



September 19, 2019

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

NOTICE is hereby given that there will be a special meeting of the Finance and Administration Committee scheduled for Monday, September 23, 2019, at 9:30 a.m., or immediately following the Commission meeting, in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, CA 91505.

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

SPECIAL MEETING  
OF THE  
FINANCE AND ADMINISTRATION COMMITTEE

Airport Skyroom  
Monday, September 23, 2019  
9:30 a.m., or Immediately Following  
the Conclusion of the  
Commission Meeting

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

*The public comment period is the opportunity for members of the public to address the Committee on agenda items and on airport-related non-agenda matters that are within the Committee's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.*

*Members of the public are requested to observe the following decorum when attending or participating in meetings of the Committee:*

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Committee during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Committee's subject matter jurisdiction.*
- *Limit comments to five minutes or to such other period of time as may be specified by the presiding officer.*

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*The following activities are prohibited:*

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*

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

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

## A G E N D A

Monday, September 23, 2019

1. Approval of Agenda

2. Public Comment

3. Approval of Minutes

a. August 19, 2019

*[See page 1]*

4. Treasurer's Report

a. June 2019

*[See page 3]*

5. Contracts and Leases

a. Approval of Purchase and Sale Agreement  
Hollyona Parcel Acquisition

*[See page 28]*

- **Staff Report Attached**

***Staff seeks the recommendation of the Finance and Administration Committee to the Commission for approval of a Purchase and Sale Agreement with the Successor Agency to the Redevelopment Agency of the City of Burbank in the amount of \$2,132,000 for a 0.99-acre parcel located at the southeast corner of Hollywood Way and Winona Avenue ("Hollyona Parcel").***

6. Items for Discussion

a. CMIA Quarterly Investment Portfolio Review  
(Quarter Ended June 2019)

*[No staff report]*

***No staff report attached. Columbia Management Investment Advisors will provide an update to the Committee on the status of the Authority's Operating and Passenger Facility Charge Investment Portfolio for the quarter ended June 30, 2019.***

b. Auditor Required Communications for the FY 2019 Audits

*[See page 30]*

- **Staff Report Attached**

***In accordance with applicable professional standards, the Authority's auditor, Macias Gini & O'Connell LLP ("MGO") has provided the attached letter to the Commission outlining its audit responsibilities, and planned scope and timing of the***

***FY 2019 audits. Also attached is a copy of the annual engagement letter, which substantially conforms to the professional services agreement between the Authority and MGO for audit services. Staff seeks a Finance and Administration Committee recommendation to the Commission that it note and file these communications.***

7. Items for Information

a. Committee Pending Items

***[See page 44]***

8. Other Contracts and Leases

9. Adjournment

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

**MONDAY, AUGUST 19, 2019**

A regular meeting of the Finance and Administration Committee was called to order this date in the Airport Skyroom, 2627 N. Hollywood Way, Burbank, California, at 11:52 a.m., by Commissioner Gharpetian.

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 Gharpetian, Selvidge and Adams

**Absent:** None

**Also Present:** Staff: John Hatanaka, Senior Deputy Executive Director

**1. Approval of Agenda** Agenda was approved as presented.

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

**3. Approval of Minutes**

**a. July 15, 2019** Draft minutes for the July 15, 2019, Finance and Administration Committee meeting were presented for approval.

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

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

**4. Contracts and Leases**

<b>a. Replacement Passenger Terminal Project Consultant Agreements for Financial Feasibility and Advisory Services, Technical Support, Airline Coordination Services and Outreach/Support Services</b>	To continue the advancement of the Replacement Passenger Terminal ("RPT") project, Staff presented to the Committee for recommendation to the Commission an award of a new Professional Services Agreement for approval of second-year funding with four consultants: Ricondo & Associates, Public Resources Advisory Group, Moroney & Associates, Airport & Aviation
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Professionals Inc., and a new professional services agreement for Woodward & Associates.

**MOTION**

Commissioner Adams moved approval; seconded by Commissioner Selvidge.

**MOTION APPROVED**

The motion was voted unanimously (3–0) for approval.

**5. Items for Information**

**a. Information Update:  
FY 2020 Authority Insurance  
Policy Renewal**

Staff informed the Committee that the representatives of Willis Towers Watson, the Authority's insurance broker, were unable to participate due to the unanticipated lateness of the start time for the Committee meeting. Staff reviewed with the Committee the renewal premiums and coverage limits of the Authority's various insurance policies for FY 2019/2020.

**b. Committee Pending Items**

Staff informed the Committee of future pending items that will come to the Committee for review.

**6. Other Contracts and Leases**

There were no other contracts and leases to be discussed.

**7. Adjournment**

There being no further business to discuss, the meeting was adjourned at 12:15 p.m.



October 7, 2019

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

Dear Commissioners:

The attached report, covering the month of June 2019, 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 come]

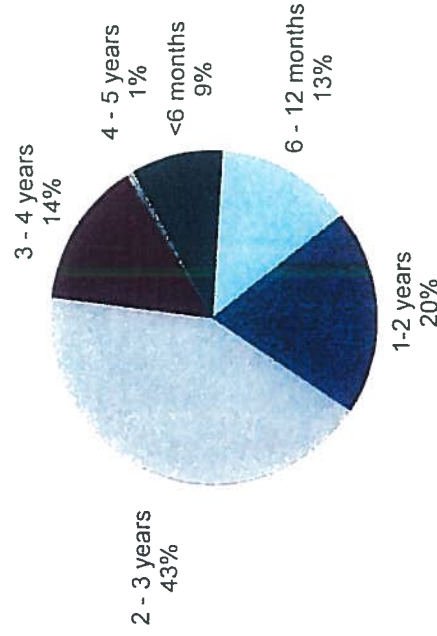
Vartan Gharpetian  
Treasurer

Attachments

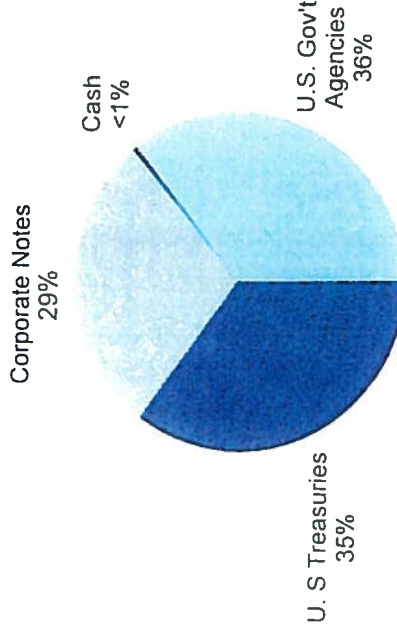
# Operating Portfolio Investment Guidelines Conformance as of June 30, 2019

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	2.77 Years	70%	36%
Corporate Notes	5 Years	4.46 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	3.25 Years	No Limit	35%

## Maturity Distribution



## Sector Allocation

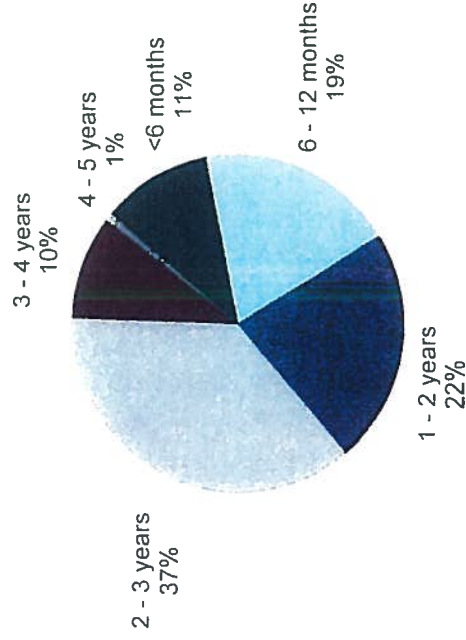




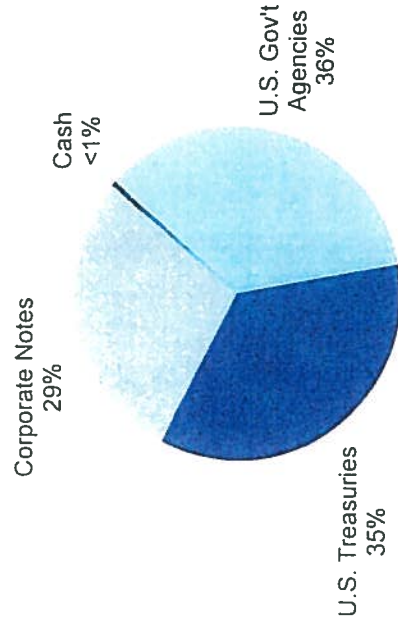
# PFC Portfolio Investment Guidelines Conformance as of June 30, 2019

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	2.77 Years	70%	36%
Corporate Notes	5 Years	4.46 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	3.25 Years	No Limit	35%

