



ALBANY COUNTY AIRPORT AUTHORITY

2019 Operating Budget

Adopted December 10, 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

Albany, New York 12211-1057

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ALBANY COUNTY AIRPORT AUTHORITY

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December 10, 2018

TO THE MEMBERS OF THE AUTHORITY:

The Finance Department herein presents Albany International Airport's (ALB) operating budget for calendar year 2019. This represents the 24th annual Budget prepared by the Authority since it assumed management and financial responsibility for the Airport Budget in 1994. The budget has been prepared on an accrual basis with certain exceptions and includes all current operations under the responsibility of the Authority. This budget incorporates the operations of two companies that operate under cost reimbursement agreements with the Authority. AFCO AvPorts Management, LLC (d/b/a AvPorts) is responsible for the daily operations of the Airport and REW Investments, Inc., (d/b/a Million Air-ALB) is responsible for the daily operations of the Fixed Base Operation (FBO).

STATUS OF AIRLINE INDUSTRY

Airline profitability eroded in 2008 due to record high fuel prices followed by the "Great Recession" - the worst global recession since the 1930s. Airlines responded by reducing the number of flights and seats available, increasing fees, reducing or eliminating passenger amenities, reducing orders for new equipment, grounding inefficient fleets, and eliminating marginal routes. Declines in available seat miles (ASMs) in 2008-2009 were the sharpest in 67 years and wiped out 10 years of industry growth leaving domestic ASMs 1.3 percent below 1999 levels. Beginning in 2010 Airlines began to add capacity in each year using discipline in both capacity and pricing to remain profitable.

The Bureau of Transportation Statistics reported that the U.S. scheduled passenger airlines reported an after-tax net profit of \$15.5 billion in 2017, up from \$14.0 billion in 2016. The 23 U.S. scheduled service passenger airlines reported an after-tax net profit as a group for the fifth consecutive year based on net income reports.

Airlines for America (A4A) reported that 2018 represented the fifth consecutive year of seat growth for U.S. Small Communities which are defined as having less than 0.25% of annual passenger boardings. The 2017 seat capacity for Small Communities was 13.7% higher than five years earlier while during the same time departures declined by 3.6%. According to the A4A, the increase in airline profits from 2015 through the first half of 2017 has been the result of a combination of lower fuel expense, higher traffic, lower fares, although somewhat offset by higher labor costs.

Future airline traffic will be affected by the state, national and global economic conditions, regional airport competition, war and acts of terrorism, world health emergencies, federal regulatory actions, the financial condition of the airlines, air fare levels, the operation of the air traffic control system, fuel prices, and natural disasters. Concerns about the safety of airline travel and the effectiveness of security precautions may influence passenger travel behavior and air travel demand. The Authority is unable to predict with certainty the long-term operational and financial effect of these factors on air travel. Furthermore, additional bankruptcies, liquidations or major restructuring of other airlines could occur. Therefore, any long-term forecast the Authority makes may vary materially from the actual results.

The Authority derives a portion of its operating revenue from landing fees and terminal facility fees

paid by the airlines using the Airport. The majority of non-airline revenues, such as parking revenue, are dependent upon the continuation of airline activity at the airport. The financial strength of these airlines, together with numerous other factors, influences the level of aviation activity at the Airport and the revenues realized by the Authority. Individual airline decisions regarding level of service also affect total enplanements. Events such as the September 11 Event, general economic conditions, high fuel prices, terrorist threats, and the United States military offensive in the Middle East, natural disasters, and world health concerns have had a significant negative effect on airline industry profitability.

No assurances can be given that any of the airlines anticipated to be operating at the Albany International Airport in 2019 will continue operations or maintain their level of operations at the Airport.

AIR TRADE AREA SERVED BY ALBANY INTERNATIONAL AIRPORT

The Authority defines the primary air trade area for the Airport within a 60 to 70 mile radius of the Airport. This area encompasses a total of 13 counties, including the Albany-Schenectady-Troy Metropolitan Statistical Area (MSA), with the New York counties of Albany (the county in which the Airport is located), Saratoga, Schenectady, Schoharie, and Rensselaer; the Glens Falls MSA, with the New York counties of Warren and Washington; the additional New York counties of Columbia, Fulton, Greene, Montgomery, and; Berkshire County, Massachusetts; and Bennington County, Vermont. The Airport is the sole provider of commercial service in the air trade area. The Airport serves the City of Albany which is the capital of the State of New York plus the major neighboring cities of Rensselaer, Saratoga Springs, Schenectady and Troy.

The Airport's primary air trade area population was estimated in 2017 to be approximately 1.4 million. The per capita personal income in 2016 of the Albany-Schenectady-Troy CSA was \$65,855 compared to a national average of \$59,039. The unemployment rate in the Albany-Schenectady-Troy MSA has been consistently more favorable than the state and national average. The area includes over 31 employers with more than 1,000 employees, the largest employer being the State of New York with approximately 52,000 employees. The area includes 28 colleges and universities, 16 general-care hospitals and offers a rich variety of cultural, recreational, educational resources, and activities.

STATUS OF ALBANY INTERNATIONAL AIRPORT (ALB)

The Federal Aviation Administration ("FAA") defines ALB as a small air traffic hub, which is an airport with enplaned passengers of 0.05 percent to 0.249% of the total enplaned passengers by all U.S. air carriers nationwide. In 2017, ALB's share was 0.17% based upon FAA data.

As of September 2018, ALB has scheduled passenger airline services provided by five major airlines and their commuter airlines, one regional airline Cape Air, and one Ultra Low Cost Carrier (ULCC), Frontier. Allegiant, another ULCC, announced service beginning December. The five major airlines serving ALB are Delta, JetBlue, Southwest, United, and American Airlines. ALB has been served by all of its existing major airlines during each of the years 1990 to 2018, with the exception of Southwest which began service in May 2000 and JetBlue which begins in December 2015. American Airlines ended service from Albany International Airport on November 2, 2008 but reestablished service in 2015 with its merger with U.S. Airways. In September 2018 two all-cargo carriers provide regular scheduled cargo service: FedEx and United Parcel Service.

Albany experienced a reduction in aircraft operations and enplanements from 2005 through 2014. Beginning in 2005, airlines serving ALB were affected by bankruptcy and high fuel prices. By December of 2007 the economic recession had begun with soon to follow record fuel prices resulting in the switch to smaller size aircraft which reduced the number of flights. By 2009 the merger of ALB's airlines had begun, yet again reducing flights and seats available as the average airfares began to rise. In 2015 airline seat capacity at ALB was up about 1.0% compared to 2014 capacity and

increased 12.4% in 2016. (See page 1-11 for the historic, current and future projections of enplanements and landed weights for ALB)

A summary showing the mix of aircraft types servicing ALB and the average maximum monthly seats available follows:

	<u>Full Size Jets</u>	<u>Regional Jets</u>	<u>Commuter Aircraft</u>	<u>Total</u>	<u>Average Monthly Maximum Seats Available</u>
Sep-18	22	26	6	54	145,936
As of December 31:					
2017	22	25	10	57	142,083
2016	23	19	15	57	142,943
2015	17	20	13	50	127,275
2014	13	28	13	54	118,959
2013	13	28	13	54	133,621
2012	15	28	16	59	123,079
2011	16	24	26	66	135,765

Capacity and aircraft operations have become more seasonally adjusted since 2009 with scheduled capacity for the months of December through February being the lowest during the year. However beginning in 2016 Capacity and Operations began to expand due to new entrant airlines and expanded service from several airlines. These two key operational items impact the level of Airport revenues generated for the operation and maintenance of all its facilities. The table below provides a summary showing the changes since 2009:

	<u>Commercial Landed Weights (excludes cargo)</u>	<u>Enplanements</u>
Projected as of September		
2018	1,583,706,000	1,450,000
As of December 31:		
2017	1,575,561,522	1,417,835
2016	1,590,691,408	1,407,434
2015	1,412,705,423	1,297,749
2014	1,368,073,710	1,230,376
2013	1,408,546,123	1,215,076
2012	1,448,273,846	1,244,976
2011	1,484,333,528	1,242,399

ACTIVITY PROJECTIONS FOR 2019

Given all the factors that exist as of today, it is difficult to project future year activity levels for ALB. While some combination of factors have resulted in a cycle of depression and growth in enplanements, landed weight, and aircraft operations in past years, there are indications the growth in the past 36 months will continue in 2019. After the scheduled departing seats declined 3% in 2014, the seat capacity is increased 1% in 2015, and 12.4% in 2016, partly due to new services

initiated by JetBlue. Seat Capacity for 2018 has been flat in comparison to 2017. Indications are that that seat capacity for 2019 would be higher than 2018 due to new entrant airlines in the second half of 2018.

The projected number of commercial aircraft, plus the number of general aviation aircraft operations also affects the Airport's Fixed Based Operations (FBO) financial projections. FBO revenues are primarily dependent on fuel flowage fees from commercial airlines, sale of aviation fuels to general aviation users, and deicing services provided to both commercial and general aviation aircraft.

The Authority is aggressively seeking expanded service from current and other carriers by offering attractive facilities in excellent condition combined with strong average airfares and passenger demand. In 2011 the Authority developed an airport incentive program that includes airport fee waivers for qualifying air service expansion, promotional marketing funds and assistance for qualifying new service, and an airline revenue guarantee funded by the Federal Aviation Small Communities Air Service Development grant and community matching funds. In 2011 the Authority also received an economic development grant to fund 75 percent of the cost of marketing the airport to the airlines. The Airport provided incentives to airlines in the amount of \$50,732 in 2015, \$539,720 in 2016 and, \$67,041 in 2017. The estimated value of unexpired incentives in place is \$166,667 in 2018 and \$1,000,000 in 2019. The cost of incentives to airlines is reflected in the budget as a reduction in the allocation of the Airport share of net revenues.

AIRLINE USE AND LEASE AGREEMENT

The Authority and the airlines negotiated a five-year Use and Lease Agreement that became effective January 1, 2016 with an option for a five-year renewal. This agreement establishes how the airlines that elect to sign the agreement will be assessed annual rates and charges for their use of the Airport. Under the current agreement, airlines that sign the agreement share the net revenues of the Airport based upon a 50/50 split of Net Funds Remaining as calculated under the agreement. Allegiant, American, Delta, JetBlue, Southwest, United, Cape Air, and two all-cargo carriers serving the Airport executed the current Signatory Agreement with the Airport. Because substantially all airlines renting space in the terminal have signed the signatory agreement and named most of their contract carriers as affiliates, the 2019 budget assumes that substantially all airline rates and charges will be billed at the signatory airline rate.

AIRPORT AND FIXED BASED OPERATIONS OPERATING AGREEMENTS

The Authority engages the services of AFCO AvPorts Management, LLC (AvPorts), to manage the daily operations of the Airport and REW Investments, Inc., d/b/a Million Air – Albany (Million Air-ALB), to manage the daily operations of the Fixed Based Operations.

AvPorts has the daily responsibility, under policies and direction from the Authority, for airport operations, airside security, ARFF, terminal and vehicle maintenance and the parking facilities. AvPorts is reimbursed for its actual payroll expenditures based on an employment level approved annually by the Authority plus a fixed fee.

Million Air has the daily responsibility, under policies and direction from the Authority, for the fixed based operations including commercial into-plane fueling, fuel farm management and general aviation handling and fueling. The Authority's goal in directing the daily management of the fixed based operations is to enhance the service the Authority can provide to the general and corporate aviation community by offering competitive rates and charges for users of the Airport and to provide the airlines at the Airport with efficient and quality into-plane fueling services and fuel inventory management. Million Air is reimbursed for its actual expenditures based on an employment level approved by the Authority plus a fixed fee with added incentives based on the growth of fixed based operation revenues.

All expenditures incurred by AvPorts and Million Air are subject to the approval and execution by the Authority.

2019 OPERATING BUDGET FINANCIAL HIGHLIGHTS

The 2019 budget is balanced by implementing the strategies set forth in the Summary of Financial policies as described beginning on page 2-7.

The Authority prepares annual operating budgets following the formulas contained in the Airline Use and Lease Agreements. At the end of each year, the Authority prepares an Airline Rates and Charges Settlement and Revenue Sharing Transfer Calculation report showing a comparison of the final audited financial results for the year compared to the adopted budget.

Total anticipated revenues for 2019 are \$54.8 million and total operating expenses are \$37.4 million. The remaining \$17.4 million is budgeted for the following: \$7.4 million to pay the debt obligations of the Authority net of Passenger Facility Charge funds, \$4.5 million for capital expenditures, and a change in reserve fund requirements of plus \$0.3 million leaving \$6.4 million to share with the airlines at the end of the year. Additional airline revenue may be required to cover unanticipated expenses or unrealized revenues in 2019. The Authority's bond resolution requires the Authority to maintain an operating reserve equal to two months of operating and maintenance expenses. Upon adoption of the 2019 Operating Budget the Operating and Maintenance Reserve requirement will be \$6.2 million based upon total budgeted operating expenses of \$37.4 million in 2019. At June 30, 2018 the Authority had \$9.6 million in its Operating and Maintenance Reserve Account and an additional \$13.4 million in its Airport Development Account which can be used to restore a deficiency in the Operating and Maintenance Reserve Account. At this time it is projected the Authority will end 2018 with \$5.0 million in net revenue to share with the Airlines and its Development Account would increase by \$2.4 million to a total of \$15.8 million net of the cost of funding air service incentive credits.

The Authority also maintains cash balances in restricted accounts established by the Authority's Master bond resolution that are not available to pay operating expenses and these accounts include various debt service reserve accounts, the Passenger Facility Charge Funds account, Capital Projects Funds, and a Renewal and Replacements Fund. The Table below presents a summary of the Actual and Projected restricted and unrestricted Cash balances:

	December 31 2015	December 31 2016	December 31 2017	Projected December 31 2018	Projected December 31 2019
Funds available for unrestricted operations	\$17,654,367	\$22,020,622	\$23,090,998	\$24,590,998	\$26,090,998
Restricted for:					
Capital projects	2,774,677	4,735,041	2,484,987	1,784,987	2,484,987
PFCs available for debt service payments	6,929,341	8,692,358	10,439,296	11,200,000	12,700,000
Debt Reserves and Debt Service Funds	11,971,970	11,703,502	10,909,819	10,909,819	10,909,819
Other restrictions	1,085,578	872,819	980,508	967,396	517,396
Total	\$40,415,933	\$48,024,342	\$47,905,608	\$49,453,200	\$52,703,200

The table below is a summary comparison based on the formula included in the Airlines Use and Lease Agreement showing the 2019 budget compared to the 2017 audited results, the 2018 adopted budget, and the 2018 projected results, along with the amount and percentage of changes for the 2019 budget versus the 2018 projected:

ALBANY COUNTY AIRPORT AUTHORITY OPERATING BUDGET SUMMARY (Before revenue sharing)						
	2017 Audited	2018 Budget	2018 Projected	2019 Budget	Budget 2019 vs. Projected 2018	
					\$ of Change	% of Change
REVENUES						
Airfield charges	\$7,166,057	\$7,620,988	\$7,238,158	\$8,010,706	\$772,548	9.6%
FBO	8,572,459	8,630,876	10,626,477	10,246,373	-380,104	-3.7%
Terminal rentals	6,971,656	6,913,009	7,053,795	7,249,290	195,495	2.7%
Concessions	8,070,380	8,178,660	7,909,413	8,011,652	102,239	1.3%
Ground Transportation	15,325,640	15,484,189	15,718,452	15,814,302	95,849	0.6%
Other Airport	4,360,795	4,137,180	4,272,422	4,594,062	321,640	7.0%
Other Revenues	517,776	517,883	936,937	1,382,557	445,620	32.2%
Total Revenues	\$50,984,764	\$51,482,785	\$53,755,654	\$55,308,943	\$1,553,289	2.8%
EXPENSES						
Personal Services	\$10,187,247	\$11,037,496	\$10,502,039	\$11,231,809	\$729,770	6.5%
Employee Benefits	4,872,943	5,500,581	5,111,824	5,668,597	556,773	9.8%
Utilities & Communications	2,004,108	2,118,939	2,103,779	2,205,123	101,344	4.6%
Purchased Services	5,891,495	6,386,044	6,273,358	6,758,081	484,724	7.2%
Materials & Supplies	9,020,200	8,764,272	10,718,264	10,385,998	-332,266	-3.2%
Offices	334,758	492,662	367,882	477,205	109,323	22.9%
Administration	882,774	910,405	934,815	906,770	-28,045	-3.1%
Noncapital Equipment	180,164	240,000	461,314	432,090	-29,223	-6.8%
Total Expenses	\$33,373,689	\$35,450,398	\$36,473,274	\$38,065,674	\$1,592,401	4.2%
DEBT SERVICE						
P&I Payments	9,447,820	8,703,730	8,703,730	7,404,275	-\$1,299,455	-17.6%
RESERVE REQUIREMENTS						
	169,068	200,381	200,381	435,879	\$235,499	54.0%
CAPITAL EXPENDITURES						
	3,114,493	3,123,697	3,304,411	3,306,134	\$1,723	0.1%
FUNDS REMAINING	\$4,879,695	\$4,004,580	\$5,073,858	\$6,096,980	\$1,023,122	16.8%

AIRLINE RATES AND CHARGES SUMMARY

The Airline Use and Lease Agreement with the signatory airlines is hybrid in nature with a residual ratemaking methodology for calculating the airfield, apron and loading bridges rates and a commercial rental rate methodology for calculating the terminal rental rate. The agreement also provides for the inclusion of an amount for capital expenditures not subject to majority-in-interest (MII) approval by the signatory airlines in the rates and charges calculation.

The Authority has the ability under the Agreement to adjust rates and charges at any time throughout the year to ensure adherence to all financial covenants in its bond resolutions. No such adjustments have ever been required under either the current or the prior Agreements.

Based on the Airline Use and Lease Agreements, a comparison of the major signatory airline rates and charges and projected cost per enplaned passenger, plus the Authority's projected debt service coverage are as follows:

	Audited 2017	Budget 2018	Projected 2018	Budget 2019	2019 Budget vs. 2018 Projected
Landing Fees <1>					
Signatory	\$3.12	\$3.33	\$3.02	\$3.35	10.9%
Non-Signatory	\$3.90	\$4.16	\$3.78	\$4.19	10.9%
Apron Fees <2>	\$1.33	\$1.38	\$1.32	\$1.48	12.1%
Terminal Rental Rate <2>					
Signatory	\$79.86	\$81.57	\$82.91	\$83.59	0.8%
Non-Signatory	\$99.83	\$101.96	\$103.64	\$104.49	0.8%
Loading Bridge Rate <3>	\$47,237	\$40,849	\$43,677	\$43,232	-1.0%
Low Volume Carrier terminal charge per EPAX	\$6.10	\$6.03	\$6.14	\$6.22	1.3%
Cost per Enplanement					
Airport CPE <4>	\$6.57	\$7.17	\$6.35	\$6.52	2.7%
FBO CPE	1.65	1.69	2.12	1.75	-17.4%
Total Cost per Enplanement	\$8.22	\$8.85	\$8.47	\$8.28	-2.3%
Debt Service Coverage	1.61	1.62	1.44	1.80	24.9%
<1> Per 1,000 lbs. Max. Gross Landed Weight (MGLW) <2> Per Square Foot <3> Per Loading Bridge <4> After Revenue Sharing					

GAAP FINANCIAL STATEMENTS

The Authority has adopted December 31 as its fiscal year end and issued its first financial statements in 1994. An audited comprehensive annual financial report has been issued each year thereafter. The Authority's financial statements are prepared on an accrual basis of accounting in accordance with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB). The 2017 financial statements are available at www.flyalbany.com.

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) depreciated over their useful lives. Funds are restricted for debt service and, where applicable, for construction projects.

The following table "Summary Financial Information" presents audited results for 2017, projected results for 2018, and the operating budget for 2019 presented in accordance with GAAP:

Summary Financial Information

	2017 Audited	2018 Projected	2019 Budget
Operating Revenues			
Airfield	\$ 6,678,088	\$ 6,730,772	\$ 7,401,008
Fixed Based Operations	8,572,459	10,626,477	10,246,373
Terminal	5,019,778	5,024,252	4,810,498
Concessions	8,070,380	7,909,413	8,011,652
Ground Transportation	15,325,640	15,718,452	15,814,302
Other Airport	4,360,795	4,272,422	4,594,062
Total Operating Revenues	48,027,140	50,281,788	50,877,896
Operating Expenses			
Airfield	3,166,200	3,332,212	3,408,312
Fixed Based Operations	6,597,626	8,106,451	8,075,672
Terminal	5,202,731	5,595,164	5,641,207
Loading Bridges	309,228	331,448	311,451
Parking	4,179,304	4,182,366	4,733,138
Landside	1,474,528	1,295,667	1,313,568
Public Safety	3,356,289	3,715,976	4,183,156
Aircraft Rescue & Fire Fighting	1,922,808	1,928,744	2,192,616
Vehicle Maintenance	1,373,376	1,723,881	1,748,677
Administration	5,812,926	6,261,366	6,457,879
Total Operating Expenses	33,395,016	36,473,274	38,065,674
Operating Income before Depreciation	14,632,124	13,808,514	12,812,221
Depreciation	14,761,280	14,800,000	14,900,000
Operating Income (Loss) Before Non-Operating Income and Expenses	(129,156)	(991,486)	(2,087,779)
Non-Operating Income and (Expenses)			
Passenger Facility Charges	5,431,444	5,537,985	5,728,950
Improvement Charges	368,400	368,400	368,400
Interest Income	10,676	255,760	875,457
Interest Expense	(4,514,271)	(2,052,335)	(4,306,396)
TSA (LEO) Reimbursement	138,700	138,700	138,700
FEMA Grant	-	174,077	-
Bond Issuance Costs	-	(385,535)	-
Air Service Development	(67,041)	(166,667)	(1,000,000)
Amortization of Bond Issue Costs	(76,280)	(68,308)	(60,020)
Total Non-Operating Income and (Expenses)	1,291,628	3,802,077	1,745,091
Income (Loss) before Capital Contributions	1,162,472	2,810,592	(342,688)
Capital Contributions and Special and Extraordinary Items			
Capital Contributions	4,616,709	5,599,370	18,000,000
Special Item - Labor Settlement	-	1,496,915	-
Extraordinary Item - Sale of Land	-	148,595	-
Total Capital contributions, Special and Extraordinary Items	4,616,709	7,244,879	18,000,000
Net Position			
Increase in Net Position	5,779,181	10,055,471	17,657,312
Total Net Position, beginning of year	210,454,518	216,233,699	226,289,170
Total Net Position, end of year	\$ 216,233,699	\$ 226,289,170	\$ 243,946,483

BUDGET SUMMARY

The regional and national economic conditions will determine the future financial performance for the Albany International Airport together with the airline industry and how both the airlines and the traveling passengers are impacted by events as they develop. The greater Albany region, known as *Tech Valley*, has become a high tech center for research and development in nanotechnology/microelectronics, biotechnology/pharmaceuticals, energy and information technology.

The Albany International Airport experienced major growth after 1998 not only in infrastructure improvements but also in passenger traffic that led to an increase in revenues, expenses and debt service. The Airport's two runways (1-19) and (10-28) were lengthened to 8,500 and 7,200 feet, respectively, additional commercial and general aviation hangar space has been constructed, a parking garage and additional surface parking was constructed. During this time vendor and concession revenue expanded with substantially increased minimum annual guarantees. Airport privilege and operating permit fees have also grown. As noted by the Airlines For America, the 2009 global recession resulted in the airline industry losing all growth from 1999 by the end of 2009. However, the airport remained poised to respond to the return to growth in airport activity with both affordable and well-maintained airport assets and has realized this growth since 2014. In 2018 the Airport began a partially state-funded \$42 million project that will provide an additional parking garage and improved airport access from a to a new \$50 million highway access project that comprise a \$92 million combined airport improvement project that will be completed in 2020.

High tech development continues in the region. Albany's College of Nanoscale Science and Engineering 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 emerging disciplines of nanoscience, nanoengineering, nanobioscience, and nanoeconomics. With over \$7 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. On September 27, 2011 a public announcement revealed that the Albany nanocollege will be the new home of research for the 450 millimeter wafer and the focus of a new \$4.8 billion investment. Just across the nearby river Rensselaer Polytechnic Institute recently completed construction of a new Center for Biotechnology and Interdisciplinary Studies. This technology research center ranks among the world's most advanced research. In late July 2009 Global Foundries broke ground on construction of a \$4.6 billion computer chip plant approximately 20 miles north of the Airport which will complement the existing technology facilities already in the region. On June 1, 2010 an expansion of this plant to 1.3 million square feet was announced. In July of 2012 an additional expansion and investment of \$2.3 billion was announced. The combination of significant growth in the technology businesses and comparatively low unemployment rates, position Albany for a return to growth in airline activities and passenger usage of the airport.

This 2019 operating budget reflects the anticipated Airport revenues generated by the regional economy together with the expenses for all facilities or services offered. But with the ever changing traveling environment, the changing organizational structure of airlines, airline mergers and acquisitions, the impact of new routes with different aircraft, and the ongoing enhancement to security requirements, it can be assured that additional currently unforeseen changes will need to be addressed during 2019.

This budget represents management's best estimates given the current economic conditions and recognizes that this budget will need extensive monitoring during 2019.

The recommended billing rates and charges are a prudent assessment of the financial results that are reasonably achievable in 2019, given the current economic environment and future actions that

might be taken by the airlines and potential travelers. There will be a continued need to control the number of workforce employees, for tight purchasing controls, strict controls on discretionary spending and support from the Airport patrons and our airlines to achieve a financially successful year for the Airport in 2019. While being fiscally prudent with this budget, management is optimistic conditions can occur during 2019 resulting in continued growth. The combination of robust economic activity and a multiple sponsor incentive program to the airlines for service expansion do provide a basis for hope of air service expansion. In developing the 2019 operating budget, the Authority continues to advance strategies that result in reasonable rates and charges so that business, government, and leisure travelers in the greater Albany region will continue their support and use of the Albany International Airport.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) has presented the eighteenth Distinguished Budget Presentation Awards to the Albany County Airport Authority for its annual operating budget in prior years (see page 1-12).

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of only one year. We believe this current budget continues to conform to program requirements, and its submission to GFOA will determine eligibility for a subsequent award.

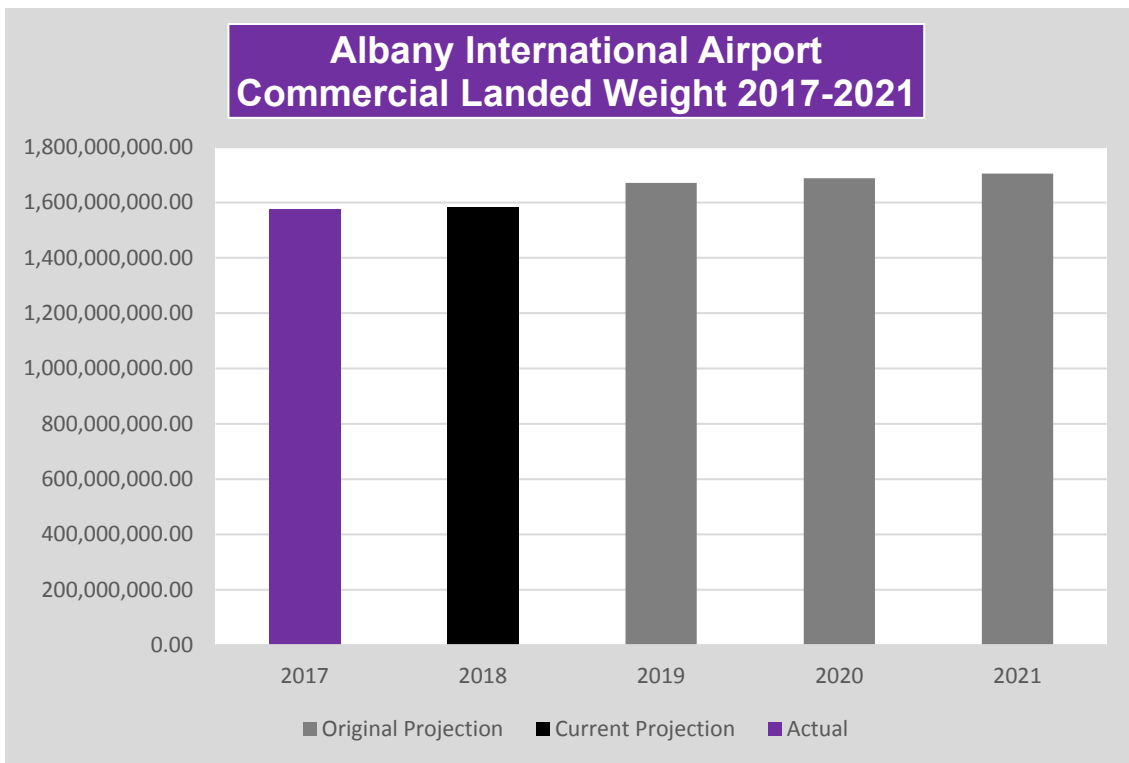
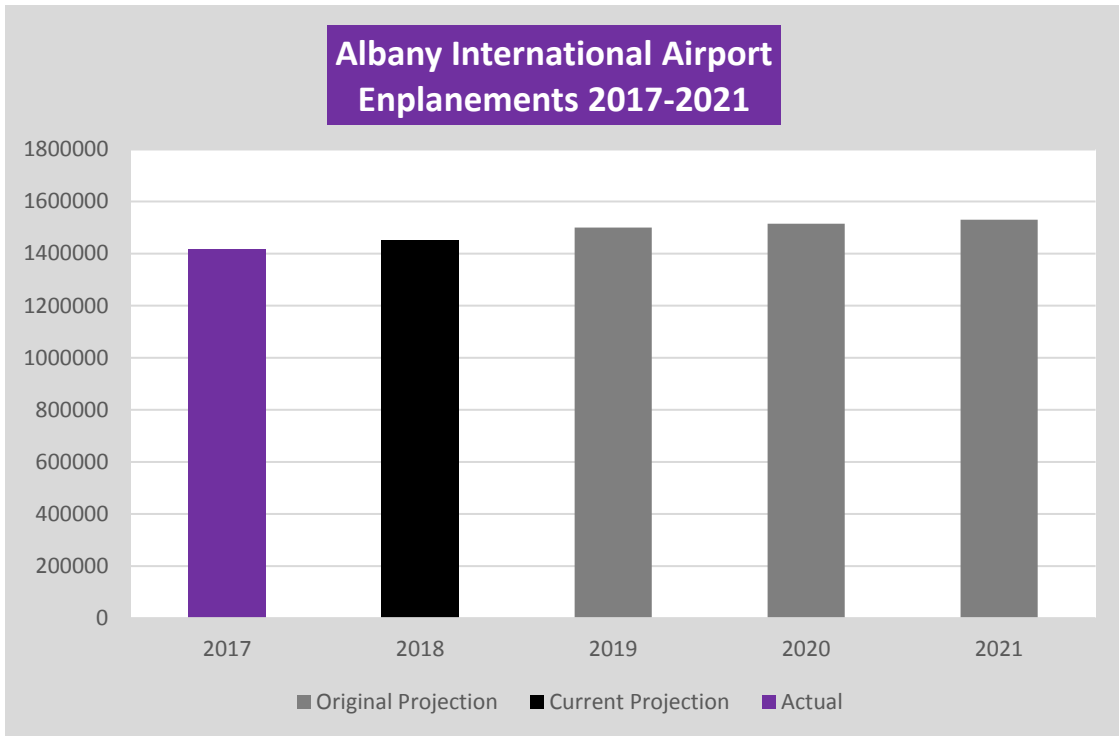
ACKNOWLEDGMENTS

The Authority Board has contributed its full support to the development and maintenance of the financial operations of the Airport. Without this leadership, together with the strong commitment from the Authority's management team, the presentation of this budget and other financial reports would not occur. Also recognized are the management personnel of AFCA AvPorts and Million Air-ALB for their time and effort in submitting their respective goals, objectives and projected results to be achieved in 2019. A thank you goes to Rima Cerrone for performing the endless task of analyzing all the data submitted and preparing this document in a coherent manner for all to read and digest. The publication of this budget would not occur without the efficient and dedicated services of all the members of the Authority's Finance Department, plus those from AvPorts and Million Air, who contributed to the process.

Respectfully submitted,



William J. O'Reilly
Chief Financial Officer





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Albany County Airport Authority
New York**

For the Fiscal Year Beginning

January 1, 2018

Christopher P. Morrill

Executive Director

2) AIRPORT AUTHORITY OVERVIEW

ORGANIZATION

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

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

Based on the County's responsibility for the appointment of the Authority members, their approval of any Airport capital improvement programs and the issuance of certain debt, the Authority is considered a component unit of the County under the criteria set forth by the Governmental Accounting Standards Board (GASB). The Authority does not have any component units. The financial transactions of the Authority are accounted for in a single enterprise fund.

The Authority is responsible for the efficient planning, development, administration, operation, and financial condition of the Airport. The Authority, as landlord, rents space and assesses fees and charges to the airlines and businesses providing goods and services to the traveling public and to the civilian, business, governmental and military users of the Airport. The Authority is responsible for assuring residents of the County, the Town of Colonie and the surrounding areas of minimal environmental impact from air navigation and transportation. The Authority employs the services of AvPorts to manage the daily operations and maintenance of the Airport and the services of Million Air to manage the daily operations of the Fixed Base Operation (FBO).

The Authority's strategic direction for the Airport is based upon the following vision, mission, goals, and objectives.

VISION

The Authority's vision statement is a measurable statement describing the future results the Authority seeks to achieve. The Authority's vision for Albany International Airport is to provide an exemplary airport in which to visit, travel, and work.

MISSION

The Authority's mission statement is a broad statement of what the Authority has been charged to accomplish and why. The Authority's mission is to provide adequate, safe, secure and efficient aviation and transportation facilities at a reasonable cost to the people. To accomplish our mission we will:

- Provide world-class, customer-oriented transportation services at Albany International Airport;
- Promote airline, cargo, business, and general aviation services at Albany International Airport by providing quality airport facilities;
- Operate the airport and provide services in the most cost-effective manner;

- Foster inter-modal transportation;
- Implement the airport's Capital Improvement Plan; and,
- Maintain financial security.

GOAL

The Authority's goal for the airport is derived from its mission and vision for the airport and describes the enduring end state for the airport desired. The Authority's goal for Albany International Airport is:

- To be widely recognized as the best airport of its size in the Northeast as well as an innovative model for a facility with vitality, enthusiasm, friendliness, competence, and efficiency.

OBJECTIVES

The Authority's objectives describe the outcomes required to accomplish the goal. The Authority's objectives in operating the airport are:

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

VALUES

The Authority's values describe how the Authority will conduct itself, both internally and externally, when engaging in business activities. The Authority's values are:

Responsiveness – being proactive; having a bias for action and sense of urgency in getting things done; anticipating the needs of tenants and passengers by taking fast action to surpass their expectations; encouraging tenant and passenger input.

Integrity – possessing a commitment to doing the right things right, with consistent adherence to the highest professional standards; keeping commitments to our tenants, passengers, employees, and others.

Innovation – dedicating ourselves to learning and growing; constantly searching for better ways to get the job done; using our collective imagination effectively to solve problems for our tenants, passengers and employees; going beyond perceived boundaries to get desired results.

Teamwork – recognizing that every board member, employee, volunteer, tenant, and others are important to the complete satisfaction of Albany International Airport; feeling personally

responsible for successful outcomes; treating everyone with respect; communicating regularly, directly and honestly with our board members, employees, volunteers, tenants, and others.

PERFORMANCE MEASURES

The Authority has identified the following performance measures to monitor and report its success in achieving its mission and intended public purpose.

Area of Measurement	Performance Measure	Performance Measure Component	2017 Final	2018 Projected	2019 Budget
Safety	Employee Accidents and Incidents	Construction Injuries Lost Time Injury Rate	28	15	12
	Airfield Violations	Runway Incursions	0	0	0
		Runway Condition FAA Safety Compliance	0	0	0
		Inspection Discrepancies	9	0	0
Security	Security Incidents and Violations	Security Badge Breaches			
		Letters of investigation	1	0	0
		Violations	1	0	0
Financial	Revenue Management	Total Airline per EPAX*	\$8.50	\$8.74	\$8.45
		Total Non-Airline Revenue per EPAX	\$25.74	\$26.59	\$26.39
		Total Revenue per EPAX*	\$34.24	\$35.32	\$34.84
	Cost Performance	Operating Cost per EPAX	\$8.22	\$8.47	\$8.28
		Airport Cost per EPAX	\$6.57	\$6.35	\$6.52
	Debt Management	Debt Service Coverage Ratio	1.61	1.44	1.80
		Outstanding Debt per EPAX	\$56	\$62	\$55
	Liquidity	Days Unrestricted Cash on Hands	252	249	255
Operational	Aircraft Delays caused by Airport	Number of Aircraft Delay caused by Airport or Runway Closings	2	0	0
	Aircraft Delays caused by Fixed Base Operations	Number of Aircraft Fueling Delays	14	30	0
Customer Service	Service Quality	Terminal Cleanliness Concessions Quality and Variety (Five is the highest)	Note 1	4	5
	Customer Satisfaction	Customer Survey Results (Five is the highest)	Note 1	4	5
Environmental Sustainability	Environmental Compliance	Violations Identified by Regulatory Agency De-icing Material Discharge Frequency and Severity of Spills			
		SPDES violations	0	0	0
		DEC violations	0	0	0
	Noise	Noise Levels /Noise Complaints	14	20	20
People	Employee Satisfaction	Employee Turnover			
		AFCO AvPorts	14.1%	16.0%	17.0%
		Million Air FBO	24%	21%	10%
		Albany County Airport Authority	0%	0%	0%
	Workforce Diversity	Minority Representation in Workforce			
		AFCO AvPorts	22.4%	14.0%	14.0%
		Million Air FBO	48.7%	37.1%	37.1%
Albany County Airport Authority	4.3%	4.3%	4.3%		

* EPAX is enplaned passenger

Note 1. An Insufficient number of customer satisfaction surveys were conducted to report on this performance measure.

2019 Organizational Strategic Goals

Strategy	Goal	2019 Key Initiatives	2019 Result
Ensure long term financial security	Provide the Albany International Airport with the financial resources to meet operational needs and meet all debt service obligations	Maintain appropriate financial reserves	<ul style="list-style-type: none"> • Maintain 125% debt service coverage of net revenues • Maintain its A-/A3 Bond rating from Fitch and Moody's • Maintain a minimum two-month operating reserve
		Enforce cost saving measures – Improve purchasing processes, assess and identify savings at service levels and cost/benefit analysis	<ul style="list-style-type: none"> • Implement cost saving plans • Identify savings
		Increase non-aeronautical revenue	<ul style="list-style-type: none"> • Identify new revenue streams • Generate new businesses at the Airport
Promote customer service	Ensure Albany International Airport provides world-class customer service	Promote Albany International Airport to international and domestic airlines to increase air service	<ul style="list-style-type: none"> • Increase international flights • Increase domestic flights
		Evaluate customer service needs based on changing demographics of the traveling public	<ul style="list-style-type: none"> • Increase concession revenues • Increase passenger activity
		Review roles and responsibilities for customer service between airlines and other Airport businesses	<ul style="list-style-type: none"> • Identify service responsibilities • Increase customer service
Strengthen relationships	Strengthen Albany International Airport's effectiveness through interdepartmental relationships and alliances with regional businesses, public agencies, governmental units, and airlines	Encourage internal teamwork	<ul style="list-style-type: none"> • Improve effectiveness through cross department communications, coordination and sharing of resources
		Strengthen partnerships with Federal and State agencies	<ul style="list-style-type: none"> • Improve communications and integration of efforts with Federal and State agencies
		Strengthen partnerships with the regional business communities	<ul style="list-style-type: none"> • Improve coordination efforts between Albany International Airport and the regional business communities
		Build public support for Albany International Airport policies and initiatives through proactive communication and public relations outreach activities	<ul style="list-style-type: none"> • Improve communications of Albany International Airport's policies and programs • Increase support for Albany International Airport's positions and activities

Strategy	Goal	2019 Key Initiatives	2019 Result
Utilize employee experience and knowledge to adjust to changing business needs	Ensure Albany International Airport acquires/sustains people with the ability, experience and knowledge to fulfill its mission	Ensure employee wages and benefits remain competitive	<ul style="list-style-type: none"> • Ensure Airport is competitive in the marketplace and able to attract and retain quality talent
		Expand employee training programs	<ul style="list-style-type: none"> • Enhance employee knowledge and skill development in every department
		Design and integrate leadership development process	<ul style="list-style-type: none"> • Leadership that supports organizational goals • Preserve organizational knowledge
Utilize new technology	Improve performance, increase productivity and deliver cost effective services	Establish strategic investments in new equipment and technology based on current industry standards	<ul style="list-style-type: none"> • Upgrade equipment and electronic technology that improves productivity
		Evolve server equipment to virtual server technology	<ul style="list-style-type: none"> • Lower energy maintenance, hardware and disaster recovery costs • Greater efficiency and productivity • Lower capital and operational technology costs
		Distribute software updates, patches and new programs electronically	<ul style="list-style-type: none"> • Complete updates and installations • Produce greater productivity
		Evaluate common use systems and support services at Albany International Airport	<ul style="list-style-type: none"> • Common use systems upgraded

BUDGET PROCESS The Authority operates on a January 1st through December 31st fiscal year. For administration purposes, an annual operating budget is prepared following the rates and charges methodology included in the five-year Airline's Use and Lease Agreement which became effective January 1, 2011. The Authority charges signatory landing fees and terminal rental rates to carriers who executed the Agreement and non-signatory landing fees and terminal rental rates, which are 125% higher than signatory rates, to those who have not. The Agreement also provides a revenue sharing mechanism by which the passenger signatory airlines receive a percentage of the net revenues remaining (as defined in the agreement). This calculation is set forth in Section 10 of this budget document. The Authority's share of any funds remaining may be used to fund the Authority's share of any project or any activity that does not affect the Airline's rates and charges.

The budget is generally prepared on the accrual basis but differs from generally accepted accounting principles in that certain expenditures are reported on a cash basis. These include 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 budgeted for on the accrual basis. The Authority has adopted this budgetary basis of accounting to facilitate calculations for rates and charges billed to the airlines. There are fourteen cost centers in the Airline Use and Lease Agreement.

Below is a schedule showing the target dates for the formation of the budget document to the adoption of the budget:

June
➤ Finance Department provides worksheets for Million Air and AvPorts to calculate payroll and benefits and to enter Full Time Employment (FTE) positions
➤ Finance Department provides tables to Million Air, AvPorts, and Albany County Airport Authority to create new goals and objectives, actions to achieve the goals, and results to be achieved for current year and to state the results for budget year goals and objectives
July
➤ Finance Department projects revenues and expenditures
➤ Finance Department provides worksheets for Million Air, AvPorts, and Albany County Airport Authority to adjust budget projections
➤ Hold coordination meeting with Million Air and AvPorts
➤ Meetings scheduled with department heads and managers for each cost center
➤ Meetings held with department heads and managers
➤ Million Air's and AvPorts' work sheets for payroll and benefits completed
➤ ACAA payroll and benefits completed
➤ Cost Center's goals and objectives and performance measurements completed
➤ Work sheets for expenditures for Budget for Million Air, AvPorts, and ACAA completed
➤ Finance Department due diligence review
August
➤ Finance Department due diligence review and updating budget
September
➤ Final revisions received for budget
➤ Debt section completed by Finance Department
➤ Overview completed
➤ Revenue completed
➤ MA Expense completed
➤ ACAA Expense completed
➤ AvPorts Expense completed

➤ Expense Summary completed
➤ Budget Summary completed
➤ Transmittal Letter completed
➤ Capital section completed by Finance Department
➤ Airline Rates and Charges developed
➤ Budget printed and assembled
➤ Budget distributed for review to the board members, airlines and ACAA
October – November
➤ Budget reviewed by ACAA and Airlines
➤ Finance Department due diligence review
➤ Final changes made and summary of changes distributed to Finance Committee for approval
➤ Finance Committee budget review
➤ Finalize Budget
➤ Final budget distributed to ACAA Board Members
December
➤ Budget adopted

SUMMARY OF FINANCIAL POLICIES

Guidelines

The budget process and format shall be performance based and focused on goals, objectives and performance indicators.

The budget will provide adequate funding for operating and maintenance of the Airport buildings and property, and replacement of capital equipment, construction, reconstruction and development at the Airport.

Balanced Budget

The budget should be balanced with current revenues equal to or greater than current expenditures.

Strategies to accomplish this balance include cost efficiencies, personnel efficiencies, increasing or implementing fees to match program expenses, fund balance usage (if available), and service reduction (if needed).

Budget Amendments

The adopted budget represents a business plan covering all Airport operations for the upcoming year.

If the plan needs to be significantly modified during the year, the proposed revisions to the plan, together with their financial impact on either revenues or expenses, are presented to the Authority

Board for review and approval.

No amendments have been enacted during the year 2018.

Budget Monitoring

The independent monitoring of the budget continues throughout the Fiscal Year for management control purposes.

Operating statements comparing actual financial results to budgets are reported monthly by the Chief Financial Officer and distributed to Board members, senior management and all key employees. Quarterly and annual financial reports are posted on the Authority's website – www.albanyairport.com.

Performance Measurements

Performance measurements are developed based on program objectives that tie to the Airport's vision, mission, and values.

Performance measurements measure program results or accomplishments to provide good comparisons over time.

Performance measurements are monitored and used in decision-making processes.

Planning

The Authority will develop a five-year capital plan every five years commencing September 1, 1995. Each five-year plan must be approved by the Albany County Legislature.

The five-year plan will include estimated operating costs and revenues for future capital improvements.

Capital Improvement Policies

Capital projects that will be made during the current budget year should be detailed by project and type of work.

Progress projections for the five-year capital plan will be updated on a yearly basis.

The Authority will identify the estimated costs and potential funding sources for each capital project proposal.

The Authority will determine the least costly financing method for all new projects.

The Authority will maintain all its assets at a level adequate to protect the Airport's capital interest and minimize future maintenance and replacement costs.

Debt Policy

The Authority will manage its current and future debt service requirement to be in compliance with all bond covenants.

The Authority will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues.

The Authority will maintain communications with bond rating agencies regarding its financial condition and will follow a policy of full disclosure.

The Authority, when applicable, will determine if the financial market place will afford the opportunity to refund an issue and lessen its debt service costs.

The Authority shall attempt to limit total debt outstanding to no more than \$100 per enplanement.

The Authority will not go over its legal debt limit of \$285 million.

The Authority will comply with its Derivative Policy which limits the use of derivative financial products to capital financing.

The Authority will comply with its Variable Rate Debt Policy which limits the use of net permanent variable rate debt to twenty percent of total debt outstanding.

Revenue Policy

The Authority will estimate and project its annual revenues by an objective, analytical process, as practical on a yearly basis.

The Authority will maintain a diversified and stable revenue system to shelter it from unforeseeable short-run fluctuations in any one-revenue source.

The Authority will maintain sufficient revenues to pay all expenditures incurred for the operations and maintenance at the Airport.

Rates and Charges

The Authority and the airlines have negotiated a Use and Lease Agreement that became effective on January 1, 2016 to establish how the airlines that signed the agreement will be assessed annual rates and charges for their use of the Airport. Rates and charges are established annually. The calculation thereof is set forth in this document (section 10). The agreement is effective through December 31, 2020 with an option to renew for an additional five years.

Compliance with Master Bond Resolution

The Authority has established the following funds and accounts as required by the Master Resolution and illustrated in table on page 8-9, and has set the policy on fund balance as follows:

- Revenue Fund, holding revenues collected by the Authority and applying revenues as required by the Master Resolution. Our policy is to keep only necessary amounts for working capital. O&M Fund, holding anticipated O&M expenses. Extra unused funds are applied to the accounts below;
- O&M Reserve, holding reserve for O&M expenses, equaling two months of O&M expenses as required by the Master Resolution;
- Bond Fund, including only principal and interest to be paid in the next payment dates
- Bond Reserve Fund, including only amounts required by the Master Resolution;
- Renewal and Replacement Fund. The Authority's policy is to keep a minimum balance of \$500,000 in this account:
- Airport Development Fund, holding retained earnings of the Authority. The Authority's policy is to use this fund to build additional liquidity or avoid capital borrowing.
- Capital Construction Fund to hold funds for Capital Project expense.

In addition, the Authority has the following funds and accounts:

- PFC account, holding all Passenger Facility Charge revenues collected by the Authority, to be used for future rates and charges or pay-as-you-go projects. The Authority reviews airlines rates and charges annually to determine the fund balance;

- Concession Area Improvement funds collected by the Authority for improvement to concession areas if needed at the Authority's discretion; and
- Air Service Development escrow account for Small Community Air Service Development matching contributions collected until needed for grant eligible expenditures.

Investment Policies

The investment of Authority funds is governed by provisions of its enabling legislation and by an Investment Policy last amended by the Authority July 23, 2018. Any State or Federally chartered commercial bank that can meet the Authority's requirements in its Cash Management and Investment Policy which specifies required ratings and capabilities is authorized for deposit of monies.

Monies not needed for immediate expenditure may be invested in (1) United States Treasury obligations, (2) obligations backed by the United States Government full faith and credit, (3) Obligations of New York State, (4) obligations of any other state provided it has received the highest rating by one independent rating agency designated by the State Comptroller, (5) certificates of deposit fully collateralized from a bank or trust company in New York State, (6) repurchase agreements using United States Treasury obligations with maturities of seven years or less. Investments are stated at cost or amortized cost if maturity at time of purchase is less than 1 year and fair value if greater than 1 year.

ECONOMIC INFORMATION

Albany International Airport - The Airport began operation in 1928 as the nation's first municipal airport. Albany International Airport is located on 1,157 acres of land in the Town of Colonie. The Airport is located seven miles northwest of downtown Albany, New York which is the capital of the State of New York. Also, the Airport is strategically located at the center of New York's growing Capital District and represents the heart of prospering Hudson Valley Corridor known as "Tech Valley", a region that stretches from the Canadian border near Montreal to just north of New York City. Tech Valley offers rewarding career and business prospects, world-class educational and research facilities, vibrant arts and entertainment scene, and exhilarating, year round outdoor pursuits. The Airport is accessible by several major interstate and state highways.

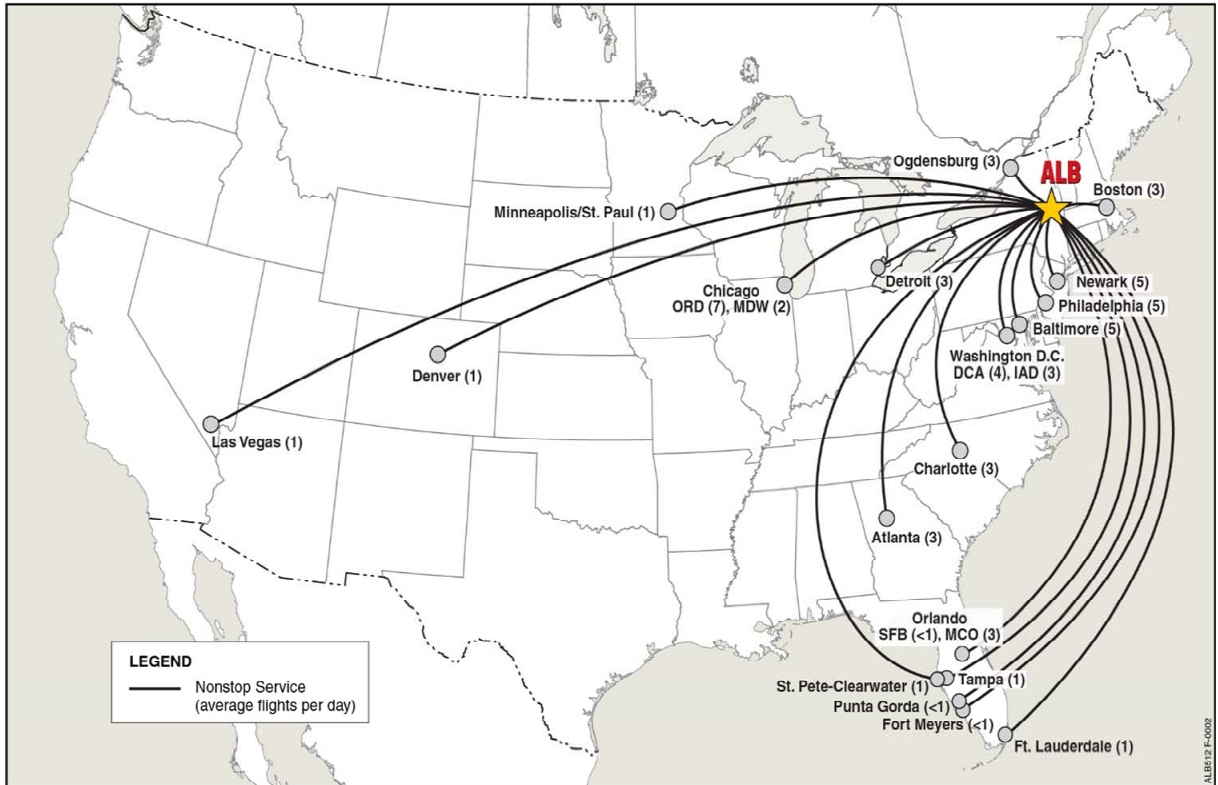
The Albany International Airport is defined by the Federal Aviation Administration (FAA) as a small hub airport, which is an airport that handles 0.05 percent to 0.249% of the total enplaned passengers nationwide. In 2015, Albany International Airport was ranked the 85th largest domestic passenger airport in the United States, 150th for total aircraft operations, and 104th in the all-cargo data according to Airports Council International-North America.

The Airport's primary air trade area is generally defined as the area within a 60-mile to 70-mile radius of the Airport. This geographical area encompasses 11 counties in New York, Berkshire County in Massachusetts, and Bennington County in Vermont. The Airport's secondary air trade area is defined as being within 90 minutes of driving time to the Airport which includes an additional seven counties in



New York, three counties in Massachusetts, four counties in Vermont and Litchfield County in Connecticut.

