Albany International Airport
Capital Region Gateway

NEW YORK'S TECH VALLEY AIRPORT

Comprehensive Annual Finanicial Report
Year Ended December 31, 2015

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

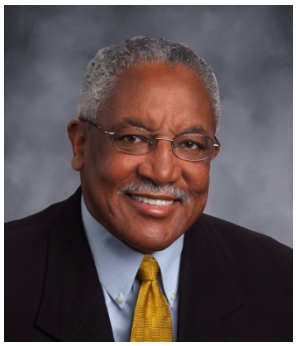
flyalbany.com

Albany County Airport Authority

As of December 31, 2015

Authority Board Members

Rev. Kenneth J. Doyle
Chair
Term Expires: December 31, 2019



Dorsey M. Whitehead
Treasurer
Term Expires: December 31, 2016

Anthony Gorman
Secretary
Term Expires: December 31, 2016

Lyon M. Greenberg, MD
Member
Term Expires: December 31, 2017

Patricia M. Reilly
Member
Term Expires: December 31, 2016

Paula T. Wilkerson
Member
Term Expires: December 31, 2016

Authority Management

John A. O'Donnell, PE	Chief Executive Officer
William J. O'Reilly, CPA	Chief Financial Officer
Peter F. Stuto, Esq.	Airport Counsel

ALBANY COUNTY AIRPORT AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Years Ended December 31, 2015 and 2014

Prepared by the
Finance Department

William J. O'Reilly, CPA
Chief Financial Officer

Margaret Herrmann
Chief Accountant

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

www.albanyairport.com

CUSIP #012123XXX

TABLE OF CONTENTS

PAGE(S)

I. INTRODUCTORY SECTION

Albany County Airport Authority:
Members and Principal Officers ..... Inside Front Cover
Chairman's Message 1
Letter of Transmittal 2-11
Organizational Chart 12
Certificate of Achievement for Excellence in Financial Reporting 13

II. FINANCIAL SECTION

Independent Auditor's Report 16-18
Management's Discussion and Analysis 19-34
Financial Statements:
Comparative Statements of Net Position 36-37
Comparative Statements of Revenues, Expenses and Changes in Net Position 38
Comparative Statements of Cash Flows 39
OPEB Trust Statements of Fiduciary Fund Net Position 40
OPEB Statements of Changes in Fiduciary Fund Net Position 41
Notes to Financial Statements 43-70
Required Supplementary Information:
Schedule for the Authority's Proportionate Share of Net Pension Liability 72
Schedule for the Authority's Contributions 72
OPEB Trust Schedule of Funding Progress 73
Other Supplemental Information:
Schedule of Debt Service Requirements to Maturity 76
Schedule of Governmental Payments and Services 77

III. STATISTICAL SECTION

Total Annual Revenues, Expenses and Changes in Net Position 80-81
Changes in Cash and Cash Equivalents 82-83
Principal Revenue Sources and Cost per Enplaned Passenger 84-85
Ratios of Outstanding Debt 83-87

Revenue Bond Debt Service Coverage 88-89
Population in the Air Trade Area 90
Major Employers in Air Trade Area 91
Colleges and Universities in the Air Trade Area 92
Airport Information 93
Enplaned Passengers 94-95
Airline Landed Weights 96-97
Aircraft Operations 98-100
Airlines Serving the Albany International Airport 101
Scheduled Jet Airline Service 102
Scheduled Commuter Airline Service 103
Primary Origination and Destination Passenger Markets 104

IV. COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 106-107
Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance and Notes thereto 108-109
Independent Auditor's Report on Compliance for each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance 110-111
Independent Auditor's Report on Compliance for the New York State Department of Transportation Financial Assistance Program and Report on Internal Control Over Compliance Required by New York State Codification of Rules and Regulations 112-113
Schedule of Findings and Questioned Costs 114
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 115-116
Schedule of Passenger Facility Charges Collected and Expended And Notes thereto 117
Passenger Facility Charge Program Schedule of Findings And Questioned Costs 118

Biographies of the Members of the Albany County Airport Authority 119-120
Biographies of the Albany County Airport Authority Senior Staff 121

Introduction

Albany International Airport

Capital Region Gateway

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Chairman's Message

March 14, 2016

In 2015, the US Domestic Airlines experienced significant relief from jet fuel costs and recorded healthy profits. This favorable environment allowed the airlines to continue to increase available airline seats, airline jobs and airline wages while reducing airline fares and debt and also reinvesting in their product based upon reports from the industry trade association, *Airlines for America*. At Albany International Airport, the effects of the improved airline industry environment were evident in the 5.5% growth in enplanements in 2015, reaching their highest level since 2009 when airline consolidations began. Late in 2015, American Airlines completed its merger with US Airways expanding its service network and JetBlue began service at Albany as a new Signatory Airline. Other airlines have also announced service expansions for 2016.

Based upon scheduled and announced airline service at Albany International Airport, annual enplanements for 2016 are expected to grow further and exceed 1.4 million as airline seat capacity is projected to be 13% more than 2015. Based upon the expansion of available airline passenger seats and service enhancements, it is reasonable to expect Albany International Airport will continue to be the fastest growing airport in Upstate New York in 2016 even though it is already the second largest after Buffalo International Airport.

In 2015, the Airport also completed construction of its expanded Aircraft Maintenance, Repair and Overhaul (MRO) facility and saw its occupation by a regional airline adding more jobs and aviation activity to the Airport. The MRO facility expansion was made possible with a State-funded grant intended to promote job creation and economic development.

By the close of 2015, the Airport completed negotiations for a new five-year Airport Use and Lease Agreement and Common Cargo Carrier Airfield Use Agreement with its six existing Signatory Airlines and two Signatory Cargo Carriers. These new agreements ensure the Airport's most important aviation business relationships are soundly in place for years to come and are expected to continue to produce attractive airline rates and charges and revenue for the Airport. In 2015, the prudent management of the Airport budget allowed the Airport cost per enplaned passenger to settle at $7.12, down from a budgeted amount of $8.05. The Airport also generated $3.6 million in net revenue to be shared between the Airport and the airlines under the Airport Use and Lease Agreement.

During 2016, the Airport Authority will continue to nurture the development of air service at the Airport, plan and execute its Capital Plan to meet the growing needs of the Airport, and operate the Airport in accordance with its adopted budget. In the coming year, we will continue our mission to provide travelers with outstanding service in full recognition that our success as an airport is dependent on, not only the quantity and quality of air service, but the skills and dedication of all the employees at Albany International Airport.

Rev. Kenneth J. Doyle
Chairman

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March 14, 2016

TO THE MEMBERS OF THE AUTHORITY:

The Comprehensive Annual Financial Report (CAFR) of the Albany County Airport Authority (Authority) for the fiscal year ended December 31, 2015 is hereby submitted to the Authority Board and all others interested in the financial condition of Albany International Airport (Airport). This report is published in accordance with the requirements of the State of New York (State) enabling legislation creating the Authority, Article 9, Section 2800 of the Public Authorities Law, and the master bond resolution covering the issuance of indebtedness by the Authority. Pursuant to those requirements, this Comprehensive Annual Financial Report of the Authority has been prepared in accordance with accounting principles general accepted in the United States of America (GAAP). This report consists of four sections: Introductory, Financial, Statistical, and Compliance. The basic financial statements included in the Financial Section have been audited by Marvin and Company, P.C.

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

This introductory letter of transmittal should be read in conjunction with Management's Discussion and Analysis (MD&A) which provides an introduction, overview and analysis of the 2015 basic financial statements. The MD&A is located immediately following the report of the independent auditor in the Financial Section. The MD&A is required supplementary information to the basic financial statements, but is not a part of the basic financial statements and was not audited.

INDEPENDENT REVIEW

FINANCIAL AUDIT

The goal of an independent audit is to provide reasonable assurance that the basic financial statements of the Authority for the year ended December 31, 2015 are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and any significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concludes, based upon their audit, that there is a reasonable basis for rendering an unmodified ("clean") opinion and that the Authority's financial statements for the year ended December 31, 2015 are presented in conformity with GAAP. The independent auditor's report is the first component of the Financial Section.

SINGLE AUDIT

The independent audit of the financial statements is part of the broader mandated provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, relative to financial funds received from the U.S. Government, the New York State Department of Transportation Draft Part 43 of the Codification of Rules and Regulations, relative to State transportation funds received, and also, in conformity with the provisions of the Passenger Facility Charge Audit Guide for Public Agencies. The standards governing these provisions require the independent auditor to report on the fair presentation of the financial statements and on the Authority's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state grant awards. The independent auditor's reports are included in the Compliance Section.

As a recipient of federal and state financial assistance, the Authority also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. As part of the Authority's single audit, tests were made to determine the adequacy of the internal control structure, including that portion related to federal assistance awards, as well as to determine that the Authority has complied with applicable laws and regulations. The results of the Authority's single audit for the year ended December 31, 2015 provided no instances of material weaknesses in the internal control structure and no instances of noncompliance that are required to be reported under Government Auditing Standards.

THE AUTHORITY

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

and to facilitate the financing and construction of the initial Terminal Improvement Project (TIP), other subsequent capital improvement plans and gave the Authority the power to operate, maintain and improve the Airport.

The County of Albany (County) and the Authority entered into a permanent Airport Lease Agreement dated December 5, 1995, which became effective May 16, 1996 following approval by the Federal Aviation Administration (FAA) of the United States Department of Transportation for the transfer of the sponsorship of the Airport from the County to the Authority. Under the Lease Agreement, that expires forty (40) years after the effective date, the County leases to the Authority the Airport, including all lands, buildings, improvements, structures, easements, rights of access, and all other privileges and appurtenances pertaining to the Airport.

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

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

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

THE REPORTING ENTITY

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

Rev. Kenneth J. Doyle became the Acting Chair of the Board in 2012 and Chair in 2014. John A. O'Donnell, P.E., Chief Executive Officer, is responsible for planning and directing the management of all operations at the Airport including its capital improvement programs. William O'Reilly, CPA, Chief Financial Officer, is responsible for financial planning, budgeting, operating and capital accounting procedures and controls, debt management, airline affairs, and all Authority financial policies and procedures.

The Authority has engaged the services of AFCO AvPorts Management LLC, (d/b/a Avports) to manage the daily operations of the Airport and REW Investments, Inc. (d/b/a Million Air-Albany) to

manage the daily operations of the Fixed Base Operations (FBO). An Organizational Chart is included in this Introductory Section.

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

PROFILE OF ALBANY INTERNATIONAL AIRPORT

Albany International Airport is the gateway to the New York State Greater Capital Region. The Airport, located on approximately a 1,171-acre site in the Town of Colonie, is the primary provider of commercial air transportation to the Albany area, including the northeast-central region of the State, southern Vermont and western Massachusetts. The Airport, located seven miles from downtown City of Albany, is accessible via U.S. Interstate 87, 88 and 90 highways. The Airport is strategically located at the center of New York's Capital Region and represents the heart of the burgeoning Hudson Valley Corridor known as "Tech Valley."

The Airport is defined by the FAA as a small air traffic hub, an Airport which handles between 0.05 percent and 0.249 percent of the enplaned passengers by U.S. air carriers nationwide. Based on the latest FAA data available, in 2014 the Airport ranked 80th in total enplanements and 97th in total cargo weight. The Airport also ranked 233rd in total aircraft operations in 2014.

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

AIRPORT ECONOMICS AND DEMOGRAPHICS

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

The Airport's primary air trade area is at the core of the State Capital of the Nation's 4thrd largest state by population with more than fifty-thousand state employees and the "Tech Valley," an ongoing high-technology development program. High tech development continues in the region. 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 $16 billion in public and private investments, CNSE's Albany NanoTech Complex has attracted over 250 global corporate partners - and is the most advanced research complex at any university in the world. 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.

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

AIRLINE ECONOMICS

The airlines have endured major financial impacts resulting from a series of events beginning in 2001 that have caused business and leisure passengers to reassess their use of commercial air travel or to elect to use other means of transportation. In 2008, the airlines were especially impacted by high jet fuel prices, forcing a reduction in capacity and reducing the number of flights throughout the system. During the latter part of 2008 the recession reduced the level of travelers and weakened the airlines financial stability. The airlines responded by reducing the size of their work forces, their operating expenses, and airline seat capacity and some consolidation among carriers. The recession brought about low fuel prices which did provide a stabilizing effect on the financial health of the airlines. As the economic recovery began, the airlines were able to raise airfares and charge additional fees for new and existing services such as internet access and baggage. According to Airlines for America, an industry trade association, U.S Airlines lost $62.9 billion from 2001 through 2010, and began to produce growing profits for 2011 growing to $11.6 billion in 2013. In 2014 the domestic airlines produced $9.5 million profit equal to 6% of Gross Revenue and began to add some seat capacity back. In 2015 favorable fuel costs have resulted in airline adding capacity and reporting record profits.

Some of the potential factors that can impact the airlines and therefore the number of flights and enplanements at this Airport are: (1) any contraction or break in the current economic recovery for any reason; (2) sustained higher fuel costs (3) potential for contraction in air passenger travel in 2013 or beyond; (4) airline seat capacity reductions and market constraints to raising fares could weaken airline profits and cause some airlines to further reduce service; (5) airline financial weakness may result in failure or even further consolidation of airlines, reducing competition and exacerbating the decline in seat capacity; and (6) capacity constraints in the National Airspace System may restrict airline flights.

AUTHORITY'S FINANCIAL RESOURCES

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

FINANCIAL CONTROLS

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

The Authority's 2006 Airline Use and Lease Agreement expired on December 31, 2015. The Authority and the Airlines entered into a new agreement that began January 1, 2016 that continues the same rates and charges model. The Agreement includes a majority-in-interest provision that allows for airline disapproval of certain capital projects. This provision applies to costs in excess of $1,500,000, net of any state and federal grants, for the Airfield, if disapproved by more than 50% of the signatory airlines based upon the maximum gross landed weight of all signatory airlines during the most recent six months and, for the Terminal, if disapproved by signatory airlines representing more than 50% of the total signatory terminal rentals for the most recent six months.

The Agreement with the signatory airlines incorporates a hybrid method for calculating airline rates and charges which applies a residual rate making methodology for the airfield and a compensatory methodology for the terminal. The Agreement provides for the signatory passenger airlines to receive 50% of the Airport's net revenues, as defined in Agreement. The Authority also has the ability under the Agreement to adjust airline rates and charges at any time throughout the year to ensure adherence to all financial covenants in its bond resolutions. No such adjustments were required during 2015 or in any prior year.

OPERATING FINANCIAL PLANNING

As part of preparing its operating budget, each year the Authority prepares a multi-year projection of revenues and expenses for airline activities covering the next five years in accordance with the current Airline Use and Lease Agreement, and beyond assuming that the Agreement remains substantially unchanged. The projections for 2016 assumed enplanements would be 1,400,000 which is 8.8% higher than the 2015 projected enplanement levels at the time the budget was developed. If the budget assumptions and activity projections prove to be reasonable, the projected airline cost per enplanement, net of revenue sharing, should approximate $6.50, excluding FBO costs per enplaned passengers, and debt service coverage should be 1.50 (Net Revenues to Net Debt Service calculated under the provisions of the master bond resolution). Certain assumptions are used in determining the projected activity levels and the related projected revenues and expenditures at this Airport and accordingly, subsequent actual results in any one year, or for the entire period, could differ substantially from those projected. Details for these projections are included in the Authority's adopted $49.1 million 2016 operating budget, which is on the Authority's web site.

CAPITAL FINANCIAL PLANNING

A five-year capital improvement program for the years 2010 through 2014 totaled $139.3 million of which $41.5 million was spent through 2014. The $120.5 million 2015-2019 capital improvement program has been approved by the Authority and the County in late 2014. The program consists of $34.5 million for airfield projects, $14.0 million for terminal improvements and expansion, $60.0 million for landside development and $12 million for major equipment and vehicles. Many of the projects therein are dependent on their eligibility for available Federal and State funding, or on the ability of the Authority to issue indebtedness. Therefore, the timing for starting any individual project is dependent upon the Airport's needs and ability to obtain adequate funding. The largest capital project in the 2015-2019 capital plan is a garage extension during the final year of the plan (2019) should the need for addition airport parking continue to justify the project. All of the Airfield projects, certain terminal projects and major equipment purchases will require future Federal entitlement funding equal to $61.0 million and equal slightly more than 50% of the capital plan funding. The garage expansion would be funded from additional borrowing and pay as you go capital spending.

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

The total affect any capital program will have on future operating budgets are evaluated at the time a specific project is authorized by the Authority to be started unless a project is mandated for

safety or health purposes. All capital projects completed in 2015, or scheduled for completion in 2016, have their projected additional operating costs and related revenues incorporated into the Authority's 2016 operating budget and project funding in place with no anticipated additional borrowing. The largest project completed in 2015 was an expansion of an Aircraft Maintenance, Repair and Overhaul facility with a cost of $4.3 million. This project was 90% funded with a $3.8 million grant from the State of New York and Authority pay as you go capital spending. The Authority also completed a $1.5 project to double the size of the baggage handling room for Southwest Airlines with pay as you go capital spending. This project completed in 2015, will increase terminal rental revenue.

FISCAL CAPACITY

The Authority has the ongoing ability and willingness, as needed, to raise revenues, incur debt, control expenses and meet its financial obligations as they become due. In adopting its 2016 budget, the Authority projected 2016 enplanements would be 1,400,000 or 8.8% above the projected 2015 level due to a new airline and a new destination for another. The Authority has set its rates and charges for 2016 under the Airline Use and Lease Agreement to meet all projected obligations. For 2016, signatory landing fees have been set at $3.31 per 1,000 pounds, an increase from $3.23 budgeted in 2015; apron fees at $1.23 per square foot, a decrease from $1.68 in 2015; and the terminal rental rate at $76.05 per square foot, an increase from $74.78 in 2015.

As of December 31, 2015, the Authority had $17.7 million in unrestricted funds available which included $9.8 million in an operating and maintenance reserve, more than sufficient to meet two months of operating expenditures totaling $5.6 million, and $7.3 million in its Development fund which can be used to restore a deficiency in any other fund, and $500,000 in an equipment repair & replacement reserve fund. In addition, the Authority has $11.8 million in debt service reserve funds, plus $6.9 million in Passenger Facility Funds on-hand, that when combined, exceeds the total annual debt service principal and estimated interest payments of $13.0 million due in 2016. The Authority does not anticipate experiencing any cash flow deficiencies during 2016 requiring short-term cash flow financing or increases during the year to the rates and charges billed to the Airlines.

DEBT CAPACITY

The Albany County Airport Authority Act sets the Authority's debt limit at $285 million. At December 31, 2015, there is $96.8 million of debt outstanding issued directly by the Authority to be reduced by $8.6 million of principal payments during 2015. Debt service coverage was 1.39 for 2015 and is projected to be 1.50 for 2016 based on the adopted budget.

In August of 2010 the Authority issued $109.9 million of Series 2010 fixed rate bonds to refund $111.0 million in existing debt, which included $77.7 million in variable rate bonds. Currently the Authority's entire debt portfolio is fixed rate debt. The Authority has not issued debt to obtain new proceeds since 2006 and has no plans to issue any additional debt during 2016.

AUTHORITY'S INITIATIVES

The Airport moved forward with various activities during 2015 to enhance and maintain the services provided to the airlines, the traveling public, and other uses of the Airport. These initiatives include:

- The Authority continued to market the air service opportunities to Airlines by attending three Airline Headquarters Network Planning meetings. The Airport specifically promoted underserved markets.
- In 2015 the Authority completed construction on the $4.2 million expansion of an existing Aircraft Maintenance, Repair and Overhaul Facility with state grant funding. The project also helped convince a regional airline to relocate its MRO Operations and associated jobs from Cleveland to Albany and the facility was fully occupied by the end of the year
- In 2015 the Authority completed a $1.5 million project to double the size of the Southwest Airlines baggage handling room.
- In December 2015 JetBlue began service at Albany offering two new daily flights to Florida from Albany.
- During 2015 the Authority continued to control costs and maintained reasonable rates and charges for an airport that provides a high level of services to its airlines including jet bridge maintenance, all janitorial services, waste removal and utilities.
- In 2015 the Authority surpassed its adopted budget expectations of $1 million in revenue to share with the Airlines and achieved $3.7 million to be split with the Airlines $1.8 million giving the airlines substantial credit to apply to their 2016 airport charges and $1.8 million for the Authority to put in its Airport Development Fund.

AWARDS

FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2014. This was the sixteenth consecutive year that the Authority has achieved this prestigious award. In order to receive this award a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this 2015 CAFR continues to meet the Certificate of Achievement Program's requirements and will be submitting it to the GFOA to determine its eligibility for a certificate.

DISTINGUISHED BUDGET PRESENTATION

The Government Finance Officers Association of the United States and Canada (GFOA) also has presented an award of Distinguished Presentation to the Authority for its annual budget for 2015. In order to qualify for this award, a governmental unit must publish a budget document judged proficient in several categories including as a policy document, as an operations guide, as a financial plan, and as a communications device. The 2016 budget has been submitted to the GFOA to determine its eligibility for an award.

ACKNOWLEDGMENTS

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

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

CERTIFICATION

The following sections of this report include the basic financial statements of Authority for the fiscal year ended December 31, 2015 including the Independent Auditor's Report on the basic financial statements. The Auditor's Report provides an unqualified opinion. Based on our knowledge the information provided in the basic financial statements is accurate, correct and does not contain any untrue statement of material fact; does not omit any material fact which, if omitted, would cause the basic financial statements to be misleading in light of the circumstances under which such statements are made; and fairly presents in all material respects the financial condition and results of operations of the Authority as of, and for, the periods presented in the basic financial statements.

