6	19	13	1,303	43.4	139,097	132,131,600	110,378	79.3
May23	6	20	13	1,293	41.7	137,445	129,031,742	111,996	81.4
Jun23	6	20	14	1,184	39.2	133,612	122,568,672	111,736	83.6
Jul23	6	20	14	1,298	41.9	149,717	139,876,606	125,462	83.8
Aug23	6	20	14	1,333	43.0	155,747	144,635,616	139,302	89.4
Sep23	6	19	14	1,202	40.0	135,091	126,024,544	113,844	84.3
Oct23	6	21	16	1,308	42.2	152,125	143,836,306	135,785	89.3
Nov23	6	20	15	1,172	39.1	134,799	133,262,258	114,293	84.8
Dec23	6	21	15	1,203	38.8	137,828	138,198,004	108,990	79.1
Jan24	6	20	14	1,154	37.2	129,460	131,096,230	102,258	79.0
Feb24	6	20	15	1,132	39.0	127,626	127,492,938	100,952	79.1E
Mar24	6	22	22	1,249	40.3	141,947	141,120,946		

⁽¹⁾ Five (5) cities may be served by two or more airports; Chicago (ORD/MDW), New York (EWR/LGA), Orlando (MCO/SFB), Tampa (TPA/PIE/PGD), and Washington DC (DCA/IAD).

Weekly schedule flight changes are as follows:

			Year-To-Date (net)								
			Week		Week		Week		Week		
			#04-2024	+	(-) #12-2024		#04-2024	+	(-) #12-2024		#04-2023
1	ATL	Atlanta, GA	21	-	(1)	20	20	1	(1)	20	20
2	BDL	Hartford, CT	-	-	-	-	-	-	-	-	-
3	BWI	Baltimore, MD	31	2	-	33	30	3	-	33	26
4	MDW	Chicago-Midway	10	2	-	12	10	2	-	12	12
5	ORD	Chicago-O’Hare	30	3	-	33	24	9	-	33	25
6	CLT	Charlotte, NC	21	-	-	21	21	-	-	21	20
7	DFW	Dallas/FT Worth, TX	7	-	-	7	7	-	-	7	-
8	DEN	Denver, CO	-	-	-	-	-	-	-	-	-
9	DTW	Detroit, MI	21	6	-	27	21	6	-	27	-
10	FLL	Fort Lauderdale, FL	9	-	-	9	7	2	-	9	6
11	RSW	Fort Myers, FL	-	1	-	1	-	1	-	1	-
12	MIA	Miami, FL	1	-	-	1	1	-	-	1	1
13	MSP	Minneapolis, MN	-	-	-	-	-	-	-	-	-
14	MYR	Myrtle Beach, SC	2	-	-	2	-	2	-	2	
15	BNA	Nashville, TN	2	-	-	2	2	-	-	2	3
16	EWR	Newark, NJ	14	-	-	14	20	-	(6)	14	14
17	LGA	New York, LaGuardia	13	-	-	13	13	-	-	13	24
18	MCO	Orlando, FL	23	-	(1)	22	20	3	(1)	22	15
19	SFB	Orlando/Sanford, FL	4	-	(2)	2	2	2	(2)	2	2
20	PHL	Philadelphia, PA	21	-	(7)	14	18	3	(7)	14	20
21	RDU	Raleigh-Durham, NC	-	-	-	-	-	-	-	-	-
22	PGD	Tampa/Punta Gorda, FL	7	-	(5)	2	2	5	(5)	2	2
23	TPA	Tampa, FL	7	-	-	7	7	-	-	7	2
24	PIE	Tampa/St. Pete, FL	4	-	(2)	2	2	2	(2)	2	2
25	DCA	Washington DC-Reagan	20	-	-	20	20	-	-	20	26
26	IAD	Washington DC-Dulles	19	2	-	21	20	2	(1)	21	21
			287	16	(18)	285	267	43	(25)	285	269

Week 07 2024**Full Time Positions**

	Budget Full Time	Budget Part Time	Budget Total	Filled Full Time	Vacant Full Time
AvPORTS					
Jan22	165	15	180	132	33
Jan23	175	16	193	129	46
Thru Week 23-18	174	15	189	134	40
Thru Week 23-22	174	15	189	136	38
Thru Week 23-28	174	15	189	133	41
Thru Week 23-33	174	15	189	134	40
Thru Week 23-36	174	15	189	132	42
Thru Week 23-41	174	15	189	135	39
Thru Week 23-46	174	15	189	136	38
Thru Week 23-50	174	15	189	138	36
Thru Week 24-03	174	15	189	138	36
Thru Week 24-07	192	10	202	142	50
FBO					
Jan22	33	-	33	25	8
Jan23	36	2	38	30	7
Thru Week 23-18	36	2	38	32	4
Thru Week 23-22	36	2	38	32	4
Thru Week 23-33	36	2	38	31	5
Thru Week 23-35	36	2	38	31	5
Thru Week 23-41	36	2	38	32	4
Thru Week 23-46	36	2	38	33	3
Thru Week 23-50	36	2	38	33	3
Thru Week 24-03	36	2	38	33	3
Thru Week 24-07	36	2	38	34	2
ACAA					
Jan22	20	3	23	20	-
Jan23	20	3	23	20	-
Thru Week 23-18	20	3	23	20	-
Thru Week 23-22	20	3	23	20	-
Thru Week 23-28	20	3	23	20	-
Thru Week 23-28	20	3	23	20	-
Thru Week 23-36	20	3	23	20	-
Thru Week 23-41	20	3	23	20	-
Thru Week 23-46	20	3	23	20	-
Thru Week 23-50	20	3	23	20	-
Thru Week 24-03	20	3	23	20	-
Thru Week 24-07	20	3	23	20	-
Total					
Jan22	218	18	236	177	41
Jan23	231	21	252	179	53
Thru Week 23-18	230	20	250	186	44
Thru Week 23-22	230	20	250	188	42
Thru Week 23-28	230	20	250	185	45
Thru Week 23-36	230	20	250	183	47
Thru Week 23-41	230	20	250	187	43
Thru Week 23-46	230	20	250	189	41
Thru Week 23-50	230	20	250	191	39
Thru Week 24-03	230	20	250	191	39
Thru Week 24-07	248	15	263	196	52

Week 03 2024**Full Time Positions**

	Budget Full Time	Budget Part Time⁽¹⁾	Budget Total	Filled Full Time	Vacant Full Time
10 Airfield (a)	29	2	31	19 (0 LOA)	10
20 Terminal-Custodial(b)	30	1	31	25 (1 LOA)	5
20 Terminal-Facilities(b)	11	1	12	10 (0 LOA)	1
21 Loading Bridge(b)	3	-	3	3 (0 LOA)	-
30 Parking (b)	22	5	27	14	8
30 Parking – Shuttle (b)	12	1	13	11 (0 LOA)	1
32 Landside	-	-	-	-	-
41 Operations (b)	38	-	38	16 (0 LOA)	22
42 ARFF (c)	25	-	25	25 (0 LOA)	-
43 Security	3	-	3	2	1
50 Vehicle Maint. (a)	12	-	12	11	1
59 Airport Mgmt.	7	-	7	6	1
60 FBO Comm.	11	-	11	10	1
61 FBO GA	21	2	23	21	0
69 FBO Admin (added)	4	-	4	3	1
71 ACAA	20	3	23	20	-
	248	15	263	196	52

⁽¹⁾ Does not include seasonal.

	Balance	Hire	Vacated	Balance
Jan22		2	2	
Feb		2	2	
Mar	171	2	5	168
Apr	168	3	2	169
May	169	7	3	173
June	173	4	2	175
July	175	-	2	174
Aug	174	8	1	181
Sep	181	5	3	183
Oct	183	-	2	181
Thru week 50	181	2	2	181
Thru week 23-02	181	-	2	179
Thru week 23-06	179	-	-	181
Thru week 23-10	181	4	1	184
Thru week 23-18	184	13	11	186
Thru week 23-22	186	5	3	188
Thru week 23-33	188	2	5	185
Thru week 23-36	185	5	5	185
Thru week 23-41	185	6	4	187
Thru week 23-46	187	5	3	189
Thru week 23-46	189	6	4	191
Thru week 24-03	191	7	7	191
Thru week 24-07	191	7	2	196

- (a) CSEA 12/31/2026
 (b) SMART 10/31/2023
 (c) IAFF 03/31/2023

RFB/P/Qs Schedule

		Bid Notice	Pre Meeting	Bid Opening
21-1082	Structural & Interior for Terminal Expansion	Aug 15	Aug 29	Oct 11
23-1160	Sweeper Replacement Brushes	Aug 24	na	Sep 26
23-1161GC	Wade Road Tree Removal	Aug 31	Sep 14	Sep 21
23-1163GC	Airfield Lighting Control and Monitoring System	Sep 21	Oct 10	Nov 07
21-1082-TSA	TSA Equipment Location	Nov 9	Nov 18	Dec 18
23	Line of Credit	Dec 04	na	Jan 09

Pending

23-	RFQ - Aviation Legal Services	Jan 18 & 25	Feb 15
24-	RFB - Janitorial Supplies	Feb 15	Mar 14
24-	RFQ – Energy Broker Services	Feb 22	Mar 28
24-	RFP – Shuttle Bus Detailing Services	pending Apr	
24-	RFB - Credit Card Charge Services	pending Jun	
24-	RFB – Deicing Product	pending Aug	

AGENDA ITEM NO. 5

Project Development

AGENDA ITEM NO. 6

Counsel

AGENDA ITEM NO. 7

Concessions/Ambassador Program

AGENDA ITEM NO. 8

Public Affairs

AGENDA ITEM NO. 9

Business & Economic Development

AGENDA ITEM NO. 10

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

AGENDA ITEM NO. 10.2

**Purchase: Three (3) UTVs, Ranger Crew XP
1000 North Star Pre (Dpt 10 Airfield) \$35,836.01 ea**

**One (1) UTV Ranger XP 1000 NorthStar (Depart. 30,
Parking) \$32,263.25 ea**

**One (1) UTV Ranger XP 1000 NorthStar (Depart. 61,
GA) \$30,521.37 ea**

AGENDA ITEM NO: 10.2

MEETING DATE: March 18, 2024

ALBANY COUNTY AIRPORT AUTHORITY
REQUEST FOR AUTHORIZATION

DEPARTMENT: *Finance*

Contact Person: *Michael Zonsius*

PURPOSE OF REQUEST:

*Purchase: Three (3) UTVs, Ranger Crew XP 1000 North Star Pre (Dpt 10 Airfield) \$35,836.01 ea
One (1) UTV Ranger XP 1000 NorthStar (Depart. 30, Parking) \$32,263.25 ea
One (1) UTV Ranger XP 1000 NorthStar (Depart. 61, GA) \$30,521.37 ea*

*Polaris Sales Inc,
Medina, MN 55340*

AMOUNT: \$170,292.65

BUDGET INFORMATION:

Anticipated in Current Budget: Yes: X No:

*Account String: 2024-79400-71-0000
 2024-79400-71-0000
 2024-83000-61-0000*

FISCAL IMPACT - FUNDING (Dollars or Percentages)

Federal: NA State: NA Airport: 100%

JUSTIFICATION:

Request is made to approve the purchase of five (5) Utility Task Vehicle (UTVs). These units will replace four (4) existing units, and one will be new to the FBO. Purchase is authorized pursuant to Procurement Policy, Section 2.11(ii), centralized contract let by, Sourcewell Contract, Contract #122220-PSI.

CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:

Recommend approval.

FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL:

YES: ✓ NA:

AGENDA ITEM NO: 10.2
MEETING DATE: March 18, 2024

PROCUREMENT DEPARTMENT APPROVAL:

Purchase is consistent with Procurement Policy.

BACK-UP MATERIAL:

Bid Quotes.



Ranger Crew XP 1000 NorthStar



Ranger XP 1000 Northstar



Polaris Sales Inc., Medina, MN 55340
gov.info@polaris.com
Phone: 866-468-7783 Fax: 763-847-8288
www.polaris.com/gov

QUOTE

Contact Information

Name: Chris Pasquini

Email: cpasquini@albanyairport.com

Phone: 5182422379

Fax:

Bill To: Albany County Airport Authority

130 Sicker rd

Latham, NY 12110

Ship To: Albany County Airport Authority

130 Sicker rd

Latham, NY 12110

Quote Number: QUO-55196-K6Q5L2

Revision #: 1

Date: 2/26/2024 10:49 AM

Quote Expires: 3/27/2024

Contract Name: Sourcewell

Contract #: 122220-PSI

Expiration Date: 1/29/2025

Cage: 3FP69

Duns#: 123399383

Tax ID#: 41-1921490

Customer#:

Freight	Delivery Terms	Payment Terms	Payment Methods
FOB Destination-CONUS US Continental (CONUS) Only	180 Days	Net 30	Visa Mastercard Wire Check

Item #	QTY	Description	MSRP	Discount Price	Extended
R24RSU99AJ	1	RANGER Crew XP 1000 NorthStar Premium - Azure Crystal Metallic - 49 State	\$30,799.00	\$29,028.83	\$29,028.83
2890288	1	Full-Size Sun Visors	\$79.99	\$68.51	\$68.51
2883230	2	Full-Size Single Dash Light Bar Wire Harness (for rear lights - Crew req extension)	\$99.99	\$85.63	\$171.26
2889241	1	Door Mounted Sideview Mirrors	\$179.99	\$154.15	\$154.15
2889029	1	Full-Size Glacier Pro Hydraulic Angle System	\$699.99	\$599.49	\$599.49
2883247	1	Full-Size Pro Power Controller	\$299.99	\$256.92	\$256.92
2889307	1	RANGER Glacier HD Plow Frame	\$549.99	\$471.02	\$471.02
2879317	1	Full-Size Glacier Pro 72 in. Poly Blade	\$699.99	\$599.49	\$599.49
2889050	1	Full-Size Dash Winch Switch Upgrade	\$74.99	\$64.22	\$64.22



Polaris Sales Inc., Medina, MN 55340
gov.info@polaris.com
Phone: 866-468-7783 Fax: 763-847-8288
www.polaris.com/gov

QUOTE

Freight	Delivery Terms	Payment Terms	Payment Methods
FOB Destination-CONUS US Continental (CONUS) Only	180 Days	Net 30	Visa Mastercard Wire Check

Item #	QTY	Description	MSRP	Discount Price	Extended
2882871	1	Full-Size Multi-Function Cab Light for Poly Roof	\$129.99	\$111.33	\$111.33
2879988	1	RANGER SpeedKey - Max 25 MPH	\$319.99	\$274.05	\$274.05
2882158	1	RANGER Fire Extinguisher Holder	\$89.99	\$77.07	\$77.07
2889786	1	Pro Armor Dual Row 11 in Spot Bar (4900 lumens) - white lights	\$199.99	\$171.28	\$171.28
2882177	1	RANGER Cargomax System	\$564.99	\$483.87	\$483.87
2884141	1	Full-Size Power Box Lift	\$999.99	\$856.41	\$856.41
2884159	1	Full-Size Power Contoller Harness	\$54.99	\$47.09	\$47.09
2882529	1	Full-Size Rear Brushguard	\$259.99	\$222.66	\$222.66
2889237	1	Crew Full-Size Roof Rack - requires mount	\$519.99	\$445.33	\$445.33
2889234	1	Crew Full-Size Roof Rack Mount	\$409.99	\$351.12	\$351.12
2883265	1	LED Beacon Work Light (req. Switch Panel or Dash Light Bar Harness)	\$269.99	\$231.23	\$231.23
2883854	1	Full-Size Crew Dash Rear Facing Light Bar Harness	\$29.99	\$25.68	\$25.68

Comments:

SUBTOTAL	\$34,711.01
INSTALL*	\$1,125.00
FREIGHT	\$0.00
TAX	\$0.00
TOTAL	\$35,836.01

Vehicle model year and color are subject to change dependent upon delivery date.

Acceptance and Payment Information



Polaris Sales Inc., Medina, MN 55340
gov.info@polaris.com
Phone: 866-468-7783 Fax: 763-847-8288
www.polaris.com/gov

QUOTE

To accept the above quotation, please provide a purchase order via email (gov.info@polaris.com) and include the following:

- Bill to Address
- Billing Phone Number
- Ship to Address
- Point of Contact for Delivery
- Point of Contact E-Mail
- Point of Contact Phone
- Quote Number
- Alternate Point of Contact (Required)

If you would like to submit payment via credit card, please call (866) 468-7783 to process payment during our hours of operation from 8:30 AM to 4:30 PM CST Monday through Friday. We accept Visa, Mastercard & American Express.



Polaris Sales Inc., Medina, MN 55340
gov.info@polaris.com
Phone: 866-468-7783 Fax: 763-847-8288
www.polaris.com/gov

QUOTE

Contact Information

Name: Chris Pasquini

Email: cpasquini@albanyairport.com

Phone: 5182422379

Fax:

Bill To: Albany County Airport Authority

130 Sicker rd

Latham, NY 12110

Ship To: Albany County Airport Authority

130 Sicker rd

Latham, NY 12110

Quote Number: QUO-55196-K6Q5L2

Revision #: 1

Date: 2/26/2024 10:49 AM

Quote Expires: 3/27/2024

Contract Name: Sourcewell

Contract #: 122220-PSI

Expiration Date: 1/29/2025

Cage: 3FP69

Duns#: 123399383

Tax ID#: 41-1921490

Customer#:

Freight	Delivery Terms	Payment Terms	Payment Methods
FOB Destination-CONUS US Continental (CONUS) Only	180 Days	Net 30	Visa Mastercard Wire Check

Item #	QTY	Description	MSRP	Discount Price	Extended
R24RSU99AJ	1	RANGER Crew XP 1000 NorthStar Premium - Azure Crystal Metallic - 49 State	\$30,799.00	\$29,028.83	\$29,028.83
2890288	1	Full-Size Sun Visors	\$79.99	\$68.51	\$68.51
2883230	2	Full-Size Single Dash Light Bar Wire Harness (for rear lights - Crew req extension)	\$99.99	\$85.63	\$171.26
2889241	1	Door Mounted Sideview Mirrors	\$179.99	\$154.15	\$154.15
2889029	1	Full-Size Glacier Pro Hydraulic Angle System	\$699.99	\$599.49	\$599.49
2883247	1	Full-Size Pro Power Controller	\$299.99	\$256.92	\$256.92
2889307	1	RANGER Glacier HD Plow Frame	\$549.99	\$471.02	\$471.02
2879317	1	Full-Size Glacier Pro 72 in. Poly Blade	\$699.99	\$599.49	\$599.49
2889050	1	Full-Size Dash Winch Switch Upgrade	\$74.99	\$64.22	\$64.22



Polaris Sales Inc., Medina, MN 55340
gov.info@polaris.com
Phone: 866-468-7783 Fax: 763-847-8288
www.polaris.com/gov

QUOTE

Freight	Delivery Terms	Payment Terms	Payment Methods
FOB Destination-CONUS US Continental (CONUS) Only	180 Days	Net 30	Visa Mastercard Wire Check

Item #	QTY	Description	MSRP	Discount Price	Extended
2882871	1	Full-Size Multi-Function Cab Light for Poly Roof	\$129.99	\$111.33	\$111.33
2879988	1	RANGER SpeedKey - Max 25 MPH	\$319.99	\$274.05	\$274.05
2882158	1	RANGER Fire Extinguisher Holder	\$89.99	\$77.07	\$77.07
2889786	1	Pro Armor Dual Row 11 in Spot Bar (4900 lumens) - white lights	\$199.99	\$171.28	\$171.28
2882177	1	RANGER Cargomax System	\$564.99	\$483.87	\$483.87
2884141	1	Full-Size Power Box Lift	\$999.99	\$856.41	\$856.41
2884159	1	Full-Size Power Contoller Harness	\$54.99	\$47.09	\$47.09
2882529	1	Full-Size Rear Brushguard	\$259.99	\$222.66	\$222.66
2889237	1	Crew Full-Size Roof Rack - requires mount	\$519.99	\$445.33	\$445.33
2889234	1	Crew Full-Size Roof Rack Mount	\$409.99	\$351.12	\$351.12
2883265	1	LED Beacon Work Light (req. Switch Panel or Dash Light Bar Harness)	\$269.99	\$231.23	\$231.23
2883854	1	Full-Size Crew Dash Rear Facing Light Bar Harness	\$29.99	\$25.68	\$25.68

Comments:

SUBTOTAL	\$34,711.01
INSTALL*	\$1,125.00
FREIGHT	\$0.00
TAX	\$0.00
TOTAL	\$35,836.01

Vehicle model year and color are subject to change dependent upon delivery date.

Acceptance and Payment Information



Polaris Sales Inc., Medina, MN 55340
gov.info@polaris.com
Phone: 866-468-7783 Fax: 763-847-8288
www.polaris.com/gov

QUOTE

To accept the above quotation, please provide a purchase order via email (gov.info@polaris.com) and include the following:

- Bill to Address
- Billing Phone Number
- Ship to Address
- Point of Contact for Delivery
- Point of Contact E-Mail
- Point of Contact Phone
- Quote Number
- Alternate Point of Contact (Required)

If you would like to submit payment via credit card, please call (866) 468-7783 to process payment during our hours of operation from 8:30 AM to 4:30 PM CST Monday through Friday. We accept Visa, Mastercard & American Express.



Polaris Sales Inc., Medina, MN 55340
gov.info@polaris.com
Phone: 866-468-7783 Fax: 763-847-8288
www.polaris.com/gov

QUOTE

Contact Information

Name: Chris Pasquini

Email: cpasquini@albanyairport.com

Phone: 5182422379

Fax:

Bill To: Albany County Airport Authority

130 Sicker rd

Latham, NY 12110

Ship To: Albany County Airport Authority

130 Sicker rd

Latham, NY 12110

Quote Number: QUO-55196-K6Q5L2

Revision #: 1

Date: 2/26/2024 10:49 AM

Quote Expires: 3/27/2024

Contract Name: Sourcewell

Contract #: 122220-PSI

Expiration Date: 1/29/2025

Cage: 3FP69

Duns#: 123399383

Tax ID#: 41-1921490

Customer#:

Freight	Delivery Terms	Payment Terms	Payment Methods
FOB Destination-CONUS US Continental (CONUS) Only	180 Days	Net 30	Visa Mastercard Wire Check

Item #	QTY	Description	MSRP	Discount Price	Extended
R24RSU99AJ	1	RANGER Crew XP 1000 NorthStar Premium - Azure Crystal Metallic - 49 State	\$30,799.00	\$29,028.83	\$29,028.83
2890288	1	Full-Size Sun Visors	\$79.99	\$68.51	\$68.51
2883230	2	Full-Size Single Dash Light Bar Wire Harness (for rear lights - Crew req extension)	\$99.99	\$85.63	\$171.26
2889241	1	Door Mounted Sideview Mirrors	\$179.99	\$154.15	\$154.15
2889029	1	Full-Size Glacier Pro Hydraulic Angle System	\$699.99	\$599.49	\$599.49
2883247	1	Full-Size Pro Power Controller	\$299.99	\$256.92	\$256.92
2889307	1	RANGER Glacier HD Plow Frame	\$549.99	\$471.02	\$471.02
2879317	1	Full-Size Glacier Pro 72 in. Poly Blade	\$699.99	\$599.49	\$599.49
2889050	1	Full-Size Dash Winch Switch Upgrade	\$74.99	\$64.22	\$64.22



Polaris Sales Inc., Medina, MN 55340
gov.info@polaris.com
Phone: 866-468-7783 Fax: 763-847-8288
www.polaris.com/gov

QUOTE

Freight	Delivery Terms	Payment Terms	Payment Methods
FOB Destination-CONUS US Continental (CONUS) Only	180 Days	Net 30	Visa Mastercard Wire Check

Item #	QTY	Description	MSRP	Discount Price	Extended
2882871	1	Full-Size Multi-Function Cab Light for Poly Roof	\$129.99	\$111.33	\$111.33
2879988	1	RANGER SpeedKey - Max 25 MPH	\$319.99	\$274.05	\$274.05
2882158	1	RANGER Fire Extinguisher Holder	\$89.99	\$77.07	\$77.07
2889786	1	Pro Armor Dual Row 11 in Spot Bar (4900 lumens) - white lights	\$199.99	\$171.28	\$171.28
2882177	1	RANGER Cargomax System	\$564.99	\$483.87	\$483.87
2884141	1	Full-Size Power Box Lift	\$999.99	\$856.41	\$856.41
2884159	1	Full-Size Power Contoller Harness	\$54.99	\$47.09	\$47.09
2882529	1	Full-Size Rear Brushguard	\$259.99	\$222.66	\$222.66
2889237	1	Crew Full-Size Roof Rack - requires mount	\$519.99	\$445.33	\$445.33
2889234	1	Crew Full-Size Roof Rack Mount	\$409.99	\$351.12	\$351.12
2883265	1	LED Beacon Work Light (req. Switch Panel or Dash Light Bar Harness)	\$269.99	\$231.23	\$231.23
2883854	1	Full-Size Crew Dash Rear Facing Light Bar Harness	\$29.99	\$25.68	\$25.68

Comments:

SUBTOTAL	\$34,711.01
INSTALL*	\$1,125.00
FREIGHT	\$0.00
TAX	\$0.00
TOTAL	\$35,836.01

Vehicle model year and color are subject to change dependent upon delivery date.

Acceptance and Payment Information



Polaris Sales Inc., Medina, MN 55340
gov.info@polaris.com
Phone: 866-468-7783 Fax: 763-847-8288
www.polaris.com/gov

QUOTE

To accept the above quotation, please provide a purchase order via email (gov.info@polaris.com) and include the following:

- Bill to Address
- Billing Phone Number
- Ship to Address
- Point of Contact for Delivery
- Point of Contact E-Mail
- Point of Contact Phone
- Quote Number
- Alternate Point of Contact (Required)

If you would like to submit payment via credit card, please call (866) 468-7783 to process payment during our hours of operation from 8:30 AM to 4:30 PM CST Monday through Friday. We accept Visa, Mastercard & American Express.

AGENDA ITEM NO. 10.3

**Purchase: One (1) 2024 Lektro Model AP8750CX
Aircraft Tug**

**JBT LEKTRO Inc.
1190 SE Flightline Dr.
Warrenton, OR 97146**

AGENDA ITEM NO: 10.3

MEETING DATE: March 18, 2024

ALBANY COUNTY AIRPORT AUTHORITY
REQUEST FOR AUTHORIZATION

DEPARTMENT: *Finance*

 Contact Person: *Michael Zonsius*

PURPOSE OF REQUEST:

Purchase: One (1) 2024 Lektro Model AP8750CX Aircraft Tug

*JBT LEKTRO Inc.
 1190 SE Flightline Dr. Warrenton, OR 97146*

AMOUNT: *\$101,762.00*

BUDGET INFORMATION:

 Anticipated in Current Budget: Yes: \checkmark No:
 Account String: 2024-79400-71-0000

FISCAL IMPACT - FUNDING (Dollars or Percentages)

 Federal: NA State: NA Airport: 100%

JUSTIFICATION:

Request is made to approve the purchase of one (1) 2024 Lektro Model AP8750CX Aircraft Tug. This is a fully electric tug that is used by the Fixed Based Operator (Million Air) and is used to reposition General Aviation ("GA") aircraft on the GA apron and/or in the hangars. This unit can tow aircraft up to 75,000 lbs.

Lektro is the only manufacturer for this size of equipment and the purchase is made pursuant to Procurement Policy 4.2(c)(iii).

CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:

 Recommend approval.

FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES: \checkmark NA:

AGENDA ITEM NO: 10.3
MEETING DATE: March 18, 2024

PROCUREMENT DEPARTMENT APPROVAL:

Purchase is consistent with Procurement Policy.

BACK-UP MATERIAL:

Bid Quote



2024 Lektro Model AP8750CX Aircraft Tug

**LEKTRO**

JBT LEKTRO Inc.

1190 SE Flightline Dr., Warrenton, OR 97146, U.S.A.

Phone: +1-503-861-2288 U.S. Toll-free: 1-800-535-8767

Fax: +1-503-861-2283

Email: sales.lektro@jbt.com Web: lektro.com

Quotation #24-013

Sold To: Albany County Airport Authority
 737 Albany Shaker Road
 Albany, NY 12211 - 1057

Ship To: Million Air - ALB
 16 Jetway Drive
 Albany, NY 12211
 Attn: Brian King
 TEL: 845-709-0171

Date:	February 22, 2024	Sales Person:	Mike Shain
Inquiry Date:	December 17, 2021	Ship Via:	Motor Freight
Ship Date:	4-5 Months ARO	FOB: (Incoterms 2010)	Albany, NY
Terms:	50% Deposit with Order, Balance Due Prior to Shipping		
Shipping Charges:	Prepaid+Add	Insurance:	Prepaid+Add

All quotations and sales are subject to the Terms and Conditions on the reverse hereof. JBT reserves the right to modify product prices by means of a steel surcharge in the event steel costs increase by more than five percent. JBT will notify Buyer of requirement for a steel surcharge and product prices included in this Contract shall be modified by means of the change order process.

QTY	DESCRIPTION	UNIT PRICE	TOTAL AMT
1	New 2024 Lektro Model AP8750CX Aircraft Tug, 75,000 lb/34,020 kg Capacity		\$93,761.00
	FSIP EV-100LX-LL SCR Electronic Speed Control with Reverse Direction Braking & On-Board Diagnostics		STD
	33.1 HP/72v DC Drive Motor		STD
1	Limited Slip Differential (Replaces Standard Differential)	1,026.00	1,026.00
	Key Lock Switch		STD
	Hour Meter		STD
	Electronic Battery Monitor, Motive Battery		STD
	Dual Forward LED Spotlights & Aft LED Spotlight		STD
	Four Flashing Amber LED Running Lights		STD
	72 VDC (12 x 6v), 328 Amp Hr. (6-Hr. Rate), 1374 Cold Crank Motive/GPU Batteries, Including 12/24/28 Volt GPU Capability		STD
1	Single-Point Central Battery Water Fill System for Motive Batteries	1,309.00	1,309.00
	15' Extension Cord with AN Connector & 12v Clamp		STD
	72 VDC, 50 Amp, 230 VAC, 50/60 Hz, 1-Ph, Fully Automatic Charger		STD
	Patented Electric/Hydraulic, Dual Cylinder, Universal Nose Gear Cradle with Front & Rear Gates		STD
	Extended Aluminum Rear Gate		STD
	Dual Passenger Operator's Platform with Side Restraints		STD
	Foot Applied Dual Hydraulic Wheel Disc Brakes		STD
	Hand/Foot Applied Electric "Deadman" Parking Brake		STD
1	Dual Poly-Foam Filled Traction Drive Tires (5.00 x 8 10-Ply)	927.00	927.00
1	Dual Solid-Pneumatic Traction Steer Tires (5.00 x 8 10-Ply)		INCL
	Heavy-Duty Hydraulic Winch with Nylon Belt Including Automatic Cut-Off		STD
	Dbl 1" x 29" Soft-Eye/2" x 29" D-Ring Nylon Strut Straps with Protective Sleeve		STD
1	Lear/Citation/Beechjet Hold Down Hoop (15"-18"/38-46cm Dia.)		INCL
	Pintle Towing Hook Adapter Mounted on Rear of Tug		STD
	Chine Protectors		STD
	Aircraft Strut Hold Back Bar with Automatic Winch Cut-Off		STD
	Wheel Fairing Tire Guide		STD
	Four-Step Extension Ladder		STD
	Side Mount Accessory Holders		STD
	High Gloss Enamel Red or White Paint with Polyurethane Protective Coating		STD
	Parts/Service/Operation Manual with Exploded View on USB		STD
	One Year Gold Seal Warranty		STD
1	Cantering NLG Adapter & Receiver	2,033.00	2,033.00
1	Adapter Caps (Cirrus SR20/22)	322.00	322.00
1	Adapter Caps (Corvalis 350/400)	357.00	357.00
1	Adapter Caps (Diamond)	321.00	321.00
1	Adapter Caps (Grumman)	344.00	344.00
1	Adapter Caps (Cessna 162)	450.00	450.00
1	Citation X/Sovereign Hold Down Adapter	923.00	923.00
1	Falcon 50/900/2000 Interface Tool	1,791.00	1,791.00
1	Falcon 7X/8X Interface Tool	1,791.00	1,791.00
1	Lear 40/45/70/75 Yoke Adapter	1,510.00	1,510.00
1	Phenom 100 Poke-Yoke Adapter	1,102.00	1,102.00
1	Phenom 300 Poke-Yoke Adapter	1,102.00	1,102.00
	Sub Total		\$109,069.00
	Less: Million Air Preferred Customer Discount		(10,907.00)
	Sub Total		\$98,162.00
	Freight (ESTIMATED)		3,600.00
	Estimated Sales Tax (8% - If Exempt Please provide documentation)		TBD
	Total		\$101,762.00

We are pleased to submit this quotation for your consideration. Our quote is valid until:

April 23, 2024

Should you place an order, be assured it will receive our prompt attention.

Prepared By Mike Shain Accepted By _____ Date _____

Personally Guaranteed By _____ Date _____

Print Name _____ Address _____

Remit Address (USPS):

JBT Lektro, Inc.
 P.O. Box 7411137
 Chicago, IL 60674-1137

ACH/Wire Transfer Instructions:

Bank of America, New York City, NY, U.S.A.
 Account: 8670723533
 FedACH: 071000039
 Fedwire: 026009593 (from outside the U.S.)
 SWIFT: BOFAUS3N

Overnight/Courier Delivery Address:

JBT Lektro, Inc.
 c/o Bank of America
 Lockbox #11137
 540 W Madison, 4th Floor
 Chicago, IL 60661

AGENDA ITEM NO. 10.4

**Lease Amendment: Lease of a portion of 68 Sicker
Road (ACAA Bldg. No. 215), with Innovative
Chemical Systems, Inc.**

AGENDA ITEM NO: 10.4
MEETING DATE: March 18, 2024

ALBANY COUNTY AIRPORT AUTHORITY
REQUEST FOR AUTHORIZATION

DEPARTMENT: *Administration/Legal Department*

Contact Person: *Ray Casey, Senior Project Consultant*

PURPOSE OF REQUEST:

Lease Amendment: *Lease of a portion of 68 Sicker Road (ACAA Bldg. No. 215), with Innovative Chemical Systems, Inc.*

CONTRACT AMOUNT:

N/A

BUDGET INFORMATION:

Anticipated in Current Budget: Yes ✓ No NA

FISCAL IMPACT - FUNDING (Dollars or Percentages)

Federal State Airport NA ✓

JUSTIFICATION:

Authorization is requested to enter into a five-year lease with Innovative Chemical Systems, Inc. for a portion of premises at 68 Sicker Road (Airport Building No. 215). The 932 SF portion of 68 Sicker Road (ACAA Bldg. No. 215) is an unused storage bay on this \$14,200 SF building which is principally leased to KisKis Tire Company, Inc. The space will be utilized to receive, store and dispatch commercial laundry supplies within the Capital District. The rent will be \$7,456 annually (\$621.33 monthly) plus utilities and taxes. Lease payments will increase by 3% annually for the term of the lease.

CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:

Recommend approval.

FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES ✓ NA

BACK-UP MATERIAL: *1) Draft Lease
2) Floor Plan*

LAND AND FACILITY LEASE AGREEMENT

BETWEEN

INNOVATIVE CHEMICAL SYSTEMS, INC.

AND THE

ALBANY COUNTY AIRPORT AUTHORITY

CONTRACT NO. L-1179

LAND AND FACILITY LEASE AGREEMENT

THIS LAND AND FACILITY LEASE AGREEMENT ("Lease") is made and entered into effective April 1, 2024 by and between the **ALBANY COUNTY AIRPORT AUTHORITY** (the "AUTHORITY"), a body corporate and politic constituting a public benefit corporation established and existing pursuant to the Albany County Airport Authority Act enacted by Chapter 686 of the laws of 1993 and set forth in Title 32 of the New York Public Authorities Law, having offices at the Albany International Airport, 737 Albany Shaker Road, Main Terminal, 3rd Floor, Albany County Airport, Albany, NY, 12211 and **INNOVATIVE CHEMICAL SYSTEMS, INC.**, (the "LESSEE"), a New York Corporation authorized to do business in the State of New York, having a business address of P.O. Box 128, Delmar, New York 12054.

RECITALS

- 1. The County of Albany (the "County") is the owner of the Albany County Airport (the "Airport"), located in the Town of Colonie, County of Albany, State of New York.
- 2. The County and the AUTHORITY have entered into an Airport Lease Agreement, effective as of May 16, 1996, for a term expiring December 31, 2049, 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 Jaw.

The AUTHORITY and the LESSEE have been in negotiations with regard to the AUTHORITY's premises known as 68 Sicker Road (the "Leased Premises") located in the Town of Colonie, which is owned by the County and is part of the lands known as Albany International Airport. The AUTHORITY and the LESSEE have reached agreement on the lease of such building located on such plot of land for a period of five years.

- 3. This Lease Agreement has been duly authorized by the AUTHORITY by a Resolution adopted on March 18, 2024.

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

ARTICLE I - LEASED PREMISES

A. DESCRIPTION OF LEASED PREMISES

The term "Leased Premises", as used in this Lease Agreement, shall mean a portion of the premises known as 68 Sicker Road, Town of Colonie, New York including the land, the building erected thereon, and other improvements thereto, including the right of ingress thereto and egress therefrom, located on real estate located at Albany International Airport, as described on the attached **Exhibit "A."** The AUTHORITY hereby leases the Leased Premises to the LESSEE in accordance with the terms of this Lease Agreement

ARTICLE II - OBJECTIVES AND PURPOSES OF LEASE

A. USE OF LEASED PREMISES

The LESSEE shall use the Leased Premises for the sale and installation of tires, maintenance and repair of vehicles and related equipment, and for other necessary office and maintenance and incidental purposes related to LESSEE's operations and for no other purpose.

ARTICLE III - [INTENTIONALLY OMITTED]

ARTICLE IV - TERM

A. PRIMARY

The initial term of this Lease is five (5) years, commencing upon the first day of April 1, 2024 and terminating on March 31, 2029, which date shall be the "Date of Termination". The AUTHORITY shall have the right of access to the Leased Premises for any purpose subject to the provisions of this Lease.

B. RENEWALS

The Date of Termination can be extended for a five-year increment beginning the first day of April, 2029, if approved in writing by both the AUTHORITY CEO and the LESSEE at least one hundred twenty (120) days before the expiration of the then current five year period.

C. HOLDING OVER

In the event the LESSEE shall continue to occupy the Leased Premises beyond the Lease term without AUTHORITY's written renewal thereof, such holding over shall not constitute a renewal or extension of this Lease, but shall create a tenancy from month to month which may be terminated at any time by the AUTHORITY or the LESSEE by giving one hundred twenty (120) days written notice to the other party. The AUTHORITY may, however, at its option, renegotiate the fee consideration of the Agreement to be used during the month-to-month terms.

The LESSEE further agrees that upon the expiration of the term of this Lease or sooner cancellation thereof, the Leased Premises will be delivered to AUTHORITY in good condition, reasonable wear

and tear and matters covered by insurance excepted. Reasonable wear and tear shall be determined at the sole discretion of AUTHORITY upon inspection of the Leased Premises from time to time.

ARTICLE V - FEES AND RECORDS

A. FEES

- 1. In consideration of the terms and obligations of this Lease, the LESSEE agrees to pay the AUTHORITY \$8.00 per square foot: \$7,456 annually or \$621.33 per month for rental of nine hundred thirty two (932) square foot portion of the building located at 68 Sicker Road. The first monthly lease payment shall be due on April 1, 2024.
- 2. January 1, 2025 and annually thereafter, the lease rate effective with any renewals of this Lease after the initial term, the lease fee in above shall be increased by three percent (3%) annually.
- 3. The LESSEE agrees to reimburse the AUTHORITY on a timely basis for the ten percent (10%) prorated cost of property taxes (school and county/municipal) as well as all utility costs. The AUTHORITY will invoice the LESSEE for these direct costs.

B. TIME AND PLACE OF PAYMENTS

The foregoing fixed rental shall be payable in equal monthly installments in advance on or before the first business day of each calendar month.

Payments shall be made in lawful money of the United States, free from all claims, demands, set-offs, or counter-claims of any kind against the AUTHORITY. Any payments not paid when due shall be subject to interest thereon at the per annum rate as set forth in the State Finance Law. These payments shall be made payable to the Albany County Airport Authority and sent to:

Albany County Airport Authority
ATTN. Accounts Receivable
Albany International Airport
737 Albany Shaker Road
Main Terminal, 3rd Floor
Albany, New York 12211-1057

ARTICLE VI - OBLIGATIONS OF THE LESSEE

A. NET LEASE

The use and occupancy of the Leased Premises by the LESSEE will be without cost or expense to AUTHORITY. It shall be the sole responsibility of the LESSEE to maintain, repair and operate the entirety of the Leased Premises and any improvements and facilities constructed thereon, and to pay any applicable taxes or fees, at LESSEE's sole cost and expense.

B. MAINTENANCE AND OPERATIONS

The LESSEE shall maintain the Leased Premises at all times in a safe, neat and attractive condition, and shall not permit the accumulation of any trash, paper, or debris on the Leased Premises. The LESSEE shall repair all damages to the Leased Premises caused by its employees, patrons, visitors, any other persons, or its operation thereon; shall maintain and repair all equipment thereon, including any buildings and improvements commencing immediately after the one year guarantee period for contractors work, excluding extended warranties allowed by the contracts to construct the Warehouse.

Without limiting the foregoing, the LESSEE shall be responsible for and perform all maintenance, including but not limited to:

1. Janitorial services;
2. Cleaning of stoppages in plumbing fixtures, drain line and sewer system;
3. All routine maintenance on the constructed structures, pavements, and equipment;
4. The LESSEE shall advise the AUTHORITY and obtain the AUTHORITY's consent in writing before making changes involving structural changes to building or premises;
5. The LESSEE is responsible for maintaining electric loads within the designed capacity of the system;
6. The LESSEE shall provide and maintain hand fire extinguisher for the interior of the building and shall maintain, either with LESSEE personnel or through third-party maintenance agreements, all facility systems such as fire alarm systems, elevators, HVAC systems and door operations;
7. The LESSEE shall maintain all landscaping and grounds as originally approved and installed.
8. All energy and utility costs.

The AUTHORITY, at its discretion, shall be the sole judge of the quality of maintenance; and the LESSEE, upon written notice by the AUTHORITY to the LESSEE shall be required to perform whatever maintenance the AUTHORITY deems necessary. If said maintenance is not undertaken by the LESSEE within thirty (30) days after receipt of written notice, the AUTHORITY shall have the right to enter upon the Leased Premises and perform the necessary maintenance, the cost of which shall be borne by the LESSEE.

No waste shall be committed or damage done to the property of the AUTHORITY.

C. UTILITIES

The LESSEE shall assume and pay for all costs or charges for utilities services furnished to the Leased Premises during the term of the Lease Agreement.

D. TRASH, GARBAGE, ETC.

The LESSEE shall pick up, and provide for, a complete and proper arrangement for the adequate sanitary handling and disposal, away from the Airport, of all trash, garbage, and other refuse caused as a result of the operation of its business. The LESSEE shall provide and use suitable covered metal receptacles for all such garbage, trash, and other refuse.

Piling of boxes, cartons, barrels, pallets, debris, or similar items in an unattractive or unsafe manner, on or about the Leased Premises, shall not be permitted.

E. SIGNS

The LESSEE shall not erect, maintain, or display outdoors on the Leased Premises any signs, billboards or advertising; provided, however, that the LESSEE may maintain on the outside of said buildings, its own name(s) and services on signs, the size, location and design of which shall be subject to prior written approval by the AUTHORITY.

F. NONDISCRIMINATION

The LESSEE, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree (1) that no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereof no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (3) that the LESSEE shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended, to the extent that said requirements are applicable, as a matter of law, to the LESSEE.

G. AFFIRMATIVE ACTION

With respect to the Leased Premises, the LESSEE assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall, on the grounds of race, creed, color, national origin or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E; that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by that Subpart; and that it will require that its covered sub-organizations provide assurance to the LESSEE that they similarly will undertake affirmative action programs, and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect, to the extent that said requirements are applicable, as a matter of law, to the LESSEE.

H. OBSERVANCE OF STATUTES, ETC.

The LESSEE shall observe and comply with any and all requirements of all Federal, State or Local statutes, ordinances, regulations and standards applicable to the LESSEE for its use of the Leased Premises, including but not limited to, rules and regulations promulgated from time to time by the AUTHORITY for the administration of the Airport.

I. ENVIRONMENTAL STATUTES

1. The LESSEE covenants and agrees to comply with all applicable environmental laws and to provide to the AUTHORITY, immediately upon receipt, copies of any correspondence, Notice, Pleading, Citation, Indictment, Complaint, Order, Decree or other document from any source asserting or alleging a circumstance or condition which requires, or may require, a clean-up, removal, remedial action, or other response by or on the part of the LESSEE under environmental laws or which seek criminal or punitive penalties from the LESSEE

for an alleged violation of environmental laws. The LESSEE further agrees to advise the AUTHORITY in writing as soon as the LESSEE becomes aware of any condition or circumstances which may result in a potential violation of any environmental laws. The LESSEE agrees, at its expense, and at the request of the AUTHORITY to permit an environmental audit solely for the benefit of the AUTHORITY, to be conducted by the AUTHORITY. This provision shall not relieve the LESSEE from conducting its own environmental audits or taking any other steps necessary to comply with environmental laws.

2. If In the opinion of the AUTHORITY, there exists any uncorrected violation by the LESSEE of an environmental law or any condition which requires, or may require, a cleanup, removal or other remedial action by the LESSEE under any environmental laws, and such cleanup, removal or other remedial action is not completed within ninety (90) days from the date of written notice from the AUTHORITY to the LESSEE, the same shall, at the option of the AUTHORITY, constitute an event of default hereunder.
3. For the purposes of this Article, the term "environmental law" shall mean all Federal, State and Local laws including statutes, regulations, ordinances, permits, codes, rules and other governmental restrictions and requirements relating to the environment or hazardous substance including, but not limited to, the New York State Environmental Conservation Law, the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Responsibility, Cleanup and Liability Act of 1980 as amended by the Super Fund Amendments and Reauthorization Act of 1986, regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Agency, and regulations of any State Department or agency now or anytime hereafter in effect.
4. The storage, use, discharge, or disposal of aircraft deicing fluids, permanent deicing chemicals and cleaning agents is expressly prohibited outside of SPDES Permit Best Management Practices Plan approved areas.
5. The LESSEE agrees fully to indemnify and save and hold harmless the AUTHORITY from and against all claims and actions and all expenses incidental to the investigation and defense thereof, including the AUTHORITY's reasonable litigation expenses and attorneys' fees, based on or arising out of damages or injuries to persons or their property, resulting from the LESSEE, its agents, or employees, violation of any environmental laws with respect to the LESSEE's use and occupancy of the Leased Premises.

The AUTHORITY agrees fully to indemnify and save and hold harmless the LESSEE from and against all claims and actions and all expenses incidental to the investigation and defense thereof, including the Lessee's reasonable litigation expenses and attorneys' fees, based on or arising out of damages or injuries to persons or their property, resulting from the AUTHORITY, its agents, or employees, violation of any environmental laws which impact the Leased Premises.
6. The AUTHORITY shall give to the LESSEE prompt and reasonable notice of any such claim or action, and the LESSEE shall have the right to investigate, compromise, and defend the same.

J. HAZARD LIGHTS

The LESSEE shall maintain any hazard lights on any structure on the Leased Premises, if required by the AUTHORITY or Federal Aviation Administration regulations. Any hazard lights so required shall comply with the specifications and standards established for such installations by the FAA.

