



ALBANY COUNTY AIRPORT AUTHORITY

Comprehensive Annual Financial Report

For the Years Ended December 31, 2019 and 2018



— New York's Tech Valley Airport —

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

flyalbany.com

Albany County Airport Authority

As of December 31, 2019

Authority Board Members



Rev. Kenneth J. Doyle
Chair

Term Expires: December 31, 2019



Anthony Gorman
Vice-Chair

Term Expires: December 31, 2020



Samuel A. Fresina
Member

Term Expires: December 31, 2020



Lyon M. Greenberg, MD
Treasurer

Term Expires: December 31, 2021



Steven H. Heider
Member

Term Expires: December 31, 2021



Kevin R. Hicks, Sr.
Member

Term Expires: December 31, 2020



Sari O'Connor
Member

Term Expires: December 31, 2020

Authority Management

Philip F. Calderone, Esq.

Michael F. Zonsius, CPA

Peter F. Stuto, Esq.



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

Prepared by the
Finance Department

Michael F. Zonsius, CPA
Chief Financial Officer

Margaret Herrmann
Chief Accountant

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

www.albanyairport.com

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, Administration Building Room 204, Albany, NY 12211

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Introduction







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

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

Chairman's Message

March 16, 2020

The world has changed as a result of the effects of the deadly Coronavirus disease. Necessary and valiant efforts to contain the spread of the disease have acutely impacted the aviation industry and the world economy.

Based on the impact of the COVID-19 on airport enplanements, the Authority is anticipating a decrease in activity in 2020, however, did should not detract from our 2019 results. According to the Bureau of Transportation Statistics (BTS) estimates, in 2019 U.S. airlines carried more 925.5 million passengers, the highest total based on comparable records since 2003. Passenger traffic in 2019 increased 4.1%, 9.0%, and 12.3% from 2018, 2017, and 2016, respectively. These national results reflect the activity at the Albany International Airport as well. In 2019, the airport had a total of 1,518,969 enplanements, the highest total based on comparable records since 2005 and passenger traffic reached a new high for its seventh consecutive year.

In 2020, we look forward to the completion of the five story 1,000 passenger garage, funded with a \$22 million grant by Governor Cuomo, that will relieve the parking capacity issues of the recent years. In addition to the garage, the Authority also invested and implemented a new parking control system that automated the parking revenue collection process. Other 2019 projects included improvements in the terminal restrooms, flooring, wayfinding signage, escalators, concessions, and the public address system.

The close of 2019 marked the completion of the fourth year of a the current five-year Airport Use and Lease Agreement and Common Cargo Carrier Airfield Use Agreement with its seven Signatory Airlines and two Signatory Cargo Carriers. These agreements ensure the Airport's most important aviation business relationships are soundly in place for years to come and are expected to continue to produce attractive airline rates and charges and net revenue for the Airport to share with the Airlines. In 2019, the prudent management of the Airport budget allowed the Airport cost per enplaned passenger to settle at \$5.90, which was less than the budgeted amount of \$6.69. This cost was achieved in part by the generation of \$7,349,665 million in net revenue in 2019, half of which is shared between the signatory airlines and signatory cargo carries under the Signatory Airline and Cargo Carrier Agreements.

During 2020, the Airport Authority will deal with COVID-19 and continue to both operate and improve Airport facilities and operations, in accordance with its adopted and possible amended budget and capital plans. In the coming year, we will continue our mission to provide travelers with outstanding service in full recognition that our success as an airport is dependent on the skills and dedication of all the employees at Albany International Airport.

Rev. Kenneth J. Doyle
Chairman



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March 16, 2020

TO THE MEMBERS OF THE AUTHORITY:

The Comprehensive Annual Financial Report (CAFR) of the Albany County Airport Authority (Authority) for the fiscal year ended December 31, 2019 is hereby submitted to the Authority Board and all others interested in the financial condition of Albany International Airport (Airport). This report is published in accordance with the requirements of the State of New York (State) enabling legislation creating the Authority, Article 9, Section 2800 of the Public Authorities Law, and the master bond resolution covering the issuance of indebtedness by the Authority. Pursuant to those requirements, this Comprehensive Annual Financial Report of the Authority has been prepared in accordance with general accepted accounting principles (GAAP) in the United States of America. This report consists of four sections: Introductory, Financial, Statistical, and Compliance. The basic financial statements included in the Financial Section have been audited by Marvin and Company, P.C.

This report is management's representations concerning the financial position and changes in net financial position of the Authority. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control framework that has been designed to both protect the Authority's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this report is complete and reliable in all material respects.

This introductory letter of transmittal should be read in conjunction with Management's Discussion and Analysis (MD&A) which provides an introduction, overview and analysis of the basic financial statements for 2019 and 2018. The MD&A is located immediately following the report of the independent auditor in the Financial Section. The MD&A is required supplementary information to the basic financial statements, but is not a part of the basic financial statements and was not audited.

INDEPENDENT REVIEW

FINANCIAL AUDIT

The goal of an independent audit is to provide reasonable assurance that the basic financial statements of the Authority for the year ended December 31, 2019 and 2018 are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and any significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concludes, based upon their audit, that there is a reasonable basis for rendering an unmodified (“clean”) opinion and that the Authority’s financial statements for the year ended December 31, 2019 and December 31, 2018 are presented in conformity with GAAP. The independent auditor’s report is the first component of the Financial Section.

UNIFORM GUIDANCE AUDIT

The independent audit of the financial statements is part of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards commonly called the “Uniform Guidance”, relative to financial funds received from the U.S. Government, the New York State Department of Transportation Draft Part 43 of the Codification of Rules and Regulations, relative to State transportation funds received, and also, in conformity with the provisions of the Passenger Facility Charge Audit Guide for Public Agencies. The standards governing these provisions require the independent auditor to report on the fair presentation of the financial statements and on the Authority’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state grant awards. The independent auditor’s reports are included in the Compliance Section.

As a recipient of federal and state financial assistance, the Authority also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. As part of the Authority’s Uniform Guidance audit, tests were made to determine the adequacy of the internal control structure, including that portion related to federal assistance awards, as well as to determine that the Authority has complied with applicable laws and regulations. The results of the Authority’s audit under the Federal Uniform Guidance for the year ended December 31, 2019 provided no instances of material weaknesses in the internal control structure and no instances of noncompliance that are required to be reported under Government Auditing Standards.

THE AUTHORITY

The Albany County Airport Authority (Authority) is a body corporate and politic constituting a public benefit corporation established and existing pursuant to the Albany County Airport Authority Act, Title 32 of Article 8, as amended, of the State of New York Public Authorities Law (Act). The State created the Authority in 1993 in order to promote the strengthening and improvement of the Airport and to facilitate the financing and construction of the initial Terminal Improvement Project (TIP), other

subsequent capital improvement plans and gave the Authority the power to operate, maintain and improve the Airport.

The County of Albany (County) and the Authority entered into a permanent Airport Lease Agreement dated December 5, 1995, which became effective May 16, 1996 following approval by the Federal Aviation Administration (FAA) of the United States Department of Transportation for the transfer of the sponsorship of the Airport from the County to the Authority. Under the Lease Agreement the County leases to the Authority the Airport, including all lands, buildings, improvements, structures, easements, rights of access, and all other privileges and appurtenances pertaining to the Airport. On November 5, 2018, the termination date of the lease was extended from May 16, 2036 to December 31, 2049.

The Act creating the Authority set forth the following for its creation:

GOALS– To provide adequate, safe, secure and efficient aviation and transportation facilities at a reasonable cost to the people.

OBJECTIVES – (1) To promote safe, secure, efficient and economic air transportation by preserving and enhancing Airport capacity; (2) to acquire, construct, reconstruct, continue, develop, equip, expand, improve, maintain, finance and operate aviation and other related facilities and services; (3) to stimulate and promote economic development, trade and tourism; (4) to form an integral part of a safe and effective nationwide system of Airports to meet the present and future needs of civil aeronautics and national defense and to assume inclusion of the Authority’s facilities in state, national and international programs for air transportation and for airway capital improvements; and (5) to ensure that aviation facilities shall provide for the protection and enhancement of the natural resources and the quality of the environment of the state and the capital district area.

THE REPORTING ENTITY

The Authority is composed of seven members with four members appointed by the majority leader of the Albany County Legislature and three members by the Albany County Executive, all with approval of the Albany County Legislature. The Authority members are appointed for a term of four years or until a successor is appointed, except that any person appointed to fill a vacancy is appointed to serve only the unexpired term.

Rev. Kenneth J. Doyle became the Acting Chair of the Board in 2012 and Chair in 2014. Phillip F. Calderone, Esq., Chief Executive Officer, is responsible for planning and directing the management of all operations at the Airport including its capital improvement programs. Michael F. Zonsius, CPA, Chief Financial Officer, is responsible for financial planning, budgeting, operating and capital accounting procedures and controls, debt management, airline affairs, and all Authority financial policies and procedures.

The Authority has engaged the services of AFCO AvPorts Management LLC, (d/b/a AvPorts) to manage the daily operations of the Airport and REW Investments, Inc. (d/b/a Million Air-Albany) to manage the daily operations of the Fixed Base Operations (FBO). An Organizational Chart is included in this Introductory Section.

Based on the County's responsibility for the appointment of Authority members and their approval of all Airport capital improvement programs and for the issuance of certain debt, the Authority is defined as a component unit of the County under the criteria established by the Governmental Accounting Standards Board (GASB). The Authority has one component unit created in 2009 – the Albany County Airport Authority OPEB Trust – which is reported as a fiduciary component unit.

PROFILE OF ALBANY INTERNATIONAL AIRPORT

Albany International Airport is the gateway to the New York State Greater Capital Region. The Airport, located on approximately a 1,200 acre site in the Town of Colonie, is the primary provider of commercial air transportation to the Albany area, including the northeast-central region of the State, southern Vermont and western Massachusetts. The Airport, located seven miles from downtown City of Albany, is accessible via U.S. Interstate 87, 88 and 90 highways. The Airport is strategically located at the center of New York's Capital Region and represents the heart of the burgeoning Hudson Valley Corridor known as "Tech Valley."

The Airport is defined by the FAA as a small air traffic hub, an Airport which handles between 0.05 percent and 0.249 percent of the enplaned passengers by U.S. air carriers nationwide. Based on the latest FAA data available, in 2018 the Airport ranked 82nd in total enplanements and 106th in total cargo weight. The Airport also ranked 232nd in total aircraft operations in 2018.

The Airport has two primary runways, 1-19 and 10-28. The Airport services commercial, cargo, general aviation and military operations with a 24-hour operating air traffic control tower, U.S. Customs and Border Protections support services, and general aviation FBO facilities. Additional Airport data information is included in the Statistical Section of this report.

AIRPORT ECONOMICS AND DEMOGRAPHICS

The Airport's 13 county primary air-trade service area for drawing passengers, located in New York State, southern Vermont and western Massachusetts, is home within a 75-mile radius to 1.4 million people and many businesses. Albany's secondary air-trade service area extends in a 150-mile radius from the Airport deeper into New England and upstate New York and adds an additional population of approximately 1.8 million for a combined total population exceeding 3.1 million in the primary and secondary areas.

The Airport's primary air trade area is at the core of the State Capital of the Nation's 4thrd largest state by population with more than fifty-thousand state employees and the "Tech Valley," an ongoing high-technology development program. High tech development continues in the region. The College of Nanoscale Science and Engineering at the SUNY Polytechnic Institute campus in Albany

continues to expand its nanotechnology research and development programs. This nanotechnology center is located within a few miles of the Airport and is the first college in the world dedicated to research, development, education, and deployment in the disciplines of nanoscience, nanoengineering, nanobioscience, and nanoeconomics. With over \$16 billion in public and private investments, CNSE's Albany NanoTech Complex has attracted over 250 global corporate partners - and is the most advanced research complex at any university in the world. Nearby Rensselaer Polytechnic Institute is home to the Center for Biotechnology and Interdisciplinary Studies. This technology research center ranks among the world's most advanced research. Computer chip manufacturer GlobalFoundries built a major chip fab plant 20 miles north of the Airport that became operational in 2012. The combination of technology businesses and comparatively low unemployment rates position Albany for continued growth in airline activities and passenger usage of the airport.

The Airport's air-trade service area is also the home to world-class summer and winter vacation and recreation attractions that draw individuals and families from across the nation and from around the globe. The Adirondack, Berkshire, Catskill and Green Mountains, Lake George, the Hudson River Valley, and the Mohawk River - Erie Canal corridor offers a cornucopia of excellent entertainment and recreation venues. Features such as the Baseball Hall of Fame in Cooperstown, the Olympic Village in Lake George, the 130-year-old Saratoga Thoroughbred Race Track, and the Tanglewood and Saratoga Performing Arts Centers highlight this region. This area is also home for numerous major colleges, universities and hospitals, the largest of which are set forth in the Statistical Section of this report.

AIRLINE ECONOMICS

The airlines have endured major financial impacts resulting from a series of events beginning in 2001 that have caused business and leisure passengers to reassess their use of commercial air travel or to elect to use other means of transportation. In 2008, the airlines were especially impacted by high jet fuel prices, forcing a reduction in capacity and reducing the number of flights throughout the system. During the latter part of 2008, the recession reduced the level of travelers and weakened the airlines financial stability. The airlines responded by reducing the size of their work forces, their operating expenses, airline seat capacity and some consolidation among carriers. The recession brought about low fuel prices which did provide a stabilizing effect on the financial health of the airlines. During the continued economic recovery, the airlines were able to raise airfares and charge additional fees for new and existing services such as internet access and baggage. According to Airlines for America, an industry trade association, U.S. Airlines lost \$65 billion from 2001 through 2009 and produced profits of \$75.9 billion in 2010 through 2017.

Some of the potential factors that can impact the airlines and therefore the number of flights and enplanements at this Airport are: the availability and costs of aviation fuel and other necessary supplies; changes in demand; national and international disasters and hostilities; service and fare competition; mergers; high fixed costs; high capital requirements; the cost and availability of financing; technological changes; the cost and availability of employees; strikes and employee disruptions; the maintenance and replacement requirements of aircraft; the availability of routes and

slots at various airports; litigation liability; regulation by the federal government; environmental risks and regulations; noise abatement concerns; federal and state bankruptcy and insolvency laws; acts of terrorism; world health concerns such as Severe Acute Respiratory Syndrome and influenza A (H1N1“Swine Flu);” availability of satisfactory travel substitution such as video conference; and other risks.

The impact of COVID-19 has had a drastic and acute impact on the aviation industry as well as the national and world economies and we expect that it will continue to have a financial impact on the Authority for the foreseeable future.

AUTHORITY’S FINANCIAL RESOURCES

The information presented in the Financial Section is best understood when it is considered from the broader perspective of the specific environment within which the Airport operates. The Authority’s and Airport’s profile, its goals and objectives, the Airport’s economic and demographics and the Authority’s financial resources are all components of the Airport’s financial health and its ability to meet its financial obligations and service commitments.

FINANCIAL CONTROLS

The Authority prepares an annual operating budget on the modified accrual basis of accounting. This basis differs from full accrual basis of accounting in that certain expenses are included on a cash basis. These include an expenditure classification for the principal portion of long-term debt obligations, the local share for certain capital projects, and the lack of depreciation expense. All other major revenues and expenses are included in the budget on the accrual basis. The Authority adopts an annual operating budgetary basis of accounting to facilitate calculation of the rates and charges billed to the airlines. A separate capital improvement program budget is prepared for capital projects given their multi-year nature.

The Authority and the Airlines entered into a five-year agreement that began January 1, 2016 that continues basically the same rates and charges model from the prior agreement with some modifications. The Agreement includes a majority-in-interest (MII) provision that allows for airline disapproval of capital projects, subject to a number of exceptions, if they would add to airline rates and charges. The MII disapproval occurs if a project is disapproved by more than 50% of the signatory airlines representing not less than 50 percent of the maximum gross landed weight of all signatory airlines during the most recent six months or Airlines representing more than 50% of the total signatory terminal rentals for the most recent six months for projects in the Terminal. The Authority must also notify the Signatory Airlines of any project in excess of \$1,000,000, net of any state and federal grants, in the Airfield or Terminal.

The Agreement with the signatory airlines incorporates a hybrid method for calculating airline rates and charges which applies a residual rate making methodology for the airfield and a compensatory methodology for the terminal. The Agreement provides for the signatory passenger airlines to receive 50% of the Airport’s net revenues, as defined in Agreement. The Authority also has the

ability under the Agreement to adjust airline rates and charges at any time throughout the year to ensure adherence to all financial covenants in its bond resolutions. No such adjustments were required during 2019 or in any prior year.

OPERATING FINANCIAL PLANNING

As part of preparing its operating budget, each year the Authority prepares a multi-year projection of revenues and expenses for airline activities covering the next five years in accordance with the current Airline Use and Lease Agreement, and beyond assuming that the Agreement remains substantially unchanged. The projections for 2020 assumed enplanements would be 1,500,000 which is the same as 2019 budget. If the budget assumptions and activity projections prove to be reasonable, the projected airline cost per enplanement, net of revenue sharing, should approximate \$6.44, excluding FBO costs per enplaned passengers, and debt service coverage should be 1.75 (Net Revenues to Net Debt Service calculated under the provisions of the Master Bond Resolution). Certain assumptions are used in determining the projected activity levels and the related projected revenues and expenditures at this Airport and accordingly, subsequent actual results in any one year, or for the entire period, could differ substantially from those projected. Details for these projections are included in the Authority's adopted \$55.3 million 2020 operating budget, which is on the Authority's web site.

The above said, the world is now combatting COVID-19 and recent 2020 airport activity is a small percentage of what it had been just a few weeks ago. As the effects of this disease on the traveling public become more certain in the upcoming weeks, year-end projections and the 2020 operating budget may be amended.

CAPITAL FINANCIAL PLANNING

The \$120.5 million 2015-2019 capital improvement program was approved by the Authority and the County in 2014. On May 1, 2017, the Authority amended the capital plan to increase and reallocate amounts within categories and increased the total to \$142.5 million. The capital plan was subsequently amended in 2019 and decreased approximately \$5.6 million to approximately \$136.9 million. Many of the projects therein are dependent on their eligibility for available Federal and State funding, or on the ability of the Authority to issue indebtedness. During 2019, the Authority was awarded approximately \$5.5 million in airport improvement project grants to provide a portion of the funding for three projects that include reconstruction of Runway 10/28 and Taxiway C edge lighting, replacement of snow removal equipment, and airport drainage improvements. Because the State grant funds are provided on an expenditure reimbursement basis, the Authority did obtain a \$10 million bank revolving line of credit to provide interim financing of expenditures eligible for grant reimbursement.

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

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

All the projects included in the five-year program are designed to meet the objectives as set forth in the Airport's 2020-2024 Capital Plan. All projects have or will be subject to a Federal Environmental Assessment (FEA) pursuant to the National Environmental Policy Act of 1969 (NEPA), as amended, and a New York State Environmental Impact Statement (EIS) under the New York State Environmental Review Act (SEQR). Specific airfield related projects eligible for Federal or State funding support will also be subject to Federal Aviation Administration and New York State Department of Transportation review and approval.

The total effect any capital program will have on future operating budgets are evaluated at the time a specific project is authorized by the Authority to be started unless a project is mandated for safety or health purposes. All capital projects completed in 2019, or scheduled for completion in 2020, have their projected additional operating costs and related revenues incorporated into the Authority's 2020 operating budget.

FISCAL CAPACITY

The Authority has the ongoing ability and willingness, as needed, to raise revenues, incur debt, control expenses and meet its financial obligations as they become due. In adopting its 2020 budget, the Authority projected 2020 enplanements would be 1,500,000 which is the same as the amount budgeted for 2019. The Authority has set its rates and charges for 2020 under the Airline Use and Lease Agreement to meet all projected obligations. For 2020, signatory landing fees have been set at \$3.05 per 1,000 pounds, compared to \$3.35 budgeted in 2019; apron fees at \$1.35 per square foot, an increase from \$1.48 budgeted in 2019; and the terminal rental rate at \$84.97 per square foot, an increase from \$83.59 budgeted in 2019.

As of December 31, 2019, the Authority had \$31.8 million in unrestricted funds available which included \$15.5 million in an operating and maintenance reserve, more than sufficient to meet two months of operating expenditures totaling \$6.3 million, and \$15.7 million in its development fund which can be used to restore a deficiency in any other fund, and \$500,000 in an equipment repair & replacement reserve fund. In addition, the Authority has \$12.8 million in debt service reserve funds, plus \$15.7 million in Passenger Facility Funds on-hand, that when combined, exceeds the total annual debt service principal and estimated interest payments of \$11.7 million due in 2020. The Authority does not anticipate experiencing any cash flow deficiencies during 2020 requiring short-term cash flow financing or increases during the year to the rates and charges billed to the Airlines. The Authority does plan to advance one or more applications to utilize PFC funds collected or to be collected.

DEBT CAPACITY

The Albany County Airport Authority Act sets the Authority's debt limit at \$285 million. At December 31, 2019, there is approximately \$92.6 million of debt outstanding issued directly by the Authority to be reduced by \$7.4 million of principal payments during 2020. Debt service coverage was 1.78 for 2019 and is projected to be 1.77 for 2020 based on the adopted budget. Currently the Authority's entire debt portfolio is fixed rate debt.

