



February 15, 2018

REGULAR MEETING CANCELLATION NOTICE  
AND  
CALL AND NOTICE OF A SPECIAL MEETING OF THE  
FINANCE AND ADMINISTRATION COMMITTEE  
OF THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

The Airport Authority administrative offices will be closed on Monday, February 19, 2018, in observance of Presidents' Day. Therefore, the regular meeting of the Finance and Administration Committee scheduled for Monday, February 19, 2018, at 10:30 a.m. (or immediately following the conclusion of the Commission meeting), in the Airport Skyroom of Hollywood Burbank Airport has been cancelled.

NOTICE is hereby given that a special meeting of the Finance and Administration Committee will be held Tuesday, February 20, 2018, at 10:30 a.m., or immediately following the conclusion of the Commission meeting, in the Airport Skyroom of Hollywood Burbank Airport, 2627 Hollywood Way, Burbank, California 91505.

A handwritten signature in blue ink, appearing to read "Terri Williams".

Terri Williams, Board Secretary  
Burbank-Glendale-Pasadena Airport Authority

SPECIAL MEETING  
OF THE  
FINANCE AND ADMINISTRATION COMMITTEE

Airport Skyroom  
Tuesday, February 20, 2018  
10:30 A.M. or Immediately Following  
the Conclusion of the  
Special Airport Authority Meeting

***NOTE TO THE PUBLIC: Any disclosable public records related to an open session item on a special meeting agenda and distributed by the Authority to the Commission less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 Hollywood Way, Burbank) in the administrative office during normal business hours.***

***As a result of the convening of this meeting of the Finance and Administration Committee, each Committee member is entitled to receive and shall be provided \$200.***

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***In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.***

A G E N D A

1. Approval of Agenda
2. Public Comment
3. Approval of Minutes
  - a. February 5, 2018
4. Treasurer's Reports
  - a. December 2017

***[See page 1]***

***[See page 3]***

***The Treasurer's Report for December 2017 is included in the agenda packet for the Committee's review.***

5. Contracts and Leases

a. Eighth Amendment to Food and Beverage Lease and Concession Agreement – MCS Burbank, LLC

**[See page 28]**

- Staff Report Attached

***Staff seeks a Finance and Administration Committee (“Committee”) recommendation to the Commission for approval of the Eighth Amendment (“Amendment”) to the Lease and Concession Agreement (“Agreement”) with the Authority’s exclusive food and beverage concessionaire, MCS Burbank LLC (“MCS”). The proposed Amendment proposes changes to the concession space in both Terminals A and B, and requires new improvements to the proposed spaces as well as adjustments to the Minimum Annual Guarantee (“MAG”) from the concessionaire.***

6. Presentation of FY 2017 Audited Financial Statements and Analysis of Financial Results

**[See page 40]**

- Staff Report Attached

***The Authority’s independent auditor, Macias Gini & O’Connell LLP (“MGO”) has completed its audits of the Burbank-Glendale-Pasadena Airport Authority (“Authority”) fiscal year 2017 financial statements. Enclosed with this staff report is a copy of the audited Basic Financial Statements for the fiscal years ended June 30, 2017 (“FY 2017”) and 2016 (“FY 2016”). Also enclosed are copies of the audited Single Audit Reports (audit of federal grant programs), Passenger Facility Charge Audit Reports, Customer Facility Charge Audit Reports, Independent Auditor’s Report on Compliance with Section 6.05 of the Bond Indenture, and the Auditor’s Report to the Authority Regarding the FY 2017 Audits.***

***Staff will present each report and provide an overview and analysis of financial results for the fiscal year ended June 30, 2017. MGO will present a summary of its audits. Staff seeks a Finance and Administration Committee recommendation to the Commission that it note and file these audit reports.***

7. Items for Discussion

a. CMIA Quarterly Investment Portfolio Review

**[No staff report]**

***No staff report is attached. Columbia Management Investment Advisors will provide an update to the Committee on the status of the Authority’s Operating and Passenger Facility Charge Investment Portfolios for the fourth quarter ended December 31, 2017. A copy of this quarterly investment review is included in the agenda packet.***

8. Items for Information

a. Committee Pending Items

***[See page 47]***

9. Other Contracts and Leases

10. Adjournment

Subject to Approval

**MINUTES OF THE REGULAR MEETING OF THE  
FINANCE AND ADMINISTRATION COMMITTEE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

**MONDAY, FEBRUARY 5, 2018**

A regular meeting of the Finance and Administration Committee was called to order this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 9:47 a.m., by Chairman Gharpetian.

AB 23 Disclosure: The Deputy Executive Director, Finance and Administration announced that, as a result of the convening of this meeting of the Finance and Administration Committee, each Committee member is entitled to receive and shall be provided \$200.

**ROLL CALL**

**Present:** Commissioners Gharpetian, Adams and Selvidge

**Absent:** None

**Also Present:** Staff: Kathy David, Deputy Executive Director, Finance and Administration; David Kwon, Director of Financial Services; David Freedman, Director, Business Development and Administrative Services

Columbia Investment Management:  
James Wilkinson, Director, Institutional Relationship Management (via teleconference)

**1. Approval of Agenda** There were no adjustments to the agenda.

**2. Public Comment** There were no public speakers.

**3. Approval of Minutes**

**a. January 16, 2018** Draft minutes for the January 16, 2018, Finance and Administration Committee meeting were presented for approval.

**Motion** Commissioner Selvidge moved approval of the minutes, seconded by Commissioner Adams.

**Motion Approved** There being no objection, the minutes were unanimously approved (3-0).

**4. Proposed Resolution Adopting the 2018 Authority Investment Policy**

Staff, along with James Wilkinson of Columbia Threadneedle Investments who participated via teleconference, reviewed with the Committee the 2018 Authority Investment Policy. After a discussion and answer period, the Commission voted unanimously (3–0) to recommend approval of the 2018 Investment Policy by the Commission.

**Motion**

Commissioner Adams moved approval; seconded by Commissioner Selvidge.

**Motion Approved**

There being no objection, the motion was unanimously approved (3–0).

AYES: Commissioner Gharpetian, Adams and Selvidge

NOES: None

ABSENT: None

**5. Items for Information**

**a. Committee Pending items**

Staff updated the Committee on future items.

**6. Other Contracts and Leases**

There were no other contracts and leases to be discussed.

**7. Adjournment**

There being no further business, the meeting was adjourned at 9:53 a.m.



March 19, 2018

Burbank-Glendale-Pasadena Airport Authority  
2627 Hollywood Way  
Burbank, CA 91505

Dear Commissioners:

The attached report, covering the month of December 2017, fulfills the legal requirements of the California Code and our Investment Policy. Based on projected income and expenses, as well as investment liquidity, there will be sufficient funds available to meet the needs of the Airport Authority for the six month period following the date of the attached report.

Sincerely,

[To be signed]

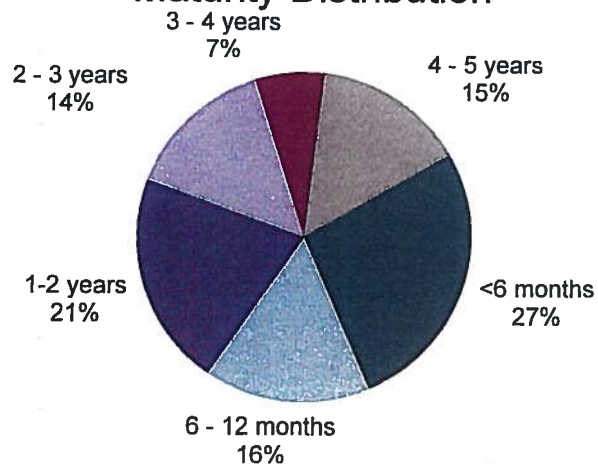
Ross Selvidge, Ph.D.  
Treasurer

Attachments

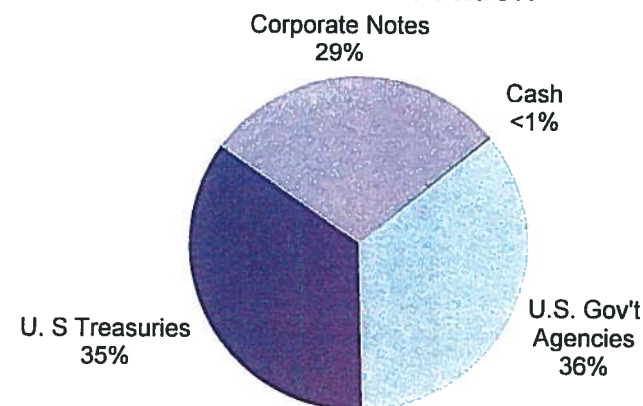
# Operating Portfolio Investment Guidelines Conformance as of December 31, 2017

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	4.26 Years	70%	36%
Corporate Notes	5 Years	4.62 Years	30%	29%
LAIF	N/A	N/A	\$20 mil	N/A
Bankers Acceptances	6 Months	N/A	15%	N/A
Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Non-Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Commercial Paper	270 Days	N/A	15%	N/A
Repurchase Agreements	1 Year	N/A	10%	N/A
Money Market Fund	N/A	N/A	15%	<1%
U.S. Gov Securities (Treasures)	5 Years	4.75 Years	No Limit	35%

**Maturity Distribution**



**Sector Allocation**

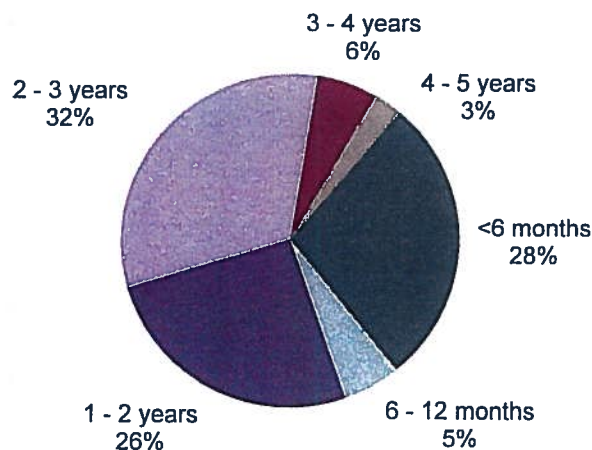




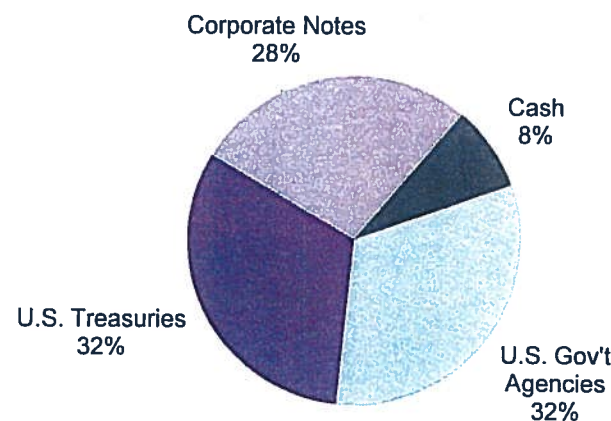
# PFC Portfolio Investment Guidelines Conformance as of December 31, 2017

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	3.92 Years	70%	32%
Corporate Notes	5 Years	4.33 Years	30%	28%
LAIF	N/A	N/A	\$20 mil	N/A
Bankers Acceptances	6 Months	N/A	15%	N/A
Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Non-Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Commercial Paper	270 Days	N/A	15%	N/A
Repurchase Agreements	1 Year	N/A	10%	N/A
Money Market Fund	N/A	N/A	15%	8%
U.S. Gov Securities (Treasuries)	5 Years	4.09 Years	No Limit	32%

**Maturity Distribution**



**Sector Allocation**



**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Statement of Investments**  
**As of 12/31/17**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff. Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
12/31/17	Columbia Treasury Reserves	097101307	0.000	12/31/17	12/31/17	\$ 345,293	\$ 345,293	\$ 345,293	\$ -	0.00%	0	0.17%
12/08/14	General Electric Capital Corp	36962G6X7	2.405	04/02/18	01/02/18	1,690,000	1,707,900	1,692,371	(15,529)	1.85%	2	0.81%
04/19/16	FHLMC Reference Notes	3137EADN6	0.750	01/12/18	01/12/18	3,750,000	3,748,050	3,749,291	1,241	1.27%	12	1.80%
01/21/16	Oracle Corporation	68389XAR6	1.939	01/15/19	01/15/18	1,170,000	1,173,824	1,176,297	2,473	1.77%	15	0.56%
04/19/16	FFCB	3133EEZ52	1.565	03/22/18	01/22/18	5,000,000	4,986,879	5,002,220	15,341	1.38%	22	2.40%
07/08/15	Wells Fargo & Company	94974BFK1	1.993	04/23/18	01/23/18	1,500,000	1,502,735	1,502,154	(581)	1.80%	23	0.72%
05/06/14	Bank of New York Mellon Corp	06406HCE7	1.300	01/25/18	01/25/18	1,000,000	992,963	999,606	6,643	1.83%	25	0.48%
08/07/15	Fifth Third Bank	31677QAV1	1.450	02/28/18	01/28/18	1,000,000	996,120	999,483	3,363	1.76%	28	0.48%
05/06/16	Apple Inc	037833AP5	1.691	05/06/19	02/06/18	1,200,000	1,196,747	1,203,884	7,137	1.75%	37	0.58%
12/23/13	FNMA Benchmark Notes	3135G0TG8	0.875	02/08/18	02/08/18	6,000,000	5,904,390	5,997,078	92,688	1.32%	39	2.87%
05/26/17	QualComm Inc	747525AQ6	1.886	05/20/20	02/20/18	850,000	850,915	850,686	(229)	2.12%	51	0.41%
03/02/16	Johnson & Johnson	478160BW3	1.751	03/01/19	03/01/18	1,500,000	1,502,346	1,503,632	1,286	1.75%	60	0.72%
11/18/15	Exxon Mobil Corp	30231GAL6	1.305	03/06/18	03/06/18	700,000	701,862	699,535	(2,327)	1.65%	65	0.34%
04/28/16	American Express Credit Corp	0258M0DY2	2.624	09/14/20	03/14/18	1,000,000	1,007,630	1,017,527	9,897	2.11%	73	0.49%
03/20/17	Citigroup Inc	17325FAB4	1.966	03/20/19	03/20/18	450,000	450,000	450,545	545	1.95%	79	0.22%
09/07/16	Coca-Cola Company (The)	191216BA7	1.150	04/01/18	04/01/18	1,450,000	1,452,871	1,447,932	(4,939)	1.71%	91	0.69%
06/27/16	FHLB	3130A4GJ5	1.125	04/25/18	04/25/18	1,520,000	1,530,579	1,518,246	(12,333)	1.48%	115	0.73%
09/25/15	Boeing Co	097023BE4	0.950	05/15/18	05/15/18	944,000	938,314	940,010	1,696	2.08%	135	0.45%
03/11/14	Merck & Co Inc	58933YAG0	1.300	05/18/18	05/18/18	1,350,000	1,339,553	1,347,701	8,148	1.74%	138	0.65%
06/29/16	Chevron Corp	166764AE0	1.718	06/24/18	05/24/18	900,000	908,865	899,501	(9,364)	1.83%	144	0.43%
12/03/14	Treasury Note	912828VE7	1.000	05/31/18	05/31/18	13,010,000	12,972,601	12,984,038	11,437	1.48%	151	6.22%
08/05/15	FHLMC	3137EABP3	4.875	06/13/18	06/13/18	5,500,000	6,011,095	5,579,706	(431,389)	1.67%	164	2.67%
07/06/15	Southern California Gas Company	842434CN0	1.550	06/15/18	06/15/18	1,175,000	1,182,360	1,172,842	(9,518)	2.00%	166	0.56%
04/19/16	Treasury Note	912828XK1	0.875	07/15/18	07/15/18	7,750,000	7,762,715	7,721,153	(41,562)	1.56%	196	3.70%
04/19/16	FNMA Benchmark Notes	3135G0E33	1.125	07/20/18	07/20/18	4,125,000	4,145,873	4,112,460	(33,413)	1.67%	201	1.97%
07/06/15	Nevada Power Company	641423BW7	6.500	08/01/18	08/01/18	1,050,000	1,189,265	1,077,232	(112,033)	2.04%	213	0.52%
08/07/15	3M Company	88579YAP6	1.375	08/07/18	08/07/18	900,000	898,398	897,107	(1,291)	1.91%	219	0.43%
12/18/15	Berkshire Hathaway Finance Corp	084664BY6	2.000	08/15/18	08/15/18	1,550,000	1,577,051	1,550,191	(26,860)	1.98%	227	0.74%
08/18/15	Treasury Note	912828RE2	1.500	08/31/18	08/31/18	6,400,000	6,482,133	6,391,872	(90,261)	1.69%	243	3.06%
04/19/16	FNMA	3135G0E58	1.125	10/19/18	10/19/18	6,569,000	6,578,874	6,535,728	(43,146)	1.76%	292	3.13%
12/24/15	Simon Property Group LP	828807CQ8	2.200	02/01/19	11/01/18	950,000	961,032	950,608	(10,424)	2.14%	305	0.46%
11/03/15	Microsoft Corporation	594918BF0	1.300	11/03/18	11/03/18	650,000	649,898	647,248	(2,650)	1.81%	307	0.31%
04/13/16	Commonwealth Edison Company	202795JC5	2.150	01/15/19	12/15/18	1,000,000	1,018,088	999,157	(18,931)	2.23%	349	0.48%
09/25/15	Manufacturers & Traders Trust Co	55279HAE0	2.300	01/30/19	12/30/18	1,000,000	1,013,451	1,001,347	(12,104)	2.17%	364	0.48%
12/01/15	Treasury Note	912828A75	1.500	12/31/18	12/31/18	500,000	503,516	498,444	(5,072)	1.81%	365	0.24%

