



January 13, 2017

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, January 16, 2017, in observance of Martin Luther King, Jr., Day. Therefore, the regular meeting of the Finance and Administration Committee scheduled for Monday, January 16, 2017, at 10:30 a.m., (or immediately following the conclusion of the Authority meeting), in the Airport Skyroom at Hollywood Burbank Airport has been cancelled.

NOTICE is hereby given that a special meeting of the Finance and Administration Committee will be held at 10:30 a.m. (or immediately following the conclusion of the Authority meeting), Tuesday, January 17, 2017, in the Airport Skyroom of the Hollywood Burbank Airport, 2627 Hollywood Way, Burbank, California 91505.

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

SPECIAL MEETING
OF THE
FINANCE AND ADMINISTRATION COMMITTEE

Airport Skyroom
Tuesday, January 17, 2017
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.

AGENDA

1. Approval of Agenda

2. Public Comment

3. Approval of Minutes

a. December 12, 2016

[See page 1]

4. Treasurer's Reports

a. November 2016

[See page 4]

The Treasurer's Report for November 2016 is included in the agenda packet for the Committee's review.

5. Presentation of FY 2016 Audited Financial Statements and Analysis of Financial Results

[See page 27]

- 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 2016 financial statements. Enclosed with this staff report is a copy of the audited Basic Financial Statements for the fiscal years ended June 30, 2016 ("FY 2016") and 2015 ("FY 2015"). 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 2016 Audits.

Staff will present each report and provide an overview and analysis of financial results for the fiscal year ended June 30, 2016. 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.

6. Proposed Resolution Approving the 2017 Authority Investment Policy

[See page 34]

- Staff Report Attached

Formerly mandated by State law and now currently recommended under Sections 53646(a)(2) and 53646(h) of the California Government Code ("Code"), the Commission annually reviews and approves an investment policy to identify policies and procedures for the prudent and systematic investment to be followed by the Authority Treasurer in the exercise of the investment authority delegated to him/her.

The Authority's Investment Manager, Columbia Management Investment Advisors LLC ("CMIA"), has opined that the 2016 Authority Investment Policy, with overall investment criteria of capital preservation (safety) and liquidity, is solid and conservative and it does not need revisions at this time. Staff concurs with the CMIA findings and seeks a Finance and Administration Committee recommendation to the Commission that it adopt the attached proposed Resolution approving the 2017 Investment Policy (Attachment 1), which reaffirms the current 2016 Investment Policy with no changes.

7. Contracts and Leases

- a. First Amendment to Lease Agreement for
HERC Rentals, Inc.

[See page 42]

- Staff Report Attached

Staff seeks a Finance and Administration Committee ("Committee") recommendation to the Commission that it approve the First Amendment ("Amendment") to the January 17, 2006, Lease Agreement ("Lease") between Herc Rentals, Inc. ("HERC") and the Burbank-Glendale-Pasadena Airport Authority ("Authority") to extend the current lease for a period of five years effective from February 6, 2017. The lease is for 210,844 square feet of land area including an 87,065 square foot building located on the property at 3111 North Kenwood Avenue. Under the proposed amendment, the rent will increase from its current level of \$712,612.08 to \$798,000 annually. A copy of the Lease is included in the agenda packet.

8. Items for Information

- a. Committee Pending Items

[See page 50]

Current

- (1) First Amendment to Lease Agreement for HERC Rentals, Inc.

Future

- (1) Award of Aviation Ramp Ground Lease; United Parcel Service, Inc.
- (2) Hangar Lease Renewal; GTC Management Services, Inc.
- (3) Market Conditions Analysis – Hangar Facilities
- (4) New Branding Food & Beverage Concession
- (5) FY 2016 Year-End Budget Performance Review
- (6) Mid-Year FY 2017 Budget Performance Review
- (7) FY 2018 Proposed Budget Development Schedule

9. Other Contracts and Leases

10. Adjournment

Subject to Approval

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

MONDAY, DECEMBER 12, 2016

A special meeting of the Finance and Administration Committee was called to order on this date in the Airport Skyroom of the Burbank-Glendale-Pasadena Airport Authority, 2627 Hollywood Way, Burbank, California, at 9:21 a.m., by Chairman Tornek.

AB 23 Disclosure: The Senior Deputy Executive Director 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 Tornek, Adams and Gharpetian

Absent: None

Also Present: Staff: Frank Miller, Executive Director;
John Hatanaka, Senior Deputy Executive Director;
Kathy David, Deputy Executive Director, Finance
and Administration; Scott Smith, Director of Financial
Services; and Mike Duong, Senior Manager,
Business and Compliance

1. Approval of Agenda There were no changes to the agenda.

2. Public Comment There were no public speakers.

3. Approval of Minutes

a. November 14, 2016 Draft minutes for the November 14 and 28, 2016,
Finance and Administration Committee meetings
b. November 28, 2016 were presented for approval.

Motion Commissioner Adams moved approval of the minutes.

Motion Approved The minutes were approved (2-0; one abstention) as presented.

4. Treasurer's Report

a. October 2016

The October 2016 Treasurer's Report was included in the agenda packet.

The Committee accepted the Treasurer's Report and recommended it be forwarded to the Commission for its review.

5. Items for Discussion

a. Aviation Ramp Ground Lease: Yucaipa Companies, LLC

Staff recommended to the Committee that it recommend to the Commission the approval of a proposed 3-year Aviation Ramp Ground Lease ("Lease") between the Authority and Yucaipa Companies ("Yucaipa") for the purposes of parking its B757 aircraft in Hangar 2, and for the Authority President to execute said Lease.

Yucaipa, a tenant of the Airport since 1998, currently has a month-to-month lease in Hangar 2 for 49,223 sq. ft. of ramp space for which it pays \$57,212 annually. The proposed Lease is a 3-year lease with one 3-year extension option and an annual rent of \$60,544 the first year; increasing to \$64,974 for the second year; and increasing by either 3% or 120% of the Consumer Price Index, whichever is greater, by the third year. The proposed Lease commences on January 1, 2017.

Motion

Commissioner Adams moved approval of the item.

Motion Approved

The motion was approved unanimously (3-0) as presented.

6. Items for Information

a. Committee Pending Items

Current

- 1) Award of Aviation Ramp Ground Lease: Yucaipa Companies LLC

Please see agenda item 5.a. above.

Future

- 1) Award of Aviation Ramp Ground Lease: United Parcel Services

- 2) Ground Lease Renewal; Hertz Equipment Rental Corporation
- 3) Hangar Lease Renewal; GTC Management Services Inc.
- 4) Market Conditions Analysis – Hangar Facilities
- 5) New Branding Food & Beverage Concession

7. Other Contracts and Leases

There were no other contracts and leases to be discussed.

8. Adjournment

There being no further business, the meeting was adjourned at 9:41 a.m.



DRAFT

January 17, 2017

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

Dear Commissioners:

The attached report, covering the month of November 2016, 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]

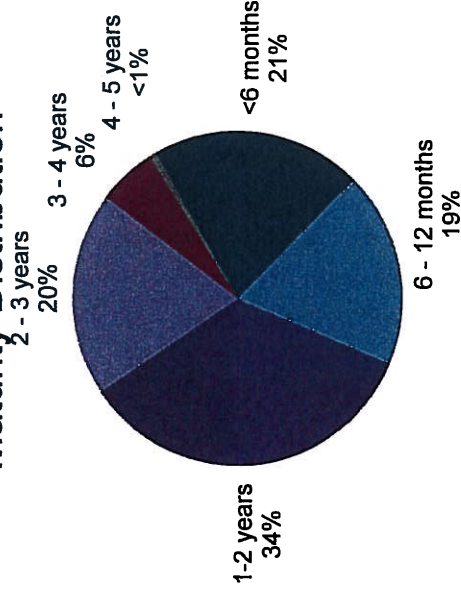
Ross Selvidge, Ph.D.
Treasurer

Attachments

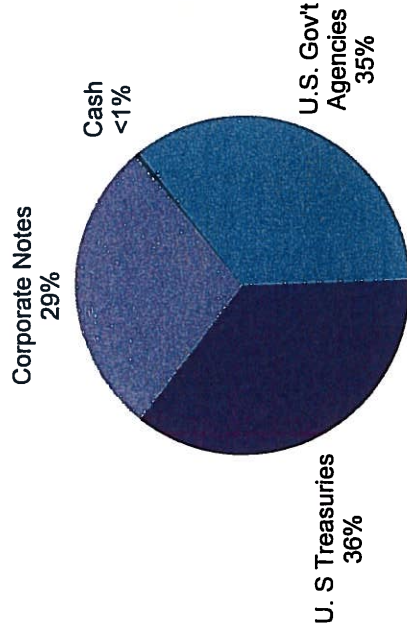
Operating Portfolio Investment Guidelines Conformance as of November 30, 2016

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	2.78 Years	70%	35%
Corporate Notes	5 Years	4.33 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 (Treasuries)	5 Years	3.08 Years	No Limit	36%

Maturity Distribution



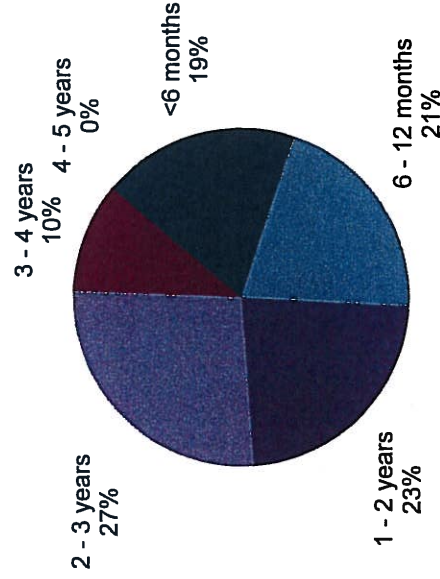
Sector Allocation



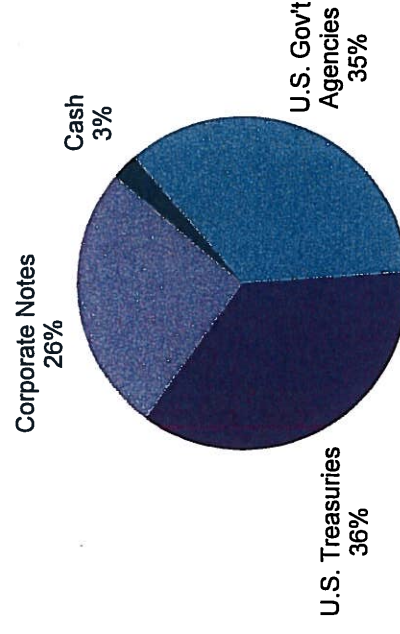
PFC Portfolio Investment Guidelines Conformance as of November 30, 2016

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	3.42 Years	70%	35%
Corporate Notes	5 Years	3.92 Years	30%	26%
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%	3%
U.S. Gov Securities (Treasuries)	5 Years	3.08 Years	No Limit	36%