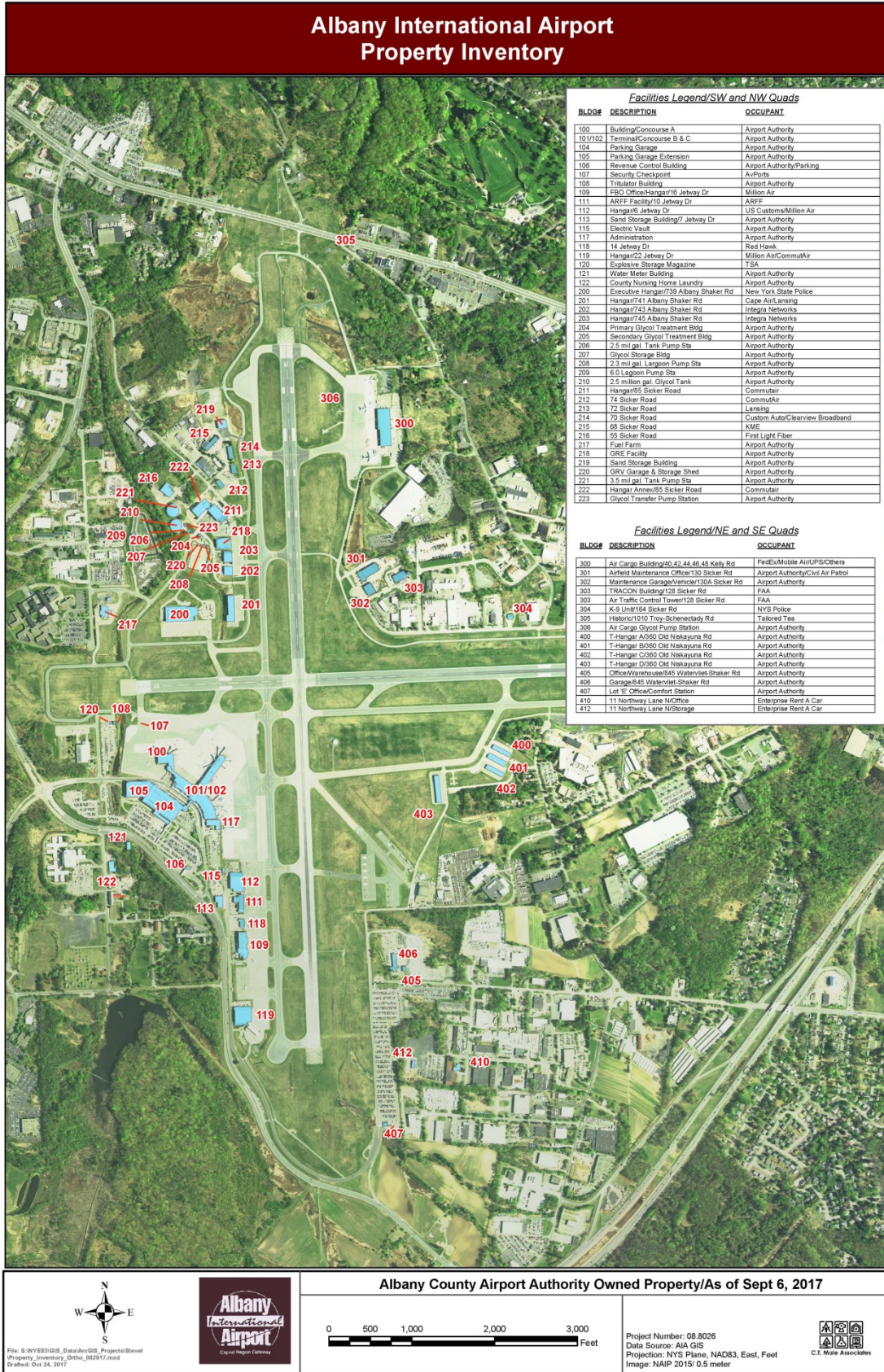
U.S. Airports Served by Scheduled Nonstop Passenger Flights Albany International Airport (for October - December 2018)



Source: OAG Aviation Worldwide Ltd, OAG Analyser database, accessed August 2018.

Note: Southwest ends nonstop service to Las Vegas in November.

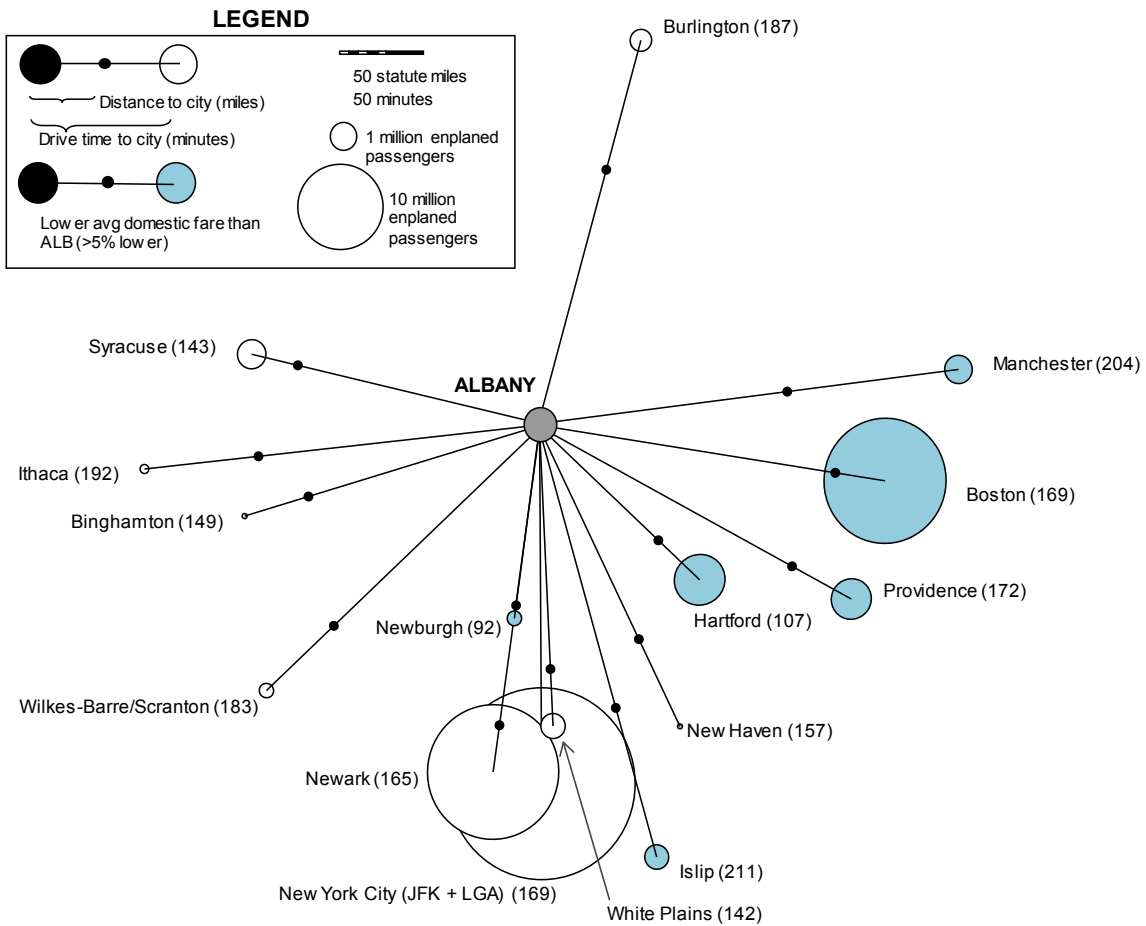
Allegiant is starting nonstop service to Orlando Sanford, Punta Gorda, and St. Pete-Clearwater in December.



Location Analysis, Albany (first quarter 2018)

This graph shows the Albany International Airport (the “Airport”) in relation to selected commercial airports.

The geographic distance from the Airport to a selected airport is represented by a solid dot and the driving time required is represented by a circle at the line end, indicated as in Burlington (187). A shaded circle (Manchester, Boston, Providence, Hartford, New Haven, Islip, and Newburgh in this case) indicates that the average domestic outbound O&D fare at the selected airport is more than 5% lower than that of the Airport. Average fare levels may not be directly comparable depending on factors such as average trip distance, which can vary significantly. (Longer trip distance will more likely lead to higher fare level but lower yield per mile.) Additionally, average fares do not include ancillary charges, such as bag check fees, and therefore increasingly understate the true cost of air travel. The details are provided in the table below.



Sources: U.S. DOT, *Air Passenger Origin-Destination Survey*, reconciled to Schedule for average 1Q2018 fare data; U.S. DOT, Schedule T100 for enplaned passengers for the 12 months ended March 31, 2018.

**Average Fare Comparison of Selected Commercial Airports
to Albany International Airport**

(for the 3 months ended March 31, 2018; sorted by average fare)

Airport	Domestic Outbound O&D					Average Fare Comparison			
	Revenues ¹	Passengers	Average One-Way Fare ¹	Yield (cpm)	Avg. Trip Distance	Differential %	Lower (>5%)	Equivalent (+/- 5%)	Higher (>5%)
Albany	\$55,824,739	301,552	\$185.12	14.5	1,218	-	-	-	-
Binghamton	1,658,545	6,230	266.22	21.1	1,129	43.8%	-	-	X
Ithaca	4,573,699	19,843	230.49	17.5	1,172	24.5	-	-	X
Wilkes-Barre/Scranton	10,044,914	47,287	212.42	16.9	1,126	14.7	-	-	X
White Plains	34,219,598	169,313	202.11	19.5	1,003	9.2	-	-	X
Burlington	24,809,110	123,045	201.63	16.0	1,158	8.9	-	-	X
Syracuse	43,013,493	218,291	197.05	16.6	1,092	6.4	-	-	X
New York	1,469,235,928	7,896,220	186.07	14.4	1,294	0.5	-	X	-
<i>Newark</i>	<i>542,397,867</i>	<i>2,765,839</i>	<i>196.11</i>	<i>0.15</i>	<i>1,320</i>	<i>5.9</i>	-	-	<i>X</i>
<i>Kennedy</i>	<i>502,630,048</i>	<i>2,439,364</i>	<i>206.05</i>	<i>0.12</i>	<i>1,646</i>	<i>11.3</i>	-	-	<i>X</i>
<i>LaGuardia</i>	<i>424,208,014</i>	<i>2,691,017</i>	<i>157.64</i>	<i>0.16</i>	<i>948</i>	<i>-14.8</i>	<i>X</i>	-	-
New Haven	1,515,216	8,666	174.85	14.6	1,146	-5.6	X	-	-
Hartford	116,259,984	674,028	172.49	13.7	1,198	-6.8	X	-	-
Manchester	32,694,996	194,872	167.78	14.3	1,116	-9.4	X	-	-
Boston	479,909,766	3,002,634	159.83	12.2	1,281	-13.7	X	-	-
Providence	59,870,439	420,887	142.25	12.4	1,104	-23.2	X	-	-
Newburgh	5,318,425	39,249	135.50	13.4	987	-26.8	X	-	-
Islip	20,493,286	205,622	99.66	9.7	1,022	-46.2	X	-	-

Source: U.S. DOT, *Air Passenger Origin-Destination Survey*, reconciled to Schedule T100.

Note: 1. Revenues and average one-way fares shown here are net of all taxes, fees, and PFCs and exclude ancillary fees charged by the airlines.

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

	2015	2010	2010 vs. 2000	2000	2000 vs. 1990	1990
<u>PRIMARY TRADE AREA</u>						
State of New York						
Albany County	309,381	304,204	3.3%	294,565	0.7%	292,594
Columbia County	61,509	63,096	0.0%	63,094	0.2%	62,982
Fulton County	53,992	55,531	0.8%	55,073	1.6%	54,191
Greene County	47,625	49,221	2.1%	48,195	7.7%	44,739
Montgomery County	49,642	50,219	1.0%	49,708	-4.4%	51,981
Rensselaer County	160,266	159,429	4.5%	152,538	-1.2%	154,429
Saratoga County	226,249	219,607	9.5%	200,635	10.7%	181,276
Schenectady County	154,604	154,727	5.6%	146,555	-1.8%	149,285
Schoharie County	31,330	32,749	3.7%	31,582	-0.9%	31,859
Warren County	64,688	65,707	3.8%	63,303	6.9%	59,209
Washington County	62,230	63,216	3.6%	61,042	2.9%	59,330
State of Massachusetts						
Berkshire County	127,828	131,219	-2.8%	134,953	-3.2%	139,352
State of Vermont						
Bennington County	36,317	37,125	0.4%	36,994	3.2%	35,845
PRIMARY TRADE AREA	1,385,661	1,386,050	3.6%	1,338,237	1.6%	1,317,072
<u>SECONDARY TRADE AREA</u>						
State of New York						
Delaware County	46,053	47,980	-0.2%	48,055	1.8%	47,225
Dutchess County	295,754	297,488	6.2%	280,150	8.0%	259,462
Essex County	38,478	39,370	1.3%	38,851	4.6%	37,152
Hamilton County	4,712	4,836	-10.1%	5,379	1.9%	5,279
Herkimer County	63,100	64,519	0.1%	64,427	-2.1%	65,797
Otsego County	60,636	62,259	0.9%	61,676	1.9%	60,517
Ulster County	180,143	182,493	2.7%	177,749	7.5%	165,304
State of Connecticut						
Litchfield County	183,603	189,927	4.2%	182,193	4.7%	174,092
State of Massachusetts						
Franklin County	70,601	71,372	-0.2%	71,535	2.1%	70,092
Hampden County	470,690	463,490	1.6%	456,228	0.0%	456,310
Hampshire County	161,292	158,080	3.8%	152,251	3.9%	146,568
State of Vermont						
Addison County	37,035	36,821	2.4%	35,974	9.2%	32,953
Rutland County	59,736	61,642	-2.8%	63,400	2.0%	62,142
Windham County	43,386	44,513	0.7%	44,216	6.3%	41,588
Windsor County	55,737	56,670	-1.3%	57,418	6.2%	54,055
SECONDARY TRADE AREA	1,770,956	1,781,460	2.4%	1,739,502	3.6%	1,678,536
TOTAL PRIMARY AND SECONDARY TRADE AREA POPULATION	3,156,617	3,167,510	2.9%	3,077,739	2.7%	2,995,608
State of New York	19,795,791	19,378,102	2.1%	18,976,457	5.5%	17,990,455
United States	321,418,820	308,745,538	9.4%	282,171,936	13.5%	248,709,873

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

Albany, the Heart of Tech Valley - Since 2008 the nanotechnology complex has doubled its size and nearly 50 new start-up companies have been launched at the complex. An August 2011 Wall Street Journal article proclaimed “the Capital of New York is a big player in the field that deals with small things – nanotechnology.” Albany has become a hub for nanotechnology.



When leaders of the world’s semiconductor industry selected the site for International SEMATECH North, the research and development center for creating the next wave of super-fast computer chips, it is not surprising that Albany was its choice. SEMATECH continues to grow here, recently relocating its headquarters from Austin, Texas, to Albany.

Global Foundries, one of the world’s largest semiconductor manufacturers, opened a \$4.6 billion facility in nearby Malta in 2012 and announced a \$2.3 billion expansion also in 2012.

General Electric is building a new battery manufacturing plant in Schenectady. The batteries will be used in new hybrid technology. General Electric also recently dedicated its Renewable Energy Wind Power Global Headquarters in Schenectady.

On September 27, 2011 a new investment of \$4.8 billion by IBM and Intel Corporation was announced for the Albany-based nanocollege that will be the new home of research for the 450 millimeter computer wafer chip. Because Albany is the location for the research center for the worlds next computer chip it becomes increasingly likely that a 450 millimeter computer wafer chip will also be located in New York.

Businesses come to Tech Valley after considering locations around the world because of the region’s excellence in higher education (led by the University at Albany and Rensselaer Polytechnic Institute) producing cutting-edge research and a talented workforce; business-friendly state and local governments; an appealing quality of life; modern air, rail and highway transportation systems, and proximity to New York City, Boston and Montreal. With more than \$16 billion in investments that have been recently completed, in progress or announced, the Tech Valley region is being transformed into a center of research and advanced technology.

New York's Tech Valley is home to world-class summer and winter vacation and recreation attractions that draw individuals and families from across the nation and around the globe. The Adirondack Mountains, the Berkshires, Saratoga Springs, the upper Catskills, Lake George, southern Vermont, the upper Hudson Valley, and the Mohawk corridor all offer a cornucopia of entertainment and recreation venues including the Baseball Hall of Fame in Cooperstown, the Lake Placid Olympic Village and the thoroughbreds at Saratoga Race Track, home of former Kentucky Derby winner, Funny Cide.



Recent National Recognition of Albany

In 2010 Forbes Magazine ranked Albany the 9th best place to raise a family in America based upon cost of living, crime rate, commuting, household income, home ownership, home owner costs, and education.

In 2010 Forbes ranked Albany 15th among America's most innovative cities based upon tech and science jobs, creative jobs, patent awards per capita and venture investment per capita.

In 2010 Forbes ranked the Albany-Schenectady-Troy Metro Area as the 30th best bang for your buck cities based upon housing affordability, travel time, real estate taxes, unemployment rank, vacancy rates, job forecast, home price, and foreclosure forecast.

In 2010 the American Institute of Economic Research ranked Albany the 14th best city for College Students based upon twelve criteria that included percentage of all students holding foreign passports, research capacity, academic R&D expenditures per capita, earning potential, income per capita, entrepreneurial activity, net annual increase in total number of business establishments per 100,000 residents, year-over-year ratio of college-educated population living in the area, unemployment rate.

In its 2010 Best-Performing Cities Index, the Milken Institute ranked Albany as the 41st best-performing city (the 79th percentile) among the 200 largest metropolitan statistical areas in the United States for job, wage and salary growth and high-tech domestic product growth between 2006 and 2010.

A July 2011 report by the Brookings Institution found the Capital Region had the largest percentage of its work force involved in green technology in the United States at 6.3% of its total workforce. Albany is one on only four metropolitan areas contributing more than \$1 billion annually from green technology industries.

Students Enrolled in Colleges and Universities in Primary Air Trade Area			
<i>2017 Fall Semester</i>			
<u>Name</u>	<u>County</u>	<u>Public/Private</u>	<u>Enrollment</u>
Excelsior College	Albany	Private	40,103
State University of New York at Albany	Albany	Public	18,143
Hudson Valley Community College	Rensselaer	Public	11,587
SUNY Empire State College	Albany	Public	11,315
Rensselaer Polytechnic Institute	Rensselaer	Private	7,113
Schenectady Community College	Schenectady	Public	6,407
College Of Saint Rose	Albany	Private	4,442
SUNY Adirondack	Warren	Public	3,934
Siena College	Albany	Private	3,239
SUNY College of Agriculture & Technology at Cobleskill	Schoharie	Public	2,807
The Sage Colleges	Rensselaer	Private	2,713
SUNY Polytechnic	Albany	Public	2,705
Fulton-Montgomery Community College	Fulton-Montgomery	Public	2,634
Skidmore College	Saratoga	Private	2,686
Union College	Schenectady	Private	2,203
Williams College	Bershire, MA	Private	2,150
Massachusetts College of Liberal Arts	Bershire, MA	Public	1,925
Columbia-Greene Community College	Columbia-Greene	Public	1,645
Albany College Of Pharmacy & Health Services	Albany	Private	1,247
Empire Education Corporation	Albany	Private	1,702
Albany Medical College	Albany	Private	822
Maria College	Albany	Private	779
Mildred Elley	Albany	Private	683
Southern Vermont College	Bennington, VT	Public	475
Bryant & Stratton Business Institute	Albany	Private	448
Union Graduate College	Schenectady	Private	438
Bard College at Simon's Rock	Bershire, MA	Private	420
Bennington College	Bennington, VT	Private	400
Albany Law School	Albany	Private	394
Samaritan Hospital School of Nursing	Rensselaer	Private	133
Memorial Hospital School of Nursing	Albany	Private	129
Ellis Hospital School of Nursing	Albany	Private	119
New School Center for Media	Albany	Private	80
			136,020

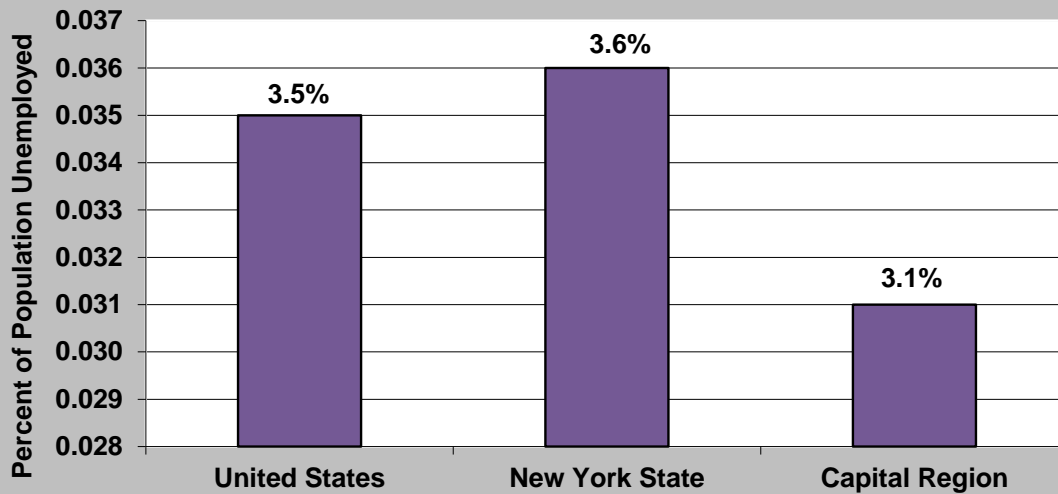
Source: Various

Major Employers in Primary Air Trade Area

Rank	Employer	Industry	Total Staffing 2017
1	New York State	State Government	51,800
2	St. Peter's Health Care Services	Health Care	12,130
3	Albany Medical Center	Health Care	8,652
4	Golub Corporation	Retail Grocery, Headquarters, and Dist. Center	8,208
5	U.S. Government	Federal Government	7,901
6	General Electric Company	Energy, Research, Industrial	7,000
7	Hannaford Brothers	Retail Grocery	5,000
8	University of Albany	Educational Services	4,700
9	Ellis Medicine	Health Care	3,479
10	Stewart's Ice Cream Co., Inc.	Dairy Products	3,099
11	Bechtel Marine Propulsion Corp.	Research and development	3,000
12	Glens Falls Hospital	Health Care	2,736
13	Center for Disability Services	Health Care	2,651
14	County of Albany	Government	2,497
15	Global Foundries	Semiconductor Manufacturing	2,400
16	Saratoga Hospital & Nursing Home	Health Care	2,187
17	Rensselaer Polytechnic Institute	Educational Services	1,968
18	City of Schenectady School District	Educational Services	1,808
19	Shenendehowa School District	Educational Services	1,680
20	Rensselaer County	Local Government	1,657
21	St Mary's Health Care	Health Care	1,610
22	Empire Blue Cross/Blue Shield	Health Insurance	1,600
23	Northern Rivers Family Services Inc.	Health Care	1,250
24	Albany City School District	Educational Services	1,600
25	City of Albany	Local Government	1,488
26	Schenectady County	Local Government	1,412
27	National Grid	Electric and Gas Utility	1,100
28	Regeneron Pharmaceuticals Inc.	Biopharmaceutical development	1,100
29	Saratoga County	Local Government	1,099
30	Momentive Performance Material Inc.	Speciality silicones and quartz products	1,000

Sources: Various

Capital Region Unemployment Rate (not seasonally adjusted) October 2018

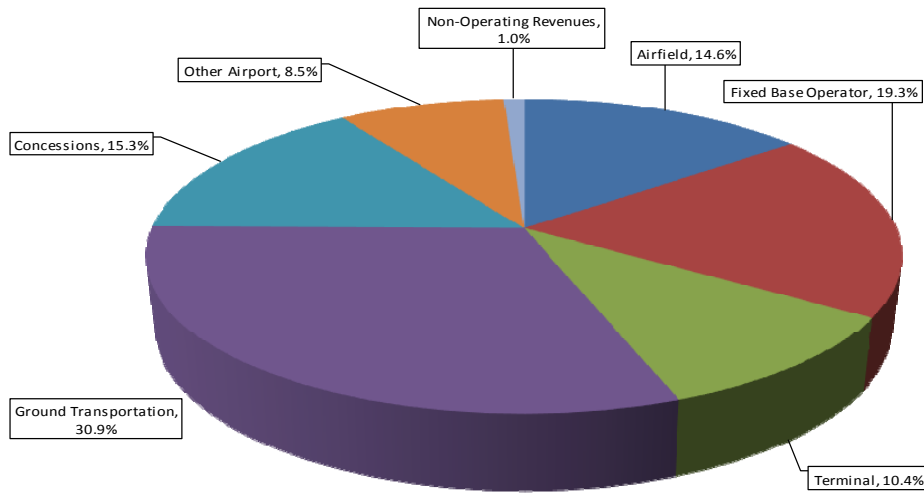


3) REVENUES

DESCRIPTION OF REVENUES

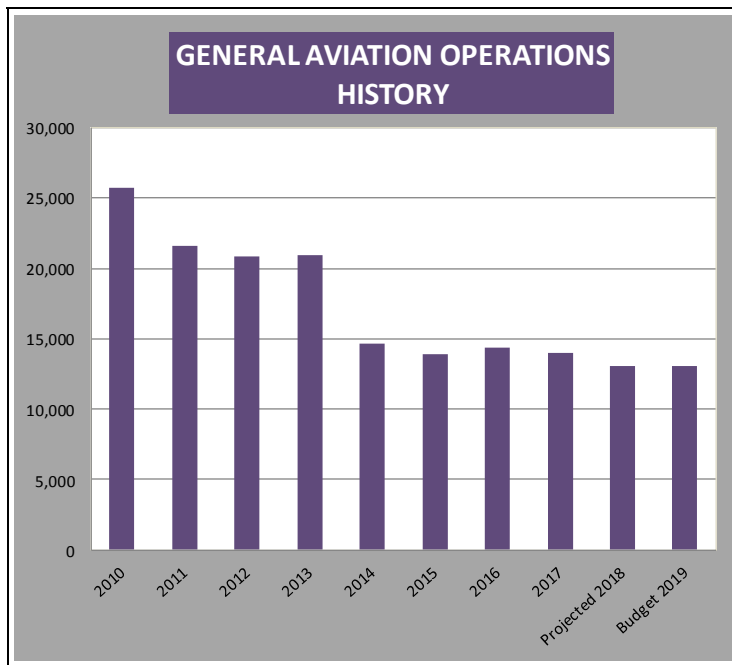
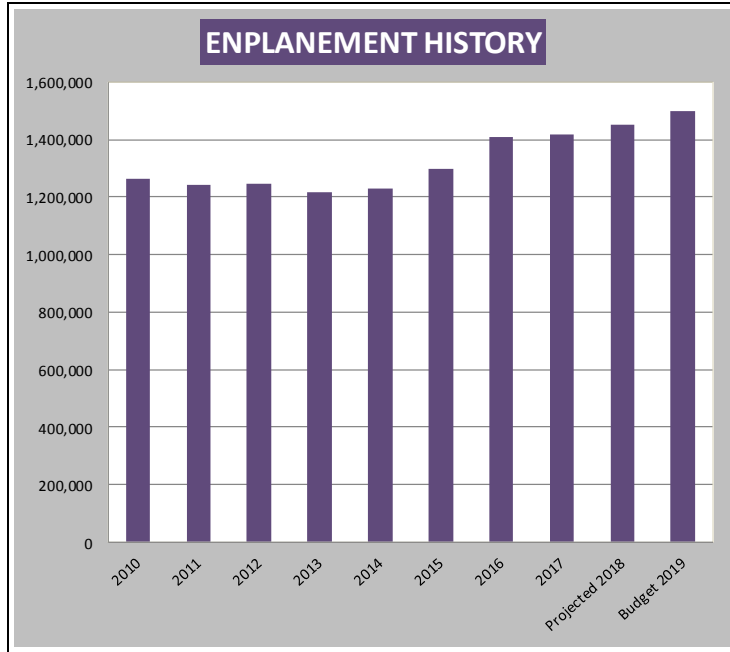
There are two types of revenues budgeted, operating and non-operating. Operating revenues are revenues generated through the daily operations of the Airport. Operating revenues are set forth in six categories; Airfield, Fixed Based Operator (FBO), Terminal, Ground Transportation, Concessions, and Other Airport. Non-operating revenues are generated from improvement charges and interest income.

WHERE THE MONEY COMES FROM
(Before Revenue Sharing)



Enplanements and general aviation operations are critical since certain major non-airline revenues are projected on a per enplanement basis or a per-general aviation operations basis. Revenue projections for these items are discussed in this section and may vary significantly with any variance in the projected statistics for enplanements or general aviation operations. It is estimated that enplanements for 2019 will be 1,500,000 which is in line with projected 2018 enplanements. It is estimated that general aviation operations for 2019 will be 12,957 which is in line with the projected 2018 operations.

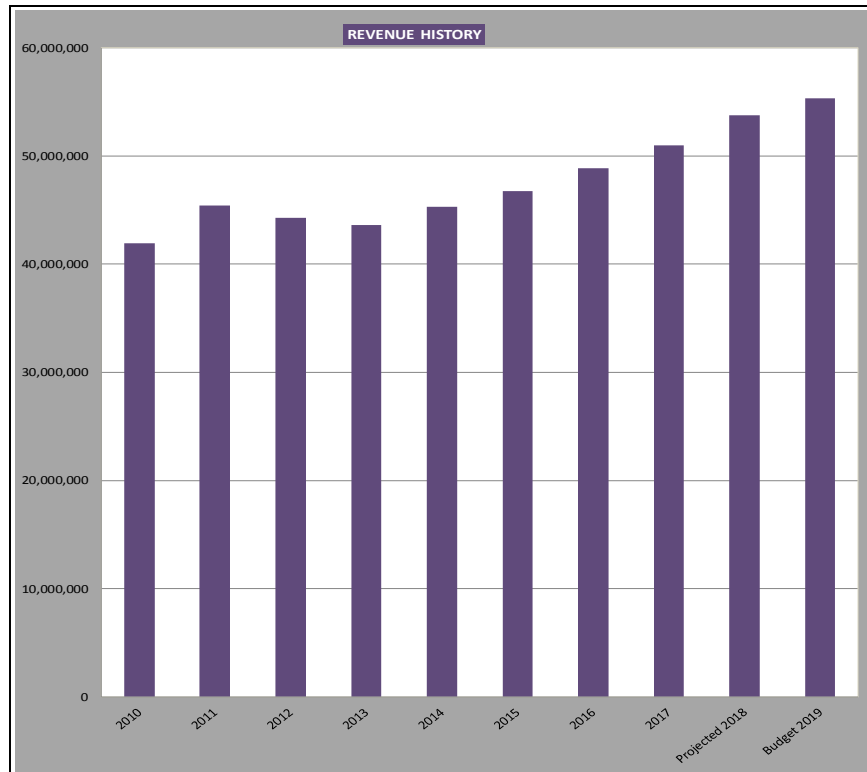
	Audited 2017	Budgeted 2018	Projected 2018	Budgeted 2019	% Inc./Dec)
Enplanements	1,417,835	1,414,000	1,450,000	1,500,000	3.4%
General Aviation	14,018	13,161	13,022	13,022	0.0%



REVENUE SUMMARY

Total revenues for 2019 are budgeted at \$55,363,642 before revenue sharing which is 2.9% higher than the 2018 projected amount of \$53,809,232 before revenue sharing. Below is a revenue summary of audited 2017, budgeted 2018, projected 2018, and budgeted 2019 and a graph of historical operating revenues since 2010, along with 2018 projected revenues and 2019 budgeted revenues.

	Audit 2017	Budget 2018	Projected 2018	Budget 2019
Operating				
Airfield	\$7,166,057	\$7,620,988	\$7,238,158	\$8,010,706
Fixed Based Operations	8,572,459	8,630,876	10,626,477	10,246,373
Terminal	6,971,656	6,913,009	7,053,795	7,249,290
Ground Transportation	15,325,640	15,484,189	15,718,452	15,814,302
Concessions	8,070,380	8,178,660	7,909,413	8,011,652
Other Airport	4,360,795	4,137,180	4,272,422	4,594,062
	<u>50,466,988</u>	<u>50,964,901</u>	<u>52,818,717</u>	<u>53,926,386</u>
Non Operating				
Interest Income	10,676	10,783	255,760	875,457
TSA (LEO) Reimbursement	138,700	138,700	138,700	138,700
Grant	0	0	174,077	0
Improvement Charges	368,400	368,400	368,400	368,400
	<u>517,776</u>	<u>517,883</u>	<u>936,937</u>	<u>1,382,557</u>
Total Revenues Before Revenue Sharing	\$50,984,764	\$51,482,784	\$53,755,654	\$55,308,943



Landing fees, apron fees, terminal rental rates, and loading bridge fees are determined by a formula contained in the Airline Use and Lease Agreement. The formula takes into consideration the revenues and expenses as proposed in the budget. A residual cost calculation is used to calculate rates for landing fees, apron fees and loading bridge fees and a commercial rental methodology for calculating terminal rental rate. The agreement also includes a 50/50 revenue sharing formula with the airlines based on all revenues less expenses of the Airport.

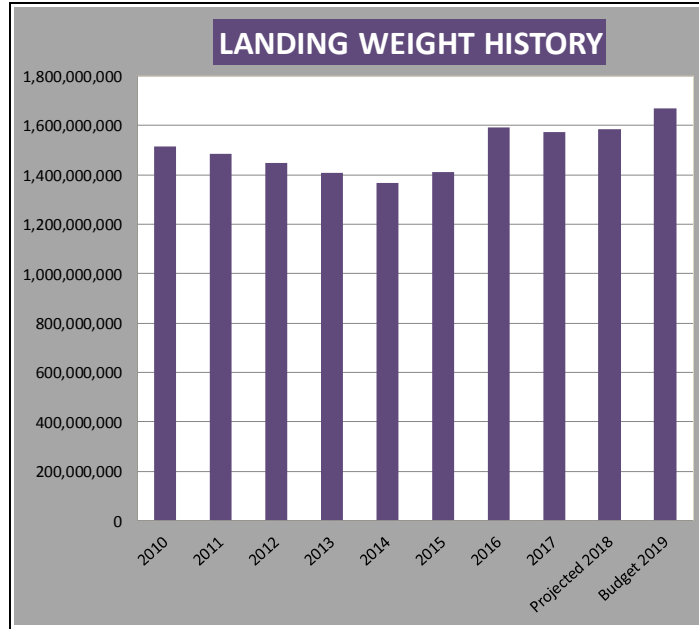
The Authority's assumption of the management of the FBO operations in October 2005 generates revenues from Jet-A fuel sales; AvGas fuel sales, auto gas sales, diesel fuel sales, into-plane, fuel farm, deicing, properties, and customer service. Ground transportation is projecting a slight increase due to promotional specials for parking at the Airport. Concessions have contributed to the increase in revenues due to a new lease with retail concession.

AIRFIELD

A signatory airline is an airline that has executed an agreement with the Albany County Airport Authority and is charged fees in accordance with an Airline Use and Lease Agreement which took effect January 1, 2011. A non-signatory airline is assessed at 125 percent of the signatory rates for landing fees and terminal rental rates. Signatory airlines have the option to have their affiliate carriers considered as signatory airlines. Currently there are seven commercial airlines, twelve affiliates to the commercial airlines, and two cargo airlines who are signatories to the agreement. Landing fees, landing fee surcharges and apron fees are calculated based on formulas contained in the Airline Use and Lease Agreement (More on the airline use and lease agreement in section 10).

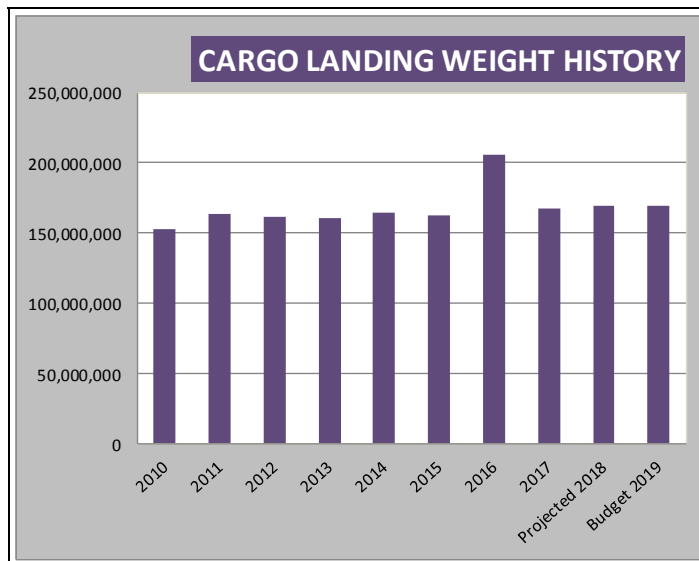
AIRLINE LANDING FEES The commercial landed weight for 2019 is expected to be 1,671,063,000 pounds which is 5% higher than the 2018 projected amount of 1,583,706,000 due to an increase in air service. Under the Airline Use and Lease Agreement the landing fee for signatory airlines in 2019 will be \$3.35 per 1,000 pounds of Maximum Gross Landed Weight (MGLW). The rate for non-signatory airlines is 125 percent of the signatory rate or \$4.19. Using the calculated signatory and non-signatory landing fee rates, landing fees for 2019 are budgeted at \$5,619,263. The table below demonstrates 5.6% growth in signatory landing weight and zero growth in non-signatory landing weight.

	Audited 2017	Budgeted 2018	Projected 2018	Budgeted 2019	% Inc/(Dec)
Signatory					
Landing Fee Rate	\$3.12	\$3.33	\$3.02	\$3.35	10.9%
Landing Weights 000-lbs (MGLW)	1,564,915	1,589,679	1,559,052	1,646,409	5.6%
Non-Signatory					
Landing Fee Rate	\$4.16	\$4.16	\$3.78	\$4.19	10.9%
Landing Weights 000-lbs (MGLW)	10,647	1,012	24,654	24,654	0.0%



CARGO LANDING FEES There are two major cargo carriers that have signed the Cargo Carrier Airfield Use Agreement for the 2016-2020 renewal term. For 2019, the signatory cargo carriers will be charged the signatory landing fee of \$3.35. The non-signatory cargo carriers will be charged the non-signatory landing fee of \$4.19. Air cargo landing weight projected for 2019 will be 169,884,000 forecasting zero growth as demonstrated in the table below. The cargo landing fees for 2019 are budgeted at \$581,237.

	Audited 2017	Budgeted 2018	Projected 2018	Budgeted 2019	% Inc/(Dec)
Signatory					
Landing Fee Rate	\$3.12	\$3.33	\$3.02	\$3.35	10.9%
Landing Weights 000-lbs (MG)	153,038,000	153,568,000	155,784,000	155,784,000	0.0%
Non-Signatory					
Landing Fee Rate	\$4.16	\$4.16	\$3.78	\$4.19	10.9%
Landing Weights 000-lbs (MG)	14,400,000	13,994,000	14,100,000	14,100,000	0.0%



GLYCOL DISPOSAL FEE In late 2008 the Authority instituted a new glycol disposal fee to offset a portion of the direct costs associated with the removal and disposal of the glycol deicing fluid collected after use on aircraft. The fee is \$2.30 per gallon and it is projected that there will be 156,500 gallons used. For 2019, \$360,059 is budgeted.

AIRLINE APRON FEES The Airline Apron Fee rate is calculated as one-tenth (1/10) of overall projected airfield costs divided by the terminal apron square footage (505,472 sq. ft.). For 2019 the rate per square foot will be \$1.48. Based on that rate, Apron Fees are budgeted at \$749,370.

TENANT MAINTENANCE Tenant maintenance is a recovery for services and materials rendered to tenants by Airport employees. The amount of \$35,000 is budgeted for 2019.

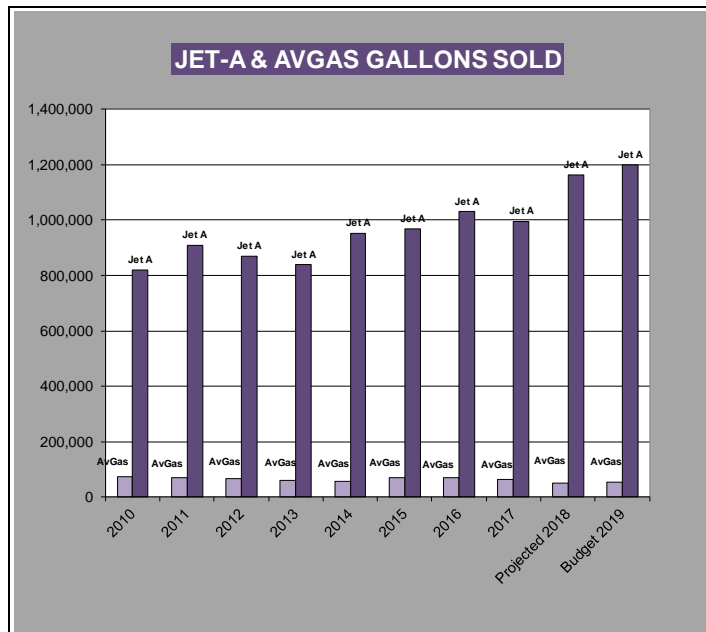
CONTROL TOWER RENTAL The Federal Aviation Administration pays rent based on the annual cost to maintain the facility. This includes the direct and indirect operating and maintenance costs and debt service payments resulting from the construction of the facility by the Authority. It is projected this will generate \$665,776 of revenues in 2019; the same as projected for 2018.

FIXED BASE OPERATOR (FBO)

JET-A FUEL SALES Jet-A Fuel sales are the sale of fuel purchased by general aviation and charter companies. The amount of \$5,782,543 is budgeted for 2019. The budgeted amount for 2019 was determined by projecting 1,199,698 gallons would be sold at \$4.82 per gallon.

AVGAS FUEL SALES AvGas fuel sales are the sale of fuel purchased for general aviation. The amount of \$274,825 is budgeted for 2019. The budgeted amount for 2019 was determined by projecting 52,953 gallons would be sold at \$5.19 per gallon.

The following graph demonstrates the trend used to calculate the gallons for the 2019 budget.



AUTO GAS FUEL SALES Auto gas fuel sales are the sale of gasoline to the airlines for ground equipment. The amount of \$95,068 is budgeted for 2019 which is 2.5% higher than the 2018 projected amount of \$92,749 due to fluctuation in fuel costs.

DIESEL FUEL SALES Diesel fuel sales are the sale of diesel fuel to the airlines for ground equipment. The amount of \$235,513 is budgeted for 2019 which is 2.5% higher than the 2018 projected amount of \$229,769 due to fluctuation in fuel costs.

INTO PLANE Into Plane is the fee based on fuel pumped for the commercial airlines. A rate of \$45 per fueling for non-signatory and \$35 per fueling for signatory is charged. The amount of \$666,474 is budgeted for 2019 which is in line with the 2018 projected amount.

FUEL FARM Fuel Farm is a recovery fee for operating expenses by charging a fuel-flowage fee of \$0.03 per gallon and a glycol flowage fee of \$0.30 per gallon in 2019. The amount of \$626,337 is budgeted for 2019 which is 0.9% less than the 2018 projected amount of \$632,318 due to the unpredicted winter storms in 2017. It is projected there will be 19,337,913 gallons of fuel charged a fuel-flowage fee and 154,000 gallons of glycol charged a flowage fee.

GENERAL AVIATION LANDING FEES General aviation landing fees are the fees for landings charged to general aviation aircraft at the FBO facility. The fees range from \$8.08 to \$2,363.10 depending on the size of the aircraft. The amount of \$276,222 is budgeted for 2019 which is a 3.0% increase from the 2018 projected amount of \$268,177.

GENERAL AVIATION PARKING FEES General aviation parking fees are the fees for aircraft parking at the FBO facility. The fees range from \$11.25 to \$875 depending on the size of the aircraft. The amount of \$206,657 is budgeted for 2019 which is a 3.0% increase from the 2018 projected amount of \$200,637.

AVGAS FUEL SALES COMMERCIAL This is revenue generated from a carrier who purchases fuel directly from the Authority. This carrier is projected to purchase 63,680 gallons of Avgas at \$4.03 per gallon. The amount of \$256,631 is budgeted for 2019.

DEICING TYPE I - SPRAYED This is revenue generated from deicing commercial airlines and general aviation planes and is difficult to budget due to unpredictable winter weather. The amount of \$612,000 is budgeted for 2019. It is predicted that 50,000 gallons will be sold at \$12.24 per gallon.

DEICING TYPE IV - SPRAYED This is revenue generated from deicing commercial airlines and general aviation planes and is difficult to budget due to unpredictable winter weather. The amount of \$82,320 is budgeted for 2019. It is predicted that 7,000 gallons will be sold at \$11.76 per gallon.

DEICING TYPE I - CONSORTIUM This is revenue generated from the sale of Deicing Type I fluid at cost to commercial airlines and is difficult to budget due to unpredictable winter weather. The amount of \$505,500 is budgeted for 2019. It is predicted that 75,000 gallons will be sold at \$6.74 per gallon.

DEICING TYPE IV - CONSORTIUM This is revenue generated from the sale of Deicing Type IV fluid at cost to commercial airlines and is difficult to budget due to unpredictable winter weather. The amount of \$137,720 is budgeted for 2019. It is predicted that 22,000 gallons will be sold at \$6.26 per gallon.

DEICING GENERAL AVIATION This is revenue generated from deicing general aviation aircraft and is difficult to budget due to unpredictable winter weather. The amount of \$40,600 is budgeted for 2019. It is predicted that 2,200 gallons of Type I will be sold at \$16.00 per gallon and 300 gallons of Type IV will be sold at \$18.00 per gallon.

GENERAL AVIATION TENANTS General aviation tenants rent space in the FBO facility such as office and hangar space. The amount of \$387,384 is budgeted for 2019 which is 2.5% higher than the 2018 projected amount of \$377,936.

GENERAL AVIATION CUSTOMER SERVICE Customer service is revenue received from handling, catering, retail, and other general aviation services. The amount of \$60,758 is budgeted for 2019 which is 3.0% higher than the 2018 projected amount of \$58,814.

TERMINAL

AIRLINE SPACE RENTAL The Authority leases ticket counters, offices, baggage make-up rooms, gate/lounge areas and the baggage claim area in the terminal to the airlines servicing the Airport. Under the Airline Use and Lease Agreement (more on the airline use and lease agreement in section ten) the terminal signatory airline rental rate for 2019 is projected at \$83.59 annually per square foot versus \$82.91 annually per square foot in the 2018 adopted budget. The rate for non-signatory airlines will be 125% of the signatory rate or \$104.49 for 2019 versus \$103.64 budgeted for 2018. Space rental fees budgeted for 2019 are \$5,900,535.

TSA SPACE RENTAL The Federal Transportation Security Administration pays rent for administrative space in the terminal. The rent includes both the direct and administrative costs incurred in maintaining their space plus an amount to amortize the construction costs over the five-year term of their Agreement. Revenue budgeted for 2019 is \$448,828.

NON-AIRLINE SPACE RENTAL-FLAT RATE The Authority leases terminal space to certain tenants at a fixed rate. The amount of \$80,186 is budgeted for 2019.

NON-AIRLINE SPACE RENTAL-SIGNATORY RATE The Authority leases terminal space to certain tenants at the signatory rate of \$83.59 per square foot projected for 2019. The amount of \$41,069 is budgeted for 2019.

NON-AIRLINE SPACE RENTAL The Authority leases terminal space at one-half the signatory airline rental rate of \$41.80 annually per square foot in 2019 versus \$40.79 in 2018 to non-airline tenants such as car rental companies, baggage delivery companies and others. The amount budgeted for 2019 is \$167,662.

LOADING BRIDGES The Authority leases 13 loading bridges. The rental rate charged to the airlines is based on the estimated direct and indirect costs to maintain the loading bridges. This includes both the operating and maintenance costs along with the debt service incurred to finance the purchase of the bridges. For 2019 the charge per loading bridge will be \$43,232 annually versus \$40,849 per bridge in 2018. The amount budgeted for 2019 is \$562,011.

TENANT MAINTENANCE The Authority performs various maintenance and repairs in-lieu of tenants hiring outside contractors. The Authority bills the tenants for the materials and labor incurred. The amount of \$25,000 is budgeted for 2019.

UTILITY REIMBURSEMENT TSA reimburses the Authority for electricity they use for equipment to check luggage at the checkpoint and behind the ticket counters. The amount budgeted for 2019 is \$24,000.

GROUND TRANSPORTATION

PUBLIC PARKING Daily parking rates in short term, garage, long term, and economy parking lots are \$24, \$13, \$10, and \$6 respectively. For 2019, the parking revenue is projected to be

\$15,283,333, or \$10.19 of revenue per enplanement (RPE) which is in line with the 2018 projected amount. There is no projected increase due to closing a parking lot for construction of a new parking garage. Also included in public parking revenues are the fees collected from 1,004 Albany based Airport employees and 138 non-Albany based employees.

Public parking rates are as follows:

Albany Based Employee Parking (1004 employees)	\$15 per year	\$15,060
Non-Albany Based Employee Parking (138 Flight Crew)	\$240 per year	\$33,120
Short Term Parking	First half hour free, \$2 second half hour and \$2 an hour after	\$1,066,460.68
Long Term Parking	\$9 per day every day	\$4,722,897.28
Garage Parking	\$13 per day every day	\$6,551,115.58
Economy Parking	\$6 per day every day	\$2,894,678.98
Total Parking Revenue		\$15,283,333

Available public parking spaces:

	As of <u>Dec-17</u>	As of <u>Sep-18</u>
Short Term - Garage/Surface	222	181
Long Term - Garage	1,912	1,912
Long Term - Surface Lot A	1,789	1,958
Economy - Surface Lot E	2,763	2,763
Rental Cars	307	307
Employees/Visitors	365	276
Total:	7,358	7,397

ACCESS FEES The Authority collects a fee from the off-airport companies that derive revenue from the services they provide to Airport customers. These companies include: limousine companies, hotels and motels, off-airport parking facilities, and taxi cab companies. These companies have access to the commercial waiting zone in front of the terminal building and are charged for each entrance, an annual fee or a percentage of gross revenues. The fee and revenue collections for projected 2018 and 2019 are as follows:

	Fees	Projected 2018	Budget 2019	2019 Budget vs Projected 2018
Per Entrance:				
Limousine Services	\$2.00 per entrance	2,965	\$3,076	3.7%
Taxi Cab Companies (Agreement)	\$2.00 per entrance	\$80,065	\$83,044	3.7%
Per Vehicle (unlimited access):				
Hotels and Motels (37 vehicles)	\$650 yearly per vehicle	\$23,400	\$23,400	0.0%
Off Airport Parking Facilities(Agreement)	Gross Revenue x 10.0%	\$213,507	\$221,450	3.7%
Total		\$319,937	\$330,969	3.4%

Transportation Network Companies (TNC) The Authority collects a \$2.00 fee from transportation network companies (Uber and Lyft) for each vehicle entrance to drop off or pickup passengers. \$200,000 is budgeted for 2019.

CONCESSIONS

The Airport Authority receives various percentages of gross sales from on-site concessionaires servicing the Airport customers and the traveling public. Concessions include: rental cars, food and beverages, retail, advertising, museum shop, ground handling, business center, payphones, sale of phone cards, vending machines, ATM, and baggage cart rentals.

Revenues for concessions are based on enplanements being 1,500,000 for the 2019 budget and enplanements being 1,450,000 projected 2018. Revenues per enplanement (RPE) are calculated by using an average year-to-year increase of sales per passenger and then by multiplying the RPE by the enplanements to get the projected and budgeted revenues for concessions.

Concession revenues are projected as follows:

	2018 RPE	Projected 2018	2019 RPE	Budget 2019	2019 Budget vs Projected 2018
Rental Cars	\$3.63	\$5,268,819	\$3.45	5,177,978	-1.7%
Food & Beverage	0.60	866,243	0.67	1,000,812	15.5%
Retail	0.59	849,543	0.59	887,626	4.5%
Advertising	0.21	300,000	0.20	300,000	0.0%
Foreign Currency	0.02	26,600	0.02	26,600	0.0%
Museum Shop	0.17	245,105	0.17	256,092	4.5%
Operating Permits	0.14	205,432	0.14	212,385	3.4%
Telephone-Payphones	0.00	2,069	0.00	2,141	3.4%
Telephone-Tenants	0.05	70,743	0.05	71,000	0.4%
Bank ATMs	0.02	35,576	0.02	36,803	3.4%
Vending Machines	0.02	32,283	0.02	33,215	2.9%
Baggage Cart Concessions	0.00	7,000	0.00	7,000	0.0%
Total	\$5.45	\$7,909,413	\$5.34	\$8,011,652	1.3%

OTHER AIRPORT

LAND RENTAL The Airport Authority charges rent for property owned by the Airport. The land

rental charges are calculated based on a rate times the square footage or acreage occupied. The amount of \$314,289 budgeted for 2019 is 0.4% higher than the 2018 projected revenues of \$313,006 due to annual increases.

INDUSTRIAL PARK In 2001, the Authority purchased a 9½-acre site, now known as the Airport Industrial Park, with four warehouse buildings, all of which are currently leased. It is anticipated that in 2019 the Industrial Park will generate \$568,282 in revenues, which is 2.7% higher than the 2018 projected revenues of \$553,339 due to annual increases.

GENERAL AVIATION T-HANGARS In 2002, construction was completed on a 10-unit T-Hangar building, self-service fuel facility and tie-down spaces for use by the general aviation community. As a result of additional demand, an additional 10-unit building was built and opened in early 2003 and two more 10-unit buildings were built in the summer of 2008. The Authority collects fees for the rental of the units, tie-down and the fuel sales. Revenue of \$100,328 is budgeted for 2019.

GENERAL AVIATION TIE-DOWNS It is anticipated that in 2019 the Tie-Downs will generate \$4,176.

AV GAS FUEL SALES AvGas fuel sales at the self-service facility at the T-Hangars are based on General Aviation operations being 13,022 for the 2019 budget. Rate per general aviation (RPGA) operation is calculated by using an average year to year increase and then by multiplying the RPGA by the average increase in RPGA to get the projected and budgeted revenue. The RPGA for 2019 is \$3.15 and for projected 2018 \$3.06. The 2019 budgeted amount is \$41,068 which is 3.0% higher than the 2018 projected amount of \$39,872.

