



ALBANY COUNTY AIRPORT AUTHORITY

AUDIT COMMITTEE

AGENDA

November 7, 2024 @ 9:15 a.m.

- 1. Approval of Minutes**
 - 1.1 Acceptance of Minutes: March 13, 2024 Audit Committee Meeting**

- 2. Financial and Audit Items**
 - 2.1 Discussion of Audit Schedule**
 - 2.2 Questions & Answers from Audit Committee Members**

AGENDA ITEM NO. 1

**Audit Committee Minutes
March 13, 2024**



MZ
11/5/24

**Minutes of the Audit Committee Meeting
of the Albany County Airport Authority**

March 13, 2024

Pursuant to notice duly given and posted, the Audit Committee meeting of the Albany County Airport Authority was called to order on March 13, 2024 at 1:00 p.m. in the 3rd Floor Conference room in the Terminal, located at the Albany International Airport by Audit Committee Chair John-Raphael Pichardo with the following present:

MEMBERS PRESENT

John-Raphael Pichardo (Committee Chair)
Steve H. Heider, Committee Member
Janet M. Thayer, Committee Member
Sari O'Connor ACAA Board Member

MEMBERS ABSENT

STAFF

Philip F. Calderone, Esq.
Christine Quinn, Esq.
Michael F. Zonsius
Margaret Herrmann
Liz Charland

ATTENDEES

James Amell, CPA, Mengel, Metzger, Barr & Co., LLP
George Penn, Director of Operations Albany County
Kevin Butterfield, Albany County

- 1. Mr. Heider moved to approve the minutes of the August 7, 2023 Audit Committee meeting. The motion was adopted unanimously.**



2. **James E. Amell, CPA from Mengel, Metzger, Barr & Co., LLP reported on the following:**

Audit of Financial Statements – “Independent Auditor’s Report”

Internal Control over Financial Reporting and on Compliance – “Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and other matters based on an Audit of Financial Statements performed in accordance with Government Auditing Standards”

Compliance and Internal Control Over Compliance – Federal Programs – “Independent Auditor’s report on Compliance for each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance.”

Compliance and Internal Control Over Compliance – State DOT Programs – “Independent Auditor’s report on Compliance for the New York State Department of Transportation Financial Assistance Program and Report on Internal Control over Compliance

Compliance and Internal Control Over Compliance – Federal Programs – “Independent Auditor’s report on Compliance for the Passenger Facility Charge Program and Report on Internal Control over Compliance Required by the Federal Aviation Administration.

Examination of Compliance with Investment Guidelines – “Independent Accountant’s Report”

Mr. Amell stated that there are no issues to report and that all items are up-to-date.

Review Comprehensive Annual Financial Report for the year-ended 2023 with Draft Auditor’s Reports

Mr. Amell reviewed the Authority’s Comprehensive Annual Financial Report for 2023.

Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2023 with draft consultant report.

Mr. Amell reviewed the Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2023 with draft consultant report.

Annual review and approval of the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law.

Mr. Amell reviewed the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law.

Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report;

Mr. Amell reviewed the Albany County Airport Authority Annual Investment Report for 2023.

Performance Measurement Report for 2023



Mr. Amell reviewed the Performance Measurement Report for 2023.

Other Post Employment Benefit Trust Financial Statements for 2023

Mr. Amell reviewed the unaudited Financial Statements for 2023 for the Other Post Employment Benefit Trust

Mr. Amell indicated there was no reason to speak with the Board privately.

Ms. Thayer made a motion to recommend the following items be forwarded to the full board with the recommendation of approval:

Comprehensive Annual Financial Report for the year-ended 2023 with draft auditor reports;

Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2023 with draft consultant report;

Annual review and approval of the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law;

Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report;

Performance Measurement Report for 2023; and

Financial Statements for 2023 for the Other Post Employment Benefit Trust.

The motion was adopted unanimously.

There being no further business, the meeting was adjourned at 1:25 p.m.



ALBANY COUNTY AIRPORT AUTHORITY

AUDIT COMMITTEE

AGENDA

March 13, 2024

1. Minutes – August 7, 2023

2. Financial - Audit

Comprehensive Annual Financial Report for the year-ended 2023 with draft auditor reports.

Airlines Rates and Charges Settlement and Revenue Sharing Calculation Report for the year ended December 31, 2023 with draft consultant report.