Maturity Distribution



Sector Allocation



Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 11/30/16

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
11/30/16	Columbia Treasury Reserves	097101307	0.000	11/30/16	11/30/16	\$ 677,359	\$ 677,359	\$ 677,359	\$ -	0.00%	0	0.33%
03/02/16	Johnson & Johnson	478160BW3	1.201	03/01/19	12/01/16	1,500,000	1,502,346	1,503,363	1,017	1.12%	1	0.73%
04/28/16	American Express Credit Corp	0258M0DY2	1.906	09/14/20	12/14/16	725,000	728,416	737,753	9,337	1.54%	14	0.36%
04/25/16	Home Depot Inc	437076BJ0	1.220	09/15/17	12/15/16	1,000,000	1,003,966	1,002,913	(1,053)	0.95%	15	0.49%
04/19/16	FFCB	3133EEZ52	0.596	03/22/18	12/22/16	5,000,000	4,986,879	4,998,045	11,166	0.69%	22	2.42%
12/08/14	General Electric Capital Corp	36962G6X7	1.556	04/02/18	01/02/17	1,690,000	1,707,900	1,702,883	(5,017)	1.08%	33	0.82%
03/20/14	Comcast Corporation	20030NAP6	6.500	01/15/17	01/15/17	1,375,000	1,522,824	1,384,290	(138,534)	1.06%	46	0.67%
01/21/16	Oracle Corporation	68389XAR6	1.460	01/15/19	01/15/17	1,170,000	1,173,824	1,179,957	6,133	1.13%	46	0.57%
12/30/13	Pfizer Inc	717081DD2	0.900	01/15/17	01/15/17	1,460,000	1,455,228	1,460,025	4,797	0.88%	46	0.71%
07/08/15	Wells Fargo & Company	94974BFF1	1.512	04/23/18	01/23/17	1,500,000	1,502,735	1,506,002	3,267	1.29%	54	0.73%
04/03/14	Treasury Note	912828SC5	0.875	01/31/17	01/31/17	2,050,000	2,049,920	2,051,745	1,825	0.37%	62	0.99%
05/06/16	Apple Inc	037833AP5	1.181	05/06/19	02/06/17	1,200,000	1,196,747	1,203,565	6,818	1.12%	68	0.58%
04/26/16	Ace InA Holdings Inc	00440EJA6	5.700	02/15/17	02/15/17	900,000	934,731	908,408	(26,323)	1.19%	77	0.44%
12/03/12	Walt Disney Co	25468PCS3	1.125	02/15/17	02/15/17	1,200,000	1,205,120	1,200,420	(4,700)	0.95%	77	0.58%
06/12/14	Branch Banking and Trust Company	07330NAH8	1.000	04/03/17	03/03/17	1,028,000	1,025,372	1,027,695	2,323	1.09%	93	0.50%
10/16/12	FHLMC	3137EADC0	1.000	03/08/17	03/08/17	6,000,000	6,045,930	6,007,722	(38,208)	0.53%	98	2.91%
05/20/14	US Bancorp	91159HHD5	1.650	05/15/17	04/15/17	1,500,000	1,519,595	1,503,195	(16,400)	1.18%	136	0.73%
05/21/12	FNMA	3135G0JA2	1.125	04/27/17	04/27/17	4,550,000	4,575,085	4,558,726	(16,359)	0.65%	148	2.21%
05/06/14	State Street Corporation	857477AD5	5.375	04/30/17	04/30/17	1,000,000	1,093,220	1,017,124	(76,096)	1.24%	151	0.49%
02/03/14	FHLB	3133XKQX6	4.875	05/17/17	05/17/17	4,375,000	4,868,587	4,461,004	(407,583)	0.62%	168	2.16%
01/28/15	FHLB	313379DD8	1.000	06/21/17	06/21/17	4,000,000	4,027,520	4,006,676	(20,844)	0.70%	203	1.94%
08/02/12	Treasury Note	912828TG5	0.500	07/31/17	07/31/17	1,275,000	1,266,020	1,272,957	6,937	0.74%	243	0.62%
07/14/16	Duke Energy Florida LLC	341099CG2	5.800	09/15/17	09/15/17	675,000	713,016	698,455	(14,561)	1.37%	289	0.34%
09/29/15	FNMA Bench	3135G0ZL0	1.000	09/27/17	09/27/17	3,000,000	3,016,945	2,999,991	(16,954)	1.00%	301	1.45%
04/19/16	Treasury Note	912828TS9	0.625	09/30/17	09/30/17	7,750,000	7,743,340	7,736,678	(6,662)	0.83%	304	3.75%
11/02/12	Treasury Note	912828TW0	0.750	10/31/17	10/31/17	10,950,000	10,952,602	10,940,590	(12,012)	0.84%	335	5.30%
06/01/16	Praxair Inc	74005PBC7	1.050	11/07/17	11/07/17	685,000	683,718	684,292	574	1.16%	342	0.33%
04/19/16	FHLB	3133XMQ87	5.000	11/17/17	11/17/17	2,500,000	2,665,725	2,598,020	(67,705)	0.90%	352	1.26%
09/10/14	FHLMC Reference Notes	3137EABA6	5.125	11/17/17	11/17/17	5,200,000	5,834,036	5,410,018	(424,018)	0.91%	352	2.62%
10/07/14	Mellife Inc	59156RBK3	1.903	12/15/17	12/15/17	800,000	805,636	803,282	(2,354)	1.51%	380	0.39%
05/06/14	Bank of New York Mellon Corp	06406HCE7	1.300	01/25/18	12/25/17	1,000,000	992,963	998,721	5,758	1.41%	390	0.48%
04/19/16	FHLMC Reference Notes	3137EADN6	0.750	01/12/18	01/12/18	3,750,000	3,748,050	3,740,903	(7,147)	0.97%	408	1.81%
08/07/15	Fifth Third Bank	31677QAV1	1.450	02/28/18	01/28/18	1,000,000	996,120	997,964	1,844	1.62%	424	0.48%
12/23/13	FNMA Benchmark Notes	3135G0TG8	0.875	02/08/18	02/08/18	6,000,000	5,904,390	5,990,946	86,556	1.00%	435	2.90%
11/18/15	Exxon Mobil Corp	30231GAL6	1.305	03/06/18	03/06/18	700,000	701,862	699,522	(2,340)	1.36%	461	0.34%

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 11/30/16

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
09/07/16	Coca-Cola Company (The)	191216BA7	1.150	04/01/18	04/01/18	1,450,000	1,452,871	1,446,439	(6,432)	1.34%	487	0.70%
06/27/16	FHLB	3130A4GJ5	1.125	04/25/18	04/25/18	1,520,000	1,530,579	1,521,664	(8,915)	1.05%	511	0.74%
09/25/15	Boeing Co	097023BE4	0.950	05/15/18	05/15/18	944,000	938,314	939,359	1,045	1.29%	531	0.46%
03/11/14	Merck & Co Inc	58933YAG0	1.300	05/18/18	05/18/18	1,350,000	1,339,553	1,349,179	9,626	1.34%	534	0.65%
06/29/16	Chevron Corp	166764AE0	1.718	06/24/18	05/24/18	900,000	908,865	902,629	(6,236)	1.53%	540	0.44%
12/03/14	Treasury Note	912828VE7	1.000	05/31/18	05/31/18	13,010,000	12,972,601	13,003,898	31,297	1.03%	547	6.30%
08/05/15	FHLMC	3137EABP3	4.875	06/13/18	06/13/18	5,500,000	6,011,095	5,815,585	(195,510)	1.10%	560	2.82%
07/06/15	Southern California Gas Company	842434CN0	1.550	06/15/18	06/15/18	1,175,000	1,182,360	1,177,423	(4,937)	1.41%	562	0.57%
04/19/16	Treasury Note	912828XK1	0.875	07/15/18	07/15/18	7,750,000	7,762,715	7,728,203	(34,512)	1.05%	592	3.74%
04/19/16	FNMA Benchmark Notes	3135G0E33	1.125	07/20/18	07/20/18	3,750,000	3,771,825	3,753,255	(18,570)	1.07%	597	1.82%
07/06/15	Nevada Power Company	641423BW7	6.500	08/01/18	08/01/18	1,050,000	1,189,265	1,134,351	(54,914)	1.60%	609	0.55%
08/07/15	3M Company	88579YAP6	1.375	08/07/18	08/07/18	900,000	898,398	900,647	2,249	1.33%	615	0.44%
12/18/15	Berkshire Hathaway Finance Corp	084664BY6	2.000	08/15/18	08/15/18	1,550,000	1,577,051	1,563,806	(13,245)	1.47%	623	0.76%
08/18/15	Treasury Note	912828RE2	1.500	08/31/18	08/31/18	6,400,000	6,482,133	6,444,499	(37,634)	1.10%	639	3.12%
04/19/16	FNMA	3135G0E58	1.125	10/19/18	10/19/18	3,750,000	3,772,538	3,746,925	(25,613)	1.17%	688	1.81%
12/24/15	Simon Property Group LP	828807CQ8	2.200	02/01/19	11/01/18	865,000	875,364	871,912	(3,452)	1.82%	701	0.42%
11/03/15	Microsoft Corporation	594918BF0	1.300	11/03/18	11/03/18	650,000	649,898	649,065	(833)	1.38%	703	0.31%
04/13/16	Commonwealth Edison Company	202795JC5	2.150	01/15/19	12/15/18	1,000,000	1,018,088	1,009,138	(8,950)	1.71%	745	0.49%
09/25/15	Manufacturers & Traders Trust Co	55279HAE0	2.300	01/30/19	12/30/18	1,000,000	1,013,451	1,007,416	(6,035)	1.95%	760	0.49%
12/01/15	Treasury Note	912828A75	1.500	12/31/18	12/31/18	500,000	503,516	503,633	117	1.15%	761	0.24%
06/10/16	John Deere Capital Corp	24422ETE9	1.950	01/08/19	01/08/19	1,200,000	1,222,064	1,203,856	(18,208)	1.79%	769	0.58%
07/01/15	Treasury Note	912828SD3	1.250	01/31/19	01/31/19	4,000,000	4,003,594	4,006,720	3,126	1.17%	792	1.94%
01/14/16	IBM Corp	459200HT1	1.950	02/12/19	02/12/19	1,150,000	1,164,229	1,157,872	(6,357)	1.63%	804	0.56%
02/26/16	Cisco Systems Inc	17275RAE2	4.950	02/15/19	02/15/19	1,050,000	1,156,947	1,122,236	(34,711)	1.76%	807	0.54%
01/21/15	Union Pacific Corporation	907818DW5	2.250	02/15/19	02/15/19	1,050,000	1,078,576	1,060,502	(18,074)	1.79%	807	0.51%
06/30/16	Treasury Note	912828PE3	0.750	02/15/19	02/15/19	5,000,000	5,008,984	4,954,490	(54,494)	1.17%	807	2.40%
07/11/16	JP Morgan Chase & CO	46625HQU7	1.850	03/22/19	02/22/19	1,900,000	1,921,250	1,895,928	(25,322)	1.94%	814	0.92%
09/15/14	Unitedhealth Group Inc	91324PCB6	1.625	03/15/19	03/15/19	720,000	706,025	717,625	11,600	1.77%	835	0.35%
12/07/15	FHLMC	3137EACA5	3.750	03/27/19	03/27/19	3,500,000	3,763,900	3,698,769	(65,131)	1.26%	847	1.79%
04/16/16	Lowes Companies Inc	548661DL8	1.150	04/15/19	04/15/19	1,000,000	998,565	990,815	(7,750)	1.55%	866	0.48%
09/12/14	Public Service Electric And Gas	74456QBG0	1.800	06/01/19	05/01/19	1,129,000	1,122,407	1,125,515	3,108	1.93%	882	0.55%
12/08/14	Target Corporation	87612EBB1	2.300	06/26/19	06/26/19	1,005,000	1,027,143	1,019,822	(7,321)	1.71%	938	0.49%
11/01/16	Treasury Note	912828WW6	1.625	07/31/19	07/31/19	2,600,000	2,646,008	2,621,125	(24,883)	1.31%	973	1.27%
03/17/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	4,500,000	4,545,910	4,541,157	(4,753)	1.41%	1016	2.20%
10/30/16	Honeywell International Inc	438516B14	1.400	10/30/19	10/30/19	250,000	249,803	248,103	(1,700)	1.67%	1064	0.12%

Burbank-Glendale-Pasadena Airport Authority - Operating Account

Statement of Investments

As of 11/30/16

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	3,905,000	3,970,134	3,917,051	(53,083)	1.39%	1065	1.90%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	1,325,000	1,348,771	1,334,749	(14,022)	1.64%	1066	0.65%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	12/15/19	950,000	956,522	951,226	(5,296)	2.16%	1110	0.46%
01/19/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	4,250,000	4,326,504	4,274,901	(51,603)	1.43%	1126	2.07%
04/21/16	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	1,300,000	1,445,831	1,397,452	(48,379)	2.01%	1141	0.68%
04/25/16	Medtronic Inc	585055BG0	2.500	03/15/20	03/15/20	1,200,000	1,241,266	1,211,713	(29,553)	2.19%	1201	0.59%
05/08/15	United Technologies Corporation	913017BR9	4.500	04/15/20	04/15/20	1,150,000	1,283,709	1,237,866	(45,843)	2.14%	1232	0.60%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	05/15/20	1,080,000	1,135,783	1,117,793	(17,990)	2.27%	1262	0.54%
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	900,000	984,932	955,538	(29,394)	2.25%	1432	0.46%
12/05/16	PNC Bank NA	6935REW4	2.150	04/29/21	03/30/21	1,200,000	1,185,803	1,184,984	(819)	2.45%	1581	0.57%
	Subtotal					\$191,513,359	\$195,172,867	\$193,088,043	\$(2,084,824)	1.13%	518	93.53%
	Local Agency Investment Fund (LAIF)					13,358,070	13,358,070	13,362,158	4,088	0.68%	167	6.47%
	Subtotal					\$204,871,429	\$208,530,937	\$206,450,201	\$(2,080,736)	1.10%	496	100.00%
	Operating Bank Balance						4,526,909					
	TOTAL						\$213,057,846					

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Purchases - Maturities - Sales
As of 11/30/16

PURCHASES

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Prepaid Interest
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	1,325,000.00	101.79400	\$ 1,348,770.50	\$ (419.58)
12/05/16	American Express Credit Corp	0258M0DY2	1.906	09/14/20	25,000.00	101.46892	25,367.23	(108.52)
12/05/16	JP Morgan Chase & CO	46625HQU7	1.850	03/22/19	190,000.00	99.89800	189,806.20	(712.76)
12/05/16	PNC Bank NA	6935REW4	2.150	04/29/21	1,200,000.00	98.81700	1,185,804.00	(2,580.00)
TOTAL PURCHASES					\$ 2,740,000.00	\$ 2,749,747.93	\$ (3,820.86)	