AUTHORITY'S INITIATIVES

The Airport moved forward with various activities during 2019 to enhance and maintain the services provided to the airlines, the traveling public, and other uses of the Airport. These initiatives include:

- The Authority continued to aggressively pursue the air service opportunities to Airlines and promoted underserved markets.
- As part of the Upstate Airport Development & Revitalization project, construction continued on a new 1,000 space parking garage as well as all new parking revenue equipment. Rehabilitation of most of the restrooms, signage, roofing and flooring in the terminal also took place during 2019.
- Runway 1/19 and Taxiway A were retrofitted with new energy efficient edge lighting.
- Four Passenger Boarding Bridges were replaced.
- Three new concessions opened; Wolfgang Puck, Burger King, and The Deli.
- The general aviation hangar door was replaced at Hangar 1.
- The Authority continued to control costs and maintained reasonable rates and charges for an airport that provides a high level of services to its airlines including jet bridge maintenance, all janitorial services, waste removal and utilities.
- The Authority produced \$7.3 million in net revenue to share with the Airlines.
- The Authority experienced its 6th consecutive year on growth in enplanements.

AWARDS

FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2018. This was the twenty-fourth consecutive year that the Authority has achieved this prestigious award. In order to receive this award a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this 2019 CAFR continues to meet the Certificate of Achievement Program's requirements and will be submitting it to the GFOA to determine its eligibility for a certificate.

DISTINGUISHED BUDGET PRESENTATION

The Government Finance Officers Association of the United States and Canada (GFOA) also has presented an award of Distinguished Presentation to the Authority for its annual budget for 2019. In order to qualify for this award, a governmental unit must publish a budget document judged proficient in several categories including as a policy document, as an operations guide, as a financial plan, and as a communications device. The 2020 budget has been submitted to the GFOA to determine its eligibility for an award.

ACKNOWLEDGMENTS

It is the strong continuing commitment of the Authority Board to the highest standards of financial reporting, disclosure and professionalism that the preparation of this report has been accomplished and for that, we extend our sincere appreciation. We also give credit for the dedication, service and performance by all the employees of the Authority, AvPorts and Million Air-Albany in cooperation with all the employees of the airlines and other tenants located at the Airport for serving all the travelers, users and visitors to the Airport.

The preparation of this report on a timely and efficient basis is achieved by the professionalism, efficiency and dedicated services contributed by the entire staff of the Finance Department under the guidance of Margaret Herrmann, Chief Accountant. We wish to express our appreciation for their continuing efforts for maintaining the highest standards of professionalism in managing the financial operations of the Authority in a progressive and responsible manner. It is recognized and a source of pride to the Authority. We also express our specific appreciation to all members of the Finance Department who contributed to assembling and formatting the data included in this report.

CERTIFICATION

The following sections of this report include the basic financial statements of Authority for the fiscal year ended December 31, 2019 including the Independent Auditor's Report on the basic financial statements. The Auditor's Report provides an unmodified opinion. Based on our knowledge, the information provided in the basic financial statements is accurate, correct and does not contain any untrue statement of material fact; does not omit any material fact which, if omitted, would cause the basic financial statements to be misleading in light of the circumstances under which such statements are made; and fairly presents in all material respects the financial condition and results of operations of the Authority as of, and for, the periods presented in the basic financial statements.

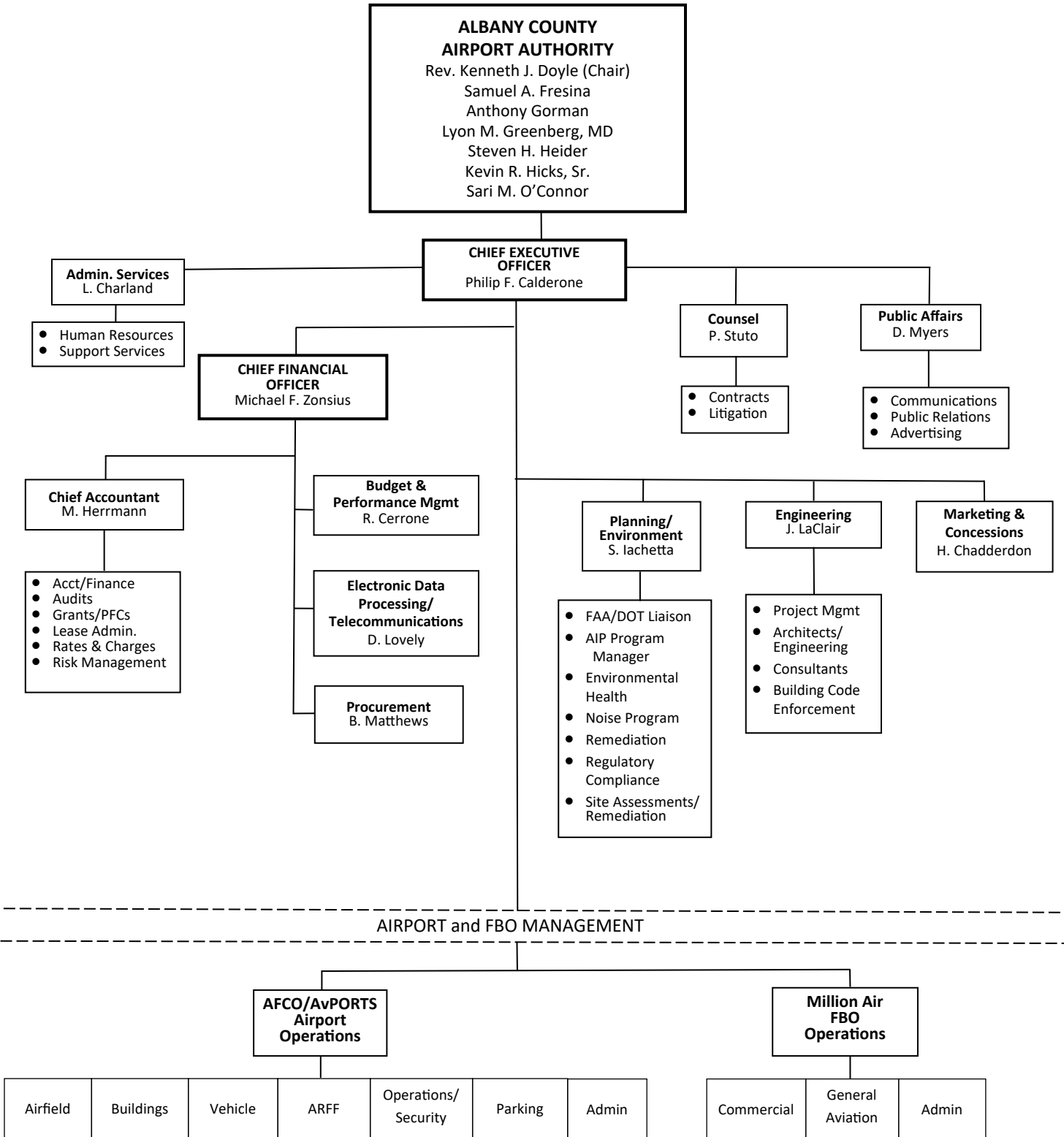
Respectfully submitted:

Phillip F. Calderone, Esq.
Chief Executive Officer

Michael F. Zonsius
Chief Financial Officer

ALBANY INTERNATIONAL AIRPORT ORGANIZATIONAL CHART

As of December 31, 2019





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

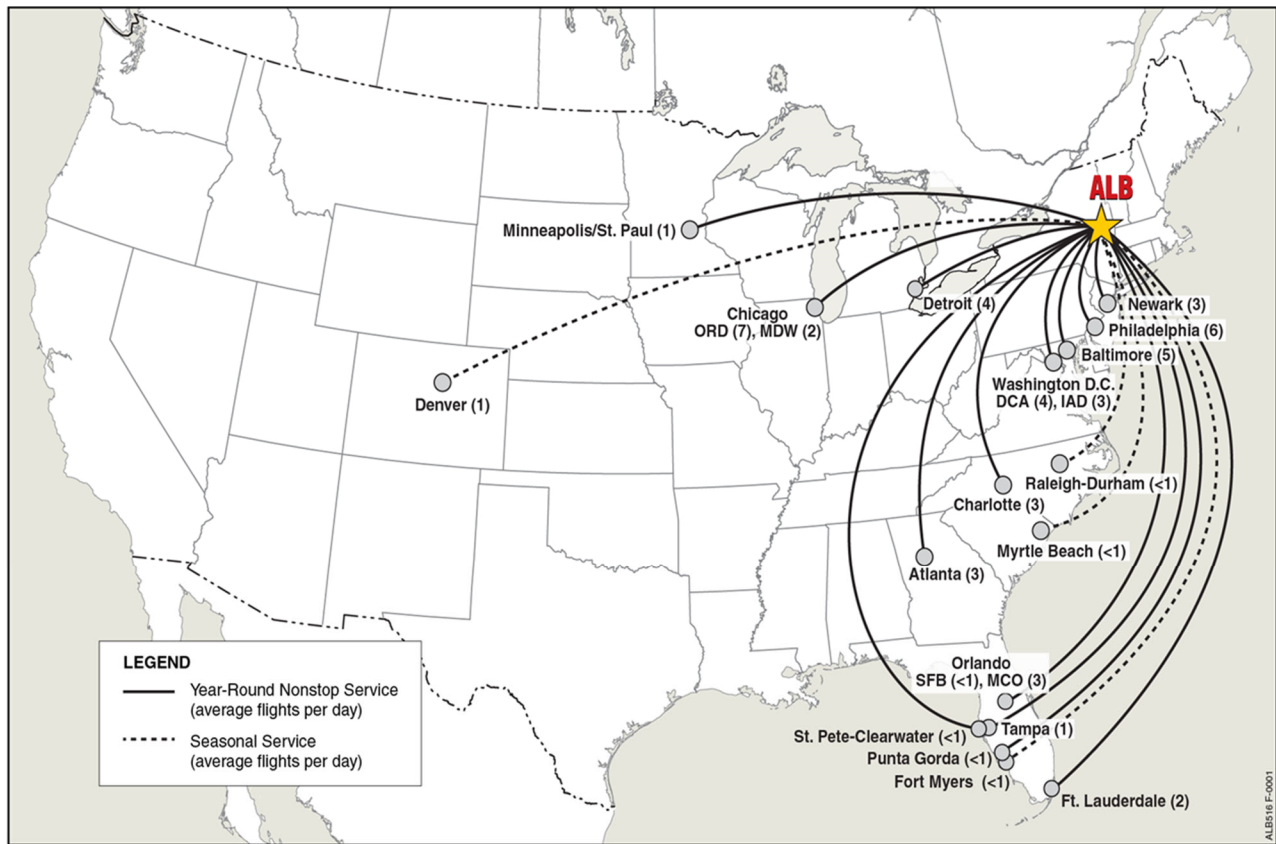
Albany County Airport Authority
New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morvill

Executive Director/CEO



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

SERVICE PROVIDED BY

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

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

Source: Official Airlines Guides Schedules, March 2020

Financial

INDEPENDENT AUDITOR'S REPORT

To the Members
Albany County Airport Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and fiduciary funds of the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York, as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the comptroller general of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary funds of the Albany County Airport Authority as of December 31, 2019 and 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net OPEB liability and related ratios, schedule of actuarially determined contribution – deficiency/(excess), schedule of OPEB actuarial methods and assumptions, schedules of proportionate share of net pension liability (asset) and schedule of authority contributions on pages 19 through 35, 78 through 82 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Albany County Airport Authority's basic financial statements. The introductory section on pages 1 through 14, the schedules of debt service requirements to maturity and of governmental payments and services on pages 84 and 85, the customer facility charges statement on page 88, the statistical section on pages 90 through 113, and the biographies of the Authority's members and senior staff on pages 127 through 130 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance for the year ended December 31, 2019, is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and by the New York State Department of Transportation *Preliminary Draft Part 43 of the New York State Codification of Rules and Regulations* and are also not a required part of the basic financial statements. The accompanying Schedule of Passenger Facility Charges Collected and Expended for the year ended December 31, 2019, is presented for purposes of additional analysis as specified in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and is also not a required part of the basic financial statements.

The schedule of debt service requirements to maturity, the schedule of government payments and services, the Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance, and the Schedule of Passenger Facility Charges Collected and Expended are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, the statistical section and biographies have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2020 on our consideration of the Albany County Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Albany County Airport Authority's internal control over financial reporting and compliance.

Marvin and Company, P.C.

Latham, NY
March 16, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) of the Albany County Airport Authority (the Authority) provides an introduction of the basic financial statements for the year ended December 31, 2019 with selected comparative information for the years ended December 31, 2018 and December 31, 2017. Management prepared this unaudited MD&A, which should be read in conjunction with the financial statements, and the notes thereto, which follow in this section.

BASIC FINANCIAL STATEMENTS

The Authority is a business-type activity and the Authority's basic financial statements include: the *Statements of Net Position*, the *Statements of Revenues, Expenses and Changes in Net Position* and the *Statements of Cash Flows*. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). Also included are the *Statements of Fiduciary Fund Net Position*; and the *Statements of Changes in Fiduciary Fund Net Position* for the Authority's Fiduciary Fund which also has a December 31st year end.

The *Statements of Net Position* depict the Authority's financial position at December 31, 2019 and December 31, 2018, the end of the Authority's previous fiscal year. The Statements report all assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Net position is displayed in three components: net investment in capital assets, restricted (distinguished between major categories of restrictions) and unrestricted.

The *Statements of Revenues, Expenses and Changes in Net Position* report total operating revenues, operating expenses, non-operating income and expenses, capital contributions and the changes in net position during the year ended December 31, 2019 and 2018. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows.

The *Statements of Cash Flows* present information showing how the Authority's cash and cash equivalents position changed during the year ended December 31, 2019 and 2018. The Statements classify cash receipts and cash payments by Operating Activities, Noncapital Financing Activities, Investing Activities, and Capital and Related Financing Activities.

The *Statements of Fiduciary Fund Net Position* is a snapshot of account balances of the Authority's fiduciary fund at December 31, 2019 and December 31, 2018. It indicates the assets available for future payments for retiree benefits and any current liabilities that are owed at this time.

The *Statements of Changes in Fiduciary Fund Net Position*, on the other hand, provides a view of current period additions to and deductions from the net position held in the Trust during the year ended December 31, 2019 and 2018.

AIRPORT ACTIVITIES HIGHLIGHTS

The County of Albany owns the Albany International Airport (the Airport) and entered into an Airport Lease Management Agreement, pursuant to which the County leased the Airport to the Authority for a 40 year term commencing May 16, 1996. On November 5, 2018 the term of the Lease was extended through December 31, 2049. The Authority employs two firms to manage the daily operations of the Airport:

→ AFCO AvPorts Management LLC, (d/b/a AvPorts) manages the daily operations of the airport including airfield, terminal, security, ARFF, landside, building and vehicle maintenance and public parking pursuant to a management services agreement.

→ REW Investments, Inc., (d/b/a Million Air) manages the daily operations of the Fixed Based Operations (FBO) of the airport including fuel farm management, commercial aviation into-plane fueling, and ground handling, fueling and hangaring of general aviation aircraft pursuant to a management services agreement.

The Authority's revenues are derived primarily from: Airline rates and charges for the use of the Airport's facilities in the form of landing fees, terminal rentals, apron fees and loading bridge charges received from airlines using the Airport; concession fees from vendors serving the passengers including food and beverage, retail and rental cars; public parking fees including surface and garage parking; and FBO activities from general aviation activities.

AIRPORT REVENUES

Five major factors impact airport revenues: commercial operations, enplanements, FBO operations, concessions and parking:

COMMERCIAL OPERATIONS

The following shows the major indicators of the total commercial airline activities during the past three years:

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

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

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

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

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

Landing fee revenues are not sensitive to the number of operations or landed weight because the agreements with the airlines and cargo carriers provide for the Signatory Passenger and Cargo Airlines to fund the operating costs of the Airfield after receiving credit for all airfield revenue. Accordingly, landing fee revenue is sensitive to changes in the annual cost of operating the airfield that fluctuate with the weather and maintenance needs and costs of staffing. The change in airline operations and gross landed weight by airline for 2019 compared to 2018 and 2018 compared to 2017 is as follows:

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

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

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

ENPLANEMENTS

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

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

FBO OPERATIONS

REW Investments, Inc. (d/b/a Million Air) manages the daily operations of the FBO. A summary of the operating revenues and expenses, the gallons of Jet A and Aviation Gasoline sold, gallons of glycol sold and sprayed and the Jet A transferred to the commercial and cargo airlines is as follows for 2019, 2018 and 2017:

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

CONCESSIONS

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

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

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

PARKING

The Airport directly manages all on-airport parking operations which at December 31, 2019 consisted of 181 short-term garage/surface, 1,912 long-term garage, 1,880 long-term surface, and 2,763 remote shuttle served parking spaces. Revenue for 2019 compared to 2018 and 2017 are as follows:

	2019	2019 vs. 2018	2018	2018 vs. 2017	2017
Public Parking					
Revenues	\$ 16,249,821	6.6%	\$ 15,248,081	1.8%	\$ 14,985,272
# of Vehicles Parked	642,667	0.8%	637,611	-0.2%	638,570
Parking Revenue per Enplanement	\$ 10.70	2.9%	\$ 10.40	-1.6%	\$ 10.57

SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The changes in net position over time may serve as a useful indicator of changes in the Authority's financial position. A summary of the Authority's change in net position for the year ended December 31 is below:

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

The Authority's operating revenues and expenses include the sales and cost of sales of fuel purchased and sold to general aviation customers through the FBO and also revenues for deicing activities. Gallons of jet fuel sold were 996,302, 1,158,694 and 1,217,080 for 2017 through 2019, respectively. The FBO provides fueling services for all commercial airlines at the Airport. Some of the airlines provide their own aircraft deicing services. Accordingly, commercial aircraft deicing service revenue is sensitive to both demand for services and need for services based upon weather conditions. The total gallons of sprayed deicing services delivered in 2017 through 2019 were 62,560, 98,418 and 99,455 gallons, respectively. The table below summarizes FBO revenues, expenses and net revenues for 2019, 2018 and 2017:

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

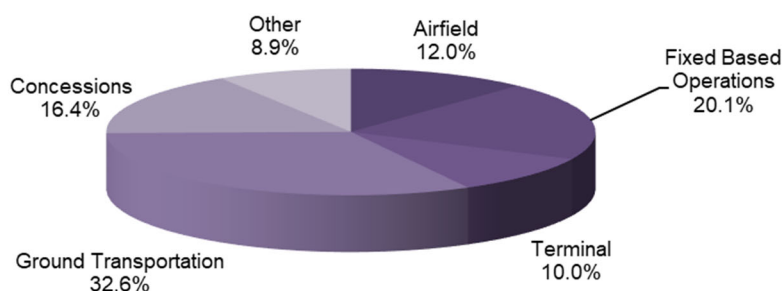
OPERATING REVENUES AND NON-OPERATING INCOME HIGHLIGHTS

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

Under the signatory airline use and lease agreement, the airfield is a “residual cost center” requiring signatory airlines to pay the residual cost after all airfield and certain non-airfield revenues allocable to the airfield have been applied which include all interest income and PFCs applicable to airfield related debt service. Accordingly airfield revenues are sensitive to airfield cost, interest earnings, PFC revenues applied to airfield debt service, and the amount of airfield debt service. The terminal revenue is sensitive to the amount of rented space and terminal operating costs used to determine the annual rental rate. FBO revenues are sensitive to the price of purchased fuel and the volume of fuel sold. Ground transportation revenue is sensitive to airline passenger activity. Concession and Other revenue are based upon passenger and other activity but are generally reinforced with minimum annual revenue guarantees and property leases.

Airfield revenues are sensitive to airfield operating cost because the revenue center is a residual cost center. Variations in airfield revenue from year to year reflect variations in cost which are impacted by variations in the cost of snow removal and maintenance required based upon conditions that change from year to year. The signatory landing fee rate is also sensitive to the volume of landed weight in any given year and its allocation to signatory airlines and other aircraft.

Allocation of 2019 Operating Revenues by Category

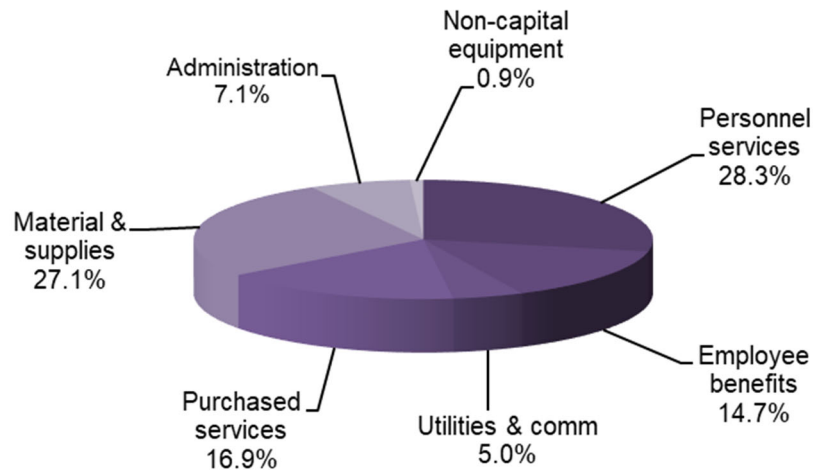


	2019	2018	2017
Operating Revenues			
Airfield	\$ 6,207,119	\$ 6,588,133	\$ 6,678,085
Fixed Based Operations	10,426,891	10,427,353	8,572,457
Terminal	5,178,553	5,538,045	5,019,779
Ground Transportation	16,906,909	15,721,089	15,325,640
Concessions	8,496,949	8,262,260	8,070,379
Other	4,626,970	4,292,488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

OPERATING EXPENSES AND NON-OPERATING EXPENSES HIGHLIGHTS

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

Allocation of 2019 Operating Expenses by Category



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

SPECIAL ITEMS

There were no special items in 2019. During 2018, the Authority received \$1.5 million from its inclusion in a multi-state action led by 45-State Attorney Generals against a former derivative instrument counter-party related to manipulation of the former London Interbank Offered Rate index. During 2018, the Authority began a capital project that resulted in the early retirement of \$474.7 thousand in assets determined to be permanently impaired.