ARTICLE VII- OBLIGATIONS OF AUTHORITY

A. OPERATION AS PUBLIC AIRPORT

The AUTHORITY covenants and agrees that at all times it will operate and maintain Albany International Airport, as defined herein above, as a public Airport consistent with and pursuant to the Sponsor's Assurances given by the AUTHORITY to the United States Government under the Federal Airport and Airway Improvement Act, as amended.

B. INGRESS AND EGRESS

Upon paying the rental hereunder and performing the covenants of this Lease, the LESSEE shall have the right of ingress to and egress from the Leased Premises for the LESSEE, its officers, employees, agents, servants, customers, vendors, suppliers, patrons, and invitees over the roadway provided by the AUTHORITY serving the Leased Premises.

ARTICLE VIII - AUTHORITY'S RESERVATIONS

A. IMPROVEMENT, RELOCATION OR REMOVAL OF STRUCTURES

The AUTHORITY, at its sole discretion, reserves the right to further develop or improve the aircraft operating area and other portions of the Airport, including the right to remove or relocate any structure on premises owned by the AUTHORITY, as it sees fit, and to take any action it considers necessary to protect the instrument approaches of the Airport against obstructions, together with the right to prevent the LESSEE from erecting or permitting to be erected, any buildings or other structure on premises owned by the AUTHORITY which, in the opinion of the AUTHORITY, would limit the usefulness of the Airport, constitute a hazard to aircraft or be inconsistent with Federal Aviation Regulations Part 77.

In the event the AUTHORITY requires the Leased Premises for expansion, improvements, development of the Airport, the AUTHORITY reserves the right, on six (6) months notice, to relocate or replace the facilities and improvements in substantially similar form at another generally comparable location on or near the Airport. The costs of any such relocation or replacement shall be borne by the AUTHORITY.

B. INSPECTION OF LEASED PREMISES

The AUTHORITY, through its duly authorized agent, shall have at any reasonable time, the full and unrestricted right to enter the Leased Premises for the purpose of periodic inspection for fire protection, maintenance and to investigate compliance with the terms of this Lease.

C. SUBORDINATION TO U.S. GOVERNMENT

This Lease shall be subordinate to the provisions of any existing or future agreement(s) between the AUTHORITY and the United States, relative to the operation and maintenance of the Airport, the terms and execution of which have been or may be required as a condition precedent to the expenditure or reimbursement to the AUTHORITY for Federal funds for the development of the Airport.

D. SUBORDINATION TO AIRPORT LEASE AGREEMENT

This Lease is and shall remain Subordinate to the provisions of the Airport Lease Agreement, between the AUTHORITY and the County of Albany, as may be amended from time to time.

ARTICLE IX - LIABILITY, INDEMNITY AND INSURANCE

- A.** The LESSEE hereby agrees to release, indemnify and save harmless the AUTHORITY, the County of Albany, their officers, agents and employees, Airport Group NY, Inc., or successor, if any, from and against any and all loss of, or damage to, property, or injuries to, or death of, any person or persons, including property and employees or agents of the AUTHORITY, and shall defend, indemnify and save harmless the AUTHORITY, their officers, agents and employees from any and all claims, damages, suits, costs, expense, liability, actions or proceedings of any kind or nature whatsoever, including Worker's Compensation claims, of or by anyone whomsoever, in any way resulting from, or arising out of, directly or indirectly, LESSEE's operations in connection herewith, or its use or occupancy of any portion of the Airport, and including acts and omissions of officers, employees, representatives, suppliers, invitees, customers, guests, patrons, contractors, and agents of the LESSEE; provided, however, that the LESSEE need not release, indemnify, or save harmless the Authority, the County of Albany, their officers, agents, and employees from damages resulting from the sole negligence of the AUTHORITY's or County's officers, agents, or employees. The minimum insurance requirements prescribed herein shall not be deemed to in any way limit or define the obligations of the LESSEE hereunder.
- B.** Each party hereto shall give to the other prompt and timely written notice of any claim made or suit instituted coming to its knowledge which in any way, directly, or indirectly, contingently, or otherwise, affects or might affect either, and each shall have the right to participate in the defense of the same to the extent of its own interest.
- C.** The LESSEE shall procure and maintain at its own expense, the following types and amounts of insurance for the term of this Lease:
1. Comprehensive General Liability Insurance, including Automobile Liability Insurance covering owned, hired, and non-owned vehicles. The policy or policies providing said coverage shall include premises-operations, independent contractors, personal injury (deleting any exclusion relating to employees), products, and contractual liability including, but not limited to, the liability assumed by LESSEE under the Hold Harmless provisions of this Lease. Said policy or policies shall cover loss or liability for damages in an amount not less than One Million Dollars (\$1,000,000), combined single limit, for each occurrence for bodily injury, death, or property damage occurring by reason of the LESSEE's operations in, on, or about the concession premises or Airport.

2. Worker's Compensation and Employers' Liability insurance in the amounts and form required by the Worker's Compensation Act and insurance laws of the State of New York.
 3. Fire Legal Liability Insurance - LESSEE shall insure against the perils of fire, extended coverage, and other perils on any and all the leased premises. Such insurance shall be in the amount \$300,000. The AUTHORITY, County of Albany and Airport Group NY shall be named as additional insured under the policy or policies herein described. All fire legal liability insurance policies shall contain loss payable endorsements in favor of the parties as their respective interests may appear hereunder.
- D.** The insurance specified above shall, either by provisions in the policies or by special endorsements attached thereto, insure the AUTHORITY, the County of Albany and AFCO AvPorts Management, LLC, or successor, if any, against the risks to which it is exposed as the owner of the concession premises and as the grantor of the right to operate the concession business authorized to be conducted under this Lease, and except for Worker's Compensation and Employers' Liability coverage, shall include the AUTHORITY, the County of Albany, and all of its officers, employees, and agents (AFCO AvPorts Management, LLC), as additional insureds, shall contain a standard cross-liability provision and shall stipulate that no insurance held by the AUTHORITY or the County of Albany will be called on the contribute to a loss covered thereunder. The AUTHORITY and the County of Albany shall have no liability for any premiums charged for such coverage, and the inclusion of the AUTHORITY and the County of Albany as additional insureds is not intended to, and shall not, make the AUTHORITY or the County of Albany a partner of joint venturer with LESSEE in LESSEE's operations at the Airport. Such policies shall also insure LESSEE against the risks to which it is exposed as the operator of the concession business authorized under this Lease, including fire insurance on personal property, and shall be for full coverage with any deductibles and/or retentions subject to approval by the AUTHORITY and shall contain provisions on the part of the respective insurers waiving the right of such insurers to subrogation.
- E.** The original or a certified copy of above policy or policies, plus certificates evidencing the existence thereof, all in such form as the Authority may require, or a binder, shall be delivered to the AUTHORITY upon the execution of this Lease. In the event a binder is delivered, it shall be replaced immediately upon receipt by LESSEE of the original or a certified copy of the policy. Each such policy or certificate shall contain a valid provision or endorsement that **"This policy will not be canceled or materially changed or altered without first making a good faith effort to give thirty (30) days written notice thereof to the Chief Executive Officer, Albany County Airport Authority, 737 Albany Shaker Road, Main Terminal, Suite 300, Albany, New York, 12211, sent by certified mail, return receipt requested."**
- F.** A renewal policy or binder shall be delivered to the CEO immediately upon issuance, but in no case later than the date of the existing policy's expiration date except for any policy expiring on the expiration date of this Lease or thereafter.
- G.** The State of New York does not carry casualty insurance to provide coverage with relation to the Leased Premises under the operation and control of the LESSEE of State Police. Rather, the State of New York follows a policy of self-retained risk of loss against casualty, public liability, fire and extended coverage (including theft and loss) and property damage of such leased premises.

ARTICLE X - TERMINATION OF LEASE BY LESSEE

A. TERMINATION

1. This Lease shall terminate at the end of the term hereof, and the LESSEE shall have no further right or interest in any of the improvements hereby demised, except as provided in Article IV, B.

In the event it appears to the LESSEE that the AUTHORITY shall fail to complete improvements to the site necessary for occupancy of the building by, the LESSEE may cancel this Lease by giving the AUTHORITY written notice of such cancellation by, whereupon the AUTHORITY shall have sixty (60) days from receipt of such notice to complete such improvements. If the AUTHORITY completes such improvements within such sixty (60) days then this Lease shall not be canceled. If the AUTHORITY fails to complete construction within such sixty (60) day period then this Lease shall be deemed canceled, null and void.

ARTICLE XI - TERMINATION OF LEASE BY AUTHORITY

A. TERMINATION BY AUTHORITY

The AUTHORITY, in addition to any other rights to which it may be entitled by law, may declare this Agreement terminated in its entirety, subject to and in the manner provided in Section B hereof, upon or after the happening of any one or more of the following events, and may exercise all rights of entry and re-entry upon the Leased Premises.

1. The failure to pay all installments of rent then due (with interest) within thirty (30) days after receipt by the LESSEE of written notice to pay such rent.
2. The breach by the LESSEE of any of the covenants or agreements herein contained, provided the LESSEE has not instituted steps to cure such failure and proceed diligently to cure such failure within thirty (30) days from written notice from the AUTHORITY of such breach.
3. The abandonment of the Leased Premises.
4. The failure to replace any improvements which have been destroyed by fire, explosion, wind, etc., within six (6) months from the date of such destruction.

B. WAIVER OF STATUTORY NOTICE TO QUIT

In the event the AUTHORITY exercises its option to cancel this Agreement upon the happenings of any or all of the events set forth in this Article, a notice of cancellation shall be sufficient to cancel this Agreement; and, upon such cancellation, the LESSEE hereby agrees that it will forthwith surrender up possession of the demised premises to the AUTHORITY within thirty (30) days of receipt of the aforementioned notice.

C. POSSESSION BY AUTHORITY

In any of the aforesaid events, the AUTHORITY may take immediate possession of the demised

premises and remove the LESSEE's effects, forcibly if necessary, without being deemed guilty of trespassing. Upon said default, all rights of the LESSEE shall be forfeited, provided however, the AUTHORITY shall have and reserve all of its available remedies at law as a result of said breach of this contract.

Failure of the AUTHORITY to declare this Lease terminated upon default of the LESSEE for any of the reasons set out shall not operate to bar, destroy, or waive the right of the AUTHORITY to cancel this Lease by reason of any subsequent violation of the terms hereof.

D. SUSPENSION OF LEASE

During time of war or national emergency, the AUTHORITY shall have the right to lease the landing area or any part thereof to the United States Government for military use. If any such lease is executed, any provisions of this instrument which are inconsistent with the provisions of the lease to the Government shall be suspended, provided that the term of this Lease shall be extended by the amount of the period of suspension.

ARTICLE XII - RIGHTS UPON TERMINATION

A. FIXED IMPROVEMENTS

It is the intent of this Agreement that the real estate, leasehold improvements and any alterations thereto shall be and remain the property of the AUTHORITY during the entire term of this Lease and thereafter.

B. TEMPORARY IMPROVEMENTS

At the termination of this Lease, the LESSEE shall have the right within sixty (60) days thereafter, to remove all temporary improvements, furniture, fixtures, machinery, equipment and signs installed on the premises leased hereunder, but shall repair at its own expense, all damage to the premises or improvements caused by such removal. All other improvements erected or installed on the premises leased hereunder shall, on such termination, remain on the Leased Premises.

C. PERSONAL PROPERTY

Upon termination of this Lease, The LESSEE shall remove all personal property from the demised premises within thirty (30) days after said termination. If the LESSEE fails to remove said personal property, said property may thereafter be removed by the AUTHORITY at the LESSEE's expense.

ARTICLE XIII - ASSIGNMENT AND SUBLETTING

A. SUCCESSORS AND ASSIGNMENT

The LESSEE shall not assign this Agreement or any part thereof in any manner whatsoever or assign any of the privileges recited herein without the prior written consent of the AUTHORITY. In the event of such assignment, the LESSEE shall remain liable to the AUTHORITY for the remainder of the term of the Lease to pay to AUTHORITY any portion of the rental and fees provided for herein upon failure of the assignee to pay the same when due. Said assignees shall not assign said

Lease except with the prior written approval of the AUTHORITY and the LESSEE herein, and any assignment by the LESSEE shall contain a clause to this effect.

B. SUBLETTING

The LESSEE shall not rent or sublease all or any part of the Leased Premises or the improvements located thereon, without the prior written consent of the AUTHORITY, and the AUTHORITY reserves the right, as a condition of sublease approval, to increase the ground rental specified in this Lease, to the AUTHORITY's ground rental rate in effect at the time of subletting of this Lease.

ARTICLE XV - GENERAL PROVISION

A. NON-INTERFERENCE WITH OPERATION OF AIRPORT

The LESSEE, by accepting this Lease, expressly agrees for itself, its successors and assigns that it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft at the Albany International Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the AUTHORITY reserves the right to enter upon the premises hereby leased and cause the abatement of such interference at the expense of the LESSEE.

The AUTHORITY shall maintain and keep in repair the Airport landing areas, including taxiways and aircraft parking apron and shall have the right to direct and control all activities of the LESSEE in this regard.

B. ATTORNEY'S FEES

In any action brought by the AUTHORITY for the enforcement of the obligations of the LESSEE, AUTHORITY shall be entitled to recover interest and its reasonable attorney's fees.

C. LICENSE FEES AND PERMITS

The LESSEE shall obtain and pay for all licenses, permits, fees or other authorization or charges as required under Federal, State or local laws and regulations insofar as they are necessary to comply with the requirements of this Agreement and the privileges extended hereunder.

D. PARAGRAPH HEADINGS

The paragraph headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of the Lease.

E. INTERPRETATIONS

This Agreement shall be governed by and construed according to the laws of the State of New York. Claims, disputes and other matters in question shall be decided in the Court of Appeals, State of New York, Albany County.

F. NOTICES

Whenever any notice or payment is required by this Lease to be made, given or transmitted to the parties hereto, such notice or payment shall be enclosed in an envelope with sufficient postage

attached to insure delivery and deposited in the United States Mail, addressed to:

Albany County Airport Authority
Albany International Airport
737 Albany Shaker Road, Main
Terminal, Suite 300
Albany, New York 12211-1057
ATTN: Chief Executive Officer

and notices, consents and approvals to LESSEE addressed to:

Innovative Chemical Systems, Inc.
P.O. Box 128
Delmar, New York 12054

or such place as either party shall by written directive designate in the manner herein provided.

G. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the AUTHORITY and the LESSEE as to the matters expressed herein. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by a duly authorized officer of both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representation or warranties, expressed or implied, not specified herein regarding this Agreement. Any terms and conditions of any purchase order or other document submitted by the LESSEE in connection with this Agreement which are in addition or inconsistent with the terms and conditions of this Agreement will not be binding on the AUTHORITY and will not apply to this Agreement. The LESSEE by the signature below of its authorized representative acknowledges that it has read this Agreement, understands it, and agrees the LESSEE is bound by its terms and conditions.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the date first above mentioned.

ALBANY COUNTY AIRPORT AUTHORITY

By: _____
Samuel A. Fresina, Chairman
Or,
Philip F. Calderone, Esq., Chief Executive Officer

INNOVATIVE CHEMICAL SYSTEMS, INC.

By: _____

Print Name and Title

STATE OF NEW YORK)
) ss.:
COUNTY OF ALBANY)

On this ____ day of _____, 20__ before me personally came and appeared **SAMUEL A FRESINA** to me known to be the person who executed the above instrument, who, being duly sworn, did depose and say that he resides in the County of Albany, that he is the Chairman of the Albany County Airport Authority, the public benefit corporation described in, and which executed, the foregoing instrument; that he executed the foregoing instrument in the name of the Albany County Airport Authority pursuant to a resolution adopted by the Albany County Airport Authority on March 18, 2024; and that he signed his name thereto by like authorization.

Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF ALBANY)

On this ____ day of _____, 20__ before me personally came and appeared **PHILIP F. CALDERONE, ESQ.** to me known to be the person who executed the above instrument, who, being duly sworn, did depose and say that he resides in the County of Albany, that he is the Chief Executive Officer of the Albany County Airport Authority, the public benefit corporation described in, and which executed, the foregoing instrument; that he executed the foregoing instrument in the name of the Albany County Airport Authority pursuant to a resolution adopted by the Albany County Airport Authority on March 18, 2024; and that he signed his name thereto by like authorization.

Notary Public

STATE OF)
) ss.:
COUNTY OF)

On this ____ day of _____, 20__ before me personally came _____ to me known, who being by me duly sworn, did depose and say that he/she resides in _____ County, that he/she is the _____ of **INNOVATIVE CHEMICAL SYSTEMS, INC.**, the corporation described in, and which executed the within instrument; that he/she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was affixed by order to the Board of Directors of said corporation; and that he/she signed his/her name thereto by like order.

Notary Public

EXHIBIT A LEASED AREA

(See Attached Map)

AGENDA ITEM NO. 11

Authorization of Change Orders

AGENDA ITEM NO. 11.1

**Change Order 7: Authorization to Award Contract
Time Extension (No cost) Change Order to
Construction Contract 21-1082-GC for the Pre-TSA
Terminal Expansion to
MLB Construction Services, LLC.**

AGENDA ITEM NO: 11.1
MEETING DATE: March 18, 2024

ALBANY COUNTY AIRPORT AUTHORITY
REQUEST FOR AUTHORIZATION

DEPARTMENT: *Planning and Engineering*

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

PURPOSE OF REQUEST:

Change Order 7: *Authorization to Award Contract Time Extension (No cost) Change Order to Construction Contract 21-1082-GC for the Pre-TSA Terminal Expansion to MLB Construction Services, LLC.*

CONTRACT AMOUNT:

Base:	\$32,796,900.00
Change Order #1	49,999.00
Change Order #2	49,999.00
Change Order #3	49,999.00
Change Order #4	113,499.81
Change Order #5	188,732.19
Change Order #6	344,659.00
Change Order #7	<u>No Cost</u>
Total:	\$33,593,788.00.

BUDGET INFORMATION:

Anticipated in Current ALB Capital Plan: Yes ✓ No NA
Funding Account No.: CPN 50-2021

AWARD CONDITIONS MET:

Apprenticeship ✓ DBE ✓ MWBE ✓

Service Disable Veteran Owned Business (SDVOB) N/A

FISCAL IMPACT - FUNDING (Dollars or Percentages)

Federal <u>N/A</u>	State <u>100%</u>	Airport <u>N/A</u>
Term of Funding:	<u>2023-2025</u>	
Grant No.: <u>N/A</u>	STATE PIN: <u>N/A</u>	

AGENDA ITEM NO: 11.1
MEETING DATE: March 18, 2024

JUSTIFICATION:

Request to approve Contract Time Extension Change Order's (No cost) for Contract # 21-1082-GC for the Pre-TSA Terminal Expansion to qualified low bidder MLB Construction Services, LLC Malta, NY. This Change Order is to extend the Contract duration an additional 70 calendar days. This extension is a result of the "queuing platform" being designated by Code Enforcement as a "permanent" structure instead of the "temporary" structure the contractor but the project as. This designation to insure the Airport passengers safety required additional design for structure, including loading, lighting, seismic considerations and fire protection. The final product is inspected monthly by a structural engineer and a report is filed with the Airport.

CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:

Recommend approval.

FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES J NA

PROCUREMENT DEPARTMENT APPROVAL:

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

BACK-UP MATERIAL:

Please refer to the attached Change Order Time Extension backup information compiled by Turner Construction Company.



AIA[®] Document G731[™] – 2019

Change Order, Construction Manager as Adviser Edition

PROJECT: (name and address)

Albany County Airport Authority
Terminal Expansion
737 Albany Shaker Road
Albany New York 12211

OWNER: (name and address)

Albany County Airport Authority
737 Albany Shaker Road
Albany New York 12211

CONTRACTOR: (name and address)

MLB Construction Services LLC
One Stone Break Road
Malta, New York 12020

CONTRACT INFORMATION:

Contract For: General Construction
[1082-GC]
Date: 08/28/23

ARCHITECT: (name and address)

CHA Consulting Inc.
3 Winners Circle
Albany, New York 12205

CHANGE ORDER INFORMATION:

Change Order Number: 007
Date: 02/19/24

CONSTRUCTION MANAGER: (name and address)

Turner Construction Company
1 Computer Drive South
Albany, New York 12205

THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

1. Phase 1+2 Contract Time Extension due to JHA Provisions and Changes to the Temporary Queuing Platform (under separate cover).

The original Contract Sum was	\$ 32,796,900.00
Net change by previously authorized Change Orders	\$ 796,888.00
The Contract Sum prior to this Change Order was	\$ 33,593,788.00
The Contract Sum will be increased by this Change Order in the amount of	\$ 0.00
The new Contract Sum including this Change Order will be	\$ 33,593,788.00

The Contract Time will be increased by Seventy calander (70) days.

The Contractor's Work shall be substantially complete on July 10, 2024 for Phase 1-2, August 7, 2024 for Phase 3a -4c and November 12, 2024 for Sitework.

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONSTRUCTION MANAGER, CONTRACTOR, AND OWNER.

CHA Consulting Inc.

ARCHITECT (Firm name)

SIGNATURE

Jordan Hudak

PRINTED NAME AND TITLE

Jordan Hudak- Business Practice Leader

DATE:

MLB Construction Services

CONTRACTOR (Firm name)

SIGNATURE

PRINTED NAME AND TITLE

Jeff Lino - Vice President

DATE:

Turner Construction Company

CONSTRUCTION MANAGER (Firm name)

SIGNATURE

Robert Wagner

PRINTED NAME AND TITLE

Robert Wagner - Sr. Project Manager

DATE:

Albany County Airport Authority

OWNER (Firm name)

SIGNATURE

PRINTED NAME AND TITLE

Phil Calderone - Chief Executive Officer

DATE:

AGENDA ITEM NO. 12

Authorization of Federal and State Grants

AGENDA ITEM NO. 13

Informational Only

AGENDA ITEM NO. 13.1

**Report Emergency Purchase and Installation of iStar
equipment from Convergent Technologies for use in
terminal buildout.**

AGENDA ITEM NO: 13.1
MEETING DATE: March 18, 2024

ALBANY COUNTY AIRPORT AUTHORITY
INFORMATIONAL ONLY

DEPARTMENT:

Contact Person: *John LaClair, Chief Engineer*

PURPOSE OF REQUEST:

Report Emergency Purchase and Installation of iStar equipment from Convergent Technologies for use in terminal buildout.

CONTRACT AMOUNT: \$138,365.52

FISCAL IMPACT - FUNDING (Dollars or Percentages)

Federal _____ State _____ Airport 100% NA _____
Funding Source: _____

FISCAL IMPACT - FUNDING (Dollars or Percentages)

Federal ____ State _____ Airport √ NA ____

DESCRIPTION:

Purchase and install iStar equipment at various locations.

JUSTIFICATION:

To facilitate temporary passages to elevator numbers 6 & 8 during construction phasing.

CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:

Recommend acceptance of the CEO's emergency procurement in accordance with the Authority's procurement guidelines.

FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES _____ NA √

BACK-UP MATERIAL:

Albany County Airport Authority Purchase Order No. 154502



ALBANY COUNTY AIRPORT AUTHORITY

PURCHASE ORDER

TAX EXEMPT ID# 14-1768979

SCHEDULED DELIVERY
ON OR BEFORE:

VENDOR: Convergent Technologies LLC
Holdings 2 Inc.
dba Convergent Technologies LLC
Albany NY 12205

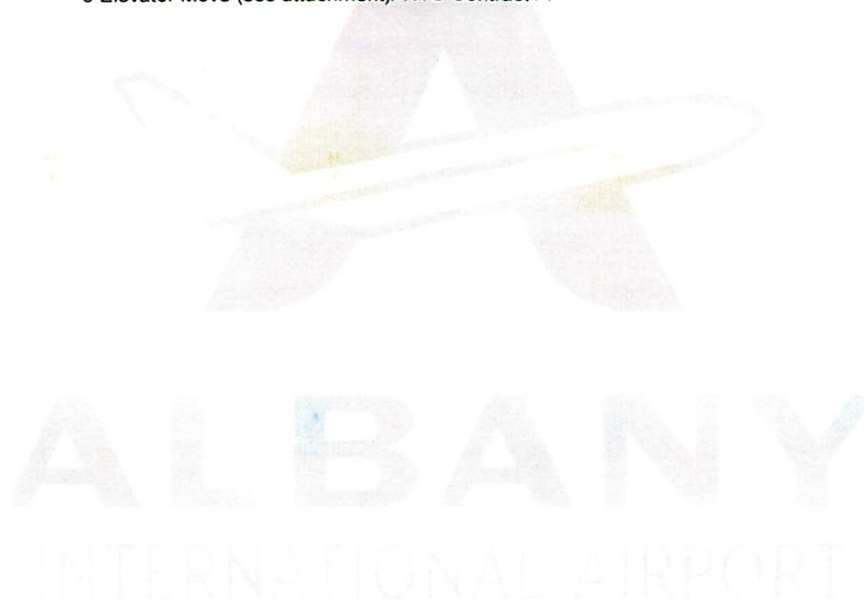
PURCHASE ORDER: 154502

DATE: 3/8/2024

Show the above Purchase Order number on all shipping containers and correspondence. This order is subject to the terms and conditions of the face and reverse side hereof. No changes may be made without the written consent of the purchaser. See reverse side for billing instructions.

SHIP TO: Albany County Airport Authority
737 Albany Shaker Road - Operations
Albany NY 12211

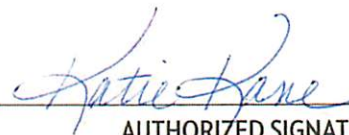
QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1	each	Airport Expansion Project – iSTAR Relocation due to Elevator Move (see attachment)/ NYS Contract / P	\$138,365.52	\$138,365.52



NOTES:

68760

TOTAL: \$138,365.52


AUTHORIZED SIGNATURE

EMAILED: _____ DATE: _____ BY: _____

Account Name: ALBANY COUNTY AIRPORT AUTHORITY

Send original copy of invoice to:

Albany County Airport Authority
737 Albany Shaker Rd.
Main Terminal - Suite 300
Albany, New York 12211-1059

Questions concerning this order should be directed to:

Albany County Airport Authority
Purchasing Department
Albany, New York 12211-1059
(518) 242-2222

TERMS AND CONDITIONS

Notwithstanding any prior negotiations, this is an offer to buy the material listed on the reverse side. By accepting this Purchase Order in writing or by delivering the material ordered, you accept all the terms and conditions set forth herein. Formal objection is hereby made to any additional or different terms you might propose in acceptance.

All materials and services shall be subject to Albany County Airport Authority inspection and approval. Unsatisfactory materials will be returned at sellers expense. No charge will be allowed for packing, crating or boxing. Suppliers right to cure any defect or replace goods is limited to ten days after renotification of such defects.

1. No changes may be made on this order without written authorization of the purchasing agent.
2. Materials must be properly packaged and marked with the Albany County Airport Authority Purchase Order number. Damaged materials will not be accepted. All claims for payment must indicate authorized Purchase Order number.
3. Inspection of delivery will be made at the delivery point, unless otherwise specified. Vendor agrees to a period of 30 days after receipt for inspection and acceptance of goods.
4. All containers or reels are to remain the property of the Airport unless otherwise specified.
5. The Airport is exempt from any sales, excise or federal transportation taxes. The Purchase Order issued is sufficient proof of Albany County Airport's Authority exempt status as approved.
6. The Purchasing Agent may grant additional time for delivery when the Airport is at fault or is satisfied the delay is beyond the control of the vendor. Such grant must be in writing and made part of the order.
7. Rejected material will be returned to the vendor at the vendor's risk and expense.
8. Quantities specified in the order are not to be exceeded, any overages or duplicate orders will be returned to vendor at vendor's risk and expense.
9. It is agreed that goods delivered shall comply with all Federal, State, or Local laws relative thereto, and that the vendor shall defend actions or claims brought and save harmless the Albany County Airport Authority from loss, cost or damage by reason of actual or alleged infringement of letters patent and/or copyrights.
10. All prices must be F.O.B. delivery point. Where specified purchase is negotiated F.O.B. shipping point the vendor is to prepay shipping charge and add to invoice.
11. In case of default of the vendor, the Albany County Airport Authority may procure the articles or services from other sources and charge the vendor as liquidated damages any excess cost or damaged occasioned thereby.
12. Vendor shall defend, indemnify and save harmless Albany County Airport Authority and all its officers, agent and employees from all suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustain by any person, persons or property on account of negligent act or fault of the vendor, or any agent, employee, subcontractor or supplier in the execution of, or performance under this order. Vendor shall pay any judgment with cost which may be obtained against Albany County Airport Authority growing out of such injury or damages.
13. Vendor shall not sell, assign, transfer or convey this order in whole or in part without the prior written consent of Albany County Airport Authority.
14. In accordance with good business practices, payment will be made within 30 days after receipt and acceptance by the Albany County Airport Authority of the merchandise ordered and of a valid invoice. Vendor is required to pay subcontractors within ten (10) days after the vendor receives payment from the Albany County Airport Authority.
15. Vendor shall warrant that all items, services shall conform to the proposed specifications and/or all warranties as stated in Uniform Commercial Code and be free from all defects in material workmanship, and title.
16. Vendor and Albany County Airport Authority agree that both parties have all rights, duties, and remedies available as stated in the Uniform Commercial Code.
17. All disputes arbitrations arising under this contract shall be decided under the laws of the State of New York, in County of Albany Supreme Court.



14 Petra Lane, Albany, New York 12205
Phone Mobile 518-524-6756
jeremy.degrasse@convergint.com
NYS Security Contract PT68778

March 1, 2024

Albany International Airport
Albany International Airport
737 Albany Shaker Rd Albany, New York 12211
Attention:

Quotation: JD25658175P
RFP#:

Reference: iSTAR Move for Elevator

Airport Expansion Project – iSTAR Relocation due to Elevator Move

Convergint is pleased to offer this proposal to for Access Control system panel relocation.

Scope of Work:

Convergint to provide and install (2) New iSTAR panels, power supplies and enclosures connecting to the existing CCURE 9000 system to be installed in 3rd Floor Data Closet to control existing doors related to iSTAR 14 in corridor of B Terminal 2nd Floor (panel A) and iSTAR located in kitchen ceiling of B Terminal 3rd Floor (panel B). Includes all software, programming and testing.

1. EC (Convergint subcontractor) to mount new Access Control panels
 - a. EC to provide plywood backboard for new panel installation
 - b. EC to provide network connection. Port and IP information provided by Airport.
 - c. EC to provide 120V power from electric room near Stair D (unless closer panel exists)
 - d. Requires Fire Alarm relay to be installed near new panels (by others)
2. EC to install new cabling from all doors connected to access control panels A & B to the new Access Control panels located inside of the 3rd floor data room
3. Convergint to wire head end and program new panels while cabling is being installed
4. Convergint and Airport to determine priority schedule for door cutover
5. EC to rewire door devices as Convergint moves control from old panels to new panels
6. All existing door hardware, locking hardware and access control devices will be reused
7. TSA Gates may need gate vendor to provide final wiring (excluded from this proposal)
8. Elevator card readers will need elevator company to provide final wiring in machine room (excluded from this proposal)
9. Excludes repair or replacement of any existing malfunctioning equipment or devices
10. Excludes any hardware to make portal code compliant if deemed necessary



Estimated Timeline: Subject to change

	Description of work	Duration
Phase 1	Install (2) new iSTAR panels in 3 rd floor network closet. Program all doors and devices into new panel.	4 Days
Phase 1a	EC to run new cabling from roughly 22 door locations to new panels. Convergent to terminate panels.	10 Days
Phase 2	Cut over each door/card reader from old panel to new panel, reconnect devices at each door and test.	10 Days
Phase 3	Demo existing panels at both locations	2 Days

Proposal is based on:

Prevailing wage labor rates
Daytime weekday working hours

Exclusions:

All conduit and cabling unless noted above
All patch cables
All 120V work unless noted above
Data network configuration
Network switches and media converters
Switch programming
Lift rental
Parts not listed in quote
Disposal of old equipment
Warranty of existing re-used equipment
Battery run time requirements past batteries provided
Connection to battery backup or fire alarm module

Materials

Line	Qty	Part	Description	Unit Price	Extended Price
1	2.00	FPO75/25 0-2D8E6S	FPO75/250 Dual Voltage Power 325W Total Output, 120 VAC Input, AC Fault, 2 D8 16 Auxiliary Outputs, E6S Enclosure	\$ 3,663.33	\$ 7,326.66
2	2.00	GSTAR- GCM	iSTAR Ultra G2 GCM board	\$ 3,860.29	\$ 7,720.58



Line	Qty	Part	Description	Unit Price	Extended Price
3	4.00	GSTAR-ACM	iSTAR Ultra G2 ACM board, 8 readers. Includes USB cable	\$ 2,095.59	\$ 8,382.36
4	6.00	738415	12V 7AH Rechargeable SLA Battery with F1 Terminal	\$ 25.16	\$ 150.96

Equipment Total	\$ 23,580.56
Convergint Labor	\$ 36,120.00
Subcontractors/other costs	\$ 76,864.03
Warranty/Freight	\$ 1,800.93
Tax if Applicable	\$ 0.00
Total Project Price	\$ 138,365.52

Total Project Investment:

\$ 138,365.52

Thank you for considering Convergint for your Security needs. If you have any questions or would like additional information, please don't hesitate to contact me immediately. If you would like to proceed with the scope of work as outlined in this proposal, please sign below and return to my attention.

Sincerely,

Jeremy DeGrasse

Convergint
Jeremy DeGrasse

By signing below, I accept this proposal and agree to the Terms and Conditions contained herein

_____	March 1, 2024
Customer Name (Printed)	Date
_____	_____
Authorized Signature	Title

AGENDA ITEM NO. 13.2
INFORMATIONAL ITEM

**Purchase Order: Purchase and
Installation of HVAC Control Upgrades for the
Terminal to
Siemens Industry, Inc.**

AGENDA ITEM NO: 13.2
MEETING DATE: March 18, 2024

ALBANY COUNTY AIRPORT AUTHORITY
REQUEST FOR AUTHORIZATION

INFORMATIONAL

DEPARTMENT:

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

PURPOSE OF REQUEST:

Purchase Order: *Purchase and Installation of HVAC Control Upgrades for the Terminal to Siemens Industry, Inc.*

CONTRACT AMOUNT:

Total Contract Amount: \$170,382.00

BUDGET INFORMATION:

Federal Airport Improvement Program

Anticipated in Current ALB Capital Plan : Yes ✓ No NA

Funding Account No.: *N/A*

FISCAL IMPACT – FUNDING

Federal N/A State N/A Airport 100% NA

Term of Funding: 2024-2025

Grant No. : N/A State PIN: N/A

JUSTIFICATION:

The existing HVAC controls for all the eighteen air handler units in the Terminal were outdated and unserviceable (the parts could not be located) and needed to be purchased on an emergency basis. The equipment interfaces were all Siemens and that made it more economical to upgrade with Siemens control equipment so the entire system did not need to be replaced. The new control system will allow the new equipment being installed for the Terminal Expansion to be tied into the system.

CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:

Recommend approval.

FINAL AGREEMENT SUBJECT TO APPROVAL BY COUNSEL: YES ✓ NA

AGENDA ITEM NO: 13.2
MEETING DATE: March 18, 2024

PROCUREMENT DEPARTMENT APPROVAL:

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

BACK-UP MATERIAL:

Please refer to attached Proposal from Siemens Industry, Inc.



ALBANY COUNTY AIRPORT AUTHORITY

PURCHASE ORDER

TAX EXEMPT ID# 14-1768979

SCHEDULED DELIVERY
ON OR BEFORE:

VENDOR: Siemens Industry, Inc.
6 British American Blvd
Latham NY 12110

**CONFIRMING
DO NOT DUPLICATE**

PURCHASE ORDER: 154451

DATE: 2/28/2024

Show the above Purchase Order number on all shipping containers and correspondence. This order is subject to the terms and conditions of the face and reverse side hereof. No changes may be made without the written consent of the purchaser. See reverse side for billing instructions.

SHIP TO: Onsite Service
737 Albany Shaker Road
Albany NY 12211

QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1	EACH	HVAC control up grades for the terminal and expansion project	\$170,382.00	\$170,382.00

**Certified Payroll
REQUIRED
for all services
related to this PO**

NOTES:

68581

Confirming

TOTAL: \$170,382.00

AUTHORIZED SIGNATURE

EMAILED: _____ DATE: _____ BY: _____

Account Name: ALBANY COUNTY AIRPORT AUTHORITY

Send original copy of invoice to:

Albany County Airport Authority
737 Albany Shaker Rd.
Main Terminal - Suite 300
Albany, New York 12211-1059

Questions concerning this
order should be directed to:

Albany County Airport Authority
Purchasing Department
Albany, New York 12211-1059
(518) 242-2222

TERMS AND CONDITIONS

Notwithstanding any prior negotiations, this is an offer to buy the material listed on the reverse side. By accepting this Purchase Order in writing or by delivering the material ordered, you accept all the terms and conditions set forth herein. Formal objection is hereby made to any additional or different terms you might propose in acceptance.

All materials and services shall be subject to Albany County Airport Authority inspection and approval. Unsatisfactory materials will be returned at sellers expense. No charge will be allowed for packing, crating or boxing. Suppliers right to cure any defect or replace goods is limited to ten days after renotification of such defects.

1. No changes may be made on this order without written authorization of the purchasing agent.
2. Materials must be properly packaged and marked with the Albany County Airport Authority Purchase Order number. Damaged materials will not be accepted. All claims for payment must indicate authorized Purchase Order number.
3. Inspection of delivery will be made at the delivery point, unless otherwise specified. Vendor agrees to a period of 30 days after receipt for inspection and acceptance of goods.
4. All containers or reels are to remain the property of the Airport unless otherwise specified.
5. The Airport is exempt from any sales, excise or federal transportation taxes. The Purchase Order issued is sufficient proof of Albany County Airport's Authority exempt status as approved.
6. The Purchasing Agent may grant additional time for delivery when the Airport is at fault or is satisfied the delay is beyond the control of the vendor. Such grant must be in writing and made part of the order.
7. Rejected material will be returned to the vendor at the vendor's risk and expense.
8. Quantities specified in the order are not to be exceeded, any overages or duplicate orders will be returned to vendor at vendor's risk and expense.
9. It is agreed that goods delivered shall comply with all Federal, State, or Local laws relative thereto, and that the vendor shall defend actions or claims brought and save harmless the Albany County Airport Authority from loss, cost or damage by reason of actual or alleged infringement of letters patent and/or copyrights.
10. All prices must be F.O.B. delivery point. Where specified purchase is negotiated F.O.B. shipping point the vendor is to prepay shipping charge and add to invoice.
11. In case of default of the vendor, the Albany County Airport Authority may procure the articles or services from other sources and charge the vendor as liquidated damages any excess cost or damaged occasioned thereby.
12. Vendor shall defend, indemnify and save harmless Albany County Airport Authority and all its officers, agent and employees from all suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustain by any person, persons or property on account of negligent act or fault of the vendor, or any agent, employee, subcontractor or supplier in the execution of, or performance under this order. Vendor shall pay any judgment with cost which may be obtained against Albany County Airport Authority growing out of such injury or damages.
13. Vendor shall not sell, assign, transfer or convey this order in whole or in part without the prior written consent of Albany County Airport Authority.
14. In accordance with good business practices, payment will be made within 30 days after receipt and acceptance by the Albany County Airport Authority of the merchandise ordered and of a valid invoice. Vendor is required to pay subcontractors within ten (10) days after the vendor receives payment from the Albany County Airport Authority.
15. Vendor shall warrant that all items, services shall conform to the proposed specifications and/or all warranties as stated in Uniform Commercial Code and be free from all defects in material workmanship, and title.
16. Vendor and Albany County Airport Authority agree that both parties have all rights, duties, and remedies available as stated in the Uniform Commercial Code.
17. All disputes arbitrations arising under this contract shall be decided under the laws of the State of New York, in County of Albany Supreme Court.

CONFIRMING

SIEMENS

SCOPE PROPOSAL

To:
Albany International Airport
Steve Fodera

REQ 68581

PROJECT: BMS Panel Upgrades
Proposal No: bb4f58b2-c8ca-4a49-a834-15f8eee2f9a6
DATE: August 3, 2023 100 day limit

Siemens Industry, Inc. proposes to provide Upgrades to the following Building Automation Panels.

MBC-4 AHU-3
MBC-5 AHU-4
MBC-6 AHU-6
MBC-7 AHU-7
MBC-13 Terminal Node 13
MEC-14
MEC-15
PKC-16 (change controller from RS-485 to Ethernet)
PKC-17 (change controller from RS-485 to Ethernet)
PKC-18 (change controller from RS-485 to Ethernet)
DCU-01
DCU-02
DCU-03
DCU-04
DCU-05
DCU-06
GCU-01
GCU-02

*00390-502033
HVA*

Upgraded under the TSA expansion:

MBC-1 BOILER
MBC-1 CHILLER with integration
MBC-2 AHU-1
MBC-3 AHU-2

Price: \$170,382.00

The panels listed above need to be upgraded and connected to the airport data network before they can connect to the Designo server. This proposal does not include the data network cabling and switches.

Note: Order must include required tax certificates and is subject to credit approval.

Questions regarding this scope of work can be directed to: Mark Durant

Siemens Industry, Inc. 6 British
American BLVD
Latham, NY 12110

Mark.durant@Siemens.com

SIEMENS

Siemens standard terms and conditions apply

Our price does not include per project aggregate insurance

Our scope of work is to be included as part of any contract/PO which results from our proposal for this project

Order must include required tax certificates and is subject to credit approval

Sales Tax will be billed if a tax exempt certificate is not provided

Use Tax will be billed if a Capital Improvement Certificate is provided

Payment terms are 30 days from receipt of invoice

The following is excluded from our scope of work:

- After hours labor
- Integration to TRITEK Lighting
- Integration to Fire Alarm System
- Integration to Power Modbus
- Integration to Boilers
- Ethernet wiring, cables, data ports to Data network
- Trouble shooting of data network
- Repair of existing devices and sensors
- Power supplies will be reused
- Bacnet conversion of upgraded panels
- Re-Commissioning of Points and programming
- Desigo Migration
- MBC-1 BOILER upgraded under separate project
- MBC-1 CHILLER with integration upgraded under separate project
- MBC-2 AHU -1 upgraded under separate project
- MBC-3 AHU -2 upgraded under separate project

Remittance Payments:

Siemens Industry, Inc.
PO Box 2134
Carol Stream, IL 60132-2134

Refer to terms and conditions attached

Customer Representative

Siemens Approval

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Questions regarding this scope of work can be directed to: Mark Durant

Siemens Industry, Inc. 6 British
American BLVD
Latham, NY 12110

Mark.durant@Siemens.com

SIEMENS

SIEMENS RAM PROJECTS BUSINESS STANDARD TERMS AND CONDITIONS

PREAMBLE

THESE STANDARD TERMS AND CONDITIONS entered into by and between the entity identified in Siemens' proposal ("Buyer" or "Customer") and Siemens Industry, Inc., a Delaware Corporation ("Siemens"), are effective as of the Effective Date hereof. These Standard Terms and Conditions incorporate Siemens' proposal (the "Proposal").

ARTICLE 1

DEFINITIONS

As used in this Agreement, the following terms have the meanings set forth below:

"Agreement" has the meaning set forth in Article 18.1.

"Affiliate" means, as to a specified Person, any other Person that, directly or indirectly, controls or is controlled by or is under common control with the Person in question and, with respect to Siemens or Buyer, is not a competitor of, or in litigation or arbitration with, Siemens or Buyer, as the case may be.

"Applicable Laws" means all applicable laws, including Environmental Laws, treaties, ordinances, rules, regulations and interpretations of any Governmental Authority having jurisdiction over the design, engineering, fabrication, manufacturing, delivery, assembly, erection, installation, and/or the performance of the Parties' obligations under this Agreement.

"Applicable Permits" means the permits, clearances, licenses, authorizations, consents, filings, exemptions or approvals from or required by any Governmental Authority that are necessary for the performance of the Parties' obligations under this Agreement.

"Asbestos" shall mean and include chrysotile, amosite, crocidolite, tremolite asbestos, anthophyllite asbestos, actinolite asbestos, and any of these minerals that has been chemically treated and/or altered.

"Buyer Caused Delay" means any delay in Siemens' or its Subcontractors' performance of the Work which is caused by (i) Buyer's or any Buyer Party's failure to timely perform its obligations under this Agreement, or (ii) any other event or cause which is beyond the control or not the responsibility of Siemens or any of its Subcontractors, and is not otherwise a Force Majeure Event.

"Buyer Party" or "Buyer Parties" means Buyer, any Affiliate of Buyer, and any of their respective contractors, subcontractors, employees, laborers, materialmen, agents or representatives which is not a competitor of Siemens.

"Contract Price" means the cumulative price payable by Buyer with respect to all Work which Siemens shall perform or provide in connection with this Agreement, as the same is set forth in Section 4.1 of this Agreement.

"Convenience Termination Payment" has the meaning set forth in Section 13.2.

Questions regarding this scope of work can be directed to: Mark Durant

Siemens Industry, Inc. 6 British
American BLVD
Latham, NY 12110

Mark.durant@Siemens.com

SIEMENS

"Deliverables" means collectively, (a) any Equipment and any Software deliverable to Buyer from Siemens in connection with the Work, and (b) any Work Product.

"Effective Date" means the last date on which this Agreement became fully executed (either electronically or otherwise). **"Environmental Laws"** means applicable national, state, commonwealth, provincial, municipal, and local laws as well as all rules, regulations, codes, standards, permits, directives, or ordinances that impose liability or standards of conduct (including disclosure or notification requirements) concerning the protection of human health or the environment, including, without limitation, all laws affecting, controlling, limiting, regulating, pertaining, or relating to the manufacture, possession, presence, use, generation, storage, transportation, detection, monitoring, treatment, Release, disposal, abatement, cleanup, removal, remediation, or handling of Hazardous Materials.

"Equipment" means the installed physical equipment to be provided by Siemens as described in greater detail in the Proposal.

"Event of Default" has the meaning set forth in Section 13.1.

"Final Completion Date" means that the date on which all the Work has been completed including all punch list items.

"Force Majeure Event" has the meaning set forth in Section 10.2.

"Governmental Authority" means any federal, state, local or other governmental, judicial, public or statutory instrumentality, tribunal, agency, authority, body or entity, or any political subdivision thereof, having legal jurisdiction over the matter or Person in question.

"Hazardous Materials" means any material, substance, or waste, that, by reason of its composition or characteristics, is hazardous to human health and/or the environment, including any "solid waste" or "hazardous waste," as those terms are defined by the Resource Conservation and Recovery Act of 1976, as amended, any "hazardous substance," as that term is defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and any other hazardous, toxic or radioactive chemical, waste, byproduct, pollutant, contaminant, compound, product, material or substance, including without limitation, Asbestos, Asbestos containing materials ("ACM"), polychlorinated biphenyls, petroleum (including crude oil or any fraction or byproduct thereof), hydrocarbons, radon, urea, urea formaldehyde, and any other material that is prohibited, controlled, limited or regulated in any manner under any Environmental Laws.

"Import Duties" means any taxes, customs duties, tariffs, fees, imposts and governmental charges of any kind that are payable upon or in relation to the importation of the components of the Equipment into the Country where the Work is to occur. Import Duties do not include any property, license, privilege, sales, use, excise, value added, gross receipts (including any business, occupation or similar taxes) and/or transactional taxes now or hereafter applicable to, measured by, or imposed upon or with respect to the transaction, the Equipment, or their sale, their value or their use, or any services performed in connection therewith imposed by any federal, state or local Governmental Authority in the location where the Work is to be performed.

"Indemnitor" has the meaning set forth in Section 14.1.

"Indemnitee" has the meaning set forth in Section 14.1.