MATURITIES

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Gain / (Loss)
09/12/14	Procter & Gamble Co	742718ED7	0.750	11/04/16	\$ 1,000,000.00	99.96800	\$ 999,680.00	\$ 320.00
11/26/13	Key Bank NA	49327M2J2	1.100	11/25/16	500,000.00	99.92400	499,620.00	380.00
TOTAL MATURITIES					\$ 1,500,000.00	\$ 1,499,300.00	\$ 700.00	

SALES / REDEMPTIONS

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

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
11/01/16-11/30/16

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									
Procter & Gamble Co	0.750	11/04/16	3,687.50	3,750.00	-	-	62.50	1.24	63.74
Key Bank NA	1.100	11/25/16	2,383.33	2,750.00	-	-	366.67	8.45	375.12
Comcast Corporation	6.500	01/15/17	26,315.98	-	-	33,763.88	7,447.90	(6,201.42)	1,246.48
Pfizer Inc	0.900	01/15/17	3,869.00	-	-	4,964.00	1,095.00	78.12	1,173.12
Treasury Note	0.875	01/31/17	4,533.12	-	-	5,995.41	1,462.29	2.33	1,464.62
Ace InA Holdings Inc	5.700	02/15/17	10,830.00	-	-	15,105.00	4,275.00	(3,605.29)	669.71
Walt Disney Co	1.125	02/15/17	2,850.00	-	-	3,975.00	1,125.00	(204.18)	920.82
FHLMC	1.000	03/08/17	8,833.33	-	-	13,833.33	5,000.00	(1,029.27)	3,970.73
Branch Banking and Trust Company	1.000	04/03/17	799.56	-	-	1,656.22	856.66	90.27	946.93
FNMA	1.125	04/27/17	568.75	-	-	4,834.38	4,265.63	(632.13)	3,633.50
State Street Corporation	5.375	04/30/17	149.30	-	-	4,628.47	4,479.17	(3,575.77)	903.40
US Bancorp	1.650	05/15/17	11,412.50	12,375.00	-	1,100.00	2,062.50	(746.62)	1,315.88
FHFB	4.875	05/17/17	97,161.46	106,640.63	-	8,294.27	17,773.44	(14,292.62)	3,480.82
FHFB	1.000	06/21/17	14,535.52	-	-	17,814.21	3,278.69	(943.54)	2,335.15
Treasury Note	0.500	07/31/17	1,611.07	-	-	2,130.78	519.71	150.31	670.02
Duke Energy Florida LLC	5.800	09/15/17	5,002.50	-	-	8,265.00	3,262.50	(2,708.98)	553.52
Home Depot Inc	1.220	09/15/17	1,593.14	-	-	2,610.04	1,016.90	(234.67)	782.23
FNMA Bench	1.000	09/27/17	2,833.34	-	-	5,333.34	2,500.00	(708.01)	1,791.99
Treasury Note	0.625	09/30/17	4,258.24	-	-	8,250.34	3,992.10	377.70	4,369.80
Treasury Note	0.750	10/31/17	226.87	-	-	7,032.81	6,805.94	(197.26)	6,608.68
Praxair Inc	1.050	11/07/17	3,476.38	3,596.25	-	479.50	599.37	74.58	673.95
FHFB	5.000	11/17/17	56,944.44	62,500.00	-	4,861.11	10,416.67	(8,753.08)	1,663.59
FHLMC Reference Notes	5.125	11/17/17	121,405.56	133,250.00	-	10,363.89	22,208.33	(16,583.33)	5,625.00
Metlife Inc	1.903	12/15/17	1,945.28	-	-	3,213.96	1,268.68	(147.29)	1,121.39
FHLMC Reference Notes	0.750	01/12/18	8,515.63	-	-	10,859.38	2,343.75	93.90	2,437.65
Bank of New York Mellon Corp	1.300	01/25/18	3,466.67	-	-	4,550.00	1,083.33	139.72	1,223.05
FNMA Benchmark Notes	0.875	02/08/18	12,104.16	-	-	16,479.17	4,375.01	2,127.74	6,502.75
Fifth Third Bank	1.450	02/28/18	2,456.94	-	-	3,665.28	1,208.34	136.54	1,344.88
Exxon Mobil Corp	1.305	03/06/18	1,395.63	-	-	2,156.88	761.25	(67.46)	693.79
FFCB	0.596	03/22/18	769.45	2,385.28	-	745.00	2,360.83	560.70	2,921.53
Coca-Cola Company (The)	1.150	04/01/18	1,389.59	-	-	2,779.16	1,389.57	(152.86)	1,236.71
General Electric Capital Corp	1.556	04/02/18	2,190.81	-	-	4,381.63	2,190.82	(524.47)	1,666.35
Wells Fargo & Company	1.512	04/23/18	566.92	-	-	2,456.65	1,889.73	(86.63)	1,803.10
FHFB	1.125	04/25/18	285.00	-	-	1,710.00	1,425.00	(482.33)	942.67

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
11/01/16-11/30/16

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
Boeing Co	NOTE	05/15/18	4,135.25	4,484.00	-	398.57	747.32	181.03	928.35
Merck & Co Inc	NOTE	05/18/18	7,946.25	8,775.00	-	633.75	1,462.50	155.25	1,617.75
Treasury Note	NOTE	05/31/18	54,741.53	65,050.00	-	357.42	10,665.89	757.22	11,423.11
FHLMC	NOTE	06/13/18	102,781.25	-	-	125,125.00	22,343.75	(17,787.46)	4,556.29
Southern California Gas Company	NOTE	06/15/18	6,880.28	-	-	8,397.99	1,517.71	(273.94)	1,243.77
Chevron Corp	NOTE	06/24/18	5,454.65	-	-	6,743.15	1,288.50	(388.24)	900.26
Treasury Note	NOTE	07/15/18	20,085.77	-	-	25,613.96	5,528.19	(466.88)	5,061.31
FNMA Benchmark Notes	NOTE	07/20/18	11,835.94	-	-	15,351.56	3,515.62	(807.34)	2,708.28
Nevada Power Company	NOTE	08/01/18	17,062.50	-	-	22,750.01	5,687.51	(4,159.45)	1,528.06
3M Company	NOTE	08/07/18	2,887.50	-	-	3,918.75	1,031.25	44.50	1,075.75
Berkshire Hathaway Finance Corp	NOTE	08/15/18	6,544.44	-	-	9,127.77	2,583.33	(899.66)	1,683.67
Treasury Note	NOTE	08/31/18	16,441.98	-	-	24,397.79	7,955.81	(2,234.54)	5,721.27
FNMA	NOTE	10/19/18	1,406.25	-	-	4,921.88	3,515.63	(751.25)	2,764.38
Microsoft Corporation	NOTE	11/03/18	4,178.06	4,225.00	-	657.22	704.16	2.55	706.71
Treasury Note	NOTE	12/31/18	2,527.17	-	-	3,138.59	611.42	(93.67)	517.75
John Deere Capital Corp	NOTE	01/08/19	7,345.00	-	-	9,295.00	1,950.00	(713.29)	1,236.71
Commonwealth Edison Company	NOTE	01/15/19	6,330.56	-	-	8,122.22	1,791.66	(566.05)	1,225.61
Oracle Corporation	NOTE	01/15/19	806.65	-	-	2,230.15	1,423.50	(111.65)	1,311.85
Manufacturers & Traders Trust Co	NOTE	01/30/19	5,813.89	-	-	7,730.55	1,916.66	(374.87)	1,541.79
Treasury Note	NOTE	01/31/19	12,635.87	-	-	16,711.96	4,076.09	(82.30)	3,993.79
Simon Property Group LP	NOTE	02/01/19	4,757.50	-	-	6,343.34	1,585.84	(328.60)	1,257.24
IBM Corp	NOTE	02/12/19	4,921.04	-	-	6,789.79	1,868.75	(404.60)	1,464.15
Cisco Systems Inc	NOTE	02/15/19	10,972.50	-	-	15,303.75	4,331.25	(3,056.13)	1,275.12
Treasury Note	NOTE	02/15/19	7,948.37	-	-	11,005.43	3,057.06	(280.76)	2,776.30
Union Pacific Corporation	NOTE	02/15/19	4,987.50	-	-	6,956.26	1,968.76	(687.25)	1,281.51
Johnson & Johnson	NOTE	03/01/19	2,826.61	-	-	4,552.53	1,725.92	(67.25)	1,658.67
Unitedhealth Group Inc	NOTE	03/15/19	1,495.00	-	-	2,470.00	975.00	258.80	1,233.80
JP Morgan Chase & CO	NOTE	03/22/19	3,427.13	-	712.76	6,737.09	2,597.20	(683.63)	1,913.57
FHLMC	NOTE	03/27/19	12,395.83	-	-	23,333.33	10,937.50	(6,652.95)	4,284.55
Lowes Companies Inc	NOTE	04/15/19	511.11	-	-	1,469.45	958.34	40.14	998.48
Apple Inc	NOTE	05/06/19	3,154.04	3,335.31	-	984.12	1,165.39	89.13	1,254.52
Public Service Electric And Gas	NOTE	06/01/19	8,467.50	-	-	10,161.00	1,693.50	90.00	1,783.50
Target Corporation	NOTE	06/26/19	8,026.04	-	-	9,952.30	1,926.26	(509.89)	1,416.37
Treasury Note	NOTE	07/31/19	10,677.31	-	-	14,121.60	3,444.29	(1,377.48)	2,066.81
FNMA Bench	NOTE	09/12/19	10,718.75	-	-	17,281.26	6,562.51	(913.80)	5,648.71

Burbank-Glendale-Pasadena Airport Authority - Operating Account

Earnings Report

11/01/16-11/30/16

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
Honeywell International Inc	NOTE 1.400	10/30/19	9.72	-	-	301.39	291.67	5.49	297.16
Treasury Note	NOTE 1.500	10/31/19	161.81	-	-	5,016.09	4,854.28	(1,493.90)	3,360.38
Procter & Gamble Company	NOTE 1.900	11/01/19	-	-	419.58	2,097.92	1,678.34	(531.18)	1,147.16
Treasury Note	NOTE 1.625	12/31/19	23,271.06	-	-	28,901.16	5,630.10	(1,778.02)	3,852.08
Arizona Public Service Company	NOTE 2.200	01/15/20	6,153.89	-	-	7,895.55	1,741.66	(139.52)	1,602.14
Pepsico Inc	NOTE 4.500	01/15/20	17,225.00	-	-	22,100.00	4,875.00	(3,292.48)	1,582.52
Medtronic Inc	NOTE 2.500	03/15/20	3,833.33	-	-	6,333.33	2,500.00	(884.28)	1,615.72
United Technologies Corporation	NOTE 4.500	04/15/20	2,300.00	-	-	6,612.50	4,312.50	(2,441.44)	1,871.06
American Express Credit Corp	NOTE 1.906	09/14/20	1,778.73	-	108.52	2,993.66	1,106.41	(58.30)	1,048.11
Travelers Cos Inc	NOTE 3.900	11/01/20	17,550.00	17,550.00	-	2,925.00	2,925.00	(1,581.69)	1,343.31
Public Service Company of Colorado	NOTE 3.200	11/15/20	15,936.00	17,280.00	-	1,535.99	2,879.99	(1,126.96)	1,753.03
PNC Bank NA	NOTE 2.150	04/29/21	-	-	2,580.00	2,293.33	(286.67)	-	(286.67)
Subtotal			\$ 901,713.53	\$ 447,946.47	\$ 3,820.86	\$ 740,378.55	\$ 282,790.63	\$ (114,412.20)	\$ 168,378.43
CASH EQUIVALENTS									
Blackrock Liquidity Funds			-	66.11	-	-	66.11	-	66.11
Subtotal			\$ -	\$ 66.11	\$ -	\$ -	\$ 66.11	\$ -	\$ 66.11
LAIF									
Local Agency Investment Fund			8,551.97	-	-	16,762.07	8,210.10	-	8,210.10
TOTAL			\$ 910,265.50	\$ 448,012.58	\$ 3,820.86	\$ 757,140.62	\$ 291,066.84	\$ (114,412.20)	\$ 176,654.64