**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Statement of Investments**  
**As of 12/31/17**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff. Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
06/10/16	John Deere Capital Corp	24422ETE9	1.950	01/08/19	01/08/19	1,200,000	1,222,064	1,199,196	(22,868)	2.02%	373	0.57%
07/01/15	Treasury Note	912828SD3	1.250	01/31/19	01/31/19	4,000,000	4,003,594	3,974,933	(28,661)	1.83%	396	1.90%
01/14/16	IBM Corp	459200HT1	1.950	02/12/19	02/12/19	1,150,000	1,164,229	1,149,618	(14,611)	1.98%	408	0.55%
02/26/16	Cisco Systems Inc	17275RAE2	4.950	02/15/19	02/15/19	1,050,000	1,156,947	1,083,603	(73,344)	2.06%	411	0.52%
06/30/16	Treasury Note	912828P53	0.750	02/15/19	02/15/19	5,000,000	5,008,984	4,939,714	(69,270)	1.83%	411	2.37%
01/21/15	Union Pacific Corporation	907818DW5	2.250	02/15/19	02/15/19	1,050,000	1,078,576	1,051,517	(27,059)	2.12%	411	0.50%
07/11/16	JP Morgan Chase & CO	46625HQU7	1.850	03/22/19	02/22/19	1,900,000	1,921,250	1,893,209	(28,041)	2.14%	418	0.91%
09/15/14	Unitedhealth Group Inc	91324PCB6	1.625	03/15/19	03/15/19	720,000	706,025	715,830	9,805	2.11%	439	0.34%
12/07/15	FHLMC	3137EACA5	3.750	03/27/19	03/27/19	6,000,000	6,332,700	6,138,486	(194,214)	1.86%	451	2.94%
04/16/16	Lowes Companies Inc	548661DL8	1.150	04/15/19	04/15/19	1,000,000	998,565	988,661	(9,904)	2.04%	470	0.47%
09/12/14	Public Service Electric And Gas	74456QBG0	1.800	06/01/19	05/01/19	1,129,000	1,122,407	1,123,544	1,137	2.30%	486	0.54%
12/08/14	Target Corporation	87612EBB1	2.300	06/26/19	06/26/19	1,005,000	1,027,143	1,008,778	(18,365)	2.04%	542	0.48%
11/01/16	Treasury Note	912828VWV6	1.625	07/31/19	07/31/19	2,600,000	2,646,008	2,590,458	(55,550)	1.86%	577	1.24%
03/17/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	4,500,000	4,545,910	4,487,360	(58,550)	1.92%	620	2.15%
11/20/17	FHLB	3130A9EP2	1.000	09/26/19	09/26/19	2,500,000	2,465,175	2,460,713	(4,462)	1.92%	634	1.18%
10/30/16	Honeywell International Inc	438516BJ4	1.400	10/30/19	10/30/19	250,000	249,803	247,083	(2,720)	2.05%	668	0.12%
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	3,905,000	3,970,134	3,878,388	(91,746)	1.88%	669	1.86%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	1,325,000	1,348,771	1,322,215	(26,556)	2.02%	670	0.63%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	12/15/19	1,000,000	1,006,693	995,862	(10,831)	2.41%	714	0.48%
01/19/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	4,250,000	4,326,504	4,227,894	(98,610)	1.89%	730	2.02%
11/01/17	Treasury Note	912828UF5	1.125	12/31/19	12/31/19	2,800,000	2,771,125	2,758,396	(12,729)	1.88%	730	1.32%
04/21/16	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	1,300,000	1,445,831	1,361,196	(84,635)	2.13%	745	0.65%
04/28/17	FNMA	3135G0A78	1.625	01/21/20	01/21/20	4,725,000	4,743,801	4,694,311	(49,490)	1.95%	751	2.25%
04/25/16	Medtronic Inc	585055BG0	2.500	03/15/20	03/15/20	1,200,000	1,241,267	1,206,720	(34,547)	2.24%	805	0.58%
05/08/15	United Technologies Corporation	913017BR9	4.500	04/15/20	04/15/20	1,150,000	1,283,710	1,205,655	(78,055)	2.32%	836	0.58%
05/11/17	Intel Corp	458140AZ3	1.850	05/11/20	05/11/20	1,000,000	999,620	994,963	(4,657)	2.07%	862	0.48%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	05/15/20	1,080,000	1,135,784	1,102,709	(33,075)	2.44%	866	0.53%
05/04/17	State Street Corporation	857477AS2	2.550	08/18/20	08/18/20	1,150,000	1,174,001	1,157,886	(16,115)	2.28%	961	0.55%
02/21/17	Ace InA Holdings Inc	00440EAT4	2.300	11/03/20	10/03/20	1,000,000	1,000,960	998,523	(2,437)	2.35%	1007	0.48%
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	900,000	984,933	934,439	(50,494)	2.49%	1036	0.45%
11/01/17	Treasury Note	912828PC8	2.625	11/15/20	11/15/20	8,000,000	8,211,250	8,144,423	(66,827)	1.98%	1050	3.90%
12/19/17	Metlife Inc	59156RAX6	4.750	02/08/21	02/08/21	1,000,000	1,071,340	1,068,353	(2,987)	2.45%	1135	0.51%
11/10/17	Praxair Inc	74005PAY0	4.050	03/15/21	03/15/21	404,000	429,143	424,282	(4,861)	2.41%	1170	0.20%
12/05/16	PNC Bank NA	6935REW4	2.150	04/29/21	03/30/21	1,200,000	1,185,804	1,189,082	3,278	2.44%	1185	0.57%
10/05/17	Florida Power Corporation	341099CP2	3.100	08/15/21	05/15/21	705,000	728,709	719,469	(9,240)	2.50%	1231	0.34%

**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Statement of Investments**  
**As of 12/31/17**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff. Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
12/23/16	Federal Home Loan Banks	3130AABG2	1.875	11/29/21	11/29/21	7,000,000	6,925,456	6,926,521	1,065	2.16%	1429	3.32%
01/23/17	Pfizer Inc	717081DZ3	2.200	12/15/21	12/15/21	1,500,000	1,498,845	1,492,011	(6,834)	2.34%	1445	0.71%
01/23/17	Comcast Corporation	20030NBV2	1.625	01/15/22	12/15/21	1,500,000	1,437,900	1,450,508	12,608	2.49%	1445	0.69%
06/23/17	FHLMC	3137EADB2	2.375	01/13/22	01/13/22	4,500,000	4,613,235	4,536,099	(77,136)	2.17%	1474	2.17%
02/03/17	Treasury Note	912828H86	1.500	01/31/22	01/31/22	1,700,000	1,665,766	1,658,275	(7,491)	2.13%	1492	0.79%
02/21/17	Walt Disney Co	25468PCT1	2.550	02/15/22	02/15/22	1,200,000	1,207,588	1,203,016	(4,572)	2.49%	1507	0.58%
04/17/17	BB&T Corp	05531FAX1	2.750	04/01/22	03/01/22	1,000,000	1,009,060	1,007,312	(1,748)	2.57%	1521	0.48%
09/28/17	FHLB	313378CR0	2.250	03/11/22	03/11/22	4,000,000	4,059,139	4,006,084	(53,055)	2.21%	1531	1.92%
05/18/17	Federal National Mortgage Association	3135G0T45	1.875	04/05/22	04/05/22	4,500,000	4,502,731	4,443,350	(59,381)	2.19%	1556	2.13%
10/03/17	Home Depot Inc	437076BG6	2.625	06/01/22	05/01/22	650,000	661,333	653,487	(7,846)	2.50%	1582	0.31%
09/25/17	Caterpillar Financial Services	14913QAA7	2.400	06/06/22	06/06/22	718,000	720,491	713,495	(6,996)	2.55%	1618	0.34%
08/01/17	Treasury Note	912828XQ8	2.000	07/31/22	07/31/22	1,300,000	1,309,851	1,290,231	(19,620)	2.17%	1673	0.62%
09/25/17	National Rural Utilities Coop	63743HEQ1	2.300	09/15/22	08/15/22	1,000,000	995,979	985,567	(10,412)	2.63%	1688	0.47%
10/03/17	Treasury Note	912828W9	1.875	09/30/22	09/30/22	9,000,000	8,976,444	8,870,205	(106,239)	2.20%	1734	4.25%
	<b>Subtotal</b>					<b>\$198,164,293</b>	<b>\$200,476,764</b>	<b>\$198,135,755</b>	<b>\$(2,341,009)</b>	<b>1.89%</b>	<b>625</b>	<b>94.89%</b>
	Local Agency Investment Fund (LAIF)					10,699,404	10,699,404	10,679,006	(20,398)	1.24%	180	5.11%
	<b>Subtotal</b>					<b>\$208,863,697</b>	<b>\$211,176,168</b>	<b>\$208,814,761</b>	<b>\$(2,361,407)</b>	<b>1.86%</b>	<b>602</b>	<b>100.00%</b>
	Operating Bank Balance						3,211,318					
	<b>TOTAL</b>						<b>\$214,387,486</b>					

**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Statement of Purchases - Maturities - Sales**  
**As of 12/31/17**

**PURCHASES**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Prepaid Interest
12/19/17	Metlife Inc	59156RAX6	4.750	02/08/21	1,000,000.00	107.13400	\$ 1,071,340.00	\$ (17,284.72)
							-	
							-	
							-	
							-	
							-	
							-	
<b>TOTAL PURCHASES</b>					\$ 1,000,000.00		\$ 1,071,340.00	\$ (17,284.72)

**MATURITIES**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Gain / (Loss)
10/07/14	Metlife Inc	59156RBK3	1.903	12/15/17	\$ 800,000.00	100.70456	\$ 805,636.46	\$ (5,636.46)
							-	-
							-	-
							-	-
							-	-
<b>TOTAL MATURITIES</b>					\$ 800,000.00		\$ 805,636.46	\$ (5,636.46)

**SALES / REDEMPTIONS**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Sale Date	Par Value	Sale Price	Sale Amount	Purchase Cost	Gain / (Loss)
								\$ -		\$ -
								-		-
								-		-
								-		-
								-		-
<b>TOTAL SALES</b>						\$ -		\$ -	\$ -	\$ -

**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Earnings Report**  
**12/01/17-12/31/17**

Type of Investment	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned	
FIXED INCOME										
Metlife Inc	NOTE	1.903	12/15/17	3,213.96	3,806.00	-	-	592.04	(68.74)	523.30
FHLMC Reference Notes	NOTE	0.750	01/12/18	10,859.38	-	-	13,203.13	2,343.75	93.90	2,437.65
Bank of New York Mellon Corp	NOTE	1.300	01/25/18	4,550.00	-	-	5,633.33	1,083.33	1.70	1,085.03
FNMA Benchmark Notes	NOTE	0.875	02/08/18	16,479.17	-	-	20,854.16	4,374.99	2,127.74	6,502.73
Fifth Third Bank	NOTE	1.450	02/28/18	3,665.28	-	-	4,873.62	1,208.34	136.55	1,344.89
Exxon Mobil Corp	NOTE	1.305	03/06/18	2,156.88	-	-	2,918.13	761.25	(67.47)	693.78
FFCB	NOTE	1.565	03/22/18	1,655.23	5,517.42	-	2,173.44	6,035.63	579.41	6,615.04
Coca-Cola Company (The)	NOTE	1.150	04/01/18	2,779.16	-	-	4,168.75	1,389.59	(152.86)	1,236.73
General Electric Capital Corp	NOTE	2.405	04/02/18	5,760.08	-	-	10,272.53	4,512.45	(541.95)	3,970.50
Wells Fargo & Company	NOTE	1.993	04/23/18	3,237.82	-	-	5,811.46	2,573.64	(89.51)	2,484.13
FHLB	NOTE	1.125	04/25/18	1,710.00	-	-	3,135.00	1,425.00	(482.33)	942.67
Boeing Co	NOTE	0.950	05/15/18	398.57	-	-	1,145.91	747.34	181.03	928.37
Merck & Co Inc	NOTE	1.300	05/18/18	633.75	-	-	2,096.24	1,462.49	155.26	1,617.75
Treasury Note	NOTE	1.000	05/31/18	357.42	-	-	11,437.37	11,079.95	782.46	11,862.41
FHLMC	NOTE	4.875	06/13/18	125,125.00	134,062.50	-	13,406.25	22,343.75	(17,787.45)	4,556.30
Southern California Gas Company	NOTE	1.550	06/15/18	8,397.99	9,106.25	-	809.45	1,517.71	(273.94)	1,243.77
Chevron Corp	NOTE	1.718	06/24/18	6,743.15	7,731.00	-	300.65	1,288.50	(388.25)	900.25
Treasury Note	NOTE	0.875	07/15/18	25,613.96	-	-	31,326.43	5,712.47	(482.45)	5,230.02
FNMA Benchmark Notes	NOTE	1.125	07/20/18	16,886.72	-	-	20,753.91	3,867.19	(687.78)	3,179.41
Nevada Power Company	NOTE	6.500	08/01/18	22,750.01	-	-	28,437.49	5,687.48	(4,159.45)	1,528.03
3M Company	NOTE	1.375	08/07/18	3,918.75	-	-	4,950.00	1,031.25	44.50	1,075.75
Berkshire Hathaway Finance Corp	NOTE	2.000	08/15/18	9,127.77	-	-	11,711.11	2,583.34	(899.66)	1,683.68
Treasury Note	NOTE	1.500	08/31/18	24,397.79	-	-	32,618.79	8,221.00	(2,309.02)	5,911.98
FNMA	NOTE	1.125	10/19/18	8,621.82	-	-	14,780.25	6,158.43	403.44	6,561.87
Microsoft Corporation	NOTE	1.300	11/03/18	657.22	-	-	1,361.38	704.16	2.56	706.72
Treasury Note	NOTE	1.500	12/31/18	3,138.59	3,750.00	-	20.72	632.13	(96.79)	535.34
John Deere Capital Corp	NOTE	1.950	01/08/19	9,295.00	-	-	11,245.00	1,950.00	(713.27)	1,236.73
Commonwealth Edison Company	NOTE	2.150	01/15/19	8,122.22	-	-	9,913.89	1,791.67	(566.04)	1,225.63
Oracle Corporation	NOTE	1.939	01/15/19	2,962.08	-	-	4,915.80	1,953.72	(115.37)	1,838.35
Manufacturers & Traders Trust Co	NOTE	2.300	01/30/19	7,730.55	-	-	9,647.23	1,916.68	(374.87)	1,541.81
Treasury Note	NOTE	1.250	01/31/19	16,711.96	-	-	20,923.91	4,211.95	(85.04)	4,126.91
Simon Property Group LP	NOTE	2.200	02/01/19	6,966.67	-	-	8,708.33	1,741.66	(357.85)	1,383.81
IBM Corp	NOTE	1.950	02/12/19	6,789.79	-	-	8,658.54	1,868.75	(404.58)	1,464.17
Cisco Systems Inc	NOTE	4.950	02/15/19	15,303.75	-	-	19,635.00	4,331.25	(3,056.13)	1,275.12



