



ALBANY COUNTY AIRPORT AUTHORITY
 ALBANY INTERNATIONAL AIRPORT
 ADMINISTRATION BUILDING
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ACAA - Finance Committee
APPROVED
3/23/09

**Minutes of the Finance Committee Meeting
 of the Albany County Airport Authority
 March 2, 2009**

Pursuant to notice duly given and posted, the Finance and Administration Committee meeting of the Albany County Airport Authority was called to order on Monday, March 2, 2009 at 5:21 pm in the Administration Building, 2nd Floor Conference Room, located at the Albany International Airport by Finance Committee Chair Daniel M. Sleasman with the following present:

MEMBERS PRESENT

Daniel M. Sleasman, Chair Finance Committee
 Richard J. Sherwood (Committee Member)
 Elliott A. Shaw (Committee Member)
 David E. Langdon, (Ex Officio)
 Henry E. Dennis (ACAA Member)

MEMBERS ABSENT

None

STAFF

John A. O'Donnell
 Bill O'Reilly
 Margaret Herrmann
 Ginger Olthoff

ATTENDEES

Jim Amell, Marvin & Company

1. Review and Acceptance of Authority's Fourteenth Comprehensive Annual Financial Report, as of, and for the Year Ended, December 31, 2008, Together with the Audit and Compliance Reports of Marvin and Company, P.C., Certified Public Accountants

Mr. O'Reilly recommended acceptance of the Authority's Fourteenth Comprehensive Annual Financial Report, as of, and for the Year Ended, December 31, 2008, Together with the Audit and Compliance Reports of Marvin and Company, P.C., Certified Public Accountants.

Mr. O'Reilly distributed and reviewed a power point presentation on the ACAA 2008 Final Audited Results.

Mr. O'Reilly reviewed the Change in Unrestricted Working Capital for 2008 and stated that the Authority had an increase in unrestricted working capital over 2007 in the amount of \$773,330.

DAVID E. LANGDON, CHAIR

RICHARD J. SHERWOOD, VICE CHAIR

HENRY E. DENNIS, JR.

DANIEL M. SLEASMAN

JOHN A. GRAZIANO, JR.

ELLIOTT A. SHAW

DORSEY M. WHITEHEAD

JOHN A. O'DONNELL, CHIEF EXECUTIVE OFFICER

Mr. O'Reilly reviewed Operating Revenues for 2008 and stated that the Authority had an increase in revenues over 2007 in the amount of \$3,040,530.

Mr. Sleasman inquired as to what was included in the increase in "Other Revenues." Ms. Herrmann stated that this included increased hangar rentals and other landside revenues.

Mr. O'Reilly reviewed Operating Expenses for 2008 and stated that the Authority had an increase in operating expenses over 2007 in the amount of \$2,256,271. Mr. O'Reilly stated that the increase in "Administration Expenses" included approximately \$421,000 of OPEB expenses.

Mr. O'Reilly reviewed the Change in Net Assets for 2008 and stated that interest income was down almost \$1 million over 2007 and interest expense had decreased by \$864,841 due, in part to the refunding whereby \$560,000 was reported as a deferred loss on refunding.

Mr. Sherwood moved to recommend to the full Authority acceptance of said Annual Financial Report and Audit and Compliance Reports. The motion was adopted unanimously.

2. Review and Acceptance of Marvin and Company, P.C. Letter Regarding Information Related to Their Conduct of the Audit Required under Generally Accepted Auditing Standards

Mr. Amell stated that Marvin and Company met with the Audit Committee prior to conducting the audit (December 10, 2008) to outline the conduct of the Audit required under Generally Accepted Auditing Standards. He stated that the Authority was given a "clean" opinion with nothing to report.

Mr. Sleasman stated that the Marvin letter was addressed to the "Board of Directors." He pointed out that the letter should be addressed to "Authority Members" rather than "Board of Directors." Mr. Amell stated that he would correct this in the letter.

Mr. Amell thanked the Authority staff for their assistance during the conduct of the audit.

Mr. Shaw moved to recommend to the full Authority said letter regarding the conduct of the audit. The motion was adopted unanimously.

3. Review and Acceptance of Airline Rates and Charges Settlement and Revenue Sharing Transfer Calculation for 2008

Mr. O'Reilly reviewed the Airline Rates and Charges Settlement and Revenue Sharing Transfer Calculation for 2008.

Mr. O'Reilly stated that the rates established in the 2008 budget were set very low which left a large amount due at year end.

Mr. O'Reilly stated that Southwest Airlines was impacted the most, as it is the Airport's largest carrier. He stated that with the settlement amount included, Southwest's cost per

passenger for 2008 was \$6.79, as compared with Cape Air which was \$27.00 per passenger and Colgan Air's which was \$3.89 per passenger.

Mr. O'Reilly stated that he did email Steve Sisneros of Southwest Airlines regarding the settlement and advising him of the cost. He stated that he will have a follow-up conversation with Mr. Sisneros to discuss the \$6.79 per passenger cost.

Mr. O'Reilly stated that the airlines will receive a copy of the settlement report.

Mr. Sherwood moved to recommend to the full Authority, acceptance of said rates and charges. The motion was adopted unanimously.

There being no further business, the meeting was adjourned at 5:45 pm.

Respectfully Submitted,

Daniel M. Sleasman, Finance Committee Chair



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FINANCE AND ADMINISTRATION COMMITTEE**

AGENDA

March 2, 2009

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2. **Review and Acceptance of Marvin and Company, P.C. Letter Regarding Information Related to Their Conduct of the Audit Required under Generally Accepted Auditing Standards**
3. **Review and Acceptance of Airline Rates and Charges Settlement and Revenue Sharing Transfer Calculation for 2008**

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