## Maturity Distribution



## Sector Allocation



**Burbank-Glendale-Pasadena Airport Authority - Operating Account**

**Statement of Investments**

As of 06/30/19

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff. Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
06/30/19	Columbia Treasury Reserves	097101307	0.000	06/30/19	06/30/19	\$ 237,359	\$ 237,359	\$ 237,359	\$ -	0.00%	0	0.11%
03/22/18	FFCB	3133EHZK2	2.490	09/25/20	07/25/19	5,000,000	5,002,955	4,995,955	(7,000)	2.52%	25	2.25%
04/24/18	US Bank NA	90331HNO2	3.085	04/26/21	07/26/19	1,175,000	1,175,000	1,176,641	1,641	2.62%	26	0.53%
11/01/16	Treasury Note	912828WW6	1.625	07/31/19	07/31/19	4,000,000	4,034,688	3,998,125	(36,563)	2.13%	31	1.80%
07/03/18	QualComm Inc	747525AL7	3.194	05/20/20	08/20/19	500,000	502,525	501,663	(862)	2.57%	51	0.23%
04/24/18	Wells Fargo & Company	949746RT0	3.955	03/04/21	09/04/19	1,000,000	1,026,435	1,015,529	(10,906)	2.78%	66	0.46%
03/17/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	4,500,000	4,545,910	4,495,374	(50,536)	2.24%	74	2.03%
04/28/16	American Express Credit Corp	0258M0DY2	3.828	09/14/20	09/14/19	1,000,000	1,007,630	1,009,817	2,187	2.62%	76	0.46%
11/20/17	FHLB	3130A9EP2	1.000	09/26/19	09/26/19	3,000,000	2,956,556	2,991,432	34,876	2.17%	88	1.35%
10/30/16	Honeywell International Inc	438516BJ4	1.400	10/30/19	10/30/19	765,000	761,970	762,687	717	2.29%	122	0.34%
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	4,175,000	4,236,706	4,166,520	(70,186)	2.10%	123	1.88%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	1,325,000	1,348,771	1,323,189	(25,582)	2.30%	124	0.60%
01/19/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	4,250,000	4,326,504	4,239,873	(86,631)	2.10%	184	1.91%
11/01/17	Treasury Note	912828UF5	1.125	12/31/19	12/31/19	4,000,000	3,946,797	3,980,625	33,828	2.09%	184	1.79%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	01/15/20	1,000,000	1,006,693	998,136	(8,557)	2.44%	199	0.45%
04/21/16	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	1,300,000	1,445,831	1,314,550	(131,281)	2.43%	199	0.59%
04/28/17	FNMA	3135G0A78	1.625	01/21/20	01/21/20	4,725,000	4,743,801	4,712,091	(31,710)	2.11%	205	2.12%
07/16/18	Treasury Note	912828W63	1.625	03/15/20	03/15/20	3,000,000	2,953,594	2,991,328	37,734	2.03%	259	1.35%
07/25/18	FHLMC Reference Notes	3137EADR7	1.375	05/01/20	05/01/20	6,375,000	6,306,222	6,337,623	31,401	2.08%	306	2.86%
05/11/17	Intel Corp	458140AZ3	1.850	05/11/20	05/11/20	1,000,000	999,620	996,534	(3,086)	2.25%	316	0.45%
06/24/19	Prudential Financial Inc	74432QB66	5.375	06/21/20	06/21/20	870,000	896,109	895,857	(252)	2.29%	357	0.40%
01/16/19	Commonwealth Edison Company	202795HV5	4.000	08/01/20	08/01/20	680,000	688,833	689,702	869	2.66%	398	0.31%
06/24/19	Manufacturers & Traders Trust Co	55279HAN0	2.050	08/17/20	08/17/20	1,000,000	998,870	997,928	(942)	2.23%	414	0.45%
05/04/17	State Street Corporation	857477AS2	2.550	08/18/20	08/18/20	1,200,000	1,223,507	1,205,246	(18,261)	2.16%	415	0.54%
06/13/18	FHLB	3130ACE26	1.375	09/28/20	09/28/20	3,250,000	3,160,134	3,231,046	70,912	1.92%	456	1.46%
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	900,000	984,933	920,274	(64,659)	2.19%	490	0.41%
02/21/17	Ace InA Holdings Inc	00440EAT4	2.300	11/03/20	11/03/20	1,000,000	1,000,960	1,000,496	(464)	2.26%	492	0.45%
04/02/18	Coca-Cola Company (The)	191218AR1	3.150	11/15/20	11/15/20	1,300,000	1,315,548	1,318,006	2,458	2.13%	504	0.59%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	11/15/20	1,080,000	1,135,784	1,087,672	(48,112)	2.67%	504	0.49%
11/01/17	Treasury Note	912828PC8	2.625	11/15/20	11/15/20	8,000,000	8,211,250	8,082,500	(128,750)	1.86%	504	3.64%
06/25/18	Chevron Corp	166764AY6	2.419	11/17/20	11/17/20	1,050,000	1,039,037	1,054,872	15,835	2.08%	506	0.48%
01/12/18	FHLMC Reference Bond	3137EAEK1	1.875	11/17/20	11/17/20	4,000,000	3,968,800	3,998,348	29,548	1.90%	506	1.80%
03/06/18	Exxon Mobil Corp	30231GAV4	2.222	03/01/21	03/01/21	1,050,000	1,035,930	1,052,856	16,926	2.06%	610	0.47%
11/10/17	Praxair Inc	74005PAY0	4.050	03/15/21	03/15/21	404,000	429,143	416,820	(12,323)	2.15%	624	0.19%
01/25/18	Bank of New York Mellon Corp	06406FAA1	2.500	04/15/21	04/15/21	1,225,000	1,216,443	1,231,726	15,283	2.19%	655	0.56%
12/05/16	PNC Bank NA	6935REW4	2.150	04/29/21	04/29/21	1,200,000	1,185,804	1,197,852	12,048	2.25%	669	0.54%
06/13/18	FNMA	3135G0K69	1.250	05/06/21	05/06/21	3,000,000	2,883,300	2,970,537	87,237	1.79%	676	1.34%
12/21/18	General Dynamics Corporation	369550BE7	3.000	05/11/21	05/11/21	1,000,000	1,000,520	1,015,965	15,445	2.12%	681	0.46%

**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Statement of Investments**  
**As of 06/30/19**

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
03/01/18	Fifth Third Bank	31677QBG3	2.250	06/14/21	06/14/21	1,000,000	977,850	999,290	21,440	2.29%	715	0.45%
06/20/18	Walmart Inc	931142EJ8	3.125	06/23/21	06/23/21	1,300,000	1,299,935	1,328,226	28,291	2.00%	724	0.60%
05/31/18	Treasury Note	912828WV7	2.125	06/30/21	06/30/21	12,500,000	12,338,867	12,590,820	251,953	1.75%	731	5.67%
10/05/17	Florida Power Corporation	341099CP2	3.100	08/15/21	08/15/21	705,000	728,709	715,623	(13,086)	2.37%	777	0.32%
05/31/19	FNMA Benchmark Note	3135G0N82	1.250	08/17/21	08/17/21	300,000	295,398	296,525	1,127	1.80%	779	0.13%
08/07/18	3M Company	88579YAU5	1.625	09/19/21	09/19/21	1,000,000	960,330	989,579	29,249	2.11%	812	0.45%
08/31/18	Treasury Note	912828T34	1.125	09/30/21	09/30/21	2,300,000	2,200,367	2,269,633	69,266	1.72%	823	1.02%
12/23/16	Federal Home Loan Banks	3130AABG2	1.875	11/29/21	11/29/21	15,000,000	14,742,129	15,030,045	287,916	1.79%	883	6.77%
01/23/17	Pfizer Inc	717081DZ3	2.200	12/15/21	12/15/21	1,500,000	1,498,845	1,504,512	5,667	2.07%	899	0.68%
04/15/19	FNMA Benchmark Note	3135G0S38	2.000	01/05/22	01/05/22	3,800,000	3,812,172	3,816,952	4,780	1.82%	920	1.72%
06/23/17	FHLMC	3137EADB2	2.375	01/13/22	01/13/22	8,125,000	8,173,493	8,241,594	68,101	1.79%	928	3.71%
01/23/17	Comcast Corporation	20030NBV2	1.625	01/15/22	01/15/22	1,500,000	1,437,900	1,481,958	44,058	2.11%	930	0.67%
06/25/19	Target Corporation	87612EAZ9	2.900	01/15/22	01/15/22	1,000,000	1,022,040	1,022,023	(17)	2.01%	930	0.46%
08/15/18	Berkshire Hathaway Finance Corp	084670BF4	3.400	01/31/22	01/31/22	1,500,000	1,521,795	1,551,334	29,539	2.03%	946	0.70%
02/03/17	Treasury Note	912828H86	1.500	01/31/22	01/31/22	2,450,000	2,386,645	2,436,219	49,574	1.72%	946	1.10%
08/06/18	PacificCorp	695114CP1	2.950	02/01/22	02/01/22	1,000,000	991,823	1,018,400	26,577	2.22%	947	0.46%
11/05/18	Microsoft Corporation	594918BA1	2.375	02/12/22	02/12/22	1,225,000	1,199,000	1,237,801	38,801	1.96%	958	0.56%
02/21/17	Walt Disney Co	25468PCT1	2.550	02/15/22	02/15/22	1,200,000	1,207,588	1,212,173	4,585	2.15%	961	0.55%
05/15/18	Boeing Co	097023BT1	2.125	03/01/22	03/01/22	1,000,000	963,020	996,929	33,909	2.24%	975	0.45%
09/28/17	FHLB	313378CR0	2.250	03/11/22	03/11/22	4,000,000	4,059,140	4,043,740	(15,400)	1.83%	985	1.82%
04/09/19	Medtronic Inc	585055BR6	3.150	03/15/22	03/15/22	1,250,000	1,267,863	1,285,080	17,217	2.08%	989	0.58%
04/17/17	BB&T Corp	05531FAX1	2.750	04/01/22	04/01/22	1,000,000	1,009,060	1,012,232	3,172	2.29%	1006	0.46%
05/18/17	Federal National Mortgage Association	3135G0T45	1.875	04/05/22	04/05/22	8,300,000	8,166,654	8,314,160	147,506	1.81%	1010	3.75%
01/31/19	Treasury Note	912828X47	1.875	04/30/22	04/30/22	1,000,000	1,010,629	1,017,053	6,424	2.02%	1067	0.46%
05/06/19	Apple Inc	037833CQ1	2.300	05/11/22	05/11/22	1,250,000	1,243,941	1,259,294	15,353	2.14%	1072	0.57%
01/15/19	Oracle Corporation	68389XAR6	2.500	05/15/22	05/15/22	1,200,000	1,210,416	1,233,287	22,871	2.03%	1081	0.56%
10/03/17	Home Depot Inc	437076BG6	2.625	06/01/22	06/01/22	9,850,000	9,706,887	9,931,570	224,683	1.72%	1127	4.48%
09/25/17	Caterpillar Financial Services	14913QAA7	2.400	06/06/22	06/06/22	1,250,000	1,243,941	1,259,294	15,353	2.14%	1072	0.57%
02/15/19	Cisco Systems Inc	17275RAV4	3.000	06/15/22	06/15/22	1,200,000	1,177,524	1,212,088	34,564	2.14%	1050	0.55%
08/01/17	Treasury Note	912828X08	2.000	07/31/22	07/31/22	1,000,000	1,005,490	1,023,876	18,386	2.27%	1159	0.48%
02/15/19	Burlington Northern Santa Fe LLC	12189LAL5	3.050	09/01/22	09/01/22	1,000,000	1,005,490	1,023,876	18,386	2.27%	1159	0.48%
01/09/19	John Deere Capital Corp	24422ETV1	2.150	09/08/22	09/08/22	1,250,000	1,200,988	1,249,906	48,918	2.15%	1166	0.56%
05/18/18	Merck & Co Inc	589331AT4	2.400	09/15/22	09/15/22	1,500,000	1,448,385	1,515,516	67,131	2.07%	1173	0.68%
09/25/17	National Rural Utilities Coop	63743HEQ1	2.300	09/15/22	09/15/22	1,000,000	995,980	1,002,277	6,297	2.23%	1173	0.45%
10/03/17	Treasury Note	912828W9	1.875	09/30/22	09/30/22	9,125,000	9,098,666	9,169,912	71,246	1.72%	1188	4.13%
07/25/18	Bank of America Corp	06051GEU9	3.300	01/11/23	01/11/23	1,625,000	1,603,684	1,674,956	71,272	2.39%	1291	0.75%
03/20/19	JP Morgan Chase & CO	46625HJH4	3.200	01/25/23	01/25/23	1,825,000	1,843,111	1,873,445	30,334	2.42%	1305	0.84%
02/14/19	IBM Corp	459200HT1	3.000	02/06/23	02/06/23	1,125,000	1,119,397	1,150,301	30,904	2.35%	1317	0.52%