PARKING GARAGE SPACE RENT Included in the 2009 rental car agreement is return space and kiosk rent for the rental cars. The \$89,765 budgeted for 2019 which is 307 spaces at \$222.04 per space and four kiosks at \$21,600.

HANGAR RENTAL The Authority owns four hangars in the northwest quadrant of the airport it rents to various tenants. The \$526,833 budgeted for 2019 is 4.4% higher than the 2018 projected amount of \$504,776 due to annual increases.

BUILDING RENTAL The Authority rents out various portions of buildings to various tenants. The 2019 budgeted amount is \$110,882 which is -3.5% less than the 2018 projected amount of \$114,856.

CARGO BUILDING RENTAL FACILITIES In October 1998, operations began in a cargo facility built and financed by the Authority in the northeast quadrant of the Airport. An agreement with AFCO, who manages the building for the Authority, provides for the sharing of net revenues with the Authority, along with the Authority being fully reimbursed for the outstanding debt service payments in connection with the bonds issued in 1998 to finance construction of the facility. Cargo building rental fees of \$922,420 are budgeted for 2019.

AIRCRAFT MAINTENANCE & SERVICE CENTER This aircraft maintenance and service center was completed in 2007. For 2019 \$331,373 is budgeted which is 704.6% higher than the 2018 projected amount of \$41,187 due to a new tenant.

STATE EXECUTIVE HANGAR In December 2000, the Authority issued debt to finance the construction of the New York State Police Executive Hangar and entered into a lease with the State of New York. The payments for 2019 are \$1,247,083 per the lease agreement and will be sufficient to meet the debt service payments and any other costs anticipated to be incurred by the Airport for maintenance of the facility.

UTILITY REIMBURSEMENT The Authority receives reimbursement from certain tenants for utility costs associated with their leased space. This revenue is calculated based on the actual kilowatt usage for electric or therm usage for natural gas times the current charge that the Authority receives from the electric/gas supplier. It is anticipated there will be \$170,000 reimbursed for 2019 which is in line with the projected 2018 amount of \$168,073.

REIMBURSEMENTS OF PROPERTY TAXES There are tenants located on landside property the Authority owns that are not aviation related businesses and therefore, real estate property taxes are levied on these properties. The tenants are obligated to reimburse the Authority for these taxes. Reimbursement is projected to be \$42,883 for 2019 which is in line with projected 2018.

INTERNET AND CABLE ACCESS The Authority receives reimbursement from certain Airport tenants who utilize the Authority's internet access network and the cable television network within the terminal. It is anticipated that \$7,680 of revenues will be generated in 2019. The following table represents the revenues incurred from this service.

Internet	8 lines at \$55 per month	\$5,280
Cable	6 lines at \$100 per quarter	\$2,400
Total Internet and Cable Access		\$7,680

FINGERPRINTING The Authority collects a fee of \$38.00 per person for based tenants and \$48.00 per person for non-based tenants which includes an \$11.00 processing fee to offset the costs incurred to process fingerprints for Airport security clearance. There is also a badge renewal fee of \$22.00 and a fee for lost cards; \$50 for the first offense, \$75 for the second offense and \$125 for the third offense. It is anticipated that \$26,000 in revenues will be generated in 2019. The Airport processes approximately 700 fingerprint applications a year which includes Airport employees.

TENANT MAINTENANCE The Authority performs various maintenance and repairs in-lieu of tenants hiring outside contractors. The Authority bills the tenants for the materials and labor incurred. It is projected that \$1,000 will be generated for 2019.

PURCHASING PROPOSALS The Authority collects fees from vendors who request proposals, contract bids and other forms of solicitations. The Authority collects fees of \$75 with drawings and \$20 without drawings. The amount of \$5,000 is budgeted for 2019.

SCRAP AND EQUIPMENT SALES The Authority utilizes an internet auctioning web site, Gov Deals for the disposal of Airport surplus items. Revenues result from Gov Deals sales together with the proceeds from the sale of surplus or scrap materials, equipment and abandon vehicles and other unclaimed items lost or abandoned by users of the Airport. The amount of \$15,000 is budgeted for 2019.

OTHER Various miscellaneous revenues are collected from non-repetitive sources. Revenues of \$70,000 are budgeted for 2019.

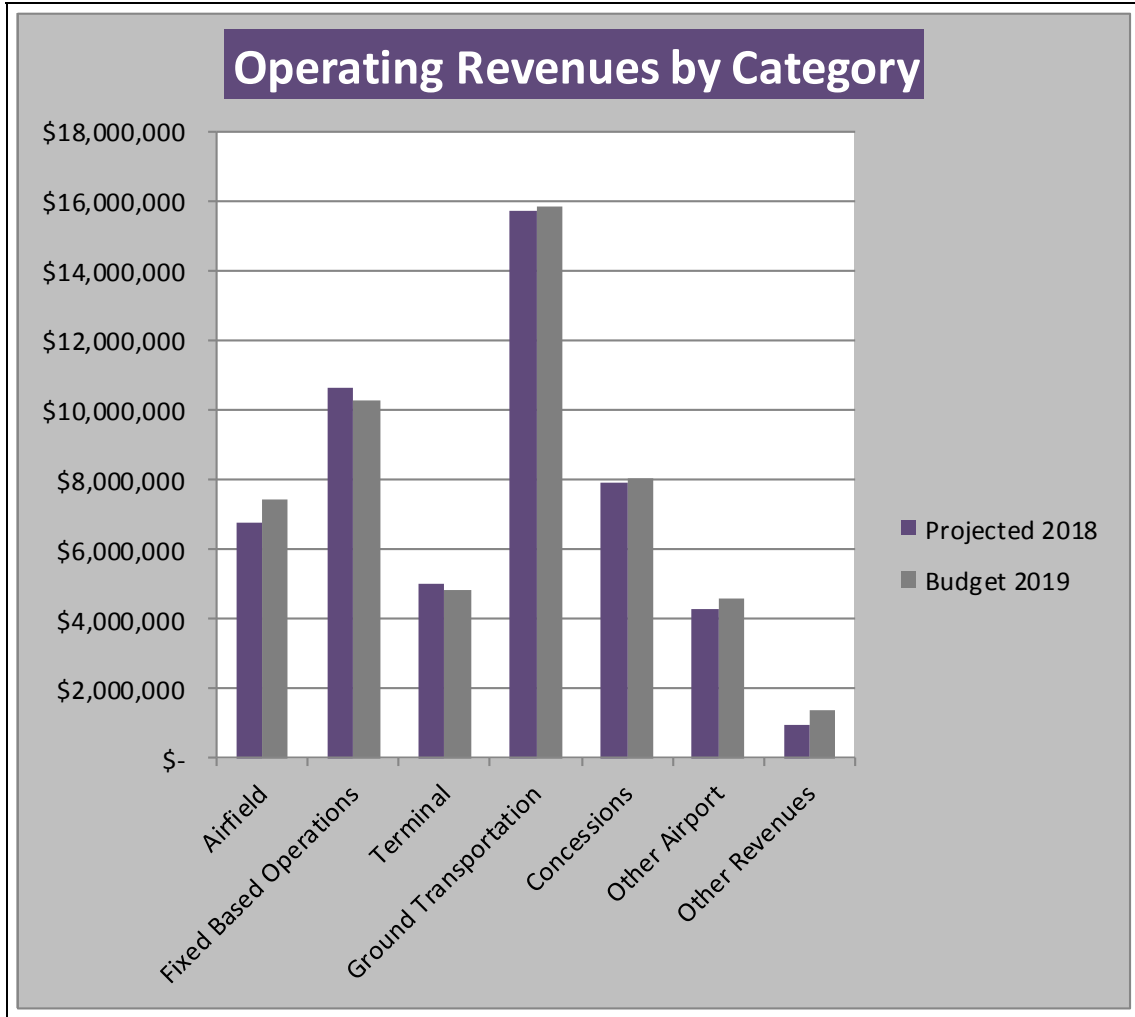
OTHER REVENUES

INTEREST EARNINGS The Airport receives revenues from interest generated by investment of operating, capital, and reserve funds. There is \$875,457 budgeted in 2019.

TSA (LEO) REIMBURSEMENT This is a Law Enforcement Officer Reimbursement Agreement

Program through the Federal Government which offers reimbursement for Sheriff staffing. The amount of \$138,700 is budgeted for 2019.

IMPROVEMENT CHARGES The rental car agreements provide for \$100.00 per space per-month for the 307 assigned spaces in the garage to pay the financing costs for constructing these spaces for their use. Revenues of \$368,400 are included in the 2019 budget.



Albany County Airport Authority Albany International Airport 2019 Budget REVENUES				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
AIRFIELD				
Airline Landing Fees	\$4,924,165	\$5,297,871	\$4,802,269	\$5,619,263
Airline Airfield Revenue Sharing	(487,969)	(400,458)	(507,386)	(609,698)
Cargo Landing Fees	533,784	570,016	524,189	581,237
Glycol Disposal Fee	357,662	361,925	521,352	360,059
Airline Apron Fee	649,858	695,400	669,573	749,370
TSA Apron Fee	227	0	0	0
Tenant Maintenance	34,586	30,000	55,000	35,000
Control Tower Rental	665,776	665,776	665,776	665,776
	<u>\$6,678,088</u>	<u>\$7,220,531</u>	<u>\$6,730,772</u>	<u>\$7,401,008</u>
FBO				
Jet A Fuel Sales	\$4,375,424	\$4,378,590	\$5,562,374	\$5,782,543
Avgas Fuel Sales General Aviation	309,326	307,869	266,404	274,825
Auto Gas Fuel Sales	67,128	68,487	92,749	95,068
Diesel Fuel Sales	211,964	211,221	229,769	235,513
Into-plane	663,730	664,133	666,474	666,474
Fuel Farm	586,599	600,144	632,318	626,337
General Aviation Landing Fees	248,652	256,964	268,177	276,222
General Aviation Parking Fees	173,622	176,437	200,637	206,657
Avgas Fuel Sales Commercial	396,618	412,788	383,420	256,631
Deicing Type I - Sprayed	536,222	504,616	931,630	612,000
Deicing Type IV - Sprayed	77,549	74,445	174,661	82,320
Deicing Type I - Consortium	362,407	423,449	504,615	505,500
Deicing Type IV - Consortium	119,139	117,357	167,821	137,720
Deicing - GA	34,042	28,220	108,675	40,600
General Aviation Tenants	325,573	324,732	377,936	387,384
General Aviation Customer Services	84,464	81,422	58,814	60,578
	<u>\$8,572,459</u>	<u>\$8,630,876</u>	<u>\$10,626,477</u>	<u>\$10,246,373</u>
TERMINAL				
Airline Space Rental	\$5,565,552	\$5,613,076	\$5,705,286	\$5,900,535
Airline Terminal Revenue Sharing	(1,951,878)	(1,601,831)	(2,029,543)	(2,438,792)
TSA Space Rental	448,828	448,828	448,828	448,828
Nonairline Space Rental - Flat Rate	59,190	59,190	68,323	80,186
Nonairline Space Rental - Signatory Rate	38,938	39,350	\$39,158	41,069
Nonairline Space Rental	158,891	160,526	174,404	167,662
Loading Bridge Rentals	614,076	531,039	567,798	562,011
Tenant Maintenance	61,523	35,000	26,434	25,000
Utility Reimbursement	24,659	26,000	23,563	24,000
	<u>\$5,019,778</u>	<u>\$5,311,177</u>	<u>\$5,024,252</u>	<u>\$4,810,498</u>
GROUND TRANSPORTATION				
Parking	\$14,985,272	\$15,170,719	\$15,283,333	\$15,283,333
Access Fees	\$296,124	313,470	\$319,937	\$330,969
TNCs	44,244	0	115,183	200,000
	<u>\$15,325,640</u>	<u>\$15,484,189</u>	<u>\$15,718,452</u>	<u>\$15,814,302</u>

Albany County Airport Authority Albany International Airport 2019 Budget REVENUES				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
CONCESSIONS				
Rental Cars	\$5,427,741	\$5,277,984	\$5,268,819	\$5,177,978
Food and Beverage	803,939	1,045,060	866,243	1,000,812
Retail	802,534	830,657	849,543	887,626
Advertising	380,522	385,624	300,000	300,000
Foreign Currency	26,600	26,600	26,600	26,600
Museum Shop	279,166	271,122	245,105	256,092
Operating Permits	200,999	190,684	205,432	212,385
Telephone - Payphones	2,388	2,500	2,069	2,141
Telephone - Tenants	72,443	72,425	70,743	71,000
Bank ATMs	35,886	36,415	35,576	36,803
Vending Machines	31,162	32,589	32,283	33,215
Baggage Cart Concessions	7,000	7,000	7,000	7,000
	<u>\$8,070,380</u>	<u>\$7,836,768</u>	<u>\$7,909,413</u>	<u>\$8,011,652</u>
OTHER AIRPORT				
Land Rental	\$306,853	\$312,956	\$313,006	\$314,289
Industrial Park	534,541	557,765	553,339	568,282
T Hangars	97,320	100,328	102,069	100,328
Tie Downs	4,096	4,096	4,176	4,176
T Hangar Avgas Fuel Sales	44,004	43,138	39,872	41,068
Parking Garage Space Rent	84,623	87,161	87,143	89,765
Hangar Rentals	433,034	441,385	504,776	526,833
Building Rental	124,507	126,291	114,856	110,882
Cargo Building Rental	914,738	884,349	913,158	922,420
Aircraft Maintenance & Service Center	77,489	39,987	41,187	331,373
State Executive Hangar/Maint	1,247,083	1,247,083	1,247,083	1,247,083
Utility Reimbursement	129,422	136,000	168,073	170,000
Reimbursement of Property Taxes	36,333	37,000	42,883	42,883
Internet and Cable Access	11,530	11,640	9,770	7,680
Fingerprinting	25,878	25,000	27,424	26,000
Tenant Maintenance	42,858	1,000	355	1,000
Purchasing Proposals	5,445	7,000	1,140	5,000
Scrap and Equipment Sales	14,794	15,000	8,976	15,000
Other	226,247	60,000	93,134	70,000
	<u>\$4,360,795</u>	<u>\$4,137,180</u>	<u>\$4,272,422</u>	<u>\$4,594,062</u>
TOTAL REVENUES	\$48,027,140	\$48,962,612	\$50,281,788	\$50,877,896
OTHER REVENUES				
Interest Earnings	\$10,676	\$10,783	\$255,760	\$875,457
TSA (LEO) Reimbursement	138,700	138,700	138,700	138,700
Grant	0	0	174,077	0
Improvement Charges	368,400	368,400	368,400	368,400
	<u>\$656,476</u>	<u>\$503,284</u>	<u>\$936,937</u>	<u>\$1,382,557</u>
TOTAL REVENUES	\$48,544,916	\$49,480,495	\$51,218,725	\$52,260,453
TOTAL REVENUES BEFORE REVENUE SHARING	\$50,984,764	\$51,482,785	\$53,755,654	\$55,308,943
Airport Operations	\$41,894,529	\$42,334,026	\$42,192,240	\$43,680,012
FBO Operations	\$8,572,459	\$8,630,876	\$10,626,477	\$10,246,373
Other Revenues	\$517,776	\$517,883	\$936,937	\$1,382,557
Total Revenues	\$50,984,764	\$51,482,785	\$53,755,654	\$55,308,943

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4) EXPENSES

SUMMARY OF EXPENSES

Budgeted operating expenses for 2019 are \$38,065,674 which is 4.4% higher than the \$36,473,274 projected for 2018. Operating expenses include those incurred for AvPorts and Million Air management of the Airport and FBO functions.

The following is a comparative summary of operating expenses:

	Audited 2017	Budget 2018	Projected 2018	Budget 2019
AvPorts	\$21,785,627	\$23,280,662	\$22,980,499	\$24,443,271
Million Air	3,113,109	3,238,577	3,142,314	3,265,771
Million Air Cost of Sales	4,124,218	4,327,209	5,609,974	5,494,244
Authority	4,350,735	4,603,949	4,740,486	4,862,389
Total Operating Expenses	\$33,373,689	\$35,450,398	\$36,473,274	\$38,065,674

DESCRIPTION OF BUDGETED 2019 EXPENSE BUDGET ITEMS

COST CENTERS

The expenditures in the budget are divided into seven direct cost centers: Airfield, Terminal, Loading Bridges, Landside, Parking, FBO Commercial, and FBO General Aviation and seven indirect cost centers: ARFF, Operations, Security, Vehicle and Equipment Maintenance, AvPorts Administration, FBO Administration, and Airport Authority Administration. The indirect cost centers are allocated to the seven direct cost centers in the calculation of the landing fee, terminal rental rates, apron rates, and loading bridge rates. The percentages for allocation are set forth in the Airlines Rates and Charges Summary section of this budget on page 10-8.

EXPENDITURES DESCRIPTIONS

A detailed summary of expenditures by cost centers is included for each cost center mentioned above. Major expense items by category and major line items are described below.

PERSONNEL SERVICES This includes salaries for AvPorts, Million Air, and Airport Authority personnel. There is an increase of 6.9% in the 2019 budget of \$11,231,809 over the 2018 projected amount of \$10,502,039. COLA increases for employees and pay rate adjustments have been provided for 2019 as dictated in various union contracts or other agreements. The Airport Authority includes the effect of temporary changes in position fill levels to accommodate staff retirement transitions. There are neither additions nor subtractions of employee positions.

Summary of Employees	Audited 2017	Budget 2018	Projected 2018	Budget 2019
AvPorts	159.5	173.0	155.8	173.0
Million Air	36.0	35.0	33.0	35.0
Authority	22.0	23.0	22.0	23.0
Total Operating Expenses	217.5	231.0	210.8	231.0

EMPLOYEE BENEFITS Employee Benefits are budgeted at \$5,668,597 for 2019 which is a 10.9% increase from the 2018 projected amount of \$5,111,824. This increase is due to the inflating costs of health insurance and retirement.

SUMMARY BY SALARIES & BENEFITS:	2017 Audited			2018 Budget			2019 Budget		
	Salaries	Benefits	Total	Salaries	Benefits	Total	Salaries	Benefits	Total
AvPorts	\$6,872,568	\$3,126,292	\$9,998,860	\$7,660,900	\$3,543,208	\$11,204,108	\$7,805,706	\$3,694,372	\$11,500,079
Million Air	1,400,969	515,596	1,916,565	1,421,039	607,526	2,028,565	1,449,218	578,099	2,027,317
Authority	1,913,710	1,231,055	3,144,765	1,955,557	1,349,847	3,305,404	1,976,885	1,396,126	3,373,011
Total Operating Expenses	\$10,187,247	\$4,872,943	\$15,060,190	\$11,037,496	\$5,500,581	\$16,538,077	\$11,231,809	\$5,668,597	\$16,900,407

UTILITIES AND COMMUNICATIONS This includes expenses to be incurred for electric charges, natural gas, sewer, water and communications. The \$2,205,123 budgeted for 2019 is 4.8% more than projected 2018 amount of \$2,103,779.

PURCHASED SERVICES

Accounting and Auditing This category includes expenses to be incurred for the independent CPA firm employed to perform the year-end audit and for the firm employed to prepare the rates and charges and revenue sharing report analysis for the airlines. The \$61,000 is budgeted for 2019 to cover these services.

Insurance The \$808,178 budgeted for 2019 is 9.0% less than the 2018 projected amount of \$887,931 primarily due to an overage in insurance claims. Following is a summary of the 2018 projected and 2019 budgeted insurance coverage costs for the Authority:

	2018 Projected	2019 Budget
Airport Liability	\$353,787	\$353,786
Automotive	68,378	68,378
Environmental Liability	38,705	46,347
Property Insurance	234,073	234,073
Crime	4,116	2,397
Public Officials Liability	24,519	24,519
Cyber Liability Insurance	11,906	11,906
Fiduciary Liability	1,272	1,272
Agent Fee	30,000	30,000
Insurance Claims	121,176	35,500
TOTAL	\$887,931	\$808,178

Legal The 2019 budgeted amount is \$50,000 for legal services which includes potential costs for pending cases.

Public Safety This category includes armored car service, perimeter security at one of the gates in airfield and staffing at the TSA check point in the terminal. The amount budgeted for 2019 is \$309,107 which is 2.8% more than the 2018 projected amount of \$300,774 due to cost increases.

Albany County Sheriffs This category includes the charges payable to the County of Albany for the services provided by the Albany County Sheriff's department. The 2019 budgeted amount is \$2,731,859.

Janitorial Services This category includes amounts payable for outside contractors for the janitorial services performed in the terminal including carpet, slate and terrazzo floor maintenance, the airfield building, and various buildings rented to tenants. It also includes refuse removal for all departments. The \$499,203 budgeted for 2019 is 0.5% more than the 2018 projected amount of \$496,515 due to an increase in janitorial contracts.

Public Communications This category includes charges for the Authority's marketing and promotional expenses, funding for the Airport art program, museum shop "DepARTure", as well as the costs for maintaining the information desk in the terminal. The \$975,374 budgeted for 2019 is 22.4% more than the 2018 projected amount of \$797,100 due to advertising.

Special Studies & GIS Services This category is used to research new methods to enhance the Airport and to evaluate business activities at the Airport. The \$94,200 budgeted for 2019 is 3.5% more than the 2018 projected amount of \$91,028 due to ongoing research and studies on landside properties and terminal space.

Professional Services This category includes the fees paid to AvPorts for their operational management services agreement for Airport operations, fees paid to Million Air for their operational management services agreement for FBO operations and other line items for architectural, consultant, engineering, inspection, testing, and code enforcement. The budgeted amount of \$1,229,160 for 2019 is 2.2% more than the 2018 projected amount of \$1,203,278 due to projects requiring architectural services and an increase in professional management.

MATERIALS AND SUPPLIES

Airfield This category contains the expenses associated with the airfield such as repair and maintenance of airfield lighting and pavement, tools and supplies for the airfield maintenance workers, snow removal supplies, expenses pertaining to the glycol collection and containment system, and emergency rescue supplies. The \$914,500 budgeted for 2019 is 6.4% more than the 2018 projected amount of \$859,447 due to airfield lighting repairs and updating ARFF supplies.

FBO-Cost of Sales This category includes the expenses affiliated with fuel used for jets, general aviation, gasoline and diesel used for ground equipment, and deicing fluid. The \$5,494,244 budgeted for 2019 is 2.1% less than the 2018 projected amount of \$5,609,974 due to the increase in glycol usage because of the winter storms that were not predicted in the 2018 budget.

Buildings This category contains the expenses associated with the repair and maintenance of all Airport buildings including the terminal, FBO, parking, and landside buildings. The expense items include HVAC, pest control, baggage systems, electrical supplies, plumbing supplies, and miscellaneous supplies. The \$2,134,569 budgeted for 2019 is 14.7% less than the 2018 projected amount of \$2,502,033. There were some major repairs in buildings requiring updates in electrical, HVAC and plumbing.

Grounds This category contains the expenses attributed to landscaping, roadway repairs, snow removal services and signage expenses for the parking lots, FBO, T-Hangars and Airport economic development areas. The \$897,785 budgeted for 2019 is 8.2% more than the 2018 projected amount of \$829,495 due to snow removal supplies that need to be restocked, extra maintenance on the T-Hangars and wildlife hazard management.

Vehicles and Equipment This category contains the expenses associated with the repair and maintenance of Airport vehicles, general equipment, supplies, tools, gas, diesel and radio communication equipment. The \$944,900 budgeted for 2019 is 3.0% higher than the 2018 projected amount of \$917,315 due to an increase in maintenance costs for vehicles and

equipment.

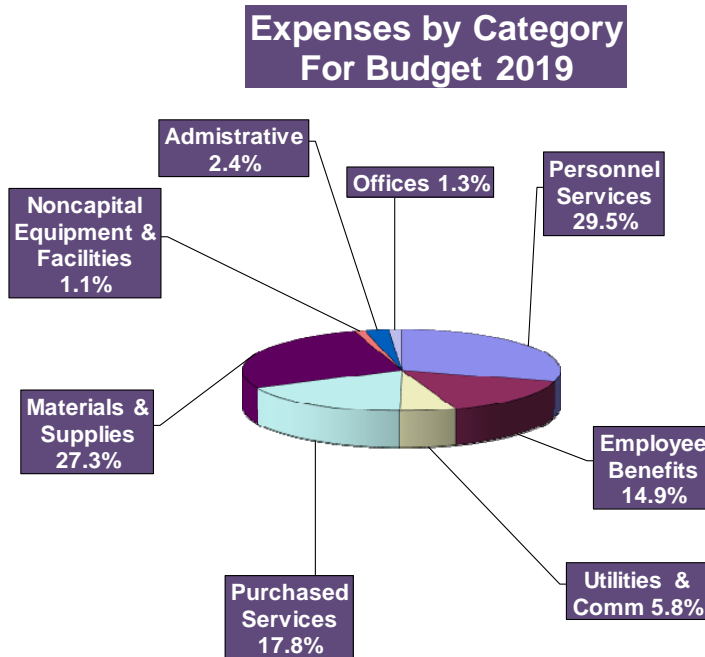
OFFICE This category contains the costs associated with the day-to-day operations of the Airport offices including copier rentals, office supplies, computer system support, forms, letterhead and postage. The \$477,205 budgeted for 2019 is 29.7% higher than the 2018 projected amount of \$367,882 due to an increase in need for computer system supplies, computer equipment, printing and office supplies.

ADMINISTRATIVE This category contains the costs associated with dues, subscriptions, training, conferences, meetings, travel, legal notice advertising, property taxes, economic development, and credit card and EZPass processing fees. The \$906,770 budgeted for 2019 is 3.0% less than the 2018 projected amount of \$934,815.

NON-CAPITAL EQUIPMENT & FACILITIES Non-capital equipment purchases are major vehicles or major equipment items generally between \$5,000 and \$50,000 which are purchased annually as new or replacement items to support the operations and/or maintenance of the Airport. The total budget amount for anticipated equipment and vehicles is \$432,090 for 2019. The following table demonstrates the probable purchases for 2019.

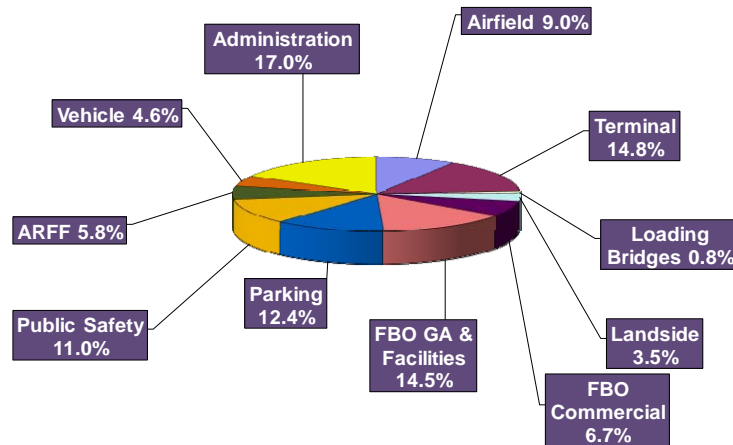
Albany County Airport Authority
Non Capital Equipment and Facilities (Budget 2019)
(Between \$5,000 and \$50,000)

		Item Requested
Terminal	65,700	VR switches for Vmware system and rogue apps, buildout for MDF room expansion, replacement switches
Parking	8,000	Hopper for a truck (P9),
Landside	42,000	GRE replacement/upgrade of Noise recording equipment
Operations	25,000	Veoci - Multi functional assets management system
ARFF	48,054	Thermal imaging camera, portable radio and treadmill
Vehicle Maintenance	243,336	Ventract Tractors for snow removal and four trucks
Total	\$432,090	



Albany County Airport Authority Albany International Airport 2019 Budget SUMMARY OF EXPENSES				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
EXPENSES - SUMMARY				
Airport Management	\$21,785,627	\$23,280,662	\$22,980,499	\$24,443,271
FBO Management	3,113,109	3,238,577	3,142,314	3,265,771
FBO Cost of Sales	4,124,218	4,327,209	5,609,974	5,494,244
Authority	4,350,735	4,603,949	4,740,486	4,862,389
TOTAL EXPENSES	\$33,373,689	\$35,450,398	\$36,473,274	\$38,065,674
EXPENSES BY CATEGORY				
Personnel Services	\$10,187,247	\$11,037,496	\$10,502,039	\$11,231,809
Employee Benefits	4,872,943	5,500,581	5,111,824	5,668,597
Utilities & Communications	2,004,108	2,118,939	2,103,779	2,205,123
Purchased Services				
Accounting & Auditing	\$74,035	\$61,000	\$71,712	\$61,000
Insurance	809,685	751,830	887,931	808,178
Legal	11,058	50,000	105,490	50,000
Public Safety	273,191	262,650	300,774	309,107
Albany County Sheriffs	2,109,844	2,627,656	2,319,528	2,731,859
Janitorial	460,526	484,681	496,515	499,203
Public Communications	750,058	845,866	797,100	975,374
Special Studies & GIS Services	132,973	89,200	91,028	94,200
Professional Services	1,270,125	1,213,160	1,203,278	1,229,160
Total Purchased Services	\$5,891,495	\$6,386,044	\$6,273,358	\$6,758,081
Airfield	\$709,120	\$901,000	\$859,447	\$914,500
FBO - Cost of Sales	4,124,218	4,327,209	5,609,974	5,494,244
Buildings	2,471,738	1,890,077	2,502,033	2,134,569
Grounds	822,681	800,885	829,495	897,785
Vehicles & Equipment	892,443	845,100	917,315	944,900
Total Material & Supplies	\$9,020,200	\$8,764,272	\$10,718,264	\$10,385,998
Office	\$334,758	\$492,662	\$367,882	\$477,205
Administration	882,774	910,405	934,815	906,770
Noncapital Equipment & Facilities	180,164	240,000	461,314	432,090
TOTAL EXPENSES	\$33,373,689	\$35,450,398	\$36,473,274	\$38,065,674

Operation Expenses by Department For Budget 2019



Albany County Airport Authority Albany International Airport 2019 Budget SUMMARY OF EXPENSES				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
DEPARTMENT SUMMARY (Direct & Indirect)				
Direct Cost Centers				
Airfield	\$3,122,979	\$3,255,010	\$3,332,212	\$3,408,312
Terminal	5,178,912	5,459,185	5,595,164	5,641,207
Loading Bridges	309,228	293,482	331,448	311,451
Landside:				
Parking	4,179,304	4,745,146	4,182,366	4,733,138
Landside Development	1,474,528	1,133,753	1,295,667	1,313,568
FBO Commercial	2,216,976	2,432,586	2,757,413	2,562,503
FBO GA & Facilities	4,380,650	4,467,266	5,349,037	5,513,168
Total Direct Cost Centers	\$20,862,577	\$21,786,429	\$22,843,307	\$23,483,348
Indirect Cost Centers				
ARFF	\$1,922,808	\$2,075,056	\$1,928,744	\$2,192,616
Operations	932,276	1,005,829	993,892	1,030,987
Security	2,424,013	3,039,977	2,722,084	3,152,169
Vehicle/Equipment	1,373,376	1,395,246	1,723,881	1,748,677
Airport Management Administration	868,203	877,978	875,042	911,146
FBO Administration	639,701	665,934	645,837	684,343
Airport Authority Administration	4,350,735	4,603,949	4,740,486	4,862,389
Total Indirect Cost Centers	\$12,511,112	\$13,663,969	\$13,629,966	\$14,582,327
TOTAL EXPENSES	\$33,373,689	\$34,248,113	\$36,473,274	\$38,065,674

Albany County Airport Authority 2019 Expenditures by Line Item

DESCRIPTION	ACCT	2019 Budget AvPorts Totals	2019 Budget MA Totals	2019 Budget ACAA Admin	Budget 2019	Projected 2018	2019 Over 2018 Projected	2019 Over 2018 Projected
PERSONNEL SERVICES								
Salaries	1 1000	7,088,746	1,273,941	1,976,885	10,339,572	9,427,726	911,846	9.7%
Overtime (1.5)	1 2010	678,976	175,277	0	854,253	1,027,500	-173,247	-16.9%
Overtime (2.0)	1 2020	37,985	0	0	37,985	39,791	-1,807	-4.5%
Temporary Help	1 3000	0	0	0	0	7,022	-7,022	-100.0%
Subtotal		7,805,706	1,449,218	1,976,885	11,231,809	10,502,039	729,770	6.9%
EMPLOYEE BENEFITS								
Social Security	2 1000	563,085	110,866	151,803	825,753	777,754	47,999	6.2%
Health-Active	2 2000	2,173,434	410,236	598,427	3,182,098	2,862,020	320,078	11.2%
OPEB	2 2105	0	0	325,000	325,000	300,000	25,000	8.3%
Health-Dental	2 2200	0	0	45,232	45,232	46,135	-903	-2.0%
Health-Vision	2 2300	0	0	6,643	6,643	6,763	-120	-1.8%
Health-Aflac	2 3000	0	0	7,560	7,560	7,428	132	1.8%
Medical Exams	2 4000	21,600	1,500	0	23,100	11,538	11,562	100.2%
Capital EAP Program	2 4010	0	0	969	969	969	0	0.0%
Smoking Cessation Class	2 4015	0	0	1,200	1,200	0	1,200	0.0%
Uniforms & Laundry	2 5000	46,700	6,650	0	53,350	48,857	4,493	9.2%
Uniform Purchases	2 5005	32,600	11,500	0	44,100	31,566	12,534	39.7%
NYS Disability Insurance/Life Insurance	2 6010	135,480	3,470	644	139,595	137,483	2,112	1.5%
Unemployment Insurance	2 6020	52,123	19,910	3,259	75,292	59,003	16,289	27.6%
Workers Compensation	2 6030	506,274	0	4,812	511,086	367,757	143,329	39.0%
Retirement Plans	2 9000	163,076	13,967	250,577	427,620	454,552	-26,932	-5.9%
Subtotal		3,694,372	578,099	1,396,126	5,668,597	5,111,824	556,773	10.9%
UTILITIES & COMMUNICATIONS								
Electric	3 1000	1,456,250	53,000	23,000	1,532,250	1,462,608	69,642	4.8%
Natural Gas	3 3000	273,500	33,000	5,500	312,000	305,955	6,045	2.0%
Sewer	3 4000	92,400	0	0	92,400	91,431	969	1.1%
Water	3 5000	106,150	1,400	0	107,550	93,210	14,340	15.4%
Telephone Charges - Local	3 6010	13,870	550	5,500	19,920	18,740	1,180	6.3%
Telephone Charges - Long Distance	3 6011	675	650	1,500	2,825	2,006	819	40.8%
Telephone-Sheriff	3 6012	4,200	0	0	4,200	4,031	169	4.2%
Telephones-Monthly Service	3 6015	0	0	15,000	15,000	13,000	2,000	15.4%
Telephones-Monthly Usage	3 6016	0	0	1,500	1,500	1,248	252	20.2%
Payphones-Annual& Monthly Service	3 6017	21,271	0	0	21,271	21,281	-11	0.0%
Payphones-Monthly Usage	3 6018	300	0	0	300	257	43	16.7%
Telephone Parts & Repairs	3 6020	5,000	0	23,585	28,585	17,730	10,855	61.2%
Telephone Cellular	3 6030	42,000	0	0	42,000	46,490	-4,490	-9.7%
Wireless	3 6033	0	2,414	0	2,414	2,608	-194	-7.5%
Internet Access	3 6032	0	0	17,100	17,100	16,719	381	2.3%
Radio Communications	3 6035	0	400	0	400	817	-417	-51.0%
Paging Services	3 6040	0	0	0	0	0	0	0.0%
Cable Television	3 6060	3,435	1,740	233	5,408	5,646	-238	-4.2%
Subtotal		2,019,051	93,154	92,918	2,205,123	2,103,779	101,344	4.8%
PURCHASED SERVICES								
Accounting and Auditing								
Financial	4 1010	0	0	55,000	55,000	65,712	-10,712	-16.3%
Rates and Charges	4 1020	0	0	6,000	6,000	6,000	0	0.0%
Subtotal		0	0	61,000	61,000	71,712	-10,712	-14.9%
Insurance								
Airport Liability	4 2010	5,750	120,868	227,168	353,786	353,787	0	0.0%
Automotive	4 2020	68,378	0	0	68,378	68,378	0	0.0%
Environmental Liability	4 2041	0	7,642	38,705	46,347	38,705	7,642	19.7%
Property Insurance	4 2060	180,028	52,017	2,027	234,073	234,073	0	0.0%
Crime	4 2065	0	0	2,397	2,397	4,116	-1,719	-41.8%
Public Officials Liability	4 2070	0	0	24,519	24,519	24,519	0	0.0%
Cyber Liability Insurance	4 2080	0	0	11,906	11,906	11,906	0	0.0%
Fiduciary Liability	4 2090	0	0	1,272	1,272	1,272	0	0.0%
Agent Fee	4 2093	0	0	30,000	30,000	30,000	0	0.0%
Insurance Claims	4 2095	15,500	20,000	0	35,500	121,176	-85,676	-70.7%
Subtotal		269,657	200,527	337,994	808,178	887,931	-79,753	-9.0%

Albany County Airport Authority 2019 Expenditures by Line Item

DESCRIPTION	ACCT	2019 Budget AvPorts Totals	2019 Budget MA Totals	2019 Budget ACAA Admin	Budget 2019	Projected 2018	2019 Over 2018 Projected	2019 Over 2018 Projected
Outside Services								
Legal	4 3000	0	0	50,000	50,000	105,490	-55,490	-52.6%
Public Safety	4 4000	2,731,859	0	0	2,731,859	2,319,528	412,331	17.8%
Perimeter Security	4 4005	298,107	0	0	298,107	291,716	6,391	2.2%
Armored Car Services	4 4010	11,000	0	0	11,000	9,057	1,943	21.4%
Parking Valet Service	4 4020	350,000	0	0	350,000	379,257	-29,257	-7.7%
Employee Shuttle	4 4030	25,000	0	0	25,000	16,667	8,333	50.0%
Janitorial Services	4 5000	413,081	0	17,063	430,143	426,838	3,305	0.8%
Refuse Removal Services	4 5010	66,060	3,000	0	69,060	69,677	-617	-0.9%
Public Relations	4 6010	0	42,000	85,389	127,389	119,870	7,519	6.3%
Artistic Exhibits	4 6012	100,817	0	0	100,817	125,282	-24,465	-19.5%
Departure	4 6013	266,471	0	0	266,471	256,929	9,542	3.7%
Advertising	4 6015	0	0	329,565	329,565	152,531	177,034	116.1%
Passenger Information Booth	4 6020	151,132	0	0	151,132	142,488	8,644	6.1%
Special Studies	4 7000	22,000	0	35,000	57,000	73,590	-16,590	-22.5%
GIS Services	4 7010	12,200	0	0	12,200	771	11,429	1482.6%
Subtotal		4,447,727	45,000	517,017	5,009,743	4,489,692	520,051	11.6%
Professional Services								
Plumbing	4 9002	0	0	0	0	0	0	0.0%
Appraisals	4 9005	0	0	5,000	5,000	0	5,000	0.0%
Architectural	4 9010	40,000	0	30,000	70,000	4,814	65,186	1354.2%
Consultant	4 9015	0	0	18,000	18,000	46,875	-28,875	-61.6%
Engineering Services	4 9020	33,000	0	3,000	36,000	40,415	-4,415	-10.9%
Professional Management	4 9040	425,000	280,000	0	705,000	686,758	18,242	2.7%
Code Enforcement	4 9060	0	0	45,160	45,160	45,160	0	0.0%
Subtotal		498,000	280,000	101,160	879,160	824,022	55,138	6.7%
Total Purchased Services		5,215,383	525,527	1,017,171	6,758,081	6,273,358	484,724	7.7%
MATERIALS AND SUPPLIES								
Airfield								
Fencing	5 1010	10,000	0	0	10,000	10,506	-506	-4.8%
Airfield Lighting System	5 1011	100,000	0	0	100,000	44,511	55,489	124.7%
Pavement Repairs	5 1014	10,000	0	0	10,000	10,738	-738	-6.9%
Apron Maintenance	5 1015	50,000	0	0	50,000	48,069	1,931	4.0%
Runway Painting	5 1016	40,000	0	0	40,000	30,259	9,741	32.2%
Airfield Shop Supplies	5 1017	25,000	0	0	25,000	31,087	-6,087	-19.6%
Snow Removal Supplies	5 1019	250,000	0	0	250,000	302,258	-52,258	-17.3%
Rubber Removal	5 1020	35,000	0	0	35,000	28,131	6,869	24.4%
ARFF								
EMS Supplies	5 1030	12,000	0	0	12,000	7,809	4,191	53.7%
ARFF Supplies	5 1031	25,000	0	0	25,000	7,102	17,898	252.0%
Hazardous Material Supplies	5 1032	6,000	0	0	6,000	6,000	0	0.0%
Foam	5 1033	24,000	0	0	24,000	7,685	16,315	212.3%
Glycol								
Glycol Disposal (BOD)	5 1051	0	0	0	0	0	0	0.0%
Waste Water Conveyance	5 1052	7,500	0	0	7,500	7,500	0	0.0%
Electricity & Gas	5 1053	95,000	0	0	95,000	92,496	2,504	2.7%
Sewer District Charges	5 1054	5,000	0	0	5,000	5,000	0	0.0%
Water District Chemical Analysis	5 1055	20,000	0	0	20,000	20,296	-296	-1.5%
System Maintenance & Repairs	5 1057	200,000	0	0	200,000	200,000	0	0.0%
Subtotal		914,500	0	0	914,500	859,447	55,053	6.4%
FBO								
Fuel Cost - Jet	5 1101	0	3,383,148	0	3,383,148	3,204,684	178,463	5.6%
Fuel Discounts - Jet A	5 1102	0	350,000	0	350,000	371,291	-21,291	-5.7%
Fuel Cost - Avgas	5 1103	0	208,634	0	208,634	202,137	6,497	3.2%
Fuel Discounts - AvGas	5 1104	0	4,000	0	4,000	3,409	591	17.4%
Fuel Cost - Auto	5 1105	0	78,000	0	78,000	78,208	-208	-0.3%
Fuel Cost Diesel	5 1107	0	200,000	0	200,000	206,695	-6,695	-3.2%
Fuel Cost - Avgas Commercial	5 1108	0	233,069	0	233,069	346,530	-113,460	-32.7%
Deicing Type I - Sprayed	5 1109	0	344,414	0	344,414	406,984	-62,570	-15.4%
Deicing Type IV - Sprayed	5 1110	0	44,759	0	44,759	51,776	-7,017	-13.6%
Deicing Type I - Consortium	5 1111	0	505,500	0	505,500	567,517	-62,017	-10.9%
Deicing Type IV - Consortium	5 1112	0	137,720	0	137,720	167,821	-30,101	-17.9%
Catering	5 1120	0	1,000	0	1,000	0	1,000	0.0%
Oil	5 1125	0	3,000	0	3,000	2,175	825	37.9%
TKS (Deicing fluid)	5 1126	0	1,000	0	1,000	747	253	33.9%
Charts, Pilot Supplies	5 1130	0	0	0	0	0	0	0.0%
Subtotal		0	5,494,244	0	5,494,244	5,609,974	-115,730	-2.1%

Albany County Airport Authority 2019 Expenditures by Line Item

DESCRIPTION	ACCT	2019 Budget AvPorts Totals	2019 Budget MA Totals	2019 Budget ACAA Admin	Budget 2019	Projected 2018	2019 Over 2018 Projected	2019 Over 2018 Projected
BUILDINGS								
Alarm and PA Systems	5 2010	107,995	6,200	3,000	117,195	154,246	-37,051	-24.0%
Card Access Control	5 2012	55,000	0	0	55,000	60,393	-5,393	-8.9%
CCTV Repair	5 2013	35,000	0	0	35,000	20,271	14,729	72.7%
Key Access System	5 2014	25,000	0	0	25,000	25,943	-943	-3.6%
Baggage System	5 2020	20,000	0	0	20,000	20,000	0	0.0%
Electrical Repairs & Supplies	5 2031	209,000	10,000	8,000	227,000	356,870	-129,870	-36.4%
Elevator Repairs & Supplies	5 2032	120,000	5,000	3,000	128,000	138,812	-10,812	-7.8%
HVAC	5 2033	211,000	10,500	1,500	223,000	293,307	-70,307	-24.0%
Roof	5 2034	28,000	5,500	500	34,000	36,155	-2,155	-6.0%
Plumbing Repairs & Supplies	5 2035	66,000	3,500	1,500	71,000	104,896	-33,896	-32.3%
Automatic Door Repairs & Supplies	5 2036	9,000	4,000	500	13,500	6,025	7,475	124.1%
Pest Control	5 2037	16,640	744	1,500	18,884	17,682	1,202	6.8%
Roof Repairs - Major Damage	5 2038	0	0	0	0	24,809	-24,809	-100.0%
Fire Extinguishers	5 2040	6,000	0	0	6,000	5,000	1,000	20.0%
Fire Equipment Testing	5 2041	3,800	0	0	3,800	3,000	800	26.7%
US Customs	5 2050	25,000	0	0	25,000	45,013	-20,013	-44.5%
Control Tower	5 2051	300,000	0	0	300,000	300,000	0	0.0%
Storage Space Rental	5 2059	0	0	7,500	7,500	5,845	1,655	28.3%
Building Maintenance	5 2060	437,500	27,000	3,000	467,500	632,891	-165,391	-26.1%
Janitorial Supplies	5 2062	153,500	5,000	0	158,500	125,551	32,949	26.2%
Window Washing	5 2063	64,908	4,477	1,263	70,648	72,002	-1,354	-1.9%
ID Tags	5 2071	27,000	0	0	27,000	29,987	-2,987	-10.0%
Sign Expense	5 2080	4,000	500	0	4,500	9,600	-5,100	-53.1%
FIDS	5 2090	96,542	0	0	96,542	13,735	82,807	602.9%
Subtotal		2,020,885	82,421	31,263	2,134,569	2,502,033	-367,464	-14.7%
GROUNDS								
Landscaping	5 3010	19,200	500	500	20,200	40,585	-20,385	-50.2%
Fencing	5 3020	1,500	0	0	1,500	0	1,500	0.0%
Pavement Repairs	5 3030	120,000	500	0	120,500	149,135	-28,635	-19.2%
Utility Repairs	5 3035	500	0	0	500	0	500	0.0%
Sign Expense	5 3040	15,000	100	0	15,100	8,238	6,862	83.3%
Traffic Light Repairs and Materials	5 3041	2,000	0	0	2,000	0	2,000	0.0%
Catch Basin Maintenance	5 3045	3,000	0	0	3,000	0	3,000	0.0%
Snow Removal Supplies	5 3048	70,000	0	0	70,000	84,098	-14,098	-16.8%
Snow Removal Contract Services	5 3050	265,600	0	0	265,600	217,017	48,583	22.4%
NYS Police Hangar	5 3051	125,000	0	0	125,000	125,000	0	0.0%
Dump Fees - Landfill	5 3060	9,150	0	0	9,150	8,009	1,141	14.2%
Hazardous Waste Management	5 3070	12,300	10,000	0	22,300	19,238	3,062	15.9%
Wildlife Hazard Management	5 3071	38,000	0	0	38,000	10,185	27,815	273.1%
Liquid Waste Disposal	5 3078	30,000	12,000	0	42,000	42,265	-265	-0.6%
Land Lease	5 3085	22,935	0	0	22,935	22,935	0	0.0%
T-Hangar Maintenance	5 3090	140,000	0	0	140,000	102,790	37,210	36.2%
Subtotal		874,185	23,100	500	897,785	829,495	68,291	8.2%
VEHICLES AND EQUIPMENT								
Gasoline	5 4010	67,000	10,000	0	77,000	70,960	6,040	8.5%
Diesel Fuel	5 4011	137,000	64,000	0	201,000	194,186	6,814	3.5%
CNG	5 4015	23,000	0	0	23,000	22,629	371	1.6%
Oil/Grease	5 4012	28,000	0	0	28,000	23,394	4,606	19.7%
Vehicle/Equipment Tires	5 4013	43,000	10,500	0	53,500	40,186	13,314	33.1%
Vehicle Repair and Maintenance	5 4021	62,000	1,500	0	63,500	75,310	-11,810	-15.7%
Veh Communication Equip. Repairs	5 4022	7,000	2,000	0	9,000	10,073	-1,073	-10.7%
Sheriff Vehicle Repair and Maintenance	5 4023	100	0	0	100	0	100	0.0%
Sheriff Radio Repair and Maintenance	5 4024	0	0	0	0	0	0	0.0%
General Equip. Repair/Maintenance	5 4030	70,800	57,500	0	128,300	115,965	12,335	10.6%
Quality Control Testing Equipment	5 4031	0	15,000	0	15,000	3,377	11,623	344.1%
Heavy Equipment Maintenance	5 4040	60,000	125,000	0	185,000	217,050	-32,050	-14.8%
ARFF Equipment Maintenance	5 4045	20,000	0	0	20,000	8,886	11,114	125.1%
Snow Equipment Repair/Maintenance	5 4050	80,000	0	0	80,000	70,807	9,193	13.0%
Mower Repair/Maintenance	5 4060	15,000	0	0	15,000	15,295	-295	-1.9%
Vehicle Shop Tools and Supplies	5 4070	40,000	6,500	0	46,500	49,196	-2,696	-5.5%
Fuel Truck Rental	5 4075	0	0	0	0	0	0	0.0%
Subtotal		652,900	292,000	0	944,900	917,315	27,585	3.0%
Total Materials and Supplies		4,462,470	5,891,765	31,763	10,385,998	10,718,264	-332,266	-3.1%

Albany County Airport Authority 2019 Expenditures by Line Item

DESCRIPTION	ACCT	2019 Budget AvPorts Totals	2019 Budget MA Totals	2019 Budget ACAA Admin	Budget 2019	Projected 2018	2019 Over 2018 Projected	2019 Over 2018 Projected
OFFICE								
Office Equipment Rental	5 5010	5,794	1,912	10,133	17,839	15,190	2,649	17.4%
Copy Machine Use	5 5011	25	0	0	25	0	25	0.0%
Office Equipment Service Agreement	5 5012	3,292	600	3,297	7,189	8,909	-1,720	-19.3%
Office Equipment Repairs	5 5013	700	100	500	1,300	0	1,300	0.0%
Computer System Supplies	5 5014	31,850	6,250	26,500	64,600	23,247	41,353	177.9%
Hardware/Software Maint Agreement & Support	5 5015	82,637	8,390	107,356	198,383	151,402	46,981	31.0%
Computer Equipment	5 5016	13,500	650	10,720	24,870	37,761	-12,891	-34.1%
Office Furniture and Fixtures	5 5020	6,750	2,000	10,000	18,750	10,857	7,893	72.7%
Printed Forms/Letterhead	5 5030	3,200	1,000	1,000	5,200	2,250	2,950	131.1%
Parking Ticket Stock	5 5031	16,000	0	0	16,000	13,701	2,299	16.8%
Printing Outside Services	5 5032	100	300	20,000	20,400	13,060	7,340	56.2%
Postage	5 5040	0	0	8,500	8,500	8,598	-98	-1.1%
Express Mail	5 5041	600	250	500	1,350	1,310	40	3.0%
Reference Materials	5 5050	700	0	1,000	1,700	500	1,200	240.0%
Office Supplies	5 5060	13,100	5,000	15,000	33,100	22,814	10,286	45.1%
Payroll Services	5 5070	34,000	18,000	6,000	58,000	58,283	-283	-0.5%
Subtotal		212,248	44,452	220,506	477,205	367,882	109,323	29.7%
ADMINISTRATIVE								
Dues and Subscriptions	6 6000	8,850	17,300	18,000	44,150	35,901	8,249	23.0%
Airport Membership (ACI)	6 6001	0	0	14,000	14,000	13,906	94	0.7%
AAAE	6 6002	1,100	0	550	1,650	1,650	0	0.0%
GFOA	6 6003	0	0	800	800	0	800	0.0%
NYS Bar Association	6 6005	0	0	670	670	670	0	0.0%
NY Airport Managers Association	6 6006	0	0	5,000	5,000	5,000	0	0.0%
Local Chambers of Commerce	6 6007	0	0	6,000	6,000	6,446	-446	-6.9%
Center for Economic Growth	6 6008	0	0	3,000	3,000	3,000	0	0.0%
AvPorts/MA Training & Travel	6 6010	70,600	11,500	0	82,100	46,265	35,835	77.5%
Authority Travel and Education	6 6011	0	0	500	500	0	500	0.0%
Mgmt. Travel and Education	6 6012	0	0	20,000	20,000	25,970	-5,970	-23.0%
Functions/Refreshments	6 6013	0	1,000	20,000	21,000	19,270	1,730	9.0%
Outside Functions	6 6014	0	0	5,000	5,000	0	5,000	0.0%
Incentives	6 6015	0	43,000	0	43,000	40,940	2,060	5.0%
Tuition Reimbursement	6 6020	0	0	0	0	0	0	0.0%
Advertising/Public Meetings	6 6030	2,000	0	20,000	22,000	18,775	3,225	17.2%
Economic Development	6 6031	10,000	1,000	1,000	12,000	0	12,000	0.0%
License and Permits	6 6040	2,400	0	2,500	4,900	2,400	2,500	104.2%
Property Taxes	6 6050	37,000	0	10,000	47,000	37,302	9,698	26.0%
Credit Card Service Charges	6 6060	350,000	104,000	0	454,000	462,843	-8,843	-1.9%
EZPass Fees	6 6061	120,000	0	0	120,000	118,909	1,091	0.9%
Bank & Paying Agent Fees	6 6062	0	0	0	0	8,000	-8,000	-100.0%
A/R Write Offs	6 6065	0	0	0	0	87,568	-87,568	-100.0%
County Indirect	6 6095	0	0	0	0	0	0	0.0%
Subtotal		601,950	177,800	127,020	906,770	934,815	-28,045	-3.0%
TOTAL OPERATIONS		24,011,180	8,760,015	4,862,389	37,633,584	36,011,960	1,621,624	4.5%
Non-Capital Equipment	8 3000	432,090	0	0	432,090	461,314	-29,223	-6.3%
Total Expenses		24,443,271	8,760,015	4,862,389	38,065,674	36,473,274	1,592,401	4.4%

5) AFCO AVPORTS MANAGEMENT, LLC'S COST CENTER STRUCTURE

The Authority has contracted with AFCO AvPORTS Management LLC (“AFCO”) and Aviation Facilities Company, Inc. (“AFCO Parent”) to manage the day-to-day operations and maintenance of the Airport. Under AFCO AvPORTS, there are five direct cost centers: Airfield, Terminal, Loading Bridges, Parking, and Landside and five indirect cost centers: ARFF, Operations, Security, Vehicles and Equipment Maintenance, and AvPORTS Administration. Included in this section for each cost center there is a brief description with responsibilities, performance measurements, the goals and objectives with activities and the projected results to be achieved for 2018 and 2019, and the summary of expenses by category for each department with the department’s employee count. Also included are the expenditures by line item, the schedule of salaries and benefits, and the organizational chart.