Annual review and approval of the Cash Management and Investment Policy in accordance with Section 2925 of the Public Authorities Law.

Annual Investment Report which includes a copy of the Cash Management and Investment Policy (the Policy) and explanation of the Policy and draft auditor report.

Performance Measurement Report for 2023.

Financial Statements – Other Post Employment Benefit Trust

AGENDA ITEM NO. 2.1

Discussion of Audit Schedule

Albany Airport Authority
Meeting with Audit Committee
11/07/24

Scope of Audit

- Authority financial statements
- Single audit – federal and state grant programs
- Passenger Facilities Charges (PFC)
- Compliance with Customer Facilities Charges (CFC)
- Investments in accordance with Public Authority Law
- OPEB Trust

Reports

- Opinion on Authority financial statements
- Report on internal control over financial reporting and compliance with laws and regulations material to financial statements
- Opinion on compliance for major federal and state grant award programs and report on internal control over compliance
- Opinion on compliance with PFC program requirements and report on internal control over compliance
- Report on certain procedures applicable to CFC
- Opinion on compliance with laws applicable to investments
- Opinion on OPEB Trust's financial statements

Auditor's Responsibilities

Management's Responsibilities

Audit Approach

Significant Areas and Risk Assessment

Proposed Schedule

Staffing

New Standards

Executive Session



BUSINESS
ADVISORS
AND CPAS

November 1, 2024

Albany County Airport Authority, Audit Committee Chair
Albany International Airport
Administration Building, Suite 200
Albany, New York 12211-1057

You have requested that we audit the statement of net position for the Albany County Airport Authority (the Authority), a component of the County of Albany, New York as of December 31, 2024 and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Authority as of and for the year then ended.

In addition, we will audit the Authority's compliance over major federal award programs for the period ended December 31, 2024. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the Authority's major federal award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) *and in accordance with Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the Authority complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and Government Auditing Standards, if any, and perform procedures to address those requirements.

Canandaigua + Elmira + Latham + Queensbury + Rochester

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WE VALUE YOUR FUTURE

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Authority's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Schedule of Changes in the Total OPEB Liability
- Schedules of Proportionate Share of Net Pension Liability (Asset)
- Schedules of Authority Contributions

Supplementary information other than RSI will accompany the Authority's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance
- Schedule of Passenger Facility Charges Collected and Expended
- Schedule of Debt Service Requirements to Maturity
- Schedule of Governmental Payments and Services

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

- Introductory information
- Statistical information
- Biographies

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audits in accordance GAAS, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New York State Department of Transportation Draft Part 43 of the Codification of Rules and Regulations and the Passenger Facility Charge Audit Guide for Public Agencies issued by the Federal Aviation Administration As part of an audit of financial statements in accordance with GAAS, Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Albany County Airport Authority's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods. We will issue a written report upon completion of our audit of Authority's basic financial statements. Our report will be addressed to Board of Albany County Airport Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

We also will issue a written report on compliance for the Passenger Facility Charge Program and on internal control over compliance required by the Federal Aviation Administration.

Audit of Major Program Compliance

Our audit of Albany County Airport Authority's major federal and State award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance and the State Department of Transportation, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance and the State Department of Transportation requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and, in accordance with *Government Auditing Standards*, and the State Department of Transportation we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and the State Department of Transportation.

Also, as required by the Uniform Guidance and the State Department of Transportation, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the Authority's major federal and State award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that you acknowledge and understand your responsibility:

- For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received;
- For maintaining records that adequately identify the source and application of funds for federally funded activities;
- For preparing the schedule of expenditures of federal and State awards (including notes and noncash assistance received) in accordance with the Uniform Guidance and the State Department of Transportation;
- For designing, implementing, and maintaining effective internal control over federal and State awards that provides reasonable assurance that the Authority is managing federal and State awards in compliance with statutes, regulations, and the terms and conditions of the awards;
- For identifying and ensuring that the Authority complies with federal and State laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs, and implementing systems designed to achieve compliance with applicable statutes, regulations, and the terms and conditions of federal and State award programs;