**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Earnings Report**  
**12/01/17-12/31/17**

Type of Investment		Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
Treasury Note	NOTE	0.750	02/15/19	11,005.43	-	-	14,164.40	3,158.97	(290.12)	2,868.85
Union Pacific Corporation	NOTE	2.250	02/15/19	6,956.26	-	-	8,925.00	1,968.74	(687.25)	1,281.49
Johnson & Johnson	NOTE	1.751	03/01/19	6,637.81	6,014.00	-	2,261.23	1,637.42	(69.49)	1,567.93
Unitedhealth Group Inc	NOTE	1.625	03/15/19	2,470.00	-	-	3,445.00	975.00	258.80	1,233.80
Citigroup Inc	NOTE	1.966	03/20/19	1,477.69	1,893.94	-	270.25	686.50	-	686.50
JP Morgan Chase & CO	NOTE	1.850	03/22/19	6,737.09	-	-	9,666.26	2,929.17	(676.35)	2,252.82
FHLMC	NOTE	3.750	03/27/19	40,000.00	-	-	58,750.00	18,750.00	(10,891.14)	7,858.86
Lowes Companies Inc	NOTE	1.150	04/15/19	1,469.45	-	-	2,427.78	958.33	40.14	998.47
Apple Inc	NOTE	1.691	05/06/19	1,409.49	-	-	3,157.26	1,747.77	92.10	1,839.87
Public Service Electric And Gas	NOTE	1.800	06/01/19	10,161.00	10,161.00	-	1,693.50	1,693.50	90.00	1,783.50
Target Corporation	NOTE	2.300	06/26/19	9,952.30	11,557.50	-	321.05	1,926.25	(509.90)	1,416.35
Treasury Note	NOTE	1.625	07/31/19	14,121.60	-	-	17,680.71	3,559.11	(1,423.40)	2,135.71
FNMA Bench	NOTE	1.750	09/12/19	17,281.26	-	-	23,843.75	6,562.49	(913.81)	5,648.68
FHLB	NOTE	1.000	09/26/19	4,513.89	-	-	6,597.22	2,083.33	1,568.69	3,652.02
Honeywell International Inc	NOTE	1.400	10/30/19	301.39	-	-	593.05	291.66	5.49	297.15
Treasury Note	NOTE	1.500	10/31/19	5,016.09	-	-	10,032.18	5,016.09	(1,543.70)	3,472.39
Procter & Gamble Company	NOTE	1.900	11/01/19	2,097.92	-	-	4,195.83	2,097.91	(663.98)	1,433.93
Treasury Note	NOTE	1.625	12/31/19	28,901.16	34,531.25	-	190.78	5,820.87	(1,837.30)	3,983.57
Treasury Note	NOTE	1.125	12/31/19	13,182.07	15,750.00	-	87.02	2,654.95	1,133.07	3,788.02
Arizona Public Service Company	NOTE	2.200	01/15/20	8,311.11	-	-	10,144.45	1,833.34	(144.31)	1,689.03
Pepsico Inc	NOTE	4.500	01/15/20	22,100.00	-	-	26,975.00	4,875.00	(3,292.50)	1,582.50
FNMA	NOTE	1.625	01/21/20	27,726.56	-	-	34,125.00	6,398.44	(573.78)	5,824.66
Medtronic Inc	NOTE	2.500	03/15/20	6,333.33	-	-	8,833.33	2,500.00	(884.29)	1,615.71
United Technologies Corporation	NOTE	4.500	04/15/20	6,612.50	-	-	10,925.00	4,312.50	(2,441.44)	1,871.06
Intel Corp	NOTE	1.850	05/11/20	1,027.78	-	-	2,569.44	1,541.66	10.56	1,552.22
QualComm Inc	NOTE	1.886	05/20/20	489.75	-	-	1,869.95	1,380.20	(26.01)	1,354.19
State Street Corporation	NOTE	2.550	08/18/20	8,390.21	-	-	10,833.96	2,443.75	(608.12)	1,835.63
American Express Credit Corp	NOTE	2.624	09/14/20	5,133.20	5,988.74	-	1,311.75	2,167.29	(165.74)	2,001.55
Travelers Cos Inc	NOTE	3.900	11/01/20	2,925.00	-	-	5,850.00	2,925.00	(1,581.69)	1,343.31
Ace InA Holdings Inc	NOTE	2.300	11/03/20	1,788.89	-	-	3,705.56	1,916.67	(22.12)	1,894.55
Public Service Company of Colorado	NOTE	3.200	11/15/20	1,535.99	-	-	4,416.00	2,880.01	(1,126.97)	1,753.04
Treasury Note	NOTE	2.625	11/15/20	9,281.77	-	-	27,265.19	17,983.42	(5,899.77)	12,083.65
Metlife Inc	NOTE	4.750	02/08/21	-	-	17,284.72	18,868.06	1,583.34	(758.26)	825.08
Praxair Inc	NOTE	4.050	03/15/21	3,454.20	-	-	4,817.70	1,363.50	(625.72)	737.78
PNC Bank NA	NOTE	2.150	04/29/21	2,293.33	-	-	4,443.33	2,150.00	273.87	2,423.87

**Burbank-Glendale-Pasadena Airport Authority - Operating Account  
Earnings Report  
12/01/17-12/31/17**

Type of Investment	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned	
Florida Power Corporation	NOTE	3.100	08/15/21	6,435.08	-	-	8,256.34	1,821.26	(547.13)	1,274.13
Federal Home Loan Banks	NOTE	1.875	11/29/21	729.17	-	-	11,666.67	10,937.50	1,312.02	12,249.52
Pfizer Inc	NOTE	2.200	12/15/21	15,216.67	16,500.00	-	1,466.67	2,750.00	19.66	2,769.66
FHLMC	NOTE	2.375	01/13/22	40,949.39	-	-	49,952.44	9,003.05	(2,119.67)	6,883.38
Comcast Corporation	NOTE	1.625	01/15/22	9,208.33	-	-	11,239.58	2,031.25	1,057.33	3,088.58
Treasury Note	NOTE	1.500	01/31/22	8,523.10	-	-	10,671.19	2,148.09	585.82	2,733.91
Walt Disney Co	NOTE	2.550	02/15/22	9,010.00	-	-	11,560.00	2,550.00	(126.88)	2,423.12
FHLB	NOTE	2.250	03/11/22	20,000.00	-	-	27,500.00	7,500.00	(1,107.36)	6,392.64
BB&T Corp	NOTE	2.750	04/01/22	4,583.33	-	-	6,875.00	2,291.67	(154.08)	2,137.59
Federal National Mortgage Association	NOTE	1.875	04/05/22	13,125.00	-	-	20,156.25	7,031.25	(46.63)	6,984.62
Home Depot Inc	NOTE	2.625	06/01/22	8,531.25	8,531.25	-	1,421.88	1,421.88	(206.55)	1,215.33
Caterpillar Financial Services	NOTE	2.400	06/06/22	8,376.67	8,616.00	-	1,196.67	1,436.00	(44.37)	1,391.63
Treasury Note	NOTE	2.000	07/31/22	8,690.22	-	-	10,880.43	2,190.21	(167.34)	2,022.87
National Rural Utilities Coop	NOTE	2.300	09/15/22	5,813.89	-	-	7,730.56	1,916.67	68.52	1,985.19
Treasury Note	NOTE	1.875	09/30/22	28,743.13	-	-	43,114.70	14,371.57	400.55	14,772.12
Subtotal				\$ 865,748.24	\$ 283,516.85	\$ 17,284.72	\$ 910,791.57	\$ 311,275.46	\$ (64,912.80)	\$ 246,362.66
CASH EQUIVALENTS										
Blackrock Liquidity Funds				-	915.86	-	-	915.86	-	915.86
BOA Temp Overnight Deposit				-	0.34	-	-	0.34	-	0.34
Cash Interest (MISC)				-	2.08	-	-	2.08	-	2.08
Subtotal				\$ -	\$ 918.28	\$ -	\$ -	\$ 918.28	\$ -	\$ 918.28
LAIF										
Local Agency Investment Fund				25,511.08	-	-	39,082.53	13,571.45	-	13,571.45
TOTAL				\$ 891,259.32	\$ 284,435.13	\$ 17,284.72	\$ 949,874.10	\$ 325,765.19	\$ (64,912.80)	\$ 260,852.39



**Burbank-Glendale-Pasadena Airport Authority - PFC Account**  
**Statement of Investments**  
**As of 12/31/17**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
12/31/17	Columbia Treasury Reserves	097101307	0.000	12/31/17	12/31/17	\$ 2,544,580	\$ 2,544,580	\$ 2,544,580	\$ -	0.00%	0	8.40%
01/21/15	General Electric Capital Corp	36962G6X7	2.045	04/02/18	01/02/18	185,000	186,693	185,260	(1,433)	1.85%	2	0.61%
01/21/16	Oracle Corporation	68389XAR6	1.939	01/15/19	01/15/18	175,000	175,728	175,942	214	1.77%	15	0.58%
10/05/15	Wells Fargo & Company	94974BFK1	1.993	04/23/18	01/23/18	225,000	225,823	225,323	(500)	1.80%	23	0.74%
07/09/14	Bank Of New York Mellon Corp	06406HCE7	1.300	01/25/18	01/25/18	125,000	123,915	124,951	1,036	1.83%	25	0.41%
12/29/16	Fifth Third Bank	31677QAV1	1.450	02/28/18	01/28/18	200,000	199,584	199,897	313	1.76%	28	0.66%
05/06/16	Apple Inc	037833AP5	1.691	05/06/19	02/06/18	143,000	142,668	143,463	795	1.75%	37	0.47%
07/07/14	FNMA Benchmark Notes	3135G0TG8	0.875	02/08/18	02/08/18	1,000,000	986,045	999,513	13,468	1.32%	39	3.30%
05/24/17	Qualcomm Inc	747525AQ6	1.886	05/20/20	02/20/18	150,000	150,161	150,121	(40)	2.12%	51	0.50%
05/31/17	US Bank NA/Cincinnati OH	90331HNE9	1.612	05/24/19	02/24/18	250,000	250,000	250,019	19	1.83%	55	0.83%
03/02/16	Johnson & Johnson	478160BW3	1.751	03/01/19	03/01/18	160,000	160,136	160,387	251	1.75%	60	0.53%
10/28/15	Exxon Mobil Corp	30231GAL6	1.305	03/06/18	03/06/18	150,000	150,773	149,900	(873)	1.65%	65	0.49%
03/20/17	Citigroup Inc	17325FAB4	1.966	03/20/19	03/20/18	250,000	250,000	250,303	303	1.95%	79	0.83%
09/07/16	Coca-Cola Company (The)	191216BA7	1.150	04/01/18	04/01/18	175,000	175,346	174,750	(596)	1.71%	91	0.58%
06/25/16	FHLB	3130A4GJ5	1.125	04/25/18	04/25/18	555,000	559,246	554,360	(4,886)	1.48%	115	1.83%
09/25/15	Boeing Co	097023BE4	0.950	05/15/18	05/15/18	94,000	93,432	93,603	171	2.08%	135	0.31%
07/09/14	Merck & Co Inc	58933YAG0	1.300	05/18/18	05/18/18	150,000	148,778	149,745	967	1.74%	138	0.49%
06/29/16	Chevron Corp	166764AE0	1.718	06/24/18	05/24/18	150,000	151,136	149,917	(1,219)	1.83%	144	0.49%
02/18/15	Treasury Note	912828VE7	1.000	05/31/18	05/31/18	825,000	825,248	823,354	(1,894)	1.48%	151	2.72%
09/25/14	FHLMC	3137EABP3	4.875	06/13/18	06/13/18	750,000	834,773	760,869	(73,904)	1.67%	164	2.51%
04/21/16	Southern California Gas Company	842434CN0	1.550	06/15/18	06/15/18	175,000	175,894	174,679	(1,215)	2.00%	166	0.58%
02/29/16	Nevada Power Company	641423BW7	6.500	08/01/18	08/01/18	115,000	127,818	117,983	(9,835)	2.04%	213	0.39%
06/30/16	3M Company	88579YAP6	1.375	08/07/18	08/07/18	100,000	101,129	99,679	(1,450)	1.91%	219	0.33%
12/18/15	Berkshire Hathaway Finance Corp	084664BY6	2.000	08/15/18	08/15/18	165,000	167,603	165,020	(2,583)	1.98%	227	0.54%
12/10/15	Treasury Note	912828RE2	1.500	08/31/18	08/31/18	800,000	809,246	798,984	(10,262)	1.69%	243	2.64%
12/24/15	Simon Property Group LP	828807CQ8	2.200	02/01/19	11/01/18	152,000	153,346	152,097	(1,249)	2.14%	305	0.50%
01/21/16	Microsoft Corporation	5594918BF0	1.300	11/03/18	11/03/18	100,000	100,032	99,577	(455)	1.81%	307	0.33%
08/04/16	Caterpillar Financial Services	14912L6M8	1.800	11/13/18	11/13/18	135,000	137,086	134,809	(2,277)	1.96%	317	0.45%
04/13/16	Commonwealth Edison Company	202795JC5	2.150	01/15/19	12/15/18	115,000	117,094	114,903	(2,191)	2.23%	349	0.38%
11/16/15	Treasury Note	912828A75	1.500	12/31/18	12/31/18	600,000	604,953	598,132	(6,821)	1.81%	365	1.97%
09/25/15	BB&T Corp	05531FAQ6	2.250	02/01/19	01/02/19	110,000	111,642	110,112	(1,530)	2.15%	367	0.36%
06/30/16	John Deere Capital Corp	24422ETE9	1.950	01/08/19	01/08/19	160,000	163,115	159,893	(3,222)	2.02%	373	0.53%
04/01/15	Treasury Note	912828SD3	1.250	01/31/19	01/31/19	900,000	905,625	894,360	(11,265)	1.83%	396	2.95%
01/14/16	IBM Corp	459200HT1	1.950	02/12/19	02/12/19	110,000	111,065	109,963	(1,102)	1.98%	408	0.36%