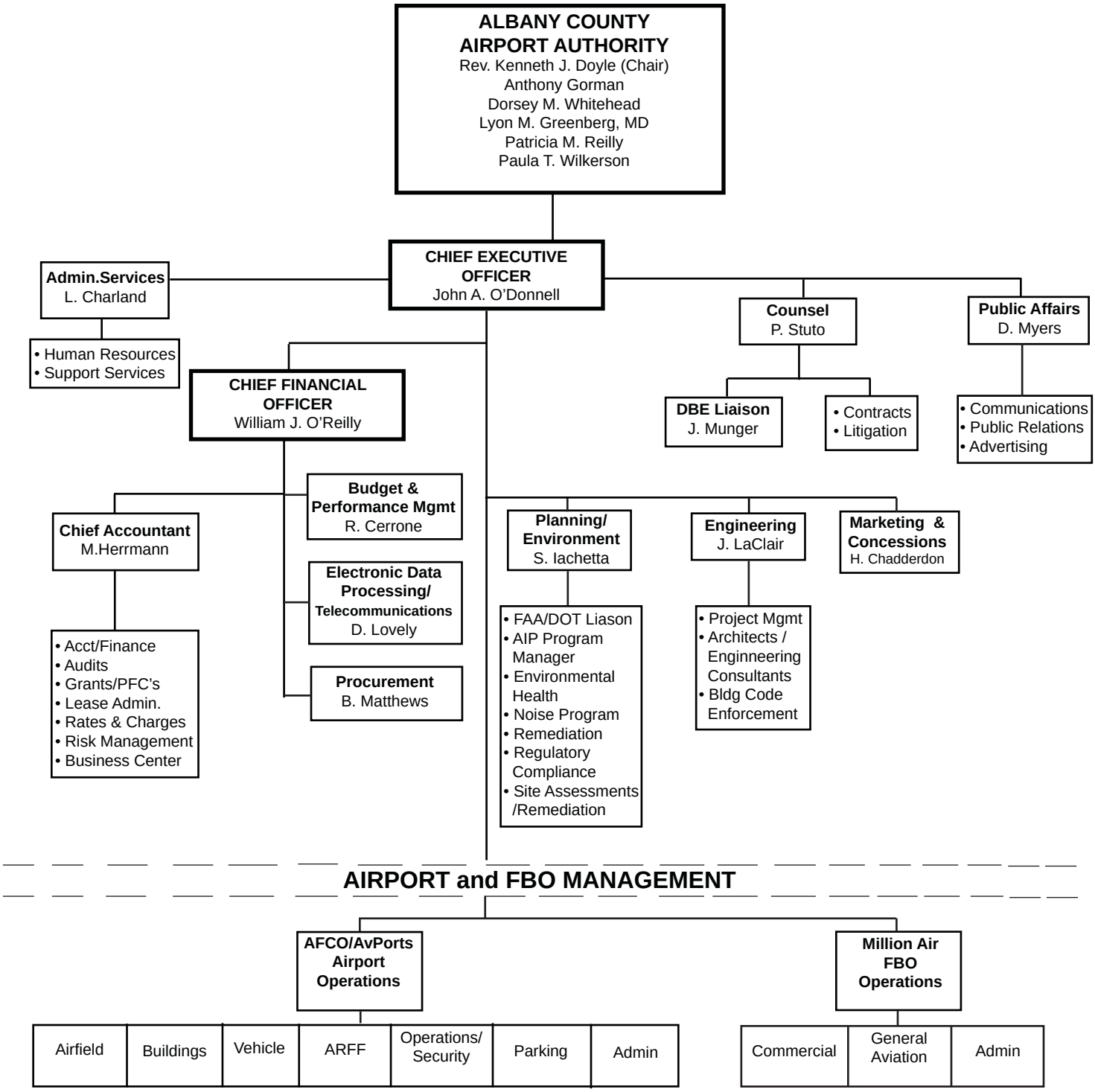
Respectfully submitted:

John A. O'Donnell
Chief Executive Officer

William J. O'Reilly, CPA
Chief Financial Officer

ALBANY INTERNATIONAL AIRPORT ORGANIZATIONAL CHART

As of December 31, 2015



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

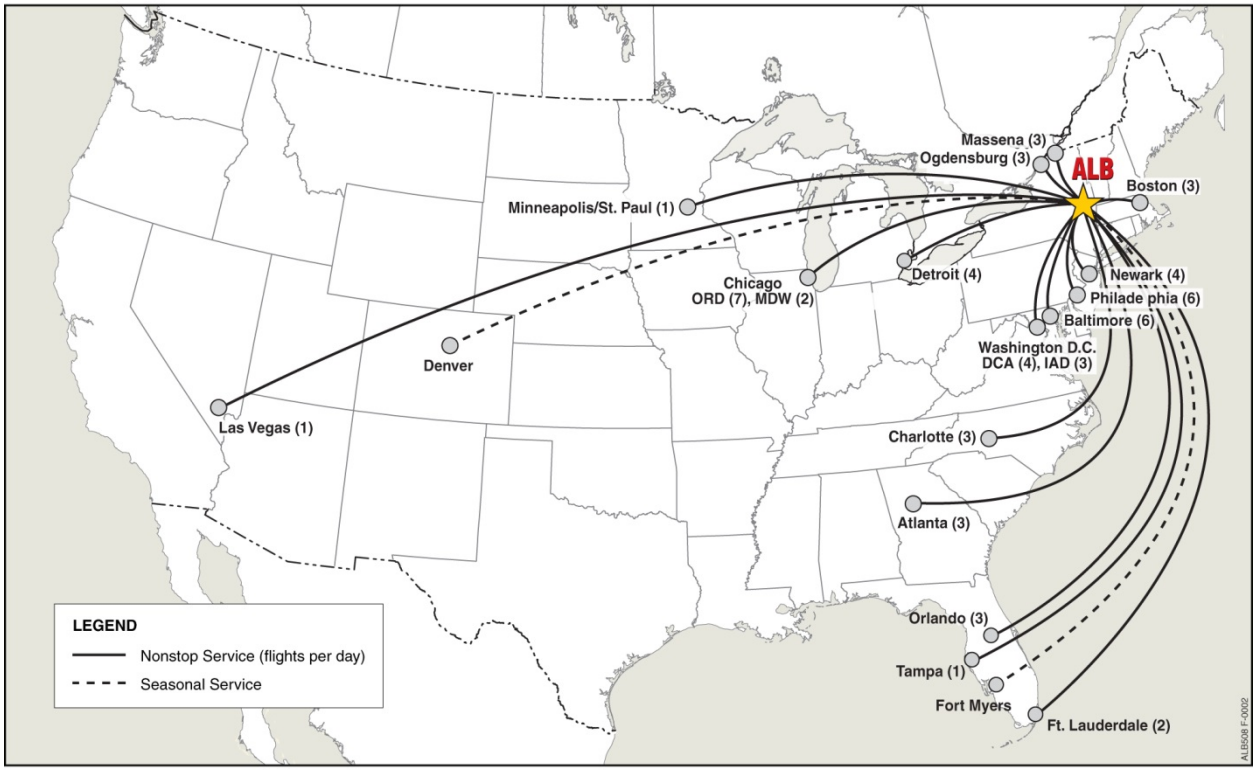
Albany County Airport Authority

New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



Eighteen non-stop destinations are served from Albany with a total of 60 daily departures

SERVICE PROVIDED BY

	Daily (March 2016)		Percent of Total	
Carrier	Departures	Seats	Departures	Seats
American	16	1,174	26.7%	22.8%
Cape Air	9	81	15.0%	1.6%
Delta	8	738	13.3%	14.3%
Jet Blue	2	300	3.3%	5.8%
Southwest	15	2,241	25.0%	43.5%
United	10	617	16.7%	12.0%
	60	5,151	100.0%	100.0%

Source: Official Airlines Guides Schedules, March 2016

Financial

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Capital Region Gateway

- Board, Staff, & Hours
- Board Meetings
- Committee Meetings
- Financial Information
- ALB History
- Legal Notices
- Advertising at the Airport
- Development Projects
- Airport Surplus
- Noise & Environment
- Newsroom

Financial Information

By accessing any one or all of the documents, the user understands that the information provided is subject to the following:
The information contained is valid as of the date of the preparation of each of the documents below.

These documents include certain forward-looking operating statistics and financial projections that involve uncertainties that could result in actual events or financial results differing materially from expected or projected outcomes.

Latest Quarterly Financial Report

2007 Comprehensive Annual Financial Report (CAFR) - year ended 12/31

2008 Comprehensive Annual Financial Report (CAFR) - year ended 12/31

2009 Comprehensive Annual Financial Report (CAFR) - year ended 12/31

2010 Comprehensive Annual Financial Report (CAFR) - year ended 12/31

2011 Comprehensive Annual Financial Report (CAFR) - year ended 12/31

2012 Comprehensive Annual Financial Report (CAFR) - year ended 12/31

2013 Comprehensive Annual Financial Report (CAFR) - year ended 12/31

2014 Comprehensive Annual Financial Report (CAFR) - year ended 12/31

Latest Official Statement as of August 2010

2009 Adopted Budget

2010 Adopted Budget

2011 Adopted Budget

2012 Adopted Budget

2013 Adopted Budget

About the Above Photo: A nighttime view of Albany's Empire State Plaza. Photo courtesy of ACCVB.

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INDEPENDENT AUDITOR'S REPORT

To the Members
Albany County Airport Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and fiduciary funds of the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York, as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary funds of the Albany County Airport Authority as of December 31, 2015 and 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, the Authority changed its method of accounting for pensions in 2015 as required by the provisions of GASB Statement Numbers 68 and 71. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, OPEB Trust Schedule of Funding Progress, schedules of proportionate share of net pension liability (asset) and schedule of authority contributions on pages 19 through 34, 72 and 73 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Albany County Airport Authority's basic financial statements. The introductory section on pages 1 through 14, the schedules of debt service requirements to maturity and of governmental payments and services on pages 76 and 77, the statistical section on pages 79 through 104, and the biographies of the Authority's members and senior staff on pages 119 through 121 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance for the year ended December 31, 2015, is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and by the New York State Department of Transportation *Preliminary Draft Part 43 of the New York State Codification of Rules and Regulations* and are also not a required part of the basic financial statements. The accompanying Schedule of Passenger Facility Charges Collected and Expended for the year ended December 31, 2015, is presented for purposes of additional analysis as specified in the *Passenger Facility Charge Audit Guide for Public Agencies,* issued by the Federal Aviation Administration, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2016 on our consideration of the Albany County Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Albany County Airport Authority's internal control over financial reporting and compliance.

Marvin and Company, P.C.

Latham, NY
March 14, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (MD&A) of the Albany County Airport Authority (the Authority) provides an introduction of the basic financial statements for the year ended December 31, 2015 with selected comparative information for the years ended December 31, 2014 and December 31, 2013. Management prepared this unaudited MD&A, which should be read in conjunction with the financial statements, and the notes thereto, which follow in this section.

BASIC FINANCIAL STATEMENTS

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

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

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

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

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

The *Statements of Changes in Fiduciary Fund Net Position*, on the other hand, provides a view of current year/period additions to and deductions from the fund.

AIRPORT ACTIVITIES HIGHLIGHTS

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

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

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

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

AIRPORT REVENUES

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

COMMERCIAL OPERATIONS

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

	2015	2014	2013
Enplanements	1,297,749	1,230,376	1,215,076
% increase/(decrease)	*5.5%*	*1.3%*	*-2.4%*
Aircraft Landed Weight (lbs)	1,412,705,423	1,368,073,710	1,408,546,523
% increase/(decrease)	*3.3%*	*-2.9%*	*-2.7%*
Operations (take-offs and landings)			
Commercial (inc corporate operations)	43,570	44,362	47,414
General Aviation	13,950	14,614	20,915
Military	2,481	2,316	4,436
Total	60,001	61,292	72,765
% decrease	*-2.1%*	*-15.8%*	*-3.6%*

Regular scheduled daily passenger flights departing from Albany increased to 55 in December 2015 from 51 in December 2014 and decreased from 57 in December 2013. jetBlue began service on December 10, 2015 with two daily departures.

	2015		2014		2013	
	Carriers	*Flights*	*Carriers*	*Flights*	*Carriers*	*Flights*
Jet Service						
Major Carriers	5	24	4	18	4	17
Regional Carriers	7	15	5	15	7	27
Commuter Service						
Regional Carriers	3	16	3	18	4	13
Foreign Carriers	-	-	-	-	-	-
Total	15	55	12	51	15	57

Published available seats for 2015 increased by 12,115 while the passenger load factor rose to 85%, resulting in increased enplanements for 2015. The published available seats and the yearly load factors for 2015, 2014 and 2013 is below:

	2015	2014	2013
Total Available Seats	1,527,294	1,515,179	1,564,489
Passenger Load Factor	85%	81%	78%

Landing fee revenues remain stable even though there is a decreased number of operations and an increase in landed weight. This is due to the agreements with the airlines and cargo carriers which provides for the Signatory Passenger and Cargo Airlines to fund the operating costs of the Airfield after receiving credit for all airfield revenue. The reduction in airline operations and the increase in gross landed weight by airline for 2015 compared to 2014 and 2014 compared to 2013 is as follows:

	2015 vs. 2014		2014 vs. 2013	
	Change in Operations	Change in Landed Weight	Change in Operations	Change in Landed Weight
Air Canada	-	-	(734)	(6,092,200)
American (formerly US Airways)	(228)	3,969,536	(404)	(15,180,414)
Cape Air	-	2	(72)	(246,602)
Delta	(644)	19,245,782	(616)	6,647,447
JetBlue	88	6,256,712	-	-
Southwest	(78)	(100,000)	40	7,744,000
United	150	16,852,465	(1,912)	(33,313,331)
Charters	(8)	(1,592,784)	(2)	(31,713)
Total	(720)	44,631,713	(3,700)	(40,472,813)

As of December 31, 2015, two regularly scheduled express mail and various special cargo carriers serve this Airport.

	2015	2014	2013
Mail and Express Cargo Tons	19,373	19,509	18,546
% increase/(decrease)	*-0.7%*	*5.2%*	*1.7%*

ENPLANEMENTS

Enplanements for 2015 compared to 2014 increased by 67,373 passengers, compared to an increase of 15,300 in 2014 vs. 2013. The changes in enplanements by airline, including their express carriers is as follows:

	2015 Market Share	Total 2015 Enplanements	2015 vs. 2014	Total 2014 Enplanements	2014 vs. 2013	Total 2013 Enplanements
Air Canada	0.0%	-	-	-	(3,436)	3,436
American (formerly US Airways)	21.1%	274,462	6,397	268,065	5,759	262,306
Cape Air	1.2%	16,119	(683)	16,802	50	16,752
Delta	17.4%	225,194	11,705	213,489	17,577	195,912
JetBlue	0.4%	5,492	5,492	-	-	-
Southwest	43.0%	557,183	31,598	525,585	21,490	504,095
United	16.9%	219,299	12,864	206,435	(26,140)	232,575
Total	100.0%	1,297,749	67,373	1,230,376	15,300	1,215,076

Further airport and airline data for the past ten years is included in the Statistical Section of this annual report.

FBO OPERATIONS

REW Investments, Inc. (d/b/a Million Air) manages the daily operations of the FBO. A summary of the operating revenues and expenses, the gallons of Jet A and Aviation Gasoline sold, gallons of glycol sold and sprayed and the Jet A transferred to the commercial and cargo airlines is as follows for 2015, 2014 and 2013:

	2015	2015 vs. 2014	2014	2014 vs. 2013	2013
Revenues	$ 8,570,119	-17.2%	$ 10,348,396	7.3%	$ 9,641,415
Expenses (inc. cost of sales and administration)	$ 7,813,160	-18.0%	$ 9,524,018	3.1%	$ 9,242,038
Retail Gallons Sold					
Jet A	967,345	1.5%	952,761	13.3%	840,570
AvGas	70,438	26.0%	55,902	-7.5%	60,447
Commercial AvGas	173,843	-3.9%	180,845	-1.8%	184,107
Glycol Gallons - Consortium	86,068	-14.3%	100,420	-4.8%	105,459
Glycol Gallons - Sprayed	37,536	-30.5%	54,038	9.3%	49,426
Jet A Fuel Into-Plane Gallons	16,835,885	-0.8%	16,971,830	-0.6%	17,068,920

CONCESSIONS

Concession revenues for 2015 were $7,268,718, a 3.4% increase from 2014. Higher rental car sales accounted for this increase in revenues. Concession revenues for 2014 were 10.0% higher than revenues in 2013 due to a new retail concession agreement with a higher minimum annual guarantee.

Concession revenue highlights for 2015 compared to 2014 and 2013 are as follows:

	2015	2015 vs. 2014	2014	2014 vs. 2013	2013
Rental Car Revenues					
Sales	$ 50,417,217	6.0%	$ 47,567,443	9.3%	$ 43,515,095
Authority Revenues	$ 5,053,412	4.1%	$ 4,854,354	3.7%	$ 4,679,586
Food & Beverage					
Sales	$ 7,100,827	4.6%	$ 6,787,788	5.4%	$ 6,442,589
Authority Revenues	$ 667,539	-0.5%	$ 670,898	1.3%	$ 662,466
Retail					
Sales	$ 3,009,051	4.7%	$ 2,872,790	3.8%	$ 2,767,889
Authority Revenues	$ 707,000	0.0%	$ 707,000	104.8%	$ 345,183
Total Authority Concession Revenues	$ 7,268,718	3.4%	$ 7,027,934	10.0%	$ 6,390,371
Concession Revenue per Enplanement	$ 5.60	-1.9%	$ 5.71	8.6%	$ 5.26

PARKING

The Airport directly manages all on-airport parking operations which at December 31, 2015 consisted of 222 short-term garage/surface, 1,912 long-term garage, 1,468 long-term surface, and 2,283 remote shuttle served parking spaces. Revenue for 2015 compared to 2014 and 2013 are as follows:

	2015	2015 vs. 2014	2014	2014 vs. 2013	2013
Public Parking					
Revenues	$ 12,810,052	13.2%	$ 11,311,640	5.5%	$ 10,724,464
# of Vehicles Parked	618,304	1.0%	611,912	0.7%	607,507
Parking Revenue per Enplanement	$ 9.87	7.4%	$ 9.19	4.2%	$ 8.83

SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

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

	2015	2014	2013
Operating revenues	$ 44,237,604	$ 43,594,084	$ 42,215,283
Operating expenses	(31,370,311)	(32,323,550)	(31,661,110)
Revenues in excess of expenses before depreciation	12,867,293	11,270,534	10,554,173
Depreciation	(13,893,673)	(13,957,515)	(13,716,881)
Loss before non-operating income and expenses	(1,026,380)	(2,686,981)	(3,162,708)
Non-operating income and (expenses), net	188,080	(510,565)	(899,097)
Loss before capital contributions	(838,300)	(3,197,546)	(4,061,805)
Capital contributions	8,942,652	6,414,378	4,009,502
Net position			
Increase (decrease) in net position	8,104,352	3,216,832	(52,303)
Total net position, beginning of year	199,845,370	196,628,538	196,680,841
Cumulative change in accounting principle	(926)	-	-
Total net position, end of year	$ 207,948,796	$ 199,845,370	$ 196,628,538

The Authority's operating revenues and expenses include the sales and cost of sales of fuel purchased and sold to general aviation customers through the FBO and also revenues for deicing activities. Average weekly jet fuel sales prices were $5.59, $5.63 and $4.43 in 2013 to 2015, respectively. Gallons of jet fuel sold were 840,570, 952,761, and 967,345 in 2013 to 2015. The FBO provides fueling services for all commercial airlines at the Airport. Some of the airlines provide their own aircraft deicing services. Accordingly, commercial aircraft deicing service revenue is sensitive to both demand for services and need for services based upon weather conditions. The total gallons of sprayed deicing services delivered in 2013 through 2015 were 49,426, 54,038 and 37,536 gallons. The table below summarizes FBO revenues, expenses and net revenues:

	2015	2014	2013
FBO revenues	$ 8,570,119	$ 10,348,396	$ 9,641,415
FBO expenses	7,813,160	9,524,018	9,242,038
FBO net revenues	$ 756,959	$ 824,378	$ 399,377

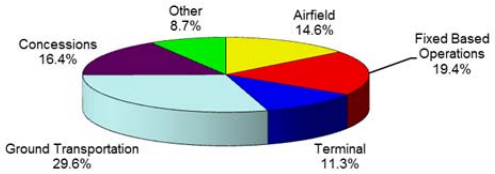
OPERATING REVENUES AND NON-OPERATING INCOME HIGHLIGHTS

Total revenues for 2015 were $0.9 million or 1.9% greater than 2014 and $2.3 million or 4.8% greater than 2013. Airfield revenues have remained fairly constant since 2013. Fixed based operations decreased due the decrease in jet fuel prices and a decrease in deicing revenues. Terminal revenues have remained stable since 2013. Ground Transportation revenues increased due to higher enplanements and parking rate increases during 2015. Concession revenues have increased over 2013 due to a new retail concession agreement with the retail operator which has a higher minimum annual guarantee and an increase in advertising revenues. Other revenues have increased since 2013 due to an increase in hangar rentals, scrap sales and miscellaneous income.

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

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

Allocation of 2015 Operating Revenues by Category

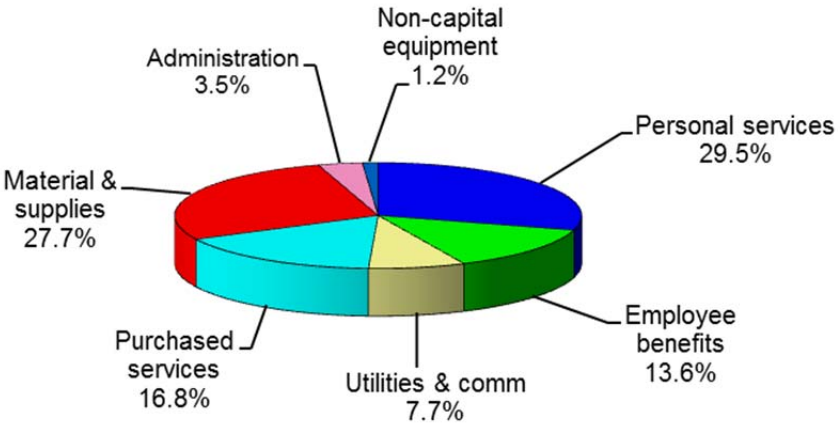


	2015	2014	2013
Operating Revenues			
Airfield	$ 6,457,974	$ 6,320,065	$ 6,382,280
Fixed Based Operations	8,570,119	10,348,396	9,641,415
Terminal	5,000,721	4,816,946	5,146,616
Ground Transportation	13,089,872	11,575,593	10,998,265
Concessions	7,268,718	7,027,934	6,390,371
Other	3,850,200	3,505,150	3,656,336
Non-Operating Income			
Passenger Facility Charges	5,080,183	4,777,691	4,693,348
Grant Income	292,000	292,938	366,420
Improvement Charges	368,400	368,400	368,400
Interest Income	20,739	54,043	84,959
Total	$ 49,998,926	$ 49,087,156	$ 47,728,410
Percentage of Increase/(Decrease)	*1.9%*	*2.8%*	*-1.3%*

OPERATING EXPENSES AND NON-OPERATING EXPENSES HIGHLIGHTS

Total 2015 expenses decreased $1.4 million or 2.8% as compared to 2014. Operating expenses decreased $1.0 million or 1.8% from 2013. The decrease in 2015 was due to lower FBO expenses for the purchase of fuel for resale; which also resulted in lower revenues.

Allocation of 2015 Operating Expenses by Category



	2015	2014	2013
Operating Expenses			
Personal services	$ 9,250,876	$ 9,100,944	$ 8,995,707
Employee benefits	4,268,547	4,274,204	4,390,243
Utilities & communications	2,403,839	2,359,863	2,378,426
Purchased services	5,268,213	5,140,478	5,084,864
Material & supplies	8,684,849	10,335,716	9,844,397
Administration	1,104,200	1,016,302	954,677
Non-capital equipment	389,787	96,043	12,800
Depreciation	13,893,673	13,957,515	13,716,881
Non-Operating Expenses			
Interest	5,463,254	5,870,629	6,255,548
Amortization of Bond insurance premiums	109,988	133,008	156,676
Total	$ 50,837,226	$ 52,284,702	$ 51,790,219
Percentage of Increase/(Decrease)	*-2.8%*	*1.0%*	*1.3%*

FINANCIAL POSITION SUMMARY

The Statements of Net Position depict the Authority's financial position as of one point in time – December 31 – and reflects the residual difference between all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the Authority. Net position represents the residual interest in the Authority's assets after deducting liabilities. The Authority's net position was $207.9 million at December 31, 2015, an $8.0 million increase from December 31, 2014.