A summary of AFCO AvPORTS operating expenses by cost center is summarized in the following table.

	Audited	Budget	Projected	Budget
	2017	2018	2018	2019
Airfield	\$ 3,122,979	\$ 3,255,010	\$ 3,332,212	\$ 3,408,312
Terminal	5,178,912	5,459,185	5,595,164	5,641,207
Loading Bridges	309,228	293,482	331,448	311,451
Parking	4,179,304	4,745,146	4,182,366	4,733,138
Landside Development	1,474,528	1,133,753	1,295,667	1,313,568
ARFF	1,922,808	2,075,056	1,928,744	2,192,616
Operations	932,276	1,005,829	993,892	1,030,987
Security	2,424,013	3,039,977	2,722,084	3,152,169
Vehicle/Equipment	1,373,376	1,395,246	1,723,881	1,748,677
AFCO AvPorts Administration	868,203	877,978	875,042	911,146
TOTAL OPERATING EXPENSES	\$ 21,785,627	\$ 23,280,662	\$ 22,980,499	\$ 24,443,271

AIRFIELD This cost center includes the salaries and benefits for the airfield maintenance workers and the direct costs associated with the maintenance and repairs of all areas inside the Air Operations Area (AOA). This cost center is responsible for all areas within the AOA including the runways, taxiways and ramp areas. This cost center also includes the expenses for the glycol containment system and all maintenance and repairs for airside buildings including the airfield/vehicle maintenance facility.

Airfield Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
Number of vehicle accidents on Airfield over \$1,000	1	0	0	0
Airport remained open for all airline operations	100%	100%	100%	100%
Electrical work-orders	868	700	1015	700
SPEDES permit sanctions	0	0	0	0
Gallons of deicing aircraft storm water fluid collected	18,499,000	25,000,000	16,255,812	25,000,000
Pounds of Biochemical Oxygen Demand in the collected storm water removed (the higher the better)	3.3%	3.5%	4.5%	3.5%
Employees with CDL licenses	33	40	33	40
Runway incidents	0	0	0	0
Notices to Airmen (NOTAMs) for airfield lighting	28	0	29	0
Occupational Safety and Health Administration (OSHA) reportable incidents	2	0	2	0
Liquid potassium acetate used on runways (avg gallons per snow ice event)	2,418	4,000	3,500	4,000
Airfield electric usage (KWH)	659,988	635,000	677,288	675,000
Overtime/Personnel Services (%)	14.0%	9.9%	12.4%	10.6%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for Airfield

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Improve snow removal	<p>Monitor maintenance costs while operating efficiently</p> <p>Minimize overtime</p>	<ul style="list-style-type: none"> Schedule workers for 12-hour shifts during storms Assign specially trained employees to specific areas Clean obscured airfield lighting Implement third shift Adjust the shifts for glycol employees Employ temporary employees 	<ul style="list-style-type: none"> Airport remains open 100% for all airline operations Maintain a safe 140 foot runway Protect life and property Monitor the cost of snow removal supplies Minimize overtime 	<ul style="list-style-type: none"> Airport remains open 100% for all airline operations Maintain a safe 140 foot runway Protect life and property Monitor the cost of snow removal supplies Monitor and review if there isn't an extreme amount of bad weather
Reduce glycol treatment system sludge removal and disposal costs	<p>Convert treatment system sludge into usable compost</p> <p>Collect less water (clean snow and rain) more BOD 3.5%</p>	<ul style="list-style-type: none"> Use BOD as a gauge to test the effectiveness of waste water treatment Install and operate onsite composting system 	<ul style="list-style-type: none"> Keep collected storm water under 25m gallons Collect high BOD storm water to reduce operating cost 	<ul style="list-style-type: none"> Keep collected storm water under 25m gallons Collect high BOD storm water to reduce operating cost
Promote Safety	<p>Provide safe work place</p>	<ul style="list-style-type: none"> Supply proper safety equipment Educate staff on safety through training and meetings Provide employees with proper training and drive time to pass CDL certification 	<ul style="list-style-type: none"> Maintain low Occupational Safety and Health Administration (OSHA) reportable accidents Thirty-four employees will have their CDL licenses 	<ul style="list-style-type: none"> Reduce Occupational Safety and Health Administration (OSHA) reportable accidents Forty employees will have their CDL licenses
Maintain a satisfactory record on controlling effluent deicing fluid	<p>Comply with New York Encon State Safety regulations</p>	<ul style="list-style-type: none"> Operate according to Best Practice Standards 	<ul style="list-style-type: none"> Operate at zero Encon sanctions and fines 	<ul style="list-style-type: none"> Operate at zero Encon sanctions and fines

Summary of Expenses for Airfield

	Audited 2017	Budget 2018	Projected 2018	Budget 2019
<u>AIRFIELD</u>				
Personnel Services	\$1,164,136	\$1,250,297	\$1,317,946	\$1,355,075
Employee Benefits	510,715	610,657	565,171	627,657
Utilities & Communications	109,112	118,100	129,302	129,500
Purchased Services	247,865	247,851	254,748	260,613
Materials & Supplies	942,579	1,007,488	957,491	1,017,988
Office	3,551	10,177	6,295	8,880
Administration	19,564	10,440	54,182	8,600
Noncapital Equipment & Facilities	125,457	0	47,078	0
	<u>\$3,122,979</u>	<u>\$3,255,010</u>	<u>\$3,332,212</u>	<u>\$3,408,312</u>
Employee Count	22.75	26.5	22.5	26.5

TERMINAL This department includes the salaries and benefits for the terminal maintenance and custodial staff. This department also includes all the direct costs associated with the daily maintenance and repairs of the terminal building. The expenditures include utilities, communication systems, window washing, elevator service, HVAC, electrical, plumbing, baggage systems, cleaning supplies, and the contracted services for the carpet, slate and terrazzo floor maintenance for the terminal facility.

Terminal Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
HVAC Equipment in operation	100.0%	100.0%	100.0%	100.0%
Work Orders	3,548	3,600	4,284	4,000
Survey: cleanliness of the terminal	N/A	80%	80%	80%
Average # of days a work order remains open	2.5	2.5	2.6	2.5
Plumbing Equipment in operation	100%	100%	100%	100%
Terminal Maintenance direct cost per square	\$17.77	\$18.81	\$19.27	\$19.43
Terminal electrical usage (KWH): 79 Building	1,337,120	1,540,000	1,364,041	1,400,000
Terminal electrical usage (KWH): 98 Building	7,041,849	7,329,000	6,849,588	7,000,000
Overtime/Personnel Services (%)	7.6%	5.9%	9.4%	6.2%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for Terminal

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Provide terminal maintenance by maintaining cost efficiency, open communication, well maintained equipment, and monitoring outside contractors for the traveling public, tenants, and employees				
	Maintain cost effectiveness for HVAC, plumbing, and building maintenance	<ul style="list-style-type: none"> • Work with the purchasing agent to reduce costs in supplies and equipment • Perform a preventative maintenance program • Compare the cost of outside contractors to the option of performing duties in-house • Monitor work performed by outside contractors • Monitor electricity usage by observing actual usage stated on invoices 	<ul style="list-style-type: none"> • Minimize the costs of purchased services • Minimize the costs of materials and supplies • Ensure quality of work performed by contractors • Monitor actual hours worked by contractors • Monitor energy usage 	<ul style="list-style-type: none"> • Minimize the costs of purchased services • Minimize the costs of materials and supplies • Ensure quality of work performed by contractors • Monitor actual hours worked by contractors • Monitor energy usage
	Maintain an attractive, clean and well maintained terminal	<ul style="list-style-type: none"> • Conduct a daily walk through of all areas • Issue daily work orders for building repairs • Conduct a survey • Continue upgrades in terminal appearance 	<ul style="list-style-type: none"> • Achieve a well maintained and clean environment • Achieve an 80% favorable survey response 	<ul style="list-style-type: none"> • Achieve a well maintained and clean environment • Achieve an 80% favorable survey response
	Improve Staff efficiency	<ul style="list-style-type: none"> • Develop improved work assignments • Conduct work inspection program • Contract HVAC and plumbing repair to an outside company • Issue daily assignments to leads 	<ul style="list-style-type: none"> • Improve work accountability • Maintain personnel services below budget levels 	<ul style="list-style-type: none"> • Improve work accountability • Maintain personnel services below budget levels

Summary of Expenses for Terminal

	Audited 2017	Budget 2018	Projected 2018	Budget 2019
TERMINAL				
Personnel Services	\$1,277,061	\$1,420,955	\$1,286,654	\$1,425,177
Employee Benefits	708,844	694,973	678,871	717,856
Utilities & Communications	1,046,263	1,121,189	1,041,196	1,125,156
Purchased Services	1,077,785	1,161,024	1,184,059	1,201,072
Materials & Supplies	1,046,021	910,240	1,298,428	1,069,861
Office	22,938	48,805	7,744	34,385
Administration	0	2,000	23,829	2,000
Noncapital Equipment & Facilities	0	100,000	74,385	65,700
	<u>\$5,178,912</u>	<u>\$5,459,185</u>	<u>\$5,595,164</u>	<u>\$5,641,207</u>
Employee Count	38.25*	41.50*	38.25*	41.50*

*Includes 0.5 FTE for artistic exhibits and 5.5 FTE for museum shop.
Their salaries and benefits are allocated to the direct expense.

LOADING BRIDGES This cost center includes the maintenance expenses and related debt service payments associated with 13 loading bridges. Revenues are collected in amounts sufficient to offset any expenses the Authority incurs.

Loading Bridge Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
Direct Cost per Loading Bridge	\$23,787	\$22,576	\$25,496	\$23,958
Airline Employees trained as requested	13	5	35	10
Over-the-Wing (OTW) Loading Bridge total operations	4,249	4,300	4,081	4,200
Loading Bridge electrical usage (KWH) (6.1% of 98 building gets allocated)	635,970	640,000	593,501	600,000
OTW Loading Bridge Maintenance calls	80	10	98	10
OTW Loading Bridge out of service	30.2%	0.0%	29.8%	0.0%
Number of leased loading bridges	13	13	13	13
Overtime/Personnel Services (%)	16.1%	10.2%	15.1%	11.2%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for Loading Bridges

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Maintain and service the loading bridges with minimum downtime				
	Perform annual preventative maintenance program (PM)	<ul style="list-style-type: none"> Continue Jet Bridge PM program (evening inspection program) Schedule a sequence for loading bridge PM's Continue to monitor OTW loading bridges Improve maintenance coordination for Over the Wing (OTW) bridges 	<ul style="list-style-type: none"> PM's per schedule will continue No disruptions or delays to airline operations Maintain OTW out of service Maintain low maintenance calls on OTW bridges Improve OTW loading bridge availability Maintain overtime at budget levels 	<ul style="list-style-type: none"> Complete loading bridge PM's per schedule No disruptions or delays to airline operations Maintain OTW out of service Maintain low maintenance calls on OTW bridges Improve OTW loading bridge availability Maintain overtime at budget levels
	Continue on-site training to airline personnel	<ul style="list-style-type: none"> Provide training as requested to airline personnel 	<ul style="list-style-type: none"> Offer training to airline personnel with no response- two employees trained 	<ul style="list-style-type: none"> Train airline personnel to correctly operate the loading bridges as requested

Summary of Expenses for Loading Bridges

	Audited 2017	Budget 2018	Projected 2018	Budget 2019
LOADING BRIDGES				
Personnel Services	\$88,134	\$89,187	\$88,314	\$90,060
Employee Benefits	50,245	52,145	49,411	54,241
Utilities & Communications	68,250	68,250	68,250	68,250
Purchased Services	0	0	0	0
Materials & Supplies	102,599	82,900	125,473	97,900
Office	0	0	0	0
Administration	0	1,000	0	1,000
Noncapital Equipment & Facilities	0	0	0	0
	\$309,228	\$293,482	\$331,448	\$311,451
Employee Count	2	2	2	2

PARKING This cost center is used to account for all the cost necessary to maintain the parking garage, the parking lots, and the shuttle buses used between the terminal and economy parking lot. This cost center also includes the salaries and benefits for the parking cashiers, maintenance workers, shuttle bus drivers and detailer, utilities, parking lot equipment maintenance and repair, parking ticket stock, maintenance of the shuttle buses, and snow removal services.

Parking Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
Express parking transactions	345,998	325,000	346,936	350,000
Cashier parking transactions	292,572	312,000	291,845	300,000
Cashier parking transaction errors	67	114	53	50
Shuttle Bus Survey	N/A	85%	85%	85%
Customer/vehicle contact	0	0	0	0
OSHA recordable accidents	2	0	2	0
Parking electrical usage (KWH)	348,356	345,000	341,713	345,000
Parking Garage electrical usage (KWH) (23.5% of 98 building gets allocated)	2,450,047	2,500,000	2,286,439	2,500,000
YTD Loss/Gain	-\$636	-\$884	\$462	\$0
Overtime/Personnel Services (%)	14.8%	10.7%	16.9%	11.6%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for Parking

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Promote express parking machines (automated credit card and EZ-Pass plus payments)				
	Enhance the use of express parking machines	<ul style="list-style-type: none"> Train cashiers to assist customers with problem transactions at cashier free exits 	<ul style="list-style-type: none"> Achieve customer satisfaction for express parking Maintain express parking transactions 	<ul style="list-style-type: none"> Achieve customer satisfaction for express parking Maintain express parking transactions
Provide safe parking				
	Improve parking safety	<ul style="list-style-type: none"> Monitor and inspect parking areas Conduct safety meetings with employees 	<ul style="list-style-type: none"> Minimize risk of customer/vehicle contact to zero Minimize OSHA recordable accidents 	<ul style="list-style-type: none"> Reduce risk of customer/vehicle contact to zero Reduce OSHA recordable accidents to zero
Provide quality customer service				
	Be courteous and responsive to all customers	<ul style="list-style-type: none"> Monitor and provide training to employees to meet the demands of customers with patience and confidence Monitor employee's work performance 	<ul style="list-style-type: none"> Achieve quality customer satisfaction Maintain positive survey results 85% Minimize parking transaction errors Minimize YTD loss/gain 	<ul style="list-style-type: none"> Achieve quality customer satisfaction Maintain positive survey results 85% Reduce parking transaction errors by 5% Reduce YTD loss/gain
Cost Reduction				
	Control the use of supplies	<ul style="list-style-type: none"> Monitor salt use and procedures during the snow season Change to energy efficient bulbs in parking garage Monitor parking lights in economy lot 	<ul style="list-style-type: none"> Maintain expenses at budget level 	<ul style="list-style-type: none"> Maintain expenses at budget level

Summary of Expenses for Parking

	Audited 2017	Budget 2018	Projected 2018	Budget 2019
PARKING				
Personnel Services	\$1,497,980	\$1,951,409	\$1,502,176	\$1,868,633
Employee Benefits	688,644	870,223	721,742	852,760
Utilities & Communications	306,296	313,875	311,973	318,875
Purchased Services	512,025	431,414	451,756	435,219
Materials & Supplies	683,479	625,441	677,931	695,067
Office	21,984	78,184	30,665	77,984
Administration	443,761	451,600	475,089	476,600
Noncapital Equipment & Facilities	25,135	23,000	11,036	8,000
	\$4,179,304	\$4,745,146	\$4,182,366	\$4,733,138
Employee Count	39	45.5	40.0	45.5

LANDSIDE This cost center is used to account for expenses of the buildings and properties located outside the Air Operations Area (AOA). This cost center includes the costs to maintain those buildings and properties plus any Authority's responsibilities under lease agreements with tenants.

Landside Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
Number of tenants	56	56	56	56
Landside building rental (Sq ft) *	329,478	326,919	429,165	429,165
Landside land rental (acres)*	36	36	36	36
Tenant complaints	0	0	0	0

**Includes rented space/land only*

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for Landside

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Maintain properties	Maintain properties to appropriate safety, operational, and appearance levels	<ul style="list-style-type: none"> Schedule preventative maintenance Conduct monthly inspections of all buildings 	<ul style="list-style-type: none"> Maintain the cost of materials and supplies at budget level 	<ul style="list-style-type: none"> Maintain the cost of materials and supplies at budget level
		<ul style="list-style-type: none"> Timely response to emergency conditions Inspect properties on timely basis 	<ul style="list-style-type: none"> Maintain zero tenant complaints Maintain good tenant relationships 	<ul style="list-style-type: none"> Maintain zero tenant complaints Maintain good tenant relationships
Maintain good tenant relationships	Develop good communication channels to anticipate tenant needs	<ul style="list-style-type: none"> Hold annual tenant meeting to advise tenant community of airport activity and exchange information 	<ul style="list-style-type: none"> Reinforce airport community spirit Anticipate tenant concerns 	<ul style="list-style-type: none"> Reinforce airport community spirit Anticipate tenant concerns
		<ul style="list-style-type: none"> Conduct tenant survey 	<ul style="list-style-type: none"> Expect 80% positive response on survey results 	<ul style="list-style-type: none"> Expect 80% positive response on survey results

Summary of Expenses for Landside

	Audited 2017	Budget 2018	Projected 2018	Budget 2019
LANDSIDE				
Utilities & Communications	222,761	230,025	272,192	274,125
Purchased Services	98,873	85,528	60,384	83,743
Materials & Supplies	1,069,580	762,950	881,056	863,450
Office	0	8,250	2,483	3,250
Administration	83,314	47,000	37,302	47,000
Noncapital Equipment & Facilities	0	0	42,250	42,000
	\$1,474,528	\$1,133,753	\$1,295,667	\$1,313,568
Employee Count	2.5	2.5	2.5	2.5

*Two custodial workers maintain the Control Tower and 0.5 custodial worker maintains the ACAA building. Their salaries and benefits are allocated to the direct expense.

AIRCRAFT RESCUE AND FIRE FIGHTING (ARFF) This cost center includes the salaries and benefits for the ARFF employees, all the expenses for ARFF supplies, the maintenance expenses associated with the ARFF facility which includes HVAC, electrical, building maintenance, and the repair and maintenance of the ARFF vehicles and equipment.

ARFF Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
Annual Dispatch Calls	658	550	640	650
Tour conducted by ARFF	21	35	46	35
AED classes conducted	22	15	2	15
Fire Extinguishers inspected/serviced	5,970	5,600	5,777	5,800
NYS Fire Fighter training (training hours)	504	1,900	504	504
OSHA required fire training (training hours)	156	156	156	156
NYS EMT training (training hours)	480	480	480	480
FAA ARFF training (training hours)	516	516	516	516
Building code inspections	45	20	24	20
Overtime/Personnel Services (%)	18.6%	13.1%	11.4%	11.4%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for ARFF

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Life Safety	Provide trained employees with lifesaving equipment	<ul style="list-style-type: none"> • Train employees in the use of AEDs • Purchase new Automated External Defibrillator (AEDs) to replace AEDs that have reached their life expectancy • Send employees for Fire Fighter training • Send employees to ARFF related schools 	<ul style="list-style-type: none"> • Train Airport community • Preserve life • Place AED's in the ACAA building, Customs, Terminal and MA building • Meet state fire fighter requirement • Train employees: 40 hour basic ARFF school • Enable firefighters to better handle aircraft emergency 	<ul style="list-style-type: none"> • Train Airport community • Preserve life • Place AED in Glycol plant • Replace outdated AED • Meet state fire fighter requirement • Train employees • Enable firefighters to better handle aircraft emergency • Attend ARFF related conferences to network with other airports and see new products • Replace old parking garage truck to improve capabilities for additional new garage
Fire Alarm system	Improve the current fire alarm system and expand its capabilities	<ul style="list-style-type: none"> • Upgrade the present fiber optic system • Increase fire alarm reporting capacity 	<ul style="list-style-type: none"> • Provide better reporting • Increase capabilities to enter information to a specific room/area • Meet the current needs of the terminal • Preserve life 	<ul style="list-style-type: none"> • Provide better reporting • Increase capabilities to enter information to a specific room/area • Meet the current needs of the terminal • Preserve life • Install new terminal fire alarm system

Summary of Expenses for ARFF

	Audited 2017	Budget 2018	Projected 2018	Budget 2019
ARFF				
Personnel Services	\$1,235,615	\$1,265,746	\$1,195,791	\$1,330,970
Employee Benefits	495,279	553,129	527,261	604,905
Utilities & Communications	20,315	21,300	26,549	26,300
Purchased Services	3,459	3,459	3,749	3,749
Materials & Supplies	106,424	129,304	100,877	133,104
Office	9,878	9,758	8,908	9,383
Administration	51,838	44,360	18,013	36,150
Noncapital Equipment & Facilities	0	48,000	47,595	48,054
	\$1,922,808	\$2,075,056	\$1,928,744	\$2,192,616
Employee Count	20	21	20.0	21

OPERATIONS The Operations cost center is the command center for the overall day-to-day operations of the airport. This cost center classification includes the salaries and benefits for the staff responsible for controlling the daily operations of the airport.

Operations Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
Work Orders (Facility) Building Maintenance calls	3,644	3,500	4,294	3,500
Work Orders (139) aeronautical areas	999	750	1,049	1,000
Notice to airmen (NOTAMS)	1,471	1,000	1,500	1,500
Bird Strikes	71	15	30	15
Property Damage Reports	176	140	184	140
Bodily Injury Reports	246	200	214	200
FAA 139 Inspections discrepancies	9	5	8	5
Operations' employee accidents	0	0	0	0
Operations' property accidents	0	0	1	0
Overtime/Personnel Services (%)	11.0%	11.2%	9.1%	8.0%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for Operations

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Continue to operate a safe and efficient facility for our tenants and traveling public				
	Improve department safety	<ul style="list-style-type: none"> Continue a department "clean program" 	<ul style="list-style-type: none"> Minimize accidents 	<ul style="list-style-type: none"> Maintain accidents at zero
	Minimize the impact of airport-based wildlife on air carriers	<ul style="list-style-type: none"> Implement new wildlife hazard management plan Introduce insecticide treatment Work in conjunction with USDA to assist with wildlife mitigation techniques Operations' employees attend FAA required wildlife training Apply insect pesticides 	<ul style="list-style-type: none"> Minimize bird strikes Improve effectiveness of wildlife mitigation procedures Educate employees on current techniques and requirements 	<ul style="list-style-type: none"> Minimize bird strikes Improve effectiveness of wildlife mitigation procedures Educate employees on current techniques and requirements
	Conduct a review exercise of the emergency plan	<ul style="list-style-type: none"> Test the effectiveness of the emergency plan Update the Airport Emergency Plan (AEP) Increase awareness of the plan 	<ul style="list-style-type: none"> Improve emergency effectiveness by eliminating unnecessary and out-of-date practices Improve emergency response 	<ul style="list-style-type: none"> Improve staff effectiveness during emergencies and ensure information and procedures are updated Improve emergency response
	ANTN Digicast training & Computer based Driver/Taxi training program (pending budgetary approval)	<ul style="list-style-type: none"> Provide training to Operation's personnel via computer based training program 	<ul style="list-style-type: none"> Increase knowledge in work related activities to implement FAA regulations 	<ul style="list-style-type: none"> Increase knowledge in work related activities to implement FAA regulations Enable tenants/employees to attend driver or taxi training at a time more conducive to their schedule. Improve Airport safety by establishing recurrent non-movement area driver training.
	Enhance the efficiency of the field condition reporting system	<ul style="list-style-type: none"> Continue to use apple iPad in the Saab friction tester Research alternatives to a facsimile machine for NOTAM/FICON distribution 	<ul style="list-style-type: none"> Maintain accidents at zero 	<ul style="list-style-type: none"> Maintain accidents at zero Decrease time for NOTAM/FICON distribution to tenants
	Update operation's work environment	<ul style="list-style-type: none"> Update Work Order system 	<ul style="list-style-type: none"> Improve communications Improve Airport security Produce better reporting 	<ul style="list-style-type: none"> Improve communications with Maintenance Improve efficiency of Operations personnel Improved work order tracking

Summary of Expenses for Operations

	2017 Actual	2018 Budget	2018 Projected	2019 Budget
OPERATIONS				
Personnel Services	\$609,872	\$640,772	\$627,565	\$633,484
Employee Benefits	247,922	276,946	285,476	284,549
Utilities & Communications	52,606	51,350	54,020	49,650
Purchased Services	0	0	0	0
Materials & Supplies	0	0	0	0
Office	6,641	15,111	11,860	16,554
Administration	15,235	21,650	14,972	21,750
Noncapital Equipment & Facilities	0	0	0	25,000
	<u>\$932,276</u>	<u>\$1,005,829</u>	<u>\$993,892</u>	<u>\$1,030,987</u>
Employee Count	14.0	13.0	11.0	13.0

SECURITY This cost center classification includes the salaries and benefits for the Curbside Monitors, the costs affiliated with employee security checks and badging, security equipment, and the fees incurred to have the Albany County Sheriffs provide protective services on Airport premises.

Security Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
Security Trainees	697	600	766	700
Driver Trainees	422	300	474	400
Finger Printing	743	1100	904	750
Badges Issued	186	200	265	200
Revalidations	681	400	882	900
Escort Required Badges Issued	2,137	2,500	3,305	2,500
Business Center Security Passes	64	100	191	100
Curbside Accidents	0	0	0	0
Curbside Security - Overtime/Personnel Services (%)	5.4%	1.5%	6.1%	2.7%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for Security

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Continue to operate a secure facility for our tenants and traveling public; meet or exceed Transportation Security Agency (TSA) requirements	Test the effectiveness of the security plan	<ul style="list-style-type: none"> Conduct a review of the Security Contingency and Incident Management Plans Conduct tests of vendor inspection point 	<ul style="list-style-type: none"> Promote security awareness Increase public safety 	<ul style="list-style-type: none"> Promote security awareness Increase public safety
	Increase the reliability of the card access control computer system	<ul style="list-style-type: none"> Procure service support agreement Conduct random testing of access control system during terminal inspections Upgrade proximity card technology 	<ul style="list-style-type: none"> Ensure the availability of the system to ensure compliance with the Airport Security Program 	<ul style="list-style-type: none"> Ensure the availability of the system to ensure compliance with the Airport Security Program
	Achieve zero civil penalties or fines from the Transportation Security Administration	<ul style="list-style-type: none"> Meet with TSA to review effectiveness of ASP and current procedures to maintain compliance Develop a security newsletter to be distributed to all Airport badge holders 	<ul style="list-style-type: none"> Identify areas that need improvement and develop solutions in conjunction with TSA Increase security awareness of Airport badge holders and reduce security violations 	<ul style="list-style-type: none"> Identify areas that need improvement and develop solutions in conjunction with TSA Increase security awareness of Airport badge holders and reduce security violations
	Improve the Airport badge process and obtain an ID/document scanner	<ul style="list-style-type: none"> Research the availability of a web based interface, including a secure login and individual account, for agencies that require an Airport badge Obtain a document scanner in order to prevent data entry errors and improve badging office efficiency. 	<ul style="list-style-type: none"> Provide online service to users in order to complete and submit applications, make appointments, and receive security information improving efficiency and customer service 	<ul style="list-style-type: none"> Provide online service to users in order to complete and submit applications, make appointments, and receive security information improving efficiency and customer service
	Computer based SIDA badge training (pending budgetary approval)	<ul style="list-style-type: none"> Provide tenants training via computer based program. 	<ul style="list-style-type: none"> 2019 Project 	<ul style="list-style-type: none"> Standardize training. Enable tenants to attend SIDA training at a time more conducive to their schedules. Improve Airport security by establishing recurrent SIDA training

Summary of Expenses for Security

	2017 Actual	2018 Budget	2018 Projected	2019 Budget
SECURITY				
Personnel Services	\$139,425	\$175,485	\$160,569	\$178,731
Employee Benefits	70,220	88,006	80,148	90,879
Utilities & Communications	4,046	4,200	4,031	4,200
Purchased Services	2,109,844	2,627,656	2,319,528	2,731,859
Materials & Supplies	96,168	109,000	136,594	142,000
Office	4,310	16,630	2,213	4,500
Administration	0	0	0	0
Noncapital Equipment & Facilities	0	19,000	19,000	0
	\$2,424,013	\$3,039,977	\$2,722,084	\$3,152,169
Employee Count	6.5	6.5	5.0	6.5

VEHICLES AND EQUIPMENT This cost center includes the salaries and benefits for the vehicle maintenance employees responsible for the maintenance and repairs of all airport vehicles and heavy equipment including snow removal equipment (snow blowers, brooms and plows), heavy equipment (loaders, dump trucks, fuel trucks), road vehicles (pick-up trucks, shuttle buses, and vans), general equipment (paint machines, cement mixers and generators) and mowing equipment.

Vehicle Maintenance Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
Heavy Equipment (Units)	47	45	45	45
Light Vehicles (Units)	34	36	35	36
Light Equipment (Units)	233	230	230	230
Average age of ARFF Fleet (yrs)	8	7	9	9
Average age of Shuttle Buses (yrs)	3	4	4	5
Average age of Fuel Trucks (yrs)	14	13	15	16
Average age of other large vehicles	16	15	17	18
Average age of Pick-ups	10	16	11	8
Shuttle Bus (Not less than 6 operational)	7	7	7	8
Fuel Truck (Not less than 7 operational)	7	7	7	7
Technicians trained	24	2	16	2
Overtime/Personnel Services (%)	10.2%	8.7%	9.2%	8.5%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for Vehicles/Equipment

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Maintain ACAA owned fleet				
	Maintain fuel trucks	<ul style="list-style-type: none"> Continue preventative maintenance program 	<ul style="list-style-type: none"> Provide not less than seven operational fuel trucks Minimize repairs on fuel trucks Provide zero downtime to provide on-time service to customers 	<ul style="list-style-type: none"> Provide not less than seven operational fuel trucks Minimize repairs on fuel trucks Provide zero downtime to provide on-time service to customers
	Maintain deicer trucks	<ul style="list-style-type: none"> Continue preventative maintenance program 	<ul style="list-style-type: none"> Provide not less than two operational deicer trucks Minimize repair on deicer trucks Provide zero downtime to provide on-time service to customers 	<ul style="list-style-type: none"> Provide not less than two operational deicer trucks Minimize repair on deicer trucks Provide zero downtime to provide on-time service to customers
	Maintain shuttle buses	<ul style="list-style-type: none"> Purchase two new buses 	<ul style="list-style-type: none"> Provide not less than four shuttle buses Minimize shuttle bus down time 	<ul style="list-style-type: none"> Provide not less than four shuttle buses Minimize shuttle bus down time
	Maintain snow fleet	<ul style="list-style-type: none"> Purchase new snow removal equipment 	<ul style="list-style-type: none"> Maintain an average age of ten years 	<ul style="list-style-type: none"> Maintain an average age of ten years
	Maintain ARFF fleet	<ul style="list-style-type: none"> Get factory training on various systems and new equipment; factory training required with each new piece of equipment 	<ul style="list-style-type: none"> Maintain FAA Index Train employees for ARFF equipment 	<ul style="list-style-type: none"> Maintain FAA Index Train employees for ARFF equipment
	Improve work efficiency	<ul style="list-style-type: none"> Utilize All Data Maintenance Program Continue preventive maintenance program 	<ul style="list-style-type: none"> Manage preventative maintenance Create estimates and repair orders with ease 	<ul style="list-style-type: none"> Manage preventative maintenance Create estimates and repair orders with ease

Summary of Expenses for Vehicles and Equipment

	2017 <u>Actual</u>	2018 <u>Budget</u>	2018 <u>Projected</u>	2019 <u>Budget</u>
<u>VEHICLE/EQUIPMENT</u>				
Personnel Services	\$539,269	\$558,693	\$606,561	\$607,506
Employee Benefits	265,728	291,883	302,649	349,666
Utilities & Communications	16,921	20,095	22,618	22,595
Purchased Services	64,011	61,505	68,378	68,378
Materials & Supplies	449,261	403,100	501,605	443,100
Office	1,547	6,670	272	10,796
Administration	7,067	3,300	1,827	3,300
Noncapital Equipment & Facilities	29,572	50,000	219,970	243,336
	\$1,373,376	\$1,395,246	\$1,723,881	\$1,748,677
Employee Count	11.0	11.0	11.0	11.0

ADMINISTRATION – AFCO AVPORTS This cost center category includes the salaries and benefits for the AFCO AvPORTS administrators and includes the office and administration expenses needed to support the AFCO AvPORTS operations.

AvPORTS' Administration Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
AvPort's total full time employment equivalents	159.5	173.0	155.8	173.0
Total AvPort's overtime	12.4%	9.3%	12.0%	9.2%
Budgetary needs met	Yes	yes	yes	yes
Saving/revenue producing ideas	0	1	0	1
Total AvPorts Property Damage Reports	23	29	4	0
Administration Overtime/Personnel Services (%)	0.0%	0.0%	0.0%	0.0%
Employee turnover	12.9%	19.0%	14.0%	13.0%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for AFCO AvPORTS' Administration

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Improve staff efficiency	<ul style="list-style-type: none"> Monitor overtime used during non-weather related events. Manager accountability for proper overtime usage 	<ul style="list-style-type: none"> Continue to address employee tardiness and unpaid sick time. Continue with the housekeeping plans in all departments 	<ul style="list-style-type: none"> Minimize sick day usage 	<ul style="list-style-type: none"> Monitor the usage of sick time to ensure it falls within company and CBA guidelines. Address employee performance issues
Improve safety	<ul style="list-style-type: none"> Reduce accidents and On the Job Injuries (OJI's) 	<ul style="list-style-type: none"> Institute Safety Management System (SMS) Improve Safety Program Continue the Safety Encouragement and Recognition Program Address OJI's through an injury review panel, to include the injured employee, as a preventative method to avoid future injuries. 	<ul style="list-style-type: none"> Implement SMS Program Reduce vehicle accidents Reduce all employee accidents Reduce property damage reports by 50% 	<ul style="list-style-type: none"> Implement SMS Program Reduce vehicle accidents Reduce all employee accidents Improve accuracy of property damage reports
Team Albany	<ul style="list-style-type: none"> Recognize employees 	<ul style="list-style-type: none"> Continue recognition programs and reevaluate programs Work with leaders on soft skills with training, observation and feedback. 	<ul style="list-style-type: none"> Recognize an employee's good work effort Better informed employees Conduct town hall and employee meetings Recognize milestone employee anniversary dates 	<ul style="list-style-type: none"> Recognize an employee's good work effort Better informed employees Conduct town hall meetings Recognize employee anniversary dates

Summary of Expenses for AFCO AvPORTS' Administration

	2017 <u>Actual</u>	2018 <u>Budget</u>	2018 <u>Projected</u>	2019 <u>Budget</u>
<u>AIRPORT MANAGEMENT ADMINISTRATION</u>				
Personnel Services	\$321,076	\$308,356	\$326,384	\$316,071
Employee Benefits	88,695	105,247	88,054	111,860
Utilities & Communications	347	550	217	400
Purchased Services	415,271	415,750	415,750	430,750
Materials & Supplies	0	0	0	0
Office Administration	39,364	42,525	40,616	46,516
Noncapital Equipment & Facilities	3,450	5,550	4,020	5,550
	0	0	0	0
	<u>\$868,203</u>	<u>\$877,978</u>	<u>\$875,042</u>	<u>\$911,146</u>
Employee Count	3.5	3.5	3.5	3.5

Albany County Airport Authority AFCO AvPORTS' 2019 Expenditures by Line Item

DESCRIPTION	ACCT	AvPORTS' Direct Cost Centers					Indirect Cost Centers				Admin AvPorts Admin	2019 Budget AvPorts Totals
		Airfield	Terminal	Loading Bridges	Parking	Landside	PUBLIC SAFETY/OPERATIONS		Vehicles & Equipment			
						ARFF	Operations	Security				
PERSONNEL SERVICES												
Salaries	1 1000	1,211,744	1,336,938	79,953	1,652,645	1,179,183	582,775	173,818	555,619	316,071	7,088,746	
Overtime (1.5)	1 2010	121,190	87,613	9,330	207,348	150,696	50,709	4,913	47,177		678,976	
Overtime (2.0)	1 2020	22,141	626	777	8,640	1,091	0	0	4,710		37,985	
Subtotal		1,355,075	1,425,177	90,060	1,868,633	0	1,330,970	633,484	178,731	607,506	316,071	7,805,706
EMPLOYEE BENEFITS												
Social Security	2 1000	103,098	93,790	6,721	134,323	95,706	46,982	13,673	45,611	23,181	563,085	
Health-Active	2 2000	348,282	440,228	34,985	526,779	333,346	168,450	52,263	219,366	49,736	2,173,434	
Medical Exams	2 4000				600	3,000				18,000	21,600	
Uniforms & Laundry	2 5000	12,000	12,000	1,200	12,000		1,500	2,000	6,000		46,700	
Uniform Purchases	2 5005	8,000	3,000	200	3,000	10,000	3,000	1,300	3,500	600	32,600	
NYS Disability Insurance/Life Insurance	2 6010	23,584	24,981	1,594	30,635	21,518	11,006	2,190	10,461	9,512	135,480	
Unemployment Insurance	2 6020	8,974	10,389	608	14,906	6,142	3,955	2,738	3,346	1,065	52,123	
Workers Compensation	2 6030	95,033	108,529	6,298	96,036	101,293	35,683	14,477	48,294	632	506,274	
Retirement Plans	2 9000	28,686	24,939	2,636	34,482	33,901	13,974	2,239	13,087	9,134	163,076	
Subtotal		627,657	717,856	54,241	852,760	0	604,905	284,549	90,879	349,666	111,860	3,894,372
UTILITIES & COMMUNICATIONS												
Electric	3 1000	120,000	800,000	68,250	317,000	125,000	17,000		9,000		1,456,250	
Natural Gas	3 3000	7,000	140,000			104,000	9,000		13,500		273,500	
Sewer	3 4000	1,400	75,000			16,000					92,400	
Water	3 5000	800	80,000		350	25,000					106,150	
Telephone Charges - Local	3 6010	200	100		1,500	4,100	200	7,500	70	200	13,870	
Telephone Charges - Long Distance	3 6011	100	50		25	25	100	150	25	200	675	
Telephone-Sheriff	3 6012							4,200			4,200	
Payphones-Annual& Monthly Service	3 6017		21,271								21,271	
Payphones-Monthly Usage	3 6018		300								300	
Telephone Parts & Repairs	3 6020	0	5,000								5,000	
Telephone Cellular	3 6030							42,000			42,000	
Cable Television	3 6060		3,435								3,435	
Subtotal		129,500	1,125,156	68,250	318,875	274,125	26,300	49,650	4,200	22,595	400	2,019,051
PURCHASED SERVICES												
Insurance												
Airport Liability	4 2010									5,750	5,750	
Automotive	4 2020									68,378	68,378	
Environmental Liability	4 2041										0	
Property Insurance	4 2060	18,036	77,481		49,219	31,543	3,749				180,028	
Insurance Claims	4 2095	500	10,000		5,000						15,500	
Subtotal		18,536	87,481	0	54,219	31,543	3,749	0	0	68,378	5,750	269,657
Outside Services												
Public Safety	4 4000							2,731,859			2,731,859	
Perimeter Security	4 4005	206,557	91,550								298,107	
Armored Car Services	4 4010				11,000						11,000	
Parking Valet Service	4 4020				350,000						350,000	
Employee Shutte	4 4030				25,000						25,000	
Janitorial Services	4 5000	17,460	395,621		0						413,081	
Refuse Removal Services	4 5010	3,060	63,000								66,060	
Artistic Exhibits	4 6012		100,817								100,817	
Departure	4 6013		266,471								266,471	
Passenger Information Booth	4 6020		151,132								151,132	
Special Studies	4 7000	0	10,000		12,000					0	22,000	
GIS Services	4 7010	10,000	0		0	2,200					12,200	
Subtotal		237,077	1,078,591	0	373,000	27,200	0	0	2,731,859	0	0	4,447,727
Professional Services												
Architectural	4 9010		25,000		0	15,000					40,000	
Engineering Services	4 9020	5,000	10,000		8,000	10,000					33,000	
Professional Management	4 9040									425,000	425,000	
Subtotal		5,000	35,000	0	8,000	25,000	0	0	0	425,000	498,000	
Total Purchased Services		260,613	1,201,072	0	435,219	83,743	3,749	0	2,731,859	68,378	430,750	5,215,383
MATERIALS AND SUPPLIES												
Airfield												
Fencing	5 1010	10,000									10,000	
Airfield Lighting System	5 1011	100,000									100,000	
Pavement Repairs	5 1014	10,000									10,000	
Apron Maintenance	5 1015	50,000									50,000	
Runway Painting	5 1016	40,000									40,000	
Airfield Shop Supplies	5 1017	25,000									25,000	
Snow Removal Supplies	5 1019	250,000									250,000	
Rubber Removal	5 1020	35,000									35,000	

Albany County Airport Authority AFCO AvPORTS' 2019 Expenditures by Line Item

DESCRIPTION	ACCT	AvPORTS' Direct Cost Centers					Indirect Cost Centers				Admin	2019 Budget
		Airfield	Terminal	Loading Bridges	Parking	Landside	PUBLIC SAFETY/OPERATIONS			Vehicles & Equipment		
							ARFF	Operations	Security			
ARFF												
EMS Supplies	5 1030						12,000					12,000
ARFF Supplies	5 1031						25,000					25,000
Hazardous Material Supplies	5 1032						6,000					6,000
Foam	5 1033						24,000					24,000
Glycol												
Glycol Disposal (BOD)	5 1051		0									0
Waste Water Conveyance	5 1052	7,500										7,500
Electricity & Gas	5 1053	95,000										95,000
Sewer District Charges	5 1054	5,000										5,000
Water District Chemical Analysis	5 1055	20,000										20,000
System Maintenance & Repairs	5 1057	200,000										200,000
Subtotal		847,500	0	0	0	0	67,000	0	0	0	0	914,500
BUILDINGS												
Alarm and PA Systems	5 2010	500	63,095	900	10,000	30,000	3,500					107,995
Card Access Control	5 2012							55,000				55,000
CCTV Repair	5 2013							35,000				35,000
Key Access System	5 2014							25,000				25,000
Baggage System	5 2020		20,000									20,000
Electrical Repairs & Supplies	5 2031	4,000	150,000	10,000	20,000	20,000	3,000			2,000		209,000
Elevator Repairs & Supplies	5 2032		110,000		10,000							120,000
HVAC	5 2033	4,000	140,000	2,000	10,000	50,000	5,000					211,000
Roof	5 2034	1,000	4,000		2,000	20,000	1,000					28,000
Plumbing Repairs & Supplies	5 2035	3,000	19,000		25,000	15,000	4,000					66,000
Automatic Door Repairs & Supplies	5 2036		5,000		4,000							9,000
Pest Control	5 2037	488	10,000		648	5,000						16,640
Fire Extinguishers	5 2040						6,000					6,000
Fire Equipment Testing	5 2041						3,800					3,800
US Customs	5 2050	25,000										25,000
Control Tower	5 2051					300,000						300,000
Building Maintenance	5 2060	10,000	225,000	75,000	45,000	75,000	7,500					437,500
Janitorial Supplies	5 2062		150,000				3,500					153,500
Window Washing	5 2063		52,224		12,683	0						64,908
ID Tags	5 2071							27,000				27,000
Sign Expense	5 2080		1,000		2,000	1,000	0					4,000
FIDS	5 2090		96,542									96,542
Subtotal		47,988	1,045,861	87,900	141,331	516,000	37,804	0	142,000	2,000	0	2,020,885
GROUNDS												
Landscaping	5 3010	5,000	3,000		10,000	1,000	200					19,200
Fencing	5 3020				1,000	500						1,500
Pavement Repairs	5 3030		5,000		90,000	25,000						120,000
Utility Repairs	5 3035					500						500
Sign Expense	5 3040	1,000			10,000	4,000						15,000
Traffic Light Repairs and Materials	5 3041					2,000						2,000
Catch Basin Maintenance	5 3045	500				2,500						3,000
Snow Removal Supplies	5 3048				65,000	5,000						70,000
Snow Removal Contract Services	5 3050	70,000			170,000	25,600						265,600
NYS Police Hangar	5 3051					125,000						125,000
Dump Fees - Landfill	5 3060	6,000	1,000		0	150				2,000		9,150
Hazardous Waste Management	5 3070	1,000	6,000			200	1,100			4,000		12,300
Wildlife Hazard Management	5 3071	35,000			3,000							38,000
Liquid Waste Disposal	5 3078	4,000	6,000		2,000	16,000	2,000			0		30,000
Land Lease	5 3085				22,935							22,935
T-Hangar Maintenance	5 3090					140,000						140,000
Subtotal		122,500	21,000	0	373,935	347,450	3,300	0	0	6,000	0	874,185
VEHICLES AND EQUIPMENT												
Gasoline	5 4010				47,000					20,000		67,000
Diesel Fuel	5 4011		3,000		18,000					116,000		137,000
CNG	5 4015				23,000							23,000
Oil/Grease	5 4012			3,000	0					25,000		28,000
Vehicle/Equipment Tires	5 4013			7,000	10,000		5,000			21,000		43,000
Vehicle Repair and Maintenance	5 4021				35,000					27,000		62,000
Veh Communication Equip. Repairs	5 4022				1,000					6,000		7,000
Sheriff Vehicle Repair and Maintenance	5 4023									100		100
General Equip. Repair/Maintenance	5 4030				45,800					25,000		70,800
Heavy Equipment Maintenance	5 4040									60,000		60,000
ARFF Equipment Maintenance	5 4045						20,000					20,000
Snow Equipment Repair/Maintenance	5 4050									80,000		80,000
Mower Repair/Maintenance	5 4060									15,000		15,000
Vehicle Shop Tools and Supplies	5 4070									40,000		40,000
Subtotal		0	3,000	10,000	179,800	0	25,000	0	0	435,100	0	652,900
Total Materials and Supplies		1,017,988	1,069,861	97,900	695,067	863,450	133,104	0	142,000	443,100	0	4,462,470

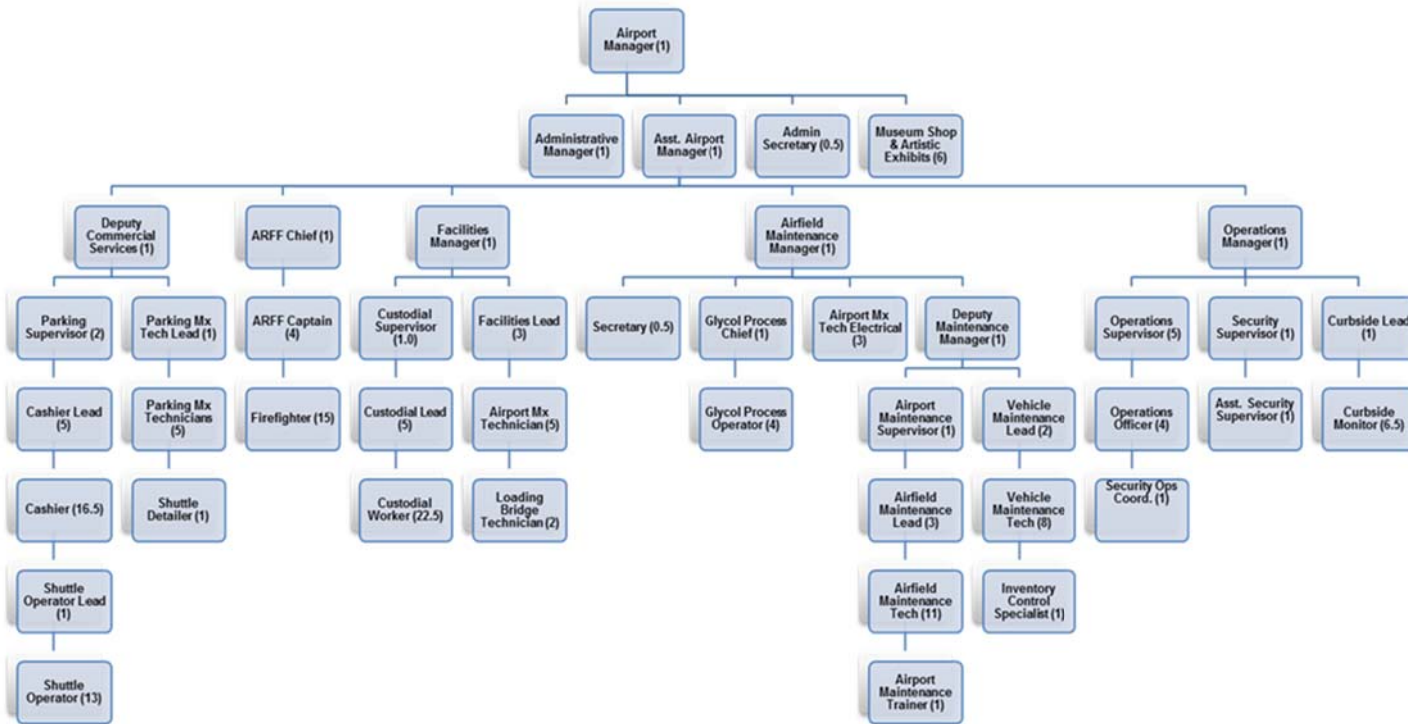
Albany County Airport Authority AFCO AvPORTS' 2019 Expenditures by Line Item

DESCRIPTION	ACCT	AvPORTS' Direct Cost Centers					Indirect Cost Centers				Admin AvPorts Admin	2019 Budget AvPorts Totals
		Airfield	Terminal	Loading Bridges	Parking	Landside	PUBLIC SAFETY/OPERATIONS ARFF	Operations	Security	Vehicles & Equipment		
OFFICE												
Office Equipment Rental	5 5010	600	800		1,000		500	1,585		36	1,273	5,794
Copy Machine Use	5 5011				0		0	25			0	25
Office Equipment Service Agreement	5 5012	530	0		0		375	1,194		0	1,193	3,292
Office Equipment Repairs	5 5013				100		0			100	500	700
Computer System Supplies	5 5014	700	5,050		13,400	2,600	1,400	2,200	3,000	2,150	1,350	31,850
Hardware/Software Maint Agreement & Support	5 5015		25,535		41,984		3,108	5,900	600	4,260	1,250	82,637
Computer Equipment	5 5016	3,950	0		0	650	1,250	650	650	2,850	3,500	13,500
Office Furniture and Fixtures	5 5020	500	500		1,500		600	2,500	150	500	500	6,750
Printed Forms/Letterhead	5 5030	500	0		1,500		150	500		300	250	3,200
Parking Ticket Stock	5 5031				16,000							16,000
Printing Outside Services	5 5032										100	100
Express Mail	5 5041										600	600
Reference Materials	5 5050	100					500			100		700
Office Supplies	5 5060	2,000	2,500		2,500		1,500	2,000	100	500	2,000	13,100
Payroll Services	5 5070										34,000	34,000
Subtotal		8,880	34,385	0	77,984	3,250	9,383	16,554	4,500	10,796	46,516	212,248
ADMINISTRATIVE												
Dues and Subscriptions	6 6000	0	0		600		2,100	6,100		50		8,850
AAAE	6 6002							550			550	1,100
AvPorts/MA Training & Travel	6 6010	6,200	2,000	1,000	6,000		34,050	15,100	0	3,250	3,000	70,600
Advertising/Public Meetings	6 6030										2,000	2,000
Economic Development	6 6031					10,000						10,000
License and Permits	6 6040	2,400										2,400
Property Taxes	6 6050					37,000						37,000
Credit Card Service Charges	6 6060				350,000							350,000
EZPass Fees	6 6061				120,000							120,000
Subtotal		8,600	2,000	1,000	476,600	47,000	36,150	21,750	0	3,300	5,550	601,950
TOTAL OPERATIONS		3,408,312	5,575,507	311,451	4,725,138	1,271,568	2,144,561	1,005,987	3,152,169	1,505,341	911,146	24,011,180
Non-Capital Equipment	8 3000	0	65,700	0	8,000	42,000	48,054	25,000	0	243,336	0	432,090
Total Expenses		3,408,312	5,641,207	311,451	4,733,138	1,313,568	2,192,616	1,030,987	3,152,169	1,748,677	911,146	24,443,271

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget SCHEDULE OF SALARIES AND BENEFITS FOR AFCO AVPORTS										
SUMMARY OF AUTHORIZED POSITIONS:										
Department	2017 Audited OF FTE POSITIONS			2018 Budget OF FTE POSITIONS			2019 Budget OF FTE POSITIONS			FTE Count As of Sept 30, 2018
	Add	Transfer	Count	Add	Transfer	Count	Add	Transfer	Count	
Airfield										
Maintenance Manager			1.00			1.00			1.00	1.00
Deputy Maintenance Manager			1.00			1.00			1.00	1.00
Airport Maintenance Supervisor			1.00			1.00			1.00	1.00
Airport Maintenance Lead-Airfield			2.00			2.00			2.00	2.00
Electrician			1.00	1.00		2.00			2.00	2.00
Airport Maintenance Tech-Electrical			1.00			1.00			1.00	1.00
Airport Maintenance Lead-Grounds			1.00			1.00			1.00	1.00
Airport Maint Tech Lead-Glycol			1.00			1.00			1.00	1.00
Airport Maint Tech -Chief Glycol			1.00			1.00			1.00	1.00
Airport Maint Tech-Glycol			3.00			3.00			3.00	2.00
Airport Maint Tech Airfield			9.25	2.75		12.00			12.00	9.00
Secretary			0.50			0.50			0.50	0.50
Terminal										
Facilities Manager			1.00			1.00			1.00	1.00
Facilities Coordinator			0.50			0.50			0.50	0.50
Facilities Maint Lead			2.00			2.00			2.00	2.00
Facility Maint Lead-HVAC			1.00			1.00			1.00	1.00
Facilities Maint Technician	1.00		5.00			5.00			5.00	4.00
Custodial Supervisor			1.00			1.00			1.00	1.00
Custodial Lead			4.00	1.00		5.00			5.00	4.00
Custodial Worker	-3.00		16.00	2.00		18.00			18.00	18.00
Floor Care Technician	2.00		2.00	-1.00		1.00			1.00	1.00
Airport Custodial Technician			1.00			1.00			1.00	1.00
Artistic Exhibits			0.50			0.50			0.50	0.50
Museum Shop			4.25	1.25		5.50			5.50	4.25
Loading Bridges										
Facilities Maint Lead-Loading Bridge			2.00			2.00			2.00	2.00
Parking										
Deputy, Commercial Services			1.00			1.00			1.00	1.00
Parking Supervisor			2.00			2.00			2.00	2.00
Lead Cashier	2.00		5.00			5.00			5.00	5.00
Cashier, Full Time	-2.00		12.00	2.00		14.00			14.00	14.00
Cashier, Part Time - FTE			0.00	2.50		2.50			2.50	0.00
Shuttle Operator Lead			1.00			1.00			1.00	1.00
Shuttle Detailer			1.00			1.00			1.00	0.00
Shuttle Operator, Full Time			12.00	-2.00		10.00			10.00	12.00
Shuttle Operator, Part Time - FTE	0.75		1.00	2.00		3.00			3.00	1.00
Lead Parking Maint Tech			0.00	1.00		1.00			1.00	0.00
Parking Assistant	-1.00		0.00	1.00		1.00			1.00	0.00
Parking Maint Technician			4.00			4.00			4.00	4.00
Security										
Curbside Monitors	1.00		4.00			4.00			4.00	3.00
Curbside Monitors, Part Time - FTE	0.50		2.50			2.50			2.50	2.00
Landside										
Tower/Custodial			2.00			2.00			2.00	2.00
Admin Bldg/Custodial			0.50			0.50			0.50	0.50
ARFF										
Chief/Safety Manager			1.00			1.00			1.00	1.00
Captains/Safety Supervisor			4.00			4.00			4.00	4.00
Firefighters/Safety Officer	1.00		15.00	1.00		16.00			16.00	15.00
Operations										
Airport Operations Manager			1.00			1.00			1.00	1.00
Airport Security Supervisor			1.00			1.00			1.00	1.00
Assistant Airport Security Supervisor			1.00			1.00			1.00	1.00
Airport Operations Supervisor			5.00			5.00			5.00	5.00
Airport Operations Officer	2.00		5.00	-1.00		4.00			4.00	2.00
Receptionist			1.00			1.00			1.00	1.00
Vehicles & Equipment										
Airport Maint Lead-Vehicle Maint			2.00			2.00			2.00	2.00
Inventory Control Specialist			1.00			1.00			1.00	1.00
Airport Maint Tech-Vehicle Maint	1.00		8.00			8.00			8.00	8.00
Administration										
			3.50			3.50			3.50	3.50
Total AFCO AvPORTS' Positions	5.25	0.00	159.50	13.50	0.00	173.00	0.00	0.00	173.00	155.75
SUMMARY BY SALARIES & BENEFITS:										
AFCO AvPORTS	2017 Audited			2018 Budget			2019 Budget			# of Additions/ Transfers
	Salaries	Benefits	Total	Salaries	Benefits	Total	Salaries	Benefits	Total	
Airfield	1,164,136	510,715	1,674,851	1,250,297	610,657	1,860,954	1,355,075	627,657	1,982,732	0.00
Terminal	1,277,061	708,844	1,985,905	1,420,955	694,973	2,115,928	1,425,177	717,856	2,143,033	0.00
Loading Bridges	88,134	50,245	138,379	89,187	52,145	141,332	90,060	54,241	144,301	0.00
Parking	1,497,980	688,644	2,186,624	1,951,409	870,223	2,821,632	1,868,633	852,760	2,721,393	0.00
ARFF	1,235,615	495,279	1,730,894	1,265,746	553,129	1,818,875	1,330,970	604,905	1,935,875	0.00
Operations	609,872	247,922	857,794	640,772	276,946	917,718	633,484	284,549	918,033	0.00
Security	139,425	70,220	209,645	175,485	88,006	263,491	178,731	90,879	269,610	0.00
Vehicles & Equipment	539,269	265,728	804,997	558,693	291,883	850,576	607,506	349,666	957,172	0.00
Administration	321,076	88,695	409,771	308,356	105,247	413,603	316,071	111,860	427,930	0.00
Total AFCO AvPORTS Salaries & Benefits	6,872,568	3,126,292	9,998,860	7,660,900	3,543,208	11,204,108	7,805,706	3,694,372	11,500,079	0.00

AVPORTS' Organizational Chart



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6) MILLION AIR – FIXED BASE OPERATOR

The Authority contracted with Go Albany, Inc. (d/b/a Million Air) to manage the daily operations of the Fixed Based Operation (FBO). In 2005 The Authority elected to assume the direct management responsibility for the FBO. Million Air's operating agreement commenced on Oct 1, 2005. Million Air's projected operations for 2019 are summarized in the following table.

