

Department of Public Works – Division of Aviation

Special Report

Ten-Year Summary with Additional Focus on FY 2011

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Background

The Dutchess County Airport is located in the Town of Wappingers. It is comprised of approximately 640 acres, 39.62 lane miles of pavement, 53.2 miles of pavement marking, 573 acres of mowed property, 3.78 miles of fence line, 797 field lights, and 106 field signs.

It was deeded to the county in 1947 by the War Assets Administration under provisions of the Surplus Property Act of 1944. As the Grantee of this deed, Dutchess County agreed to certain reservations and restrictions which included:

- ❖ Use for public airport purposes
- ❖ All improvements, facilities, and equipment of the airport are to be maintained at all times in good and serviceable condition.
- ❖ Prevent any use of land which would be a hazard to aircraft or otherwise limit the usefulness as an airport.
- ❖ Grantor has the right to use airport in common with others and in the event of an emergency.

The Deed is attached as **Addendum II**.

Organization

The Department of Public Works Commissioner is the overseer of the Aviation Division which employs 13 staff for administration, operations and line services at the Airport. Staff responsibilities include airport administration and oversight, general fixed based operation (FBO) services, ground maintenance, electrical system and navigational aid maintenance, snow removal, deicing and anti-icing, fueling operations, airport rescue and fire fighting. The definition of an FBO is an entity engaged in the sale of products, services and facilities to aircraft operators that include aircraft fueling, based and/or transient aircraft parking, tie-downs, and hangaring. Various official documents, which have been developed under the auspices of the FAA regarding the operations of the Airport, including the *"Airport Minimum Standards "*, *"Airport Rules and Regulations"*, *"Airport Master Plan Update"* and the *"Dutchess County Airport Business Plan -2011- Executive Summary and Technical Report"* may be viewed at the county website: <http://www.co.dutchess.ny.us/CountyGov/Departments/Airport/ARIndex.htm>.

Audit Scope, Objective and Methodology

A review of the 2011 and 2012 records were conducted for various accounting activities as requested by the Deputy Commissioner of Strategic Planning and Economic Development on behalf of the County Executive. These areas include: Revenues, Expenses, Payroll, Petty Cash, Leases, Capital Asset Inventory, and various assessments and recommendations regarding the airport's operations. In addition, our review contains a summary of current capital projects and a ten-year historical perspective of the Aviation Division's operational costs and an analysis of the ten-year annual contribution (interfund transfer) from the county. The Division of Aviation is an enterprise fund in the county financial records. An enterprise fund establishes a separate accounting and financial reporting to determine the cost of providing a service and to identify the subsidy from the general fund in providing the service.

Information was derived from Policies and Procedures, Resolutions, Contract Agreements, County Financial Records, County Financial Reports and various county departments' fiscal records.

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Additional Background Regarding the Airport

There is no major air carrier service at the Dutchess County Airport. The majority of operations are local and itinerant general aviation. There are two FBOs, Dutchess Aviation (Dutchess County) and Richmor Aviation. Both operators provide fuel, aircraft parking and support services for pilots and aircraft. The airport sells fuel to Richmor, since Richmor does not maintain a fuel farm. The airport owns an enclosed fuel farm which houses Jet Fuel and a separate tank on the airfield which houses AVGAS. Dutchess Aviation has four **line service** employees who perform fueling duties and tie down services.

Six employees are responsible for the **maintenance** of all taxiways and runways, including lighting and painting, snow and ice removal, and mowing in accordance with FAA (Federal Aviation Administration) regulations. Daily airfield inspections are conducted by airport employees which includes lighting checks, pavement checks, wild life hazards, foreign object debris and to provide visitor escorts on the Air Operation's Area.

Maintenance and line service employees and the airport director have Airport Rescue and Fire Fighting (ARFF) responsibilities which include coverage from 07:00 until 21:30 and on-call during off hours. The ARFF vehicle is owned, maintained and stationed at the airport.

A survey conducted by an independent consultant was completed in August 2010 to provide an 'airport liability risk control' report. The findings stated "the airport has many procedures in effect to address airport liability exposures including 'contractual indemnifications, airfield inspection/maintenance activities, current FAA compliance and close, management oversight of tenant activities."

The FAA air traffic control tower is located east of the Terminal building and is staffed by 13 FAA employees per the 2010 report.

Various assessments and recommendations regarding airport operations

- The FAA-NYS DOT had sponsored a study of NY's 90 public-use airports (Source: *NYS Economic Impacts of Aviation 2010 Executive Summary released in May 2011*) to quantify the level of economic activity attributed to the aviation sector for the year 2009. The study found Aviation has a positive impact on the local economy directly for providers and users of services at the airport. General aviation helps businesses meet their transportation needs.

The STATE study offered the following strategies, which were recommended to be planned and applied locally:

- Airport Branding, Marketing and Promotion
- Air Service Improvements
- Partnerships with Other Public and Private Agencies and Institutions
- Retention Strategies for Existing Tenants and Transient Clients
- Development of Non-Aeronautical Real Estate
- Attraction of Aviation Business and Manufacturers

The STATE study found the highest rates of economic activity and employment were centered on five primary aviation businesses: Aviation Manufacturing, Maintenance/Repair/Overhaul Facilities, Corporate Jet Aircraft, Airline Passenger Enplanements and Air Cargo.

Observations:

- Airport Branding, Marketing and Promotion

Dutchess Aviation is the new branding which the division has implemented in the last 12 months.

Very little marketing has occurred based on expenditure review.

Airport 2012

Promotion has been initiated through an airport open house, through hosting the Cessna Pilot's Society and local tour groups. Promotion outside the County has been on hold pending the airport operational review study and limited to web based advertising.

➤ Retention Strategies for Existing Tenants and Transient Clients

The Aviation Director reported that retention strategies center on providing a safe operating environment, superior customer service, and a well maintained facility.

The airport has many long-term tenants.

➤ Development of Non-Aeronautical Real Estate

There are currently five parcels listed on the county website which are available for development. See **Addendum III** for brief descriptions. *Currently, the Airport is not supplied by a central municipal water supply or waste treatment plant facilities. There have been meetings regarding expanding this infrastructure.*

➤ Attraction of Aviation Business and Manufacturers

There is an on-going process with Dutchess County Economic Development Corporation, Local Chambers of Commerce and Dutchess County Planning and Economic Development to attract business.

➤ Of the five primary aviation businesses, the county airport accommodates, but does not perform: Maintenance/Repair/Overhaul Facilities, Corporate Jet Aircraft, Air charter services and Air Cargo.

Recommendations:

- Hangar Development as noted in the Master Plan.
- Expanded Partnership with Dutchess Community College to provide additional Aviation program support.
- Explore Agricultural Interests for feasibility
- Partnerships for 'Green Energy' – i.e. Solar Farms
- Evaluate existing lease agreements and perform physical reviews (as agreements are expiring and facilities are reverting back to the airport) to ensure land and/or facility is ready to be competitive again.
- In order to comply with all Federal and State guidelines, we recommend a feasibility study be conducted by Aeronautical consultants regarding specific operations.

In regards to property management and development planning for aeronautical and non-aeronautical revenue generation, it is imperative that FAA Grant Assurance Obligations are included in the set up and administration of leases. FAA has specified that Grant Assurance Obligations include: Rights and Powers, Operations and Maintenance, Economic Nondiscrimination, Exclusive Rights, Fee and Rental Structure, and Airport Layout Plan.

Ten Year Revenue and Expense Summary and Interfund Transfer Account Summary

Attached as **Exhibit I**, the revenue and expense summary, presents the net profit or loss for each year 2001 to 2011. This information is provided from the respective budget performance reports. The net profit from the budgeted accounts is reported with the appropriated county contribution, known as the interfund transfer. For further review we prepared **Exhibit II**. **Exhibit II**, the Ten Year Interfund Transfer Summary, presents the budgeted interfund transfer which was transferred each year in its entirety, the subsequent profit or loss and the actual county contribution required based on this activity for each year.

Observations

All amounts budgeted for interfund transfers were expensed as budgeted whether required or not.

Major activity reported as revenues in the Budget Performance Report over the ten year period included Tobacco Securitization funding distribution in 2003 totaling \$1,068,598.97 which was reported in Sales, Other Minor Sales. *As requested and provided by DC*

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Finance in regards to this funding: "The 'following' statement clarifies the fact that the airport did not receive \$1 million in cash and defines how the Dutchess TASC fit the process: During 2003, Dutchess County sold its right to receive payments under a Master Settlement Agreement with the tobacco industry to the Tobacco Asset Securitization Corporation (TASC). In December 2003, the Dutchess TASC issued \$47.85 million in bonds through a pool known as NYCTT III which were placed in trust to defease Dutchess County debt. The amount attributable to the Airport debt service was \$1,068,598.97 which was reported as revenue in 'Sales, Other Minor Sales' and a reduction to the liability account 'Bonds Payable'.

Another entry reported in the revenues in the Budget Performance Report was \$281,071.98 which was appropriated in 2005 in the Interfund Transfer account to record the ADL Aviation Building as a fixed asset, which was a foreclosure due to non-payment of taxes. The detail of each revenue and expense line item for the ten year period is shown at **Exhibit III** to reference the trends of expenditures and revenue receipts. At the end of the Exhibit is a **REPORTING OF REVENUE LESS COUNTY CONTRIBUTION TO REPORT ACTUAL NET LOSS**. This perspective reveals the actual operating loss for each of the ten years.

IT IS NOTED that additional expenses ARE NOT budgeted but are shown in the County's Annual Financial Report for the Airport. They include OPEB (Other Post Expense Benefits) and Depreciation. These recorded figures are **deferred** payments, not current liabilities, and do **NOT** affect the cash flow during the period reviewed. Pertinent pages from the Annual Financial Report for the Enterprise Airport are attached as **Addendum I**: The Balance Sheet, The Results of Operations, Statements of Cash Flows for the fiscal year ended 2011.

In addition, the following Charts provided by the Department of Finance for the period ending December 31, 2011 are included: Trial Balance for the Enterprise Airport Operating Fund, Capital Funds Consolidated and Fund Equity per the Annual Financial Report.

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**TRIAL BALANCE DECEMBER 31, 2011
ENTERPRISE AIRPORT OPERATING FUND**

		Debit	Credit
EA	101	LAND	3,136,399.09
EA	102	BUILDINGS	3,391,329.12
EA	104	MACHINERY & EQUIPMENT	3,865,284.15
EA	105	CONSTRUCTION IN PROGRESS	89,767.93
EA	106	INFRASTRUCTURE	27,126,902.81
EA	112	ACCUM DEPR, BUILDING	2,645,427.14
EA	114	ACCUM DEPR, MACHINE & EQUIPMENT	1,883,324.52
EA	116	ACCUM DEPR, INFRASTRUCTURE	14,123,290.18
EA	200	CASH - CHECKING	411,663.41
EA	202	CASH - SAVING	43,836.80
EA	210	PETTY CASH	600.00
EA	380	A/R AIRPORT	15,870.74
EA	391	DUE FROM OTHER FUNDS	33.76
EA	447	INVENTORY	84,146.27
EA	480	PREPAID EXPENSES	24,567.00
EA	521	ENCUMBRANCES	300.00
EA	600	ACCOUNTS PAYABLE	111,439.59
EA	601	ACCRUED LIABILITIES	6,247.82
EA	615	CUSTOMER'S DEPOSIT	3,416.66
EA	628	BOND PAYABLE	4,208,652.43
EA	687	COMPENSATED ABSENCES	42,159.57
EA	683	OTHER L/T LIABILITY - OPEB	1,051,000.00
EA	691	DEFERRED REVENUE	4,434.20
EA	821	RESERV. FOR ENCUMBRANCES	300.00
EA	909	FUND BALANCE	637,979.86
EA	920	NET ASSETS-CAP ASSTS NET OF DEBT	14,748,988.83
TOTAL		\$38,828,680.94	\$38,828,680.94

**TRIAL BALANCE DECEMBER 31, 2011
ENTERPRISE AIRPORT CAPITAL FUNDS CONSOLIDATED**

		Debit	Credit
EA	200	CASH	\$4,987.51
EA	202	CASH SAVING	2,927.44
EA	410	ST. & FED, OTHER	521,704.65
EA	510	ESTIMATED REVENUES	10,599,747.00
EA	600	ACCOUNTS PAYABLE	361,291.44
EA	605	RETAINAGE	72,942.72
EA	630	DUE TO OTHER FUNDS	84,017.33
EA	821	RESERVE FOR ENCUMBRANCE	171,916.13
EA	909	FUND BALANCE - UNRESERVED	160,548.02
EA	960	APPROPRIATION	10,599,747.00
EA	980	REVENUES	0.00
TOTAL		\$11,289,914.62	\$11,289,914.62

FUND EQUITY PER AFR

EA	920	NET ASSETS-CAP ASSTS NET OF DEBT	14,748,989
EA	922	NET ASSETS UNRESTRICTED FOR DEBT Bonds Payable \$4,208,652 less 2012 Bond Principal Budget \$505,730	3,702,922
EA	923	NET ASSETS RESTRICTED FOR OTHER PURPOSES Prepaid Expenses \$24,567 plus \$2,500 in reserve since Airport was created	27,067
EA	924	NET ASSETS UNRESTRICTED EA Operating 909 (\$637,979.86) plus EA Capital 909 (\$160,548.02) plus EA Capital 821 \$171,916.13 less EA922 less EA923	(4,356,601)
TOTAL FUND EQUITY			\$ 14,122,377

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As shown below in the Cost of Goods Sold chart, ledger account EA5610.909 – Fund Balance Unreserved totaled a negative \$637,979.86 at the end of 2011. Chart provided by the DC Department of Finance.

ENTERPRISE AIRPORT OPERATING FUND - 2011

Per Logos: EA.909 12/31/2010

(\$413,728.17)

Revenues per Budget Performance Report			2,594,978.55
Expenses per Budget Performance Report		\$2,840,732.02	
Exclude .5xxx Inventory Expenses		(803,628.19)	
Add change in Compensated Absences liability		4,031.31	
Subtract Prepaid Retirement Expense 2012		(24,567.00)	
Add Prepaid Retirement Expense 2011		18,285.00	
Add Cost of Goods Sold:		784,377.10	
Beginning Inventory	\$64,895.18		
Purchases	803,628.19		
Available for Sale	<u>868,523.37</u>		
Ending Inventory	<u>84,146.27</u>		
Cost of Goods Sold	\$784,377.10		
			<u>2,819,230.24</u>
EA.909 12/31/2011			<u>(\$637,979.86)</u>

Attached as **Exhibit IV** are the open and closed capital projects dating back to 1997. This schedule includes projects which are listed as OPEN and CLOSED by Finance. OPEN capital projects are currently active with revenue or expense activity. CLOSED capital projects do not have revenue or expense activity but may have bond activity associated with the account.

Observations:

The Airport Balefill Project is **not an aeronautical project**; however, property adjacent to the airport runways is considered part of the Airport. The resolution for the Balefill project authorized borrowing up to \$3,030,000. However, DC Finance Commissioner indicated that the county borrowed and expended \$1,982,630. Further, \$45,000 was transferred from the Interfund bringing total revenues to \$2,072,630 and total expenditures to \$2,072,811.44. The Commissioner has stated that no further borrowing is anticipated for this project.

As shown by the Exhibit, the majority of projects are funded federally 95%, state 2.5% and county 2.5%.