"Notice to Proceed" shall mean the written notice issued by Buyer to Siemens stating that Siemens may begin the Work.

"Party" or **"Parties"** means, respectively, Buyer, Siemens or both, as the context requires.

"Patent Cooperation Treaty" means an international patent law treaty, concluded in 1970, that provides

SIEMENS

a unified procedure for filing patent applications to protect inventions in each of its more than one hundred and forty-five (145) contracting states.

"Person" or "Persons" means any individual, corporation, partnership, limited liability company, association, joint stock company, trust, unincorporated organization, joint venture, government or political subdivision or agency thereof.

"Proposal" means the document that is made part of this Agreement that describes the Work and the pricing applicable to the Project.

"Project" is as identified in the Proposal.

"Project Site" means the particular site designated by Buyer on which the Project shall be located.

"Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of any Hazardous Materials into the environment, including the abandonment or discard of barrels, containers, and other closed receptacles containing any Hazardous Materials.

"Siemens Parties" means Siemens, any Affiliate of Siemens, and any of their respective Subcontractors, employees, laborers, materialmen, agents or representatives, and **"Siemens Party"** means any of the foregoing.

"Software" means any software that is owned or licensed by Siemens or its Affiliates and that is separately deliverable for use in the Equipment or in a computer system owned by Buyer or is delivered as firmware embedded in the Equipment.

"Subcontractor(s)" means any Person of any tier supplying material, equipment, labor, goods or services to Siemens in connection with the Work and obligations of Siemens under the Agreement.

"Substantial Completion" or "Substantially Complete" means that the Work, or any identifiable portion thereof, is sufficiently complete, in accordance with the provisions of this Agreement relating to the scope of the Work, such that the Buyer will be able to realize from such Work substantially all of the practical benefits intended to be gained therefrom, or otherwise employ the Work for its intended purpose with only punch list items remaining.

"Termination for Cause" has the meaning set forth in Section 13.1.

"Warranty" or "Warranties" has the meaning set forth in Section 9.1.

"Warranty Period" has the meaning set forth in Section 9.4.

"Work" means Siemens' scope of work with respect to the Equipment, major components, spare parts and associated services and other work supplied by or on account of Siemens and its Subcontractors pursuant to its obligations specified in this Agreement and as identified as Siemens' responsibility in the Proposal. **"Work Product"** means the tangible form of a report or drawing specifically developed for, commissioned by and deliverable to Buyer in connection with the Work to be performed by Siemens under this Agreement.

"Work Schedule" means that certain schedule governing Siemens' provision of the Work as set forth in the Proposal.

ARTICLE 2

PERFORMANCE OF THE WORK AND OBLIGATIONS OF SIEMENS

2.1 Work to be Performed by Siemens.

2.1.1 General.

Buyer hereby retains Siemens as an independent contractor, not an agent or employee of Buyer, to perform and provide, or cause to be performed and provided, and Siemens hereby agrees to perform and provide, or cause to be performed or provided, all of the Work specified

SIEMENS

as being within Siemens' scope of Work, all in accordance with the terms and conditions of this Agreement.

2.1.2 Standard of Care.

The Work shall be conducted in a manner consistent with the degree of care and skill ordinarily exercised by reputable firms performing the same or similar work in the same locale acting under similar circumstances or conditions.

2.2 Scheduling and Monitoring of Milestones.

Except to the extent that Siemens is entitled to a Scope Change Order or other relief provided for in this Agreement, Siemens shall perform its Work in accordance with the Work Schedule. Further, Siemens shall provide periodic reports to Buyer concerning the status of Siemens' activities, including information pertaining to the progress of the Work and any circumstances known at the time of reporting which could be anticipated to cause a material deviation from the Work Schedule.

2.3 Siemens Documents.

Except as otherwise provided in this Agreement, within fifteen (15) days of receipt of any Siemens document required to be submitted to Buyer for review under this Agreement, Buyer shall notify Siemens of any resulting comments or questions. If Buyer fails to respond within such period, then such drawing or document shall be deemed to have been reviewed and approved by Buyer as submitted. Siemens shall, within fifteen (15) days of Buyer's notification of any comments or questions on any Siemens document respond to Buyer's comments or questions, provided that Siemens shall not be required to change the design of the Equipment pursuant to such Buyer comments or questions.

2.4 Permits.

Siemens shall obtain and maintain the Applicable Permits required to be obtained by Siemens in its name to perform the Work under Applicable Laws (the "Siemens Permits"). If any Siemens Permit (or application therefor) requires action by Buyer, Buyer shall, upon the request of Siemens, take such action as is reasonably appropriate.

2.5 Siemens' Labor.

Siemens shall be responsible for the conduct and deeds of its labor and its Subcontractor's labor in the performance of the Work under this Agreement. However, Siemens shall not interfere with any members of any police, military or security force in the execution of their duties.

2.6 Safety

Siemens may suspend its performance of the Work at the Project Site, if, in the reasonable opinion of Siemens, based upon industry standards and Siemens' applicable safety programs, conditions at the Project Site for which Siemens is not responsible become unsafe for the continued performance of the Work and such conditions are not rectified by Buyer immediately. Siemens shall resume its performance of the Work promptly after the unsafe conditions are rectified by Buyer. Siemens shall be entitled to a Scope Change Order to compensate Siemens for the increased cost of its performance and/or schedule delay resulting from such suspension of the Work.

ARTICLE 3

SUBCONTRACTORS

Buyer acknowledges that Siemens intends to have portions of the Work performed by Subcontractors qualified to perform such Work pursuant to written subcontracts between Siemens and such Subcontractors. No contractual relationship shall exist between Buyer and any Subcontractor with respect to the Work. Siemens shall not have any responsibility, duty or authority to direct, supervise or oversee any contractors of Buyer, or their work, or to provide the means, methods or sequence of their

SIEMENS

work or to stop their work.

ARTICLE 4

CONTRACT PRICE AND PAYMENTS TO SIEMENS

4.1 Contract Price and Payment.

The total Contract Price is as set forth and defined more specifically in the Proposal. Buyer shall pay the total Contract Price to Siemens in accordance with the Proposal. Each payment, except for the initial payment, shall be made by wire transfer, pursuant to wire transfer instructions to be provided by Siemens to Buyer, within thirty (30) days from the date of the Siemens invoice therefor or by such other payment method acceptable to Siemens.

The Contract Price is based upon Buyer performing its obligations set forth in this Agreement.

The Contract Price, schedule, warranty and guarantee obligations are based upon unrestricted working hours at, and free access seven (7) days a week, twenty-four (24) hours a day, to the Project Site, including free access to any components requiring assembly by Siemens as part of Siemens' scope of Work.

4.2 Taxes.

The Contract Price does not include, and Buyer agrees to reimburse Siemens for, any Import Duties levied upon the Equipment, or any federal, state, or local (other than net income taxes imposed on Siemens) property, license, privilege, sales, use, excise, value added, gross receipts (including any business, occupation or similar taxes) and/or transactional taxes now or hereafter applicable to, measured by, or imposed upon or with respect to the transaction, the Equipment or their sale, their value or their use, or any services performed in connection therewith.

Should Buyer be exempt from any sales and/or use taxes, it shall provide Siemens with valid exemption documentation upon the Effective Date of the Agreement for the State(s) in which the delivery of the Equipment shall take place. Siemens shall not collect sales and/or use taxes from Buyer if Siemens is provided such valid exemption documentation for its files.

4.3 Disputed Invoices.

If there is any dispute about any amount invoiced by Siemens, the amount not in dispute shall be promptly paid and any disputed amount that is ultimately determined to have been payable shall be paid with interest calculated at the rate of one and one-half percent (1.5%) per month, limited by the maximum rate permitted by Applicable Law. The date of the original invoice on which there was a disputed amount shall determine the date upon which the disputed amount first became due and payable, irrespective of whether any subsequent invoice is issued or reissued in connection with the resolution and payment of the disputed amount.

ARTICLE 5 BUYER'S

RESPONSIBILITIES

5.1 Buyer shall, at its own cost, do the following:

- (a) Designate a contact person with authority to make decisions for the Buyer regarding the Work and provide Siemens with information sufficient to contact such person in an emergency;
- (b) Coordinate the work of contractors under Buyer's sole control so as not to disrupt the Work proceeding in an efficient manner;
- (c) Provide or arrange for 24-hour, 7-day per week access and make all reasonable provisions for Siemens to enter any Project Site where Work is to be performed so that Work may proceed in an efficient manner;
- (d) Provide for security for all components of the Work, materials, supplies, other equipment required to assemble, erect, install and commission the Work, and any other

SIEMENS

property owned or leased by Buyer, Siemens or any of its Subcontractors located at the Project Site;

(e) Permit Siemens to control and/or operate all building controls, systems, apparatus, equipment and machinery necessary to perform the Work;

(f) Furnish Siemens with blueprints, surveys, legal descriptions, waste management plans and all other available information pertinent to the Work and any Project Site where the Work is to be performed as may be reasonably requested by Siemens;

(g) Furnish Siemens with all approvals, permits and consents from Governmental Authorities and others as may be required for performance of the Work, except for Siemens Permits;

(h) Comply with Applicable Law and provide any notices required to be given to any Governmental Authority in connection with the Work, except such notices Siemens has expressly agreed in writing to give;

(i) Furnish Siemens with any contingency plans, safety programs and other policies, plans or programs related to any Project Site where the Work is to be performed; and

(j) Provide and maintain at the Project Site: (1) suitable electrical service, including clean, stable, properly conditioned power, to all Equipment; (2) telephone lines, capacity and connectivity as required by such Equipment; and (3) heat, light, air conditioning or other environmental controls, and other utilities in accordance with the specifications for the Equipment.

5.2. Export Import Compliance.

Buyer acknowledges that Siemens is required to comply with applicable export / import laws and regulations relating to the sale, export, import, transfer, assignment, disposal and use of the Equipment, including any export / import license requirements. Buyer agrees that Equipment will not at any time directly or indirectly be used, exported, imported, sold, transferred, assigned or otherwise disposed of in a manner which will result in non-compliance with any export / import laws and regulations. Siemens' continuing performance hereunder is conditioned on compliance with such export / import laws and regulations at all times.

ARTICLE 6

HAZARDOUS MATERIALS

Prior to any Work being conducted at the Project Site, Buyer shall: (a) identify to Siemens the presence, location and quantity of ACM at the Project Site; and (b) either certify that the work area associated with Siemens' scope of Work is free of ACM or take such action as may be required under Environmental Laws to abate the ACM and, thereafter, certify that the work area associated with Siemens' scope of Work is free of ACM. Siemens makes no representation that it is licensed to abate ACM and shall not be obligated to install, disturb, handle, or remove any ACM.

Buyer represents and warrants that, prior to the execution of this Agreement, Buyer has notified Siemens in writing of any and all Hazardous Materials known to be present on the Project Site and has: (a) expressly identified the nature and location of such Hazardous Materials to Siemens, including the provision of a map identifying the same; and (b) provided a copy of any Project Site policies related to such pre-existing Hazardous Materials, including, without limitation, material safety data sheets, chemical hygiene plans, laboratory procedures, or other items covered or required to be disclosed or

SIEMENS

maintained pursuant to applicable Environmental Laws.

The Work does not include, either directly or indirectly, performing or arranging for the detection, monitoring, handling, storage, removal, transportation, disposal, or treatment of Hazardous Materials. If any Hazardous Materials, including ACM, are encountered at the Project Site, Siemens shall immediately stop all Work in the affected area and report the condition to Buyer. Buyer shall promptly, in accordance with all applicable Environmental Laws and at its sole cost and expense, remove or render harmless, or take other actions as may be necessary to remediate the hazards associated with any such Hazardous Material, including, without limitation, signing and listing Buyer (or the appropriate Buyer Party) as the generator of the Hazardous Materials on any waste manifest that may be required by Environmental Laws. Siemens' Work in the affected area shall not be resumed until Buyer has complied with the foregoing obligations. If the existence and remedying of Hazardous Materials at the Project Site results in an increase in Siemens' costs and/or impacts Siemens' ability to meet its obligations, guarantees, or the Work Schedule under the Agreement, Siemens shall be entitled to a Scope Change Order in accordance with the applicable provisions of Article 8, increasing the Contract Price and providing an equitable extension of the Work Schedule and other provisions of the Agreement affected thereby or otherwise affected by Buyer's noncompliance, commensurate with the time reasonably required to overcome such delay and added cost, including without limitation, overtime charges for labor and equipment.

Buyer, on behalf of itself, all Buyer Parties, and the predecessors and successors in interest, insurers, and assigns of each of them, shall defend, release, indemnify and hold harmless Siemens, all Siemens Parties and the successors and assigns of each of them from and against any and all liability arising under Environmental Laws or as a result of any Hazardous Materials at or any environmental condition of the Project Site, including, without limitation, fines and penalties, reasonable fees for attorneys, consultants or other professionals, and the costs of reporting, investigation, monitoring, containment, cleanup, storage, disposal, transportation and any other remedial actions arising under applicable Environmental Laws that are incurred by any Indemnitee hereunder for and as a result of: (i) death or bodily injury to any person, (ii) destruction or damage to any property, (iii) contamination of or adverse effects on the environment, including a Release of any kind, (iv) any violation by Buyer or any Buyer Party of Environmental Laws, and/or (v) a breach by Buyer or any Buyer Party of any legal duty arising under applicable Environmental Laws or any obligations under the environmental provisions of this Agreement. This release and indemnity shall survive the termination or expiration of this Agreement and shall be construed as broadly as possible under applicable Environmental Laws.

ARTICLE 7

LIMITATION OF LIABILITY

NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, SIEMENS SHALL NOT BE LIABLE TO BUYER, WHETHER BASED IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL OR EQUITABLE THEORY, FOR: LOSS OF USE, REVENUE, SAVINGS, PROFIT, INTEREST, GOODWILL OR OPPORTUNITY, COSTS OF CAPITAL, COSTS OF REPLACEMENT OR SUBSTITUTE USE OR PERFORMANCE, LOSS OF INFORMATION AND DATA, LOSS OF POWER, VOLTAGE IRREGULARITIES OR FREQUENCY FLUCTUATION, CLAIMS ARISING FROM THE OTHER PARTY'S THIRD PARTY CONTRACTS, OR FOR ANY TYPE OF INDIRECT, SPECIAL, LIQUIDATED, PUNITIVE, EXEMPLARY, COLLATERAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR ANY OTHER LOSS OR COST OF A SIMILAR TYPE. SIEMENS' MAXIMUM LIABILITY UNDER THIS AGREEMENT IS THE ACTUAL PURCHASE PRICE RECEIVED BY SIEMENS FOR THE EQUIPMENT THAT GAVE RISE TO THE CLAIM. EACH PARTY AGREES THAT THE EXCLUSIONS AND LIMITATIONS IN THIS ARTICLE 7 WILL PREVAIL OVER ANY CONFLICTING TERMS AND CONDITIONS IN THIS AGREEMENT AND MUST BE GIVEN FULL FORCE AND



EFFECT, WHETHER OR NOT ANY OR ALL SUCH REMEDIES ARE DETERMINED TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE. THESE LIMITATIONS OF LIABILITY ARE EFFECTIVE EVEN IF EITHER PARTY HAS BEEN ADVISED BY THE OTHER OF THE POSSIBILITY OF SUCH DAMAGES. THE WAIVERS AND DISCLAIMERS OF LIABILITY, RELEASES FROM LIABILITY AND LIMITATIONS ON LIABILITY EXPRESSED IN THIS ARTICLE 7 EXTEND TO EACH PARTYS' AFFILIATES (AND THEIR EMPLOYEES), PARTNERS, PRINCIPALS, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, SUPPLIERS OF ANY TIER (AND THEIR EMPLOYEES), AGENTS, AND SUCCESSORS AND ASSIGNS.

ARTICLE 8

CHANGES TO THE WORK

Siemens shall deliver and/or perform the Work in accordance with the Applicable Laws in effect on the Effective Date. No change will be made to the scope of Work unless Buyer and Siemens agree in writing to the change and any resulting price, schedule or other contractual modifications associated therewith. If any change to any law, rule, regulation, order, code, standard or requirement impacts Siemens' obligations or performance under this Agreement, Siemens may request a change order for an equitable adjustment in the price and time of performance.

ARTICLE 9 WARRANTY

9.1. Warranties.

Siemens warrants that: (i) the Equipment is free from defects in material and workmanship; (ii) the Equipment is in compliance with Siemens' Proposal; and (iii) at the time of delivery, Siemens has title to the Equipment free and clear of liens and encumbrances (collectively, the "Warranties"). The Warranties do not apply to Software furnished by Siemens. The sole and exclusive warranties for any Software are set forth in the applicable Software License Agreement or Terms of Use to be provided with the Software.

9.2. Conditions to the Warranties.

The Warranties are conditioned on: (i) no repairs, modifications or alterations being made to the Equipment other than by Siemens or its authorized representatives; (ii) Buyer handling, using, storing, installing, operating and maintaining the Equipment in compliance with any parameters or instructions in any specifications attached to, or incorporated into this Agreement; (iii) compliance with all generally accepted industry standards; (iv) Buyer discontinuing use of the Equipment after it has, or should have had, knowledge of any defect; (v) Buyer providing prompt written notice of any warranty claims within the Warranty Period described below; (vi) at Siemens' discretion, Buyer either removing and shipping the Equipment or non-conforming part thereof to Siemens, at Buyer's expense, or granting Siemens reasonable access to the Equipment to assess the warranty claims; (vii) Equipment not having been subjected to accident (including Force Majeure), alteration, abuse or misuse; (viii) Buyer not being in default of any payment obligation and (ix) Buyer allowing Siemens the opportunity to review the operating and maintenance records relating to the Equipment and the facility it is incorporated into, if applicable.

9.3. Exclusions from Warranty Coverage.

The Warranties do not apply to any equipment not provided by Siemens under this Agreement. Any Equipment that is described as being experimental, developmental, prototype, or pilot is specifically excluded from the Warranties and is provided to Buyer "as is" with no warranties of any kind. Normal wear and tear is excluded, including any expendable items that comprise part of the Equipment (such as fuses, light bulbs and lamps). Siemens does not warrant or guarantee that any Equipment will be secure from cyber threats, hacking or similar malicious activity. Equipment that is networked, connected to the

SIEMENS

Internet, or otherwise connected to computers or other devices must be appropriately protected by Buyer and/or end user against unauthorized access.

9.4. Warranty Period.

Buyer must provide written notice of any claims for breach of Warranties by the earlier of twelve (12) months from initial operation of the Equipment or eighteen (18) months from shipment ("Warranty Period"). Additionally, absent written notice within the Warranty Period, any use or possession of the Equipment after expiration of the Warranty Period is conclusive evidence that the Warranties have been satisfied.

9.5 Remedies.

Buyer's sole and exclusive remedies for breach of the Warranties are limited, at Siemens' discretion, to repair or replacement of the Equipment, or its non-conforming parts, within a reasonable time period, or refund of all or part of the purchase price applicable to the non-conforming part. The warranty on repaired or replaced parts is limited to the remainder of the original Warranty Period. Unless Siemens agrees otherwise in writing, Buyer will be responsible for any costs associated with: (i) gaining access to the Equipment; (ii) removal, disassembly, replacement, installation, or reinstallation of any equipment, materials or structures to permit Siemens to perform its warranty obligations; (iii) transportation to and from the Siemens factory or repair facility; and (iv) damage to Equipment components or parts resulting in whole or in part from non-compliance by the Buyer with Section 9.2 hereof or from their deteriorated condition.

All exchanged Equipment replaced under this Warranty will become the property of Siemens.

9.6 Transferability.

The Warranties are only transferable during the Warranty Period and only to the Equipment's initial enduser.

9.7 THE WARRANTIES IN THIS ARTICLE 9 ARE SIEMENS' SOLE AND EXCLUSIVE WARRANTIES AND ARE SUBJECT TO THE LIMITS OF LIABILITY IN ARTICLE 7 ABOVE. SIEMENS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING AND USAGE OF TRADE.

ARTICLE 10 DELAYS;

EXCUSED PERFORMANCE

10.1 Change in Law and Buyer Caused Delay.

As the Work is performed, conditions may change or circumstances outside Siemens' reasonable control, including without limitation, changes of Applicable Law and Buyer Caused Delays, may develop which would require Siemens to expend additional costs, effort or time to complete the Work, in which case Siemens will notify Buyer and an equitable adjustment will be made to Siemens' Contract Price and Work Schedule pursuant to Article 8. In the event conditions or circumstances require the Work to be suspended or terminated, Siemens shall be compensated for Work performed and for costs reasonably incurred in connection with the suspension or termination.

10.2 Force Majeure.

If Siemens' performance is delayed by any cause beyond its reasonable control (regardless of whether the cause was foreseeable), including without limitation acts of God, strikes, labor shortage or disturbance, fire, accident, war or civil disturbance, delays of carriers, cyber-attacks, terrorist attacks, failure of normal sources of supply, or acts or inaction of government ("Force Majeure Event"), Siemens' time of performance will be extended by a period equal to the length of the delay plus any consequences of the delay, and Siemens will get its reasonable costs for such extension of time pursuant

SIEMENS

to Article 8. Siemens will notify Buyer within a reasonable time after becoming aware of any such delay. If Siemens is entirely prevented from performing the Work for a time period of one hundred eighty (180) aggregate days as a result of the occurrence of a Force Majeure Event suffered by Siemens, then either Party may terminate this Agreement with respect to the Work that has not been performed by the effective date of such termination at no cost or penalty, other than Buyer's obligation to pay Siemens either (a) the sum set forth in the termination payment schedule if applicable, or (b) that portion of the Contract Price reflecting the amount of Work performed, man hours expended and materials acquired at the date of termination. These charges will also include the expenses associated with the termination, including, but not limited to, any additional expense incurred by reason of termination or cancellation of agreements between Siemens and its suppliers, and any applicable cost allocated in contemplation of performance. If the Agreement is terminated pursuant to this Section 10.2, then Siemens' remaining warranty and performance guarantee obligations shall automatically terminate.

ARTICLE 11

INSURANCE

11.1 Siemens' Insurance Coverage.

- (a) Siemens shall maintain in full force and effect the following insurance coverage and limits specified below commencing ten (10) days after Buyer's issuance of a Notice to Proceed and continuing until the Final Completion Date. Siemens shall provide Buyer applicable insurance certificates of such coverage prior to the shipment of any Equipment to the Project Site or the commencement of any Work at the Project Site. The required limits of insurance may be satisfied with any combination of primary and excess coverage.
- (b) Siemens or Siemens' insurance carrier shall endeavor to provide Buyer with thirty (30) days' prior notice of cancellation, termination or material alteration of any insurance coverage set forth in this Article 11. In addition, Siemens' insurance shall be maintained with insurance companies having an A.M. Best rating of "A-" or better and a financial size category of "VII" or higher (or a comparable rating by any other rating entity reasonably acceptable to Buyer and evidenced by Buyer's written confirmation, which acceptance shall not be unreasonably withheld).
- (c) Siemens has the responsibility and obligation to procure and maintain the following insurance policies:
 - (i) Workers' Compensation Insurance in accordance with Applicable Laws and regulations applicable to the jurisdiction in which the Work is performed;
 - (ii) Employer's Liability Insurance with a limit of One Million Dollars (\$1,000,000) per accident, per employee for occupational disease, and in the aggregate for occupational disease;
 - (iii) Commercial General Liability Insurance with coverage written for bodily injury and broad form property damage on an "occurrence" basis with a limit of One Million Dollars (\$1,000,000) per occurrence and Five Million Dollars (\$5,000,000) aggregate. This policy shall include blanket contractual coverage, railroad protective liability coverage, and coverage for premises, operations, explosion, collapse and underground (XCU) hazards, and products/completed operations. Siemens shall name Buyer as an additional insured to the extent bodily injury (including death) or third-party property damage results from the negligent acts or

omissions of Siemens or Siemens' Subcontractors and require that this policy contain a "separation of insureds" clause.

11.2 Subcontractor's Insurance Coverage.

Siemens shall require its Subcontractors performing Work at the Project Site to maintain the types, coverage and limits of insurance which are reasonable in accordance with prudent industry practice and commensurate with the Work to be performed by such Subcontractor.

11.3 Waiver of Rights.

In regard to insurance maintained by either Party, including any property insurance, each such Party hereby waives, for itself and its insurers, all rights of recovery and subrogation which may arise against the other Party and its Affiliates as a result of a payment made by an insurer.

ARTICLE 12

INTELLECTUAL PROPERTY RIGHTS

Siemens shall retain all intellectual property rights in the Deliverables. Upon receipt of all fees, expenses and taxes due in respect of the relevant Work, Siemens grants to the Buyer a non-transferable, nonexclusive, royalty-free license to copy and use the documents included in or with the Deliverables for their intended purpose only. If the Deliverables include Software, then Buyer agrees to take delivery of such Software subject to any applicable Siemens or third-party end-user license agreement (EULA) accompanying such Software, or if no EULA or third-party license accompanies such Siemens' Software, the EULA posted at www.usa.siemens.com/btcpseula (SIEMENS' EULA web site) for such Siemens Software.

ARTICLE 13

DEFAULT, TERMINATION AND SUSPENSION

13.1 Events of Default.

The occurrence of any one or more of the following events shall constitute an Event of Default by a Party hereunder:

- (a) A Party makes a general assignment for the benefit of its creditors, is generally unable to pay its debts as they become due, or becomes the subject of any voluntary or involuntary bankruptcy, insolvency, arrangement, reorganization or other debtor relief proceeding under any Applicable Laws and, in the case of an involuntary proceeding instituted against a Party by a third party, the proceeding is not dismissed or stayed within forty-five (45) days after it is commenced;
- (b) With regard to Buyer, Buyer fails to pay to Siemens any required payment, which failure continues for ten (10) days after receipt of written notice thereof from Siemens;
- (c) A Party has made a material misrepresentation under the Agreement that is likely to have a material adverse effect on its ability to perform its obligations hereunder, and such representation is not made true within thirty (15) days after receipt of written notice thereof from the other Party; or
- (d) A Party is otherwise in material default of any provision of this Agreement or has materially failed to perform its obligations under this Agreement, provided that if such material default of this Agreement or material failure to perform this Agreement can be cured within a commercially reasonable timeframe, the defaulting Party shall be permitted such period of time within which to accomplish such cure, so long as the Party commences such cure efforts within thirty (30) days after written notice from the other Party and thereafter diligently proceeds to complete such cure within such time period.

SIEMENS

Upon the occurrence and during the continuation of any Event of Default hereunder, the non-defaulting Party, in addition to its right to pursue any other remedy given under the Agreement, shall have the right to terminate this Agreement upon not less than five (5) days prior written notice to the defaulting Party (a "Termination for Cause"). A Termination for Cause shall be effective upon the sixth (6th) day following delivery of the notice with respect thereto.

13.2 Termination for Buyer's Convenience.

In addition to any other termination rights available to Buyer under this Agreement, Buyer shall have the right to terminate the delivery of Work due to the economic unfeasibility of the Project for Buyer upon fifteen (15) days prior written notice to Siemens. Buyer shall pay Siemens either (a) the sum set forth in the termination payment schedule if applicable, or (b) that portion of the Contract Price reflecting the amount of Work performed, man hours expended and materials acquired at the date of termination. These charges will also include the expenses associated with the termination, including, but not limited to, any additional expense incurred by reason of termination or cancellation of agreements between Siemens and its suppliers and Subcontractors, and any applicable costs allocated in contemplation of performance (the "Convenience Termination Payment"). All payments of the Contract Price made by Buyer and received by Siemens prior to the date of termination shall be credited toward the Convenience Termination Payment. Siemens shall submit an invoice to Buyer for the Convenience Termination Payment and Buyer shall pay such invoice by wire transfer within thirty (30) days after the date of such invoice. If the Agreement is terminated by Buyer pursuant to this Section 13.2, then Siemens' remaining warranty and performance guarantee obligations shall also automatically terminate.

ARTICLE 14

INDEMNITIES

Siemens and Buyer (each as an "Indemnitor") shall indemnify the other ("Indemnitee") from and against all third party claims alleging bodily injury, death or damage to a third party's tangible property, but only to the extent caused by the Indemnitor's negligent acts or omissions. If the injury or damage is caused by the parties' joint or contributory negligence, the loss and/or expenses shall be borne by each party in proportion to its degree of fault. No part of the Equipment(s) or Buyer's Project Site is considered third party property.

Indemnitee shall provide the Indemnitor with prompt written notice of and shall not acknowledge any third party claims covered by this Article 14. Indemnitor has the unrestricted right to select and hire counsel and the exclusive right to conduct the legal defense and/or settle the claim on the Indemnitee's behalf. The Indemnitee shall not make any admission(s) which might be prejudicial to the Indemnitor and shall not enter into a settlement without the express permission of the Indemnitor.

ARTICLE 15

REPRESENTATIONS

Each Party represents that on the Effective Date:

(a) Organization and Corporate Action.

Siemens is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is qualified to do business in the jurisdictions in which the Project is located. Buyer is as identified in the Proposal and is duly organized, validly existing and in good standing under the laws of the State or Commonwealth identified in the Proposal. Each Party has all necessary power and authority to execute, deliver and perform its obligations under this Agreement; the execution, delivery and performance by the Party of this Agreement have been duly authorized by all necessary

SIEMENS

action on its part; and this Agreement has been duly and validly executed and delivered by the Party and constitutes the legal, valid and binding obligation of the Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles.

(b) No Violation of Law; Litigation.

It is not in violation of any Applicable Laws or judgment entered by any Governmental Authority which violations, individually or in the aggregate, would materially and adversely affect its performance of any of its obligations under this Agreement. There are no legal or arbitration proceedings or any proceeding by or before any Governmental Authority now pending or (to the best knowledge of the Party) threatened against the Party which, if adversely determined, could reasonably be expected to have a material adverse effect on the ability of the Party to perform under this Agreement.

(c) No Breach.

None of the execution and delivery of this Agreement, the consummation of the transactions herein contemplated or compliance with the terms and provisions hereof and thereof shall conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Party, or any Applicable Laws or regulation, order, writ, injunction or decree of any court, or any agreement or instrument to which the Party is a party, or by which it is bound, or to which it is subject, or constitute a default under any such agreement or instrument.

ARTICLE 16

PATENT AND COPYRIGHT INFRINGEMENT

Siemens will, at its option and expense, defend or settle any suit or proceeding brought against Buyer based on an allegation that any Equipment or use thereof for its intended purpose constitutes an infringement of any Patent Cooperation Treaty country member's patent or misappropriation of a third party's trade secret or copyright in the country where the Equipment is delivered by Siemens. Buyer will promptly give Siemens written notice of the suit or proceeding and the authority, information, and assistance needed to defend the claims. Buyer shall not acknowledge any such third-party proceedings defined under this Article 16. Siemens shall have the full and exclusive authority to defend and settle such claim(s) and will pay the damages and costs awarded in any suit or proceeding so defended. Buyer shall not make any admission(s) which might be prejudicial to Siemens and shall not enter into a settlement without Siemens' written consent. Siemens is not responsible for any settlement made without its prior written consent. If the Equipment, or any part thereof, as a result of any suit or proceeding so defended is held to constitute infringement, or its use by Buyer is enjoined, Siemens will, at its option and expense, either: (i) procure for Buyer the right to continue using said Equipment; (ii) replace it with substantially equivalent non-infringing Equipment; or (iii) modify the Equipment so it is non-infringing.

Siemens will have no duty or obligation under this Article 16 if the Equipment is: (i) supplied according to Buyer's design or instructions and compliance therewith has caused Siemens to deviate from its normal course of performance; (ii) modified by Buyer or its contractors after delivery; or (iii) combined by Buyer or its contractors with devices, methods, systems or processes not furnished hereunder and by reason of said design, instruction, modification, or combination a suit is brought against Buyer. In addition, if by reason of such design, instruction, modification or combination, a suit or proceeding is

SIEMENS

brought against Siemens, Buyer must protect Siemens in the same manner and to the same extent that Siemens has agreed to protect Buyer under this Article 16.

THIS ARTICLE 16 IS AN EXCLUSIVE STATEMENT OF SIEMENS' DUTIES AND BUYER'S REMEDIES RELATING TO PATENTS, TRADE SECRETS AND COPYRIGHTS, AND DIRECT OR CONTRIBUTORY INFRINGEMENT THEREOF.

ARTICLE 17

CONFIDENTIALITY

Both during and for a period of ten (10) years after the term of this Agreement, the parties will: (i) treat as confidential all information obtained from the disclosing party, and (ii) use such confidential information for its intended purpose only. Confidential information includes all information compiled or generated by the disclosing party under this Agreement for the receiving party, including but not limited to business information, manufacturing schedule information, technical data, drawings, flow charts, program listings, software, plans and projections. Neither party may disclose or refer to the work to be performed under this Agreement in any manner that identifies the other party without advance written permission. However, Siemens has the right to share confidential information with its Affiliates and subcontractors, provided those recipients are subject to the same confidentiality obligations set forth herein.

Nothing in this Agreement requires a party to treat as confidential any information which: (i) is or becomes generally known to the public, without the fault of the receiving party; (ii) is disclosed to the receiving party, without obligation of confidentiality, by a third party having the right to make such disclosure; (iii) was previously known to the receiving party, without obligation of confidentiality, which fact can be demonstrated by means of documents which are in the possession of the receiving party upon the date of this Agreement; (iv) was independently developed by receiving party or its representatives, as evidenced by written records, without the use of discloser's confidential information; or (v) is required to be disclosed by law, except to the extent eligible for special treatment under an appropriate protective order, provided that the party required to disclose by law will promptly advise the originating party of any requirement to make such disclosure to allow the originating party the opportunity to obtain a protective order and assist the originating party in so doing.

Within thirty (30) days from the effective date of termination of this Agreement pursuant to Section 10, 2,

13.1 or 13.2, Buyer shall either (a) return to Siemens any of Siemens' confidential information which had been in Buyer's possession (excluding this Agreement), or (b) certify to Siemens that all of Siemens' confidential information which had been in Buyer's possession has been destroyed.

ARTICLE 18 MISCELLANEOUS PROVISIONS

18.1 Entire Agreement.

This agreement, including the Proposal and all Exhibits thereto (the "Agreement") contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior and/or contemporaneous agreements and commitments with respect thereto. There are no other understandings, oral or written, nor other terms or conditions and neither Party has relied upon any representation, express or implied, not contained in this Agreement. Any modification to the Agreement must be in writing and executed by both Parties.

18.2 Applicable Law and Jurisdiction.

This Agreement is governed by and construed in accordance with the laws of the State or Commonwealth where the Project Site is located, without regard to its conflict of laws principles. The application of the United Nations Convention on Contracts for the International Sale of Goods is

SIEMENS

excluded. BOTH SIEMENS AND BUYER KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVE ALL RIGHTS TO A JURY TRIAL IN ANY ACTION OR PROCEEDING RELATED IN ANY WAY TO THIS AGREEMENT. Each Party agrees that claims and disputes arising out of this Agreement must be decided exclusively in a federal or state court of competent jurisdiction located in a State or Commonwealth in which the Project Site is located. Each Party submits to the personal jurisdiction of such courts for the purpose of litigating any claims or disputes.

18.3 Notice.

All notices, reports, demands, claims, elections, requests and other official communications required or permitted by this Agreement or by law to be served upon or given to a Party by the other Party shall be in writing signed by the Party giving such notice and shall be deemed duly served, given to and received by the other Party when delivered by first class registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized courier, in each case addressed to those respective representatives of each Party as identified in the Proposal.

The Parties, by like notice in writing, may designate, from time to time, another address, addressee or office to which notices shall be delivered pursuant to this Agreement, which change of address shall become effective five (5) Business Days after delivery of such Notice.

18.4 No Rights in Third Parties.

Except as otherwise expressly provided herein, this Agreement and all rights hereunder are intended for the sole benefit of the Parties and shall not imply or create any rights on the part of, or obligations to, any other Person, except as specifically provided herein with respect to Subcontractors.

18.5 Compliance with Laws.

The Parties agree to comply with all Applicable Laws, including but not limited to those relating to the manufacture, purchase, resale, exportation, transfer, assignment or use of the Equipment.

18.6 Conflicting Provisions.

In the event of any inconsistencies in this Agreement, the following order of precedence in the interpretation hereof or resolution of such conflict hereunder shall prevail:

- (1) Duly authorized and executed Scope Change Orders and written amendments to the Agreement executed by both Parties, with the latest ones having precedence over the earlier ones;
- (2) This Agreement.

Any differing or additional terms and conditions in any purchase order or other document are of no force and effect unless specifically accepted in writing by the Parties. Siemens' failure to object to any such additional, different or conflicting terms does not operate as a waiver of the terms of this Agreement.

18.7 No Partnership Created.

Nothing contained in this Agreement shall be construed as constituting a joint venture or partnership between Siemens and Buyer.

18.8 Captions; Shortened Names for Convenience.

The captions contained in this Agreement are for convenience of reference only and in no way define, describe, extend or limit the scope of intent of this Agreement or the intent of any provision contained herein. Similarly, the references to "Buyer" and "Siemens" in this Agreement are shorthand used for convenience only.

18.9 Counterparts and Facsimile Execution.

This Agreement may be signed in any number of counterparts and each counterpart shall represent a fully executed original as if signed by both Parties, with all such counterparts together constituting but

SIEMENS

one and the same instrument. Facsimile or electronic pdf signatures of the Parties shall be deemed to constitute original signatures and executed facsimile copies hereof shall be deemed to constitute duplicate originals.

18.10 Joint Effort.

Preparation of the Agreement has been a joint effort of the Parties and the resulting document shall not be construed more severely against one of the Parties than against the other. Each Party represents that it has obtained the professional advice (including legal, tax and accounting advice on Applicable Laws and regulations) as it has deemed appropriate or convenient.

18.11 Appendixes.

All appendixes, attachments, or exhibits referenced in this Agreement shall be incorporated into this Agreement by such reference and shall be deemed to be an integral part of this Agreement.

18.12 Non-Waiver.

Any waiver by a Party of strict compliance with this Agreement must be in writing, and any failure by the Parties to require strict compliance in one instance will not waive its right to insist on strict compliance thereafter.

18.13 Modification of Terms.

This Agreement may only be modified by a written instrument signed by authorized representatives of both Parties.

18.14 Assignment.

Neither Party may assign all or part of this Agreement, or any rights or obligations under this Agreement, without the prior written consent of the other; but either Party may assign its rights and obligations, without recourse or consent, to any parent, wholly owned subsidiary, or Affiliate or Affiliate's successor organization (whether as a result of reorganization, restructuring or sale of substantially all of a party's assets). However, Buyer shall not assign this Agreement to: a competitor of Siemens; an entity in litigation with Siemens; or an entity lacking the financial capability to satisfy Buyer's obligations. Any assignee expressly assumes the performance of any obligation assigned. Siemens may grant a security interest in this Agreement and/or assign proceeds of this Agreement without Buyer's consent.

18.15 Severability.

If any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions will not in any way be affected or impaired. A court may modify the invalid, illegal or unenforceable provision to reflect, as closely as possible, the Parties' original intent.

18.16 Survival.

The articles titled "Patent and Copyright Infringement," "Limitation of Liability," "Confidentiality," "Title and Risk of Loss," "Indemnities," and "Export/Import Compliance," survive termination, expiration or cancellation of this Agreement.

Liz Charland

From: Bobbi Matthews
Sent: Tuesday, March 12, 2024 10:51 AM
To: Liz Charland
Subject: Fwd: Sole Proprietary

Get [Outlook for iOS](#)

From: Kevin Hehir <khehir@albanyairport.com>
Sent: Tuesday, February 13, 2024 12:23:19 PM
To: Bobbi Matthews <BMATTHEWS@albanyairport.com>
Cc: Michael Zonsius <mzonsius@albanyairport.com>; John LaClair <jlaclair@albanyairport.com>
Subject: Sole Proprietary

As per our conversation Siemans control systems we are using in the terminal is Proprietary/sole vendor . Thanks for your assistance

Liz Charland

From: Bobbi Matthews
Sent: Tuesday, March 12, 2024 10:49 AM
To: Liz Charland
Cc: Kathryn Kane
Subject: Re: Req # 68581 / Siemens / \$170,382

Here is req # for hvac upgrades
Emergency / informational item

Get [Outlook for iOS](#)

From: Bobbi Matthews <BMATTHEWS@albanyairport.com>
Sent: Monday, February 26, 2024 10:11 AM
To: Liz Charland <LCHARLAND@albanyairport.com>
Cc: Kathryn Kane <KKane@albanyairport.com>; John LaClair <jlaclair@albanyairport.com>; Kevin Hehir <khehir@albanyairport.com>
Subject: Req # 68581 / Siemens / \$170,382

Per our conversation...additional information regarding Req 68581:

It is my understanding that Req # 68581 was submitted by Kevin Hehir for emergency work by Siemens Industry Inc.
Kevin Hehir and John LaClair have stated that Siemens is a sole vendor and these HVAC control up grades are needed for the terminal and expansion project to keep the system operational.
This should go to the next ACAA Board meeting on March 18th as an informational item.

Bobbi

Bobbi Matthews
Purchasing Agent



Phone: (518) 242-2213

Fax: (518) 242-2640

Email: BMatthews@albanyairport.com

AlbanyAirport.com

AGENDA ITEM NO. 14

Review and acceptance of the Authority's:

- **Thirtieth Annual Comprehensive Financial Report as of and for the year ended December 31, 2023 (with the draft audit and compliance reports of Mengel, Metzger, Barr & Co., LLP, certified public accountants);**
- **The Authority's 2023 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 Mengel, Metzger, Barr & Co., LLP, 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 2023 required by Section 2800 of the Public Authorities Law; and**
- **Financial Statements for the year ended December 31, 2023 for the Other Post Employment Benefit Trust**

AGENDA ITEM NO: 14

MEETING DATE: March 18, 2024

**ALBANY COUNTY AIRPORT AUTHORITY
REQUEST FOR AUTHORIZATION**

DEPARTMENT: Finance

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

PURPOSE OF REQUEST:

Review and acceptance of the Authority's:

- **Thirtieth Annual Comprehensive Financial Report as of and for the year ended December 31, 2023 (with the draft audit and compliance reports of Mengel, Metzger, Barr & Co., LLP, certified public accountants);**
- **The Authority's 2023 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 Mengel, Metzger, Barr & Co., LLP, 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 2023 required by Section 2800 of the Public Authorities Law; and**
- **Financial Statements for the year ended December 31, 2023 for the Other Post Employment Benefit Trust**

BACKUP MATERIALS:

- **Annual Comprehensive Financial Report for the year-ended 2023 with draft auditor reports;**
- **Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2023 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 2023; and**
- **Financial Statements – Other Post Employment Benefit Trust**

CHIEF EXECUTIVE OFFICER'S RECOMMENDATION:

The Audit Committee reviewed the above documents at their March 13, 2024 Audit Committee Meeting recommends for approval by the Board.

Albany County Airport Authority

A component unit of the County of Albany, located in the Town of Colonie, New York

Annual Comprehensive Financial Report

For the years ended December 31, 2023 and 2022



ALBANY
INTERNATIONAL AIRPORT

Albany County Airport Authority

As of December 31, 2023

Authority Board Members



Samuel A. Fresina

Chair

Term Expires: December 31, 2024



Kevin R. Hicks, Sr.

Vice-Chair

Term Expires: December 31, 2024



Thomas A. Nardacci

Treasurer

Term Expires: December 31, 2024



Steven H. Heider

Secretary

Term Expires: December 31, 2025



Janet Thayer

Member

Term Expires: December 31, 2025



Sari O'Connor

Member

Term Expires: December 31, 2024



John-Raphael Pichardo

Member

Term Expires: December 31, 2027

Authority Management

Philip F. Calderone, Esq.

Michael F. Zonsius

Christine C. Quinn, Esq.

Chief Executive Officer

Chief Financial Officer

Authority Counsel



ALBANY COUNTY AIRPORT AUTHORITY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the years ended December 31, 2023 and 2022

Prepared by the
Finance Department

Michael F. Zonsius
Chief Financial Officer

Margaret Herrmann
Chief Accountant

A Component Unit of the County of Albany
Town of Colonie, New York

www.albanyairport.com

CUSIP #012123XXX



Additional information relating to the Airport Authority is available at the Airport's website:
www.flyalbany.com

If you would like any further information, contact the Chief Financial Officer at (518) 242-2204 or at Albany County Airport Authority, 737 Albany Shaker Rd, Main Terminal, Suite 300, Albany, NY 12211

TABLE OF CONTENTS

PAGE(S)

I. INTRODUCTORY SECTION

Albany County Airport Authority:	
Members and Principal Officers	Inside Front Cover
Chairman's Message	1
Letter of Transmittal	2-10
Organizational Chart	11
Certificate of Achievement for Excellence in Financial Reporting	12

II. FINANCIAL SECTION

Independent Auditor's Report	16-18
Management's Discussion and Analysis	19-27
Financial Statements:	
Comparative Statements of Net Position	28-29
Comparative Statements of Revenues, Expenses and Changes in Net Position	30
Comparative Statements of Cash Flows	31
OPEB Trust Statements of Fiduciary Fund Net Position	32
OPEB Statements of Changes in Fiduciary Fund Net Position	33
Notes to Financial Statements	35-71
Required Supplementary Information:	
Schedule for the Authority's Proportionate Share of Net Pension Liability	74-75
Schedule for the Authority's Contributions	74-75
Schedule of Changes in the Airport's Net OPEB Liability and Related Ratios	76-77
Actuarially Determined Contribution – Deficiency / (Excess)	78-79
OPEB Actuarial Methods and Assumptions	80-81
Other Supplemental Information:	
Schedule of Debt Service Requirements to Maturity	84
Schedule of Governmental Payments and Services	85
Insurance Schedule	86
Independent Accountant's Report on Applying Agreed- Upon Procedures-Customer Facility Charges	87
Schedules of Revenues, Expenses and Changes in Net Position-Customer Facility Charges	88

III. STATISTICAL SECTION

Total Annual Revenues, Expenses and Changes in Net Position	90-91
Changes in Cash and Cash Equivalents	92-93

Principal Revenue Sources and Cost per Enplaned Passenger	94-95
Ratios of Outstanding Debt	96-97
Revenue Bond Debt Service Coverage	98-99
Population in the Air Trade Area	100
Major Employers in Air Trade Area	101
Colleges and Universities in the Air Trade Area	102
Airport Information	103
Enplaned Passengers	104-105
Airline Landed Weights	106-107
Aircraft Operations	108-110
Airlines Serving the Albany International Airport	111
Scheduled Jet Airline Service	112
Primary Origination and Destination Passenger Markets	113

IV. COMPLIANCE SECTION

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 <i>Government Auditing Standards</i>	116-117
Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance and Notes thereto	118-119
Independent Auditor's Report on Compliance for each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	120-122
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	123-125
Schedule of Findings and Questioned Costs	126
Independent Auditor's Report on Compliance for the Passenger Facility Charge Program and Report on Internal Control over Compliance Required by the Federal Aviation Administration	127-129
Schedule of Passenger Facility Charges Collected and Expended And Notes thereto	130
Passenger Facility Charge Program Schedule of Findings And Questioned Costs	131
Biographies of the Members of the Albany County Airport Authority	132-133
Biographies of the Albany County Airport Authority Senior Staff	134

Introduction

DRAFT

DRAFT



Chairman's Message

March 18, 2024

In 2023 the Airport saw great progress towards a return to normality in air travel as enplanements returned to nearly 94 percent of pre-Covid levels; an increase of 6.6 percent from the prior year. As we approach and go beyond pre-Covid levels, we see opportunity for continued progress and growth.