	Commercial Fueling 60	GA & Facilities 61	Admin 69	2019 Total	2018 Budget
Revenues					
Retail Fuel					
Jet A Fuel Sales	\$ -	\$ 5,782,543	\$ -	\$ 5,782,543	\$ 4,378,590
AvGas Fuel Sales	-	274,825	-	274,825	307,869
Auto & Diesel Fuel Sales	330,581	-	-	330,581	279,708
Retail Fuel Sales	279,708	6,057,368	-	6,387,949	4,966,167
Into-Plane Fees	664,133	-	-	664,133	664,133
Fuel Farm Fees	626,337	-	-	626,337	600,144
Landing Fees	-	276,222	-	276,222	256,964
Parking Fees	-	206,657	-	206,657	176,437
Commercial AvGas	256,631	-	-	256,631	412,788
Deicing	1,337,540	40,600	-	1,378,140	1,148,087
Properties	-	387,384	-	387,384	324,732
FBO Services (Catering, etc)	-	60,578	-	60,578	81,422
Total Revenues	3,164,350	7,028,809	-	10,244,032	8,630,876
Cost of Sales ()					
Fuel Cost - Jet A	-	3,383,148	-	3,383,148	2,388,322
Fuel Volume Discounts	-	350,000	-	350,000	300,000
Fuel Cost - AvGas	-	208,634	-	208,634	229,009
Fuel Volume Discounts	-	4,000	-	4,000	5,000
Fuel Cost - Auto & Diesel	278,000	-	-	278,000	200,000
Fuel Cost	278,000	3,945,781	-	4,223,781	3,122,331
Fuel Cost - Avgas Commercial	233,069	-	-	233,069	370,006
Deicing Type I - Sprayed	344,414	-	-	344,414	251,664
Deicing Type IV - Sprayed	44,759	-	-	44,759	37,102
Deicing Type I - Consortium	505,500	-	-	505,500	423,449
Deicing Type IV - Consortium	137,720	-	-	137,720	117,357
Deicing Cost	1,032,393	-	-	1,032,393	829,572
Catering	-	5,000	-	5,000	5,300
Total Cost of Sales	1,543,462	3,950,781	-	5,494,244	4,327,209
Gross Operating Revenue	1,620,888	3,078,028	-	4,749,789	4,303,667
Expenses ()					
Personal Services					
Salaries	454,736	604,344	214,861	1,273,941	1,265,123
Overtime	54,568	120,709	-	175,277	155,916
Total Personal Services	509,304	725,053	214,861	1,449,218	1,421,039
Employee Benefits	165,810	322,777	89,513	578,099	607,526
Utilities & Communications	21,064	70,740	1,350	93,154	88,412
Purchased Services	74,663	122,996	327,868	525,527	513,368
Material & Supplies					
Buildings	12,700	69,721	-	82,421	86,176
Grounds	20,000	3,100	-	23,100	23,100
Vehicles	215,500	76,500	-	292,000	269,000
Total Material & Supplies	248,200	149,321	-	397,521	378,276
Administration	-	171,500	50,752	222,252	229,956
Non-Capital Equipment	-	-	-	-	-
Total Expenses	1,019,041	1,562,387	684,343	3,265,771	3,238,577
FBO Net Direct Revenue	\$ 601,847	\$ 1,515,641	\$ (684,343)	\$ 1,484,018	\$ 1,065,090
Allocation of Indirect Cost Centers					
ARFF	\$ 65,778	\$ 65,778	\$ -	\$ 131,557	\$ 106,026
Operations	51,549	51,549	-	103,099	86,863
Security	31,522	31,522	-	63,043	57,651
Vehicles & Equipment	87,434	52,460	-	139,894	108,498
AvPorts Administration	43,800	61,538	-	105,339	107,086
FBO Administration	284,553	399,790	(684,343)	-	35,882
ACAA Administration	277,904	390,448	-	668,352	638,903
Total Allocation	842,541	1,053,086	(684,343)	1,211,284	1,140,909
Debt Service					
Depreciation - Capital Assets	148,300	86,451	-	234,751	234,751
FBO Net Results	\$ (388,994)	\$ 376,104	\$ -	\$ 37,982	\$ (310,571)

Under Million Air (MA) there are two direct cost centers: MA commercial and MA general aviation and one indirect cost center: MA Administration. Included in this section for each cost center there is a brief description with responsibilities, performance measurements, the goals and objectives with activities and the projected results to be achieved for 2018 and 2019, and the summary of expenses by category for each department with the department's employee count. Also included are the expenditures by line item, the schedule of salaries and benefits, and the organizational chart.

MA COMMERCIAL This cost center classification includes the salaries and benefits for the employees who service the commercial airlines, all the expenses incurred by the fuel farm, expenses incurred by the fuel trucks and other vehicles used for the commercial airlines, and the cost incurred from the purchase of fuel, glycol, gas and diesel for resale to the commercial airlines.

Commercial Aviation Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
Number of accidents/incidents	1	0	4	0
Number of airline delays counted against MA	14	0	30	0
Into-plane gallons pumped	19,495,122	19,507,385	20,590,563	20,590,563
Number of Audits performed by Airlines/ Quality Control- Employee Training Records	28	5	31	5
Number of non-compliance items reported in Airline Audits	9	4	4	4
AvGas fuel sales commercial	109,593	115,627	95,045	63,680
Deicing gallons pumped	157,039	157,311	230,561	156,500
Workers' compensation cases	0	0	0	0
Employees who have completed Safety Programs	55	15	55	15
Quality control audits at the Fuel Farm (less the better)	25	5	15	5
Completed monthly training programs	12	12	12	12
Monthly survey of airlines	100%	100%	100%	100%
Overtime/Personnel Services (%)	14.3%	11.5%	14.0%	10.7%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for MA Commercial

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Promote Albany International Airport as a leader in on-time scheduled departures				
	Provide efficient and timely airline fueling	<ul style="list-style-type: none"> • Operate an Equipment Preventative Maintenance Program • Offer continuous Airline Training • Monitor airline schedules and adjust manpower schedules accordingly 	<ul style="list-style-type: none"> • Minimize Airline fuel delays • Sustain safe and professional aircraft servicing • Increase overall efficiency of the department 	<ul style="list-style-type: none"> • Reduce Airline fuel delays to zero • Sustain safe and professional aircraft servicing • Increase overall efficiency of the department
Promote a high comfort level to the airline community by providing high-grade fuel quality and service at Albany International Airport				
	Provide exceptional quality control and be responsive to the Airline's needs	<ul style="list-style-type: none"> • Provide recurrent Fuel Farm Technician Training • Audit policies and procedures on a regular basis • Build better relationships with the Airlines through communication and support • Monitor the fuel farm to maintain safe standard as set by the Air Transport Association 103 (ATA 103) 	<ul style="list-style-type: none"> • Train Employees • Minimize quality Control Audit findings • Safe and professional aircraft servicing with minimal delays 	<ul style="list-style-type: none"> • Train Employees • Reduce quality Control Audit findings 68% • Safe and professional aircraft servicing with zero delays
Promote a safe and efficient environment at Albany International Airport				
	Provide the Airlines with an Incident Free environment	<ul style="list-style-type: none"> • Conduct NATA (National Air Transportation Association) Safety 1st training • Conduct monthly safety committee meetings • Supervisor on duty for all airline operations supporting and auditing fueling and safety procedures 	<ul style="list-style-type: none"> • Provide certified, qualified employees • Promote enhanced safety culture/safe work environment • Provide quality service • Minimize delays due to aircraft damage 	<ul style="list-style-type: none"> • Provide certified, qualified employees • Promote enhanced safety culture/safe work environment • Provide quality service • Zero delays due to aircraft damage

Summary of Expenses for MA Commercial

	2017 Actual	2018 Budget	2018 Projected	2019 Budget
FBO COMMERCIAL				
Personnel Services	\$487,215	\$504,291	\$468,423	\$509,304
Employee Benefits	162,466	200,892	141,304	165,810
Utilities & Communications	17,265	17,962	20,583	21,064
Purchased Services	97,828	74,663	63,129	74,663
Materials & Supplies	1,450,529	1,634,778	2,046,581	1,791,662
Office	0	0	0	0
Administration	1,673	0	17,393	0
Noncapital Equipment & Facilities	0	0	0	0
	\$2,216,976	\$2,432,586	\$2,757,413	\$2,562,503
Employee Count	10	12	10	12

MA GENERAL AVIATION This cost center classification includes the salaries and benefits for the employees who service the general aviation community, the customer service representatives, all the expenses incurred for the FBO building and hangars such as electric, telephone and general maintenance, the purchases of aviation fuel, diesel, oil, deicing fluid, and catering for the general aviation community, the vehicles used for general aviation aircraft and customers, the credit card processing fees from general aviation sales, and all other related expenses incurred on behalf of the general aviation community.

General Aviation Performance Measurements				
	2017 Final	2018 Budget	2018 Projected	2019 Budget
AvGas fuel sales (gallons)	62,710	63,088	51,410	52,953
Jet A fuel sales (gallons)	996,302	995,134	1,164,755	1,199,698
Number of international flights	456	500	455	500
General Aviation Aircraft customer transactions	6,931	7,000	7,611	7,687
Number of Aircraft arrivals	7,260	7,000	8,087	8,000
Number of Aircraft fueled	6,307	6,500	6,030	6,000
Number of ramp fees collected	1,743	1,500	2,207	2,200
Number of landing fees collected	3,637	3,500	3,852	3,800
Employees who completed the NATA Safety 1st Program	9	20	9	20
Employees who completed all Safety Programs	54	14	43	14
Property Accidents	0	0	2	0
Quarterly reports from monthly safety meetings	100%	100%	100%	100%
Number of top 20 customers surveys completed	15	24	20	20
Overtime/Personnel Services (%)	17.6%	13.8%	20.1%	16.6%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for General Aviation

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Promote Million Air and the Albany International Airport as the Gateway to the Capital District				
	Establish Million Air Albany as the preferred provider of FBO service in the North East Region	<ul style="list-style-type: none"> • Supply Five Star Service to the general aviation community • Provide continuous professional line service training • Provide continuous customer service standards training • Utilize Million Air CSI informational software programs • Network with all Million Air locations 	<ul style="list-style-type: none"> • 100% satisfaction to the general aviation public • Train professional employees • Monitor rates and charges to meet revenue goals • Enhance customer experience • Expand customer data base 	<ul style="list-style-type: none"> • 100% satisfaction to the general aviation public • Train professional employees • Monitor rates and charges to meet revenue goals • Enhance customer experience • Expand customer data base
Ensure security to the general aviation public without customer inconvenience				
	Implement the required security programs	<ul style="list-style-type: none"> • Monitor the needs of the general aviation public • Emphasis on the customer's needs while implementing the required security programs • Install security cameras 	<ul style="list-style-type: none"> • 100% secure aviation terminal • Zero property accidents • Monitor security and safety 	<ul style="list-style-type: none"> • 100% secure aviation terminal • Zero property accidents • Monitor security and safety
Increase market share of international flights				
	Establish Albany International Airport as an international tech stop	<ul style="list-style-type: none"> • Work with professional flight operation companies who provide international flight plans • Work with U.S. Customs to enhance customer experience • Promote Albany as a clearing location through networking, marketing and tradeshow 	<ul style="list-style-type: none"> • Promote International flights 	<ul style="list-style-type: none"> • Promote International flights
Provide service and facilities to enhance customer usage				
	Provide clean, safe and secure lobby area and hangar facilities for the corporate and general aviation	<ul style="list-style-type: none"> • Perform weekly and daily inspections of the hangar facilities • Maintain the cleanliness of the hangar facilities • Have hangar facility available to show perspective clients at a moment's notice • Renovate lobby area to include new carpet, paint and furniture 	<ul style="list-style-type: none"> • Increase general aviation leased space 16.1% • Safe secure hangar facilities • Provide customers with clean comfortable area to lounge 	<ul style="list-style-type: none"> • Increase general aviation leased space 2.5% • Safe secure hangar facilities • Provide customers with clean comfortable area to lounge

Summary of Expenses for MA General Aviation

	2017 <u>Actual</u>	2018 <u>Budget</u>	2018 <u>Projected</u>	2019 <u>Budget</u>
FBO GENERAL AVIATION AND FACILITIES				
Personnel Services	\$713,217	\$711,778	\$746,110	\$725,053
Employee Benefits	289,342	321,944	280,360	322,777
Utilities & Communications	62,531	66,500	68,184	70,740
Purchased Services	122,542	120,837	115,942	122,996
Materials & Supplies	3,032,030	3,070,707	3,971,839	4,100,102
Office	1,095	2,500	766	2,000
Administration	159,893	173,000	165,836	169,500
Noncapital Equipment & Facilities	0	0	0	0
	<u>\$4,380,650</u>	<u>\$4,467,266</u>	<u>\$5,349,037</u>	<u>\$5,513,168</u>
Employee Count	23	20	20	20

MA ADMINISTRATION This cost center classification includes the salaries and benefits for the employees who manage operations for the FBO and train the employees, telephone charges, and costs incurred for public relations, office supplies and administrative expenses.

Million Air's Administrative Performance Measurements				
	2017 Final	2018 Budget	2017 Projected	2019 Budget
Million Air's total full time employment equivalents	36	35	34	35.0
Total Million Air overtime	13.9%	11.0%	15.2%	12.1%
Number of marketing events attended	2	4	2	4
Number of based tenants	18	15	16	16
Employee turnover annum	16%	10%	21%	10%
Workers' Compensation cases	3	0	1	0
Number of customers gained (prior year comparison)	-6%	1%	10%	1%
Overtime/Personnel Services (%)	0.0%	0.0%	0.0%	0.0%

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for MA Administration

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Promote Million Air and the Albany International Airport as the Gateway to the Capital District				
	Increase General Aviation services and related based services at the Albany International Airport Insure high quality of services provided	<ul style="list-style-type: none"> • Target specific general aviation companies to establish a presence at Albany International Airport • Maintain Million Air branded services and procedures 	<ul style="list-style-type: none"> • Increase availability of services provided to general aviation customers at Albany International Airport • Industry recognition of Albany International Airport as a premier FBO service provider 	<ul style="list-style-type: none"> • Increase availability of services provided to general aviation customers at Albany International Airport • Industry recognition of Albany International Airport as a premier FBO service provider
Promote awareness to the general aviation industry of Albany International Airport's potential				
	Increase potential growth opportunities both short and long-term for the Albany International Airport	<ul style="list-style-type: none"> • Implement new marketing strategies • Utilize Million Air's business relationships • Network with Million Air chain • Utilize Million Air software systems as a marketing tool • Attend aviation business conferences 	<ul style="list-style-type: none"> • New general aviation related businesses located at Albany International Airport • Increase customer base, new customers • Enhance marketing ability • Promote MA/Albany 	<ul style="list-style-type: none"> • New general aviation related businesses located at Albany International Airport • Increase customer base, new customers • Enhance marketing ability • Promote MA/Albany
• Provide proficient and efficient operations to airlines and general aviation customers at Albany International Airport				
	Develop an efficient and proficient management and administrative team and processes which would increase potential revenues generated and maintain expenses within budget guidelines	<ul style="list-style-type: none"> • Monitor staffing to insure levels are satisfactory for operational performance • Develop employee talent through Million Air training programs • Maintain and monitor cost control procedures • Enhance data processes for more efficient P&L reporting • Adjusting sources of revenue streams to yield desired net results 	<ul style="list-style-type: none"> • Maintain overtime at budget levels • Create efficient general aviation and airline operations • Maintain operations within budget guidelines • High quality efficient operations • Provide a positive work environment 	<ul style="list-style-type: none"> • Maintain overtime at budget levels • Create efficient general aviation and airline operations • Maintain operations within budget guidelines • High quality efficient operations • Provide a positive work environment

Summary of Expenses for MA Administration

	2017 <u>Actual</u>	2018 <u>Budget</u>	2018 <u>Projected</u>	2019 <u>Budget</u>
<u>FBO ADMINISTRATION</u>				
Personnel Services	\$200,537	\$204,970	\$208,462	\$214,861
Employee Benefits	63,788	84,690	59,684	89,513
Utilities & Communications	1,136	3,950	1,520	1,350
Purchased Services	327,868	317,868	334,618	327,868
Materials & Supplies	0	0	0	0
Office	40,664	46,156	36,931	42,452
Administration	5,708	8,300	4,622	8,300
Noncapital Equipment & Facilities	0	0	0	0
	<u>\$639,701</u>	<u>\$665,934</u>	<u>\$645,837</u>	<u>\$684,343</u>
Employee Count	3	3	3	3

**Albany County Airport Authority
Million Air's 2019 Expenditures by Line Item**

DESCRIPTION	ACCT	MA Cost Centers			2019 Budget MA Totals
		MA	MA	MA	
		Comm	GA & Fac	Admin	
PERSONNEL SERVICES					
Salaries	1 1000	454,736	604,344	214,861	1,273,941
Overtime (1.5)	1 2010	54,568	120,709	0	175,277
Subtotal		509,304	725,053	214,861	1,449,218
EMPLOYEE BENEFITS					
Social Security	2 1000	38,962	55,467	16,437	110,866
Health-Active	2 2000	102,797	242,823	64,617	410,236
Medical Exams	2 4000			1,500	1,500
Uniforms & Laundry	2 5000	3,000	3,000	650	6,650
Uniform Purchases	2 5005	5,000	6,000	500	11,500
NYS Disability Insurance/Life Insurance	2 6010	1,240	1,760	470	3,470
Unemployment Insurance	2 6020	6,716	11,473	1,721	19,910
Retirement Plans	2 9000	8,095	2,254	3,618	13,967
Subtotal		165,810	322,777	89,513	578,099
UTILITIES & COMMUNICATIONS					
Electric	3 1000	14,000	39,000		53,000
Natural Gas	3 3000	3,000	30,000		33,000
Water	3 5000	1,400			1,400
Telephone Charges - Local	3 6010	100		450	550
Telephone Charges - Long Distance	3 6011	150		500	650
Wireless	3 6033	2,414			2,414
Radio Communications	3 6035			400	400
Cable Television	3 6060		1,740		1,740
Subtotal		21,064	70,740	1,350	93,154
PURCHASED SERVICES					
Insurance					
Airport Liability	4 2010			120,868	120,868
Environmental Liability	4 2041	7,642			7,642
Property Insurance	4 2060	37,021	14,996		52,017
Insurance Claims	4 2095		20,000		20,000
Subtotal		44,663	34,996	120,868	200,527
Outside Services					
Refuse Removal Services	4 5010		3,000		3,000
Public Relations	4 6010			42,000	42,000
Subtotal		0	3,000	42,000	45,000
Professional Services					
Professional Management	4 9040	30,000	85,000	165,000	280,000
Subtotal		30,000	85,000	165,000	280,000
Total Purchased Services		74,663	122,996	327,868	525,527
MATERIALS AND SUPPLIES					
FBO					
Fuel Cost - Jet	5 1101		3,383,148		3,383,148
Fuel Discounts - Jet A	5 1102		350,000		350,000
Fuel Cost - Avgas	5 1103		208,634		208,634
Fuel Discounts - AvGas	5 1104		4,000		4,000
Fuel Cost - Auto	5 1105	78,000			78,000
Fuel Cost Diesel	5 1107	200,000			200,000
Fuel Cost - Avgas Commercial	5 1108	233,069			233,069
Deicing Type I - Sprayed	5 1109	344,414			344,414
Deicing Type IV - Sprayed	5 1110	44,759			44,759
Deicing Type I - Consortium	5 1111	505,500			505,500
Deicing Type IV - Consortium	5 1112	137,720			137,720
Catering	5 1120		1,000		1,000
Oil	5 1125		3,000		3,000
TKS (Deicing fluid)	5 1126		1,000		1,000
Charts, Pilot Supplies	5 1130		0		0
Subtotal		1,543,462	3,950,781	0	5,494,244

**Albany County Airport Authority
Million Air's 2019 Expenditures by Line Item**

DESCRIPTION	ACCT	MA Cost Centers			2019 Budget MA Totals
		MA	MA	MA	
		Comm	GA & Fac	Admin	
BUILDINGS					
Alarm and PA Systems	5	2010	4,200	2,000	6,200
Electrical Repairs & Supplies	5	2031	5,000	5,000	10,000
Elevator Repairs & Supplies	5	2032		5,000	5,000
HVAC	5	2033	500	10,000	10,500
Roof	5	2034	500	5,000	5,500
Plumbing Repairs & Supplies	5	2035	500	3,000	3,500
Automatic Door Repairs & Supplies	5	2036		4,000	4,000
Pest Control	5	2037		744	744
Building Maintenance	5	2060	2,000	25,000	27,000
Janitorial Supplies	5	2062		5,000	5,000
Window Washing	5	2063		4,477	4,477
Sign Expense	5	2080		500	500
FIDS	5	2090			0
Subtotal			12,700	69,721	0
GROUNDS					
Landscaping	5	3010		500	500
Pavement Repairs	5	3030		500	500
Sign Expense	5	3040		100	100
Hazardous Waste Management	5	3070	10,000		10,000
Liquid Waste Disposal	5	3078	10,000	2,000	12,000
Subtotal			20,000	3,100	0
VEHICLES AND EQUIPMENT					
Gasoline	5	4010	5,000	5,000	10,000
Diesel Fuel	5	4011	35,000	29,000	64,000
Vehicle/Equipment Tires	5	4013	7,500	3,000	10,500
Vehicle Repair and Maintenance	5	4021	500	1,000	1,500
Veh Communication Equip. Repairs	5	4022	1,000	1,000	2,000
General Equip. Repair/Maintenance	5	4030	50,000	7,500	57,500
Quality Control Testing Equipment	5	4031	15,000		15,000
Heavy Equipment Maintenance	5	4040	100,000	25,000	125,000
Vehicle Shop Tools and Supplies	5	4070	1,500	5,000	6,500
Subtotal			215,500	76,500	0
Total Materials and Supplies			1,791,662	4,100,102	0
OFFICE					
Office Equipment Rental	5	5010		1,000	912
Office Equipment Service Agreement	5	5012			600
Office Equipment Repairs	5	5013			100
Computer System Supplies	5	5014			6,250
Hardware/Software Maint Agreement & Support	5	5015			8,390
Computer Equipment	5	5016			650
Office Furniture and Fixtures	5	5020		1,000	1,000
Printed Forms/Letterhead	5	5030			1,000
Printing Outside Services	5	5032			300
Express Mail	5	5041			250
Office Supplies	5	5060			5,000
Payroll Services	5	5070			18,000

Albany County Airport Authority Million Air's 2019 Expenditures by Line Item

DESCRIPTION	ACCT	MA Cost Centers			2019 Budget MA Totals
		MA	MA	MA	
		Comm	GA & Fac	Admin	
Subtotal		0	2,000	42,452	44,452
ADMINISTRATIVE					
Dues and Subscriptions	6 6000		16,000	1,300	17,300
AvPorts/MA Training & Travel	6 6010	0	6,500	5,000	11,500
Functions/Refreshments	6 6013		0	1,000	1,000
Incentives	6 6015		43,000		43,000
Economic Development	6 6031		0	1,000	1,000
Credit Card Service Charges	6 6060		104,000		104,000
Subtotal		0	169,500	8,300	177,800
TOTAL OPERATIONS			2,562,503	5,513,168	684,343
Non-Capital Equipment	8 3000	0	0	0	0
Total Expenses			2,562,503	5,513,168	684,343

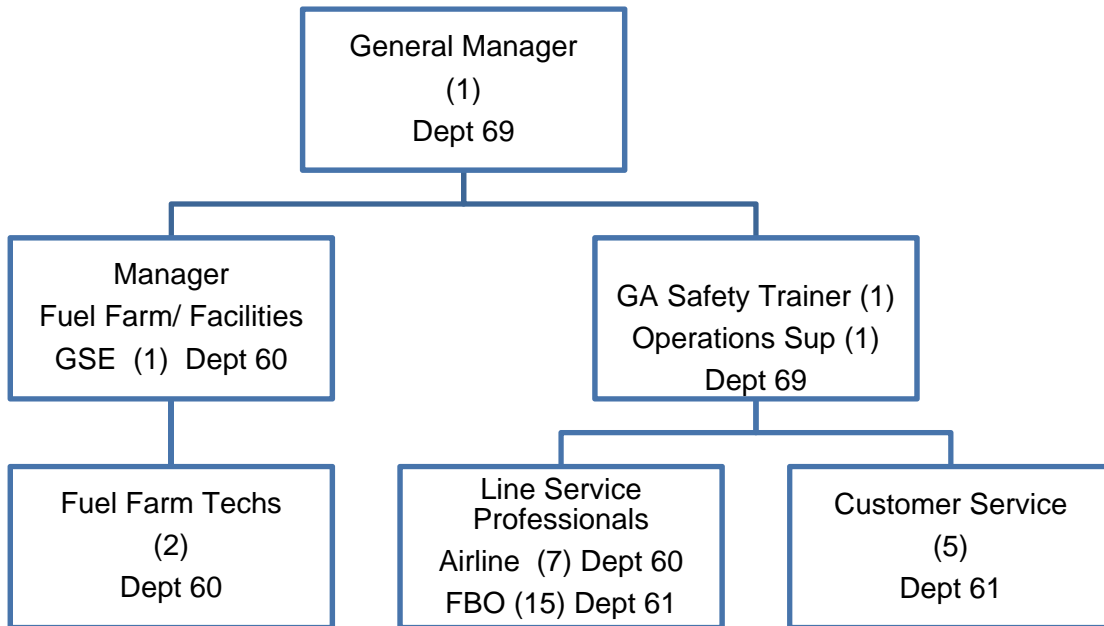
Albany County Airport Authority
Albany International Airport
2019 Budget
SCHEDULE OF SALARIES AND BENEFITS FOR MILLION AIR

SUMMARY OF AUTHORIZED POSITIONS:

Department	2017 Audited OF FTE POSITIONS			2018 Budget OF FTE POSITIONS			2019 Budget OF FTE POSITIONS			FTE Count As of Se 30, 2018
	Add	Transfer	Count	Add	Transfer	Count	Add	Transfer	Count	
Commercial										
Fuel Farm Technician	-1.0		2.0			2.0			2.0	2.00
Line Service Technician			7.0	2.0		9.0	1.0		9.0	7.00
Fuel Farm /Facility Manager			1.0			1.0			1.0	1.00
General Aviation										
Line Service Technician	4.0		18.0	-3.0		15.0			15.0	15.00
Facilities Maintenance			0.0			0.0	-1.0		0.0	0.00
Customer Service Representative			5.0			5.0			5.0	5.00
Administration										
General Manager			1.0			1.0			1.0	1.00
LSM-GA Trainer			1.0			1.0			1.0	1.00
Operations Supervisor			1.0			1.0			1.0	1.00
Total Million Air	3.0	0.0	36.0	-1.0	0.0	35.0	0.0	0.0	35.0	33.00

SUMMARY BY SALARIES & BENEFITS:	2017 Audited			2018 Budget			2019 Budget			# of Additions/ Transfers
	Salaries	Benefits	Total	Salaries	Benefits	Total	Salaries	Benefits	Total	
Commercial	487,215	162,466	649,681	504,291	200,892	705,183	509,304	165,810	675,114	1.00
General Aviation	713,217	289,342	1,002,559	711,778	321,944	1,033,722	725,053	322,777	1,047,830	-1.00
Administration	200,537	63,788	264,325	204,970	84,690	289,660	214,861	89,513	304,374	0.00
Total MILLION AIR Salaries & Benefits	1,400,969	515,596	1,916,565	1,421,039	607,526	2,028,565	1,449,218	578,099	2,027,317	0.00

MILLION AIR Organizational Chart



7) ALBANY COUNTY AIRPORT AUTHORITY (ACAA) -ADMINISTRATION

The ACAA administration cost center is used to account for the salaries and benefits for the Airport Authority's administration and financial staff. Also included in this category are insurance, professional services and all office and administration expenses needed for the Authority.

ACAA Performance Measurements	2017 Final	2018 Budget	2018 Projected	2019 Budget
ACAA's total full time employment equivalents	22	23	23	23
Community meetings	62	50	85	50
Aviation conferences/meetings	30	30	50	30
Open Accounts Receivable/Total Operating Revenues	4.3%	3.0%	4.3%	3.0%
Open Accounts Payable/Total Operating Expenses	1.8%	1.6%	1.8%	1.6%
SPDES Permit	yes	yes	yes	yes
FAA: Part 139 Operation Compliance	yes	yes	yes	yes
Part 77 Airspace Compliance	yes	yes	yes	yes
Part 150 Noise Program	yes	yes	yes	yes
Part 121 Air Cargo Carriers	yes	yes	yes	yes
Update maps & charts of Airport	yes	yes	yes	yes
Landside building rent increase from previous year	2%	0%	1%	10%
T Hangar rent increase from previous year	1%	3%	5%	-2%
Tie Down rent increase from previous year	26%	0%	2%	0%
Landside land rent increase from previous year	14%	2%	2%	0%
DBE Participation for construction/engineer contractors	9%	7%	7%	7%
MWBE Participation for construction/engineer contractors	30%	20%	30%	20%
Minority Representation in the Workforce-Concessions				
HMS Host	29%	30%	38%	30%
McDonalds	53%	49%	58%	50%
Villa Fresh Italian Kitchen/Green Leafs	54%	55%	64%	55%
Paradies	43%	38%	52%	38%
Dunkin Donuts	44%	42%	47%	50%
OHM (New concessionaire as of March 2018)	N/A	N/A	27%	20%
Ambassador Program-hours volunteered	N/A	16,000	15,158	15,000
Ambassador assistance - landside	15,827	100,000	22,668	20,000
Ambassador assistance - airside	120,038	30,000	28,775	30,000
Canine assistance-landside (new for 2015)	29,670	100,000	82,025	80,000
Canine assistance-airside (new for 2015)	93,060	8,000	4,267	5,000
Concession revenue increase from previous year	7.0%	3.9%	-2.0%	1.3%
Business Center Visitors	2,670	1,800	3,554	3,500
Community tours	44	40	36	40

Projected 2018 Strategic Plan Results and 2019 Strategic Goals for ACAA – Administration

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
Insure the continued growth, development and viability of the Albany International Airport including all financial, legal, planning and engineering requirements and public awareness, economic development and concession and customer service enhancements, plus provide daily oversight of the Airport Management and FBO management contracts				
	<p>Executive Establish all policies for operating and maintaining the Airport Preserve and enhance good working relationships with the public, affected communities, regulatory agencies and airlines Attract additional and expanded air service options</p> <p>Enhance financial position through economic development opportunities</p>	<ul style="list-style-type: none"> • Review and evaluate current policies and procedures • Attend meetings with community groups from the public and private sectors • Participate in aviation related conferences • Meet with airlines and FAA to promote new and enhanced services • Direct daily activities of the Airport • Expand infrastructure and net worth of Airport 	<ul style="list-style-type: none"> • Improve operating efficiencies and maintain overall customer satisfaction • Increase public awareness of Airport’s mission and operations • Growth in enplanements, service and destinations from the commercial airlines • Growth in private and corporate general aviation and storage and maintenance operations for private aircraft • Increase net worth of Airport 	<ul style="list-style-type: none"> • Improve operating efficiencies and maintain overall customer satisfaction • Increase public awareness of Airport’s mission and operations • Growth in enplanements, service and destinations from the commercial airlines • Growth in private and corporate general aviation and storage and maintenance operations for private aircraft • Increase net worth of Airport
	<p>Financial Maximize all sources of revenue and maintain competitive rates and charges while maintaining daily control of all purchasing and expenditure functions</p>	<ul style="list-style-type: none"> • Procure all goods and services at the lowest price possible taking advantage of state contracts where applicable • Properly record and vigorously collect all revenues • Monitor the fuel market purchase of Jet A and AvGas for FBO operation at the lowest possible price • Insure all employees and departments understand the Authority’s financial objectives 	<ul style="list-style-type: none"> • Maintain expenses at budget levels • Increase revenue collections • Monitor prices paid for fuel increasing Authority’s profit margin • Increase staff awareness of Authority financial objectives 	<ul style="list-style-type: none"> • Maintain expenses at budget levels • Increase revenue collections • Monitor prices paid for fuel increasing Authority’s profit margin • Increase staff awareness of Authority financial objectives
	<p>Legal To insure compliance with all applicable laws, rules and regulations</p>	<ul style="list-style-type: none"> • Promote continuing professional education to remain current with applicable laws, rules and regulations 	<ul style="list-style-type: none"> • Legal compliance with all applicable laws, rules and regulations • Minimize lawsuits 	<ul style="list-style-type: none"> • Legal compliance with all applicable laws, rules and regulations • Minimize lawsuits

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
	<p>Planning and Engineering Preserve and enhance aeronautical safety, capacity and environmental quality through implementation of the current Capital Improvement Plan to assure optimal use of Airport infrastructure in compliance with Federal Aviation Regulations, Codes and related statutes</p>	<ul style="list-style-type: none"> • Provide project management oversight for new and ongoing design and construction projects as approved by funding and regulatory agencies and Airport Authority Board in the Capital Improvement Program • Provide management oversight for regulatory compliance activities including but not limited to NEPA/ SEQR/ SPDES/ Hazardous Material/Petroleum Bulk Storage/Fire Prevention and Building Code and SWPP storm-water management permits to support project specific and Airport-wide compliance 	<ul style="list-style-type: none"> • Administer five-year Airport Improvement Program/Capital Improvement Plan design and construction in conformance with Federal and State guidance • Project closeout certification reports for completed AIP/CIP projects • See Capital History Section 9 for more information on capital projects • Update Airport Layout Plan, Airport Property Map, Airport OC-10 obstruction chart, and geographic information system • Monitor compliances with 2012 modified Airport-wide SPDES Permit to reflect new airfield and glycol threshold limits • Renew Federal Aviation regulation Part 139 Certification Renewal 	<ul style="list-style-type: none"> • Administer five-year Airport Improvement Program/Capital Improvement Plan design and construction in conformance with Federal and State guidance • Project closeout certification reports for completed AIP/CIP projects • See Capital History Section 9 for more information on capital projects • Update Airport Layout Plan, Airport Property Map, Airport OC-10 obstruction chart, and geographic information system • Monitor compliances with 2012 modified Airport-wide SPDES Permit to reflect new airfield and glycol threshold limits • Renew Federal Aviation regulation Part 139 Certification Renewal
	<p>Public Affairs Maintain strong relationships with local media, national media and trade magazines; monitor all Airport programs, services and concessions that relate to the public; facilitate communications between Airport and the public and media; and act as spokesperson for the Airport</p>	<ul style="list-style-type: none"> • Respond to media inquiries in a timely manner • Review media policy and media guide • Develop media strategy for Airport events and programs • Meet with advertising companies and potential clients to promote new business • Maintain contact and relationship with airline station manager to further airlines' mission and improve customer service • Maintain Airport website 	<ul style="list-style-type: none"> • Inform public of Airport program, initiatives and service changes • Maintain strong local and national media presence • Improve results of terminal advertising program • Maintain high level of customer service 	<ul style="list-style-type: none"> • Inform public of Airport program, initiatives and service changes • Maintain strong local and national media presence • Improve results of terminal advertising program • Maintain high level of customer service
	<p>Economic Development Develop plans and identify opportunities to maintain and grow Airport facilities and services to meet current and future air traffic and user demands</p>	<ul style="list-style-type: none"> • Conduct outreach locally, nationally and internationally to identify and then pursue projects for new development • Develop & lease existing & new properties to provide competitive rates sufficient to recover costs and provide a reasonable financial return 	<ul style="list-style-type: none"> • Generate new business relationships in a location at the Airport • Increase tenants at the Airport • Increase tenant revenue at the Airport 	<ul style="list-style-type: none"> • Generate new business relationships in a location at the Airport • Increase tenants at the Airport • Increase tenant revenue at the Airport

Goals	Objectives	Activities	2018 Projected Results to be Achieved	2019 Budgeted Results to be Achieved
	<p>Concessions and Customer Service Develop plans and identify opportunities for growth of Airport facilities and services to meet future air traffic and user demands</p>	<ul style="list-style-type: none"> • Concessions <ul style="list-style-type: none"> ❖ Work with food and beverage concessionaires to improve the appearance of Airport space and food quality 	<ul style="list-style-type: none"> • Select new concessionaire as a result of RFP • Maximize revenues while maintaining close-to-street pricing 	<ul style="list-style-type: none"> • Select new concessionaire as a result of RFP • Maximize revenues while maintaining close-to-street pricing
		<ul style="list-style-type: none"> • Customer Service <ul style="list-style-type: none"> ❖ Update ambassador handbook and tour guide handbook ❖ Organize, train, and encourage Ambassadors to be more efficient in operation • Marketing <ul style="list-style-type: none"> ❖ Promote foreign currency exchange ❖ Promote Airport concessions on Airport website ❖ Promote parking on Airport website 	<ul style="list-style-type: none"> • Ambassadors are more trained, organized and efficient • Increase awareness of and maximize revenue from foreign currency exchange • Increase revenue from advertising on Wi-Fi • Increase revenues from concessions • Increase revenues from parking 	<ul style="list-style-type: none"> • Ambassadors are more trained, organized and efficient • Increase awareness of and maximize revenue from foreign currency exchange • Increase revenue from advertising on Wi-Fi • Increase revenues from concessions • Increase revenues from parking

Summary of Expenses for ACAA

	2017 <u>Actual</u>	2018 <u>Budget</u>	2018 <u>Projected</u>	2019 <u>Budget</u>
AIRPORT AUTHORITY ADMINISTRATION				
Personnel Services	\$1,913,710	\$1,955,557	\$1,967,083	\$1,976,885
Employee Benefits	1,231,055	1,349,847	1,331,694	1,396,126
Utilities & Communications	76,259	81,592	83,144	92,918
Purchased Services	814,123	838,489	1,001,316	1,017,171
Materials & Supplies	41,526	28,363	20,389	31,763
Office	182,786	207,896	219,129	220,506
Administration	91,276	142,205	117,730	127,020
Noncapital Equipment & Facilities	0	0	-	-
	<u>\$4,350,735</u>	<u>\$4,603,949</u>	<u>\$4,740,486</u>	<u>\$4,862,389</u>
Employee Count	22	23	23	23

Albany County Airport Authority 2019 Expenditures by Line Item

DESCRIPTION	ACCT	2019 Budget ACAA Admin
PERSONNEL SERVICES		
Salaries	1 1000	1,976,885
Subtotal		1,976,885
EMPLOYEE BENEFITS		
Social Security	2 1000	151,803
Health-Active	2 2000	598,427
OPEB	2 2105	325,000
Health-Dental	2 2200	45,232
Health-Vision	2 2300	6,643
Health-Aflac	2 3000	7,560
Capital EAP Program	2 4010	969
Smoking Cessation Class	2 4015	1,200
NYS Disability Insurance/Life Insurance	2 6010	644
Unemployment Insurance	2 6020	3,259
Workers Compensation	2 6030	4,812
Retirement Plans	2 9000	250,577
Subtotal		1,396,126
UTILITIES & COMMUNICATIONS		
Electric	3 1000	23,000
Natural Gas	3 3000	5,500
Telephone Charges - Local	3 6010	5,500
Telephone Charges - Long Distance	3 6011	1,500
Telephones-Monthly Service	3 6015	15,000
Telephones-Monthly Usage	3 6016	1,500
Telephone Parts & Repairs	3 6020	23,585
Internet Access	3 6032	17,100
Cable Television	3 6060	233
Subtotal		92,918
PURCHASED SERVICES		
Accounting and Auditing		
Financial	4 1010	55,000
Rates and Charges	4 1020	6,000
Subtotal		61,000
Insurance		
Airport Liability	4 2010	227,168
Environmental Liability	4 2041	38,705
Property Insurance	4 2060	2,027
Crime	4 2065	2,397
Public Officials Liability	4 2070	24,519
Cyber Liability Insurance	4 2080	11,906
Fiduciary Liability	4 2090	1,272
Agent Fee	4 2093	30,000
Subtotal		337,994

Albany County Airport Authority 2019 Expenditures by Line Item

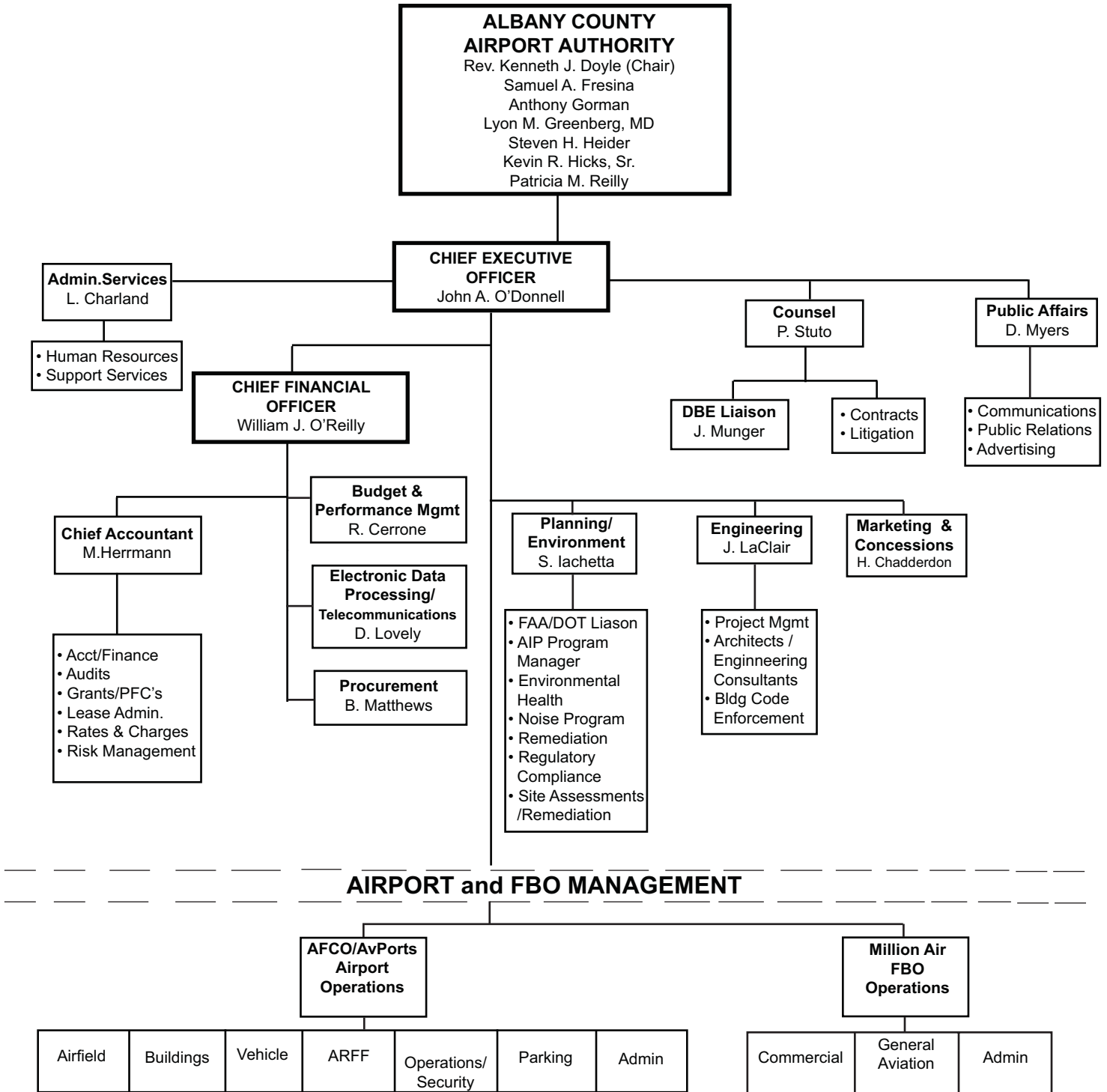
DESCRIPTION	ACCT	2019 Budget	
		ACAA	Admin
Outside Services			
Legal	4	3000	50,000
Janitorial Services	4	5000	17,063
Public Relations	4	6010	85,389
Advertising	4	6015	329,565
Special Studies	4	7000	35,000
Subtotal			517,017
Professional Services			
Appraisals	4	9005	5,000
Architectural	4	9010	30,000
Consultant	4	9015	18,000
Engineering Services	4	9020	3,000
Code Enforcement	4	9060	45,160
Subtotal			101,160
Total Purchased Services			1,017,171
MATERIALS AND SUPPLIES			
BUILDINGS			
Alarm and PA Systems	5	2010	3,000
Electrical Repairs & Supplies	5	2031	8,000
Elevator Repairs & Supplies	5	2032	3,000
HVAC	5	2033	1,500
Roof	5	2034	500
Plumbing Repairs & Supplies	5	2035	1,500
Automatic Door Repairs & Supplies	5	2036	500
Pest Control	5	2037	1,500
Storage Space Rental	5	2059	7,500
Building Maintenance	5	2060	3,000
Window Washing	5	2063	1,263
Subtotal			31,263
GROUNDS			
Landscaping	5	3010	500
Subtotal			500
Total Materials and Supplies			31,763
OFFICE			
Office Equipment Rental	5	5010	10,133
Copy Machine Use	5	5011	0
Office Equipment Service Agreement	5	5012	3,297
Office Equipment Repairs	5	5013	500
Computer System Supplies	5	5014	26,500
Hardware/Software Maint Agreement & Support	5	5015	107,356
Computer Equipment	5	5016	10,720
Office Furniture and Fixtures	5	5020	10,000
Printed Forms/Letterhead	5	5030	1,000
Printing Outside Services	5	5032	20,000
Postage	5	5040	8,500
Express Mail	5	5041	500
Reference Materials	5	5050	1,000
Office Supplies	5	5060	15,000
Payroll Services	5	5070	6,000
Subtotal			220,506

Albany County Airport Authority 2019 Expenditures by Line Item

DESCRIPTION	ACCT	2019 Budget ACAA Admin
ADMINISTRATIVE		
Dues and Subscriptions	6 6000	18,000
Airport Membership (ACI)	6 6001	14,000
AAAE	6 6002	550
GFOA	6 6003	800
NYS Bar Association	6 6005	670
NY Airport Managers Association	6 6006	5,000
Local Chambers of Commerce	6 6007	6,000
Center for Economic Growth	6 6008	3,000
Authority Travel and Education	6 6011	500
Management Travel and Education	6 6012	20,000
Functions/Refreshments	6 6013	20,000
Outside Functions	6 6014	5,000
Advertising/Public Meetings	6 6030	20,000
Economic Development	6 6031	1,000
License and Permits	6 6040	2,500
Property Taxes	6 6050	10,000
EZPass Fees	6 6061	0
Subtotal		127,020
TOTAL OPERATIONS		4,862,389
Non-Capital Equipment	8 3000	0
Total Expenses		4,862,389

Albany County Airport Authority Albany International Airport 2019 Budget SCHEDULE OF SALARIES AND BENEFITS FOR AUTHORITY										
SUMMARY OF AUTHORIZED POSITIONS:	2017 Audited OF FTE POSITIONS			2018 Budget OF FTE POSITIONS			2019 Budget OF FTE POSITIONS			FTE Count As of Se 30, 2018
	Add	Transfer	Count	Add	Transfer	Count	Add	Transfer	Count	
Administration			22.0			23.0			23.0	22.00
Total Authority Positions	0.0	0.0	22.0	0.0	0.0	23.0	0.0	0.0	23.0	22.00
SUMMARY BY SALARIES & BENEFITS:	2017 Audited			2018 Budget			2019 Budget			# of Additions/ Transfers
	Salaries	Benefits	Total	Salaries	Benefits	Total	Salaries	Benefits	Total	
Administration	1,913,710	1,231,055	3,144,765	1,955,557	1,349,847	3,305,404	1,976,885	1,396,126	3,373,011	0.00
Total AUTHORITY Salaries & Benefits	1,913,710	1,231,055	3,144,765	1,955,557	1,349,847	3,305,404	1,976,885	1,396,126	3,373,011	0.00

ALBANY INTERNATIONAL AIRPORT ORGANIZATIONAL CHART



8) INDEBTEDNESS

DEBT POLICY

The actual amount of debt the Authority may have outstanding at any one time is limited by the following:

- The Authority's legal debt limit (\$285 million).
- The Authority's Master Bond Resolution which permits new borrowings only if the Authority's net revenues equal 125% of Maximum Annual Debt Service on all debt outstanding and the proposed debt to be issued.
- The maintenance of investment grade debt ratings from major debt rating agencies. These agencies generally suggest that the total debt outstanding should be limited to \$100 per enplaned passenger.
- The willingness of investors in the bond market to purchase the Authority's indebtedness.
- Any negotiated bond sales are subject to the approval of the Comptroller of the State of New York and the Comptroller of the County of Albany.

The Authority also adopted a Derivatives Policy and a Variable Rate Debt Policy as summarized below.

Derivatives Policy

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).

Variable Rate Debt Policy

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;
- net 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's policy is to manage its current and future debt service requirements to be in compliance with all bond covenants, while prudently meeting the capital needs of the Airport and to continue the pursuit of higher underlying ratings from the rating agencies.