Burbank-Glendale-Pasadena Airport Authority - Operating Account												
Statement of Investments												
As of 06/30/19												
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
03/18/19	Unitedhealth Group Inc	91324PBZ4	2.750	02/15/23	02/15/23	1,000,000	995,659	1,013,529	17,870	2.36%	1326	0.46%
06/06/19	Public Service Electric And Gas	74456QBC9	2.375	05/15/23	05/15/23	1,125,000	1,125,877	1,129,068	3,191	2.28%	1415	0.51%
02/04/19	Simon Property Group LP	82880DD6	2.750	06/01/23	06/01/23	1,150,000	1,131,353	1,165,569	34,216	2.39%	1432	0.53%
03/20/19	Citibank NA	17325FAS7	3.650	01/23/24	01/23/24	1,500,000	1,536,584	1,577,963	41,379	2.44%	1668	0.71%
	Subtotal					\$205,941,359	\$205,197,931	\$206,979,275	\$ 1,781,344	1.99%	711	93.27%
	Local Agency Investment Fund (LAIF)					14,929,064	14,929,064	14,931,258	2,194	2.43%	173	6.73%
	Subtotal					\$220,870,423	\$220,126,995	\$221,910,533	\$ 1,783,538	2.02%	675	100.00%
	Operating Bank Balance						8,794,887					
	TOTAL						\$228,921,882					

**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Statement of Purchases - Maturities - Sales**  
**As of 06/30/19**

**PURCHASES**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Prepaid Interest
06/06/19	Public Service Electric And Gas	74456QBC9	2.375	05/15/23	1,125,000.00	100.07800	\$ 1,125,877.50	\$ (1,855.47)
06/20/19	FNMA Benchmark Note	3135G0S38	2.000	01/05/22	3,050,000.00	100.64300	3,069,611.50	(28,127.78)
06/24/19	Manufacturers & Traders Trust Co	55279HAN0	2.050	08/17/20	1,000,000.00	99.88700	998,870.00	(7,345.83)
06/24/19	Prudential Financial Inc	74432QBM6	5.375	06/21/20	870,000.00	103.00100	896,108.70	(649.48)
06/26/19	Target Corporation	87612EAZ9	2.900	01/15/22	1,000,000.00	102.20400	1,022,040.00	(13,130.56)
						-	-	-
						-	-	-
						-	-	-
						-	-	-
						-	-	-
<b>TOTAL PURCHASES</b>					<b>\$ 7,045,000.00</b>	<b>\$ 7,112,507.70</b>	<b>\$ (51,109.12)</b>	

**MATURITIES**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Gain / (Loss)
09/12/14	Public Service Electric And Gas	74456QBG0	1.800	06/01/19	\$ 1,129,000.00	99.41603	\$ 1,122,406.94	\$ 6,593.06
07/20/18	FNMA	3135G0AZE6	1.750	06/20/19	3,000,000.00	99.50800	2,985,240.00	14,760.00
12/08/14	Target Corporation	87612EBB1	2.300	06/26/19	1,005,000.00	102.20332	1,027,143.35	(22,143.35)
						-	-	-
						-	-	-
						-	-	-
<b>TOTAL MATURITIES</b>					<b>\$ 5,134,000.00</b>	<b>\$ 5,134,790.29</b>	<b>\$ (790.29)</b>	

**SALES / REDEMPTIONS**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Sale Date	Par Value	Sale Price	Purchase Cost	Gain / (Loss)
12/19/17	Metlife Inc	59156RAX6	4.750	02/08/21	06/24/19	\$ 999,000.00	104.26300	\$ 1,041,587.37	\$ 1,049,971.16 \$ (8,383.79)
							-	-	-
							-	-	-
							-	-	-
<b>TOTAL SALES</b>						<b>\$ 999,000.00</b>	<b>\$ 1,041,587.37</b>	<b>\$ 1,049,971.16</b>	<b>\$ (8,383.79)</b>