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 11/30/16

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
11/30/16	Columbia Treasury Reserves	097101307	0.000	11/30/16	11/30/16	\$ 602,213	\$ 602,213	\$ 602,213	\$ -	0.00%	0	2.45%
03/02/16	Johnson & Johnson	478160BW3	1201.000	03/01/19	12/01/16	160,000	160,136	160,359	223	1.12%	1	0.65%
04/26/16	Home Depot Inc	437076BJ0	1.220	09/15/17	12/15/16	100,000	100,397	100,291	(106)	0.95%	15	0.41%
01/21/15	General Electric Capital Corp	36962G6X7	1.556	04/02/18	01/02/17	185,000	186,693	186,410	(283)	1.08%	33	0.76%
07/09/14	Comcast Corporation	20030NAP6	6.500	01/15/17	01/15/17	150,000	165,457	151,013	(14,444)	1.06%	46	0.62%
01/21/16	Oracle Corporation	68389XAR6	1.460	01/15/19	01/15/17	125,000	125,299	126,064	765	1.13%	46	0.51%
09/12/14	Pfizer Inc	717081DD2	0.900	01/15/17	01/15/17	160,000	159,874	160,003	129	0.88%	46	0.65%
10/05/15	Wells Fargo & Company	94974BKF1	1.512	04/23/18	01/23/17	175,000	175,592	175,700	108	1.29%	54	0.72%
05/06/15	Treasury Note	912828SC5	0.875	01/31/17	01/31/17	350,000	351,859	350,298	(1,561)	0.37%	62	1.43%
05/06/16	Apple Inc	037833AP5	1.181	05/06/19	02/06/17	135,000	134,634	135,401	767	1.12%	68	0.55%
04/26/16	Ace InA Holdings Inc	00440EAJ6	5.700	02/15/17	02/15/17	100,000	103,859	100,934	(2,925)	1.19%	77	0.41%
02/19/13	Walt Disney Company (The)	25468PCS3	1.125	02/15/17	02/15/17	160,000	159,987	160,056	69	0.95%	77	0.65%
03/19/12	FHLMC	3137EADC0	1.000	03/08/17	03/08/17	755,000	746,165	755,972	9,807	0.53%	98	3.08%
07/09/14	US Bancorp	91159HHD5	1.650	05/15/17	04/15/17	175,000	176,803	175,373	(1,430)	1.18%	136	0.71%
05/06/15	FNMA	3135G0JA2	1.125	04/27/17	04/27/17	300,000	302,598	300,575	(2,023)	0.65%	148	1.22%
09/12/14	State Street Corporation	857477AD5	5.375	04/30/17	04/30/17	110,000	119,523	111,884	(7,639)	1.24%	151	0.46%
07/07/14	FHLB	3133XKQX6	4.875	05/17/17	05/17/17	875,000	957,246	892,201	(65,045)	0.62%	168	3.64%
01/28/15	FHLB	313379DD8	1.000	06/21/17	06/21/17	700,000	704,816	701,168	(3,648)	0.70%	203	2.86%
10/17/12	Treasury Note	912828TG5	0.500	07/31/17	07/31/17	1,265,000	1,259,009	1,262,973	3,964	0.74%	243	5.15%
07/14/16	Duke Energy Florida LLC	341099CG2	5.800	09/15/17	09/15/17	100,000	105,632	103,475	(2,157)	1.37%	289	0.42%
03/17/15	FNMA Bench	3135G0ZL0	1.000	09/27/17	09/27/17	700,000	700,924	699,998	(926)	1.00%	301	2.85%
09/25/14	Treasury Note	912828TW0	0.750	10/31/17	10/31/17	940,000	932,264	939,192	6,928	0.84%	335	3.83%
06/01/16	Praxair Inc	74005PBC7	1.050	11/07/17	11/07/17	75,000	74,859	74,923	64	1.16%	342	0.31%
11/20/14	FHLB	3133XMQ87	5.000	11/17/17	11/17/17	450,000	501,998	467,644	(34,354)	0.90%	352	1.91%
09/10/14	FHLMC Reference Notes	3137EABA6	5.125	11/17/17	11/17/17	800,000	897,594	832,310	(65,284)	0.91%	352	3.39%
10/07/14	Metlife Inc	59156R8K3	1.903	12/15/17	12/15/17	100,000	100,663	100,410	(253)	1.51%	380	0.41%
07/09/14	Bank Of New York Mellon Corp	06406HCE7	1.300	01/25/18	12/25/17	100,000	98,925	99,872	947	1.41%	390	0.41%
07/07/14	FNMA Benchmark Notes	3135G0TG8	0.875	02/08/18	02/08/18	1,000,000	986,045	998,491	12,446	1.00%	435	4.07%
10/28/15	Exxon Mobil Corp	30231GAL6	1.305	03/06/18	03/06/18	100,000	100,776	99,932	(844)	1.36%	461	0.41%
09/07/16	Coca-Cola Company (The)	191216BA7	1.150	04/01/18	04/01/18	175,000	175,346	174,570	(776)	1.34%	487	0.71%
06/25/16	FHLB	3130A4GJ5	1.125	04/25/18	04/25/18	555,000	559,246	555,608	(3,638)	1.05%	511	2.26%
09/25/15	Boeing Co	097023BE4	0.950	05/15/18	05/15/18	94,000	93,432	93,538	106	1.29%	531	0.38%
07/09/14	Merck & Co Inc	58933YAG0	1.300	05/18/18	05/18/18	150,000	148,778	149,909	1,131	1.34%	534	0.61%
06/29/16	Chevron Corp	166764AE0	1.718	06/24/18	05/24/18	100,000	100,985	100,292	(693)	1.53%	540	0.41%

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 11/30/16

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
02/18/15	Treasury Note	912828VE7	1.000	05/31/18	05/31/18	825,000	825,248	824,613	(635)	1.03%	547	3.36%
09/25/14	FHLMC	3137EABP3	4.875	06/13/18	06/13/18	750,000	834,773	793,034	(41,739)	1.10%	560	3.23%
04/21/16	Southern California Gas Company	842434CND	1.550	06/15/18	06/15/18	125,000	125,896	125,258	(638)	1.41%	562	0.51%
02/29/16	Nevada Power Company	641423BW7	6.500	08/01/18	08/01/18	115,000	127,818	124,238	(3,580)	1.60%	609	0.51%
06/30/16	3M Company	88579YAP6	1.375	08/07/18	08/07/18	100,000	101,129	100,072	(1,057)	1.33%	615	0.41%
12/18/15	Berkshire Hathaway Finance Corp	084664BY6	2.000	08/15/18	08/15/18	165,000	167,603	166,470	(1,133)	1.47%	623	0.68%
12/10/15	Treasury Note	912828RE2	1.500	08/31/18	08/31/18	800,000	809,246	805,562	(3,684)	1.10%	639	3.28%
12/24/15	Simon Property Group LP	828807CQ8	2.200	02/01/19	11/01/18	97,000	97,924	97,775	(149)	1.82%	701	0.40%
01/21/16	Microsoft Corporation	559491BBF0	1.300	11/03/18	11/03/18	100,000	100,032	99,856	(176)	1.38%	703	0.41%
08/04/16	Caterpillar Financial Services	149121LM8	1.800	11/13/18	11/13/18	135,000	137,086	135,269	(1,817)	1.70%	713	0.55%
04/13/16	Commonwealth Edison Company	202795JC5	2.150	01/15/19	12/15/18	115,000	117,094	116,051	(1,043)	1.71%	745	0.47%
11/16/15	Treasury Note	912828A75	1.500	12/31/18	12/31/18	600,000	604,953	604,360	(593)	1.15%	761	2.46%
09/25/15	BB&T Corp	05531FAQ6	2.250	02/01/19	01/02/19	110,000	111,642	110,855	(787)	1.88%	763	0.45%
06/30/16	John Deere Capital Corp	24422ETE9	1.950	01/08/19	01/08/19	135,000	138,016	135,434	(2,582)	1.79%	769	0.55%
04/01/15	Treasury Note	912828SD3	1.250	01/31/19	01/31/19	900,000	905,625	901,512	(4,113)	1.17%	792	3.67%
01/14/16	IBM Corp	459200HT1	1.950	02/12/19	02/12/19	110,000	111,065	110,753	(312)	1.63%	804	0.45%
02/26/16	Cisco Systems Inc	17275RAE2	4.950	02/15/19	02/15/19	125,000	137,609	133,600	(4,009)	1.76%	807	0.54%
11/01/16	Treasury Note	912828P53	0.750	02/15/19	02/15/19	500,000	498,164	495,449	(2,715)	1.17%	807	2.02%
01/21/15	Union Pacific Corporation	907818DW5	2.250	02/15/19	02/15/19	115,000	118,266	116,150	(2,116)	1.79%	807	0.47%
07/11/16	JP Morgan Chase & CO	46625HQU7	1.850	03/22/19	02/22/19	240,000	242,332	239,486	(2,846)	1.94%	814	0.98%
09/15/14	Unitedhealth Group Inc	91324PCB6	1.625	03/15/19	03/15/19	100,000	98,472	99,670	1,198	1.77%	835	0.41%
08/31/16	FHLMC	3137EACA5	3.750	03/27/19	03/27/19	400,000	428,344	422,716	(5,628)	1.26%	847	1.72%
04/20/16	Lowes Companies Inc	548661DL8	1.150	04/15/19	04/15/19	110,000	109,881	108,990	(891)	1.55%	866	0.44%
09/12/14	Public Service Electric And Gas	74456QBG0	1.800	06/01/19	05/01/19	124,000	123,022	123,617	595	1.93%	882	0.50%
01/21/15	Target Corporation	87612EBB1	2.300	06/26/19	06/26/19	110,000	113,227	111,622	(1,605)	1.71%	938	0.45%
07/29/16	Treasury Note	912828WW6	1.625	07/31/19	07/31/19	800,000	817,703	806,500	(11,203)	1.31%	973	3.29%
01/28/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	990,000	1,004,663	999,055	(5,608)	1.41%	1016	4.07%
10/30/16	Honeywell International Inc	438516BJ4	1.400	10/30/19	10/30/19	150,000	149,882	148,862	(1,020)	1.67%	1064	0.61%
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	610,000	620,175	611,882	(8,293)	1.39%	1065	2.49%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	175,000	178,140	176,288	(1,852)	1.64%	1066	0.72%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	12/15/19	100,000	100,341	100,129	(212)	2.16%	1110	0.41%
09/02/16	National Rural Utilities Coop	637432NC5	2.000	01/27/20	12/27/19	115,000	116,716	114,199	(2,517)	2.23%	1122	0.47%
01/11/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	960,000	975,537	965,625	(9,912)	1.43%	1126	3.94%
09/26/16	Treasury Note	912828UF5	1.125	12/31/19	12/31/19	250,000	251,318	247,656	(3,662)	1.44%	1126	1.01%

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 11/30/16

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
12/14/15	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	140,000	153,849	150,495	(3,354)	2.01%	1141	0.61%
09/02/16	PNC Funding Corp	693476BJ1	5.125	02/08/20	02/08/20	140,000	155,865	151,667	(4,198)	2.39%	1165	0.62%
04/25/16	Medtronic Inc	585055BG0	2.500	03/15/20	03/15/20	130,000	134,471	131,269	(3,202)	2.19%	1201	0.53%
05/18/15	United Technologies Corporation	913017BR9	4.500	04/15/20	04/15/20	125,000	139,686	134,551	(5,135)	2.14%	1232	0.55%
09/25/15	American Express Credit Corp	0258M0DT3	2.375	05/26/20	04/25/20	125,000	126,660	125,155	(1,505)	2.34%	1242	0.51%
10/25/16	FHLMC Reference Notes	3137EADR7	1.375	05/01/20	05/01/20	250,000	251,953	248,316	(3,637)	1.58%	1248	1.01%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	05/15/20	115,000	120,648	119,024	(1,624)	2.27%	1262	0.49%
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	100,000	109,436	106,171	(3,265)	2.25%	1432	0.43%
	Subtotal					\$ 24,302,213	\$ 24,861,137	\$ 24,538,308	\$ (322,829)	1.14%	566	100.00%
	PFC Bank Balance						767,178					
	TOTAL						\$ 25,628,315					

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Earnings Report
11/01/16-11/30/16