- For disclosing accurately, currently, and completely the financial results of each federal and State award in accordance with the requirements of the award;
- For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
- For taking prompt action when instances of noncompliance are identified;
- For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
- For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
- For submitting the reporting package and data collection form to the appropriate parties;
- For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
- To provide us with:
 - a. Access to all information of which [management] is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal and State award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from [management] for the purpose of the audit;
 - c. Unrestricted access to persons within the Authority from whom we determine it necessary to obtain audit evidence;
- For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- For informing us of any known or suspected fraud affecting the Authority involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
- For the accuracy and completeness of all information provided;
- For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
- For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the schedules of expenditures of federal and State awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance and the State Department of Transportation, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal and State awards, (c) to include our report on the schedule of expenditures of federal and State awards in any document that contains the schedule of expenditures of federal and State awards and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal and State awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing. If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Engagement Administration, Fees, and Other

We understand that the Authority's employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

The audit documentation for this engagement is the property of Mengel Metzger Barr & Co. LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Authority or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to fulfill oversight responsibilities. We will notify management of any such request. If requested, access to such audit documentation will be provided under the supervision of Mengel Metzger Barr & Co. LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Our firm has adopted a records retention policy. After seven years, our audit documentation and files will no longer be available. Physical deterioration or catastrophic events may shorten the time during which our records will be available. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

James E. Amell, CPA, Principal is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Members of the Board should feel free to contact Jim at (518) 785-0134 or jamell@mmb-co.com with any additional questions, comments, or concerns. We ask that you designate an individual below as a contact for those charged with governance in the event communications are required during the course of the engagement. We expect to begin our audit in November, 2024 and issue our reports no later than March 31, 2025.

Our fees for these services will be based on actual time spent at our standard hourly rates, plus other out-of-pocket costs, except that we agree that our gross fee, including expenses, for the services enumerated above for the year ended December 31, 2024 is not to exceed \$58,275.

The estimated fees are based on anticipated cooperation from your personnel, the understanding that the accounting records and underlying support are sufficient for the conduct of the audit and the assumption that unexpected circumstances will not be encountered during the audit. If significant services or additional audit time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. We may bill you for the additional costs at our standard hourly rates. Items that may result in additional costs are included in the appendix to this letter. In addition to signing the engagement letter below, we ask that you also sign and return the attached appendix.

Our invoices will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs, if any, through the date of termination.

Many banks have engaged a third party to electronically process cash or debt audit confirmation requests, and a few of those banks have mandated the use of this service. To the extent applicable, the Authority hereby authorizes Mengel Metzger Barr & Co. LLP to participate in this electronic confirmation process through the third party's Web site (e.g., by entering the Authority's bank account information to initiate the process and then accessing the banks' confirmation response) and agrees that Mengel Metzger Barr & Co. LLP shall have no liability in connection therewith.

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered in the city in which our office providing the relevant services is located or in the county where our offices are headquartered, at our discretion, conducted by a mediator appointed by and pursuant to the Rules of the American Arbitration Association. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceedings shall be shared equally by the participating parties.

Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the date cause of action occurs or three years from completion of the engagement, whichever comes first, notwithstanding any statutory provision to the contrary.

In the event we are or may be obligated to pay any cost, settlement, judgment, fine, penalty, or similar award or sanction as a result of a claim, investigation, or other proceeding instituted by any third party, then to the extent such obligation is or may be a direct or indirect result of your intentional or knowing misrepresentation or provision to us of inaccurate, incomplete, or misleading information in connection with this engagement, and not any failure on our part to comply with professional standards, you agree to indemnify us, defend us, and hold us harmless as against such obligations.

In the event you request us to object to or respond to, or we receive and respond to, a validly issued third party subpoena, court order, government regulatory inquiry, or other similar request or legal process against the Company or its management for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this or any prior engagements, you agree to compensate us for all time we expend in connection with such response, at our regular rates, and to reimburse us for all related out-of-pocket costs (including outside lawyer fees) that we incur.

Client Organizer

To enhance our services to you, we will utilize CCH ProSystem fx Engagement Organizer (the Organizer), a collaborative, virtual workspace in a protected, online environment. The Organizer permits real-time collaboration across geographic boundaries and time zones and allows Mengel Metzger Barr & Co. LLP and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use the Organizer, you may be required by the provider of the Organizer to execute a client portal agreement and agree to be bound by the terms, conditions and limitations of such agreement. You agree that we have no responsibility for the activities of the Organizer/Portal and agree to indemnify and hold us harmless with respect to any and all claims arising from or related to the operation of the Organizer.