**Burbank-Glendale-Pasadena Airport Authority - PFC Account**  
**Statement of Investments**  
**As of 12/31/17**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
02/26/16	Cisco Systems Inc	17275RAE2	4.950	02/15/19	02/15/19	150,000	164,276	154,800	(9,476)	2.06%	411	0.51%
11/01/16	Treasury Note	912828P53	0.750	02/15/19	02/15/19	500,000	498,164	493,971	(4,193)	1.83%	411	1.63%
01/21/15	Union Pacific Corporation	907818DW5	2.250	02/15/19	02/15/19	165,000	168,822	165,238	(3,584)	2.12%	411	0.55%
07/11/16	JP Morgan Chase & CO	46625HQU7	1.850	03/22/19	02/22/19	240,000	242,332	239,142	(3,190)	2.14%	418	0.79%
09/15/14	Unitedhealth Group Inc	91324PCB6	1.625	03/15/19	03/15/19	100,000	98,472	99,421	949	2.11%	439	0.33%
08/31/16	FHLMC	3137EACA5	3.750	03/27/19	03/27/19	400,000	428,344	409,232	(19,112)	1.86%	451	1.35%
04/20/16	Lowes Companies Inc	548661DL8	1.150	04/15/19	04/15/19	140,000	139,491	138,413	(1,078)	2.04%	470	0.46%
09/12/14	Public Service Electric And Gas	74456QBG0	1.800	06/01/19	05/01/19	124,000	123,022	123,401	379	2.30%	486	0.41%
01/21/15	Target Corporation	87612EBB1	2.300	06/26/19	06/26/19	135,000	138,583	135,507	(3,076)	2.04%	542	0.45%
07/29/16	Treasury Note	912828VW6	1.625	07/31/19	07/31/19	800,000	817,703	797,064	(20,639)	1.86%	577	2.63%
01/28/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	990,000	1,004,663	987,219	(17,444)	1.92%	620	3.26%
06/23/17	FHLB	3130A9EP2	1.000	09/26/19	09/26/19	1,000,000	990,820	984,285	(6,535)	1.92%	634	3.25%
10/30/16	Honeywell International Inc	438516BJ4	1.400	10/30/19	10/30/19	150,000	149,882	148,250	(1,632)	2.05%	668	0.49%
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	610,000	620,175	605,843	(14,332)	1.88%	669	2.00%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	175,000	178,140	174,632	(3,508)	2.02%	670	0.58%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	12/15/19	125,000	125,427	124,483	(944)	2.41%	714	0.41%
09/02/16	National Rural Utilities Coop	637432NC5	2.000	01/27/20	12/27/19	150,000	151,841	149,220	(2,621)	2.26%	726	0.49%
01/11/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	960,000	975,537	955,007	(20,530)	1.89%	730	3.15%
09/26/16	Treasury Note	912828UF5	1.125	12/31/19	12/31/19	700,000	697,922	689,599	(8,323)	1.88%	730	2.28%
12/14/15	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	140,000	153,849	146,590	(7,259)	2.13%	745	0.48%
04/05/17	FNMA	3135G0A78	1.625	01/21/20	01/21/20	1,100,000	1,103,600	1,092,856	(10,744)	1.95%	751	3.61%
09/02/16	PNC Funding Corp	693476BJ1	5.125	02/08/20	02/08/20	165,000	182,818	174,233	(8,585)	2.39%	769	0.58%
05/18/17	FHLB	313378J77	1.875	03/13/20	03/13/20	875,000	884,363	872,598	(11,765)	2.00%	803	2.88%
04/25/16	Medtronic Inc	585055BG0	2.500	03/15/20	03/15/20	160,000	164,692	160,896	(3,796)	2.24%	805	0.53%
05/30/17	Treasury Note	912828V63	1.625	03/15/20	03/15/20	550,000	552,156	546,671	(5,485)	1.91%	805	1.80%
05/18/15	United Technologies Corporation	913017BR9	4.500	04/15/20	04/15/20	150,000	166,595	157,259	(9,336)	2.32%	836	0.52%
09/25/15	American Express Credit Corp	0258M0DT3	2.375	05/26/20	04/25/20	150,000	151,913	149,808	(2,105)	2.43%	846	0.49%
10/25/16	FHLMC Reference Notes	3137EADR7	1.375	05/01/20	05/01/20	1,350,000	1,339,018	1,331,343	(7,675)	1.98%	852	4.39%
05/11/17	Intel Corp	458140AZ3	1.850	05/11/20	05/11/20	150,000	149,943	149,244	(699)	2.07%	862	0.49%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	05/15/20	115,000	120,649	117,418	(3,231)	2.44%	866	0.39%
10/02/17	Manufacturers & Traders Trust Co	55279HAN0	2.050	08/17/20	07/17/20	250,000	250,163	247,983	(2,180)	2.37%	929	0.82%
05/04/17	State Street Corporation	524144AS2	2.550	08/18/20	08/18/20	175,000	178,652	176,200	(2,452)	2.28%	961	0.58%
09/29/17	FHLB	3130ACE26	1.375	09/28/20	09/28/20	1,000,000	991,915	982,514	(9,401)	2.03%	1002	3.24%
02/21/17	Ace InA Holdings Inc	00440EAT4	2.300	11/03/20	10/03/20	150,000	150,144	149,778	(366)	2.35%	1007	0.49%

**Burbank-Glendale-Pasadena Airport Authority - PFC Account**  
**Statement of Investments**  
**As of 12/31/17**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	100,000	109,437	103,827	(5,610)	2.49%	1036	0.34%
10/27/17	Treasury Note	912828PC8	2.625	11/15/20	11/15/20	1,525,000	1,564,256	1,552,531	(11,725)	1.98%	1050	5.13%
11/10/17	Praxair	74005PAY0	4.050	03/15/21	03/15/21	56,000	59,485	58,811	(674)	2.41%	1170	0.19%
10/02/17	Florida Power Corporation	341099CP2	3.100	08/15/21	05/15/21	150,000	155,101	153,079	(2,022)	2.50%	1231	0.51%
12/23/16	Treasury Note	912828WR7	2.125	06/30/21	06/30/21	400,000	402,187	400,820	(1,367)	2.06%	1277	1.32%
12/23/16	Federal Home Loan Banks	3130AABG2	1.875	11/29/21	11/29/21	750,000	742,527	742,127	(400)	2.16%	1429	2.45%
01/23/17	Pfizer Inc	717081DZ3	2.200	12/15/21	12/15/21	200,000	199,845	198,935	(910)	2.34%	1445	0.66%
01/23/17	Comcast Corporation	20030NBV2	1.625	01/15/22	12/15/21	200,000	191,719	193,401	1,682	2.49%	1445	0.64%
02/03/17	Treasury Note	912828H86	1.500	01/31/22	01/31/22	550,000	538,354	536,501	(1,853)	2.13%	1492	1.77%
02/21/17	Walt Disney Co	25468PCT1	2.550	02/15/22	02/15/22	175,000	176,106	175,440	(666)	2.49%	1507	0.58%
10/03/17	Home Depot Inc	437076BG6	2.625	06/01/22	05/01/22	150,000	152,590	150,805	(1,785)	2.50%	1582	0.50%
<b>Subtotal</b>						<b>\$ 30,343,580</b>	<b>\$ 30,665,406</b>	<b>\$ 30,292,843</b>	<b>\$ (372,563)</b>	<b>1.77%</b>	<b>568</b>	<b>100.00%</b>
PFC Bank Balance							346,194					
<b>TOTAL</b>							<b>\$ 31,011,600</b>					

**Burbank-Glendale-Pasadena Airport Authority - PFC Account**  
**Statement of Purchases - Maturities - Sales**  
**As of 12/31/17**

PURCHASES								
Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Prepaid Interest
							\$ -	
							-	
							-	
							-	
							-	
							-	
							-	
TOTAL PURCHASES					\$ -		\$ -	\$ -

MATURITIES								
Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Gain / (Loss)
10/07/14	Metlife Inc	59156RBK3	1:903	12/15/17	\$ 100,000.00	100.66326	\$ 100,663.26	\$ (663.26)
							-	-
							-	-
							-	-
							-	-
TOTAL MATURITIES					\$ 100,000.00		\$ 100,663.26	\$ (663.26)

SALES / REDEMPTIONS / DELIVERS										
Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Sale Date	Par Value	Sale Price	Sale Amount	Purchase Cost	Gain / (Loss)
								\$ -		\$ -
								-		-
								-		-
								-		-
								-		-
						\$ -		\$ -	\$ -	\$ -

## Burbank-Glendale-Pasadena Airport Authority - PFC Account

## Earnings Report

12/01/17-12/31/17

Type of Investment	Type	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
<b>FIXED INCOME</b>										
Metlife Inc	NOTE	1.903	12/15/17	401.74	475.75	-	-	74.01	(8.09)	65.92
Bank Of New York Mellon Corp	NOTE	1.300	01/25/18	568.75	-	-	704.16	135.41	0.55	135.96
FNMA Benchmark Notes	NOTE	0.875	02/08/18	2,746.53	-	-	3,475.70	729.17	337.87	1,067.04
Fifth Third Bank	NOTE	1.450	02/28/18	733.05	-	-	974.72	241.67	32.08	273.75
Exxon Mobil Corp	NOTE	1.305	03/06/18	462.19	-	-	625.32	163.13	(27.02)	136.11
Coca-Cola Company (The)	NOTE	1.150	04/01/18	335.41	-	-	503.13	167.72	(18.44)	149.28
General Electric Capital Corp	NOTE	2.045	04/02/18	630.54	-	-	1,124.50	493.96	(48.99)	444.97
Wells Fargo & Company	NOTE	1.993	04/23/18	485.67	-	-	871.73	386.06	(44.67)	341.39
FHLB	NOTE	1.125	04/25/18	624.38	-	-	1,144.69	520.31	(193.73)	326.58
Boeing Co	NOTE	0.950	05/15/18	39.68	-	-	114.10	74.42	18.10	92.52
Merck & Co Inc	NOTE	1.300	05/18/18	70.42	-	-	232.92	162.50	21.71	184.21
Treasury Note	NOTE	1.000	05/31/18	22.66	-	-	725.27	702.61	(37.09)	665.52
FHLMC	NOTE	4.875	06/13/18	17,062.50	18,281.25	-	1,828.13	3,046.88	(2,150.83)	896.05
Southern California Gas Company	NOTE	1.550	06/15/18	1,250.76	1,356.25	-	120.55	226.04	(34.52)	191.52
Chevron Corp	NOTE	1.718	06/24/18	1,123.86	1,288.50	-	50.11	214.75	(57.08)	157.67
Nevada Power Company	NOTE	6.500	08/01/18	2,491.67	-	-	3,114.58	622.91	(444.46)	178.45
3M Company	NOTE	1.375	08/07/18	435.42	-	-	550.00	114.58	(44.74)	69.84
Berkshire Hathaway Finance Corp	NOTE	2.000	08/15/18	971.66	-	-	1,246.66	275.00	(83.16)	191.84
Treasury Note	NOTE	1.500	08/31/18	3,049.73	-	-	4,077.35	1,027.62	(323.13)	704.49
Microsoft Corporation	NOTE	1.300	11/03/18	101.11	-	-	209.44	108.33	(0.96)	107.37
Caterpillar Financial Services	NOTE	1.800	11/13/18	121.50	-	-	324.00	202.50	(76.40)	126.10
Treasury Note	NOTE	1.500	12/31/18	3,766.31	4,500.00	-	24.86	758.55	(133.63)	624.92
John Deere Capital Corp	NOTE	1.950	01/08/19	1,239.34	-	-	1,499.33	259.99	(103.75)	156.24
Commonwealth Edison Company	NOTE	2.150	01/15/19	934.06	-	-	1,140.10	206.04	(65.41)	140.63
Oracle Corporation	NOTE	1.939	01/15/19	443.04	-	-	735.28	292.24	(32.18)	260.06
Treasury Note	NOTE	1.250	01/31/19	3,760.20	-	-	4,707.88	947.68	(142.47)	805.21
BB&T Corp	NOTE	2.250	02/01/19	825.00	-	-	1,031.26	206.26	(48.56)	157.70
Simon Property Group LP	NOTE	2.200	02/01/19	1,114.66	-	-	1,393.34	278.68	(50.82)	227.86
IBM Corp	NOTE	1.950	02/12/19	649.46	-	-	828.21	178.75	(28.83)	149.92
Cisco Systems Inc	NOTE	4.950	02/15/19	2,186.26	-	-	2,805.00	618.74	(419.16)	199.58
Treasury Note	NOTE	0.750	02/15/19	1,100.54	-	-	1,416.44	315.90	68.08	383.98
Union Pacific Corporation	NOTE	2.250	02/15/19	1,093.15	-	-	1,402.50	309.35	(101.30)	208.05
Johnson & Johnson	NOTE	1.751	03/01/19	708.03	641.49	-	241.20	174.66	(4.01)	170.65