A condensed summary of the Authority's total net position at December 31 is set forth below:

	2015	2014	2013
ASSETS			
Capital assets	$ 260,437,317	$ 262,083,471	$ 267,412,981
Other assets	46,136,395	44,997,624	43,021,590
Total Assets	306,573,712	307,081,095	310,434,571
DEFERRED OUTFLOWS OF RESOURCES	7,200,940	8,430,183	10,252,794
LIABILITIES			
Current (payable from unrestricted assets)	4,654,674	5,474,919	4,910,044
Current (payable from restricted assets)	9,733,622	9,732,523	9,120,395
Noncurrent liabilities	90,548,839	99,669,785	108,880,722
Total Liabilities	104,937,135	114,877,227	122,911,161
DEFERRED INFLOWS OF RESOURCES	888,721	788,681	1,147,666
NET POSITION			
Net investment in capital assets	171,751,795	167,432,611	165,997,945
Restricted	19,387,387	17,573,958	17,049,812
Unrestricted	16,809,614	14,838,801	13,580,781
Net Position	$ 207,948,796	$ 199,845,370	$ 196,628,538

Net position is comprised of three components as follows:

Investment in capital assets (e.g., land, buildings, improvements, and equipment), less the related indebtedness outstanding used to acquire those capital assets, represents the largest portion of the Authority's net position (82.6% at December 31, 2015). The Authority uses these capital assets to provide services to the airlines, passengers and to service providers and users located at the Airport; consequently, these assets are not available for future spending. Although the Authority's investment in capital assets is net of related debt, the resources required to repay this debt annually are paid from operations, since it is unlikely that the capital assets will be liquidated to pay liabilities.

Restricted net position (9.3% at December 31, 2015), principally representing bond reserves and PFC funds, are restricted as to use pursuant to bond resolutions and Federal regulations. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted net position totaling $16.8 million (8.1% at December 31, 2015) are available to meet any of the Authority's ongoing obligations. The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

AIRLINE SIGNATORY RATES AND CHARGES

The Authority and airlines entered into a Use and Lease Agreement ("Agreement") effective January 1, 2006 for five years, with an option for a five-year renewal, which establishes how the airlines that signed the Agreement will be assessed annual rates and charges for their use of the Airport. In the Agreement, signatory airlines have the option to designate some or all of their affiliate carriers as signatory airlines. This entitles the affiliates to signatory rates and charges for use of the Airport. As of December 31, 2015, signatories in the Agreement include five commercial, twelve affiliate carriers and two cargo airlines.

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

	2015	2014	2013
Landing Fees (per 1,000 lbs. MGLW)	$ 3.27	$ 3.06	$ 2.92
Terminal Rental Rate (per square foot)	$ 74.63	$ 68.13	$ 66.56
Apron Fees (per square foot)	$ 1.52	$ 1.59	$ 1.58
Loading Bridge (annual rate)	$ 44,761	$ 31,284	$ 31,445
Airline Cost per Enplanement	$ 8.12	$ 7.22	$ 7.60
Revenue Sharing Credit	$ 1,683,274	$ 1,662,803	$ 1,427,220

CASH MANAGEMENT POLICIES AND CASH FLOW ACTIVITIES

All cash receipts are initially deposited daily into collateralized or insured bank accounts. After initial deposit of receipts, all funds are transferred to various segregated bank accounts comprising the various funds defined in the Authority's Master Bond Resolution. The Authority's temporarily idle cash is maintained in collateralized or insured bank accounts consistent with the Authority's liquidity, available short-term investment opportunities, and desired level of risk. The Authority's maintains some debt service reserves in United States Treasury obligations. All deposits and investments are in compliance with the laws of the State and the Cash Management and Investment Policy adopted by the Authority. Additional information about cash and investments can found under "Note 3 – Cash, Cash Equivalents and Investments" in the Notes to the Financial Statements.

Cash equivalents represent cash-on-hand, bank deposits and liquid investments with a maturity of three months or less. The following shows a summary of the major sources and uses of cash and cash equivalents for 2015, 2014 and 2013:

	2015	2014	2013
Cash flows from (used):			
Operating activities	$ 11,790,097	$ 12,068,189	$ 10,756,900
Noncapital financing activities	292,000	292,938	366,420
Investing activities	32,427	63,300	94,349
Capital and related financing activities	(9,883,169)	(11,908,277)	(11,966,930)
Net increase/(decrease) in cash	2,231,355	516,150	(749,261)
Beginning of period	37,907,189	37,391,039	38,140,300
End of period	$ 40,138,544	$ 37,907,189	$ 37,391,039

The Authority's available cash and cash equivalents increased in 2015 by $2,231,355 primarily due to the positive flow of funds from operating activities offset by capital construction and debt service funds net of capital funds and PFCs received. Cash and cash equivalents are composed of:

	2015	2014	2013
Funds available for unrestricted operations	$ 17,654,367	$ 16,759,824	$ 14,704,149
Restricted for:			
Capital projects	2,774,677	3,209,004	4,879,518
PFCs available for debt service payments	6,929,341	5,271,588	4,730,147
Revenue bond reserves	11,694,581	11,682,648	11,734,115
Other restrictions	1,085,578	984,125	1,343,110
Total	$ 40,138,544	$ 37,907,189	$ 37,391,039

CAPITAL ACTIVITIES

The enabling legislation creating the Authority set forth that every five years the Authority must submit to the County legislature for approval a capital plan for the subsequent five year period. The plan for 2011 – 2019 was approved by the County on December 1, 2014. The plan provides for total spending of up to $120.5 million over five years of which $61 million is eligible for 95% grant funding. Much of the remainder is contingent upon economic development opportunities materializing, which there can be no assurance of, and the projects are therefore deferred. The plan does not represent a firm commitment of the Authority. The Authority has included every known possible project that could conceivably occur during the five year period for disclosure purposes. As of this date, the Authority has no plans to issue additional debt and there is no assurance that future Federal or State grant funds will be awarded to the Authority. At December 31, 2015, the Authority has $2.0 million outstanding capital commitments. Approved Projects requiring additional financing in the plan are very likely to be deferred.

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

	Total 2015-2019 Plan	Total 2015-12-31-15 Activity
Approved Projects		
Airfield	$ 34,520,000	$ 5,333,514
Terminal	14,000,000	4,149,195
Landside	60,000,000	8,559,100
Major Equipment	12,000,000	1,518,880
Total	$120,520,000	$ 19,560,689
Projected Funding Sources		
Federal Funds	$ 61,020,000	$ 11,334,925
State Funds	6,250,000	4,292,824
Debt Issuances	34,500,000	-
Authority Funds	18,750,000	3,932,940
Total	$120,520,000	$ 19,560,689

Additional information about capital assets can be found under “Note 7 – Capital Assets” in the Notes to the Financial Statements.

LONG-TERM DEBT ADMINISTRATION

The Authority issued Airport Revenue Bonds to provide funds for the acquisition and construction of major capital facilities. Airport Revenue Bonds are direct obligations and are pledges by the full faith and credit of the Authority. Certain outstanding bonds may be redeemed prior to their normal maturity dates in accordance with the terms of the related bond indentures. The Authority has never defaulted on any principal or interest payments.

The Authority’s limit for Debt Obligations 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 total Authority principal debt outstanding at December 31, 2015 for General Airport Revenue Bonds (GARB) was $96,783,000 compared to $105,049,000 at

December 31, 2014. Specific details on all the outstanding debt issues are in Note 8 to the financial statements of this report. The aggregate par amount of bonds issued by the Authority and bond related debt owed to the County of Albany outstanding as of December 31, 2014 and 2015 is summarized in the following table:

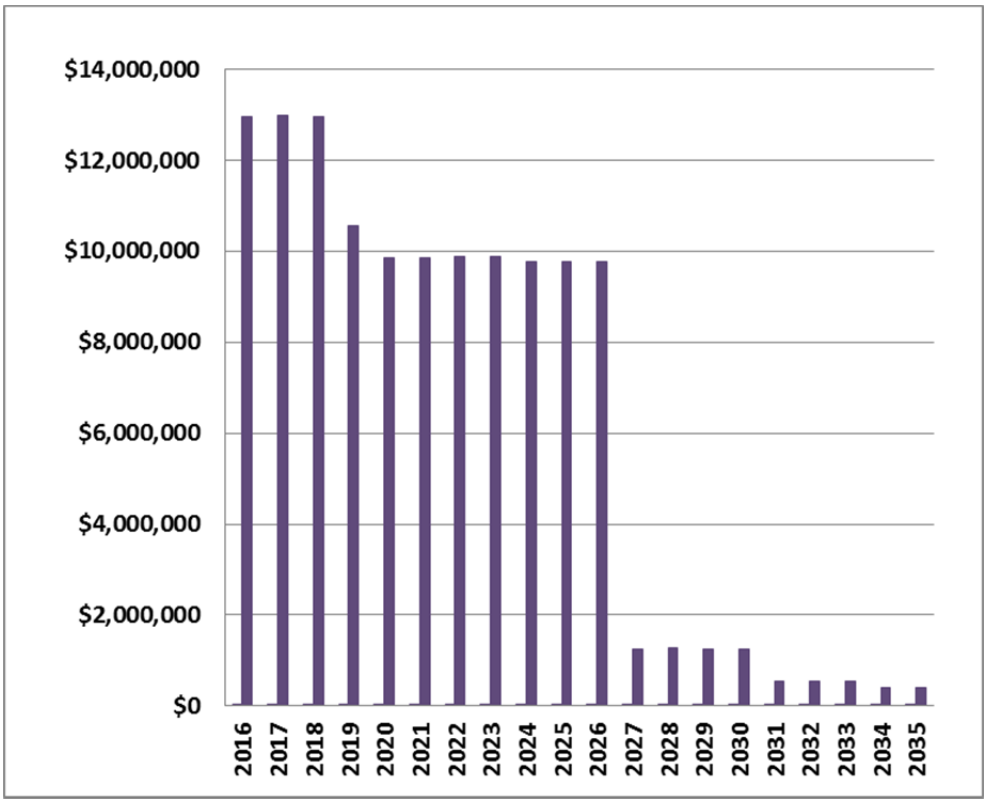
Authority Revenue Bonds/Debt Obligations	Original Par Amount Issue	Outstanding at 12-31-14	Outstanding at 12-31-15
Series 1999 NYS EFC	$ 7,895,303	$ 2,359,000	$ 1,958,000
Series 2003 A GARB	8,885,000	3,365,000	3,030,000
Series 2006 A & B GARB	14,230,000	10,090,000	9,455,000
Series 2006 C GARB	6,330,000	5,345,000	5,180,000
Series 2010 A & B	109,855,000	83,890,000	77,160,000
Total Authority Debt Obligations	$ 147,583,619	$ 105,049,000	$ 96,783,000

The table above provides a comparison of the current amounts of bonds and debt outstanding to the original amounts issued for project financing and reveals the aggregate amount of bonds and debt obligations outstanding declined by $8.3 million during 2015. In the table above, the bonds and debt obligation are presented on a stated par-amount basis. Under generally accepted accounting principles certain items associated with the debts above are deferred and amortized into future periods by subtracting or adding the deferred items to the stated par amounts outstanding and expensing those deferred items in future periods as the debt matures using a systematic and rational method that conforms with generally accepted accounting described in Note 2 and Note 8 to the Financial Statements. The reported amount of bonds issued by the Authority that was outstanding as of December 31, 2014, additions and/or deletions during 2015, and the balances reported at December 31, 2015 with adjustments to the reported value required by generally accepted accounting principles is summarized in the following table:

	Outstanding at 12-31-14	Additions	Deletions	Outstanding at 12-31-15
Authority Revenue Bonds/Debt Obligations				
Bonds Payable				
Series 1999 NYS EFC	$ 2,359,000	$ -	$ (401,000)	$ 1,958,000
Series 2003 A GARB	3,365,000	-	(335,000)	3,030,000
Series 2006 A & B GARB	10,090,000	-	(635,000)	9,455,000
Series 2006 C GARB	5,345,000	-	(165,000)	5,180,000
Series 2010 A Refunding	83,005,000	-	(5,845,000)	77,160,000
Series 2010 B Refunding	885,000	-	(885,000)	-
Total Bonds Payable	105,049,000	-	(8,266,000)	96,783,000
Deferred Loss on Refunding	(7,666,565)	-	1,507,512	(6,159,053)
Unamortized Premiums/Discounts (net)	2,886,785	-	(731,288)	2,155,497
Net Bonds Payable	100,269,220	-	(7,489,776)	92,779,444

At December 31, 2015 the Authority maintained debt service reserve funds in the amount of $11.8 million and Passenger Facility Charge Funds in the amount of $6.9 million, both of which are restricted to repayment of debt. Thus, the Authority's direct obligations outstanding, net of funds restricted for the repayment of debt, was $76.1 million in aggregate par amount of bonds outstanding. Additional information about the long-term Indebtedness can found under "Note 8 – Long-Term Indebtedness" in the Notes to the Financial Statements.

The graph and table below presents combined annual debt service to maturity as of December 31, 2015:



Year/Debt Service

2016	$ 12,958,069	**2023**	$ 9,883,406	**2030**	$ 1,260,987
2017	12,976,697	**2024**	9,776,087	**2031**	536,325
2018	12,972,472	**2025**	9,774,313	**2032**	537,050
2019	10,562,996	**2026**	9,780,463	**2033**	540,237
2020	9,863,550	**2027**	1,264,638	**2034**	402,250
2021	9,869,993	**2028**	1,272,987	**2035**	399,000
2022	9,878,012	**2029**	1,258,412		

PASSENGER FACILITY CHARGE (PFC)

The Authority initially received approval from the FAA to impose a PFC of $3.00 per enplaned passenger beginning March 1, 1994, not to exceed $40,726,364, principally to finance the Terminal Improvement Program. During 1996, the Authority requested and received approval to increase the amount of PFCs to $116,888,308 to be collected through the year 2022. Effective September 1, 2009, the Authority implemented an approved change in the PFC collection from $3.00 per passenger to $4.50 per passenger, with a current estimated collection period through 2020. Through December 31, 2015, the Authority has collected PFCs, including interest earnings thereon, totaling $87,589,502, or 74.9% of the total authorized. Passengers pay PFCs on the first two and last two portions of any trip. No PFCs are collected from non-revenue passengers such as a passenger using a frequent flier award ticket. The Authority calculates that it is collecting PFCs on approximately 91.0% of its enplanements. Additional information about PFC activity

can found under “Note 2 – Summary of Significant Accounting Policies” in the Notes to the Financial Statements.

CREDIT RATINGS AND BOND INSURANCE

The ratings on the Authority’s General Airport Revenue Bonds outstanding are enhanced by municipal bond insurance. Bond insurance policies in effect were issued by Assured Guaranty Municipal Corporation (AGMC). The table below presents the enhanced and underlying ratings on each of the Authority’s outstanding bonds.

Series *	Bond Insurer	Moody's/Fitch/S&P Enhanced Rating	Moody's/Fitch/S&P Underlying Rating
Series 2010A	AGMC	A2/NR/AA	A3/A-/BBB+
Series 2010B	AGMC	A2/NR/AA	A3/A-/BBB+
2006C	AGMC	A2/NR/NR	A3/A-/NR
2006B	AGMC	A2/NR/AA	A3/A-/BBB+
2006A	AGMC	A2/NR/AA	A3/A-/BBB+
2003A	AGMC	A2/NR/AA	A3/A-/BBB+

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

Fitch Ratings has withdrawn its insured rating of all bonds insured by AGMC effective February 25, 2010. Moody’s lowered their rating of AGMC from “A3” to “A2” on January 17, 2013. Standard and Poor’s upgraded their enhanced rating of AGMC from “AA-” to “AA” on March 18, 2014. The Authority’s underlying credit ratings remained unchanged during 2015 and are: Moody’s Investors Service “A2”, Fitch Ratings “A-” and Standard and Poor’s “BBB+”.

RESERVES AND DEBT SERVICE COVERAGE

Under the Authority’s master bond resolution adopted in 1997, it is required to maintain an operating reserve equal to two months operating expenses. At December 31, 2015 the reserve requirement was $5.7 million and for which the Authority had $9.8 million on hand. The Authority also had $7.3 million in its airport Development Fund which can be used to restore a deficiency in any other fund and it had a repair and replacement reserve fund of $500,000. Also provided for in the bond resolution for each bond issue, the Authority maintains debt service reserve funds. As of December 31, 2015 the debt service reserve funds totaled $11.8 million.

Under the master bond resolution, the Authority calculates the bonded debt service coverage ratio based upon the ratio of net revenues, excluding PFC applied to Debt Service, after payment of operating expenses, to debt service to be funded net of PFCs applied to debt service. For 2015 the bonded debt service coverage ratio was 1.39 compared to 1.36 and 1.26 in 2014 and 2013, respectively.

FINANCIAL STATEMENTS

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

REQUEST FOR INFORMATION

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

Respectfully submitted,

William J. O'Reilly

William J. O'Reilly, CPA
Chief Financial Officer

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Albany County Airport Authority
Statements of Net Position
As of December 31, 2015 and December 31, 2014

	December 31, 2015	December 31, 2014
ASSETS		
CURRENT ASSETS		
Unrestricted Assets:		
Cash and cash equivalents	$ 17,654,367	$ 16,759,824
Accounts receivable - net	1,930,809	2,002,554
Due from County of Albany	292,593	114,074
Prepaid expenses	891,351	960,743
Total Unrestricted Assets	20,769,120	19,837,195
Restricted Assets:		
Capital Funds:		
Cash and cash equivalents	2,774,677	3,209,004
Grant funds receivable	1,644,897	2,911,704
Passenger Facility Charge Funds:		
Cash and cash equivalents	6,929,341	5,271,588
Passenger Facility Charges receivable	474,748	345,637
Revenue Bond Funds:		
Cash and cash equivalents	11,694,581	11,682,648
Investments	277,389	277,389
Accrued interest receivable	1,809	1,809
ANCLUC Funds:		
Cash and cash equivalents	196,857	196,778
Concession Improvement Funds:		
Cash and cash equivalents	888,721	787,347
Total Restricted Assets	24,883,020	24,683,904
Total Current Assets	45,652,140	44,521,099
NON-CURRENT ASSETS		
Net Assets held in trust for OPEB	181,976	158,811
Prepaid expenses	302,279	317,714
Capital Assets:		
Land and easements	48,005,527	48,005,527
Buildings, improvements and equipment, net of depreciation	200,515,156	205,071,801
Construction in progress	11,916,634	9,006,143
Total Capital Assets	260,437,317	262,083,471
Total Non-Current Assets	260,921,572	262,559,996
Total Assets	306,573,712	307,081,095
DEFERRED OUTFLOWS OF RESOURCES		
Refunding	6,159,053	7,666,565
Bond Insurance Premiums	653,632	763,618
Pension Expenses	388,255	-
Total Deferred Outflows of Resources	7,200,940	8,430,183

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority
Statements of Net Position
As of December 31, 2015 and December 31, 2014

	December 31, 2015	December 31, 2014
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Payable from Unrestriced Assets:		
Accounts payable	$ 537,546	$ 593,595
Accrued expenses	4,117,128	4,881,324
Total Payable from Unrestricted Assets	4,654,674	5,474,919
Payable from Restricted Assets:		
Construction contracts payable	433,722	866,093
Construction contract retainages	545,562	399,873
Accrued interest payable	187,338	200,557
Current maturities of long - term debt	8,567,000	8,266,000
Total Payable From Restricted Assets	9,733,622	9,732,523
Total Current Liabilities	14,388,296	15,207,442
NON-CURRENT LIABILITIES		
Bonds and other debt obligations	90,371,497	99,669,785
Net pension liability - proportionate share	177,342	-
Total Non-Current Liabilities	90,548,839	99,669,785
Total Liabilities	104,937,135	114,877,227
DEFERRED INFLOWS OF RESOURCES		
Deferred ANCLUC funds	-	1,334
Deferred Concession Improvement funds	888,721	787,347
Total Deferred Inflows of Resources	888,721	788,681
NET POSITION		
Net investment in capital assets	171,751,795	167,432,611
Restricted:		
Bond reserve funds	11,786,441	11,761,289
Passenger facility charge funds	7,404,089	5,617,225
Other restricted funds	196,857	195,444
Total Restricted:	19,387,387	17,573,958
Unrestricted	16,809,614	14,838,801
Net Position	207,948,796	199,845,370

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2015 and December 31, 2014

	December 31, 2015	December 31, 2014
Operating Revenues		
Airfield	$ 6,457,974	$ 6,320,065
Fixed Based Operations	8,570,119	10,348,396
Terminal	5,000,721	4,816,946
Concessions	7,268,718	7,027,934
Ground transportation	13,089,872	11,575,593
Other revenue	3,850,200	3,505,150
Total Operating Revenues	44,237,604	43,594,084
Operating Expenses		
Airfield	2,588,916	2,695,123
Fixed Based Operations	7,147,195	8,837,295
Terminal	4,857,303	4,617,968
Loading bridges	327,047	191,595
Landside	4,508,757	4,397,531
Public safety	3,284,919	3,267,441
Aircraft Rescue and Fire Fighting	1,759,315	1,763,637
Vehicle maintenance	1,411,109	1,243,600
Administration	5,485,750	5,309,360
Total Operating Expenses	31,370,311	32,323,550
Revenues in excess of expenses before depreciation	12,867,293	11,270,534
Depreciation	13,893,673	13,957,515
Loss Before Non-Operating Income and Expenses	(1,026,380)	(2,686,981)
Non-Operating Income and (Expenses)		
Passenger Facility Charges	5,080,183	4,777,691
Grant income	292,000	292,938
Improvement charges	368,400	368,400
Interest income	20,739	54,043
Interest expense	(5,463,254)	(5,870,629)
Amortization of bond insurance premiums	(109,988)	(133,008)
Total Non-Operating Income and (Expenses)	188,080	(510,565)
Loss before Capital Contributions	(838,300)	(3,197,546)
Capital Contributions	8,942,652	6,414,378
Net Position		
Increase in Net Position	8,104,352	3,216,832
Net Position, Beginning of Year, as previously reported	199,845,370	196,628,538
Cumulative change in accounting principle	(926)	-
Net Position, Beginning of Year, as restated	199,844,444	196,628,538
Net Position, End of Year	$ 207,948,796	$ 199,845,370

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority
Statements of Cash Flows
For the Years Ended December 31, 2015 and December 31, 2014

	December 31, 2015	December 31, 2014
Cash Flows From Operating Activities		
Cash received from providing services	$ 44,309,349	$ 43,862,468
Cash paid to suppliers	(31,375,671)	(30,679,673)
Cash paid to employees	(1,143,581)	(1,114,606)
Net Cash Provided By Operating Activities	11,790,097	12,068,189
Cash Flows From Noncapital Financing Activities		
Grant income	292,000	292,938
Net Cash Provided By Noncapital Financing Activities	292,000	292,938
Cash Flows From Investing Activities		
Interest received	20,739	54,043
Interest on passenger facility charges	11,688	9,257
Net Cash Provided by Investing Activities	32,427	63,300
Cash Flows From Capital and Related Financing Activities		
Purchase of property and equipment	(12,534,202)	(8,249,851)
Principal payments made on bonds and notes payable	(8,266,000)	(8,102,182)
Interest paid	(4,700,250)	(5,136,989)
ANCLUC funds	(1,334)	395
Concession improvement funds	101,374	(359,380)
Improvement charges	368,400	368,400
Capital Grants	10,209,459	4,826,042
Passenger facility charges	4,939,384	4,745,288
Net Cash Used By Capital and Related Financing Activities	(9,883,169)	(11,908,277)
Net Increase in cash and cash equivalents	2,231,355	516,150
Cash and cash equivalents, beginning of year	37,907,189	37,391,039
Cash and cash equivalents, end of year	$ 40,138,544	$ 37,907,189
Reconciliation of Operating Loss to Net Cash Provided By Operating Activities:		
Loss before non-operating income and expenses	$ (1,026,380)	$ (2,686,981)
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation	13,893,673	13,957,515
Decrease (Increase) in assets:		
Accounts receivable	71,745	268,384
Due from County of Albany	(178,519)	110,276
Net Assets held in trust for OPEB	(23,165)	(11,801)
Prepaid expenses	84,827	(215,261)
Deferred Pension Expenses	(211,839)	-
Increase (Decrease) in liabilities:		
Accounts payable and accrued expenses	(820,245)	646,057
Net Cash Provided By Operating Activities	$ 11,790,097	$ 12,068,189
Noncash Capital and Related Financing Activities:		
Capital Assets and related receivables	$ 1,266,807	$ (1,588,336)
Total Noncash Capital and Related Financing Activities	$ 1,266,807	$ (1,588,336)

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority OPEB Trust
Statements of Fiduciary Fund Net Position
As of December 31, 2015 and December 31, 2014

	December 31, 2015	December 31, 2014
ASSETS		
Cash and cash equivalents	$ 1,812,329	$ 1,707,380
Total Assets	1,812,329	1,707,380
DEFERRED OUTFLOWS OF RESOURCES	-	-
Total Deferred Outflows of Resources	-	-
LIABILITIES	-	-
Total Liabilities	-	-
DEFERRED INFLOWS OF RESOURCES	-	-
Total Deferred Inflows of Resources	-	-
NET POSITION		
Net Position - Restricted for OPEB	$ 1,812,329	$ 1,707,380

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority OPEB Trust
Statements of Changes in Fiduciary Fund Net Position
For the Years Ended December 31, 2015 and December 31, 2014

	December 31, 2015	December 31, 2014
Additions to Net Position Attributed to:		
Contributions		
Employer	$ 103,237	$ 110,145
Interest Income	1,712	1,736
Total Additions	104,949	111,881
Deductions from Net Position Attributed to:		
Retirement benefits	-	-
Administrative expenses	-	-
Total Deductions	-	-
Increase in Net Position	104,949	111,881
Net Position - Restricted for OPEB, Beginning of Year	1,707,380	1,595,499
Net Position - Restricted for OPEB, End of Year	$ 1,812,329	$ 1,707,380

The accompanying notes are an integral part of these financial statements

Albany County Airport Authority
Notes to Financial Statements

Note		Page
1	Organization and Reporting Entity	43
2	Summary of Significant Accounting Policies	44
3	Cash, Cash Equivalents and Investments	50
4	Receivables	50
5	ANCLUC Funds	50
6	Due From County of Albany	51
7	Capital Assets	51
8	Long-Term Indebtedness	52
9	Capital Contributions and Net Position	61
10	Airline Lease and Use Agreements	61
11	Airport Tenant Agreements	62
12	Pension Plan	63
13	Other Post Employment Benefits (OPEB)	67
14	Risk Management	68
15	Commitments and Contingencies	69

ALBANY COUNTY AIRPORT AUTHORITY

Notes to Financial Statements

December 31, 2015 and December 31, 2014

NOTE 1 - Organization and Reporting Entity

Organization:

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

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

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

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

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

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

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

The Authority has contracted with AFCO AvPorts Management LLC, (d/b/a Avports), to manage the daily operations of the airport under a three year term expiring December 31, 2018. The Authority has also contracted with REW Investments, Inc., (d/b/a Million Air), to manage the fixed based operations of the airport under a three year term expiring August 31, 2016. Both agreements are renewable with the approval of both parties.