While the Organizer backs up data to a third-party server, professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, you are responsible for maintaining your own copy of this information. We do not provide back-up services for any of your data or records, including information we provide to you. Organizer is utilized solely as a method of transferring data and are not intended for the storage of your information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

If you decide to transmit your confidential information to us in a manner other than a secure portal, you accept responsibility for any and all unauthorized access to your confidential information. If you request that we transmit confidential information to you in a manner other than a secure portal, you agree that we are not responsible for any liability including but not limited to, (a) any loss or damage of any nature, whether direct or indirect, that may arise as a result of our sending confidential information in a manner other than a secure portal, and (b) any damages arising as a result of any virus being passed on or with, or arising from any alteration of, any email message.

In connection with this engagement, we may communicate with you or others via e-mail transmission. As e-mails can be intercepted and read, disclosed, or otherwise used or communicated to an unintended third party, or may not be delivered to each of the parties to whom they are directed, we cannot guarantee that e-mails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, the Authority agrees that we shall have no liability for any loss or damage arising from the use of e-mail, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure of confidential information.

We would be pleased to consult with management and those charged with governance at various times throughout the year to discuss tax, accounting, and other matters affecting the Authority. Management and those charged with governance should feel free to call on us at any time in this regard. Fees for these and other services such as accounting services that are not within the scope of our audit services above will be billed separately based on the actual time spent at our standard hourly rates.

Our fees for the services outlined in this letter are based on the actual time spent at our standard hourly rates for 2024/25 shown below plus out-of-pocket expenses.

Partner	\$ 420
Manager/Principal	\$ 175 - \$ 400
Senior Assurance Associate	\$ 140 - \$ 170
Assurance Associate	\$ 90 - \$ 135

Rates are updated annually on October 1.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2021 peer review report was provided last year and can also be obtained from our website.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors of Albany County Airport Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor’s report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

This agreement sets forth the entire agreement with respect to the subject matter herein, superseding all prior agreements, negotiations, or understandings, whether oral or written, with respect to the subject matter herein. This agreement may not be changed, modified, or waived in whole or part except by an instrument in writing signed by both parties.

We appreciate the opportunity to be of service to the Albany County Airport Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy, and return it to us.

Very truly yours,

Mengel, Metzger, Barw & Co. LLP

This letter correctly sets forth the understanding of the Albany County Airport Authority.

By: _____

Title: _____

Date: _____

Audit Committee Chair
Designated Contact for Those Charged with Governance

Appendix

Albany County Airport Authority
Circumstances Affecting Timing and Projected Fees
Year ending December 31, 2024

Our fees are based on certain assumptions, including anticipated cooperation from your personnel, the understanding that the accounting records and underlying support are sufficient for the conduct of the audit, and the assumption that unexpected circumstances will not be encountered during the audit. These circumstances could significantly affect targeted completion dates and our fees. Such circumstances include but are not limited to the following:

1. Changes to the timing of the engagement at your request. Changes to the timing of the engagement would likely require reassignment of personnel used for said engagement. However, because it is difficult to reassign individuals to engagements, MMB + CO may incur significant unanticipated costs.
2. Supporting schedules and information for the audit that are (a) not located and/or provided by you in a timely manner, (b) not completed in an acceptable format or mathematically correct, or (c) not in agreement with your records (e.g. general ledger accounts, source documents, confirmations).
3. Weaknesses or significant changes in the internal control structure or systems that result in additional audit time.
4. Necessary changes to financial statements prepared by management.
5. Significant new issues or changes as follows:
 - a. Accounting matters that require an unusual amount of time to resolve,
 - b. Changes or transactions that occur after completion of fieldwork but prior to the issuance of our reports,
 - c. Changes in auditing requirements set by regulators,
 - d. Scope changes to the audit of federal programs (Single Audit), such as increase in the number of programs required to be audited as major programs.
6. Significant delays with your assistance on the engagement or delays in reconciling variances requested by MMB + CO.
7. Significant number of proposed adjustments identified during the audit.
8. Changes in audit scope caused by events that are beyond our control.
9. Untimely payment of our invoices as they are rendered.
10. Delays in engagement completion due to untimely information provided by outside third parties including back office service providers, attorneys, actuaries, funding sources and financial institutions.

If additional audit time is necessary because of any of the aforementioned conditions, or if requested information is not provided until after the scheduled fieldwork dates, we may bill you for our additional costs at our standard hourly rates.