Accounting Activities

Revenues

A summary of 2011 and 2012 (January - June) is shown below:

REVENUE	2011 BUDGET	2011 TOTAL	Difference	2012 BUDGET	2012 BUDGET Pro-rated 6 months	2012 Y-T-D Actual 6 months	2012 Y-T-D Pro-rated Difference
Airport Fees	\$772,756.00	\$728,723.25	\$44,032.75	\$787,976.00	\$393,988.00	\$354,053.12	\$39,934.88
Airport Sales	1,099,289.00	902,323.72	196,965.28	1,287,835.00	643,917.50	461,318.22	182,599.28
Interest	10,600.00	4,003.70	6,596.30	5,400.00	2,700.00	904.74	1,795.26
Rental of Real Property	193,632.00	143,759.98	49,872.02	130,000.00	65,000.00	63,013.46	1,986.54
Sales, Other	1,500.00	1,484.45	15.55	1,500.00	750.00	365.07	384.93
Self Insurance Recoveries	0.00	7,006.68	(7,006.68)	0.00	0.00	3,100.00	(3,100.00)
Refund of Prior Year expense	0.00	4,102.76	(4,102.76)	1,200.00	600.00	1,055.98	(455.98)
Unclassified Revenue	1,000.00	140.00	860.00	800.00	400.00	307.00	93.00
State	0.00	1,692.72	(1,692.72)	0.00	0.00	0.00	0.00
Federal	0.00	8,338.29	(8,338.29)	0.00	0.00	0.00	0.00
Interfund Transfer	793,403.00	793,403.00	0.00	730,786.00	365,393.00	0.00	365,393.00
Totals	\$2,872,180.00	\$2,594,978.55	\$277,201.45	\$2,945,497.00	\$1,472,748.50	\$884,117.59	\$588,630.91

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Observations:

- Airport Fees and Airport Sales represent the majority of revenue and are presented in detail following this chart.
 - The overall observation regarding fees is that rates are negotiated and dependent on rental availability which is dependent on the economy and marketing.
 - Airport Sales are currently under budget due to the fact that the county did not assume all fueling as was budgeted and presented in the Airport Business Plan. Based on the above trend the Airport will be under its revenue estimate by approximately \$365,000 for the entire year (2012).
 - Airport Sales are net of taxes paid.
- Interest as shown above is comprised of operating, capital reserve and late fees assessments.
- Rental of Real Property represents the terminal building rentals.
- Sales, other is the sale of scrap metal and vending machine revenue.
 - Vending machine revenue is transmitted to Finance by Central Services.
- Self Insurance Recoveries received for 2011 included a worker's compensation reimbursement and an aircraft crash expense recovery.
- Refund of Prior Year Expenses for 2011 represents a reimbursement for advertising with Epic Aviation LLC (per a contract).
- Unclassified Revenue represents security gate card replacements and returned check fees.
- State Revenue was a New York State DOT reimbursement for the new rescue truck bids and specifications and a FEMA "state portion" reimbursement for a December 26-27, 2010 snowstorm.
- Federal Revenue represents the FEMA "federal portion" reimbursement for a December 26-27, 2010 snowstorm.
- Interfund Transfer is the budgeted county contribution.
 - Finance does not post the interfund transfer until year end.

Airport Fees and Airport Sales comprise the majority of funding and are detailed below including each line item, purpose and a comparison of budgeted funds versus actual receipts for **2011**.

REVENUE			2011 BUDGET	2011 TOTAL	Difference
17700.00	Airport Fees Nightly Tie Downs	Overnight fees to transient aircraft	\$2,000.00	\$1,380.00	(\$620.00)
17700.01	Airport Fees T-Hangars	Revenue from aircraft storage units	448,983.00	404577.83*	(\$44,405.17)
17700.02	Airport Fees Tie Downs	Fees charged to based aircraft on grass/paved aircraft tie down locations	41,916.00	35,256.46	(\$6,659.54)
17700.03	Airport Fees Leases	Lease revenue for various leases	225,257.00	227,082.48	\$1,825.48
17700.05	Airport Fees Landing Fees	Landing fees charged to transient aircraft	11,000.00	17,200.00	\$6,200.00
17700.06	Airport Fees Misc Airport Fees	Fees associated with aircraft deicing, lavatory services, ground power unit.	3,500.00	5,098.28	\$1,598.28
17700.07	Airport Fees Snow Removal	Fees to AAG for contractual snow removal services	7,000.00	6,221.71	(\$778.29)
17700.08	Airport Fees Fuel Flow Charges	Fees to AAG for fuel pumped by AAG employees (first 110,000 gals/\$.15 and then \$.12 per gallon over 110,000)	25,000.00	23,906.49	(\$1,093.51)
17700.09	Airport Fees Mowing	Fees to Joint Landfill Board for mowing services of the former landfill site.	8,000.00	8,000.00	\$0.00
17700.10	Airport Fees Credit Card Surcharge	Fees charged for credit card use for aircraft storage payments	100.00	0.00	(\$100.00)
		Airport Fees	\$772,756.00	\$728,723.25	(\$44,032.75)
17760.01	Airport Sale AV Gas 100	Fuel Sales - 100LL AVGAS	\$409,157.00	\$337,190.49	(\$71,966.51)
17760.03	Airport Sale Jet Fuel	Fuel Sales - AVJET	688,032.00	563,140.84	(\$124,891.16)
17760.04	Airport Sale Aviation Oil for Resale	Aviation engine oils	1,000.00	1,193.15	\$193.15
17760.05	Airport Sale Misc Aviation Supplies	Misc sales - aircraft cleaning supplies, hats, polo shirts	100	214.59	\$114.59
17760.06	Airport Sale Catering Services	Catering for private aircraft including 25% mark-up	1,000.00	584.65	(\$415.35)
		Airport Sales	\$1,099,289.00	\$902,323.72	(\$196,965.28)
		DEPARTMENTAL REVENUES	\$1,872,045.00	\$1,631,046.97	(\$240,998.03)

Airport 2012

In reviewing the differences reported above with Airport staff, the following information was provided:

REVENUE	Difference	Airport Response
17700.00	(\$620.00)	Due to the economy and fuel prices there was less transient overnight activity.
17700.01	(\$44,405.17)	Due to the economy several people sold planes therefore, we lost tenants. The Taxiway D Rehab project caused an entire row of hangar tenants to be relocated to available hangars or tie-downs (a lower lease rate) from July-September.
17700.02	(\$6,659.54)	Due to the economy several people sold planes therefore, we lost tenants.
17700.03	\$1,825.48	While funding was in excess of budget, funds reported were less than anticipated as leases were increased at a lower rate and a receipt of 2% Richmor flight school revenue (\$2,666.18) was not originally budgeted.
17700.05	\$6,200.00	More planes landed in 2011 than anticipated
17700.06	\$1,598.28	There were more requests for Before/After Hours, Pre-heats and De-icing than anticipated
17700.07	(\$778.29)	Mild December 2011 weather did not require snow removal
17700.08	(\$1,093.51)	AAG took fewer fuel deliveries than anticipated resulting in lower fuel flowage fees.
17700.09		
17700.10	(\$100.00)	No leases were paid via credit card in 2011
	(\$44,032.75)	Airport Fees
17760.01	(\$71,966.51)	Due to the economy, timing, fuel price fluctuation and the October Snowstorm, 12,751.1 less gallons of AVGas than anticipated were sold.
17760.03	(\$124,891.16)	Due to the economy, timing, fuel price fluctuation and the October Snowstorm that resulted in the cancellation of the annual Exxon Mobil hunting trip, 17,230.0 gallons of Jet-A less than anticipated were sold.
17760.04	\$193.15	Sold more aviation oil than anticipated
17760.05	\$114.59	Addition of T-shirts and hats for retail sale in 2010 increased the Misc Aviation sales in 2011
17760.06	(\$415.35)	Due to the economy, timing, and fuel prices the catering requests decreased, the cancellation of the annual Exxon Mobil hunting trip also had an impact.
	(\$196,965.28)	Airport Sales
	(\$240,998.03)	DEPARTMENTAL REVENUES

Airport Fees and Airport Sales detailed below include each line item, purpose and a comparison of budgeted funds versus actual receipts for 2012. A review of the first six months, a pro-rated budget and actual revenues is shown for comparison.

REVENUE			2012 BUDGET	2012 BUDGET Pro-Rated 6 months	2012 Y-T-D Actual 6 months	2012 Y-T-D Pro-Rated Difference
17700.00	Airport Fees Nightly Tie Downs	Overnight fees to transient aircraft	\$1,400.00	\$700.00	\$168.00	(\$532.00)
17700.01	Airport Fees T-Hangars	Revenue from aircraft storage units	432,756.00	216,378.00	196,315.60	(20,062.40)
17700.02	Airport Fees Tie Downs	Fees charged to based aircraft on grass/paved aircraft tie down locations	41,820.00	20,910.00	18,063.24	(2,846.76)
17700.03	Airport Fees Leases	Lease revenue for various leases	252,000.00	126,000.00	115,983.23	(10,016.77)
17700.05	Airport Fees Landing Fees	Landing fees charged to transient aircraft	13,000.00	6,500.00	7,510.00	1,010.00
17700.06	Airport Fees Misc Airport Fees	Fees associated with aircraft deicing, lavatory services, ground power unit.	6,000.00	3,000.00	1,722.22	(1,277.78)
17700.07	Airport Fees Snow Removal	Fees to AAG for contractual snow removal services	8,000.00	4,000.00	1,331.33	(2,668.67)
17700.08	Airport Fees Fuel Flow Charges	Fees to AAG for fuel pumped by AAG employees (first 110,000 gals/\$.15 and then \$.12 per gallon over 110,000)	25,000.00	12,500.00	8,959.50	(3,540.50)
17700.09	Airport Fees Mowing	Fees to Joint Landfill Board for mowing services of the former landfill site.	8,000.00	4,000.00	4,000.00	0.00
17700.1	Airport Fees Credit Card Surcharge	Fees charged for credit card use for aircraft storage payments	0	0	0	0.00
		Airport Fees	\$787,976.00	\$393,988.00	\$354,053.12	(\$39,934.88)
17760.01	Airport Sale AV Gas 100	Fuel Sales - 100LL AVGAS	\$434,939.00	\$217,469.50	\$176,024.96	(\$41,444.54)
17760.03	Airport Sale Jet Fuel	Fuel Sales - AVJET	847,696.00	423,848.00	284,141.82	(139,706.18)
17760.04	Airport Sale Aviation Oil for Resale	Aviation engine oils	1,200.00	600	1,137.20	537.20
17760.05	Airport Sale Misc Aviation Supplies	Misc sales - aircraft cleaning supplies, hats, polo shirts	250	125	13.87	(111.13)
17760.06	Airport Sale Catering Services	Catering for private aircraft including 25% markup	3,750.00	1,875.00	0.37	(1,874.63)
		Airport Sales	\$1,287,835.00	\$643,917.50	\$461,318.22	(\$182,599.28)

Airport 2012

DEPARTMENTAL REVENUES

\$2,075,811.00 \$1,037,905.50 \$815,371.34 (\$222,534.16)

Discussion

In reviewing the differences reported for the first two quarters of 2012 with Airport staff, the following information was provided:

REVENUE	2012 Y-T-D Pro-Rated Difference	Airport Response
17700.00	(\$532.00)	Due to the economy and fuel prices there was less transient overnight activity than anticipated thru 6/30/12.
17700.01	(20,062.40)	Over a period of January-June 2012. A monthly average of 6 - 8 hangars were vacant/not leased due to the economy
17700.02	(2,846.76)	\$2,640 represents the anticipated acquisition of 8 additional tie-downs at Richmor in 2012 which did not happen. The remaining amount represents vacant/not leased tie-downs due to the economy.
17700.03	(10,016.77)	\$8,424 represents the anticipated lease payments for the building occupied by Richmor that was budgeted at \$2,500/month however the rent has remained at \$1,096.48. Other leases were increased at less than the projected percentage.
17700.05	1,010.00	More planes landed at the Airport than anticipated thru 6/30/12
17700.06	(1,277.78)	The budget was built with the expectation that having all Jet Fuel sales would result in more Misc Airport service requests, the competition of Richmor selling Jet Fuel has decreased such requests/this revenue.
17700.07	(2,668.67)	2012 was a very mild winter; plowing services/needs were less than anticipated.
17700.08	(3,540.50)	AAG has had fewer Fuel Deliveries than anticipated thru 6/30/12
17700.09	0.00	
17700.10	0.00	
	(\$39,934.88)	Airport Fees
17760.01	(\$41,444.54)	Revenue was projected 100% retail, it was not expected Richmor would still be selling fuel in 2012
17760.03	(139,706.18)	Revenue was projected 100% retail, it was not expected Richmor would still be selling fuel in 2012
17760.04	537.20	Sold more aviation oil than anticipated thru 6/30/12
17760.05	(111.13)	Due to the economy sales of Misc Aviation supplies are less than anticipated
17760.06	(1,874.63)	It was anticipated that having all Jet Fuel sales would generate more corporate catering requests, the competition of Richmor selling Jet Fuel has decreased this revenue.
	(\$182,599.28)	Airport Sales
	(\$222,534.16)	DEPARTMENTAL REVENUES

A review of the space leases and ground leases including insurance, monthly rates and square footage was conducted. Commercial airport customers, the space occupied and business purpose are included in the summary of county owned buildings and ground leases:

Tenant	Business Description	Monthly Rent*	Total Sq. Ft.	
County Owned Buildings - Space Leases				
Federal Aviation Administration	Remote transmitter receiver/administration space	\$2,000.00	1,300	
Millbrook Aviation	Flight school and charter flights	\$836.25	492	Sq ft discrepancy in contract
Pro Active	Motivational speaker	\$582.75	360	
Sullivan Aviation	New & used aircraft sales / real estate broker	\$457.91	272	
Wappinger's Falls Math & Reading, LLC	Kumon Math & Reading Center	\$2,261.11	1,410	
United Asset Management, Leasing, & Remarketing, LLS (United Aviation Academy)	Flight training, aircraft rentals, & pilot supplies	\$438.33	526	New Tenant as of May 2012
Angel's Power Equipment	Outdoor power tool repair/maintenance shop	\$731.15	1,600	
AAG Bldg # 1 (Old IBM Hangar)	Sale/service of helicopters	\$9,256.10	33,400	Office Space, hangar, parking apron, & metal shed. 4.15 acres plus fuel flowage fees
Pilot's Lounge			835	
American Cellular Corporation	Tower space & land(wireless transmitting tower)	\$2,530.64	Not listed	
Ground Leases				
AAG Bldg # 2	Sale/service of helicopters	\$3,761.86	20,000	2.52 acres plus fuel flowage fees
Precision Avionics & Aero Mechanical	Sales, services & general maintenance of aircraft & avionics	\$1,063.57	4,717	1.38 acres of land.
Richmor**	Aircraft school, aircraft charter, fuel sales, & tie-down/hangar rental space	\$1,096.48	13,982	6 acres plus fuel flowage fees
	Training sessions & meeting. Storage of aircraft in connection with search and rescue missions and other related emergencies.			Per contract .86 acres of land. Five year lease for
Civil Air Patrol (CAP)			2,250	\$1.00
FAA Tower	FAA Tower		1,200	

*As of March 27, 2012 review date

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**Contract Expired – Tenant is month-to-month

Findings:

- Rates were inconsistent.
- Contract agreements and insurance had lapsed in several instances.
- While fuel flowage fees for the AAG contract include escalations; the Richmor month-to-month agreement includes only a 4 cent per gallon profit which does not cover the cost of receipt, storage and distribution resulting in the county subsidizing their fueling operation.
- Contract agreements did not consistently contain guidelines for oversight and monitoring of property (such as periodic inspections).

Recommendations:

- Review all rates for possible increases to ensure equitable payments are made to the county enterprise and to lessen the funding required to operate the airport.
- Review all contract agreements periodically for insurances and term lapses.
- Fuel pricing should be reviewed periodically to ensure equitable payments are made to the county enterprise and to ensure that county dollars are not subsidizing a private business.
- Oversight and monitoring guidelines should be incorporated in all contractual agreements to ensure corrective actions are taken where necessary and to protect the county's interests.

The following information was derived as of March 27, 2012 for the number of private planes housed at airport.

	Location	Monthly Rate	Spaces	Occupied	Vacant	Not Available
Large (Box) Hangars						
Juliet - Whitefield	Juliet - Whitefield	\$1,050	1	1		
Juliet – Riess	Juliet – Riess	\$763	1	1		
Large Hangars			2	2	0	0
T-Hangars						
Juliet Ranch Hangars	Juliet Ranch Hangars	\$665	10	10		
Juliet T-Hangars	Juliet T-Hangars	\$420	60	56	4	
Gulf Plastic T-Hangars	Gulf Plastic T-Hangars	\$400	11	5	4	
Gulf Plastic T-Hangars	Gulf Plastic T-Hangars - DC Storage	\$0		2		
T-Hangars			81	73	8	0
Tie-Downs						
Juliet Paved Tie-Down	Juliet Paved Tie-Down	\$85	26	19	4	3
New Alpha Tie-Down	New Alpha Tie-Down	\$85	13	10	3	
Alpha Paved Tie-Down	Alpha Paved Tie-Down	\$85	22	9	13	
Gulf Grass Tie-Down	Gulf Grass Tie-Down	\$55	16		16	
Tie-Downs			77	38	36	3
Storage (Hangar area)						
	Juliet T-Hangars Storage	\$41	6	5	1	
	Juliet T-Hangars Dutchess County Storage	\$0	2	2		
	Gulf Plastic T-Hangars – Storage	\$41	1	1		
	Gulf Plastic T-Hangars – D C Storage	\$0	1	1		
Storage (Hangar area)			10	9	1	0
Terminal Ramp	Transit Parking	Various	8	various		

The Dutchess County Airport Fee Schedule is shown as **Addendum IV** for 2012 for monthly rentals, general aviation services, transient hangar and miscellaneous services.