Reporting Entity:

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

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

NOTE 2 - Summary of Significant Accounting Policies

Basis of Accounting:

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

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

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

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

Cash, Cash Equivalents and Investments:

The deposit and investment of Authority monies is governed by provisions in its enabling legislation and by a Cash Management and Investment Policy adopted by the Authority on September 13, 1994 and last amended March 23, 2015. Any bank or trust company with a full service office in the County is authorized for the deposit of monies.

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

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

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

Receivables:

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

Restricted Assets:

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

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

Passenger Facility Charges Funds - These assets represent Passenger Facility Charges (PFC) collections based on an approved FAA application to "Impose" such charges on enplaned passengers at the Airport. These funds are restricted for designated capital projects and any debt incurred to finance the construction

of those projects. The Authority recognizes and reports as other income PFCs earned when all conditions have been met that entitles the Authority to retain the PFCs. PFCs received prior to this time are reported as restricted net assets.

Revenue Bond Funds - These assets represent Series 2003, 2006 and 2010 general airport revenue bond (GARB) proceeds and Series 1999 Environmental Facilities Corporation (EFC) bond proceeds held in Bond Reserve Accounts. Bond reserve accounts for the Series 2010 Bonds equal 125% of the average annual debt service due on bonds at the time of issuance. Bond Reserve Accounts on the Series 1999 Bonds through Series 2006 Bonds equal the maximum annual amount of principal and interest payments due on the bonds.

ANCLUC Funds - These assets represent Airport Noise Control and Land Use Compatibility (ANCLUC) program funds. These Airport funds were generated through the sale or rental of airport noise abatement properties acquired with Federal and State aid and interest earnings thereon. The use of such revenues is restricted to Airport Improvement Program eligible project costs contingent upon FAA concurrence.

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

Capital Assets:

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

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

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

	Years
Buildings and improvements	5-30
Vehicles, machinery and equipment	5-15

Capitalization of Interest:

Interest costs incurred that relate to the acquisition or construction of capital assets acquired with tax-exempt debt are capitalized. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project, with interest earned on invested debt proceeds over the same period. Capitalized interest cost is prorated to completed projects based on the completion date of each project. No interest was capitalized in 2015 or 2014.

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

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

Capital Contributions:

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

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

Revenue Recognition:

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

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

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

Special Items and Extraordinary Items:

Special Items - Special items are significant transactions or other events within the control of management that are either unusual in nature or infrequent in occurrence. The Authority did not report any Special Items in 2014 or 2015.

Extraordinary Items - Extraordinary items are transactions or other events that are both unusual in nature and infrequent in occurrence. The Authority did not report any Extraordinary Items in 2014 or 2015.

Passenger Facility Charges:

Passenger Facility Charges (PFC) at the rate of $3 per enplaned passenger have been levied by the Airport since March 1, 1994 under an FAA approved application to impose $40,726,364 with collection thereof estimated to be complete in the year 2005. During 1996, the Authority received approval to increase the amount of PFC collections to $116,888,308 extending the estimated collection period through the year 2022. In 2009, the Authority received approval to change the PFC collection from $3.00 per passenger to $4.50 per passenger, with a current estimated collection period through 2020. Through December 31, 2015, the Authority has collected PFCs including interest earnings thereon totaling $87,589,502.

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

The Authority previously expended $11.2 million of PFCs on projects funded on a pay-as-you-go basis. The Authority also covenanted in the Resolution authorizing the Series 2010A Refunding Bonds to apply future PFC collections to pay a portion of the debt service related to the FAA approved projects included in the Applications. Pursuant to the Resolution, PFCs collected and deposited in a segregated account, together with the interest earned thereon, are applied towards the subsequent debt service payments reducing the amount of debt to be funded from net operating revenue. Through December 31, 2015, the Authority has applied $78.2 million of PFC's towards the payment of debt service.

Compensated Absences:

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

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

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

Pension Plan:

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

Estimates:

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

Adoption of New Accounting Standards:

During the fiscal year ended December 31, 2015 the Authority adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and related GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements address accounting and financial reporting for pensions provided to Authority employees that are administered by the New York State and Local Employees' Retirement System (ERS). The statements also require various note disclosures (Note 12) and required supplementary information. As a result, beginning of year net position has been restated as follows:

Net position previously reported, January 1, 2015	$ 199,845,370
Recognition of net pension liability, January 1, 2015	(237,218)
Eliminate prepaid pension expense, January 1, 2015	(78,765)
Record contributions made during the measurement period April 1, 2014 to March 31, 2015	315,057
Net position previously reported, January 1, 2015	$ 199,844,444

For the fiscal year ended December 31, 2014 the Authority did not adopt any new accounting standards as it was not practical to adopt GASB Statement No. 68 and No. 71 for 2014 since the ERS was not required to provide, and did not provide, information that would be needed to apply GASB Statement No. 68 and No. 71 for 2014.

NOTE 3 - Cash, Cash Equivalents and Investments

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

	Book Balance		Bank Balance	
	2015	2014	2015	2014
Cash and Cash Equivalents				
Cash on hand	$ 6,750	$ 6,750		
Cash in bank accounts	40,131,794	37,900,439	$ 42,791,626	$39,962,085
Total Cash and Cash Equivalents	40,138,544	37,907,189		
Investments	Fair Value			
U.S. Treasury SLUG bond maturing 2019 at 3.093%	277,389	277,389		
Total Investments	277,389	277,389		
Total cash, cash equivalents and investments	$ 40,415,933	$ 38,184,578		

The Authority's deposits were secured by insurance from the Federal Depository Insurance Corporation (FDIC) covering $500,000 on December 31, 2015 and December 31, 2014 plus $42,927,729 and $39,769,113 of pledged collateral held by a third party trustee bank at December 31, 2015 and 2014, respectively. The FDIC bank insurance program Permanent Rule provides up to $250,000 in coverage for the Authority's Savings Accounts and up to $250,000 for the Authority's Demand Accounts. Collective balances in excess of these amounts are collateralized at 102% of the prior day closing bank balance.

NOTE 4 - Receivables

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

	As of 12-31-15	As of 12-31-14
Airlines	$ 989,642	$ 1,329,720
Concessions	162,385	117,782
Other	778,782	555,052
Sub-Total	1,930,809	2,002,554
Less Allowances	-	-
Net Accounts Receivable	$ 1,930,809	$ 2,002,554

NOTE 5 - ANCLUC Funds

Changes in the Federal Airport Noise Control Land Use Compatibility (ANCLUC FAR150) funds are as follows:

	As of 12-31-15	As of 12-31-14
Opening Balance	$ 196,778	$ 196,383
Interest received	79	395
Ending Balance	$ 196,857	$ 196,778

NOTE 6 - Due from County of Albany

The net amount from the county consists of the following:

	As of 12-31-15	As of 12-31-14
Reimbursement of expenses due from County	$ 292,593	$ 114,074
	$ 292,593	$ 114,074

The County provides certain services to the Authority including sheriff officers for public safety, code enforcement inspections, sewer district charges, various support services and the Airport's share of the County's indirect cost allocation plan. The total expenditures incurred by the Authority during the years ended December 31, 2015 and 2014 for these services totaled $2,173,867 and $2,255,177, respectively, 2014 included $81,180 which represented the Airport's reimbursement of debt service payments on the County's general obligation debt issued for Airport capital projects.

NOTE 7 - Capital Assets

Capital Assets balances and activity for the years ended December 31, 2015 and 2014 were as follows:

	Total 12-31-13	Additions	Deletions	Total 12-31-14	Additions	Deletions	Total 12-31-15
Capital Assets that are not depreciated:							
Land and Easements	$ 47,813,862	191,665		$ 48,005,527			$ 48,005,527
Construction in Progress	3,311,003	$ 8,628,005	(2,932,865)	9,006,143	$ 12,247,519	(9,337,027)	11,916,635
Total	51,124,865	8,819,670	(2,932,865)	57,011,670	12,247,519	(9,337,027)	59,922,162
Capital Assets that are depreciated:							
Buildings	201,134,009			201,134,009	2,386,843		203,520,852
Improvements, other than buildings	202,186,732	2,741,200		204,927,932	4,751,316		209,679,248
Machinery and Equipment	14,289,099		(382,325)	13,906,774	2,198,868	(761,764)	15,343,878
Sub-total	417,609,840	2,741,200	(382,325)	419,968,715	9,337,027	(761,764)	428,543,978
Less accumulated depreciation:							
Buildings	(96,605,756)	(6,561,680)		(103,167,436)	(6,578,098)		(109,745,534)
Improvements	(93,909,696)	(6,385,766)		(100,295,462)	(6,574,919)		(106,870,381)
Machinery and Equipment	(10,806,272)	(1,010,069)	382,325	(11,434,016)	(740,656)	761,764	(11,412,908)
Sub-total	(201,321,724)	(13,957,515)	382,325	(214,896,914)	(13,893,673)	761,764	(228,028,823)
Total depreciable Capital Assets, net	216,288,116	(11,216,315)	-	205,071,801	(4,556,646)	-	200,515,155
Total Capital Assets, Net	$ 267,412,981	$ (2,396,645)	$ (2,932,865)	$ 262,083,471	$ 7,690,873	$ (9,337,027)	$ 260,437,317

NOTE 8 - Long-Term Indebtedness

A summary of the changes in the Authority's long-term indebtedness outstanding and the amount due to the County during 2015 and 2014 were as follows:

	Outstanding at 12-31-13	Additions	Deletions	Outstanding at 12-31-14	Additions	Deletions	Outstanding at 12-31-15
Authority Revenue Bonds/Debt Obligations							
Bonds Payable							
Series 1999 NYS EFC	$ 2,755,000	$ -	$ (396,000)	$ 2,359,000	$ -	$ (401,000)	$ 1,958,000
Series 2003 A GARB	3,700,000	-	(335,000)	3,365,000	-	(335,000)	3,030,000
Series 2006 A & B GARB	10,695,000	-	(605,000)	10,090,000	-	(635,000)	9,455,000
Series 2006 C GARB	5,505,000	-	(160,000)	5,345,000	-	(165,000)	5,180,000
Series 2010 A Refunding	88,680,000	-	(5,675,000)	83,005,000	-	(5,845,000)	77,160,000
Series 2010 B Refunding	1,735,000	-	(850,000)	885,000	-	(885,000)	-
Total Bonds Payable	113,070,000	-	(8,021,000)	105,049,000	-	(8,266,000)	96,783,000
Unamortized Premiums	3,663,730	-	(776,945)	2,886,785	-	(731,288)	2,155,497
Net Bonds Payable	116,733,730	-	(8,797,945)	107,935,785	-	(8,997,288)	98,938,497
Obligation for County of Albany Bonds (net)	81,182	-	(81,182)	-	-	-	-
Total Long-term Indebtedness	$ 116,814,912	$ -	$ (8,879,127)	$ 107,935,785	$ -	$ (8,997,288)	$ 98,938,497

Authority Outstanding Debt Issues:

Series 1999 A NYS Environmental Facilities Corporation Bonds

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

	As of December 31, 2015	As of December 31, 2014
Series 1999 A Airport Revenue Bond Issue:		
Principal paid annually on October 1, in payments of $412,000 in 2016 to $699,000 in 2019 with interest at 2.732% to 3.382% due semi-annually on April 15 and October 15	$ 1,958,000	$ 2,359,000
Less amortization of:		
Deferred Loss	(4,786)	(6,797)
Series 1999 A Revenue Bond net carrying amount	1,953,214	2,352,203
Less current portion including amortization	410,303	398,989
Long - Term Portion	$ 1,542,911	$ 1,953,214

Maturities of the long-term Series 1999 A Airport Revenue Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2015:

Year Ended	Principal	Interest	Int. Subsidy	Total
2016	$ 412,000	$ 42,675	$ (16,856)	$ 437,819
2017	418,000	35,517	(13,277)	440,240
2018	429,000	27,445	(9,241)	447,204
2019	699,000	18,567	(4,802)	712,765
TOTAL	$ 1,958,000	$ 124,204	$ (44,178)	$ 2,038,027

Series 2003 A General Airport Revenue Bonds

In May 2003, the Authority issued $8,885,000 of General Airport Revenue Bonds to finance various land, hangars, and equipment acquisitions, apron and runway expansions, taxiway, runway and hangar rehabilitations, certain terminal expansion and leasehold improvements. These twenty year General Airport Revenue Bonds with principal payments due in the years 2004 through 2033 were sold at a net interest cost of 3.79%. The net carrying amount of the Series 2003 A General Airport Revenue Bonds consists of the following:

	As of December 31, 2015	As of December 31, 2014
Series 2003 A General Airport Revenue Bond Issue:		
Principal paid annually on December 15, in payments of $345,000 in 2016 to $135,000 in 2033 with interest at 3.375% to 4.25% due semi-annually on June 15 and December 15	$ 3,030,000	$ 3,365,000
Less amortization of:		
Bond Insurance	(44,851)	(51,524)
Series 2003 A GARB net carrying amount	2,985,149	3,313,476
Less current portion including amortization	338,990	328,327
Long - Term Portion	$ 2,646,159	$ 2,985,149

Maturities of the long-term Series 2003 A General Airport Revenue Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2015:

Year Ended	Principal	Interest	Total
2016	$ 345,000	$ 118,956	$ 463,956
2017	365,000	107,313	472,313
2018	370,000	94,537	464,537
2019	155,000	81,587	236,587
2020	165,000	75,194	240,194
2021-2025	710,000	274,080	984,080
2026-2030	540,000	151,086	691,086
2031-2033	380,000	32,937	412,937
TOTAL	$ 3,030,000	$ 935,690	$ 3,965,690

Series 2006 A & B General Airport Revenue Bonds

In 2006, the Authority closed on the sale of two General Airport Revenue Bond issues totaling $14,230,000. the bonds were sold to finance capital projects at the Albany International Airport: The Series 2006 A (non AMT) issue totaling $6,315,000 was sold to finance certain property acquisitions, parking expansions and to purchase equipment used in the operation of the Airport. These twenty year Airport revenue bonds with principal payments due in the years 2020 through 2026 were competitively sold at a net interest cost of 4.57%. The net carrying amount on the Series 2006 A General Airport Revenue Bonds consists of the following:

	As of December 31, 2015	As of December 31, 2014
Series 2006 A General Airport Revenue Bond Issue:		
Principal paid annually on December 15, in payments of $500,000 in 2020 to $1,080,000 in 2026 with interest at 4.25% to 5.0% due semi-annually on June 15 and December 15	$ 6,315,000	$ 6,315,000
Less amortization of:		
Bond Insurance	(33,828)	(37,882)
Series 2006 A GARB net carrying amount	6,281,172	6,277,118
Less current portion including amortization	(4,054)	(4,054)
Long - Term Portion	$ 6,285,226	$ 6,281,172

Maturities of the long-term Series 2006 A General Authority Revenue Bond Issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2015:

Year Ended	Principal	Interest	Total
2016	$ -	$ 290,650	$ 290,650
2017	-	290,650	290,650
2018	-	290,650	290,650
2019	-	290,650	290,650
2020	500,000	290,650	790,650
2021-2025	4,735,000	897,675	5,632,675
2026	1,080,000	48,600	1,128,600
TOTAL	$ 6,315,000	$ 2,399,525	$ 8,714,525

Series 2006 A & B General Airport Revenue Bonds, Con't

The Series 2006 B (AMT) issue totaling $7,915,000 was sold to finance 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. These fourteen year Airport revenue bonds with principal payments due in the years 2007 through 2020 were competitively sold at a net interest cost of 4.70%. The net carrying amount on the Series 2006 B General Airport Revenue Bonds consists of the following:

	As of December 31, 2015	As of December 31, 2014
Series 2006 B General Airport Revenue Bond Issue:		
Principal paid annually on December 15, in payments of $660,000 in 2016 to $300,000 in 2020 with interest at 4.75% due semi-annually on June 15 and December 15	$ 3,140,000	$ 3,775,000
Less amortization of:		
Bond Insurance	(9,390)	(13,434)
Series 2006 B GARB net carrying amount	3,130,610	3,761,566
Less current portion including amortization	656,636	630,956
Long - Term Portion	$ 2,473,974	$ 3,130,610

Maturities of the long-term Series 2006 B General Authority Revenue Bond Issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2015:

Year Ended	Principal	Interest	Total
2016	$ 660,000	$ 149,150	$ 809,150
2017	695,000	117,800	812,800
2018	725,000	84,787	809,787
2019	760,000	50,350	810,350
2020	300,000	14,250	314,250
TOTAL	$ 3,140,000	$ 416,337	$ 3,556,337

Series 2006 C General Airport Revenue Bonds

In December 2006, the Authority issued $6,330,000 General Airport Revenue Bonds to finance the construction of an aviation service and maintenance facility. These Airport revenue bonds with principal payments due in the years 2007 through 2035 were competitively sold at a net interest cost of 4.56%. The net carrying amount on the Series 2006 C General Airport Revenue Bonds consists of the following:

	As of December 31, 2015	As of December 31, 2014
Series 2006 C General Airport Revenue Bond Issue:		
Principal paid annually on December 15, in payments of $170,000 in 2016 to $380,000 in 2035 with interest at 4.0% to 4.25% due semi-annually on June 15 and December 15	$ 5,180,000	$ 5,345,000
Less amortization of:		
Bond Insurance	(36,319)	(39,469)
Series 2006 C GARB net carrying amount	5,143,681	5,305,531
Less current portion including amortization	166,947	161,850
Long - Term Portion	$ 4,976,734	$ 5,143,681

Maturities of the long-term Series 2006 C General Authority Revenue Bond Issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2015:

Year Ended	Principal	Interest	Total
2016	$ 170,000	$ 231,263	$ 401,263
2017	175,000	224,463	399,463
2018	185,000	217,463	402,463
2019	190,000	210,063	400,063
2020	200,000	202,225	402,225
2021-2025	1,130,000	877,651	2,007,651
2026-2030	1,395,000	615,763	2,010,763
2031-2035	1,735,000	266,925	2,001,925
TOTAL	$ 5,180,000	$ 2,845,816	$ 8,025,816

The facility financed by these bonds was constructed for and initially leased to Eclipse Aviation. In late 2008 Eclipse Aviation filed for bankruptcy reorganization which in early 2009 was converted to a Chapter 7 liquidation. On August 31, 2009 the Authority received notice from the bankruptcy trustee that bankruptcy estate of Eclipse Aviation formally rejected its lease with the Authority. The Authority received $133,750 in lease payments related to this facility in 2009. In January 2010, the Authority hired a commercial real estate broker to locate a new tenant for the facility. During 2014 and 2015 the Authority rented the hangar space to transient general aviation aircraft storage tenants, an aircraft and ground handling equipment maintenance company and a commercial airline.

Series 2010 A General Airport Revenue Refunding Bonds

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

	As of December 31, 2015	As of December 31, 2014
Series 2010 A General Airport Revenue Refunding Bond Issue:		
Principal paid annually on December 15, in payments of $6,980,000 in 2016 to $690,000 in 2030 with interest at 4.00% to 5.00% due semi-annually on June 15 and December 15	$ 77,160,000	$ 83,005,000
Plus amortization of:		
Bond Premium	2,155,497	2,886,784
Less amortization of:		
Deferred Loss on Refunding	(6,154,267)	(7,588,560)
Bond Insurance	(529,244)	(619,465)
Series 2010 A GARB net carrying amount	72,631,986	77,683,759
Less current portion including amortization	6,272,714	5,051,778
Long - Term Portion	$ 66,359,272	$ 72,631,981

Maturities of the long-term Series 2010 A General Airport Revenue Refunding Bond issue will require the following principal and interest payments (excluding amortization of deferred items) based on the amounts outstanding at December 31, 2015:

Year Ended	Principal	Interest	Total
2016	$ 6,980,000	$ 3,575,231	$ 10,555,231
2017	7,335,000	3,226,231	10,561,231
2018	7,625,000	2,932,831	10,557,831
2019	5,555,000	2,557,581	8,112,581
2020	5,835,000	2,281,231	8,116,231
2021-2025	33,585,000	6,972,406	40,557,406
2026-2030	10,245,000	762,038	11,007,038
TOTAL	$ 77,160,000	$ 22,307,550	$ 99,467,550

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

Series 2010 B General Airport Revenue Refunding Bonds

In August of 2010, the Authority issued $4,110,000 General Airport Revenue Refunding Bonds (Taxable) to pay a portion of the termination payment for the interest rate exchange agreement integrated with the Series 2008 A bonds refunded at the same time. The net carrying amount on the Series 2010 B General Airport Revenue Bonds consists of the following:

	As of December 31, 2015	As of December 31, 2014
Series 2010 B General Airport Revenue Refunding Bond Issue:		
Principal paid annually on December 15, in payments of $885,000 in 2015 with interest 4.60% due semi-annually on June 15 and December 15	$ -	$ 885,000
Less amortization of:		
Deferred Loss on Refunding	-	(71,211)
Bond Insurance	-	(1,845)
Series 2010 B GARB net carrying amount	-	811,944
Less current portion including amortization	-	811,944
Long - Term Portion	$ -	$ -

The Facilities financed with Series 2010B included the Fixed Base of Operations, Fuel Farm and certain land and buildings.