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 Authority has historically only issued debt to fund major capital improvement projects in excess of \$50,000

Debt Outstanding per Enplaned Passenger

	Audited 2017	Budget 2018	Projected 2018	Budget 2019
Debt Outstanding (par amount)	\$79,566,604	\$89,318,000	\$90,489,000	\$82,935,000
Enplaned Passengers	1,417,835	1,414,000	1,450,000	1,500,000
Debt Service per Enplaned Passenger	\$56	\$63	\$62	\$55

MASTER BOND RESOLUTION

The Authority in 1995, as amended in 1997, established procedures for selection of underwriters for the sale of the Authority's bonds and for certain other matters. These procedures allow for public competitive sale, public negotiated sale or private negotiated sale of debt based upon a determination of the Chief Financial Officer and the recommendation of the Authority Chair.

In 1997 the Authority adopted a Master Bond Resolution which authorizes the issuance of Airport Revenue Bonds; prescribing the limitations on and the conditions of issuance and the form of any bonds to be issued. Two key provisions provide for an additional bonds test before the Authority issues any new debt and a covenant to maintain 125% debt service coverage of net revenues, as defined.

DEBT OUTSTANDING

At the beginning of 2019, it is anticipated there will be \$90,489,000 of debt outstanding. Principal payments of \$7,554,000 are due and payable during 2019. The chart below exhibits for each issue the original issue amounts, the debt to be outstanding as of December 31, 2018, the principal payments due in 2019, the interest due in 2019, the amortization of bond related receipts and expenditures that were deferred into interest costs in 2019 and the amount in debt service reserve funds.

Albany County Airport Authority 2019 Operating Budget

Series	Original Issue Amount	Outstanding 12-31-18	Principal Payments Due in 2019	Interest Due in 2019 net of EFC Interest Subsidy	2019		Available Debt Service Reserve Funds
					Amortization of Items deferred into Interest Cost**	Total Payments Due in 2019	
1999 EFC Revenue Bonds	\$7,895,303	\$699,000	\$699,000	\$13,765	\$0	\$712,765	\$277,389
2010 A Airport Refunding Bonds*	109,855,000	55,220,000	5,555,000	2,557,581	60,020	8,172,601	9,512,253
2017 A Revenue Refunding Bonds	7,795,000	7,065,000	90,000	340,225	0	430,225	704,581
2017 B Revenue Refunding Bonds	6,600,000	4,915,000	915,000	215,125	0	1,130,125	556,915
2018 A Revenue Bond	14,770,000	14,770,000	0	771,322	0	771,322	932,606
2018 B Revenue Bond	7,820,000	7,820,000	295,000	408,378	0	703,378	501,394
	\$154,735,303	\$90,489,000	\$7,554,000	\$4,306,396	\$60,020	\$11,920,416	\$12,485,138

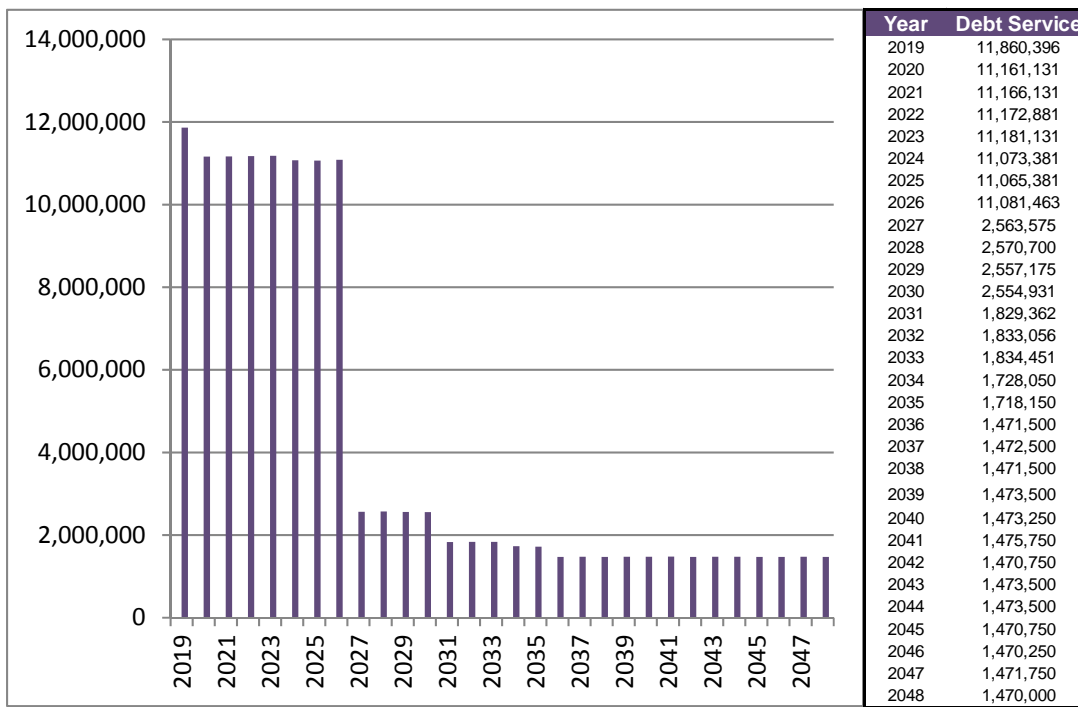
* Before applying available PFC funds (see page 8-11)

**Net of EFC interest subsidy.

***Items deferred into interest costs include bond issue costs and bond premiums and discounts

Combined Annual Debt Service to Maturity*

* The Graph and Table below depict the annual debt service payments through final maturity.



SCHEDULES OF DEBT ISSUED BY THE AUTHORITY AND THEIR PURPOSE:

\$7,895,303

Series 1999 New York State Environmental Facilities Corporation (EFC)

- Date:** July 29, 1999
- Payable:** Principal is paid annually on October 15 with interest paid semiannually each April 15 and October 15. (not callable)
- Rating** N/A
- Purpose** The bonds were issued to finance the construction of a new glycol wastewater treatment system.
- Security:** The bonds are secured by the full faith and credit of the Authority and are payable from general Airport revenues without limitation.

Debt Service through Maturity:

<u>Fiscal Year</u>	<u>Interest Rates</u>	<u>Principal</u>	<u>Interest</u>	<u>Int Subsidy</u>	<u>Total</u>
2019	5.43%	699,000	18,567	(4,802)	712,765
Debt outstanding		<u>\$ 699,000</u>	<u>\$ 18,567</u>	<u>\$ (4,802)</u>	<u>\$ 712,765</u>

\$109,855,000
Series 2010 “A” & “B” Airport Revenue Refunding Bonds (Tax-exempt)
(Variable Rate Demand Obligations)

Date: August 10, 2010

Payable: Principal is paid annually on December 15 with interest paid semiannually each June 15 and December 15.

Rating
 (underlying) Moody's: A3
 Standard & Poor's: A
 Fitch's: A-

Purpose The bonds were issued to refund and defease the Series 1998B, Series 2000B and Series 2008A Airport Revenue Bonds on August 10, 2010. The refunded bonds were issued to finance the 1998 Terminal Improvement and Airport Redevelopment (\$82,965,000 then remaining), a 1,900 space parking garage (\$15,965,000 then remaining), and the New York State Police Executive Hangar (\$11,765,000 then remaining).

Security: The bonds are secured by the full faith and credit of the Authority and are payable from general Airport revenues without limitation.

Debt Service through Maturity:

<u>Fiscal Year</u>	<u>Interest Rates</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	4-5.00%	5,555,000	2,557,581	8,112,581
2020	4-5.00%	5,835,000	2,281,231	8,116,231
2021	4-5.00%	6,115,000	1,991,981	8,106,981
2022	4.00%	6,410,000	1,703,731	8,113,731
2023	4-5.00%	6,730,000	1,385,731	8,115,731
2024	4.00%	7,025,000	1,085,981	8,110,981
2025	4.125-5.00%	7,305,000	804,981	8,109,981
2026	4.25-5.00%	7,645,000	466,813	8,111,813
2027	4.25%	610,000	114,675	724,675
2028	4.38%	640,000	88,750	728,750
2029	4.50%	660,000	60,750	720,750
2030	4.50%	690,000	31,050	721,050
Debt outstanding		<u>\$ 55,220,000</u>	<u>\$ 12,573,256</u>	<u>\$ 67,793,256</u>

\$7,795,000
Series 2017A Refunding Bonds (Non-AMT)

Date: March 29, 2017

Payable: Principal is paid annually on December 15 with interest paid semiannually each June 15 and December 15.

Rating
 (underlying) Moody's: A3
 Standard & Poor's: A
 Fitch's: unrated

Purpose The bonds were issued to finance various land, parking expansions, hangars, and equipment acquisitions, apron and runway expansions, taxiway, runway and hangar rehabilitations, certain terminal expansion and leasehold improvements.

Security: The bonds are secured by the full faith and credit of the Authority and are payable from general Airport revenues without limitation.

Debt Service through Maturity:

<u>Fiscal Year</u>	<u>Interest Rates</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	3.00%	90,000	340,225	430,225
2020	4.00%	585,000	336,625	921,625
2021	4.00%	880,000	307,375	1,187,375
2022	5.00%	925,000	263,375	1,188,375
2023	5.00%	975,000	217,125	1,192,125
2024	5.00%	925,000	168,375	1,093,375
2025	5.00%	970,000	122,125	1,092,125
2026	5.00%	1,025,000	73,625	1,098,625
2027	5.00%	90,000	22,375	112,375
2028	5.00%	95,000	19,675	114,675
2029	5.00%	95,000	16,825	111,825
2030	5.00%	95,000	13,856	108,856
2031	5.00%	100,000	10,769	110,769
2032	5.00%	105,000	7,394	112,394
2033	5.00%	110,000	3,850	113,850
Debt outstanding		<u>\$7,065,000</u>	<u>\$1,923,594</u>	<u>\$8,988,594</u>

\$6,600,000
Series 2017B Refunding Bonds (AMT)

Date: March 29, 2017

Payable: Principal is paid annually on December 15 with interest paid semiannually each June 15 and December 15.

Rating
(underlying) Moody's: A3
Standard & Poor's: A
Fitch's: unrated

Purpose The bonds were issued to finance the construction of a 42,800 square foot aviation service and maintenance facility, certain terminal renovations, general aviation hangar renovations, construction of additional general aviation T-hangars, fuel farm upgrades and equipment for use by Airport management contractors.

Security: The bonds are secured by the full faith and credit of the Authority and are payable from general Airport revenues without limitation.

Debt Service through Maturity:

<u>Fiscal Year</u>	<u>Interest Rates</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	3.00%	915,000	215,125	1,130,125
2020	4.00%	470,000	178,525	648,525
2021	4.00%	245,000	155,025	400,025
2022	5.00%	255,000	142,775	397,775
2023	5.00%	270,000	130,025	400,025
2024	5.00%	280,000	116,525	396,525
2025	5.00%	290,000	102,525	392,525
2026	5.00%	310,000	88,025	398,025
2027	5.00%	180,000	72,525	252,525
2028	5.00%	190,000	63,525	253,525
2029	5.00%	195,000	57,350	252,350
2030	5.00%	205,000	50,525	255,525
2031	5.00%	205,000	43,094	248,094
2032	5.00%	215,000	35,663	250,663
2033	5.00%	220,000	27,600	247,600
2034	5.00%	235,000	18,800	253,800
2035	5.00%	235,000	9,400	244,400
Debt outstanding		<u>\$4,915,000</u>	<u>\$1,507,031</u>	<u>\$6,422,031</u>

\$14,770,000
Series 2018A Revenue Bonds (Non-AMT)

Date: November 15, 2018

Payable: Principal is paid annually on December 15 with interest paid semiannually each June 15 and December 15.

Rating
(underlying) Moody's: A3
Standard & Poor's: A
Fitch's: unrated

Purpose The Series 2018A Bonds were issued to (i) finance \$15 million of project costs in the Authority's 2015-2019 Five-Year Capital Plan (the "Capital Plan"), (ii) make the required deposit to the Bond Reserve Account for the Series 2018A Bonds, and (iii) to pay the costs of issuing the Series 2018A Bonds.

The Capital Plan approved by the County of Albany, as amended in 2017, includes the issuance of up to \$38.5 million in bonds to fund projects included in the plan. On August 14, 2018 the State of New York announced a \$92 million Albany International Airport Modernization Project. The Albany International Airport Modernization Project includes an Airport Highway Access Project funded by the State at an estimated cost of \$50 million and a \$42.2 million Airport Modernization Project to which the State is contributing \$22.1 million in grant funding. The Authority intends to use \$14.1 million of the Series 2018A Bond Proceeds and other available funds to fund a portion of the Airport Modernization Project. The Albany International Airport Modernization Project includes:

- Construction of a 1,000 unit, multi-level parking garage, expanding airport parking capacity. The pre-cast concrete garage will provide a heated pedestrian walkway to the airport terminal.
- Energy-efficient LED lights illuminating that bridge, enhancing visibility as well as vehicular and pedestrian safety.
- Parking Access Improvements -- The project will install new LED electronic signage, car counting devices, and interactive access control devices that utilize advanced GPS technology to locate available parking spaces and provide wayfinding messages that direct motorists to them.
- Terminal projects will include refurbishing the escalators, restrooms, waiting rooms and the food court. Improvements will include new carpets, wall finishes, tile floors, energy-efficient lighting fixtures and better Internet connectivity.
- The Authority will use \$900,000 of the Series 2018A Bond Proceeds to fund other capital expenditures included in the Capital Plan.

Security: The bonds are secured by the full faith and credit of the Authority and are payable from general Airport revenues without limitation.

Debt Service through Maturity:

<u>Fiscal Year</u>	<u>Interest Rates</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	5.00%		\$ 771,322	\$ 771,322
2020	5.00%		738,500	738,500
2021	5.00%		738,500	738,500
2022	5.00%		738,500	738,500
2023	5.00%		738,500	738,500
2024	5.00%		738,500	738,500
2025	5.00%		738,500	738,500
2026	5.00%		738,500	738,500
2027	5.00%		738,500	738,500
2028	5.00%		738,500	738,500
2029	5.00%		738,500	738,500
2030	5.00%		738,500	738,500
2031	5.00%		738,500	738,500
2032	5.00%		738,500	738,500
2033	5.00%		738,500	738,500
2034	5.00%	195,000	738,500	933,500
2035	5.00%	745,000	728,750	1,473,750
2036	5.00%	780,000	691,500	1,471,500
2037	5.00%	820,000	652,500	1,472,500
2038	5.00%	860,000	611,500	1,471,500
2039	5.00%	905,000	568,500	1,473,500
2040	5.00%	950,000	523,250	1,473,250
2041	5.00%	1,000,000	475,750	1,475,750
2042	5.00%	1,045,000	425,750	1,470,750
2043	5.00%	1,100,000	373,500	1,473,500
2044	5.00%	1,155,000	318,500	1,473,500
2045	5.00%	1,210,000	260,750	1,470,750
2046	5.00%	1,270,000	200,250	1,470,250
2047	5.00%	1,335,000	136,750	1,471,750
2048	5.00%	1,400,000	70,000	1,470,000
Debt outstanding		<u>\$14,770,000</u>	<u>\$ 17,886,072</u>	<u>\$ 32,656,072</u>

\$7,820,000
Series 2018B Revenue Bonds (AMT)

Date: November 15, 2018

Payable: Principal is paid annually on December 15 with interest paid semiannually each June 15 and December 15.

Rating
(underlying) Moody's: A3
Standard & Poor's: A
Fitch's: unrated

Purpose The Series 2018B Bonds were issued to (i) finance \$8 million of project costs in the Capital Plan, (ii) make the required deposit to the Bond Reserve Account for the Series 2018B Bonds, and (iii) to pay the costs of issuing the Series 2018B Bonds. The Series 2018B Bonds will be used fund capital renovations and improvements to general aviation and commercial aviation hangars, fund equipment acquisitions for its Fixed-Base of Operations and fund other capital improvements to the Passenger Terminal buildings

Security: The bonds are secured by the full faith and credit of the Authority and are payable from general Airport revenues without limitation.

Debt Service through Maturity:

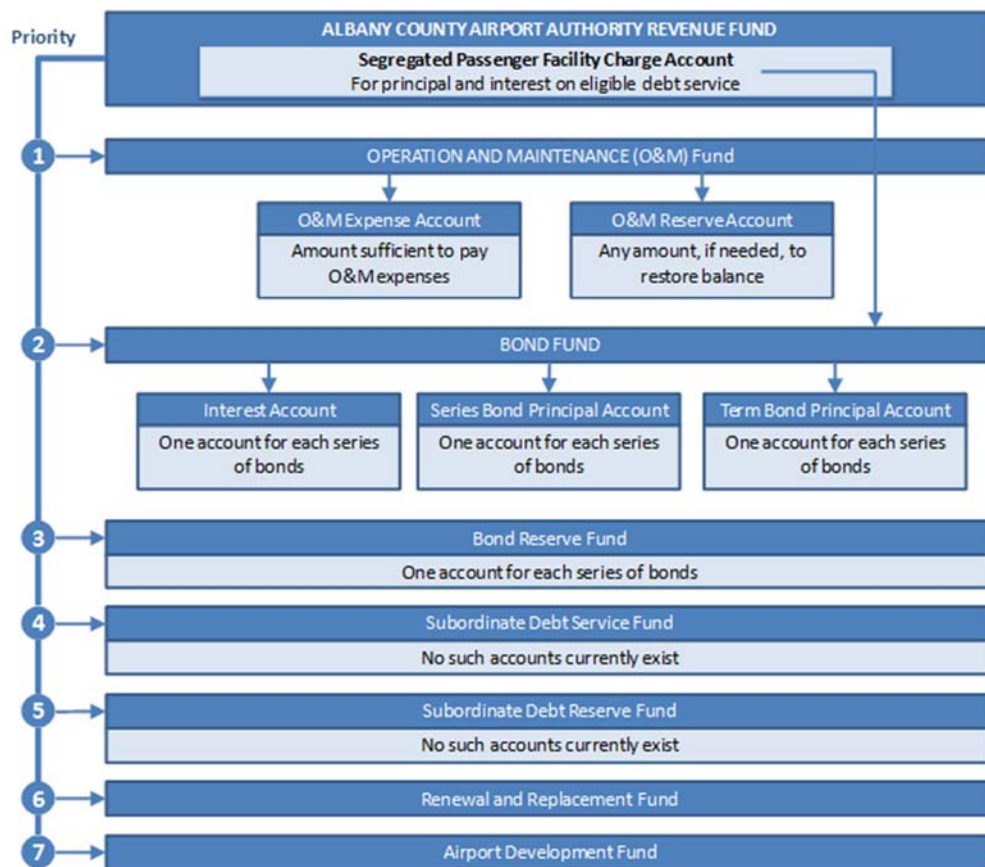
<u>Fiscal Year</u>	<u>Interest Rates</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	5.00%	\$ 295,000	\$ 408,378	\$ 703,378
2020	5.00%	360,000	376,250	736,250
2021	5.00%	375,000	358,250	733,250
2022	5.00%	395,000	339,500	734,500
2023	5.00%	415,000	319,750	734,750
2024	5.00%	435,000	299,000	734,000
2025	5.00%	455,000	277,250	732,250
2026	5.00%	480,000	254,500	734,500
2027	5.00%	505,000	230,500	735,500
2028	5.00%	530,000	205,250	735,250
2029	5.00%	555,000	178,750	733,750
2030	5.00%	580,000	151,000	731,000
2031	5.00%	610,000	122,000	732,000
2032	5.00%	640,000	91,500	731,500
2033	5.00%	675,000	59,500	734,500
2034	5.00%	515,000	25,750	540,750
Debt outstanding		<u>\$ 7,820,000</u>	<u>\$ 3,697,128</u>	<u>\$ 11,517,128</u>

PASSENGER FACILITY CHARGES (PFC's)

PFC's are a surcharge collected by the airlines and forwarded to the Authority to pay for Airport capital projects approved by the Federal Aviation Administration. PFC's are applied to the Airport's debt service payments on Airport revenue bonds sold to finance these capital projects. The fee was \$3.00 per enplaned passenger beginning March 1, 1994 through August 31, 2009, not to exceed \$40,726,364 and amended in 1996 to increase the amount of PFC's authorized for collections to \$116,888,308. Beginning September 1, 2009 the fee increased to \$4.50 per enplaned passenger not to exceed collections of \$116,888,308. The Authority predicts that it will collect PFC's from approximately 87.0% of its enplanements. The projected 2019 deposited amount is \$5,728,950 after a deduction of a \$0.11 per enplanement airline service charge and the addition of interest earnings of \$228,000 on PFC funds.

The chart below illustrates the allocation and priority of the application of the flow of Airport Revenues from initial receipt to final deposit of residual net revenue in the Development Fund Account in accordance with the Master Bond Resolution adopted by the Authority.

APPLICATION OF AUTHORITY REVENUE UNDER THE MASTER BOND RESOLUTION



Source: Albany County Airport Authority Official Statement of Airport Revenue Refunding Bonds Series 2010 (July 29, 2010)

DEBT SERVICE COVERAGE

For 2019, debt service coverage is projected to be 1.80% of net revenues as defined. The following table is a schedule of debt service coverage for 2017 audited results, 2018 adopted budget, 2018 projected, and 2019 budget.

Albany County Airport Authority Albany International Airport 2019 Budget DEBT SERVICE COVERAGE CALCULATION (1)				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
NET REVENUES				
Revenues	\$50,466,988	\$50,964,901	\$52,818,717	\$53,926,386
Airline Revenue Sharing	(2,439,847)	(2,002,289)	(2,536,929)	(3,048,490)
	\$48,027,140	\$48,962,612	\$50,281,788	\$50,877,896
Interest Income (2)	10,676	10,783	255,760	875,457
TSA (LEO) Reimbursement	138,700	138,700	138,700	138,700
Grant	0	0	174,077	0
Improvement Charges	368,400	368,400	368,400	368,400
	\$48,544,916	\$49,480,495	\$51,218,725	\$52,260,453
Total Airport Revenues				
LESS: Total Airport Expenses (GAAP)	(33,373,689)	(35,450,398)	(36,473,274)	(38,065,674)
Air Service Incentive Cost to Airport	(67,041)	0	(166,667)	(1,000,000)
	\$15,104,186	\$14,030,097	\$14,578,784	\$13,194,778
Airport Net Revenues (3)				
DEBT SERVICE ON BONDS ISSUED UNDER THE MASTER RESOLUTION				
1999 A EFC Revenue Bond	455,397	456,445	456,445	717,567
2003 A Revenue Bond	118,080	0	0	0
2006 A & B Revenue Bonds	275,865	0	0	0
2006 C Revenue Bonds	99,867	0	0	0
2010 A Refunding Bonds	10,549,011	10,557,831	10,557,831	8,112,581
2017 A Revenue Refunding Bonds	583,089	757,375	757,375	430,225
2017 B Revenue Refunding Bonds	913,764	1,203,925	1,203,925	1,130,125
2018 A Revenue Bonds	0	0	0	771,322
2018 B Revenue Bonds	0	0	0	703,378
Less: PFC's Applied to 2010 A Revenue Bond	(3,610,256)	(4,330,913)	(2,834,913)	(4,516,141)
Net Debt Service on Bonds (4)	\$9,371,540	\$8,635,422	\$10,131,422	\$7,344,255
NET REVENUE COVERAGE ON BONDS ISSUED UNDER THE MASTER RESOLUTION (MUST BE > 1.25)	1.61	1.62	1.44	1.80
CLAIMS, CHARGES, OBLIGATIONS PAYABLE FROM NET REVENUES				
Deposits to the Operation and Maintenance Reserve	\$169,068	\$200,381	\$200,381	\$435,879
Debt Service on Bonds Issued under the Master Resolution	9,371,540	7,301,616	10,131,422	7,344,255
Net Claims, Charges and Obligations	\$9,540,607	\$7,501,997	\$10,331,803	\$7,780,134
NET REVENUE COVERAGE ON BONDS AND OTHER INDEBTEDNESS (MUST BE > 1.00)	1.58	1.87	1.41	1.70

1/ Additional Bonds test per Section 2.02 of Master Bond Resolution adopted January 6, 1997.
2/ Less interest in the Construction and Development Funds.
3/ Does not include or reflect the following:
\$277,389 deposited in a Debt Service Reserve Fund from the proceeds of the 1999 EFC Revenue Bonds
\$9,512,253 deposited in a Debt Service Reserve Fund from the proceeds of the Series 2010 A Revenue Bonds
\$704,581 deposited in a Debt Service Reserve Fund from the proceeds of the Series 2017 A Refunding Bonds
\$556,915 deposited in a Debt Service Reserve Fund from the proceeds of the Series 2017 B Refunding Bonds
\$513,207 deposited in a Debt Service Reserve Fund from the proceeds of the Series 2018 A Revenue Bonds
\$962,543 deposited in a Debt Service Reserve Fund from the proceeds of the Series 2018 B Revenue Bonds
4/ Exclusive of amortization of Bond Issue Costs

The following table is a schedule of potential Passenger Facility Charges (PFC) available to apply toward the principal and interest payments due on the 2010 Airport Revenue Refunding Bonds.

Albany County Airport Authority Albany International Airport 2019 Budget CALCULATION OF PFC REVENUES				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
ENPLANEMENTS	1,417,835	1,414,000	1,450,000	1,500,000
PFC's charged	\$4.50	\$4.50	\$4.50	\$4.50
LESS: Carrier Compensation	(0.11)	(0.11)	(0.11)	(0.11)
Net PFC Revenue	\$4.39	\$4.39	\$4.39	\$4.39
% of PFCs collected on Enplanements	85.8%	88.0%	87.0%	87.0%
PFC Revenue	\$5,338,719	\$5,462,565	\$5,537,985	\$5,728,950
LESS: Applied Pay-As-You-Go	0	0	0	0
PFC's Available for Debt Service	<u>\$5,338,719</u>	<u>\$5,462,565</u>	<u>\$5,537,985</u>	<u>\$5,728,950</u>
PFC DEBT SERVICE FUND ACTIVITY				
BEGINNING BALANCE	\$8,692,357	\$10,439,296	\$10,439,299	\$13,199,371
PLUS: Deposit of PFC's	5,338,719	5,462,565	5,537,985	5,728,950
PLUS: Interest Earnings on PFC's	18,476	19,877	57,000	228,000
LESS: Applied Towards 2010A Debt Service	(3,610,256)	(4,330,913)	(2,834,913)	(4,516,141)
ENDING BALANCE	<u>\$10,439,296</u>	<u>\$11,590,825</u>	<u>\$13,199,371</u>	<u>\$14,640,180</u>
PFC's APPLIED TO DEBT SERVICE	\$3,610,256	\$4,330,913	\$2,834,913	\$4,516,141
Allocation of PFC's to Cost Centers				
Airfield	\$452,371	\$542,671	\$355,219	\$565,880
Terminal	2,624,179	3,148,001	2,060,607	3,282,638
Loading Bridges	72,205	86,618	56,698	90,323
Landside	461,501	553,623	362,388	577,300
Total	<u>\$3,610,256</u>	<u>\$4,330,913</u>	<u>\$2,834,913</u>	<u>\$4,516,141</u>

**SCHEDULES SHOWING ALLOCATION OF DEBT ISSUES TO COST CENTER FOR 2017 AUDITED, 2018
ADOPTED BUDGET, 2018 PROJECTED, AND 2019 BUDGET:**

Albany County Airport Authority Albany International Airport 2019 Budget DEBT SERVICE SUMMARY				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
Airport Revenue Bonds:				
1999 EFC Revenue Bonds, net of interest subsidy	\$442,120	\$447,204	\$447,204	\$712,764
2003 A Revenue Bonds	118,080	0	0	0
2006 A & B Revenue Bonds	275,865	0	0	0
2006 C Revenue Bonds	99,867	0	0	0
2010 A Refunding Bonds	10,625,291	10,626,139	10,626,139	8,172,601
2017 A Refunding Bonds	583,089	757,375	757,375	430,225
2017 B Refunding Bonds	913,764	1,203,925	1,203,925	1,130,125
2018 A Revenue Bonds	0	0	0	771,322
2018 B Revenue Bonds	0	0	0	703,378
Less LIBOR credit	0	0	(1,496,000)	0
Less: PFC's Applied to 2010A Revenue Bonds	(3,610,256)	(4,330,913)	(2,834,913)	(4,516,141)
TOTAL DEBT SERVICE	\$9,447,820	\$8,703,730	\$8,703,730	\$7,404,275
Allocation of Total Debt Service to Cost Centers				
Airfield	\$1,215,230	\$1,130,901	\$1,173,112	\$1,274,592
FBO	\$268,955	\$273,028	\$273,028	\$196,776
ARFF	43,027	42,226	42,226	12,248
Terminal	2,389,722	1,871,988	2,147,469	1,872,701
Loading Bridges	65,924	55,965	62,076	58,496
Landside and Other	5,464,961	5,329,623	5,005,820	3,989,461
TOTAL ALLOCATION	\$9,447,820	\$8,703,730	\$8,703,730	\$7,404,275

Albany County Airport Authority Albany International Airport 2019 Budget AIRPORT REVENUE BONDS DEBT SERVICE				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
2010A Revenue Refunding Bonds Debt Service	\$10,549,011	\$10,557,831	\$10,557,831	\$8,112,581
Amortization of Bond Issue Costs	\$76,280	\$68,308	\$68,308	\$60,020
TOTAL 2010A REVENUE BONDS DEBT SERVICE	\$10,625,291	\$10,626,139	\$10,626,139	\$8,172,601
Credit of LIBOR Settlement	\$0	\$0	-\$1,496,000	\$0
Amount for Rate Calculation	\$10,625,291	\$10,626,139	\$9,130,139	\$8,172,601
Allocation of 2010A Refunding Bonds Debt Service to Cost Centers				
Airfield	\$871,274	\$869,760	\$724,520	\$907,795
Terminal	4,855,758	4,862,102	4,050,188	5,074,726
Loading Bridges	138,129	142,584	118,774	148,819
Landside	4,760,130	4,751,694	4,236,657	2,041,261
Total	\$10,625,291	\$10,626,139	\$9,130,139	\$8,172,601

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget AIRPORT REVENUE BONDS DEBT SERVICE				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
2003 A Revenue Bonds Debt Service	\$118,080	\$0	\$0	\$0
Amortization of Bond Issue Costs	0	0	0	0
TOTAL 2003 A REVENUE BONDS DEBT SERVICE	\$118,080	\$0	\$0	\$0
Allocation of 2003 A Revenue Bonds Debt Service to Cost Centers				
Airfield	\$22,116	\$0	\$0	\$0
ARFF	10,840	0	0	0
Terminal	19,778	0	0	0
Landside	48,862	0	0	0
Parking	16,484	0	0	0
Total	\$118,080	\$0	\$0	\$0
2006 A & B Revenue Bonds Debt Service	\$275,865	\$0	\$0	\$0
Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0
TOTAL 2006 REVENUE BONDS DEBT SERVICE	\$275,865	\$0	\$0	\$0
Allocation of 2006 Revenue Bonds Debt Service to Cost Centers				
Airfield	\$67,532	\$0	\$0	\$0
FBO	68,174	0	0	0
Parking	52,638	0	0	0
Landside and other	67,335	0	0	0
Terminal	20,186	0	0	0
Total	\$275,865	\$0	\$0	\$0
2006 C Revenue Bonds Debt Service	\$99,867	\$0	\$0	\$0
Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0
TOTAL 2006 REVENUE BONDS DEBT SERVICE	\$99,867	\$0	\$0	\$0
Allocation of 2006 Revenue Bonds Debt Service to Cost Centers				
Landside and other	\$99,867	\$0	\$0	\$0
Total	\$99,867	\$0	\$0	\$0

Albany County Airport Authority Albany International Airport 2019 Budget 2017 A & B Revenue Refunding Bonds Debt Service				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
2017 A Revenue Refunding Bonds Debt Service	\$583,089	\$757,375	\$757,375	\$430,225
Amortization of Bond Issue Costs	0	0	0	0
TOTAL 2017 A REVENUE REFUNDING BONDS DEBT SERVICE	\$583,089	\$757,375	\$757,375	\$430,225
Allocation of 2017 A Revenue Refunding Bonds Debt Service to Cost Centers				
Airfield	\$122,579	\$158,957	\$158,957	\$97,647
FBO	57,449	73,496	73,496	73,348
ARFF	32,187	42,226	42,226	12,248
Terminal	75,739	98,808	98,808	44,067
Landside and other	201,829	262,929	262,929	127,656
Parking	93,304	120,960	120,960	75,259
Total	\$583,089	\$757,375	\$757,375	\$430,225
2017 B Revenue Refunding Bonds Debt Service	\$913,764	\$1,203,925	\$1,203,925	\$1,130,125
Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0
TOTAL 2017 REVENUE REFUNDING BONDS DEBT SERVICE	\$913,764	\$1,203,925	\$1,203,925	\$1,130,125
Allocation of 2017 B Refunding Bonds Debt Service to Cost Centers				
Airfield	\$141,981	\$197,651	\$197,651	\$122,265
FBO	143,332	199,532	199,532	123,428
Parking	110,669	154,062	154,062	95,301
Landside and other	475,343	593,601	593,601	752,584
Terminal	42,440	59,080	59,080	36,546
Total	\$913,764	\$1,203,925	\$1,203,925	\$1,130,125

Albany County Airport Authority Albany International Airport 2019 Budget 2018 A & B Revenue Bonds Debt Service				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
2018 A Revenue Bonds Debt Service	\$0	\$0	\$0	\$771,322
Amortization of Bond Issue Costs	0	0	0	0
TOTAL 2017 A REVENUE BONDS DEBT SERVICE	\$0	\$0	\$0	\$771,322
Allocation of 2017 A Revenue Refunding Bonds Debt Service to Cost Centers				
Airfield	\$0	\$0	\$0	\$0
FBO	0	0	0	0
ARFF	0	0	0	0
Terminal	0	0	0	0
Landside and other	0	0	0	269,963
Parking	0	0	0	501,359
Total	\$0	\$0	\$0	\$771,322
2018 B Revenue Bonds Debt Service	\$0	\$0	\$0	\$703,378
Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0
TOTAL 2017 REVENUE REFUNDING BONDS DEBT SERVICE	\$0	\$0	\$0	\$703,378
Allocation of 2018 B Revenue Bonds Debt Service to Cost Centers				
Airfield	\$0	\$0	\$0	\$0
FBO	0	0	0	0
Parking	0	0	0	0
Landside and other	0	0	0	246,182
Terminal	0	0	0	457,196
Total	\$0	\$0	\$0	\$703,378

Albany County Airport Authority Albany International Airport 2019 Budget NYS ENVIRONMENTAL FACILITIES CORPORATION (EFC) AIRPORT REVENUE BONDS DEBT SERVICE				
	Audited 2017	Budget 2018	Projected 2018	Budget 2019
1999 A EFC Revenue Bonds Debt Service	\$455,397	\$456,445	\$456,445	\$717,567
Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0
Less: Interest Subsidy Earnings	-\$13,277	-\$9,241	-\$9,241	-\$4,803
TOTAL 1999 A EFC REVENUE BONDS DEBT SERVICE	\$442,120	\$447,204	\$447,204	\$712,764
Allocation of 2010A Refunding Bonds Debt Service to Cost Centers				
Airfield	\$442,120	\$447,204	\$447,204	\$712,764
Terminal	0	0	0	0
Loading Bridges	0	0	0	0
Landside	0	0	0	0
Total	\$442,120	\$447,204	\$447,204	\$712,764

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9) CAPITAL HISTORY

HISTORY OF AIRPORT DEVELOPMENT

Albany Airport, *America's First Municipal Airport* consisted of an airfield developed in 1909 along the Hudson River on what is now known as Westerlo Island, in the southeastern portion of the City of Albany. At one time, the airport was named Quentin Roosevelt Field in memory of President Theodore Roosevelt's son, Quentin, who was killed while flying in France during World War I.

The airport played an integral role in the early history of American aviation when Glen H. Curtiss flew from Albany to New York City on May 29, 1910. This achievement, which was the first sustained flight between two major American cities, opened the way to airmail and passenger flights, and thus the establishment of commercial aviation in this country. It is noteworthy that Charles Lindbergh landed his *Spirit of St. Louis* at Quentin Roosevelt Field on July 27, 1927 following his completion of the first nonstop solo flight from New York to Paris.

Shortly before Lindbergh's landing at Albany, plans were being considered to relocate the airfield to land owned by the Watervliet Shakers in what is now the Town of Colonie. Eventually, the Airport was moved to its current location and officially opened as Albany Municipal Airport on October 1, 1928, giving it the distinction of being America's first municipal airport.

Albany Municipal Airport was owned and operated by the City of Albany until 1960. At that time, the city determined that it could no longer afford to finance the airport, and ultimately sold the facility to Albany County for \$4,437,000. The County embarked on the construction of a terminal building in 1959. The terminal opened in 1962 and was regarded as the beginning of a new era for the airport.

Construction of a second terminal building, offering the first enclosed jet ways at the Airport, was started in 1979 and completed in 1982; as was the last of several runway extensions which lengthened the original 3,000 foot and 4,000 foot runways to 6,000 and 7,200 feet, respectively. The airport then was able to routinely handle large aircraft including 727s, 737s, and DC-9s. Through the years many presidents, either as candidates or in office, have visited Albany Airport. These include Franklin D. Roosevelt, John F. Kennedy, Richard Nixon, William J. Clinton, and Barack H. Obama. In November 1994, and September 2009, 2011 and 2012 the President of the United States visited Albany traveling on Air Force I, a 747 aircraft.

The progressive growth and development of Albany County Airport has also been evidenced by the number of airlines operating out of Albany. When the main terminal opened in the early 1960s, the airport was served by only four carriers. Over the next 35 years, passenger levels increased from 400,000 in 1964 to over 2.1 million in 1994. In 1994, Albany was served by eight commercial airlines and six commuter carriers. Currently Albany is served by five commercial airlines and 17 commuter carriers.

ALBANY AIRPORT AUTHORITY CREATED

The Authority was created in 1993 pursuant to the Albany County Airport Authority Act, Title 8, as amended, of the State of New York Public Authorities Law (Act). 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) for the transfer of the sponsorship of the Airport from the County to the Authority. Under the lease agreement, that expires forty (40) years after the effective date, the County leases to the Authority the Airport, including all lands, buildings, structures, and easements, right of access, and

all other privileges and appurtenances pertaining to the Airport. The Airport is a body corporate and politic constituting a public benefit corporation established and existing pursuant to the Act. The State created the Authority in order to promote the strengthening of and improvements to the Airport and to facilitate the financing and construction of the initial Terminal Improvement Project (TIP), other subsequent capital improvement plans, and give the Authority the power to operate, maintain and improve the Airport.

On March 15, 1994, the County transferred net assets equal to \$46,824,500 from the County to the Authority.

In March 1998 the airport was renamed the Albany International Airport in recognition of past and projected increased activity at the airport and to recognize the presence of the Federal Inspection Services operated by the U.S. Customs and Border Protection Agency.

Under a subsequent amendment to the Agreement dated June 29, 2005, the Authority leases two additional parcels totaling approximately 3.4 acres that the Authority developed for additional parking. The Authority paid the County as of that date \$478,500 as consideration.

CAPITAL DEVELOPMENTS BY THE AUTHORITY

On July 17, 1996, ground was broken for construction of a new air-cargo building in the northeast quadrant of the airport as the first step in consolidating the present and developing the future air-cargo capacity for the Airport. The \$11 million cargo facility and related airfield and landside improvements were financed by Airport Revenue Bonds. This facility opened in October 1998 and is under a long-term lease agreement with Aviation Facilities Company, Inc. (AFCO).

On October 3, 1996, ground was broken for the Terminal Improvement Project (TIP). The TIP consisted of a new terminal and other facilities to replace the 1959 terminal and was designed to accommodate future demands for approximately 1.5 million annual enplanements. The TIP was substantially complete on October 1, 1998.

In February 1997, the Authority issued \$96,305,000 of Airport Revenue Bonds to finance the TIP and certain capital improvement projects initiated by the County prior to the creation of the Authority.

In December 1997, the Dormitory Authority of the State of New York issued \$41,395,000 of State Service Contract Revenue Bonds for the purposes of financing, construction, reconstruction, improvements, reconditioning and preservation of the Airport or aviation capital projects at the Airport. The Revenue Bonds were secured by a service contract under which the State of New York agreed to pay the annual principal and interest payments. The Revenue Bonds are not debt of the Airport Authority nor is the Airport Authority liable thereon.

Proceeds totaling \$40 million were used by the Authority toward the cost of constructing the new terminal building, a connecting bridge and a parking garage at the Airport. The Authority allocated \$20 million each towards the cost of the terminal and the garage.

The Authority maintains a Federal Inspection Station to process regular scheduled international flights together with other general aviation and international cargo flights.

On June 7, 1998, airline operations began in the new terminal facility and demolition began on the 1959 structure.

In July 1998, the Authority, through the New York State Environmental Facilities Corporation (EFC)

received \$7.5 million Series A bonds to finance the total construction of a new glycol wastewater treatment system. In July 1999, the loan was replaced by \$7,895,303 bonds issued by the EFC with interest on the first \$3 million 100% subsidized and the remaining \$4.5 million 50% subsidized by the New York State Water Pollution Control Revolving Fund.

On December 1, 1998, the Authority sold two Airport Revenue Bond issues totaling \$30,695,000 to finance two capital projects:

1. The 1998 B (non-AMT) issue totaling \$18,455,000 was sold to finance in part the construction of a new 1,600-space parking garage. The garage partially opened in December 1998 for use by short-term visitors to the Airport and the balance used for long-term parking was opened in February 1999.
2. The 1998 C (AMT) issue totaling \$12,240,000 was sold to finance the construction of the new 50,500 square foot air cargo building which was opened during October 1998 for use by Airborne Express, Federal Express and United Parcel Service.

In March 1999, operations began in the newly constructed air traffic control tower located in the northeast quadrant of the airport. Demolition also began on the old control tower to provide additional apron area for use by the airlines.

In April 2000, construction was completed for the addition of approximately 16,000 square feet of terminal space including ticketing, baggage make up and hold rooms to accommodate the arrival of Southwest Airlines which began service May 7, 2000. This addition was principally financed through the receipt of a \$6 million grant from the State of New York.

In May 2000, construction of 874 space remote surface parking lot was completed at the southeast quadrant of airport property to accommodate the additional parking required by the increase in enplanements as a result of the addition of Southwest Airlines.

In July 2000, the Authority, through the EFC, entered into a ten year \$2,374,936 Series B loan agreement with the New York State Water Pollution Control Revolving Fund to finance the construction of a glycol filtration polishing facility. The interest thereon is fifty percent subsidized by the New York State Water Pollution Control Revolving Fund.

In November 2000, a parking garage expansion was opened to accommodate 307 parking spaces for the rental car operators and 400 additional spaces for public parking.

In December 2000, the Authority issued \$14,500,000 of Airport Revenue Bonds to finance the construction that began in 2001 of a New York State Police Executive Hangar to consolidate the State's current aircraft and maintenance support facilities, which were located in two widely separated hangars on the airfield. The new facility completed in 2002 consists of approximately 84,630 square feet of hangar, maintenance support, office space, and includes all the necessary mechanical, electrical, plumbing, fire, security, and energy management systems; crane and hoist equipment and other support equipment for aircraft maintenance; and office furnishings. Landscaping, parking lot, and security fence to secure the leased area also were provided. The Authority and the Division of New York State Police entered into a thirty (30) year Land and Facility Lease Agreement effective April 1, 2000. These Airport revenue payments are sufficient to amortize the debt service payments for this Bond issue plus any other related costs incurred by the Authority.

In 2001, the Authority began construction of a new ARFF facility and general aviation T-Hangars.

In 2001, the Authority also obtained final FAA and all other required approvals for the extension of

Runway 10-28 from 6,000 to 7,200 feet. Construction began in 2002. This project also included extending taxiway "C" and related hold apron and service road improvements. The runway was completed and opened in August 2003.

In July 2001, the Authority acquired a 9½ acre Industrial Park with four warehouse type buildings totaling 27,500 square feet. In 2002, renovations were completed and the ground support facilities for American Airlines, US Airways, plus Lansing Flight Support were relocated from the old belly-freight building. In addition, KME Fire Apparatus leased one building to which an addition was added to support their requirements.

In 2002, construction was completed on a 10-bay T-Hangar facility, a self-service fueling facility, and a neighboring tie-down area for use by the general aviation community. Construction began on a second T-Hangar building to provide 10 more T-Hangar units. This construction was completed in 2003. All units are leased.

An extension to the remote parking lot "E" began in 2002 which will nearly double the capacity to 2,000 plus public parking spaces. As a result of several adjoining land acquisitions, expansion work continued into 2004.

During 2003, the Airport received Federal support for the complete rehabilitation of the primary runway 1-19 including the complete replacement of centerline lighting. The work was completed in 2003. Also during 2003, the Airport received all necessary approvals to begin extension of the primary runway 1-19 from 7,200 to 8,500 feet. The work was completed in 2006.

During 2003, the Authority was granted \$2.3 million of State funds through the support of State Senator Joseph Bruno to acquire and install two over-the-wing loading bridges for Southwest Airlines. Albany International Airport was the first airport in the United States to have two such bridges in operation.

In June 2003, the Authority sold \$8,855,000 of Series 2003A Airport Revenue Bonds to pay the costs of various land, hangars and equipment acquisitions, apron and runway expansions, taxiway, runway and hangar rehabilitations, certain terminal expansions, and leasehold improvements.

In March 2004, the Authority, through the NYS EFC, issued \$388,316 of Airport Revenue Bonds to finance the construction of sanitary sewer and water improvements in the Airport Industrial Park.

Other major projects completed in 2004 included finalizing renovations to the terminal to accommodate TSA security personnel and to provide space for their passenger screening and baggage inspection operations. Construction started in 2004 on the main Runway 1-19 extension from 7,200 to 8,500 feet and was completed in 2006 together with related navigation aids and taxiways. Remote parking was expanded by approximately 700 additional spaces to accommodate an ever-increasing demand for on-airport parking. Also a new US Postal facility was opened.

In 2005, the Authority acquired the on-airport assets of the former FBO (\$3.0 million). With this acquisition the Authority assumed responsibility for managing and operating the FBO. The Authority operates the FBO under the franchise trade name "Million Air". That same year the Authority also acquired an office building and two warehouses for lease and 400 additional remote surface parking spaces (\$2.4 million). Also in 2005, the Authority completed a \$2.8 million aircraft engine run-up attenuation facility to enhance the containment of noise from the Airport.

In June 2006, the Authority issued \$14,230,000 of bonds to provide funds for various land, hangar, equipment acquisitions, hangar rehabilitations, certain terminal renovations, utility improvements, and parking expansions.

In December 2006, the Authority issued \$6,330,000 of bonds to provide funds for construction of the 42,800 square foot Aviation Service and Maintenance Facility which was completed in late 2007.

In 2008 the Authority completed construction of two general aviation T-Hangars, installation of two additional escalators in the terminal and installation of new touch down lighting improvements that preserve and enhance aeronautical safety during nighttime, low-visibility, winter and other inclement weather conditions for all aircraft operations by allowing landing with half-mile rather than three-quarter mile visibility conditions.

During 2009 the Authority continued the Latham Water Towers Runway 10-28 obstruction relocation. The Authority also undertook a rehabilitation of an existing hangar, lighting energy upgrades in the parking garage, and several smaller projects involving roof replacement, terminal improvements and improvements in landside buildings.

In 2010 major renovations of six terminal food and beverage concession areas that began in 2009 were completed at a cost of approximately \$3.0 million which was fully funded by the concessionaire. Replacement of all parking garage lighting with more energy efficient lights at a cost of \$156,000 was completed with the aid of a \$54,300 grant. Rehabilitation of the taxiways and ramps for \$2,826,000; construction of a new entry and exit to the remote parking lot providing for additional and interstate highway access at a cost of \$363,300; expansion of glycol storage and replacement of the Type I glycol proportioning system at an estimated total design and construction cost of \$339,000.

Projects completed in 2011 include a parking garage rehabilitation project at a cost of \$896,000, a passenger jet bridge replacement project with a cost of \$581,000, an automated entry and exit station in the economy parking lot at a cost of \$336,274 the relocation and upgrade of the Authority operated retail store (DepARTures) in the Terminal at a cost of \$281,000.

The completion of the Runway 28 obstruction removal, which involved relocation of a municipal water tank at a cost of \$11,187,000 was completed in 2012. Other projects completed in 2012 included the Terminal Floor replacement at a cost of \$821,400 and a Semi-inline Baggage Screening Project with a cost of \$1.1 million.

During 2013 projects completed included Glycol Storage & Processing Improvements to add a new 2.5 million gallon storage tank. During 2013 a project to upgrade the Electrical Vault at a cost of \$1.3 million was advanced along with the rehabilitation of the Administration Building (\$1.7 million).

In 2014 construction began to add a new Runway Friction Material Building at a cost of \$2.4 million; upgrade of an existing commercial Aircraft Maintenance, Repair and Overhaul Facility; construct a new hangar at a cost of \$4.3 million and Rehabilitate Runway 1-19 at a cost of \$4.72 million. These projects were completed by the close of 2015.

During the 2009-2014 Capital Plan the Authority also purchased approximately \$5 million in major equipment including items such as two fire trucks, runway snow blowers, runway brooms, shuttle busses, street sweepers, and other heavy equipment.

During 2015 projects to provide a new terminal roof at a cost of \$1.5 million and the Terminal Baggage Room Renovation at \$1.5 and Glycol Storage and Processing improvements for \$1.1 million were initiated then completed in 2016.

During 2016 a \$3.4 million passenger loading bridge replacement and renovation project and \$1.4 million Fiber Optic replacement project were initiated.

During 2017 a \$3.4 million passenger loading bridge replacement and renovation project and \$1.4 million Fiber Optic replacement project were completed. Also in 2017 a \$4.4 million Runway 01-19 Edge Lighting System Replacement and a \$4.2 million phase 2 passenger loading bridge replacements and renovation were initiated.

During 2018 the Airport started a \$1.9 million escalator replacement project in the Terminal and authorized another \$1.0 million passenger loading bridge replacement and numerous smaller projects under \$1.0 million.

Most significantly in 2018 the Airport was awarded a \$22.1 million grant to provide a portion of the funds for a \$42.2 million project to build an additional parking garage, improve parking access, provide terminal rehabilitation and add other passenger amenities. The grant was awarded in conjunction with a \$50 million State-funded Airport highway access project announcement. The new Highway access will be very beneficial for the Airport access to on-airport parking operations.



As of December 31, 2017, the Authority maintained \$502.6 million in capital assets for which \$257.2 million in accumulated depreciation was recorded resulting in \$245.4 million in capital assets net of depreciation. Also at December 31, 2017 the Authority had approximately \$77.3 million of outstanding debt related to these capital assets, which resulted in the Authority reporting \$171.8 million of capital assets net of related debt.

FIVE-YEAR CAPITAL PROGRAMS

The enabling legislation creating the Authority (Chapter 686 of the Laws of 1993) sets forth in section 2784.3. (a) The following:

“On or before September first, nineteen hundred ninety-five, and on or before September first on every fifth year thereafter, the Authority shall submit to the county legislature a capital projects plan for the five year period commencing January first of the following year. The plan shall set goals and objectives for capital spending and describe each capital project proposed to be initiated in each of the years covered by the plan. Each plan shall also set forth an estimate of the amount of capital funding required each year and the expected sources of such funding.”

The first-five year capital program covering the years 1996 through 2000 totaling \$49,571,843 was approved by the Albany County Legislature, in Resolution 280, adopted on September 11, 1995. There was one amendment to the five year capital plan for \$6,605,319 approved in Resolution 251, adopted on July 13, 1998 which increased the total approved capital program to \$56,177,162.

The five-year capital plan for years 2000 through 2004 totaling \$232,400,000 was approved by the Authority on February 7, 2000 and the Albany County Legislature in Resolution No. 39-00, adopted on February 14, 2000. There was one amendment to the five year capital plan for \$26,000,000, approved in Resolution No. 180, adopted on April 14, 2003, increasing the total amount to \$258,400,000.

The five-year capital plan for the years 2005 through 2009 totaling \$264,900,000 was approved by the Authority May 3, 2004 and the Albany County Legislature in Resolution No. 400, adopted August 9, 2004.

The five-year capital plan for the years 2010 through 2014 totaling \$139,300,000 was approved by the Authority September 14, 2009 and the Albany County Legislature in Resolution No. 477, adopted December 7, 2009.

On September 2, 2014 the Authority presented a five-year Capital Plan for the years 2015-2019. The five-year capital plan presented for the years 2015-2019 provided for potential projects totaling \$120,520,000. On May 1, 2017 the Authority presented an amendment to the capital plan to increase and reallocate amounts within spending categories and increased the plan total to \$142.5 million. The projects included represent the Authority's estimate of the numerous potential airport developments which could occur during the five year plan period. The estimates are based upon the best case scenario for variable economic and aviation industry conditions during the five-year plan period. The amendments to the five-year plan in 2017 reflect that additional potential spending on certain projects is possible during the remainder of the plan. A description of each project is included herein. Some of these projects are contingent upon the future realization of potential increases in airport passenger traffic and/or airport tenant activities. Therefore, the actual initiation and projected timing for each project could be altered and the project may not actually be initiated during the five-year plan. Factors that could cause increases in activities at the Airport include introduction of one or more new commercial carriers, leasing property to new aeronautical tenants, and improvements in the regional and national economies.

The potential funding sources represent the Authority's current estimate of those projects which are eligible for federal funding and the related New York State share thereof. As of this date, the total amount of Federal entitlement or discretionary funding will be made available to the Authority during this five-year period is not known. The remaining projects, if they are initiated, will be funded by Authority resources, either from airport capital funds or from the issuance of Authority debt.

Many of the projects are dependent on future growth in passengers, cargo and general aviation usage of the Airport and the related support facilities and equipment needed to meet that growth. Also, many of these projects are dependent on their eligibility for available Federal and State funding, or on the ability of the Authority to issue indebtedness. The actual time for starting each project is dependent upon this growth and availability of funding.

The total effect any Capital Program will have on future operating budgets is 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 other projects are undertaken based on a cost-benefit analysis.