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
FIXED INCOME										
Procter & Gamble Co	NOTE	0.750	11/04/16	460.94	468.75	-	-	7.81	0.16	7.97
Comcast Corporation	NOTE	6.500	01/15/17	2,870.84	-	-	3,683.34	812.50	(679.55)	132.95
Pfizer Inc	NOTE	0.900	01/15/17	424.00	-	-	544.00	120.00	0.84	120.84
Treasury Note	NOTE	0.875	01/31/17	773.95	-	-	1,023.61	249.66	(87.70)	161.96
Ace InA Holdings Inc	NOTE	5.700	02/15/17	1,203.33	-	-	1,678.33	475.00	(400.59)	74.41
Walt Disney Company (The)	MTN	1.125	02/15/17	380.00	-	-	530.00	150.00	0.27	150.27
FHLMC	NOTE	1.000	03/08/17	1,111.52	-	-	1,740.69	629.17	209.59	838.76
FNMA	NOTE	1.125	04/27/17	37.50	-	-	318.75	281.25	(109.62)	171.63
State Street Corporation	NOTE	5.375	04/30/17	16.42	-	-	509.13	492.71	(387.95)	104.76
US Bancorp	NOTE	1.650	05/15/17	1,331.46	1,443.75	-	128.34	240.63	(76.55)	164.08
FHLB	NOTE	4.875	05/17/17	19,432.30	21,328.13	-	1,658.86	3,554.69	(2,848.57)	706.12
FHLB	NOTE	1.000	06/21/17	2,543.72	-	-	3,117.49	573.77	(165.12)	408.65
Treasury Note	NOTE	0.500	07/31/17	1,598.44	-	-	2,114.06	515.62	242.77	758.39
Duke Energy Florida LLC	NOTE	5.800	09/15/17	741.11	-	-	1,224.44	483.33	(401.33)	82.00
Home Depot Inc	NOTE	1.220	09/15/17	159.31	-	-	261.00	101.69	(23.47)	78.22
FNMA Bench	NOTE	1.000	09/27/17	661.11	-	-	1,244.44	583.33	(30.47)	552.86
Treasury Note	NOTE	0.750	10/31/17	19.47	-	-	603.73	584.26	212.09	796.35
Praxair Inc	NOTE	1.050	11/07/17	380.63	393.75	-	52.50	65.62	8.20	73.82
FHLB	NOTE	5.000	11/17/17	10,250.00	11,250.00	-	875.00	1,875.00	(1,448.40)	426.60
FHLMC Reference Notes	NOTE	5.125	11/17/17	18,677.77	20,500.00	-	1,594.45	3,416.68	(2,574.45)	842.23
Mellife Inc	NOTE	1.903	12/15/17	243.16	-	-	401.74	158.58	(17.34)	141.24
Bank Of New York Mellon Corp	NOTE	1.300	01/25/18	346.67	-	-	455.00	108.33	26.46	134.79
FNMA Benchmark Notes	NOTE	0.875	02/08/18	2,017.36	-	-	2,746.53	729.17	337.87	1,067.04
Exxon Mobil Corp	NOTE	1.305	03/06/18	199.38	-	-	308.13	108.75	(27.45)	81.30
Coca-Cola Company (The)	NOTE	1.150	04/01/18	167.71	-	-	335.41	167.70	(18.44)	149.26
General Electric Capital Corp	NOTE	1.556	04/02/18	239.82	-	-	479.65	239.83	(47.41)	192.42
Wells Fargo & Company	NOTE	1.512	04/23/18	66.14	-	-	286.60	220.46	(19.97)	200.49
FHLB	NOTE	1.125	04/25/18	104.07	-	-	624.38	520.31	(193.73)	326.58
Boeing Co	NOTE	0.950	05/15/18	411.78	446.50	-	39.68	74.40	18.09	92.49
Merck & Co Inc	NOTE	1.300	05/18/18	882.91	975.00	-	70.42	162.51	21.71	184.22
Treasury Note	NOTE	1.000	05/31/18	3,471.32	4,125.00	-	22.66	676.34	(35.90)	640.44
FHLMC	NOTE	4.875	06/13/18	14,015.63	-	-	17,062.50	3,046.87	(2,150.83)	896.04
Southern California Gas Company	NOTE	1.550	06/15/18	731.94	-	-	893.40	161.46	(34.74)	126.72

Burbank-Glendale-Pasadena Airport Authority - PFC Account											
Earnings Report											
11/01/16-11/30/16											
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	
Chevron Corp	NOTE	1.718	06/24/18	606.07	-	-	749.24	143.17	(43.14)	100.03	
Nevada Power Company	NOTE	6.500	08/01/18	1,868.75	-	-	2,491.67	622.92	(444.47)	178.45	
3M Company	NOTE	1.375	08/07/18	320.83	-	-	435.42	114.59	(44.74)	69.85	
Berkshire Hathaway Finance Corp	NOTE	2.000	08/15/18	696.66	-	-	971.66	275.00	(83.16)	191.84	
Treasury Note	NOTE	1.500	08/31/18	2,055.25	-	-	3,049.73	994.48	(312.70)	681.78	
Microsoft Corporation	NOTE	1.300	11/03/18	642.78	650.00	-	101.11	108.33	(0.96)	107.37	
Caterpillar Financial Services	NOTE	1.800	11/13/18	1,134.00	1,215.00	-	121.50	202.50	(76.40)	126.10	
Treasury Note	NOTE	1.500	12/31/18	3,032.61	-	-	3,766.31	733.70	(129.34)	604.36	
John Deere Capital Corp	NOTE	1.950	01/08/19	826.31	-	-	1,045.69	219.38	(99.64)	119.74	
Commonwealth Edison Company	NOTE	2.150	01/15/19	728.01	-	-	934.06	206.05	(65.41)	140.64	
Oracle Corporation	NOTE	1.460	01/15/19	86.19	-	-	238.26	152.07	(8.39)	143.68	
Treasury Note	NOTE	1.250	01/31/19	2,843.07	-	-	3,760.20	917.13	(137.87)	779.26	
BB&T Corp	NOTE	2.250	02/01/19	618.76	-	-	825.00	206.24	(48.57)	157.67	
Simon Property Group LP	NOTE	2.200	02/01/19	533.50	-	-	711.33	177.83	(28.17)	149.66	
IBM Corp	NOTE	1.950	02/12/19	470.71	-	-	649.46	178.75	(28.83)	149.92	
Cisco Systems Inc	NOTE	4.950	02/15/19	1,306.25	-	-	1,821.88	515.63	(353.85)	161.78	
Treasury Note	NOTE	0.750	02/15/19	794.84	-	-	1,100.54	305.70	65.88	371.58	
Union Pacific Corporation	NOTE	2.250	02/15/19	546.25	-	-	761.90	215.65	(72.85)	142.80	
Johnson & Johnson	NOTE	1201.000	03/01/19	301.50	-	-	485.61	184.11	(3.88)	180.23	
Unitedhealth Group Inc	NOTE	1.625	03/15/19	207.64	-	-	343.05	135.41	28.24	163.65	
JP Morgan Chase & CO	NOTE	1.850	03/22/19	380.79	-	187.57	851.00	282.64	(75.96)	206.68	
FHLMC	NOTE	3.750	03/27/19	1,416.67	-	-	2,666.67	1,250.00	(917.28)	332.72	
Lowes Companies Inc	NOTE	1.150	04/15/19	56.22	-	-	161.64	105.42	3.31	108.73	
Apple Inc	NOTE	1.181	05/06/19	354.83	375.22	-	110.71	131.10	10.02	141.12	
Public Service Electric And Gas	NOTE	1.800	06/01/19	930.00	-	-	1,116.00	186.00	15.49	201.49	
Target Corporation	NOTE	2.300	06/26/19	878.47	-	-	1,089.31	210.84	(65.68)	145.16	
Treasury Note	NOTE	1.625	07/31/19	3,285.32	-	-	4,345.10	1,059.78	(491.07)	568.71	
FNMA Bench	NOTE	1.750	09/12/19	2,358.13	-	-	3,801.88	1,443.75	(319.56)	1,124.19	
Honeywell International Inc	NOTE	1.400	10/30/19	5.83	-	-	180.83	175.00	3.29	178.29	
Treasury Note	NOTE	1.500	10/31/19	25.28	-	-	783.56	758.28	(233.37)	524.91	
Procter & Gamble Company	NOTE	1.900	11/01/19	-	-	55.42	277.08	221.66	(70.16)	151.50	
Treasury Note	NOTE	1.625	12/31/19	5,256.52	-	-	6,528.25	1,271.73	(358.92)	912.81	
Treasury Note	NOTE	1.125	12/31/19	947.69	-	-	1,176.97	229.28	(33.21)	196.07	
Arizona Public Service Company	NOTE	2.200	01/15/20	647.78	-	-	831.11	183.33	(6.24)	177.09	

Burbank-Glendale-Pasadena Airport Authority - PFC Account

Earnings Report

11/01/16-11/30/16

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
Pepsico Inc	NOTE	4.500	01/15/20	1,855.00	-	-	2,380.00	525.00	(285.71)	239.29
National Rural Utilities Coop	NOTE	2.000	01/27/20	600.56	-	-	792.22	191.66	(43.17)	148.49
PNC Funding Corp	NOTE	5.125	02/08/20	1,654.24	-	-	2,252.15	597.91	(385.07)	212.84
Medtronic Inc	NOTE	2.500	03/15/20	415.28	-	-	686.11	270.83	(95.81)	175.02
United Technologies Corporation	NOTE	4.500	04/15/20	250.00	-	-	718.75	468.75	(247.94)	220.81
FHLMC Reference Notes	NOTE	1.375	05/01/20	1,718.75	1,718.75	-	286.46	286.46	(46.30)	240.16
American Express Credit Corp	NOTE	2.375	05/26/20	1,278.21	1,484.38	-	41.23	247.40	(36.45)	210.95
Travelers Cos Inc	NOTE	3.900	11/01/20	1,950.00	1,950.00	-	325.00	325.00	(175.73)	149.27
Public Service Company of Colorado	NOTE	3.200	11/15/20	1,696.89	1,840.00	-	163.55	306.66	(113.16)	193.50
Subtotal				\$ 133,554.15	\$ 70,164.23	\$ 242.99	\$ 102,557.46	\$ 38,924.55	\$ (16,558.46)	\$ 22,366.09
CASH EQUIVALENTS										
Blackrock Liquidity Funds				-	148.00	-	-	148.00	-	148.00
Subtotal				\$ -	\$ 148.00	\$ -	\$ -	\$ 148.00	\$ -	\$ 148.00
TOTAL				\$ 133,554.15	\$ 70,312.23	\$ 242.99	\$ 102,557.46	\$ 39,072.55	\$ (16,558.46)	\$ 22,514.09

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND FIVE MONTHS ENDED NOVEMBER 30, 2016 AND 2015

Monthly Performance				November 2016			
Actual \$ Nov 2016	Budget Nov 2016	Prior Year Nov 2015	Note	Actual \$ Nov 2016	Prior Year Nov 2015	Note	Variance Actual Vs. Budget
Fiscal YTD Performance (July 2016 - November 2016)				Actual \$ Fiscal YTD	Fiscal YTD Budget	Prior Year Fiscal YTD	Note Actual Vs. Budget
OPERATING ACTIVITY							
CASH RECEIPTS FROM OPERATIONS							
Landing/Fuel Fees	\$339,321	\$287,500	(2)	\$51,821	\$287,500	\$1,444,741	(2)
Parking Fees	1,712,843	1,733,000	(3)	(20,157)	1,733,000	8,386,807	(3)
Rental Receipts - Terminal Buildings	1,140,187	920,353	(4)	219,834	1,164,375	4,601,769	(4)
Rental Receipts - Other Buildings	1,032,764	887,980	(5)	144,784	1,068,956	5,198,778	(5)
Other Receipts	77,601	88,125	(6)	(10,524)	269,334	403,125	(6)
Investment Receipts - Treasurer/Other Interest Earned	463,169	175,000	(7)	288,169	318,268	789,423	(7)
	\$4,765,885	\$4,091,958	(1)	\$673,927	\$4,839,847	\$21,343,027	(1)
CASH DISBURSEMENTS FROM OPERATIONS							
Administrative Supplies & Costs	(118,094)	(97,839)	(9)	\$427	(97,839)	(346,697)	(9)
Operating Supplies & Maintenance	(344,497)	(346,127)	(10)	1,630	(362,705)	(1,489,714)	(10)
Contractual Operating Costs	(3,222,396)	(3,451,948)	(11)	229,552	(1,988,415)	(9,458,788)	(11)
Contractual Professional Services	(267,941)	(275,908)	(12)	7,967	(334,238)	(2,735,822)	(12)
Wages & Benefits	(360,068)	(376,374)	(13)	16,306	(331,138)	(1,998,653)	(13)
Other Operating Costs	(53,281)	(75,440)	(14)	22,159	(4,970)	(167,248)	(14)
Bond Debt Service - 2015 Bonds	(380,329)	(380,329)	(15)	0	(358,454)	(1,901,645)	(15)
Parking Tax	0	0	(16)	0	0	(1,792,270)	(16)
	(\$4,746,606)	(\$5,024,647)	(8)	\$278,041	(\$3,477,759)	(1,059,953)	(8)
	\$19,279	(\$932,689)		\$951,968	\$1,362,088	(\$19,057,488)	
INCREASE (DECREASE) IN CASH FROM OPERATIONS							
						\$2,285,539	
FACILITY IMPROVEMENT / NOISE MITIGATION TRANSACTIONS							
CASH DISBURSEMENTS							
Sound Insulation Program Costs	(\$1,058)	\$0	(16)	(\$1,058)	(\$1,484)	(\$380,748)	(16)
Other Facility Improvement Program Project Costs	(2,210,842)	(3,234,000)	(17)	1,023,158	(202,688)	(3,676,376)	(17)
Regional Intermodal Transportation Center	0	0		0	0	0	
	(\$2,211,900)	(\$3,234,000)		\$1,022,100	(\$204,172)	(\$4,087,114)	
CASH RECEIPTS FROM FUNDING SOURCES							
FAA Grants - Sound Insulation Program	\$0	\$0	(16)	\$0	\$0	\$303,958	(16)
FAA Grants - Facility Improvement Program	0	415,000	(18)	(415,000)	155,530	430,865	(18)
Other Grants	5,515	17,000	(19)	(11,485)	0	47,762	(19)
Passenger Facility Charge Receipts/Reserves	0	0	(20)	0	0	6,061,189	(20)
Facility Development Fund (Authority Reserves)	196,175	300,000	(21)	(103,825)	142,161	1,330,295	(21)
	\$201,690	\$732,000		(\$530,310)	\$297,691	\$8,174,069	
						(\$72,062)	
INCREASE (DECREASE) - FACILITY / NOISE							
	(\$2,010,210)	(\$2,502,000)		\$491,790	\$93,519	\$4,086,355	
MITIGATION TRANSACTIONS							
NET ACTIVITY VS. BUDGET	(\$1,990,931)	(\$3,434,689)		\$1,443,758	\$1,455,607	\$6,371,894	
LESS USE OF AUTHORITY RESERVES	(\$196,175)	(\$300,000)		\$103,825	(\$142,161)	(\$1,330,295)	
NET INCREASE (DECREASE) IN CASH - TOTAL	(\$2,187,106)	(\$3,734,689)		\$1,547,583	\$1,313,446	\$5,041,599	
						\$1,762,517	

Notes: The FY 2017 adopted budget approved use of \$7,680,000 of Authority Reserves to provide funding for the airport share of capital projects. See additional discussion at note 21.

