

**MINUTES  
MONROE COUNTY AIRPORT AUTHORITY  
Audit Committee Meeting  
September 24, 2014**

**Present:**  
Hank Stuart  
Hon. Anthony Daniele

**Excused Absence:**  
John J. Perrone, Jr.

**Others Present:**

Michael Giardino	Administrative Director
Bob Franklin	Treasurer
Maryanne Fedison	Assistant Treasurer
Donald L. Crumb, Jr., Esq.	Assistant Secretary
James Marasco	StoneBridge Business Partners
Andy Moore	

Meeting was called to order by Member Stuart at 11:25 a.m.

**Approval of the Minutes from July 16, 2014**

A motion was made to approve by Member Daniele and seconded by Member Stuart. The motion passed unanimously 2-0.

**Internal Audit Report**

Mr. James Marasco presented the audit report completed on SSP America concessions at the Airport. The audit focused on the accuracy of gross sales, concession fees paid to the airport, financial statements and income tax returns. No significant findings, insurance coverage was reconciled and price list was provided to airport to keep on file per the contract. Upcoming internal audits include cash audit for Mapco Auto Parks, Red Osier and Gusto's.

**2015 Monroe County Airport Authority Budget & 2015 Renewal/Replacement Fund Budget**

Assistant Treasurer Maryanne Fedison presented the proposed 2015 MCAA budget and completed a line by line analysis of changes as listed: O&M increase due to projected energy costs, debt principal/GO debt decreasing, revenue & refunding bond debt/amortization of bond premium decreasing – pay off 1/1/19, transfer to renewal & replacement fund increasing \$3.2 million, professional services and other expenses decreasing. R&R funds are used each year to fund capital projects not fully funded by federal, state or PFC funds. A surplus results when the airport gets more discretionary funding than anticipated, projects come in under budget or a project is delayed. For 2015, \$2.2 million will be raised by the rates/charges. The \$3.2 million additional transfer to the renewal & replacement for 2015 is available from surplus. There are two large capital projects planned for 2015; the Parking and Revenue Control System (PARCS) and terminal HVAC upgrade.

Member Stuart noted that due to the bond payment being paid off 1/1/19 – he would like to convene the Finance Committee in November to review/discuss options moving forward. A motion was made to approve by Member Daniele and seconded by Member Stuart. The motion passed unanimously 2-0.

**Financials and Budget to Actual at August 31, 2014**

Assistant Treasurer Maryanne Fedison presented the Financials and Budget to Actual at August 31, 2014. The trial balance shows cash at \$25 million, accounts receivable at \$1 million with no collection issues. Liabilities of \$1.2 million owed to the County for general operations & maintenance expense has been transferred. Overall

revenues decreased \$278,000 in comparison to 2013, attributable in part to the reduction in fuel farm debt reimbursements as the debt was paid off in 2013. Also, Terminal rental rates are down \$200,000 due to lower terminal rental rates in comparison to 2013. The Airlines are paying less for space due to lower terminal rental rates as a result of the airport generating more non-airline revenue and holding expenses steady. Expenses have few changes; debt/interest is down \$290,000. Summary shows financials right in line with 2013 with a slight increase in Total Net Revenues of 1.3%.

Assistant Treasurer Fedison reported that the mid-year rates and charges analysis was completed which involved readjusting enplanement forecasts, space allocation, operations & maintenance etc. These were entered into the rates/charges model and the variance was less than 5%. The Airline Use & Lease agreement requires a mid-year analysis and any deviance less than 5% requires no change in the established rates/charges. This information was reported to the Airlines and they were satisfied with the results.

Assistant Treasurer Fedison presented the budget to actual report at 59% of budget after the elimination of debt service and the local share of capital projects, with no large variances. A motion was made to approve by Member Daniele and seconded by Member Stuart. The motion passed unanimously 2-0.

#### **Ethics Hotline Report**

Assistant Secretary Crumb reported that no new calls came into the Ethics Hotline for the reporting period.

#### **Other Business**

No other business presented.

Meeting was adjourned @ 11:55 a.m.

The next Audit Committee Meeting is November 19, 2014.

Respectfully Submitted,

  
Donald L. Crumb, Jr., Esq.  
Assistant Secretary  
Dated: *October 3, 2014*