**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Earnings Report**  
**06/01/19-06/30/19**

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
<b>FIXED INCOME</b>									
Public Service Electric And Gas	1.800	06/01/19	10,161.00	10,161.00	-	-	-	-	-
FNMA	1.750	06/20/19	23,479.17	26,250.00	-	-	2,770.83	-	2,770.83
Target Corporation	2.300	06/26/19	9,952.30	11,557.50	-	-	1,605.20	-	1,605.20
Mellife Inc	4.750	02/08/21	14,894.81	17,926.50	-	-	3,031.69	-	3,031.69
Treasury Note	1.625	07/31/19	21,726.52	-	-	27,113.26	5,386.74	(481.42)	4,905.32
FNMA Bench	1.750	09/12/19	17,281.26	-	-	23,843.75	6,562.49	(913.81)	5,648.68
FHLB	1.000	09/26/19	5,416.67	-	-	7,916.66	2,499.99	2,179.98	4,679.97
Honeywell International Inc	1.400	10/30/19	922.25	-	-	1,814.74	892.49	499.54	1,392.03
Treasury Note	1.500	10/31/19	5,445.65	-	-	10,550.95	5,105.30	(1,271.32)	3,833.98
Procter & Gamble Company	1.900	11/01/19	2,097.92	-	-	4,195.83	2,097.91	(663.98)	1,433.93
Treasury Note	1.625	12/31/19	28,998.62	34,531.25	-	187.68	5,720.31	(1,778.03)	3,942.28
Treasury Note	1.125	12/31/19	18,895.03	22,500.00	-	122.28	3,727.25	2,468.39	6,195.64
Arizona Public Service Company	2.200	01/15/20	8,311.11	-	-	10,144.45	1,833.34	(144.29)	1,689.05
Pepsico Inc	4.500	01/15/20	22,100.00	-	-	26,975.00	4,875.00	(3,292.49)	1,582.51
FNMA	1.625	01/21/20	27,726.56	-	-	34,125.00	6,398.44	(573.78)	5,824.66
Treasury Note	1.625	03/15/20	10,332.88	-	-	14,307.07	3,974.19	2,293.55	6,267.74
FHLMC Reference Notes	1.375	05/01/20	7,304.69	-	-	14,609.38	7,304.69	5,014.06	12,318.75
Intel Corp	1.850	05/11/20	1,027.78	-	-	2,569.44	1,541.66	10.56	1,552.22
QualComm Inc	3.194	05/20/20	511.61	-	-	1,790.62	1,279.01	(110.75)	1,168.26
Prudential Financial Inc	5.375	06/21/20	-	-	649.48	1,298.96	649.48	(367.73)	281.75
Commonwealth Edison Company	4.000	08/01/20	9,066.67	-	-	11,333.33	2,266.66	(572.34)	1,694.32
Manufacturers & Traders Trust Co	2.050	08/17/20	-	-	7,345.83	7,630.56	284.73	14.83	299.56
State Street Corporation	2.550	08/18/20	8,755.00	-	-	11,305.00	2,550.00	(583.08)	1,966.92
American Express Credit Corp	3.828	09/14/20	7,994.91	9,310.53	-	1,642.33	2,957.95	(160.40)	2,797.55
FFCB	2.490	09/25/20	2,362.26	10,461.42	-	2,003.65	10,102.81	(96.68)	10,006.13
FHLB	1.375	09/28/20	7,820.31	-	-	11,544.27	3,723.96	3,304.07	7,028.03
Travelers Cos Inc	3.900	11/01/20	2,925.00	-	-	5,850.00	2,925.00	(1,581.68)	1,343.32
Ace InA Holdings Inc	2.300	11/03/20	1,788.89	-	-	3,705.56	1,916.67	(22.12)	1,894.55
Coca-Cola Company (The)	3.150	11/15/20	1,820.00	-	-	5,232.50	3,412.50	(495.70)	2,916.80
Public Service Company of Colorado	3.200	11/15/20	1,535.99	-	-	4,416.00	2,880.01	(1,126.97)	1,753.04
Treasury Note	2.625	11/15/20	9,701.09	-	-	26,820.65	17,119.56	(5,709.46)	11,410.10
Chevron Corp	2.419	11/17/20	987.76	-	-	3,104.38	2,116.62	405.08	2,521.70
FHLMC Reference Bond	1.875	11/17/20	2,916.67	-	-	9,166.67	6,250.00	916.75	7,166.75
Exxon Mobil Corp	2.222	03/01/21	5,832.76	-	-	7,777.00	1,944.24	448.48	2,392.72
Wells Fargo & Company	3.955	03/04/21	9,499.51	10,107.55	-	2,881.88	3,489.92	(760.35)	2,729.57
Praxair Inc	4.050	03/15/21	3,454.20	-	-	4,817.70	1,363.50	(625.71)	737.79
Bank of New York Mellon Corp	2.500	04/15/21	3,913.19	-	-	6,465.28	2,552.09	269.72	2,821.81



**Burbank-Glendale-Pasadena Airport Authority - Operating Account**  
**Earnings Report**  
**06/01/19-06/30/19**

Type of Investment	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrft For Period	Adjusted Total Int. Earned
US Bank NA	NOTE	04/26/21	3,415.00	-	-	6,260.83	2,845.83	-	2,845.83
PNC Bank NA	NOTE	04/29/21	2,293.33	-	-	4,443.33	2,150.00	273.88	2,423.88
FNMA	NOTE	05/06/21	2,604.17	-	-	5,729.17	3,125.00	3,359.88	6,484.88
General Dynamics Corporation	NOTE	05/11/21	1,666.67	-	-	4,166.67	2,500.00	(18.24)	2,481.76
Fifth Third Bank	NOTE	06/14/21	10,437.50	11,250.00	-	1,062.50	1,875.00	578.33	2,453.33
Walmart Inc	NOTE	06/23/21	17,829.86	20,312.50	-	902.78	3,385.42	1.81	3,387.23
Treasury Note	NOTE	06/30/21	111,533.15	132,812.50	-	721.81	22,001.16	4,296.87	26,298.03
Florida Power Corporation	NOTE	08/15/21	6,435.08	-	-	8,256.34	1,821.26	(547.13)	1,274.13
FNMA Benchmark Note	NOTE	08/17/21	1,083.33	-	-	1,395.83	312.50	162.29	474.79
3M Company	NOTE	09/19/21	3,250.00	-	-	4,604.17	1,354.17	1,091.84	2,446.01
Treasury Note	NOTE	09/30/21	4,383.20	-	-	6,504.10	2,120.90	2,709.76	4,830.66
Federal Home Loan Banks	NOTE	11/29/21	1,562.51	-	-	25,000.01	23,437.50	5,398.51	28,836.01
Pfizer Inc	NOTE	12/15/21	15,216.67	16,500.00	-	1,466.67	2,750.00	19.66	2,769.66
FNMA Benchmark Note	NOTE	01/05/22	6,083.33	-	28,127.78	37,155.55	2,944.44	13.42	2,957.86
FHLMC	NOTE	01/13/22	74,095.73	-	-	90,087.62	15,991.89	(404.65)	15,587.24
Comcast Corporation	NOTE	01/15/22	9,208.33	-	-	11,239.58	2,031.25	1,057.32	3,088.57
Target Corporation	NOTE	01/15/22	-	-	13,130.56	13,372.22	241.66	(72.10)	169.56
Berkshire Hathaway Finance Corp	NOTE	01/31/22	17,141.67	-	-	21,391.67	4,250.00	(526.03)	3,723.97
Treasury Note	NOTE	01/31/22	12,283.84	-	-	15,329.42	3,045.58	1,177.42	4,223.00
PacificCorp	NOTE	02/01/22	9,833.33	-	-	12,291.67	2,458.34	211.04	2,669.38
Microsoft Corporation	NOTE	02/12/22	8,808.94	-	-	11,233.41	2,424.47	689.33	3,113.80
Walt Disney Co	NOTE	02/15/22	9,010.00	-	-	11,560.00	2,550.00	(126.89)	2,423.11
Boeing Co	NOTE	03/01/22	5,312.50	-	-	7,083.33	1,770.83	831.63	2,602.46
FHLB	NOTE	03/11/22	20,000.00	-	-	27,500.00	7,500.00	(1,107.37)	6,392.63
Medtronic Inc	NOTE	03/15/22	8,312.50	-	-	11,593.75	3,281.25	(508.42)	2,772.83
BB&T Corp	NOTE	04/01/22	4,583.33	-	-	6,875.00	2,291.67	(154.08)	2,137.59
Federal National Mortgage Association	NOTE	04/05/22	24,208.33	-	-	37,177.08	12,968.75	3,245.57	16,214.32
Treasury Note	NOTE	04/30/22	15,448.37	-	-	29,931.22	14,482.85	4,446.84	18,929.69
Apple Inc	NOTE	05/11/22	1,597.22	-	-	3,993.06	2,395.84	249.29	2,645.13
Oracle Corporation	NOTE	05/15/22	1,333.33	-	-	3,833.33	2,500.00	592.51	3,092.51
Home Depot Inc	NOTE	06/01/22	13,125.00	13,125.00	-	2,187.51	2,187.51	(189.15)	1,998.36
Caterpillar Financial Services	NOTE	06/06/22	14,583.34	15,000.00	-	2,083.34	2,500.00	167.30	2,667.30
Cisco Systems Inc	NOTE	06/15/22	16,600.00	18,000.00	-	1,600.00	3,000.00	(261.49)	2,738.51
Treasury Note	NOTE	07/31/22	65,848.07	-	-	82,174.03	16,325.96	3,351.80	19,677.76
Burlington Northern Santa Fe LLC	NOTE	09/01/22	7,625.00	-	-	10,166.67	2,541.67	(139.46)	2,402.21
John Deere Capital Corp	NOTE	09/08/22	6,196.18	-	-	8,435.76	2,239.58	1,116.45	3,356.03
Merck & Co Inc	NOTE	09/15/22	7,600.00	-	-	10,600.00	3,000.00	1,127.78	4,127.78
National Rural Utilities Coop	NOTE	09/15/22	4,855.56	-	-	6,772.22	1,916.66	68.52	1,985.18

Burbank-Glendale-Pasadena Airport Authority - Operating Account  
Earnings Report  
06/01/19-06/30/19

Type of Investment	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accr For Period	Adjusted Total Int. Earned
Treasury Note	NOTE	09/30/22	28,983.10	-	-	43,007.17	14,024.07	449.13	14,473.20
Bank of America Corp	NOTE	01/11/23	20,854.16	-	-	25,322.91	4,468.75	418.48	4,887.23
JP Morgan Chase & CO	NOTE	01/25/23	20,440.00	-	-	25,306.67	4,866.67	(393.60)	4,473.07
IBM Corp	NOTE	02/06/23	10,781.25	-	-	13,593.75	2,812.50	117.78	2,930.28
Unitedhealth Group Inc	NOTE	02/15/23	8,097.22	-	-	10,388.89	2,291.67	99.01	2,390.68
Public Service Electric And Gas	NOTE	05/15/23	-	-	1,855.47	3,414.06	1,558.59	(13.91)	1,544.68
Simon Property Group LP	NOTE	06/01/23	15,812.50	15,812.50	-	2,635.42	2,635.42	384.80	3,020.22
Citibank NA	NOTE	01/23/24	19,466.67	-	-	24,029.17	4,562.50	(644.49)	3,918.01
Subtotal			\$ 986,799.31	\$ 395,618.25	\$ 51,109.12	\$ 1,001,141.52	\$ 358,851.34	\$ 29,094.16	\$ 387,945.50
CASH EQUIVALENTS									
Cash Interest (MISC)			-	2,633.10	-	-	2,633.10	-	2,633.10
Subtotal			\$ -	\$ 2,633.10	\$ -	\$ -	\$ 2,633.10	\$ -	\$ 2,633.10
LAIF									
Local Agency Investment Fund			60,959.98	-	-	95,398.00	34,438.02	-	34,438.02
TOTAL			\$ 1,047,759.29	\$ 398,251.35	\$ 51,109.12	\$ 1,096,539.52	\$ 395,922.46	\$ 29,094.16	\$ 425,016.62