**Burbank-Glendale-Pasadena Airport Authority - PFC Account**  
**Earnings Report**  
**12/01/17-12/31/17**

Type of Investment	Type	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
Unitedhealth Group Inc	NOTE	1.625	03/15/19	343.05	-	-	478.47	135.42	28.24	163.66
Citigroup Inc	NOTE	1.966	03/20/19	820.94	1,052.19	-	150.14	381.39	-	381.39
JP Morgan Chase & CO	NOTE	1.850	03/22/19	851.00	-	-	1,221.01	370.01	(74.04)	295.97
FHLMC	NOTE	3.750	03/27/19	2,666.67	-	-	3,916.67	1,250.00	(917.28)	332.72
Lowes Companies Inc	NOTE	1.150	04/15/19	205.72	-	-	339.89	134.17	17.47	151.64
Apple Inc	NOTE	1.691	05/06/19	167.97	-	-	376.24	208.27	9.13	217.40
US Bank NA/Cincinnati OH	NOTE	1.612	05/24/19	78.38	-	-	425.48	347.10	-	347.10
Public Service Electric And Gas	NOTE	1.800	06/01/19	1,116.00	1,116.00	-	186.00	186.00	15.51	201.51
Target Corporation	NOTE	2.300	06/26/19	1,336.88	1,552.50	-	43.13	258.75	(77.29)	181.46
Treasury Note	NOTE	1.625	07/31/19	4,345.10	-	-	5,440.22	1,095.12	(507.44)	587.68
FNMA Bench	NOTE	1.750	09/12/19	3,801.88	-	-	5,245.62	1,443.74	(319.56)	1,124.18
FHLB	NOTE	1.000	09/26/19	1,805.56	-	-	2,638.89	833.33	338.74	1,172.07
Honeywell International Inc	NOTE	1.400	10/30/19	180.83	-	-	355.84	175.01	3.29	178.30
Treasury Note	NOTE	1.500	10/31/19	783.56	-	-	1,567.13	783.57	(241.14)	542.43
Procter & Gamble Company	NOTE	1.900	11/01/19	277.08	-	-	554.17	277.09	(87.70)	189.39
Treasury Note	NOTE	1.625	12/31/19	6,528.25	7,800.00	-	43.10	1,314.85	(370.90)	943.95
Treasury Note	NOTE	1.125	12/31/19	3,295.52	3,937.50	-	21.76	663.74	76.32	740.06
Arizona Public Service Company	NOTE	2.200	01/15/20	1,038.89	-	-	1,268.05	229.16	(8.63)	220.53
Pepsico Inc	NOTE	4.500	01/15/20	2,380.00	-	-	2,905.00	525.00	(285.71)	239.29
FNMA	NOTE	1.625	01/21/20	6,454.86	-	-	7,944.44	1,489.58	(110.85)	1,378.73
National Rural Utilities Coop	NOTE	2.000	01/27/20	1,033.33	-	-	1,283.33	250.00	(47.36)	202.64
PNC Funding Corp	NOTE	5.125	02/08/20	2,654.32	-	-	3,359.01	704.69	(447.46)	257.23
FHLB	NOTE	1.875	03/13/20	3,554.69	-	-	4,921.88	1,367.19	(276.72)	1,090.47
Medtronic Inc	NOTE	2.500	03/15/20	844.44	-	-	1,177.78	333.34	(101.55)	231.79
Treasury Note	NOTE	1.625	03/15/20	1,901.07	-	-	2,666.44	765.37	(65.08)	700.29
United Technologies Corporation	NOTE	4.500	04/15/20	862.50	-	-	1,425.00	562.50	(296.22)	266.28
FHLMC Reference Notes	NOTE	1.375	05/01/20	1,546.88	-	-	3,093.75	1,546.87	296.54	1,843.41
Intel Corp	NOTE	1.850	05/11/20	154.17	-	-	385.42	231.25	1.58	232.83
Qualcomm Inc	NOTE	1.886	05/20/20	86.42	-	-	330.00	243.58	(4.59)	238.99
American Express Credit Corp	NOTE	2.375	05/26/20	49.48	-	-	346.36	296.88	(43.93)	252.95
Manufacturers & Traders Trust Co	NOTE	2.050	08/17/20	1,480.56	-	-	1,907.64	427.08	(4.85)	422.23
State Street Corporation	NOTE	2.550	08/18/20	1,276.77	-	-	1,648.65	371.88	(92.54)	279.34
FHLB	NOTE	1.375	09/28/20	2,406.25	-	-	3,552.08	1,145.83	224.79	1,370.62
Travelers Cos Inc	NOTE	3.900	11/01/20	325.00	-	-	650.00	325.00	(175.73)	149.27

**Burbank-Glendale-Pasadena Airport Authority - PFC Account**  
**Earnings Report**  
**12/01/17-12/31/17**

Type of Investment	Type	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
Ace InA Holdings Inc	NOTE	2.300	11/03/20	268.33	-	-	555.83	287.50	(3.32)	284.18
Public Service Company of Colorado	NOTE	3.200	11/15/20	163.55	-	-	470.21	306.66	(113.14)	193.52
Treasury Note	NOTE	2.625	11/15/20	1,769.33	-	-	5,197.43	3,428.10	(1,094.45)	2,333.65
Praxair	NOTE	4.050	03/15/21	478.80	-	-	667.80	189.00	(86.73)	102.27
Treasury Note	NOTE	2.125	06/30/21	3,557.07	4,250.00	-	23.48	716.41	(41.10)	675.31
Florida Power Corporation	NOTE	3.100	08/15/21	1,369.17	-	-	1,756.67	387.50	(117.45)	270.05
Federal Home Loan Banks	NOTE	1.875	11/29/21	78.13	-	-	1,250.00	1,171.87	126.57	1,298.44
Pfizer Inc	NOTE	2.200	12/15/21	2,028.89	2,200.00	-	195.56	366.67	2.62	369.29
Comcast Corporation	NOTE	1.625	01/15/22	1,227.78	-	-	1,498.61	270.83	140.97	411.80
Treasury Note	NOTE	1.500	01/31/22	2,757.47	-	-	3,452.45	694.98	198.01	892.99
Walt Disney Co	NOTE	2.550	02/15/22	1,313.96	-	-	1,685.84	371.88	(18.52)	353.36
Home Depot Inc	NOTE	2.625	06/01/22	1,968.75	1,968.75	-	328.13	328.13	(47.16)	280.97
<b>Subtotal</b>				<b>\$ 125,184.53</b>	<b>\$ 50,420.18</b>	<b>\$ -</b>	<b>\$ 118,193.06</b>	<b>\$ 43,428.71</b>	<b>\$ (8,843.70)</b>	<b>\$ 34,585.01</b>
<b>CASH EQUIVALENTS</b>										
Blackrock Liquidity Funds				-	815.01	-	-	815.01	-	815.01
BOA Temp Overnight Deposit				-	0.09	-	-	0.09	-	0.09
<b>Subtotal</b>				<b>\$ -</b>	<b>\$ 815.10</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 815.10</b>	<b>\$ -</b>	<b>\$ 815.10</b>
<b>TOTAL</b>				<b>\$ 125,184.53</b>	<b>\$ 51,235.28</b>	<b>\$ -</b>	<b>\$ 118,193.06</b>	<b>\$ 44,243.81</b>	<b>\$ (8,843.70)</b>	<b>\$ 35,400.11</b>

# BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

## SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016

Monthly Performance					December 2017	Fiscal YTD Performance (July 2017 - December 2017)				
						Actual \$ Fiscal YTD	Fiscal YTD Budget	Actual \$ Fiscal YTD	Note	Variance Actual Vs. Budget
Actual \$ Dec 2017	Budget Dec 2017	Actual \$ Prior Year Dec 2016	Note	Variance Actual Vs. Budget						
<b>OPERATING ACTIVITY</b>										
<b>CASH RECEIPTS FROM OPERATIONS</b>										
\$365,855	\$317,500	\$310,086	(2)	\$48,355	Landing/Fuel Fees	\$2,174,804	\$1,905,000	\$1,972,468	(2)	\$269,804
1,494,390	1,418,265	1,511,440	(3)	76,125	Parking Fees	10,480,096	9,601,809	10,187,912	(3)	878,287
905,263	929,501	1,118,652	(4)	(24,238)	Rental Receipts - Terminal Building	6,380,466	5,655,791	6,080,376	(4)	724,675
1,112,096	954,767	1,089,643	(5)	157,329	Rental Receipts - Other Buildings	6,379,624	5,728,602	5,701,842	(5)	651,022
353,824	178,750	105,090	(6)	175,074	Ground Transportation	1,329,479	1,072,500	367,821	(6)	256,979
81,006	38,334	86,967	(7)	42,672	Other Receipts	591,485	230,000	429,138	(7)	361,485
285,603	220,834	265,770	(8)	64,769	Investment Receipts - Treasurer/Other Interest Earned	1,075,265	1,325,000	1,696,752	(8)	(249,735)
<u>\$4,598,037</u>	<u>\$4,057,951</u>	<u>\$4,487,648</u>	<u>(1)</u>	<u>\$540,086</u>		<u>\$28,411,219</u>	<u>\$25,518,702</u>	<u>\$26,436,309</u>	<u>(1)</u>	<u>\$2,892,517</u>
<b>CASH DISBURSEMENTS FROM OPERATIONS</b>										
(\$56,584)	(\$63,723)	(\$36,891)	(10)	\$7,139	Administrative Supplies & Costs	(\$561,478)	(\$584,838)	(\$502,933)	(10)	\$23,360
(315,642)	(317,867)	(245,237)	(11)	2,225	Operating Supplies & Maintenance	(1,762,158)	(1,977,202)	(1,727,307)	(11)	215,044
(2,462,225)	(2,540,028)	(399,088)	(12)	77,803	Contractual Operating Costs	(10,860,360)	(11,705,918)	(10,769,648)	(12)	845,558
(219,831)	(262,458)	(147,240)	(13)	42,627	Contractual Professional Services	(2,790,247)	(3,059,748)	(2,740,175)	(13)	269,501
(373,977)	(420,000)	(350,436)	(14)	46,023	Wages & Benefits	(2,482,822)	(2,565,000)	(2,327,298)	(14)	82,178
(4,304)	(41,583)	(38,453)	(15)	37,279	Other Operating Costs	(426,693)	(484,498)	(170,931)	(15)	57,805
(380,479)	(380,479)	(380,329)		0	Bond Debt Service - 2015 Bonds	(2,282,874)	(2,282,874)	(2,281,974)		0
0	0	0	(16)	0	Parking Tax	(1,127,599)	(1,055,000)	(1,087,579)	(16)	(72,599)
<u>(\$3,813,042)</u>	<u>(\$4,026,138)</u>	<u>(\$1,597,674)</u>	<u>(9)</u>	<u>\$213,096</u>		<u>(\$22,294,231)</u>	<u>(\$23,715,078)</u>	<u>(\$21,607,845)</u>	<u>(9)</u>	<u>\$1,420,847</u>
<b>INCREASE (DECREASE) IN CASH FROM OPERATIONS</b>										
<u>\$784,995</u>	<u>\$31,813</u>	<u>\$2,889,974</u>		<u>\$753,182</u>		<u>\$6,116,988</u>	<u>\$1,803,624</u>	<u>\$4,828,464</u>		<u>\$4,313,364</u>
<b>FACILITY IMPROVEMENT / NOISE MITIGATION TRANSACTIONS</b>										
<b>CASH DISBURSEMENTS</b>										
(\$292)	(\$125,000)	(\$456)	(17)	\$124,708	Sound Insulation Program Costs	(\$945)	(\$330,000)	(\$2,922)	(17)	\$329,055
(4,886,942)	(5,708,000)	(904,673)	(18)	821,058	Other Facility Improvement Program Project Costs	(11,410,617)	(12,375,000)	(7,224,776)	(18)	964,383
<u>(\$4,887,234)</u>	<u>(\$5,833,000)</u>	<u>(\$905,129)</u>		<u>\$945,766</u>		<u>(\$11,411,562)</u>	<u>(\$12,705,000)</u>	<u>(\$7,227,698)</u>		<u>\$1,293,438</u>
<b>CASH RECEIPTS FROM FUNDING SOURCES</b>										
\$0	\$100,738	\$0	(17)	(\$100,738)	FAA Grants - Sound Insulation Program	\$0	\$265,948	\$0	(17)	(\$265,948)
0	3,969,058	912,052	(19)	(3,969,058)	FAA Grants - Facility Improvement Program	4,376,229	7,656,052	1,307,872	(19)	(3,279,823)
6,572	8,000	0	(20)	(1,428)	Other Grants	37,169	60,000	12,572	(20)	(22,831)
0	1,231,550	0	(21)	(1,231,550)	Passenger Facility Charge Receipts/Reserves	3,578,688	2,814,773	107,964	(21)	763,915
72,513	463,654	165,052	(22)	(391,141)	Facility Development Fund (Authority Reserves)	823,919	1,798,227	2,482,684	(22)	(974,308)
<u>\$79,085</u>	<u>\$5,773,000</u>	<u>\$1,077,104</u>		<u>(\$5,693,915)</u>		<u>\$8,816,005</u>	<u>\$12,595,000</u>	<u>\$3,911,092</u>		<u>(\$3,778,995)</u>
<b>INCREASE (DECREASE) - FACILITY / NOISE MITIGATION TRANSACTIONS</b>										
<u>(\$4,808,149)</u>	<u>(\$60,000)</u>	<u>\$171,975</u>		<u>(\$4,748,149)</u>		<u>(\$2,595,557)</u>	<u>(\$110,000)</u>	<u>(\$3,316,606)</u>		<u>(\$2,485,557)</u>
<b>NET ACTIVITY VS. BUDGET</b>										
<u>(\$4,023,154)</u>	<u>(\$28,187)</u>	<u>\$3,061,949</u>		<u>(\$3,994,967)</u>		<u>\$3,521,431</u>	<u>\$1,693,624</u>	<u>\$1,511,858</u>		<u>\$1,827,807</u>
<u>(\$72,513)</u>	<u>(\$463,654)</u>	<u>(\$165,052)</u>		<u>\$391,141</u>	<b>LESS USE OF AUTHORITY RESERVES</b>	<u>(\$823,919)</u>	<u>(\$1,798,227)</u>	<u>(\$2,482,684)</u>		<u>\$974,308</u>
<b>NET INCREASE (DECREASE) IN CASH - TOTAL</b>										
<u>(\$4,095,667)</u>	<u>(\$491,841)</u>	<u>\$2,896,897</u>		<u>(\$3,603,826)</u>	<b>(see note below)</b>	<u>\$2,697,512</u>	<u>(\$104,603)</u>	<u>(\$970,826)</u>		<u>\$2,802,115</u>

Notes: The FY 2018 adopted budget approved use of \$4,680,000 of Authority Reserves to provide funding for the airport share of capital projects. See additional discussion at note 22.



# **BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

## **NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

**MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016**

### **General Comments**

The Schedule of Cash Receipts and Disbursements ("Schedule") represents the cash basis activity for the month and fiscal year-to-date ("FYTD") compared to the allocation of the annual adopted budget.

The Schedule consists of two sections: Operating Activity and Facility Improvement/Noise Mitigation Transactions. Receipts are shown as positive amounts and disbursements as negative amounts. Favorable budget variances are shown as positive amounts and unfavorable variances as negative amounts. Because this Schedule is on a cash basis, cash timing differences may contribute to budget variances.

The Operating Activity receipts include charges for services (parking, landing fees and concessions), tenant rents, fuel flowage fees, other revenues and investment receipts. The Operating Activity disbursements include costs of services, materials, contracts, personnel and debt service.

Facility Improvement / Noise Mitigation Transactions represent the activity for the Authority's capital program, which consists of the Sound Insulation Program and Other Facility Improvement Program Projects.

The FY 2018 Capital Program expenditures are primarily funded by the following sources:

- FAA-approved Passenger Facility Charge ("PFC") program receipts/reserves;
- Grants;
- Facility Development Funds (Authority Reserves).

The notes below provide additional information regarding the performance results detailed in the "Schedule of Cash Receipts and Disbursements."

A Supplemental Schedule of Cash Receipts and Disbursements reflecting the activities related to the Series 2012 Bond debt service and repayment to the Authority of the loans provided to the Rent-A-Car Companies ("RACs") for the Regional Intermodal Transportation Center / Consolidated Rental Car Facility is also presented.

### **NOTE (1) – Cash Receipts from Operations**

Cash receipts from operations are ahead of budget FYTD December. On an accrual basis, operating revenues are favorably ahead of budget FYTD December by \$3,012,217. See notes 2 through 8 for additional information regarding operating receipts.