Findings:

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- As of March 27, 2012, a total of 73 of the 81 T-Hangars were rented (90%). However, currently all hangars are rented and requests for T-Hangar space have resulted in a waiting list for future vacancies.
- As of March 27, 2012, a total of 38 of the 61 paved tie-downs (62%) and none of the 16 available grass tie-downs were rented. According to staff, pilots prefer hangar and paved spaces instead of grass tie-downs. Grass tie-downs are unfavorable because the aircraft is exposed to elements, tenant is responsible for maintenance of area (mowing and snow removal), and issues may exist with the land which may result in aircraft damaged.
- The 2012 fee schedule indicates the 2012 rate for the Whitefield Hangar is \$1,225 per month; however, the fee collected currently is \$1,050 for this hangar. Based on discussions and informal correspondence, the rate was arbitrarily adjusted to \$1,050.
- Insurance for some tie downs had lapsed and was being reviewed by the DC Risk Manager with Aviation and Public Works staff.

Recommendations:

- Review all rates for possible increases to ensure equitable payments are made to the county enterprise and to lessen the funding required to operate the airport.
- Review all contract agreements periodically for insurances and term lapses.
- All insurance should be reviewed for lapses and kept up to date.

Expenses

Expenditures for 2011 and the first two quarters of 2012 are provided in the following pages from the Dutchess County Financial System's budget performance reports for the Aviation Division. Following the 2011 summary is a breakdown of personal costs and explanations of major expenditures. After the explanations, the first two quarters of 2012 expenditures are reported.

A summary review of expenditures for **2011** follows:

Description	2011 Budget	2011 Total	Difference
EXPENSE			
Personal Services	\$668,833.68	\$660,147.40	\$8,686.28
Fringe Benefit	156,061.20	156,060.32	0.88
Medical Insurance	187,658.00	181,995.30	5,662.70
Unemployment Insurance	3,000.00	0.00	3,000.00
Life Insurance & Accidental Death & Dismemberment	549.00	484.40	64.60
Parts, Supplies & Tools - Auto, Equipment & Building	23,395.00	22,573.84	821.16
Maintenance of Runways, Fields & Service	39,333.00	38,315.72	1,017.28
Safety Supplies Totals	917.00	650.00	267.00
Office Supplies	1,960.00	1,945.01	14.99
Uniforms, Badges & Accessories	2,794.00	2,794.00	0.00
Utilities	98,747.00	95,606.63	3,140.37
Telephone	5,871.00	5,849.19	21.81
Insurance	33,800.00	30,614.61	3,185.39
Professional Services	3,200.00	3,200.00	0.00
Assessments and Fees	2,650.00	1,740.00	910.00
Judgments and Claims	50,895.00	50,895.00	0.00
Rental/Lease – Equipment	3,450.00	2,215.87	1,234.13
Janitorial Services	10,884.00	10,776.26	107.74
Advertising	5,131.00	5,130.25	0.75
Repairs/Alterations to Equipment Vehicle	4,920.00	4,150.53	769.47
Repairs/Alterations to Real Property	15,237.66	15,148.24	89.42
Employee Reimbursement	2,726.00	2,472.12	253.88
Inter-departmental Expenses	67,270.00	66,981.28	288.72
Training Seminars/Conference	4,402.00	4,402.00	0.00
External Postage, Subscriptions & Dues	2,650.00	2,405.60	244.40
Taxes on Property	0.00	0.00	0.00
Bank Charges	15,000.00	14,677.45	322.55
Products & Services for Resale	809,794.00	803,628.19	6,165.81
Principal-Serial Bonds	504,221.00	504,220.38	0.62

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Bond Interest – Enterprise Funds	154,653.12	151,652.43	3,000.69
EXPENSE TOTALS	\$2,880,002.66	\$2,840,732.02	\$39,270.64

A detail of **Personal Service** expenses by employee title which includes overtime and shift differential for **2011** is shown below:

Employee Title	Positions 1010	Straight Overtime 1040	Overtime 1050	Shift Differential 1070	Total Amt Paid
Airport Director	\$101,233.60	\$0.00	\$0.00	\$0.00	\$101,233.60
Principal Accounting Clerk	\$48,592.91	\$0.00	\$0.00	\$0.00	\$48,592.91
Accounting Clerk	\$39,026.42	\$0.00	\$0.00	\$0.00	\$39,026.42
Air Maintenance Supervisor	\$64,583.75	\$331.62	\$4,660.86	\$135.48	\$69,711.71
Air Maintenance Mechanic I	\$40,781.12	\$156.30	\$2,258.88	\$80.46	\$43,276.76
Air Maintenance Mechanic I	\$44,665.40	\$42.94	\$1,703.90	\$71.83	\$46,484.07
Air Maintenance Mechanic I	\$39,212.87	\$56.08	\$896.38	\$26.55	\$40,191.88
Air Maintenance Mechanic I	\$46,771.36	\$112.45	\$2,192.43	\$87.68	\$49,163.92
Air Maintenance Mechanic II	\$53,341.68	\$76.94	\$1,438.70	\$62.70	\$54,920.02
Line Service Supervisor	\$51,259.43	\$0.00	\$1,078.83	\$13.70	\$52,351.96
Line Service Attendant	\$36,674.99	\$21.72	\$861.13	\$10.37	\$37,568.21
Line Service Attendant	\$36,929.39	\$0.00	\$2,583.78	\$61.86	\$39,575.03
Line Service Attendant	\$35,936.97	\$0.00	\$2,087.06	\$26.88	\$38,050.91
Totals	\$639,009.89	\$798.05	\$19,761.95	\$577.51	\$660,147.40

In addition to the above costs, selected positions received reimbursements in **2011** for Employee Travel and Expense Reimbursement and Employee Allowances for Taxable Meals as follows:

Employee Title	Employee Travel & Expense Reimbursement 4620.73	Employee Allowance Meals Taxable 4626.75
Airport Director	\$99.35	\$0.00
Principal Accounting Clerk	\$0.00	\$0.00
Accounting Clerk	\$0.00	\$0.00
Air Maintenance Supervisor	\$102.00	\$51.55
Air Maintenance Mechanic I	\$111.25	\$37.30
Air Maintenance Mechanic I	\$80.00	\$53.05
Air Maintenance Mechanic I	\$96.62	\$38.80
Air Maintenance Mechanic I	\$83.58	\$38.15
Air Maintenance Mechanic II	\$56.11	\$52.75
Line Service Supervisor	\$42.18	\$45.00
Line Service Attendant	\$86.02	\$25.65
Line Service Attendant	\$79.91	\$44.05
Line Service Attendant	\$97.43	\$16.50
Totals	\$934.45	\$402.80

Tools paid through county appropriations do not include: Airport Maintenance Mechanic II and the Airport Maintenance Supervisor, which are provided, at these employees own expense , per the CSEA contract, Article X, Section 7, (d).

Uniforms and Badges are provided at the county's expense as shown in the above appropriations. Per the tentative budget description, uniforms are provided for 10 staff which includes Line Service and Maintenance Mechanics.

Fringe Benefits as shown above includes: Payment to Retirement System, Payments to Social Security, Worker's Compensation and Long Term Disability.

Medical Insurance appropriations represent the county's portion for all aviation employees' hospital, medical and surgical, optical and dental premiums. Insurances are budgeted and paid based on each employee's option.

Life Insurance and Accidental Death and Dismemberment insurance is a benefit provided to the Airport Director.

Judgment and Claims represented a portion of sales tax underpayment and interest. Additional funds were paid from a liability account. A total of \$51,752.45 of Sales Tax for the time period 2008-2011 was paid. Interest totaling \$8,921.97 was assessed and paid. All transactions were posted in 2012.

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Operational expenses which include Parts, Supplies, Utilities, Auto Insurance, Repairs and Inter-departmental Expenses comprise approximately 71% of the budget. Details of each specific line item are found annually in the County Executive's Tentative Budget.

Products for Resale include the following:

Account Description	2011 Budget	2011 Total	Difference
AVGAS for Resale – 100	\$293,721.00	\$293,720.76	\$0.24
JET Fuel for Resale	512,823.00	507,711.88	5,111.12
Aviation Oil for Resale	1,200.00	1,180.90	19.10
Misc Aviation Supplies	550.00	550.00	0.00
Catering	1,500.00	464.65	1,035.35
	\$809,794.00	\$803,628.19	\$6,165.81

Bank Charges are payments to Air BP for credit card sales.

Account Description	2011 Budget	2011 Total	Difference
Bank Charges	\$15,000.00	\$14,677.45	\$322.55
	\$15,000.00	\$14,677.45	\$322.55

Principal payments for Serial Bonds and Bond Interest for Enterprise Funds are budgeted by the Department of Finance as they maintain all records for capital projects.

Account Description	2011 Budget	2011 Total	Difference
Principal-Serial Bonds	\$504,221.00	\$504,220.38*	\$0.62
Bond Interest – Enterprise Funds	\$154,653.12	\$151,652.43*	\$3,000.69

*Includes the non-aeronautical bale fill bonding totaling \$107,630 for principal and \$48,145.40 for interest.

Principal and interest in 2011 as reported by Finance was paid for the following capital projects:

Payment Date	Principal-Serial Bonds EA.5610.6903	Bond Interest - Enterprise Funds EA.5610.7903	Project #	Description
01-Feb-11	\$108,428.38	\$19,020.97	EA0164	Fuel Farm & Truck
01-Aug-11		16,581.34	EA0261	Machinery & Apparatus
			EA0285	Underground Fuel Tanks
			EA0301	Airport T-Hangers
			EA0310	Airport Terminal Building
			EA0317	Airport Roof Replacement
			EA0319	Airport Snow Removal Equipment
15-Jun-11		18,294.49	EA0335	Airport Plow Truck
15-Dec-11	181,654.00	18,294.49		
15-Jun-11		14,012.50	EA0310	Airport Terminal Building/Roof Replacement
15-Dec-11	94,000.00	14,012.50	EA0354	Airport Equipment
			EA0363	Airport Vehicles
			EA0364	Airport Equipment
01-Apr-11		190.00	EA0375	Airport Vehicles
15-Dec-11	4,000.00	190.00		
15-Jun-11		24,072.70	EA0386*	County Balefill Closure**
15-Dec-11	107,630.00	24,072.70		
15-Jun-11		1,455.37		
15-Dec-11	8,508.00	1,455.37	EA0408*	Airport Highway & Street Equipment
Total Paid in 2011	<u>\$504,220.38</u>	<u>\$151,652.43</u>		

*Interest estimate

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****non-aeronautical; however, the principal and interest is included in the annual operations expenditures which skews the overall expenses.**

2011 REVENUE AND EXPENSES FOR AIRPORT SALES (Fuel, other products and Catering) Assessment

A brief review of 2011 revenue and expenses for Airport Sales, without administrative and overhead costs follows:

	2011 TOTAL
Total Airport Sales (Fuel, Other Products and Catering)	\$902,323.72
Less Salary and Employee Reimbursements	(167,982.85)
Less Fuel, Other Products and Catering Expense	(803,628.19)
Loss on Sales	(\$69,287.32)
ESTIMATE BASED ON All fuel sales- COUNTY	
Aviation Department's Analysis of county selling fuel vs Richmor see Exhibit V (pricing is inclusive of Tenant Based and Volume Discounts)	\$125,943.25
Profit with above ESTIMATE --- without administrative and overhead costs	\$56,655.93

2012 Expenditures for January – June 30, 2012 of the year

Account Description	2012 Net Budget	6/1-6/30/2012 YEAR TO DATE	2012 UNEXPENDED
EXPENSE			
Personal Services	\$678,437.00	\$299,512.53	\$378,924.47
Fringe Benefits	175,728.00	30,008.30	145,719.70
Advertising	12,750.00	260.00	12,490.00
Assessments, Fees + Chemical Analysis	3,850.00	1,340.00	2,510.00
Bank Charges	15,000.00	5,222.90	9,777.10
Employee Reimbursement	3,050.00	73.32	2,976.68
External Postage, Subscriptions + Dues	2,922.00	1,405.91	1,516.09 *
Insurance	35,000.00	0.00	35,000.00
Interdepartmental Expense	77,569.00	17,922.98	59,646.02
Janitorial Services	5,607.78	4,401.98	1,205.80 *
Life Ins & Acc Death & Dismember	436.00	216.00	220.00
Maintenance of Runways, Fields + Service	47,342.00	28,357.83	18,984.17 *
Medical Insurance	194,876.08	91,231.49	103,644.59
Office Supplies	1,200.00	988.05	211.95
Parts, Supplies & Tools - Auto, Equip & Bldg	16,802.59	5,261.83	11,540.76 *
Products & Services for Resale	875,643.00	421,523.33	454,119.67
Professional Services Consultants	0.00	0.00	0.00 *
Repairs/Alt to Real Prop	13,971.00	8,319.54	5,651.46 *
Rental/Lease - Equip Short Term	1,300.00	972.20	327.80
Safety Supplies	950.00	758.92	191.08
Taxes on Property County Owned	5,385.00	0.00	5,385.00
Telephone	6,190.00	2,831.24	3,358.76
Training Seminars/Conf	4,000.00	305.00	3,695.00
Unemployment Insurance	3,000.00	0.00	3,000.00
Uniforms, Badges & Access	1,400.00	240.00	1,160.00
Utilities	90,805.00	33,551.16	57,253.84
Principal-Serial Bonds	505,730.00	113,075.07	392,654.93
Bond Interest - Enterprise Funds	153,468.00	77,794.00	75,674.00
EXPENSE TOTALS	\$2,932,412.45	\$1,145,573.58	\$1,786,838.87

*Amount reported is less encumbered funds

Observation:

- Expenses are within the realm of normal year-to-date trends for the aviation division.

Finding:

- While the 2012 revenues are under budget and will cause a shortfall, there have been no requests for curtailment of expenditures that were made known to us. Expenditures for 'Products and Services for Resale' remain consistent as sales for

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fuel remain consistent. However, as noted previously, the county did not assume all fueling operations as anticipated and the rate of return on sales is 4 cents per gallon versus an average markup of between 83 cents to \$1.48 per gallon resulting in a large shortfall in revenues. **Additional** funds will be required to fund the division.

Recommendation:

- Expenditures should be reviewed for curtailment and Revenues should be captured as recommended in the Business Plan.

Petty Cash

Per several Resolutions dating back to 1972, the Dutchess County Airport was allocated \$400 for Petty Cash. Petty Cash is separated for office use, Line Service sales, and change funds. Petty Cash reimbursements for the period of January 1, 2011 through December 31, 2011 were reviewed. A total of \$103.46 was replenished in 2011. Use of Petty Cash is infrequent and no material concerns arose.

Inventory

Inventory reviewed included all items listed on the Department of Central Services Inventory for the Department of Public Works – Aviation Division.

Asset Description	Original Value
Roller, tandem w/towing, orange (GR9)	\$23,818.00
Spreader, traction driven	41,599.00
Mower, rotary, 20 foot	11,166.00
Lavatory suction unit w/coupler/connector	3,472.25
Fuel storage system, 15000 gallons	78,197.00
De-icer, 55 gallon, 120 Vac	5,065.00
Mower rotary	6,225.00
Airfield friction tester	4,890.00
Mowing system, dual wing flail	31,900.00
Ice / snow control truck	179,977.00
Ice / snow control truck	179,977.00
Mower rotary, heavy duty	3,960.00
Scott air pack w/carry case	3,057.45
Scott air pack w/carry case	3,057.45
Truck w/snow blower	166,667.00
4.5 Air Pack red	3,167.95
International snow plow	102,078.20
Snow plow w/dump body	73,884.00
Mobile ground power unit	19,500.00
1000 Gallon AVGAS refueler	71,950.00
SUV, silver	40,804.06
White van	12,944.20
Skid Steer	69,888.00
Self powered pavement striping unit	8,828.00
5000 gallon jet refueler	163,240.00
tractor w/attachments	124,252.80
Wheel loader w/plow	181,325.53
10 ton air jack	3,300.00
Storage cabinet	4,790.00
Scott AP75 4.5 30min air pack w/AV2000maskHeads display,30min carb	5,000.00
Erskine heavy duty 72" brush mower	5,194.00
Woods model BW1800 15' batwing mower	15,250.00
Case-IH maximum 110 pro tractor	117,555.00
Rosenbauer panther 4x4 HVLA aircraft rescue firefighting vehicle plus equipment	683,354.00
	\$2,449,333.89

Observations:

At our site visit, we verified each of the above items existence. All items were accounted for. At the time of our review the Old Fire Truck was still at the airport waiting disposition: it has since been picked up by the vendor. In addition, two electric cars were given

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to the Parks Division for use. Included in our review was a 2011 Rosenbauer America fire truck which was purchased per Resolution #2010034 (95% federal funding 2.5% State funding, and 2.5% Dutchess County).