CAPITAL DEVELOPMENT

The Airline Use and Lease Agreement, in place January 1, 2016, provides for annual capital expenditure to be used for Airport development that is not subject to Majority-in-Interest (MII) provisions by the airlines. The 2016 agreement provides initially for \$3,000,000 annually adjusted by the same percentage as the annual increase, or decrease, in non-airline revenues. Any amount not currently utilized is carried forward by the Authority for use in subsequent years. In the current Airline Use and Lease Agreement, the amount funded during 2016 was fixed at \$3.0 million, in subsequent years the amount will be increased by the percentage growth in non-airline revenues over airline revenues. Under the formula, the amount to be funded during 2019 is calculated at follows:

	<u>2016</u>	<u>2019</u>	<u>% Increase</u>	<u>\$3,000,000 x110.2%</u>
Non-Airline Revenues	\$37,289,966	\$41,095,206	10.2%	\$3,306,134

2019 CAPITAL EXPENDITURES

CIP PROGRAM: Airfield

PROGRAM CATEGORY: Runway Improvements: Runway 10-28 Pavement & Lighting Renovations

PROJECT DESCRIPTION: Reconstruct Runway 10-28 Edge Lighting System (Construction)

TOTAL PROJECT COST: \$952,000 / **PROJECTED 2019 AMOUNT:** \$952,000

FUNDING SOURCES:

FAA Share (90%)	\$ 856,800
State Share (5%)	\$ 47,600
ACAA Share (5%)	\$ 47,600

IMPACT ON OPERATING BUDGET: Lower maintenance costs by \$9,000 over next two years.



CIP PROGRAM: Airfield

PROGRAM CATEGORY: Taxiways Renovations

PROJECT DESCRIPTION: Reconstruct Taxiway C & Associated Taxiway Edge Lighting System

TOTAL PROJECTED COST: \$1,768,000 / **PROJECTED 2019 AMOUNT:** \$1,768,000

FUNDING SOURCES:	FAA Share 90%	\$ 1,591,200
	State Share 5%	\$ 88,400
	ACAA Share 5%	\$ 88,400

IMPACT ON OPERATING BUDGET: Reduce maintenance costs by \$12,000 per year for two years.

CIP PROGRAM: Airfield

PROGRAM CATEGORY: Fencing, Drainage, Wetland Management

PROJECT DESCRIPTION: Airfield Drainage Improvements

TOTAL PROJECTED COST: \$3,279,000 / **PROJECTED 2019 AMOUNT:** \$3,279,000

FUNDING SOURCES:	FAA Share 90%	\$ 2,951,500
	State Share 5%	\$ 163,950
	ACAA Share 5%	\$ 163,950

IMPACT ON OPERATING BUDGET: Reduce maintenance costs by \$10,000 per year based upon reduced repairs.

CIP PROGRAM: Airfield

PROGRAM CATEGORY: Glycol Storage & Processing Improvements

PROJECT DESCRIPTION: Reconstruct Terminal Glycol-Storm Pump Stations

TOTAL PROJECT COST: \$749,000 / **PROJECTED 2019 AMOUNT:** \$749,000

FUNDING SOURCES:	FAA Share (90%)	\$	0
	State Share (10%)	\$	0
	ACAA Share (10%)	\$	749,000

IMPACT ON OPERATING BUDGET: No increase or reduction in operating expense.

CIP PROGRAM: Terminal

PROGRAM CATEGORY: Terminal Administration and Retrofit

PROJECT DESCRIPTION: Replace Terminal Interior Lighting /Flooring

TOTAL PROJECT COST: \$2,655,000 / **PROJECTED 2019 AMOUNT:** \$ 2,998,000

FUNDING SOURCES:	FAA Share (0%)	\$	0
	State Share (0%)	\$	0
	ACAA Share (100%)	\$	2,988,000

IMPACT ON OPERATING BUDGET: Reduction of \$5,000 to \$30,000 per year in operating expense from reduction in electric consumption depending on final scope of lighting project.

CIP PROGRAM: Landside

PROGRAM CATEGORY: Hangar Maintenance/Storage

PROJECT DESCRIPTION: Hangar 201 Interior Renovation

TOTAL PROJECT COST: \$197,000 / **PROJECTED 2019 AMOUNT:** \$197,000

FUNDING SOURCES:	FAA Share (0%)	\$	0
	State Share (0%)	\$	0
	ACAA Share (100%)	\$	197,000

IMPACT ON OPERATING BUDGET: This project will increase the rental income from the building by \$12,500 to \$25,000 per year depending upon rental rate and occupancy/vacancy rate.

CIP PROGRAM: Terminal

PROGRAM CATEGORY: Terminal Administration and Retrofit

PROJECT DESCRIPTION: Reconstruct Terminal Rest Room Facilities

TOTAL PROJECT COST: \$500,000 / **PROJECTED 2019 AMOUNT:** \$1,725,000

FUNDING SOURCES:	FAA Share (0%)	\$	0
	State Share (0%)	\$	0
	ACAA Share (100%)	\$	1,725,000

IMPACT ON OPERATING BUDGET: This project will extend asset life and not result in additional income or expense.

CIP PROGRAM: Landside

PROGRAM CATEGORY: Parking Development: Garage Extensions

PROJECT DESCRIPTION: ALB Gateway Modernization-Parking Plaza

TOTAL PROJECT COST: \$29,376,300 / **PROJECTED 2019 AMOUNT:** \$23,000,000

FUNDING SOURCES:	FAA Share (0%)	\$	0
	State Share (fixed \$)	\$	15,334,500
	ACAA Share (100%)	\$	14,041,800

IMPACT ON OPERATING BUDGET: This project will result in 1,000 additional garage parking spaces



CIP PROGRAM: Terminal

PROGRAM CATEGORY: Terminal Administration and Retrofit

PROJECT DESCRIPTION: ALB Gateway Modernization Terminal Improvements

TOTAL PROJECT COST: \$ 9,399,100 / **PROJECTED 2019 AMOUNT:** \$ 5,400,000

FUNDING SOURCES:	FAA Share (0%)	\$	0
	State Share (fixed \$)	\$	4,149,100
	ACAA Share (100%)	\$	5,250,000

IMPACT ON OPERATING BUDGET: Project will rehabilitate the terminal, including escalators, restrooms, waiting rooms and the food court. Improvements will include new carpets, wall finishes, tile floors, energy-efficient lighting fixtures and better Internet connectivity.



PROGRAM CATEGORY: Major Equipment

PROJECT DESCRIPTION: Replace Snow Removal Equip. (2-Dump-plow-trucks; blower; dozer)

TOTAL PROJECT COST: \$1,725,000 / **PROJECTED 2019 AMOUNT:** \$1,725,000

FUNDING SOURCES:	FAA Share (0%)	\$ 1,152,500
	State Share (0%)	\$ 86,250
	ACAA Share (100%)	\$ 86,250

IMPACT ON OPERATING BUDGET: This project results in replacement of heavy equipment used to maintained the Airfield

PROGRAM CATEGORY: Major Equipment

PROJECT DESCRIPTION: This project involves replacement of Parking Revenue Control System, light vehicles and equipment

TOTAL PROJECT COST: \$2,450,000 / **PROJECTED 2018 AMOUNT:** \$2,450,000

FUNDING SOURCES:	FAA Share (0%)	\$ 0
	State Share (0%)	\$ 2,648,300
	ACAA Share (100%)	\$ 0

IMPACT ON OPERATING BUDGET: This project will result in avoidance of emergency repair expenses and potential for parking system to become ineligible to process credit card payments in the near future as the system is more than 15 years old and future major upgrades to comply with credit card payment industry are no longer planned.





The chart below provides a summary of budgeted capital spending for the one-year period beginning January 1, 2019.

**SUMMARY OF PROJECTED CAPITAL
PROJECTS AND EQUIPMENT PURCHASES
2019 BUDGET YEAR**
Amounts in Dollars

Capital Projects Planned and In Progress 2019	TOTAL COST	FAA	STATE	ACAA
<i>CAPITAL PROJECTS</i>				
Reconstruct Rwy 10-28 Edge Ltg System (Construction)	952,000	856,800	47,600	47,600
Reconstruct Txy C & Associated Twys Edge Ltg System (Construction)	1,768,000	1,591,200	88,400	88,400
Airfield Drainage Improvements (Final Design & Construction)	3,279,000	2,951,100	163,950	163,950
Reconstruct Terminal Glycol-Storm Pump Stations (Design-Construction)	749,000	-	-	749,000
Replace Terminal Interior Lighting /Flooring (Design-Construction)	2,998,000	-	-	2,998,000
Hangar 201 Interior Renovation (Design-Construction)	197,000	-	-	197,000
Reconstruct Terminal Rest Room Facilities	1,725,000	-	-	1,725,000
ALB Gateway Modernization-Parking Plaza	29,376,284	-	15,334,541	14,041,743
ALB Gateway Modernization Terminal Improvements	9,399,078	-	4,149,078	5,250,000
Subtotal	50,443,362	5,399,100	19,783,569	25,260,693
<i>CAPITAL EQUIPMENT PURCHASES PLANNED</i>				
Replace Snow Removal Equip. (2-Dump-plow-trucks; blower; dozer)	1,725,000	1,552,500	86,250	86,250
ALB Gateway Passenger Parking Access Improvements	2,648,281	-	2,648,281	-
Subtotal	4,373,281	1,552,500	2,734,531	86,250
TOTAL CAPITAL PROJECTS AND EQUIPMENT	54,816,643	6,951,600	22,518,100	25,346,943

The remaining pages of this section include the five-year capital plan for the five-year period that began January 1, 2015.

**ALBANY COUNTY AIRPORT AUTHORITY
FIVE-YEAR CAPITAL PLAN
YEARS 2015-2019**

GOALS AND OBJECTIVES

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

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

OBJECTIVES: To promote safe, secure, efficient and economic air transportation by preserving and enhancing airport capacity.

To acquire, construct, reconstruct, continue, develop, equip, expand, improve, maintain, finance and operate aviation and other related facilities and services.

To stimulate and promote economic development, trade and tourism.

To form an integral part of a safe and effective nationwide system of airports to meet the present and future needs of civil aeronautics and national defense and to assure inclusion of the Authority's facilities in state, national and international programs for air transportation and for airport or airway capital improvements.

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.

ACTIVITIES: All the projects included in the proposed five-year capital plan for the years 2015 through 2019 are designed to meet the above objectives as set forth in the Airport's Master Plan and Airport's Safety Improvement Program. All projects have or will be subject to a Federal Environmental Assessment (EA) 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 Quality Review Act (SEQRA). 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.

CAPITAL PROGRAM FOR 2015 - 2019

A description of each of the projects included in the 2015-2019 Capital Program, together with the potential funding source is provided in the following schedule. A schedule of all the projects is included on page 16 showing for each project included in the plan, the year the project is planned for, and the specific funding sources initially identified for that project.

I Airfield

A. Noise Mitigation

Property Acquisitions - \$2.00 Million

The Authority completed a Noise Compatibility Study in 2003 which will provide Federal funds to acquire properties that have been deemed non-compatible Airport uses and are eligible for grant funding.

B. Runway Improvements

Runway 10/28 Pavement & Lighting Renovations - \$3.90 Million

Condition assessments indicate that during the next five years Runway 28 may require pavement rehabilitation and other lighting renovations.

Runway 01/19 Pavement & Lighting Renovations - \$4.72 Million

Asphalt pavement rehabilitation for the full length of Primary Runway 01-19 is in progress in 2015 as AIP grant project 126-2014. This runway surface measures 8,500 feet long by 150 feet wide for mill and fill rehabilitation including replacement of centerline lighting power and markings.

Runway 10, 28 Obstruction Removal - \$2.10 Million

This project involves funding for removal of vegetative obstructions that penetrate the approach surface of Runways 10 and 28 as may be required to meet Federal airspace and aircraft manufacturer requirements. Work areas may include the area north of the Runway 19 Approach Protection Zone, as well as south of the Runway 01 Protection Zone.

Runway 01/19 Improvement & Obstruction Removal - \$1.00 Million

This project provides funding for improvements to runway 01/19 with possible additional obstruction removal as may be required to meet Federal airspace and aircraft manufacturer requirements. Work areas may include the vicinity of extended runway center-line approximately one-mile from each runway end.

Runway Fencing, Drainage, & Wetland Management Improvements - \$0.55 Million

Along the Runway 01/19 primary runway pavement surface, there are structures that require repair and replacement to facilitate the proper drainage of water from improved areas. This project can also entail funding of wildlife hazard and wetland management.

C. Taxiway Renovations - \$5 Million

This project entails the ongoing annual rehabilitation of all primary and secondary taxiways as warranted by the Pavement Condition Index and required to meet Federal pavement condition standards for aircraft movement areas. Work areas include Taxiway "D" which is limited to light aircraft <12,500 pounds gross landed weight.

D. Apron/Ramp Improvements

Apron Rehabilitations - \$2.50 Million

There are areas of the apron that require concrete surfaces be replaced and repaved. In addition, the underground glycol drainage system needs repair and improvement.

Ramp Rehabilitation - \$4 Million

Periodically, there is a need to improve the paved and concrete surfaces that encompass the apron, taxiways and runways. This entails asphalt milling and repaving or concrete resurfacing to keep the infrastructure up to standards.

E. Air Traffic Control, TRACON & Navigational Aids - \$3 Million

The Air Traffic Control Facility and TRACON Building was constructed in 1998 and may warrant new roofing and structural improvement to meet FAA standards. The crosswind Runway 10/28 is a visual approach runway. The FAA supports the addition of Navigational Aids on the crosswind runway and related facilities as warranted to meet current building and energy standards.

F. Security Service Access Roads and Gate Improvements- \$0.75 Million

The Airport has advanced the installation of service roads around the entire perimeter of the Airport. There are certain areas that still require the placement of a service access road which would also provide necessary patrol and surveillance capabilities. Work areas include the southeast airfield quadrant to mitigate potential emergency vehicle conflicts with parking patrons in Economy Lot "E".

G. Aircraft Deicing Glycol Storage & Improvements - \$4.50 Million

Glycol is currently held in a six-million gallon lagoon and two large storage tanks for bio-treatment processing and direct discharge on-airport. Pump and processing equipment improvements or replacement may be warranted to assure continuous cost-effective operations and ongoing water quality permit compliance.

H. Master Plan Update/Environmental Review - \$0.50 Million

The Airport is required, under Federal and State regulations, to maintain an updated Master Plan and Airport Layout Plan to support project programming and environmental project review.

II Terminal

A. 1979 and 1998 Terminal Retrofit - \$13 Million

The terminal will require roofing and structural renovations to accommodate passenger volume as well as new uses, as dictated by the airlines, Transportation Security Administration and other tenants.

B. Loading Bridges - New & Retrofit - \$6 Million

Currently, there are two jet bridges that are over 25 years old and the new terminal jet bridges have now been used for 12 years. This project will allow for reconditioning, replacement and new installations.

- C. **Green Initiatives - New & Retrofit - \$2 Million**
Electric and Natural Gas utility charges for the airport are approximately \$2.7 million per year. The projects proposed will include, but will not be limited to, energy equipment fixture retrofits, and alternative energy initiatives to reduce energy consumption and airport operating costs.

III **Landside**

- A. **Property Acquisitions - \$5 Million**
The Airport is short of land to provide for runway approach protection and future expansion and development. All properties shall be acquired for a specific use.

B. **Parking Development**

Surface Lot Extension - \$5 Million

Currently, the Airport is at capacity regarding parking facilities and any growth in enplanements will require comparable growth in parking facilities. In addition, there are a number of gravel lots that need to be converted to paved lots with appropriate lighting and security devices for safety reasons.

Garage Improvements - \$2 Million

The Parking Garage will be approaching 20 years of service by the end of the current 2014-2019 plan and will benefit from major preservation and maintenance.

Garage Extensions - \$30 Million

An addition is planned for the parking garage to address capacity limitation needed and anticipated. Expansion of parking will be based upon demonstrated activity based need.

- C. **T-Hangar Alterations - \$1 Million**
Existing T-Hangars may need alterations for new tenants. The rental income from these facilities would offset the cost of alterations.

- D. **Hangar Road Access/Parking Redevelopment - \$2 Million**
In the northwest quadrant, there are a number of maintenance and aircraft storage facilities. Access to these facilities is difficult due to the number of gates that the maintenance personnel must encounter to get to their destination. Reconfiguration and realignment of the roads is necessary. The rental income from the hangar and maintenance facilities should cover the cost of redevelopment.

- E. **Security and Life-Safety Alarm System Improvements - \$1 Million**
Extension of fiber-optic network cables is proposed to improve communications and emergency response by ARFF and EMS personnel to reduce life-critical response times in the event of security and medical emergencies.

F. **Economic Development Projects**

Air Cargo Facilities NE Quadrant - \$2 Million

Currently, one building exists with 85,000 s.f. providing adequate space to all air cargo operators at the Airport. Additional Air Cargo space is not anticipated to be needed before 2019. It is possible the facility could require retrofit or rehabilitation to facilitate full occupancy and major tenant renewals through 2019.

Hangar Maintenance/Storage Northwest and Southwest Quad - \$8 Million

Currently, there are seven aircraft maintenance hangars located at the Airport. The hangars will need upgrades to roofing, HVAC, doors, exterior and interior finishes over the next five years. Tenant leases support investment in these assets.

Airport Industrial Park - \$4 Million

Aviation-related tenants require a location within close proximity to the airfield. New buildings or rehabilitation of those already existing would be supported through lease payments by tenants that may offer services to the Airport.

Property Utility Improvements - \$5 Million

A host of underground utilities that including water, sewer, electric, gas and fiber optic cable require upgrading and updating due to their condition and age. Funds should be allocated to keep our primary utilities in good working condition due to the nature of the Airport business.

Other Economic Opportunities - \$10 Million

Over the course of the five-year capital plan there will be economic development opportunities at the airport that will benefit both the airport and the capital region community. Projects that have a high feasibility of being financially self-supporting will be advanced.

IV Major Equipment & Vehicles - \$12 Million

Major Airport equipment has a useful life in the range of 10 years. Therefore, funds need to be allocated to provide the continual upgrade of the fleet mix for all divisions of the Airport.

POTENTIAL FUNDING SOURCES

Federal - Represents Federal entitlement and potential discretionary dollars available to fund eligible airfield capacity and safety related projects. Eligible projects generally are funded at 90% of the eligible project costs.

NY State - Represents New York State share of eligible Federal Projects (generally 5%) plus any State discretionary dollars that may be appropriated for the Airport.

ACAA - Represents the Authority's share of eligible Federal Projects (5%). In addition, the costs of other projects will be funded by State Grants and by Airport generated operating funds or by the issuance of indebtedness.

Generally facilities to be funded by the issuance of Authority indebtedness will be initiated only when the project is projected to generate sufficient revenues or cost savings to meet the annual debt service payments. For example, construction of hangars, freight buildings or private use facilities would only be initiated when tenants have been identified and have committed to leasehold payments sufficient to cover the debt service payments and any operating costs to be borne by the Authority.

Before the issuance of bonds is considered for any project, the Authority will evaluate whether any funds are available from its operating budget to cover any or a portion of the ACAA's share of the costs. This will include monies available under the Airline Use and Lease Agreement and any monies available in reserve funds held by the Authority.

The table below depicts the possible sources and allowable uses of funds for Airport capital projects.

	Airport Revenue		Revenue Bonds			AIP Grants		Passenger Facility Charges		State Grants - Non- AIP	Airport Development Fund	Sale of Land Acquired with FAA Grants
	From Operations	From Airline Capital Contribution	Tax-Exempt	Subject to AMT	Taxable	Entitlement	Discretionary	Pay-as-you-go	AMT Bonds			
Land Acquisition		○	○			○	○				▲	□
Airfield Projects and Equipment		○		○		○	○				▲	□
Terminal Projects		○		○		▲		○	○	▲	▲	□
Security Projects		○		○		○	○	○	○	▲	▲	□
On-airport access roads		○	○			○	○			▲	▲	□
Escalators/Elevators		○		○				○	○	▲	▲	□
Aeronautical/Cargo Tenants		○		○						▲	▲	
Non-Aeronautical/Fed Gov't Tenant		▲			◻					▲	▲	
Public Parking		○	○							▲	▲	
Rental Car Facilities		○		○						▲	▲	
On-going maintenance	○										▲	
Planning and preliminary design	○	○								▲	▲	
Airport Liquidity	○										○	
Fuel Farm/FBO		○		○						▲	▲	
Non-Airfield Equipment		○		○						▲	▲	

○ Key Source
▲ Secondary Source
□ Eligible
◻ Eligible/Not Advisable

Albany County Airport Authority 2019 Operating Budget

ALBANY INTERNATIONAL AIRPORT
FIVE YEAR CAPITAL PLAN 2015-2019
(\$ in Millions)

APPROVED

ACAA - 9/22/2014 Amended
County - 11/10/2014

5/1/2017
5/8/2017

Through July 31, 2018

POTENTIAL PROJECTS	TOTAL ESTIMATED DOLLARS	ESTIMATED EXPENDITURES BY YEAR					FUNDING SOURCES				NOTES	
		2015	2016	2017	2018	2019	FED	NYS	ACAA CASH	ACAA Debt		
AIRFIELD												
<i>Noise Mitigation:</i>												
Property Acquisitions	\$2.00	\$ -	\$ -	\$ -	\$ -							
<i>Runway Improvements:</i>												
#10/28 Pvmnt & Lightg Renovations	\$3.90	\$ -	\$ -	\$ -	\$ -							
#1/19 Pvmnt & Lightg Renovations	\$4.72	4.21	0.50	0.22	1.00	\$5.34	\$0.30	\$0.30				
#10,28 Obstruction Removal	\$2.10	\$ -	\$ -	\$ 0.03	\$ 0.95	\$0.89	\$0.05	\$0.05				
#1/19 Imprvmts & Obstr. Remvls	\$1.00	\$ -	\$ -	\$ -	\$ -							
Fencing, Drainage, Wetland Mgmt	\$0.55	\$ -	\$ -	\$ 0.04	\$ 0.06	\$0.09	\$0.01	\$0.01				
<i>Taxiways Renovations</i>	\$5.00	\$ -	\$ -	\$ -	\$ -							
<i>Apron/Ramp Improvements:</i>												
Apron Rehab	\$2.50	\$ -	\$ -	\$ -	\$ -							
Ramp Rehab	\$4.00	\$ -	\$ -	\$ -	\$ -							
<i>Navigation Aids</i>												
NavAids Impvts & Energy Impvts	\$3.00	\$ 0.12	\$ 0.33	\$ -	\$ -	\$0.40	\$0.02	\$0.02				
Service Access Roads	\$0.75	\$ -	\$ -	\$ -	\$ -							
Glycol Storage & Processing Impvts	\$4.50	\$ 1.00	\$ 0.08	\$ -	\$ 0.09	\$1.05	\$0.06	\$0.06				
Master Plan Update/Envir Rev	\$0.50	\$ -	\$ -	\$ -	\$ -							
	\$34.52	\$ 5.33	\$ 0.90	\$ 0.30	\$ 2.11	\$0.77	\$0.43	\$0.43	\$0.00			
TERMINAL												
<i>Terminal & Administration Retrofit</i>	\$13.00	\$ 4.12	\$ 0.35	\$ 0.22	\$ 0.04	\$2.50	\$0.14	\$2.09				
<i>Loading Bridges - New & Retrofit</i>	\$6.00	\$ -	\$ 0.11	\$ 3.06	\$ 1.30	\$4.02	\$0.22	\$0.22				
<i>Green Initiatives</i>	\$2.00	\$ 0.03	\$ -	\$ -	\$ -			\$0.03				
	\$21.00	\$ 4.15	\$ 0.46	\$ 3.29	\$ 1.34	\$6.52	\$0.36	\$2.35	\$0.00			
LANDSIDE												
<i>Property Acquisitions</i>	\$5.00	\$ -	\$ 0.04	\$ 1.40	\$ 0.23			\$1.66				
<i>Parking Development:</i>												
Surface Lot & Roadways Extension	\$5.00	\$ 0.37	\$ 0.70	\$ 0.65	\$ 0.03			\$1.76				
Garage Improvements	\$2.00	\$ 0.02	\$ 0.31	\$ 0.16	\$ 0.04			\$0.53				
Garage Extensions	\$30.00	\$ -	\$ -	\$ -	\$ -							A
<i>T-Hangars Alterations</i>	\$1.00	\$ -	\$ -	\$ -	\$ -							
<i>Hangar Road Access/Parking Redvmt</i>	\$2.00	\$ -	\$ -	\$ -	\$ -							
<i>Security and Life-Safety Alarm Imprvt</i>	\$1.00	\$ -	\$ -	\$ -	\$ -							
<i>Economic Development Opportunities</i>												
Air Cargo FacilitiesNE Quad.	\$2.00	\$ -	\$ -	\$ -	\$ -							A
Hangar Maintenance/Storage NW,SW Quad.	\$8.00	\$ 6.48	\$ 0.20	\$ 0.23	\$ 0.18	\$2.15	\$4.26	\$0.67				A
Airport Industrial Park Impvts	\$4.00	\$ -	\$ -	\$ -	\$ -							B
Property Utility Improvements	\$5.00	\$ 1.36	\$ 1.03	\$ 0.93	\$ 0.00	\$2.99	\$0.17	\$0.17				
Other Economic Opportunities	\$10.00	\$ 0.33	\$ 0.13	\$ 0.97	\$ 0.02			\$1.45				B
	\$75.00	\$ 8.56	\$ 2.41	\$ 4.34	\$ 0.50	\$5.14	\$4.43	\$6.24	\$0.00			
MAJOR EQUIPMENT & VEHICLES (>\$50K)	\$12.00	\$ 1.52	\$ 0.47	\$ 1.09	\$ 0.90	\$1.03	\$0.54	\$2.41				
Airfield, Snow Removal, ARFF Parking, Terminal, Landside, FBO												
TOTALS	\$142.52	\$ 19.56	\$ 4.24	\$ 9.01	\$ 4.85	\$20.47	\$5.76	\$11.44	\$0.00			

NOTES:

- A. Any funding requirements to be supported by increased passenger and tenant activity
- B. Project potentially eligible for specific State Funding in lieu of ACAA issued Debt or ACAA Cash

Albany County Airport Authority 2019 Operating Budget

ALBANY INTERNATIONAL AIRPORT
FIVE YEAR CAPITAL PLAN 2015-2019
(\$ in Millions)

APPROVED

ACAA - 9/22/2014 Amended 5/1/2017
County - 11/10/2014 5/8/2017

POTENTIAL PROJECTS	TOTAL ESTIMATED DOLLARS	ESTIMATED EXPENDITURES & DATES					POTENTIAL FUNDING SOURCES				NOTES
		2015	2016	2017	2018	2019	FED	NYS	ACAA CASH	ACAA Debt	
AIRFIELD											
<i>Noise Mitigation:</i>											
Property Acquisitions	\$2.00		\$0.60	\$0.40	\$1.00		\$1.80	\$0.10	\$0.10		
<i>Runway Improvements:</i>											
#10/28 Pvmnt & Lightg Renovations	\$3.90				\$3.00	\$0.90	\$3.51	\$0.20	\$0.20		
#1/19 Pvmnt & Lightg Renovations	\$4.72	\$4.72					\$4.25	\$0.24	\$0.24		
#10,28 Obstruction Removal	\$2.10	\$0.20	\$0.50	\$0.40	\$0.50	\$0.50	\$1.89	\$0.11	\$0.11		
#1/19 Imprvmts & Obstr. Remvls	\$1.00	\$0.50	\$0.50				\$0.90	\$0.05	\$0.05		
Fencing, Drainage, Wetland Mgmt	\$0.55	\$0.55					\$0.50	\$0.03	\$0.03		
Taxiways Renovations	\$5.00	\$1.00	\$1.00	\$2.40	\$0.60		\$4.75	\$0.13	\$0.13		
<i>Apron/Ramp Improvements:</i>											
Apron Rehab	\$2.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$2.25	\$0.13	\$0.13		
Ramp Rehab	\$4.00	\$0.50	\$0.50	\$1.00	\$1.00	\$1.00	\$3.60	\$0.20	\$0.20		
<i>Navigation Aids</i>											
NavAids Impvts & Energy Impvts	\$3.00				\$1.50	\$1.50	\$2.70	\$0.15	\$0.15		
Service Access Roads	\$0.75			\$0.75			\$0.68	\$0.04	\$0.04		
Glycol Storage & Processing Impvts	\$4.50	\$0.00	\$1.00	\$1.00	\$1.25	\$1.25	\$4.05	\$0.23	\$0.23		
Master Plan Update/Envir Rev	\$0.50	\$0.10	\$0.10	\$0.30			\$0.45	\$0.03	\$0.03		
	\$34.52	\$8.07	\$4.70	\$6.75	\$9.35	\$5.65	\$31.32	\$1.60	\$1.60	\$0.00	
TERMINAL											
<i>Terminal & Administration Retrofit</i>											
Terminal & Administration Retrofit	\$13.00	\$4.12	\$0.35	\$0.50	\$4.00	\$4.03	\$11.70	\$0.65	\$0.65		
<i>Loading Bridges - New & Retrofit</i>											
Loading Bridges - New & Retrofit	\$6.00		\$0.11	\$4.11	\$1.00	\$1.00	\$5.40	\$0.30	\$0.30		
<i>Green Initiatives</i>											
Green Initiatives	\$2.00	\$1.00	\$1.00				\$1.80	\$0.10	\$0.10		
	\$21.00	\$5.12	\$1.46	\$4.61	\$5.00	\$5.03	\$18.90	\$1.05	\$1.05	\$0.00	
LANDSIDE											
<i>Property Acquisitions</i>											
Property Acquisitions	\$5.00	\$2.00	\$1.00	\$1.00		\$1.00	\$4.50	\$0.25	\$0.25	\$5.00	
<i>Parking Development:</i>											
Surface Lot & Roadways Extension	\$5.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$0.00	\$0.00	\$5.00		
Garage Improvements	\$2.00	\$1.00	\$1.00						\$2.00		
Garage Extensions	\$30.00			\$1.00	\$15.00	\$14.00	\$0.00	\$0.00	\$0.00	\$30.00	
<i>T-Hangars Alterations</i>											
T-Hangars Alterations	\$1.00				\$0.50	\$0.50	\$0.00	\$0.00	\$1.00		
<i>Hangar Road Access/Parking Redvmt</i>											
Hangar Road Access/Parking Redvmt	\$2.00				\$1.00	\$1.00	\$0.00	\$0.00	\$2.00		
<i>Security and Life-Safety Alarm Imprvt</i>											
Security and Life-Safety Alarm Imprvt	\$1.00		\$1.00				\$0.90	\$0.05	\$0.05		
<i>Economic Development Opportunities</i>											
Air Cargo FacilitiesNE Quad.	\$2.00				\$1.00	\$1.00	\$0.00	\$0.00	\$2.00	\$0.00	
Hangar Maintenance/Storage NW,SW Quad.	\$8.00		\$2.00	\$2.00	\$2.00	\$2.00	\$0.00	\$3.00	\$1.50	\$3.50	
Airport Industrial Park Impvts	\$4.00			\$1.00	\$1.00	\$2.00	\$0.00	\$0.00	\$4.00		
Property Utility Improvements	\$5.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$4.50	\$0.25	\$0.25		
Other Economic Opportunities	\$10.00			\$2.00	\$4.00	\$4.00			\$10.00		
	\$75.00	\$5.00	\$7.00	\$9.00	\$26.50	\$27.50	\$9.90	\$3.55	\$28.05	\$38.50	
MAJOR EQUIPMENT & VEHICLES (>\$50K)											
Airfield, Snow Removal, ARFF	\$12.00	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$7.20	\$0.40	\$4.40		
Parking, Terminal, Landside, FBO											
TOTALS	\$142.52	\$20.59	\$15.56	\$22.76	\$43.25	\$40.58	\$67.32	\$6.60	\$35.10	\$38.50	

NOTES:

- A. Any funding requirements to be supported by increased passenger and tenant activity
- B. Project potentially eligible for specific State Funding in lieu of ACAA issued Debt or ACAA Cash

10) AIRLINES RATES AND CHARGES SUMMARY

The Airline Use and Lease Agreement that began on January 1, 2011 continues to recognize that the Airlines and the Authority are working together to provide adequate facilities at the Airport and to provide appropriate accommodations for the public using the Airport without creating an unreasonable financial burden on the airlines or the Authority. This goal is achieved through a "revenue sharing" relationship in which both the signatory airlines and the Authority "share" in the successful financial performance of the Airport.

The revenue sharing formula in the Airline Use and Lease Agreement includes the following key elements:



A residual landing fee rate for the airfield cost center using passenger airline and cargo carrier landed weight as a divisor. Certain revenue items are credited in the rate calculation to lower the overall requirement of the airfield. Included among those offsets are interest earnings, FBO commercial net revenues and all revenues from non-signatory airlines. The signatory landing fee rate as calculated for 2019 is \$3.35 per 1,000 MGLW, an increase of 0.6% from the 2018 budgeted amount of \$3.33.



An aircraft apron fee rate is based upon ten percent of the total landing fee requirement; divided by number of total square foot of apron space. The apron fee rate for 2019 is \$1.48 per square foot an increase of 7.2% from the 2018 budgeted amount of \$1.38 per square foot.



A commercial compensatory terminal rental rate for the terminal cost center, using rentable square feet as the divisor. Space occupied by the airlines or other tenants is paid for directly by a terminal rental charge. The signatory rental rate as calculated for 2019 is \$83.59 per square foot, an increase of 2.5% from the 2018 budgeted amount of \$81.57.



A loading bridge fee charge is implemented based on annual capital charges, capital charge coverage, any required reserves, and operating and maintenance expenses incurred. The fee for 2019 will be \$43,232 per bridge an increase of 5.8% from the 2018 budgeted amount of \$40,849.



A formula for revenue sharing at 50/50 with the signatory airlines based on remaining Airport funds in excess of the total requirements of all cost centers. The signatory airlines' share is credited back to airlines in the subsequent year. The calculation in the 2019 budget projects the signatory airlines will receive \$3,048,490 as their share at the end of 2019.

COST CENTERS AND ALLOCATIONS

The expense budget under the New Agreement includes seven direct cost centers (airfield, terminal, loading bridges, parking, landside, FBO commercial aviation, and FBO general aviation and facilities) and seven indirect costs centers (ARFF, operations, security, vehicle/equipment maintenance, AvPorts administration, Million Air administration, and Authority administration). The expenses for four of the indirect costs centers (which exclude administration) are allocated to the direct costs centers based on an analysis of the staff hours worked and the budgeted costs within each indirect cost center. After those indirect costs are allocated to the direct cost centers, administration is allocated based on the total actual direct and indirect costs for each direct cost center. The allocation percentages for 2019 are set forth in the operating expenses allocation summary on page 10-8. The allocation rates will be reviewed and potentially revised at the end of 2019 to reflect the actual operations and maintenance for all of the facilities.

NON-SIGNATORY RATES - Airlines that are not signatory to the Agreement are charged the lesser of the compensatory rate for the airfield or 1.25 times the signatory rate. For 2019, the non-signatory landing fee rate will be \$4.19 per 1,000 Maximum Gross Landing Weight (MGLW) and the non-signatory terminal rental rate will be \$104.49 per square foot.

PER USE TERMINAL FEE - Low-Volume Air Carriers that are not signatory will be charged a per use terminal fee. The Per Use Terminal Fee shall be calculated by dividing the sum of the estimated total annual aircraft apron Fees, terminal rentals and equipment charges, by the total number of enplaned passengers at the Airport in the preceding year, and multiplying that quotient by one hundred twenty-five percent (125%). For 2019 the low volume carrier terminal charge per EPAX will be \$6.22.

REVENUE SHARING - Over the five year term (2016-2020) of the Airline Use and Lease Agreement, 50% of all Airport revenues in excess of the total requirements of all cost centers in each fiscal year is "transferred" as a credit.

COST PER ENPLANEMENT - One measure of the total revenues received by the Authority from the airlines is the Airport cost per enplanement (CPE). The CPE is presented with two components.



The Airport CPE represents the net cost incurred by the commercial airlines based on their regular operations at the Airport.



The FBO CPE represents the additional cost incurred by the airlines for into-plane, fuel farm, and deicing services; services usually provided by fixed based operators but at Albany International Airport are provided by the Authority.

The table on page 10-15 shows the Airport cost per enplanement after the airline's portion of revenue sharing for 2019 will be \$6.52. When the FBO CPE amount of \$1.75 is included with the Airport CPE, the net cost of the CPE is \$8.28.

PROJECTED RATES AND CHARGES - Based on the actual results experienced by the airport during 2017, the budget for 2018, the projected results for 2018, the budget for 2019, the projected 2020 and the projected 2021 tables on the following pages set forth the assumptions, projections and findings for the remaining years under the current Airline Use and Lease agreement effective 2016-2020 and show future projections.

The achievement of the projections included in this report are dependent upon the occurrence of numerous future events, many of which are beyond the Airport's control, and therefore variations are to be expected and may be material.



Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget REVENUES						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
AIRFIELD						
Airline Landing Fees	\$4,924,165	\$5,297,871	\$4,802,269	\$5,619,263	\$5,252,019	\$5,492,805
Airline Airfield Revenue Sharing	(487,969)	(400,458)	(507,386)	(609,698)	(578,778)	(580,371)
Cargo Landing Fees	533,784	570,016	524,189	581,237	542,750	567,082
Glycol Disposal Fee	357,662	361,925	521,352	360,059	360,059	360,059
Airline Apron Fee	649,858	695,400	669,573	749,370	695,587	725,750
TSA Apron Fee	227	0	0	0	0	0
Tenant Maintenance	34,586	30,000	55,000	35,000	35,000	35,000
Control Tower Rental	665,776	665,776	665,776	665,776	665,776	665,776
	<u>\$6,678,088</u>	<u>\$7,220,531</u>	<u>\$6,730,772</u>	<u>\$7,401,008</u>	<u>\$6,972,412</u>	<u>\$7,266,102</u>
FBO						
Jet A Fuel Sales	\$4,375,424	\$4,378,590	\$5,562,374	\$5,782,543	\$5,782,543	\$5,782,543
Avgas Fuel Sales General Aviation	309,326	307,869	266,404	274,825	274,825	274,825
Auto Gas Fuel Sales	67,128	68,487	92,749	95,068	97,445	99,881
Diesel Fuel Sales	211,964	211,221	229,769	235,513	241,401	247,436
Into-plane	663,730	664,133	666,474	666,474	666,474	666,474
Fuel Farm	586,599	600,144	632,318	626,337	626,337	626,337
General Aviation Landing Fees	248,652	256,964	268,177	276,222	278,985	281,775
General Aviation Parking Fees	173,622	176,437	200,637	206,657	208,723	210,810
Avgas Fuel Sales Commercial	396,618	412,788	383,420	256,631	256,631	256,631
Deicing Type I - Sprayed	536,222	504,616	931,630	612,000	612,000	612,000
Deicing Type IV - Sprayed	77,549	74,445	174,661	82,320	82,320	82,320
Deicing Type I - Consortium	362,407	423,449	504,615	505,500	505,500	505,500
Deicing Type IV - Consortium	119,139	117,357	167,821	137,720	137,720	137,720
Deicing - GA	34,042	28,220	108,675	40,600	40,600	40,600
General Aviation Tenants	325,573	324,732	377,936	387,384	397,069	406,996
General Aviation Customer Services	84,464	81,422	58,814	60,578	61,184	61,796
	<u>\$8,572,459</u>	<u>\$8,630,876</u>	<u>\$10,626,477</u>	<u>\$10,246,373</u>	<u>\$10,269,757</u>	<u>\$10,293,644</u>
TERMINAL						
Airline Space Rental	\$5,565,552	\$5,613,076	\$5,705,286	\$5,900,535	\$5,844,063	\$6,111,596
Airline Terminal Revenue Sharing	(1,951,878)	(1,601,831)	(2,029,543)	(2,438,792)	(2,315,114)	(2,321,482)
TSA Space Rental	448,828	448,828	448,828	448,828	448,828	448,828
Nonairline Space Rental - Flat Rate	59,190	59,190	68,323	80,186	80,186	80,186
Nonairline Space Rental - Signatory Rate	38,938	39,350	39,158	41,069	41,654	42,634
Nonairline Space Rental	158,891	160,526	174,404	167,662	170,093	174,053
Loading Bridge Rentals	614,076	531,039	567,798	562,011	570,409	582,838
Tenant Maintenance	61,523	35,000	26,434	25,000	25,750	26,523
Utility Reimbursement	24,659	26,000	23,563	24,000	24,000	24,000
	<u>\$5,019,778</u>	<u>\$5,311,177</u>	<u>\$5,024,252</u>	<u>\$4,810,498</u>	<u>\$4,889,869</u>	<u>\$5,169,175</u>
GROUND TRANSPORTATION						
Parking	\$14,985,272	\$15,170,719	\$15,283,333	\$15,283,333	\$15,590,528	\$15,903,897
Access Fees	296,124	313,470	319,937	330,969	334,279	337,622
TNCs	44,244	0	115,183	200,000	203,000	206,045
	<u>\$15,325,640</u>	<u>\$15,484,189</u>	<u>\$15,718,452</u>	<u>\$15,814,302</u>	<u>\$16,127,807</u>	<u>\$16,447,564</u>

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget REVENUES						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
CONCESSIONS						
Rental Cars	\$5,427,741	\$5,277,984	\$5,268,819	\$5,177,978	\$5,282,055	\$5,388,224
Food and Beverage	803,939	1,045,060	866,243	1,000,812	907,337	918,702
Retail	802,534	830,657	849,543	887,626	711,250	711,250
Advertising	380,522	385,624	300,000	300,000	300,000	300,000
Foreign Currency	26,600	26,600	26,600	26,600	26,600	26,600
Museum Shop	279,166	271,122	245,105	256,092	222,057	192,545
Operating Permits	200,999	190,684	205,432	212,385	212,385	212,385
Telephone - Payphones	2,388	2,500	2,069	2,141	2,162	2,184
Telephone - Tenants	72,443	72,425	70,743	71,000	71,000	71,000
Phone Cards	0	0	0	0	0	0
Bank ATMs	35,886	36,415	35,576	36,803	37,171	37,543
Business Center	0	0	0	0	0	0
Vending Machines	31,162	32,589	32,283	33,215	33,548	33,883
Baggage Cart Concessions	7,000	7,000	7,000	7,000	21,000	21,000
	\$8,070,380	\$8,178,660	\$7,909,413	\$8,011,652	\$7,826,564	\$7,915,315
OTHER AIRPORT						
Land Rental	\$306,853	\$312,956	\$313,006	\$314,289	\$314,289	\$314,289
Industrial Park	534,541	557,765	553,339	568,282	568,282	568,282
T Hangars	97,320	100,328	102,069	100,328	100,328	100,328
Tie Downs	4,096	4,096	4,176	4,176	4,176	4,176
T Hangar Avgas Fuel Sales	44,004	43,138	39,872	41,068	41,478	41,893
Parking Garage Space Rent	84,623	87,162	87,143	89,765	92,492	92,492
Hangar Rentals	433,034	441,385	504,776	526,833	526,833	526,833
Building Rental	124,507	126,291	114,856	110,882	110,882	110,882
Cargo Building Rental	914,738	884,349	913,158	922,420	922,420	922,420
Aircraft Maintenance & Service Center	77,489	39,987	41,187	331,373	331,373	331,373
State Executive Hangar/Maint	1,247,083	1,247,083	1,247,083	1,247,083	1,247,083	1,247,083
Utility Reimbursement	129,422	136,000	168,073	170,000	170,000	170,000
Reimbursement of Property Taxes	36,333	37,000	42,883	42,883	42,883	42,883
Internet and Cable Access	11,530	11,640	9,770	7,680	7,680	7,680
Fingerprinting	25,878	25,000	27,424	26,000	26,000	26,000
Tenant Maintenance	42,858	1,000	355	1,000	1,000	1,000
Purchasing Proposals	5,445	7,000	1,140	5,000	5,000	5,000
Scrap and Equipment Sales	14,794	15,000	8,976	15,000	15,000	15,000
Other	226,247	60,000	93,134	70,000	70,000	70,000
	\$4,360,795	\$4,137,180	\$4,272,422	\$4,594,062	\$4,597,199	\$4,597,614
TOTAL REVENUES	\$48,027,140	\$48,962,612	\$50,281,788	\$50,877,896	\$50,683,609	\$51,689,414
OTHER REVENUES						
Interest Earnings	\$10,676	\$10,783	\$255,760	\$875,457	\$892,091	\$909,041
TSA (LEO) Reimbursement	138,700	138,700	138,700	138,700	138,700	138,700
Grant	0	0	174,077	0	0	0
Improvement Charges	368,400	368,400	368,400	368,400	368,400	368,400
	\$517,776	\$517,883	\$936,937	\$1,382,557	\$1,399,191	\$1,416,141
TOTAL REVENUES	\$48,544,916	\$49,480,495	\$51,218,725	\$52,260,453	\$52,082,799	\$53,105,554
TOTAL REVENUES BEFORE REVENUE SHARING	\$50,984,764	\$51,482,785	\$53,755,654	\$55,308,943	\$54,976,692	\$56,007,407
Airport Operations	\$41,894,529	\$42,334,026	\$42,192,240	\$43,680,012	\$43,307,744	\$44,297,622
FBO Operations	\$8,572,459	\$8,630,876	\$10,626,477	\$10,246,373	\$10,269,757	\$10,293,644
Other Revenues	\$517,776	\$517,883	\$936,937	\$1,382,557	\$1,399,191	\$1,416,141
Total Revenues	\$50,984,764	\$51,482,785	\$53,755,654	\$55,308,943	\$54,976,692	\$56,007,407

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget SUMMARY OF EXPENSES						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
EXPENSES - SUMMARY						
Airport Management	\$21,785,627	\$23,280,662	\$22,980,499	\$24,443,271	\$25,052,710	\$25,677,385
FBO Management	3,113,109	3,238,577	3,142,314	3,265,771	3,484,771	3,709,247
FBO Cost of Sales	4,124,218	4,327,209	5,609,974	5,494,244	5,494,244	5,494,244
Authority	4,350,735	4,603,949	4,740,486	4,862,389	4,983,949	5,108,547
TOTAL EXPENSES	\$33,373,689	\$34,248,113	\$36,473,274	\$38,065,674	\$39,015,674	\$39,989,423
EXPENSES BY CATEGORY						
Personnel Services	\$10,187,247	\$11,037,496	\$10,502,039	\$11,231,809	\$11,512,605	\$11,800,420
Employee Benefits	4,872,943	5,500,581	5,111,824	5,668,597	5,810,312	5,955,570
Utilities & Communications	2,004,108	2,118,939	2,103,779	2,205,123	2,260,251	2,316,757
Purchased Services						
Accounting & Auditing	\$74,035	\$61,000	\$71,712	\$61,000	\$66,168	\$64,088
Insurance	809,685	751,830	887,931	808,178	815,521	849,092
Legal	11,058	50,000	105,490	50,000	54,236	52,531
Public Safety	273,191	262,650	300,774	309,107	284,900	324,756
Albany County Sheriffs	2,109,844	2,627,656	2,319,528	2,731,859	2,850,256	2,870,159
Janitorial	460,526	484,681	496,515	499,203	525,740	524,475
Public Communications	750,058	845,866	797,100	975,374	917,523	1,024,752
Special Studies & GIS Services	132,973	89,200	91,028	94,200	96,757	98,969
Professional Services	1,270,125	1,213,160	1,203,278	1,229,160	1,315,932	1,291,386
Total Purchased Services	\$5,891,495	\$6,386,044	\$6,273,358	\$6,758,081	\$6,927,034	\$7,100,209
Materials & Supplies						
Airfield	\$709,120	\$901,000	\$859,447	\$914,500	\$963,041	\$1,012,795
FBO - Cost of Sales	4,124,218	4,327,209	5,609,974	5,494,244	5,494,244	5,494,244
Buildings	2,471,738	1,890,077	2,502,033	2,134,569	2,247,870	2,364,003
Grounds	822,681	800,885	829,495	897,785	945,439	994,284
Vehicles & Equipment	892,443	845,100	917,315	944,900	995,054	1,046,463
Total Material & Supplies	\$9,020,200	\$8,764,272	\$10,718,264	\$10,385,998	\$10,645,648	\$10,911,789
Office	\$334,758	\$492,662	\$367,882	\$477,205	\$489,136	\$501,364
Administration	882,774	910,405	934,815	906,770	929,439	952,675
Noncapital Equipment & Facilities	180,164	240,000	461,314	432,090	441,250	450,639
TOTAL EXPENSES	\$33,373,689	\$35,450,398	\$36,473,274	\$38,065,674	\$39,015,674	\$39,989,423
DEPARTMENT SUMMARY (Direct & Indirect)						
Direct Cost Centers						
Airfield	\$3,122,979	\$3,255,010	\$3,332,212	\$3,408,312	\$3,493,520	\$3,580,858
Terminal	5,178,912	5,459,185	5,595,164	5,641,207	5,780,595	5,923,467
Loading Bridges	309,228	293,482	331,448	311,451	319,237	327,218
Landside:						
Parking	4,179,304	4,745,146	4,182,366	4,733,138	4,851,466	4,972,753
Landside Development	1,474,528	1,133,753	1,295,667	1,313,568	1,346,407	1,380,067
FBO Commercial	2,216,976	2,432,586	2,757,413	2,562,503	2,626,566	2,692,230
FBO GA & Facilities	4,380,650	4,467,266	5,349,037	5,513,168	5,650,997	5,792,272
Total Direct Cost Centers	\$20,862,577	\$21,786,429	\$22,843,307	\$23,483,348	\$24,068,789	\$24,668,866
Indirect Cost Centers						
ARFF	\$1,922,808	\$2,075,056	\$1,928,744	\$2,192,616	\$2,247,431	\$2,303,617
Operations	932,276	1,005,829	993,892	1,030,987	1,056,761	1,083,180
Security	2,424,013	3,039,977	2,722,084	3,152,169	3,230,973	3,311,747
Vehicle/Equipment	1,373,376	1,395,246	1,723,881	1,748,677	1,792,394	1,837,204
Airport Management Administration	868,203	877,978	875,042	911,146	933,925	957,273
FBO Administration	639,701	665,934	645,837	684,343	701,452	718,988
Airport Authority Administration	4,350,735	4,603,949	4,740,486	4,862,389	4,983,949	5,108,547
Total Indirect Cost Centers	\$12,511,112	\$13,663,969	\$13,629,966	\$14,582,327	\$14,946,885	\$15,320,557
TOTAL EXPENSES	\$33,373,689	\$35,450,398	\$36,473,274	\$38,065,674	\$39,015,674	\$39,989,423

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget EXPENSES						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
AIRFIELD						
Personnel Services	\$1,164,136	\$1,250,297	\$1,317,946	\$1,355,075	\$1,388,952	\$1,423,675
Employee Benefits	510,715	610,657	565,171	627,657	643,348	659,432
Utilities & Communications	109,112	118,100	129,302	129,500	132,738	136,056
Purchased Services	247,865	247,851	254,748	260,613	267,128	273,806
Materials & Supplies	942,579	1,007,488	957,491	1,017,988	1,043,438	1,069,524
Office	3,551	10,177	6,295	8,880	9,102	9,330
Administration	19,564	10,440	54,182	8,600	8,815	9,035
Noncapital Equipment & Facilities	125,457	0	47,078	0	0	0
	\$3,122,979	\$3,255,010	\$3,332,212	\$3,408,312	\$3,493,520	\$3,580,858
TERMINAL						
Personnel Services	\$1,277,061	\$1,420,955	\$1,286,654	\$1,425,177	\$1,460,807	\$1,497,327
Employee Benefits	708,844	694,973	678,871	717,856	735,802	754,197
Utilities & Communications	1,046,263	1,121,189	1,041,196	1,125,156	1,153,285	1,182,117
Purchased Services	1,077,785	1,161,024	1,184,059	1,201,072	1,231,099	1,261,877
Materials & Supplies	1,046,021	910,240	1,298,428	1,069,861	1,096,608	1,124,023
Office	22,938	48,805	7,744	34,385	35,245	36,126
Administration	0	2,000	23,829	2,000	2,050	2,101
Noncapital Equipment & Facilities	0	100,000	74,385	65,700	65,700	65,700
	\$5,178,912	\$5,365,498	\$5,595,164	\$5,641,207	\$5,780,595	\$5,923,467
LOADING BRIDGES						
Personnel Services	\$88,134	\$89,187	\$88,314	\$90,060	\$92,312	\$94,619
Employee Benefits	50,245	52,145	49,411	54,241	55,597	56,987
Utilities & Communications	68,250	68,250	68,250	68,250	69,956	71,705
Purchased Services	0	0	0	0	0	0
Materials & Supplies	102,599	82,900	125,473	97,900	100,348	102,856
Office	0	0	0	0	0	0
Administration	0	1,000	0	1,000	1,025	1,051
Noncapital Equipment & Facilities	0	0	0	0	0	0
	\$309,228	\$279,240	\$331,448	\$311,451	\$319,237	\$327,218
PARKING						
Personnel Services	\$1,497,980	\$1,951,409	\$1,502,176	\$1,868,633	\$1,915,349	\$1,963,232
Employee Benefits	688,644	870,223	721,742	852,760	874,079	895,931
Utilities & Communications	306,296	313,875	311,973	318,875	326,847	335,018
Purchased Services	512,025	431,414	451,756	435,219	446,100	457,252
Materials & Supplies	683,479	625,441	677,931	695,067	712,443	730,254
Office	21,984	78,184	30,665	77,984	79,934	81,932
Administration	443,761	451,600	475,089	476,600	488,515	500,728
Noncapital Equipment & Facilities	25,135	23,000	11,036	8,000	8,200	8,405
	\$4,179,304	\$4,745,146	\$4,182,366	\$4,733,138	\$4,851,466	\$4,972,753
LANDSIDE						
Utilities & Communications	222,761	230,025	272,192	274,125	280,978	288,003
Purchased Services	98,873	85,528	60,384	83,743	85,836	87,982
Materials & Supplies	1,069,580	762,950	881,056	863,450	885,036	907,162
Office	0	8,250	2,483	3,250	3,331	3,415
Administration	83,314	47,000	37,302	47,000	48,175	49,379
Noncapital Equipment & Facilities	0	0	42,250	42,000	43,050	44,126
	\$1,474,528	\$1,133,753	\$1,295,667	\$1,313,568	\$1,346,407	\$1,380,067
ARFF						
Personnel Services	\$1,235,615	\$1,265,746	\$1,195,791	\$1,330,970	\$1,364,245	\$1,398,351
Employee Benefits	495,279	553,129	527,261	604,905	620,028	635,528
Utilities & Communications	20,315	21,300	26,549	26,300	26,958	27,631
Purchased Services	3,459	3,459	3,749	3,749	3,843	3,939
Materials & Supplies	106,424	129,304	100,877	133,104	136,432	139,842
Office	9,878	9,758	8,908	9,383	9,618	9,858
Administration	51,838	44,360	18,013	36,150	37,054	37,980
Noncapital Equipment & Facilities	0	48,000	47,595	48,054	49,256	50,487
	\$1,922,808	\$2,075,056	\$1,928,744	\$2,192,616	\$2,247,431	\$2,303,617