**Burbank-Glendale-Pasadena Airport Authority - PFC Account**  
**Statement of Investments**  
**As of 06/30/19**

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
06/30/19	Columbia Treasury Reserves	097101307	0.000	06/30/19	06/30/19	\$ 183,999	\$ 183,999	\$ 183,999	\$ -	0.00%	0	0.45%
03/22/18	FFCB	3133EHZK2	2.315	09/25/20	07/25/19	350,000	350,207	349,717	(490)	2.52%	25	0.85%
07/29/16	Treasury Note	912828WW6	1.625	07/31/19	07/31/19	800,000	817,703	799,825	(18,078)	2.13%	31	1.95%
07/03/18	Qualcomm Inc	747525AL7	3.195	05/20/20	08/20/19	90,000	90,455	90,299	(156)	2.57%	51	0.22%
04/24/18	Wells Fargo & Company	949746RT0	4.076	03/04/21	09/04/19	225,000	230,948	228,494	(2,454)	2.78%	66	0.56%
01/28/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	990,000	1,004,663	988,982	(15,681)	2.24%	74	2.41%
06/23/17	FHLB	3130A9EP2	1.000	09/26/19	09/26/19	1,000,000	990,820	997,144	6,324	2.17%	88	2.43%
10/30/16	Honeywell International Inc	438516BJ4	1.400	10/30/19	10/30/19	150,000	149,882	149,547	(335)	2.29%	122	0.36%
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	935,000	940,998	933,101	(7,897)	2.10%	123	2.27%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	175,000	178,140	174,761	(3,379)	2.30%	124	0.43%
01/11/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	960,000	975,537	957,713	(17,824)	2.10%	184	2.33%
09/26/16	Treasury Note	912828UF5	1.125	12/31/19	12/31/19	700,000	697,922	696,609	(1,313)	2.09%	184	1.70%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	01/15/20	185,000	184,919	184,655	(264)	2.44%	199	0.45%
12/14/15	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	225,000	241,021	227,518	(13,503)	2.43%	199	0.55%
04/05/17	FNMA	3135G0A78	1.625	01/21/20	01/21/20	1,100,000	1,103,600	1,096,995	(6,605)	2.11%	205	2.67%
09/02/16	National Rural Utilities Coop	637432NC5	2.000	01/27/20	01/27/20	185,000	186,380	184,645	(1,735)	2.33%	211	0.45%
09/02/16	PNC Funding Corp	693476BJ1	5.125	02/08/20	02/08/20	215,000	233,876	218,495	(15,381)	2.42%	223	0.53%
05/18/17	FHLB	313378J77	1.875	03/13/20	03/13/20	1,650,000	1,651,489	1,647,014	(4,475)	2.13%	257	4.01%
05/30/17	Treasury Note	912828W63	1.625	03/15/20	03/15/20	550,000	552,156	548,410	(3,746)	2.03%	259	1.33%
10/25/16	FHLMC Reference Notes	3137EADR7	1.375	05/01/20	05/01/20	1,350,000	1,339,018	1,342,085	3,067	2.24%	306	3.27%
05/11/17	Intel Corp	458140AZ3	1.850	05/11/20	05/11/20	200,000	199,290	199,307	17	2.25%	316	0.49%
09/25/15	American Express Credit Corp	0258M0DT3	2.375	05/26/20	05/26/20	200,000	201,296	200,099	(1,197)	2.32%	331	0.49%
06/24/19	Prudential Financial Inc.	74432QMB6	5.375	06/21/20	06/21/20	175,000	180,252	180,201	(51)	2.29%	357	0.44%
01/16/19	Commonwealth Edison Company	202795HV5	4.000	08/01/20	08/01/20	135,000	136,754	136,926	172	2.66%	398	0.33%
10/02/17	Manufacturers & Traders Trust Co	55279HAN0	2.050	08/17/20	08/17/20	250,000	250,163	249,482	(681)	2.23%	414	0.61%
05/04/17	State Street Corporation	524144AS2	2.550	08/18/20	08/18/20	225,000	228,158	225,984	(2,174)	2.16%	415	0.55%
09/29/17	FHLB	3130ACE26	1.375	09/28/20	09/28/20	1,000,000	991,915	994,168	2,253	1.92%	456	2.42%
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	200,000	210,963	204,505	(6,458)	2.19%	490	0.50%
02/21/17	Ace InA Holdings Inc	00440EAT4	2.300	11/03/20	11/03/20	200,000	199,218	200,099	881	2.26%	492	0.49%
04/02/18	Coca-Cola (The)	191216AR1	3.150	11/15/20	11/15/20	200,000	202,392	202,770	378	2.13%	504	0.49%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	11/15/20	215,000	221,382	216,527	(4,855)	2.67%	504	0.53%
10/27/17	Treasury Note	912828PC8	2.625	11/15/20	11/15/20	1,525,000	1,564,256	1,540,727	(23,529)	1.80%	504	3.75%
06/25/18	Chevron Corp	166764AE0	2.419	11/17/20	11/17/20	200,000	198,010	200,928	2,918	2.08%	506	0.49%
03/01/18	FHLMC Reference Bond	3137EAEK1	1.875	11/17/20	11/17/20	1,350,000	1,330,451	1,349,442	18,991	1.90%	506	3.28%
03/06/18	Exxon Mobil Corp	30231GAV4	2.222	03/01/21	03/01/21	200,000	197,105	200,544	3,439	2.06%	610	0.49%
11/10/17	Praxair	74005PAY0	4.050	03/15/21	03/15/21	131,000	136,341	135,157	(1,184)	2.15%	624	0.33%
01/25/18	Bank of New York Mellon Corp	06406FAA1	2.500	04/15/21	04/15/21	225,000	223,629	226,235	2,606	2.19%	655	0.55%

**Burbank-Glendale-Pasadena Airport Authority - PFC Account**  
**Statement of Investments**  
**As of 06/30/19**

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
01/24/18	Treasury Note	912828Q78	1.375	04/30/21	04/30/21	1,200,000	1,163,789	1,191,234	27,445	1.78%	670	2.90%
05/31/18	FNMA	3135GOK69	1.250	05/06/21	05/06/21	925,000	891,013	915,916	24,903	1.79%	676	2.23%
05/08/18	General Dynamics Corporation	369550BE7	3.000	05/11/21	05/11/21	200,000	199,133	203,193	4,060	2.12%	681	0.49%
06/20/18	WalMart Inc	931142EJ8	3.125	06/23/21	06/23/21	250,000	250,252	255,428	5,176	2.00%	724	0.62%
03/01/18	Fifth Third Bank	31677QBG3	2.250	06/14/21	06/14/21	200,000	195,570	199,858	4,288	2.29%	715	0.49%
12/23/16	Treasury Note	912828WR7	2.125	06/30/21	06/30/21	1,500,000	1,488,668	1,510,898	22,230	1.75%	731	3.68%
10/02/17	Florida Power Corporation	341099CP2	3.100	08/15/21	08/15/21	150,000	155,102	152,260	(2,842)	2.37%	777	0.37%
05/31/19	FNMA Benchmark Note	3135GON82	1.250	08/17/21	08/17/21	130,000	128,006	128,494	488	1.80%	779	0.31%
08/07/18	3M Company	88579YAU5	1.625	09/19/21	09/19/21	175,000	168,058	173,176	5,118	2.11%	812	0.42%
07/05/18	Treasury Note	912828T34	1.125	09/30/21	09/30/21	1,590,000	1,517,091	1,569,007	51,916	1.72%	823	3.82%
12/23/16	Federal Home Loan Banks	3130AABG2	1.875	11/29/21	11/29/21	1,525,000	1,497,278	1,528,055	30,777	1.79%	883	3.72%
01/23/17	Pfizer Inc	717081DZ3	2.200	12/15/21	12/15/21	275,000	273,514	275,827	2,313	2.07%	899	0.67%
03/27/19	FNMA Benchmark Note	3135GOS38	2.000	01/05/22	01/05/22	750,000	750,443	753,346	2,903	1.82%	920	1.83%
09/25/18	FHLMC	3137EADB2	2.375	01/13/22	01/13/22	1,775,000	1,757,610	1,800,471	42,861	1.79%	928	4.38%
01/23/17	Comcast Corporation	20030NBV2	1.625	01/15/22	01/15/22	300,000	287,753	296,392	8,639	2.11%	930	0.72%
06/26/19	Target Corporation	87612EAZ9	2.900	01/15/22	01/15/22	225,000	229,959	229,955	(4)	2.01%	930	0.56%
08/15/18	Berkshire Hathaway Finance Corp	084670BF4	3.400	01/31/22	01/31/22	275,000	278,996	284,411	5,415	2.03%	946	0.69%
02/03/17	Treasury Note	912828H86	1.500	01/31/22	01/31/22	1,450,000	1,400,944	1,441,844	40,900	1.72%	946	3.51%
08/06/18	PacifiCorp	695114CP1	2.950	02/01/22	02/01/22	200,000	198,490	203,680	5,190	2.22%	947	0.50%
11/05/18	Microsoft Corporation	594918BA1	2.375	02/12/22	02/12/22	250,000	244,310	252,613	8,303	1.96%	958	0.61%
02/21/17	Walt Disney Co	25468PCT1	2.550	02/15/22	02/15/22	250,000	250,047	252,536	2,489	2.15%	961	0.61%
05/15/18	Boeing Co	097023BT1	2.125	03/01/22	03/01/22	200,000	193,118	199,386	6,268	2.24%	975	0.49%
04/16/19	Medtronic Inc	585055BR6	3.150	03/15/22	03/15/22	250,000	253,360	257,016	3,656	2.08%	989	0.63%
05/31/19	US Bancorp	91159HHC7	3.000	03/15/22	03/15/22	240,000	243,586	245,251	1,665	2.16%	989	0.60%
01/11/19	BB&T Corp	05531FAX1	2.750	04/01/22	04/01/22	200,000	197,010	202,446	5,436	2.29%	1006	0.49%
03/01/18	Federal National Mortgage Assoc	3135G0T45	1.875	04/05/22	04/05/22	700,000	681,363	701,194	19,831	1.81%	1010	1.71%
01/31/19	Treasury Note	912828X47	1.875	04/30/22	04/30/22	1,150,000	1,129,205	1,154,672	25,467	1.73%	1035	2.81%
05/31/19	Apple Inc	037833CQ1	2.300	05/11/22	05/11/22	250,000	250,128	251,714	1,586	2.05%	1046	0.61%
01/15/19	Oracle Corporation	68389XBB0	2.500	05/15/22	05/15/22	235,000	230,598	237,367	6,769	2.14%	1050	0.58%
10/03/17	Home Depot Inc	437076BG6	2.625	06/01/22	06/01/22	200,000	201,829	203,411	1,582	2.02%	1067	0.50%
11/08/18	Caterpillar Financial Services	14913QAA7	2.400	06/06/22	06/06/22	250,000	241,618	251,859	10,241	2.14%	1072	0.61%
02/15/19	Cisco Systems Inc	17275RAV4	3.000	06/15/22	06/15/22	240,000	242,083	246,657	4,574	2.03%	1081	0.60%
12/31/18	Treasury Note	912828XQ8	2.000	07/31/22	07/31/22	1,175,000	1,154,343	1,184,730	30,387	1.72%	1127	2.88%
02/15/19	Burlington Northern Santa Fe LLC	12189LAL5	3.050	09/01/22	09/01/22	200,000	201,098	204,775	3,677	2.27%	1159	0.50%
01/09/19	John Deere Capital Corp	24422ETV1	2.150	09/08/22	09/08/22	250,000	240,447	249,981	9,534	2.15%	1166	0.61%
05/18/18	Merck & Co Inc	589331AT4	2.400	09/15/22	09/15/22	250,000	241,397	252,586	11,189	2.07%	1173	0.61%
01/11/19	Treasury Note	912828ZW9	1.875	09/30/22	09/30/22	1,050,000	1,026,661	1,055,168	28,507	1.72%	1188	2.57%