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND FIVE MONTHS ENDED NOVEMBER 30, 2016 AND 2015

General Comments

The Schedule of Cash Receipts and Disbursements ("Schedule") represents the cash basis activity for the month and fiscal year-to-date 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 (a) the Sound Insulation Program, (b) Other Facility Improvement Program Projects, and (c) the Regional Intermodal Transportation Center ("RITC"). The RITC project was completed in FY 2015.

The FY 2017 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 fiscal year-to-date ("FYTD") November due to better than expected performance primarily in parking, concessions and filming revenues. On the accrual basis, all categories of operating revenues are favorably ahead of budget in FYTD November by \$923,003. See notes 2 through 7 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 November. Accrual basis revenues for this line item are ahead of budget in FYTD November by \$193,715.

NOTE (3) - Parking Fees

Parking fee revenues performed ahead of the budget forecast. Accrual basis parking fees are \$25,278 ahead of budget FYTD November.

NOTE (4) - Rental Receipts - Terminal Building

Terminal Building rental receipts exceed the budget FYTD November partially due to the timing of receipts and additional concession revenues received above the minimum annual guarantee. Accrual basis terminal building rents are \$286,481 ahead of budget FYTD November.

(Continued)

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND FIVE MONTHS ENDED NOVEMBER 30, 2016 AND 2015

NOTE (5) – Rental Receipts - Other Buildings

Other Buildings rental receipts exceed the budget FYTD November partially due to the timing of receipts. Accrual basis other building receipts are \$134,134 ahead of budget FYTD November.

NOTE (6) – Other Receipts

This category consists primarily of off-airport access fees and film location revenues. Effective October 2016, the Authority implemented a program to establish a \$3 drop off fee for TNC activity. This category favorably exceeds the budget FYTD November primarily due the receipt of these newly established fees (November receipts \$76,041). Accrual basis other receipts are \$162,938 ahead of budget FYTD November.

NOTE (7) – 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 FYTD November by \$120,457.

NOTE (8) – Cash Disbursements from Operations

Overall operating disbursements are favorably under budget FYTD November. On an accrual basis operating disbursements are favorably within budget parameters. See additional information on operating disbursements in notes 9 through 15.

NOTE (9) – 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 (10) – Operating Supplies & Maintenance

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

NOTE (11) – 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 (12) – Contractual Professional Services

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

NOTE (13) – 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 2014. Wages and benefits include overtime for film location services which are recovered through the related revenue.

NOTE (14) – 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 FIVE MONTHS ENDED NOVEMBER 30, 2016 AND 2015

NOTE (15) – Parking Tax

The 12% City of Burbank parking tax is paid quarterly for the prior three-month period. The amount paid in October 2016 of \$543,031 reflects the parking activity for the months of July, August and September 2016.

NOTE (16) – Sound Insulation Program

The Sound Insulation program is funded primarily through FAA Airport Improvement Program ("AIP") grants and Passenger Facility Charge ("PFC") revenues. In November 2016, the FAA issued a Record of Approval on the Part 150 Study. Staff will be meeting with the FAA regarding the resumption of the Sound Insulation Program and future Noise Grant funding.

NOTE (17) – Other Facility Improvement Program Projects

Several projects account for most of the Other Facility Improvement Program Projects expenditures: Taxiway B Reconstruction FY 2016 expenditures, Replacement Terminal Project and Emergency Back-Up Generator Project. The budget variance of \$959,603 is due to the timing of projects and payment for FY 2016 accrued costs.

NOTE (18) – FAA Grants – Other Facility Improvement Program Projects

FAA Grants – Other Facility Improvement Program Projects are budgeted to fund several projects: Runway 8/26 EMAS Project, Runway 8/26 Rehabilitation Project and the Acquisition of Hollyona Property.

NOTE (19) – 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 (20) – Passenger Facility Charge Receipts/Reserves

A number of capital projects are budgeted to be funded or partially funded by Passenger Facility Charges.

NOTE (21) – Facility Development Fund (Authority Reserves)

The FY 2017 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 FIVE MONTHS ENDED NOVEMBER 30, 2016 AND 2015

Monthly Performance					November 2016		Fiscal YTD Performance (July 2016 - November 2016)				
Actual \$ Nov 2016	Budget Nov 2016	Actual \$ Prior Year Nov 2015	Note	Variance Actual Vs. Budget			Actual \$ Fiscal YTD	Fiscal YTD Budget	Actual \$ Prior Year Fiscal YTD	Note	Variance Actual Vs. Budget
\$464,632	\$420,000	\$415,182	(1)	\$44,632	Customer Facility Charge Receipts		\$2,339,826	\$2,100,000	\$2,322,948	(1)	\$239,826
91,089	93,005	104,390	(2)	(1,916)	Facility Rent		481,472	465,025	456,662	(2)	16,447
(486,130)	(486,130)	(486,380)		0	Payments to Bond Trustee for 2012 Bond Debt Service		(2,430,650)	(2,430,650)	(2,431,900)		0
(26,321)	(26,875)	(26,116)	(3)	554	Loan Principal Repayments to the Authority		(139,126)	(134,375)	(114,247)	(3)	(4,751)
\$43,270	\$0	\$7,076	(4)	\$43,270			\$251,522	\$0	\$233,463	(4)	\$251,522

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 fiscal year-to-date ("FYTD") November exceeded the budget due to better than expected car rental activity.

Note (2) – Facility Rent

Facility Rent exceeds the budget FYTD November 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 November (\$4,751) 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.

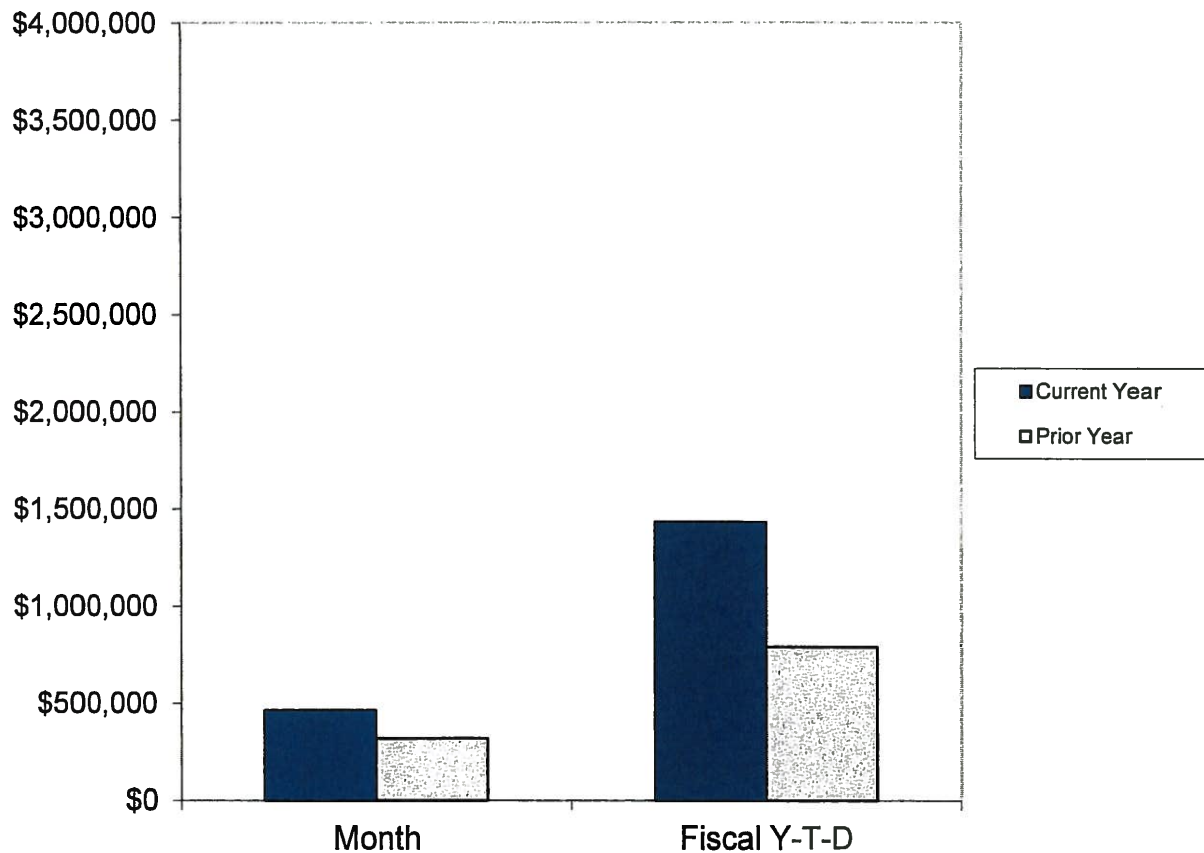
Note (4) – Net RITC / ConRAC Facility Payments and Collections

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

INTEREST ANALYSIS



	November 2016	November 2015
Interest Receipts - - Month	\$463,169	\$318,268
Interest Receipts - - Fiscal Y-T-D	\$1,430,982	\$789,423
Month End Portfolio Balance	\$213,057,846	\$149,831,590
Yield to Maturity	1.10%	0.87%

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JANUARY 17, 2017**

**PRESENTATION OF FY 2016 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 2016 financial statements. Enclosed with this staff report is a copy of the audited Basic Financial Statements for the fiscal years ended June 30, 2016 ("FY 2016") and 2015 ("FY 2015"). 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 2016 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, 2016. 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 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, 2016 and 2015, 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.

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, 2016 and 2015 is as follows:

Summary Statements of Net Position				
June 30, 2016 and 2015				
	2016	2015	Change	
			\$	%
Current assets	\$ 30,397,449	\$ 29,958,934	\$ 438,515	1.46%
Restricted assets	56,908,877	109,049,614	(52,140,737)	-47.81%
Facility Development Reserve	167,334,136	101,395,103	65,939,033	65.03%
Bond debt service reserve surety, net	38,615	44,137	(5,522)	-12.51%
Capital assets, net	346,025,062	355,714,312	(9,689,250)	-2.72%
Total assets	600,704,139	596,162,100	4,542,039	0.76%
Liabilities:				
Current liabilities and liabilities payable from restricted assets	16,913,958	15,809,272	1,104,686	6.99%
Noncurrent liabilities	112,600,118	117,392,377	(4,792,259)	-4.08%
Total liabilities	129,514,076	133,201,649	(3,687,573)	-2.77%
Deferred inflows of resources –				
Deferred amount on refunding of 2005 Bonds	816,073	918,082	(102,009)	-11.11%
Net position:				
Net investment in capital assets	234,200,550	241,786,162	(7,585,612)	-3.14%
Restricted	45,247,384	97,508,510	(52,261,126)	-53.60%
Unrestricted	190,926,056	122,747,697	68,178,359	55.54%
Total net assets	\$ 470,373,990	\$ 462,042,369	\$ 8,331,621	1.80%

A summary of the Statements of Revenue, Expenses and Changes in Net Position for the years ended June 30, 2016 and 2015 is as follows:

Summary Statements of Revenues, Expenses and Changes in Net Position

Years Ended June 30, 2016 and 2015

	2016	2015	Change	
			\$	%
Operating revenues	\$ 48,893,333	\$ 49,114,702	\$ (221,369)	-0.45%
Operating expenses before depreciation	39,018,761	38,249,302	769,459	2.01%
Operating income before depreciation	9,874,572	10,865,400	(990,828)	-9.12%
Depreciation	18,872,310	19,332,554	(460,244)	-2.38%
Operating loss	(8,997,738)	(8,467,154)	(530,584)	6.27%
Nonoperating revenues, net	13,099,068	6,756,139	6,342,929	93.88%
Income before capital contributions	4,101,330	(1,711,015)	5,812,345	-339.70%
Capital contributions	4,230,291	2,142,587	2,087,704	97.44%
Changes in net position	8,331,621	431,572	7,900,049	1830.53%
Net position, beginning of year	462,042,369	461,610,797	431,572	0.09%
Net position, end of year	\$ 470,373,990	\$ 462,042,369	\$ 8,331,621	1.80%