### **NOTE (2) – Landing/Fuel Fees**

Landing fees are based on landed weight of the aircraft. Fuel fees are charged at a rate of \$0.05 a gallon to non-signatory air carriers for fuel loaded at BUR. Landing fees and fuel fees performed ahead of the budget forecast FYTD December. Accrual basis revenues for this line item are ahead of budget FYTD December by \$312,400.

### **NOTE (3) – Parking Fees**

Parking fee revenues are performing ahead of the budget forecast. Accrual basis parking fees are \$874,019 ahead of budget FYTD December.

### **NOTE (4) – Rental Receipts - Terminal Building**

Terminal Building rental receipts exceed the budget FYTD December due to the timing of receipts and additional concession revenues received above the minimum annual guarantee. Accrual basis terminal building rents are \$688,412 ahead of budget FYTD December. The positive FYTD December passenger growth of 15.75% has contributed to achieving the favorable performance results.

(Continued)

# **BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

## **NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

**MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016**

**NOTE (5) – Rental Receipts - Other Buildings**

Other Buildings rental receipts exceed the budget FYTD December partially due to the timing of receipts. Accrual basis other building receipts are \$318,334 ahead of budget FYTD December.

**NOTE (6) – Ground Transportation**

This category consists of off-airport access fees and TNC activity. Ground Transportation receipts exceed the budget FYTD December. Accrual basis ground transportation receipts are \$370,847 ahead of budget - FYTD December primarily due to TNC activity.

**NOTE (7) – Other Receipts**

This category consists primarily of film location revenues. Accrual basis other receipts are \$185,741 ahead of budget FYTD December.

**NOTE (8) – Investment Receipts - Treasurer**

This line item represents cash received from the investment of funds. These receipts fluctuate in response to interest rate and portfolio balance changes and the timing of coupon payments and individual investment maturities and sales. Accrual basis investment income, including the interest earned on loans to Rent-A-Car Companies, exceeds the budget by \$262,464 FYTD December.

**NOTE (9) – Cash Disbursements from Operations**

Overall operating disbursements are favorably under budget FYTD December. On an accrual basis operating disbursements are favorably within budget parameters. See additional information on operating disbursements in notes 10 through 16.

**NOTE (10) – Administrative Supplies & Costs**

This line item includes office supplies, printing, postage and delivery, office equipment service and lease, recruiting, membership, uniform, Commission meeting, conference and training costs.

**NOTE (11) – Operating Supplies & Maintenance**

This line item includes utilities, fuel, general repairs and maintenance, landscaping, supplies and telephone costs.

**NOTE (12) – Contractual Operating Costs**

This line item includes various contractual operating costs such as ARFF services, janitorial services, systems and vehicle repair, parking operations and the TBI Airport Management contract costs.

**NOTE (13) – Contractual Professional Services**

This line item includes various professional services such as legal, auditing, noise, financial and insurance.

**NOTE (14) – Wages and Benefits**

Wages and Benefits consist of payroll and fringe benefit costs for the Airport Police officers, and include the impact of the terms of the new Memorandum of Understanding effective February 2017. Wages and benefits include overtime for film location services which are recovered through the related film revenue.

**NOTE (15) – Other Operating Costs**

This line item includes public relations/advertising, air service retention, license and permits and bad debt expense.

(Continued)

# **BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

## **NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

**MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016**

**NOTE (16) – Parking Tax**

The 12% City of Burbank parking tax is paid quarterly for the prior three-month period. The January 2018 remittance, in the amount of \$556,454, covers parking activity for the months of October, November and December 2017.

**NOTE (17) – Sound Insulation Program**

The Sound Insulation program is funded primarily through FAA Airport Improvement Program ("AIP") grants and and Passenger Facility Charge ("PFC") revenues. In December 2016, the FAA issued a Record of Approval on the Part 150 Study. Staff is currently working with FAA on obtaining a noise discretionary grant, the receipt of which will facilitate the restart of the program.

**NOTE (18) – Other Facility Improvement Program Projects**

Other Facility Improvement Program Projects costs are under budget FYTD December by \$964,383. FYTD December expenditures consist primarily of expenditures relating to the Runway 15/33 Rehabilitation Project.

**NOTE (19) – FAA Grants – Other Facility Improvement Program Projects**

FAA Grants are budgeted to partially fund the Runway 15/33 Rehabilitation Project and Taxiway C & D and GA Ramp Rehabilitation Design. FAA Grants receipts for Other Facility Improvement Program Projects are under budget due to the timing of receipts primarily relating to the Runway 15/33 Rehabilitation Project.

**NOTE (20) – Other Grants**

Other grants represent federal grants, other than FAA AIP grants, and local grants that fund or partially fund the Ground Access Study.

**NOTE (21) – Passenger Facility Charge Receipts/Reserves**

A number of capital projects are budgeted to be funded or partially funded by Passenger Facility Charges, including the Runway 15/33 Rehabilitation Project, Taxiway C & D and GA Ramp Rehabilitation Design, and certain eligible costs related to the Replacement Terminal Project. FYTD December PFC receipts are related primarily to the reimbursement of eligible costs already incurred in association with the Runway 8/26, EMAS Rehabilitation and Taxiway B Rehabilitation. The Authority received approval in September 2017 of a PFC application therefore allowing for the reimbursement of these project payments.

**NOTE (22) – Facility Development Fund (Authority Reserves)**

The FY 2018 adopted budget programmed the use of Authority Reserves as a funding source for the airport share of capital projects.

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**  
**SUPPLEMENT SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**REGIONAL INTERMODAL TRANSPORTATION CENTER / CONSOLIDATED RENTAL CAR FACILITY PAYMENTS AND COLLECTIONS**  
**MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016**

Monthly Performance				December 2017				Fiscal YTD Performance (July 2017 - December 2017)			
Actual \$ Dec 2017	Budget Dec 2017	Actual \$ Prior Year Dec 2016	Variance Actual Vs. Budget	Note	Customer Facility Charge Receipts	Facility Rent	Payments to Bond Trustee for 2012 Bond Debt Service	Fiscal YTD Budget	Actual \$ Fiscal YTD	Actual \$ Prior Year Fiscal YTD	Variance Actual Vs. Budget
\$467,142	\$420,000	\$420,654	\$47,142	(1)	Customer Facility Charge Receipts	0	0	\$2,520,000	\$2,952,438	\$2,760,480	\$432,438
87,577	87,577	94,595	(87,018)	(2)	Facility Rent	0	0	525,462	529,568	576,067	4,105
(486,250)	(486,250)	(486,130)	(120)	(3)	Payments to Bond Trustee for 2012 Bond Debt Service	0	0	(2,917,500)	(2,917,500)	(2,916,780)	0
(21,327)	(21,327)	(27,334)	6,007	(4)	Loan Principal Repayments to the Authority	0	0	(127,962)	(128,964)	(166,460)	(1,002)
\$47,142	\$0	\$1,785	\$47,142					\$0	\$435,542	\$253,307	\$435,542

**General Comments**

The debt service on the 2012 Revenue Bonds and the repayment to the Authority of the loans to the Rent-A-Car Companies ("RACs") is payable from Customer Facility Charges ("CFCs") and Facility Rents. Under the terms of the Bond Indenture, as amended, all CFCs collected subsequent to July 1, 2014 are remitted to the Bond Trustee for the 2012 Bond debt service.

On July 1, 2014, the terms and conditions of the Non-Exclusive Concession and Lease Agreement with the respective Rent-A-Car Companies became effective, including the collection of Facility Rent.

**Note (1) – Customer Facility Charge ("CFC") Receipts**

CFCs of \$6 per day per transaction, up to a maximum of five days, are collected and applied to the 2012 Bond debt service. CFCs received in FYTD December exceeded the budget due to better than expected car rental activity.

**Note (2) – Facility Rent**

Facility Rent exceeds the budget FYTD December due to the timing of receipts.

**Note (3) – Loan Principal Repayments to the Authority**

Repayments of the loan principal to the Authority from the Rent-A-Car Companies exceed the budget FYTD December due to timing of receipts.

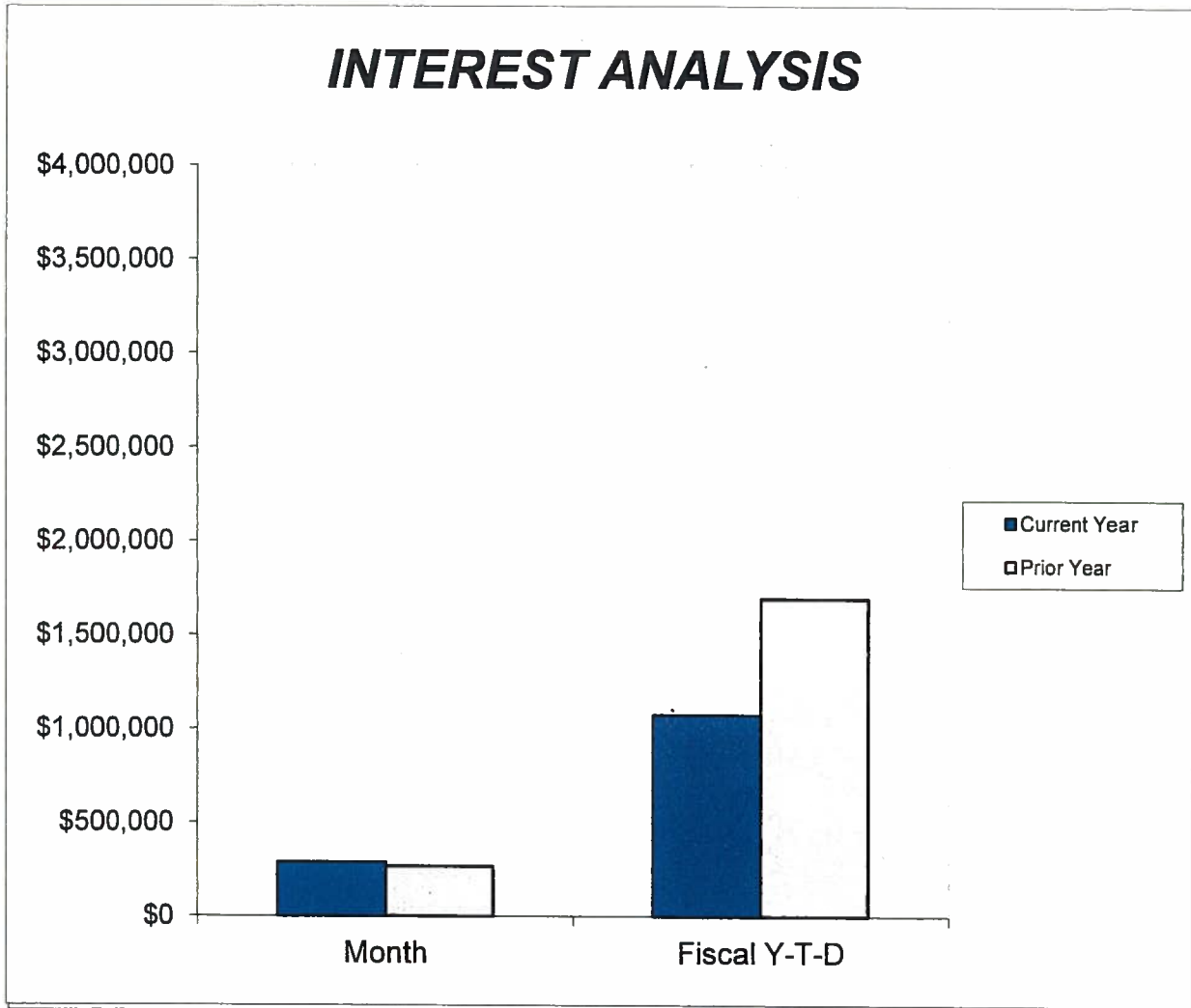
The principal portion of the payment will be deposited as reimbursement to the Authority's Facility Development Fund. The interest portion of the loan repayment is recorded as investment income.

**Note (4) – Net RITC / ConRAC Facility Payments and Collections**

A positive amount in this line indicates that cash has been received above the required payment obligations. At fiscal year-end, upon conclusion of the required reconciliation, any excess surplus accumulated will be evaluated and applied toward the allowed uses under the terms and conditions of the Non-Exclusive Concession and Lease Agreement with the Rent-A-Car Companies.

In the event of a shortfall of receipts to meet the required payment obligations (i.e., CFC collections perform under budget projections), the Authority holds the right to adjust the Facility Rent paid by the rental car companies on a 30-day notice.

## ***Burbank-Glendale-Pasadena Airport Authority***



	December 2017	December 2016
Interest Receipts - - Month	\$285,603	\$265,770
Interest Receipts - - Fiscal Y-T-D	\$1,075,265	\$1,696,752
Month End Portfolio Balance	\$214,387,486	\$212,829,458
Yield to Maturity	1.86%	1.15%

## **Supplement to the December 2017 Treasurer's Report**

### **December 2017 Cash Disbursements**

#### **Facility Improvement / Noise Mitigation Transactions**



**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**  
**FY 2018 Cash Disbursements - Facility Improvement / Noise Mitigation Transactions**