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

**Statement of Investments**

As of 06/30/19

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
04/25/18	Bank of America Corp	06051GEU9	3.300	01/11/23	01/11/23	325,000	321,435	334,991	13,556	2.39%	1291	0.82%
03/20/19	JP Morgan Chase & CO	46625HJH4	3.200	01/25/23	01/25/23	360,000	363,571	369,556	5,985	2.42%	1305	0.90%
02/14/19	IBM Corp	44932HAH6	3.000	02/06/23	02/06/23	225,000	223,879	230,060	6,181	2.35%	1317	0.56%
03/18/19	Unitedhealth Group Inc	91324PBZ4	2.750	02/15/23	02/15/23	200,000	199,131	202,706	3,575	2.36%	1326	0.49%
06/06/19	Public Service Electric And Gas	74456QBC9	2.375	05/15/23	05/15/23	225,000	225,175	225,814	639	2.28%	1415	0.55%
02/04/19	Simon Property Group LP	828807DD6	2.750	06/01/23	06/01/23	225,000	221,352	228,046	6,694	2.39%	1432	0.56%
03/20/19	Citibank NA	17325FAST	3.650	01/23/24	01/23/24	300,000	307,316	315,593	8,277	2.44%	1668	0.77%
	<b>Subtotal</b>					<b>\$ 40,944,999</b>	<b>\$ 40,691,037</b>	<b>\$ 41,086,482</b>	<b>\$ 387,168</b>	<b>1.98%</b>	<b>639,5873</b>	<b>99.23%</b>
	<b>PFC Bank Balance</b>						<b>1,294,472</b>					
	<b>TOTAL</b>						<b>\$ 41,985,509</b>					



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

**Earnings Report**

06/01/19-06/30/19

Type of Investment	Type	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
<b>FIXED INCOME</b>										
Public Service Electric And Gas	NOTE	1.800	06/01/19	1,116.00	1,116.00	-	-	-	-	-
FNMA	NOTE	1.750	06/20/19	2,543.58	2,843.75	-	-	300.17	-	300.17
Target Corporation	NOTE	2.300	06/28/19	1,832.02	2,127.50	-	-	295.48	-	295.48
Mellife Inc	NOTE	4.750	02/08/21	1,148.05	1,381.72	-	-	233.67	-	233.67
Treasury Note	NOTE	1.625	07/31/19	7,854.97	-	-	9,802.49	1,947.52	480.86	2,428.38
FNMA Bench	NOTE	1.750	09/12/19	3,801.88	-	-	5,245.62	1,443.74	(319.55)	1,124.19
FHLB	NOTE	1.000	09/26/19	1,805.56	-	-	2,638.89	833.33	338.74	1,172.07
Honeywell International Inc	NOTE	1.400	10/30/19	180.83	-	-	355.84	175.01	3.28	178.29
Treasury Note	NOTE	1.500	10/31/19	1,219.56	-	-	2,362.91	1,143.35	37.86	1,181.21
Procter & Gamble Company	NOTE	1.900	11/01/19	277.08	-	-	554.17	277.09	(87.70)	189.39
Treasury Note	NOTE	1.625	12/31/19	6,550.27	7,800.00	-	42.39	1,292.12	(358.92)	933.20
Treasury Note	NOTE	1.125	12/31/19	3,306.63	3,937.50	-	21.40	652.27	73.85	726.12
Arizona Public Service Company	NOTE	2.200	01/15/20	1,537.56	-	-	1,876.72	339.16	23.08	362.24
Pepsico Inc	NOTE	4.500	01/15/20	3,825.00	-	-	4,668.75	843.75	(409.86)	433.89
FNMA	NOTE	1.625	01/21/20	6,454.86	-	-	7,944.44	1,489.58	(110.85)	1,378.73
National Rural Utilities Coop	NOTE	2.000	01/27/20	1,274.44	-	-	1,582.77	308.33	(16.63)	291.70
PNC Funding Corp	NOTE	5.125	02/08/20	3,458.66	-	-	4,376.89	918.23	(526.41)	391.82
FHLB	NOTE	1.875	03/13/20	6,703.13	-	-	9,281.26	2,578.13	98.82	2,676.95
Treasury Note	NOTE	1.625	03/15/20	1,894.36	-	-	2,622.97	728.61	(62.99)	665.62
FHLMC Reference Notes	NOTE	1.375	05/01/20	984.38	-	-	3,093.75	2,109.37	601.51	2,710.88
Intel Corp	NOTE	1.850	05/11/20	205.56	-	-	513.89	308.33	41.19	349.52
Qualcomm Inc	NOTE	3.195	05/20/20	92.09	-	-	322.31	230.22	(19.93)	210.29
American Express Credit Corp	NOTE	2.375	05/26/20	65.97	-	-	461.81	395.84	(11.33)	384.51
Prudential Financial Inc.	NOTE	5.375	06/21/20	-	-	130.64	261.28	130.64	(73.97)	56.67
Commonwealth Edison Company	NOTE	4.000	08/01/20	1,800.00	-	-	2,250.00	450.00	(113.63)	336.37
Manufacturers & Traders Trust Co	NOTE	2.050	08/17/20	1,480.56	-	-	1,907.64	427.08	(4.85)	422.23
State Street Corporation	NOTE	2.550	08/18/20	1,641.56	-	-	2,119.69	478.13	(67.50)	410.63
FFCB	NOTE	2.315	09/25/20	165.36	732.30	-	140.26	707.20	(6.77)	700.43
FHLB	NOTE	1.375	09/28/20	2,406.25	-	-	3,552.08	1,145.83	224.79	1,370.62
Travelers Cos Inc	NOTE	3.900	11/01/20	650.00	-	-	1,300.00	650.00	(246.60)	403.40
Ace InA Holdings Inc	NOTE	2.300	11/03/20	357.77	-	-	741.11	383.34	34.96	418.30
Coca-Cola (The)	NOTE	3.150	11/15/20	280.00	-	-	805.00	525.00	(76.27)	448.73
Public Service Company of Colorado	NOTE	3.200	11/15/20	305.78	-	-	879.10	573.32	(142.09)	431.23
Treasury Note	NOTE	2.625	11/15/20	1,849.27	-	-	5,112.69	3,263.42	(1,059.14)	2,204.28
Chevron Corp	NOTE	2.419	11/17/20	188.15	-	-	591.30	403.15	72.02	475.17
FHLMC Reference Bond	NOTE	1.875	11/17/20	1,546.88	-	-	3,093.75	1,546.87	296.53	1,843.40