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

	Current	Long-Term	Total
Authority Revenue Bonds/Debt Obligations			
Series 1999 NYS EFC	$ 410,303	$ 1,542,911	$ 1,953,214
Series 2003 A GARB	338,990	2,646,159	2,985,149
Series 2006 A GARB	(4,054)	6,285,226	6,281,172
Series 2006 B GARB	656,636	2,473,974	3,130,610
Series 2006 C GARB	166,947	4,976,734	5,143,681
Series 2010 A Refunding	6,272,714	66,359,272	72,631,986
Series 2010 B Refunding	-	-	-
Total Long-term Indebtedness	$ 7,841,536	$ 84,284,276	$ 92,125,812

Debt Limit:

The Authority's debt limit was increased from $175 million to $285 million during 2004 by State legislation enacted (Chapter 500), amending the Albany County Airport Authority Act, Title 32 of Article 8, of the New York State Public Authorities Law. The Act authorizes the Authority to issue bonds, notes or other obligations in the aggregate outstanding principal amount not exceeding $285,000,000. In addition, the Authority is authorized to issue refunding bonds, provided that upon a refunding the aggregate principal amount of bonds, notes or other obligations outstanding under the Act may be greater than $285,000,000 only if the present value of the aggregate debt service of the refunding bonds, notes or other obligations does not exceed the present value of the refunded bonds, notes or other obligations (calculated as provided in the Act). As of December 31, 2015, the Authority had $96.8 million of principal debt outstanding issued which does not include deferred losses, bond premiums and amortization of bond insurance costs.

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

- that transactions entered into under the policy must be for a market transaction for which competing good faith quotations may be obtained at the discretion of the Authority and with the advice and recommendation of the Authority's swap advisor, and other financial professionals;
- that transactions should produce material economic benefit believed to not otherwise be attainable under the current existing market conditions, or existing conventional debt structures, and improve the flexibility of debt management strategies;
- employ a structure that will attempt to minimize any additional floating rate basis risk, tax law risk or credit risk to the Authority and justify the acceptance of these risks for a particular transaction, based on the additional benefits to the Authority; and
- limits the total amount of derivative financial product transactions so as not to exceed thirty-three percent (33%) of the total authorized debt limit of the Authority (currently $285 million).

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

- "Permanent Variable Rate Debt Exposure" includes variable rate debt which the Authority does not intend to be refinanced by a long-term fixed rate debt;
- "Net Permanent Variable Rate Debt Exposure" is permanent variable rate debt that is not offset by the cash, cash equivalent and short-term investment assets of the Authority;
- permanent variable rate debt excludes, with some exceptions, variable debt that has been synthetically changed to fixed rate debt by the use of a financial derivative hedge product with a fixed-payer interest rate swap;
- net permanent variable rate debt, excluding synthetic fixed rate transactions, should not generally exceed twenty percent (20%) of the Authority's outstanding indebtedness;
- the Authority did not utilize any derivative or variable rate debt products in 2015 or 2014.

NOTE 9 - Capital Contributions and Net Position

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

	Inception To Date	Year Ended 2015	Year Ended 2014
County of Albany	$ 46,824,500	$ -	$ -
Federal	141,563,045	6,854,066	4,400,392
State	73,344,664	2,088,586	2,013,986
Total	$ 261,732,209	$ 8,942,652	$ 6,414,378

Unrestricted net position consists of the following:

	2015	2014
Designation of unrestricted net position		
Operations and maintenance reserve	$ 9,761,410	$ 9,217,119
Renewal and replacement reserve	500,000	500,268
Total designations	10,261,410	9,717,387
Undesignated unrestricted net position	6,548,204	5,121,414
Total unrestricted net position	$ 16,809,614	$ 14,838,801

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

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

NOTE 10 - Airline Lease and Use Agreements

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

In general, the rate formulas under the Airline and Cargo Carrier Agreements in effect provide that at the end of each year the total financial requirements for each of the Airport cost centers be determined by applying revenues related to that cost center before the rate required to be paid by Signatory Airlines and Cargo

Carriers is determined. The landing fee calculation uses a residual cost methodology. The terminal rate is based upon calculation of the total cost per square foot subject to annual settlement based upon actual cost. The Agreement also contains a calculation of an amount for capital expenditures not subject to majority-in-interest (MII) approval by the Signatory Airlines in the rates and charges calculation. This amount is deducted after the net amount available for revenue sharing between the signatory airlines and the Authority is determined; therefore, not affecting the initial rates and charges established for billing the airlines. The net requirement is then divided by appropriate usage factors to determine the rates and fees applicable to signatory airlines.

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

In 2015, the net revenue sharing was fifty percent to the airlines and fifty percent to the Authority. Under this formula, the airlines and cargo carriers received a charge of $125,136 for the rates and charges settlements and the airlines received $1,808,410 for their share of the revenue sharing; totaling $1,683,274. In 2014, the airlines and cargo carriers were given total credits of $1,662,803 for their share of the final settlement and revenue sharing. In 2013, the total credits were $1,427,220.

NOTE 11 - Airport Tenant Agreements

The Authority has entered into agreements with tenants for the use of certain Airport facilities including ready/return rental car parking areas, buildings, terminals, hangars and customer service areas. The Authority entered into concession agreements. These agreements include: advertising, food and beverage, retail, on-airport rental cars, vending machines, baggage delivery services, baggage cart management, ATMs, vending machines and foreign currency exchange. Normally the terms of the agreements include a fixed minimum annual guaranteed (MAG) payment to the Airport as well as additional contingent payments based on the tenants' annual sales volume of business. Revenues exceeded the MAG amounts due in 2015 of $10,728,650 by $1,210,358. In 2014 the revenues exceeded the MAG amounts due of $10,328,226 by $943,901. Some of the agreements provide for a periodic review and redetermination of the payment amounts.

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

2016	$ 9,813,619
2017	9,488,548
2018	9,314,445
2019	3,946,571
2020	3,169,531
2021-2031	16,743,008
Total	$ 52,475,722

NOTE 12 - Pension Plan

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

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

The Authority is required to contribute at an actuarially determined rate. The required contributions for the years ended December 31, 2015, 2014 and 2013 were $305,211, $315,057 and $346,354, respectively, or approximately 19.1%, 19.9% and 22%, respectively of the covered employees' payrolls. The Authority's contributions made to the Systems were equal to 100% of the required contributions for each year.

Pension Liability - At December 31, 2015, the Authority reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for the System. The net pension asset/(liability) was measured as of March 31, 2015. The total net pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension asset/(liability) was based on a projection of the Authority's long-term share of contributions of all participating members, actuarially determined. This information was provided by the ERS System in a report provided to the Authority. The net pension (liability) is included in the non-current liabilities on the Statement of Net Position.

Actuarial valuation date	April 1, 2014
Net pension asset/(liability)	($177,341)
Authority's portion of the Plan's total net pension asset/(liability)	0.0052495%

Pension Expense - For the year ended December 31, 2015, the Authority recognized its proportionate share of pension expense of $160,496.

Deferred Outflows and Inflows of Resources Related to Pension - At December 31, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 5,677	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	30,802	-
Changes in proportion and differences between contributions and proportionate share of contributions	46,565	-
Contributions subsequent to the measurement date	305,211	-
Total	$ 388,255	$ -

The Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2016	$ 20,761
2017	20,761
2018	20,761
2019	20,761
2020	-
Thereafter	-

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension asset/(liability) to the measurement date. The actuarial valuation used the following actuarial assumptions:

Measurement date	March 31, 2015
Actuarial valuation date	April 1, 2014
Interest Rate	7.50%
Salary Scale	4.90%
Decrement tables	April 1, 2005 - April 1, 2014 System's Experience
Inflation rate	2.70%
Projected Cost of Living Adjustments	1.4% annually

Annuitant mortality rates are based on April 1, 2005 – March 31, 2011 System's experience with adjustments for mortality improvements based on MP-2014.

The actuarial assumptions used in the April 1, 2014 valuation are based on the results of an actuarial experience study for the period April 1, 2005 – March 31, 2010.

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

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

Asset class	Target allocation	Long-Term expected real rate of return
Domestic equity	38 %	7.30 %
International equity	13	8.55
Private equity	10	11.00
Real estate	8	8.25
Absolute return strategies	3	6.75
Opportunistic portfolio	3	8.60
Real assets	3	8.65
Bonds and mortgages	18	4.00
Cash	2	2.25
Inflatoin-Indexed bonds	2	4.00
	100 %	

Discount rate- The discount rate used to calculate the total pension asset/(liability) was 7.5%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/(liability).

Sensitivity of the Proportionate Share of the Net Pension Asset/(Liability) to the Discount Rate Assumption - The following presents the Authority's proportionate share of the net pension asset/(liability) calculated using the discount rate of 7.5%, as well as what the Authority's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

	(6.5%)	(7.5%)	(8.5%)
Employer's Proportionate Share of the Net Pension Liability (Asset)	$1,182,056	$177,341	($670,887)

Changes in assumptions - Changes in assumptions about future economic or demographic factors or other inputs are amortized over a closed period equal to the average of the expected service lives of all employees that are provided with pension benefits. During the measurement period, there were no changes in assumptions.

Collective Pension Expense - Collective pension expenses includes certain current period changes in the collective net pension asset/(liability), projected earnings on pension plan investments, and the amortization of deferred outflows or resources and deferred inflows of resources for the current period. The collective pension expense for the period ended December 31, 2015 is $172,137.

Payables to the pension plan - ERS employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Payments to the ERS due February 1, 2016 were prepaid at a discounted amount of $305,211 during the Authority's year ended December 31, 2015. Accordingly, the Authority did not owe any payables to the Pension System as of December 31, 2015.

Optional Voluntary Defined Contribution (VDC) Plan - Under state legislation enacted in 2012, Authority Employees first hired after June 30, 2013 who earn least $75,000 per year or more are eligible to join the New York State Voluntary Defined Contribution (VDC) Plan instead of the ERS Plan. The VDC Plan is administered by the State University of New York Optional Retirement Plan (SUNY OPR). SUNY OPR has contracted with TIAA-CREF to administer the VDC Plan. The VDC plan is portable among employers and eligible employees vest 366 days after first joining the plan or other employer funded contract with any of the VDC investment providers. The Authority's contribution rate is 8% of participating employee salary for the duration of employment. Participating employee contribution rates range from 5.75% to 6% based upon salary level. During the initial vesting period the Authority must contribute 4% interest to a vesting employee's contribution deduction not yet remitted to the Plan. The Authority has one employee who joined the plan in October 2015 and is not yet vested. The Authority was not required to make any payments to the VDC plan through December 31, 2015.

NOTE 13 - Other Post Employment Benefits (OPEB)

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

The Authority used the following facts, actuarial methods and assumptions in determination of the OPEB liability and 2015 OPEB Expense:

- The plan is identified as a Single-Employer defined-benefit Plan.
- Premiums paid for coverage under the Community Rated Plan (insurance premiums are based upon multiple employers).
- The future Rate of Return on the Authority's unrestricted funds deposits will be 3.04% equal to the Authority's average rate of interest earned on deposits of money over the past five years.
- The future rate of Payroll growth will be 3%.
- The general rate of inflation will be 3% (the same as the future rate of payroll growth).
- Amortization period of Unfunded Accrued OPEB liability is 30 years commencing 2008.
- Amortization method chosen was "Level Percent of Payroll", closed amortization period.
- The annual rate of health care costs increase would be 9% in 2015 and gradually decline to 5% in 2016 and thereafter.
- The actuarial cost method chosen was the "Entry Age Actuarial Cost Method".
- The Unfunded Actuarial Accrued Liability and Annual Required Contribution was calculated using the Alternative Measurement Method.
- Actuarial table used was RP2000 Mortality Table for Males and Females Projected 10 years.

Based upon the above assumptions and methods the Authority's Net OPEB Obligation was determined to be as follows:

Annual Required Contribution……	$ 171,144
Interest on Net OPEB Obligation……	(4,828)
Adjustment to the Annual Required Contribution……..	6,937
Annual OPEB Cost (Expense)……	173,253
Age Adjusted Contributions Made……..	(196,418)
Change in Net OPEB Obligation (NOO)……	(23,165)
Net OPEB Obligation (NOO) – Beginning of Year……	(158,811)
Net OPEB Obligation (NOO) (Asset) – End of Year……	$ (181,976)

During 2015 the Authority made $196,418 in contributions toward the OPEB plan. The following table provides a schedule of the Authority's Funding Progress of the OPEB liability:

Actuarial Valuation Date……	12/31/2015
Actuarial Value of Assets (a)……..	$1,812,329
Actuarial Accrued Liability (b)……	$3,131,944
Unfunded Actuarial Accrued Liability (UAAL) (b-a)……	$1,319,615
Funded Ratio (a/b)……..	57.87%
Covered Payroll (c)……	$1,743,009
UAAL as a Percentage of Covered Payroll ((b-a)/c)……..	75.71%

The following table presents the History of the Authority's Net OPEB Obligation:

	2015	2014	2013
Annual OPEB cost	$ 176,253	$ 189,680	$ 188,582
Age adjusted contribution	$ 196,418	$ 201,481	$ 217,056
Percentage of annual OPEB cost contributed	111.4%	106.2%	115.1%
Net OPEB obligation (asset)	$ (181,976)	$ (158,811)	$ (147,010)

The schedule of funding progress in the Required Supplemental Information following the notes to the financial statements presents multiyear trend information comparing the changes in the actuarial value of plan assets relative to the actuarial liability for benefits.

NOTE 14 - Risk Management

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

No liability is recorded at December 31, 2015 for outstanding claims or for any potential claims incurred but not reported as of that date. Settled claims have not exceeded these commercial coverages by any material amounts during the three years ended December 31, 2015. There was no reduction in insurance coverage during 2015. Changes in the balance of claims paid directly by the Authority during the past two years are as follows:

	Year Ended 2015	Year Ended 2014
Unpaid claims, beginning of year	$ -	$ -
Claims incurred	892	-
Claims paid	(892)	-
Unpaid claims, end of year	$ -	$ -

NOTE 15 - Commitments and Contingencies

FBO Operations – As of October 1, 2005 the Authority entered into an agreement with REW Investments, Inc., (Million Air) to manage the fixed based operations on airport. Million Air is granted the nonexclusive privilege for managing a full and complete general aviation support function including ground handling, apron services, repair and maintenance, and hangar storage. The agreement also provides for operating and managing the Airport's fuel farm and deicing program for all commercial and general aviation aircraft. Million Air receives full reimbursement of all their on-airport pre-approved related expenses plus a base management fee of $150,000 per annum and various incentive fees based on certain revenue performance indicators.

Airport Operations – AFCO AvPorts Management LLC (d/b/a AvPorts) manages the daily operations and maintenance of the airport under an agreement dated October 11, 2005 and initially expiring December 31, 2010, subject optional extension. The agreement has been extended through December 31, 2018. Operational centers include the airfield, terminal, parking, ARFF, operations, security and vehicle and equipment maintenance. AvPorts receives full reimbursement of all their on-airport pre-approved related expenses plus a base management fee of not less than $390,000. AvPorts may be entitled to an additional incentive fee of $55,000 each year based on performance indicators negotiated between the parties.

Capital Improvement Programs - As of December 31, 2015, the Authority has outstanding contractual commitments for completion of certain capital improvement projects totaling $2.0 million of which an estimated $1.5 million is eligible for partial reimbursement from the FAA and the State. The remaining amount is expected to be funded from Airport funds.

Concentration of Credit Risk - The Authority leases facilities to the airlines under certain leases and/or use agreements and to other businesses under agreements to operate concessions at the Airport. Amounts due from airlines represent approximately 51.3% of accounts receivable and airline revenues represent 23.8% of operating revenues for the year ended December 31, 2015.

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

Compliance Audits - The Authority participates in a number of programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government or agency. An independent audit of these programs has been performed for the years ended December 31, 2015 and 2014 in compliance with: 1) requirements stated in the Single Audit

Act of 1996 and Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; 2) compliance requirements described in the Passenger Facility Charge Audit Guide for Public Agencies issued by the Federal Aviation Administration; and 3) compliance requirements described in the preliminary Draft Part 43 of the New York State Codification of Rules and Regulations applicable to state transportation assistance. The amounts, if any, of expenditures that may be disallowed by the granting government or agency cannot be determined at this time, although any such amounts, if any, are expected to be immaterial.

Litigation - The nature of the business of the Authority generates certain litigation against the Authority arising in the ordinary course of business. The Authority is a defendant in various lawsuits. In the opinion of the Authority's counsel the resolution of any legal actions in the aggregate will not have a material adverse effect on the financial position of the Authority. In addition, the Authority has acquired certain lands, buildings and air right easements based upon independent appraisals. Certain owners have filed claims against the Authority seeking amounts in excess of the appraised values. In the opinion of the Authority's counsel, the resolution of these claims will not have a material adverse effect on the financial position of the Authority.

Required Supplemental Information

Albany International Airport

Capital Region Gateway

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

As of the measurement date of March 31,		2015
Proportion percentage of net pension liability		0.00525%
Proportion amount of net pension liability	$	177,341
Covered-employee payroll	$	1,599,482
Authority's proportionate share of net pension liabilty as a percentage of covered-employee payroll		11.09%
Plan fiduciary net position as a percentage of total pension liability		97.90%

Data prior to 2015 is unavailable.

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

December 31,		2015
Contractually required contribution	$	305,211
Contributions in relation to the contractually required contribution		(305,211)
Contribution deficiency (excess)	$	-
Covered-employee payroll	$	1,599,482
Contributions as a percentage of covered payroll		19.08%

Data prior to 2015 is unavailable.

Albany County Airport Authority OPEB Trust
Schedule of Funding Progress
December 31, 2015

Valuation date	Actuarial value of assets (AVA)	Actuarial accrued liability (AAL)	Unfunded actuarial accrued asset (liability) (UAAL)	Funded Ratio	Annual covered payroll	UAAL as a % of payroll
(1)	(2)	(3)	(2) - (3) (4)	(2) / (3) (5)	(6)	(4) / (6) (7)
December 31, 2015	$1,812,329	$3,131,944	($1,319,615)	57.87%	$1,743,009	75.71%
December 31, 2014	$1,707,380	$3,131,218	($1,423,838)	54.53%	$1,667,061	85.41%
December 31, 2013	$1,595,499	$3,075,878	($1,480,379)	51.87%	$1,705,000	86.83%
December 31, 2012	$1,462,710	$3,079,341	($1,616,631)	47.50%	$1,616,000	100.04%
December 31, 2011	$1,207,190	$3,267,283	($2,060,093)	36.95%	$1,858,000	110.88%
December 31, 2010	$1,051,859	$3,157,605	($2,105,746)	33.31%	$1,858,000	113.33%
December 31, 2009	$777,295	$2,506,648	($1,729,353)	31.01%	$1,858,000	93.08%
December 31, 2008	$0	$3,226,067	($3,226,067)	0.00%	$1,881,000	171.51%

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Other Supplemental Information

Albany International Airport

Capital Region Gateway

Albany County Airport Authority
Debt Service Requirements to Maturity

GENERAL AIRPORT REVENUE BONDS AND EFC BONDS

YEAR	Principal	Interest	Interest Subsidy	Authority Total
2016	$ 8,567,000	$ 4,407,925	$ (16,856)	$ 12,958,069
2017	8,988,000	4,001,974	(13,277)	12,976,697
2018	9,334,000	3,647,713	(9,241)	12,972,472
2019	7,359,000	3,208,798	(4,802)	10,562,996
2020	7,000,000	2,863,550	-	9,863,550
2021	7,350,000	2,519,993	-	9,869,993
2022	7,705,000	2,173,012	-	9,878,012
2023	8,090,000	1,793,406	-	9,883,406
2024	8,340,000	1,436,087	-	9,776,087
2025	8,675,000	1,099,313	-	9,774,313
2026	9,080,000	700,463	-	9,780,463
2027	980,000	284,638	-	1,264,638
2028	1,030,000	242,987	-	1,272,987
2029	1,060,000	198,412	-	1,258,412
2030	1,110,000	150,987	-	1,260,987
2031	435,000	101,325	-	536,325
2032	455,000	82,050	-	537,050
2033	480,000	60,237	-	540,237
2034	365,000	37,250	-	402,250
2035	380,000	19,000	-	399,000
TOTAL	$ 96,783,000	$ 29,029,123	$ (44,178)	$ 125,767,945

Albany County Airport Authority
Governmental Payments and Services
For the Years Ended December 31, 2015 and 2014

	2015		2014	
UNITED STATES - Department of Agriculture				
Dept. of Agriculture - Wildlife Management Program		$ 35,085		$ 32,713
STATE OF NEW YORK				
Department of Civil Service - Health Insurance	476,868		449,554	
State and Local Employees' Retirement System	305,211		315,057	
Unemployment Insurance	5,510		5,605	
Dept. of Taxation & Finance-Sales Tax	330,687		426,930	
Dept. of Taxation & Finance-Petroleum Business Tax	122,039		126,759	
DEC-Oil Spill Fee	127		-	
DEC-SPDES Program Fees & Permits	2,410		2,225	
Total State of New York		1,242,852		1,326,130
COUNTY OF ALBANY				
Direct Costs:				
Sheriff	2,084,342		2,097,517	
Code Enforcement	43,837		25,291	
Dept. of Public Works - Salt for Roadways	40,688		33,515	
Sewer District Charges	5,000		5,000	
Sub Total	2,173,867		2,161,323	
County Indirect Cost Allocation Plan	-		12,614	
Debt Service - Bond Principal & Interest	-		81,180	
Total County of Albany		2,173,867		2,255,117
LATHAM WATER DISTRICT - Water Service		123,737		105,517
TOWN OF COLONIE, RECEIVER OF TAXES				
Sewer Taxes		93,639		63,661
Verdoy Fire Dept.		1,635		1,607
Albany County Tax		5,703		5,708
Town of Colonie Tax		3,633		3,863
School Taxes - North Colonie		25,321		25,010
Total Town of Colonie, Receiver of Taxes		129,931		99,849
VILLAGE OF COLONIE				
Wastewaster Conveyance		7,500		5,000
TOTAL PAYMENTS TO OTHER GOVERNMENTAL ENTITIES		$3,842,903		$3,924,175

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Statistical

This section of the Authority's comprehensive annual financial report presents detailed information for understanding and supporting the information in the financial statements, note disclosures and required supplementary information.

Financial Trends **Pages 80-83**

These tables contain trend information to assist the reader understand how the Authority's financial performance has changed over time.

Revenue Capacity **Pages 84-85**

These tables contain trend information to assist the reader understand the Authority's most significant revenue source, airline rates and charges.

Debt Capacity **Pages 86-89**

These tables contain trend information to assist the reader understand the Authority's current debt outstanding, debt history and the Authority's ability to issue additional debt in the future.

Demographic and Economic Information **Pages 90-92**

These tables contain trend information to assist the reader understand the environment within which the Authority's financial activities take place.

Operating Information **Pages 93-104**

These tables contain trend information to assist the reader understand the underlying factors affecting the Authority's ability to generate revenue, highlighting trends in operations, activities and resources.