To meet this future growth, the airport has been in the process of completing its first Master Plan in 30 years. For the past two years the airport has engaged the community with public meetings soliciting their ideas and comments for the Airport's future development. As this past year ended, the plan was submitted to the Federal Aviation Administration for its review and concurrence. An updated Master Plan is critical to the process of seeking discretionary funding opportunities. During this past year the Airport received discretionary funding under the Bipartisan Infrastructure Grant for improvements to our Air Traffic Control Tower. We also received NYS grant funding for important improvements to the airport elevators.

During 2023 the Airport welcomed Governor Hochul and other state and local officials for the ground breaking of our Terminal Expansion project that will expand the pre-screening queuing area, update heating, cooling and ventilation systems and modernize airside amenities with a new children's play area, a sensitivity room and an updated business center. The cost of construction is \$100,000,000 and will be funded with state and federal grants with completion expected in early 2025.

Airfield pavement is an integral part of our infrastructure and during 2023 the airport completed the rehabilitation of our crosswind Runway 10/28. In addition it replaced two escalators in Concourse B and painted Hangar #1. Also, in 2023, the airport started design for an expanded Concourse A that will include the addition of two (2) passenger boarding bridges and for a new inline baggage system that will significantly enhance the baggage process at the airport.

Also during the past year the Authority maintained its status for the Global Biorisk Advisory Council's (GBAC) full GBAC Star Accreditation and the Airport Health Accreditation (AHA) from the Airports Council International (ACI) World. The airport also continued its commitment to sustainability and carbon neutrality by again being one of a select group of airports to achieve ACI Carbon Accreditation recognition.

Additionally during 2023, the Airport became the first in the United States and fourth in the world to receive ACI accreditation for our efforts accommodating and prioritizing the needs of all our disabled travelers and airport workforce.

The Airport continues to maintain the highest standards in financial fiduciary responsibilities. In that regard, the Airport received the Certificate of Achievement for Excellence in Financial Reporting for its twenty-eight year and the Distinguished Budget Presentation Award for the twenty-first year. The Authority is positioned for growth and contributed approximately \$4.3 million into the Development Fund in 2023. Highlighting our year was a rating upgrade from Moody's Ratings to A2.

As always, we are grateful to our CEO and Authority Staff for their dedication to excellence in the operation of our Airport and to our partners at AvPorts, LLC and Million Air for their continued partnership and support.

Sam Fresina

Samuel A. Fresina
Chairman



March 18, 2024

TO THE MEMBERS OF THE AUTHORITY:

The Annual Comprehensive Financial Report (ACFR) of the Albany County Airport Authority (Authority) for the fiscal year ended December 31, 2023 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 Annual Comprehensive 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 2023 and 2022. 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, 2023 is 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, 2023 is 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, 2023 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.

Mr. Samuel A. Fresina became the Chair in 2021. 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, 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 1,165 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 (2023 statistics not yet available), in 2022 the Airport ranked 88th in total enplanements and 104th in total cargo landed weight. The Airport also ranked 309th in total aircraft operations in 2023.

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 approximately 1.382 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 1.75 million for a combined total population approximating 3.13 million in the combined areas.

The Airport's primary air trade area is at the core of the State Capital of the Nation's 4th 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 Global Foundries 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

In 2020, the COVID-19 pandemic took hold and devastated the airline industry with an estimated decrease of approximately \$57.0 billion in airline passenger revenue according to International Civil Aviation Organization (ICAO). Airlines responded to the pandemic by reducing fleet sizes, work forces, and airline seat capacity.

By the end of 2021 and with the introduction of as vaccines, the airline industry showed signs of improvement and Airport monthly scheduled flights and seat capacity increased to 1,096 and 114,381, respectively. The airline industry continued improvement and as 2023 came to a close, Airport monthly scheduled flights and seat capacity increased to 1,203 and 137,828, respectively.

The historical COVID-19 affects for the past five years on the entire airline industry is shown below:

	Domestic Passengers	Flights	Load Factor	Net Income (\$000)	Operating Revenues (\$000)
2018	777,972,787	8,399,975	84.46	\$ 14,109,503	\$ 171,685,954
2019	811,545,260	8,596,716	85.11	15,705,970	179,341,805
2020	337,519,065	5,213,008	58.63	(24,600,755)	93,274,028
2021	605,935,383	6,759,313	77.68	4,637,444	143,725,716
2022	750,558,454	7,423,695	84.32	6,047,731	203,312,738
2023	751,395,562 ⁽¹⁾	7,152,371 ⁽¹⁾	83.70 ⁽¹⁾	5,222,993 ⁽²⁾	158,116,219 ⁽²⁾

⁽¹⁾ Through November 2023

⁽²⁾ Through third quarter 2023

SOURCE: Bureau of Transportation Statistics T-100 Market Data.
Bureau of Transportation Statistics F41 Schedule P12 data.

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 extended the five-year agreement that began January 1, 2016 with basically the same rates and charges model. After the initial one-year term in 2021, there are three one-year options and one two-year option extensions. 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 2023 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 budget projections for 2024 assumes enplanements of 1,425,000 as the Authority continues to recover from the COVID-19 pandemic. If the budget assumptions and activity projections prove to be reasonable, the projected airline cost per enplanement, net of revenue sharing, should approximate \$9.95, excluding FBO costs per enplaned passengers, and debt service coverage should be 2.31 (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 million 2024 Operating Budget (including debt service), which is on the Authority's web site.

CAPITAL FINANCIAL PLANNING

A \$180 million 2020-2024 capital improvement program was approved by the Authority and County in 2019. The budget consisted 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 2022, the capital improvement program was increased to \$351.3 million to accommodate the construction of the parking garage to terminal connector.

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 2023, or scheduled for completion in 2023, had their projected additional operating costs and related revenues incorporated into the Authority's 2023 Operating Budget.

The following Federal Aviation Administration Airport Improvement Program (AIP) Grant was awarded in 2023:

Capital Grants

AIP151-23	Replace Air Traffic Control Tower and TRACON HVAC	\$2,000,000
-----------	---	-------------

In 2022, the Federal Aviation Administration approved application PFC05, the collection of approximately \$26.2 million of Passenger Facility Charges for five airport projects. The expiration date for the collection of PFCs is now extended to July 1, 2027.

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 2024 Annual Budget, the Authority projected 1,425,000 enplanements, an increase of approximately 48,361 of 2023 actual levels. The Authority has set its rates and charges for 2024 under the Airline Use and Lease Agreement to meet all projected obligations. For 2024, signatory landing fees have been set at \$5.62 per 1,000 pounds landed weight, compared to \$4.17 budgeted in 2023; apron fees at \$1.87 per square foot, compared to \$1.65 budgeted in 2023; and the terminal rental rate at \$116.98 per square foot, compared to \$94.05 budgeted in 2023.

As of December 31, 2023, the Authority had approximately \$42.8 million in unrestricted funds available. The Authority also had approximately \$8.9 million in restricted operating and maintenance reserves that is more than sufficient to meet two months of operating expenditures and \$500,000 in an equipment repair & replacement reserve fund. In addition, the Authority had approximately \$7.6 million in debt service reserve funds, plus approximately \$9.7 million in Passenger Facility Funds on-hand. The Authority does not anticipate experiencing any cash flow deficiencies during 2024 requiring short-term cash flow financing or increases during the year to the rates and charges billed to the Airlines

DEBT CAPACITY

The Albany County Airport Authority Act sets the Authority's debt limit at \$285 million. At December 31, 2023, there is approximately \$55.3 million of debt outstanding issued directly by the Authority to be reduced by approximately \$7.3 million of principal payments during 2024. Debt service coverage was 1.84 for 2023 and is projected to be 2.31 for 2024 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 2023 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 promote underserved markets.
- Completion of the Rehabilitation of Runway 10/28 and Taxiway C.
- Completion of the cargo apron rehabilitation.
- Completed installation of a new terminal fire alarm system.
- The first Master Plan in nearly thirty years was submitted to the FAA for review and concurrence.
- Initiated the design for two (2) additional jet bridges in Concourse A.

- 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.
- Continues to establish partnerships with strategic community stakeholders, corporations, colleges and universities to further regional growth and economic growth.

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 annual financial report (ACFR) for the fiscal year ended December 31, 2022. This was the twenty-seventh 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 ACFR. 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 2023 ACFR 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 2023. 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 2024 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, 2023 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:



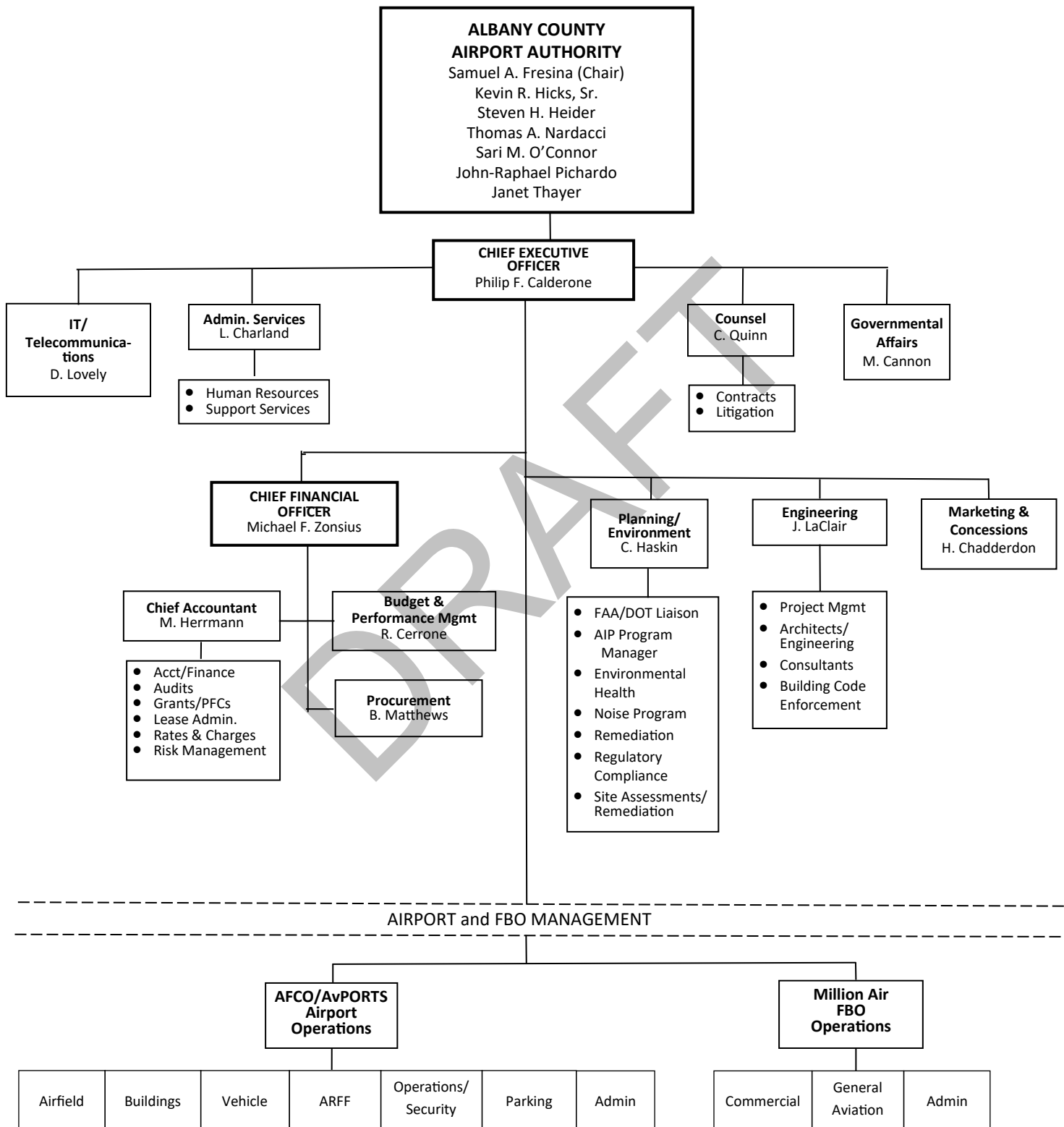
Phillip F. Calderone, Esq.
Chief Executive Officer



Michael F. Zonsius
Chief Financial Officer

DRAFT

ALBANY INTERNATIONAL AIRPORT ORGANIZATIONAL CHART





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Albany County Airport Authority
New York**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO



21 non-stop destinations are served from Albany
with

44 daily flights to 17 destinations

4 destinations are served with non-daily flights

Source: Innovata, via Cirium, based on March 2024 schedules.
Raleigh/Durham service scheduled to begin in May 2024

This page intentionally left blank

DRAFT

DRAFT

Financial

INDEPENDENT AUDITOR'S REPORT

To the Members
Albany County Airport Authority

Report on the Audit of the Financial Statements

Opinions

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 year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2023, and the respective change in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net OPEB liability and related ratios, schedule of actuarially determined contribution - deficiency/(excess), schedule of OPEB actuarial methods and assumptions, schedules of proportionate share of net pension liability (asset) and schedule of authority contributions on pages 19 through 27, 71 through 76 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not 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.

Supplementary Information

Our audit was 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 13, the schedule of debt service requirements to maturity and of governmental payments and services on page 78 and 79, the insurance schedule on page 80, the customer facility charges statement on page 82, the statistical section on pages 83 through 108, and the biographies of the Authority's members and senior staff on pages 120 through 129 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, 2023, 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, 2023, 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 was derived from and relates 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 _____, 2024 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 solely 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 the effectiveness of 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
_____, 2024

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, 2023 with selected comparative information for the years ended December 31, 2022 and December 31, 2021. 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.

Overview of the 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, 2023 and December 31, 2022, the end of the Authority's previous fiscal year. The Statements reports 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* reports total operating revenues, operating expenses, non-operating income and expenses, capital contributions and the changes in net position during the years ended December 31, 2023 and 2022. 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* presents information showing how the Authority's cash and cash equivalents position changed during the years ended December 31, 2023 and 2022. The Statements classifies cash receipts and cash payments by Operating Activities, Non-capital 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, 2023 and December 31, 2022 and 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 years ended December 31, 2023 and 2022.

Airport Activities

In 2023, Enplanements increased from 1,290,529 in 2022 to 1,376,639. Cargo tonnage decreased from 21,082 in 2022 to 20,949 in 2023. Operations, a landing or takeoff, decreased from 53,726 in 2022 to 53,610 in 2023.

The following shows the major airport indicators during the past three years:

	2023	2022	2021
Enplanements	1,376,639	1,290,529	976,037
Operations	53,610	53,726	47,849
Cargo (tons)	20,929	21,082	23,049

Published available seats for 2023 increased by 99,244 or 6.3% from 2022 and the passenger load factor increased to 83% in 2023 from 79% in 2022. The published available seats and the yearly load factors for the last three years are below:

	2023	2022	2021
Total Available Seats	1,656,472	1,557,228	1,189,312
Passenger Load Factor	83%	79%	83%

As of December 31, 2023, two regularly scheduled express mail and various special cargo carriers serve the Airport.

Financial Highlights

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:

	2023	2022	2021
Operating revenues	\$ 53,230,207	\$ 53,582,278	\$ 40,775,457
Operating expenses	44,158,861	(40,350,761)	(33,766,606)
Revenues in excess of expenses before depreciation	9,071,346	13,231,517	7,008,851
Depreciation	19,050,784	(18,882,884)	(18,387,208)
Loss before non-operating income and expenses	(9,979,438)	(5,651,367)	(11,378,357)
Non-operating income and (expenses), net	11,898,516	4,357,040	7,001,158
Income/(loss) before capital contributions	1,919,078	(1,294,327)	(4,377,199)
Capital contributions, special and extraordinary item	16,929,595	5,982,119	11,276,697
Net position			
Increase / (decrease) in net position	18,848,673	4,687,792	6,899,498
Total net position, beginning of year	251,869,419	247,181,627	240,282,129
Total net position, end of year	\$ 270,718,092	\$ 251,869,419	\$ 247,181,627

OPERATING REVENUE AND NON-OPERATING REVENUE

Total revenues are a combination of Operating and Non-Operating Revenue. Operating revenue is generated from the day-to-day activities of the airport, landing fees, parking fees, terminal rent and property rent. Non-operating revenue is revenue that is ancillary or a by-product of operating the airport, e.g. interest revenue. It may also be grant revenue that reimburses an operating expense or Passenger Facility Charges that are used for approved capital expenditures. Operating revenue and non-operating revenue for 2023, 2022 and 2021 are on the next page:

	2023	2022	2021
Operating Revenues			
Airfield	\$ 5,512,260	\$ 6,537,793	\$ 5,545,788
Terminal	3,510,123	4,974,060	5,363,151
Ground Transportation	17,907,220	16,405,065	9,327,909
Concessions	9,462,456	8,645,042	6,891,504
Fixed Based Operations	12,361,731	12,506,123	9,326,061
Other	4,476,417	4,514,195	4,321,044
	<u>53,230,207</u>	<u>53,582,278</u>	<u>40,775,457</u>
Non-Operating Income			
Passenger Facility Charges	5,699,317	5,318,185	4,055,447
Grant Income	5,232,617	1,420,740	4,810,756
Improvement Chargers	368,400	368,400	368,400
Insurance Recoveries	335,000	-	77,967
Interest Income	2,371,346	846,754	263,747
	<u>14,006,680</u>	<u>7,954,079</u>	<u>9,576,317</u>
Total	<u>\$ 67,236,887</u>	<u>\$ 61,536,357</u>	<u>\$ 50,351,774</u>
Percentage of Increase	9.3%	22.2%	13.4%

Operating Revenue

Total operating revenue increased to \$53,230,207 from \$53,582,278 in the prior year, a decrease of \$352,071, or 0.7%. The majority of operating revenue is driven by enplanement levels.

Airfield revenue decreased to \$5,512,260 from \$6,537,793 in the prior year, a decrease of \$1,025,533, or 15.7%. Airfield revenue includes: passenger and cargo landing fees, apron fees and glycol disposal fees. Under the Signatory Airline Use and Lease Agreement (ULA), the airfield is a "residual cost center" requiring signatory airlines to pay the residual cost after all airfield and certain non-airfield revenues allocated to the airfield have been applied which includes interest income and PFCs applicable to airfield related debt service. Accordingly, airfield revenues are sensitive to airfield cost, interest earnings, PFCs revenues applied to airfield debt service, and the amount of airfield debt service.

Terminal revenue decreased to \$3,510,123 from \$4,974,060 in the prior year, a decrease of \$1,463,937, or 29.4%. Terminal revenue includes: airline and non-airline lease revenue and passenger boarding bridge fees. The terminal revenue is sensitive to the amount of rented space and terminal operating costs used to determine the annual rental rate.

Ground transportation revenue increased to \$17,907,220 from \$16,405,065 in the prior year, an increase of \$1,502,155, or 9.2%. Ground transportation revenue includes: parking revenue, taxi/hotel access fees, and transportation network charges (Lyft/Uber). Ground transportation revenue is sensitive to enplanement activity and the number of parking transactions (vehicles parked). Parking transactions increased to 571,981 from 530,725 in the prior year. The Airport directly manages all on-airport parking operations which at December 31, 2023 included 181 short-term garage/surface, 2,912 long-term garage, 1,880 long-term surface, and 2,763 remote shuttle served parking spaces.

Concession revenue increased to \$9,462,456 from \$8,645,042 in the prior year, an increase of \$817,414, or 9.5%. Concession revenue is driven by enplanement activity.

Gross sales per enplanement levels increased 15.9% as shown below:

	2023	2022	2021
Enplanements	1,376,639	1,290,529	976,037
Sales per Enplanement	\$ 11.19	\$ 10.53	\$ 9.08

Fixed Based Operator revenue decreased to \$12,361,731 from \$12,506,123 in the prior year, an decrease of \$144,392, or 1.2%. The Authority manages the daily operations of its FBO through REW Investments, Inc. (d/b/a Million Air). A summary of the operating revenue drivers, e.g. 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 2023, 2022 and 2021:

	2023	2022	2021
Retail Gallons Sold:			
Jet A	1,279,421	1,259,022	1,274,382
AvGas	72,471	68,249	49,815
Glycol - Consortium	59,953	58,707	52,419
Glycol - Sprayed	75,647	64,786	56,622
Jet A Fuel Airline Into-Plane Gallons	18,494,934	18,141,788	15,161,563

Other revenue decreased to \$4,476,417 from \$4,514,195 in the prior year, a decrease of \$37,778, or 0.8%. Other revenue remains relatively the same from year to year and includes fixed lease rent from land, hangars, t-hangars, and buildings.

Non-Operating Income

Total Non-Operating income increased to \$14,006,680 from \$7,954,079 in the prior year, a difference of \$6,052,601 or 76.1%. This increase is largely attributable to the increase in Grant Income derived from Coronavirus and Relief Act (CARES Act) funding and an increase in interest earnings.

OPERATING EXPENSES AND NON-OPERATING EXPENSES HIGHLIGHTS

Total expenses are also a made up of Operating and Non-Operating components and depreciation. Operating expenses include those expenses necessary to operate the airport on a day-to-day basis and include personnel salary and benefits, contract services, and materials and supplies. Non-operating expenses also include expenses that are ancillary or a by-product of operating the airport and predominantly include interest expense. Depreciation is the annual expense of the cost of a capital asset allocated over its annual useful life. Operating expenses and non-operating expenses for 2023, 2022 and 2021 are on the next page.

	2023	2022	2021
Operating Expenses			
Personnel services	\$ 12,624,930	\$ 11,593,516	\$ 10,390,542
Employee benefits	5,950,078	4,941,925	4,756,459
Utilities & communications	2,562,914	2,563,632	1,937,442
Purchased services	7,177,642	6,223,531	5,555,362
Material & supplies	12,413,637	12,445,319	8,662,515
Administration	2,871,427	2,300,011	1,641,707
Non-capital equipment	558,233	282,827	822,579
	<u>44,158,861</u>	<u>40,350,761</u>	<u>33,766,606</u>
Depreciation	19,050,784	18,882,884	18,387,208
Non-Operating Expenses			
Interest	2,108,164	2,314,999	2,575,159
Grant expense	-	1,282,040	-
	<u>2,108,164</u>	<u>3,597,039</u>	<u>2,575,159</u>
Total	<u>\$ 65,317,809</u>	<u>\$ 62,830,684</u>	<u>\$ 54,728,973</u>
Percentage of Increase	4.0%	14.8%	0.2%

Operating Expenses

Total operating expenses increased to \$44,158,861 from \$40,350,761 in the prior year, an increase of \$3,808,100, or 9.4%. Below are the categories that comprise total operating expenses.

Combined, Personnel Services and Employee Benefits expense increased to \$18,575,008 from \$16,535,441 in the prior year, an increase of \$2,039,567, or 12.3%.

Utility and communication expense decreased to \$2,562,914 from \$2,563,632 in the prior year, a decrease of \$718, or 0.03%.

Purchased service expense increased to \$7,177,642 from \$6,223,531 in the prior year, an increase of \$954,111, or 15.3%.

Materials and supplies expense decreased to \$12,413,637 from \$12,445,319 in the prior year, a decrease of \$31,682, or 0.3%.

Administration expense increased to \$2,871,427 from \$2,300,011 in the prior year, an increase of \$571,416, or 24.8%.

Non-Capital equipment expense increased to \$558,233 from \$282,827 in the prior year, an increase of \$275,406, or 97.4%.

Non-Operating Expenses

Total Non-Operating Expenses decreased to \$2,108,164 from \$3,597,039 in the prior year, a difference of \$1,488,875. This decrease is largely attributable to the disbursements required to the concessions in the amount of \$1,282,040 from the Grant Income derived from Coronavirus and Relief Act (CARES Act) funding that was recorded in 2022.

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 \$271.4 million at December 31, 2023, a \$19.5 million increase from December 31, 2022.

A condensed summary of the Authority's total net position at December 31, 2023 and December 31, 2022 and 2021 is below:

	2023	2022	2021
ASSETS			
Capital assets	\$ 275,717,191	\$ 267,625,014	\$ 276,300,611
Other assets	104,847,397	89,436,457	82,392,667
Total Assets	380,564,588	357,061,471	358,693,278
DEFERRED OUTFLOWS OF RESOURCES	2,609,258	3,033,495	2,873,221
LIABILITIES			
Current (payable from unrestricted assets)	16,971,995	9,506,912	6,811,538
Current (payable from restricted assets)	16,275,794	9,320,058	8,288,244
Noncurrent liabilities	58,738,561	65,874,334	73,928,802
Total Liabilities	91,986,350	84,701,304	89,028,584
DEFERRED INFLOWS OF RESOURCES	20,469,409	23,524,243	25,356,288
NET POSITION			
Net investment in capital assets	208,844,436	210,618,826	209,491,889
Restricted	38,318,628	25,249,714	23,862,862
Unrestricted	24,205,023	16,000,879	13,826,876
Net Position	\$ 271,368,087	\$ 251,869,419	\$ 247,181,627

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 (77.0% at December 31, 2023). 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 (14.1 % at December 31, 2023), 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 \$8.9 million (24.2 % at December 31, 2023) 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.

Airlines 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. The five-year renewal option was renegotiated and the Authority and airlines agreed to a one-year option and one two-year option.

Cash Management Policies and Cash Flow Activities

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 2023, 2022 and 2021:

	2023	2022	2021
Cash flows from (used):			
Operating activities	\$ 17,836,908	\$ 15,555,769	\$ 5,530,263
Noncapital financing activities	5,232,617	138,700	4,810,756
Investing activities	2,113,059	919,474	278,122
Capital and related financing activities	(13,228,079)	(8,365,052)	(7,160,822)
Net increase/(decrease) in cash	11,954,505	8,248,891	3,458,319
Beginning of period	59,296,949	51,048,058	47,589,739
End of period	\$ 71,251,454	\$ 59,296,949	\$ 51,048,058

The Authority's available cash and cash equivalents increased during 2023 by \$11,954,505. Cash and cash equivalents as of December 31, 2023, 2022 and 2021 are composed of:

	2023	2022	2021
Funds available for unrestricted operations:	\$ 42,799,679	\$ 26,924,730	\$ 22,357,372
Funds restricted for:			
Operating and renewal reserves	8,962,306	8,170,629	7,085,564
CFC funds	464,656	453,361	449,616
Capital projects	730,984	6,886,147	4,559,084
PFCs available for debt service payments	9,751,984	8,243,096	8,289,838
Revenue bond reserves	7,609,446	7,708,379	7,403,497
Other restrictions	932,399	910,607	903,087
	\$ 71,251,454	\$ 59,296,949	\$ 51,048,058

Capital Activities

The Authority capitalized \$16.5 million for completed projects in 2023. The majority was \$7.9 million for Runway 10/28 rehabilitation, \$1.6 million for rehabilitation of the air cargo ramp, \$1.5 million for terminal escalators, \$2.0 million for the terminal fire alarm replacement, \$0.6 million for land acquisition and \$1.5 million for various equipment replacement including a new front end loader at \$0.4 million and \$0.5 million for a new runway broom.

More detailed capital asset activity information can be found in Note 7 of the financial statements.

Debt Administration

The total Authority principal debt outstanding at December 31, 2023 for General Airport Revenue Bonds (GARB) was \$55,295,000 as compared to \$62,315,000 as of December 31, 2022. The aggregate par amount of bonds and bank loans issued by the Authority and outstanding as of December 31, 2023 and 2022 and 2021 is summarized in the following table:

	Issued	2023	2022	2021
Authority Revenue Bonds and Other Debt				
Series 2017A & B Refunding	\$ 14,395,000	\$ 6,070,000	\$ 7,215,000	\$ 8,300,000
Series 2018A & B GARB	22,590,000	20,750,000	21,165,000	21,560,000
Series 2019A GARB	9,620,000	8,970,000	9,145,000	9,315,000
Series 2020A & B Refunding	34,610,000	19,505,000	24,790,000	29,825,000
Total Authority Debt Obligations	<u>\$ 81,215,000</u>	<u>\$ 55,295,000</u>	<u>\$ 62,315,000</u>	<u>\$ 69,000,000</u>

At December 31, 2023 the Authority maintained debt service reserve funds for each bond issue in the amount of \$7.6 million which is restricted for repayment of debt and Passenger Facility Charge (PFC) Funds in the amount of \$9.8 million of which only \$7.3 million is restricted to repayment of debt. Thus, the Authority's direct obligations outstanding, net of funds restricted for the repayment of debt, was \$40.4 million in aggregate par amount of bonds outstanding. For additional information about the Authority's long term debt (see Note 8).

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, 2023 the reserve requirement was \$7.6 million and for which the Authority had \$8.5 million on hand. The Authority also had \$28.4 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 \$0.5 million.

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. As of December 31, 2023 and 2022 the Authority reported \$6,386,068 and \$6,057,134 respectively as its share of the unfunded OPEB liability (see Note 14). The Authority also reported \$(1,026,081) and \$349,754 at December 31, 2023 and 2022 respectively for its proportionate share of the unfunded asset/(liability) for employee pensions (see Note 13).

Credit Ratings and Bond Insurance

The Authority's underlying credit ratings are: Moody's Investors Service "A3" and S&P Global Ratings "A".

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. S&P Global Ratings upgraded their enhanced rating of AGMC from "AA-" to "AA" on March 18, 2014. On June 14, 2018, S&P Global Ratings 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. S&P Global Ratings assigned an "A" rating on October 25, 2019 and Moody's assigned an "A3" rating on October 29, 2019. S&P Global Ratings of an "A" as of August 2022 reflects their view of the airport's recovering activity and improved market position with year-to-date enplanement performance through July 2022 which was 2.6% ahead of budget. Moody's assigned an upgraded "A2" rating as of July 2023 that "reflects effective management of the financial

profile, robust financial metrics, as evidenced by a Moody's calculated total debt service coverage ratio of 2.2x. and continued decline in debt levels relative to historical".

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 email: mzonsius@albanyairport.com or in writing to, Albany County Airport Authority, Terminal Building, Third Floor, Albany, NY 12211-1057.

Respectfully submitted,



Michael F. Zonsius
Chief Financial Officer

Albany County Airport Authority
Statements of Net Position
As of December 31, 2023 and December 31, 2022

	December 31, 2023	December 31, 2022
CURRENT ASSETS		
Unrestricted Assets:		
Cash and cash equivalents	\$ 42,799,679	\$ 26,924,731
Accounts receivable - net	2,109,957	2,986,921
Lease receivable	2,722,345	2,567,186
Inventory - fuel	136,290	122,052
Inventory - glycol	415,222	477,416
Prepaid expenses	384,781	283,711
Total Unrestricted Assets	48,568,274	33,362,017
Restricted Assets:		
Operating and Replacement Reserves:		
Cash and cash equivalents	8,962,306	8,170,629
CFC Funds:		
Cash and cash equivalents	464,656	453,361
Capital Funds:		
Cash and cash equivalents	730,984	6,886,147
Grant funds receivable	10,073,584	4,190,277
Passenger Facility Charge Funds:		
Cash and cash equivalents	9,751,984	8,243,096
Passenger Facility Charges receivable	605,901	563,928
Revenue Bond Funds:		
Cash and cash equivalents	7,609,446	7,708,378
FAA Restricted Funds:		
Cash and cash equivalents	210,565	205,569
Concession Improvement Funds:		
Cash and cash equivalents	721,834	705,038
Total Restricted Assets	39,131,260	37,126,423
Total Current Assets	87,699,534	70,488,440
NON-CURRENT ASSETS		
Prepaid expenses	178,797	194,232
Net pension asset	-	349,754
Lease receivable	16,969,066	18,404,031
Capital Assets:		
Land and easements	48,899,432	48,201,829
Buildings, improvements and equipment, net of depreciation	206,527,416	209,659,168
Construction in progress	20,290,343	9,764,017
Total Capital Assets	275,717,191	267,625,014
Total Non-Current Assets	292,865,054	286,573,031
Total Assets	380,564,588	357,061,471
DEFERRED OUTFLOWS OF RESOURCES		
Refunding	638,650	959,399
OPEB expenses	906,998	1,025,989
Pension expenses	1,063,610	1,048,107
Total Deferred Outflows of Resources	2,609,258	3,033,495

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority
Statements of Net Position
As of December 31, 2023 and December 31, 2022

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>LIABILITIES AND NET POSITION</u>		
<u>CURRENT LIABILITIES</u>		
Payable from Unrestricted Assets:		
Accounts payable	4,046,593	871,910
Accrued expenses	12,925,402	8,635,002
Total Payable from Unrestricted Assets	<u>16,971,995</u>	<u>9,506,912</u>
Payable from Restricted Assets:		
Construction contracts payable	7,953,166	1,777,588
Construction contract retainages	951,829	427,223
Accrued interest payable	90,799	95,247
Current maturities of long - term debt	7,280,000	7,020,000
Total Payable from Restricted Assets	<u>16,275,794</u>	<u>9,320,058</u>
Total Current Liabilities	<u>33,247,789</u>	<u>18,826,970</u>
<u>NON-CURRENT LIABILITIES</u>		
Bonds and other debt obligations	51,326,412	59,817,200
Net OPEB liability	6,386,068	6,057,134
Net pension liability - proportionate share	1,026,081	-
Total Non-Current Liabilities	<u>58,738,561</u>	<u>65,874,334</u>
Total Liabilities	<u>91,986,350</u>	<u>84,701,304</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Concession improvement funds	906,386	780,788
OPEB expenses	766,596	1,275,576
Pension expenses	75,313	1,246,137
Leases	18,721,114	20,221,742
Total Deferred Inflows of Resources	<u>20,469,409</u>	<u>23,524,243</u>
<u>NET POSITION</u>		
Net investment in capital assets	208,844,436	210,618,826
Restricted	38,318,628	25,249,714
Unrestricted	<u>23,555,023</u>	<u>16,000,879</u>
Net Position	<u>\$ 270,718,087</u>	<u>\$ 251,869,419</u>

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2023 and December 31, 2022

	December 31, 2023	December 31, 2022
Operating Revenues		
Airfield	\$ 5,512,260	\$ 6,537,793
Fixed Based Operations	12,361,731	12,506,123
Terminal	3,510,123	4,974,060
Concessions	9,462,456	8,645,042
Ground transportation	17,907,220	16,405,065
Other revenue	4,476,417	4,514,195
Total Operating Revenues	<u>53,230,207</u>	<u>53,582,278</u>
Operating Expenses		
Personal services	12,624,930	11,593,516
Employee benefits	5,950,078	4,941,925
Utilities & communications	2,562,914	2,563,632
Purchased services	7,177,642	6,223,531
Materials & supplies	12,413,637	12,445,319
Administrative expenses	2,871,427	2,300,011
Non-capital equipment	558,233	282,827
Total Operating Expenses	<u>44,158,861</u>	<u>40,350,761</u>
Revenues in excess of expenses before depreciation	9,071,346	13,231,517
Depreciation	<u>19,050,784</u>	<u>18,882,884</u>
Loss Before Non-Operating Income and Expenses	<u>(9,979,438)</u>	<u>(5,651,367)</u>
Non-Operating Income and (Expenses)		
Passenger facility charges	5,699,317	5,318,185
Grant income	5,232,617	1,420,740
Improvement charges	368,400	368,400
Interest income	2,371,341	846,754
Insurance recoveries	335,000	-
Interest expense	(2,108,164)	(2,314,999)
Grant expense	-	(1,282,040)
Total Non-Operating Income and (Expenses)	<u>11,898,511</u>	<u>4,357,040</u>
Gain (Loss) before Capital Contributions	1,919,073	(1,294,327)
Capital Contributions	<u>16,929,595</u>	<u>5,982,119</u>
Net Position		
Increase in Net Position	18,848,668	4,687,792
Net Position, Beginning of Year	<u>251,869,419</u>	<u>247,181,627</u>
Net Position, End of Year	<u>\$ 270,718,087</u>	<u>\$ 251,869,419</u>

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority
Statements of Cash Flows
For the Years Ended December 31, 2023 and December 31, 2022

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash Flows From Operating Activities		
Cash received from providing services	\$ 55,310,732	\$ 53,926,133
Cash paid to suppliers	(35,821,563)	(36,820,066)
Cash paid to employees	(1,652,261)	(1,550,298)
Net Cash Provided By Operating Activities	<u>17,836,908</u>	<u>15,555,769</u>
Cash Flows From Noncapital Financing Activities		
Grant income	5,232,617	1,420,740
Grant expense	-	(1,282,040)
Net Cash Provided By Noncapital Financing Activities	<u>5,232,617</u>	<u>138,700</u>
Cash Flows From Investing Activities		
Interest received	1,817,783	846,755
Interest on passenger facility charges	295,276	72,719
Net Cash Provided by Investing Activities	<u>2,113,059</u>	<u>919,474</u>
Cash Flows From Capital and Related Financing Activities		
Purchase of property and equipment	(20,442,783)	(9,500,688)
Principal payments made on bonds and notes payable	(7,020,000)	(6,685,000)
Interest paid	(3,002,652)	(3,335,200)
Concession improvement funds	125,600	74,933
Improvement charges	368,400	368,400
Insurance recoveries	335,000	-
Capital grants	11,046,289	5,495,453
Passenger facility charges	5,362,067	5,217,050
Net Cash Used By Capital and Related Financing Activities	<u>(13,228,079)</u>	<u>(8,365,052)</u>
Net Increase in cash and cash equivalents	11,954,505	8,248,891
Cash and cash equivalents, beginning of year	59,296,949	51,048,058
Cash and cash equivalents, end of year	<u>\$ 71,251,454</u>	<u>\$ 59,296,949</u>
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:		
Loss before non-operating income and expenses	\$ (9,329,438)	\$ (5,651,367)
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation	19,050,784	18,882,884
Decrease/(Increase) in assets:		
Accounts receivable	1,052,569	343,859
Lease receivable	157,135	(253,939)
Prepaid expenses	(37,678)	(198,349)
Deferred OPEB expenses	(61,055)	(150,432)
Deferred pension expenses	189,511	(112,427)
Increase in liabilities:		
Accounts payable and accrued expenses	6,815,080	2,695,540
Net Cash Provided By Operating Activities	<u>\$ 17,836,908</u>	<u>\$ 15,555,769</u>
Noncash Capital and Related Financing Activities:		
Capital Assets and related receivables	\$ (5,883,305)	\$ 486,666
Total Noncash Capital and Related Financing Activities	<u>\$ (5,883,305)</u>	<u>\$ 486,666</u>

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, 2023 and December 31, 2022

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Cash and cash equivalents	\$ 1,685,967	\$ 2,998,727
Investments	1,500,000	-
Interest receivable	16,556	-
Total Assets	<u>3,202,523</u>	<u>2,998,727</u>
DEFERRED OUTFLOWS OF RESOURCES	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>
LIABILITIES	-	-
Total Liabilities	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>
NET POSITION		
Net Position - Restricted for OPEB	<u>\$ 3,202,523</u>	<u>\$ 2,998,727</u>

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 Years Ended December 31, 2023 and December 31, 2022

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Additions to Net Position Attributed to:		
Contributions		
Employer	\$ 459,488	\$ 381,571
Interest Income	89,117	7,603
Total Additions	<u>548,605</u>	<u>389,174</u>
Deductions from Net Position Attributed to:		
Retirement benefits	287,409	221,607
Implicit Cost Amount	57,400	49,412
Administrative expenses	-	-
Total Deductions	<u>344,809</u>	<u>271,019</u>
Increase in Net Position	<u>203,796</u>	<u>118,155</u>
Net Position - Restricted for OPEB, Beginning of Year	<u>2,998,727</u>	<u>2,880,572</u>
Net Position - Restricted for OPEB, End of Year	<u>\$ 3,202,523</u>	<u>\$ 2,998,727</u>

The accompanying notes are an integral part of these financial statements

This page intentionally left blank

DRAFT

ALBANY COUNTY AIRPORT AUTHORITY

Notes to Financial Statements

December 31, 2023 and December 31, 2022

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, 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 two year term expiring December 31, 2024. 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 one year term expiring August 31, 2024. 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, non-capital 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 on 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

Lessor Receivable

The Authority, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources should be measured as the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

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 2017, 2018, 2019 and 2020 general airport revenue bond (GARB) proceeds held in Bond Reserve Accounts. Bond reserve accounts for the Series 2017, Series 2018, Series 2019 and Series 2020 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 expended 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 2007. 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.

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. In 2020, PFC Application 20-04 in the amount of \$8,142,737 was approved by the FAA. In 2022, PFC Application 23-05 in the amount of \$26,170,000 to fund certain capital projects through July 1, 2027 was approved by the FAA. Through December 31, 2023 the Authority has collected PFCs including interest earnings thereon totaling \$127,138,630.

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 has expended \$10.5 million of PFCs on projects funded on a pay-as-you-go basis. The Authority also covenanted in the Resolution authorizing the Series 2010A and Series 2020 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, 2023, the Authority has applied \$106.9 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 13.

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 (see Note 13) and Other Post-Employment Benefits (OPEB) (see Note 14) have the potential to vary more significantly over time than other estimates.

Adoption of New Accounting Standards

During 2023, the Government Accounting Standards Board issued GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, which provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The adoption of this accounting standard did not have a significant effect on the Authority's financial statements.

During 2023, the Government Accounting Standards Board issued GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which addresses financial reporting issues related to public-private and public-public arrangements. This statement is effective for reporting periods ending after June 15, 2022. The adoption of this accounting standard did not have a significant effect on the Authority's financial statements.

Future Governmental Accounting Standards Board Statements To Be Implemented

In April 2022, the Government Accounting Standards Board issued GASB Statement No. 99, *Omnibus 2022*, which addresses financial reporting issues related to the extension use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges for future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The adoption of this accounting standard did not have a significant effect on the Authority's financial statements.

In June 2022, the Government Accounting Standards Board issued GASB Statement No. 100, *Accounting Changes and Error Corrections*, which addresses accounting and financial reporting for (1) each category of accounting change, and (2) error corrections. This statement is effective for reporting periods beginning after June 15, 2023. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted.

In June 2022, the Government Accounting Standards Board issued GASB Statement No. 101, *Compensated Absences*, which addresses recognition and measurement guidance for all types of compensated absences under a unified model which will result in the Authority's recognizing a liability that more appropriately reflects when an obligation for compensated absence is incurred. This statement is effective for reporting periods ending after December 15, 2023. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted.

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, *Certain Risk Disclosures*, which addresses the disclosure of risks related to a government's vulnerability due to certain concentrations or constraints. This statement is effective for reporting periods ending after December 15, 2024. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted.

NOTE 3 - Cash, Cash Equivalents and Investments

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

	Book Balance 2023	Bank Balance 2023	Book Balance 2022	Bank Balance 2022
Cash and Cash Equivalents				
Cash on hand	\$ 13,529		\$ 14,650	
Cash in bank accounts	71,237,925	\$ 71,957,846	59,282,299	\$ 61,829,311
Total Cash and Cash Equivalents	<u>\$ 71,251,454</u>		<u>\$ 59,296,949</u>	

The Authority's deposits were secured by insurance from the Federal Depository Insurance Corporation (FDIC) covering \$500,000 on December 31, 2023 plus \$76,128,510 of pledged collateral held by third party trustee banks at December 31, 2023. 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 12-31-23	As of 12-31-22
Airlines	\$ 785,289	\$ 1,401,356
Concessions	90,041	591,135
Other	1,234,627	994,430
Sub-Total	2,109,957	2,986,921
Less Allowances	-	-
Net Accounts Receivable	<u>\$ 2,109,957</u>	<u>\$ 2,986,921</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:

	2023	2022
Airport Noise Compatibility Grants (FAR150)		
Opening Balance	\$ 205,569	\$ 203,871
Interest Received during the year	4,996	1,698
Ending Balance	<u>\$ 210,565</u>	<u>\$ 205,569</u>

NOTE 6 - Due from County of Albany

The net amount from the county consists of the following:

	As of 12-31-23	As of 12-31-22
Reimbursement of expenses due from County	\$ 498,352	\$ 226,620
	<u>\$ 498,352</u>	<u>\$ 226,620</u>

The County provides certain services to the Authority including sheriff officers for public safety, code enforcement inspections and sewer district charges. The total expenditures incurred by the Authority

during the years ended December 31, 2023 and 2022 for these services totaled \$2,482,056 and \$2,471,851, respectively.