Exhibit I - Revenues and Expenses Summary 2001 – 2011

DC Airport - Total Revenues vs. Total Expenses 2001 - 2011			
Year	Revenues	Expenses	Net Profit or (Loss)
2001	\$1,776,071.11	\$1,685,446.18	\$90,624.93
2002	\$1,623,361.93	\$1,890,975.05	(\$267,613.12)
2003	\$2,651,776.14	\$1,625,256.18	\$1,026,519.96*
2004	\$1,656,317.32	\$1,665,355.89	(\$9,038.57)
2005	\$2,722,138.48	\$2,391,422.55	\$330,715.93
2006	\$2,397,595.00	\$2,289,616.13	\$107,978.87
2007	\$2,805,270.94	\$2,581,967.08	\$223,303.86
2008	\$2,664,202.29	\$2,644,713.01	\$19,489.28
2009	\$2,342,359.57	\$2,377,181.28	(\$34,821.71)
2010	\$2,407,502.55	\$2,435,585.30	(\$28,082.75)
2011	\$2,594,978.55	\$2,840,732.02	(\$245,753.47)

*2003 profit generated from an allocation from the Tobacco Securitization fund distributions.

Observation:

- All amounts budgeted for interfund transfers were expensed as budgeted whether required or not which resulted in a profit. In the years when a loss was generated; it could be viewed as an overspending of expenditures. In the years that a loss was generated, additional county dollars were utilized to fund losses or 'possibly' fund reserves were utilized.

Exhibit II - Interfund Transfer Account - Ten Year Summary

DC Airport - Interfund Transfer Account and County Contribution		2001-2011	
Year	Modified Budget Interfund Transfer	Profit/(Loss)	County Contribution Required
2001	\$589,690.00	\$90,624.93	\$499,065.07
2002	\$487,305.00	(\$267,613.12)	\$754,918.12
2003	\$348,115.00	\$1,026,519.96	(\$678,404.96)
2004	\$327,710.00	(\$9,038.57)	\$336,748.57
2005	\$1,085,685.98	\$330,715.93	\$754,970.05
2006	\$603,468.00	\$107,978.87	\$495,489.13
2007	\$754,677.00	\$223,303.86	\$531,373.14
2008	\$676,045.00	\$19,489.28	\$656,555.72
2009	\$600,366.00	(\$34,821.71)	\$635,187.71
2010	\$575,047.00	(\$28,082.75)	\$603,129.75
2011	\$793,403.00	(\$245,753.47)	\$1,039,156.47
Total	<u>\$6,841,511.98</u>	<u>\$1,213,323.21</u>	<u>\$5,628,188.77</u>

Exhibit III – Ten Year Revenue and Expenses

Detail of Revenues and Expenses 2001-2011

Source: Mainframe Historical Displays + LOGOS BPRs

Account Description	2001 YTD Trans	2002 YTD Trans	2003 YTD Trans	2004 YTD Trans	2005 YTD Trans	2006 YTD Trans	2007 YTD Trans	2008 YTD Trans	2009 YTD Trans	2010 YTD Trans	2011 YTD Trans
Airport Fees Nightly Tie Downs	\$546.85	\$839.45	\$1,057.35	\$403.00	\$243.84	\$885.25	\$2,193.67	\$2,545.00	\$1,801.00	\$1,569.00	\$1,380.00
Airport Fees T-Hangars	120,900.00	120,900.00	314,564.71	344,717.74	360,741.63	367,117.17	392,857.05	395,250.88	397,284.95	429,402.79	404,577.83
Airport Fees Tie Downs	56,396.38	52,512.32	52,999.62	49,923.57	45,456.61	39,274.58	38,585.20	35,077.23	36,942.00	35,852.73	35,256.46
Airport Fees Leases	139,580.08	143,661.41	152,977.49	159,959.03	171,767.48	190,283.33	203,699.34	211,941.41	215,761.78	219,887.76	227,082.48
Airport Fees Landing Fees	6,157.57	1,888.30	3,089.49	1,518.25	1,668.40	2,473.90	9,058.20	13,243.00	12,457.00	14,457.00	17,200.00
Airport Fees Misc Airport Fees	3,836.12	1,830.00	2,000.00	2,140.00	1,854.70	2,753.90	12,454.16	5,538.50	2,671.85	4,091.58	5,098.28
Airport Fees Snow Removal	1,816.76	1,464.60	4,630.50	2,042.59	4,736.41	1,609.25	8,620.95	5,250.83	4,070.74	6,919.68	6,221.71
Airport Fees Fuel Flow Charges	16,744.10	19,235.48	17,492.70	23,026.45	27,506.21	35,295.98	26,381.83	28,725.18	24,237.99	27,220.71	23,906.49
Airport Fees Mowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,000.00	8,000.00	8,000.00	8,000.00
Airport Fees Credit Card Surcharge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	96.81	0.00	0.00
Airport Sale AV Gas 100	298,205.49	271,940.27	259,721.43	310,079.92	396,340.02	383,477.81	352,383.12	418,074.73	340,773.05	344,737.13	337,190.49
Airport Sale Jet Fuel	420,531.09	329,523.34	298,868.99	288,436.27	488,676.73	610,664.23	781,772.00	662,287.70	466,119.39	532,543.80	563,140.84
Airport Sale Aviation Oil for Resale	2,763.93	1,997.90	2,120.46	2,369.48	1,749.90	2,537.98	1,678.39	1,148.30	1,403.96	1,774.52	1,193.15
Airport Sale Misc Aviation Supplies	405.94	77.15	21.62	35.23	12.24	60.44	3.92	29.22	0.88	307.11	214.59
Airport Sale Catering Services	1,893.32	1,299.19	1,853.52	1,470.56	949.75	2,596.94	2,922.32	1,976.21	1,033.73	623.10	584.65
Interest General	10,175.96	1,218.34	1,012.74	1,000.49	1,064.17	1,721.99	6,775.12	6,064.92	2,517.16	1,250.44	760.82
Interest Capital Reserve	4,434.68	1,789.75	459.77	245.29	1,461.36	1,585.56	34,410.36	10,546.80	1,437.93	1,447.10	1,333.39
Interest Late Payment Bills	2,544.22	(1,575.80)	1,356.02	2,184.86	2,619.66	2,847.33	3,741.23	1,091.25	1,872.76	2,661.85	1,909.49
Rental of Real Property Airport Bldg	91,719.47	97,946.57	104,594.39	120,612.85	117,296.66	141,491.46	164,217.87	163,756.14	170,735.39	171,252.54	143,759.98
Commissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,074.38	1,609.82	1,436.25	1,170.45
Forfeiture of Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,000.00	0.00	0.00	0.00
Sales, Other Minor Sales	50.00	65.15	1,068,721.47*	147.00	822.00	40.00	144.10	441.44	263.70	205.80	314.00
Sales of Equipment	0.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance Recoveries	1,277.50	0.00	0.00	0.00	4,400.00	0.00	0.00	0.00	15,119.00	3,419.07	4,787.19
Self Ins Recoveries General	4,016.57	1,951.80	0.00	0.00	0.00	0.00	0.00	1,284.31	2,200.00	0.00	2,219.49
Self Ins Recoveries Disability	102.00	748.00	4,696.00	2,206.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Comp for Loss General	0.00	109.15	915.40	699.41	0.00	0.00	0.00	0.00	0.00	2,180.00	0.00
Refund of Pr. Yr's Exp General	2,283.08	2,462.92	4,402.38	1,706.44	4,672.52	3,888.70	3,242.00	1,801.64	3,652.01	1,290.35	1,118.62
Refund of Pr. Yr's Exp A/P Items	0.00	636.14	676.95	5,777.75	23.69	3,521.20	5,453.11	239.60	2,405.80	7,526.03	2,984.14
Gifts and Donations	0.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unclassified Rev. Misc	0.00	3.50	3.50	174.50	2,388.52	0.00	0.00	2,102.62	5,581.57	885.21	140.00
Other Transp. EA Non-Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	682.30	0.00	303.01
Emergence Disaster Assistance	0.00	0.00	752.32	32.95	0.00	0.00	0.00	0.00	0.00	0.00	1,389.71
Fed Aid - Other FAA Reimbursement	0.00	83,532.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Transportation EA Non-Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,666.00	21,261.00	11,514.00	0.00
Emergency Disaster Assistance	0.00	0.00	4,672.32	197.69	0.00	0.00	0.00	0.00	0.00	0.00	8,338.29
Interfund Transfers	589,690.00	487,305.00	348,115.00	327,710.00	1,085,685.98	603,468.00	754,677.00	676,045.00	600,366.00	575,047.00	793,403.00
TOTAL REVENUE	\$1,776,071.11	\$1,623,361.93	\$2,651,776.14	\$1,656,317.32	\$2,722,138.48	\$2,397,595.00	\$2,805,270.94	\$2,664,202.29	\$2,342,359.57	\$2,407,502.55	\$2,594,978.55

*Note 1

*Note 2

*Note 3

Airport 2012

Account Description	2001 YTD Trans	2002 YTD Trans	2003 YTD Trans	2004 YTD Trans	2005 YTD Trans	2006 YTD Trans	2007 YTD Trans	2008 YTD Trans	2009 YTD Trans	2010 YTD Trans	2011 YTD Trans
Positions	\$453,185.06	\$483,451.35	\$469,813.98	\$508,185.64	\$523,298.29	\$553,210.98	\$559,762.30	\$533,608.99	\$607,203.05	\$628,175.19	\$639,009.89
Temp Help	224.23	5,351.36	32,582.81	18,118.02	0.00	29,147.50	0.00	0.00	0.00	0.00	0.00
ST Overtime	0.00	0.00	0.00	0.00	0.00	0.00	1,495.40	1,917.58	1,342.56	870.34	798.05
Overtime	25,106.34	30,512.45	34,405.15	24,742.22	28,394.99	27,648.12	40,344.23	32,549.19	21,587.68	17,717.58	19,761.95
Shift Differential	18.15	12.68	7.02	15.79	18.73	0.00	473.20	1,116.17	510.98	569.39	577.51
Other Equipment 10 Year	0.00	0.00	0.00	0.00	0.00	0.00	8,828.00	0.00	5,000.00	0.00	0.00
Parts & Supplies - Auto, Equip	11,400.00	8,871.54	17,133.25	8,962.63	10,615.00	9,997.31	12,559.96	10,533.95	13,428.45	12,988.05	13,257.73
Bldg & Maint Parts, Supp & Tools	12,398.87	7,837.62	12,399.19	6,549.38	6,494.00	6,695.34	12,545.97	14,590.24	11,754.80	8,659.51	9,316.11
Bituminous Concrete	0.00	0.00	0.00	0.00	0.00	0.00	0.00	348.53	232.28	956.59	0.00
Field Supplies	133.16	81.88	419.70	440.78	667.75	450.00	765.60	862.50	1,002.40	797.50	911.40
Educational Supplies	0.00	22.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Safety Supplies	2,000.00	2,932.95	0.00	0.00	0.00	7,401.00	6,552.67	4,426.79	5,711.53	3,218.78	529.07
Safety Supplies- Firearms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	453.09	254.99	0.00
Communication Supplies	0.00	0.00	2,620.00	188.76	2,592.56	271.50	2,272.00	556.10	526.00	600.90	120.93
Food & Kitchen	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	283.00	0.00	0.00
Fuel Oil for Heating	18,000.00	13,139.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Propane Gas	0.00	0.00	13,300.00	11,681.75	16,000.00	14,166.28	15,995.95	17,197.14	11,931.13	12,580.11	14,729.55
Gravel, Fill & Stone	0.00	0.00	0.00	0.00	0.00	2,073.85	1,826.99	1,053.78	1,841.28	0.00	306.69
Ice Control Materials	12,000.00	4,557.20	10,500.00	7,800.00	6,910.00	4,475.00	12,667.50	8,800.00	15,993.51	8,266.00	10,908.01
Office Supplies	4,445.26	4,379.61	6,494.80	2,110.20	11,199.89	4,219.14	6,700.35	4,483.85	3,712.00	2,863.45	1,945.01
Uniforms, Badges & Access	1,580.00	2,449.95	1,785.67	530.49	1,772.93	2,030.56	1,848.26	1,899.87	1,033.30	648.63	2,794.00
Gas-Public Utilities	5,500.00	4,322.57	6,900.00	8,860.22	10,000.00	9,186.49	10,828.98	9,224.42	13,168.77	8,500.85	12,246.98
Electric-Light & Power	56,160.00	63,198.93	57,327.83	55,611.23	69,000.00	72,857.15	68,570.85	73,273.41	72,408.47	76,063.17	68,630.10
Telephone and Telegraph	12,409.82	12,375.27	12,717.76	12,452.20	13,260.85	0.00	0.00	0.00	0.00	0.00	0.00
Telephone Land Lines	0.00	0.00	0.00	0.00	0.00	16,399.93	5,599.33	4,620.35	4,662.80	4,730.55	4,889.79
Cell Phones/Wireless Service	0.00	0.00	0.00	0.00	0.00	410.70	0.00	0.00	0.00	0.00	0.00
Telephone/Data Lines	148.06	108.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Data Lines Internet Charges	0.00	0.00	0.00	0.00	0.00	0.00	1,300.54	959.40	959.40	959.40	959.40
Cable Services	0.00	0.00	0.00	0.00	190.00	1,502.13	0.00	0.00	0.00	0.00	0.00
Motor Vehicle Insurance	915.35	3,177.28	2,097.87	2,358.47	2,202.99	2,006.08	2,924.00	2,718.59	2,689.56	2,879.18	2,998.59
Property Insurance	3,641.87	2,857.65	3,963.64	2,983.87	5,108.28	5,108.66	5,171.47	5,608.33	6,153.93	6,202.01	7,837.67
Liability Insurance	23,119.61	23,723.24	25,412.00	25,287.76	32,034.81	25,172.20	22,756.07	21,264.00	26,944.33	19,689.30	19,778.35
Professional Services	0.00	1,200.00	0.00	4,000.00	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Professional Services Consultants	0.00	0.00	0.00	0.00	0.00	15,000.00	10,752.09	4,912.56	22,379.44	0.00	3,200.00
NYS Assessments and Fees	0.00	0.00	0.00	50.00	0.00	0.00	0.00	435.00	225.00	100.00	150.00
Lab Fees/ Chemical Analysis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,555.00	2,625.00	2,100.00	1,390.00
Interdepartment Contracts	3,700.00	237,148.54	3,500.00	2,525.08	4,550.00	0.00	0.00	0.00	0.00	0.00	0.00
Interdepartment Cont Emerg Med Svc-ER	0.00	0.00	0.00	0.00	0.00	204.00	0.00	0.00	0.00	0.00	0.00
Educational Programs	55.00	0.00	0.00	94.80	150.00	0.00	0.00	0.00	0.00	0.00	0.00
Training Programs - Education	0.00	0.00	0.00	0.00	0.00	66.98	0.00	0.00	0.00	0.00	0.00
Commercial Printing	160.00	56.32	9.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Judgments and Claims		4,100.00	58.11	50.00		0.00	0.00	0.00	0.00	0.00	50,895.00
Rent/Lease Equipment	9,285.25	8,499.40	8,188.99	5,234.28	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
Rental/Lease - Equip Short T	0.00	0.00	0.00	0.00	0.00	2,864.64	1,158.35	870.18	843.30	669.91	2,215.87
Janitorial Services	11,820.00	11,716.88	11,464.96	13,835.28	15,449.56	16,242.12	17,525.59	16,904.36	15,443.50	9,740.24	8,984.10
Prof License & Permit Fee	0.00	0.00	0.00	100.00	200.00	200.00	200.00	150.00	240.00	200.00	200.00
Maintenance -Runways & Fields	17,076.17	43,953.78	17,834.35	10,767.10	12,660.75	18,525.33	9,850.36	28,172.98	34,057.08	22,789.71	22,599.12