PROJECT DESCRIPTION	Annual Budgeted Cost	FYTD 2018 (July - Dec.) Budgeted Cost	FYTD 2018 (July - Dec.) Cash Basis Cost	FYTD 2018 (July - Dec.) Budget Variance Fav. / (Unfav.)	Project Status FYTD - December
<b>BUILDING IMPROVEMENTS</b>					
Hangar #34 Roof Replacement	\$ 485,000	\$ 100,000	\$ 18,907	\$ 81,093	Project underway
Maintenance Bldg. Electrical Upgrade	225,000	225,000	74,249	150,751	Project underway
Building #36 Server Room Upgrade	100,000	100,000	75,554	24,446	Project underway
Terminal High Voltage Electrical Upgrades	250,000	70,000	-	70,000	Project under review - deferred to FY 2019
Minor Building Improvements	250,000	45,000	21,123	23,877	Projects underway
Hangar Floor Rehabilitation	-	-	8,897	(8,897)	Funded with FY 2009 insurance settlement
<b>TOTAL BUILDING IMPROVEMENTS</b>	<b>\$ 1,310,000</b>	<b>\$ 540,000</b>	<b>\$ 198,730</b>	<b>\$ 341,270</b>	
<b>OTHER IMPROVEMENTS</b>					
Airport Branding: Infrastructure / Sign Mods.	250,000	130,000	\$ 50,295	\$ 79,705	Project underway
Reclaimed Water Connection and Hydrant	-	-	116,568	(116,568)	Accrued FY 2017 project
Emergency Back-up Generator Replacement	-	-	201,307	(201,307)	Accrued FY 2017 project
Terminal Baggage Phase 2 (TSA OTA)	-	-	20,490	(20,490)	TSA reimbursable
Replacement Wash Pad	-	-	32,088	(32,088)	Accrued FY 2017 project
<b>TOTAL OTHER IMPROVEMENTS</b>	<b>\$ 250,000</b>	<b>\$ 130,000</b>	<b>\$ 420,748</b>	<b>\$ (290,748)</b>	
<b>IT / COMMUNICATIONS / SECURITY</b>					
Access Control / IET Replacement	\$ 200,000	\$ 30,000	\$ -	\$ 30,000	Project underway - P.O. awarded Oct. 2017
DVSS Camera Replacement	100,000	100,000	111,643	(11,643)	On going replacement project
Network Switch Replacement	100,000	40,000	24,053	15,947	Switch replacements anticipated during year
Primary LAN Blade Server Replacements	80,000	20,000	-	20,000	Server replacements anticipated during year
<b>TOTAL IT / COMMUNICATIONS / SECURITY</b>	<b>\$ 480,000</b>	<b>\$ 190,000</b>	<b>\$ 135,695</b>	<b>\$ 54,305</b>	
<b>EQUIPMENT</b>					
Parking Revenue Control Equipment - Valet	\$ 185,000	\$ 10,000	\$ -	\$ 10,000	Anticipate on agenda for approval: April 2018
Airfield Maintenance Equipment	425,000	10,000	-	10,000	Pending PFC application approval
<b>TOTAL EQUIPMENT</b>	<b>\$ 610,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ 20,000</b>	
<b>RUNWAY / TAXIWAY / ROADWAY PROJECTS</b>					
Runway 15-33 Rehabilitation	\$ 11,300,000	\$ 9,170,000	\$ 7,487,173	\$ 1,682,827	Project underway - close to completion
Taxiway C&D and GA Ramp Rehab. Design	900,000	330,000	16,032	313,968	Design contract awarded - design underway
Ramp/Taxilane Rehabilitation	700,000	170,000	5,151	164,849	Scope modification - under airline review
Airside Paving Replacement	350,000	75,000	1,579	73,421	Projects under review / award process
Landside Paving Replacement	360,000	75,000	712	74,288	Projects under review / award process
Public Parking Lot Improvements	200,000	55,000	6,279	48,721	Project under planning review
Runway 8-26 and EMAS Rehabilitation	-	-	2,029,749	(2,029,749)	Accrued FY 2017 project
Airfield Lighting Improvement	-	-	220	(220)	Accrued FY 2017 project
<b>TOTAL RUNWAY / TAXIWAY / ROADWAY</b>	<b>\$ 13,810,000</b>	<b>\$ 9,875,000</b>	<b>\$ 9,546,895</b>	<b>\$ 328,105</b>	
<b>NOISE MITIGATION</b>					
Residential Acoustical Treatment Program	\$ 1,000,000	\$ 330,000	\$ 945	\$ 329,055	Pending award of FAA grant
<b>TOTAL NOISE MITIGATION</b>	<b>\$ 1,000,000</b>	<b>\$ 330,000</b>	<b>\$ 945</b>	<b>\$ 329,055</b>	
<b>DEVELOPMENT</b>					
Replacement Terminal Development	\$ 3,100,000	\$ 1,450,000	\$ 901,887	\$ 548,113	Ongoing including FY 2017 accrued costs
Transportation Planning	100,000	60,000	25,845	34,155	Ongoing
RITC Public Art	-	-	814	(814)	CFC Reimbursable
RPZ Land Acquisition: Hollyona Property	-	-	536	(536)	Deferred
<b>TOTAL DEVELOPMENT</b>	<b>\$ 3,200,000</b>	<b>\$ 1,510,000</b>	<b>\$ 929,082</b>	<b>\$ 580,918</b>	
<b>O &amp; M CAPITAL</b>	<b>\$ 296,200</b>	<b>\$ 110,000</b>	<b>\$ 179,465</b>	<b>\$ (69,465)</b>	Lower value O & M projects - ongoing
<b>Total</b>	<b>\$20,956,200</b>	<b>\$12,705,000</b>	<b>\$11,411,562</b>	<b>\$ 1,293,438</b>	

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
FINANCE AND ADMINISTRATION COMMITTEE  
FEBRUARY 20, 2018**

**EIGHTH AMENDMENT TO  
LEASE AND CONCESSION AGREEMENT  
MCS BURBANK LLC**

**SUMMARY**

Staff seeks a Finance and Administration Committee ("Committee") recommendation to the Commission for approval of the Eighth Amendment ("Amendment") to the Lease and Concession Agreement ("Agreement") with the Authority's exclusive food and beverage concessionaire, MCS Burbank LLC ("MCS"). The proposed Amendment proposes changes to the concession space in both Terminals A and B, and requires new improvements to the proposed spaces as well as adjustments to the Minimum Annual Guarantee ("MAG") from the concessionaire.

**BACKGROUND**

MCS has had a presence at the airport since May 1992, and on December 31, 2000, the Authority entered into a new Lease and Concession Agreement with MCS for the operation of a food and beverage concession at the Airport. The original ten-year term of the Agreement was extended under the Second Amendment to June 30, 2013, and subsequent Amendments have extended the term to June 30, 2023. MCS currently leases over 15,000 square feet of terminal space, which is comprised of food and beverage concession, offices, and storage space.

MCS is a tenant in good standing and has performed over the MAG for the past few years. Under the terms of the Agreement, MCS pays the Authority the greater of MAG or a percentage of gross revenues (12% food and beverage/17% alcohol). The current MAG is \$1,184,917.56 with a space rental requirement of \$284,072.10 annually.

**AMENDMENT DETAILS**

Under the proposed Amendment the spaces that MCS utilizes would be adjusted to allow for the rebranding of locations to increase the variety of products MCS provides to the traveling public. Details of the proposed changes are listed below:

<b>Terminal A</b>	<b>Terminal B (Part 1)</b>	<b>Terminal B (Part 2)</b>
287 square feet of new space to take effect upon execution of the Amendment	312 square feet of new space to take effect upon completion of new pre-security men's restroom and family restroom	647 square feet of space to be reduced upon completion of new pre-security men's restroom and family restroom



### **Terminal A:**

- An additional 287 square feet of space for a "Guy Fieri Brew Pub" adjacent to the existing "Guy's Burger Joint" concession near gate A5.
- The proposed brew pub will have 16 seats.
- There will be no reduction of holdroom seating near gate A5.

### **Terminal B:**

#### *Phase 1:*

- MCS would rebrand the current post-security "Peet's Coffee" and bar concession to a "Guy Fieri Kitchen" restaurant and bar concept;
  - For this rebranding, the redesign requires expanding the current concession space into the current pre-security men's restroom.
- This rebranding concept requires MCS to utilize an additional 312 square feet of space for the post-security restaurant and bar expansion. This proposed remodel would provide an additional 10 seats over the current bar concession.

#### *Phase 2:*

- The current 647-square-foot pre-security food and beverage concession has not performed to expectations. This location has not had a level of success either as the current food and beverage concession or the previous news and gift operation;
- The proposed Amendment reduces the current Agreement by the 647 square feet and converts it into ADA-compliant men's and family restroom facilities. The Airport currently only has one family restroom, which is located in in Terminal A.
  - As part of the required new improvements, MCS will incur all costs associated to build the pre-security men's and family restroom facilities in this location.

Lease Term:	No change, expires on June 30, 2023
Annual Adjustment:	CPI adjusted annually with a 3% cap
MAG:	Increase of \$12,822.12 annually to \$1,197,739.68
Space Rent:	Reduction of \$892.80 annually to \$283,179.30
Other:	Concessionaire responsible for expenses related to occupancy including maintenance, utilities, insurance, permits, and applicable taxes

### **IMPACT ON REVENUE**

The proposed Amendment will generate an additional \$12,822.12 annually through an increase to the MAG and a reduction of \$892.80 annually to the space rent.

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### RECOMMENDATION

Staff seeks a Committee recommendation to the Commission for approval of the proposed Eighth Amendment to the Lease and Concession Agreement with MCS Burbank LLC and authorization for the President to execute same.

## EIGHTH AMENDMENT TO LEASE AND CONCESSION AGREEMENT

This EIGHTH AMENDMENT TO LEASE AND CONCESSION AGREEMENT (this "Eighth Amendment") is dated as of March 19, 2018 and is entered into by and between the BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY, a public entity formed under a joint exercise of powers agreement among the Cities of Burbank, Glendale and Pasadena, California, pursuant to the California Joint Exercise of Powers Act ("Lessor"), and MCS BURBANK, LLC, a Nevada limited liability company ("Concessionaire").

### RECITALS

A. Lessor and Concessionaire entered into a Lease and Concession Agreement dated December 31, 2000, a First Amendment dated October 15, 2001, a Second Amendment dated September 2, 2003, a Third Amendment dated November 5, 2012, a Fourth Amendment dated May 5, 2014, a Fifth Amendment to Lease and Concession Agreement dated February 2, 2015, a Sixth Amendment to Lease and Concession Agreement dated September 6, 2016, and a Seventh Amendment to Lease and Concession Agreement dated October 2, 2017 (the "Agreement"), pursuant to which Concessionaire was granted a food and beverage sales concession at locations within the air passenger terminal of the Burbank-Glendale-Pasadena Airport ("Airport").

B. Lessor and Concessionaire desire to amend the Agreement to add two areas of space to the Premises, remove some other space in another area from the Premises, and require Concessionaire to make certain improvements in the space that is to be removed prior to the effective date of the removal of such space from the Premises.

THEREFORE, the parties hereto agree as follows:

1. Defined Terms. Unless this Eighth Amendment provide otherwise, capitalized terms used herein shall have the meanings set forth in the Agreement.

2. Premises. As of March 19, 2018, the area shown on Exhibit "A" shall be added to Premises, and all references to the "Premises" in the Agreement shall include such area.

As of the Completion Date (defined in Section 5 below), the area shown on Exhibit "B" as "New Concession Area" shall be added to Premises, and all references to the "Premises" in the Lease shall include such area, and the area shown on Exhibit "B" as the "Take Back Area" shall be removed/omitted from the Premises and all references in the Agreement to the Premises shall not include such area.

3. Minimum Annual Privilege Fee; Minimum Annual Guarantee. Section 7.1.1 of the Agreement is hereby amended as of March 19, 2018 to read in full as follows:

"7.1.1 Minimum Annual Guarantee; Annual Adjustment. The Minimum Annual Guarantee shall be One Million Two Hundred Seven Thousand and One Hundred Thirty-One and 36/100 Dollars (\$1,207,131.36). Beginning on January 1, 2019, and on each January 1 thereafter during the remainder of the Term ("Adjustment Date"), the Minimum Annual Guarantee shall be increased (an "Adjustment") in

proportion to the percentage increase, if any, in the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor for all Urban Consumers – all items (base years 1982-1984 = 100) for Los Angeles – Riverside – Orange County, CA (SMSA) (“Index”) for the month of December immediately preceding the Adjustment Date as compared to the Index for the month of December in the immediately preceding calendar year, provided that, in no event shall any Adjustment be greater than three percent (3%) of the amount of the Minimum Annual Guarantee immediately preceding such Adjustment. Lessor shall calculate the amount of increase in the Minimum Annual Guarantee after United States Department of Labor publishes the applicable December Index and shall give Concessionaire notice of the amount of the increase. Concessionaire shall continue to pay installments of the unadjusted Minimum Annual Guarantee until Lessor notified Concessionaire of the amount of increase. Concessionaire shall pay the amount of the increase in the Minimum Annual Guarantee, multiplied by the number of installments coming due since the Adjustment Date, with the installment of Minimum Annual Guarantee next coming due under this Agreement, and shall thereafter pay the installments of Minimum Annual Guarantee due under this Agreement at such increased rate. If the Index referred to in this section is changed, discontinued, or revised during the Term, Lessor shall use the available Consumer Price Index published by the United States Department of Labor that obtains substantially the same result provided by the Index referred to herein.

As of the date (“Completion Date”) on which the Required New Improvements (defined in Section 5 below) are completed (as confirmed in writing by Lessor), Section 7.1.1 of the Agreement shall be automatically amended to read in full as follows:

“7.1.1 Minimum Annual Guarantee; Annual Adjustment. The Minimum Annual Guarantee shall be One Million One Hundred Ninety-Seven Thousand Seven Hundred Thirty-Nine and 68/100 Dollars (\$1,197,739.68). Beginning on January 1, 2019, and on each January 1 thereafter during the remainder of the Term (“Adjustment Date”), the Minimum Annual Guarantee shall be increased (an “Adjustment”) in proportion to the percentage increase, if any, in the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor for all Urban Consumers – all items (base years 1982-1984 = 100) for Los Angeles – Riverside – Orange County, CA (SMSA) (“Index”) for the month of December immediately preceding the Adjustment Date as compared to the Index for the month of December in the immediately preceding calendar year, provided that, in no event shall any Adjustment be greater than three percent (3%) of the amount of the Minimum Annual Guarantee immediately preceding such Adjustment. Lessor shall calculate the amount of increase in the Minimum Annual Guarantee after United States Department of Labor publishes the applicable December Index and shall give Concessionaire notice of the amount of the increase. Concessionaire shall continue to pay installments of the unadjusted Minimum Annual Guarantee until Lessor notified Concessionaire of the amount of increase. Concessionaire shall pay the amount of the increase in the Minimum Annual Guarantee, multiplied by the number of installments coming due since the

Adjustment Date, with the installment of Minimum Annual Guarantee next coming due under this Agreement, and shall thereafter pay the installments of Minimum Annual Guarantee due under this Agreement at such increased rate. If the Index referred to in this section is changed, discontinued, or revised during the Term, Lessor shall use the available Consumer Price Index published by the United States Department of Labor that obtains substantially the same result provided by the Index referred to herein.

4. Other Payments/Rent. As of March 19, 2018, Section 7.2.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

"Rental Payments. In addition to the amounts payable under Subsection 7.1, during the remaining Term of this Agreement, monthly in advance, without deduction or offset, the Concessionaire shall pay to the Lessor as Premises rent ("Rental Payment") the amount of Twenty Four Thousand One Hundred Seventeen and 53/100 Dollars (\$24,117.53)."

As of the Completion Date (defined in Section 3 above), Section 7.2.1 of the Agreement shall be automatically deleted in its entirety and replaced with the following:

"Rental Payments. In addition to the amounts payable under Subsection 7.1, during the remaining Term of this Agreement, monthly in advance, without deduction or offset, the Concessionaire shall pay to the Lessor as Premises rent ("Rental Payment") the amount of Twenty-Three Thousand Five Hundred Ninety-Eight and 28/100 Dollars (\$23,598.28)."

5. Required New Improvements. On or before July 23, 2018 (as extended by delays beyond the control of Concessionaire, excluding: (i) unavailability of funds, and (ii) reasonable delays by the City of Burbank in processing submittals, approvals and permits), Concessionaire shall, at Concessionaire's cost and expense, construct the improvements ("Required New Improvements") described on Exhibit "C" in the Take Back Area described on Exhibit "B" in accordance with applicable laws and comply with Sections 6.2, 6.3, 6.4 and 6.6 of the Agreement in connection therewith. Concessionaire's failure to timely comply with this Section shall constitute a curable default under paragraph Section 13.3.1.9 of the Agreement and shall be subject to the notice and cure provisions thereof, but shall also be subject to the following.