**Burbank-Glendale-Pasadena Airport Authority - PFC Account**  
**Earnings Report**  
06/01/19-06/30/19

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
Exxon Mobil Corp	NOTE	2.222	03/01/21	1,111.00	-	-	1,481.33	370.33	90.99	461.32
Wells Fargo & Company	NOTE	4.076	03/04/21	2,137.39	2,274.20	-	648.42	785.23	(171.08)	614.15
Praxair	NOTE	4.050	03/15/21	1,120.05	-	-	1,562.18	442.13	(145.65)	296.48
Bank of New York Mellon Corp	NOTE	2.500	04/15/21	718.75	-	-	1,187.50	468.75	41.16	509.91
Treasury Note	NOTE	1.375	04/30/21	1,434.78	-	-	2,779.90	1,345.12	971.10	2,316.22
FNMA	NOTE	1.250	05/06/21	802.95	-	-	1,766.49	963.54	978.44	1,941.98
General Dynamics Corporation	NOTE	3.000	05/11/21	333.33	-	-	833.33	500.00	23.89	523.89
Fifth Third Bank	NOTE	2.250	06/14/21	2,087.50	2,250.00	-	212.50	375.00	115.67	490.67
Walmart Inc	NOTE	3.125	06/23/21	3,428.82	3,906.25	-	173.61	651.04	(8.83)	642.21
Treasury Note	NOTE	2.125	06/30/21	13,383.98	15,937.50	-	86.62	2,640.14	315.24	2,955.38
Treasury Note	NOTE	2.125	06/30/21	469.44	-	-	604.86	135.42	70.32	205.74
Florida Power Corporation	NOTE	3.100	08/15/21	1,369.17	-	-	1,756.67	387.50	(117.46)	270.04
3M Company	NOTE	1.625	09/19/21	568.75	-	-	805.73	236.98	191.07	428.05
Treasury Note	NOTE	1.125	09/30/21	3,030.12	-	-	4,496.31	1,466.19	1,929.77	3,395.96
Federal Home Loan Banks	NOTE	1.875	11/29/21	158.86	-	-	2,541.66	2,382.80	591.23	2,974.03
Pfizer Inc	NOTE	2.200	12/15/21	2,789.72	3,025.00	-	268.89	504.17	37.93	542.10
FNMA Benchmark Note	NOTE	2.000	01/05/22	3,244.44	-	3,227.78	7,333.33	861.11	29.78	890.89
FHLMC	NOTE	2.375	01/13/22	16,187.07	-	-	19,680.68	3,493.61	446.30	3,939.91
Comcast Corporation	NOTE	1.625	01/15/22	1,841.66	-	-	2,247.91	406.25	240.70	646.95
Target Corporation	NOTE	2.900	01/15/22	-	-	2,954.38	3,008.75	54.37	(16.22)	38.15
Berkshire Hathaway Finance Corp	NOTE	3.400	01/31/22	3,142.64	-	-	3,921.81	779.17	(96.43)	682.74
Treasury Note	NOTE	1.500	01/31/22	7,270.03	-	-	9,072.51	1,802.48	1,035.28	2,837.76
PacificCorp	NOTE	2.950	02/01/22	1,966.67	-	-	2,458.33	491.66	39.30	530.96
Microsoft Corporation	NOTE	2.375	02/12/22	1,797.74	-	-	2,292.53	494.79	150.44	645.23
Walt Disney Co	NOTE	2.550	02/15/22	1,877.09	-	-	2,408.34	531.25	5.95	537.20
Boeing Co	NOTE	2.125	03/01/22	1,062.50	-	-	1,416.67	354.17	158.88	513.05
Medtronic Inc	NOTE	3.150	03/15/22	1,662.50	-	-	2,318.75	656.25	(96.28)	559.97
US Bancorp	NOTE	3.000	03/15/22	1,520.00	-	-	2,120.00	600.00	(99.70)	500.30
BB&T Corp	NOTE	2.750	04/01/22	916.67	-	-	1,375.00	458.33	79.66	537.99
Federal National Mortgage Assoc	NOTE	1.875	04/05/22	2,041.66	-	-	3,135.41	1,093.75	406.63	1,500.38
Treasury Note	NOTE	1.875	04/30/22	1,875.00	-	-	3,632.81	1,757.81	528.55	2,286.36
Apple Inc	NOTE	2.300	05/11/22	319.44	-	-	798.61	479.17	(3.35)	475.82
Oracle Corporation	NOTE	2.500	05/15/22	261.11	-	-	750.69	489.58	116.04	605.62
Home Depot Inc	NOTE	2.625	06/01/22	2,625.00	2,625.00	-	437.51	437.51	(28.20)	409.31
Caterpillar Financial Services	NOTE	2.400	06/06/22	2,916.66	3,000.00	-	416.66	500.00	198.30	698.30
Cisco Systems Inc	NOTE	3.000	06/15/22	3,320.00	3,600.00	-	320.00	600.00	(52.30)	547.70
Treasury Note	NOTE	2.000	07/31/22	4,345.30	-	-	5,422.66	1,077.36	(491.07)	586.29



Burbank-Glendale-Pasadena Airport Authority - PFC Account										
Earnings Report										
06/01/19-06/30/19										
Type of Investment	Type	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrft For Period	Adjusted Total Int. Earned
Burlington Northern Santa Fe LLC	NOTE	3.050	09/01/22	1,525.00	-	-	2,033.33	508.33	(27.89)	480.44
John Deere Capital Corp	NOTE	2.150	09/08/22	1,239.24	-	-	1,687.16	447.92	217.80	665.72
Merck & Co Inc	NOTE	2.400	09/15/22	1,266.67	-	-	1,766.67	500.00	187.97	687.97
Treasury Note	NOTE	1.875	09/30/22	3,335.04	-	-	4,948.77	1,613.73	516.70	2,130.43
Bank of America Corp	NOTE	3.300	01/11/23	4,170.83	-	-	5,064.58	893.75	64.11	957.86
JP Morgan Chase & CO	NOTE	3.200	01/25/23	4,032.00	-	-	4,992.00	960.00	(77.62)	882.38
IBM Corp	NOTE	3.000	02/06/23	2,156.25	-	-	2,718.75	562.50	23.56	586.06
Unitedhealth Group Inc	NOTE	2.750	02/15/23	1,619.44	-	-	2,077.78	458.34	19.80	478.14
Public Service Electric And Gas	NOTE	2.375	05/15/23	-	-	371.09	682.81	311.72	(2.78)	308.94
Simon Property Group LP	NOTE	2.750	06/01/23	3,093.75	3,093.75	-	515.62	515.62	75.25	590.87
Citibank NA	NOTE	3.650	01/23/24	3,893.33	-	-	4,805.83	912.50	(128.90)	783.60
<b>Subtotal</b>				<b>\$ 192,273.36</b>	<b>\$ 59,650.47</b>	<b>\$ 6,683.89</b>	<b>\$ 207,591.43</b>	<b>\$ 68,284.65</b>	<b>\$ 6,946.55</b>	<b>\$ 75,231.20</b>
<b>CASH EQUIVALENTS</b>										
Cash Interest										
<b>Subtotal</b>				<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL</b>				<b>\$ 192,273.36</b>	<b>\$ 59,650.47</b>	<b>\$ 6,683.89</b>	<b>\$ 207,591.43</b>	<b>\$ 68,284.65</b>	<b>\$ 6,946.55</b>	<b>\$ 75,231.20</b>

# BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

## SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND TWELVE MONTHS ENDED JUNE 30, 2019 & 2018

Monthly Performance					June 2019		Fiscal YTD Performance (July 2018 - June 2019)				
Actual \$ Jun 2019	Budget Jun 2019	Actual \$ Prior Year Jun 2018	Note	Variance Actual Vs. Budget							
<b>OPERATING ACTIVITY</b>											
<b>CASH RECEIPTS FROM OPERATIONS</b>											

Notes: The FY 2019 adopted budget approved use of \$1,875,000 of Authority Reserves to provide funding for the Replacement Terminal Project



# BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

## NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

MONTH AND TWELVE MONTHS ENDED JUNE 30, 2019 & 2018

### General Comments

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

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

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

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

The FY 2019 Capital Program expenditures are primarily funded by the following sources:

- FAA-approved Passenger Facility Charge ("PFC") program receipts/reserves;
- Grants;
- Operating Revenues;
- 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 at fiscal year-end. On an accrual basis, operating revenues are favorably ahead of budget at fiscal year-end by \$5,616,798. See notes 2 through 8 for additional information regarding operating receipts.

#### **NOTE (2) – Landing/Fuel Fees**

Landing fees are based on landed weight of the aircraft. Fuel fees are charged at a rate of \$0.05 a gallon to non-signatory air carriers for fuel loaded at BUR. The landing fee component of this category is trending under budget primarily due to the one year incentive fee waiver provided on flights to new destinations. On an accrual basis, when combined with the positive fuel flowage fee performance, this category is under budget at fiscal year-end by \$8,155.

#### **NOTE (3) – Parking Fees**

Parking fee revenues performed ahead of the budget forecast. Accrual basis parking fees are \$752,733 ahead of budget at fiscal year-end.