EXTRAORDINARY ITEM

There were no extraordinary items in 2019. During 2018, the Authority was required to convey twelve acres of land for a state highway project. The Authority recognized a gain of \$148.6 thousand on the disposition of the land.

FINANCIAL POSITION SUMMARY

The Statements of Net Position depict the Authority's financial position as of one point in time – December 31 – and reflects the residual difference between all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the Authority. Net position represents the residual interest in the Authority's assets after deducting liabilities. The Authority's net position was \$240.6 million at December 31, 2019, a \$26.0 million increase from December 31, 2018.

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

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

Net position is comprised of three components as follows:

Investment in capital assets (e.g., land, buildings, improvements, and equipment), less the related indebtedness outstanding used to acquire those capital assets, represents the largest portion of the Authority's net position (78.9% at December 31, 2019). The Authority uses these capital assets to provide services to the airlines, passengers and to service providers and users located at the Airport; consequently, these assets are not available for future spending. Although the Authority's net investment in capital assets is net of related debt, the resources required to repay this debt annually are paid from operations, since it is unlikely that the capital assets will be liquidated to pay liabilities.

Restricted net position (12.7% at December 31, 2019), principally representing bond reserves and PFC funds, are restricted as to use pursuant to bond resolutions and Federal regulations. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted net position totaling \$20.3 million (8.4% at December 31, 2019) are available to meet any of the Authority's ongoing obligations. The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

AIRLINE SIGNATORY RATES AND CHARGES

The Authority and airlines entered into a Use and Lease Agreement ("Agreement") effective January 1, 2016 for five years, with an option for a five-year renewal, which establishes how the airlines that signed the Agreement will be assessed annual rates and charges for their use of the Airport. In the Agreement, signatory airlines have the option to designate some or all of their affiliate carriers as signatory airlines. This entitles the affiliates to signatory rates and charges for use of the Airport. As of December 31, 2019, signatories in the Agreement include seven commercial, nineteen affiliate carriers and two cargo airlines.

The Agreement with the signatory airlines is based on a hybrid rates and charges methodology. A residual cost methodology is used for the airfield and a commercial rental rate methodology for the terminal. The apron charge is based on a 10% allocation of total airfield costs and loading bridge rental rates is based on total actual operating costs for all the loading bridges. The resulting funds remaining each year are split fifty/fifty between the Authority and the signatory airlines. Each year the Authority prepares and issues an actual airline rates and charges analysis report in accordance with the Agreement and financial statements prepared in accordance with GAAP as audited by independent public accountants as of December 31. The Authority has the ability under the Agreement to adjust airline rates and charges at any time throughout the year to ensure adherence to all financial covenants in its bond resolutions. The Authority can impose a "Capital Charge Coverage" equal to 25% of its required debt service and also apply the Airline Share of Revenue sharing to meet debt service coverage if needed. Capital Charge Coverage provides for revenues less expenses, to be not less than one-hundred twenty-five percent (125%) of annual debt service. If needed to meet debt service coverage, the Airline Revenue Sharing is first suspended. The Authority may also impose "Extraordinary Coverage Protection", if necessary to meet the covenant debt service coverage ratio. The final rates and charges, after all year-end settlement adjustments and the revenue sharing allocations in accordance with the definitions and formulas contained in the Agreement with the signatory airlines are as follows:

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

The Authority has from time to time adopted Air Service Development Incentive programs which can provide qualifying airlines with credits that maybe used to offset Airport rates in charges after the qualification period ends. In 2019 and 2018 the Authority provided air service development incentive credits to Airlines totaling \$1,489,603 and \$244,691 respectively. The incentive credits are reported as an expense in the financial statements in the year earned and are funded from the Authority's portion of Revenue Sharing under the Agreement.

CASH MANAGEMENT POLICIES AND CASH FLOW ACTIVITIES

All cash receipts are initially deposited daily into collateralized or insured bank accounts. After initial deposit of receipts, all funds are transferred to various segregated bank accounts comprising the various funds defined in the Authority's Master Bond Resolution. The Authority's temporarily idle cash is maintained in collateralized or insured bank accounts consistent with the Authority's liquidity, available short-term investment opportunities, and desired level of risk. The Authority maintains some debt service reserves in United States Treasury obligations. All deposits and investments are in compliance with the laws of the State and the Cash Management and Investment Policy adopted by the Authority.

Cash equivalents represent cash-on-hand, bank deposits and liquid investments with a maturity of three months or less. The following shows a summary of the major sources and uses of cash and cash equivalents for 2019, 2018 and 2017:

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

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

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

CAPITAL ACTIVITIES

The enabling legislation creating the Authority set forth that every five years the Authority must submit to the County legislature a capital plan for approval for the subsequent five year period. The plan for 2015 – 2019 was approved by the County on December 1, 2014. The original plan provided for total spending of up to \$120.5 million over five years of which \$61 million is eligible for 95% grant funding. On October 15, 2019, the County of Albany approved an amendment to the capital plan to reallocate certain projects and decrease the total authorized by \$5.6 million to a new total of \$136.9 million. The plan does not represent a firm commitment of the Authority. The Authority has included every known possible project that could conceivably occur during the five-year period for disclosure purposes. During 2018 the Authority was awarded a \$22.1 million Upstate Airport Development and Revitalization Project grant from the State of New York (the project). The grant requires the Authority to provide additional funding to complete a modernization project. The project's estimated total cost is \$57.4 million, which the Authority intends to fund with \$22.2 million in State grants, \$0.8 million in federal funds, \$4.6 million in Passenger Facility Charge Funds and \$26.7 million in bond proceeds. The Authority obtained \$16.8 million in project proceeds from a portion of the \$22.6 million Series 2018 bonds issued on November 29, 2018 for new projects and \$10 million from the issuance of the Series 2019 bonds issued on November 20, 2019. The balance of the project will be funded with the Authority's cash on hand. At December 31, 2019, the Authority had \$23.6 million outstanding capital commitments. Additional information about capital activity can found under "Note 7 – Fixed Assets" in the Notes to the Financial Statements.

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

	Total 2015-2019 Amended Plan	Total 2015- 12-31-19 Activity
Approved Projects		
Airfield	\$ 27,850,000	\$ 12,719,158
Terminal	26,900,000	21,417,986
Landside	70,110,000	53,409,309
Major Equipment	12,000,000	7,601,219
Total	<u>\$ 136,860,000</u>	<u>\$ 95,147,672</u>
Projected Funding Sources		
Federal Funds	\$ 45,100,000	\$ 26,564,849
State Funds	30,900,000	23,824,869
Debt Issuances	33,000,000	12,735,700
Authority Funds	27,860,000	32,022,254
Total	<u>\$ 136,860,000</u>	<u>\$ 95,147,672</u>

DEBT ADMINISTRATION

The Authority's obligation for debts that are fixed and settled in cash include General Airport Revenue bonds and a revolving bank line of credit. The Authority issues Airport Revenue Bonds to provide funds for the acquisition and construction of major capital facilities. Airport Revenue Bonds are direct obligations and are pledged by the full faith and credit of the Authority. Certain outstanding bonds may be redeemed prior to their normal maturity dates in accordance with the terms of the related bond indentures. The Authority has never defaulted on any principal or interest payments.

The Authority has also obtained a \$10,000,000 revolving bank line of credit. Repayment of principal under the bank line of credit is secured by a pledge and assignment of certain grant payments receivable. Grant payments are not included in revenue as defined under the Master Bond Resolution and are not pledged to bondholders. Interest due on the line of credit is payable from the net revenues of the Authority not needed to pay bondholders.

In accordance with Section 2785 of the New York Public Authorities Law, the Authority may issue Bonds, Notes and Other Obligations up to \$285 million outstanding at any time plus certain amounts issued for refunding purposes. The total Authority principal debt outstanding at December 31, 2018 for General Airport Revenue Bonds (GARB) plus the line of credit was \$99,097,341 as compared to \$90,489,000 as of December 31, 2018. The aggregate par amount of bonds and bank loans issued by the Authority and outstanding as of December 31, 2019 and 2018 is summarized in the following table:

	Issued	Outstanding at 12-31-18	Outstanding at 12-31-19
Authority Revenue Bonds and Other Debt			
1999 NYS EFC	\$ 7,895,303	\$ 699,000	\$ -
2010 Refunding Series A & B	109,855,000	55,220,000	49,665,000
2017 Refunding Series A & B	14,395,000	11,980,000	10,975,000
2018 GARB Series A & B	22,590,000	22,590,000	22,295,000
2019 GARB Series A	9,620,000	-	9,620,000
Bank Line of Credit - 2018	10,000,000	-	6,542,341
Total Authority Debt Obligations	<u>\$ 174,355,303</u>	<u>\$ 90,489,000</u>	<u>\$ 99,097,341</u>

In the table above, the bonds and debt obligation are presented on a stated par-amount basis. Under generally accepted accounting principles certain items associated with the debts above are deferred and amortized into future periods by subtracting or adding the deferred items to the stated par amounts outstanding and expensing those deferred items in future periods as the debt matures using a systematic and rational method that conforms with generally accepted accounting described in Note 2 to the Financial Statements. The reported amount of bonds issued by the Authority that was outstanding as of December 31, 2018, additions and/or deletions during 2019, and the balances reported at December 31, 2019 with adjustments to the reported value required by generally accepted accounting principles is summarized in the following table:

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

BONDS ISSUED IN 2018

On November 29, 2018 the Authority completed the marketing and pricing for the sale of its Series 2018 Bonds in the total par amount of \$22,590,000 of which \$14,770,000 were sold as Series 2018A Non-AMT (not subject to any Federal Tax) and \$7,820,000 were sold as Series 2018B AMT (subject to the Federal Alternative Minimum Tax). The Series 2018 Bonds were issued to provide a portion of the funds required for the Upstate Airport Development & Revitalization Project and other projects.

BONDS ISSUED IN 2019

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

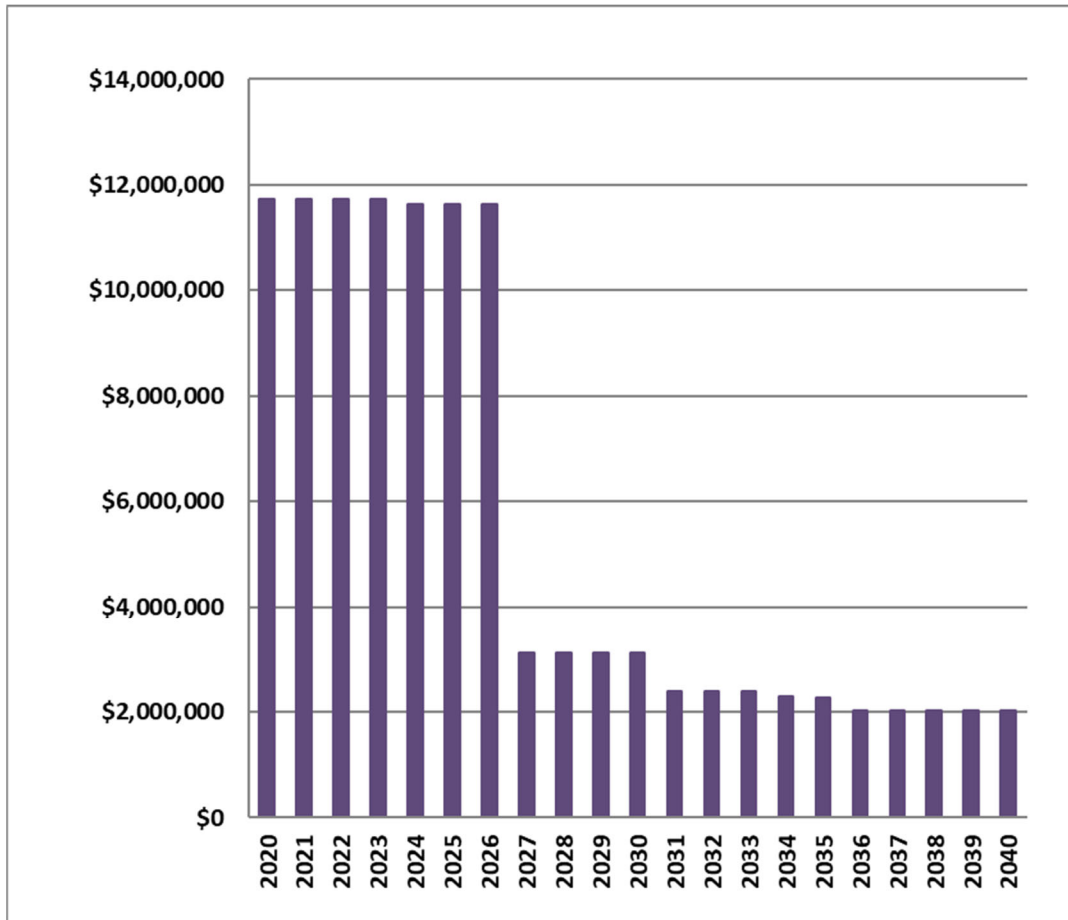
LINE OF CREDIT OBTAINED IN 2018

On December 31, 2018 the Authority obtained a \$10 million Bank Line of Credit (LOC) to provide contingent and temporary financing of grants receivable from the State under the \$22,131,900 Upstate Airport Development & Revitalization Project funding agreement with the State. The State grant funds are paid on a

reimbursement basis. At December 31, 2019 there was \$6,542,341 outstanding balance under the LOC (see Note 8).

At December 31, 2019 the Authority maintained debt service reserve funds in the amount of \$12.8 million and Passenger Facility Charge Funds in the amount of \$15.7 million, both of which are restricted to repayment of debt. Thus, the Authority’s direct obligations outstanding, net of funds restricted for the repayment of debt, was \$64.1 million in aggregate par amount of bonds outstanding.

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



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

OTHER LONG-TERM DEBT

Under generally accepted accounting principles, the term “debt” includes bonds, notes, loans, leases and other obligations including the net unfunded obligations for employee benefits. During 2018, the Authority adopted Governmental Accounting Standards Board Statement Number 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). GASB 75 required the Authority to report its actuarially estimated net unfunded liability for retiree health insurance (OPEB) as a liability on the Statement of Net Position for 2018. The Authority restated its January 1, 2018 Net Position by decreasing it by \$6,781,739 and reported a net unfunded liability for OPEB of \$6,621,984 at December 31, 2018. (See Note 13). As of December 31, 2019 and 2018 the Authority reported \$7,599,110 and \$6,621,984 respectively as its share of the unfunded OPEB liability. The Authority also reported \$320,236 and \$152,292 at December 31, 2019 and 2018 respectively for its proportionate share of the unfunded liability for employee pensions (See Note 12). For additional information about the Authority’s long term debt, see “Note 8 – Long-Term Indebtedness” in the Notes to the Financial Statements.

PASSENGER FACILITY CHARGE (PFC)

The Authority initially received approval from the FAA to impose a PFC of \$3.00 per enplaned passenger beginning March 1, 1994, not to exceed \$40,726,364, principally to finance the Terminal Improvement Program. During 1996, the Authority requested and received approval to increase the amount of PFCs to \$116,888,308 to be collected through the year 2022. Effective September 1, 2009, the Authority implemented an approved change in the PFC collection from \$3.00 per passenger to \$4.50 per passenger, with a current estimated collection period through 2020. Through December 31, 2019, the Authority has collected PFCs, including interest earnings thereon, totaling \$110,137,922, or 94.2% of the total authorized. Passengers pay PFCs on the first two and last two portions of any trip. No PFCs are collected from non-revenue passengers such as a passenger using a frequent flier award ticket. The Authority calculates that it is collecting PFCs on approximately 89.9% of its enplanements. Additional information about PFC activity can found under “Note 2 – Summary of Significant Accounting Policies” in the Notes to the Financial Statements.

CREDIT RATINGS AND BOND INSURANCE

The table below presents the enhanced and underlying ratings on each of the Authority’s outstanding bonds. Fitch Ratings has withdrawn its insured rating of all bonds insured by AGMC effective February 25, 2010. Moody’s lowered their rating of AGMC from “A3” to “A2” on January 17, 2013. Standard and Poor’s upgraded their enhanced rating of AGMC from “AA-” to “AA” on March 18, 2014. On June 14, 2018, Standard and Poor’s raised the Authority’s underlying credit rating from “A-” to “A”. On January 23, 2018 AGMC received a rating of AA+ from Kroll Bond Rating Agency. The Authority’s underlying credit ratings are: Moody’s Investors Service “A3”, Fitch Ratings “A-” and Standard and Poor’s “A”.

Series *	Bond Insurer	Moody's/Fitch/S&P/Kroll Enhanced Rating	Moody's/Fitch/S&P Underlying Rating
Series 2010A	AGMC	A2/NR/AA/AA+	A3/A-/A
2017A	uninsured	N/A	A3/NR/A
2017B	uninsured	N/A	A3/NR/A
2018A	uninsured	N/A	A3/NR/A
2018B	uninsured	N/A	A3/NR/A
2019A	uninsured	N/A	A3/NR/A

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

RESERVES AND DEBT SERVICE COVERAGE

Under the Authority's master bond resolution adopted in 1997, it is required to maintain an operating reserve equal to two months operating expenses. At December 31, 2019 the reserve requirement was \$6.3 million and for which the Authority had \$15.5 million on hand. The Authority also had \$15.7 million in its airport Development Fund which can be used to restore a deficiency in any other fund and it had a repair and replacement reserve fund of \$500,000. Also provided for in the bond resolution for each bond issue, the Authority maintains debt service reserve funds. As of December 31, 2019 the debt service reserve funds totaled \$12.8 million.

FINANCIAL STATEMENTS

The Authority's financial statements are prepared on an accrual basis of accounting in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Authority operates as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and (except land) are depreciated over their estimated useful lives. Certain funds are reported as restricted based upon constraints placed on their use by contributors, grantors and debt covenants. See the Notes to the Financial Statements for a summary of the Authority's significant accounting policies.

REQUEST FOR INFORMATION

The Authority's basic financial statements are designed to provide detailed information on the Authority's operations and to the Authority's Board, management, investors, creditors, customers and all others with an interest in the Authority's financial affairs and to demonstrate the Authority's accountability for the assets it controls and the funds it receives and expends. Questions concerning any of the information provided in this report or any request for additional information should be addressed to the Chief Financial Officer by e-mail: mzonsius@albanyairport.com or in writing to, Albany County Airport Authority, Administration Building, Suite 204, Albany, NY 12211-1057.

Respectfully submitted,



Michael F. Zonsius, CPA
Chief Financial Officer

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

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

The accompanying notes are an integral part of these financial statements

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

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

The accompanying notes are an integral part of these financial statements

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

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Operating Revenues		
Airfield	\$ 6,207,119	\$ 6,588,133
Fixed Based Operations	10,426,891	10,427,353
Terminal	5,178,553	5,538,045
Concessions	8,496,949	8,262,260
Ground transportation	16,906,909	15,721,089
Other revenue	4,626,970	4,292,488
Total Operating Revenues	<u>51,843,391</u>	<u>50,829,368</u>
Operating Expenses		
Airfield	3,670,043	3,400,074
Fixed Based Operations	7,824,736	8,004,735
Terminal	6,440,717	6,048,127
Loading bridges	311,987	349,282
Landside	6,404,947	5,927,475
Public safety	3,941,802	3,671,658
Aircraft Rescue and Fire Fighting	2,186,848	1,994,878
Vehicle maintenance	1,519,057	1,567,003
Administration	7,235,627	6,386,895
Total Operating Expenses	<u>39,535,764</u>	<u>37,350,127</u>
Revenues in excess of expenses before depreciation	12,307,627	13,479,241
Depreciation	<u>15,344,151</u>	<u>15,335,569</u>
Loss Before Non-Operating Income and Expenses	<u>(3,036,524)</u>	<u>(1,856,328)</u>
Non-Operating Income and (Expenses)		
Passenger facility charges	6,194,834	5,638,922
Grant income	150,480	300,997
Improvement charges	368,400	368,400
Interest income	1,403,088	488,263
Customer facility charges	757,428	-
Customer facility charges	(302,039)	-
Insurance recoveries	8,704	170,896
Insured expenses	-	(170,896)
Interest expense	(4,369,737)	(3,898,788)
Bond issuance expense	(237,068)	(390,361)
Amortization of bond insurance premiums	(60,020)	(68,308)
Total Non-Operating Income and (Expenses)	<u>3,914,070</u>	<u>2,439,125</u>
Income before Capital Contributions	877,546	582,797
Capital Contributions		
Capital Contributions	25,142,535	3,297,047
Special Item - LIBOR settlement	-	1,496,915
Special Item - cost of permanently impaired assets	-	(474,695)
Extraordinary Item - sale of land	-	148,595
Total Capital Contributions, Special and Extraordinary Items	<u>25,142,535</u>	<u>4,467,862</u>
Net Position		
Increase in Net Position	26,020,081	5,050,659
Net Position, Beginning of Year	214,569,660	216,300,740
Cumulative change in accounting principle	-	(6,781,739)
Net Position, Beginning of Year, as restated	<u>214,569,660</u>	<u>209,519,001</u>
Net Position, End of Year	<u>\$ 240,589,741</u>	<u>\$ 214,569,660</u>

The accompanying notes are an integral part of these financial statements

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

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

	December 31, 2019	December 31, 2018
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,429,013	\$ 2,220,686
Total Assets	2,429,013	2,220,686
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Total Deferred Outflows of Resources	-	-
 <u>LIABILITIES</u>		
Total Liabilities	-	-
 <u>DEFERRED INFLOWS OF RESOURCES</u>		
Total Deferred Inflows of Resources	-	-
 <u>NET POSITION</u>		
Net Position - Restricted for OPEB	\$ 2,429,013	\$ 2,220,686

The accompanying notes are an integral part of these financial statements

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

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

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority
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ALBANY COUNTY AIRPORT AUTHORITY

Notes to Financial Statements

December 31, 2019 and December 31, 2018

NOTE 1 - Organization and Reporting Entity

Organization:

The Albany County Airport Authority (Authority), a body corporate and politic, constituting a public benefit corporation, was established by the State of New York (State) August 4, 1993, pursuant to the provisions of Chapter 686 of the Laws of 1993 as set forth in Title 32 of the State's Public Authorities Law. As a public benefit corporation, the Authority is independent, distinct from, and not an agent of the State or any other of the State's political subdivisions, including the County of Albany (County).