CONCESSIONAIRE ACKNOWLEDGES THAT ITS CONSTRUCTION OF THE REQUIRED NEW IMPROVEMENTS WILL HAVE VARIOUS ADVERSE IMPACTS ON THE AIRPORT AND THE PUBLIC USING THE AIRPORT, AND THAT IF CONCESSIONAIRE DOES NOT TIMELY COMPLETE THE REQUIRED NEW IMPROVEMENTS, SUCH ADVERSE IMPACTS WILL HAVE CONTINUED FOR AN UNREASONABLE PERIOD OF TIME GIVEN THE SCOPE OF THE REQUIRED NEW IMPROVEMENTS AND THE DAMAGE TO THE AIRPORT AND LESSOR WILL BE IMPRACTICABLE TO DETERMINE WITH ANY CERTAINTY. CONSEQUENTLY, IF CONCESSIONAIRE FAILS TO TIMELY COMPLETE

THE REQUIRED NEW IMPROVEMENTS, CONCESSIONAIRE SHALL PAY TO LESSOR AS LIQUIDATED DAMAGES THE SUM OF TWO HUNDRED AND NO/100 DOLLARS (\$200.00) FOR EACH DAY THAT THE REQUIRED NEW IMPROVEMENTS ARE NOT COMPLETED (BEYOND THE DATE FOR COMPLETION, AS EXTENDED BY FORCE MAJEURE DELAYS, DESCRIBED ABOVE). CONCESSIONAIRE AND LESSOR AGREE THAT SUCH DAILY SUM IS A REASONABLE ESTIMATE OF THE DAMAGES THAT LESSOR WILL SUFFER AS A RESULT OF CONCESSIONAIRE'S FAILURE TO TIMELY COMPLETE THE NEW IMPROVEMENTS.

FAILURE TO PAY SUCH LIQUIDATED DAMAGES TO LESSOR WITHIN TEN (10) DAYS AFTER WRITTEN DEMAND (GIVEN FROM TIME TO TIME) SHALL CONSTITUTE A MATERIAL EVENT OF DEFAULT BY CONCESSIONAIRE UNDER SECTION 13.3.1 OF THE AGREEMENT.

IN WITNESS WHEREOF, this Eighth Amendment has been executed by the undersigned as of the date first written above.

**LESSOR:**

BURBANK-GLENDALE-PASADENA  
AIRPORT AUTHORITY, a public entity

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CONCESSIONAIRE:**

MCS BURBANK, LLC,  
a Nevada limited liability company

By: Tamara Mora  
Print Name: TAMARA MORA  
Title: PRESIDENT

**EXHIBIT "A"**

**SPACE ADDED AS OF MARCH 19, 2018**

(Attached.)





**EXHIBIT "B"**

**SPACE TO BE REMOVED FROM PREMISES AND OTHER SPACE TO BE ADDED,  
BOTH UPON COMPLETION OF REQUIRED NEW IMPROVEMENTS IN THE SPACE  
TO BE REMOVED**

(See attached diagram.)

EXISTING CONCESSION SPACE TO BE  
CONVERTED TO NEW LANDSIDE PUBLIC RESTROOM

EXISTING LANDSIDE PUBLIC RESTROOM TO BE  
CONVERTED TO NEW CONCESSION AREA

**NEW CONCESSION SPACE**  
**(312 SQ. FT.)**

TAKE BACK AREA  
(647 SQ. FT.)

**EXHIBIT "C"**

**REQUIRED NEW IMPROVEMENTS**

The improvements shown on the following plans submitted to Lessor:

Sheet Numbers: GN1-GN7, A0.0 – A0.2, A1.0 – A4.0, and A4.1

Dated: 12/1/17

Prepared by: Deborah Lee Sylva, Architect

Project/Job Number: 17-212

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
FINANCE AND ADMINISTRATION COMMITTEE  
FEBRUARY 20, 2018**

**PRESENTATION OF FY 2017 FINANCIAL STATEMENTS AND  
ANALYSIS OF FINANCIAL RESULTS**

**SUMMARY**

The Authority's independent auditor, Macias Gini & O'Connell LLP ("MGO") has completed its audits of the Burbank-Glendale-Pasadena Airport Authority ("Authority") fiscal year 2017 financial statements. Enclosed with this staff report is a copy of the audited Basic Financial Statements for the fiscal years ended June 30, 2017 ("FY 2017") and 2016 ("FY 2016"). Also enclosed are copies of the audited Single Audit Reports (audit of federal grant programs), Passenger Facility Charge Audit Reports, Customer Facility Charge Audit Reports, Independent Auditor's Report on Compliance with Section 6.05 of the Bond Indenture, and the Auditor's Report to the Authority Regarding the FY 2017 Audits.

The results are summarized below.

- MGO's "unmodified" opinions are:
  - The Basic Financial Statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles.
  - The Authority complied in all material respects with compliance requirements applicable to its major federal program, the Passenger Facility Charge program and the Customer Facility Charge program and identified no reportable deficiencies in internal control over compliance.
  - MGO identified no reportable deficiencies in internal control over financial reporting or compliance that are required to be reported under Government Auditing Standards.
  - The Schedule of Expenditures of Federal Awards, Schedule of Passenger Facility Charge Revenues and Expenditures and Schedule of Customer Facility Charge Revenues and Expenditures are fairly stated in relation to the Basic Financial Statements as a whole.
  - Based on auditing procedures performed, the Authority complied with the terms, covenants, provisions or conditions of Section 6.05 (Rates and Charges) to Article VI of the Bond Indenture, as amended.

Staff will present each report and provide an overview and analysis of financial results for the fiscal year ended June 30, 2017. MGO will present a summary of its audits. Staff seeks a Finance and Administration Committee recommendation to the Commission that it note and file these audit reports.

**BASIC FINANCIAL STATEMENTS**

The Basic Financial Statements ("BFS") of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The Government Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing accounting and financial reporting principles.

The Authority reports its financial operations as a government enterprise activity, and as such, its financial statements are presented using the “economic resources” measurement focus and the accrual method of accounting. Under this method of accounting, revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. The measurement focus is on determination of changes in net position, financial position, and cash flows. Operating revenues include charges for services, tenant rent, fuel flowage fees and other operating revenues. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. Grants and similar items are recognized as revenue as soon as all eligibility requirements for reimbursement of expenses have been met.

The BFS report is composed of three parts:

- (i) The Independent Auditor’s Report;
- (ii) Management’s Discussion and Analysis (“MD&A”), a narrative overview and analysis of the Authority’s financial activities; and
- (iii) The basic financial statements, consisting of the Statements of Net Position (Balance Sheets), Statements of Revenues, Expenses and Changes in Net Position (Income Statements), Statements of Cash Flows and Notes to Basic Financial Statements.

The Independent Auditor’s Report reflects an unmodified opinion, indicating that the BFS present fairly, in all material respects, the financial position of the Authority at June 30, 2017 and 2016, and the change in financial position and cash flows for the years then ended, in conformity with GAAP. The audits were conducted 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 MD&A is required supplementary information. The discussion and analysis in the MD&A is intended to serve as an introduction to the Authority’s basic financial statements.

A summary of the Statements of Net Position at June 30, 2017 and 2016 is as follows:

## Summary Statements of Net Position

June 30, 2017 and 2016

	2017	2016	Change	
			\$	%
<b>Current assets</b>	\$ 28,038,471	\$ 30,397,449	\$ (2,358,978)	-7.76%
<b>Restricted assets</b>	66,532,659	56,908,877	9,623,782	16.91%
<b>Facility Development Reserve</b>	167,632,453	167,334,136	298,317	0.18%
<b>Bond debt service reserve surety, net</b>	33,094	38,615	(5,521)	-14.30%
<b>Capital assets, net</b>	343,910,005	346,025,062	(2,115,057)	-0.61%
<b>Total assets</b>	<u>606,146,682</u>	<u>600,704,139</u>	<u>5,442,543</u>	<u>0.91%</u>
<b>Liabilities:</b>				
<b>Current liabilities and liabilities payable from restricted assets</b>	18,131,404	16,913,958	1,217,446	7.20%
<b>Noncurrent liabilities</b>	107,427,859	112,600,118	(5,172,259)	-4.59%
<b>Total liabilities</b>	<u>125,559,263</u>	<u>129,514,076</u>	<u>(3,954,813)</u>	<u>-3.05%</u>
<b>Deferred inflows of resources –</b>				
<b>Deferred amount on refunding of 2005 Bonds</b>	714,063	816,073	(102,010)	-12.50%
<b>Net position:</b>				
<b>Net investment in capital assets</b>	236,974,240	234,200,550	2,773,690	1.18%
<b>Restricted</b>	54,847,653	45,247,384	9,600,269	21.22%
<b>Unrestricted</b>	188,051,463	190,926,056	(2,874,593)	-1.51%
<b>Total net assets</b>	<u>\$ 479,873,356</u>	<u>\$ 470,373,990</u>	<u>\$ 9,499,366</u>	<u>2.02%</u>

A summary of the Statements of Revenue, Expenses and Changes in Net Position for the years ended June 30, 2017 and 2016 is as follows:

## Summary Statements of Revenues, Expenses and Changes in Net Position

Years Ended June 30, 2017 and 2016

	2017	2016	Change	
			\$	%
Operating revenues	\$ 50,443,155	\$ 48,893,333	\$ 1,549,822	3.17%
Operating expenses before depreciation	41,226,440	39,018,761	2,207,679	5.66%
Operating income before depreciation	9,216,715	9,874,572	(657,857)	-6.66%
Depreciation	17,604,416	18,872,310	(1,267,894)	-6.72%
Operating loss	(8,387,701)	(8,997,738)	610,037	-6.78%
Nonoperating revenues, net	7,625,208	13,099,068	(5,473,860)	-41.79%
Income before capital contributions	(762,493)	4,101,330	(4,863,823)	-118.59%
Capital contributions	10,261,859	4,230,291	6,031,568	142.58%
Changes in net position	9,499,366	8,331,621	1,167,745	14.02%
Net position, beginning of year	470,373,990	462,042,369	8,331,621	1.80%
Net position, end of year	\$ 479,873,356	\$ 470,373,990	\$ 9,499,366	2.02%

## SINGLE AUDIT REPORTS

The Single Audit Reports present the activity of federal award programs of the Authority for the year ended June 30, 2017. The Single Audit Reports include:

- An unmodified independent auditor's report which indicates that MGO identified no instances of noncompliance, reportable deficiencies or other matters that are required to be reported under *Government Auditing Standards*.
- An independent auditor's report that provides an unmodified opinion on compliance with compliance requirements applicable to the Authority's major program and identified no reportable deficiencies related to compliance for that program. The report also indicated that the Schedule of Expenditures of Federal Awards is fairly stated in relation to the Basic Financial Statements as a whole.
- Schedule of expenditures of federal awards
- Notes to schedule of expenditures of federal awards
- Schedule of Findings and Questioned Costs  
No findings or questioned costs were noted.
- Summary Schedule of Prior Audit Findings and Questioned Costs  
None noted

## PASSENGER FACILITY CHARGE AUDIT REPORTS

The Passenger Facility Charge Audit Reports present the cash receipts and disbursements of the Authority's Passenger Facility Charge ("PFC") program. The Aviation Safety and Capacity Expansion Act of 1990 authorized the local imposition of Passenger Facility Charges and use of the PFC revenue on Federal Aviation Administration ("FAA") approved projects.

The PFC audit reports include the following:

- An unmodified independent auditor's report, which indicates that: (i) the Authority complied in all material respects with compliance requirements applicable to the Passenger Facility Charge program; (ii) MGO identified no reportable deficiencies in internal control over compliance; and (iii) the Schedule of Passenger Facility Charge Revenues and Expenditures is fairly stated in relation to the Basic Financial Statements taken as a whole.
- Schedule of Passenger Facility Charge revenues and expenditures
- Notes to schedule of Passenger Facility Charge revenues and expenditures

No findings or questioned costs were noted.

## CUSTOMER FACILITY CHARGE AUDIT REPORTS

The Customer Facility Charge Audit Reports present the cash receipts and disbursements of the Authority's Customer Facility Charge ("CFC") program. Assembly Bill 491 of the 2001-2002 California Legislature (codified in California Civil Code Section 1936 et seq. ("Code")) authorized the local imposition of Customer Facility Charges and use of CFC revenue to plan, finance, design and construct on-airport consolidated rental car facilities (CRCF). The Authority established the CFC effective December 1, 2009 with adoption of Resolution 429. Based on an amendment of the enabling legislation for the CFC (S.B. 1192; Chapter 642, Statutes of 2010), on December 10, 2010 the Authority approved Resolution 439 which repealed Resolution 429



and authorized collection of an alternative CFC, effective July 1, 2011, of \$6 per rental car transaction day up to a maximum of five days. Resolution 439 authorized collection of the alternative CFC through the period that any debt related to the CRCF is outstanding. The Code was further amended on October 4, 2013 by Assembly Bill no. 359, Chapter 549, Statutes of 2013.

The CFC audit reports include the following:

- An unmodified independent auditor's report, which indicates that: (i) the Authority complied in all material respects with compliance requirements applicable to the Customer Facility Charge program; (ii) MGO identified no reportable deficiencies in internal control over compliance; and (iii) the Schedule of Customer Facility Charge Revenues and Expenditures is fairly stated in relation to the Basic Financial Statements taken as a whole.
- Schedule of Customer Facility Charge revenues and expenditures
- Notes to schedule of Customer Facility Charge revenues and expenditures

No findings or questioned costs were noted.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SECTION 6.05  
OF THE BOND INDENTURE**

Based on audit procedures performed, MGO identified no instances of noncompliance with the terms, covenants, provisions or conditions with Section 6.05 (Rates and Charges) to Article VI of the Indenture dated May 1, 2005 with Bank of New York Mellon Trust Company, as amended (Bond Indenture), insofar as they relate to accounting matters. The report also contains a calculation of the rates and charges ratio and the debt service ratio for the year ended June 30, 2017, as follows:

Rates and Charges Ratio	
Pledged revenues	\$ 51,574,115
Less operating expenses	<u>41,226,440</u>
Net revenues	\$ 10,347,675
Transfers to Surplus Fund	<u>2,599,378</u>
Net revenues plus transfers to Surplus Fund	<u>\$ 12,947,053</u>
Deposits and charges:	
Accrued debt service	\$ 4,847,453
Deposits to operating reserve account	<u>366,400</u>
Total deposits and charges	<u>\$ 5,213,853</u>
Deposits and charges coverage ratio	2.48
Required deposits and charges coverage ratio	1.00
Debt Service Coverage Ratio	
Net revenues plus transfers to Surplus Fund	<u>\$ 12,947,053</u>
Accrued debt service	<u>\$ 4,847,453</u>
Debt service coverage ratio	2.67
Required debt service coverage ratio	1.25

**STAFF RECOMMENDATION**

Staff recommends that the Finance and Administration Committee recommend that the Commission note and file the Basic Financial Statements as of and for the fiscal years ended June 30, 2017 and 2016; the Single Audit Reports for the year ended June 30, 2017; the Passenger Facility Charge Audit Reports for the year ended June 30, 2017; the Customer Facility Charge Audit Reports for the year ended June 30, 2017; the Independent Auditor's Report on Compliance with Section 6.05 of the Bond Indenture; and the Auditor's Report to the Authority Regarding the FY 2017 Audits.

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
FINANCE AND ADMINISTRATION COMMITTEE  
FEBRUARY 20, 2018  
COMMITTEE PENDING ITEMS**

**Future**

1. Lamar On-Airport Advertising: Contract Amendment
2. Market Conditions Analysis – Hangar Facilities
3. FY 2017 Year-End Budget Performance Review
4. FY 2018 Mid-Year Budget Performance Review
5. FY 2019 Proposed Budget Development Calendar
6. Award of Professional Services Agreements -  
Replacement Passenger Terminal Consultants