SINGLE AUDIT REPORTS

The Single Audit Reports present the activity of federal award programs of the Authority for the year ended June 30, 2015. 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

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, 2016, as follows:

Rates and Charges Ratio	
Pledged revenues	\$ 51,422,789
Less operating expenses	<u>39,018,761</u>
Net revenues	\$ 12,404,028
Transfers to Surplus Fund	<u>2,534,501</u>
Net revenues plus transfers to Surplus Fund	<u>\$ 14,938,529</u>
Deposits and charges:	
Accrued debt service	\$ 4,376,865
Deposits to operating reserve account	<u>373,859</u>
Total deposits and charges	<u>\$ 4,750,724</u>
Deposits and charges coverage ratio	3.14
Required deposits and charges coverage ratio	1.00
Debt Service Coverage Ratio	
Net revenues plus transfers to Surplus Fund	<u>\$ 14,938,529</u>
Accrued debt service	<u>\$ 4,376,865</u>
Debt service coverage ratio	3.41
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, 2016 and 2015; the Single Audit Reports for the year ended June 30, 2016; the Passenger Facility Charge Audit Reports for the year ended June 30, 2016; the Customer Facility Charge Audit Reports for the year ended June 30, 2016; 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 2016 Audits.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JANUARY 17, 2017**

**PROPOSED RESOLUTION APPROVING
THE 2017 AUTHORITY INVESTMENT POLICY**

SUMMARY

Formerly mandated by State law and now currently recommended under Sections 53646(a)(2) and 53646(h) of the California Government Code ("Code"), the Commission annually reviews and approves an investment policy to identify policies and procedures for the prudent and systematic investment to be followed by the Authority Treasurer in the exercise of the investment authority delegated to him/her.

The Authority's Investment Manager, Columbia Management Investment Advisors LLC ("CMIA"), has opined that the 2016 Authority Investment Policy, with overall investment criteria of capital preservation (safety) and liquidity, is solid and conservative and it does not need revisions at this time. Staff concurs with the CMIA findings and seeks a Finance and Administration Committee recommendation to the Commission that it adopt the attached proposed Resolution approving the 2017 Investment Policy (Attachment 1), which reaffirms the current 2016 Investment Policy with no changes.

DISCUSSION

The Authority was previously required by Section 53646 of the Code to annually review and adopt an investment policy for its restricted and non-restricted cash portfolios. The Legislature amended this statute to make annual investment policy review optional for local agencies and to declare that no liability is incurred for failure to annually adopt an investment policy. However, the Legislature strongly recommends and the Authority believes it is prudent to continue to annually review and adopt an investment policy. The Authority further requires that CMIA abide by that policy as it makes decisions regarding changes to the Authority's investments. The Authority's investment policy dictates the type of investment vehicles that are permitted, and maximum allowable percentage of individual sectors that the Authority can invest in.

For local governments, including the Authority, State law (Code Section 53600 et seq.) sets forth the types of allowable investments, maximum maturities, maximum concentration of investments by type of investment and issuer, minimum ratings for certain types of investments, and how the investments may be held.

The Authority's investment policy further limits all investments to be more restrictive than the Code. The restrictions in the Code and the additional limitations in the Authority's investment policy mitigate the Authority's interest rate risk, credit risk, concentration of credit risk, and custodial credit risk related to its various investments.

CMIA continues to diligently review and report on the Authority's investments in this challenging economic environment. The Authority has historically favored holding its investments until they mature. CMIA will continue to bring recommendations to the

Commission on individual investments and/or the policy as conditions warrant throughout the year.

Staff and CMIA will discuss the proposed 2017 Investment Policy with the Committee.

STAFF RECOMMENDATION

Staff seeks a Finance and Administration Committee recommendation to the Commission that it adopt the attached proposed Resolution approving the 2017 Investment Policy.

RESOLUTION NO. ____

**A RESOLUTION OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY COMMISSION
APPROVING THE 2017 AUTHORITY INVESTMENT POLICY**

The Burbank-Glendale-Pasadena Airport Authority Commission finds, resolves and determines as follows:

Section 1. Recitals.

A. Government Code Section 53646 authorizes, but no longer requires, local agencies to review and approve an investment policy on an annual basis.

B. The Burbank-Glendale-Pasadena Airport Authority (“Authority”) has a fiduciary responsibility to maximize the use of public funds entrusted to its care, manage those funds wisely and prudently, and protect those funds from financial catastrophes.

C. The objective and purpose of the Authority’s investment program is to maintain a level of investment as near 100% as possible, with due consideration given to such factors as safety, liquidity, yield, and cash flow requirements.

D. The Commission desires to continue its existing policy to review and approve an investment policy on an annual basis.

E. The Commission desires to continue its existing investment policy with no changes.

Section 2. 2017 Investment Policy. The Commission hereby adopts the 2017 Investment Policy attached hereto as Exhibit A. Such policy supersedes all prior investment policies adopted by the Commission.

Section 3. Effective Date. This Resolution shall be effective upon adoption.

Adopted this ____ day of _____, 2017.

Bill Wiggins, President

Attest:

Zareh Sinanyan, Secretary

EXHIBIT A

2017 INVESTMENT POLICY

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

This document identifies policies and procedures for the prudent and systematic investment policy to be followed by the Burbank-Glendale-Pasadena Airport Authority Treasurer in the exercise of the investment authority delegated to him/her. All of these policies and procedures are within the statutory guidelines provided for in State law.

The Investment Policy must be renewed annually. The Treasurer must present it in draft form to the Finance and Administration Committee for its review and approval prior to presentation to the Authority for its approval.

INVESTMENT MANAGER

The Treasurer may utilize an Investment Manager in the investment management of the Authority's portfolio(s). The Investment Manager shall comply with the investment restrictions contained in Sections 53601, 53601.1, 53601.5 and 53601.6 of the California Government Code ("Government Code Provisions") and this Investment Policy. In the event the Investment Policy is more restrictive than the Government Code Provisions, the Investment Policy shall control. Further, the Investment Manager shall periodically, but no less than annually, advise the Treasurer and the Authority on recommended changes to the Investment Policy, including any required to bring the policy into compliance with the Government Code Provisions.

BASIC POLICY AND OBJECTIVES

Three fundamental criteria shall be followed in the investment program (all investments and deposits). In order of importance they are:

1. SAFETY. Investments shall be made in a manner that seeks to ensure the preservation of principal and interest. The Treasurer will evaluate, or have evaluated each investment, seeking quality in issuer and in the underlying security or collateral. He/she will also diversify the portfolio to reduce loss exposure. In the investment of idle cash, the prudent man rule shall be followed. This rule states in essence, that when investing property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The Treasurer will remain within the policy maximums regarding asset allocation and maturity guidelines identified on Exhibit A.
2. LIQUIDITY. To the extent possible, investments will be made whose maturities are compatible with cash flow and will allow for easy and rapid conversion into cash without any loss of value. The Treasurer's monthly report to the Authority is to include a comparison of the actual portfolio to the policy maximums shown on Exhibit A.
3. YIELD. An acceptable rate of return on investments is desirable but only after first considering safety of principal and liquidity.

TYPES OF INVESTMENTS

1. U. S. Treasuries. These are investments in direct obligations of the U. S. Treasury.
2. U. S. Agencies. These are obligations of the Federal Home Loan Bank, Federal National Mortgage Association, Federal Farm Credit Bank, etc.
3. Time Deposits. Time deposits are to be placed in accordance with the California Government Code, in those banks and savings and loan associations which meet the requirements. Deposits must be either insured or secured by Government securities with a market value of at least 10% in excess of the total amount deposited or real estate mortgages with a value of at least 150% of the total amount deposited. The latest available quarterly financial statements will be evaluated to determine whether an institution meets all the capital levels required by the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), which are also required by the Investment Manager prior to placing deposits.
4. Local Agency Investment Funds. This is a pool of funds managed by the State Treasurer's Office and includes only investments that meet the legal requirements.
5. Bankers Acceptances. Only those bankers acceptances eligible for purchase by the Federal Reserve System meet eligibility requirements.
6. Commercial Paper. Only commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating as provided by Moody's Investors Service or Standard and Poor's may be purchased (A-1/P-1). To be eligible for purchase, commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15% of each agency's surplus money which may be invested.
7. Repurchase Agreements. These are a purchase of securities (any of the investments authorized under the Government Code) pursuant to an agreement by which the seller will repurchase such securities on or before a specified date, or on demand of either party, and for a specified amount.
8. Money Market Funds. Funds will consist of U.S. Treasury securities only.
9. Corporate Medium Term Notes. The Corporate Notes must be issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States that are rated A or better by a nationally recognized rating service (Government Code Section 53601(j)). Purchase requires approval of the Authority Director of Financial Services and the Treasurer.
10. Negotiable Certificates of Deposit. These are negotiable investments evidencing a time deposit made with a bank at a fixed rate of interest for a fixed period of time. These investments are liquid and are traded in the market place. The long term rating of the issuing institution must be A or higher.

In the event a security is downgraded below the minimum authorized rating, the Investment Manager will notify the Airport Authority of the downgrade with a recommendation on the disposition of the security. The Airport Authority will provide written instructions to the Investment Manager regarding the disposition of a security that is below the minimum acceptable rating.

MATURITY LIMITATIONS

The Authority's weighted average maturity goal during any calendar year will be established based on the recommendations of the Investment Manager and may be reviewed and adjusted at any time based on the recommendations of the Investment Manager.

For purposes of this policy, the "A" category will include Standard & Poor's ratings of "A+", "A" and "A-"; Moody's Investor Services ratings of "A1", "A2" and "A3"; and Fitch Ratings of "A+", "A" and "A-".

PURCHASE OF SECURITIES/DEPOSITS

Transactions shall be made with reputable banks and brokers who are experienced, knowledgeable and offer service. Before placing deposits, comparisons of at least three eligible financial institutions shall be obtained. The brokers approved by the Investment Manager (Columbia Management Investment Advisors LLC) will be utilized.

PAYMENT FOR SECURITIES AND SAFEKEEPING

All securities purchased shall be delivered against payment (DVP), and held in safekeeping as evidenced by safekeeping receipts.

PORTFOLIO DIVERSIFICATION

To maintain a diversified portfolio, a maximum percentage limitation has been set for each type of investment. If an investment percentage-of-portfolio limitation were to be exceeded due to an incident, such as fluctuation in portfolio size, the affected investments may be held to maturity to avoid losses or if no loss is indicated, the Treasurer may reconstruct the portfolio if in his/her judgment it appears prudent, taking into consideration the expected length of time to bring the portfolio back into balance.

INVESTMENT RESOURCES

Information concerning investment opportunities and market developments will be gained by maintaining contact with the financial community and the media.

CASH MANAGEMENT

Cash will be invested as close to 100% of collected funds as possible taking into consideration cash flow information given to the Treasurer.

REPORTING REQUIREMENTS

The Treasurer shall annually submit to the Airport Authority a statement of investment policy.

The Treasurer shall submit a monthly report, that meets all Government Code requirements, to the Airport Authority showing the type of all investments, including any made and maturing between monthly reports, showing institution, date of maturity, amount of deposit or cost of security, current market value of all securities with a maturity of more than 12 months, rate of interest, statement relating the report to the Statement of Investment Policy, statement that there are sufficient funds to meet the next six months obligations, and such data as may be required by the Airport Authority.

INTERNAL CONTROLS

A system of internal controls shall be established and documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the Government Agency.

**EXHIBIT A
PORTFOLIO GUIDELINES**

INVESTMENTS	MAXIMUM AMOUNT	MAXIMUM MATURITY
U.S. Agency Securities	70%	5 YEARS
Corporate Term Notes	30% (note 1)	5 YEARS
Local Agency Investment Fund	\$20 MILLION	N/A
Bankers Acceptances	15% (note 1)	6 MONTHS
Non-Negotiable Certificates Of Deposit	15% (note 1)	5 YEARS
Negotiable Certificates Of Deposit	15% (note 1)	5 YEARS
Commercial Paper	15% (note 1)	9 MONTHS
Repurchase Agreements	10%	1 YEAR
Money Market Funds (note 2)	15%	N/A
U.S. Treasury Securities	NO LIMIT	5 YEARS

Footnotes: (1) Maximum amount of any one issuer is 5%.
 (2) U.S. Treasury obligations only.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JANUARY 17, 2017**

**FIRST AMENDMENT TO LEASE AGREEMENT FOR
HERC RENTALS, INC.**

SUMMARY

Staff seeks a Finance and Administration Committee ("Committee") recommendation to the Commission that it approve the First Amendment ("Amendment") to the January 17, 2006, Lease Agreement ("Lease") between Herc Rentals, Inc. ("HERC") and the Burbank-Glendale-Pasadena Airport Authority ("Authority") to extend the current lease for a period of five years effective February 6, 2017. The lease is for 210,844 square feet of land area including an 87,065 square foot building located on the property at 3111 North Kenwood Avenue. Under the proposed amendment, the rent will increased from its current level of \$712,612.08 to \$798,000 annually.