NOTE 7 - Capital Assets

Capital Assets balances and activity for the year ended December 31, 2022 and 2023 was as follows:

	Total 12-31-21	Additions	Deletions	Total 12-31-22	Additions	Deletions	Total 12-31-23
Capital Assets that are not depreciated:							
Land and Easements	\$ 48,201,829	\$ -	\$ -	\$ 48,201,829	\$ 697,603	\$ -	\$ 48,899,432
Construction in Progress	7,997,881	1,766,136	-	9,764,017	10,526,326	-	20,290,343
Total	56,199,710	1,766,136	-	57,965,846	11,223,929	-	69,189,775
Capital Assets that are depreciated:							
Buildings	247,884,826	-	-	247,884,826	-	-	247,884,826
Improvements, other than buildings	273,426,347	7,637,467	-	281,063,814	14,395,855	-	295,459,669
Machinery and Equipment	20,135,437	803,684	(403,988)	20,535,133	1,523,177	-	22,058,310
Sub-total	541,446,610	8,441,151	(403,988)	549,483,773	15,919,032	-	565,402,805
Less accumulated depreciation:							
Buildings	(151,958,478)	(8,070,616)	-	(160,029,094)	(8,070,615)	-	(168,099,709)
Improvements	(155,613,236)	(10,237,941)	-	(165,851,177)	(10,187,723)	-	(176,038,900)
Machinery and Equipment	(13,773,995)	(574,327)	403,988	(13,944,334)	(792,446)	-	(14,736,780)
Sub-total	(321,345,709)	(18,882,884)	403,988	(339,824,605)	(19,050,784)	-	(358,875,389)
Total depreciable Capital Assets, net	220,100,901	(10,441,733)	-	209,659,168	(3,131,751)	-	206,527,416
Total Capital Assets, Net	\$ 276,300,611	\$ (8,675,597)	\$ -	\$ 267,625,014	\$ 8,092,178	\$ -	\$ 275,717,191

NOTE 8 - Long-Term Indebtedness

A summary of the changes in the Authority's long-term indebtedness outstanding during 2022 and 2023 was as follows:

	Outstanding at 12-31-21	Additions/ (Deletions)	Outstanding at 12-31-22	Additions/ (Deletions)	Outstanding at 12-31-23	Due within one year
Authority Revenue Bonds/Debt Obligations						
Bonds Payable						
Series 2017A & B Refunding	\$ 8,300,000	\$ (1,085,000)	\$ 7,215,000	\$ (1,145,000)	\$ 6,070,000	\$ (1,110,000)
Series 2018A & B GARB	21,560,000	(395,000)	21,165,000	(415,000)	20,750,000	(435,000)
Series 2019A GARB	9,315,000	(170,000)	9,145,000	(175,000)	8,970,000	(185,000)
Series 2020A & B Refunding	29,825,000	(5,035,000)	24,790,000	(5,285,000)	19,505,000	(5,550,000)
Total Bonds Payable	69,000,000	(6,685,000)	62,315,000	(7,020,000)	55,295,000	(7,280,000)
Unamortized Premiums	5,918,169	(1,395,969)	4,522,200	(1,210,788)	3,311,412	(1,017,610)
Total Long-term Indebtedness	\$ 74,918,169	\$ (8,080,969)	\$ 66,837,200	\$ (8,230,788)	\$ 58,606,412	\$ (8,297,610)

Authority Outstanding Debt Issues

Series 2017A General Airport Revenue Refunding Bonds - In March of 2017, the Authority closed on the sale of two General Airport Revenue Refunding Bond (non AMT) issues totaling \$7,795,000 to refund the Series 2003A Airport Revenue Bonds and Series 2006A. Coupon interest rates range from 3.125% to 5.000% and are due semi-annually on June 15th and December 15th. These bonds will mature on December 31, 2033. The amount of outstanding principal, premiums and deferred loss as of December 31, 2023 and 2022 are as follows:

Year ending	Principal Outstanding	Unamortized Premium	Deferred Loss
December 31, 2023	\$ 3,310,000	\$ 109,397	\$ 43,112
December 31, 2022	\$ 4,185,000	\$ 188,752	\$ 60,795

Series 2017B General Airport Revenue Refunding Bonds – In March of 2017, 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. Coupon interest rates range from 3.250% to 5.000% and are due semi-annually on June 15th and December 15th. These bonds will mature on December 31, 2035. The amount of outstanding principal, premiums and deferred loss as of December 31, 2023 and 2022 are as follows:

Year ending	Principal Outstanding	Unamortized Premium	Deferred Loss
December 31, 2023	\$ 2,760,000	\$ 28,179	\$ 67,143
December 31, 2022	\$ 3,030,000	\$ 51,676	\$ 78,940

Series 2018A General Airport Revenue Bonds - In November of 2018, 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. Coupon interest rates are 5.000% and are due semi-annually on June 15th and December 15th. These bonds will mature on December 31, 2048. The amount of outstanding principal and premiums as of December 31, 2023 and 2022 are as follows:

Year ending	Principal Outstanding	Unamortized Premium
December 31, 2023	\$ 14,770,000	\$ 782,873
December 31, 2022	\$ 14,770,000	\$ 923,964

Series 2018B General Airport Revenue Bonds - In November of 2018, 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 and to provide 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. Coupon interest rates are 5.000% and are due semi-annually on June 15th and December 15th. These bonds will mature on December 31, 2034. The amount of outstanding principal and premiums as of December 31, 2023 and 2022 are as follows:

Year ending	Principal Outstanding	Unamortized Premium
December 31, 2023	\$ 5,980,000	\$ 331,429
December 31, 2022	\$ 6,395,000	\$ 417,010

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. Coupon interest rates range from 4.000% to 5.000% and are due semi-annually on June 15th and December 15th. These bonds will mature on December 31, 2042. The amount of outstanding principal and premiums as of December 31, 2023 and 2022 are as follows:

Year ending	Principal Outstanding	Unamortized Premium
December 31, 2023	\$ 8,970,000	\$ 668,058
December 31, 2022	\$ 9,145,000	\$ 795,592

Series 2020A General Airport Revenue Forward Refunding Bonds - In March of 2020, the Authority issued \$4,390,000 (non AMT) of Series 2020A General Airport Revenue Forward Refunding Bonds to refund and defease a certain portion of the Series 2010A General Airport Revenue Refunding Bonds. Coupon interest rates are 5.000% and are due semi-annually on June 15th and December 15th. These bonds will mature on December 31, 2030. The amount of outstanding principal, premiums and deferred loss as of December 31, 2023 and 2022 are as follows:

Year ending	Principal Outstanding	Unamortized Premium	Deferred Loss
December 31, 2023	\$ 3,290,000	\$ 380,109	\$ 397,579
December 31, 2022	\$ 3,675,000	\$ 482,893	\$ 653,473

Series 2020B General Airport Revenue Refunding Bonds - In March of 2020, the Authority issued \$30,220,000 (AMT) of Series 2020B General Airport Revenue Forward Refunding Bonds to refund and defease a certain portion of the Series 2010A General Airport Revenue Refunding Bonds. Coupon interest range are 5.000% and are due semi-annually on June 15th and December 15th. These bonds will mature on December 31, 2030. The amount of outstanding principal, premiums and deferred loss as of December 31, 2023 and 2022 are as follows:

Year ending	Principal Outstanding	Unamortized Premium	Deferred Loss
December 31, 2023	\$ 16,215,000	\$ 1,011,362	\$ 130,818
December 31, 2022	\$ 21,115,000	\$ 1,662,310	\$ 166,192

Below is a schedule of future bond payments by years:

Years Ending	Principal	Interest	Total
2024	\$ 7,280,000	\$ 2,653,400	\$ 9,933,400
2025	7,625,000	2,291,250	9,916,250
2026	8,030,000	1,910,000	9,940,000
2027	1,455,000	1,508,500	2,963,500
2028	1,530,000	1,437,550	2,967,550
2029-2033	6,935,000	6,131,675	13,066,675
2034-2038	6,020,000	4,613,200	10,633,200
2039-2043	7,050,000	3,091,750	10,141,750
2044-2048	8,830,000	1,297,600	10,127,600
2049	540,000	16,200	556,200
TOTAL	\$ 55,295,000	\$ 24,951,125	\$ 80,246,125

Bond Defeasance

On August 3, 2021 the Authority defeased a certain portion of Airport Revenue Refunding Bonds, Series 2017A, ("2017A Bonds") by placing cash of \$659,688 in a trust account with Manufacturers and Traders Trust Company, the escrow agent for the defeasance. The cash deposit has an irrevocably pledge to the payment of a portion of the outstanding bonds. The escrow agent has been authorized to substitute assets that are not essentially risk-free in the trust portfolio. Principal and interest from the cash have been deemed sufficient to retire the principal and interest on the \$669,030 outstanding balance of the 2017A Bonds issued to refund 2006A Bonds that were used to finance renovation of the previous Authority administration building. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Authority's financial statements.

Annual estimated cash flows after December 31, 2023, in the escrow account for the defeasance are summarized below:

	Beginning Balance	Debt Service	Interest	Ending Balance
2023	\$ 440,024	\$ 119,068	\$ 2,153	\$ 323,109
2024	323,109	109,015	1,865	215,959
2025	215,959	108,892	1,421	108,488
2026	108,488	109,289	801	-
		<u>\$ 446,264</u>	<u>\$ 6,240</u>	

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, 2023 and 2022, the Authority had \$55.3 million and \$62.3 million, respectively, of principal debt outstanding issued which does not include deferred losses and bond premiums.

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 adviser, 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 2023.

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 shown below:

	Inception To Date	Year Ended 2023	Year Ended 2022
County of Albany	\$ 486,324,500	\$ -	\$ -
Federal	173,112,899	6,798,475	4,550,690
State	109,149,178	10,131,120	1,431,428
Total	<u>\$ 768,586,577</u>	<u>\$ 16,929,595</u>	<u>\$ 5,982,118</u>

Net position consists of the following:

	2023	2022
Net investment in capital assets	\$ 208,844,436	\$ 210,618,826
Restricted assets	38,318,628	25,249,714
Unrestricted assets	24,205,023	16,000,879
	<u>\$ 271,368,087</u>	<u>\$ 251,869,419</u>

Under the master bond resolution adopted in 1997, the Authority agreed to create and maintain two reserves. Both were to be funded by depositing funds in separate bank accounts in accordance with the master bond resolution and are included as a component of unrestricted cash and cash equivalents on the statements of net position. The Operating and Maintenance Reserve is to be equal to two months operating and maintenance expenses and is to be used only if the Authority does not have sufficient funds in its current operating accounts to pay these expenses on a timely basis.

The Renewal and Replacement Reserve is to be equal to \$500,000 and can be used solely for non-recurring major maintenance, repairs, renewals, or replacements related to Airport facilities. Both reserves have been funded as required.

NOTE 10 - Airline Lease and Use Agreements

Six 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. In 2020, due to COVID, the Authority offered an extension of a one-year term ending December 31, 2021 and two one-year options for 2022 and 2023 and one two-year option extensions. 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 2023, 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 \$2,954,028 for the rates and charges settlements and they received a credit of \$5,247,201 for their share of the revenue sharing; totaling \$8,201,229. In 2022, the airlines and cargo carriers received debits of \$569,034 for the rates and charges settlements and also received a credit \$3,748,316 for their share of the revenue sharing; totaling \$3,179,282.

NOTE 11 - Lessor Airport Tenant Agreements

The Authority, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. As lessor, the asset underlying the lease is not recognized. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

For the purposes of the GASB No. 87 implementation, Airport Leases have been categorized as follows:

1. GASB No. 87 Leases - Included
2. GASB No. 87 Leases - Excluded Leases - Regulated
3. GASB No. 87 Leases - Excluded Leases - Short Term

GASB No. 87 Leases - Included

In accordance with GASB No. 87, the Authority recognizes a lease receivable and a deferred inflow of resources for leases the Authority categorizes as GASB No. 87 - Included. For these leases, the Authority is reporting Lessor Lease Receivables of \$20,971,217 for the beginning of the year ending December 31, 2023. For the year 2023, the Authority reported lease revenue of \$2,663,174 and interest revenue of \$377,959 related to lease payments received. These GASB No. 87 - included leases are summarized as follows:

	Beginning Lease Receivable	Remeasure ment/ New Lease	Adjusted Lease Receivable	Implied Interest	Receivable Reduction	Annual Lease Revenue	Ending Lease Receivable
TL00049	\$ 210,703	\$ -	\$ 210,703	\$ 1,627	\$ 22,032	\$ 23,659	\$ 188,671
TL00098	52,087	-	52,087	113	39,037	39,150	13,050
TL00111	365,240	-	365,240	2,805	40,075	42,880	325,165
TL00117	3,916,693	-	3,916,693	28,272	638,732	667,004	3,277,961
TL00119	212,329	-	212,329	1,554	32,208	33,762	180,121
TL00121	275,226	-	275,226	2,021	40,929	42,950	234,297
TL00122	177,121	-	177,121	1,299	26,523	27,822	150,598
TL00132	4,706,805	-	4,706,805	34,946	655,054	690,000	4,051,751
TL00206	196,930	-	196,930	866	96,570	97,436	100,360
TL00241	4,443,626	-	4,443,626	115,420	296,764	412,184	4,146,862
TL00266	208,203	-	208,203	1,572	25,993	27,565	182,210
TL00303	1,622,255	-	1,622,255	40,276	175,205	215,481	1,447,050
TL00305	4,583,999	-	4,583,999	114,281	478,066	592,347	4,105,933
TL00334	-	872,886	872,886	20,683	63,631	84,314	809,255
TL00336	-	510,486	510,486	12,224	32,359	44,583	478,127
	\$ 20,971,217	\$ 1,383,372	\$ 22,354,589	\$ 377,959	\$ 2,663,178	\$ 3,041,137	\$ 19,691,411

Ending lease receivable is \$2,722,345 and \$16,969,066 for current and non-current assets, respectively.

TL00098 New Cingular Wireless PCS, LLC

Antennae Lease

On May 1, 2009, the Authority entered into a five (5) year antennae agreement with New Cingular Wireless PCS, LLC for the use of a small area on the Concourse A roof and certain space within the second floor equipment of the same building located in the terminal building. The lease commenced on May 1, 2009 and ends April, 30, 2014, with four (4) x five (5) year extensions. The terms of this agreement include annual revenue of \$39,150 in 2023, paid in twelve monthly installments. Annual rental shall increase 1.25% in each five year increment. The Authority has included the lease revenue in its GASB 87 implementation until the expiration of its current renewal term, April 30, 2024. Thereafter, either party has the option not to renew the lease for successive five (5) year increment option period. Amendment No. 1 was executed June, 2018 and authorized an 84.41% increase in rent.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$129,155 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$39,037 and \$113, respectively. Also in 2023, the deferred inflow receivable was reduced by \$38,747. In addition, the lease receivable was discounted to the net present value determined at

approximately the year-end 2021, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$13,050
2025	-
2026	-
2027	-
2028	-
2029-2031	-

TL00111 Verizon Wireless

Antennae Lease

On November 29, 2010, the Authority entered into a five (5) year antennae agreement with Verizon Wireless for the use of 1,500 square feet of space on the roof located in the terminal building. The lease commenced on January 1, 2010 and ends December 31, 2015, with four (4) x five (5) year extensions. The terms of this agreement include annual revenue of \$42,880 in 2023, paid in twelve monthly installments. Annual rent shall increase by three percent (3%) of the previous year's rent. The Authority is reasonably certain that three of the four options will be exercised.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$437,711 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$40,075 and \$2,805, respectively. Also in 2023, the deferred inflow receivable was reduced by \$44,395. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2022, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$44,166
2025	45,491
2026	46,856
2027	48,261
2028	49,709
2029-2030	99,422

TL00241 OHM Concession Group, LLC

Concessionaire Lease

On February 23, 2018, the Authority entered into a ten (10) year concessionaire agreement with OHM Concession Group, LLC for the use of 2,868 square feet of concession space and 286 square feet of storage space. located in the terminal building. The lease commenced on March 1, 2018 and ends February 28, 2028, pursuant to the first amendment to the lease dated May 13, 2019, the agreement includes two (2) x (2) year extensions. Due to the COVID-19 pandemic, no fixed revenue was recorded in year 2021. For the year ended, December 31, 2022, the lease term was extended thru September 30, 2033 and a GASB87 remeasurement of the lease added \$928,545 and \$961,307 to the beginning balances of the Lease Receivable and Deferred Inflows, respectively.

The terms of this concessionaire agreement include one (1) variable revenue component that is not included in the measurement of the lease receivable; storage space based on one-half of the variable airline square footage fee of \$13,453.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$3,765,769 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$296,764 and \$115,4200, respectively. Also in 2023, the deferred inflow receivable was reduced by \$402,304. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2022, or 2.863 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$424,505
2025	437,287
2026	449,906
2027	462,417
2028	477,835
2029-2033	2,455,406

TL00132 Host International, Inc.

Concessionaire Lease

On January 13, 2009, the Authority entered into a ten (10) year concessionaire agreement with Host International, Inc. for the use of 9,480 square feet of concession space and 568 square feet of storage space located in the terminal building. The lease commenced on January 1, 2009 and ends December 31, 2018, with two (2) x five (5) year extensions. Due to the COVID-19 pandemic, no fixed revenue was recorded in year 2021. The Authority is certain that the lease will extend through the first and second option which is December 31, 2029.

The terms of this concessionaire agreement include one (1) variable revenue component that is not included in the measurement of the lease receivable; storage space based on one-half of the variable airline square footage fee of \$26,718.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$5,310,012 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$655,054 and \$34,946, respectively. Also in 2023, the deferred inflow receivable was reduced by \$663,752. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2021, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$690,000
2025	690,000
2026	690,000
2027	690,000
2028	690,000
2029-2029	690,000

TL00117 Paradies - Albany, LLC

Concessionaire Lease

On December 13, 2013, the Authority entered into a ten (10) year concessionaire agreement with Paradies - Albany, LLC for the use of 3,176 square feet of concession space located in the terminal

building. The lease commenced on January 1, 2014 and ends December 31, 2028, with no extension options. The terms of this agreement include annual revenue of \$667,000 in 2023, paid in twelve monthly installments.

An annual capital contribution of \$40,000 will be paid from 2014 to 2016, and will increase 3% thereafter until the end of the lease term.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$4,844,169 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$638,728 and \$28,272, respectively. Also in 2023, the deferred inflow receivable was reduced by \$605,521. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2021, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$ 667,000
2025	667,000
2026	667,000
2027	667,000
2028-2032	667,000

TL00049 Bucknell Construction Corp (Sublessee - Control Tower Ice Cream)

Property Lease

On September 22, 1999, the Authority entered into a thirty (30) year lease agreement with Bucknell Construction Corp (Sublessee - Control Tower Ice Cream) for the use of approximately three (3) acres of land lease located at Spruce Land and NYS Route 7. The lease commenced on April 1, 2001 and ends March 31, 2031, with no extension options. The terms of this agreement include annual revenue of \$26,659 in 2023, paid in twelve monthly installments. The rent in years six (6) through thirty (30) shall escalate each year and in each year shall be equal to the rent in the immediately preceding year multiplied by the percentage increase for such year by CPI-U.

The Authority approved a sub lease effective February 1, 2006. Amendment No. 1 executed on September 3, 2009, authorized the Assignment and Assumption Agreement to Bucknell Construction Corp.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$252,157 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$22,032 and \$1,627, respectively. Also in 2023, the deferred inflow receivable was reduced by \$24,601. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2021, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$24,369
2025	25,100
2026	25,853
2027	26,628
2028	27,427
2029-2031	64,675

TL00206 TVC Albany, Inc. d/b/a Firstlight Fiber

Property Lease

On October 1, 2014, the Authority entered into a five (5) year and two (2) month lease agreement with TVC Albany, Inc. d/b/a Firstlight Fiber for the use of Building 216 located at 55 Sicker Road, Latham, NY. The lease commenced on October 1, 2014 and ends December 31, 2019, with two (2) x five (5) year extensions. The terms of this agreement include annual revenue of \$96,570 in 2023, paid in twelve monthly installments. Annual rent shall increase by three percent (3%) of the previous year's rent.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$379,172 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$96,570 and \$866, respectively. Also in 2023, the deferred inflow receivable was reduced by \$94,793. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2021, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$100,359
2025	-
2026	-
2027	-
2028	-

TL00266 ELRAC, LLC d/b/a Enterprise Rent-A-Car

Property Lease

On February 1, 2020, the Authority entered into a five (5) year lease agreement with ELRAC, LLC d/b/a Enterprise Rent-A-Car for the use of Building 214 located at 70 Sicker Road, Latham, NY which includes 3,350 sq office and warehouse plus 0.2 acres of land. The lease commenced on February 1, 2020 and ends January 31, 2025, with three (3) x five (5) year extensions. The terms of this agreement include annual revenue of \$27,565 in 2023, paid in twelve monthly installments. Annual rent shall increase by three percent (3%) of the previous year's rent. The Authority is reasonably certain that the lessee will renew the lease for one (1) additional five year option.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$257,140 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$25,993 and \$1,572, respectively. Also in 2023, the deferred inflow receivable was reduced by \$28,309. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2021, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$28,392
2025	29,243
2026	30,121
2027	31,024
2028	31,955
2029-2031	35,663

TL00303 ELRAC, LLC d/b/a Enterprise Rent-A-Car

Property Lease

On October 1, 2011, the Authority entered into a five (5) year lease agreement with ELRAC, LLC d/b/a Enterprise Rent-A-Car for the use of seven (7) acres of land including Buildings 410 and 412 located at 11 Northway Lane, Colonie, New York. The lease commenced on May 1, 2016 and ends April 30, 2021, with three (3) x five (5) year extensions. The terms of this agreement include annual revenue of \$215,481 in 2023, paid in twelve monthly installments. The Authority is reasonably certain that the lessee will renew the lease for the 2 additional year options. For the year ended, December 31, 2022, the lease amount was adjusted by the consumer price index and a GASB87 remeasurement of the lease added \$3,768 and \$12,282 to the beginning balances of the Lease Receivable and Deferred Inflows, respectively.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$1,971,049 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for 175,205 and \$40,276, respectively. Also in 2023, the deferred inflow receivable was reduced by \$192,063. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2022, or 2.863 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2023	\$215,481
2024	215,481
2025	215,481
2026	215,481
2027	215,481
2028-2032	718,270

TL00305 Transportation Security Agency (TSA)

Property Lease

On February 1, 2021, the Authority entered into a ten (10) year lease agreement with Transportation Security Agency (TSA) for the use of 9,196 square feet located at in the terminal building. The lease commenced on February 1, 2021 and ends January 31, 2031, with no extension options. The terms of this agreement include annual revenue of \$592,347 in 2023, paid in twelve monthly installments. Annual rent shall increase 9.4% in year five (5). The Authority is reasonably certain that the lessee will renew the lease for the additional year options. For the year ended, December 31, 2022, the lease amounts paid over the lease term was adjusted and a GASB87 remeasurement of the lease reduced \$366,734 and \$414,357 the beginning balances of the Lease Receivable and Deferred Inflows, respectively.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$5,876,689 balances for lease receivable and deferred inflows of resources on the Statement of Net

Position. For the year ended December 31, 2023 the lease receivable balance was reduced and interest income recognized for \$478,066 and \$114,281, respectively. Also in 2023, the deferred inflow receivable was reduced by \$557,177. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2022, or 2.863 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$592,347
2025	592,347
2026	643,654
2027	648,318
2028	648,318
2029-2032	1,350,663

TL00334 Kiskis Tire Company, Inc

Property Lease

On December 5, 2023, the Authority entered into a five (5) year lease agreement with Kiskis Tire, Inc, for the use of Building 215 located at 68 Sicker Road, Latham, NY which includes 11,176 sqft. The lease commenced on January 1, 2023 and ends December 31, 2027, with one five-year extension. The terms of this agreement include annual revenue of \$84,314 in 2023, paid in eleven monthly installments. Annual rent shall increase by three percent (2%) of the previous year's rent. The Authority is reasonably certain that the lessee will renew the lease for one (1) additional five year option.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and in 2023 recorded \$872,886 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$63,631 and \$20,683 respectively. Also in 2023, the deferred inflow receivable was reduced by \$82,215. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2023, or 2.569 percent, the average of the Authority's eight (8) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$93,818
2025	95,694
2026	97,608
2027	99,560
2028	101,552
2029-2031	426,927

TL00336 Avis Budget Car Rental LLC

Property Lease

On January 23, 2023, the Authority entered into a five (5) year lease agreement with Avis Budget Car Rental LLC for use of Building 212 located at 74 Sicker Road, Latham, NY which includes 5,000 sq ft. The lease commenced on February 13, 2023 and ends January 31, 2028, with one five-year option. The terms of this agreement include annual revenue of \$44,583 in 2023, paid in ten monthly installments. Annual rent shall increase by three percent (2%) of the previous year's rent. The Authority is reasonably certain that the lessee will renew the lease for one (1) additional five year option.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and in 2023 recorded \$510,486 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$32,359 and \$12,224, respectively. Also in 2023, the deferred inflow receivable was reduced by \$43,369. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2023, or 2.569 percent, the average of the Authority's eight (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$54,481
2025	55,570
2026	56,682
2027	57,815
2028	58,972
2029-2033	258,575

TL00122 Hertz

Rental Car Lease

On January 1, 2009, the Authority entered into a ten (10) year rental car lease agreement with Hertz for the use of one (1) rental car kiosks, 82 rental car return spaces and improvement charges located in the terminal and north parking garage. The lease commenced on January 1, 2009 and ends December 31, 2018, with no extension options. Amendment No. 1 was executed on February 1, 2019 extends the agreement ten (10) years or December 31, 2028. The terms of this agreement include annual revenue of \$27,822 in 2023, paid in twelve monthly installments.

The terms of this car rental agreement include three (3) variable revenue components that are not included in the measurement of the lease receivable:

1. an improvement charge based on a variable number of Ready/Return parking spaces, \$99,600;
2. concessionaire fee based on concession sales, \$1,793,768;
3. storage space based on one-half of the variable airline square footage fee, \$33,187.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$184,786 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$26,523 and \$1,299, respectively. Also in 2023, the deferred inflow receivable was reduced by \$28,338. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2021, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$28,719
2025	29,652
2026	30,622
2027	31,630
2028-2028	32,680

TL00121 ELRAC, LLC d/b/a Enterprise Rent-A-Car**Rental Car Lease**

On January 1, 2009, the Authority entered into a ten (10) year rental car lease agreement with ELRAC, LLC d/b/a Enterprise Rent-A-Car for the use of one (1) rental car kiosks, 139 rental car return spaces and improvement charges located in the terminal and north parking garage. The lease commenced on January 1, 2009 and ends December 31, 2018, with no extension options. Amendment No. 1 was executed on February 1, 2019 extends the agreement ten (10) years or December 31, 2028. The terms of this agreement include annual revenue of \$42,950 in 2023, paid in twelve monthly installments.

The terms of this car rental agreement include three (3) variable revenue components that are not included in the measurement of the lease receivable:

1. an improvement charge based on a variable number of Ready/Return parking spaces, \$166,800;
2. concessionaire fee based on concession sales, \$2,292,351;
3. storage space based on one-half of the variable airline square footage fee, \$36,545.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$353,151 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$40,929 and \$2,021, respectively. Also in 2023, the deferred inflow receivable was reduced by \$44,144. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2021, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$44,452
2025	46,014
2026	47,638
2027	49,328
2028	51,085

TL00119 Avis**Rental Car Lease**

On January 1, 2009, the Authority entered into a ten (10) year rental car lease agreement with Avis for the use of two (2) rental car kiosks, 85 rental car return spaces and improvement charges located in the terminal and South Parking Garage. The lease commenced on January 1, 2009 and ends December 31, 2018, with no extension options. Amendment No. 1 was executed on February 1, 2019 extends the agreement ten (10) years or December 31, 2028. The terms of this agreement include annual revenue of \$33,762 in 2023, paid in twelve monthly installments.

The terms of this car rental agreement include three (3) variable revenue components that are not included in the measurement of the lease receivable:

1. an improvement charge based on a variable number of Ready/Return parking spaces, \$102,000;
2. concessionaire fee based on concession sales, \$2,244,145;
3. storage space based on one-half of the variable airline square footage fee, \$33,187.

The Authority implemented GASB No. 87 for the year ended December 31, 2021 and recorded \$274,157 balances for lease receivable and deferred inflows of resources on the Statement of Net Position. For the year ended December 31, 2023, the lease receivable balance was reduced and interest income recognized for \$32,208 and \$1,554, respectively. Also in 2023, the deferred inflow receivable was

reduced by \$34,270. In addition, the lease receivable was discounted to the net present value determined at approximately the year-end 2021, or 0.87 percent, the average of the Authority's five (5) year alternative minimum tax (AMT) borrowing rate.

Future minimum lease payments are as follows:

2024	\$34,680
2025	35,636
2026	36,629
2027	37,662
2028	38,737

No. 87 Excluded Leases - Regulated

In accordance with GASB No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g. the U.S. Department of Transportation and the Federal Aviation Administration, regulated aviation leases between airports and air carriers and other aeronautical users. Regulated leases include the following:

Airline Use and Lease Agreement Signatory Airlines

The rights, services and privileges, including the lease of preferentially-assigned gates, an airline has in connection with the use of the airport and its facilities is addressed in the Airline Use and Lease Agreement (ULA). By definition, a ULA is considered a regulated lease and does not recognize a receivable and corresponding deferred inflow of resources.

The Authority and certain airlines entered into the original ULA that became effective January 1, 2006 and expired on December 31, 2015. A subsequent ULA was entered into January 1, 2016 and replaced the original 2006 agreement. The 2016 ULA had a five term with and an expiration date of December 31, 2020, it included one five-year option period. Due to the COVID-19 pandemic that began in March 2020, the five-year renewal term was modified to three one-year renewal terms (2021, 2022, and 2023) followed by one two-year (2024-2025) option term.

The Authority has entered into a ULA with seven (7) passenger airlines and recognized airfield, terminal, apron and passenger boarding bridge lease revenue of \$3,340,290, \$2,557,451, \$695,886, and \$684,897, respectively in 2023.

Due to the variable nature of the above revenues from year-to-year, expected future minimum payments are indeterminable.

TL00054 New York State Office of General Services

Property Lease

On May 3, 2021, the Authority entered into a ten (10) year lease agreement with New York State Office of General Services for the use of twenty two (22) acres of land located at 330 Old Niskayuna Road, Latham, NY. The lease commenced on August 1, 2021 and ends July 31, 2031, with no extension options. The terms of this agreement include annual revenue of \$300,000 in 2023, paid in twelve monthly installments.

Future minimum lease payments are as follows:

2024	\$300,000
2025	300,000
2026	306,250
2027	315,000
2028	315,000
2029-2031	813,750

TL00248 American Airlines , Inc.

Property Lease

On February 8, 2019, the Authority entered into a lease agreement with American Airlines, Inc. for the use of building/hangar 119 located at 22 Jetway Drive. The lease commenced on January 1, 2019 and ends December 31, 2023, with no extension options. The terms of this agreement include annual revenue of \$313,883 in 2023, paid in twelve monthly installments. Annual rent shall increase by two percent (2%) of the previous year's rent.

TL00093 Federal Aviation Administration

Property Lease

On September 13, 2021, the Authority entered into a ten (10) year lease agreement with Federal Aviation Administration for the use of 15,852 square feet of the Air Traffic Control Tower located at 128 Sicker Road. The lease commenced on October, 2020 and ends September 30, 2030, with no extension options. The terms of this agreement include annual revenue of \$775,143 in 2023, paid in twelve monthly installments. Annual rent shall increase by two percent (2%) of the previous year's rent.

Future minimum lease payments are as follows:

2024	\$794,600
2025	810,492
2026	826,701
2027	843,235
2028	860,101
2029-2030	1,545,100

TL00313 Champlain Enterprises, LLC. d/b/a Commutair

Property Lease

On May 12, 2021, the Authority entered into a three (3) year lease agreement with Champlain Enterprises, LLC. d/b/a Commutair for the use of building/hangar 211 located at 85 Sicker Road. The lease commenced on May 12, 2021 and ends May 11, 2024, with no extension options. Annual rent shall increase by three percent (3%) of the previous year's rent.

Future minimum lease payments are as follows:

2024	\$40,997
2025	-
2026	-
2027	-
2028	-

TL00314 Champlain Enterprises, LLC. d/b/a Commutair

Property Lease

On May 12, 2021, the Authority entered into a three (3) year lease agreement with Champlain Enterprises, LLC. d/b/a Commutair for the use of Building/Hangar 222 located at 85 Sicker Road. The lease commenced on May 12, 2021 and ends May 11, 2024, with no extension options. Annual rent shall increase by three percent (3%) of the previous year's rent.

Future minimum lease payments are as follows:

2024	\$34,980
2025	-
2026	-
2027	-
2028	-

TL00237 Prescott Holding, Inc.

Property Lease

On November 8, 2021, the Authority entered into a four (4) year lease agreement with Prescott Holding, Inc. for the use of Buildings 202 and 203 located at 743 and 745 Albany Shaker Road. The lease commenced on January 1, 2022 and ends December 31, 2026, with two (2) x five (5) year extensions. The terms of this agreement include annual revenue of \$46,055 in 2023, paid in twelve monthly installments.

Future minimum lease payments are as follows:

2024	\$47,068
2025	48,104
2026	49,162
2027	50,244
2028	51,349
2029-2033	259,648

TL00077 New York State Police

Property Lease

On April 1, 2000, the Authority entered into a thirty (30) year lease agreement with New York State Police for the use of Building/Hangar 200 located at 739 Albany Shaker Road. The lease commenced on April 1, 2000 and ends March 31, 2031, with no extension options. The terms of this agreement include annual revenue of \$1,123,083 in 2023, paid in twelve monthly installments.

Future minimum lease payments are as follows:

2024	\$1,123,083
2025	1,123,083
2026	1,123,083
2027	1,123,083
2028	1,123,083
2029-2030	1,403,854

TL00282 Hyannis Air Service, Inc. d/b/a Cape Air & Nantucket Airlines (amended 2023)**Property Lease**

On September 1, 2008, the Authority entered into a month to month lease-short term agreement with Hyannis Air Service, Inc. d/b/a Cape Air & Nantucket Airlines for the use of building/hangar 201 located at 741 Albany Shaker Road. The lease commenced on September 1, 2008 and ends September 30, 2010, with the option to extend for a length of time and rental rate to be negotiated at the written request of the lessee and approval of the Authority. On January 12, 2023, the Authority approved Amendment #5, extending the lease from April 1, 2022 to March 31, 2024. The terms of this agreement include annual revenue of \$83,973 in 2023, paid in twelve monthly installments.

Future minimum lease payments are as follows:

2024	\$86,912
2025	89,953
2026	93,102
2027	96,360
2028	99,733
2029-2030	210,060

T-Hangars

On various dates, the Authority entered into a month to month T-hangar lease agreements with tenants for the use of one (1) of forty (40) T hangars located at 360 Old Niskayuna Road. In 2023, \$153,644 in T-hangar revenue was recorded.

FBO Community Hangars tenants

On various dates, the Authority entered into a month to month agreements with tenants for the use of a specified amount of space located in one of two FBO/community hangars located at Building 109 (16 Jetway Dr.) and Building 112 (6 Jetway Dr.). In 2023, \$353,927 in FBO hangar revenue was recorded.

GASB No. 87 Excluded Leases Short-Term

In accordance with GASB No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for leases short-term leases. Short-term leases are certain leases that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised.

Short-Term leases include the following:

Apron Lease:

TL00015 DHL Express (USA), Inc.

On April 1, 2009, the Authority entered into an apron lease agreement with DHL Express (USA), Inc. for the use of 8,000 square feet of apron space located in the proximity of Hangar 1. The agreement is on a month-to-month basis. The terms of this agreement include annual revenue of \$20,000 in 2023, paid in twelve monthly installments. This agreement terminated on February 28, 2024.

NOTE 12 - Deferred Inflows of Resources - Lessor Receivable

In accordance with GASB No. 87, the Authority recognizes a lease receivable and a deferred inflow of resources for leases the Authority categorizes as GASB No. 87 - Included. For these leases, the Authority is reporting Deferred Inflows of \$20,221,742 for the beginning of the year ending December 31, 2023 and reported lease deferred lease revenue of \$2,883,997. These GASB No. 87 - Included leases are summarized below:

	Deferred Inflows Beginning Balance	Resmeasurement / New Lease	Adjusted Deferred Inflows Beginning Balance	Deferred Revenue Recognized	Deferred Inflows Ending Balance
TL00049	\$ 202,955	\$ -	\$ 202,955	\$ 24,601	\$ 178,354
TL00098	51,662	-	51,662	38,747	12,915
TL00111	351,462	-	351,462	44,395	307,067
TL00117	3,633,127	-	3,633,127	605,521	3,027,606
TL00119	205,618	-	205,618	34,270	171,348
TL00121	264,863	-	264,863	44,144	220,719
TL00122	170,028	-	170,028	28,338	141,690
TL00132	4,646,261	-	4,646,261	663,752	3,982,509
TL00206	189,586	-	189,586	94,793	94,793
TL00241	4,324,772	-	4,324,772	402,304	3,922,468
TL00266	200,522	-	200,522	28,309	172,213
TL00303	1,600,521	-	1,600,521	192,063	1,408,458
TL00305	4,380,365	-	4,380,365	557,176	3,823,189
TL00334	-	872,886	872,886	82,215	790,671
TL00336	-	510,483	510,483	43,369	467,114
	<u>\$ 20,221,742</u>	<u>\$ 1,383,369</u>	<u>\$ 21,605,111</u>	<u>\$ 2,883,997</u>	<u>\$ 18,721,114</u>

NOTE 13 - 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 year ended December 31, 2023 was \$203,751 or 13.9% of the covered employees' payroll. In December 31, 2022 the required contribution was \$284,660 or 17.1% 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, 2023, 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, 2023. 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 asset/(liability) is included in the non-current assets/liabilities on the Statement of Net Position for December 31, 2023 and 2022:

	2023	2022
Actuarial valuation date	April 1, 2022	April 1, 2021
Net pension asset/(liability)	\$ (1,026,081)	\$ 349,754
Authority's portion of the Plan's total net pension asset/(liability)	0.0047849%	0.0042786%

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 were prepaid at a discounted amount of \$245,466 and \$203,751 during the Authority's year ended December 31, 2023 and 2022. Accordingly, the Authority did not owe any payables to the Pension System as of December 31, 2023 or 2022.

Pension Expense - For the year ended December 31, 2023, the Authority recognized its proportionate share of pension expense of \$358,671. For December 31, 2022, the pension expense was \$15,819.

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, 2023 and 2022 was \$434,976 and \$91,329, 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, 2023 and 2022:

	Outflows of Resources 2023	Inflows of Resources 2023	Outflows of Resources 2022	Inflows of Resources 2022
Differences between expected and actual experience	\$ 109,286	\$ 28,816	\$ 26,487	\$ 34,356
Change of assumptions	498,331	5,507	583,700	9,849
Net difference between projected and actual earnings on pension plan investments	-	6,028	-	1,145,298
Changes in proportion and differences between contributions and proportionate share of contributions	210,527	34,962	234,169	56,634
Contributions subsequent to the measurement date	245,466	-	203,751	-
Balance as of December 31,	<u>\$ 1,063,610</u>	<u>\$ 75,313</u>	<u>\$ 1,048,107</u>	<u>\$ 1,246,137</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, 2023 and December 31, 2022, respectively. 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, 2023 and 2022:

	2023	2022
Year ended:		
2023 \$	- \$	(27,511)
2024	196,337	(82,111)
2025	(4,257)	(262,714)
2026	256,967	(29,444)
2027	293,784	-
2028	-	-
Thereafter	-	-

The total pension liability as of March 31, 2023 was determined by using an actuarial valuation as of April 1, 2022, with update procedures used to roll forward the total pension liability to March 31, 2023. The actuarial valuation used the following actuarial assumptions:

	2023	2022
Measurement date	March 31, 2023	March 31, 2022
Actuarial valuation date	April 1, 2022	April 1, 2021
Inflation rate	2.9%	2.7%
Salary Scale	4.4%	4.4%
Investment rate of return (net of investment expense, including inflation)	5.9%	5.9%
Cost of Living Adjustments	1.5% annually	1.4% annually

Decrement – Based upon FY 2016-2011 experience

Mortality improvement - Society of Actuaries' Scale MP-2021

Pensioner mortality - Based on gender/collar specific tables based upon FY 2016-2021 experience..

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	32.0%	4.30%
International equity	15.0%	6.85%
Private equity	10.0%	7.50%
Real estate	9.0%	4.60%
Credit	4.0%	5.43%
Opportunistic portfolio	3.0%	5.38%
Real assets	3.0%	5.84%
Fixed Income	23.0%	1.50%
Cash	1.0%	-%
	<u>100.0%</u>	

Discount rate - The discount rate used to calculate the total pension asset/(liability) was 5.9%. 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 Liability/(Asset) 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 5.9%, 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 (4.9%) or one percentage point higher (6.9%) than the current rate:

	1% Decrease (4.9)%	Current Discount (5.9)%	1% Increase (6.9)%
April 1, 2022	\$ 2,479,599	\$ 1,026,081	\$ (188,501)
April 1, 2021	\$ 900,263	\$ (349,754)	\$ (1,395,333)

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 three employees who participate in the NYS VDC Plan. The Authority's employer contributions to the NYS VDC plan through December 31, 2023 and 2022 was \$35,216 and \$24,388, respectively.

NOTE 14 - 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, 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 audited 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, Terminal Building, Third Floor, 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 45 plan members composed of; 18 active and 27 retired employees. 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.

The Schedule of Changes in the net OPEB liability and other OPEB information is located in the Required Supplementary Information Section of this document.

For 2023, one key assumption has changed since the prior valuation. The impact of this assumption change increased disclosed liabilities by approximately \$330,000:

- change in the discount rate from 4.31% to 4.00%,

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 2023 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 (NOL) was measured as of December 31, 2023, 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, 2023 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 3rd 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:

	2023	2022
Service Cost	\$ 153,144	\$ 227,572
30 year amortization of NOL	244,027	241,067
Actuarial determined contribution	397,171	468,639
Contributions in relation to the actuarially determined contribution	(459,488)	(381,571)
Contribution deficiency/(excess)	\$ (62,317)	\$ 87,068
Covered Employee Payroll	\$ 2,353,269	\$ 2,284,727
Contributions as a % of covered employee payroll	19.53%	16.70%
Discount Rate	4.00%	4.31%

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, 2023 Measurement Date, total Authority premiums excluding implicit costs for the retiree medical program were \$287,409. The Authority also made a contribution to the OPEB Trust of \$114,679 for a total contribution during the measurement period of \$402,088 to be reported on the financial statement for the fiscal year ending December 31, 2023.

As of the December 31, 2023 Measurement Date, the plan was 33.4% funded. The Total OPEB Liability (TOL) for benefits was \$9,588,590, and the Fiduciary Net Position was \$3,202,523, resulting in a Net

OPEB Liability (NOL) of \$6,386,068. The covered payroll (annual payroll of active employees covered by the plan) was \$2,353,269 and the ratio of the NOL to the covered payroll was 271.37%.

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

	2023	2022
Total OPEB liability at beginning of period	\$ 9,055,860	\$ 8,572,712
Fiduciary net position at beginning of period	2,998,727	2,880,572
Net OPEB liability at beginning of period	6,057,133	5,692,140
Service cost	153,144	227,572
Interest	389,557	216,641
Change in assumptions	334,839	(644,028)
Differences between expected and actual experience	-	953,983
Net investment income	(89,117)	(7,603)
Employer contributions to the trust	(459,488)	(381,571)
Benefit payments withdrawn from the trust	344,809	271,019
Benefit payments excluding implicit cost	(287,409)	(221,607)
Implicit cost amount	(57,400)	(49,412)
Net OPEB Liability at end of period:	<u>\$ 6,386,068</u>	<u>\$ 6,057,134</u>

Changes in the Deferred Outflows/Inflows

	Outflows of Resources 2023	Inflows of Resources 2023	Outflows of Resources 2022	Inflows of Resources 2022
Contributions made subsequent to the measurement date	\$ -	-	-	-
Differences between actual & expected experience	572,391	(213,126)	763,187	(426,251)
Change of assumptions	267,872	(553,470)	146,315	(849,325)
New difference between projected and actual earnings	66,735	-	116,487	-
Balance as of December 31,	<u>\$ 906,998</u>	<u>\$ (766,596)</u>	<u>\$ 1,025,989</u>	<u>\$ (1,275,576)</u>

The Authority's contributions made after the measurement date will be recognized as a reduction of the net OPEB asset/(liability) in the subsequent year rather than the current fiscal period. 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, 2023 and 2022:

	2023	2022
Year ended:		
2023 \$	-	\$ (132,297)
2024	(216,778)	(281,201)
2025	153,186	88,763
2026	139,571	75,148
2027	64,423	-
2028	-	-
Thereafter	-	-

OPEB Expense Development

Components of the Airport's OPEB expenses for the fiscal years ending December 31, 2023 and 2022:

	2023	2022
Service Cost	\$ 153,144	\$ 227,572
Interest on the Net OPEB Liability (asset), service cost, and benefit payments	389,556	216,640
Deferred (inflows)/outflows from plan experience	(22,329)	(38,402)
Deferred (inflows)/outflows from changes of assumptions	(82,573)	(149,540)
Projected earnings on OPEB plan investments	(76,393)	(73,388)
Deferred (inflows)/outflows from earnings on plan investments	37,028	48,256
Net financial statement OPEB expense	<u>\$ 398,433</u>	<u>\$ 231,138</u>

Money Weighted Rate of Return and Plan Cash Flows

	2023	2022
Beginning value	\$ 2,998,727	\$ 2,880,572
Annual contribution to OPEB Trust	114,679	110,552
Annual interest earnings	89,117	7,603
Ending Value	<u>\$ 3,202,523</u>	<u>\$ 2,998,727</u>
Money weighted rate of return	2.96%	0.26%

Discount rate

The following table presents the results of the Net OPEB liability if the discount rate was 1% lower or 1% higher:

	1% Decrease	Current Discount Rate	1% Increase
2032 (4.0%)	\$ 7,907,912	\$ 6,383,067	\$ 5,153,898
2022 (4.31%)	\$ 7,465,729	\$ 6,057,133	\$ 4,914,398

Healthcare Trend

The following table presents the results of the Net OPEB liability if the healthcare cost rate was 1% lower or 1% higher:

	1% Decrease	Current Trend Rate	1% Increase
2023 (6.5%)	\$ 5,058,858	\$ 6,386,067	\$ 8,040,630
2022 (8.0%)	\$ 4,826,990	\$ 6,057,133	\$ 7,586,873

NOTE 15 - 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, 2023 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, 2023. There was no reduction in insurance coverage during 2023.

NOTE 16 - 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, 2024. 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 \$190,000 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 January 1, 2023 and initially expiring December 31, 2024, subject to a two renewal terms each of five (5) years. 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 \$500,000.

Capital Improvement Programs - As of December 31, 2023, the Authority has outstanding contractual commitments for completion of certain capital improvement projects totaling \$48.1 million of which an estimated \$42.1 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 37.2% of accounts receivable and airline revenues represent 16.3% of operating revenues for the year ended December 31, 2023.

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, 2023 and 2022 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 17 - Subsequent Event

Line of Credit - The Authority approved a \$30,000,000 Line of Credit on February 12, 2024 and will expire on February 28, 2025, it has one two-year options. The Line of Credit will be used to bridge the funding gap between the outlay of funds and receipt of grant funds related to the construction of the \$100,000,000 Terminal Connector Project.