BUSINESS
ADVISORS
AND CPAS

November 1, 2024

Albany County Airport Authority
Albany International Airport
Administration Building, Suite 200
Albany, New York 12211-1057

You have requested that we examine the investment guidelines of the Albany County Airport Authority (the Authority) as of December 31, 2024. We are pleased to confirm our acceptance and our understanding of this examination engagement by means of this letter. Our examination will be conducted with the objective of obtaining reasonable assurance about whether the Authority's investment guidelines are free from material noncompliance based on applicable investment guidelines in Section 2925 of the NYS Public Authorities Law (PAL) and to express an opinion as to whether the investment guidelines are complied with, in all material respects, in accordance with Section 2925 of NYS PAL.

Practitioner Responsibilities

We will conduct our examination in accordance with the attestation standards established by the AICPA. An examination involves performing procedures to obtain evidence about whether the Authority is in compliance with its investment guidelines, and with Section 2925 of the NYS Public Authorities Law, in all material respects. The nature, timing and extent of procedures selected depend on the practitioner's judgment, including the assessment of the risks of material misstatement of the subject matter, whether due to fraud or error.

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with the attestation standards. However, we will inform you of any material noncompliance with laws or regulations, uncorrected misstatements, fraud, and when relevant to the subject matter, internal control deficiencies that comes to our attention, unless clearly inconsequential.

Our responsibility is limited to the period covered by our examination and does not extend to any other periods.

Management Responsibilities

Our examination will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and presentation of the financial statements in accordance with Section 2925 of the NYS Public Authorities Law;
- b. For the design, implementation, and maintenance of internal control to prevent, or detect and correct, misstatement of the financial statements due to fraud or error;
- c. For selecting and determining the suitability and appropriateness of the criteria upon which the examination will be evaluated; and

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- d. To provide us with;
 - a. Access to all information of which management is aware that is relevant to the financial statements such as records, documentation, and other matters and that you are responsible for the accuracy and completeness of that information;
 - b. Additional information that we may request from management for the purpose of the examination, and
 - c. Unrestricted access to persons within the entity and others from whom we determine it necessary to obtain evidence.

As part of our examination process, we will request from management written confirmation concerning representations made to us in connection with the examination.

We will not assume management responsibilities on behalf of Albany County Airport Authority. However, we will provide advice and recommendations to assist management of Albany County Airport Authority in performing its responsibilities.

Albany County Airport Authority's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement are as follows:

- We will perform the services in accordance with applicable professional standards, including Section 2925 of the NYS Public Authorities Law. This engagement is limited to the examination previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise Albany County Airport Authority with regard to tax positions taken in the preparation of the tax return, but Albany County Airport Authority must make all decisions with regard to those matters.

Reporting

We will issue a written report upon completion of our examination. Our report will be addressed to the Members of the Albany County Airport Authority. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select.

During the course of the engagement, we may communicate with you or with your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of the practitioner's report, including reports published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the subject matter or assertion.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete. James E. Amell, CPA is the engagement principal for the services specified in this letter. His responsibility includes supervising Mengel, Metzger, Barr & Co. LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the attest report. We expect to begin our examination in November 2024 and issue our report not later than March 31, 2025.

Fees for these services are included in the audit engagement letter dated November 1, 2024.

Our fee is based on anticipated cooperation from the Authority's personnel and the assumption that unexpected circumstances will not be encountered during the examination. Unexpected circumstances include, but are not limited to, material weaknesses in internal control that would require us to change the nature and extent of our audit tests. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate before we incur the additional costs.

We will maintain the confidentiality of your personal information and will apply procedures to protect against any unauthorized release of your personal information to third parties.

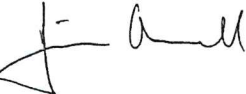
We agree to retain our attest documentation or work papers for a period of 5 years from the date of our report.

Please sign and return this letter to indicate your acknowledgment of, and agreement with, the arrangements for our examination including our respective responsibilities. If you have any questions, please let us know.

We appreciate the opportunity to be of service to you and look forward to working with you and your staff.

Respectfully,

MENGEL, METZGER BARR & CO. LLP



James E. Amell, CPA
Principal

RESPONSE:

This letter correctly sets forth the understanding of the Albany County Airport Authority.