The Authority consists of seven members, four appointed by the majority leader of the County Legislature and three by the County Executive, who jointly designate one of the seven members as chairperson, and all with approval of the County Legislature. The Authority members serve for a term of four years or until their successor is appointed, except that any person appointed to fill a vacancy will be appointed to serve only the unexpired term. Members of the Authority are eligible for reappointment.

On March 15, 1994, the Authority and the County entered into an Interim Agreement whereby the County granted, and the Authority accepted, sole possession, use, occupancy and management of the Albany International Airport (Airport), including all rights, interest, powers, privileges and other benefits in each and every contract relating to the maintenance, operation, leasing, management or construction of the Airport, and all other rights, privileges or entitlement necessary to continue to use, operate and develop the Airport.

The Authority and the County entered into a permanent Airport Lease Agreement, dated December 5, 1995, which upon its approval by the Federal Aviation Administration (FAA) became effective on May 16, 1996 for a term of forty (40) years, whereby the Authority has the exclusive right to operate, maintain and improve the Airport and do anything else permitted by law, subject only to the restrictions and conditions stated in such Airport Lease Agreement and in accordance with applicable Federal, State and local laws. On November 5, 2018 the term of the Lease was extended through December 31, 2049.

Pursuant to the State enabling Legislation, the Authority may not undertake any capital project (see Note 15), other than the redevelopment project described in the enabling legislation, known as the Terminal Improvement Program, unless the project has first been approved by the County as part of a five-year Capital Improvement Program. For these purposes, the term "capital project" is defined as the construction, reconstruction or acquisition of airport or aviation facilities.

Prior to March 15, 1994, the Airport operated as a fund of the County. As of March 15, 1994 the County transferred the use of all assets and substantially all liabilities of the County's Airport Enterprise Fund to the Authority. These assets and liabilities were recorded by the Authority at a Net Asset value equal to \$46,824,500.

The Authority is not subject to Federal, State or local income, property or sales taxes, except for property taxes due on properties acquired by the Authority until they are removed from the tax rolls as of the next assessment date. However, the Authority may agree to make certain payments in lieu of taxes for real property owned or used by the Authority for purposes other than public aviation purposes and under other limited circumstances.

The Authority has contracted with AFCO AvPorts Management LLC, (d/b/a Avports), to manage the daily operations of the airport under a three year term expiring December 31, 2021. The Authority has also contracted with REW Investments, Inc., (d/b/a Million Air), to manage the fixed based operations of the airport under a three year term expiring August 31, 2021. Both agreements are renewable with the approval of both parties.

Reporting Entity:

The Authority meets the criteria set forth in generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB) for inclusion as a component unit within the County's basic financial statements based on the County's responsibility for the appointment of the Authority members, and their approval of capital programs and certain debt issuances. As such, the Authority is included in the County's basic financial statements. The accompanying financial statements present the financial position and the changes in net position and cash flows of the Authority only. The Authority is not involved in any joint ventures.

The Authority has established a written, single employer, defined benefit plan to provide healthcare benefits to eligible former employees and/or their qualifying dependents. The Authority also established a legally separate trust known as the Albany County Airport Authority OPEB Trust to receive and manage contributions from the Authority to fund its obligations for retiree health care benefits under the written plan. The Albany County Airport Authority OPEB Trust is included in the Authority's financial statements as a separate Fiduciary Fund of the Authority under accounting principles promulgated by GASB.

NOTE 2 - Summary of Significant Accounting Policies

Basis of Accounting:

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) for state and local governments. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for state and local governments in the United States of America.

The Authority's operations are presented as a single enterprise fund. Enterprise funds distinguish operating revenues and expenses from non-operating items in accordance with the flow of economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, net position, revenues, and expenses are accounted for through a single enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred.

Revenues from airlines, FBO operations, concessions, property rentals, operating permits, and parking fees are reported as operating revenues. All expenses related to operating the Airport are reported as expenses. Passenger facility charges, noncapital grants, capital improvement charges, interest and investment income

are reported as non-operating income. Interest expense, financing costs and grant expenses are reported as non-operating expenses. Capital contributions, special and extraordinary items are reported separately after non-operating revenues and non-operating expenses.

Cash, Cash Equivalents and Investments:

The deposit and investment of Authority monies is governed by provisions in its enabling legislation and by a Cash Management and Investment Policy adopted by the Authority on September 13, 1994 and last amended July 23, 2018. The policy allows the Authority to use any depository bank that is a State or Federally chartered commercial bank that can meet the Authority's requirements for cash vault services, is a member of the National Automated Clearing House Association (NACHA), and is able to act as an Originating Depository Financial Institution (ODFI) for direct deposit of payments. Additionally, the bank must have a minimum long term credit rating of "A" without regard to subcategories from at least one of the Nationally Recognized Statistical Rating Organizations (NRSRO) and no rating below investment grade from any other NRSRO.

Monies not needed for immediate expenditure may be invested in (1) United States Treasury obligations with maturities of seven years or less, (2) obligations backed by the United States Government full faith and credit, (3) New York State, New York State agency or New York State subdivisions (cities, towns, villages, counties) obligations with, (4) certificates of deposit fully collateralized from a bank or trust company in New York State, (5) notes, bonds, debentures, mortgages and other evidences of indebtedness of certain agencies sponsored by the United States government provided at the time of investment such agency or its obligations are rated and the agency receives, or its obligations receive, the highest rating of all independent rating agencies that rate such agency or its obligations, and (6) repurchase agreements using United States Treasury obligations with maturities of seven years or less. Investments are stated at fair value or amortized cost.

For purposes of the statement of cash flows, the Authority considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents. Cash equivalents, which are stated at cost, consist of certificates of deposit, and treasury notes. Investments are reported at fair value.

Note 3 sets forth information about the use of federal depository insurance (FDIC) and collateralization to insure the Authority's deposits.

Receivables:

Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. The allowance for uncollectible amounts is based on collection history, aviation industry trends and current information regarding the credit worthiness of the tenants and others doing business with the Authority. When continued collection activity results in receipt of amounts previously written off, revenue is recognized for the amount collected.

Restricted Assets:

Restricted assets consist of monies and other resources which are restricted legally as described below:

Capital Funds - These assets represent capital debt proceeds and grant funds that are restricted for designated capital projects and cannot be expended for any other item.

Passenger Facility Charges Funds - These assets represent Passenger Facility Charges (PFC) collections based on an approved FAA application to “Impose” such charges on enplaned passengers at the Airport. These funds are restricted for designated capital projects and any debt incurred to finance the construction of those projects. The Authority recognizes and reports as other income PFCs earned when all conditions have been met that entitles the Authority to retain the PFCs. PFCs received prior to this time are reported as restricted net position.

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

Revenue Bond Funds - These assets represent Series 2010, 2017, 2018 and 2019 general airport revenue bond (GARB) proceeds held in Bond Reserve Accounts. Bond reserve accounts for the Series 2010, Series 2017, Series 2018 and Series 2019 Bonds equal 125% of the average annual debt service due on bonds at the time of issuance.

FAA Restricted Funds - These assets represent proceeds from the disposition of property acquired with capital grants from the Federal Aviation Administration through the Airport Improvement Program and the Airport Noise Compatibility Grants under FAR150 or a combination of both. These Airport funds were generated through the disposition of properties acquired with Federal and State aid and interest earnings thereon. The use of such revenues is restricted to Airport Improvement Program eligible project costs contingent upon FAA concurrence.

Concession Improvement Funds - These assets represent 1% of gross revenues of all food and beverage and retail concessions held in escrow to potentially fund the planning, developing, construction, remodeling, renovating or replacing of any of the concessionaires’ leased areas during the term of the concession agreement. Use of the funds during the term of the lease is subject to the Authority’s sole approval. Funds remaining at the end of a concession agreement are retained by the Authority.

Capital Assets:

Capital assets include land, improvements to land, easements, buildings, building improvements, vehicles, equipment and all other tangible assets that are used in operations and have useful lives extending beyond a single reporting period. Capital Assets assumed by the Authority on March 15, 1994 are carried at historical cost, net of accumulated depreciation. Acquisitions of new assets costing \$50,000 or more are recorded at cost.

Maintenance and repairs are expensed as incurred. When depreciable assets are disposed of, the related costs and accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited or charged to an expense. Capital Assets are written off when fully depreciated unless clearly identified as still being in use. Capital Assets are written-down due to impairment if circumstances indicate a significant or unexpected decline in an assets service utility has occurred. Impaired Capital assets are written down using an approach that best reflects the decline in service utility. Assets to be disposed of and assets held for sale are reported at the lower of carrying value or fair value less costs to dispose of.

Depreciation of capital assets is computed using the straight-line method at various rates considered adequate to allocate costs over the estimated useful lives of such assets. The estimated lives by general classification are as follows:

	<u>Years</u>
Buildings and improvements	5-30
Vehicles, machinery and equipment	5-15

Capitalization of Interest:

Interest costs incurred during the construction period for capital assets acquired with debt was capitalized in certain years prior to 2018. After 2007 the Authority did not incur or pay any interest that was eligible for capitalization.

Bond Issue Costs, Original Issue Discount and Deferred Loss on Bond Refundings:

Bond insurance (an issuance cost) is deferred and amortized over the life of the respective issue on an effective interest method. Original issue discounts and deferred loss on refundings on long-term indebtedness are amortized using the effective interest method over the life of the debt to which it relates. Interest on capital appreciation debt is accreted using the effective interest method.

Capital Contributions:

Certain expenditures for Airport capital assets are significantly funded through the Airport Improvement Program (AIP) of the Federal Aviation Administration (FAA), with certain matching funds provided by the State and the Authority, or from various State allocations or grant programs. Capital funding provided under government grants is considered earned as the related allowable expenditures are incurred.

Grants for capital asset acquisition, facility development and rehabilitation and eligible long-term planning studies are reported in the *Statements of Revenues, Expenses and Changes in Net Position*, after non-operating income and expenses, as capital contributions.

Revenue Recognition:

Airfield Landing Fee Charges - Landing fees are principally generated from scheduled airlines, cargo carriers and non-scheduled commercial aviation and are based on the gross landed weight of the aircraft. The estimated landing fee structure is determined annually pursuant to an agreement between the Authority and the signatory airlines based on the adopted operating budget of the Authority and is adjusted at year end for the actual landed weight of all aircraft. Landing fees are recognized as revenue when the related facilities are utilized.

FBO, Terminal Rents, Concessions and Ground Transportation - FBO revenues are generated from commercial and general aviation users, rental and concession fees are generated from airlines, parking lots, food and beverage, retail, rental cars, advertising and other commercial tenants. Leases are for terms from one to ten years and generally require rentals based on the volume of business, with specific minimum annual rental payments required. Rental revenue is recognized over the life of the respective leases and concession revenue is recognized based on reported concessionaire revenue.

Other - All other types of revenues are recognized when earned.

Special Items and Extraordinary Items:

Special Items - Special items are significant transactions or other events within the control of management that are either unusual in nature or infrequent in occurrence. During 2018, the Authority received \$1.5 million from its inclusion in a multi-state action led by 45-State Attorney Generals against a former derivative instrument counter-party related to manipulation of the former London Interbank Offered Rate index. During 2018, the Authority began a capital project that resulted in the early retirement of \$474.7 thousand in assets determined to be permanently impaired.

Extraordinary Items - Extraordinary items are transactions or other events that are both unusual in nature and infrequent in occurrence. During 2018, the Authority was required to convey twelve acres of land for a state highway project. The Authority recognized a gain of \$148.6 thousand on the disposition of the land.

Passenger Facility Charges:

Passenger Facility Charges (PFC) at the rate of \$3 per enplaned passenger have been levied by the Airport since March 1, 1994 under an FAA approved application to impose \$40,726,364 with collection thereof estimated to be complete in the year 2005. During 1996, the Authority received approval to increase the amount of PFC collections to \$116,888,308 extending the estimated collection period through the year 2022. In 2009, the Authority received approval to change the PFC collection from \$3.00 per passenger to \$4.50 per passenger, with a current estimated collection period through 2020. Through December 31, 2019, the Authority has collected PFCs including interest earnings thereon totaling \$110,137,922.

PFC funds, along with related interest earnings, are recorded as restricted net position until they are applied against future debt service payments under an FAA approved Application to Use. PFC receipts are recognized and recorded as non-operating revenues in the year they are collected.

The Authority previously expended \$11.2 million of PFCs on projects funded on a pay-as-you-go basis. The Authority also covenanted in the Resolution authorizing the Series 2010A Refunding Bonds to apply future PFC collections to pay a portion of the debt service related to the FAA approved projects included in the Applications. Pursuant to the Resolution, PFCs collected and deposited in a segregated account, together with the interest earned thereon, are applied towards the subsequent debt service payments reducing the amount of debt to be funded from net operating revenue. Through December 31, 2019, the Authority has applied \$92.0 million of PFC's towards the payment of debt service.

Compensated Absences:

Employees accrue vacation in varying amounts based on length of service. Employees can accumulate up to 300 hours, or 37.5 days of vacation time. Unused vacation time can be liquidated for cash upon separation, retirement or death.

Sick leave is earned by regular, full-time employees at the rate of one day per month. Employees can accumulate up to 1,320 hours or 165 days of sick leave. Any sick leave hours unused at the time of an employee's retirement can be applied as additional service credit in calculating retirement benefits in the New York State Employees' Retirement System. It is the policy of the Authority not to pay accumulated sick leave to employees who terminate prior to retirement.

The liability for compensated absences earned through year-end, but not yet taken, is accrued by charging the expense for the change in the liability from the prior year.

Pension Plans:

The Authority applies GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68) to recognize the net pension asset (liability), deferred outflows and deferred inflows of resources, pension expense (revenue), and information about and changes in the fiduciary net position on the same basis as reported by the cost-sharing, multiple employer, defined benefit pension plan. The Authority also applies GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date (GASB 71) to report additional deferred outflows. The Authority’s participation in the plans are mandated by State law and includes the New York State and Local Employees’ Retirement System (ERS) and the New York State Voluntary Defined Contribution (NYS VDC) plan (the Systems). The Systems recognize benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. More information on pension activity for the Systems is included in Note 12.

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, through subsequent events, actual results could differ from those estimated. Some estimates, such as the liability for Net Pension (Note 12) and Other Post-Employment Benefits (OPEB) (Note 13) have the potential to vary more significantly over time than other estimates.

Adoption of New Accounting Standards:

During 2018 the Authority adopted Governmental Accounting Standards Board Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). GASB 75 establishes financial reporting standards for other postemployment benefits (OPEB) plans for state and local governments. This standard replaces the requirements of GASB Statement No. 45 - *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended. The statement establishes standards for recognizing and measuring liabilities, deferred inflows and outflows of resources, and expense/expenditures, as well as identifying the methods and assumptions required to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Additionally, GASB No. 75 lays out the requirements for additional note disclosures and required supplementary information. As a result, beginning of year net position was restated as follows:

Net position previously reported, January 1, 2018	\$ 216,300,740
Recognition of net OPEB liability, January 1, 2018	(6,473,234)
Eliminate net assets held in trust for OPEB, January 1, 2018	<u>(308,505)</u>
Net position, January 1, 2018, as restated	<u>\$ 209,519,001</u>

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

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

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

During 2018 the Authority adopted Governmental Accounting Standards Board Statement No. 85 – *Governmental Accounting Standards Board Ominbus 2017* (GASB 85). GASB 85 establishes accounting and financial reporting requirements for blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

During 2018 the Authority adopted Governmental Accounting Standards Board Statement No. 86 – *Certain Debt Extinguishment Issues* (GASB 86). GASB 86 primarily requires disclosure for in-substance defeasance of debt in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt and also provides guidance on accounting for prepaid insurance on debt that is extinguished by in-substance defeasance. This Statement also requires that any remaining prepaid insurance related to the extinguished debt be included in the net carrying amount of that debt for the purpose of calculating the difference between the reacquisition price and the net carrying amount of the debt.

During 2018 the Authority adopted Governmental Accounting Standards Board Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* (GASB 88). GASB 88 requires that additional essential information related to debt be disclosed in the notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. (see Note 8).

During 2018, the Authority prospectively adopted Governmental Accounting Standards Board Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Project* (GASB 89). GASB 89 requires interest cost incurred before the end of a construction period be included in current expense and not included in the cost of the capital asset. Under prospective adoption, interest included in the reported cost of capital assets prior to adoption of GASB 89 continues to be included in the cost of capital assets.

Future Governmental Accounting Standards Board Statements To Be Implemented

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

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

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

NOTE 3 - Cash, Cash Equivalents and Investments

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

The U.S. Treasury State and Local Government Series (SLGS) Securities are special purpose securities issued by the U.S. Department of the Treasury that can only be purchased with Tax-Exempt Bond Proceeds.

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

The Authority's SLGS are a time deposit with a maturity of less than one year and were purchased with the debt service reserve funds.

The Authority's deposits were secured by insurance from the Federal Depository Insurance Corporation (FDIC) covering \$500,000 on December 31, 2019 and December 31, 2018 plus \$79,112,836 and \$71,407,389 of pledged collateral held by a third party trustee bank at December 31, 2019 and 2018, respectively. The FDIC bank insurance program Permanent Rule provides up to \$250,000 in coverage for the Authority's Savings Accounts and up to \$250,000 for the Authority's Demand Accounts. Collective balances in excess of these amounts are collateralized at 102% of the prior day closing bank balance.

NOTE 4 - Receivables

Accounts receivable is recorded net of allowances for probable uncollectible accounts.

	As of 12-31-19	As of 12-31-18
Airlines	\$ 1,274,822	\$ 1,078,110
Concessions	78,995	32,771
Other	1,183,954	1,095,348
Sub-Total	2,537,771	2,206,229
Less Allowances	-	-
Net Accounts Receivable	<u>\$ 2,537,771</u>	<u>\$ 2,206,229</u>

NOTE 5 – FAA Restricted Funds

The Authority holds funds derived from the disposition of property acquired with grants received from the Federal Aviation Administration (FAA). These funds are restricted for use and limited to capital expenditures approved by the FAA. The following table presents the amounts and changes in such funds:

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

NOTE 6 - Due from County of Albany

The net amount from the county consists of the following:

	As of 12-31-19	As of 12-31-18
Reimbursement of expenses due from County	\$ 200,115	\$ 248,724
	<u>\$ 200,115</u>	<u>\$ 248,724</u>

The County provides certain services to the Authority including sheriff officers for public safety, code enforcement inspections, sewer district charges, and salt for the winter roadways. The total expenditures incurred by the Authority during the years ended December 31, 2019 and 2018 for these services totaled \$2,509,680 and \$2,448,514, respectively.

NOTE 7 - Capital Assets

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

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

In 2018, certain parking equipment was abandoned due to new capital improvements that began in 2018 and were scheduled to start during 2019. Equipment valued at a cost of \$738,018 with a net book value of \$521,428 as of December 31, 2018 was immediately written to their remaining value after impairment of \$46,733 reflecting a remaining service life of one year using the service units method. Other assets in the amount of \$1,510,094 were written off as they are no longer in service.

NOTE 8 - Long-Term Indebtedness

A summary of the changes in the Authority's long-term indebtedness outstanding during 2018 and 2019 were as follows:

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

Authority Outstanding Debt Issues:

Series 1999A NYS Environmental Facilities Corporation Bonds

In 1998, the Authority, through the New York State Environmental Facilities Corporation (EFC), entered into a \$7.5 million Series A, no interest, loan agreement with the New York State Water Pollution Control Revolving Fund to finance the total construction of a new glycol wastewater treatment system. In July 1999, the loan was replaced with a new twenty year bond issued by the EFC. Under the Agreement with the EFC, the interest on the first \$3 million was and is 100 percent subsidized and the remaining \$4.5 million was and is 50 percent subsidized by the New York State Water Pollution Control Revolving Fund. During 2010, EFC refunded bonds they had previously issued to provide financing to the Authority and reduce the amount of the remaining debt service due from the Authority to EFC. On June 24, 2010 the Authority's obligation to EFC on the remaining partially subsidized bonds then outstanding was amended and restated to lower the Authority's cost of borrowing on the remaining bonds outstanding. The 1999A bonds were paid off in October 2019.