Albany County Airport Authority
Total Annual Revenues, Expenses and Changes in Net Position
For Years Ended December 31,

	2006	2007	2008	2009
REVENUES				
Airfield	$ 5,881,654	$ 5,597,334	$ 6,828,222	$ 7,303,064
Fixed Based Operations	7,307,383	8,817,614	10,193,452	7,579,581
Terminal	7,406,907	7,574,748	7,689,690	6,513,311
Concessions	5,269,221	5,686,723	5,480,004	6,044,347
Ground transportation	10,885,205	11,340,151	11,122,678	10,818,594
Other	3,366,356	3,618,200	4,361,254	3,991,942
	40,116,726	42,634,770	45,675,300	42,250,839
OTHER REVENUES				
Interest income	1,193,635	1,810,589	836,612	265,017
Passenger Facility Charges	4,165,815	4,081,962	3,716,492	4,077,806
Grant income	-	-	2,501,420	5,480,166
Insurance recovery	184,000	2,929	-	-
Investments received	-	297,413	-	-
Improvement charges	276,300	276,300	276,300	368,400
	5,819,750	6,469,193	7,330,824	10,191,389
TOTAL REVENUES	45,936,476	49,103,963	53,006,124	52,442,228
EXPENSES				
Salaries and benefits	12,299,502	12,302,838	12,706,397	12,036,671
Services and supplies	17,578,229	19,672,084	21,524,796	17,588,812
Depreciation	12,315,365	12,968,042	13,626,882	14,067,322
	42,193,096	44,942,964	47,858,075	43,692,805
OTHER EXPENSES				
Property damage	184,000	2,929	-	-
Grant expense	-	-	2,794,322	4,943,468
Interest expense	7,188,094	7,616,204	6,751,363	6,845,764
Amortization of bond issuance costs	61,003	77,677	125,335	130,653
Decrease in fair value of investments	-	126,600	26,614	82,204
	7,433,097	7,823,410	9,697,634	12,002,089
TOTAL EXPENSES	49,626,193	52,766,374	57,555,709	55,694,894
Capital Contributions	13,738,847	4,825,854	8,379,148	6,524,938
Special Item	-	-	-	-
Extraordinary Item	-	-	-	-
INCREASE (DECREASE) IN NET POSITION	$ 10,049,130	$ 1,163,443	$ 3,829,563	$ 3,272,272
NET POSITION AT YEAR END COMPOSED OF:				
Investment in Capital Assets, net of Related Debt	$ 154,937,110	$ 155,507,466	$ 159,048,126	$ 161,268,212
Restricted	19,259,403	19,100,901	18,634,971	18,703,079
Unrestricted	8,474,800	9,226,389	9,981,222	10,965,300
	$ 182,671,313	$ 183,834,756	$ 187,664,319	$ 190,936,591

Source: Authority's audited financial statements.

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

2010	2011	2012	2013	2014	2015
$ 6,249,734	$ 6,620,031	$ 6,517,132	$ 6,382,280	$ 6,320,065	$ 6,457,974
8,339,501	10,816,078	9,732,965	9,641,415	10,348,396	8,570,119
5,760,454	5,549,272	5,220,736	5,146,616	4,816,946	5,000,721
6,135,012	6,531,954	6,490,578	6,390,371	7,027,934	7,268,718
10,695,016	10,737,419	11,035,611	10,998,265	11,575,593	13,089,872
3,772,841	3,739,595	3,703,440	3,656,336	3,505,150	3,850,200
40,952,558	43,994,349	42,700,462	42,215,283	43,594,084	44,237,604
196,224	102,137	94,418	84,959	54,043	20,739
5,043,851	4,832,209	4,843,563	4,693,348	4,777,691	5,080,183
3,442,758	1,112,504	344,845	366,420	292,938	292,000
-	-	-	-	-	-
	-	-	-	-	-
368,400	368,400	368,400	368,400	368,400	368,400
9,051,233	6,415,250	5,651,226	5,513,127	5,493,072	5,761,322
50,003,791	50,409,599	48,351,688	47,728,410	49,087,156	49,998,926
12,532,967	12,608,658	12,858,828	13,385,948	13,375,148	13,519,423
17,354,401	20,064,093	17,939,145	18,275,162	18,948,402	17,850,888
13,585,503	13,406,698	13,537,373	13,716,881	13,957,515	13,893,673
43,472,871	46,079,449	44,335,346	45,377,991	46,281,065	45,263,984
-	-	-	-	-	-
3,013,773	683,300	-	-	-	-
5,961,984	6,971,497	6,615,097	6,255,548	5,870,629	5,463,254
145,928	269,204	164,459	156,676	133,008	109,988
-	-	-	-	-	-
9,121,685	7,924,001	6,779,556	6,412,224	6,003,637	5,573,242
52,594,556	54,003,450	51,114,902	51,790,215	52,284,702	50,837,226
5,883,974	7,063,708	4,385,124	4,009,502	6,414,378	8,942,652
(553,347)	-	(980,110)	-	-	-
(169,007)	-	-	-	-	-
$ 2,570,855	$ 3,469,857	$ 641,800	$ (52,303)	$ 3,216,832	$ 8,104,352
$ 164,991,633 <1>	$ 167,205,678	$ 166,644,993	$ 165,997,945	$ 167,432,611	$ 171,751,795
16,539,805	16,487,232	16,852,644	17,049,812	17,573,958	19,387,387
11,037,746	12,346,131	13,183,204	13,580,781	14,838,801	16,809,614
$ 192,569,184	$ 196,039,041	$ 196,680,841	$ 196,628,538	$ 199,845,370	$ 207,948,796

<1> The 2010 Investment in Capital Assets, net of Related Debt was adjusted by $938,262 in accordance with GASB Statement 65. See the end of Note 2 - Summary of Significant Accounting Policies in the notes to the financial statements.

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

	2006	2007	2008	2009
Cash Flows From Operating Activities				
Cash received from providing services	$ 40,772,537	$ 43,116,237	$ 44,028,857	$ 44,152,367
Cash paid to suppliers	(26,620,178)	(30,878,585)	(35,545,624)	(29,110,669)
Cash paid to employees	(1,120,799)	(1,190,541)	(1,257,735)	(1,248,160)
Net Cash Provided By Operating Activities	13,031,560	11,047,111	7,225,498	13,793,538
Cash Flows from Noncapital Financing Activities				
Grant Income	-	-	2,501,420	5,480,166
Grant Expense	-	-	(2,794,322)	(4,943,468)
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	(292,902)	536,698
Cash Flows From Investing Activities				
Interest received	1,151,141	1,853,089	832,708	265,803
Purchase of Investments	-	-	-	-
Sale of Investments	-	-	-	65,110
Interest on Passenger Facility Charges	235,444	238,560	112,411	43,285
Net Cash Provided by Investing Activities	1,386,585	2,091,649	945,119	374,198
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets	(20,863,387)	(15,733,030)	(8,971,021)	(7,627,276)
Principal payments on bonds and notes payable	(5,879,556)	(6,554,932)	(6,885,016)	(8,177,659)
Interest paid	(7,192,138)	(7,647,211)	(7,398,066)	(6,835,858)
Payment to refunding agent	-	-	-	-
Proceeds from debt issuance	20,560,000	-	83,200,000	-
Payment of 1997 refunding bonds	-	-	(82,416,000)	-
Less: Cost of Issuance	(98,929)	-	(889,198)	-
ANCLUC funds	27,795	(84,659)	18,689	100,492
Concession Improvement funds	104,252	119,314	99,384	(183,611)
Improvement charges	276,300	276,300	276,300	368,400
Capital contributions	14,429,114	5,582,880	6,528,726	7,716,862
Passenger facility charges	4,002,738	3,928,677	3,613,380	3,921,553
Net Cash Provided (Used) By Capital and Related Financing Activities	5,366,189	(20,112,661)	(12,822,822)	(10,717,097)
Net increase (decrease)	19,784,334	(6,973,901)	(4,945,107)	3,987,337
Cash and cash equivalents, beginning of year	26,511,273	46,295,607	39,321,706	34,376,599
Cash and cash equivalents, end of year	$ 46,295,607	$ 39,321,706	$ 34,376,599	$ 38,363,936

Source: Authority's audited financial statements

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

2010	2011	2012	2013	2014	2015
$ 40,707,911	$ 44,327,193	$ 42,253,033	$ 42,311,459	$ 43,862,468	$ 44,211,164
(28,284,795)	(31,992,962)	(28,813,561)	(30,404,614)	(30,679,673)	(31,277,486)
(1,154,379)	(1,099,021)	(1,104,020)	(1,149,945)	(1,114,606)	(1,143,581)
11,268,737	11,235,210	12,335,452	10,756,900	12,068,189	11,790,097
3,442,758	1,071,409	344,845	366,420	292,938	292,000
(3,013,773)	(642,205)	-	-	-	-
428,985	429,204	344,845	366,420	292,938	292,000
204,908	102,137	94,418	85,056	54,043	20,739
(277,389)	-	-	-	-	-
442,237	-	-	-	-	-
13,940	11,002	8,470	9,293	9,257	11,688
383,696	113,139	102,888	94,349	63,300	32,427
(8,080,522)	(9,243,027)	(5,954,942)	(7,804,302)	(8,249,851)	(12,534,202)
(3,531,847)	(8,574,618)	(8,736,422)	(8,598,074)	(8,102,182)	(8,266,000)
(5,931,827)	(5,724,131)	(5,502,063)	(5,409,940)	(5,136,989)	(4,700,250)
(125,391,340)	-	-	-	-	-
119,021,872	-	-	-	-	-
-	-	-	-	-	-
(2,007,569)	-	-	-	-	-
1,139	(347,296)	449	490	395	(1,334)
89,745	44,668	67,457	337,258	(359,380)	101,374
368,400	368,400	368,400	368,400	368,400	368,400
7,077,968	6,579,972	3,488,992	4,411,353	4,826,042	10,209,459
5,036,950	4,850,569	4,794,831	4,727,885	4,745,288	4,939,384
(13,347,031)	(12,045,463)	(11,473,298)	(11,966,930)	(11,908,277)	(9,883,169)
(1,265,613)	(267,910)	1,309,887	(749,261)	516,150	2,231,355
38,363,936	37,098,323	36,830,413	38,140,300	37,391,039	37,907,189
$ 37,098,323	$ 36,830,413	$ 38,140,300	$ 37,391,039	$ 37,907,189	$ 40,138,544

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

	2006	2007	2008	2009
PRINCIPAL REVENUE SOURCES				
AIRLINE REVENUE				
Landing Fees	$ 3,711,782	$ 3,328,473	$ 4,422,523	$ 4,770,538
Landing Fee Surcharge	167,426	166,975	168,250	170,810
Apron Fees	854,022	916,131	893,046	879,251
Fixed Based Operations	1,886,304	2,645,682	2,916,524	3,040,483
Terminal Rents	5,970,930	6,096,652	6,422,724	5,273,885
Loading Bridge Rentals	564,292	542,738	542,738	508,181
TOTAL AIRLINE REVENUE	13,154,756	13,696,651	15,365,805	14,643,148
Percent of Total Revenues	28.6%	27.9%	29.0%	27.9%
NON-AIRLINE REVENUES				
Parking	10,639,526	11,093,567	10,886,182	10,818,593
Rental Car	3,517,740	3,785,642	3,649,493	3,902,274
Other	12,804,704	14,058,910	15,773,820	12,886,824
TOTAL NON-AIRLINE REVENUES	26,961,970	28,938,119	30,309,495	27,607,691
Percent of Total Revenues	58.7%	58.9%	57.2%	52.6%
NON-OPERATING REVENUES				
PFCs	4,165,815	4,081,962	3,716,492	4,077,806
Grant Income	-	-	2,501,420	5,480,166
Interest	1,193,635	1,810,589	836,612	265,017
Insurance Recovery	184,000	2,929	-	-
Decrease in fair value of investments	-	297,413	-	-
Other	276,300	276,300	276,300	368,400
TOTAL NON-OPERATING REVENUES	5,819,750	6,469,193	7,330,824	10,191,389
Percent of Total Revenues	12.7%	13.2%	13.8%	19.4%
TOTAL REVENUES	$ 45,936,476	$ 49,103,963	$ 53,006,124	$ 52,442,228
Enplaned Passengers	1,447,553	1,440,385	1,380,483	1,318,819
TOTAL REVENUE PER ENPLANED PASSENGER	$ 31.73	$ 34.09	$ 38.40	$ 39.76
SIGNATORY AIRLINES RATES AND CHARGES				
Landing Fee (per 1,000 lbs MGLW)	$ 1.82	$ 1.81	$ 2.71	$ 3.11
Landing Fee Surcharge (per 1,000 lbs MGLW)	0.08	0.08	0.08	0.10
Apron Fees (per sq. foot)	1.05	1.10	1.48	1.46
Annual Terminal Rental Rates (per sq. foot)	82.58	83.42	84.00	79.61
Annual Loading Bridge Rental (per bridge)	37,619.00	36,183.00	36,978.00	36,299.00
Airline Cost per Enplanement: Airport Operations	7.78	7.67	8.91	8.80

The Authority entered a ten year airline agreement which governed the calculation of rates and fees charged to signatory airlines effective January 1, 2006.

The revenue basis to which the signatory rates and charges apply and the principal airline revenue payers can be found on pages 94-99

Source: Authority's audited financial statements and statistics reports

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

2010	2011	2012	2013	2014	2015
$ 3,843,738	$ 3,964,651	$ 4,041,201	$ 4,035,420	$ 3,934,458	$ 4,090,831
169,427	168,015	168,400	-	-	-
807,430	847,651	810,760	797,936	811,176	826,683
3,261,577	3,979,252	3,031,163	3,289,020	3,135,354	2,645,138
4,530,851	4,358,719	3,980,775	3,925,842	3,697,979	3,701,504
533,360	501,336	528,303	471,669	437,980	626,660
13,146,383	13,819,624	12,560,602	12,519,887	12,016,947	11,890,816
26.3%	27.4%	26.0%	26.2%	24.5%	23.8%
10,428,141	10,478,603	10,787,568	10,724,464	11,311,640	12,810,052
4,263,770	4,718,960	4,723,808	4,679,586	4,854,354	5,053,412
13,114,264	14,977,162	14,628,484	14,291,346	15,411,143	14,483,324
27,806,175	30,174,725	30,139,860	29,695,396	31,577,137	32,346,788
55.6%	59.9%	62.3%	62.2%	64.3%	64.7%
5,043,851	4,832,209	4,843,563	4,693,348	4,777,691	5,080,183
3,442,758	1,112,504	344,845	366,420	292,938	292,000
196,224	102,137	94,418	84,959	54,043	20,739
-	-	-	-	-	-
-	-	-	-	-	-
368,400	368,400	368,400	368,400	368,400	368,400
9,051,233	6,415,250	5,651,226	5,513,127	5,493,072	5,761,322
18.1%	12.7%	11.7%	11.6%	11.2%	11.5%
$ 50,003,791	$ 50,409,599	$ 48,351,688	$ 47,728,410	$ 49,087,156	$ 49,998,926
1,264,381	1,242,399	1,244,976	1,215,076	1,230,376	1,297,749
$ 39.55	$ 40.57	$ 38.84	$ 39.28	$ 39.90	$ 38.53
$ 2.45	$ 2.61	$ 2.92	$ 2.92	$ 3.06	$ 3.27
0.10	0.11	0.11	-	-	-
1.51	1.75	1.78	1.58	1.59	1.52
72.70	69.55	68.46	66.56	68.13	74.63
35,532.00	33,422.00	35,220.00	31,445.00	31,284.00	44,761.00
7.82	7.92	7.64	7.60	7.22	7.12

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

	2006	2007	2008
Ratio of Authority issued Revenue Bond Debt Service to Total Expenses			
Principal	$ 5,879,556	$ 6,554,932	$ 6,885,016
Interest <1>	7,249,097	7,693,877	7,513,131
Total Debt Service	$ 13,128,653	$ 14,248,809	$ 14,398,147
Total Expenses	$ 49,626,193	$ 52,766,374	$ 57,555,709
Ratio of Debt Service to Total Expenses	26.46%	27.00%	25.02%
Debt Service per Enplaned Passenger			
Net Debt Service	$ 8,721,259	$ 10,010,625	$ 10,230,911
Enplaned Passengers	1,447,553	1,440,385	1,380,483
Debt Service per Enplaned Passenger	$ 6.02	$ 6.95	$ 7.41
Outstanding Debt (Authority and County) per Enplaned Passenger			
Outstanding debt by type:			
County of Albany Debt Issued for the Authority <2>	$ 6,527,880	$ 5,543,982	$ 4,580,151
General Airport Revenue Bond (GARB)	148,071,630	143,175,122	137,253,661
NYS EFC	6,920,238	6,310,821	5,694,808
Total Outstanding Debt	$ 161,519,748	$ 155,029,925	$ 147,528,620
Enplaned Passengers	1,447,553	1,440,385	1,380,483
Outstanding Debt per Enplaned Passenger	$ 112	$ 108	$ 107
Debt Limit per Enplaned Passenger			
Debt Limit	$ 285,000,000	$ 285,000,000	$ 285,000,000
Enplaned Passengers	1,447,553	1,440,385	1,380,483
Debt Limit per Enplaned Passenger	$ 197	$ 198	$ 206

<1> Interest does not include capitalized interest or interest paid from bond proceeds.
<2> The County pays this indebtedness and is reimbursed by the Authority.

Source: Authority's audited financial statements and statistics reports

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

2009	2010	2011	2012	2013	2014	2015
$ 8,177,659	$ 3,531,847	$ 8,574,618	$ 8,736,422	$ 8,598,074	$ 8,102,182	$ 8,266,000
6,976,417	6,107,912	7,240,701	6,779,556	5,361,990	5,077,305	4,797,018
$ 15,154,076	$ 9,639,759 <3>	$ 15,815,319	$ 15,515,978	$ 13,960,064	$ 13,179,487	$ 13,063,018
$ 55,694,894	$ 52,594,556	$ 54,003,450	$ 51,114,902	$ 51,790,215	$ 52,284,702	$ 50,837,226
27.21%	18.33%	29.29%	30.36%	26.96%	25.21%	25.70%
$ 11,428,288	$ 5,913,971	$ 10,962,543	$ 11,054,389	$ 9,260,064	$ 8,966,388	$ 8,849,919
1,318,819	1,264,381	1,242,399	1,244,976	1,215,076	1,230,376	1,297,749
$ 8.67	$ 4.68	$ 8.82	$ 8.88	$ 7.62	$ 7.29	$ 6.82
$ 3,418,256	$ 2,454,409	$ 1,510,678	$ 584,256	$ 81,182	$ -	$ -
136,681,250	132,560,000	125,340,000	117,950,000	110,315,000	102,690,000	94,825,000
4,627,000	4,045,887	3,635,000	3,215,000	2,755,000	2,359,000	1,958,000
$ 144,726,506	$ 139,060,296	$ 130,485,678	$ 121,749,256	$ 113,151,182	$ 105,049,000	$ 96,783,000
1,318,819	1,264,381	1,242,399	1,244,976	1,215,076	1,230,376	1,297,749
$ 110	$ 110	$ 105	$ 98	$ 93	$ 85	$ 75
$ 285,000,000	$ 285,000,000	$ 285,000,000	$ 285,000,000	$ 285,000,000	$ 285,000,000	$ 285,000,000
1,318,819	1,264,381	1,242,399	1,244,976	1,215,076	1,230,376	1,297,749
$ 216	$ 225	$ 229	$ 229	$ 235	$ 232	$ 220

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

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

	2006	2007	2008
NET REVENUES			
Operating Revenues	$ 40,116,726	$ 42,634,760	$ 45,675,304
Interest Income	1,193,635	1,225,878	597,990
Investments Received	-	170,813	-
Air Service Development	-	-	-
TSA (LEO) Reimbursement	-	-	-
Improvement Charges	276,300	276,300	276,300
Total Revenues	$ 41,586,661	$ 44,307,751	$ 46,549,594
LESS: Total Operating Expenses <1>	(29,877,731)	(31,974,921)	(34,231,189)
LESS: Albany County Debt Service	(1,311,243)	(1,263,510)	(1,202,184)
LESS: Air Service Incentive Cost to Airport	-	-	-
Net Revenues	$ 10,397,687	$ 11,069,320	$ 11,116,221
DEBT SERVICE			
1997 Revenue Bonds	$ 6,941,298	$ 6,989,961	$ 388,433
Less: PFC Revenues used for Debt Service	(4,407,394)	(4,238,184)	(4,167,236)
1998 B & C Revenue Bonds	2,360,300	2,358,007	2,360,653
1999 NYS EFC Revenue Bonds	664,221	651,283	634,745
Less: 1999 NYS EFC Interest Subsidy	(201,777)	(188,258)	(174,600)
2000 NYS EFC Revenue Bonds	281,054	276,551	275,149
Less: 2000 NYS EFC Interest Subsidy	(30,635)	(25,319)	(18,996)
2000 B Revenue Bonds	955,940	960,402	957,753
2003 A Revenue Bonds	748,049	743,885	748,863
2004 NYS EFC Revenue Bonds	43,282	46,064	41,985
Less: 2004 NYS EFC Interest Subsidy	(5,325)	(4,716)	(4,009)
2006 A & B Revenue Bonds	330,294	1,099,763	1,099,926
2006 C Revenue Bonds	-	290,356	402,054
2008 A Refunding Bonds	-	-	6,348,023
2010 A Refunding Bonds	-	-	-
2010 B Refunding Bonds	-	-	-
Less: Interest paid from bond proceeds	(330,294)	(290,356)	-
Net Debt Service	$ 7,349,013	$ 8,669,439	$ 8,892,743
DEBT SERVICE COVERAGE <2>	1.41	1.28	1.25
<1> Does not include required amounts held in Bond Reserve Accounts as follows:			
1997 Revenue Bonds	$ 8,370,000	$ 8,370,000	$ -
1998 B & C Revenue Bonds	2,447,415	2,447,415	2,447,415
1999 NYS EFC Bonds	442,237	442,237	442,237
2000 NYS EFC Bonds	237,494	237,494	237,494
2000 B Revenue Bonds	926,700	926,700	926,700
2003 A Revenue Bonds	514,100	514,100	514,100
2004 NYS EFC Bonds	38,831	38,831	38,831
2006 A & B Revenue Bonds	1,128,600	1,128,600	1,128,600
2006 C Revenue Bonds	404,263	404,263	404,263
2008 A Refunding Bonds	-	-	8,232,976
2010 A Refunding Bonds	-	-	-
Total Bond Reserve Accounts	$ 14,509,640	$ 14,509,640	$ 14,372,616

<1> Beginning in 2015, Total Operating Expenses include contributions actually paid to employee benefit trusts, as provided for under the master bond resolution rather than the expense under GASB No. 68 and No. 71.