This page intentionally left blank

DRAFT

Required Supplemental Information

DRAFT

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 data of March 31,	2015	2016	2017	2018
Proportion percentage of net pension liability	0.00525%	0.00497%	0.00464%	0.00472%
Proportion amount of net pension (asset)/liability	\$ 177,342	\$ 797,486	\$ 436,071	\$ 152,292
Covered payroll	\$ 1,599,482	\$ 1,640,182	\$ 1,623,832	\$ 1,682,703
Authority's proportionate share of net pension (asset)/liability as a percentage of covered payroll	11.09%	48.62%	26.85%	9.05%
Plan fiduciary net position as a percentage of total pension liability	97.90%	90.70%	94.70%	98.24%

Albany County Airport Authority
Schedule for the Authority Contributions
New York State and Local Employees' Retirement System

As of December 31,	2015	2016	2017	2018
Contractually required contribution	\$ 305,211	\$ 260,215	\$ 252,468	\$ 256,525
Contributions in relation to the contractually required contribution	(305,211)	(260,215)	(252,468)	(256,525)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,650,458	\$ 1,608,253	\$ 1,674,841	\$ 1,635,511
Contributions as a percentage of covered payroll	18.49%	16.18%	15.07%	15.68%

** Schedules are 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
Schedule for the Authority's Proportionate Share of Net Pension Liability
New York State and Local Employees' Retirement System

2019	2020	2021	2022	2023
0.00452%	0.00419%	0.00351%	0.00428%	0.00478%
\$ 320,236	\$ 1,110,544	\$ 3,491	\$ (349,754)	\$ 1,026,081
\$ 1,596,306	\$ 1,518,180	\$ 1,656,433	\$ 1,665,848	\$ 1,765,158
20.06%	73.15%	0.21%	-21.00%	58.13%
96.27%	86.39%	99.95%	103.65%	90.78%

Albany County Airport Authority
Schedule for the Authority Contributions
New York State and Local Employees' Retirement System

2019	2020	2021	2022	2023
\$ 243,034	\$ 234,393	\$ 284,650	\$ 203,751	\$ 245,466
(243,034)	(234,393)	(284,650)	(203,751)	(245,466)
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,488,995	\$ 1,648,401	\$ 1,748,058	\$ 1,901,294	\$ 1,843,806
16.32%	14.22%	16.28%	10.72%	13.31%

Albany County Airport Authority
Schedule of Changes in the Airport's Net OPEB Liability and Related Ratios
For the year ended December 31,

	2018	2019	2020
Total OPEB Liability	\$ 8,842,670	\$ 10,028,123	\$ 8,405,254
Service Cost	217,039	276,198	179,110
Interest on total OPEB liability, service cost and benefit payments	325,272	338,961	328,041
Changes in benefit terms	-	-	-
Difference between expected & actual plan experience	(80,361)	(161,281)	(1,065,626)
Changes of assumptions	-	731,575	(835,252)
Benefit payments excluding implicit cost	(150,927)	-	(171,663)
Implicit cost amount	N/A	N/A	(57,479)
Net change in OPEB liability	311,023	1,185,453	(1,622,869)
Total OPEB liability - beginning of period	8,531,647	8,842,670	10,028,123
Total OPEB liability - end of period	<u>\$ 8,842,670</u>	<u>\$ 10,028,123</u>	<u>\$ 8,405,254</u>
Plan Fiduciary Net Position	\$ 2,220,686	\$ 2,429,013	\$ 2,681,769
Interest on fiduciary net position	-	-	-
Earning from plan investments	13,200	44,608	12,647
Employer contribution to trust	300,000	325,000	411,772
Benefit payments from trust, including refunds of member contributions	(150,927)	(161,281)	(171,663)
Administrative expense	-	-	-
Other	-	-	-
Net change in plan fiduciary net position	162,273	208,327	252,756
Plan fiduciary net position - beginning of period	2,058,413	2,220,686	2,429,013
Plan fiduciary net position - end of period	<u>\$ 2,220,686</u>	<u>\$ 2,429,013</u>	<u>\$ 2,681,769</u>
Net OPEB liability	<u>\$ 6,621,984</u>	<u>\$ 7,599,110</u>	<u>\$ 5,723,485</u>
Plan Fiduciary net position as a % of total OPEB liability	25.11%	24.22%	31.91%
Covered employee payroll	<u>\$ 1,966,055</u>	<u>\$ 1,962,761</u>	<u>\$ 2,081,039</u>
Plan NOL as a % of covered employee payroll	336.82%	387.16%	275.03%
Single discount rate to calculate plan liabilities	3.75%	3.25%	2.50%

** 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
Schedule of Changes in the Airport's Net OPEB Liability and Related Ratios
For the year ended December 31,

2021	2022	2023
\$ 8,572,712	\$ 9,055,860	\$ 9,588,590
200,491	227,572	153,144
212,098	216,640	389,556
-	-	-
-	953,983	-
-	(644,028)	334,829
(205,200)	(221,607)	(287,409)
(39,931)	(49,412)	(57,400)
167,458	483,148	532,720
8,405,254	8,572,712	9,055,860
<u>\$ 8,572,712</u>	<u>\$ 9,055,860</u>	<u>\$ 9,588,580</u>
\$ 2,880,572	\$ 2,998,727	\$ 3,202,523
-	-	-
1,417	7,603	89,117
442,517	381,571	459,488
(245,131)	(271,019)	(344,809)
-	-	-
-	-	-
198,803	118,155	203,796
2,681,769	2,880,572	2,998,727
<u>\$ 2,880,572</u>	<u>\$ 2,998,727</u>	<u>\$ 3,202,523</u>
\$ 5,692,140	\$ 6,057,133	\$ 6,386,057
33.60%	33.11%	33.40%
\$ 2,143,470	\$ 2,284,727	\$ 2,353,269
265.56%	265.11%	271.37%
2.50%	4.31%	4.00%

Albany County Airport Authority
Actuarially OPEB Determined Contribution - Deficiency/(Excess)
For the year ended December 31,

	2018	2019	2020
Service Cost	\$ 217,039	\$ 276,198	\$ 179,110
30 year amortization of NOL	357,987	287,733	177,628
Actuarial determined contribution	575,026	563,931	356,738
Contributions in relation to the actuarially determined contribution	(300,000)	(325,000)	(411,772)
Contribution deficiency/(excess)	\$ 275,026	\$ 238,931	\$ (55,034)
Covered Employee Payroll	\$ 1,966,055	\$ 1,962,761	\$ 2,081,039
Contributions as a % of covered employee payroll	15.26%	16.56%	19.79%
Discount Rate	3.75%	3.25%	2.50%
Money Weighted Rate of Return	0.64%	2.01%	0.52%

** 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,

2021	2022	2023
\$ 200,491	\$ 227,572	\$ 153,144
176,655	241,067	244,027
377,146	468,639	397,171
(442,517)	(381,571)	(459,488)
\$ (65,371)	\$ 87,068	\$ (62,317)
\$ 2,143,470	\$ 2,284,727	\$ 2,353,269
20.64%	16.70%	19.53%
2.50%	4.31%	4.00%
0.05%	0.26%	2.96%

DRAFT

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	4.00% as of December 31, 2023 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG)
Actuarial Cost Method	Individual Entry Age Normal
Single equivalent discount rate	4.00%, net of OPEB plan investment expense, including inflation.
Inflation	2.50% as of December 31, 2023 and for future periods
Salary Increases	3.00% annually as of December 31, 2023 and for future periods
Cost of living adjustments	Not Applicable
Pre-retirement mortality	General: PubG-2010 Mortality Table for Employees projected generationally with scale MP-2020 for males and females
Post-retirement mortality	General: PubG-2010 Mortality Table for Healthy Annuitants projected generationally with scale MP-2020 for males and females
Disabled mortality	General: PubG-2010 Mortality Table for Disabled Annuitants projected generationally with scale MP-2020 for males and females

OPEB Plan Membership

At December 31, 2023, OPEB plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits:	27
Active Employees:	<u>18</u>
Total:	45

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, 2022 to December 31, 2023

- Discount rate has been changed from 4.31% to 4.00%

OPEB Contributions

The contribution requirements of plan members and the Airport are established and may be amended through Airport ordinances. The Airport contributed \$114,679 beyond the pay-as-you-go cost for the period ending on December 31, 2023 Measurement Date. For the year ending on December 31, 2023 Measurement Date total Airport premiums plus implicit costs for the retiree medical program were \$344,809. \$57,400 of the \$344,809 represents implicit cost.

DRAFT

This page intentionally left blank

DRAFT

Other
Supplemental
Information

DRAFT

Albany County Airport Authority
Debt Service Requirements to Maturity

GENERAL AIRPORT REVENUE BONDS

YEAR	Principal		Interest		Authority Total
2024	\$	7,280,000	\$	2,653,400	\$ 9,933,400
2025		7,625,000		2,291,250	9,916,250
2026		8,030,000		1,910,000	9,940,000
2027		1,455,000		1,508,500	2,963,500
2028		1,530,000		1,437,550	2,967,550
2029		1,585,000		1,366,275	2,951,275
2030		1,665,000		1,291,731	2,956,731
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
TOTAL	\$	55,295,000	\$	24,951,125	\$ 80,246,125

Albany County Airport Authority
Governmental Payments and Services
For the Years Ended December 31, 2023 and December 31, 2022

	<u>2023</u>	<u>2022</u>
UNITED STATES - Department of Agriculture		
Dept. of Agriculture - Wildlife Management Program	\$ 40,876	\$ 37,111
STATE OF NEW YORK		
Department of Civil Service - Health Insurance	\$ 771,973	\$ 687,118
State and Local Employees' Retirement System	24,466	203,751
Unemployment Insurance	6,722	6,426
Bureau of Weights and Measures	720	10
Dept. of Taxation & Finance - Sales Tax	284,930	286,213
Dept. of Taxation & Finance - Petroleum Business Tax	112,665	86,548
Dept. of Labor Bureau of Public Works	3,029	1,564
DEC - Oil Spill Fee	13,643	11,762
DEC - SPDES Program Fees & Permits	-	2,425
Total State of New York	<u>1,218,148</u>	<u>1,285,817</u>
COUNTY OF ALBANY		
Direct Costs:		
Sheriff	2,436,956	2,299,719
Code Enforcement	35,937	68,132
Shared Services - IT, Legal & Communications	4,163	99,000
Sewer District Charges	5,000	5,000
Total County of Albany	<u>2,482,056</u>	<u>2,471,851</u>
LATHAM WATER DISTRICT - Water Service	160,687	61,386
TOWN OF COLONIE, RECEIVER OF TAXES		
Sewer Taxes	38,711	121,074
Verdoy Fire Dept.	1,010	1,679
Albany County Tax	5,745	5,902
Town of Colonie Tax	4,334	4,228
School Taxes - North Colonie	36,007	22,888
Total Town of Colonie, Receiver of Taxes	<u>85,807</u>	<u>155,771</u>
VILLAGE OF COLONIE		
Wastewater Conveyance	<u>7,500</u>	<u>7,500</u>
CAPITAL DISTRICT TRANSPORTATION AUTHORITY		
Employee Ground Transportation	<u>26,250</u>	<u>24,900</u>
TOTAL PAYMENTS TO OTHER GOVERNMENTAL ENTITIES	<u>\$ 4,021,324</u>	<u>\$ 4,044,336</u>

Albany County Airport Authority

Insurance Schedule

Policy	2023 Insurance Carrier	Policy Term	2022 Premium	2023 Premium	Deductible	Insurance Limits
Aviation Liability	N/A	N/A	\$ 189,919	N/A	N/A	N/A
Excess Aviation Liability	N/A	N/A	\$ 53,900	N/A	N/A	N/A
Property incl. Business Income	Federal	12/31/22 - 12/31/23	\$ 362,880	\$ 367,391	\$ 25,000	\$367MM
Auto - subject to audit	Great Northern	12/31/22 - 12/31/23	\$ 71,572	\$ 79,333	\$ 0	\$5MM
Workers Compensation	Bankers Standard	12/31/22 - 12/31/23	\$ 5,954	\$ 5,110	N/A	Statutory
Public Officials	ACE American	12/31/22 - 12/31/23	\$ 41,132	\$ 43,051	\$ 50,000	\$7.5MM
Crime	Travelers	12/31/22 - 12/31/23	\$ 7,677	\$ 8,152	\$ 50,000	\$5MM
Tank Farm Property	Evanston	12/31/22 - 12/31/23	\$ 43,121	\$ 45,725	\$ 50,000	Per Tank Statement of Values
Violent & Malicious Acts	Lloyd's	12/31/22 - 12/31/23	\$ 15,970	\$ 15,565	\$ 0	\$1MM Liability; \$366MM Property
Pollution	Beazley	12/31/22 - 12/31/25	\$ 106,050	\$ 106,050	\$ 100,000	\$10MM
Cyber Liability	Ace American	12/31/22 - 12/31/23	\$ 35,445	\$ 50,035	\$ 25,000	\$1MM
Fiduciary Liability	Philadelphia Ins	9/1/21 - 12/31/22	\$ 1,690	\$ 2,394	\$ 10,000	\$2MM
Builders Risk	Chubb	12/31/22 - 12/31/23	\$ 20,860	\$ 19,570	\$ 25,000	\$3MM

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 on Customer Facility Charges (CFC) of the Albany County Airport Authority, a component unit of the County of Albany, New York (the Authority and specified party) for the period January 1, 2023 - December 31, 2023. The Albany County Airport Authority's management is responsible for Compliance with Customer Facility Charges (CFC) for the period January 1, 2023 - December 31, 2023.

The Albany County Airport Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining compliance with New York State laws and the contracts between the concessionaires and the Authority based on the procedures below. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and associated findings are as follows:

1. 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.

We were engaged by the Albany County Airport Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, 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, 2023 - December 31, 2023. 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.

We are required to be independent of the Albany County Airport Authority and to meet our other ethical responsibilities, in accordance with the relevant requirements related to our agreed-upon procedures engagement.

This report is intended solely for the informational use of the Authority Board and management, The State of New York, and the concessionaires participating in the CFC program and is not intended to be and should not be used by anyone other than these specified parties.

Latham, NY
_____, 2024

Albany County Airport Authority
Customer Facility Charges
Schedules of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2023 and 2022

	December 31, 2023	December 31, 2022
Revenue		
Customer facility charges	\$ -	\$ -
Interest income	11,295	3,745
Total Revenue	<u>11,295</u>	<u>3,745</u>
Expenses		
Customer facility charges cost for rental car improvements	-	-
Administrative expenses	-	-
Total Expenses	<u>-</u>	<u>-</u>
Increase in Net Position	<u>11,295</u>	<u>3,745</u>
Net Position - CFC, Beginning of Year	<u>453,361</u>	<u>449,616</u>
Net Position - CFC, End of Year	<u>\$ 464,656</u>	<u>\$ 453,361</u>

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 90-93

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

Revenue Capacity

Pages 94-95

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

Debt Capacity

Pages 96-99

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 100-103

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

Operating Information

Pages 104-113

These tables contain trend information to assist the reader understand the underlying factors affecting the Authority's ability to generate revenue, highlighting trends in operations, activities and resources.

Albany County Airport Authority
Total Annual Revenues, Expenses and Changes in Net Position
For Years Ended December 31,

	2014	2015	2016	2017
REVENUES				
Airfield	\$ 6,320,065	\$ 6,457,974	\$ 5,882,274	\$ 6,678,085
Fixed based operations	10,348,396	8,570,119	8,300,218	8,572,457
Terminal	4,816,946	5,000,721	4,777,241	5,019,779
Concessions	7,027,934	7,268,718	7,540,431	8,070,379
Ground transportation	11,575,593	13,089,872	15,163,022	15,325,640
Other	3,505,150	3,850,200	4,075,479	4,360,796
	<u>43,594,084</u>	<u>44,237,604</u>	<u>45,738,665</u>	<u>48,027,136</u>
OTHER REVENUES				
Interest income	54,043	20,739	12,280	10,676
Passenger facility charges	4,777,691	5,080,183	5,385,946	5,431,444
Customer facility charges	-	-	-	-
Grant income	292,938	292,000	222,772	138,700
Insurance recovery	-	-	-	-
Improvement charges	368,400	368,400	368,400	368,400
	<u>5,493,072</u>	<u>5,761,322</u>	<u>5,989,398</u>	<u>5,949,220</u>
TOTAL REVENUES	<u>49,087,156</u>	<u>49,998,926</u>	<u>51,728,063</u>	<u>53,976,356</u>
EXPENSES				
Salaries and benefits	13,375,148	13,519,423	14,209,606	15,014,472
Services and supplies	18,948,402	17,850,888	17,904,007	18,380,540
Depreciation	13,957,515	13,893,673	14,396,008	14,761,280
	<u>46,281,065</u>	<u>45,263,984</u>	<u>46,509,621</u>	<u>48,156,292</u>
OTHER EXPENSES				
Interest expense	5,870,629	5,463,254	5,002,200	4,261,394
Grant expense	-	-	-	-
Insured expenses	-	-	-	-
Customer facility charges	-	-	-	-
Bond issuance costs	-	-	-	252,877
Amortization of bond issuance costs	133,008	109,988	100,347	76,280
	<u>6,003,637</u>	<u>5,573,242</u>	<u>5,102,547</u>	<u>4,590,551</u>
TOTAL EXPENSES	<u>52,284,702</u>	<u>50,837,226</u>	<u>51,612,168</u>	<u>52,746,843</u>
Capital contributions	6,414,378	8,942,652	2,389,827	4,616,709
Special Items	-	-	-	-
Extraordinary Item	-	-	-	-
INCREASE (DECREASE) IN NET POSITION	<u>\$ 3,216,832</u>	<u>\$ 8,104,352</u>	<u>\$ 2,505,722</u>	<u>\$ 5,846,222</u>
NET POSITION AT YEAR END COMPOSED OF:				
Net investment in capital assets	\$ 167,432,611	\$ 171,751,795	\$ 170,626,920	\$ 172,661,198
Restricted	17,573,958	19,387,387	21,191,423	22,238,003
Unrestricted	14,838,801	16,809,614	18,636,175	21,401,539
	<u>\$ 199,845,370</u>	<u>\$ 207,948,796</u>	<u>\$ 210,454,518</u>	<u>\$ 216,300,740</u>

<1> The 2015 Unrestricted net assets was adjusted by \$926 in accordance with GASB Statement No. 68

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,

2018	2019	2020	2021	2022	2023
\$ 6,588,133	\$ 6,207,119	\$ 5,071,172	\$ 5,545,788	\$ 6,537,793	\$ 5,512,260
10,427,353	10,426,891	6,307,406	9,326,061	12,506,123	12,361,731
5,538,045	5,178,553	5,657,600	5,363,151	4,974,060	3,510,123
8,262,260	8,496,949	3,749,264	6,891,504	8,645,042	9,462,456
15,721,089	16,906,909	5,719,989	9,327,909	16,405,065	17,907,220
4,292,488	4,626,970	4,313,893	4,321,044	4,514,195	4,476,417
50,829,368	51,843,391	30,819,324	40,775,457	53,582,278	53,230,207
488,263	1,403,088	309,776	263,747	846,754	2,371,341
5,638,922	6,194,834	1,858,876	4,055,447	5,318,185	5,699,317
-	757,428	50	-	-	-
300,997	150,480	11,053,631	4,810,756	1,420,740	5,232,617
170,896	8,704	-	77,967	-	335,000
368,400	368,400	368,400	368,400	368,400	368,400
6,967,478	8,882,934	13,590,733	9,576,317	7,954,079	14,006,675
57,796,846	60,726,325	44,410,057	50,351,774	61,536,357	67,236,882
16,019,364	16,981,665	15,874,108	15,147,001	16,535,441	18,575,008
21,330,763	22,554,099	17,317,169	18,619,605	23,815,320	25,583,853
15,335,569	15,344,151	17,465,299	18,387,208	18,882,884	19,050,784
52,685,696	54,879,915	50,656,576	52,153,814	59,233,645	63,209,645
3,898,788	4,369,737	3,699,761	2,575,159	2,314,999	2,108,164
-	-	-	-	1,282,040	-
170,896	-	-	-	-	-
-	302,039	-	-	-	-
390,361	237,068	249,796	-	-	-
68,308	60,020	40,733	-	-	-
4,528,353	4,968,864	3,990,290	2,575,159	3,597,039	2,108,164
57,214,049	59,848,779	54,646,866	54,728,973	62,830,684	65,317,809
3,297,047	25,142,535	10,850,904	11,276,697	5,982,119	16,929,595
1,022,220	-	(921,707)	-	-	-
148,595	-	-	-	-	-
\$ 5,050,659	\$ 26,020,081	\$ (307,612)	\$ 6,899,498	\$ 4,687,792	\$ 18,848,668
\$ 170,718,128	\$ 189,798,618	\$ 204,476,085	\$ 209,491,889	\$ 210,618,826	\$ 208,844,436
26,650,235	30,532,217	24,351,663	23,862,862	25,249,714	38,318,628
17,201,297	20,258,906	11,454,381	13,826,876	16,000,879	23,555,023
\$ 214,569,660	\$ 240,589,741	\$ 240,282,129	\$ 247,181,627	\$ 251,869,419	\$ 270,718,087

<2> The 2018 Unrestricted net assets was adjusted by \$6,781,739 in accordance with GASB Statement No. 74

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

	2014	2015	2016
Cash Flows From Operating Activities			
Cash received from providing services	\$ 43,862,468	\$ 44,211,164	\$ 45,595,258
Cash paid to suppliers	(30,679,673)	(31,277,486)	(28,239,666)
Cash paid to employees	(1,114,606)	(1,143,581)	(1,190,846)
Net Cash Provided/(Used) By Operating Activities	12,068,189	11,790,097	16,164,746
Cash Flows from Noncapital Financing Activities			
Grant Income	292,938	292,000	222,772
Grant Expense	-	-	-
Net Cash Provided by Noncapital Financing Activities	292,938	292,000	222,772
Cash Flows From Investing Activities			
Interest received	54,043	20,739	12,280
Purchase of investments	-	-	-
Sale of investments	-	-	-
Interest on passenger facility charges	9,257	11,688	14,941
Net Cash Provided/(Used) by Investing Activities	63,300	32,427	27,221
Cash Flows From Capital and Related Financing Activities			
Purchase of capital assets	(8,249,851)	(12,534,202)	(4,244,291)
Principal payments on bonds and notes payable	(8,102,182)	(8,266,000)	(8,567,000)
Interest paid	(5,136,989)	(4,700,250)	(4,394,462)
Payment to refunding agent	-	-	-
Issuance of bonds	-	-	-
Defeasance of bonds	-	-	-
Cost of issuance	-	-	-
ANCLUC funds	395	(1,334)	-
Concession improvement funds	(359,380)	101,374	(212,759)
Customer facility charges	-	-	-
Improvement charges	368,400	368,400	368,400
Insurance receivables	-	-	-
Bank line of credit	-	-	-
LIBOR settlement	-	-	-
Sale of Land	-	-	-
Capital contributions	4,826,042	10,209,459	3,164,885
Passenger facility charges	4,745,288	4,939,384	5,356,286
Net Cash Provided (Used) By Capital and Related Financing Activities	(11,908,277)	(9,883,169)	(8,528,941)
Net increase/(decrease)	516,150	2,231,355	7,885,798
Cash and cash equivalents, beginning of year	37,391,039	37,907,189	40,138,544
Cash and cash equivalents, end of year	\$ 37,907,189	\$ 40,138,544	\$ 48,024,342

Source: Authority's audited financial statements.

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

	2017	2018	2019	2020	2021	2022	2023
\$	47,814,646	\$ 50,885,469	\$ 51,691,849	\$ 33,479,937	\$ 39,222,233	\$ 53,926,133	\$ 55,310,732
	(33,640,390)	(34,607,021)	(36,461,993)	(36,037,289)	(32,267,789)	(36,820,066)	(35,821,563)
	(1,237,120)	(1,301,582)	(1,316,130)	(1,387,077)	(1,424,181)	(1,550,298)	(1,652,261)
	12,937,136	14,976,866	13,913,726	(3,944,429)	5,530,263	15,555,769	17,836,908
	138,700	300,997	150,480	11,053,631	4,810,756	1,420,740	5,232,617
	-	-	-	-	-	(1,282,040)	-
	138,700	300,997	150,480	11,053,631	4,810,756	138,700	5,232,617
	10,676	488,263	1,404,897	309,775	263,747	846,755	1,817,783
	-	(12,247,000)	-	-	-	-	-
	-	-	12,524,389	-	-	-	-
	18,476	97,262	290,775	92,075	14,375	72,719	295,276
	29,152	(11,661,475)	14,220,061	401,850	278,122	919,474	2,113,059
	(9,055,546)	(8,637,400)	(53,630,854)	(25,488,688)	(12,086,065)	(9,500,688)	(20,442,783)
	(8,803,000)	(9,419,000)	(7,554,000)	(7,390,000)	(6,365,000)	(6,685,000)	(7,020,000)
	(3,673,229)	(3,549,403)	(4,341,280)	(3,749,289)	(3,666,302)	(3,335,200)	(3,002,652)
	(16,794,552)	-	-	-	-	-	-
	15,826,250	24,865,926	10,556,850	(5,500,594)	-	-	-
	-	-	-	-	(660,417)	-	-
	(336,179)	(390,361)	-	-	-	-	-
	-	-	-	-	-	-	-
	107,689	75,447	(177,676)	(40,978)	65,411	74,933	125,600
	-	-	455,389	50	-	-	-
	368,400	368,400	368,400	368,400	368,400	368,400	368,400
	-	-	8,704	-	77,967	-	335,000
	-	-	6,542,341	(6,552,137)	-	-	-
	-	1,496,915	-	-	-	-	-
	-	858,257	-	-	-	-	-
	3,797,722	3,324,887	16,720,643	17,043,877	11,462,991	5,495,453	11,046,289
	5,338,723	5,759,701	5,574,996	2,304,901	3,642,193	5,217,050	5,362,067
	(13,223,722)	14,753,369	(25,476,487)	(29,004,458)	(7,160,822)	(8,365,052)	(13,228,079)
	(118,734)	18,369,757	2,807,780	(21,493,406)	3,458,319	8,248,891	11,954,505
	48,024,342	47,905,608	66,275,365	69,083,145	47,589,739	51,048,058	59,296,949
\$	47,905,608	\$ 66,275,365	\$ 69,083,145	\$ 47,589,739	\$ 51,048,058	\$ 59,296,949	\$ 71,251,454

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
PRINCIPAL REVENUE SOURCES			
AIRLINE REVENUE			
Landing fees	\$ 3,934,458	\$ 4,090,831	\$ 3,838,764
Apron fees	811,176	826,683	571,813
Fixed based operations	3,135,354	2,645,138	2,564,049
Terminal rental	3,697,979	3,701,504	3,471,855
Loading bridge rentals	437,980	626,660	565,362
TOTAL AIRLINE REVENUE	12,016,947	11,890,816	11,011,843
Percent of Total Revenues	24.5%	23.8%	21.3%
NON-AIRLINE REVENUES			
Parking	11,311,640	12,810,052	14,870,476
Rental car	4,854,354	5,053,412	5,057,259
Other	15,411,143	14,483,324	14,799,086
TOTAL NON-AIRLINE REVENUES	31,577,137	32,346,788	34,726,821
Percent of Total Revenues	64.3%	64.7%	67.1%
NON-OPERATING REVENUES			
Passenger facility charges	4,777,691	5,080,183	5,385,947
Customer facility charges	-	-	-
Grant income	292,938	292,000	222,772
Interest	54,043	20,739	12,280
Insurance recovery	-	-	-
Other	368,400	368,400	368,400
TOTAL NON-OPERATING REVENUES	5,493,072	5,761,322	5,989,399
Percent of Total Revenues	11.2%	11.5%	11.6%
TOTAL REVENUES	\$ 49,087,156	\$ 49,998,926	\$ 51,728,063
Enplaned Passengers			
	1,230,376	1,297,749	1,407,005
TOTAL REVENUE PER ENPLANED PASSENGER	\$ 39.90	\$ 38.53	\$ 36.76
SIGNATORY AIRLINES RATES AND CHARGES			
Landing Fee (per 1,000 lbs MGLW)	\$ 3.06	\$ 3.27	\$ 2.73
Apron Fees (per sq. foot)	1.59	1.52	1.19
Annual Terminal Rental Rates (per sq. foot)	68.13	74.63	81.11
Annual Loading Bridge Rental (per bridge)	31,284.00	44,761.00	40,383.00
Airline Cost per Enplanement: Airport Operations	7.22	7.12	6.00

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, 2023.

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, Con't <1>
For Years Ended December 31,

	2017	2018	2019	2020	2021	2022	2023
\$	4,436,193	\$ 4,239,274	\$ 3,938,543	\$ 2,929,026	\$ 3,155,441	\$ 4,152,622	\$ 3,210,290
	649,858	654,321	633,074	656,208	610,650	652,799	695,886
	2,753,266	3,320,378	3,144,641	1,715,933	2,109,228	3,263,798	3,796,281
	3,613,674	4,077,678	3,741,740	4,483,012	3,988,907	3,517,611	2,037,451
	614,076	670,939	655,170	394,805	508,023	690,599	684,897
	12,067,067	12,962,590	12,113,168	10,178,984	10,372,249	12,277,429	10,424,805
	22.4%	22.4%	19.9%	22.9%	20.6%	20.0%	15.5%
	14,985,272	15,248,081	16,249,822	5,474,391	9,038,813	15,985,811	17,366,540
	5,427,741	5,561,921	5,396,551	2,471,572	4,985,255	6,160,142	6,332,799
	15,547,056	17,056,776	18,083,850	12,694,377	16,379,140	19,158,896	19,106,068
	35,960,069	37,866,778	39,730,223	20,640,340	30,403,208	41,304,849	42,805,407
	66.6%	65.5%	65.4%	46.5%	60.4%	67.1%	63.7%
	5,431,444	5,638,922	6,194,834	1,858,876	4,055,447	5,318,185	5,699,317
	-	-	757,428	50	-	-	-
	138,700	300,997	150,480	11,053,631	4,810,756	1,420,740	5,232,617
	10,676	488,263	1,403,088	309,776	263,747	846,754	2,371,341
	-	170,896	8,704	-	77,967	-	335,000
	368,400	368,400	368,400	368,400	368,400	368,400	368,400
	5,949,220	6,967,478	8,882,934	13,590,733	9,576,317	7,954,079	14,006,675
	11.0%	12.1%	14.6%	30.6%	19.0%	12.9%	20.8%
\$	53,976,356	\$ 57,796,846	\$ 60,726,325	\$ 44,410,057	\$ 50,351,774	\$ 61,536,357	\$ 67,236,887
	1,417,835	1,466,706	1,518,969	520,029	976,037	1,290,529	1,376,639
\$	38.07	\$ 39.41	\$ 39.98	\$ 85.40	\$ 51.59	\$ 47.68	\$ 48.84
\$	3.12	\$ 2.92	\$ 2.75	\$ 3.20	\$ 3.15	\$ 3.38	\$ 2.77
	1.33	1.31	1.16	1.27	1.15	1.23	1.38
	79.86	86.48	90.57	59.45	71.82	90.42	88.46
	47,237.00	51,611.00	40,948.00	28,200.00	36,287.00	49,328.00	52,684.00
	6.57	6.57	5.90	16.30	8.49	7.00	4.83

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

	2014	2015	2016
Ratio of Authority issued Revenue Bond Debt Service to Total Expenses			
Principal	\$ 8,102,182	\$ 8,266,000	\$ 8,567,000
Interest	5,077,305	4,797,018	4,477,430
Total Debt Service	\$ 13,179,487	\$ 13,063,018	\$ 13,044,430
Total Expenses	\$ 52,284,702	\$ 50,837,226	\$ 51,612,168
Ratio of Debt Service to Total Expenses	25.21%	25.70%	25.27%
Debt Service per Enplaned Passenger			
Net Debt Service	\$ 8,966,388	\$ 9,769,698	\$ 9,436,220
Enplaned Passengers	1,230,376	1,297,749	1,407,005
Debt Service per Enplaned Passenger	\$ 7.29	\$ 7.53	\$ 6.71
Outstanding Debt (Authority and County) per Enplaned Passenger			
Outstanding debt by type:			
General Airport Revenue Bond (GARB)	\$ 102,690,000	\$ 94,825,000	\$ 86,670,000
NYS EFC	2,359,000	1,958,000	1,546,000
Subtotal	105,049,000	96,783,000	88,216,000
Unamortized Premiums/Discounts (net)	2,886,785	2,155,497	1,483,693
Total Outstanding Debt and Premiums	\$ 107,935,785	\$ 98,938,497	\$ 89,699,693
Enplaned Passengers	1,230,376	1,297,749	1,407,005
Outstanding Debt per Enplaned Passenger	\$ 88	\$ 76	\$ 64
Debt Limit per Enplaned Passenger			
Debt Limit	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000
Enplaned Passengers	1,230,376	1,297,749	1,407,005
Debt Limit per Enplaned Passenger	\$ 232	\$ 220	\$ 203

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

Source: Authority's audited financial statements and statistics reports

Albany County Airport Authority
Ratios of Outstanding Debt, Con't
For Years Ended December 31,

	2017	2018	2019	2020	2021	2022	2023
\$	8,803,000	\$ 9,419,000	\$ 7,554,000	\$ 7,390,000	\$ 6,365,000	\$ 6,685,000	\$ 7,020,000
	3,730,422	3,697,735	4,248,934	4,665,327	2,575,159	2,314,999	2,108,163
\$	12,533,422	\$ 13,116,735	\$ 11,802,934	\$ 12,055,327	\$ 8,940,159	\$ 8,999,999	\$ 9,128,163
\$	52,746,843	\$ 57,214,049	\$ 59,848,779	\$ 54,597,444	\$ 54,728,970	\$ 62,830,684	\$ 65,317,809
	23.76%	22.93%	19.72%	22.08%	16.34%	14.32%	13.97%
\$	8,923,166	\$ 10,281,822	\$ 8,039,474	\$ 7,914,410	\$ 5,047,159	\$ 5,106,999	\$ 5,487,759
	1,417,835	1,466,706	1,518,969	520,029	976,037	1,290,529	1,376,639
\$	6.29	\$ 7.01	\$ 5.29	\$ 15.22	\$ 5.17	\$ 3.96	\$ 3.99
\$	76,190,000	\$ 89,790,000	\$ 92,555,000	\$ 75,945,000	\$ 69,000,000	\$ 62,315,000	\$ 55,295,000
	1,128,000	699,000	-	-	-	-	-
	77,318,000	90,489,000	92,555,000	75,945,000	69,000,000	62,315,000	55,295,000
	2,248,604	3,741,495	4,116,578	7,538,441	5,918,169	4,522,195	3,311,406
\$	79,566,604	\$ 94,230,495	\$ 96,671,578	\$ 83,483,441	\$ 74,918,169	\$ 66,837,195	\$ 58,606,406
	1,417,835	1,466,706	1,518,969	520,029	976,037	1,290,529	1,376,639
\$	56	\$ 64	\$ 64	\$ 161	\$ 77	\$ 52	\$ 43
\$	285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000
	1,417,835	1,466,706	1,518,969	520,029	976,037	1,290,529	1,376,639
\$	201	\$ 194	\$ 188	\$ 548	\$ 292	\$ 221	\$ 207

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

	2014	2015	2016	2017
NET REVENUES				
Operating Revenues	\$ 43,594,101	\$ 44,237,599	\$ 45,738,668	\$ 48,027,140
Interest Income <1>	51,374	10,784	12,280	10,676
TSA (LEO) Reimbursement	292,938	292,000	222,772	138,700
Grant income	-	-	-	-
Improvement Charges	368,400	368,400	368,400	368,400
Total Revenues	\$ 44,306,813	\$ 44,908,783	\$ 46,342,120	\$ 48,544,916
LESS: Total Operating Expenses <2>	(32,323,557)	(31,452,654)	(31,521,233)	(33,373,689)
LESS: Albany County Debt Service	(81,180)	-	-	-
LESS: Authority Share of Funds Remaining	-	-	-	-
LESS: Air Service Incentive Cost to Airport	-	(50,732)	(539,720)	(67,041)
Net Revenues	\$ 11,902,076	\$ 13,405,397	\$ 14,281,167	\$ 15,104,186
DEBT SERVICE				
1999 NYS EFC Revenue Bonds	\$ 453,637	\$ 452,972	\$ 457,308	\$ 455,397
Less: 1999 NYS EFC Interest Subsidy	(22,283)	(19,808)	(16,856)	(13,277)
2003 A Revenue Bonds	474,876	464,391	463,473	118,080
2006 A & B Revenue Bonds	1,102,502	1,103,706	1,098,489	275,865
2006 C Revenue Bonds	403,996	402,588	400,980	99,867
2010 A Refunding Bonds	9,627,239	9,625,169	10,540,689	10,549,011
Less: PFC Revenues used for Debt Service	(4,213,099)	(3,293,320)	(3,608,210)	(3,610,256)
2010 B Refunding Bonds	925,329	924,104	-	-
2017 A & B Refunding Bonds	-	-	-	583,089
2018 A & B Revenue Bonds	-	-	-	913,764
2019 Revenue Bonds	-	-	-	-
2020 A & B Revenue Bonds	-	-	-	-
Net Debt Service	\$ 8,752,197	\$ 9,659,802	\$ 9,335,873	\$ 9,371,540
DEBT SERVICE COVERAGE <3>	1.36	1.39	1.53	1.61
Does not include required amounts held in Bond Reserve Accounts as follows:				
1999 NYS EFC Bonds	\$ 277,389	\$ 277,389	\$ 277,389	\$ 277,389
2003 A Revenue Bonds	514,100	514,100	514,100	-
2006 A & B Revenue Bonds	1,128,600	1,128,600	1,128,600	-
2006 C Revenue Bonds	404,263	404,263	404,263	-
2010 A Refunding Bonds	9,523,517	9,523,517	9,523,517	9,523,517
2017 A & B Refunding Bonds	-	-	-	1,261,495
2018 A & B Revenue Bonds	-	-	-	-
2019 A Revenue Bonds	-	-	-	-
2020 A & B Revenue Bonds	-	-	-	-
Total Bond Reserve Accounts	\$ 11,847,869	\$ 11,847,869	\$ 11,847,869	\$ 11,062,401

<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> 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,**

2017	2018	2019	2020	2021	2022	2023
\$ 48,027,140	\$ 50,829,607	\$ 51,843,389	\$ 30,819,110	\$ 40,477,233	\$ 53,719,872	\$ 53,385,246
10,676	243,269	700,892	181,306	37,269	256,800	1,279,477
138,700	126,921	150,480	139,080	126,921	138,700	138,700
-	174,077	-	10,914,550	4,363,325	-	-
368,400	368,400	368,400	368,400	368,400	368,400	368,400
\$ 48,544,916	\$ 51,742,274	\$ 53,063,161	\$ 42,422,446	\$ 45,373,148	\$ 54,483,772	\$ 55,171,823
(33,373,689)	(36,935,812)	(37,622,202)	(32,620,872)	(34,060,350)	(40,232,987)	(43,517,373)
-	-	-	-	-	-	-
-	-	-	(232,741)	-	-	-
(67,041)	(244,691)	(1,489,603)	(619,410)	(126,162)	(262,824)	(571,357)
\$ 15,104,186	\$ 14,561,771	\$ 13,951,356	\$ 8,949,423	\$ 11,186,636	\$ 13,987,961	\$ 11,083,093
\$ 455,397	\$ 458,514	\$ 441,549	\$ -	\$ -	\$ -	\$ -
(13,277)	(9,241)	(4,803)	-	-	-	-
118,080	-	-	-	-	-	-
275,865	-	-	-	-	-	-
99,867	-	-	-	-	-	-
10,549,011	10,557,831	8,112,581	6,124,250	-	-	-
(3,610,256)	(2,834,913)	(3,763,460)	(4,140,917)	(3,494,931)	(3,639,794)	(3,640,404)
-	-	-	-	-	-	-
583,089	757,375	430,225	1,570,150	2,067,901	1,466,400	1,472,150
913,764	1,203,925	1,130,125	1,474,750	1,471,750	1,473,000	1,473,250
-	-	771,322	556,216	556,150	554,500	552,750
-	-	703,378	1,283,454	6,515,500	6,526,250	6,524,500
\$ 9,371,540	\$ 10,133,491	\$ 7,820,917	\$ 6,867,903	\$ 7,116,370	\$ 6,380,356	\$ 6,382,246
1.61	1.44	1.78	1.30	1.57	2.19	1.74
\$ 277,389	\$ 277,389	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,523,517	9,523,517	9,523,517	-	-	-	-
1,261,495	1,261,495	1,261,496	1,261,496	1,261,496	1,261,496	1,261,496
-	1,475,750	1,475,750	1,475,750	1,475,750	1,475,750	1,475,750
-	-	556,850	556,850	556,850	556,850	556,850
-	-	-	3,948,630	3,948,630	3,948,630	3,948,630
\$ 11,062,401	\$ 12,538,151	\$ 12,817,613	\$ 7,242,726	\$ 7,242,726	\$ 7,242,726	\$ 7,242,726

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

	2022	2020	2020 vs. 2010	2010	2010 vs. 2000	2000
<u>PRIMARY TRADE AREA</u>						
State of New York						
Albany County	315,811	313,987	3.2%	304,204	3.3%	294,565
Columbia County	61,286	61,403	-2.7%	63,096	0.0%	63,094
Fulton County	52,669	53,132	-4.3%	55,531	0.8%	55,073
Greene County	48,061	47,912	-2.7%	49,221	2.1%	48,195
Montgomery County	49,623	49,485	-1.5%	50,219	1.0%	49,708
Rensselaer County	159,853	160,900	0.9%	159,429	4.5%	152,538
Saratoga County	238,797	235,794	7.4%	219,607	9.5%	200,635
Schenectady County	160,093	159,315	3.0%	154,727	5.6%	146,555
Schoharie County	30,063	29,752	-9.2%	32,749	3.7%	31,582
Warren County	65,599	65,638	-0.1%	65,707	3.8%	63,303
Washington County	60,956	65,618	3.8%	63,216	3.6%	61,042
State of Massachusetts						
Berkshire County	127,859	128,774	-1.9%	131,219	-2.8%	134,953
State of Vermont						
Bennington County	37,392	37,300	0.5%	37,125	0.4%	36,994
PRIMARY TRADE AREA	1,408,062	1,409,010	1.7%	1,386,050	3.6%	1,338,237
<u>SECONDARY TRADE AREA</u>						
State of New York						
Delaware County	44,740	44,221	-7.8%	47,980	-0.2%	48,055
Dutchess County	297,545	295,398	-0.7%	297,488	6.2%	280,150
Essex County	36,910	37,326	-5.2%	39,370	1.3%	38,851
Hamilton County	5,118	5,073	4.9%	4,836	-10.1%	5,379
Herkimer County	59,822	60,024	-7.0%	64,519	0.1%	64,427
Otsego County	60,636	58,377	-6.2%	62,259	0.9%	61,676
Ulster County	182,319	181,627	-0.5%	182,493	2.7%	177,749
State of Connecticut						
Litchfield County	185,000	184,874	-2.7%	189,927	4.2%	182,193
State of Massachusetts						
Franklin County	70,894	70,930	-0.6%	71,372	-0.2%	71,535
Hampden County	461,041	464,407	0.2%	463,490	1.6%	456,228
Hampshire County	162,588	146,592	-7.3%	158,080	3.8%	152,251
State of Vermont						
Addison County	37,578	37,343	1.4%	36,821	2.4%	35,974
Rutland County	60,366	60,477	-1.9%	61,642	-2.8%	63,400
Windham County	45,842	45,850	3.0%	44,513	0.7%	44,216
Windsor County	58,142	57,744	1.9%	56,670	-1.3%	57,418
SECONDARY TRADE AREA	1,768,541	1,750,263	-1.8%	1,781,460	2.4%	1,739,502
TOTAL PRIMARY AND SECONDARY TRADE AREA POPULATION	3,176,603	3,159,273	-0.3%	3,167,510	2.9%	3,077,739
State of New York	19,677,151	20,108,296	3.8%	19,378,102	2.1%	18,976,457
United States	333,287,557	331,511,512	7.4%	308,745,538	9.4%	282,171,936

Sources: U.S. Department of Commerce, Bureau of the Census

**Albany International Airport
Largest Private-Sector Employers in Primary Air Trade Area**

Rank	Employer	Industry	Employees 2023
1	Albany Med Health System	Health Care	15,165
2	St. Peter's Health Partners	Health Care	10,989
3	Northeast Grocery Inc.	Retail Grocery, Headquarters, and Dist. Center	8,075
4	Hannaford Supermarkets	Retail Grocery	5,000
5	General Electric Company	Energy, Research, Industrial	4,000
6	Stewart's Shops Corp.	Dairy Products/Convenience Stores	3,418
7	Regeneron Pharmaceuticals Inc.	Health Services	3,100
8	Ellis Medicine	Health Care	2,900
9	Global Foundries	Semiconductor Manufacturing	2,600
10	Community Care Physicians	Health Care	1,805
11	Center for Disability Services	Health Care	1,764
12	Rensselaer Polytechnic Institute	Educational Services	1,743
13	Empire Blue Cross/Blue Shield	Health Insurance	1,556
14	St Mary's Healthcare	Health Care	1,210
15	Charter Communications	Communications	1,136
16	CDPHP	Health Insurance Carrier	1,100

N/A - Not Available
Sources: Various

**Albany International Airport
Colleges and Universities in Primary Air Trade Area**

Name	County	Public/Private	Enrollment	
			2023	2014
State University of New York at Albany	Albany	Public	16,658	18,126
Excelsior College	Albany	Private	15,833	33,057
SUNY Empire State College	Albany	Public	9,407	11,104
Hudson Valley Comm. College	Rensselaer	Public	9,140	12,787
Rensselaer Polytechnic Institute	Rensselaer	Private	6,968	7,417
College Of Saint Rose	Albany	Private	4,442	6,102
Schenectady Comm. College	Schenectady	Public	3,657	5,128
Siena College	Albany	Private	3,648	3,305
Skidmore College	Saratoga	Private	2,758	2,484
SUNY Adirondack	Warren	Public	2,662	3,536
The Sage Colleges	Rensselaer	Private	2,159	2,635
Williams College	Berkshire, MA	Private	2,150	2,150
Union College	Schenectady	Private	2,107	2,240
SUNY Polytechnic	Albany	Public	1,982	N/A
Massachusetts College of Liberal Arts	Berkshire, MA	Public	1,925	1,925
Fulton-Montgomery Comm. College	Fulton-Montgomery	Public	1,812	2,400
SUNY College of Agriculture & Tech at Cobleskill	Schoharie	Public	1,783	2,453
Empire Education Corp	Albany	Private	1,702	N/A
Columbia-Greene Comm. College	Columbia-Greene	Public	1,447	1,840
Albany College Of Pharmacy	Albany	Private	930	1,536
Albany Medical College	Albany	Private	837	758
Maria College	Albany	Private	805	775
Mildred Elley	Albany	Private	683	541
Albany Law School	Albany	Private	643	793
Southern Vermont College	Bennington, VT	Public	475	500
Union Graduate College	Schenectady	Private	438	400
Bard College at Simon's Rock	Berkshire, MA	Private	420	420
Bennington College	Bennington, VT	Private	400	600
Bryant & Stratton Business Institute	Albany	Private	296	689
Samaritan Hospital School of Nursing	Rensselaer	Private	133	163
Memorial Hospital School of Nursing	Albany	Private	129	126
Ellis Hospital School of Nursing	Albany	Private	119	155
New School Center for Media	Albany	Private	80	80
			<u>98,628</u>	<u>126,225</u>

N/A - Not Available
Sources: Various

**Albany International Airport
Airport Information
As of December 31,**

Airport Code:	ALB		
Location:	7 miles Northwest of downtown Albany, New York, the capital of the State of New York		
Elevation:	285 ft.		
International:	Customs / Immigration F.I.S. Facility		
Tower:	TRACON 24 / 7 - 365		
FBO:	Million Air		
		2014	2023
Acres (+/-):		1,171	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.	90,623	91,484
	Tenants - sq. ft.	44,320	44,501
	Public/Common - sq. ft.	104,426	103,509
	Mechanical - sq. ft.	50,916	50,794
	Total - sq. ft.	290,285	290,288
Number of passenger gates		21	21
Number of loading bridges		16	14
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	1,912	2,912
	Short-term	222	181
	Long-term	1,278	1,880
	Economy	2,246	2,763
	Rental Cars	307	307
	Employees	537	336
Total		6,502	8,379
Cargo:	Air Cargo Building - sq. ft.	50,500	50,500
Employees:	Authority	24.0	20.0
	Airport Operations	154.5	138.00
	Fixed Based Operator	35.0	33.0
	Total	213.5	191.00

**Albany International Airport
Enplaned Passengers
2014-2023**

AIRLINE	2023	Percent of Total 2023	2022	Percent of Total 2022	2021
Southwest Airlines	450,081	32.7%	365,474	28.3%	319,869
Delta Airlines	157,889	11.5%	134,888	10.5%	96,631
American Airlines	134,842	9.8%	115,598	9.0%	49,026
United Airlines	104,000	7.6%	83,426	6.5%	26,980
Jet Blue	86,637	6.3%	90,792	7.0%	75,211
Allegiant Air	83,013	6.0%	71,337	5.5%	50,033
Delta Connection (Endeavor)	76,543	5.6%	63,726	4.9%	46,195
American Eagle (PSA)	69,804	5.1%	64,368	5.0%	67,978
American Eagle (Piedmont)	67,234	4.9%	58,831	4.6%	60,644
United Express (Commutair)	49,733	3.6%	45,739	3.5%	48,722
Delta Connection (SkyWest)	34,585	2.5%	61,586	4.8%	11,283
United Express (Republic)	25,006	1.8%	30,105	2.3%	9,234
United Express (Go Jet)	10,324	0.7%	13,665	1.1%	18,761
Delta Connection (Republic)	4,904	0.4%	38	0.0%	7,033
American Eagle (Envoy)	4,623	0.3%	26,184	2.0%	7,086
United Express (SkyWest)	4,583	0.3%	5,738	0.4%	8,368
American Eagle (Republic)	4,481	0.3%	11,863	0.9%	29,136
American Eagle (Air Wisconsin)	3,277	0.2%			
United Express (Air Wisconsin)	2,336	0.2%	3,578	0.3%	2,899
American Eagle (SkyWest)	1,704	0.1%	4,034	0.3%	8,706
United Express (Mesa)	29	0.0%			
Frontier Airlines			38,284	3.0%	31,693
United Express (Express Jet)					
United Express (Transtates)					
Delta Connection (Go Jet)					
Cape Air					
American Eagle (Transtates)					
OneJet					
Elite Airways					
Boutique Air					
Delta Connection (Express Jet)					
United Express (Shuttle America)					
Delta Connection (Shuttle America)					
Delta Connection (Compass)					
American Eagle (Mesa)					
Delta Connection (Chautauqua)					
United Express (Chautauqua)					
Sub Total	1,375,628	99.9%	1,289,254	99.9%	975,488
Charters	1,011	0.1%	1,275	0.1%	549
TOTAL	1,376,639	100.0%	1,290,529	100.0%	976,037