Airport 2012

Account Description	2001 YTD Trans	2002 YTD Trans	2003 YTD Trans	2004 YTD Trans	2005 YTD Trans	2006 YTD Trans	2007 YTD Trans	2008 YTD Trans	2009 YTD Trans	2010 YTD Trans	2011 YTD Trans
Maintenance -Service Contracts	7,944.00	8,097.96	6,821.96	7,327.02	3,300.00	1,969.00	2,770.90	3,099.00	3,364.50	3,077.25	3,590.50
Advertising	6,800.00	12,895.42	5,389.98	10,173.33	5,342.50	0.00	0.00	0.00	0.00	0.00	0.00
Advertising Admin	0.00	0.00	0.00	0.00	0.00	6,103.75	5,068.70	2,868.70	3,335.00	2,625.00	5,130.25
Advertising Legal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Refuse Removal	1,902.00	2,500.00	1,902.00	2,247.00	1,965.48	1,172.00	1,172.16	9,809.65	3,061.56	1,757.16	1,792.16
Repairs/Alt To Equip	13,986.00	14,299.23	11,164.92	35,712.76	15,100.00	8,765.53	2,272.10	7,103.66	1,048.56	1,345.28	3,630.53
Repairs/Alt To Equip Vehicle	0.00	0.00	0.00	0.00	0.00	5,183.51	2,720.85	1,456.75	1,717.59	2,059.75	520.00
Repairs/Alt to Real Prop	17,500.00	11,330.85	7,999.45	6,319.15	7,300.00	12,754.03	5,368.51	11,569.02	10,943.04	16,220.54	15,148.24
Employee Mileage Non-Taxable	200.00	281.58	299.12	301.27	471.21	421.41	250.75	546.75	233.54	138.00	0.00
Employee Travel & Exp Reimbursement	960.00	3,493.98	2,221.46	4,945.72	1,669.54	0.00	0.00	0.00	0.00	0.00	0.00
Employee Travel & Exp Travel	0.00	0.00	0.00	0.00	0.00	85.98	1,738.95	1,662.07	1,360.19	1,099.16	1,128.37
Employee Travel & Exp Reimbursement	0.00	0.00	0.00	0.00	0.00	3,721.64	1,694.10	788.01	1,015.12	981.89	940.95
Pest Control	0.00	0.00	801.00	444.00	444.00	444.00	222.00	0.00	0.00	0.00	0.00
Employee Allowance Meals Taxable	800.00	579.20	535.25	279.40	514.70	346.85	561.90	483.55	366.35	347.70	402.80
Interdepartmental Exp Transfer	800.00	1,244.54	2,999.75	3,251.13	2,663.11	0.00	0.00	0.00	0.00	0.00	0.00
Interdepartment Exp Land Lines	0.00	0.00	0.00	0.00	0.00	0.00	3,821.68	2,707.96	2,410.90	2,391.71	2,339.09
Interdepartment Exp Cell Phones	0.00	0.00	0.00	0.00	0.00	0.00	543.71	716.69	952.39	784.00	730.10
Interdepartmental Exp Postage	0.00	0.00	0.00	0.00	0.00	799.23	874.70	885.17	863.13	947.66	783.91
Interdepartmental Exp Copier Program	0.00	0.00	0.00	0.00	0.00	1,285.77	1,691.43	1,561.32	1,609.65	3,155.64	1,754.64
Interdepartmental Exp Printing	0.00	0.00	0.00	0.00	0.00	90.00	75.00	129.90	150.00	165.00	125.00
Interdepartmental Exp Auto Center	17,072.00	12,999.16	17,199.49	21,124.90	23,610.00	24,727.73	31,512.73	22,072.99	16,253.09	22,187.40	29,334.95
Interdepartmental Exp Computer Process	0.00	0.00	0.00	0.00	0.00	2,067.13	1,045.64	2,662.96	17,417.00	17,435.00	19,986.00
Interdepartmental Exp Maintenance-in-lieu	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,513.74	27,095.30	13,902.41	11,927.59
Training Seminars/Conf	1,535.00	3,975.80	6,150.00	3,594.00	3,622.00	4,300.00	4,357.00	3,365.00	3,485.50	4,017.50	4,402.00
External Postage	1,800.00	2,372.16	1,510.04	2,167.16	1,782.05	1,353.00	1,899.44	1,757.70	1,146.68	1,020.61	1,455.60
Subscription & Dues	2,200.00	1,426.97	996.97	1,341.64	1,170.00	0.00	0.00	0.00	0.00	0.00	0.00
Subscription & Dues	0.00	0.00	0.00	0.00	0.00	0.00	30.15	0.00	200.99	500.00	0.00
Subscription & Dues	0.00	0.00	0.00	0.00	0.00	1,000.00	1,450.00	1,570.00	1,390.00	325.00	950.00
Taxes on Property County Owned	27,897.84	27,537.85	29,005.00	31,052.57	31,929.80	34,461.22	37,854.60	41,274.96	44,592.30	52,376.31	0.00
Furniture & Office Equip-ND	607.70	3,447.15	0.00	0.00	544.00	0.00	2,699.00	0.00	0.00	0.00	0.00
Bank Charges	10,000.00	10,000.00	9,239.36	10,749.71	14,500.00	22,254.77	23,915.58	20,561.89	14,465.10	14,132.09	14,677.45
Other Equipment-ND	0.00	15,502.95	6,114.90	6,335.90	0.00	0.00	8,007.99	0.00	4,790.00	0.00	0.00
AVGAS for Resale - 100	239,550.00	207,901.44	220,121.57	255,003.44	345,918.21	318,090.39	300,210.11	341,531.51	300,294.27	283,633.92	293,720.76
JET Fuel for Resale	282,540.00	222,143.82	206,084.56	215,125.36	412,945.36	467,758.00	656,444.10	543,226.17	352,330.26	405,082.32	507,711.88
Aviation Oil for Resale	3,000.00	1,634.40	1,239.40	1,521.50	1,293.00	2,276.80	634.00	1,232.50	1,153.90	1,187.80	1,180.90
Misc Aviation Supplies	3,500.00	2,521.78	1,246.59	958.94	878.12	0.00	450.00	850.00	420.00	725.00	550.00
Catering	4,700.00	1,176.00	1,699.07	1,267.25	881.00	2,344.26	2,848.79	1,587.40	726.06	598.50	464.65
Principal-Bond Anticipation Notes	105,333.00	87,320.00	68,020.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Principal-Serial Bonds	71,000.00	75,146.37	64,907.65	15,240.00	375,023.00	179,100.00	223,045.00	357,600.00	262,877.00	307,817.13	504,220.38
BAN Interest - Enterprise Funds	19,385.85	16,524.00	10,599.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bond Interest - Enterprise Funds	22,856.97	19,972.98	17,681.91	56,799.19	107,767.65	106,334.54	138,448.24	184,987.56	123,744.22	116,942.33	151,652.43
Payments to Retire System	3,564.00	5,612.00	29,817.00	67,489.00	62,635.00	40,469.00	72,335.00	44,884.00	37,934.00	73,139.00	98,266.00
Payments to State Soc Sec	35,045.41	40,293.22	39,836.81	41,414.59	43,243.12	45,577.90	44,986.28	42,312.56	47,038.52	48,141.52	49,023.20
Workers Comp Payments	9,609.00	10,291.00	10,616.00	10,931.00	12,481.00	23,148.00	22,876.00	22,896.00	23,536.00	7,058.00	7,172.00
Long-Term Disability	1,050.00	1,182.47	1,382.14	1,458.44	1,421.36	1,512.20	1,539.63	1,451.12	1,564.63	1,599.12	1,599.12
Hospital,Medical &Surgical Ins	77,888.61	75,671.74	78,613.71	104,498.38	106,917.47	108,225.49	118,334.55	134,500.00	134,675.54	148,316.30	160,121.56
Hospital, Medical &Surgical Ins - Non PB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Airport 2012

Account Description	2001 YTD Trans	2002 YTD Trans	2003 YTD Trans	2004 YTD Trans	2005 YTD Trans	2006 YTD Trans	2007 YTD Trans	2008 YTD Trans	2009 YTD Trans	2010 YTD Trans	2011 YTD Trans
Hospital,Medical &Surgical Ins - Retirees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,852.53	5,088.93	1,551.88
Optical Insurance	2,300.00	1,840.92	2,443.02	2,521.44	2,467.74	2,731.29	2,865.22	2,968.39	3,286.70	3,542.76	3,540.94
Dental Insurance	7,300.00	9,362.86	9,293.13	9,826.95	9,791.49	10,863.12	11,663.02	12,502.04	13,679.88	15,417.48	16,780.92
Unemployment Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Life Ins & Acc Death & Dismemberment	309.72	328.44	337.80	366.00	324.88	309.00	375.61	363.28	410.94	469.80	446.40
ACC Death & Dismemberment	26.88	28.56	29.40	31.80	34.38	36.60	15.95	39.78	41.73	42.00	38.00
TOTAL EXPENSES	\$1,685,446.18	\$1,890,975.05	\$1,625,256.18	\$1,665,355.89	\$2,391,422.55	\$2,289,616.13	\$2,581,967.08	\$2,644,713.01	\$2,377,181.28	\$2,435,585.30	\$2,840,732.02
Total Revenues	\$1,776,071.11	\$1,623,361.93	\$2,651,776.14	\$1,656,317.32	\$2,722,138.48	\$2,397,595.00	\$2,805,270.94	\$2,664,202.29	\$2,342,359.57	\$2,407,502.55	\$2,594,978.55
Total Expenses	\$1,685,446.18	\$1,890,975.05	\$1,625,256.18	\$1,665,355.89	\$2,391,422.55	\$2,289,616.13	\$2,581,967.08	\$2,644,713.01	\$2,377,181.28	\$2,435,585.30	\$2,840,732.02
NET PROFIT/NET LOSS	\$90,624.93	(\$267,613.12)	\$1,026,519.96	(\$9,038.57)	\$330,715.93	\$107,978.87	\$223,303.86	\$19,489.28	(\$34,821.71)	(\$28,082.75)	(\$245,753.47)

*Note 1 Aircraft (10) moved from hangars while construction in process

*Note 2 Major tenant relocated from airport. Space rented 04/2012

*Note 3 \$1,068,598.97 proceeds from tobacco securitization reported in Sales, Other in 2003

REPORTING OF REVENUE LESS COUNTY CONTRIBUTION TO REPORT ACTUAL NET LOSS

	2001 YTD Trans	2002 YTD Trans	2003 YTD Trans	2004 YTD Trans	2005 YTD Trans	2006 YTD Trans	2007 YTD Trans	2008 YTD Trans	2009 YTD Trans	2010 YTD Trans	2011 YTD Trans
Total Revenues	\$1,776,071.11	\$1,623,361.93	\$2,651,776.14	\$1,656,317.32	\$2,722,138.48	\$2,397,595.00	\$2,805,270.94	\$2,664,202.29	\$2,342,359.57	\$2,407,502.55	\$2,594,978.55
Less Interfund Transfers	(589,690.00)	(487,305.00)	(348,115.00)	(327,710.00)	(1,085,685.98)	(603,468.00)	(754,677.00)	(676,045.00)	(600,366.00)	(575,047.00)	(793,403.00)
Less Tobacco Securitization			(1,068,598.97)								
Net Revenues	\$1,186,381.11	\$1,136,056.93	\$1,235,062.17	\$1,328,607.32	\$1,636,452.50	\$1,794,127.00	\$2,050,593.94	\$1,988,157.29	\$1,741,993.57	\$1,832,455.55	\$1,801,575.55
Total Expenses	\$1,685,446.18	\$1,890,975.05	\$1,625,256.18	\$1,665,355.89	\$2,391,422.55	\$2,289,616.13	\$2,581,967.08	\$2,644,713.01	\$2,377,181.28	\$2,435,585.30	\$2,840,732.02
PROFIT/LOSS	(\$499,065.07)	(\$754,918.12)	(\$390,194.01)	(\$336,748.57)	(\$754,970.05)	(\$495,489.13)	(\$531,373.14)	(\$656,555.72)	(\$635,187.71)	(\$603,129.75)	(\$1,039,156.47)

Exhibit IV- Capital Projects

Airport Capital Project Funding As of December 31, 2011

OPEN – reflects projects listed with recent revenue and expense activity

Project	31-Dec-11	Original Date	Resolution #	Resolution Amount	Life to Date Expended	Funding			
						State	Federal	Interfund	Bonds
EA 0285	REPL. UNDERGROUND FUEL TANK	2001	200148	\$180,000	\$75,554				\$180,000
EA 0318	AIRPORT RUNWAY 6/24 PROJ.	2002	202208	425,000	421,853	21,250	382,500		21,250
			204217 /						
EA 0339	AIRPORT '04-'05 GA PROJECTS	2004	205191	397,490	272,989	85,510	302,042		9,938
EA 0374	AIRPORT SECURITY GRANT	2007	207081	750,000	655,228	750,000			
EA 0386	AIRPORT BALEFILL PROJECT	2007	207093	3,120,000	2,069,273	45,000		45,000	3,030,000
			207202 /						
EA 0389	2007 AIRPORT IMPROVEMENTS	2007	209258	1,565,890	1,472,141	39,147	1,487,595	39,148	
			208147 /						
			208218						
		2008-	209077 /						
EA 0396	AIRPORT REHAB GA APRON	2010	2010050	940,867	940,866	23,522	893,822	23,523	
EA 0403	TERMINAL RAMP PROJECT	2009	209017	268,000	213,638	6,700	254,600	6,700	
EA 0408	AIRPORT HIGHWAY & STREET EQUIPMT	2009	209085	151,500	138,457				151,500
EA 0415	IMPROVEMENTS & FIRE VEHICLES	2010	2010034	1,025,000	850,242	25,625	973,750	25,625	
			2011007 /						
EA 0427	2011 AIRPORT IMPROVEMENTS	2011	2011139	1,956,000	1,816,971	48,900	1,858,200	48,900	
	TOTAL ENTERPRISE AIRPORT			\$10,779,747	\$8,927,212	\$1,045,654	\$6,152,509	\$188,896	\$3,392,688

CLOSED – reflects projects which do not have revenue/expense activity: However, may have bond payment activity

Project	31-Dec-11	Original Date	Resolution #	Resolution Amount	Life to Date Expended	Funding			
						State	Federal	Interfund	Bonds
EA0164	FUEL FARM AND TRUCK	1988	376	\$250,000	\$250,000				\$250,000
EA0261	MACHINERY AND APPARATUS	1998	197	361,852	361,810				361,852
EA 0238	RECONSTRUCTION HANGAR ROOF	1997	238	730,000	729,862				730,000
EA 0292	TREE OBSTRUCTION REMOVAL	2000	200286	300,000	53,374	15,000	270,000	15,000	
			201114 /						
			201115 /						
EA 0301	HANGAR AQUI. & TAXIWAY CONST.	2001	202040	2,547,000	2,527,262	15,000	270,000		2,262,000
EA 0310	RECONS. TERMINAL BUILDING	2002	202023	326,625	315,543				326,625
EA 0317	ROOF REPLACEMENT	2002	202211	708,000	543,052				708,000
EA 0319	AIRPORT SNOW REMOVAL EQUIPMENT	2002	209	377,175	355,153				377,175
EA 0328	EMAS CONSTRUCTION	2003	203209	6,691,407	6,294,165	334,570	6,022,267	334,570	
			203210 /						
EA 0329	FENCING & TAXIWAY CONSTRUCT.	2003	203260	467,437	285,495	23,372	420,693	23,372	
EA 0335	AIRPORT PLOW TRUCK	2004	204142	181,800	178,244				181,800
EA 0344	TAXIWAY C CONSTRUCTION	2004	204233	700,000	0	17,500	665,000	17,500	
EA 0354	AIRPORT EQUIPMENT	2005	205185	242,550	196,861				242,550
EA 0363	AIRPORT VEHICLES	2006	206026	42,420	40,919				42,420
EA 0364	HIGHWAY AND STREET EQUIPMENT	2006	206041	444,400	345,772				444,400
EA 0367	AIRPORT OBSTRUCTION REMOVAL	2006	206170	1,200,000	860,354	30,000	1,140,000	30,000	
EA 0375	AIRPORT VEHICLES	2007	207176	16,723	16,442				16,723
	TOTAL ENTERPRISE AIRPORT			\$15,587,389	\$13,354,307	\$435,442	\$8,787,960	\$420,442	\$5,943,545