	As of December 31, 2019	As of December 31, 2018
Series 1999A Airport Revenue Bond Issue:		
Principal paid annually on October 1, in payments of \$699,000 in 2019 with interest at 3.382% due semi-annually April 18 and October 15	\$ -	\$ 699,000
Less amortization of:		
Deferred Loss	-	(684)
Series 1999A Revenue Bond net carrying amount	-	698,316
Less current portion including amortization	-	698,316
Long - Term Portion	\$ -	\$ -

Series 2010A General Airport Revenue Refunding Bonds

In August of 2010, the Authority issued \$105,745,000 (non AMT) of General Airport Revenue Refunding Bonds to refund the Series 1998B Airport Revenue Bonds, the Series 2000B Airport Revenue Bonds, and the Series 2008A Airport Revenue Bonds. The net carrying amount on the Series 2010A General Airport Revenue Refunding Bonds consists of the following:

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

Maturities of the long-term Series 2010A General Airport Revenue Refunding Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2019:

Year Ended	Principal	Interest	Total
2020	\$ 5,835,000	\$ 2,281,231	\$ 8,116,231
2021	6,115,000	1,991,981	8,106,981
2022	6,410,000	1,703,731	8,113,731
2023	6,730,000	1,385,731	8,115,731
2024	7,025,000	1,085,981	8,110,981
2025-2029	16,860,000	1,535,969	18,395,969
2030	690,000	31,050	721,050
TOTAL	<u>\$ 49,665,000</u>	<u>\$ 10,015,675</u>	<u>\$ 59,680,675</u>

The Facilities financed with Series 2010A included portions of the terminal, the New York State Police Aviation Facility, the FAA Control Tower, parking facilities and other Airport improvements. Lease agreements with the State of New York and the Federal Aviation Administration provide revenue to support a portion of the debt service and remain in effect through 2030 and 2019 respectively.

Series 2017A&B General Airport Revenue Refunding Bonds

In March of 2017, the Authority closed on the sale of two General Airport Revenue Refunding Bond issues totaling \$14,395,000.

The Authority issued \$7,795,000 (non AMT) of Series 2017A General Airport Revenue Refunding Bonds to refund the Series 2003A Airport Revenue Bonds and Series 2006A. The net carrying amount on the Series 2017A General Airport Revenue Bonds consists of the following:

	As of December 31, 2019	As of December 31, 2018
Series 2017A General Airport Revenue Refunding Bond Issue:		
Principal paid annually on December 15, in payments of \$585,000 in 2020 to \$110,000 in 2033 with interest at 3.00% to 5.00% due semi-annually on June 15 and December 15	\$ 6,975,000	\$ 7,065,000
Plus amortization of:		
Bond Premium	616,230	770,584
Less amortization of:		
Deferred Loss on Refunding	(147,469)	(177,831)
Series 2017A GARB net carrying amount	7,443,761	7,657,753
Less current portion including amortization	709,650	213,992
Long - Term Portion	\$ 6,734,111	\$ 7,443,761

Maturities of the long-term Series 2017A General Airport Revenue Refunding Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2019:

Year Ended	Principal	Interest	Total
2020	\$ 585,000	\$ 336,625	\$ 921,625
2021	880,000	307,375	1,187,375
2022	925,000	263,375	1,188,375
2023	975,000	217,125	1,192,125
2024	925,000	168,375	1,093,375
2025-2029	2,275,000	254,625	2,529,625
2030-2033	410,000	35,869	445,869
TOTAL	\$ 6,975,000	\$ 1,583,369	\$ 8,558,369

Series 2017A&B General Airport Revenue Refunding Bonds, Con't

The Authority issued \$6,600,000 (AMT) of Series 2017B General Airport Revenue Refunding Bonds to refund the Series 2006B Airport Revenue Bonds and Series 2006C. The net carrying amount on the Series 2017B General Airport Revenue Bonds consists of the following:

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

Maturities of the long-term Series 2017B General Airport Revenue Refunding Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2019:

Year Ended	Principal	Interest	Total
2020	\$ 470,000	\$ 178,525	\$ 648,525
2021	245,000	155,025	400,025
2022	255,000	142,775	397,775
2023	270,000	130,025	400,025
2024	280,000	116,525	396,525
2025-2029	1,165,000	383,950	1,548,950
2030-2034	1,080,000	175,681	1,255,681
2035	235,000	9,400	244,400
TOTAL	<u>\$ 4,000,000</u>	<u>\$ 1,291,906</u>	<u>\$ 5,291,906</u>

Series 2018A&B General Airport Revenue Bonds

In November of 2018, the Authority closed on the sale of two General Airport Revenue Bond issues totaling \$22,590,000.

The Authority issued \$14,770,000 (non AMT) of Series 2018A General Airport Revenue Bonds to fund a portion of the cost of the Upstate Airport Development & Revitalization Project at the Airport and other projects in the Authority's 2015-2019 capital plan. The net carrying amount on the Series 2018A General Airport Revenue Bonds consists of the following:

	As of December 31, 2019	As of December 31, 2018
Series 2018A General Airport Revenue Bond Issue:		
Principal paid annually on December 15, in payments of \$195,000 in 2034 to \$1,400,000 in 2048 with interest at 5.00% due semi-annually on June 15 and December 15	\$ 14,770,000	\$ 14,770,000
Plus amortization of:		
Bond Premium	1,316,659	1,437,895
Series 2018A GARB net carrying amount	16,086,659	16,207,895
Less current portion including amortization	125,992	121,236
Long - Term Portion	<u>\$ 15,960,667</u>	<u>\$ 16,086,659</u>

Maturities of the long-term Series 2018A General Airport Revenue Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2019:

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

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

Series 2018A&B General Airport Revenue Refunding Bonds, Con't

The Authority issued \$7,820,000 (AMT) of Series 2018B General Airport Revenue Bonds to fund projects in the Authority's 2015-2019 capital plan. The net carrying amount on the Series 2018B General Airport Revenue Bonds consists of the following:

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

Maturities of the long-term Series 2018B General Airport Revenue Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2019:

Year Ended	Principal	Interest	Total
2020	\$ 360,000	\$ 376,250	\$ 736,250
2021	375,000	358,250	733,250
2022	395,000	339,500	734,500
2023	415,000	319,750	734,750
2024	435,000	299,000	734,000
2025-2029	2,525,000	1,146,250	3,671,250
2030-2034	3,020,000	449,750	3,469,750
TOTAL	\$ 7,525,000	\$ 3,288,750	\$ 10,813,750

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

Series 2019A General Airport Revenue Bonds

In November of 2019, the Authority issued \$9,620,000 (non AMT) of Series 2019A General Airport Revenue Bonds to fund a portion of the cost of the Upstate Airport Development & Revitalization Project at the Airport and other projects in the Authority's 2015-2019 capital plan. The net carrying amount on the Series 2019A General Airport Revenue Bonds consists of the following:

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

Maturities of the long-term Series 2019A General Airport Revenue Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2019:

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

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

The table below provides a summary of Authority Revenue Bonds net of unamortized amounts for cost of issuance, net premium/discount and deferred loss on refunding:

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

Refunding of Debt

On April 13, 2017 the Authority issued its Series 2017 Bonds in the total par amount of \$14,395,000 of which \$7,795,000 were sold as Series 2017A Non-AMT (not subject to any Federal Tax) and \$6,600,000 were sold as Series 2017B AMT (subject to the Federal Alternative Minimum Tax). The Series 2017 Bonds were used, along with other funds of the Authority, to fully refund the Authority's Series 2003A, Series 2006A, Series 2006B, and Series 2006C Bonds in the aggregate amount of \$16,490,000 (the Refunded Bonds). The result will produce an estimated gain of \$2,167,050 in future cash flow savings, with an estimated present value of \$1,438,263. The difference between the reacquisition price of the refunded bonds and the net carrying values of the refunded bonds generated a deferred accounting loss of \$412,456. The deferred accounting loss will be amortized into interest expense over the life of the bonds using the Bonds Outstanding Method of Amortization which is a systematic and rational approach that approximates the Effective Interest Method.

The impact of the refunding is summarized below:

Description	Series 2017 Bonds Issued	Bonds Refunded	Cash Flow Gain	Present Value Gain
Refunding Bonds	\$14,395,000	\$16,490,000	\$2,167,050	\$1,438,263

Bank Line of Credit

During 2018 the Authority accepted a \$22,131,900 grant from the State of New York under a State Aviation Project Funding Agreement (APFA). Pursuant to the APFA, State grant funds are being provided for funding a portion of Upstate Airport Development & Revitalization Project (the project). The project has an agreed upon completion date of March 31, 2020. The Authority expects to file monthly reimbursement claims for reimbursement of expenditures that are eligible for reimbursement under the APFA and it will initially pay from funds on hand that are available for capital project funding. On December 31, 2018 the Authority closed on a \$10,000,000 revolving bank line of credit (the Loan Agreement) with Community Bank, N.A. to provide contingent interim financing for grant reimbursement claims in the event the that the balance of accumulated grant reimbursements payable from the State becomes temporarily larger than anticipated.

The Loan Agreement provides that a \$10,000,000 revolving line of credit is available until December 31, 2020 subject to the terms and conditions therein. The Authority's Loan Counsel has issued an opinion that from the date of the first draw until the loan is first fully repaid, interest paid under Loan Agreement is exempt from the

Federal and State Income Tax but subject to the Federal Alternative Minimum Tax. The Authority intends upon the initial draw to maintain an outstanding minimum balance of \$50,000 until the termination of the Loan Agreement.

The Tax Exempt interest rate under the Loan Agreement is a rate per year equal to the sum of LIBOR One-Month Floating Rate and 1.75 percentage points, multiplied by 0.76. Should for any reason it be determined interest paid under the Loan Agreement is subject to Income Tax, the rate reverts to the LIBOR One-Month Floating Rate and 1.75 percentage points effective as of the date on which the interest payable was been determined to be taxable.

The Loan Agreement was approved by Resolution adopted by the Authority at its December 10, 2018 meeting which establishes that any payments made pursuant to the Loan Agreement are subordinate to payments required to be made to the Authority's bondholders under its Master Bond Resolution Adopted January 6, 1997, which excludes restricted grant income from the definition of Revenue. The Loan Agreement requires the Authority to continue to maintain a debt service coverage ratio established in the Master Bond Resolution for its bondholders.

The Authority also entered into a Pledge and Assignment of the APFA Grant Proceeds, contingent upon approval by the State, with respect to both the APFA and the grant funds due to the Authority from the State pursuant to the APFA. Under the APFA, the grant proceeds may only be used to repay principal under the financing agreement and any interest paid must be funded from other sources of funds. The Authority will fund any interest payments due under the Loan Agreement from net revenues of the Authority, which excludes grant proceeds.

Debt Limit:

The Authority's debt limit was increased from \$175 million to \$285 million during 2004 by State legislation enacted (Chapter 500), amending the Albany County Airport Authority Act, Title 32 of Article 8, of the New York State Public Authorities Law. The Act authorizes the Authority to issue bonds, notes or other obligations in the aggregate outstanding principal amount not exceeding \$285,000,000. In addition, the Authority is authorized to issue refunding bonds, provided that upon a refunding the aggregate principal amount of bonds, notes or other obligations outstanding under the Act may be greater than \$285,000,000 only if the present value of the aggregate debt service of the refunding bonds, notes or other obligations does not exceed the present value of the refunded bonds, notes or other obligations (calculated as provided in the Act). As of December 31, 2019, the Authority had \$92.6 million of principal debt outstanding issued which does not include deferred losses, bond premiums and amortization of bond insurance costs.

The Authority adopted a Derivatives Policy which allows for the use of Derivative Financial products for capital financing. The Derivatives Policy prohibits the use of Derivative Financial products for either investment or speculation. The Derivatives Policy recognizes derivatives as non-traditional financial products, including but not limited to, floating to fixed rate swaps, swaptions, caps, floors, collars and municipal warrants. The Derivatives Policy requires:

- that transactions entered into under the policy must be for a market transaction for which competing good faith quotations may be obtained at the discretion of the Authority and with the advice and recommendation of the Authority's swap advisor, and other financial professionals;

- that transactions should produce material economic benefit believed to not otherwise be attainable under the current existing market conditions, or existing conventional debt structures, and improve the flexibility of debt management strategies;
- employ a structure that will attempt to minimize any additional floating rate basis risk, tax law risk or credit risk to the Authority and justify the acceptance of these risks for a particular transaction, based on the additional benefits to the Authority; and
- limits the total amount of derivative financial product transactions so as not to exceed thirty-three percent (33%) of the total authorized debt limit of the Authority (currently \$285 million).

The Authority adopted a Variable Rate Debt Policy which allows for the use of variable rate debt within prescribed limitations. The Variable Rate Debt Policy recognizes permanent and interim uses of variable rate debt. Interim use of variable rate debt may occur during the construction phase of a project for which the Authority intends to obtain permanent financing at the conclusion of the construction phase. The Variable Rate Debt Policy provides that:

- “Permanent Variable Rate Debt Exposure” includes variable rate debt which the Authority does not intend to be refinanced by a long-term fixed rate debt;
- “Net Permanent Variable Rate Debt Exposure” is permanent variable rate debt that is not offset by the cash, cash equivalent and short-term investment assets of the Authority;
- permanent variable rate debt excludes, with some exceptions, variable debt that has been synthetically changed to fixed rate debt by the use of a financial derivative hedge product with a fixed-payer interest rate swap;
- net permanent variable rate debt, excluding synthetic fixed rate transactions, should not generally exceed twenty percent (20%) of the Authority’s outstanding indebtedness;
- the Authority did not utilize any derivative or variable rate debt products in 2019 or 2018.

NOTE 9 - Capital Contributions and Net Position

Since its inception, the Authority has received capital contributions from the County of Albany in the form of net assets transferred from the date of inception and from Federal and State grants as follows:

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

Unrestricted net position consists of the following:

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

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

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

NOTE 10 - Airline Lease and Use Agreements

Seven commercial passenger airlines, fifteen affiliated commercial passenger airlines and two cargo airlines serving the Airport have executed the first five year renewal option on the Airline Use and Lease Agreement ("Agreement"). This Agreement has a five-year term effective January 1, 2016 with an option for one five year renewal to extend the Agreement to December 31, 2025. The Authority charges signatory rates to carriers who have executed the Agreement and non-signatory rates to all other airlines and Airport users.

In general, the rate formulas under the Airline and Cargo Carrier Agreements in effect provide that at the end of each year the total financial requirements for each of the Airport cost centers be determined by applying revenues related to that cost center before the rate required to be paid by Signatory Airlines and Cargo Carriers is determined. The landing fee calculation uses a residual cost methodology. The terminal rate is based upon calculation of the total cost per square foot subject to annual settlement based upon actual cost. The Agreement also contains a calculation of an amount for capital expenditures not subject to majority-in-interest (MII) approval by the Signatory Airlines in the rates and charges calculation. This amount is deducted after the net amount available for revenue sharing between the signatory airlines and the Authority is determined; therefore, not affecting the initial rates and charges established for billing the airlines. The net requirement is then divided by appropriate usage factors to determine the rates and fees applicable to signatory airlines.

The Agreements provide a net income sharing mechanism by which the Signatory Airlines and Cargo Carriers receive a percentage of the Airport's net income (as defined in the Agreements) during the term of the agreement in the form of a rate credit offset. The Agreements also provide for extraordinary coverage protection where the Signatory Airlines and Cargo carriers have agreed to provide additional revenue to the Airport should net revenues be less than the required amount under the Master Bond Resolution.

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

NOTE 11 - Airport Tenant Agreements

The Authority has entered into agreements with tenants for the use of certain Airport facilities including ready/return rental car parking areas, buildings, terminals, hangars and customer service areas. The Authority entered into concession agreements. These agreements include: advertising, food and beverage, retail, on-

airport rental cars, vending machines, baggage delivery services, ATMs and vending machines. Normally the terms of the agreements include a fixed minimum annual guaranteed (MAG) payment to the Airport as well as additional contingent payments based on the tenants' annual sales volume of business. Revenues exceeded the MAG amounts due in 2019 of \$12,236,032 by \$1,663,205. In 2018 the revenues exceeded the MAG amounts due of \$12,154,961 by \$1,489,084. Some of the agreements provide for a periodic review and redetermination of the payment amounts.

Future MAG payments due to the Authority under non-cancelable agreements are as follows for the years ending December 31:

2020	\$	9,018,627
2021		8,126,708
2022		7,695,034
2023		7,433,670
2024		6,184,403
2025-2030		<u>26,419,946</u>
Total	\$	<u>64,878,388</u>

NOTE 12 - Pension Plans

Plan Descriptions - The Authority participates in the New York State and Local Employees' Retirement System (ERS) cost-sharing multiple-employee retirement system. The ERS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and amend rules and regulations for the administration and transaction of the business of the systems and for the custody and control of their funds. The Systems issue a publicly available annual financial report that includes audited financial statements and required supplementary information. This report may be obtained by writing to the New York State and Local Employees' Retirement System, Office of the State Comptroller, 110 State Street, Albany, NY 12207.

Funding Policy - Contributory and noncontributory requirements depend upon the point in time at which an employee last joined the System. Most members of the ERS who joined the System on or before July 26, 1976 are enrolled in a non-contributory plan. Employees who last joined ERS subsequent to July 26, 1976 are enrolled in a contributory Plan. Tier 3 through Tier 5 employees must contribute 3 percent of their salary. Tier 3 and Tier 4 employees with more than ten years of membership or credited service within the System are not required to contribute. Tier 6 member contribution rates vary from 3 percent to 6 percent depending on salary. Tier 5 and 6 members are required to contribute for all years of service. Members cannot be required to begin contributing or to make increased contributions beyond what was required when their memberships began.

The Authority is required to contribute at an actuarially determined rate. The required contributions for the years ended December 31, 2019, 2018 and 2017 were \$243,034, \$256,525 and \$252,468 respectively, or approximately 16.3%, 15.7% and 15.1%, respectively of the covered employees' payrolls. The Authority's contributions made to the Systems were equal to 100% of the required contributions for each year.

Pension Liability - At December 31, 2019, the Authority reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for the System. The net pension asset/(liability) was measured as of March 31, 2019. The total net pension asset/(liability) used to calculate the net pension

asset/(liability) was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension asset/(liability) was based on a projection of the Authority's long-term share of contributions of all participating members, actuarially determined. This information was provided by the ERS System in a report provided to the Authority. The net pension (liability) is included in the non-current liabilities on the Statement of Net Position for December 31, 2019 and 2018:

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

Payables to the pension plan - ERS employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Payments to the ERS due February 1, 2020 were prepaid at a discounted amount of \$243,034 during the Authority's year ended December 31, 2019. Accordingly, the Authority did not owe any payables to the Pension System as of December 31, 2019 or 2018.

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

Collective Pension Expense - Collective pension expenses includes certain current period changes in the collective net pension asset/(liability), projected earnings on pension plan investments, and the amortization of deferred outflows or resources and deferred inflows of resources for the current period. The collective pension expense for the periods ended December 31, 2019 and 2018 were \$278,474 and \$238,877 respectively.

Deferred Outflows and Inflows of Resources Related to Pension - The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for December 31, 2019 and 2018:

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

The Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows as of December 31, 2019 and 2018:

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

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with updated procedures used to roll forward the total pension asset/(liability) to the measurement date. 2018 was the third year of the current year experience study cycle and recommends that the current assumptions be maintained. The actuarial valuation for December 31, 2019 and 2018 are as follows:

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

Decrements – Developed from the Plan's 2015 experience study of the period April 1, 2010 through March 31, 2015

Mortality improvement - Society of Actuaries Scale MP-2014

Pensioner mortality rates are based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2014.

The long term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

The long term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Asset class	Target allocation	Long-Term expected real rate of return
Domestic equity	36.0%	4.55%
International equity	14.0%	6.35%
Private equity	10.0%	7.50%
Real estate	10.0%	5.55%
Absolute return strategies	2.0%	3.75%
Opportunistic portfolio	3.0%	5.68%
Real assets	3.0%	5.29%
Bonds and mortgages	17.0%	1.31%
Cash	1.0%	-0.25%
Inflation-Indexed bonds	4.0%	1.25%
	<u>100.0%</u>	

Discount rate - The discount rate used to calculate the total pension asset/(liability) was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/(liability).

Sensitivity of the Proportionate Share of the Net Pension Asset/(Liability) to the Discount Rate Assumption - The following presents the Authority's proportionate share of the net pension asset/(liability) calculated using the discount rate of 7.0%, as well as what the Authority's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount (7.0%)	1% Increase (8.0%)
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$1,400,125	\$320,236	(\$586,946)

New York State Voluntary Defined Contribution (NYS VDC) Plan - Under state legislation enacted in 2012, Authority Employees first hired after June 30, 2013 who earn least \$75,000 per year or more are eligible to join the NYS VDC Plan instead of the ERS Plan. The NYS VDC Plan is administered by the State University of New York Optional Retirement Plan (SUNY OPR). SUNY OPR has contracted with TIAA-CREF to administer the NYS VDC Plan. The NYS VDC plan is portable among employers and eligible employees vest 366 days after first joining the plan or other employer funded contract with any of the NYS VDC investment providers. The Authority's contribution rate is 8% of participating employee salary for the duration of employment. Participating employee contribution rates range from 5.75% to 6% based upon salary level. During the initial vesting period the Authority must contribute 4% interest to a vesting employee's contribution deduction not yet remitted to the Plan. The Authority has two employees who participate in the NYS VDC Plan. The Authority's employer contributions to the NYS VDC plan through December 31, 2019 and 2018 were \$9,820 and \$8,960 respectively.