Source: Albany County Airport Authority

**Albany International Airport
Enplaned Passengers
2014-2023**

2020	2019	2018	2017	2016	2015	2014
174,133	488,147	565,731	566,801	569,101	557,183	525,585
37,667	171,022	164,105	173,086	158,638	160,607	112,905
45,182	96,650	109,476	115,904	115,298	101,734	84,127
9,332	104,868	92,342	83,366	95,299	85,743	69,742
29,793	92,149	89,609	90,744	87,036	5,492	
28,588	78,107	3,635				
18,904	14,753	10,109	19,527	39,496	29,856	42,722
13,080	57,755	48,234	38,262	23,360	1,170	1,168
38,271	92,085	51,098	56,509	32,788	10,851	12,474
32,102	87,554	96,702	80,981	72,990	62,159	5,107
13,190	51,147	31,211	27,157	4,336		
3,057	853	4,078	185	286	8,354	30,259
282	658	1,162	13,964	5,185	15,459	13,390
	155					
13,545	27,306	43,436	37,949	33,591		
9,113	5,426	15,390	17,881	14,603	4,862	5,258
17,358	11,002	44,001	19,831	38,616	91,520	86,721
		313	34,044	52,701	68,805	62,440
10,652	17,488	10,683				
6,599	27,580		92	1,946		
252	5,812	4,448	8,122	10,653	25,002	11,165
16,739	60,804	11,123				
1,475	7,019	9,312	3,593	10,964	16,517	21,713
50	1,418	11,255	4,644	4,059	1,162	
	13,739	22,203	3,651	4,768		756
	3,275	11,777	12,966	16,090	16,119	16,802
		8,177	3,980			
		3,964	989			
		1,044				
		827	1,852			
			524	13,525	26,626	38,219
			115	65	41	
				1,611	6,473	64
					1,632	4,265
					382	21,135
						14,558
						3,401
519,364	1,516,772	1,465,445	1,416,719	1,407,005	1,297,749	1,183,976
665	2,297	1,261	1,116	429	461	1,009
520,029	1,519,069	1,466,706	1,417,835	1,407,434	1,298,210	1,184,985

**Albany International Airport
Landed Weights
2014-2023**

Commercial Carriers	2023	Percent of Total 2023	2022	Percent of Total 2022	2021
Southwest Airlines	475,359,502	27.8%	378,302,300	23.2%	333,567,995
Delta Airlines	246,428,072	14.4%	214,614,613	13.2%	108,233,599
American Airlines	138,501,553	8.1%	129,482,907	7.9%	54,674,892
United Airlines	120,016,876	7.0%	99,606,972	6.1%	30,980,057
Jet Blue	90,377,883	5.3%	92,092,433	5.6%	82,397,589
American Eagle (PSA)	88,034,598	5.1%	88,835,105	5.4%	81,230,303
Allegiant Air	78,500,799	4.6%	67,927,459	4.2%	51,877,867
American Eagle (Piedmont)	69,272,553	4.0%	58,665,601	3.6%	67,133,700
United Express (Republic)	51,842,134	3.0%	42,841,207	2.6%	11,670,387
United Express (Commutair)	47,828,000	2.8%	47,564,000	2.9%	54,296,000
Delta Connection (Endeavor)	42,721,904	2.5%	26,971,802	1.7%	57,227,300
Delta Connection (Sky West)	41,758,359	2.4%	75,081,861	4.6%	13,908,099
United Express (Go Jet)	14,884,000	0.9%	19,276,000	1.2%	26,291,000
American Eagle (Republic)	6,295,799	0.4%	17,824,901	1.1%	33,952,352
American Eagle (Envoy)	5,585,792	0.3%	29,840,261	1.8%	7,644,899
United Express (SkyWest)	5,080,206	0.3%	6,343,388	0.4%	12,075,108
American Eagle (Air Wisconsin)	3,290,000	0.2%			
Charters	2,926,004	0.2%	3,013,912	0.2%	4,338,054
United Express (Air Wisconsin)	2,397,000	0.1%	3,948,000	0.2%	2,444,000
American Eagle (SkyWest)	2,010,000	0.1%	4,690,000	0.3%	10,787,000
Delta Connection (Republic)	1,948,883	0.1%	821,884	0.1%	14,695,958
United Express (Mesa)	150,000	0.0%			
Frontier Airlines			41,717,184	2.6%	37,460,128
Cape Air					
Delta Connection (Go Jet)					
United Express (Express Jet)					
United Express (Transtates)					
OneJet					
American Eagle (Transtates)					
Boutique Air					
Elite Airways					
Delta Connection (Express Jet)					
Delta Connection (Shuttle America)					
United Express (Shuttle America)					
Delta Connection (Compass)					
American Eagle (Mesa)					
Delta Connection (Chautauqua)					
United Express (Chautauqua)					
	1,535,209,917	89.7%	1,449,461,790	88.8%	1,096,886,287
Cargo Carriers					
United Parcel Service	119,945,840	7.0%	123,034,881	7.5%	122,675,761
Federal Express	49,698,000	2.9%	50,292,000	3.1%	54,846,000
Ameriflight	4,051,304	0.2%	4,121,596	0.3%	5,333,131
Wiggins Airways	2,711,500	0.2%	5,091,500	0.3%	6,466,365
Mountain Air Cargo	25,500	0.0%		0.0%	
	176,432,144	10.3%	182,539,977	11.2%	189,321,257
Grand Total	1,711,642,061	100.0%	1,632,001,767	100.0%	1,286,207,544

Source: Albany County Airport Authority

**Albany International Airport
Landed Weights
2014-2023**

2020	2019	2018	2017	2016	2015	2014
323,968,000	500,895,200	571,924,399	579,923,601	586,092,000	563,978,000	564,078,000
63,701,610	193,329,310	185,285,718	197,829,323	183,615,710	182,901,118	127,177,598
73,424,515	115,775,436	129,717,613	142,955,406	139,386,707	114,046,440	91,538,758
22,688,482	130,077,387	111,690,471	96,782,482	126,927,674	107,841,768	85,883,301
48,480,223	105,034,143	103,377,946	102,628,355	104,956,520	6,256,712	
20,267,607	65,256,809	60,450,498	48,282,802	29,126,003	1,476,401	1,157,201
45,431,430	84,122,513	3,884,529				
60,629,849	94,895,104	52,247,399	61,141,955	39,101,103	12,780,307	14,116,804
5,907,531	1,343,937	4,861,628	291,898	522,057	9,052,000	104,824,601
49,852,000	96,448,000	103,927,006	96,037,006	83,099,012	73,147,505	62,790,000
49,483,908	16,654,910	12,478,297	21,488,406	42,351,100	32,467,901	46,824,798
20,571,505	58,877,612	34,467,201	29,942,300	4,573,100		
549,000	670,000	1,273,000	14,472,000	5,427,000	16,214,000	15,075,000
26,382,407	13,263,507	54,108,619	24,958,355	50,137,054	102,046,749	31,496,000
23,510,259	32,802,755	53,400,168	48,111,665	42,416,420		
18,969,872	6,227,313	17,178,060	18,891,990	14,888,118	4,856,000	5,511,000
		423,000	38,399,000	63,497,000	78,396,000	69,325,000
1,901,672	5,514,002	2,964,555	2,376,000	1,012,000	1,164,000	2,756,784
14,053,000	18,659,000	11,562,000				
11,926,000	34,103,000	67,000	134,000	2,867,000		
	514,116	514,123	291,888			
603,000	6,432,000	4,623,000	8,860,000	11,524,000	26,666,000	12,328,000
25,711,365	54,948,790	11,049,772				
	4,644,301	14,261,700	15,933,102	20,413,009	21,029,502	21,029,500
	16,331,904	24,185,598	3,791,201	5,261,399	201,000	1,072,000
1,999,570	9,487,770	11,104,057	4,112,026	11,818,840	16,833,427	22,487,074
44,092	1,489,869	11,342,682	4,305,591	4,156,332	1,241,634	
		11,115,418	3,336,049			
		8,162,550	4,146,748			
		2,489,923	4,934,982			
		2,182,000				
		67,000	911,502	15,960,701	30,950,102	41,728,699
			147,268	1,489,218	6,601,260	72,310
			144,623	72,311	144,624	
					1,824,972	4,996,736
					588,003	24,402,000
						13,828,429
						3,574,118
910,056,897	1,667,798,688	1,616,386,930	1,575,561,524	1,590,691,388	1,412,705,425	1,368,073,711
110,128,000	103,060,000	102,199,838	102,618,000	103,574,000	100,192,000	101,441,920
51,876,000	53,262,000	51,876,000	50,420,000	51,084,000	50,886,000	51,480,000
4,839,121	4,390,800	4,670,805	4,233,647	4,100,650	4,273,641	4,066,902
4,326,509	7,182,500	9,163,514	10,166,496	9,992,302	7,471,500	7,493,598
831,680						
172,001,310	167,895,300	167,910,157	167,438,143	168,750,952	162,823,141	164,482,420
1,082,058,207	1,835,693,988	1,784,297,087	1,742,999,667	1,759,442,340	1,575,528,566	1,532,556,131

**Albany International Airport
Aircraft Operations
2014-2023**

Commercial Carriers	2023	Percent of Total 2023	2022	Percent of Total 2022	2021
Southwest Airlines	6,700	20.6%	5,426	16.7%	4,890
American Eagle (Piedmont)	3,174	9.8%	2,688	8.3%	3,076
Delta Connection (Endeavor)	2,736	8.4%	2,478	7.6%	1,610
American Eagle (PSA)	2,566	7.9%	2,550	7.9%	2,308
Delta Airlines	2,418	7.4%	2,112	6.5%	1,664
United Express (Commutair)	2,174	6.7%	2,162	6.7%	2,468
American Airlines	2,003	6.2%	1,794	5.5%	778
United Airlines	1,566	4.8%	1,334	4.1%	418
United Express (Republic)	1,398	4.3%	1,168	3.6%	418
Jet Blue	1,290	4.0%	1,334	4.1%	1,258
Delta Connection (Sky West)	1,112	3.4%	2,004	6.2%	372
Allegiant Airlines	1,104	3.4%	958	3.0%	724
United Express (Go Jet)	488	1.5%			
Delta Connection (Republic)	186	0.6%	24	0.1%	396
American Eagle (Republic)	168	0.5%	476	1.5%	906
American Eagle (Envoy)	158	0.5%	884	2.7%	204
American Eagle (Air Wisconsin)	140	0.4%			
United Express (SkyWest)	138	0.4%	170	0.5%	350
United Express (Air Wisconsin)	102	0.3%	168	0.5%	138
American Eagle (SkyWest)	60	0.2%	140	0.4%	322
Charters	36	0.1%	54	0.2%	38
United Express (Mesa)	4	0.0%			
United Express (Express Jet)			632	1.9%	862
Frontier Airlines			558	1.7%	498
American Eagle (Transtates)					
Boutique Air					
Cape Air					
Delta Connection (Express Jet)					
Delta Connection (Go Jet)					
Delta Connection (Shuttle America)					
Elite Airways					
OneJet					
United Express (Transtates)					
United Express (Shuttle America)					
Delta Connection (Compass)					
American Eagle (Mesa)					
Delta Connection (Chautauqua)					
United Express (Chautauqua)					
	29,721	91.6%	29,114	89.6%	23,698
Cargo Carriers					
United Parcel Service	1,114	3.4%	1,128	3.5%	1,162
Wiggins Airways	638	2.0%	1,198	3.7%	1,216
Federal Express	502	1.5%	508	1.6%	554
Ameriflight	484	1.5%	512	1.6%	486
Mountain Air Cargo	6	0.0%			
	2,744	8.4%	3,346	10.4%	3,418
Grand Total	32,465	100.0%	32,460	100.0%	27,116

Source: Albany County Airport Authority

**Albany International Airport
Aircraft Operations
2014-2023**

2020	2019	2018	2017	2016	2015	2014
4,558	7,524	8,586	8,864	8,900	8,632	8,710
2,092	4,384	4,730	4,946	4,396	3,960	3,380
302	1,738	578	610	530	176	226
		2,292	1,506	864	40	46
1,172	446	496	188	540	768	1,022
2,552	4,348	1,568	1,446	1,510		
690	948	744	424			
916	2,838	2,770	3,040	2,792	2,718	1,842
	1,018	92				
602	1,206	2,394	2,946	1,902	754	832
644	1,478	706	112	144	6	32
574		1,222	1,134	190		
	466	48	38	16	48	58
	20	360	802	1,514	1,048	1,696
1,050	1,660	1,466	1,330	1,636	1,428	1,186
546	2,450	492				
	14	18	1,634	2,702	3,336	2,950
14	192	138	264	344	796	368
522	1,588	518	196	190	58	
90	432	56				
			4	2	4	
2	68	130	8	14	292	1,016
104	36	14	8			
356	354	2	26	502	940	1,350
554	240	374	190			
		502	978			
594	794	1,444	666	1,346	2,760	2,838
		38	432	162	484	450
324	760	1,848	2,060	2,010	1,576	1,380
		2	4	122		
		1,454	1,446	1,476	88	
		156				
	1,356	4,164	4,652	5,960	6,140	6,140
			4	70	300	2
					50	134
					16	664
						650
						168
18,258	36,358	39,402	39,958	39,834	36,418	37,140
860	904	886	974	982	952	964
944	1,690	2,154	2,390	2,350	1,758	1,760
480	538	524	508	476	514	520
498	546	584	534	456	550	526
14						
2,796	3,678	4,148	4,406	4,264	3,774	3,770
21,054	40,036	43,550	44,364	44,098	40,192	40,910

**Albany International Airport
Aircraft Operations
2014-2023**

Year	Airlines	Cargo	General Aviation	Military	Total
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	3,750	17,608	2,944	60,748
2020	19,604	3,174	16,414	3,487	42,679
2021	23,751	3,418	17,441	3,239	47,849
2022	33,267	3,346	14,521	2,592	53,726
2023	34,046	2,744	14,647	2,173	53,610

Albany International Airport
Airlines Serving the Albany International Airport

MAJORS / NATIONALS

Allegiant Air
American Airlines
Delta Air Lines
Jet Blue Airways
Southwest Airlines
United Airlines

REGIONAL / COMMUTERS

CommutAir d/b/a United Express
Endeavor d/b/a Delta Connection
Envoy d/b/a American Eagle
Go Jet d/b/a United Express
Piedmont d/b/a American Eagle
PSA d/b/a American Eagle
Republic d/b/a American Eagle
Republic d/b/a Delta Connection
Republic d/b/a United Express
Sky West d/b/a Delta Connection

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
Allegiant	Myrtle Beach (MYR) Nashville (BNA) Orlando (SFB) Punta Gorda (PGD) St. Pete–Clearwater (PIE)
American	Charlotte (CLT) Chicago O'Hare (ORD) Dallas/Ft. Worth (DFW) Miami (MIA) * Philadelphia (PHL) Washington National (DCA)
Delta	Atlanta (ATL) Detroit (DTW) New York LaGuardia (LGA)
JetBlue	Fort Lauderdale (FLL) Orlando (MCO)
Southwest	Baltimore (BWI) Chicago Midway (MDW) Denver (DEN) * Fort Lauderdale (FLL) * Orlando (MCO) Tampa (TPA)
United	Chicago O'Hare (ORD) Newark (EWR) Washington Dulles (IAD)

* Indicates seasonal service

As of December 2023

Albany International Airport
Top 20 Primary Origination and Destination Passenger Markets

2023 Rank	Market	Length	2023 Passengers	2022 Passengers	2014 Passengers
1	Orlando (1)	MH	297,750	312,825	191,976
2	Southeast Florida (2)	MH	192,007	195,982	153,672
3	Chicago (4)	MH	127,825	126,580	114,819
4	Tampa (3)	MH	125,772	134,510	121,736
5	Atlanta	MH	96,085	96,517	74,786
6	Washington, DC (6)	SH	83,876	64,911	84,674
7	Denver	MH	74,564	83,324	54,598
8	Fort Myers (5)	MH	73,768	77,751	39,416
9	Charlotte	SH	70,397	67,029	63,406
10	Nashville	MH	62,554	49,227	24,559
11	Baltimore	SH	62,140	57,632	113,466
12	Los Angeles	LH	54,675	50,578	56,259
13	Dallas/Fort Worth	MH	50,099	45,321	41,275
14	Myrtle Beach	MH	49,206	37,941	9,750
15	Phoenix	LH	47,446	44,404	41,428
16	Las Vegas	LH	46,247	49,233	85,046
17	Detroit	MH	40,222	38,621	32,912
18	Houston	MH	39,257	36,485	35,750
19	Raleigh/Durham	SH	38,293	41,561	34,047
20	San Francisco	LH	38,103	37,265	54,993

*** Notes:**

SH Short Haul = 0 to 600 miles

MH Medium Haul = 601 to 1,800 miles

LH Long Haul = over 1,801 miles

This page intentionally left blank

DRAFT

Compliance

DRAFT

**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 (*Government Auditing Standards*), 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, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated _____, 2024.

Report on 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) as a basis for designing 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 Authority'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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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
_____, 2024

DRAFT

Albany County Airport Authority
Schedule of Expenditures of Federal and NYS DOT Financial Assistance
For the Year Ended December 31, 2023

Federal Project Number	NYS Project Number	Federal * Percent Participation	Description of Project	Assistance Listing Number	Total Grant Amount		Year Ended 12/31/23 Expenditures	
					Federal	State	Federal	State
<u>CAPITAL CONTRIBUTIONS:</u>								
Direct Award - U.S. Department of Transportation Federal Aviation Administration Airport Improvement Program								
137-18	1A00.26	95.00%	Runway 10-28 and Taxiway C Design	20.106	\$ 159,975	\$ 8,888	\$ -	100
141-20	N/A	100.00%	Airport Master Plan	20.106	751,154	N/A	300,088	-
147-21	N/A	100.00%	Acquire Replacement Snow Removal Equipment	20.106	1,537,635	N/A	949,635	-
148-21	N/A	100.00%	Terminal Checkpoint Expansion	20.106	12,113,224	N/A	207,136	-
150-22	1A00.30	90.00%	Rehabilitate Runway 10-28 and associated Taxiways	20.106	7,144,824	396,935	3,395,539	188,641
151-23	N/A	90.00%	Replace Air Traffic Control Tower HVAC and base building HVAC and Roof	20.106	2,000,000	N/A	466,830	-
BIL-AIG	N/A	100.00%	Terminal Checkpoint Expansion	20.106	27,886,776	N/A	1,157,285	-
TBD	TBD	90.00%	Runway 1-19 Rehabilitation and Lighting upgrades	20.106	TBD	TBD	199,599	11,089
Direct Award - U.S. Department of Homeland Security, Transportation Security Administration								
	N/A	100.00%	In-Line Checked Baggage Inspection System OTA Number 70T04023T7672N006	97.100	868,554	N/A	122,363	-
Direct Award - New York State Department of Transportation								
	1A00.95	N/A	Upstate Economic Development and Revitalization Grant Program		N/A	60,000,000	-	9,931,290
TOTAL CAPITAL CONTRIBUTIONS					\$ 52,462,142	\$ 60,405,823	\$ 6,798,475	\$ 10,131,120
<u>NON-OPERATING GRANTS:</u>								
Direct Award - U.S. Department of Transportation Federal Aviation Administration								
144-21	N/A	100.00%	COVID-19 Airports Coronavirus Response Grant Program	20.106	\$ 5,093,917	N/A	\$ 5,093,917	\$ -
Direct Award - U.S. Department of Homeland Security								
	N/A	N/A	TSA Law Enforcement Officer Cooperative Agreement	97.090	172,900	N/A	138,700	\$ -
TOTAL NON-OPERATING GRANTS					\$ 5,266,817	\$ -	\$ 5,232,617	\$ -
GRAND TOTAL					\$ 57,728,959	\$ 60,405,823	\$ 12,031,092	\$ 10,131,120

(*) The remaining percentage is shared equally between the State of New York and the Authority.
See accompanying Notes to Schedule 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, 2023

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 (Assistance Listing #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, 2023. 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

Opinion on 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 identified as subject to audit 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, 2023. 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.

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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules, and provisions of contract grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of 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 Auditor's Responsibility for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Latham, NY
_____, 2024

DRAFT

**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

Opinion

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 identified as subject to audit 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, 2023.

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, 2023.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the *Preliminary Draft Part 43 of NYCRR*. Our responsibilities under those standards and the NYCRR are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the state transportation assistance program. Our audit does not provide a legal determination of the Authority’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, regulations, rules, and provisions of contract grant agreements applicable to the state transportation assistance program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *Preliminary Draft Part 43 of NYCRR* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the state transportation assistance program as a whole.

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

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses in internal control over compliance may exist that were not 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
_____, 2024

DRAFT

Albany County Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

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 (Assistance Listing #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, 2023.
8. The dollar threshold used to distinguish between Type A and B programs was \$750,000.
9. The Albany County Airport Authority was considered a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

NONE

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AND NYS DOT AWARD PROGRAM AUDIT

NONE

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE
FOR THE PASSENGER FACILITY CHARGE PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE FEDERAL AVIATION ADMINISTRATION**

To the Members
Albany County Airport Authority

Report on Compliance

Opinion

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 identified as subject to audit in the *Passenger Facility Charge Audit Guide for Public Agencies* (Guide), issued by the Federal Aviation Administration, that could have a direct and material effect on its Passenger Facility Charge Program for the year ended December 31, 2023.

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that are applicable to its Passenger Facility Charge Program for the year ended December 31, 2023.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the Guide. Our responsibilities under those standards and the Guide are further described in the Auditor’s Responsibilities for Audit of Compliance section of the report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the state transportation assistance program. Our audit does not provide a legal determination of the Authority’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal controls over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contract grant agreements applicable to its Passenger Facility Charge Program.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. Accordingly, this report is not suitable for any other purpose.

Latham, NY
_____, 2024

DRAFT

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

For the Year Ended December 31, 2023

Quarter Ended	PFC Charges Received	Interest Earned	Total Received	Expenditures on Approved Projects	
Beginning Balance	\$ 118,154,498	\$ 3,326,781	\$ 121,481,279	\$ 113,238,191	\$ 8,243,088
1/31/2023	1,155,018	53,652	1,208,670	910,101	
3/31/2023	1,696,675	64,310	1,760,985	910,101	
6/30/2023	1,133,729	74,516	1,208,245	1,205,026	
12/31/2023	1,376,645	102,798	1,479,443	1,099,111	
Total 2023	5,362,067	295,276	5,657,343	4,124,339	1,533,004
Total Program to Date	\$ 123,516,565	\$ 3,622,057	\$ 127,138,622	\$ 117,362,530	

PFC Funds to be used for future debt service payments and project disbursements:

\$ 9,776,092

Reconciliation of cash basis above to accrual basis in the financial statements:

PFC and Interest Received	12/31/22 PFC Receivable	12/31/2023 PFC Receivable	PFC Net Income Per Financials
\$ 5,657,343	\$ (563,927)	\$ 605,901	\$ 5,699,317

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, 2023. 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 to the PFC collection from \$3.00 per passenger to \$4.50 per passenger, with a current estimated collection period through July 1, 2027.

B. Basis of Accounting

The top schedule above was prepared on an cash 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, 2023**

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

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.

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 Scouting Insurance Agency located in Scotia, New York.

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.

Tom Nardacci is the Founder & CEO of Aurelius Coworks, a socially responsible development company that builds, owns and operates coworking communities, flexible workspace and startup ecosystems. He opened Troy Innovation Garage in 2017, Bull Moose Club in Albany in 2018 and Westway Club in Providence, R.I. in 2020. Aurelius also operates and manages spaces for other organizations and provides consulting services. Tom exited his first company in 2021, a leading New York public affairs firm called Gramercy, when he sold to The Martin Group, which Hearst Newspapers is a strategic investor. He is a Senior Advisor to the firm. Tom has been an active community volunteer for many years, and is the recipient of numerous awards and honors. He was named by *City & State* to its Power 50 list, 40 under 40 by the *Business Review*, Creative Spirit Award from the Arts Center of the Capital Region, New Patroon Award from The Albany Roundtable, and the Hall of Fame of the Boys & Girls Clubs of Southern Rensselaer County, to name a few. Tom is a graduate of Syracuse University and Columbia University.

John-Raphael Pichardo was born and raised in the Hudson Valley of NY. He currently serves as Research Counsel of the City of Albany Common Council and is the owner of his own general service law firm where he places an emphasis in immigration, labor & employment, real estate, and assists small businesses and entrepreneurs alike. John-Raphael graduated in 2012 from the University at Albany, SUNY with a B.A. in Political Science and Minor in Music. In 2015, John-Raphael received his J.D. from Quinnipiac University School of Law with a concentration in Tax Law in North Haven, Connecticut. During his time at law school, John-Raphael served as the Northeast Regional Chair of the National Black Law Student Association overseeing all the 32 chapters of Northeast region and was a founding member of the Quinnipiac Chapter of Latino Law Student Association. Prior to starting his own law firm, John-Raphael worked as a Court Attorney in New York City Housing Court. He then served as a Law Clerk for the New York State Department of Labor where he prosecuted employers throughout the State for improper payment of wages and retaliation. Prior to starting law school, he had the distinct honor of serving as a Session Assistant to State Senator Liz Krueger in 2012. In his spare time, John-Raphael likes to be physically active by working out or doing outdoor calisthenics. He is also a classically trained opera singer.

Janet Thayer is an attorney practicing in the areas of trusts and estates, elder law, commercial and residential real estate, and business law as Of Counsel with Vella, Carbone & Associates, LLP. She also has practiced as a sole practitioner, an in-house counsel for Albany Medical Center and an associate counsel at the State University of New York. In 2022, she retired from the University at Albany Campus as Senior Managing Counsel having received UA President's Award for Outstanding Service and the SUNY Chancellor's Award for Outstanding Service. Janet has taught as an adjunct lecturer at two local colleges, and she lectures at continuing legal education seminars and other public forums. Janet received a Bachelor of Arts degree in History, magna cum laude, from Wheaton College, in Norton, Massachusetts in 1985. She received a law degree from Albany Law School of Union University, Albany, New York in 1988. She has served on the Zoning Board of Appeals for the Town of Guilderland, as an Assistant Town Attorney for the Town of Guilderland, and as a member of the Character Committee for the Third Judicial District. Janet is also a licensed private pilot. Janet currently resides in Guilderland with her husband and has three adult stepchildren.

Biographies of the Albany County Airport Authority Senior Staff

Philip F. Calderone, Esq., 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 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, AAE 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.

DRAFT



Albany County Airport Authority

737 Albany Shaker Rd

Main Terminal Suite 300

Albany, NY 12211



2023

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

Year Ended December 31, 2023

MARCH 18, 2024



FRASCA & ASSOCIATES, LLC

521 MADISON AVENUE, SEVENTH FLOOR
NEW YORK, NY 10022
TEL: 212 355-4050

March 6, 2024

Members of the Albany County Airport Authority
Administration Building, 2nd Floor
Albany International Airport

RE: Rates and Charges Settlement and Revenue Sharing Transfer Calculation for Fiscal Year 2023

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 2023 to assess its accuracy, completeness, and conformity with requirements. In connection with this review of the 2023 Settlement Report, we examined the 2023 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 2023 Settlement Report.

We found the operating revenues and operating expenses presented in the 2023 Settlement Report to be in agreement with the Authority's Annual Comprehensive Financial Report for the year ended December 31, 2023, and with the 2023 Settlement Calculation. We believe the methodology used in the 2023 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.

Sincerely,

David Neyer
Vice President

ALBANY COUNTY AIRPORT AUTHORITY ALBANY INTERNATIONAL AIRPORT

INTRODUCTION

This report presents the 2023 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. In 2020, due to COVID, the Authority offered an extension of a one-year term ending December 31, 2021 and two one-year options and one two-year option extensions. 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 2023, there were a total of six signatory passenger carriers, sixteen signatory affiliate carriers, and two signatory cargo carriers operating at the Airport.

Overview:

Airport revenues and expenses in 2023 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:

	2023 Actual	2022 Actual	2023 vs. 2022	% inc/ (dec)	2023 Budget	2023 vs. Budget	% inc/ (dec)
Enplanements	1,376,639	1,290,529	86,110	6.7%	1,425,000	(48,361)	-3.4%
Passenger Landed Weight (M-lbs)	1,535,209	1,449,462	85,747	5.9%	1,335,000	200,209	15.0%
Cargo Landed Weight (M-lbs)	176,432	182,540	(6,108)	-3.3%	177,000	(568)	-0.3%

The results for 2023 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)	\$62,791,732	\$65,512,941
Expenses		
Operating & Non-Capital Equipment	45,431,021	43,517,373
Debt Service, net of PFCs	6,422,678	6,382,246
Capital Expenditures	3,444,858	3,761,606
Reserves	857,313	1,357,313
Total Expenses	<u>56,155,870</u>	<u>55,018,538</u>
Funds Remaining	<u>\$ 6,635,862</u>	<u>\$10,494,403</u>
Revenue Sharing		
Authority (50%)	\$ 3,317,931	\$ 5,247,202
Less: Cost of Air Service Incentives	<u>(400,000)</u>	<u>(571,357)</u>
Authority Net Share	\$ 2,917,931	\$ 4,675,845
Airlines (50%)	<u>3,317,931</u>	<u>5,247,202</u>
Total	<u>\$ 6,635,862</u>	<u>\$10,494,403</u>

The final rates and charges settlement and revenue sharing calculation for 2023 will result in the Authority crediting the Airlines \$8,201,229. The settlement impact on the Rates and Charges can be summarized as follows:

	Rates	Settlement
Landing Fee:		
Budget rate calculation	\$ 4.18	
Final rate per settlement	\$ 2.77	\$ (2,399,718)
Terminal Rental Fee:		
Budget rate calculation	\$ 94.08	
Final rate per settlement	\$ 88.46	(390,090)
Apron Fee:		
Budget rate calculation	\$ 1.65	
Final rate per settlement	\$ 1.38	(136,442)
Loading Bridge Fee:		
Budget rate calculation	\$ 54,821	
Final rate per settlement	\$ 52,684	<u>(27,777)</u>
Total Rates and Charges Settlement		<u>(2,954,027)</u>
Revenue Sharing		<u>(5,247,202)</u>
Total Due to the Airlines		<u><u>\$ (8,201,229)</u></u>

The remaining sections of this report discuss the various elements of the rates and charges settlement together with the revenue sharing calculation for 2023.

Tables 1 through 4 present a comparison of 2023 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 2023. Revenues in 2023, after the settlement were \$60,915,740, higher than the amount budgeted of \$59,473,801 by \$1,441,939 or 2.4%. The two largest contributors to this increase were parking of \$1,415,001 and concession revenues of \$2,115,511.

EXPENSES

Table 2 presents the 2023 adopted budget and audited expenses by category and cost center. The 2023 actual expenses were \$43,517,373, lower than the budget of \$45,431,021 by \$1,913,648 or 4.2%. Certain expenses totaling \$117,806 are reflected in this settlement that are not included in the GAAP financial statements. These expenses were reflected in the 2022 GAAP financial statements.

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	\$ 9,272,909	\$ 4,367,186	\$13,640,095	\$ 8,319,541	\$ 3,721,299	\$12,040,840
FBO	2,017,569	711,385	2,728,954	1,969,945	613,091	2,583,036
Authority	2,220,216	1,554,160	3,774,376	2,346,171	1,487,956	3,834,127
Total	<u>\$13,510,694</u>	<u>\$ 6,632,731</u>	<u>\$20,143,425</u>	<u>\$12,635,657</u>	<u>\$ 5,822,346</u>	<u>\$18,458,003</u>

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 2023 are set forth in Table 2-2.

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. With the increase in non-airline revenue, the calculation of the capital expenditures was \$3.8 million for 2023.

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 2023 of \$2.77 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 2023 was \$4.18.
- ➔ Table 5-1 presents the allocation of the \$1.41 landing fee rate differential resulting in an amount of \$2,399,718 due to the signatory carriers. The individual settlement for each signatory airline and cargo carrier is calculated by multiplying the \$1.41 times their landed weight to arrive at the settlement amount.
- ➔ Table 6 and Table 6-1 present the apron fee rate calculation and settlement. The apron fee of \$695,886 is an allocation equal to 10% of the airfield total requirement. The amount billed during 2023 was \$832,328 resulting in a credit of \$136,442 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 2023 of \$88.46 is determined by taking the Net Terminal Requirement and dividing by the total rentable terminal space. The terminal rental rate budgeted in 2023 was \$94.08, a \$5.62 decrease.
- ➔ Table 7-1 presents the allocation of the \$5.62 terminal rental settlement which results in a credit due to the signatory carriers in the amount of \$390,090. \$290,144 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 \$99,946 of the terminal rental settlement.

- ➔ Table 8 presents the loading bridge settlement. The total loading bridge requirement was \$684,897 and the amount billed was \$712,674. This resulted in a \$27,777 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 2023 the funds remaining resulted in a balance due to the signatory airlines of \$5,247,202.
- ➔ Table 10 presents the Airline Cost per Enplanement for 2023. This calculation is after including all the settlement and revenue sharing calculation shown in Tables 6 through 9. For 2023, the airline cost per enplanement from airport operations was \$4.83. This is a decrease from the \$7.30 budgeted.

ALLOCATION OF 2020 SETTLEMENT CALCULATION

- ➔ Table 11 presents a summary showing the allocation for each of the settlement items to each of the signatory carriers for the year 2023.

Table 1
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
REVENUES
(page 1 of 2)

	Budget 2023	Audited 2023
AIRFIELD		
Airline Landing Fees	\$ 5,580,300	\$ 4,259,730
Airline Airfield Revenue Sharing	(663,586)	(1,049,440)
Cargo Landing Fees	752,460	505,409
Glycol Disposal Fee	301,436	295,766
Airline Apron Fee	875,259	695,886
Tenant Maintenance	30,000	29,765
Control Tower Rental	815,802	775,144
	<u>\$ 7,691,670</u>	<u>\$ 5,512,259</u>
FBO		
Jet A Fuel Sales	\$ 6,060,000	\$ 6,307,722
Avgas Fuel Sales General Aviation	254,800	441,034
Auto Gas Fuel Sales	85,000	80,394
Diesel Fuel Sales	150,000	164,645
Into-plane	540,000	730,085
Fuel Farm	691,500	868,166
General Aviation Landing Fees	300,000	380,202
General Aviation Parking Fees	507,572	569,605
Avgas Fuel Sales Commercial	21,000	21,341
Deicing Type I - Sprayed	1,076,700	1,251,811
Deicing Type IV - Sprayed	83,950	116,135
Deicing Type I - Consortium	733,050	665,753
Deicing Type IV - Consortium	169,350	142,990
Deicing - GA	100,000	86,731
General Aviation Tenants	538,956	353,927
General Aviation Customer Services	105,000	181,190
	<u>\$ 11,416,878</u>	<u>\$ 12,361,731</u>
TERMINAL		
Airline Space Rental	6,530,093	6,235,212
Airline Terminal Revenue Sharing	(2,654,345)	(4,197,761)
TSA Space Rental	565,585	565,554
Nonairline Space Rental - Flat Rate	110,449	82,030
Nonairline Space Rental - Signatory Rate	46,363	45,156
Nonairline Space Rental	159,663	163,504
Non-Signatory Per Turn Fee	9,000	9,394
Loading Bridge Rentals	712,674	684,897
Tenant Maintenance	20,559	4,150
Utility Reimbursement	24,000	37,380
	<u>\$ 5,524,041</u>	<u>\$ 3,629,516</u>
GROUND TRANSPORTATION		
Parking	\$ 15,951,539	\$ 17,366,540
Access Fees	205,629	180,917
TNCs	242,250	359,763
	<u>\$ 16,399,418</u>	<u>\$ 17,907,220</u>

Table 1
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
REVENUES
(page 2 of 2)

	Budget 2023	Audited 2023
CONCESSIONS		
Rental Cars	\$ 5,130,000	\$ 6,332,799
Food and Beverage	997,500	1,471,348
Retail	883,500	1,313,424
Advertising	108,600	-
Operating Permits	219,600	334,683
Telephone - Payphones	-	-
Telephone - Tenants	41,946	52,603
Bank ATMs	19,800	20,971
Vending Machines	27,930	18,452
Baggage Cart Concessions	15,675	15,782
	<u>\$ 7,444,551</u>	<u>\$ 9,560,062</u>
OTHER AIRPORT		
Land Rental	\$ 439,681	\$ 299,976
Industrial Park	535,399	573,388
T Hangars	131,249	153,068
Tie Downs	2,891	2,306
T Hangar Avgas Fuel Sales	-	-
Parking Garage Space Rent	100,514	82,933
Parking Garage Kiosk Rent	-	21,600
Hangar Rentals	987,982	586,881
Building Rental	140,235	131,830
Cargo Building Rental	525,000	713,136
Aircraft Maintenance & Service Center	301,695	313,884
State Executive Hangar/Maint	1,247,083	1,247,083
Utility Reimbursement	165,000	166,210
Reimbursement of Property Taxes	25,357	50,284
Internet and Cable Access	9,300	3,760
Fingerprinting	25,000	37,299
Tenant Maintenance	2,000	9,736
Purchasing Proposals	-	170
Scrap and Equipment Sales	5,000	4,587
Other	80,000	16,327
	<u>\$ 4,723,386</u>	<u>\$ 4,414,458</u>
TOTAL REVENUES	\$ 53,199,944	\$ 53,385,246
OTHER REVENUES		
Interest Earnings	\$ 675,000	\$ 1,279,477
TSA (LEO) Reimbursement	138,700	138,700
Cares Act- Airfield	1,158,340	1,151,860
Cares Act-Terminal	1,510,037	1,552,931
Cares Act-Loading Bridges	83,134	100,895
Cares Act-Landside	374,821	443,864
Cares Act-Parking	925,871	813,034
Cares Act-Vehicle	-	-
Cares Act-Airport Mgmt	-	-
Cares Act- ACAA	-	-
Cares Act-FBO Commercial	427,944	393,406
Cares Act-FBO GA & Facilities	611,611	637,927
Cares Act - Concession	-	-
Improvement Charges	368,400	368,400
	<u>\$ 6,273,857</u>	<u>\$ 6,880,494</u>
TOTAL REVENUES	\$ 59,473,801	\$ 60,265,740
TOTAL REVENUES BEFORE REVENUE SHARING	\$ 62,791,732	\$ 65,512,941

Table 2

Albany County Airport Authority

Albany International Airport

2023 Rates & Charges Settlement and Revenue Sharing Calculation

SUMMARY OF EXPENSES

	Budget 2023	Audited 2023
EXPENSES - SUMMARY		
Airport Management	\$ 28,931,744	\$ 27,545,531
FBO Management	4,248,262	4,621,694
FBO Cost of Sales	5,863,133	5,882,583
Authority	6,387,882	5,467,565
TOTAL EXPENSES	\$ 45,431,021	\$ 43,517,373
EXPENSES BY CATEGORY		
Personnel Services	\$ 13,510,694	\$ 12,635,657
Employee Benefits	6,632,731	5,822,346
Utilities & Communications	2,498,939	2,562,463
Purchased Services	7,231,256	7,243,056
Materials & Supplies	12,471,770	12,396,187
Office	2,225,113	2,314,883
Administration	200,000	-
Noncapital Equipment & Facilities	660,518	542,781
TOTAL EXPENSES	\$ 45,431,021	\$ 43,517,373
DEPARTMENT SUMMARY (Direct & Indirect)		
Direct Cost Centers		
Airfield	\$ 3,859,616	\$ 3,668,023
Terminal	7,038,758	6,761,122
Loading Bridges	410,801	393,136
Landside:		
Parking	4,526,651	3,840,066
Landside Development	1,462,361	1,914,938
FBO Commercial	3,429,467	3,090,279
FBO GA & Facilities	5,887,285	6,600,119
Total Direct Cost Centers	\$ 26,614,939	\$ 26,267,683
Indirect Cost Centers		
ARFF	\$ 3,076,076	\$ 3,042,901
Operations	1,526,108	1,351,529
Security	3,521,488	3,254,029
Vehicle/Equipment	1,896,844	1,885,365
Airport Management Administration	1,613,041	1,434,422
FBO Administration	794,643	813,879
Airport Authority Administration	6,387,882	5,467,565
Total Indirect Cost Centers	\$ 18,816,082	\$ 17,249,690
TOTAL EXPENSES	\$ 45,431,021	\$ 43,517,373

Table 2-1

Albany County Airport Authority

Albany International Airport

2023 Rates & Charges Settlement and Revenue Sharing Calculation

EXPENSES

(Page 1 of 4)

	Budget 2023	Audited 2023
<u>AIRFIELD</u>		
Personnel Services	\$ 1,418,652	\$ 1,277,180
Employee Benefits	622,653	546,997
Utilities & Communications	214,871	191,706
Purchased Services	229,120	423,091
Materials & Supplies	1,354,136	1,173,506
Office	20,184	8,280
Administration	-	-
Noncapital Equipment & Facilities	-	47,263
	<u>\$ 3,859,616</u>	<u>\$ 3,668,023</u>
<u>TERMINAL</u>		
Personnel Services	\$ 1,955,289	\$ 1,628,103
Employee Benefits	989,661	787,964
Utilities & Communications	1,168,865	1,267,581
Purchased Services	1,239,661	1,689,383
Materials & Supplies	1,584,472	1,294,276
Office	100,810	77,841
Administration	-	-
Noncapital Equipment & Facilities	-	15,974
	<u>\$ 7,038,758</u>	<u>\$ 6,761,122</u>
<u>LOADING BRIDGES</u>		
Personnel Services	\$ 145,131	\$ 128,224
Employee Benefits	110,420	70,550
Utilities & Communications	68,250	68,250
Purchased Services	-	-
Materials & Supplies	87,000	126,112
Office	-	-
Administration	-	-
Noncapital Equipment & Facilities	-	-
	<u>\$ 410,801</u>	<u>\$ 393,136</u>

Table 2-1

Albany County Airport Authority

Albany International Airport

2023 Rates & Charges Settlement and Revenue Sharing Calculation

EXPENSES

(Page 2 of 4)

	Budget 2023	Audited 2023
<u>PARKING</u>		
Personnel Services	\$ 1,659,037	\$ 1,225,887
Employee Benefits	734,469	523,126
Utilities & Communications	368,495	368,547
Purchased Services	146,856	104,117
Materials & Supplies	846,555	683,795
Office	771,239	896,634
Administration	-	-
Noncapital Equipment & Facilities	-	37,960
	<u>\$ 4,526,651</u>	<u>\$ 3,840,066</u>
<u>LANDSIDE</u>		
Personnel Services	\$ -	\$ -
Employee Benefits	-	-
Utilities & Communications	300,755	345,803
Purchased Services	68,502	132,258
Materials & Supplies	1,052,704	1,361,581
Office	40,400	47,096
Administration	-	-
Noncapital Equipment & Facilities	-	28,200
	<u>\$ 1,462,361</u>	<u>\$ 1,914,938</u>
<u>ARFF</u>		
Personnel Services	\$ 1,650,123	\$ 1,801,981
Employee Benefits	749,783	844,589
Utilities & Communications	31,365	26,622
Purchased Services	10,500	8,704
Materials & Supplies	267,343	227,856
Office	167,462	105,961
Administration	-	-
Noncapital Equipment & Facilities	199,500	27,188
	<u>\$3,076,076</u>	<u>\$3,042,901</u>

Table 2-1

Albany County Airport Authority

Albany International Airport

2023 Rates & Charges Settlement and Revenue Sharing Calculation

EXPENSES

(Page 3 of 4)

	Budget 2023	Audited 2023
<u>OPERATIONS</u>		
Personnel Services	\$ 932,683	\$ 842,852
Employee Benefits	424,470	403,386
Utilities & Communications	75,365	48,744
Purchased Services	-	-
Materials & Supplies	-	-
Office	93,590	59,522
Administration	-	-
Noncapital Equipment & Facilities	-	(2,975)
	<u>\$ 1,526,108</u>	<u>\$ 1,351,529</u>
<u>SECURITY</u>		
Personnel Services	\$ 189,090	\$ 130,135
Employee Benefits	126,118	68,191
Utilities & Communications	4,100	4,520
Purchased Services	2,890,541	2,712,529
Materials & Supplies	258,500	194,081
Office	53,139	20,112
Administration	-	-
Noncapital Equipment & Facilities	-	124,461
	<u>\$3,521,488</u>	<u>\$3,254,029</u>
<u>VEHICLE/EQUIPMENT</u>		
Personnel Services	\$ 718,028	\$ 748,759
Employee Benefits	360,746	364,279
Utilities & Communications	20,035	16,376
Purchased Services	78,729	79,983
Materials & Supplies	531,130	645,204
Office	24,176	14,002
Administration	-	-
Noncapital Equipment & Facilities	164,000	16,762
	<u>\$ 1,896,844</u>	<u>\$ 1,885,365</u>
<u>FBO COMMERCIAL</u>		
Personnel Services	\$ 674,789	\$ 587,983
Employee Benefits	255,695	147,069
Utilities & Communications	17,957	23,165
Purchased Services	103,333	73,996
Materials & Supplies	2,377,693	2,188,226
Office	-	-
Administration	-	-
Noncapital Equipment & Facilities	-	69,840
	<u>\$ 3,429,467</u>	<u>\$ 3,090,279</u>
<u>FBO GENERAL AVIATION AND FACILITIES</u>		
Personnel Services	\$ 1,037,466	\$ 1,107,928
Employee Benefits	350,504	373,769
Utilities & Communications	62,710	92,254
Purchased Services	120,150	198,763
Materials & Supplies	4,104,737	4,476,446
Office	114,700	293,754
Administration	-	-
Noncapital Equipment & Facilities	97,018	57,205
	<u>\$ 5,887,285</u>	<u>\$ 6,600,119</u>

Table 2-1

Albany County Airport Authority

Albany International Airport

2023 Rates & Charges Settlement and Revenue Sharing Calculation

EXPENSES

(Page 4 of 4)

	Budget 2023	Audited 2023
<u>FBO ADMINISTRATION</u>		
Personnel Services	\$ 243,784	\$ 274,034
Employee Benefits	105,186	92,253
Utilities & Communications	720	2,057
Purchased Services	397,684	384,995
Materials & Supplies	-	-
Office	47,269	60,540
Administration	-	-
Noncapital Equipment & Facilities	-	-
	<u>\$ 794,643</u>	<u>\$ 813,879</u>
<u>AIRPORT MANAGEMENT ADMINISTRATION</u>		
Personnel Services	\$ 666,406	\$ 536,420
Employee Benefits	248,866	175,284
Utilities & Communications	720	-
Purchased Services	432,254	672,513
Materials & Supplies	-	-
Office	64,795	50,205
Administration	200,000	-
Noncapital Equipment & Facilities	-	-
	<u>\$ 1,613,041</u>	<u>\$ 1,434,422</u>
<u>AIRPORT AUTHORITY ADMINISTRATION</u>		
Personnel Services	\$ 2,220,216	\$ 2,346,171
Employee Benefits	1,554,160	1,424,889
Utilities & Communications	164,731	106,838
Purchased Services	1,513,926	762,724
Materials & Supplies	7,500	25,104
Office	727,349	680,936
Administration	-	-
Noncapital Equipment & Facilities	200,000	120,903
	<u>\$ 6,387,882</u>	<u>\$ 5,467,565</u>
TOTAL EXPENSES	<u>\$ 45,431,021</u>	<u>\$ 43,517,373</u>

Table 2-2

Albany County Airport Authority

Albany International Airport

2023 Rates & Charges Settlement and Revenue Sharing Calculation

**ALLOCATION OF INDIRECT COST CENTERS
TO DIRECT COST CENTERS**

(Page 1 of 3)