Exhibit V- Aviation Division Assumption Chart

**2011 Fuel Profit Comparison
Retail vs. Richmor**

100LL					Jet-A				
Date of Pricing	Retail Price	County Profit	Profit from Richmor	Difference	Date of Pricing	Retail Price	County Profit	Profit from Richmor	Difference
11/29/11	6.42427	\$0.9350	\$0.0400	\$0.8950	12/08/11	6.63357	\$1.610	\$0.040	\$1.570
10/14/11	5.55581	\$0.9350	\$0.0400	\$0.8950	10/27/11	6.65343	\$1.610	\$0.040	\$1.570
09/02/11	5.86426	\$0.9350	\$0.0400	\$0.8950	10/14/11	6.45411	\$1.610	\$0.040	\$1.570
08/04/11	5.89167	\$0.9350	\$0.0400	\$0.8950	08/29/11	5.54943	\$1.610	\$0.040	\$1.570
07/01/11	5.53391	\$0.9350	\$0.0400	\$0.8950	09/02/11	5.87622	\$1.610	\$0.040	\$1.570
06/16/11	5.81126	\$0.9350	\$0.0400	\$0.8950	08/18/11	6.53247	\$1.610	\$0.040	\$1.570
05/27/11	5.9897	\$1.2850	\$0.0400	\$1.2450	07/29/11	6.80734	\$1.610	\$0.040	\$1.570
04/14/11	6.22839	\$1.1800	\$0.0400	\$1.1400	07/01/11	5.55266	\$1.610	\$0.040	\$1.570
03/08/11	5.42271	\$1.2900	\$0.0400	\$1.2500	05/18/11	6.75248	\$1.610	\$0.040	\$1.570
02/10/11	5.28756	\$1.1650	\$0.0400	\$1.1260	04/22/11	5.90446	\$1.600	\$0.040	\$1.560
01/05/11	5.15112	\$1.3450	\$0.0400	\$1.3050	03/03/11	5.61684	\$1.600	\$0.040	\$1.560
11/24/10	5.02137	\$1.2260	\$0.0400	\$1.1850	01/29/11	6.52117	\$1.835	\$0.040	\$1.795
Average Difference				\$1.05	Average Difference				\$1.59
Gallons sold to Richmor				20,814.6	Gallons sold to Richmor				88,913.0
Maximum Profit if sold at Retail				\$21,890.02	Maximum Profit if sold at Retail				\$137,938.17
Maximum Profit at Retail: *									
100LL					\$21,890.02				
Jet					<u>\$137,938.17</u>				
					\$159,828.19				
Sold to Richmor				20,814.6	Sold to Richmor				88,913.0
Sold at Retail				3,939.6	Sold at Retail				16,780.0
Sold Discounted to Based Tenants				<u>40,874.9</u>	Sold Discounted to High Volume Customers				<u>40,077.0</u>
2011 Total Gallons Sold				65,428.9	2011 Total Gallons Sold				142,770.0
Percentage of Sales sold at Retail-Tenant Based Discount				91.17%	Percentage of Sales sold at Retail-Volume Discount				71.75%
Average Profit				\$1.05	Average Profit				\$1.59
Average Discount				\$0.25	Average Discount				\$0.33
Adjusted Profit				\$0.80	Adjusted Profit				\$1.26
Gallons Sold to Richmor				20,814.6	Gallons Sold to Richmor				88,913.0
Adjusted Profit				\$10,886.37	Adjusted Profit				\$109,266.88
Adjusted Profit: **									
100LL					\$10,886.37				
Jet					<u>\$109,266.88</u>				
					\$125,943.26				

* Maximum Profit represents if gallons sold to Richmor were instead sold at Retail prices by the County.

** Adjusted Profit represents if gallons sold to Richmor were instead sold at Retail less Tenant-Based or Volume Discount prices by County.

Addendum I – Dutchess County Annual Financial Report

COUNTY OF DUTCHESS
 ANNUAL UPDATE DOCUMENT
 FOR THE FISCAL YEAR ENDED 2011

(EA) ENTERPRISE AIRPORT
 BALANCE SHEET

DESCRIPTION	FOR THE FISCAL YEAR ENDED 2010	EDP CODE	FOR THE FISCAL YEAR ENDED 2011
ASSETS			
CASH	\$1,855,672	EA 200	\$463,415
PETTY CASH	600	EA 210	600
TOTAL CASH	<u>\$1,856,272</u>		<u>\$464,015</u>
ACCOUNTS RECEIVABLE	<u>\$22,742</u>	EA 380	<u>\$15,871</u>
TOTAL OTHER RECEIVABLES	\$22,742		\$15,871
DUE FROM OTHER FUNDS	<u>\$358</u>	EA 391	<u>\$34</u>
TOTAL DUE FROM OTHER FUNDS	\$358		\$34
DUE FROM STATE & FEDERAL	<u>\$340,878</u>	EA 410	<u>\$521,705</u>
TOTAL STATE AND FEDERAL RECEIVABLES	\$340,878		\$521,705
INVENTORY	\$64,895	EA 445	\$84,146
TOTAL INVENTORIES	<u>\$64,895</u>		<u>\$84,146</u>
PREPAID EXPENSES	\$18,285	EA480	\$24,567
TOTAL PREPAID EXPENSES	<u>\$18,285</u>		<u>\$24,567</u>
LAND	\$3,136,399	EA 101	\$3,136,399
BUILDINGS	3,391,329	EA 102	3,391,329
INFRASTRUCTURES	25,060,929	EA 106	27,126,903
EQUIPMENT	3,178,980	EA 104	3,865,284
CONSTRUCTION IN PROGRESS	109,765	EA 105	89,768
ACCUMULATED DEPRECIATION, BUILDINGS	-2,454,101	EA 112	-2,645,427
ACCUM. DEPREC. IMP. OTHER THAN BLDG.	-13,134,535	EA 116	-14,123,290
ACCUMULATED DEPRECIATION, EQUIPMENT	-1,623,729	EA 114	-1,883,325
TOTAL FIXED ASSETS (NET)	<u>\$17,665,037</u>		<u>\$18,957,641</u>
TOTAL ASSETS	<u>\$19,968,467</u> =====		<u>\$20,067,979</u> =====

COUNTY OF DUTCHESS
ANNUAL UPDATE DOCUMENT
FOR THE FISCAL YEAR ENDED 2011

(EA) ENTERPRISE AIRPORT
BALANCE SHEET

DESCRIPTION	FOR THE FISCAL YEAR ENDED 2010	EDP CODE	FOR THE FISCAL YEAR ENDED 2011
LIABILITIES AND FUND EQUITY			
ACCOUNTS PAYABLE	\$739,088	EA 600	\$472,731
TOTAL ACCOUNTS PAYABLE	<u>\$739,088</u>		<u>\$472,731</u>
ACCRUED LIABILITIES	I -\$1,385	EA 601	I \$6,248
TOTAL ACCRUED LIABILITIES	<u>-\$1,385</u>		<u>\$6,248</u>
RETAINAGE	\$153,861	EA 605	\$72,943
TOTAL RETAINAGE	<u>\$153,861</u>		<u>\$72,943</u>
CUSTOMERS DEPOSIT	\$3,417	EA 615	\$3,417
TOTAL CUSTOMERS DEPOSITS	<u>\$3,417</u>		<u>\$3,417</u>
COMPENSATED ABSENCES	\$38,128	EA 687	\$42,160
OTHER L/T LIABILITIES	1,051,000	EA 688	1,051,000
DEFERRED REVENUE	6,889	EA 691	4,434
TOTAL OTHER LIABILITIES	<u>\$1,096,017</u>		<u>\$1,097,594</u>
DUE TO OTHER FUNDS	\$51,766	EA 630	\$84,017
TOTAL DUE TO OTHER FUNDS	<u>\$51,766</u>		<u>\$84,017</u>
BONDS PAYABLE	\$4,712,873	EA 628	\$4,208,652
TOTAL BONDS AND LONG TERM LIABILITIES	<u>\$4,712,873</u>		<u>\$4,208,652</u>
TOTAL LIABILITIES	<u>\$6,755,837</u>		<u>\$5,945,602</u>

COUNTY OF DUTCHESS
ANNUAL UPDATE DOCUMENT
FOR THE FISCAL YEAR ENDED 2011

(EA) ENTERPRISE AIRPORT
BALANCE SHEET

DESCRIPTION	FOR THE FISCAL YEAR ENDED 2010	EDP CODE	FOR THE FISCAL YEAR ENDED 2011
LIABILITIES AND FUND EQUITY			
NET ASSETS - INVESTED IN CAPITAL ASSETS	\$12,952,164	EA920	\$14,748,989
TOTAL NET ASSETS - INVESTED IN CAPITAL ASSETS	<u>\$12,952,164</u>		<u>\$14,748,989</u>
NET ASSETS RESTRICTED FOR DEBT	\$4,208,652	EA922	\$3,702,922
TOTAL NET ASSETS RESTRICTED FOR DEBT	<u>\$4,208,652</u>		<u>\$3,702,922</u>
NET ASSETS RESTRICTED - OTHER PURPOSES	\$2,500	EA 923	\$27,067
TOTAL NET ASSETS RESTRICTED	<u>\$2,500</u>		<u>\$27,067</u>
NET ASSETS - UNRESTRICTED	-\$3,950,486	EA924	-\$4,356,601
TOTAL NET ASSETS - UNRESTRICTED	<u>-\$3,950,486</u>		<u>-\$4,356,601</u>
TOTAL FUND EQUITY	<u>\$13,212,830</u>		<u>\$14,122,377</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$19,968,467</u> =====		<u>\$20,067,979</u> =====

COUNTY OF DUTCHESS
ANNUAL UPDATE DOCUMENT
FOR THE FISCAL YEAR ENDED 2011

(EA) ENTERPRISE AIRPORT
RESULTS OF OPERATIONS

DESCRIPTION	FOR THE FISCAL YEAR ENDED 2010	EDP CODE	FOR THE FISCAL YEAR ENDED 2011
REVENUES, TRANSFERS, AND TAXES			
AIRPORT FEES & RENTALS	\$1,627,388	EA 1770	\$1,631,047
TOTAL CHARGES FOR SERVICES WITHIN LOCALITY	<u>\$1,627,388</u>		<u>\$1,631,047</u>
MINOR SALES, OTHER	\$206	EA 2655	\$314
SALE OF EQUIPMENT	12,500	EA 2665	35,000
INSURANCE RECOVERY	5,599	EA 2680	7,006
OTHER COMPENSATIONS	<u>0</u>	EA 2690	<u>0</u>
TOTAL FINES & COMPENSATION	\$18,305		\$42,320
INTEREST AND EARNINGS	\$5,359	EA 2401	\$4,004
RENTAL OF REAL PROPERTY	<u>172,689</u>	EA 2410	<u>143,760</u>
TOTAL USE OF MONEY AND PROPERTY	\$178,048		\$147,764
FORFEITURE OF DEPOSIT	\$0	EA 2620	\$0
TOTAL FORFEITURE OF DEPOSIT	<u>\$0</u>		<u>\$0</u>
REFUND OF PRIOR YEAR'S EXPENDITURES	\$8,816	EA 2701	\$4,100
UNCLASSIFIED - COMMISSIONS	<u>885</u>	EA 2770	<u>1,310</u>
TOTAL OTHER	\$9,701		\$5,410
STATE AID - AIRPORT CAPITAL PJC	\$582,122	EA3589	\$91,029
STATE AID - DISASTER ASSISTANCE	<u>0</u>	EA3960	<u>1,390</u>
TOTAL STATE AID	\$582,122		\$92,419
FEDERAL AID - CAPITAL OUTLAY	\$1,097,548	EA4589	\$2,435,806
FEDERAL AID - DISASTER ASSISTANCE	<u>0</u>	EA4960	<u>8,338</u>
TOTAL FEDERAL AID	\$1,097,548		\$2,444,144
TRANSFERS	\$600,686	EA 5031	\$842,303
TRANSFERS	<u>\$600,686</u>		<u>\$842,303</u>
TOTAL REVENUES, TRANSFERS, AND TAXES	<u>=====</u> \$4,113,798 =====		<u>=====</u> \$5,205,407 =====

COUNTY OF DUTCHESS
ANNUAL UPDATE DOCUMENT
FOR THE FISCAL YEAR ENDED 2011

(EA) ENTERPRISE AIRPORT
RESULTS OF OPERATIONS

DESCRIPTION	FOR THE FISCAL YEAR ENDED 2010	EDP CODE	FOR THE FISCAL YEAR ENDED 2011
EXPENSES AND TRANSFERS			
AIRPORT, PERS SERV	\$647,333	EA5610.1	\$660,147
L/T LIABILITY FOR VACATION	-9,515	EA5610.1	4,031
TOTAL PERSONAL SERVICES	<u>\$637,818</u>		<u>\$664,178</u>
DEPRECIATION EXPENSE	1,396,782	EA1994.4	1,439,676
TOTAL DEPRECIATION EXPENSES	<u>\$1,396,782</u>		<u>\$1,439,676</u>
AIRPORT, CONTR EXPEND	\$369,451	EA5610.4	\$382,544
AIRPORT, COST OF GOOD SOLD	703,232	EA5610.4	784,377
TOTAL CONTRACTUAL EXPENSES	<u>\$1,072,683</u>		<u>\$1,166,921</u>
TOTAL CONTRACTUAL EXPENSES	\$2,469,465		\$2,606,597
AIRPORT, EMPL BNFTS	\$294,014	EA5610.8	\$332,258
AIRPORT, EMPL BNFTS OPEB	0	EA5610.8	0
TOTAL EMPLOYEE BENEFITS	<u>\$294,014</u>		<u>\$332,258</u>
DEBT INTEREST, SERIAL BONDS	\$116,942	EA9710.7	\$151,652
TOTAL INTEREST EXPENSE	<u>\$116,942</u>		<u>\$151,652</u>
INTERFUND TRANSFERS	\$0	EA9901.9	\$541,175
TOTAL INTERFUND TRANSFERS	<u>\$0</u>		<u>\$541,175</u>
TOTAL EXPENSES	\$3,518,239		\$4,295,860
TOTAL EXPENSES AND TRANSFERS	<u>----- \$3,518,239 =====</u>		<u>----- \$4,295,860 =====</u>

COUNTY OF DUTCHESS
ANNUAL UPDATE DOCUMENT
FOR THE FISCAL YEAR ENDED 2011

(EA) ENTERPRISE AIRPORT
RESULTS OF OPERATIONS

DESCRIPTION	FOR THE FISCAL YEAR ENDED 2010	EDP CODE	FOR THE FISCAL YEAR ENDED 2011
ANALYSIS OF CHANGES IN FUND EQUITY			
FUND EQUITY - BEGINNING OF YEAR*	\$12,617,271	EA 8021	\$13,212,830
PRIOR PERIOD ADJ-INCREASE IN FUND EQUITY	,	EA 8012	,
PRIOR PERIOD ADJ-DECREASE IN FUND EQUITY		EA 8015	
REVENUES, TRANSFERS, AND TAXES	4,113,798		5,205,407
EXPENSES AND TRANSFERS	-3,518,239		-4,295,860
INCREASE FUND EQUITY-ADDITION		EA 8026	
FUND EQUITY - END OF YEAR*	<u>\$13,212,830</u> =====	EA 8029	<u>\$14,122,377</u> =====

* TOTAL INCLUDES RESERVED AND UNRESERVED FUND BALANCE IN GOVERNMENTAL FUNDS, OR FUND EQUITY FOR PROPRIETARY FUNDS. PRIOR PERIOD ADJUSTMENTS ARE LIMITED TO ADJUSTMENTS ON PREVIOUSLY ISSUED FINANCIAL STATEMENTS RESULTING FROM CHANGES IN ACCOUNTING PRINCIPLES. CORRECTIONS OF ERRORS MUST BE DETAILED BELOW SO THE PROPER ACCOUNTS IN THE PRIOR YEAR(S) AUD CAN BE ADJUSTED. IF THESE ADJUSTMENTS ARE NOT DETAILED THEY WILL BE RECORDED AS REVENUES OR EXPENDITURES IN THE CURRENT YEAR AND TREATED AS UNSUBSTANTIATED PRIOR PERIOD ADJUSTMENTS.

STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED 2011
 INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(EA) ENTERPRISE AIRPORT	EDP CODE	AMOUNT
CASH FLOWS FROM OPERATING ACTIVITIES:		
CASH RECEIVED FROM PROVIDING SERVICES	7111	\$3,993,979
CASH PAYMENT CONTRACTUAL EXPENSES	7112	-729,819
CASH PAYMENT CONTRACTUAL EXPENSES(MEMO ACCTS)		-3,542,192
OTHER PAYMENTS PERSONAL SERVICES & BENEFITS	7113	-987,226
OTHER OPERATING REVENUES	7114	195,494
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	7119	-\$1,069,764
CASH FLOWS FROM NON-CAPITAL AND FINANCING ACTIVITIES:		
REAL PROPERTY TAXES	7121	\$0
OPERATING GRANTS RECEIVED	7122	842,303
TRANSFERS TO/FROM OTHER FUNDS	7123	-508,924
PROCEEDS OF DEBT (NON-CAPITAL)	7124	0
PAYMENT OF DEBT (NON-CAPITAL)	7125	0
INTEREST EXPENSES (NON-CAPITAL)	7126	0
NET CASH RPROVIDED/(USED) BY NON-CAPITAL FINANCING ACTIVITIES	7129	\$333,379
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
PROCEEDS OF DEBT (CAPITAL)	7131	\$0
PRINCIPAL PAYMENT DEBT (CAPITAL)	7132	-504,220
INTEREST EXPENSE (CAPITAL)	7133	-151,652
CAPITAL CONTRIBUTED BY DEVELOPERS	7134	
CAPITAL CONTRIBUTED BY OTHER FUNDS	7135	0
PAYMENT TO CONTRACTORS	7136	
CAPITAL GRANTS RECEIVED FROM OTHER GOVERNMENTS	7137	
PROCEEDS FROM SALE OF ASSETS	7138	
NET CASH PROVIDED/(USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	7139	-\$655,872

STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED 2011

CASH FLOWS FROM INVESTING ACTIVITIES:		
PURCHASE OF INVESTMENT	7151	
SALE OF INVESTMENTS	7152	
INTEREST INCOME	7153	
NET CASH PROVIDED/(USED) BY INVESTMENT ACTIVITIES	7159	
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	7161	-1,392,257
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	7171	1,856,272
CASH AND CASH EQUIVALENTS AT END OF YEAR	7179	464,015

RECONCILIATION OF OPERATING INCOME TO NET CASH

OPERATING INCOME (LOSS)	7181	\$909,548
ADJUSTMENT TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED/(USED) FROM OPERATIONS:		
DEPRECIATION	7182	1,439,676
INCREASE/DECREASE IN ASSETS OTHER THAN CASH & CASH EQUIVALENTS	7183	-2,931,447
INCREASE/DECREASE IN LIABILITIES OTHER CASH & CASH EQUIVALENTS	7184	-810,035
OTHER RECONCILING ITEMS:		
DISPOSAL OF EQUIPMENT	7185	1
_____	7185	
_____	7185	
_____	7185	
_____	7185	
TOTAL ADJUSTMENT		
NET CASH PROVIDED/USED BY OPERATING ACTIVITIES	7189	-\$1,392,257

Addendum II - Deed

QUITCLAIM DEED

659 89175

THIS INSTRUMENT, made the 4th day of April, One Thousand Nine Hundred and Forty-seven, between UNITED STATES OF AMERICA, acting by and through WAR ASSETS ADMINISTRATOR, 425 Second Street, N.W., Washington, D. C., under and pursuant to Executive Order 9680, dated January 31, 1946, and the powers and authority contained in the provisions of the Surplus Property Act of 1944 (50 Stat. 766), as amended, and applicable Rules, Regulations and Orders, party of the first part, (hereinafter sometimes called Grantor), and DUTCHESS COUNTY, STATE OF NEW YORK, a municipal corporation, party of the second part, (hereinafter sometimes called Grantee),

W I T N E S S E T H:

That the said party of the first part, for and in consideration of the assumption by Dutchess County, State of New York, of all the obligations and its agreement to all the reservations, restrictions and conditions set out herein, has remised, released and forever quitclaimed, and by these presents does remise, release and forever quitclaim, unto the said party of the second part, and to its successors and assigns, subject to the reservations, restrictions and conditions, exception and reservation of fissionable materials and right hereinafter set out:

TRACT 1

ALL that certain lot, piece or parcel of land situate lying and being in the Town of Happingers, County of Dutchess, and State of New York, bounded and described as follows:

BEGINNING at a stone set in the ground in the east bank of Happingers Creek where the same is intersected by the land formerly of Jacob V. B. Conklin, now or formerly of William A. Kauffman, being the northwest corner of the premises herein described; and running thence along the aforesaid line now or formerly of Kauffman, south 80 degrees, 48 minutes east 84.84 chains, more or less, to the northwesterly side of White Road, now called White Bridge Road; thence along the northwesterly side of said White Bridge Road and the northerly side of the old road to Happingers Falls, as said roads wind and turn, 19.9 chains, more or less, to the land formerly of Jacob V. B. Stoutenburgh, now or formerly the lands of the Society for Christian Work of the Collegiate Church of St. Nicholas; thence along said land, north 80 degrees, 49 minutes west 22.6 chains, more or less, to a stone set in the ground in the east bank of Happingers Creek; and thence along the east bank of the creek as the same winds and turns, 18.6 chains, more or less, to the point or place of beginning. Containing 87.68 acres of land, more or less.

BEING and intending to describe a portion of the premises described in a deed from Mary E. Hade to Frank Greene, dated January 4, 1909, and recorded January 4, 1909, in Dutchess County records of deeds, Liber 850, Page 895.

TRACT 2

ALL that certain lot, piece or parcel of land, situate, lying and being in the Town of Happingers, County of Dutchess, and State of New York, bounded and described as follows:

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BEGINNING at a point in the southwesterly line of lands now or formerly of Antonio Dalia, distant northeasterly 3.5 chains along said line from the point of intersection of White Road, a lane and the said southwesterly line of lands now or formerly of Antonio Dalia, and running thence south 51 degrees 08 minutes west 3.68 chains, thence south 61 degrees 54 minutes west 9.54 chains, to the line of lands now or formerly of Frank Greene; thence along the said line of lands now or formerly of Frank Greene, north 58 degrees 46 minutes west 31.99 chains, to the southwesterly side of Happingers Creek; thence along said Happingers Creek, northeasterly 14.8 chains, to the line of lands now or formerly of Antonio Dalia; and thence along said line of lands now or formerly of Antonio Dalia, south 38 degrees 45 minutes east 41.8 chains, to the point or place of beginning. Containing 49.6 acres of land, more or less.

BEING a portion of the premises described in a deed from Woodworth Realty Company to William A. Kauffman, dated October 11, 1913, and recorded October 19, 1913, in Dutchess County records of deeds, Liber 392, Page 51.

TOGETHER with such right, title and interest as the parties of the first part may have in and to the said Happingers Creek, and in and to the beds of highways crossing or adjoining the above described premises.

TRACT 3

BEGINNING at a point on the northerly line of the Road leading from Happingers Falls to New Hackensack (White Road, now known as White Bridge Road) where the same is intersected by the line of the lands now or formerly of Hicks Van Keuren; and running thence southwesterly along the northerly line of said road 16 chains, more or less, to the land formerly of Matthew V. Ackerman now or formerly of Antonio Dalia, thence along said land, north 38 degrees 15 minutes west 84.4 chains, more or less, to the southerly bank of Happingers Creek at a stone set near a white oak and a black oak tree marked for Matthew V. Ackerman's corner, now or formerly Dalia; thence northeasterly and easterly along the southerly bank of Happingers Creek as it winds and turns 21 chains, more or less, to a stone set between a butternut and a basswood tree marked for Philip L. Vanderbilt's corner, now or formerly of Peter J. Tennis et al; thence along said land of Vanderbilt, now or formerly of Tenis, and land formerly of Charles Heston, now or formerly of Philip W. Smith and Nevada Smith, his wife, south 38 degrees 16 minutes east 52.6 chains, more or less, to a point being the southwest corner of land now or formerly of Philip W. Smith and Nevada Smith, his wife; thence with the land formerly of Heston, now or formerly Smith, and with the lands formerly of Simon Hitchcock, north 75 degrees 30 minutes east 5.17 chains, to the land formerly of John Baker; and thence with the land formerly of John Baker and the land formerly of Hicks Van Keuren, south 9 degrees east 8.47 chains, more or less, to the point or place of beginning.

CONTAINING 91.82 acres of land, more or less.

BEING a portion of the premises described in a deed from John B. Grubb, as Executor of the Last Will and Testament of Catherine Thorn Maloney, deceased, to Richard J. Maloney, dated January 17, 1938, and recorded January 19, 1938, in Dutchess County records of deeds, Liber 564, Page 512.

TRACT 4

ALL that certain lot, piece or parcel of land situate, lying and being in the Town of Happinger, County of Dutchess, and State of New York, bounded and described as follows:

BEGINNING at a point in the northeasterly line of lands now or formerly of Philip W. Smith and Nevada Smith, his wife, said point also being the northwest corner of lands now or formerly of Simon Hitchcock; thence along lands now or formerly of Philip W. Smith and Nevada Smith, his wife, north 37 degrees 45 minutes west 1 chain 24 links to the southerly limits of an unnamed street; thence along the southerly limits of the said unnamed street north 79 degrees 30 minutes east 1 chain 99 links to a point in the westerly limits of another unnamed street; thence along the westerly limits of the second unnamed street south 6 degrees 30 minutes east 1 chain 9 links to a point in the northerly line of lands now or formerly of Simon Hitchcock; thence along the northerly line of lands now or formerly of Simon Hitchcock south 79 degrees 30 minutes west 1 chain 39 links to the point or place of beginning.

CONTAINING 0.18 acres of land, more or less.

BEING a portion of the premises described in a deed from John B. Grubb, as Executor of the Last Will and Testament of Catherine Thorn Maloney, deceased, to Richard J. Maloney, dated January 17, 1938, and recorded January 19, 1938, in Dutchess County records of deeds, Liber 564, Page 513.

TRACT 6

ALL that certain lot, piece or parcel of land, situate, lying and being in the Town of Happinger, County of Dutchess, and State of New York, bounded and described as follows:

BEGINNING at a point in the northwesterly side-line of White Road, said point being in the southwesterly boundary of lands now or formerly of Antonio Balla; thence along the northwesterly side-line of White Road in a southwesterly direction 880.0 feet, more or less, to lands now or formerly of Frank Greene; thence along lands now or formerly of said Frank Greene, north 33 degrees 45 minutes west 185 feet, more or less; thence along lands now or formerly of William A. Kauffman, north 01 degrees 54 minutes east 820.84 feet, more or less; thence still along lands now or formerly of said William A. Kauffman, north 51 degrees 00 minutes east 234.90 feet, more or less, to lands now or formerly of Antonio Balla, and thence along lands now or formerly of said Antonio Balla, south 33 degrees 45 minutes east 200.0 feet, more or less, to the point or place of beginning.

CONTAINING 3.68 acres of land, more or less.

BEING a portion of the premises described in a deed from Woodworth Realty Company to William A. Kauffman, dated October 11, 1913, and recorded October 18, 1913, in Dutchess County records of deeds, Liber 382, Page 61.

TRACT 6

ALL that certain lot, piece or parcel of land situate, lying and being in the Town of Happinger, County of Dutchess, and State of New York, bounded and described as follows:

BEGINNING at the point of intersection of the northerly line of White Bridge Road, also known as White Road, with the easterly line of land now or formerly of Richard J. Maloney, deceased, formerly of B. J. Hopkins; and running thence along said land, north 8 degrees 46 minutes west 140 feet, more or less, to land to Richard Deany, formerly of Baker; thence along said land, south 03 degrees east 80 feet, more or less, to land now or formerly of Herritt, formerly of James H. Goodham, being the westerly side of the Old Store Lot; thence along said land, south 3 degrees 48 minutes east 115 feet, more or less, to the northerly line of White Bridge Road, also known as White Road; and thence westerly along the northerly line of said road 75 feet to the point or place of beginning.

CONTAINING 0.20 acre of land, more or less.

BEING the same premises described in a deed from Sarah M. Hicks et al. to J. Edward Hicks, also known as James Edward Hicks, dated April 21, 1883, and recorded May 26, 1883, in Dutchess County records of Deeds, Liber 213, Page 383.

AND BEING the same premises of which the said James Edward Hicks died seized, intestate, on June 13, 1928, leaving him surviving, as his only heirs-at-law and next-of-kin, his widow, the said Sarah V. Hicks, and his three children, the said Mary G. Hicks, Jennie V. Wendol, and Katherine L. Dybdahl, also known as Katherine Dybdahl.

AND BEING the same premises in and to which the said Mary G. Hicks, Jennie V. Wendol, and Katherine L. Dybdahl, also known as Katherine Dybdahl, conveyed a life interest to the said Sarah V. Hicks by deed dated August 21, 1928, and recorded November 12, 1929, in Dutchess County records of deeds, Liber 481, Page 3.

TRACT 7

ALL that certain tract or parcel of land and premises, herein-after particularly described, situate, lying and being in the Town of Happinger, County of Dutchess, and State of New York, and more particularly described as follows:

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BEGINNING at the point of intersection of the white road and a dirt road, thence,

S 77° 02' W 100.3 feet, thence
 N 84° 10' W 234 feet, thence
 N 00° 49' W 309.0 feet, thence
 N 41° 16' W 2908 feet, thence
 Northeasterly 927 feet, more or less, by Wappinger
 Creek, thence
 S 41° 51' E 4310 feet, to the point or place of
 beginning.

CONTAINING 76 acres, more or less.

TRACT 8

ALL that certain tract or parcel of land, with the buildings and improvements thereon, hereinafter particularly described, situate, lying and being in the Town of Wappinger, County of Dutchess, and State of New York, and more particularly described as follows:

BEGINNING at the point of intersection of the Brook and State Highway, Route No. 376, thence southwestwardly 2.51 chains, more or less to the point or place of beginning; thence along other lands of P. J. Tondis south 71° west 1 chain to a point; thence still along same south 8° 30' east 16.27 chains to a point; thence along lands of P. M. Smith and N. Smith south 77° west 7.23 chains to a point; thence along lands of R. J. Maloney north 36° 21' west 47.40 chains to a point; thence northeasterly along the southerly limits of Wappinger Creek as it winds and turns to a point where the westerly boundary of lands of H. Newman intersects the southerly limits of the aforesaid Wappinger Creek; thence along lands of the said H. Newman and lands of S. Newman, et al. south 26° 30' east 31.91 chains to a point; thence still along lands of the aforesaid S. Newman, et al. north 53° 10' east 13.60 chains to a point; thence still along same south 14° east 5.94 chains to the point or place of beginning.

CONTAINING within the above notes and bounds 34.3 acres of land, more or less.

BEING and intended to be a part of the same land as that described in a deed from Laura DePue, et al. to P. J. Tondis and recorded in the Office of the Recorder of Deeds on December 31, 1932 in Deed Book 538, Page 179, in the county and State first above mentioned.

TRACT 9

ALL that certain lot, piece or parcel of land situate, lying and being in the Town of Wappinger, County of Dutchess and State of New York, bounded and described as follows:

BEGINNING in the center of the State Highway known as Route 376, at the northwesterly corner of lands now or formerly of the Trustees of the Reformed Protestant Dutch Church of New Hackensack; and running thence northerly, along the center line of said highway, 4.20 chains, more or less, to the northeasterly corner of lands now or formerly of Samuel S. Newman, et al.; thence along lands now or formerly of Samuel S. Newman, et al., south 74 degrees 07 minutes west, 22.40 chains; thence along lands now or formerly of Peter J. Tennis, et al., north 40 degrees 48 minutes west, 20.50 chains, more or less, to the southerly line of Wappinger Creek; thence along the westerly boundary of the southerly line of said Creek, northeasterly, 33.00 chains, more or less; thence along lands now or formerly of Robert Van Amburgh, north 89 degrees 15 minutes east, 1.90 chains, more or less, to the center of the aforesaid State Highway known as Route 376; thence along the center line of said highway, northeasterly, 20.70 chains, more or less; thence along lands now or formerly of Robert Thorne, south 44 degrees 15 minutes east, 11.00 chains; thence still along said lands, south 35 degrees 45 minutes east, 3.00 chains; thence still along said lands, south 33 degrees east, 5.30 chains; thence still along said lands, south 40 degrees east, 22.90 chains, more or less; thence along lands now or formerly of William Eward, south 48 degrees 50 minutes west, 23.00

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chains, more or less, to the northeasterly corner of lands now or formerly of the Trustees of the Reformed Protestant Dutch Church of New Hackensack; and thence along said lands, south 01 degree 16 minutes west, 16.20 chains, more or less, to the point or place of beginning.

CONTAINING 181.70 acres of land, more or less.

TOGETHER with an island in Wappingers Creek about 32.00 chains, more or less, northeasterly from the northwesterly corner of the land described herein.

BEING a portion of the premises conveyed by Samuel A. Crum and Grace Crum, his wife, to Nathan Newman, by deed dated May 3, 1928, and recorded on May 3, 1928, in the Dutchess County records of deeds, in Liber 488, Page 208.

TRACT 10

ALL that certain lot, piece or parcel of land situate, lying and being in the Town of Wappinger, County of Dutchess and State of New York, bounded and described as follows:

BEGINNING at a point in the westerly line of Highway Route No. 378 running from New Hackensack to Poughkeepsie distant northerly along said road 2340.00 feet, more or less, from its intersection with the center line of White Road; and running thence north 83 degree 26 minutes west, along lands of the Reformed Protestant Dutch Church of New Hackensack, 83.70 feet; thence south 1 degree 36 minutes west, still along said lands, 14.60 feet; thence south 41 degree 05 minutes west, still along said lands, 131.60 feet; thence south 61 degree 50 minutes west, along lands of Peter J. Tennis, 915.60 feet; thence north 32 degree 03 minutes west, still along lands of Peter J. Tennis, 900.00 feet; thence north 32 degree 52 minutes east, along lands of Nathan Newman, 1464.80 feet, to the westerly line of Highway Route No. 378; thence south 1 degree 40 minutes east, along said Highway, 400.00 feet, to the point or place of beginning.