NOTE 13 - Other Post Employment Benefits (OPEB)

During 2009 the Authority adopted a formal written OPEB plan and created a legally separate trust to accumulate resources to fund the Authority's obligation to pay for OPEB benefits under the plan. The OPEB plan provides that all full-time and regular part-time employees with qualifying years of service with the Authority (including any years with the State of New York or County of Albany immediately preceding becoming an Authority employee) who retire from the Authority and are collecting retirement benefits through the New York State and Local Employees' Retirement System, shall receive health insurance benefits from the Authority as a retired employee. Such benefits shall be equal to the health insurance benefits received by the employee at the time of their retirement and the costs thereof to the retired employee shall be at the same rate or percentage sharing the employee was paying at the time of their retirement. A qualifying retiree's surviving spouse and eligible dependents can continue to receive OPEB benefits as long as they do remain otherwise eligible to be a dependent of the deceased employee. Retired employees are required to contribute to the cost of the plan benefit in proportion to the amount they contributed toward the cost of their health insurance prior to retirement. The Authority allows each employee to accumulate up to 1,320 hours of unused sick time and apply the value of this to fund their required contribution. The plan is a single-employer defined benefit plan. Effective January 1, 2008, the Authority adopted GASB Statement 45 - *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*-, prospectively which requires reporting, on an accrual basis, the liability associated with other postemployment benefits. The OPEB liability at transition was zero was being amortized over a thirty-year period. Effective January 1, 2018 the Authority adopted GASB Statement 75, which replaced GASB 45 and required the previously unrecognized liability for OPEB benefits to be reported as a liability on the statement of Net Position and also changed the measurement focus to fair value measurement. The accrued liability is based upon an actuarial valuation that reflects a long-term perspective. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Albany County Airport Authority OPEB Trust has issued a separate unaudited financial statement which may be obtained by contacting the Albany County Airport Authority OPEB Trustee c/o the Albany County Airport Authority, 737 Albany Shaker Road, Administration Building, Suite 204, Albany, NY 12211-1057.

The OPEB Plan is a single-employer defined benefit healthcare plan trust administered by the Authority. The Plan provides medical insurance benefits to eligible retirees who elect to receive it, and their eligible dependents. Membership of the Plan consists of 36 plan members composed of; 21 Active, 14 retired and 1 deceased employee. The Plan is a governmental plan that is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was created by the Albany County Airport Authority to be managed by a sole trustee intended to be the Chief Financial Officer of the Authority who is the plan Trustee. The Plan is a component unit of the Albany County Airport Authority. The Trust has a fiduciary duty to provide plan benefits to eligible beneficiaries. As long as the Albany County Airport Authority provides the required benefits, the Trust's obligation is fulfilled and it may then reimburse the Albany County Airport Authority for the cost of the benefits provided, if requested to do so.

Eligibility

An employee hired on or after January 1, 2005 shall become eligible to retire under this plan upon attainment of age 55 as an active member and completion of 10 years of service. Those hired after January 1, 2017 must have 15 years of service and have reached the age of 55.

Contributions

Contributions to the Plan are likely to be entirely funded by the employer (the Authority). Participants hired prior to July 1, 2005 are not required to contribute to the plan. Participants hired on or after July 1, 2005 are required to contribute 10% of the cost of benefits to the plan, offset by the value of their unused sick leave up to 1,320 hours at the time of retirement. The Plan was established and may be amended by the Authority. The Authority has no obligation to fund the plan. Contributions made were provided for in the Authority’s annual budgets for 2008 through 2019 along with interest earnings thereon. Any future contributions to the plan would be authorized by a future resolution of the Authority.

Net OPEB Liability

The net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Investment Policy

The Authority has adopted an investment policy for the Trust that the Authority may amend from time to time. The Authority adopted an Investment Policy for effectively supervising, monitoring and evaluating the investment assets of the Plan. The investment policy allows for the plan assets to be comprised of:

Fixed Income	0%-60%
Cash Equivalent.....	5%-100%
Domestic Equity	0%-60%
International Equity	0%-60%
Other Equity	0%-20%

As of December 31, 2019 all plan assets were on deposit with M & T Bank, in an interest bearing demand deposit account, the entire balance of which was collateralized by obligations that are guaranteed by the U.S. Government and held by a 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:

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

Funded Policy, Status and Progress

The contribution requirements of plan members and the Authority are established and may be amended through Authority resolutions. For the period ending on the December 31, 2019 Measurement Date, total Authority premiums implicit costs for the retiree medical program were \$161,281. The Authority also made a contribution to the OPEB Trust of \$163,719 for a total contribution during the measurement period of \$325,000 to be reported on the financial statement for the fiscal year ending December 31, 2019.

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

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Changes in the OPEB Liability

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

Changes in the Deferred Outflows/Inflows

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

The Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset/(liability) in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows as of December 31, 2019 and 2018:

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

OPEB Expense Development

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

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

Money Weighted Rate of Return and Plan Cash Flows

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

Discount rate

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

Impact of a 1% Change in the Discount Rate as of the December 31, Measurement Date

	OPEB Liability		
	1% Decrease	Current Discount Rate	1% Increase
2019 (3.75%)	\$ 11,887,781	\$ 10,028,123	\$ 8,549,823
2018 (3.25%)	10,427,489	8,842,670	7,579,562
	Service Cost		
	1% Decrease	Current Discount Rate	1% Increase
2019 (3.75%)	\$ 364,677	\$ 276,198	\$ 211,365
2018 (3.25%)	285,125	217,039	166,982

Healthcare Trend

The healthcare cost trend used to calculate the total OPEB liability was 5%. The following table presents the results if the healthcare cost rate was 1% lower or 1% higher:

Impact of a 1% Change in the Healthcare Cost Trend as of the December 31, Measurement Date

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

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

NOTE 14 - Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has purchased commercial insurance for all risk above minimal deductible amounts and named the operator of the Airport, AFCO AvPorts Management LLC (AvPorts) as an additional insured. In addition, the FBO, REW Investments (Million Air) and all tenants and users of the Airport are required to have insurance coverage naming the Authority and the County as additional insured.

No liability is recorded at December 31, 2019 for outstanding claims or for any potential claims incurred but not reported as of that date. Settled claims have not exceeded these commercial coverages by any material amounts during the three years ended December 31, 2019. There was no reduction in insurance coverage during 2019. Changes in the balance of claims paid directly by the Authority during the past two years are as follows:

	Year Ended 2019	Year Ended 2018
Unpaid claims, beginning of year	\$ -	\$ -
Claims incurred	39,008	96,477
Claims paid	(39,008)	(96,477)
Unpaid claims, end of year	\$ -	\$ -

NOTE 15 - Commitments and Contingencies

FBO Operations – As of September 1, 2013 the Authority entered into an agreement with REW Investments, Inc., (Million Air) to manage the fixed based operations on airport. The Agreement has been modified and extended through August 31, 2021. Under the agreement, Million Air is obligated to manage a full and complete general aviation support function including ground handling, apron services, repair and maintenance, and hangar storage. The agreement also provides for operating and managing the Airport's fuel farm and deicing program for all commercial and general aviation aircraft. Million Air receives full reimbursement of all

their on-airport pre-approved related expenses plus a base management fee of \$165,000 per annum and various incentive fees based on certain revenue performance indicators.

Airport Operations – AFCO AvPorts Management LLC (d/b/a AvPorts) manages the daily operations and maintenance of the airport under an agreement dated October 11, 2005 and initially expiring December 31, 2010, subject to an optional extension. The agreement has been extended through December 31, 2021. Operational centers include the airfield, terminal, parking, ARFF, operations, security and vehicle and equipment maintenance. AvPorts receives full reimbursement of all their on-airport pre-approved related expenses plus a base management fee of not less than \$425,000. AvPorts may be entitled to an additional incentive fee of \$55,000 each year based on performance indicators negotiated between the parties.

Capital Improvement Programs - As of December 31, 2019, the Authority has outstanding contractual commitments for completion of certain capital improvement projects totaling \$23.6 million of which an estimated \$9.1 million is eligible for partial reimbursement from the FAA and the State. The remaining amount is expected to be funded from Airport funds.

Concentration of Credit Risk - The Authority leases facilities to the airlines under certain leases and/or use agreements and to other businesses under agreements to operate concessions at the Airport. Amounts due from airlines represent approximately 50.2% of accounts receivable and airline revenues represent 23.3% of operating revenues for the year ended December 31, 2019.

Environmental Remediation - Pursuant to the enabling legislation creating the Authority, the Airport completed an environmental audit in 1994. It is the opinion of the Authority that all audit findings have been resolved with no material adverse effect on the financial position of the Authority. In prior years, elevated levels of propylene glycol had been detected in Shaker Creek which runs through the Airport. The Authority now operates a glycol collection and disposal system completed in 1999 which successfully addresses this issue.

Compliance Audits - The Authority participates in a number of programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government or agency. An independent audit of these programs has been performed for the years ended December 31, 2019 and 2018 in compliance with: 1) requirements stated in the Single Audit Act of 1996 and Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; 2) compliance requirements described in the Passenger Facility Charge Audit Guide for Public Agencies issued by the Federal Aviation Administration; and 3) compliance requirements described in the preliminary Draft Part 43 of the New York State Codification of Rules and Regulations applicable to state transportation assistance. The amounts, if any, of expenditures that may be disallowed by the granting government or agency cannot be determined at this time, although any such amounts, if any, are expected to be immaterial.

Litigation - The nature of the business of the Authority generates certain litigation against the Authority arising in the ordinary course of business. The Authority is a defendant in various lawsuits. In the opinion of the Authority's counsel the resolution of any legal actions in the aggregate will not have a material adverse effect on the financial position of the Authority.

NOTE 16 – Subsequent Events and Related Party Transactions

Land Acquisition – During 2017 the Authority and County of Albany came to an agreement in principle for the Authority to acquire from the County two parcels of land comprising approximately 13 acres for \$2,655,000 for future airport development. The land is presently developed with a community ice hockey recreational facility and an access road. The Airport currently uses a portion of the undeveloped portion of the parcels for Airport Valet Parking operations. Under the agreement the County would continue to operate the ice hockey facility as a community recreational facility for five years paying rent of \$1 per year. The acquired land parcels will be added to the Airport Layout Plan and become part of the Airport. The agreement to acquire the property is based upon consideration that approximated appraised fair value. The agreement to allow the County to continue to operate the hockey facility for five years for annual rent fee of \$1 is a bargain price at less than fair value to the Airport but management believes it is permissible under federal regulations. The Authority intends to fund the acquisition of these parcels by obtaining discretionary Federal Grants at a future date after the completion of a Master Plan Study.

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

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

The impact of the refunding is summarized below:

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

Potential Impact of Coronavirus - The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, which was first detected in China and has since spread to other countries, including the United States, has been characterized as a pandemic by the World Health Organization on March 11, 2020. At this point, the extent to which the coronavirus may impact the demand for travel and the Authority's fiscal or operating results, is uncertain.

Required Supplemental Information



Albany County Airport Authority
Schedule for the Authority's Proportionate Share of Net Pension Liability
New York State and Local Employees' Retirement System

As of the measurement date of March 31,	2019	2018	2017	2016	2015
Proportion percentage of net pension liability	0.00452%	0.00472%	0.00464%	0.00497%	0.00525%
Proportion amount of net pension liability	\$ 320,236	\$ 152,292	\$ 436,071	\$ 797,486	\$ 177,342
Covered payroll	\$ 1,596,306	\$ 1,682,703	\$ 1,623,832	\$ 1,640,182	\$ 1,599,482
Authority's proportionate share of net pension liability as a percentage of covered payroll	20.06%	9.05%	26.85%	48.62%	11.09%
pension liability	96.27%	98.24%	94.70%	90.70%	97.90%

Data prior to 2015 is unavailable.

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

As of December 31,	2019	2018	2017	2016	2015
Contractually required contribution	\$ 243,034	\$ 256,525	\$ 252,468	\$ 260,215	\$ 305,211
Contributions in relation to the contractually required contribution	(243,034)	(256,525)	(252,468)	(260,215)	(305,211)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,596,306	\$ 1,682,703	\$ 1,623,832	\$ 1,640,182	\$ 1,599,482
Contributions as a percentage of covered payroll	15.22%	15.24%	15.55%	15.87%	19.08%

Data prior to 2015 is unavailable.

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

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

** Schedule is intended to show information for 10 years. Information will be provided as available until a full 10 years of data is included.

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

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

** Schedule is intended to show information for 10 years. Information will be provided as available until a full 10 years of data is included

Albany County Airport Authority

OPEB Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the written plan as currently approved by the Authority and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Investment rate of return	2.50%, net of OPEB plan investment expense, including inflation.
Municipal bond rate	3.26% as of December 31, 2019 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG)
Actuarial Cost Method	Individual Entry Age Normal
Single equivalent discount rate	3.25%, net of OPEB plan investment expense, including inflation
Inflation	2.50% as of December 31, 2019 and for future periods
Salary Increases	3.00% annually as of December 31, 2019 and for future periods
Cost of living adjustments	Not Applicable
Pre-retirement mortality	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Post-retirement mortality	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Disabled mortality	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2012 for males and females

OPEB Plan Membership

At January 1, 2018, OPEB plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits:	15
Active Employees:	<u>21</u>
Total:	36

Events Subsequent to the OPEB Measurement Date

To the best of our knowledge there were no material events subsequent to the Measurement Date that would impact the figures shown in this report.

Changes in OPEB Assumptions

From December 31, 2108 to December 31, 2019 – Due to GASB 75 standards, the discount rate has been changed from 3.75% to 3.25%.

OBEB Contributions

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

Other
Supplemental
Information



Albany County Airport Authority
Debt Service Requirements to Maturity

GENERAL AIRPORT REVENUE BONDS

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

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

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

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

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

The procedures performed and associated findings are:

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

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

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

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

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

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

4. Determine funds expended were in accordance with the amendment to the rental car concession agreement with the Authority subsection 4.8. "...initial project...relocation of terminal counters and offices including improvement of IT, data, counter inserts, backwall signs, and excluding proprietary improvements; costs of relocating and reallocating the parking garage spaces including moving wireless access points, parking stall signs and customer kiosks/booths; movement of jersey barriers; curb cuts if required, expansion of the number of Ready Return Spaces; restriping the parking area; and updating the lighting in the garage with LED, and other improvements agreed upon by the

Authority and all Concessionaires; which are constructed by or on behalf of the Authority to be jointly used by or to benefit the customers of all car rental companies operating at the Airport pursuant to concession agreements.” “CFCs shall also pay for unforeseen costs agreed upon by Concessionaires and the Authority.”

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

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

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

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

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

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

The purpose of this report is to determine compliance with New York State law and the contracts between the concessionaires and the Authority and is not suitable for any other purpose. This report is intended solely for the 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.

Marwin and Company, P.C.

Latham, NY

March 16, 2020

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

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

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,

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

<1> The 2010 Investment in Capital Assets, net of Related Debt was adjusted by \$938,262 as required by GASB Statement No. 65

<2> The 2015 Unrestricted net assets was adjusted by \$926 in accordance with GASB Statement No. 68

<3> The 2018 Unrestricted net assets was adjusted by \$6,781,739 in accordance with GASB Statement No. 74

Source: Authority's audited financial statements.

Albany County Airport Authority
Total Annual Revenues, Expenses and Changes in Net Position, Con't
For Years Ended December 31,

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

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

	2010	2011	2012	2013
Cash Flows From Operating Activities				
Cash received from providing services	\$ 40,707,911	\$ 44,327,193	\$ 42,253,033	\$ 42,311,459
Cash paid to suppliers	(28,284,795)	(31,992,962)	(28,813,561)	(30,404,614)
Cash paid to employees	(1,154,379)	(1,099,021)	(1,104,020)	(1,149,945)
Net Cash Provided By Operating Activities	11,268,737	11,235,210	12,335,452	10,756,900
Cash Flows from Noncapital Financing Activities				
Grant Income	3,442,758	1,071,409	344,845	366,420
Grant Expense	(3,013,773)	(642,205)	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	428,985	429,204	344,845	366,420
Cash Flows From Investing Activities				
Interest received	204,908	102,137	94,418	85,056
Purchase of investments	(277,389)	-	-	-
Sale of investments	442,237	-	-	-
Interest on passenger facility charges	13,940	11,002	8,470	9,293
Net Cash Provided by Investing Activities	383,696	113,139	102,888	94,349
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets	(8,080,522)	(9,243,027)	(5,954,942)	(7,804,302)
Principal payments on bonds and notes payable	(3,531,847)	(8,574,618)	(8,736,422)	(8,598,074)
Interest paid	(5,931,827)	(5,724,131)	(5,502,063)	(5,409,940)
Payment to refunding agent	(125,391,340)	-	-	-
Proceeds from debt issuance	119,021,872	-	-	-
Payment of 1997 refunding bonds	-	-	-	-
Less: Cost of issuance	(2,007,569)	-	-	-
ANCLUC funds	1,139	(347,296)	449	490
Concession improvement funds	89,745	44,668	67,457	337,258
Customer facility charges	-	-	-	-
Improvement charges	368,400	368,400	368,400	368,400
Insurance recoveries	-	-	-	-
Bank line of credit	-	-	-	-
LIBOR settlement	-	-	-	-
Sale of Land	-	-	-	-
Capital contributions	7,077,968	6,579,972	3,488,992	4,411,353
Passenger facility charges	5,036,950	4,850,569	4,794,831	4,727,885
Net Cash Provided (Used) By Capital and Related Financing Activities	(13,347,031)	(12,045,463)	(11,473,298)	(11,966,930)
Net increase (decrease)	(1,265,613)	(267,910)	1,309,887	(749,261)
Cash and cash equivalents, beginning of year	38,363,936	37,098,323	36,830,413	38,140,300
Cash and cash equivalents, end of year	\$ 37,098,323	\$ 36,830,413	\$ 38,140,300	\$ 37,391,039

Source: Authority's audited financial statements

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

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

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

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

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

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

Source: Authority's audited financial statements and statistics reports

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

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

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

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

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

<2> Debt service does not include \$5,145,000 of principal retired and certain accrued interest on \$107,395,000 of bonds refunded in 2010 for which the Authority contributed \$8,398,522 in cash on hand to reduce the amount of refunding bonds issued and scheduled debt service due in 2010.