By: _____

Title: _____

Date: _____



BUSINESS
ADVISORS
AND CPAS

November 1, 2024

Albany County Airport Authority
Audit Committee Chair
Albany International Airport
Administrative Building, Suite 200
Albany, NY 12211

This letter sets forth our understanding for applying agreed-upon procedures to the Albany County Airport Authority (the Authority) for the period January 1, 2024 through December 31, 2024.

This engagement is solely for the purpose of reporting our findings regarding the results of the procedures performed. We will apply the agreed-upon procedure listed below that were specified and agreed to by the Authority on the Customer Facility Charges (CFC) for the period January 1, 2024 through December 31, 2024. This report is intended for use by Management and Members of the Audit Committee of the Albany County Airport Authority and is expected to be restricted to the use of these specified parties.

Prior to completion of the engagement, you agree to provide use with written agreement and acknowledgement that that the procedures performed are appropriate for the intended purpose of the engagement as noted above.

We will apply the following procedures:

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

We will conduct our engagement in accordance with attestation standards for agreed-upon procedures engagements established by the AICPA. We are responsible for carrying out the procedure and reporting findings in accordance with those standards. We have no responsibility to determine the differences between the procedure to be performed and the procedures that would have determined to be necessary had we been engaged to perform another form of attestation engagement.

Our report will list the procedure performed and our findings. Our report will be addressed to Members of the Audit Committee of the Albany County Airport Authority and will be intended for use by and restricted to the use of the specified parties as identified above. Our report will contain such restricted-use language.

Should we have any reservations with the respect to the subject matter, we will discuss them with you before the report is issued.

We have no responsibility to update our report for events and circumstances occurring after the date of our report.

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As part of our engagement, we will request from management written confirmation concerning representations made to use in connection with the agreed upon procedures and in accordance with New York State Laws and the respective concessionaire agreements. You agree to provide such confirmation.

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Professional standards prohibit us from being the sole host and/or storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

We plan to begin our procedure in November 2024 and, unless unforeseeable problems are encountered, the engagement should be completed by March 31, 2025.

James E. Amell, CPA, is the engagement principal for the services specified in this letter. His responsibilities include supervising Mengel, Metzger, Barr & Co. LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the agreed-upon procedures report.

Our fees for this engagement are included in the Airport audit engagement letter dated November 1, 2024

Our fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and reimburse us for all out-of-pocket expenditures through the date of termination.

You are responsible for the Customer Facility Charges and ensuring that they are in accordance with the New York State Law and the respective concessionaire agreements; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are also responsible for, and agree to provide us with, a written assertion about the Customer Facility Charges. In addition, you are responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluation the adequacy of the services performed; (d) evaluating and accepting the responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest agreement are as follows:

- We will perform the services in accordance with applicable professional standards, including attestation standards established by the AICPA.

- This engagement is limited to the Customer Facility Charges services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

We will maintain the confidentiality of your personal information and will apply procedures to protect against any unauthorized release of your personal information to third parties.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our engagement including our respective responsibilities. If you have any questions, please let us know.

We appreciate the opportunity to be of service to you and look forward to working with you and your staff.

Very truly yours,



James E. Amell, CPA
Principal

This letter correctly sets forth the understanding of the Albany County Airport Authority.

By: _____

Title: _____

Date: _____



BUSINESS
ADVISORS
AND CPAS

November 1, 2024

Michael F. Zonsius, Trustee
Albany County Airport Authority OPEB Trust
Albany International Airport
737 Albany Shaker Road
Main Terminal – Suite 300
Albany, New York 12211-1057

We are pleased to confirm our understanding of the services we are to provide for the Albany County Airport Authority OPEB Trust (the Trust), a component of the Albany County Airport Authority, for the year ended December 31, 2024.