BACKGROUND

In December 2010, HERC, formerly known as Hertz Equipment Rental Corporation, assumed the business interests of 24/7 Studio Equipment, Inc. ("Studio") and has had been a tenant at Hollywood Burbank Airport ("Airport") since 2006. HERC is a specialty equipment rental company serving the movie and television industries and provides boom lifts, scissor lifts, fork lifts and related construction and industrial equipment.

The current lease expired on May 16, 2016, and HERC is now in a holdover status as Staff, CBRE, HERC and its real estate representative, Collier International, negotiated an extension. The leased premises includes the building and land located at 3111 North Kenwood Avenue in the City of Burbank

BROKER'S FEES

As stated earlier, both parties had separate real estate broker representation for the lease amendment. The Authority was represented by CBRE with HERC represented by Colliers International. Under the terms of the Real Estate Services Agreement, the brokers are entitled to be compensated in the amount \$211,834.52 based on 5% of \$4,236,690, the total value of the contract over five years including a 3% annual adjustment for each year for their respective roles in this transaction upon execution of the Amendment. This amount is to be split between both CBRE and Collier International.

DETAILS

Key components of the proposed amendment are as follows:

Term:	Five (5) years with one five (5) year extension option
Commencement:	February 6, 2017

Rent:	\$66,500/Monthly (\$798,000 Annually)
Adjustment:	Greater of 3% or 120% of CPI, with a maximum of 4% annually.
Premises:	210,844 square feet of improved land which including an 87,065 square foot building
Security Deposit:	Four (4) month's rent (\$266,000)
Broker Commission:	\$211,834.52

A copy of the proposed amendment is attached.

IMPACT ON REVENUE

The proposed Amendment will maintain a tenant in good standing as well as increase gross non-aviation revenues for the Authority by \$85,387 per year, subject to annual rental adjustments in future years.

STAFF RECOMMENDATION

Staff seeks the Committee's recommendation to the Commission that it approve the First Amendment to the Lease with Herc Rentals, Inc., and that the Executive Director be authorized to execute such amendment.

FIRST AMENDMENT TO LEASE AGREEMENT

This FIRST AMENDMENT TO LEASE AGREEMENT (this "Amendment") is dated as of December 20, 2016 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 ("Landlord"), and HERC RENTALS, INC. (formerly known as HERTZ EQUIPMENT RENTAL CORPORATION), a Delaware corporation ("Tenant").

RECITALS

- A. Landlord and 24/7 STUDIO EQUIPMENT, INC. entered into a Lease Agreement dated January, 2006 (the "Lease"). The tenant's interest in the Lease was then assigned to Tenant.
- B. The term of the Lease expired on May, 2016 and the Lease then became a month-to-month tenancy.
- C. Landlord and Tenant desire to amend the Lease as hereafter set forth.
- D. Capitalized terms used but not defined herein shall have the meaning set forth in the Lease.

THEREFORE, in consideration of the foregoing recitals, the mutual terms set forth below, and other consideration, the sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Extension of Term; Option to Further Extend. The term of the Lease is hereby extended to February 6, 2022. Tenant shall have the right to further extend the term upon and subject to the terms and conditions in Section 2.2 of the Lease (which contemplates one (1) five year extension; consequently, said extension would expire on February 6, 2027).
2. Rent. On February 6, 2017, Section 3.1 shall be automatically deleted and the following shall be substituted in lieu thereof:

"3.1 Annual Base Rent

3.1.1 Commencement; Amount.

Commencing on February 6, 2017, Tenant shall pay to Landlord, without setoff or deduction, annual rent in the amount of Seven Hundred Ninety-Eight Thousand and 00/100 Dollars (\$798,000) per Annual Period ("Annual Base Rent"), as adjusted on each Adjustment Date pursuant to Section 3.1.3.

3.1.2 Payment of Monthly Rent.

The Annual Base Rent shall be payable in twelve (12) equal monthly installments of Sixty-Six Thousand Five Hundred and 00/100 Dollars (\$66,500.00), in advance, without prior demand, and without offset or deduction, and continuing thereafter on the first day

of each month during such Annual Period.

3.1.3 Adjustments.

3.1.3.1 Definitions.

- (i) The term "Adjustment Date" shall mean the first day of each Annual Period including during any holdover tenancy permitted by Landlord after the Expiration Date.
- (ii) The term "Adjustment Index" shall mean the Consumer Price Index most recently published and available to the public on each Adjustment Date.
- (iii) The term "CPI Increase" shall mean one hundred and twenty percent (120%) of the percentage increase in the "Consumer Price Index" (as defined below) during the preceding twelve (12) month period, as applicable, prior to an Adjustment Date, but the CPI Increase shall in no event be greater than four percent (4%) nor less than three percent (3%). To determine the CPI Increase, the applicable Adjustment Index shall be compared with the applicable Prior Index. If the Adjustment Index has increased over the Prior Index, the CPI Increase, expressed as a percentage (carried to the third decimal place and rounded up if the third decimal place is -.005 or greater and rounded down if the third decimal place is less than .005), shall be determined by subtracting the Prior Index from the Adjustment Index and dividing the result by the Prior Index and then multiplying the quotient by one hundred twenty (120).
- (iv) The term "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers for the Los Angeles-Anaheim-Riverside statistical area (CPI-U) (1982-84 =100) published by the United States Department of Labor, Bureau of Labor Statistics. In the event the Consumer Price Index is changed so that the base year differs from that used for the Prior Index, the Consumer Price Index or the Prior Index, as applicable, shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. In the even the Consumer Price Index is discontinued or revised during the term of this Lease, such other governmental index or computation with which it is replaced shall be used.

- (v) The term "Fair Market Rent" shall mean the fair market rent for the Leased Premises, determined in accordance with the procedures set forth in Section 3.1.3.3, assuming: (a) the use of the Leased Premises by the Tenant is the highest and best use permitted by applicable general plan and zoning ordinances of the City of Burbank in effect as of the date of determination of Fair Market Rent; (b) the Leased Premises are unimproved, except for any Existing Improvements as of the Commencement Date and not demolished thereafter; (c) the Leased Premises are unencumbered by this Lease; (d) FAA or TSA safety standards which affect development of the Leased Premises by establishing building restriction lines and height limitations or other restrictions on development, as in effect as of the date of determination of Fair Market Rent, are applicable; (e) any Landlord policies regarding development of comparable real property at the Airport in effect as of the date of determination of Fair Market Rent are applicable; and (f) the market areas for determining comparable values shall be the Southern California commercial and industrial market areas that are in proximity to the Airport.
- (vi) The term "Prior Index" shall mean the Consumer Price Index used as the Adjustment Index on the prior Adjustment Date (or in the case of the first adjustment, the Consumer Price Index most recently published prior to the Commencement Date).

3.1.3.2 Adjustments.

- (i) On each Adjustment Date, except the Adjustment Date that occurs in 2022 that will apply only if Tenant exercises its Extension Option, the Annual Base Rent for the Annual Period that commences on the applicable Adjustment Date and the subsequent Annual Period shall be the CPI Increase as defined in Section 3.1.3.1(iii).
- (ii) On the Adjustment Date that occurs in 2022 applicable with the Tenant exercise of the Extension Option, the Annual Base Rent shall be increased to the higher of (a) the Annual Base Rent payable during the immediately preceding Annual Period as adjusted by the CPI Increase as defined in Section 3.1.3.1(iii), or (b) the Fair Market Rent as described in Section 3.1.3.1(v).

3.1.3.3 Procedures for Determining Fair Market Rent for Extension Term Adjustment.

- (i) During the first sixty (60) days of the one hundred eighty (180) day period preceding the Adjustment Date that occurs in 2022, Landlord and Tenant shall attempt to agree, in good faith, upon the amount of the Fair Market Rent.
- (ii) If Landlord and Tenant are unable to agree upon the amount of the Fair Market Rent within such sixty (60) days, then during the next thirty (30) days of the one hundred eighty (180) day period, Landlord and Tenant shall each-select an appraiser, who shall be an independent real property appraiser having at least ten (10) years experience in the appraisal of commercial and industrial real property in Southern California and who shall be a member of a professional organization such as the American Institute of Appraisers or the Society of Industrial Real Estate Appraisers or their professional equivalent (a "Qualified Appraiser"). The two (2) designated Qualified Appraisers shall designate a third Qualified Appraiser within fifteen (15) days of the later of their respective designations. If either Landlord or Tenant shall fail to designate timely a Qualified Appraiser, then the Qualified Appraiser designated by the other shall act as a single Qualified Appraiser. Landlord and Tenant may shorten or extend any of the time periods described in this Section 3.1.3.3(ii) by mutual written consent.
- (iii) Within thirty (30) days after the designation of either a single Qualified Appraiser or of the third Qualified Appraiser pursuant to Section 3.1.3.3(ii), the three (3) Qualified Appraisers or the single Qualified Appraiser, as applicable, shall each make a determination in writing of the Fair Market Rent. If three Qualified Appraisers have been designated, the Fair Market Rent shall be the arithmetic average of the two (2) out of three (3) determinations of Fair Market Rent that are closest in amount, and the remaining determination shall be disregarded. If the high and low determinations of Fair Market Rent are equidistant in amount from the middle appraisal, the amount of the middle appraisal shall be the Fair Market Rent.
- (iv) Upon determination of the Fair Market Rent either by Landlord and Tenant or by the Qualified Appraisers, the Fair Market Rent so determined shall be compared to the

amount of the Annual Base Rent payable during the immediately preceding Annual Period as adjusted by the CPI Increase as defined in Section 3.1.3.1(iii), and the higher amount shall be the Annual Base Rent for the Annual Period that commences in 2022, subject to future adjustments as provided in Section 3.1.3.2. Landlord shall give written notice to Tenant of the such Annual Base Rent.

3.1.4 Effect of Failure to Give Adjustment Notice.

In the event that Landlord fails to give notice to Tenant of any adjustment in the Annual Base Rent hereunder, including notices based upon applicable CPI Increases or Rent Determination Notices, Tenant shall continue to pay the Annual Base Rent due prior to the applicable Adjustment Date until such time as Landlord gives notice of adjustment of the Annual Base Rent. Upon receipt of Landlord's notice of adjustment, Tenant shall pay immediately to Landlord all amounts that would have been payable by Tenant had Landlord given timely notice."

3. Approval of Plans. The last sentence of Section 6.1.2 of the Lease is hereby deleted.

4. Security Deposit. Prior to February 6, 2017, Tenant shall replace the letter of credit described in Section 17 (or amend such letter of credit) to increase the amount thereof to \$266,000 and shall deliver the new letter of credit (or amendment) to Landlord. Such new letter of credit or amendment shall otherwise comply with the terms of said Section 17.

5. Brokers. Any commission owing by Landlord to CBRE, Inc. in connection with this Amendment shall be paid by Landlord pursuant to a separate agreement between Landlord and CBRE, Inc., Landlord and Tenant each warrants that except for CBRE, Inc. and Colliers International, it has not had any dealings with any real estate broker or agent in connection with this Lease, and Landlord and Tenant each agrees to defend, indemnify and hold the other harmless from and against any and all Claims for any compensation, commissions or other charges by any finder or any other real estate broker or agent. The parties acknowledge that Colliers International is Tenant's broker and that Collier's International will need to make arrangements with CBRE, Inc. to be paid from the commission paid by Landlord to CBRE, Inc.

6. No Other Changes. Except as expressly modified herein, all of the terms of the Lease shall remain in full force and effect.

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

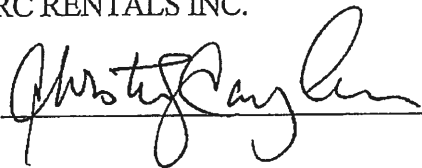
LANDLORD:

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY, a public entity

By: _____
Frank Miller
Executive Director

TENANT:

HERC RENTALS INC.

By:  _____

Print Name: Christian J. Cunningham

Title: Senior Vice President, CHRO

Dated: 12/21/16

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JANUARY 17, 2017
COMMITTEE PENDING ITEMS

Current

1. First Amendment to Lease Agreement for
HERC Rentals, Inc.

Future

1. Award of Aviation Ramp Ground Lease;
United Parcel Service, Inc.
2. Hangar Lease Renewal; GTC Management Services, Inc.
3. Market Conditions Analysis – Hangar Facilities
4. New Branding Food & Beverage Concession
5. FY 2016 Year-End Budget Performance Review
6. Mid-Year FY 2017 Budget Performance Review
7. FY 2018 Proposed Budget Development Schedule