	Budget 2023	Audited 2023
ARFF		
Airfield	\$ 461,411	\$ 456,435
Terminal	1,476,516	1,460,592
Loading Bridges	30,761	30,429
Landside	738,258	730,296
Parking	184,565	182,574
FBO Commercial	92,282	91,287
FBO GA & Facilities	92,282	91,287
Total Allocated	\$ 3,076,076	\$ 3,042,901
OPERATIONS		
Airfield	\$ 610,443	\$ 540,612
Terminal	457,832	405,459
Loading Bridges	76,305	67,576
Landside	152,611	135,153
Parking	76,305	67,576
FBO Commercial	76,305	67,576
FBO GA & Facilities	76,305	67,576
Total Allocated	\$ 1,526,108	\$ 1,351,529
SECURITY		
Airfield	\$ 528,223	\$ 488,104
Terminal	1,760,744	1,627,015
Loading Bridges	105,645	97,621
Landside	352,149	325,403
Parking	704,298	650,806
FBO Commercial	35,215	32,540
FBO GA & Facilities	35,215	32,540
Total Allocated	\$ 3,521,488	\$ 3,254,029
VEHICLE/EQUIPMENT		
Airfield	\$ 663,895	\$ 659,878
Terminal	94,842	94,268
Loading Bridges	-	-
Landside	701,832	697,585
Parking	284,527	282,805
FBO Commercial	94,842	94,268
FBO GA & Facilities	56,905	56,561
Total Allocated	\$ 1,896,844	\$ 1,885,365

Table 2-2

Albany County Airport Authority

Albany International Airport

2023 Rates & Charges Settlement and Revenue Sharing Calculation

**ALLOCATION OF INDIRECT COST CENTERS
TO DIRECT COST CENTERS**

(Page 2 of 3)

	Budget 2023	Audited 2023
Subtotal Allocation before Admin Departments		
Airfield	\$ 6,123,590	\$ 5,813,052
Terminal	10,828,693	10,348,456
Loading Bridges	623,512	588,762
Landside	3,407,211	3,803,375
Parking	5,776,345	5,023,827
FBO Commercial	3,728,112	3,375,951
FBO GA & Facilities	6,147,993	6,848,084
Total Allocated	\$ 36,635,455	\$ 35,801,507
Airport Management Administration		
Airfield	\$ 320,990	\$ 278,699
Terminal	567,625	496,143
Loading Bridges	32,684	28,227
Landside	178,601	182,348
Parking	302,788	240,861
FBO Commercial	91,477	73,562
FBO GA & Facilities	118,877	134,583
Total Allocated	\$ 1,613,041	\$ 1,434,422
FBO Administration		
Airfield	\$ -	\$ -
Terminal	-	-
Loading Bridges	-	-
Landside	-	-
Parking	-	-
FBO Commercial	345,569	287,639
FBO GA & Facilities	449,074	526,240
Total Allocated	\$ 794,643	\$ 813,879
Airport Authority Administration		
Airfield	\$ 1,240,723	\$ 1,035,434
Terminal	2,194,042	1,843,291
Loading Bridges	126,332	104,872
Landside	690,348	677,466
Parking	1,170,367	894,856
FBO Commercial	420,118	322,191
FBO GA & Facilities	545,952	589,456
Total Allocated	\$ 6,387,882	\$ 5,467,565

Table 2-2

Albany County Airport Authority

Albany International Airport

Albany International Airport

**ALLOCATION OF INDIRECT COST CENTERS
TO DIRECT COST CENTERS**

(Page 3 of 3)

	Budget 2023	Audited 2023
TOTAL INDIRECT ALLOCATIONS		
Airfield	\$ 3,825,686	\$ 3,459,162
Terminal	6,551,602	5,926,767
Loading Bridges	371,726	328,725
Landside	2,813,799	2,748,251
Parking	2,722,849	2,319,477
FBO Commercial	1,155,809	969,064
FBO GA & Facilities	1,374,611	1,498,244
Total Allocated	\$ 18,816,082	\$ 17,249,690
TOTAL DIRECT & INDIRECT EXPENSES BY COST CENTER		
Airfield	\$ 7,685,303	\$ 7,127,185
Terminal	13,590,360	12,687,889
Loading Bridges	782,527	721,861
Landside	4,276,160	4,663,189
Parking	7,249,500	6,159,543
FBO Commercial	4,585,276	4,059,343
FBO GA & Facilities	7,261,896	8,098,363
Total Allocated	\$ 45,431,021	\$ 43,517,373

Table 3
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
DEBT SERVICE SUMMARY

	Budget 2023	Audited 2023
Airport Revenue Bonds:		
2017 A Refunding Bonds	\$ 1,113,625	\$1,072,125
2017 B Refunding Bonds	400,025	400,025
2018 A Revenue Bonds	738,500	738,500
2018 B Revenue Bonds	734,750	734,750
2019 A Revenue Bonds	552,750	552,750
2020 A Revenue Refunding Bonds Debt Service	568,750	568,750
2020 B Revenue Refunding Bonds Debt Service	5,955,750	5,955,750
Less: PFC's Applied to 2020B Revenue Bonds	<u>(3,641,472)</u>	<u>(3,640,404)</u>
 TOTAL DEBT SERVICE	 <u>\$ 6,422,678</u>	 <u>\$ 6,382,246</u>
Allocation of Total Debt Service to Cost Centers		
Airfield	\$ 530,995	\$ 520,970
FBO	571,435	561,179
ARFF	19,060	19,060
Terminal	1,784,242	1,781,982
Loading Bridges	46,286	46,307
Landside and Other	<u>3,470,660</u>	<u>3,452,748</u>
 TOTAL ALLOCATION	 <u>\$ 6,422,678</u>	 <u>\$ 6,382,246</u>

Table 3-1
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
AIRPORT REVENUE BONDS DEBT SERVICE
(Page 1 of 3)

	Budget 2023	Audited 2023
2017 A Revenue Refunding Bonds Debt Service	\$ 1,113,625	\$ 1,072,125
Allocation of 2017 A Revenue Refunding Bonds Debt Service to Cost Centers		
Airfield	\$ 260,676	\$ 250,517
FBO	223,899	213,643
ARFF	19,060	19,060
Terminal	101,072	98,035
Landside and other	307,058	296,928
Parking	201,860	193,942
Total	<u>\$ 1,113,625</u>	<u>\$ 1,072,125</u>
2017 B Revenue Refunding Bonds Debt Service	\$ 400,025	\$ 400,025
Allocation of 2017 B Refunding Bonds Debt Service to Cost Centers		
Airfield	\$ -	\$ -
FBO	-	-
Parking	-	-
Landside and other	400,025	400,025
Terminal	-	-
Total	<u>\$ 400,025</u>	<u>\$ 400,025</u>

Table 3-1
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
AIRPORT REVENUE BONDS DEBT SERVICE
(Page 2 of 3)

	Budget 2023	Audited 2023
2018 A Revenue Bonds Debt Service	\$ 738,500	\$ 738,500
Allocation of 2018 A Revenue Bonds Debt Service to Cost Centers		
Airfield	\$ -	\$ -
FBO	-	-
ARFF	-	-
Terminal	6,647	6,647
Landside and other	-	-
Parking	731,854	731,854
Total	<u>\$ 738,500</u>	<u>\$ 738,500</u>
2018 B Revenue Bonds Debt Service	\$ 734,750	\$ 734,750
Allocation of 2018 B Revenue Bonds Debt Service to Cost Centers		
Airfield	\$ -	\$ -
FBO	347,537	347,537
ARFF	-	-
Terminal	261,571	261,571
Landside and other	125,642	125,642
Parking	-	-
Total	<u>\$ 734,750</u>	<u>\$ 734,750</u>

Table 3-1
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
AIRPORT REVENUE BONDS DEBT SERVICE
(Page 3 of 3)

	Budget 2023	Audited 2023
2019 A Revenue Bonds Debt Service	\$ 552,750	\$ 552,750
Allocation of 2019 A Revenue Bonds Debt Service to Cost Centers		
Airfield	\$ -	\$ -
FBO	-	-
ARFF	-	-
Terminal	-	-
Landside and other	-	-
Parking	552,750	552,750
Total	<u>\$ 552,750</u>	<u>\$ 552,750</u>
2020 A Revenue Refunding Bonds Debt Service	\$ 568,750	\$ 568,750
Allocation of 2020 A Bonds Debt Service to Cost Centers		
Airfield	\$ -	\$ -
FBO	-	-
ARFF	-	-
Terminal	-	-
Landside and other	568,750	568,750
Parking	-	-
Total	<u>\$ 568,750</u>	<u>\$ 568,750</u>
2020 B Revenue Refunding Bonds Debt Service	\$ 5,955,750	\$5,955,750
Allocation of 2020 B Bonds Debt Service to Cost Centers		
Airfield	\$ 726,602	\$ 726,602
Terminal	4,061,822	4,061,822
Loading Bridges	119,115	119,115
Landside	1,048,212	1,048,212
Parking	-	-
Total	<u>\$ 5,955,750</u>	<u>\$5,955,750</u>

Table 3-2
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
CALCULATION OF PFC REVENUES

	Budget 2023	Audited 2023
ENPLANEMENTS	1,425,000	1,376,639
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%	88.7%
PFC's Available for Debt Service	<u>\$ 5,442,503</u>	<u>\$ 5,362,067</u>
PFC DEBT SERVICE FUND ACTIVITY		
BEGINNING BALANCE	\$ 9,246,963	\$ 8,243,089
PLUS: Deposit of PFC's	5,442,503	5,362,067
PLUS: Interest Earnings on PFC's	14,375	295,276
LESS: Applied Towards Pay as you go Projects	-	(483,935)
LESS: Applied Towards 2020B Debt Service	<u>(3,641,472)</u>	<u>(3,640,404)</u>
ENDING BALANCE	<u>\$ 11,062,369</u>	<u>\$ 9,776,093</u>
PFC's APPLIED TO DEBT SERVICE	\$ 3,641,472	\$ 3,640,404
Allocation of PFC's to Cost Centers		
Airfield	\$ 456,283	\$ 456,149
Terminal	2,646,869	2,646,093
Loading Bridges	72,829	72,808
Landside	<u>465,491</u>	<u>465,355</u>
Total	<u>\$ 3,641,472</u>	<u>\$ 3,640,404</u>

Table 4

Albany County Airport Authority

Albany International Airport

2023 Rates & Charges Settlement and Revenue Sharing Calculation

CALCULATION OF CAPITAL EXPENDITURES FUND CONTRIBUTION

	Budget 2023	Audited 2023
Total Revenues before Revenue Sharing	\$62,791,732	\$65,512,941
Less:		
Airline Landing Fees	5,580,300	4,259,730
Airline Apron Fee	875,259	695,886
Airline Space Rental	6,530,093	6,235,212
Loading Bridge Rentals	712,674	684,897
Nonoperating Revenues	6,273,857	6,880,494
NON-AIRLINE REVENUES	<u>\$42,819,550</u>	<u>\$46,756,723</u>
2016 Non-Airline Revenues	37,289,966	37,289,966
% of Current Year over 2016 Non-Airline Revenues	14.8%	25.4%
Capital Expenditure % times \$3,000,000	3,444,858	3,761,606
Total Capital Expenditure	<u>\$3,444,858</u>	<u>\$3,761,606</u>

Table 5
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
LANDING FEE RATES

	Proposed 2023	Audited 2023
Airfield:		
Direct O&M Expenses	\$ 3,859,616	\$ 3,668,023
Indirect O&M Expenses	3,825,686	3,459,162
O&M Reserve Requirement	145,027	145,027
FBO:		
Commercial Direct O&M Expenses	1,446,489	1,248,670
Commercial Indirect O&M Expenses	1,155,809	969,064
Commercial O&M Reserve Requirement	49,107	49,107
Airfield Capital Charges:		
2017 A Refunding Revenue Bonds Debt Service	260,676	250,517
2020 B Revenue Refunding Bonds Debt Service	726,602	726,602
LESS: Applicable Approved PFC Revenues	(456,283)	(456,149)
Airfield Amortization Requirements	-	-
FBO Commercial Capital Charges	-	-
Airfield Capital Charge Coverage	-	-
FBO Commercial Capital Charge Coverage	-	-
Airfield Debt Service Reserve Requirement	-	-
FBO Commercial Debt Service Reserve Requirement	-	-
Airfield Extraordinary Coverage Protection	-	-
FBO Commercial Revenues Credit:		
Into Plane	(540,000)	(730,085)
Fuel Farm Throughput Fee	(691,500)	(868,166)
Avgas Fuel Sales Commercial	(21,000)	(21,341)
LESS: Cost of Sales, Avgas	15,000	18,193
Deicing - Commercial	(2,063,050)	(2,176,689)
LESS: Cost of Sales, Deicing	1,847,978	1,626,730
General Aviation Landing Fees	(300,000)	(380,202)
General Aviation Parking Fees	(507,572)	(569,605)
Total LANDING FEE REQUIREMENT	\$ 8,752,585	\$ 6,958,857
Total Landed Weight (000-lbs)	1,512,000	1,711,642
COMPENSATORY LANDING FEE RATE	\$ 5.79	\$ 4.07
LESS: Interest Earning Credit Allocated to Airfield	59,460	24,723
LESS: Glycol disposal Fee	301,436	295,766
LESS: Aircraft Aprons Fee Credit (Per Table 6)	875,259	695,886
LESS: Airfield Tenant Maintenance	30,000	29,765
LESS: Non-signatory Airline Landing Fee Credit	62,760	50,798
LESS: Cares Act	1,158,340	1,151,860
NET LANDING FEE REQUIREMENT	\$ 6,265,331	\$ 4,710,060
Signatory Commercial & Cargo Carrier Landed Wt (000-lbs)	1,500,000	1,701,928
Signatory Landing Fee Rate	\$ 4.18	\$ 2.77
SIGNATORY AIRLINE LANDING FEE REVENUE	\$5,580,300	\$4,244,427
NON-SIGNATORY PASSENGER LANDING FEE REVENUE	-	15,303
TOTAL AIRLINE LANDING FEE REVENUE	\$5,580,300	\$4,259,730
SIGNATORY CARGO LANDING FEE REVENUE	\$689,700	\$469,914
NON-SIGNATORY CARGO LANDING FEE REVENUE	62,760	35,495
TOTAL CARGO LANDING FEE REVENUE	\$752,460	\$505,409

Table 5-1

Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
ALLOCATION OF LANDING FEE PORTION OF SETTLEMENT

Landing Fee Rate as calculated	\$	2.77
Landing Fee Rate Billed	\$	4.18
LANDING FEE RATE SETTLEMENT	\$	(1.41)

ALLOCATION TO SIGNATORY AIRLINES	Landed Weights 000's	Total Allocated
COMMERCIAL AIRLINES:		
Allegiant Air	78,501	\$ (110,686)
American Airlines	138,502	(195,288)
American - Air Wisconsin	3,290	(4,639)
American - Envoy	5,586	(7,876)
American - Piedmont	69,273	(97,675)
American - PSA	88,035	(124,129)
American - Republic	6,296	(8,877)
American - SkyWest	2,010	(2,834)
Delta	246,428	(347,463)
Delta - Endeavor	42,722	(60,238)
Delta - Republic	1,949	(2,748)
Delta - SkyWest	41,758	(58,879)
jetBlue	90,378	(127,433)
Southwest	475,359	(670,256)
United	120,016	(169,223)
United - Air Wisconsin	2,397	(3,380)
United - Commutair	47,828	(67,437)
United - Go Jet	14,884	(20,986)
United - Mesa	150	(212)
United - Republic	51,842	(73,097)
United - SkyWest	5,080	(7,163)
TOTAL COMMERCIAL AIRLINES:	1,532,284	\$ (2,160,520)
CARGO:		
FedEx	49,698	\$ (70,074)
United Parcel Service	119,946	(169,124)
TOTAL CARGO:	169,644	\$ (239,198)
TOTAL LANDING FEE SETTLEMENT	1,701,928	\$ (2,399,718)

Table 6
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
AIRCRAFT APRON FEE

	Budget 2023	Audited 2023
TOTAL AIRFIELD REQUIREMENT	\$ 8,752,585	\$ 6,958,857
10% of AIRFIELD REQUIREMENT	\$ 875,259	\$ 695,886
TOTAL APRON SQUARE FEET	530,372	504,441
AIRCRAFT APRON FEE (PER SQ FT)	\$1.65	\$1.38

DRAFT

Table 6-1

Albany County Airport Authority
 Albany International Airport
 2023 Rates & Charges Settlement and Revenue Sharing Calculation
ALLOCATION OF APRON FEE PORTION OF SETTLEMENT

Total Airfield Requirement	\$	6,958,857
Aprons Fees (10% of Airfield Requirement)	\$	695,886
Total Aprons Fees Billed	\$	832,328
APRONS FEES SETTLEMENT	\$	(136,442)

ALLOCATION TO SIGNATORY AIRLINES

	<u>Square Footage</u>	<u>Total Allocated</u>
Allegiant	29,700	\$ (8,033)
American	128,070	(34,641)
Delta	106,326	(28,759)
jetBlue	32,724	(8,851)
Southwest	126,018	(34,086)
United	81,603	(22,072)
Charter/Authority Use	-	\$ -
TOTAL APRONS FEE SETTLEMENT	504,441	\$ (136,442)

Table 7
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
TERMINAL RENTAL RATE CALCULATIONS

	Budget 2023	Audited 2023
Terminal Direct O&M Expenses	\$ 7,038,758	\$ 6,761,122
Terminal Indirect O&M Expenses	6,551,602	5,926,767
Terminal O&M Reserve Requirement	256,459	256,459
Terminal Capital Charges:		
2017 A Refunding Revenue Bonds Debt Service	101,072	98,035
2018 A Revenue Bonds Debt Service	6,647	6,647
2018 B Revenue Bonds Debt Service	261,571	261,571
2020 B Revenue Refunding Bonds Debt Service	4,061,822	4,061,822
LESS: Applicable PFC Revenues	(2,646,869)	(2,646,093)
Terminal Amortization Requirements	-	-
Terminal Capital Charge Coverage	-	-
Terminal Debt Service Reserve Requirement	-	-
TERMINAL Extraordinary Coverage Protection	-	-
TOTAL REQUIREMENT	\$ 15,631,061	\$14,726,330
Rentable Terminal Space	135,985	135,985
COMPENSATORY TERMINAL RENTAL RATE	\$ 114.95	\$ 108.29
LESS: Interest Earning Credit allocated to Terminal	\$ 262,607	\$ 107,259
LESS: Non-airline Terminal Space Rentals - Flat Rate	110,449	82,030
LESS: Non-airline Terminal Space Rentals - Signatory Rate	46,363	45,156
LESS: Non-airline Terminal Space Rentals - Calculated Rate	159,663	163,504
LESS: TSA Space Rental	565,585	565,554
LESS: TSA (LEO) Reimbursement	138,700	138,700
LESS: Utility Reimbursements	24,000	37,380
LESS: Terminal Tenant Maintenance Reimbursements	20,559	4,150
LESS: Cares Act	1,510,037	1,552,931
NET TERMINAL REQUIREMENT	\$ 12,793,098	\$12,029,666
Rentable Terminal Space	135,985	135,985
SIGNATORY TERMINAL RENTAL RATE	\$ 94.08	\$ 88.46
Signatory Airline Terminal Rental Space	51,626	51,627
SIGNATORY AIRLINE RENTAL REVENUE	\$ 4,856,974	\$ 4,566,924
MONTH TO MONTH AIRLINE REVENUE	0	95,115
TOTAL AIRLINE RENTAL REVENUE	\$ 4,856,974	\$ 4,662,039
Baggage Claim Room Square Footage	17,784	17,784
BAGGAGE CLAIM ROOM REVENUE	\$ 1,673,119	\$ 1,573,173
NONSIGNATORY AIRLINE RENTAL REVENUE	\$ -	\$ -
AIRLINE RENTAL REVENUE	\$ 6,530,093	\$ 6,235,212

Table 7-1

Albany County Airport Authority
 Albany International Airport
 2023 Rates & Charges Settlement and Revenue Sharing Calculation
ALLOCATION OF TERMINAL RENTAL PORTION OF SETTLEMENT

TERMINAL RENTAL AREAS:

Terminal Rental Rate as calculated	\$	88.46
Terminal Rental Rate Billed	\$	94.08
TERMINAL RENTAL RATE SETTLEMENT	\$	(5.62)

ALLOCATION TO SIGNATORY AIRLINES

	<u>Square Footage</u>	<u>Total Allocated</u>
Allegiant	2,549	\$ (14,325)
American	12,765	(71,739)
Delta	7,496	(42,128)
jetBlue	4,697	(26,397)
Southwest	14,337	(80,574)
United	9,783	(54,980)
TOTAL TERMINAL SETTLEMENT	<u>51,627</u>	<u>\$ (290,144)</u>

BAGGAGE CLAIM AREA - JOINT USE:

Terminal Rental Rate	\$	88.46
Terminal Rental Rate Billed - Baggage Claim Room	\$	94.08
TERMINAL RENTAL RATE SETTLEMENT - Baggage Claim	\$	(5.62)

Baggage Claim Square Footage 17,784
 Adjustment of Baggage Claim Area to 2023 Rate (\$99,946)

ALLOCATION OF COMMON USE SPACE:

<u>Signatory Airlines</u>	<u>Enplanements 2023</u>	<u>80 % Pro-Rated Allocation</u>	<u>20 % Fixed Portion</u>	<u>Total Allocation</u>
Allegiant	83,013	\$ (4,825)	\$ (3,332)	\$ (8,157)
American	285,965	(16,621)	(3,332)	(19,953)
Delta	273,921	(15,921)	(3,332)	(19,253)
jetBlue	86,637	(5,036)	(3,332)	(8,367)
Southwest	450,081	(26,160)	(3,332)	(29,492)
United Airlines	196,011	(11,393)	(3,332)	(14,724)
TOTAL SIGNATORY ENPLANEMENTS	<u>1,375,628</u>	<u>\$ (79,957)</u>	<u>\$ (19,989)</u>	<u>\$ (99,946)</u>

TOTAL TERMINAL PORTION OF SETTLEMENT:

	<u>Total</u>
Allegiant	\$ (22,482)
American	(91,692)
Delta	(61,380)
jetBlue	(34,764)
Southwest	(110,066)
United Airlines	(69,705)
TOTAL TERMINAL PORTION OF SETTLEMENT:	<u>\$ (390,090)</u>

Table 8

Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
ALLOCATION OF LOADING BRIDGE PORTION OF SETTLEMENT

	Budget 2023	Actual 2023
LOADING BRIDGE RENTALS		
Tenant Loading Bridge Debt Service	\$ 119,115	\$ 119,115
LESS: Applicable PFC Revenues	(72,829)	(72,808)
LESS: Interest Earnings Credit Allocated to Loading Bridges	7,049	2,857
LESS: Cares Act	(83,134)	(100,895)
Direct Loading Bridge Expenses	410,801	393,136
Indirect Loading Bridge Expenses	371,726	328,725
Loading Bridge Expense Reserve	14,767	14,767
TOTAL LOADING BRIDGE REQUIREMENT	\$ 767,495	\$ 684,897
Total Loading Bridge Rentals Billed		\$ 712,674
LOADING BRIDGE SETTLEMENT		\$ (27,777)
ALLOCATION TO SIGNATORY AIRLINES		
	# of Bridges	Total Allocated
Allegiant	1	\$ (2,137)
American	3	(6,410)
Delta	3	(6,410)
jetBlue	1	(2,137)
Southwest	2	(4,273)
United	3	(6,410)
TOTAL SIGNATORY LOADING BRIDGES	13	\$ (27,777)
Charter/Authority Use	-	\$ -
TOTAL LOADING BRIDGE SETTLEMENT	13	\$ (27,777)

Table 9

Albany County Airport Authority

Albany International Airport

2023 Rates & Charges Settlement and Revenue Sharing Calculation

CALCULATION AND ALLOCATION OF FUNDS REMAINING

	Budget 2023	Audited 2023
TOTAL REVENUES BEFORE REV SHARING	\$62,791,732	\$65,512,941
TOTAL EXPENSES	45,431,021	43,517,373
NET REVENUES	\$17,360,711	\$21,995,568
LESS:		
Capital Charges:		
Less: Applicable Approved PFC Revenues	(3,641,472)	(3,640,404)
2017 A Revenue Refunding Bonds Debt Service	1,113,625	1,072,125
2017 B Revenue Refunding Bonds Debt Service	400,025	400,025
2018 A Revenue Bond	738,500	738,500
2018 B Revenue Bonds Debt Service	734,750	734,750
2019 Revenue Bond	552,750	552,750
2020 A Revenue Refunding Bonds Debt Service	568,750	568,750
2020 B Revenue Refunding Bonds Debt Service	5,955,750	5,955,750
Capital Charge Coverage	0	0
Debt Service Reserve Requirement	0	0
Capital Expenditures (Per Table 4)	3,444,858	3,761,606
Operating & Maintenance Reserve	857,313	857,313
Renewal and Replacement Reserve	-	500,000
Subtotal	10,724,849	11,501,165
FUNDS REMAINING	\$6,635,862	\$10,494,403
	50%	50%
Authority Share - 50%	3,317,931	5,247,202
Less Cost of Air Service Incentive Programs	(400,000)	(571,357)
Authority Share Net of Air Service Incentive	2,917,931	4,675,845
	50%	50%
Airline Share - 50%	3,317,931	5,247,202
Net Airline Share	3,317,931	5,247,202
	6,635,862	10,494,403
ALLOCATION OF AIRLINE SHARE		
Terminal	2,654,345	4,197,761
Airfield	663,586	1,049,440
TOTAL AIRLINE SHARE	\$3,317,931	\$5,247,202

Table 9-1

Albany County Airport Authority
 Albany International Airport
 2023 Rates & Charges Settlement and Revenue Sharing Calculation
ALLOCATION OF AIRFIELD PORTION OF REVENUE SHARING

AIRFIELD PORTION OF REVENUE SHARING \$ (1,049,440)

ALLOCATION TO SIGNATORY AIRLINES	Landed Weights	Total Allocated
COMMERCIAL AIRLINES:		
Allegiant	78,501	\$ (62,466)
American	138,502	(110,211)
Delta	246,428	(196,092)
jetBlue	90,378	(71,917)
Southwest	475,359	(378,261)
United	120,016	(95,501)
TOTAL COMMERCIAL AIRLINES:	1,149,184	\$ (914,448)
CARGO:		
FedEx	49,698	\$ (39,547)
United Parcel Service	119,946	(95,445)
TOTAL CARGO:	169,644	\$ (134,992)
TOTAL LANDING FEE SETTLEMENT	1,318,828	\$ (1,049,440)

Table 9-2

Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
ALLOCATION OF TERMINAL PORTION OF REVENUE SHARING

TERMINAL PORTION OF REVENUE SHARING \$ (4,197,761)

ALLOCATION OF DIRECT PORTION:

<u>Signatory Airlines</u>	<u>Square Footage</u>	<u>Total Allocated</u>
Allegiant	2,549	\$ (154,156)
American	12,765	(771,987)
Delta	7,496	(453,335)
jetBlue	4,697	(284,060)
Southwest	14,337	(867,057)
United	9,783	(591,645)
	51,627	\$ (3,122,240)
JOINT USE SPACE:	17,784	\$ (1,075,521)
TOTAL	69,411	\$ (4,197,761)

ALLOCATION OF JOINT USE SPACE:

<u>Signatory Airlines</u>	<u>2023 Enplanements</u>	<u>80 % Pro-Rated Allocation</u>	<u>20 % Fixed Portion</u>	<u>Total Allocation</u>
Allegiant	83,013	\$ (51,922)	\$ (35,851)	\$ (87,773)
American	285,965	(178,863)	(35,851)	(214,714)
Delta	273,921	(171,330)	(35,851)	(207,181)
jetBlue	86,637	(54,189)	(35,851)	(90,040)
Southwest	450,081	(281,513)	(35,851)	(317,364)
United Airlines	196,011	(122,599)	(35,851)	(158,450)
TOTAL SIGNATORY ENPLANEMENTS	1,375,628	\$ (860,417)	\$ (215,104)	\$ (1,075,521)

TOTAL TERMINAL PORTION OF REVENUE SHARING	<u>Total</u>
Allegiant	\$ (241,929)
American	(986,701)
Delta	(660,515)
jetBlue	(374,100)
Southwest	(1,184,421)
United Airlines	(750,095)
TOTAL TERMINAL PORTION OF REVENUE SHARING	\$ (4,197,761)

Table 10
Albany County Airport Authority
Albany International Airport
2023 Rates & Charges Settlement and Revenue Sharing Calculation
AIRLINE COST PER ENPLANEMENT

	Budget 2023	Audited 2023
(Includes Settlement and Revenue Sharing Calculation)		
AIRPORT OPERATIONS:		
Airline Landing Fees	\$ 5,580,300	\$ 4,259,730
Airline Space Rental	6,530,093	6,235,212
Loading Bridge Rentals	712,674	684,897
Airline Apron Fee	875,259	695,886
Airline Share of Revenue Sharing	(3,317,931)	(5,247,202)
Total Airport Operations	\$10,380,394	\$ 6,628,523
FBO OPERATIONS:		
Avgas Fuel Sales Commercial	\$ 21,000	\$ 21,341
Deicing	2,063,050	2,176,689
Into Plane & Fuel Farm	1,231,500	1,598,251
Total FBO Operations	\$ 3,315,550	\$ 3,796,281
TOTAL AIRLINES FEES & CHARGES	\$ 13,695,944	\$ 10,424,804
ENPLANEMENTS	1,425,000	1,376,639
COST PER ENPLANEMENT	\$ 7.30	\$ 4.83
FBO OPERATIONS COST PER ENPLANEMENT	\$ 2.31	\$ 2.74
TOTAL COMBINED COST PER ENPLANEMENT	\$ 9.61	\$ 7.57

Table 11

Albany County Airport Authority
 Albany International Airport
 2023 Rates & Charges Settlement and Revenue Sharing Calculation
ALLOCATION SETTLEMENT AND REVENUE SHARING

TOTAL SETTLEMENT AND REVENUE SHARING

\$ (8,201,229)

	SETTLEMENTS				REVENUE SHARING		TOTAL
	<u>Landing Fee</u>	<u>Terminal Rent</u>	<u>Aprons Fees</u>	<u>Loading Bridges</u>	<u>Airfield</u>	<u>Terminal</u>	
Allegiant Air	\$ (110,686)	\$ (22,482)	\$ (8,033)	\$ (2,137)	\$ (62,466)	\$ (241,929)	\$ (447,733)
American Airlines	(195,288)	(91,692)	(34,641)	(6,410)	(110,211)	(986,701)	(1,424,943)
American - Air Wisconsin	(4,639)						(4,639)
American - Envoy	(7,876)						(7,876)
American - Piedmont	(97,675)						(97,675)
American - PSA	(124,129)						(124,129)
American - Republic	(8,877)						(8,877)
American - SkyWest	(2,834)						(2,834)
Delta	(347,463)	(61,380)	(28,759)	(6,410)	(196,092)	(660,515)	(1,300,620)
Delta - Endeavor	(60,238)						(60,238)
Delta - Republic	(2,748)						(2,748)
Delta - SkyWest	(58,879)						(58,879)
FedEx	(70,074)				(39,547)		(109,621)
jetBlue	(127,433)	(34,764)	(8,851)	(2,137)	(71,917)	(374,100)	(619,202)
Southwest	(670,256)	(110,066)	(34,086)	(4,273)	(378,261)	(1,184,421)	(2,381,363)
United	(169,223)	(69,705)	(22,072)	(6,410)	(95,501)	(750,095)	(1,113,006)
United - Air Wisconsin	(3,380)						(3,380)
United - Commutair	(67,437)						(67,437)
United - Go Jet	(20,986)						(20,986)
United - Republic	(73,097)						(73,097)
United - SkyWest	(7,163)						(7,163)
United Parcel Service	(169,124)				(95,445)		(264,569)
TOTAL SIGNATORY AIRLINE DISTRIBUTION	\$ (2,399,718)	\$ (390,090)	\$ (136,442)	\$ (27,777)	\$ (1,049,440)	\$ (4,197,761)	\$ (8,201,229)



**ALBANY COUNTY AIRPORT AUTHORITY
ANNUAL INVESTMENT REPORT
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2023**

**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 28, 2023. 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, 2023. 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, 2023.

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 28, 2023

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
 <u>APPENDIX</u>		
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.

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

APPENDIX

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)

- X (i) Bonds and notes of the United States.
- X (ii) Bonds and notes of this state.
- X (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.
- X (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.

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 (Authority) compliance with its investment guidelines and with the requirements of Section 2925 of the New York State Public Authorities Law during the year ended December 31, 2023. The Authority's management is responsible for the Authority's compliance with the requirements of Section 2925 of the New York State Public Authorities Law. Our responsibility is to express an opinion on the Authority's compliance with those requirements for the year ended December 31, 2023 based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance by measuring about whether the Authority's investments are in accordance with the aforementioned requirements, in all material respects. An examination involves performing procedures to obtain evidence about the Authority's compliance with those requirements for the year ended December 31, 2023. The nature, timing, and extent of the of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Albany County Airport Authority complied, in all material respects with the aforementioned requirements for the year ended December 31, 2023.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Authority's compliance with its investment guidelines and with the requirements of Section 2925 of the New York State Public Authorities Law; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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 the Authority's compliance with those requirements or other matters; accordingly, we express no such opinions. 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. This report is for the examination of the Authority's compliance with its investment guidelines and with the requirements of Section 2925 of the New York State Public Authorities Law for the year ended December 31, 2023 and is not suitable for any other purpose.

Latham, NY
_____, 2024

DRAFT

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 2023 resulted in \$2,288,665 in interest income to the Authority 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 2023 were allocated as follows:

Passenger Facility Charges	\$	295,276
Debt Service Funds		277,433
Construction Funds		149,043
Development Funds		564,870
Operating Funds		1,002,043
	\$	<u>2,288,665</u>

Section VI

The Authority paid no fees, commissions or other charges to firms rendering investment associated services during 2023.

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, 2023.

ALBANY COUNTY AIRPORT AUTHORITY
Mission Statement and Performance Measurement Report
Year Ended December 31, 2023

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 remainder of this report contains the previously adopted Mission Statement and actual performance measurements for 2019-2023.

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 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 AFCA 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 2019	Final 2020	Final 2021	Final 2022	Final 2023
Safety	Employee Accidents and Incidents	Injuries Lost Time Injury Rate	15	14	4	2	4
	Airfield Violations	Runway Incursions	0	1	1	0	0
		Runway Condition FAA Safety Compliance	0	0	0	0	0
		Inspection Discrepancies	3	4	9	3	0
Security	Security Incidents and Violations	Security Badge Breaches:					
		Letters of investigation	0	0	1	1	0
		Violations	0	1	3	0	1
Financial	Revenue Management	Total Airline Revenue per enplaned passenger	\$7.97	\$19.57	\$10.63*	\$9.51	\$7.57
		Total Non-Airline Revenue per enplaned passenger	\$26.16	\$39.69	\$31.15*	\$32.01	\$31.09
		Total Non-Operating Revenue per enplaned passenger	\$5.35	\$26.14	\$9.81*	\$6.16	\$10.17
		Total Revenue per enplaned passenger	\$39.48	\$85.40	\$51.59*	\$47.68	\$49.31
	Cost Performance	Operating Cost enplaned passenger without FBO	\$19.20	\$51.66	\$27.22*	\$23.46	\$24.45
		Airline Cost per enplaned passenger	\$5.90	\$16.30	\$8.49*	\$7.00	\$4.83
	Debt Management	Debt Service Coverage Ratio	1.78	1.30	1.57	2.19	1.74
		Debt per enplaned passenger	\$64	\$161	\$77	\$52	\$43
	Liquidity						
		Days Unrestricted Cash on Hand	294	229	241	242	354
Operational	Aircraft Delays caused by Airport	Number of Aircraft Delay caused by Airport or Runway Closings	0	0	0	0	0
	Aircraft Delays caused by Fixed Base Operations	Number of Aircraft Fueling Delays	27	15	13	12	9
Customer Service	Service Quality	Terminal Cleanliness Concessions Quality and Variety (5 is the highest)	4.7	note 1	note 1	note 1	4.4 ⁽²⁾
	Customer Satisfaction	Customer Survey Results (5 is the highest)	4.6	note 1	note 1	note 1	4.6 ⁽²⁾
Environmental Sustainability	Environmental Compliance	Violations Identified by Regulatory Agency De-Icing Material Discharge Frequency and Severity of Spills: SPDES violations	0	0	0	0	5
		DEC violations	0	0	0	0	0
	Noise	Noise Levels /Noise Complaints	11	40	70	2	8
People	Employee Satisfaction	Employee Turnover					
		AvPorts	15.4%	14.3%	10.3%	10.0%	28.4%
		Million Air FBO	25.0%	9.0%	31.3%	25.0%	23.0%
		Albany County Airport Authority	0%	0%	0%	0%	0.0%
	Workforce Diversity	Minority Representation in Workforce	22.4%	20.7%	20.7%	21.3%	24.8%

* The increase in 2020 is due to the large decrease in enplanements due to the COVID-19 pandemic.

Note 1 - An Insufficient number of customer satisfaction surveys were conducted to report on this performance measure.

⁽²⁾ Information received ACI's 2023 Airport Service Quality survey, 2019 amounts received from different survey with same 1 - 5 scale.

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

FINANCIAL STATEMENTS
For the Year Ended December 31, 2023 and 2022

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-3
REQUIRED SUPPLEMENTARY INFORMATION – MANAGEMENT DISCUSSION AND ANALYSIS	4
FINANCIAL STATEMENTS	
Statements of Fiduciary Fund Net Position As of December 31, 2023 and 2022.....	6
Statements of Changes in Fiduciary Fund Net Position For the Year Ended December 31, 2023 and 2022.....	7
Notes to Financial Statements	8
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Changes in the Airport's Net OPEB Liability and Related Ratios.....	14
Schedule of Actuarially Determined Contributions.....	15
Schedule of Money-Weighted Investment Return.....	16
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 <i>GOVERNMENT AUDITING</i> <i>STANDARDS</i>	17

INDEPENDENT AUDITOR'S REPORT

To the Trustee
Albany County Airport Authority OPEB Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying statement of fiduciary net position of the Albany County Airport Authority OPEB Trust (the Trust), a component unit of the Albany County Airport Authority, as of December 31, 2023, the statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Albany County Airport Authority OPEB Trust as of December 31, 2023, and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Albany County Airport Authority OPEB Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2024 on our consideration of the Albany County Airport Authority OPEB Trust'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 the effectiveness of the Albany County Airport Authority OPEB Trust's 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 OPEB Trust's internal control over financial reporting and compliance.

Latham, NY
_____, 2024

DRAFT

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

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, 2022 and 2023. 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 2023. The purpose of the Trust is to accumulate resources for the payment of medical insurance benefits, to the Authority's retired employees who qualify for and elect to receive the benefit an for which the Authority is obligated to pay under the postemployment medical benefit plan it sponsors.

Comparative year information will be presented next year when the trust has been funded and in existence for more than one year. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the financial statements.

FINANCIAL HIGHLIGHTS

The net position of Albany County Airport Authority Other retiree medical insurance plan (the Plan) at the close of fiscal years 2022 and 2023 are \$2,998,727 and \$3,202,523, respectively (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 2022 and 2023 by the transfer of \$110,552 and \$114,679, respectively, from the Albany County Airport Authority plus interest earnings in the amount of \$7,603 and \$89,117 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 Fiduciary Fund Net Position
- Statement of Changes in Fiduciary Fund 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

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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 December 31, 2023 because the Plan had \$3,202,523 in assets and no recorded liabilities. 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, 2023 was \$9,588,590. 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, Terminal Building, Third Floor, 737 Albany Shaker Road, Albany, NY 12211

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

Statement of Fiduciary Fund Net Position
As of December 31, 2023 and 2022

	2022	2023
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,998,727	\$ 1,685,967
Investments – Certificates of Deposits	-	1,500,000
Interest Receivable	-	16,556
Total Assets	2,998,727	3,202,523
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	-	-
Total Deferred Outflows of Resources	-	-
	\$ 2,998,727	\$ 3,202,523
<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	\$ 2,998,727	\$ 3,202,523

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

Statement of Changes In Fiduciary Fund Net Position
Years Ended December 31, 2023 and 2022

	2022	2023
Additions to Net Position Attributed to		
Contributions		
Employer	\$ 381,571	\$ 459,488
Interest Income	7,603	89,117
Implicit Cost Amount	<u>-</u>	<u>-</u>
Total Additions	389,174	548,605
Deductions from Net Position Attributed to		
Retirement Benefits	221,607	287,409
Implicit Cost Amount	49,412	57,400
Administration Expenses	<u>-</u>	<u>-</u>
	<u>271,019</u>	<u>344,809</u>
Increase in Net Position	118,155	203,796
Net Position – Restricted for OPEB, Beginning of Year	<u>2,880,572</u>	<u>2,998,727</u>
Net Position – Restricted for OPEB, End of Year	<u>\$ 2,998,727</u>	<u>\$ 3,202,523</u>

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

Footnotes
Year Ended December 31, 2023

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 45 plan members composed of; 18 Active, 27 retired employees. 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 2022 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.

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

1. DESCRIPTION OF THE PLAN

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, 2023 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 6.5 percent decreasing to an ultimate rate of 3.63 percent in 2060. The actuarial value of assets was not determined in this actuarial valuation. At December 31, 2023, the Plan held Net Position in the amount of \$3,202,523 which consisted of amounts on deposit with the Trust.

For the year ended December 31, 2023, there were four key assumption changes. The discount rate was changed from 4.31% to 4.00% in accordance with GASB 75, future projected healthcare costs were updated to utilize the Getzen model, the methodology for calculating expected claims was updated in accordance with ASOP 6, and the mortality table was updated to PubG-2010 Mortality Table projected generationally with scale MP-2020.

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)

2. SIGNIFICANT ACCOUNTING POLICIES

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 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 \$-0- Administrative expenses for the years ended December 31, 2023 and 2022.

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.

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

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, 2023 and 2022 all plan assets were on deposit with M&T Bank, either a cash interest bearing demand deposit account, or a certificate of deposit, the entire balance of which was collateralized by obligations that are guaranteed by the U.S. Government and held by a 3rd 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:

	2022	2023
Net OPEB Liability at beginning of period	\$5,692,140	\$6,057,133
Service Cost	227,572	153,144
Interest	216,640	389,556
Changes in assumptions	(644,028)	334,839
Differences between expected and actual experience	953,983	-
Net investment income	(7,603)	(89,117)
Employer contributions to the trust	(381,571)	(459,488)
Benefit payments withdrawn from the trust	271,019	344,809
Benefit payments excluding implicit cost	(221,607)	(287,409)
Implicit cost amount	(49,412)	(57,400)
	<u>\$6,057,133</u>	<u>\$6,386,067</u>

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

5. OTHER POSTEMPLOYMENT BENEFITS UNDER GASB 74

Actuarial assumptions

Total OPEB liability was determined by actuarial valuations as of January 1, 2022. The following actuarial assumptions are as follows:

Investment rate of return	2.50%, net of OPEB plan investment expense, including inflation
Municipal bond rate	4.00% as of December 31, 2023 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG)
Single equivalent discount rate:	4.00%, net of OPEB plan investment expense, including inflation.
Inflation	2.50% as of December 31, 2023 and for future periods
Salary Increases	3.00% annually as of December 31, 2022 and for future periods
Cost of living adjustments	Not Applicable
Pre-retirement mortality	PubG-2010 Mortality Table for Employees projected generationally with MP-2020 for males and females.
Post-retirement mortality	PubG-2010 Mortality Table for Healthy Annuitants projected generationally with scale MP-2020 for males and females.
Disabled mortality	PubG-2010 Mortality Table for Disabled Annuitants projected generationally with scale MP-2020 for males and females.

Discount rate

The discount rate used to calculate the total OPEB liability was 4.0%. 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	1% Increase
2021 (2.50%)	\$10,091,445	\$8,572,712	\$7,335,582
2022 (4.31%)	7,465,729	6,057,133	4,914,398
2023 (4.00%)	7,907,912	6,386,067	5,153,898

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

5. OTHER POSTEMPLOYMENT BENEFITS UNDER GASB 74

Healthcare Trend

The healthcare cost trend cost rate used to calculate the total OPEB liability was between 6.50% and 3.63% for years 2023 thru 2060. The following table presents the results if the healthcare cost rate was 1% lower or 1% higher:

Impact of a 1% Change in the Health Cost Trend as of the December 31, Measurement Date

	OPEB Liability		
	1% Decrease	Current	1% Increase
2021 (4.50% - 0.00%)	\$7,256,090	\$8,572,712	\$10,254,760
2022 (6.50% - 3.63%)	4,826,990	6,057,133	7,586,873
2023 (6.50% - 3.63%)	5,058,858	6,386,067	8,040,630

DRAFT

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

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

	Service Cost		
	2021	2022	2023
Total Liability	\$8,572,712	\$9,055,860	\$9,588,590
Service Cost	200,491	227,572	153,144
Interest of total OPEB liability, service cost and benefit payments	212,098	216,640	389,556
Changes in benefit terms	-	-	-
Difference between expected & actual plan experience	-	953,983	-
Changes of assumptions	-	(644,028)	334,839
Benefit payments excluding implicit cost	(205,200)	(221,607)	(287,409)
Implicit cost amount	(39,931)	(49,412)	(57,400)
Net change in OPEB liability	167,458	483,148	532,730
Total OPEB liability – beginning of period	8,405,254	8,572,712	9,055,860
Total OPEB liability – end of period	\$8,572,712	\$ 9,055,860	9,588,590
Plan Fiduciary Net Position	\$2,880,572	\$2,998,727	\$3,202,523
Interest on fiduciary net position			
Earning from plan investments	1,417	7,603	89,117
Employer contribution to trust	442,517	381,571	459,488
Benefit payments from trust, incldng refunds of member contrb.	(245,131)	(271,019)	(344,809)
Administrative expense	-	-	-
Other	-	-	-
Net change in plan fiduciary net position	198,803	118,155	203,796
Plan fiduciary net position – beginning of period	2,681,769	2,880,572	2,998,727
Plan fiduciary net position – end of period	\$2,880,572	\$2,998,727	3,202,523
Net OPEB Liability	\$5,692,140	\$6,057,133	\$6,386,067
Plan Fiduciary net position as a % of total OPEB liability	33.60%	33.11%	33.40%
Covered employee payroll	\$2,143,470	\$2,284,727	\$2,353,269
Plan NOL as a % of covered employee payroll	265.56%	265.11%	271.37%
Single discount rate to calculate plan liabilities	2.50%	4.31%	4.00%

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

**Required Supplementary Information
Schedule of Actuarially Determined Contributions**

	Service Cost		
	2021	2022	2023
Service Cost	\$ 200,491	\$ 227,572	\$ 153,144
Thirty year amortization of NOL	176,655	241,067	244,022
Actuarial determined contribution	377,146	468,639	397,171
Contribution in relation to the actuarially determined contrib.	(442,517)	(381,571)	(459,488)
Contribution deficiency/(excess)	(\$ 65,371)	\$ 87,068	(\$ 62,317)
Covered employee payroll	\$2,143,470	\$2,284,727	\$2,353,269
Contributions as a % of Covered Employee Payroll	20.64%	16.70%	19.53%
Discount Rate	2.50%	4.31%	4.00%
Money Weighted Rate of Return	0.05%	0.26%	2.96%

DRAFT

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

Required Supplementary Information
Schedule of Money-Weighted Investment Return

	2022	2023
Beginning Value	\$2,880,572	\$2,998,727
Annual contribution to OPEB Trust	110,552	114,679
Annual interest earnings	<u>7,603</u>	<u>89,117</u>
Ending Value	\$2,998,727	\$3,202,523
Money weighted rate of return	0.26%	2.96%

DRAFT

**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 Trustee
Albany County Airport Authority OPEB Trust

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 statement of fiduciary net position of the Albany County Airport Authority OPEB Trust (the Trust), a component unit of the Albany County Airport Authority, as of December 31, 2023, the statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements and have issued our report thereon dated _____, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Trust's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, we do not express an opinion on the effectiveness of the Trust'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Trust'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 financial statements. 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 Trust'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 Trust's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Latham, NY
_____, 2024

DRAFT

Old Business

New Business

Executive Session
Attorney-Client Privilege Matters