Source: Authority's audited financial statements and statistics reports

**Albany County Airport Authority
Ratios of Outstanding Debt, Con't
For Years Ended December 31,**

2013	2014	2015	2016	2017	2018	2019
\$ 8,598,074	\$ 8,102,182	\$ 8,266,000	\$ 8,567,000	\$ 8,803,000	\$ 9,419,000	\$ 7,554,000
5,361,990	5,077,305	4,797,018	4,477,430	3,730,422	3,697,735	4,248,934
\$ 13,960,064	\$ 13,179,487	\$ 13,063,018	\$ 13,044,430	\$ 12,533,422	\$ 13,116,735	\$ 11,802,934
\$ 51,790,215	\$ 52,284,702	\$ 50,837,226	\$ 51,612,168	\$ 52,746,843	\$ 57,214,049	\$ 59,848,779
26.96%	25.21%	25.70%	25.27%	23.76%	22.93%	19.72%
\$ 9,260,064	\$ 8,966,388	\$ 9,769,698	\$ 9,436,220	\$ 8,923,166	\$ 10,281,822	\$ 8,039,474
1,215,076	1,230,376	1,297,749	1,407,005	1,417,835	1,466,706	1,518,969
\$ 7.62	\$ 7.29	\$ 7.53	\$ 6.71	\$ 6.29	\$ 7.01	\$ 5.29
\$ 81,182	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
110,315,000	102,690,000	94,825,000	86,670,000	76,190,000	89,790,000	92,555,000
2,755,000	2,359,000	1,958,000	1,546,000	1,128,000	699,000	-
113,151,182	105,049,000	96,783,000	88,216,000	77,318,000	90,489,000	92,555,000
3,663,730	2,886,785	2,155,497	1,483,693	2,248,604	3,741,495	4,116,578
\$ 116,814,912	\$ 107,935,785	\$ 98,938,497	\$ 89,699,693	\$ 79,566,604	\$ 94,230,495	\$ 96,671,578
1,215,076	1,230,376	1,297,749	1,407,005	1,417,835	1,466,706	1,518,969
\$ 96	\$ 88	\$ 76	\$ 64	\$ 56	\$ 64	\$ 64
\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000	\$ 285,000,000
1,215,076	1,230,376	1,297,749	1,407,005	1,417,835	1,466,706	1,518,969
\$ 235	\$ 232	\$ 220	\$ 203	\$ 201	\$ 194	\$ 188

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

	2010	2011	2012	2013
NET REVENUES				
Operating Revenues	\$ 40,952,560	\$ 43,994,350	\$ 42,700,503	\$ 42,215,294
Interest Income <1>	184,276	83,120	76,334	59,013
Air Service Development Grant	-	-	-	75,000
TSA (LEO) Reimbursement	428,984	429,204	344,845	291,420
Grant income	-	-	-	-
Improvement Charges	368,400	368,400	368,400	368,400
Total Revenues	\$ 41,934,220	\$ 44,875,074	\$ 43,490,082	\$ 43,009,127
LESS: Total Operating Expenses <2>	(29,886,704)	(32,675,747)	(30,797,979)	(31,661,110)
LESS: Albany County Debt Service	(1,080,407)	(1,022,352)	(967,198)	(511,616)
LESS: Air Service Incentive Cost to Airport	-	-	-	-
Net Revenues	\$ 10,967,109	\$ 11,176,975	\$ 11,724,905	\$ 10,836,401
DEBT SERVICE				
1998 B & C Revenue Bonds	1,455,142	-	-	-
1999 NYS EFC Revenue Bonds	577,873	443,618	451,094	452,309
Less: 1999 NYS EFC Interest Subsidy	(143,792)	(26,907)	(25,819)	(24,265)
2000 B Revenue Bonds	511,813	-	-	-
2003 A Revenue Bonds	746,692	748,577	744,250	742,130
2004 NYS EFC Revenue Bonds	40,893	39,362	38,642	72,452
Less: 2004 NYS EFC Interest Subsidy	(2,673)	(2,004)	(1,336)	(668)
2006 A & B Revenue Bonds	1,102,531	1,099,788	1,101,051	1,099,875
2006 C Revenue Bonds	401,838	401,429	400,822	400,013
2008 A Refunding Bonds	3,963,413	-	-	-
2010 A Refunding Bonds	2,707,162	9,628,519	9,621,151	9,622,600
Less: PFC Revenues used for Debt Service	(2,806,622)	(4,852,776)	(4,461,589)	(4,700,000)
2010 B Refunding Bonds	62,112	923,852	925,376	927,326
2017 A Refunding Bonds	-	-	-	-
2017 B Refunding Bonds	-	-	-	-
2018 A Revenue Bonds	-	-	-	-
2018 B Revenue Bonds	-	-	-	-
Net Debt Service	\$ 8,616,382	\$ 8,403,458	\$ 8,793,642	\$ 8,591,772
DEBT SERVICE COVERAGE <3> <4>	1.27	1.33	1.33	1.26
<3> Does not include required amounts held in Bond Reserve Accounts as follows:				
1998 B & C Revenue Bonds	\$ -	\$ -	\$ -	\$ -
1999 NYS EFC Bonds	277,389	277,389	277,389	277,389
2000 NYS EFC Bonds	-	-	-	-
2000 B Revenue Bonds	-	-	-	-
2003 A Revenue Bonds	514,100	514,100	514,100	514,100
2004 NYS EFC Bonds	38,831	38,831	38,831	-
2006 A & B Revenue Bonds	1,128,600	1,128,600	1,128,600	1,128,600
2006 C Revenue Bonds	404,263	404,263	404,263	404,263
2008 A Refunding Bonds	-	-	-	-
2010 A Refunding Bonds	9,523,517	9,523,517	9,523,517	9,523,517
2017 A & B Refunding Bonds	-	-	-	-
2018 A & B Revenue Bonds	-	-	-	-
2019 A Revenue Bonds	-	-	-	-
Total Bond Reserve Accounts	\$ 11,886,700	\$ 11,886,700	\$ 11,886,700	\$ 11,847,869

<1> Includes only interest allocated to the airline revenue centers under the Master Bond Resolution.

<2> Beginning in 2015, Total Operating Expenses include contributions actually paid to employee benefit trusts, as provided for under the master bond resolution rather than the expense under GASB Statements No. 68, No. 71 and No. 75.

<3> Debt service does not reflect \$5,145,000 of principal retired and certain accrued interest on \$107,395,000 of bonds refunded in 2010 for which the Authority contributed \$8,398,522 in cash on hand to reduce the amount of refunding bonds issued and scheduled debt service due in 2010.

<4> 2018 debt service coverage does not include \$1,496,915 received for a settlement for an alleged manipulation of LIBOR.

Source: Authority's audited financial statements and statistics reports

Albany County Airport Authority
Revenue Bond Debt Service Coverage, Con't
For Years Ended December 31,

2014	2015	2016	2017	2018	2019
\$ 43,594,101	\$ 44,237,599	\$ 45,738,668	\$ 48,027,140	\$ 50,829,607	\$ 51,843,389
51,374	10,784	12,280	10,676	243,269	700,892
-	-	-	-	-	-
292,938	292,000	222,772	138,700	126,921	150,480
-	-	-	-	174,077	-
368,400	368,400	368,400	368,400	368,400	368,400
\$ 44,306,813	\$ 44,908,783	\$ 46,342,120	\$ 48,544,916	\$ 51,742,274	\$ 53,063,161
(32,323,557)	(31,452,654)	(31,521,233)	(33,373,689)	(36,935,812)	(37,622,202)
(81,180)	-	-	-	-	-
-	(50,732)	(539,720)	(67,041)	(244,691)	(1,489,603)
\$ 11,902,076	\$ 13,405,397	\$ 14,281,167	\$ 15,104,186	\$ 14,561,771	\$ 13,951,356
-	-	-	-	-	-
453,637	452,972	457,308	455,397	458,514	441,549
(22,283)	(19,808)	(16,856)	(13,277)	(9,241)	(4,803)
-	-	-	-	-	-
474,876	464,391	463,473	118,080	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,102,502	1,103,706	1,098,489	275,865	-	-
403,996	402,588	400,980	99,867	-	-
-	-	-	-	-	-
9,627,239	9,625,169	10,540,689	10,549,011	10,557,831	8,112,581
(4,213,099)	(3,293,320)	(3,608,210)	(3,610,256)	(2,834,913)	(3,763,460)
925,329	924,104	-	-	-	-
-	-	-	583,089	757,375	430,225
-	-	-	913,764	1,203,925	1,130,125
-	-	-	-	-	771,322
-	-	-	-	-	703,378
\$ 8,752,197	\$ 9,659,802	\$ 9,335,873	\$ 9,371,540	\$ 10,133,491	\$ 7,820,917
1.36	1.39	1.53	1.61	1.44	1.78
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
277,389	277,389	277,389	277,389	277,389	-
-	-	-	-	-	-
-	-	-	-	-	-
514,100	514,100	514,100	-	-	-
-	-	-	-	-	-
1,128,600	1,128,600	1,128,600	-	-	-
404,263	404,263	404,263	-	-	-
-	-	-	-	-	-
9,523,517	9,523,517	9,523,517	9,523,517	9,523,517	9,523,517
-	-	-	1,261,495	1,261,495	1,261,496
-	-	-	-	1,475,750	1,475,750
-	-	-	-	-	556,850
\$ 11,847,869	\$ 11,847,869	\$ 11,847,869	\$ 11,062,401	\$ 12,538,151	\$ 12,817,613

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

	2018	2010	2010 vs. 2000	2000	2000 vs. 1990	1990
<u>PRIMARY TRADE AREA</u>						
State of New York						
Albany County	307,117	304,204	3.3%	294,565	0.7%	292,594
Columbia County	59,916	63,096	0.0%	63,094	0.2%	62,982
Fulton County	53,591	55,531	0.8%	55,073	1.6%	54,191
Greene County	47,491	49,221	2.1%	48,195	7.7%	44,739
Montgomery County	49,455	50,219	1.0%	49,708	-4.4%	51,981
Rensselaer County	159,442	159,429	4.5%	152,538	-1.2%	154,429
Saratoga County	230,163	219,607	9.5%	200,635	10.7%	181,276
Schenectady County	155,350	154,727	5.6%	146,555	-1.8%	149,285
Schoharie County	31,097	32,749	3.7%	31,582	-0.9%	31,859
Warren County	64,265	65,707	3.8%	63,303	6.9%	59,209
Washington County	61,197	63,216	3.6%	61,042	2.9%	59,330
State of Massachusetts						
Berkshire County	126,348	131,219	-2.8%	134,953	-3.2%	139,352
State of Vermont						
Bennington County	35,631	37,125	0.4%	36,994	3.2%	35,845
PRIMARY TRADE AREA	1,381,063	1,386,050	3.6%	1,338,237	1.6%	1,317,072
<u>SECONDARY TRADE AREA</u>						
State of New York						
Delaware County	44,527	47,980	-0.2%	48,055	1.8%	47,225
Dutchess County	293,718	297,488	6.2%	280,150	8.0%	259,462
Essex County	37,300	39,370	1.3%	38,851	4.6%	37,152
Hamilton County	4,434	4,836	-10.1%	5,379	1.9%	5,279
Herkimer County	61,833	64,519	0.1%	64,427	-2.1%	65,797
Otsego County	59,749	62,259	0.9%	61,676	1.9%	60,517
Ulster County	178,599	182,493	2.7%	177,749	7.5%	165,304
State of Connecticut						
Litchfield County	181,111	189,927	4.2%	182,193	4.7%	174,092
State of Massachusetts						
Franklin County	70,963	71,372	-0.2%	71,535	2.1%	70,092
Hampden County	470,406	463,490	1.6%	456,228	0.0%	456,310
Hampshire County	161,355	158,080	3.8%	152,251	3.9%	146,568
State of Vermont						
Addison County	36,973	36,821	2.4%	35,974	9.2%	32,953
Rutland County	58,672	61,642	-2.8%	63,400	2.0%	62,142
Windham County	42,756	44,513	0.7%	44,216	6.3%	41,588
Windsor County	55,286	56,670	-1.3%	57,418	6.2%	54,055
SECONDARY TRADE AREA	1,757,682	1,781,460	2.4%	1,739,502	3.6%	1,678,536
TOTAL PRIMARY AND SECONDARY TRADE AREA POPULATION	3,138,745	3,167,510	2.9%	3,077,739	2.7%	2,995,608
State of New York	19,524,209	19,378,102	2.1%	18,976,457	5.5%	17,990,455
United States	327,167,434	308,745,538	9.4%	282,171,936	13.5%	248,709,873

Sources: U.S. Department of Commerce, Bureau of the Census

**Albany International Airport
Major Employers in Primary Air Trade Area**

Rank	Employer	Industry	Employees	
			2019	2010
1	New York State	State Government	51,800	53,800
2	St. Peter's Health Partners	Health Care	12,130	3,494
3	Albany Medical Center	Health Care	8,652	5,977
4	Golub Corporation	Retail Grocery, Headquarters, and Dist. Center	8,208	4,135
5	U.S. Government	Federal Government	7,901	6,900
6	General Electric Company	Energy, Research, Industrial	7,000	3,200
7	Hannaford Brothers	Retail Grocery	5,000	3,580
8	University of Albany	Educational Services	4,700	N/A
9	Ellis Medicine	Health Care	3,479	2,651
10	Stewart's Shops Corp.	Dairy Products/Convenience Stores	3,099	1,272
11	Bechtel Marine Propulsion Corp.	Research and development	3,000	2,600
12	Glens Falls Hospital	Health Care	2,736	2,285
13	Center for Disability Services	Health Care	2,651	2,392
14	County of Albany	Government	2,497	2,219
15	Global Foundries	Semiconductor Manufacturing	2,400	N/A
16	Saratoga Hospital & Nursing Home	Health Care	2,187	1,131
17	Rensselaer Polytechnic Institute	Educational Services	1,968	1,908
18	City of Schenectady School District	Educational Services	1,808	2,100
19	Shenendehowa School District	Educational Services	1,680	1,900
20	Rensselaer County	Local Government	1,657	1,600
21	St Mary's Healthcare	Health Care	1,610	N/A
22	Empire Blue Cross/Blue Shield	Health Insurance	1,600	1,572
23	Albany City School District	Educational Services	1,600	1,270
24	City of Albany	Local Government	1,488	1,646
25	Schenectady County	Local Government	1,412	1,500
26	Northern Rivers Family Services	Children and Family Services	1,250	N/A
27	National Grid	Electric and Gas Utility	1,100	1,268
28	Regeneron Pharmaceuticals Inc.	Health Services	1,100	N/A
29	Saratoga County	Local Government	1,099	1,200
30	Momentive Performance Materials	Manufacturing	1,000	N/A

N/A - Not Available

Sources: Various

**Albany International Airport
Colleges and Universities in Primary Air Trade Area**

Name	County	Public/Private	Enrollment	
			2019	2010
Excelsior College	Albany	Private	40,103	31,000
State University of New York at Albany	Albany	Public	18,143	18,018
Hudson Valley Comm. College	Rensselaer	Public	11,587	13,500
SUNY Empire State College	Albany	Public	11,315	12,156
Rensselaer Polytechnic Institute	Rensselaer	Private	7,113	6,934
Schenectady Comm. College	Schenectady	Public	6,407	5,245
College Of Saint Rose	Albany	Private	4,442	5,160
SUNY Adirondack	Warren	Public	3,934	3,874
Siena College	Albany	Private	3,239	3,305
SUNY College of Agriculture & Tech at Cobleskill	Schoharie	Public	2,807	N/A
The Sage Colleges	Rensselaer	Private	2,713	2,805
SUNY Polytechnic	Albany	Public	2,705	N/A
Skidmore College	Saratoga	Private	2,686	2,632
Fulton-Montgomery Comm. College	Fulton-Montgomery	Public	2,634	2,420
Union College	Schenectady	Private	2,203	2,194
Williams College	Berkshire, MA	Private	2,150	2,083
Massachusetts College of Liberal Arts	Berkshire, MA	Public	1,925	1,985
Empire Education Corp	Albany	Private	1,702	N/A
Columbia-Greene Comm. College	Columbia-Greene	Public	1,645	2,039
Albany College Of Pharmacy	Albany	Private	1,247	1,567
Albany Medical College	Albany	Private	822	807
Maria College	Albany	Private	779	861
Mildred Elley	Albany	Private	683	410
Southern Vermont College	Bennington, VT	Public	475	500
Bryant & Stratton Business Institute	Albany	Private	448	776
Union Graduate College	Schenectady	Private	438	430
Bard College at Simon's Rock	Berkshire, MA	Private	420	394
Bennington College	Bennington, VT	Private	400	668
Albany Law School	Albany	Private	394	734
Samaritan Hospital School of Nursing	Rensselaer	Private	133	N/A
Memorial Hospital School of Nursing	Albany	Private	129	N/A
Ellis Hospital School of Nursing	Albany	Private	119	155
New School Center for Media	Albany	Private	80	80
			136,020	122,732

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		
		<u>2010</u>	<u>2019</u>
Acres (+/-):		1,157	1,171
Runways:	1/19 North/South ILS / VOR / GPS	8,500 X 150 ft.	8,500 X 150 ft.
	10/28 East/West VOR / GPS	7,200 X 150 ft.	7,200 X 150 ft.
Terminal:	Airlines - sq. ft.	90,860	91,484
	Tenants - sq. ft.	42,828	44,501
	Public/Common - sq. ft.	105,218	103,509
	Mechanical - sq. ft.	51,382	50,794
	Total - sq. ft.	<u>290,288</u>	<u>290,288</u>
	Number of passenger gates	21	21
	Number of loading bridges	16	16
	Number of Concessionaires in Terminal	6	6
	Number of Rental Car Agencies in Terminal	6	6
Apron:	Commercial Airlines - sq. ft.	810,901	810,901
	Cargo Airlines - sq. ft.	210,600	210,600
	FBO - sq. ft.	640,000	640,000
Parking:	Spaces assigned		
	Garage	1,907	1,912
	Short-term	353	181
	Long-term	1,117	1,880
	Economy	2,783	2,763
	Rental Cars	307	307
	Employees	514	336
	Total	<u>6,981</u>	<u>7,379</u>
Cargo:	Air Cargo Building - sq. ft.	50,500	50,500
Employees:	Authority	23.5	21.3
	Airport Operations	155.5	153.00
	Fixed Based Operator	33.0	34.0
	Total	<u>212.0</u>	<u>208.30</u>

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

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

Source: Albany County Airport Authority

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

2016	2015	2014	2013	2012	2011	2010
569,101	557,183	525,585	504,095	504,987	511,735	511,636
158,638	160,607	112,905	68,589	72,590	46,606	18,251
95,299	85,743	69,742	30,881	51,913	64,408	66,191
115,298	101,734	84,127	89,607	87,207	81,980	83,513
87,036	5,492					
32,788	10,851	12,474	14,080	33,403	16,393	29,701
72,990	62,159	51,507	22,692	18,075		
23,360	1,170	1,168	6,935	47		1,993
4,336				1,534		
1,946						
33,591						
39,496	29,856	42,722	78,580	85,535	100,678	54,130
4,768		756				
38,616	91,520	86,721	98,369	104,199	76,919	90,263
10,964	16,517	21,713	81,039	98,820	36,282	26,609
10,653	25,002	11,165	17,467	14,014	21,460	25,230
14,603	4,862	5,258				
16,090	16,119	16,802	16,752	16,429	16,284	8,677
4,059	1,162				38	4,733
286	8,354	30,259	36,109			
5,185	15,459	13,390	32,044	18,078	7,489	47,605
52,701	68,805	62,440	43,099	28,835	51,029	35,060
13,525	26,626	38,219	26,924	12,054		
65	41		214	2	47	
1,611	6,473	64			60	
	1,632	4,265	18,941	10,992	2,665	18,447
	382	21,135	10,216	79	846	5,368
		14,558	2,878	10,743	576	4,437
		3,401	12,129			
			3,436	4,392	4,482	4,782
				49,998	33,298	
				5,900	40,463	63,067
				5,278	1,762	26,189
				4,612	28,434	30,702
				3,843	23,615	8,001
				1,230	6,902	8,408
				146	12,302	30,699
				41		
					37,155	48,212
					18,491	12,284
						193
1,407,005	1,297,749	1,230,376	1,215,076	1,244,976	1,242,399	1,264,381
429	461	1,009	911	904	1,131	1,493
1,407,434	1,298,210	1,231,385	1,215,987	1,245,880	1,243,530	1,265,874

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

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

Source: Albany County Airport Authority

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

2016	2015	2014	2013	2012	2011	2010
586,092,000	563,978,000	564,078,000	556,334,000	569,014,000	571,920,000	572,100,000
183,615,710	182,901,118	127,177,598	87,394,799	91,360,813	53,982,509	20,349,608
126,927,674	107,841,768	85,883,301	41,049,688	71,647,362	86,114,744	89,909,713
139,386,707	114,046,440	91,538,758	92,454,358	84,659,102	81,480,800	80,754,302
104,956,520	6,256,712					
83,099,012	73,147,505	62,790,000	25,018,500	19,233,003		
39,101,103	12,780,307	14,116,804	16,170,306	46,331,413	35,475,009	48,466,505
29,126,003	1,476,401	1,157,201	8,104,000	134,000		2,997,000
4,573,100				1,504,000		
2,867,000						
42,416,420						
42,351,100	32,467,901	46,824,798	85,479,997	91,611,511	110,381,509	60,855,208
5,261,399	201,000	1,072,000	268,000			
50,137,054	102,046,749	31,496,000	136,527,617	136,105,502	111,779,265	123,518,991
11,818,840	16,833,427	22,487,074	87,352,775	103,135,949	37,630,283	28,116,619
11,524,000	26,666,000	12,328,000	19,832,000	15,745,000	26,532,000	30,218,000
14,888,118	4,856,000	5,511,000		47,000		
1,012,000	1,164,000	2,756,784	2,500,198	4,119,338	4,145,995	5,722,930
20,413,009	21,029,502	21,029,500	21,276,102	21,296,654	25,995,749	21,385,706
4,156,332	1,241,634				42,548	5,616,465
522,057	9,052,000	104,824,601	45,756,000			
5,427,000	16,214,000	15,075,000	38,659,000	20,368,000	9,695,000	59,831,000
63,497,000	78,396,000	69,325,000	54,426,000	36,049,000	67,351,000	49,914,000
15,960,701	30,950,102	41,728,699	30,800,102	13,969,006		
1,489,218	6,601,260	72,310			74,958	
72,311	144,624		462,795	289,241	72,309	
	1,824,972	4,996,736	22,259,441	13,314,317	3,298,107	20,613,616
	588,003	24,402,000	12,862,500	73,500	808,500	6,100,505
		13,828,429	2,850,784	12,977,453	1,021,174	5,105,879
		3,574,118	14,211,365			
			6,092,200	8,797,995	8,200,404	11,122,003
				49,228,000	35,898,000	
				11,780,000	39,308,000	40,405,906
				9,457,726	42,769,610	63,076,374
				5,624,606	2,820,000	29,995,506
				5,515,502	29,176,504	10,453,508
				4,617,006	19,266,005	25,450,508
				225,299	15,802,598	37,117,103
				42,549		
					42,377,404	54,193,008
					19,552,000	12,831,000
					1,361,544	
						196,200
1,590,691,388	1,412,705,425	1,368,073,711	1,408,142,527	1,448,273,847	1,484,333,528	1,516,417,163
103,574,000	100,192,000	101,441,920	99,121,840	98,839,841	100,395,604	98,503,762
51,084,000	50,886,000	51,480,000	50,651,000	51,171,000	51,337,000	42,670,000
9,992,302	7,471,500	7,493,598	7,250,511	7,378,000	7,514,000	7,684,009
4,100,650	4,273,641	4,066,902	3,996,509	3,961,299	4,054,101	4,142,604
				5,401	45,901	
168,750,952	162,823,141	164,482,420	161,019,860	161,355,541	163,346,606	153,000,375
1,759,442,340	1,575,528,566	1,532,556,131	1,569,162,387	1,609,629,388	1,647,680,134	1,669,417,538