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

Source: Authority's audited financial statements and statistics reports

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

2009	2010	2011	2012	2013	2014	2015
$ 42,250,595	$ 40,952,560	$ 43,994,350	$ 42,700,503	$ 42,215,294	$ 43,594,101	$ 44,237,599
233,567	184,276	83,120	76,334	59,013	51,374	10,784
(79,087)	-	-	-	-	-	-
-	-	-	-	75,000	-	-
-	428,984	429,204	344,845	291,420	292,938	292,000
368,400	368,400	368,400	368,400	368,400	368,400	368,400
$ 42,773,475	$ 41,934,220	$ 44,875,074	$ 43,490,082	$ 43,009,127	$ 44,306,813	$ 44,908,783
(29,625,492)	(29,886,704)	(32,675,747)	(30,797,979)	(31,661,110)	(32,323,557)	(31,452,654)
(1,156,056)	(1,080,407)	(1,022,352)	(967,198)	(511,616)	(81,180)	-
-	-	-	-	-	-	(50,732)
$ 11,991,927	$ 10,967,109	$ 11,176,975	$ 11,724,905	$ 10,836,401	$ 11,902,076	$ 13,405,397
$ -	$ -	$ -	$ -	$ -	$ -	$ -
(3,725,788)	(2,806,622)	(4,852,776)	(4,461,589)	(4,700,000)	(4,213,099)	(3,293,320)
2,444,052	1,455,142	-	-	-	-	-
617,141	577,873	443,618	451,094	452,309	453,637	452,972
(157,301)	(143,792)	(26,907)	(25,819)	(24,265)	(22,283)	(19,808)
279,829	-	-	-	-	-	-
(12,846)	-	-	-	-	-	-
957,471	511,813	-	-	-	-	-
748,637	746,692	748,577	744,250	742,130	474,876	464,391
41,289	40,893	39,362	38,642	72,452	-	-
(3,341)	(2,673)	(2,004)	(1,336)	(668)	-	-
1,099,188	1,102,531	1,099,788	1,101,051	1,099,875	1,102,502	1,103,706
402,048	401,838	401,429	400,822	400,013	403,996	402,588
6,902,639	3,963,413	-	-	-	-	-
-	2,707,162	9,628,519	9,621,151	9,622,600	9,627,239	9,625,169
-	62,112	923,852	925,376	927,326	925,329	924,104
-	-	-	-	-		
$ 9,593,018	$ 8,616,382	$ 8,403,458	$ 8,793,642	$ 8,591,772	$ 8,752,197	$ 9,659,802
1.25	1.27	1.33	1.33	1.26	1.36	1.39
$ -	$ -	$ -	$ -	$ -	$ -	$ -
2,447,415	-	-	-	-	-	-
442,237	277,389	277,389	277,389	277,389	277,389	277,389
237,494	-	-	-	-	-	-
926,700	-	-	-	-	-	-
514,100	514,100	514,100	514,100	514,100	514,100	514,100
38,831	38,831	38,831	38,831	-	-	-
1,128,600	1,128,600	1,128,600	1,128,600	1,128,600	1,128,600	1,128,600
404,263	404,263	404,263	404,263	404,263	404,263	404,263
8,232,976	-	-	-	-	-	-
-	9,523,517	9,523,517	9,523,517	9,523,517	9,523,517	9,523,517
$ 14,372,616	$ 11,886,700	$ 11,886,700	$ 11,886,700	$ 11,847,869	$ 11,847,869	$ 11,847,869

Albany International Airport
Population in the Air Trade Area

	2014	2010	2010 vs. 2000	2000	2000 vs. 1990	1990
PRIMARY TRADE AREA						
State of New York						
Albany County	308,171	304,204	3.3%	294,565	0.7%	292,594
Columbia County	62,122	63,096	0.0%	63,094	0.2%	62,982
Fulton County	54,105	55,531	0.8%	55,073	1.6%	54,191
Greene County	47,967	49,221	2.1%	48,195	7.7%	44,739
Montgomery County	49,779	50,219	1.0%	49,708	-4.4%	51,981
Rensselaer County	159,774	159,429	4.5%	152,538	-1.2%	154,429
Saratoga County	224,921	219,607	9.5%	200,635	10.7%	181,276
Schenectady County	155,735	154,727	5.6%	146,555	-1.8%	149,285
Schoharie County	31,566	32,749	3.7%	31,582	-0.9%	31,859
Warren County	64,973	65,707	3.8%	63,303	6.9%	59,209
Washington County	62,372	63,216	3.6%	61,042	2.9%	59,330
State of Massachusetts						
Berkshire County	128,715	131,219	-2.8%	134,953	-3.2%	139,352
State of Vermont						
Bennington County	36,445	37,125	0.4%	36,994	3.2%	35,845
PRIMARY TRADE AREA	1,386,645	1,386,050	3.6%	1,338,237	1.6%	1,317,072
SECONDARY TRADE AREA						
State of New York						
Delaware County	46,581	47,980	-0.2%	48,055	1.8%	47,225
Dutchess County	296,579	297,488	6.2%	280,150	8.0%	259,462
Essex County	38,679	39,370	1.3%	38,851	4.6%	37,152
Hamilton County	4,715	4,836	-10.1%	5,379	1.9%	5,279
Herkimer County	63,744	64,519	0.1%	64,427	-2.1%	65,797
Otsego County	61,128	62,259	0.9%	61,676	1.9%	60,517
Ulster County	180,445	182,493	2.7%	177,749	7.5%	165,304
State of Connecticut						
Litchfield County	184,993	189,927	4.2%	182,193	4.7%	174,092
State of Massachusetts						
Franklin County	70,862	71,372	-0.2%	71,535	2.1%	70,092
Hampden County	468,161	463,490	1.6%	456,228	0.0%	456,310
Hampshire County	160,939	158,080	3.8%	152,251	3.9%	146,568
State of Vermont						
Addison County	37,009	36,821	2.4%	35,974	9.2%	32,953
Rutland County	60,086	61,642	-2.8%	63,400	2.0%	62,142
Windham County	43,714	44,513	0.7%	44,216	6.3%	41,588
Windsor County	56,014	56,670	-1.3%	57,418	6.2%	54,055
SECONDARY TRADE AREA	1,773,649	1,781,460	2.4%	1,739,502	3.6%	1,678,536
TOTAL PRIMARY AND SECONDARY TRADE AREA POPULATION	3,160,294	3,167,510	2.9%	3,077,739	2.7%	2,995,608
State of New York	19,651,127	19,378,102	2.1%	18,976,457	5.5%	17,990,455
United States	316,128,839	308,745,538	9.4%	282,171,936	13.5%	248,709,873

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

Albany International Airport
Major Employers in Primary Air Trade Area

Rank	Employer	Industry	FTE Employees 2015	FTE Employees 2006
1	New York State	State Government	51,409	53,800
2	St. Peter's Health Partners	Health Care	8,363	3,348
3	U.S. Government	Federal Government	7,901	6,900
4	General Electric Company	Energy, Research, Industrial	7,000	7,000
5	Albany Medical Center	Health Care	6,123	5,459
6	University of Albany	Educational Services	4,700	N/A
7	Golub Corporation	Retail Grocery, Headquarters, and Dist. Center	3,201	4,703
8	Hannaford Brothers	Retail Grocery	3,000	3,580
9	Bechtel Marine Propulsion Corp.	Research and development	3,000	N/A
10	County of Albany	Government	2,512	2,995
11	Global Foundries	Semiconductor Manufacturing	2,400	N/A
12	Ellis Medicine	Health Care	2,397	1,686
13	Center for Disability Services	Health Care	1,930	N/A
14	Glens Falls Hospital	Health Care	1,904	2,193
15	Rensselear County	Local Government	1,802	1,600
16	Rensselear Polytenchic Institute	Educational Services	1,800	1,839
17	Shenendehowa School District	Educational Services	1,800	1,900
18	City of Schenectady School District	Educational Services	1,633	1,800
19	Empire Blue Cross/Blue Shield	Health Insurance	1,600	1,637
20	City of Albany	Local Government	1,488	1,493
21	Albany City School District	Educational Services	1,453	1,270
22	Saratoga County	Local Government	1,416	1,100
23	Saratoga Hospital & Nursing Home	Health Care	1,400	N/A
24	Schenectady County	Local Government	1,305	1,500
25	Northern Rivers Family Services	Children and Family Services	1,215	1,600
26	St Mary's Healthcare	Health Care	1,180	N/A
27	Stewart's Shops Corp.	Dairy Products/Convenience Stores	1,132	1,310
28	National Grid	Electric and Gas Utility	1,100	1,350
29	CDPHP	Health Insurance	1,087	N/A

N/A - Not Available
Sources: Various

Albany International Airport
Colleges and Universities in Primary Air Trade Area

Name	County	Public/Private	Enrollment 2015	Enrollment 2006
Excelsior College	Albany	Private	38,825	26,964
State University of New York at Albany	Albany	Public	17,195	17,033
Hudson Valley Comm. College	Rensselaer	Public	12,252	12,205
Rensselaer Polytechnic Institute	Rensselaer	Private	7,028	6,226
Schenectady Comm. College	Schenectady	Public	6,440	4,729
College Of Saint Rose	Albany	Private	4,500	5,149
Adirondack Comm. College	Warren	Public	4,249	3,495
Siena College	Albany	Private	3,139	3,336
The Sage Colleges	Rensselaer	Private	2,885	2,910
Skidmore College	Saratoga	Private	2,632	2,828
Fulton-Montgomery Comm. College	Fulton-Montgomery	Public	2,589	2,071
SUNY College of Agriculture & Tech at Cobleskill	Schoharie	Public	2,532	N/A
Union College	Schenectady	Private	2,242	2,252
Williams College	Berkshire, MA	Private	2,150	2,124
Columbia-Greene Comm. College	Columbia-Greene	Public	2,048	1,726
Massachusetts College of Liberal Arts	Berkshire, MA	Public	1,925	1,500
SUNY Empire State College	Albany	Public	1,568	15,743
Albany College Of Pharmacy	Albany	Private	1,565	1,153
Mildred Elley College	Albany	Private	1,537	500
Maria College	Albany	Private	866	1,007
Albany Medical College	Albany	Private	823	743
Southern Vermont College	Bennington, VT	Public	455	500
Bryant & Stratton Business Institute	Albany	Private	479	1,193
Albany Law School	Albany	Private	477	780
Bennington College	Bennington, VT	Private	400	523
Union Graduate College	Schenectady	Private	438	N/A
Bard College at Simon's Rock	Berkshire, MA	Private	420	450
College of Nanoscale Science and Engineering	Albany, NY	Public	400	N/A
ITT Technical Institute	Albany	Private	291	N/A
Samaritan Hospital School of Nursing	Rensselaer	Private	163	N/A
Ellis Hospital School of Nursing	Albany	Private	155	111
Memorial Hospital School of Nursing	Albany	Private	126	N/A
New School of Radio and Television	Albany	Private	80	143
			122,874	117,394

N/A - Not Available
Sources: Various

Albany International Airport
Airport Information
As of December 31,

				2006	2015
Airport Code:	ALB				
Location:	7 miles Northwest of downtown Albany, New York, the capital of the State of New York				
Elevation:	285 ft.				
International:	Customs / Immigration F.I.S. Facility				
Tower:	TRACON 24 / 7 - 365				
FBO:	Million Air				
Acres (+/-):				1,082	1,171
Runways:	1/19	North/South	ILS / VOR / GPS	7,200 X 150 ft.	8,500 X 150 ft.
	10/28	East/West	VOR / GPS	7,200 X 150 ft.	7,200 X 150 ft.
Terminal:	Airlines - sq ft			94,995	90,623
	Tenants - sq ft			40,869	44,320
	Public/Common - sq ft			100,042	104,426
	Mechanical - sq ft			48,999	50,916
	Total - sq ft			284,905	290,285
	Number of passenger gates			21	21
	Number of loading bridges			15	16
	Number of Concessionaires in Terminal			7	6
	Number of Rental Car Agencies in Terminal			5	6
Apron:	Commercial Airlines - sq ft			810,901	810,901
	Cargo Airlines - sq ft			210,600	210,600
	FBO - sq ft			640,000	640,000
Parking:	Spaces assigned	Garage		1,907	1,912
		Short-term		353	222
		Long-term		1,117	1,468
		Economy		2,783	2,286
		Rental Cars		307	307
		Employees		514	348
		Total		6,981	6,543
Cargo:	Air Cargo Building - sq ft			50,500	50,500
Employees:	Authority			34.0	23.5
	Airport Operations			176.5	150.5
	Fixed Based Operator			34.0	35.0
	Total			244.5	209.0

Albany International Airport
Enplaned Passengers
2006-2015

AIRLINE	2015	Percent of Total 2015	2014	Percent of Total 2014	2013
Southwest Airlines	557,183	42.9%	525,585	42.7%	504,095
Delta Airlines	160,607	12.4%	112,905	9.2%	68,589
American Airlines (formerly US Airways)	101,734	7.8%	84,127	6.8%	89,607
American Eagle (Republic) formerly US Airways Express	91,520	7.0%	86,721	7.0%	98,369
United Airlines	85,743	6.6%	69,742	5.7%	30,881
American Eagle (Air Wisconsin) formerly US Airways E	68,805	5.3%	62,440	5.1%	43,099
United Express (Commutair)	62,159	4.8%	51,507	4.2%	22,692
Delta Connection (Endeavor, formerly Pinnacle)	29,856	2.3%	42,722	3.5%	78,580
Delta Connection (Express Jet)	26,626	2.1%	38,219	3.1%	26,924
United Express (Mesa)	25,002	1.9%	11,165	0.9%	17,467
United Express (Express Jet)	16,517	1.3%	21,713	1.8%	81,039
Cape Air	16,119	1.2%	16,802	1.4%	16,752
United Express (Go Jet)	15,459	1.2%	13,390	1.1%	32,044
American Eagle (Piedmont) formerly US Airways Express	10,851	0.8%	12,474	1.0%	14,080
United Express (Republic)	8,354	0.6%	30,259	2.5%	36,109
Delta Connection (Shuttle America)	6,473	0.5%	64	0.0%	
Jet Blue	5,492	0.4%			
United Express (Sky West)	4,862	0.4%	5,258	0.4%	
Delta Connection (Compass)	1,632	0.1%	4,265	0.3%	18,941
American Eagle (PSA) formerly US Airways Express	1,170	0.1%	1,168	0.1%	6,935
United Express (Trans States)	1,162	0.1%			
American Eagle (Mesa) formerly US Airways Express	382	0.0%	21,135	1.7%	10,216
United Express (Shuttle America)	41	0.0%			214
Delta Connection (Chautauqua)			14,558	1.2%	2,878
United Express (Chautaugua)			3,401	0.3%	12,129
Delta Connection (Go Jet)			756	0.1%	
Air Canada					3,436
United Express (Colgan)					
Continental (Express Jet)					
Delta Connection (Comair)					
Continental Connection (Colgan)					
Continental Connection (Commutair)					
Delta Connection (Sky West)					
US Airways Express (Colgan Air)					
Delta Connection (Mesaba)					
US Airways Express (Chautaugua)					
Delta Connection (ASA)					
United Express (ASA)					
Northwest Airlines					
Northwest Airlink (Pinnacle)					
Northwest Airlink (Mesaba)					
Delta Connection (Freedom)					
Continental Airlines					
American Eagle					
Delta Connection (Big Sky)					
Delta Connection (Sky West)					
Independence Air					
Sub Total	1,297,749	100.0%	1,230,376	99.9%	1,215,076
Charters	461	0.0%	1,009	0.1%	911
TOTAL	1,298,210	100.0%	1,231,385	100.0%	1,215,987

Source: Albany County Airport Authority

Albany International Airport
Enplaned Passengers
2006-2015

2012	2011	2010	2009	2008	2007	2006
504,987	511,735	511,636	511,094	501,437	516,216	488,646
72,590	46,606	18,251			87	45,323
87,207	81,980	83,513	104,799	130,192	130,070	139,668
104,199	76,919	90,263	62,626	50,137	43,507	42,782
51,913	64,408	66,191	75,828	70,027	76,867	60,074
28,835	51,029	35,060	31,665	36,777	38,992	54,486
18,075						
85,535	100,678	54,130				
12,054						
14,014	21,460	25,230	24,623			
98,820	36,282	26,609				
16,429	16,284	8,677	8,013	2,237		
18,078	7,489	47,605	52,875	58,784	60,273	37,694
33,403	16,393	29,701	52,723	39,701	41,945	29,035
	60					
						18,296
10,992	2,665	18,447				
47		1,993	2,270	1,985	17,298	31,586
	38	4,733	33,266	49,426	51,007	46,200
79	846	5,368	3,971	16,906	19,536	12,825
2	47				61	25,482
10,743	576	4,437	5,061	66	540	345
4,392	4,482	4,782	4,153	7,077	7,760	7,986
49,998	33,298					
5,900	40,463	63,067	57,528	66,314	100,472	99,570
5,278	1,762	26,189	40,369	50,476	41,514	45,496
4,612	28,434	30,702	40,255	35,090		
3,843	23,615	8,001	9,201	5,463	5,805	12,096
1,534						
1,230	6,902	8,408	7,092	10,011	13,661	14,211
146	12,302	30,699				
41					1,508	8,415
	37,155	48,212	72,330	75,522	79,584	56,186
	18,491	12,284				
		193	63,724	85,038	98,125	98,733
			21,995	9,939	14,937	12,516
			21,435	17,109		2,461
			11,116	25,233	26,112	9,696
			807			
				35,344	43,828	47,147
				192	5106	
					5,574	
						598
1,244,976	1,242,399	1,264,381	1,318,819	1,380,483	1,440,385	1,447,553
904	1,131	1,493	1,600	1,988	2,436	2,611
1,245,880	1,243,530	1,265,874	1,320,419	1,382,471	1,442,821	1,450,164

Albany International Airport
Airline Landed Weight (lbs.)
2006-2015

Commercial Carriers	2015	Percent of Total 2015	2014	Percent of Total 2014	2013
Southwest Airlines	563,978,000	35.9%	564,078,000	35.9%	556,334,000
Delta Airlines	182,901,118	11.7%	127,177,598	8.1%	87,394,799
American Airlines (formerly US Airways)	114,046,440	7.3%	91,538,758	5.8%	92,454,358
United Airlines	107,841,768	6.9%	85,883,301	5.5%	41,049,688
American Eagle (Republic) formerly US Airways Express	102,046,749	6.5%	31,496,000	2.0%	136,527,617
American Eagle (Air Wisconsin) formerly US Airways E	78,396,000	5.0%	69,325,000	4.4%	54,426,000
United Express (Commutair)	73,147,505	4.7%	62,790,000	4.0%	25,018,500
Delta Connection (Endeavor, formerly Pinnacle)	32,467,901	2.1%	46,824,798	3.0%	85,479,997
Delta Connection (Express Jet)	30,950,102	2.0%	41,728,699	2.7%	30,800,102
United Express (Mesa)	26,666,000	1.7%	12,328,000	0.8%	19,832,000
Cape Air	21,029,502	1.3%	21,029,500	1.3%	21,276,102
United Express (Express Jet)	16,833,427	1.1%	22,487,074	1.4%	87,352,775
United Express (Go Jet)	16,214,000	1.0%	15,075,000	1.0%	38,659,000
American Eagle (Piedmont) formerly US Airways Express	12,780,307	0.8%	14,116,804	0.9%	16,170,306
United Express (Republic)	9,052,000	0.6%	104,824,601	6.7%	45,756,000
Delta Connection (Shuttle America)	6,601,260	0.4%	72,310	0.0%	
Jet Blue	6,256,712	0.4%			
United Express (Sky West)	4,856,000	0.3%	5,511,000	0.4%	
Delta Connection (Compass)	1,824,972	0.1%	4,996,736	0.3%	22,259,441
American Eagle (PSA) formerly US Airways Express	1,476,401	0.1%	1,157,201	0.1%	8,104,000
United Express (Trans States)	1,241,634	0.1%			
Charters	1,164,000	0.1%	2,756,784	0.2%	2,500,198
American Eagle (Mesa) formerly US Airways Express	588,003	0.0%	24,402,000	1.6%	12,862,500
Delta Connections (Go Jet)	201,000	0.0%	1,072,000	0.1%	268,000
United Express (Shuttle America)	144,624	0.0%			462,795
Delta Connection (Chautauqua)			13,828,429	0.9%	2,850,784
United Express (Chautauqua)			3,574,118	0.2%	14,211,365
Air Canada					6,092,200
United Express (Colgan)					
Continental Connection (Colgan)					
Continental Connection (Express Jet)					
Delta Connection (Comair)					
Continental Connection (Commutair)					
US Airways Express (Colgan)					
Delta Connection (Sky West)					
Delta Connection (Mesaba)					
United Express (Sky West)					
US Airways Express (Chautauqua)					
Delta Connection (ASA)					
United Express (ASA)					
Continental Airlines					
Northwest Airlines					
Northwest Airlink (Pinnacle)					
Northwest Airlink (Mesaba)					
Delta Connection (Freedom)					
Delta Connection (Big Sky)					
American Eagle					
Delta Connection (Sky West)					
Independence Air					
	1,412,705,425	90.0%	1,368,073,711	87.2%	1,408,142,527
Cargo Carriers					
United Parcel Service	100,192,000	6.4%	101,441,920	6.5%	99,121,840
Federal Express	50,886,000	3.2%	51,480,000	3.3%	50,651,000
Wiggins Airways	7,471,500	0.5%	7,493,598	0.5%	7,250,511
Ameriflght	4,273,641	0.3%	4,066,902	0.3%	3,996,509
Air Now					
DHL					
Misc Cargo Carriers		0.0%		0.0%	
	162,823,141	10.4%	164,482,420	10.5%	161,019,860
Grand Total	1,575,528,566	100.4%	1,532,556,131	97.7%	1,569,162,387

Source: Albany County Airport Authority

Albany International Airport
Airline Landed Weight (lbs.)
2006-2015

2012	2011	2010	2009	2008	2007	2006
569,014,000	571,920,000	572,100,000	592,288,000	606,268,000	606,612,000	563,734,000
91,360,813	53,982,509	20,349,608			130,000	54,154,000
84,659,102	81,480,800	80,754,302	120,409,823	165,434,995	157,816,799	159,841,799
71,647,362	86,114,744	89,909,713	101,716,477	87,446,407	92,214,768	75,168,921
136,105,502	111,779,265	123,518,991	88,692,047	68,929,242	64,857,593	57,054,164
36,049,000	67,351,000	49,914,000	42,065,000	50,290,000	51,747,000	63,638,000
19,233,003						
91,611,511	110,381,509	60,855,208				
13,969,006						
15,745,000	26,532,000	30,218,000	5,254,000			
21,296,654	25,995,749	21,385,706	21,337,751	5,932,101		
103,135,949	37,630,283	28,116,619				
20,368,000	9,695,000	59,831,000	74,035,000	74,102,000	74,504,000	54,002,000
46,331,413	35,475,009	48,466,505	80,372,091	55,772,703	52,059,000	38,001,587
	74,958					
						21,400,000
13,314,317	3,298,107	20,613,616				
134,000		2,997,000	3,269,000	2,838,000	24,432,000	47,622,000
	42,548	5,616,465	32,549,986	52,548,013	53,654,292	57,696,448
4,119,338	4,145,995	5,722,930	4,230,983	4,069,000	5,422,107	8,909,783
73,500	808,500	6,100,505	26,215,500	16,317,000	19,771,510	14,847,000
289,241	72,309				72,313	34,131,266
12,977,453	1,021,174	5,105,879	5,573,926	85,097	695,111	808,430
8,797,995	8,200,404	11,122,003	10,707,003	12,317,199	12,698,992	13,080,797
49,228,000	35,898,000					
11,780,000	39,308,000	40,405,906	46,934,000	40,672,000		
9,457,726	42,769,610	63,076,374	61,830,055	72,763,757	105,515,474	106,856,144
5,624,606	2,820,000	29,995,506	46,718,101	64,628,000	48,663,000	51,025,000
5,515,502	29,176,504	10,453,508	9,694,500	4,933,500	11,073,502	18,625,199
4,617,006	19,266,005	25,450,508	25,958,476	31,632,517	40,199,202	39,567,647
1,504,000						
225,299	15,802,598	37,117,103				
47,000						
42,549					1,829,609	10,293,329
	42,377,404	54,193,008	77,199,700	79,578,000	84,128,000	63,177,000
	19,552,000	12,831,000				
	1,361,544		1,560,000			
		196,200	74,479,110	98,588,000	124,050,000	132,614,109
			23,443,397	10,227,296	16,625,206	14,681,201
			22,951,402	19,266,996		3,315,699
			13,956,071	29,389,767	39,934,580	17,287,881
				325,280	11,843,996	
				36,951,763	45,339,119	33,744,507
					7,800,000	
						526,860
1,448,273,847	1,484,333,528	1,516,417,163	1,613,441,399	1,691,306,633	1,753,689,173	1,755,804,771
98,839,841	100,395,604	98,503,762	98,163,713	97,346,000	97,764,985	99,582,507
51,171,000	51,337,000	42,670,000	42,947,679	42,687,000	41,735,000	43,869,000
7,378,000	7,514,000	7,684,009	7,520,270	7,667,000	7,812,267	8,134,500
3,961,299	4,054,101	4,142,604	5,646,338	245,000		
			184,014	2,397,398	2,323,206	3,793,000
				26,503,603	50,877,892	51,589,707
5,401	45,901				8,752,406	11,340,584
161,355,541	163,346,606	153,000,375	154,462,014	176,846,001	209,265,756	218,309,298
1,609,629,388	1,647,680,134	1,669,417,538	1,767,903,413	1,868,152,634	1,962,954,929	1,974,114,069