CONTAINING 18.30 acres of land, more or less.

BEING the same premises conveyed by Nathan Newman to Samuel S. Newman and R. Adele Steinhardt by deed dated October 14, 1941, and recorded on October 14, 1941, in the Dutchess County records of deeds, in Liber 696, Page 244.

TRACT 11

ALL that certain tract or parcel of land and premises, herein-after particularly described, situate, lying and being in the Town of Wappinger, County of Dutchess, and State of New York, and more particularly described as follows:

FROM the point of intersection of White Road & route #378; thence westerly 260 feet more or less to a point on R. J. Kaloney's east line; thence along said east line northerly 788.6 feet more or less to the place of beginning:

- S. 74° 30' W. 2.60 chains, thence
- S. 36° 30' E. 4.00 chains, thence
- S. 77° W. 4.22 chains, thence
- N. 36° 21' W. 5.61 chains, thence
- N. 77° E. 7.87 chains, thence
- E. to point of beginning.

CONTAINING 2.6 acres, more or less.

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TRACT 12

ALL that certain tract or parcel of land and premises, herein-after particularly described, situate, lying and being in the Town of Happinger, County of Dutchess and State of New York, and more particularly described as follows:

FROM the point of intersection of the White Road and route #576; thence along the White Road westerly 260 feet more or less to a point on R. J. Maloney's east line; thence along said east line northerly 760 feet more or less to the point of beginning; thence

- S. 79° 50' W. 2.52 chains, thence
- N. 37° 48' W. .60 chains, thence
- N. 7° 40' E. 2.50 chains, thence
- S. 6° 30' E. .75 chains, to the point or place of beginning.

CONTAINING .2 acres, more or less.

TRACT 13

ALL that certain lot, piece or parcel of land situate, lying and being in the Town of Happinger, County of Dutchess and State of New York, bounded and described as follows:

BEGINNING at a point which is the northeasterly corner of the land herein described, said point being in the northerly line of a street 31 links wide and distant along the same 3 chains and 94 links, more or less, from its intersection with the center line of the State Highway known as Route 378; and running thence along the easterly line of a street 30 feet wide south 8 degrees 30 minutes east 3 chains and 9 links, more or less; thence along lands now or formerly of Richard J. Maloney, south 76 degrees 45 minutes west 46 links, more or less; thence along the westerly line of the street 30 feet wide and lands now or formerly of Frank Hitchcock and lands now or formerly of Richard J. Maloney north 6 degrees 30 minutes west 2 chains and 82 links, more or less, to the southerly line of the street 31 links wide; thence along said southerly line and lands now or formerly of Richard J. Maloney, south 79 degrees 30 minutes west 1 chain and 93 links; thence along lands now or formerly of Philip W. Smith and Nevada Smith, his wife, north 37 degrees 45 minutes west 35 links; and thence along the northerly line of said street 31 links wide and lands now or formerly of Kathryn Rose Hildenbrand, north 79 degrees 30 minutes east 2 chains and 62 links, to the point or place of beginning.

CONTAINING 0.20 of an acre of land, more or less.

TRACT 14

ALL that certain lot, piece or parcel of land situate, lying and being in the Town of Happinger, County of Dutchess and State of New York, bounded and described as follows:

BEGINNING at a point which is the northeasterly corner of the land herein described, said point being in the westerly line of a street 30 feet wide and distant southerly along said street 1 chain and 9 links from its intersection with the southerly line of a street 31 links wide; running thence along said westerly line of said street 30 feet wide, south 8 degrees 30 minutes east 1 chain and 73 links, to lands now or formerly of Richard J. Maloney; thence along said lands; south 76 degrees 45 minutes west 45 links, more or less, to lands now or formerly of Philip W. Smith and Nevada Smith, his wife; thence along said lands, north 37 degrees 45 minutes west 1 chain and 97 links, to other lands now or formerly of Richard J. Maloney; and thence along said lands, north 79 degrees 30 minutes east 1 chain and 39 links, to the point or place of beginning.

CONTAINING 0.16 of an acre, of land, more or less.

SUBJECT HOWEVER, to existing easements for public roads and highways, public utilities, railroads, pipelines and drainage and sewer mains,

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TOGETHER with any alienable interest of the party of the first part under an Agreement dated February 5, 1944, between the Trustees of the Reformed Protestant Dutch Church of New Harkensack and the United States of America, for the construction, erection and maintenance of obstruction lights over,

ALL that tract or parcel of land lying and being in the Town of Happinger, Dutchess County, State of New York, more particularly described as follows:

Beginning at a point which is the northeasterly corner of the Brick Church Building, said point of beginning being on a course of South 16° 06' 30" East and distant 124.38 feet from the northeasterly corner of the land of the Trustees of the Reformed Protestant Dutch Church of New Harkensack and running thence North 12° 30' west 10.0 feet; thence South 77° 30' East parallel with the northerly line of the Brick Church Building and distant 10.0 feet therefrom, 71.0 feet; thence South 12° 30' East 8.0 feet; thence South 77° 30' East 67.0 feet; thence South 12° 30' East along the easterly line of the New Harkensack - Myers Corners Road 8.0 feet; thence North 77° 30' East in part along the northerly line of the Brick Church building 129.0 feet to the northeasterly corner thereof and the place of beginning. Containing 0.023 acres of land, be the same more or less.

AND TOGETHER with a perpetual easement and right-of-way for the construction, maintenance and repair of obstruction mast and light assembly, obtained by the party of the first part from Coert B. Van Voorhis and Mary Edna Van Voorhis, his wife, by easement grant dated July 10, 1944, and recorded on July 10, 1944, in Dutchess County Record of deeds in Liber 617, Page 505, over,

ALL that certain lot, piece or parcel of land situate, lying and being in the Town of Happinger, County of Dutchess and State of New York, bounded and described as follows:

Beginning at the first pole in the electric service line north of the residence of Coert B. Van Voorhis and from said pole running South 48° 49' West a distance of 75.0 feet more or less to the north-west corner of a 10 foot square of land, the above described line being the center line of an easement 5 feet in width; thence South 45° East along the northerly side of the said ten foot square 10.0 feet; thence South 45° West along the easterly side of the said square 10.0 feet; thence North 45° West along the southerly side of the said square 10.0 feet; thence North 45° East along the westerly side of the said square 10.0 feet to the northwesterly corner of said square and the end of the described center line of the 5 foot easement. Containing in all, 0.011 acres of land, be the same more or less.

The center of the square herein described is distant northwesterly 91.0 feet from the northeasterly corner of the Van Voorhis residence and is distant northeasterly 82.0 feet from the northwesterly corner of the said residence.

Being a portion of the premises conveyed by Eliza G. Ransom to Coert B. Van Voorhis and Mary Edna Van Voorhis, his wife, by deed dated February 28, 1929, and recorded April 3, 1929, in Dutchess County records of deeds, Liber 494, Page 416.

AND TOGETHER with runways, taxi-ways, field drainage system, field marking, hangar, control tower and oil house, AND TOGETHER with all the interests of the party of the first part in and to the above described premises and every part and parcel thereof with the appurtenances.

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AND EXCEPTING from this conveyance and reserving to the United States of America, in accordance with Executive Order 9701, approved on March 4, 1946, (11 F. R. 2369), all fissionable materials in the above-described land, together with the right at any and all times to enter upon the lands and prospect for, mine and remove such materials with all necessary and convenient means of working and transporting the materials and supplies. By accepting this instrument or any rights thereunder, the said Dutchess County, State of New York, hereby releases the United States of America from any and all liability for all claims for losses or damage arising out of the exception and reservation above.

Said land was duly declared surplus and was assigned to the War Assets Administrator for disposal, acting pursuant to Executive Order 9689, the Surplus Property Act of 1944, as amended, and applicable Rules, Regulations and Orders.

And by the acceptance of this deed, the said Grantee herein, Dutchess County, State of New York, for itself, its successors and assigns, assumes the obligations of and agrees to the following reservations and restrictions which shall run with the land, imposed pursuant to the authority of Article 4, Section 3, Clause 2, of the Constitution of the United States of America, the Surplus Property Act of 1944, as amended, Executive Order 9689, and applicable Rules, Regulations and Orders:

1. That the airport shall be used for public airport purposes on reasonable terms and without unjust discrimination and without grant or exercise of any exclusive right for use of the airport within the meaning of Section 303 of the Civil Aeronautics Act of 1938. As used herein, "public airport purposes" shall be deemed to exclude use of the land, buildings, structures and improvements or other property, of whatsoever nature conveyed hereby, or any portion thereof for manufacturing or industrial purposes.

2. That the entire landing area, as defined in W.A.A. Regulation 16, and all improvements, facilities and equipment of the airport shall be maintained at all times in good and serviceable condition to assure its efficient operation.

3. That insofar as is within its power and reasonably possible, the Grantee shall prevent any use of the land, either within or outside the boundaries of the airport, including the construction, erection, alteration

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or growth, of any structure or other object thereon, which use would be a hazard to the landing, taking off, or manoeuvring of aircraft at the airport or otherwise limit its usefulness as an airport.

4. That the building areas and non-aviation facilities, as such terms are defined in W. A. A. Regulation 16, shall be used, altered, modified, or improved only in a manner which does not interfere with the efficient operation of the landing area and of the airport facilities.

5. That the Grantor shall at all times have the right to use the airport in common with others; provided, however, that such use may be limited as may be determined at any time by the Civil Aeronautics Administration or the successor Government agency to be necessary to prevent interference with use by other authorized aircraft, so long as such limitation does not restrict the grantor's use to less than twenty-five per centum (25%) of capacity of the airport. The Grantor's use of the airport to this extent shall be without charge of any nature other than payment for damage caused by aircraft belonging to the grantor.

6. That during the existence of any emergency declared by the President of the United States of America or the Congress thereof, the Grantor shall have the right, without charge, except as indicated below, to the full, unrestricted possession, control and use of the landing area, building areas and airport facilities, as such terms are defined in W. A. A. Regulation 16, or any part thereof, including any additions or improvements thereto made subsequent to the declaration of the airport property as surplus; provided, however, that the Grantor shall be responsible during the period of such use, for the entire cost of maintaining all such areas, facilities and improvements, or the portions used, and shall pay a fair rental for the use of any installations or structures which have been added thereto without Federal aid.

7. That no exclusive right for the use of any landing area or air navigation facilities, as such terms are defined in W. A. A. Regulation 16, included in the above-described real estate, shall be granted or exercised.

It is agreed by and between the Grantor and the Grantee that upon a breach of any of the reservations, restrictions or conditions by the Grantee or any subsequent transferee, whether caused by the legal inability of said

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Grantee or transferee to perform any of the obligations herein set out, or otherwise, the title, interest, right of possession or other right transferred shall, at the option of the Grantor, revert to the Grantor upon demand; and that the above-described airport property may be successively transferred only with the approval of the Civil Aeronautics Administration or the successor Government agency, and with the proviso that any such transferee assume all of the obligations imposed herein.

And it is further agreed by and between the Grantor and the Grantee that if the construction as covenants of any of the foregoing reservations and restrictions recited herein as covenants or the application of the same as covenants in any particular instance is held invalid, the particular reservations or restrictions in question shall be construed instead merely as conditions upon the breach of which the Government may exercise its option to cause the title, right of possession and all other rights transferred to the party of the second part, or any portion thereof, to revert to it, and the application of such reservations or restrictions as covenants in any other instance and the construction of the remainder of such reservations and restrictions as covenants shall not be affected thereby.

TO HAVE AND TO HOLD, all and singular, the foregoing described premises, except the fissionable materials and rights excepted and reserved above, and subject to the aforesaid reservations, restrictions and conditions, together with the appurtenances, unto the said party of the second part, its successors and assigns, to its own use, benefit and behoof forever.

IN WITNESS WHEREOF, the party of the first part has caused this deed to be executed in its name by D. J. DUDGAN, Deputy Regional Director for Real Property Disposal, War Assets Administration, who has hereunto affixed his hand and seal the day and year first above written.

UNITED STATES OF AMERICA
Acting by and through
WAR ASSETS ADMINISTRATOR

BY D. J. Dudgan
D. J. DUDGAN
Deputy Regional Director for
Real Property Disposal
War Assets Administration

WITNESSES:

[Signature]

Addendum III – Development Opportunities

Source: Division of Aviation Website

Parcel 1 Northwest Quadrant This parcel of 2.63 acres is in the northwest quadrant of the facility. The parcel has road access as well as immediate access to the Airport's infrastructure. Natural gas and electric are available on the access road. This parcel requires a well and septic arrangement. Lease terms and conditions are negotiable depending on the level of investment.



Parcel 2 This parcel of 1.12 acres is in the northwest quadrant of the facility. The parcel has road access as well as immediate access to the Airport's infrastructure. Natural gas lines run close to the parcel. This parcel requires a well and septic arrangement. Electric is available on the adjoining roadway. Lease terms and conditions are negotiable depending on the level of investment.

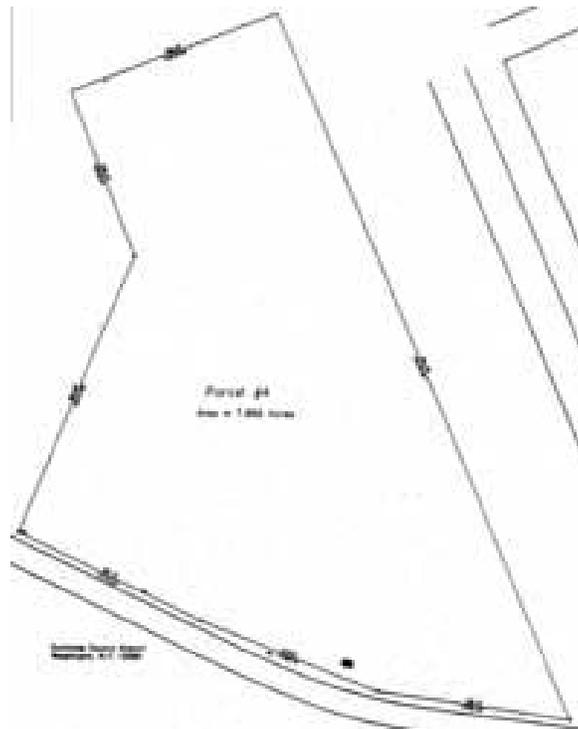


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Parcel 3 Eastern Quadrant This parcel of 4.51 acres is in the eastern quadrant of the facility and bordered by an access road and taxiway. Natural gas and electric are available on the access road. This parcel requires a well and septic arrangement. Lease terms and conditions are negotiable depending on the level of investment.



Parcel 4 This parcel of 7.86 acres is in the terminal complex area on the southern portion of the facility. Natural gas and electric are readily available. Parking is abundant. The parcel is the largest available for development on the facility. This parcel requires a well and septic arrangement.



Parcel 5 No description (Richmor property)



Addendum IV - Fee Schedule

Source: <http://www.co.dutchess.ny.us/CountyGov/Departments/Airport/>

Dutchess County Airport		
Fee Schedule		
Monthly Rentals		
	Time Period	Monthly Rate
Paved Tie-Down	01/01/12 - 12/31/12	\$85.00
Grass Tie-Down	01/01/12 - 12/31/12	\$55.00
Gulf T 40'W x 32'L	01/01/12 - 12/31/12	\$400.00
Juliet T 40'W x 33'L Door Height 12'	01/01/12 - 12/31/12	\$420.00
Juliet #83		\$763.00
Ranch Hangar 44 1/2' W x 41' L Door Height 14', 1,824 Sq. Ft.	01/01/12 - 12/31/12	\$665.00
Whitefield	01/01/12 - 12/31/12	\$1,225.00
GA Services		
Single Engine Fixed Wing Overnight		\$12.00
Overnight Multi		\$15.00
Helicopter Landing		\$20.00
Landing Light/Medium Turbo.		\$30.00
Parking Light/Medium Turbo.		\$25.00
Overnight Light/Medium Turbo.		\$25.00
Landing Large/Heavy		\$55.00
Parking Large/Heavy		\$55.00
Overnight Large/Heavy		\$55.00
Transient Hangar		
Nightly		\$27.50
On-Field business		\$19.25
Miscellaneous		
Before/After Hours		\$75.00
De-Icing (per gallon)*		\$22.00
Jump-Start		
Cable		\$12.00
GPU		\$30.00
Lav. Service		\$50.00
Preheat (per engine)		20.00 Single 30.00 Twin
Catering		cost + (25% * sales tax)
*Minimum 10 gallons		