Audit Scope and Objectives

We will audit the statement of fiduciary net position of the Trust as of December 31, 2024 and the related statement of changes in fiduciary net position for the year then ended, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Trust as of and for the year then ended. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Trust's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Trust's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Schedule of Investment Returns
- Schedule of Actuarially Determined Contributions
- Schedule of Money-Weighted Investment Return

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

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The objective also includes reporting on Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Audit of the Financial Statements

We will conduct our audit in accordance with GAAS. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Albany County Airport Authority OPEB trust's internal control.² However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Albany County Airport Authority OPEB trust's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of Albany County Airport Authority's OPEB Trust basic financial statements. Our report will be addressed to [appropriate addressee, e.g., governing body of Albany County Airport Authority]. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

At the conclusion of the audit, we will provide copies of our reports to you; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

Audit Procedures - Internal Control

We will obtain an understanding of the Trust and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Trust's compliance with provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

- For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;³
- For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
- For taking prompt action when instances of noncompliance are identified;
- For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
- For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
- For submitting the reporting package and data collection form to the appropriate parties;
- For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;

- To provide us with:
 - a. Access to all information of which [*management*] is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from [*management*] for the purpose of the audit;
 - c. Unrestricted access to persons within the Trust from whom we determine it necessary to obtain audit evidence;
- For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- For informing us of any known or suspected fraud affecting the Trust involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
- For the accuracy and completeness of all information provided;
- For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
- For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Engagement Administration, Fees, and Other

We understand that the Trust's employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Mengel Metzger Barr & Co. LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Trust or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to fulfill oversight responsibilities. We will notify management of any such request. If requested, access to such audit documentation will be provided under the supervision of Mengel Metzger Barr & Co. LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Our firm has adopted a records retention policy. After seven years, our audit documentation and files will no longer be available. Physical deterioration or catastrophic events may shorten the time during which our records will be available. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

James E. Amell, CPA, Principal is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Members of the Board should feel free to contact Jim at (518) 785-0134 or jamell@mmb-co.com with any additional questions, comments, or concerns. We ask that you designate an individual below as a contact for those charged with governance in the event communications are required during the course of the engagement. We expect to begin our audit in November, 2024 and issue our reports no later than March 31, 2025.

Our fees for these services will be based on actual time spent at our standard hourly rates, plus other out-of-pocket costs, except that we agree that our gross fee, including expenses, for the services enumerated above for the year ended December 31, 2024 is incorporated into the maximum quoted fee for the Authority as a whole.

The estimated fees are based on anticipated cooperation from your personnel, the understanding that the accounting records and underlying support are sufficient for the conduct of the audit and the assumption that unexpected circumstances will not be encountered during the audit. If significant services or additional audit time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. We may bill you for the additional costs at our standard hourly rates. Items that may result in additional costs are included in the appendix to this letter. In addition to signing the engagement letter below, we ask that you also sign and return the attached appendix.

Our invoices will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs, if any, through the date of termination.

Many banks have engaged a third party to electronically process cash or debt audit confirmation requests, and a few of those banks have mandated the use of this service. To the extent applicable, the Trust hereby authorizes Mengel Metzger Barr & Co. LLP to participate in this electronic confirmation process through the third party's Web site (e.g., by entering the Trust's bank account information to initiate the process and then accessing the banks' confirmation response) and agrees that Mengel Metzger Barr & Co. LLP shall have no liability in connection therewith.

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered in the city in which our office providing the relevant services is located or in the county where our offices are headquartered, at our discretion, conducted by a mediator appointed by and pursuant to the Rules of the American Arbitration Association. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceedings shall be shared equally by the participating parties.

Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the date cause of action occurs or three years from completion of the engagement, whichever comes first, notwithstanding any statutory provision to the contrary.

In the event we are or may be obligated to pay any cost, settlement, judgment, fine, penalty, or similar award or sanction as a result of a claim, investigation, or other proceeding instituted by any third party, then to the extent such obligation is or may be a direct or indirect result of your intentional or knowing misrepresentation or provision to us of inaccurate, incomplete, or misleading information in connection with this engagement, and not any failure on our part to comply with professional standards, you agree to indemnify us, defend us, and hold us harmless as against such obligations.

In the event you request us to object to or respond to, or we receive and respond to, a validly issued third party subpoena, court order, government regulatory inquiry, or other similar request or legal process against the Company or its management for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this or any prior engagements, you agree to compensate us for all time we expend in connection with such response, at our regular rates, and to reimburse us for all related out-of-pocket costs (including outside lawyer fees) that we incur

Client Organizer

To enhance our services to you, we will utilize CCH ProSystem FX Engagement Organizer (the Organizer), a collaborative, virtual workspace in a protected, online environment. The Organizer permits real-time collaboration across geographic boundaries and time zones and allows Mengel Metzger Barr & Co. LLP and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use the Organizer, you may be required by the provider of the Organizer to execute a client portal agreement and agree to be bound by the terms, conditions and limitations of such agreement. You agree that we have no responsibility for the activities of the Organizer/Portal and agree to indemnify and hold us harmless with respect to any and all claims arising from or related to the operation of the Organizer.