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

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

Source: Albany County Airport Authority

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

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

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

Year	Airlines	Cargo	General Aviation	Military	Total
2010	46,900	3,762	30,698	7,137	88,497
2011	46,508	3,687	25,980	4,226	80,401
2012	42,932	3,722	24,322	4,543	75,519
2013	40,780	3,676	23,873	4,436	72,765
2014	37,082	3,770	18,124	2,316	61,292
2015	36,370	3,774	17,376	2,481	60,001
2016	39,834	4,264	17,576	3,057	64,731
2017	39,962	4,406	16,818	2,974	64,160
2018	39,402	4,148	17,753	3,300	64,603
2019	36,446	3,678	17,680	3,944	61,748
Annual Compounded Change 2010-2019	-22.3%	-2.2%	-42.4%	-44.7%	-30.2%

Source: Albany County Airport Authority

**Albany International Airport
Airlines Serving the Albany International Airport**

MAJORS / NATIONALS

Allegiant Air
American Airlines
Delta Air Lines
Frontier Airlines
Jet Blue Airways
Southwest Airlines
United Airlines

REGIONAL / COMMUTERS

Air Wisconsin d/b/a United Express
CommutAir d/b/a United Express
Endeavor d/b/a Delta Connection
Envoy d/b/a American Eagle
Express Jet Airlines d/b/a United Express
Mesa Air d/b/a United Express
Piedmont Airlines d/b/a American Eagle
PSA d/b/a American Eagle
Sky West d/b/a American Eagle
Sky West d/b/a Delta Connection
Sky West d/b/a United Express
TransStates d/b/a United Express

ALL-CARGO CARRIERS

Federal Express
United Parcel Service
Ameriflight
Wiggins Airways

**Albany International Airport
Major Carrier Airline Service**

SCHEDULED JET AIRLINE SERVICE

CARRIER	NON-STOP SERVICE	ONE-STOP, SAME-PLANE SERVICE
Allegiant	Orlando Sanford (SFB) Punta Gorda (PGD) St. Pete–Clearwater (PIE)	
American	Charlotte (CLT) Chicago O'Hare (ORD) Philadelphia (PHL) Washington National (DCA)	
Delta	Atlanta (ATL) Detroit (DTW)	
Frontier	Fort Myers (RSW) Orlando Int'l (MCO)	
JetBlue	Fort Lauderdale (FLL) Orlando Int'l (MCO)	
Southwest	Baltimore (BWI) Chicago Midway (MDW) Denver (DEN) Fort Lauderdale (FLL) Fort Myers (RSW) Orlando Int'l (MCO) Tampa (TPA)	Atlanta (ATL) Boise (BOI) Charleston (CHS) Charlotte (CLT) Dallas/Fort Worth (DFW) Las Vegas (LAS) New Orleans (MSY) Raleigh/Durham (RDU) San Diego (SAN) San Juan (SJU) St. Louis (STL) West Palm Beach (PBI)
United	Chicago O'Hare (ORD) New York/Newark (EWR) Washington Dulles (IAD)	Las Vegas (LAS) San Juan (SJU) St Louis (STL) West Palm Beach (PBI)
United Airlines - Air Wisconsin - Commutair - Expressjet - Mesa - SkyWest	Chicago (ORD) New York/Newark (EWR) Washington Dulles (IAD)	Lincoln (LNK) Montreal (YUL) Syracuse (SYR)

As of March 2020

Source: Official Airline Guide Schedule, February 2020

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

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

* Notes:

SH Short Haul = 0 to 600 miles

MH Medium Haul = 601 to 1,800 miles

LH Long Haul = over 1,801 miles

(1) Includes Orlando and Orlando Sanford

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

(3) Includes Tampa and St. Petersburg

(4) Includes Midway and O'Hare

(5) Includes National and Dulles

(6) Includes Fort Myers and Punta Gorda

N/A - Not Available

Source: O & D Passenger Survey of Airline Passenger Traffic, U.S. DOT, Databank 12

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Compliance



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Members
Albany County Airport Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and fiduciary funds of the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 16, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marvin and Company, P.C.

Latham, NY
March 16, 2020

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

Federal Project Number	NYS Project Number	Federal * Percent	Description Of Project	CFDA Number	Total Grant Amount		Year Ended 12/31/19 Expenditures		
					Federal	State	Federal	State	
<i>CAPITAL CONTRIBUTIONS:</i>									
Direct Award - Department of Transportation Airport Improvement Program									
132-17	1A00.21	90.00%	Passenger Boarding Bridges Gate B9	20.106	\$ 1,013,342	\$ 56,297	\$ (315)	\$ (18)	
134-17	1A00.23	90.00%	RWY 01-19 & Taxiway A,B,D,E,F,L,M,P,Q & R Edge Lighting Systems	20.106	3,404,073	189,115	751,596	41,754	
135-18	1A00.24	90.00%	Passenger Boarding Bridges B5, B7, B8 and C3	20.106	3,330,123	185,007	3,224,139	179,119	
136-18	1A00.25	90.00%	Terminal Escalators 16-17 and 20-21	20.106	1,774,141	98,564	1,467,944	81,552	
137-18	1A00.26	90.00%	Runway 10-28 and Taxiway C and Design	20.106	159,975	8,888	6,053	336	
138-19	1A00.27	90.00%	Runway 10-28 and Associated Taxiways Edge Lighting	20.106	2,603,546	144,642	1,363,044	75,725	
140-19	1A00.29	90.00%	Airfield Drainage Improvements Phase II	20.106	1,638,140	94,508	256,391	14,244	
	1A00.97		Parking Garage	20.106	-	22,131,901	-	17,636,445	
	1A00.98		Terminal Ramp Deicing Drainage System Replacement	20.106	-	616,000	-	44,526	
TOTAL CAPITAL CONTRIBUTION					\$13,923,340	\$23,524,922	\$ 7,068,852	\$18,073,683	
<i>NON-OPERATING GRANTS:</i>									
Direct Award - U.S. Department of Homeland Security									
N/A	N/A	N/A	TSA Law Enforcement Officer Cooperative Agreement	97.090	\$ 150,480	\$ -	\$ 150,480	\$ -	
TOTAL NON-OPERATING GRANTS					\$ 150,480	\$ -	\$ 150,480	\$ -	
GRAND TOTAL					\$14,073,820	\$23,524,922	\$ 7,219,332	\$18,073,683	

(*) The remaining percentage is shared equally between the State of New York and the Authority.
See accompanying Notes to Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance.

Albany County Airport Authority
Notes to Schedule of Expenditures of Federal and
New York State Department of Transportation Financial Assistance
For the Year Ended December 31, 2019

1. Scope of Audit Pursuant to the Uniform Guidance

The Albany County Airport Authority (Authority) is a body corporate and politic constituting a public benefit corporation. The Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance (the Schedule) includes all of the federal award programs and the New York State Department of Transportation matching grant award for the FAA's Airport Improvement Act (CFDA #20.106) administered by the Albany County Airport Authority, an entity defined in the financial statements.

2. Basis of Accounting

The accompanying Schedule includes the federal award activity of the Authority under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

3. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Authority has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance and did not claim any indirect costs and has not claimed any indirect costs.

4. Federal Reimbursements

Federal reimbursements are based upon specific expenditures. Therefore, the amounts reported here represent grant income earned rather than cash received. There were no funds provided to subrecipients.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Members
Albany County Airport Authority

Report on Compliance for Each Major Federal Program

We have audited the Albany County Airport Authority's (the Authority), a component unit of the County of Albany, New York's, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2019. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Marvin and Company, P.C.

Latham, NY
March 16, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR THE NEW YORK STATE DEPARTMENT OF
TRANSPORTATION FINANCIAL ASSISTANCE
PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY NEW YORK STATE
CODIFICATION OF RULES AND REGULATIONS**

To the Members
Albany County Airport Authority

Report on Compliance

We have audited the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York's, compliance with the types of compliance requirements described in the *Preliminary Draft Part 43 of the New York State Codification of Rules and Regulations* (NYCRR), that could have a direct and material effect on its state transportation assistance program for the year ended December 31, 2019.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the state transportation assistance program.

Auditor's Responsibility

Our responsibility is to express an opinion on the Authority's compliance for the state transportation assistance program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Preliminary Draft Part 43 of NYCRR*. Those standards and the *Preliminary Draft Part 43 of NYCRR* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state transportation assistance program has occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the state transportation assistance program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that are applicable to its state transportation assistance program for the year ended December 31, 2019.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the state transportation assistance program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the state transportation assistance program and to test and report on internal control over compliance in accordance with the NYCRR, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the state transportation assistance program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the state transportation assistance program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the state transportation assistance program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Preliminary Draft Part 43 of the New York State Codification of Rules and Regulations*. Accordingly, this report is not suitable for any other purpose.

Marvin and Company, P.C.

Latham, NY
March 16, 2020

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

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of the Albany County Airport Authority.
2. No material weaknesses were identified during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Albany County Airport Authority were disclosed during the audit.
4. No material weaknesses were identified during the audit of the major federal award program.
5. The auditor's report on compliance for the major federal award program for the Albany County Airport Authority expresses an unmodified opinion.
6. There were no audit findings related to the major federal award program for the Albany County Airport Authority.
7. The Airport Improvement Program (CFDA #20.106), including the New York State Department of Transportation (NYSDOT) matching grants for this program was the major program for the year ended December 31, 2019.
8. The dollar threshold used to distinguish between Type A and B programs was \$750,000.
9. The Albany County Airport Authority was considered a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

NONE

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AND NYS DOT AWARD PROGRAM AUDIT

NONE

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR THE PASSENGER FACILITY CHARGE PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE FEDERAL AVIATION ADMINISTRATION**

To the Members
Albany County Airport Authority

Report on Compliance

We have audited the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York's, compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), that could have a direct and material effect on its Passenger Facility Charge Program for the year ended December 31, 2019.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Passenger Facility Charge Program.

Auditor's Responsibility

Our responsibility is to express an opinion on the Authority's compliance for the Passenger Facility Charge Program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the Passenger Facility Charge Program has occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the Passenger Facility Charge Program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that are applicable to its Passenger Facility Charge Program for the year ended December 31, 2019.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the Passenger Facility Charge Program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the Passenger Facility Charge Program and to test and report on the internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the Passenger Facility Charge Program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the Passenger Facility Charge Program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the Passenger Facility Charge Program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. Accordingly, this report is not suitable for any other purpose.

Marvin and Company, P.C.

Latham, NY
March 16, 2020

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

For the Year Ended December 31, 2019

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Scope of Audit Pursuant to September 2000 Passenger Facility Charge Audit Compliance and Reporting Guide for Public Agencies.

The Albany County Airport Authority is a body corporate and politic, constituting a public benefit corporation. The Schedule of Passenger Facility Charges Collected and Expended includes all the PFCs and the interest earnings thereon collected by the Authority beginning May 1, 1994 through December 31, 2019. Passenger Facility Charges are collected pursuant to a Federal Aviation Administration (FAA) approved application in 1994 to Impose \$40,726,364. During 1996, the Authority requested and received approval to increase the amount of PFCs to \$116,888,308 projected to be collected through the year 2022. Effective September 1, 2009, the Authority implemented an approved change the PFC collection from \$3.00 per passenger to \$4.50 per passenger, with a current estimated collection period through 2020.

B. Basis of Accounting

The above schedule was prepared on an accrual basis of accounting. Passenger Facility Charges are recorded as deferred revenue until used for debt service payments under an FAA approved application to use.

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

A. SUMMARY OF AUDIT RESULTS

1. No material weaknesses were identified during the audit of the passenger facility program.
2. The auditor's report on compliance for the passenger facility charge program expresses an unmodified opinion.
3. There were no audit findings related to the passenger facility charge program.

B. FINDINGS AND QUESTIONED COSTS

NONE

Biographies of the Members of the Albany County Airport Authority

Rev. Kenneth J. Doyle, Chair is a native of Troy, New York. He attended the Mater Christi Seminary in Albany, New York and later graduated with a Master of Arts in philosophy from Basselin College, Catholic University of America in Washington, D.C. Father Doyle is a graduate of the Theological College, Catholic University of American, Washington D.C. He was ordained in 1966. Father Doyle later graduated from Albany Law School and was admitted to the New York State Bar in 1978. Father Doyle has undertaken a number of assignments for the Roman Catholic Church including instructor in religion at Cardinal McCloskey High School, Albany, NY; Editor of the Evangelist diocesan newspaper; Bureau Chief National Catholic News Service, Rome, Italy; Director of Government Relations, New York State Catholic Conference; Albany, New York and Director for Media Relations, United States Catholic Conference, Washington, DC; Pastor, Parish of Mater Christi, Albany, New York and Chancellor for Public Information, Roman Catholic Diocese of Albany. Father Doyle currently resides in Albany.

Anthony Gorman, Vice-Chair is a lifelong resident of Capital Region and lives in Colonie. He is a graduate of The Albany Academy and Georgetown University. Anthony Gorman has been principal in The Gorman Group, a highway construction company, since 1972. He has been continuously active in numerous charitable and civic groups for the last 25 years. He currently is a trustee at The Fort Orange Club in Albany.

Lyon M. Greenberg, M.D. is a Dartmouth College and John Hopkins Medical School graduate and the founding partner of the Capital Region Otolaryngology Head and Neck Group in Albany, New York since 1964. Dr. Greenberg has held numerous positions on medical committees, including President of the Upstate New York Alumni Association at Johns Hopkins University; National Program Chairman, Section on Otolaryngology, American Academy of Pediatrics; Executive Committee, Section on Otolaryngology, American Academy of Pediatrics; CME Chairman, Section on Otolaryngology, American Academy of Pediatrics; Legislative Chairman, New York State Society of Otolaryngologists; Secretary/Treasurer of The Child's Hospital; President of New York State Society of Otolaryngologists; member of the founding Committee of the American Society of Pediatric Otolaryngology; President of the Eastern New York Dartmouth Alumni Club; Vice-President of Congregation Beth-Abraham Jacob and Member of the Dr. David Axelrod Committee at the School of Public Health SUNY. Dr. Greenberg has received numerous awards over his career including The Willard W. Eggleston Memorial Botany Prize (1954) (Dartmouth College); Outstanding Service Award (1973) (Dartmouth College); Air Defense Command Commendation, U.S.A.F. (1962); Air Force Commendation Medal, U.S.A.F. (1962) and The Class of 1954 Award (2004) (Dartmouth College). Dr. Greenberg currently resides in Slingerlands with his wife Marcia and has four grown children.

Kevin Hicks, Sr. is a lifelong resident of Albany County. He is the retired President and Political Director of the Empire State Regional Council of Carpenters, representing over 20,000 Union Carpenters in New York State. During this tenure he served as a Board member of the Eastern Occupational Health and Safety Board. He is also President Emeritus of the Greater Capitol Region Building Trades Council and a former Board member of the New York State Building Trades Council. Kevin is a decorated United States Army Veteran of the Vietnam War. He presently serves as the Legislative Liaison for the Tri-County Council of Vietnam Veterans. In addition to serving on the Albany County Airport Authority, he also serves as a Board member on the Guilderland Industrial Development Agency. He remains active in many civic and Veterans organizations in the capital district. Kevin currently lives in Guilderland with his wife Deborah.

Steven Heider, retired Chief of Police for the Town of Colonie Police Department, is nearly a lifelong resident of Colonie. He served as the Town's fifth Police Chief, retiring in 2015 after serving on the force for 42 ½ years. During his tenure as Colonie Police Chief, the Town of Colonie was rated the #1 community with the lowest crime rating in the country for two consecutive years. A graduate of Colonie Central High School, Hudson Valley Community College and Russell Sage College, he began his career in 1973 and continues today to be involved in many community activities. Throughout his long career he has served on many committees and boards to promote public safety and to advocate for those that lacked the resources to do so throughout the Capital Region and beyond. He also served as President of the New York State Association of Chiefs of Police, Inc., and is the secretary and treasurer of the Northeastern Chiefs of Police Conference. The retired Chief is also a former member of the Village of Colonie Planning board and the former First Vice Chairman for the Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network, of which he is still an active advisor to their policy board. In addition to the Albany County Airport Authority board, he also serves on the boards of the Colonie Youth Center Inc., and the Scautub Insurance Agency located in Scotia, New York.

Samuel Fresina is president of the New York State Professional Fire Fighters Association. He was elected in 2016, after his career as a full-time, professional fire fighter in the City of Albany. Previous to his current position, he served as the NYSPFFA's secretary-treasurer and executive vice president. Born and raised in Albany, NY, Sam graduated from the Christian Brothers Academy in 1985 to enlist in the U.S. Air Force, where he served as a crash/rescue and structural fire fighter. After four years of military service (two abroad) he received an honorable discharge to become a professional firefighter in Albany. During his two decades of service to Albany residents in firehouses around the city, Sam became actively involved in the union— first as a shop steward for Local 2007, then trustee on the union's executive board, before being elected president of the local in 1997, a position he retained for fourteen years. Additionally, Sam has served as vice president of the Capital District affiliate of the AFL-CIO and, since 2004, has worked as a field services representative for the International Association of Fire Fighters (IAFF). He also currently serves on the advisory board for the New York State Common Retirement Fund.

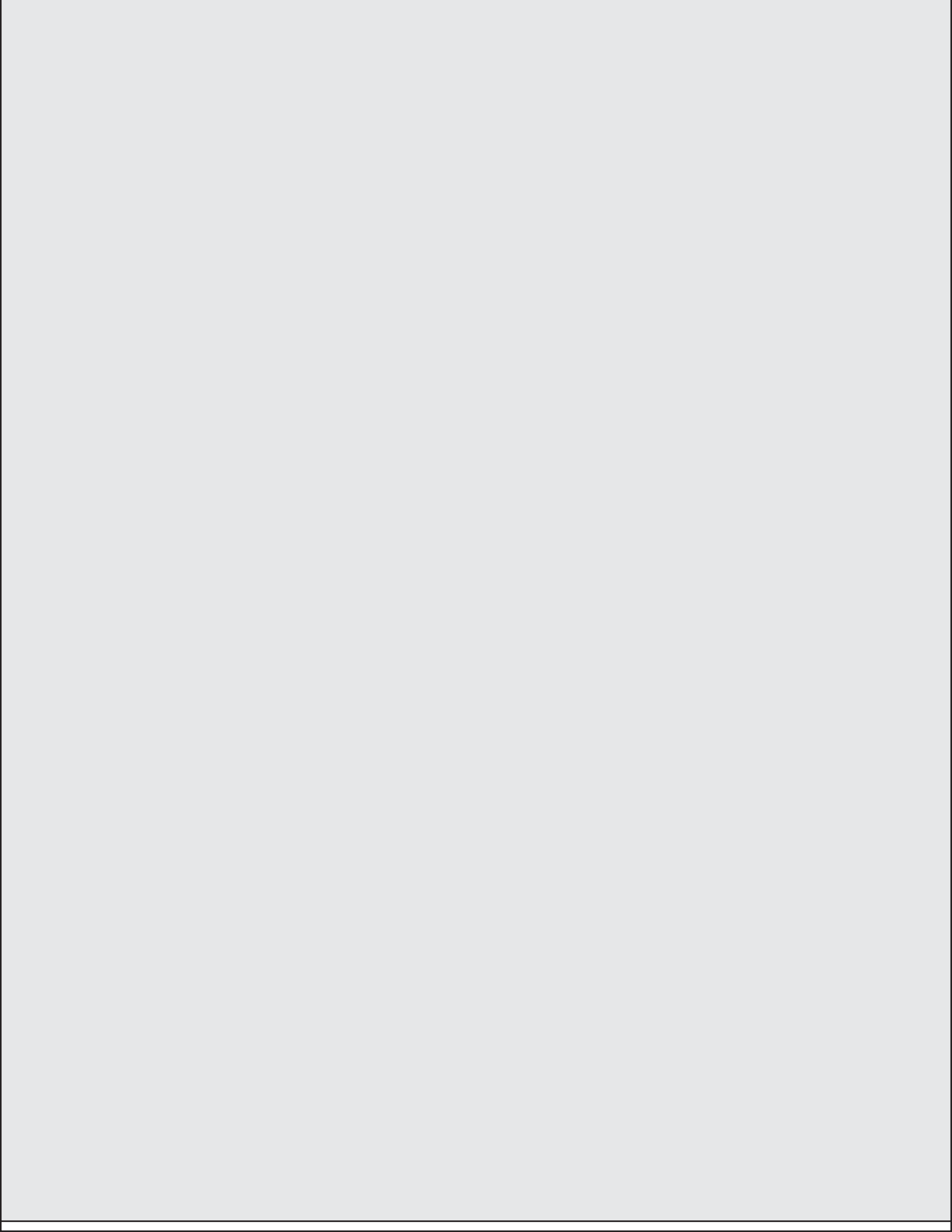
Sari O'Connor, Principal at the Albany Consulting Group, has more than a decade of experience in community relations, development and fundraising, and communications to support non-profits in the greater Capital Region. Her professional experience includes arts and culture and human services serving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

Biographies of the Albany County Airport Authority Senior Staff

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

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

Peter F. Stuto, Esq., Airport Counsel, is responsible for the day to day legal affairs of the Authority. Mr. Stuto was most recently Senior Assistant Counsel in the Office of the Majority Counsel of the New York State Assembly. Mr. Stuto has held positions of financial consultant with Merrill Lynch, attorney with Hiscock & Barclay, and Floor Counsel to New York State Senate Minority Leader.





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