



## Independent Auditor's Report on Compliance With Aspects of Contractual Agreements

The Honorable Board of Commissioners  
Burbank-Glendale-Pasadena Airport Authority  
Burbank, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Burbank-Glendale-Pasadena Airport Authority (Authority) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 21, 2022.

In connection with our audit, nothing came to our attention that caused us to believe that the Authority failed to comply with the terms, covenants, provisions, or conditions of Section 6.05 (Rates and Charges) to Article VI of the Indenture dated May 1, 2005, as amended by the Fourth Supplemental Indenture of Trust dated April 1, 2015 (the Indenture), with Bank of New York Mellon Trust Company, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Authority's noncompliance with the above-referenced terms, covenants, provisions, or conditions of Section 6.05 of the Indenture, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Commissioners and management of the Authority and the Bank of New York Mellon Trust Company and is not intended to be, and should not be, used by anyone other than these specified parties.

Walnut Creek, California  
December 21, 2022

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

Calculation of Rates and Charges Ratio<sup>(1)</sup>

Year Ended June 30, 2022

(Unaudited)

Pledged revenues <sup>(2)</sup>	\$ 72,817,851
Less operating expenses	<u>49,214,407</u>
Net revenues	23,603,444
Transfers to Surplus Fund	<u>2,599,114</u>
Net revenues plus transfers to Surplus Fund	<u><u>\$ 26,202,558</u></u>
Deposits and charges:	
Accrued debt service – 2012 Airport Revenue Bonds <sup>(3)</sup>	\$ 5,834,956
Deposit of Customer Facility Charge revenue to Debt Service Fund	(4,581,381)
Accrued debt service – 2015 Airport Revenue Bonds <sup>(4)</sup>	<u>4,561,500</u>
Net accrued debt service	5,815,075
Deposits to debt service reserve fund(s)	—
Amounts due credit providers	—
Deposits to operating reserve account	—
Payments for outstanding subordinate obligations	—
Deposits to Reserve and Contingency Fund	<u>—</u>
Total deposits and charges	<u><u>\$ 5,815,075</u></u>
Deposits and charges coverage ratio	4.51
Required deposits and charges coverage ratio	1.00
Net revenues plus transfers to Surplus Fund	<u>\$ 26,202,558</u>
Net accrued debt service	<u><u>\$ 5,815,075</u></u>
Debt service coverage ratio	4.51
Required debt service coverage ratio	1.25

(1) The table above sets forth the rates and charges ratio based upon the Authority's excess of net revenues and transfers to Surplus Fund over accrued debt service obligations, as well as other charges for the fiscal year ended June 30, 2022. Amounts were determined based on the terms, covenants, provisions, or conditions of Section 6.05 to Article VI of the Indenture dated May 1, 2005, as amended by the Fourth Supplemental Indenture of Trust dated April 1, 2015, with Bank of New York Mellon Trust Company (the Indenture).

(2) In April and June of 2021, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act (ARPA), respectively, were signed into law, which allocated additional economic relief to eligible U.S. airports affected by the COVID-19 pandemic. The Authority was awarded \$7,674,141 and \$20,749,123 in CRRSAA and ARPA grant funds, respectively, of which \$7,038,348 and \$7,829,131, respectively, were expended in FY 2022 to supplement the loss in revenues due to the unprecedented impacts of the COVID-19 pandemic to the global aviation industry and economy as a whole. The total of \$14,867,479 in combined CRRSAA and ARPA grant funds expended in FY 2022 for eligible expenditures is included in the pledged revenues calculation for the fiscal year ended June 30, 2022.

(3) Accrued debt service represents the interest due on January 1, 2022 and July 1, 2022 and principal due July 1, 2022.

(4) Accrued debt service represents the interest due on January 1, 2022 and July 1, 2022 and principal due July 1, 2022.