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget EXPENSES						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
OPERATIONS						
Personnel Services	\$609,872	\$640,772	\$627,565	\$633,484	\$649,321	\$665,554
Employee Benefits	247,922	276,946	285,476	284,549	291,663	298,954
Utilities & Communications	52,606	51,350	54,020	49,650	50,891	52,164
Purchased Services	0	0	0	0	0	0
Materials & Supplies	0	0	0	0	0	0
Office	6,641	15,111	11,860	16,554	16,968	17,392
Administration	15,235	21,650	14,972	21,750	22,294	22,851
Noncapital Equipment & Facilities	0	0	0	25,000	25,625	26,266
	<u>\$932,276</u>	<u>\$1,005,829</u>	<u>\$993,892</u>	<u>\$1,030,987</u>	<u>\$1,056,761</u>	<u>\$1,083,180</u>
SECURITY						
Personnel Services	\$139,425	\$175,485	\$160,569	\$178,731	\$183,199	\$187,779
Employee Benefits	70,220	88,006	80,148	90,879	93,151	95,480
Utilities & Communications	4,046	4,200	4,031	4,200	4,305	4,413
Purchased Services	2,109,844	2,627,656	2,319,528	2,731,859	2,800,155	2,870,159
Materials & Supplies	96,168	109,000	136,594	142,000	145,550	149,189
Office	4,310	16,630	2,213	4,500	4,613	4,728
Administration	0	0	0	0	0	0
Noncapital Equipment & Facilities	0	19,000	19,000	0	0	0
	<u>\$2,424,013</u>	<u>\$3,039,977</u>	<u>\$2,722,084</u>	<u>\$3,152,169</u>	<u>\$3,230,973</u>	<u>\$3,311,747</u>
VEHICLE/EQUIPMENT						
Personnel Services	\$539,269	\$558,693	\$606,561	\$607,506	\$622,694	\$638,261
Employee Benefits	265,728	291,883	302,649	349,666	358,408	367,368
Utilities & Communications	16,921	20,095	22,618	22,595	23,160	23,739
Purchased Services	64,011	61,505	68,378	68,378	70,087	71,840
Materials & Supplies	449,261	403,100	501,605	443,100	454,178	465,532
Office	1,547	6,670	272	10,796	11,066	11,343
Administration	7,067	3,300	1,827	3,300	3,383	3,467
Noncapital Equipment & Facilities	29,572	50,000	219,970	243,336	249,419	255,655
	<u>\$1,373,376</u>	<u>\$1,395,246</u>	<u>\$1,723,881</u>	<u>\$1,748,677</u>	<u>\$1,792,394</u>	<u>\$1,837,204</u>
FBO COMMERCIAL						
Personnel Services	\$487,215	\$504,291	\$468,423	\$509,304	\$522,037	\$535,088
Employee Benefits	162,466	200,892	141,304	165,810	169,955	174,204
Utilities & Communications	17,265	17,962	20,583	21,064	21,591	22,130
Purchased Services	97,828	74,663	63,129	74,663	76,530	78,443
Materials & Supplies	1,450,529	1,634,778	2,046,581	1,791,662	1,836,454	1,882,365
Office	0	0	0	0	0	0
Administration	1,673	0	17,393	0	0	0
Noncapital Equipment & Facilities	0	0	0	0	0	0
	<u>\$2,216,976</u>	<u>\$2,432,586</u>	<u>\$2,757,413</u>	<u>\$2,562,503</u>	<u>\$2,626,566</u>	<u>\$2,692,230</u>
FBO GENERAL AVIATION AND FACILITIES						
Personnel Services	\$713,217	\$711,778	\$746,110	\$725,053	\$743,179	\$761,759
Employee Benefits	289,342	321,944	280,360	322,777	330,846	339,117
Utilities & Communications	62,531	66,500	68,184	70,740	72,509	74,321
Purchased Services	122,542	120,837	115,942	122,996	126,071	129,223
Materials & Supplies	3,032,030	3,070,707	3,971,839	4,100,102	4,202,605	4,307,670
Office	1,095	2,500	766	2,000	2,050	2,101
Administration	159,893	173,000	165,836	169,500	173,738	178,081
Noncapital Equipment & Facilities	0	0	0	0	0	0
	<u>\$4,380,650</u>	<u>\$4,467,266</u>	<u>\$5,349,037</u>	<u>\$5,513,168</u>	<u>\$5,650,997</u>	<u>\$5,792,272</u>

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget EXPENSES						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
FBO ADMINISTRATION						
Personnel Services	\$200,537	\$204,970	\$208,462	\$214,861	\$220,233	\$225,738
Employee Benefits	63,788	84,690	59,684	89,513	91,750	94,044
Utilities & Communications	1,136	3,950	1,520	1,350	1,384	1,418
Purchased Services	327,868	317,868	334,618	327,868	336,065	344,466
Materials & Supplies	0	0	0	0	0	0
Office	40,664	46,156	36,931	42,452	43,513	44,601
Administration	5,708	8,300	4,622	8,300	8,508	8,720
Noncapital Equipment & Facilities	0	0	0	0	0	0
	\$639,701	\$665,934	\$645,837	\$684,343	\$701,452	\$718,988
AIRPORT MANAGEMENT ADMINISTRATION						
Personnel Services	\$321,076	\$308,356	\$326,384	\$316,071	\$323,972	\$332,072
Employee Benefits	88,695	105,247	88,054	111,860	114,656	117,522
Utilities & Communications	347	550	217	400	410	420
Purchased Services	415,271	415,750	415,750	430,750	441,519	452,557
Materials & Supplies	0	0	0	0	0	0
Office	39,364	42,525	40,616	46,516	47,679	48,871
Administration	3,450	5,550	4,020	5,550	5,689	5,831
Noncapital Equipment & Facilities	0	0	0	0	0	0
	\$868,203	\$877,978	\$875,042	\$911,146	\$933,925	\$957,273
AIRPORT AUTHORITY ADMINISTRATION						
Personnel Services	\$1,913,710	\$1,955,557	\$1,967,083	\$1,976,885	\$2,026,307	\$2,076,965
Employee Benefits	1,231,055	1,349,847	1,331,694	1,396,126	1,431,029	1,466,805
Utilities & Communications	76,259	81,592	83,144	92,918	95,241	97,622
Purchased Services	814,123	838,489	1,001,316	1,017,171	1,042,600	1,068,665
Materials & Supplies	41,526	28,363	20,389	31,763	32,557	33,371
Office	182,786	207,896	219,129	220,506	226,019	231,669
Administration	91,276	142,205	117,730	127,020	130,196	133,450
Noncapital Equipment & Facilities	0	0	0	0	0	0
	\$4,350,735	\$4,603,949	\$4,740,486	\$4,862,389	\$4,983,949	\$5,108,547
TOTAL EXPENSES	\$33,373,689	\$35,450,398	\$36,473,274	\$38,065,674	\$39,015,674	\$39,989,423

Albany County Airport Authority Albany International Airport 2019 Budget SUMMARY OF FY 2019 EXPENSE ALLOCATION																
AvPorts Direct Cost Centers					Indirect Cost Centers					Admin	Direct Cost Centers			Admin	Admin	
Airfield	Terminal	Loading Bridges	Parking	Landside	PUBLIC SAFETY/OPERATIONS			Vehicles & Equipment	AvPorts Admin	Comm Aviation	Gen Avia & Facilities	MA Admin	ACAA Admin			
10	20	21	30	32	ARFF	Operations	Security	50	59	60	61	69	71			
15%	48%	1%	6%	24%	1	1	1			3.0%	3.0%					
40%	30%	5%	5%	10%						5.0%	5.0%					
15%	50%	3%	20%	10%						1.0%	1.0%					
35%	5%		15%	37%				1		5.0%	3.0%					
X	X	X	X	X					2	X	X					
										X	X	3				
X	X	X	X	X						X	X		4			
1 - Allocate indirect cost centers to AvPorts and FBO direct cost centers based on % above. 2 - Allocate AvPorts Admin to all direct cost centers based on total actual direct cost plus the indirect costs allocated in 1 above. 5% to FBO cost centers based on total AvPorts' indirect cost allocated in 1 above. 95% to AvPorts direct cost centers based on total actual direct and indirect costs for each AvPorts direct cost center. 3 - Allocate FBO Admin to FBO direct cost centers based on total actual direct plus total indirect cost allocated in 1 and 2 above. 4 - Allocate ACAA Admin to all direct cost centers based on total actual direct cost plus the indirect costs allocated in 1, 2, 3 above.																
AvPorts Direct Cost Centers					Indirect Cost Centers					Admin	Direct Cost Centers			Admin	Admin	TOTAL
Airfield	Terminal	Loading Bridges	Parking	Landside	PUBLIC SAFETY/OPERATIONS			Vehicles & Equipment	AvPorts Admin	Comm Aviation	Gen Avia & Facilities	MA Admin	ACAA Admin			
10	20	21	30	32	42	41	43	50	59	60	61	69	71			
\$3,408,312	\$5,641,207	\$311,451	\$4,733,138	\$1,313,568	\$2,192,616	\$1,030,987	\$3,152,169	\$1,748,677	\$911,146	\$1,019,041	\$1,562,387	\$684,343	\$4,862,389	\$32,571,431		
STEP 1:																
42	328,892	1,052,456	21,926	131,557	526,228					65,778	65,778			2,192,616		
41	412,395	309,296	51,549	51,549	103,099					51,549	51,549			1,030,987		
43	472,825	1,576,084	94,565	630,434	315,217					31,522	31,522			3,152,169		
50	612,037	87,434	0	262,302	647,010					87,434	52,460			1,748,677		
	5,234,462	8,666,477	479,492	5,808,980	2,905,121					1,255,324	1,763,697			26,113,552		
STEP 2:																
59	\$182,639.28	302,388	16,730	202,685	101,365					43,800	61,538			911,146		
STEP 3:																
69	5,417,101	8,968,865	496,222	6,011,665	3,006,486					284,553	399,790			684,343		
										1,583,878	2,225,025			27,709,042		
STEP 4:																
71	950,594	1,573,858	87,077	1,054,928	527,579					277,904	390,448			4,862,389		
	6,367,695	10,542,724	583,299	7,066,593	3,534,065					1,861,582	2,615,473			32,571,431		
										1,543,462	3,950,781			5,494,244		
										3,405,045	6,566,254			38,065,674		
										Plus COGS						

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget DEBT SERVICE SUMMARY						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
Airport Revenue Bonds:						
1999 EFC Revenue Bonds, net of interest subsidy	442,120	447,204	447,204	712,764	0	0
2003 A Revenue Bonds	118,080	0	0	0	0	0
2004 B EFC Revenue Bonds, net of interest subsidy	0	0	0	0	0	0
2006 A & B Revenue Bonds	275,865	0	0	0	0	0
2006 C Revenue Bonds	99,867	0	0	0	0	0
2010 A Refunding Bonds	10,625,291	10,626,139	10,626,139	8,172,601	8,170,213	8,154,621
2017 A Refunding Bonds	0	0	0	0	0	0
2017 B Refunding Bonds	913,764	1,203,925	1,203,925	1,130,125	648,525	400,025
2018 A Revenue Bonds	0	0	0	771,322	738,500	738,500
2018 B Revenue Bonds	0	0	0	703,378	736,250	733,250
Less LIBOR credit	0	0	-1,496,000	0	0	0
Less: PFC's Applied to 2010A Revenue Bonds	-\$3,610,256	-\$4,330,913	-\$2,834,913	-\$4,516,141	-\$4,516,019	-\$4,514,826
TOTAL DEBT SERVICE	9,447,820	8,703,730	8,703,730	7,404,275	6,699,095	6,698,945
Allocation of Total Debt Service to Cost Centers						
Airfield	1,215,230	1,130,901	1,173,112	1,274,592	560,908	619,477
FBO	268,955	273,028	273,028	196,776	198,012	243,422
ARFF	43,027	42,226	42,226	12,248	11,532	18,578
Control Tower	0	0	0	0	0	0
Terminal	2,389,722	1,871,988	2,147,469	1,872,701	1,867,947	1,889,875
Loading Bridges	65,924	55,965	62,076	58,496	58,384	58,254
Landside and Other	\$5,464,961	\$5,329,623	\$5,005,820	\$3,989,461	\$4,002,311	\$3,869,339
TOTAL ALLOCATION	9,447,820	8,703,730	8,703,730	7,404,275	6,699,095	6,698,945

Albany County Airport Authority Albany International Airport 2019 Budget AIRPORT REVENUE BONDS DEBT SERVICE						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
2010A Revenue Refunding Bonds Debt Service	\$10,549,011	\$10,557,831	\$10,557,831	\$8,112,581	\$8,116,231	\$8,116,231
Amortization of Bond Issue Costs	\$76,280	\$68,308	\$68,308	\$60,020	\$53,982	\$53,982
TOTAL 2010A REVENUE BONDS DEBT SERVICE	\$10,625,291	\$10,626,139	\$10,626,139	\$8,172,601	\$8,170,213	\$8,170,213
Credit of LIBOR Settlement	\$0	\$0	-\$1,496,000	\$0	\$0	\$0
Amount for Rate Calculation	\$10,625,291	\$10,626,139	\$9,130,139	\$8,172,601	\$8,170,213	\$8,170,213
Allocation of 2010A Refunding Bonds Debt Service to Cost Centers						
Airfield	\$871,274	\$869,760	\$724,520	\$907,795	\$907,098	\$906,160
Terminal	4,855,758	4,862,102	4,050,188	5,074,726	5,070,824	5,065,584
Loading Bridges	138,129	142,584	118,774	148,819	148,705	148,551
Landside	4,760,130	4,751,694	4,236,657	2,041,261	2,043,587	2,034,326
Total	\$10,625,291	\$10,626,139	\$9,130,139	\$8,172,601	\$8,170,213	\$8,154,621

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget AIRPORT REVENUE BONDS DEBT SERVICE							
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021	
2003 A Revenue Bonds Debt Service	\$118,080	\$0	\$0	\$0	\$0	\$0	\$0
Amortization of Bond Issue Costs	0	0	0	0	0	0	0
TOTAL 2003 A REVENUE BONDS DEBT SERVICE	\$118,080	\$0	\$0	\$0	\$0	\$0	\$0
Allocation of 2003 A Revenue Bonds Debt Service to Cost Centers							
Airfield	\$22,116	\$0	\$0	\$0	\$0	\$0	\$0
ARFF	10,840	0	0	0	0	0	0
Terminal	19,778	0	0	0	0	0	0
Landside	48,862	0	0	0	0	0	0
Parking	16,484	0	0	0	0	0	0
Total	\$118,080	\$0	\$0	\$0	\$0	\$0	\$0
2006 A & B Revenue Bonds Debt Service	\$275,865	\$0	\$0	\$0	\$0	\$0	\$0
Amortization of Bond Issue Costs	0	0	0	0	0	0	0
TOTAL 2006 REVENUE BONDS DEBT SERVICE	\$275,865	\$0	\$0	\$0	\$0	\$0	\$0
Allocation of 2006 Revenue Bonds Debt Service to Cost Centers							
Airfield	\$67,532	\$0	\$0	\$0	\$0	\$0	\$0
FBO	68,174	0	0	0	0	0	0
Parking	52,638	0	0	0	0	0	0
Landside and other	67,335	0	0	0	0	0	0
Terminal	20,186	0	0	0	0	0	0
Total	\$275,865	\$0	\$0	\$0	\$0	\$0	\$0
2006 C Revenue Bonds Debt Service	\$99,867	\$0	\$0	\$0	\$0	\$0	\$0
Amortization of Bond Issue Costs	0	0	0	0	0	0	0
TOTAL 2006 REVENUE BONDS DEBT SERVICE	\$99,867	\$0	\$0	\$0	\$0	\$0	\$0
Allocation of 2006 Revenue Bonds Debt Service to Cost Centers							
Landside and other	99,867	0	0	0	0	0	0
Total	\$99,867	\$0	\$0	\$0	\$0	\$0	\$0

Albany County Airport Authority Albany International Airport 2019 Budget 2017 A & B Revenue Refunding Bonds Debt Service							
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021	
2017 A Revenue Refunding Bonds Debt Service	583,089	757,375	757,375	430,225	921,625	1,187,375	
Amortization of Bond Issue Costs	0	0	0	0	0	0	0
TOTAL 2017 A REVENUE REFUNDING BONDS DEBT SERVICE	\$583,089	\$757,375	\$757,375	\$430,225	\$921,625	\$1,187,375	
Allocation of 2017 A Revenue Refunding Bonds Debt Service to Cost Centers							
Airfield	122,579	158,957	158,957	97,647	218,390	279,032	
FBO	57,449	73,496	73,496	73,348	196,714	243,422	
ARFF	32,187	42,226	42,226	12,248	11,532	18,578	
Terminal	75,739	98,808	98,808	44,067	79,288	105,973	
Landside and other	201,829	262,929	262,929	127,656	246,277	324,168	
Parking	93,304	120,960	120,960	75,259	169,424	216,202	
Total	\$583,089	\$757,375	\$757,375	\$430,225	\$921,625	\$1,187,375	
2017 B Revenue Refunding Bonds Debt Service	913,764	1,203,925	1,203,925	1,130,125	648,525	400,025	
Amortization of Bond Issue Costs	0	0	0	0	0	0	0
TOTAL 2017 REVENUE REFUNDING BONDS DEBT SERVICE	\$913,764	\$1,203,925	\$1,203,925	\$1,130,125	\$648,525	\$400,025	
Allocation of 2017 B Refunding Bonds Debt Service to Cost Centers							
Airfield	141,981	197,651	197,651	122,265	1,285	0	
FBO	143,332	199,532	199,532	123,428	1,297	0	
Parking	110,669	154,062	154,062	95,301	1,002	0	
Landside and other	475,343	593,601	593,601	752,584	644,556	400,025	
Terminal	42,440	59,080	59,080	36,546	384	0	
Total	\$913,764	\$1,203,925	\$1,203,925	\$1,130,125	\$648,525	\$400,025	

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget 2018 A & B Revenue Bonds Debt Service						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
2018 A Revenue Bonds Debt Service	\$0	\$0	\$0	\$771,322	\$738,500	\$738,500
Amortization of Bond Issue Costs	0	0	0	0	0	0
TOTAL 2017 A REVENUE REFUNDING BONDS DEBT SERVICE	\$0	\$0	\$0	\$771,322	\$738,500	\$738,500
Allocation of 2018 A Revenue Refunding Bonds Debt Service to Cost Centers						
Airfield	\$0	\$0	\$0	\$0	\$0	\$0
FBO	0	0	0	0	0	0
ARFF	0	0	0	0	0	0
Terminal	0	0	0	0	0	0
Landside and other	0	0	0	269,963	258,475	258,475
Parking	0	0	0	501,359	480,025	480,025
Total	\$0	\$0	\$0	\$771,322	\$738,500	\$738,500
2018 B Revenue Bonds Debt Service	\$0	\$0	\$0	\$703,378	\$714,250	\$714,250
Amortization of Bond Issue Costs	0	0	0	0	0	0
TOTAL 2018 B REVENUE REFUNDING BONDS DEBT SERVICE	\$0	\$0	\$0	\$703,378	\$736,250	\$733,250
Allocation of 2018 A Revenue Refunding Bonds Debt Service to Cost Centers						
Airfield	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FBO	0	0	0	0	0	0
ARFF	0	0	0	0	0	0
Terminal	0	0	0	0	0	0
Landside and other	0	0	0	246,182	257,688	256,638
Parking	0	0	0	457,196	478,563	476,613
Total	\$0	\$0	\$0	\$703,378	\$736,250	\$733,250

Albany County Airport Authority Albany International Airport 2019 Budget NYS ENVIRONMENTAL FACILITIES CORPORATION (EFC) AIRPORT REVENUE BONDS DEBT SERVICE						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
1999 A EFC Revenue Bonds Debt Service	\$455,397	\$456,445	\$456,445	\$717,567	\$0	\$0
Less: Interest Subsidy Earnings	(13,277)	(9,241)	(9,241)	(4,803)	0	0
TOTAL 1999 A EFC REVENUE BONDS DEBT SERVICE	\$442,120	\$447,204	\$447,204	\$712,764	\$0	\$0
Allocation of EFC Revenue Bonds Debt Service to Cost Centers						
Airfield	\$442,120	\$447,204	\$447,204	\$712,764	\$0	\$0
Control Tower	0	0	0	0	0	0
Terminal	0	0	0	0	0	0
Loading Bridges	0	0	0	0	0	0
Landside	0	0	0	0	0	0
Total	\$442,120	\$447,204	\$447,204	\$712,764	\$0	\$0

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget CALCULATION OF PFC REVENUES						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
ENPLANEMENTS	1,417,835	1,414,000	1,450,000	1,500,000	1,515,000	1,530,150
PFC's charged	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
LESS: Carrier Compensation	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)
Net PFC Revenue	\$4.39	\$4.39	\$4.39	4.39	4.39	4.39
% of PFCs collected on Enplanements	85.8%	88.0%	87.0%	87.0%	87.0%	87.0%
PFC Revenue	\$5,338,719	\$5,462,565	\$5,537,985	\$5,728,950	\$5,786,240	\$5,844,102
PFC's Available for Debt Service	\$5,338,719	\$5,462,565	\$5,537,985	\$5,728,950	\$5,786,240	\$5,844,102
PFC DEBT SERVICE FUND ACTIVITY						
BEGINNING BALANCE	\$8,692,357	\$10,439,296	\$10,439,299	\$13,199,371	\$14,640,180	\$16,104,452
PLUS: Deposit of PFC's	5,338,719	5,462,565	5,537,985	5,728,950	5,786,240	5,844,102
PLUS: Interest Earnings on PFC's	18,476	19,877	57,000	228,000	194,051	208,511
LESS: Applied Towards 2010A Debt Service	(3,610,256)	(4,330,913)	(2,834,913)	(4,516,141)	(4,516,019)	(4,514,826)
ENDING BALANCE	\$10,439,296	\$11,590,825	\$13,199,371	\$14,640,180	\$16,104,452	\$17,642,239
PFC's APPLIED TO DEBT SERVICE						
	\$3,610,256	\$4,330,913	\$2,834,913	\$4,516,141	\$4,516,019	\$4,514,826
Allocation of PFC's to Cost Centers						
Airfield	\$452,371	\$542,671	\$355,219	\$565,880	\$565,865	\$565,715
Terminal	2,624,179	3,148,001	2,060,607	3,282,638	3,282,549	3,281,682
Loading Bridges	72,205	86,618	56,698	90,323	90,320	90,297
Landside	461,501	553,623	362,388	577,300	577,285	577,132
Total	\$3,610,256	\$4,330,913	\$2,834,913	\$4,516,141	\$4,516,019	\$4,514,826

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget LANDING FEE RATES						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
Airfield:						
Direct O&M Expenses	\$3,122,979	\$3,255,010	\$3,332,212	\$3,408,312	\$3,493,520	\$3,580,858
Indirect O&M Expenses	2,516,223	2,713,538	2,822,870	2,959,383	3,027,624	3,097,628
O&M Reserve Requirement	28,225	33,737	33,815	72,915	26,464	27,104
FBO:						
Commercial Direct O&M Expenses	988,170	1,033,008	931,882	1,019,041	1,083,103	1,148,768
Commercial Indirect O&M Expenses	769,641	808,154	781,548	842,541	865,573	889,503
Commercial O&M Reserve Requirement	8,799	10,407	9,413	21,316	7,908	8,272
Airfield Capital Charges:						
2010A Revenue Bond Debt Service	871,274	869,760	724,520	907,795	907,098	906,160
LESS: Applicable Approved PFC Revenues	(452,371)	(542,671)	(355,219)	(565,880)	(565,865)	(565,715)
EFC Revenue Bond Debt Service 1999 - Net	442,120	447,204	447,204	712,764	0	0
2003A Revenue Bond Debt Service	22,116	0	0	0	0	0
2006 A & B Revenue Bond Debt Service	67,532	0	0	0	0	0
2017 A Refunding Revenue Bonds Debt Service	122,579	158,957	158,957	97,647	218,390	279,032
2017 B Refunding Revenue Bonds Debt Service	141,981	197,651	197,651	122,265	1,285	0
FBO Commercial Revenues Credit:						
Into Plane	(663,730)	-664,133	-666,474	-666,474	-666,474	-666,474
Fuel Farm Throughput Fee	(586,599)	-600,144	-632,318	-626,337	-626,337	-626,337
Avgas Fuel Sales Commercial	(396,618)	-412,788	-383,420	-256,631	-256,631	-256,631
LESS: Cost of Sales, Avgas	355,211	370,006	346,530	233,069	233,069	233,069
Deicing - Commercial	(1,095,317)	-1,119,867	-1,778,729	-1,337,540	-1,337,540	-1,337,540
LESS: Cost of Sales, Deicing	658,640	829,572	1,194,099	1,032,393	1,032,393	1,032,393
General Aviation Landing Fees	(248,652)	-256,964	-268,177	-276,222	-278,985	-281,775
General Aviation Parking Fees	(173,622)	-176,437	-200,637	-206,657	-208,723	-210,810
Total LANDING FEE REQUIREMENT	\$6,498,580	\$6,953,999	\$6,695,726	\$7,493,701	\$6,955,873	\$7,257,504
Total Landed Weight (000-lbs)	1,743,000	1,758,253	1,753,590	1,840,947	1,859,215	1,877,667
COMPENSATORY LANDING FEE RATE	\$3.73	\$3.96	\$3.82	\$4.07	\$3.74	\$3.87
LESS: Interest Earning Credit Allocable to Airfield	\$1,373	\$1,401	\$34,472.01	\$150,703.56	\$74,693.79	\$84,062.46
LESS: Grant	\$0	\$0	\$85,485	\$0	\$0	\$0
LESS: Glycol disposal Fee	\$357,662	\$361,925	\$521,352	\$360,059	\$360,059	\$360,059
LESS: Aircraft Aprons Fee Credit (Per Table 6)	649,858	695,400	669,573	749,370	695,587	725,750
LESS: Airfield Tenant Maintenance	34,586	30,000	55,000	35,000	35,000	35,000
LESS: Non-signatory Airline Landing Fee Credit	97,935	62,875	147,653	163,154	152,102	158,568
NET LANDING FEE REQUIREMENT	\$5,357,166	\$5,802,398	\$5,182,192	\$6,035,413	\$5,638,430	\$5,894,063
Signatory Commercial & Cargo Carrier Landed Wt (000-lbs)	1,717,953	1,743,247	1,714,836	1,802,193	1,820,215	1,838,417
Signatory Landing Fee Rate	\$3.12	\$3.33	\$3.02	\$3.35	\$3.10	\$3.21
SIGNATORY AIRLINE LANDING FEE REVENUE	\$4,882,535	\$5,293,631	\$4,708,337	\$5,515,470	\$5,154,907	\$5,391,201
NON-SIGNATORY PASSENGER LANDING FEE REVENUE	41,630	4,240	93,932	103,793	97,112	101,604
TOTAL AIRLINE LANDING FEE REVENUE	\$4,924,165	\$5,297,871	\$4,802,269	\$5,619,263	\$5,252,019	\$5,492,805
SIGNATORY CARGO LANDING FEE REVENUE	\$477,479	\$511,381	\$470,468	\$521,876	\$487,760	\$510,118
NON-SIGNATORY CARGO LANDING FEE REVENUE	56,305	58,635	53,721	59,361	54,990	56,964
TOTAL CARGO LANDING FEE REVENUE	\$533,784	\$570,016	\$524,189	\$581,237	\$542,750	\$567,082

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget AIRCRAFT APRON FEE						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
TOTAL AIRFIELD REQUIREMENT	\$6,498,580	\$6,953,999	\$6,695,726	\$7,493,701	\$6,955,873	\$7,257,504
10% of AIRFIELD REQUIREMENT	\$649,858	\$695,400	\$669,573	\$749,370	\$695,587	\$725,750
TOTAL APRON SQUARE FEET	486,977	505,472	505,472	505,472	505,472	505,472
AIRCRAFT APRON FEE (PER SQ FT)	\$1.33	\$1.38	\$1.32	\$1.48	\$1.38	\$1.44

Albany County Airport Authority Albany International Airport 2019 Budget TERMINAL RENTAL RATE CALCULATIONS						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
Terminal Direct O&M Expenses	\$5,178,912	\$5,459,185	\$5,595,164	\$5,641,207	\$5,780,595	\$5,923,467
Terminal Indirect O&M Expenses	4,156,276	4,680,940	4,518,665	4,901,516	5,014,192	5,129,781
Terminal O&M Reserve Requirement	48,843	57,316	55,564	120,722	43,807	44,858
Terminal Capital Charges:						
2010A Revenue Bond Debt Service	4,855,758	4,862,102	4,050,188	5,074,726	5,070,824	5,065,584
LESS: Applicable PFC Revenues	(2,624,179)	(3,148,001)	(2,060,607)	(3,282,638)	(3,282,549)	(3,281,682)
2003A Revenue Bond Debt Service	19,778	0	0	0	0	0
2006 A & B Revenue Bond Debt Service	20,186	0	0	0	0	0
2017 A Refunding Revenue Bonds Debt Service	75,739	98,808	98,808	44,067	79,288	105,973
2017 B Refunding Revenue Bonds Debt Service	42,440	59,080	59,080	36,546	384	0
TOTAL REQUIREMENT	\$11,773,753	\$12,069,430	\$12,316,863	\$12,536,146	\$12,706,542	\$12,987,981
Rentable Terminal Space	135,701	136,814	136,814	136,245	136,245	136,245
COMPENSATORY TERMINAL RENTAL RATE	\$86.76	\$88.22	\$90.03	\$92.01	\$93.26	\$95.33
LESS: Interest Earning Credit	2,700	2,319	63,104	221,422	248,747	256,454
LESS: Non-airline Terminal Space Rentals - Flat Rate	59,190	59,190	68,323	80,186	80,186	80,186
LESS: Non-airline Terminal Space Rentals - Signatory Rate	38,938	39,350	40,186	41,069	41,654	42,634
LESS: Non-airline Terminal Space Rentals - Calculated Rate	158,891	160,526	164,055	167,662	170,093	174,053
LESS: TSA Space Rental	448,828	448,828	448,828	448,828	448,828	448,828
LESS: TSA (LEO) Reimbursement	138,700	138,700	138,700	138,700	138,700	138,700
LESS: Utility Reimbursements	24,659	26,000	23,563	24,000	24,000	24,000
LESS: Tenant Maintenance Reimbursements	61,523	35,000	26,434	25,000	25,750	26,523
LESS: Investment Earning Credit Allocable to Terminal	2,700	2,319	0	0	0	0
NET TERMINAL REQUIREMENT	\$10,837,624	\$11,157,198	\$11,343,671	\$11,389,280	\$11,528,583	\$11,796,603
Rentable Terminal Space	135,701	136,814	136,814	136,245	136,245	136,245
SIGNATORY TERMINAL RENTAL RATE	\$79.86	\$81.55	\$82.91	\$83.59	\$84.62	\$86.58
Signatory Airline Terminal Rental Space	49,230	51,029	51,029	52,805	52,805	52,805
SIGNATORY AIRLINE RENTAL REVENUE	\$3,931,468	\$4,161,415	\$4,230,814	\$4,413,970	\$4,468,359	\$4,571,857
MONTH TO MONTH AIRLINE REVENUE	\$81,669					
TOTAL AIRLINE RENTAL REVENUE	4,013,136	4,161,415	4,230,814	4,413,970	4,468,359	4,571,857
Baggage Claim Room Square Footage	17,784	17,784	17,784	17,784	17,784	17,784
BAGGAGE CLAIM ROOM REVENUE	\$1,420,230	\$1,450,285	\$1,474,471	\$1,486,565	\$1,504,882	\$1,539,739
NONSIGNATORY AIRLINE RENTAL REVENUE	\$132,185	\$0	\$0	\$0	\$0	\$0
AIRLINE RENTAL REVENUE	\$5,565,552	\$5,611,700	\$5,705,286	\$5,900,535	\$5,973,241	\$6,111,596

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget LOADING BRIDGE RENTALS						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
LOADING BRIDGE RENTALS						
Loading Bridge Direct O&M Expenses	\$ 309,228	\$ 293,482	\$ 331,448	\$ 311,451	\$ 319,237	\$ 327,218
Loading Bridge Indirect O&M Expenses	236,333	260,160	258,388	271,848	278,118	284,550
2010A Revenue Bond Debt Service	138,129	142,584	118,774	148,819	148,705	148,551
LESS: Applicable PFC Revenues	(72,205)	(86,618)	(56,698)	(90,323)	(90,320)	(90,297)
Loading Bridge O & M Reserve Requirement	2,591	3,129	3,241	6,679	2,424	2,483
TOTAL LOADING BRIDGE REQUIREMENT	\$614,076	\$612,737	\$655,152	\$648,474	\$658,164	\$672,506
NUMBER OF LOADING BRIDGES	13	15	15	15	15	15
CHARGE PER LOADING BRIDGE	\$47,237	\$40,849	\$43,677	\$43,232	\$43,878	\$44,834
NUMBER OF LEASED LOADING BRIDGES	13	13	13	13	13	13
TOTAL LOADING BRIDGE REVENUE	\$614,076	\$531,039	\$567,798	\$562,011	\$570,409	\$582,838

Albany County Airport Authority Albany International Airport 2019 Budget AIRLINE COST PER ENPLANEMENT						
(Includes Settlement and Revenue Sharing Calculation)	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
AIRPORT OPERATIONS:						
Airline Landing Fees	\$4,924,165	\$5,297,871	\$4,802,269	\$5,619,263	\$5,252,019	\$5,492,805
Airline Space Rental	5,565,552	5,611,700	5,705,286	5,900,535	5,973,241	6,111,596
Loading Bridge Rentals	614,076	531,039	567,798	562,011	570,409	582,838
Airline Apron Fee	649,858	695,400	669,573	749,370	695,587	725,750
Airline Share of Revenue Sharing	(2,439,847)	(2,001,601)	(2,536,929)	(3,048,490)	(2,958,481)	(2,901,853)
Total Airport Operations	9,313,803	10,134,409	9,207,997	9,782,689	9,532,774	10,011,137
FBO OPERATIONS:						
Avgas Fuel Sales Commercial	396,618	412,788	383,420	256,631	256,631	256,631
Deicing	1,095,317	1,119,867	1,778,729	1,337,540	1,337,540	1,337,540
Into Plane & Fuel Farm	1,250,329	1,264,277	1,298,792	1,292,812	1,292,812	1,292,812
Total FBO Operations	2,742,264	2,796,933	3,460,941	2,886,983	2,886,983	2,886,983
TOTAL AIRLINES FEES & CHARGES	12,056,067	12,931,342	12,668,937	12,669,672	12,419,757	12,898,120
ENPLANEMENTS	1,417,835	1,414,000	1,450,000	1,500,000	1,515,000	1,530,150
COST PER ENPLANEMENT	6.57	7.17	6.35	6.52	6.29	6.54
FBO OPERATIONS COST PER ENPLANEMENT	1.65	1.69	2.12	1.75	1.74	1.72
TOTAL COMBINED COST PER ENPLANEMENT	8.22	8.85	8.47	8.28	8.03	8.26

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget CALCULATION AND ALLOCATION OF FUNDS REMAINING						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
TOTAL REVENUES BEFORE REV SHARING	\$50,984,764	\$51,482,785	\$53,755,654	\$55,308,943	\$55,105,870	\$56,007,407
TOTAL EXPENSES	33,373,689	35,450,398	36,473,274	38,065,674	39,015,674	39,989,423
NET REVENUES	\$17,611,075	\$16,032,387	\$17,282,380	\$17,243,269	\$16,090,196	\$16,017,984
LESS:						
Capital Charges:						
Less: Applicable Approved PFC Revenues	-3,610,256	-4,330,913	-2,834,913	-4,516,141	-4,516,019	-4,514,826
1999 EFC Revenue Bond Debt Service	455,397	456,445	456,445	717,567	0	0
Less: NYS EFC Interest Subsidy	-13,277	-9,241	-9,241	-4,803	0	0
2003 A Revenue Bond Debt Service	118,080	0	0	0	0	0
2006 A & B Revenue Bond Debt Service	275,865	0	0	0	0	0
2006 C Revenue Bond Debt Service	99,867	0	0	0	0	0
2010 A Revenue Bonds	10,625,291	10,626,139	9,130,139	8,172,601	8,170,213	8,154,621
2017 A Revenue Refunding Bonds Debt Service	583,089	757,375	757,375	430,225	921,625	1,187,375
2017 B Revenue Refunding Bonds Debt Service	913,764	1,203,925	1,203,925	1,130,125	648,525	400,025
2018 A Revenue Bond	0	0	0	771,322	738,500	738,500
2018 B Revenue Bonds Debt Service	0	0	0	703,378	736,250	733,250
Capital Expenditures (Per Table 4)	3,114,493	3,123,697	3,304,411	3,306,134	3,315,805	3,353,042
Operating & Maintenance Reserve	169,068	200,381	200,381	435,879	158,333	162,292
Subtotal	12,731,380	12,027,808	12,208,522	11,146,287	10,173,232	10,214,279
FUNDS REMAINING	\$4,879,695	\$4,004,579	\$5,073,858	\$6,096,980	\$5,916,963	\$5,803,705
	50%	50%	50%	50%	50%	50%
Authority Share - 50%	2,439,847	2,002,290	2,536,929	3,048,490	2,958,481	2,901,853
Less Cost of Air Service Incentive Programs	-67,041	-107,464	-166,667	-1,000,000	-500,000	0
Authority Share Net of Air Service Incentive	2,372,806	1,894,826	2,370,262	2,048,490	2,458,481	2,901,853
	50%	50%	50%	50%	50%	50%
Net Airline Share	2,439,847	2,002,290	2,536,929	3,048,490	2,958,482	2,901,853
	4,879,695	4,004,579	5,073,858	6,096,980	5,916,963	5,803,706
ALLOCATION OF AIRLINE SHARE						
Terminal	1,951,878	1,601,832	2,029,543	2,438,792	2,366,785	2,321,482
Airfield	487,969	400,458	507,386	609,698	591,696	580,371
TOTAL AIRLINE SHARE	\$2,439,847	\$2,002,290	\$2,536,929	\$3,048,490	\$2,958,481	\$2,901,853

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget CALCULATION OF CAPITAL EXPENDITURES FUND CONTRIBUTION						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
Total Revenues before Revenue Sharing	\$50,984,764	\$51,481,409	\$53,755,654	\$55,308,943	\$55,105,870	\$56,007,407
Less:						
Airline Landing Fees	4,924,165	5,297,871	4,802,269	5,619,263	5,252,019	5,492,805
Airline Apron Fee	650,085	695,400	669,573	749,370	695,587	725,750
Airline Space Rental	5,565,552	5,611,700	5,705,286	5,900,535	5,973,241	6,111,596
FBO Commercial	0	0	0	0	0	0
Loading Bridge Rentals	614,076	531,039	567,798	562,011	570,409	582,838
Nonoperating Revenues	517,776	517,883	936,937	1,382,557	1,399,191	1,416,141
NON-AIRLINE REVENUES	\$38,713,111	\$38,827,515	\$41,073,791	\$41,095,206	\$41,215,423	\$41,678,277
2016 Non-Airline Revenues	37,289,966	37,297,427	37,289,966	37,289,966	37,289,966	37,289,966
% of Current Year over 2016 /2026 Non-Airline Revenues	3.8%	4.1%	10.1%	10.2%	10.5%	11.8%
Total Capital Expenditure % times \$3,000,000 thru 2020	<u>\$3,114,493</u>	<u>\$3,123,072</u>	<u>\$3,304,411</u>	<u>\$3,306,134</u>	<u>\$3,315,805</u>	<u>\$3,353,042</u>

Albany County Airport Authority 2019 Operating Budget

Albany County Airport Authority Albany International Airport 2019 Budget DEBT SERVICE COVERAGE CALCULATION (1)						
	Audited 2017	Budget 2018	Projected 2018	Budget 2019	Projected 2020	Projected 2021
NET REVENUES						
Revenues	\$50,466,988	\$50,963,526	\$52,818,717	\$53,926,386	\$53,706,679	\$54,591,266
Airline Revenue Sharing	-2,439,847	-2,001,601	-2,536,929	-3,048,490	-2,958,481	-2,901,853
Interest Income (2)	10,676	10,783	255,760	875,457	892,091	909,041
TSA (LEO) Reimbursement	138,700	138,700	138,700	138,700	138,700	138,700
Grant	0	0	174,077	0	0	0
Improvement Charges	368,400	368,400	368,400	368,400	368,400	368,400
Total Airport Revenues	\$48,544,916	\$49,479,807	\$51,218,725	\$52,260,453	\$52,147,388	\$53,105,554
LESS: Total Airport Expenses (GAAP)	-33,373,689	-35,450,398	-36,473,274	-38,065,674	-39,015,674	-39,989,423
Air Service Incentive Cost to Airport	-67,041	0	-166,667	-1,000,000	-500,000	0
LESS: Albany County G.O. Bonds Outstanding Reimbursable by the Authority	0	0	0	0	0	0
Airport Net Revenues (3)	\$15,104,186	\$14,029,409	\$14,578,784	\$13,194,778	\$12,631,715	\$13,116,131
DEBT SERVICE ON BONDS ISSUED UNDER THE MASTER RESOLUTION						
1999 A EFC Revenue Bond	\$455,397	\$456,445	\$456,445	\$717,567	\$0	\$0
Less: 1999 NYS EFC Interest Subsidy	-13,277	-9,241	-9,241	-4,803	0	0
2003 A Revenue Bond	118,080	0	0	0	0	0
2006 A & B Revenue Bonds	275,865	0	0	0	0	0
2006 C Revenue Bonds	99,867	0	0	0	0	0
2010 A Refunding Bonds	10,549,011	10,557,831	10,557,831	8,112,581	8,116,231	8,106,981
2017 A Revenue Refunding Bonds	583,089	757,375	757,375	430,225	921,625	1,187,375
2017 B Revenue Refunding Bonds	913,764	1,203,925	1,203,925	1,130,125	648,525	400,025
2018 A Revenue Bonds	0	0	0	771,322	738,500	738,500
2018 B Revenue Bonds	0	0	0	703,378	736,250	733,250
Less: PFC's Applied to 2008 A Revenue Bond	-3,610,256	-4,330,913	-2,834,913	-4,516,141	-4,516,019	-4,514,826
Net Debt Service on Bonds (4)	\$9,371,540	\$8,635,422	\$10,131,422	\$7,344,255	\$6,645,113	\$6,651,305
NET REVENUE COVERAGE ON BONDS ISSUED UNDER THE MASTER RESOLUTION (MUST BE > 1.25)	1.61	1.62	1.44	1.80	1.90	1.97
CLAIMS, CHARGES, OBLIGATIONS PAYABLE FROM NET REVENUES						
Deposits to the Operation and Maintenance Reserve	\$169,068	\$200,381	\$200,381	\$435,879	\$158,333	\$162,292
Debt Service on Bonds Issued under the Master Resolution	9,371,540	8,635,422	10,131,422	7,344,255	6,645,113	6,651,305
Net Claims, Charges and Obligations	\$9,540,607	\$8,835,803	\$10,331,803	\$7,780,134	\$6,803,446	\$6,813,596
NET REVENUE COVERAGE ON BONDS AND OTHER INDEBTEDNESS (MUST BE > 1.00)	1.58	1.59	1.41	1.70	1.86	1.92

11) GLOSSARY OF TERMS AND ABBREVIATIONS

Accrual Basis - Basis of accounting which attempts to record financial transactions in the period they actually occur rather than the period paid or received.

Administrative Expenses - One of the main expense categories and includes the following: memberships, subscriptions, travel, education, and economic development.

Aircraft Operation - Considered either a landing or take-off of an aircraft.

Airfield Operations Area (AOA) - Generally considered the restricted area within the security fence surrounding an airport which is reserved for aircraft and related operations. This includes the landing area and ramp area, and other facilities supporting the activity of military, general aviation and commercial aircraft.

Airfield Revenues - One of six operating revenue categories which include landing fees, glycol disposal fees, apron fee, and the control tower rental fees.

Airline Use and Lease Agreement (Agreement) - An agreement with one or more airlines setting forth the rights of the airlines for their use of the airport and the rates and charges they will pay.

Airline Revenues - Landing fee revenues, loading bridge revenues, apron fees, and terminal rental revenues.

Airport Revenue Bonds - Bonds payable from Airport revenues which do not pledge the full faith and credit of the issuer.

Airport Security Plan (ASP) – A federal requirement for security at the Airport.

Ambassador Program – A program comprised of volunteers that are tasked with providing excellent customer service through offering friendly and accurate assistance about airport services and facilities, as well as offering flight assistance and tourism information in a friendly and welcoming manner that meets and exceeds passenger and visitor expectations.

Apron - A section of the ramp area closest to the terminal building used for parking of aircraft and support vehicles used for loading and unloading of aircraft.

ARFF - Airport Rescue and Fire Fighting, the on-airport unit responsible for airfield emergencies and fire fighting.

Authority - Albany County Airport Authority, a body corporate and politic, constituting a public benefit corporation established and existing pursuant to the Albany County Airport Act enacted by Chapter 686 of the laws of 1993 and set forth in Title 32 of the New York Public Authorities Law.

Automated External Defibrillator (AED) - A portable automatic device used to restore normal heart rhythm to people who are in cardiac arrest.

Biochemical Oxygen Demand or Biological Oxygen Demand (BOD) A chemical procedure for determining how fast biological organisms use up oxygen in a body of

water. It is used in water quality management and assessment, ecology and environmental science. BOD is not an accurate quantitative test, although it could be considered as an indication of the quality of a water source. BOD can be used as a gauge of the effectiveness of wastewater treatment plants.

Cargo - Anything other than passengers, carried for hire, including both mail and freight.

Capital Improvement Program (CIP) - A five year program for regularly undertaking improvements to maintain or revitalize the infrastructure and facilities of the airport. The program serves as a basis for determining funding requirements and other operational planning decisions.

C Index - FAA regulation that dictates a certain number of vehicles to maintain the Airport.

COLA - Cost of living adjustment

Concessionaire - A person or company having a lease, contract or operating permit arrangement with the Authority entitling them to do business on the airport.

Concession Revenue - One of six operating revenue categories which include terminal concessions, advertising, and the business center.

Cost Centers - Functional areas or activities of the Airport grouped together for the purpose of accounting for expenses.

Cost Per Enplanement (CPE) - A unit of measurement used to present the airlines' cost of each enplaned passenger. The total airline revenues paid to the airport are divided by the number of passenger enplanements to calculate the cost per enplanement.

County - County of Albany, home of the City of Albany; the state capital of New York.

Disadvantaged Business Enterprise Program (DBE) – Program required by Congress as a condition of receiving federal funds.

Debt Service - The amount required for the accrual and payment of principal, interest, and premiums, if any, and other fees and amounts associated with all series of Bonds and Indebtedness, as set forth in any Resolution(s) or other financing documents(s) of the County or Authority.

Debt Service Coverage - An amount equal to Airport Net Revenues divided by Net Debt Service.

Debt Service Reserve Fund - Any fund(s) established by the Authority for monies necessary to satisfy any Debt Service Reserve Requirement established in any Resolution(s) or other financing document(s) of the County or Authority generally equal to the highest annual amount due in the remaining years of the debt issue.

Debt Service Reserve Requirement - Requirement, if any, for the Debt Service Reserve Funds for all series of Bonds or other indebtedness.

Deplanement - A passenger departing an aircraft at the Albany International Airport.

Enplanement - A paid passenger boarding an aircraft at the Albany International Airport.

Federal Aviation Administration (FAA) - The government agency responsible for air safety and operation of the air traffic control system.

FAA Regulation Part 139 - This regulation establishes the requirement for airports servicing scheduled air carrier operations in aircraft with 10–30 seats and provides airport certification status, class and ARFF Index to assist air carriers.

FAA Regulation Part 150 - This regulation establishes a uniform nationwide system of describing aircraft noise and noise exposure on different communities, describes land-use compatibility for the guidance of local communities, and provides technical assistance to airport operators and other governmental agencies to prepare and execute noise compatibility planning.

Federal Inspection Station Facility (FIS) - The facility used as the Federal Inspection Station for United States Customs and Immigration.

Fixed Base Operator (FBO) - A fixed based operator provides aircraft fueling, deicing and maintenance for the general aviation customers.

FBO Revenue - One of six operating revenue categories which include the sale of fuel for aircrafts, landing fees for the general aviation population, deicing of aircrafts, and other miscellaneous fees for the general aviation population.

Fuel Farm - Operated by Million Air and used to store fuel for the airlines and retail general aviation sales.

GAAP - General Accepted Accounting Principals are uniform minimum standards and guidelines for accounting and financial statement reporting.

GASB - Governmental Accounting Standards Board, the body responsible for establishing GAAP for governmental entities.

Glycol Containment System - The system designed to contain and transfer all snow and rain contaminated by Propylene Glycol used to deice an aircraft during the winter season.

Ground Transportation Revenues - One of six operating revenue categories which includes airport parking revenues and access fees from limousines, hotels/motels, taxis, and off airport parking facilities.

International Passengers - Passengers flying into or out of Albany International Airport with an origin or destination outside the 50 states and all U.S. territories.

Into-plane Fees – Revenue generated based on fuel pumped for the commercial airlines.

Landing Fee Revenues - Revenues collected from commercial aircraft landings.

LIBOR – A benchmark interest rate upon which many transactions are based. Obligations of parties to such transactions are typically expressed as a spread to LIBOR. The term is an acronym for “London Inter-Bank Offered Rate.”

Loading Bridge - Equipment used to board and deplane passengers between the terminal building and the aircraft.

Low-Volume Air Carrier - A Non-Signatory Airline with seven or fewer scheduled revenue flights departing from the Airport with an aggregate of no more than 700 departing passenger seats each calendar week.

Materials and Supplies Expense - One of the main expense categories which include materials and supplies purchased for airfield, ARFF, FBO, buildings, grounds, and vehicles and equipment.

Maximum Gross Landed Weight (MGLW) - Actual gross weight of a particular plane. The weights for all aircraft are published by the FAA.

National Air Transportation Association (NATA) - Organization that promotes safety and the success of aviation service businesses through its advocacy efforts before government, the media and the public as well as providing valuable programs and forums to further its members prosperity.

Non-Capital Equipment - Equipment, under \$50,000, not covered under the Capital Improvement Program, included within the operating budget.

Non-Signatory Airline - An airline or carrier who did not execute the airline use and lease agreement with the Authority.

Non-Operating Revenues - Revenues which are generated from passenger facility charges, improvement charges and interest income.

Occupational Safety and Health Administration (OSHA) Recordable Incidents – An incident is recordable if it goes beyond first aid treatment and/or the employee is put on restricted duty and/or loses time at work.

Occupational Safety and Health Administration (OSHA) Reportable Incidents – An incident is reportable if it meets any of the following criteria: fatality, hospitalization, amputation and/or loss of an eye.

Office Expense - One of the main expenses that includes office equipment rental, agreements, and repairs; computer system support, maintenance, and agreements; office furniture and fixtures; and other supplies required to run normal activity in the administrative offices.

Operating Revenue - Revenues which are generated from the daily operations of the airport which include the revenues from Airfield, Fixed Based Operator, Terminal, Ground Transportation, Concessions and Other Airport.

Other Airport Revenue - One of the six operating revenue categories which include land and building rental of off-airport property owned by the airport, T hangar and tie down rentals, utilities and miscellaneous items.

Operating and Maintenance Reserve Requirement - The requirement of the Resolution(s) and other finance document(s) of the Authority that a reserve can be created and maintained sufficient to pay not less than two months of budgeted operating and maintenance expenses.

Over- the-Wing (OTW) - The loading bridge attaches to the rear door of the plane over the wing of the plane to enplane passengers.

Passenger Facility Charges (PFC) - A \$4.50 per passenger surcharge collected by the airlines and forwarded to the Authority to pay for Airport capital projects or to be applied to the Airport's required debt service payments as approved by the Federal Aviation Administration.

Personnel Services - One of the main expense categories which includes all wages, salaries and benefits.

Per Use Terminal Fee - A fee paid by a Low-Volume Carrier for use of the Airport Apron, Terminal and Equipment as provided for in the Signatory Airline Agreement.

Purchased Services - One of the main expense categories which include services purchased for accounting and auditing, insurance, legal, security, refuse removal, public relations, art exhibits, museum shop, advertising, passenger information booth, special studies, engineering services, professional management and code enforcement.

Revenue Per Enplanement (RPE) - A unit of measurement calculated by taking certain airport revenues divided by the number of enplanements.

Signatory Airline - An airline that has executed an agreement with the Authority and is charged fees in accordance with the Airline Use and Lease Agreement.

Terminal Revenue - One of the six operating revenue categories which includes rental of the terminal space, loading bridge rentals, tenant maintenance, and utilities.

T.I.P. - Terminal Improvement Project, the initial long range plan for improving and modernizing the airport including new infrastructure, roads, passenger terminal, control tower, cargo facilities, parking garage and other related airport support facilities which was substantially completed in the year 2000.

Transportation Security Agency (TSA) – The Department of Homeland Security responsible for protecting the Nation's transportation systems (including airports) to ensure freedom of movement for people and commerce.

Utilities and Communications - One of the major expense categories which include electricity, fuel, sewer, water, telephone, internet, radio communications, paging services, and cable television.