While the Organizer backs up data to a third-party server, professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, you are responsible for maintaining your own copy of this information. We do not provide back-up services for any of your data or records, including information we provide to you. Organizer is utilized solely as a method of transferring data and are not intended for the storage of your information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

If you decide to transmit your confidential information to us in a manner other than a secure portal, you accept responsibility for any and all unauthorized access to your confidential information. If you request that we transmit confidential information to you in a manner other than a secure portal, you agree that we are not responsible for any liability including but not limited to, (a) any loss or damage of any nature, whether direct or indirect, that may arise as a result of our sending confidential information in a manner other than a secure portal, and (b) any damages arising as a result of any virus being passed on or with, or arising from any alteration of, any email message.

In connection with this engagement, we may communicate with you or others via e-mail transmission. As e-mails can be intercepted and read, disclosed, or otherwise used or communicated to an unintended third party, or may not be delivered to each of the parties to whom they are directed, we cannot guarantee that e-mails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, the Trust agrees that we shall have no liability for any loss or damage arising from the use of e-mail, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure of confidential information.

We would be pleased to consult with management and those charged with governance at various times throughout the year to discuss tax, accounting, and other matters affecting the Trust. Management and those charged with governance should feel free to call on us at any time in this regard. Fees for these and other services such as accounting services that are not within the scope of our audit services above will be billed separately based on the actual time spent at our standard hourly rates.

Our fees for the services outlined in this letter are based on the actual time spent at our standard hourly rates for 2024/25 shown below plus out-of-pocket expenses.

Partner	\$ 420
Manager/Principal	\$ 175 - \$ 400
Senior Assurance Associate	\$ 140 - \$ 170
Assurance Associate	\$ 90 - \$ 135

Rates are updated annually on October 1.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Very truly yours,

Mengel, Metzger, Barr & Co. LLP

MENGEL, METZGER, BARR & CO. LLP

Accepted By:

This letter correctly sets forth the understanding of the Albany County Airport Authority OPEB Trust.

By: _____ Date: _____

Title: TRUSTEE

Appendix

Albany County Airport Authority OPEB Trust Circumstances Affecting Timing and Projected Fees Year ending December 31, 2024

Our fees are based on certain assumptions, including anticipated cooperation from your personnel, the understanding that the accounting records and underlying support are sufficient for the conduct of the audit, and the assumption that unexpected circumstances will not be encountered during the audit. These circumstances could significantly affect targeted completion dates and our fees. Such circumstances include but are not limited to the following:

1. Changes to the timing of the engagement at your request. Changes to the timing of the engagement would likely require reassignment of personnel used for said engagement. However, because it is difficult to reassign individuals to engagements, MMB + CO may incur significant unanticipated costs.
2. Supporting schedules and information for the audit that are (a) not located and/or provided by you in a timely manner, (b) not completed in an acceptable format or mathematically correct, or (c) not in agreement with your records (e.g. general ledger accounts, source documents, confirmations).
3. Weaknesses or significant changes in the internal control structure or systems that result in additional audit time.
4. Necessary changes to financial statements prepared by management.
5. Significant new issues or changes as follows:
 - a. Accounting matters that require an unusual amount of time to resolve,
 - b. Changes or transactions that occur after completion of fieldwork but prior to the issuance of our reports,
 - c. Changes in auditing requirements set by regulators,
 - d. Scope changes to the audit of federal programs (Single Audit), such as increase in the number of programs required to be audited as major programs.
6. Significant delays with your assistance on the engagement or delays in reconciling variances requested by MMB + CO.
7. Significant number of proposed adjustments identified during the audit.
8. Changes in audit scope caused by events that are beyond our control.
9. Untimely payment of our invoices as they are rendered.
10. Delays in engagement completion due to untimely information provided by outside third parties including back-office service providers, attorneys, actuaries, funding sources and financial institutions.

If additional audit time is necessary because of any of the aforementioned conditions, or if requested information is not provided until after the scheduled fieldwork dates, we may bill you for our additional costs at our standard hourly rates.

AGENDA ITEM NO. 2.2

**Questions & Answers from
Audit Committee Members**