Albany International Airport
Aircraft Operations
2006-2015

Commercial Carriers	2015	Percent of Total 2015	2014	Percent of Total 2014	2013
Southwest Airlines	8,632	19.4%	8,710	19.6%	8,670
Cape Air	6,140	13.8%	6,140	13.8%	6,212
United Express (Commutair)	3,960	8.9%	3,380	7.6%	1,286
American Eagle (Air Wisconsin) formerly US Airways E	3,336	7.5%	2,950	6.6%	2,316
American Eagle (Republic) formerly US Airways Express	2,760	6.2%	2,838	6.4%	3,688
Delta Airlines	2,718	6.1%	1,842	4.1%	1,250
American Airlines (formerly US Airways)	1,576	3.5%	1,380	3.1%	1,462
United Airlines	1,428	3.2%	1,186	2.7%	590
Delta Connection (Endeavor, formerly Pinnacle)	1,048	2.4%	1,696	3.8%	3,482
Delta Connection (Express Jet)	940	2.1%	1,350	3.0%	852
United Express (Mesa)	796	1.8%	368	0.8%	592
United Express (Express Jet)	768	1.7%	1,022	2.3%	3,946
American Eagle (Piedmont) formerly US Airways Express	754	1.7%	832	1.9%	954
United Express (Go Jet)	484	1.1%	450	1.0%	1,154
Delta Connection (Shuttle America)	300	0.7%	2	0.0%	
United Express (Republic)	292	0.7%	1,016	2.3%	1,476
United Express (Sky West)	176	0.4%	226	0.5%	
Jet Blue	88	0.2%			
United Express (Trans States)	58	0.1%			
Delta Connection (Compass)	50	0.1%	134	0.3%	596
American Eagle (PSA) formerly US Airways Express	40	0.1%	46	0.1%	344
American Eagle (Mesa) formerly US Airways Express	16	0.0%	664	1.5%	350
Delta Connection (Go Jet)	6	0.0%	32	0.1%	8
United Express (Shuttle America)	4	0.0%			16
Delta Connection (Chautauqua)			650	1.5%	134
United Express (Chautauqua)			168	0.4%	668
Charters			58	0.1%	41
Air Canada					734
United Express (Colgan)					
Continental Connection (Express Jet)					
US Airways Express (Colgan)					
Continental Connection (Commutair)					
Delta Connection (Comair)					
Continental Connection (Colgan)					
Delta Connection (Sky West)					
Delta Connection (Mesaba)					
US Airways Express (Chautauqua)					
United Express (Sky West)					
Delta Connection (ASA)					
United Express (ASA)					
Northwest Airlines					
Northwest Airlink (Pinnacle)					
Northwest Airlink (Mesaba)					
Delta Connection (Freedom)					
Continental Airlines					
American Eagle					
Delta Connection (Big Sky)					
Delta Connection (Sky West)					
US Airways Express (Trans States)					
Independence Air					
United Express (Air Wisconsin)					
	36,370	81.8%	37,140	83.5%	40,821
Cargo Carriers					
Wiggins Airways	1,758	4.0%	1,760	4.0%	1,706
United Parcel Service	952	2.1%	964	2.2%	942
Ameriflight	550	1.2%	526	1.2%	518
Federal Express	514	1.2%	520	1.2%	468
Air Now					
Airborne Express					
Misc Cargo Carriers					
	3,774	8.5%	3,770	8.5%	3,634
Grand Total	40,144	90.3%	40,910	92.0%	44,455

Source: Albany County Airport Authority

Albany International Airport
Aircraft Operations, Con't
2006-2015

2012	2011	2010	2009	2008	2007	2006	2005
9,018	9,152	9,182	9,510	9,698	9,868	9,324	8,480
6,218	7,590	6,244	6,230	1,732			
998							
1,534	2,866	2,124	1,788	2,140	2,202	2,712	688
3,700	3,034	3,360	2,396	1,872	1,780	1,580	48
1,318	786	342			10	906	3,922
1,426	1,388	1,348	2,070	2,944	2,692	2,782	5,410
1,028	1,232	1,280	1,538	1,474	1,632	1,250	1,530
3,438	4,440	2,360					
442							
470	792	988	956				
4,716	1,716	1,286					
2,668	2,100	2,754	4,538	3,102	2,838	2,162	1,469
608	288	1,786	2,210	2,212	2,224	1,612	
	2						
	2	264	1,530	2,470	2,522	2,712	2,312
356	88	550					
4		102	134	108	872	1,738	766
2	18	166	122	614	538	404	1,870
4	4				2	944	792
612	48	246	264	4	34	38	
							602
67	69	56	42	40	52	48	76
1,060	988	1,340	1,290	1,484	1,530	1,582	1,370
1,780	1,158						
432	1,962	2,964	2,902	3,382	4,986	5,094	5,116
324	1,368	1,866	1,904	2,646	3,566	3,432	2,966
298	1,582	606	562	324	1,332	2,244	9,368
214	120	1,238	1,974	2,368	1,856	1,970	1,796
188	1,268	1,246	1,514	1,312			
64							
6	462	1,088					
2					86	484	794
2						640	920
	1,222	1,624	2,414	2,428	2,658	2,296	254
	832	546					
			1,356	1,696	2,090	2,130	2,656
			1,004	438	712	628	1,762
			764	740		142	
			496	1,380	2,162	970	
			22				
				1,774	2,150	2,454	2,672
				38	1,410		
					208		
					8		262
						28	3,644
							928
42,997	46,577	46,956	49,530	48,420	52,020	52,306	62,473
1,740	1,687	1,770	1,768	1,804	1,870	1,914	2,248
936	950	934	928	926	928	960	978
526	524	542	642	32			
518	520	516	528	526	514	540	534
			40	496	456	884	612
				524	1,014	1,026	674
2	6			1,606	2,928	3,620	3,828
3,722	3,687	3,762	3,906	5,914	7,710	8,944	8,874
46,719	50,264	50,718	53,436	54,334	59,730	61,250	71,347

Albany International Airport
Aircraft Operations
2006-2015

Year	Airlines	Cargo	General Aviation	Military	Total
2006	52,258	8,944	49,633	6,830	117,665
2007	51,968	7,710	45,688	5,409	110,775
2008	48,380	5,882	34,048	5,214	93,524
2009	49,488	3,906	34,579	6,540	94,513
2010	46,900	3,762	30,698	7,137	88,497
2011	46,508	3,687	25,980	4,226	80,401
2012	42,932	3,722	24,322	4,543	75,519
2013	40,780	3,676	23,873	4,436	72,765
2014	37,082	3,770	18,124	2,316	61,292
2015	36,370	3,774	17,376	2,481	60,001
Annual Compounded Growth 2006-2015	-30.4%	-57.8%	-65.0%	-63.7%	-49.0%

Source: Albany County Airport Authority

Albany International Airport
Airlines Serving the Albany International Airport

MAJORS / NATIONALS

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

REGIONAL / COMMUTERS

Air Wisconsin Airlines d/b/a American Eagle
CommutAir d/b/a United Express
Endeavor d/b/a Delta Connection
Express Jet Airlines d/b/a Delta Connection
Express Jet Airlines d/b/a United Express
Go Jet Airlines d/b/a United Express
Hyannis Air Service d/b/a Cape Air & Nantucket Airlines
Mesa Air d/b/a United Express
Piedmont Airlines d/b/a American Eagle
Republic Airlines d/b/a US Airways Express
Sky West d/b/a United Express
TransStates d/b/a United Express

ALL-CARGO CARRIERS

Federal Express
United Parcel Service
Ameriflight
Wiggins Airways

As of December 31, 2015
Source: Albany County Airport Authority

Albany International Airport
Major Carrier Airline Service

SCHEDULED JET AIRLINE SERVICE

CARRIER	NON-STOP SERVICE	ONE-STOP, SAME-PLANE SERVICE
American Airlines - Air Wisconsin - Envoy - Piedmont - Republic	Charlotte (CLT) Chicago (ORD) Philadelphia (PHL) Washington National (DCA)	Cleveland (CLE) Nassau (NAS) Portland, Maine (PWM) Raleigh/Durham (RDU) San Jose, Costa Rica (SJO) Syracuse (SYR)
Delta Air Lines - Endeavor	Atlanta (ATL) Detroit (DTW) Minneapolis (MSP)	
JetBlue	Fort Lauderdale (FLL) Orlando (MCO)	
Southwest Airlines	Baltimore (BWI) Chicago (MDW) Fort Lauderdale (FLL) Fort Myers (RSW) Las Vegas (LAS) Orlando (MCO) Tampa (TPA)	Atlanta (ATL) Austin (AUS) Charleston (CHS) Dallas (DAL) Islip (ISP) Louisville (SDF) Nashville (BNA) Rochester (ROC) San Diego (SAN) San Juan (SJU) St. Louis (STL)
United Airlines - Expressjet - Mesa	Chicago (ORD) Washington Dulles (IAD)	Hartford (BDL)

As of March 2016
Source: Official Airline Guide Schedule, February 2016

Albany International Airport
Commuter Airline Service

SCHEDULED COMMUTER AIRLINE SERVICE

CARRIER	NON-STOP SERVICE	ONE-STOP, SAME-PLANE SERVICE
Cape Air	Boston (BOS) Massena (MSS) Ogdensburg (OGS)	
United Express - Commutair	New York Newark (EWR) Washington Dulles (IAD)	

As of March 2016
Source: Official Airline Guide Schedule, February 2016

Albany International Airport
Primary Origination and Destination Passenger Markets

Market	Length	2015 Rank	2015 Passengers	2014 Rank	2014 Passengers	2006 Rank	2006 Passengers
Orlando	MH	1	217,640	1	192,540	1	287,660
Southeast Florida (1)	MH	2	165,990	2	153,200	3	154,600
Tampa	MH	3	138,850	3	131,370	5	147,350
Chicago	MH	4	117,280	5	115,940	4	151,590
Baltimore	SH	5	103,370	4	116,020	2	220,710
Washington, DC (2)	SH	6	85,450	6	86,530	7	99,630
Las Vegas	LH	7	80,100	7	83,830	6	110,170
Atlanta	MH	8	76,440	8	73,160	8	80,400
Charlotte	SH	9	65,560	9	63,270	N/A	
Denver	MH	10	63,870	11	55,570	10	57,360
Los Angeles	LH	11	60,760	10	56,810	9	73,340
San Francisco	LH	12	55,940	12	55,010	N/A	
Phoenix	LH	13	52,060	13	41,980	12	56,140
Dallas/Ft. Worth	MH	14	44,480	14	41,620	14	42,720
Minneapolis	MH	15	40,870	16	37,870	19	36,520
Houston	MH	16	40,000	17	35,800	15	42,540
Fort Myers	MH	17	39,070	15	38,170	Included in Tampa	
San Diego	LH	18	34,960	18	35,790	16	40,550
Raleigh/Durham	SH	19	33,670	19	34,670	11	56,650
Seattle/Tacoma	LH	20	33,410	21	29,100	18	38,010

* Notes:
SH Short Haul = 0 to 600 miles
MH Medium Haul = 601 to 1,800 miles
LH Long Haul = over 1,801 miles

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

N/A - Not Available
Source: O & D Passenger Survey of Airline Passenger Traffic, U.S. DOT, Databank 12

Compliance

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

To the Members
Albany County Airport Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and fiduciary funds of the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 14, 2016.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Marvin and Company, P.C.

Latham, NY
March 14, 2016

Albany County Airport Authority
Schedule Of Federal Financial and NYS DOT Assistance
December 31, 2015

Federal Project Number	NYS Project Number	Federal * Percent Participation	Description Of Project	CFDA Number	Total Grant Amount Federal	Total Grant Amount State	Year Ended 12/31/15 Expenditures Federal	Year Ended 12/31/15 Expenditures State
CAPTITAL CONTRIBUTIONS:								
112-12	1A00.01	90.00%	Airfield Lighting Electrical Vault Rehabilitation	20.106	903,105	50,173	132,426	7,357
117-13	1A00.06	90.00%	Electrical Vault Phase 2	20.106	173,430	9,635	27,921	1,551
118-13	1A00.07	90.00%	Runway Sand Storage/Winter Operations Bldg	20.106	1,993,844	110,769	112,453	6,247
121-13	1A00.10	90.00%	Airport Safety Equip-ARFF Truck (3,000 Gallon Capacity)	20.106	589,444	39,999	589,444	32,747
122-14	1A00.11	90.00%	Terminal Security Access Control Improvement	20.106	438,728	24,374	443,418	24,633
123-14	1A00.12	90.00%	High-Speed Automated Doors (33-Units)	20.106	698,859	38,825	171,128	9,507
124-14	1A00.13	90.00%	Snow Removal Equipment	20.106	1,007,101	55,950	1,025,453	56,970
125-14	1A00.14	90.00%	Glycol Collection, Treatment and disposal System Improvement	20.106	943,740	52,430	788,124	43,785
126-14	1A00.15	90.00%	Runway 01-19 Pavement and Centerline Lighting Rehabilitation	20.106	4,247,774	235,987	2,094,485	116,360
127-15	1A00.16	90.00%	Airfield Illuminated Sign Replacement (137-Units)	20.106	450,495	25,028	190,076	10,560
128-15	1A00.17	90.00%	Terminal Roofing Rehabilitation	20.106	1,257,571	69,865	1,236,993	68,722
	1913.14	90.00%	Hangar 211 Renovation and Expansion		-	3,780,000	-	1,710,144
	1759.76	80.00%	CNG Facility Improvement	20.205	240,000	-	19,600	-
			TOTAL CAPITAL CONTRIBUTION		$ 12,944,091	$ 4,493,035	$ 6,831,521	$ 2,088,583
NON-OPERATING GRANTS:								
N/A	N/A	N/A	TSA Law Enforcement Officer Cooperative Agreement	97.090	$ 292,000	$ -	$ 292,000	$ -
			TOTAL NON-OPERATING GRANTS		$ 292,000	$ -	$ 292,000	$ -
			GRAND TOTAL		$ 13,236,091	$ 4,493,035	$ 7,123,521	$ 2,088,583

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

Albany County Airport Authority
Notes to Schedule of Expenditures of Federal and
New York State Department of Transportation Financial Assistance
For the Year Ended December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Scope of Audit Pursuant to the Uniform Guidance

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

Basis of Accounting

The accompanying Schedule of Expenditures of Federal and New York State Department of Transportation Financial Assistance was prepared on the accrual basis of accounting.

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

To the Members
Albany County Airport Authority

Report on Compliance for Each Major Federal Program

We have audited the Albany County Airport Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2015. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

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Opinion on Each Major Federal Program

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Report on Internal Control over Compliance

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

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

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

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

Marvin and Company, P.C.

Latham, NY
March 14, 2016

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

To the Members
Albany County Airport Authority

Report on Compliance

We have audited the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York's, compliance with the types of compliance requirements described in the *Preliminary Draft Part 43 of the New York State Codification of Rules and Regulations* (NYCRR), that could have a direct and material effect on its state transportation assistance program for the year ended December 31, 2015.

Management's Responsibility

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

Auditor's Responsibility

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

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

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Opinion

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that are applicable to its state transportation assistance program for the year ended December 31, 2015.

Report on Internal Control over Compliance

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

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

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

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

Marvin and Company, P.C.

Latham, NY
March 14, 2016

Albany County Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2015

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of the Albany County Airport Authority.

2. No material weaknesses were identified during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of the Albany County Airport Authority were disclosed during the audit.

4. No material weaknesses were identified during the audit of the major federal award program.

5. The auditor's report on compliance for the major federal award program for the Albany County Airport Authority expresses an unmodified opinion.

6. There were no audit findings related to the major federal award program for the Albany County Airport Authority.

7. The Airport Improvement Program (CFDA #20.106), including the New York State Department of Transportation (NYSDOT) matching grants for this program was the major program for the year ended December 31, 2015.

8. The dollar threshold used to distinguish between Type A and B programs was $300,000.

9. The Albany County Airport Authority was considered a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

NONE

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

NONE

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

To the Members
Albany County Airport Authority

Report on Compliance

We have audited the Albany County Airport Authority (the Authority), a component unit of the County of Albany, New York's, compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies,* issued by the Federal Aviation Administration (Guide), that could have a direct and material effect on its Passenger Facility Charge Program for the year ended December 31, 2015.

Management's Responsibility

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

Auditor's Responsibility

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

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

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Opinion

In our opinion, the Albany County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that are applicable to its Passenger Facility Charge Program for the year ended December 31, 2015.

Report on Internal Control over Compliance

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

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

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

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

Marvin and Company, P.C.

Latham, NY
March 14, 2016

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

For the Year Ended December 31, 2015

Quarter Ended	PFC Charges Received	Interest Earned	Total Received	Expenditures on Approved Projects	
Beginning Balance	$ 79,923,964	$ 2,714,467	$82,638,431	$ 77,366,843	$5,271,588
3/31/2015	1,040,210	2,752	1,042,962	987,996	
6/30/2015	1,476,417	2,745	1,479,162	987,996	
9/30/2015	1,157,610	2,965	1,160,575	987,996	
12/31/2015	1,265,147	3,226	1,268,373	329,332	
Total 2015	4,939,384	11,688	4,951,072	3,293,320	1,657,752
Total Program to Date	$ 84,863,348	$ 2,726,155	$87,589,503	$ 80,660,163	
PFC Funds to be used for future debt service payments:					$6,929,340

PFC and Interest Received	12/31/2014 PFC Receivable	12/31/2015 PFC Receivable	PFC Net Income Per Financials
$ 4,951,072	$ (345,637)	$ 474,748	$ 5,080,183

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

The Albany County Airport Authority is a body corporate and politic, constituting a public benefit corporation. The Schedule of Passenger Facility Charges Collected and Expended includes all the PFCs and the interest earnings thereon collected by the Authority beginning May 1, 1994 through December 31, 2015. Passenger Facility Charges are collected pursuant to a Federal Aviation Administration (FAA) approved application in 1994 to Impose $40,726,364. During 1996, the Authority requested and received approval to increase the amount of PFCs to $116,888,308 projected to be collected through the year 2022. Effective September 1, 2009, the Authority implemented an approved change the PFC collection from $3.00 per passenger to $4.50 per passenger, with a current estimated collection period through 2020.

B. Basis of Accounting

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

Albany County Airport Authority
Passenger Facility Charge Program
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2015

A. SUMMARY OF AUDIT RESULTS

1. No material weaknesses were identified during the audit of the passenger facility program.

2. The auditor's report on compliance for the passenger facility charge program expresses an unmodified opinion.

3. There were no audit findings related to the passenger facility charge program.

B. FINDINGS AND QUESTIONED COSTS

NONE

Biographies of the Members of the Albany County Airport Authority

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

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

Dorsey M. Whitehead, Treasurer, is a native of Rocky Mount, North Carolina, is a graduate of Virginia State University, Webster University and Northwestern University. A much decorated military retiree, he flew and instructed both fixed and rotary wing aircraft. Dorsey is also a retiree of the New York State Senate as a Legislative Analyst. He serves on several boards and belongs to numerous fraternal, civic and service organizations. Dorsey volunteers with the American Cancer Society and the Watervliet Arsenal Retirement Services Office. He resides in Albany and enjoys bridge, tennis, gardening and reading.

Lyon M. Greenberg, M.D. is a Dartmouth College and John Hopkins Medical School graduate and the founding partner of the Capital Region Otolaryngology Head and Neck Group in Albany, New York since 1964. Dr. Greenberg has held numerous positions on medical committees, including President of the Upstate New York Alumni Association at Johns Hopkins University; National Program Chairman, Section on Otolaryngology, American Academy of Pediatrics; Executive Committee, Section on Otolaryngology, American Academy of Pediatrics; CME Chairman, Section on Otolaryngology, American Academy of Pediatrics; Legislative Chairman, New York State Society of Otolaryngologists; Secretary/Treasurer of The Child's Hospital; President of New York State Society of Otolaryngologists; member of the founding Committee of the American Society of Pediatric Otolaryngology; President of the Eastern New York Dartmouth Alumni Club; Vice-President of Congregation Beth-Abraham Jacob and Member of the Dr. David Axelrod Committee at the School of Public Health SUNY. Dr. Greenberg has

received numerous awards over his career including The Willard W. Eggleston Memorial Botany Prize (1954) (Dartmouth College); Outstanding Service Award (1973) (Dartmouth College); Air Defense Command Commendation, U.S.A.F. (1962); Air Force Commendation Medal, U.S.A.F. (1962) and The Class of 1954 Award (2004) (Dartmouth College). Dr. Greenberg currently resides in Slingerlands with his wife Marcia and has four grown children.

Patricia M. Reilly enjoyed a 30-year career in New York State and Local government. As the Department of Motor Vehicles' Deputy Commissioner for Customer Service, she was an architect of DMV's "Reinvent" program, which won national praise for its forward thinking on the role of customer service in government. She also served as the Chief Legislative Representative for the New York City Council in Albany, where she represented the Speaker before the Legislative and the Executive branch. Finally, she served as Nassau County's Executive Director of the Traffic and Parking Violations Agency and was cited in a Newsday editorial for turning around an agency that was labeled by the Nassau County Comptroller as "the worst run agency in the worst run county in America". Ms. Reilly holds a BA and MA from St. John's University and taught Public Administration in their Government and Politics Department for 10 years. She currently is a consultant and resides in Slingerlands.

Paula T. Wilkerson, originally from Virginia, has been a resident of Albany County for the past 30 years. Throughout her professional career, Paula has devoted her life to public service. Most recently, her career has included management and leadership positions with the New York State Legislature, and the City and County of Albany. Paula also served for many years in the not for profit community. Currently, she is employed by the New York State Office of the State Comptroller. She is a graduate of the State University of New York Empire State College with a degree in Business Management and Economics and currently resides in the City of Albany.

Biographies of the Albany County Airport Authority Senior Staff

John A. O'Donnell, PE, is the Chief Executive Officer of the Authority and is responsible for the oversight of the affairs of the Authority. Prior to his appointment in 2003, Mr. O'Donnell served as Chief Operating Officer (2000-2003) and Director of Project Development (1996-2000) for the Authority. Prior to the Authority, Mr. O'Donnell served as Director of Consultant Services for the Office of General Services for the State of New York and Assistant to the Chief Engineer of Callanan Industries.

William J. O'Reilly, CPA, is the Chief Financial Officer of the Authority and is responsible for financial planning, budgeting, operating and capital accounting procedures and controls, and financial policies and procedures. Mr. O'Reilly was previously employed from 1986-2008 with the Office of the State Comptroller for the State of New York where he held positions in accounting, auditing, public authority administration, cash and debt management, and budget and policy analysis.

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

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