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

Terminal Building rental receipts exceed the budget at fiscal year-end due to the timing of receipts and additional concession revenues received above the minimum annual guarantee. Accrual basis terminal building rents are \$1,283,741 ahead of budget at fiscal year-end. The positive FYTD June passenger growth of 9.26% has contributed to achieving the favorable performance results.

(Continued)

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

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

**MONTH AND TWELVE MONTHS ENDED JUNE 30, 2019 & 2018**

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

Other Buildings rental receipts exceed the budget at fiscal year-end due to the timing of receipts and favorable performance. Accrual basis Other Building receipts are \$609,933 ahead of budget at fiscal year-end.

**NOTE (6) – Ground Transportation**

This category consists of off-airport access fees and TNC activity. Ground Transportation receipts exceed the budget at fiscal year-end. Accrual basis ground transportation receipts are \$954,424 ahead of budget at fiscal year-end primarily due to TNC activity.

**NOTE (7) – Other Receipts**

Fiscal year-end Other Receipts include a rent deposit of \$329,098 from Star Aviation for the lease of Hangar 22 which was awarded by the Commission in October 2018 and an insurance reimbursement of \$146,475 to repair the roof of Hangar 2 which was damaged by the wind last fiscal year (April 2018). Accrual basis Other Receipts are \$553,843 ahead of budget at fiscal year-end.

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

This line item represents cash received from the investment of funds. These receipts fluctuate in response to interest rate and portfolio balance changes, the timing of coupon payments and individual investment maturities. Accrual basis investment income, including the interest earned on loans to Rent-A-Car Companies, exceeds the budget by \$1,470,279 at fiscal year-end.

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

Overall operating disbursements are favorably under budget at fiscal year-end. On an accrual basis operating disbursements are favorably within budget parameters. See additional information on operating disbursements in notes 10 through 16.

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

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

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

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

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

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

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

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

(Continued)

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

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

**MONTH AND TWELVE MONTHS ENDED JUNE 30, 2019 & 2018**

**NOTE (14) – Wages and Benefits**

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

**NOTE (15) – Other Operating Costs**

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

**NOTE (16) – Parking Tax**

The 12% City of Burbank parking tax is paid quarterly for the prior three-month period. The July 2019 remittance, in the amount of \$609,910, covers parking activity for the months of April, May & June 2019.

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

The Sound Insulation program is funded primarily through FAA Airport Improvement Program ("AIP") grants and Passenger Facility Charge ("PFC") revenues. In December 2016, the FAA issued a Record of Approval on the Part 150 Study which has recently been recertified by FAA. Staff is awaiting FAA's decision to award a noise discretionary grant, the receipt of which will facilitate the restart of the program.

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

Other Facility Improvement Program Projects costs are under budget at fiscal year-end by \$8,962,861 due to the timing of expenditures of certain projects.

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

FAA Grants are budgeted to partially fund the Taxiway C & D, GA Ramp Rehabilitation Project and Land Acquisition of Hollyona Property.

**NOTE (20) – Other Grants**

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

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

A number of capital projects are budgeted to be funded or partially funded by Passenger Facility Charges, including the Taxiway C & D and GA Ramp Rehabilitation Project, Terminal Ramp Rehabilitation and Airfield Lighting System Rehabilitation.

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

The FY 2019 adopted budget programmed the use of Authority Reserves as a funding source for the airport share of Replacement Terminal Project.

# **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 TWELVE MONTHS ENDED JUNE 30, 2019 & 2018**

Monthly Performance					June 2019		Fiscal YTD Performance (July 2018 - June 2019)								
Actual \$ Jun 2019	Budget Jun 2019	Actual \$ Prior Year Jun 2018	Note	Variance Actual Vs. Budget			Actual \$ Fiscal YTD	Fiscal YTD Budget	Actual \$ Prior Year Fiscal YTD	Note	Variance Actual Vs. Budget				
\$504,385	\$450,000	\$502,927	(1)	\$54,385	Customer Facility Charge Receipts						\$5,745,502	\$5,400,000	\$5,846,815	(1)	\$345,502
60,725	60,653	57,735	(2)	72	Facility Rent						996,527	727,781	962,594	(2)	268,746
(486,412)	(486,412)	(486,246)		0	Payments to Bond Trustee for 2012 Bond Debt Service						(5,836,911)	(5,836,911)	(5,834,996)		0
(24,270)	(24,241)	(14,060)	(3)	(29)	Loan Principal Repayments to the Authority						(398,278)	(290,870)	(234,417)	(3)	(107,408)
\$54,428	\$0	\$60,356	(4)	\$54,428							\$506,840	\$0	\$739,996	(4)	\$506,840

### **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 at fiscal year-end exceeded the budget due to better than expected car rental activity.

#### **Note (2) – Facility Rent**

Facility Rent exceeds the budget at fiscal year-end 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 at fiscal year-end 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.

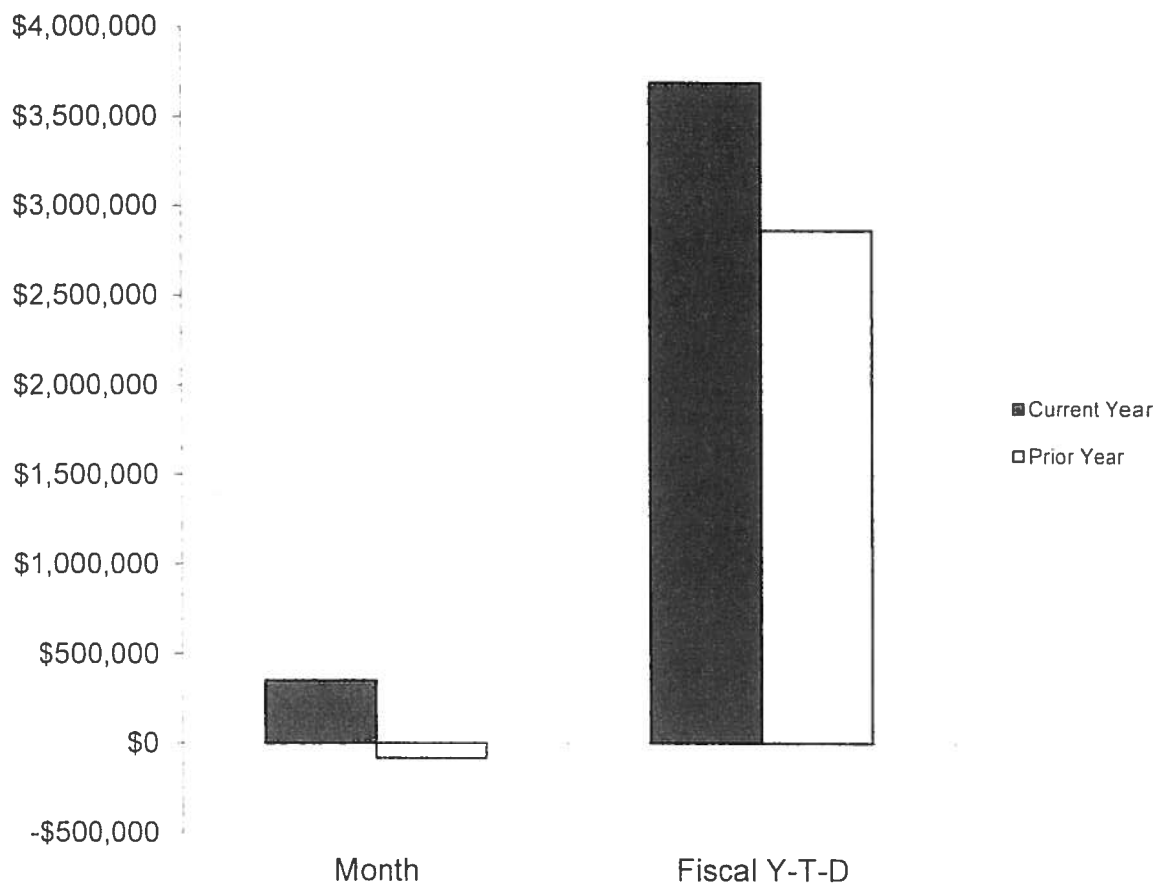
#### **Note (4) – Net RITC / ConRAC Facility Payments and Collections**

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**



	June 2019	June 2018
Interest Receipts - - Month	\$350,484	(\$83,092)
Interest Receipts - - Fiscal Y-T-D	\$3,687,217	\$2,863,375
Month End Portfolio Balance	\$228,921,882	\$223,840,145
Yield to Maturity	2.02%	2.47%

## **Supplement to the June 2019 Treasurer's Report**

### **FYTD June 2019 Cash Disbursements**

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

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**  
**FY 2019 Cash Disbursements - Facility Improvement / Noise Mitigation Transactions**

PROJECT DESCRIPTION	Annual Budgeted Cost	FYTD 2019 (FYTD June) Budgeted Cost	FYTD 2019 (FYTD June) Cash Basis Cost	FYTD 2019 (FYTD June) Budget Variance Fav. / (Unfav.)	Project Status FYTD - June
<b>BUILDING IMPROVEMENTS</b>					
Building #36 Server Room Upgrade	\$ 350,000	\$ 350,000	\$ 182,077	\$ 167,923	Project completed in August 2019
Terminal High Voltage Electrical Upgrades	350,000	350,000	17,684	332,316	Project assessment underway
Terminal B Security Checkpoint Upgrade	100,000	100,000	603,296	(503,296)	Project completed
Minor Building Improvements	250,000	250,000	37,958	212,042	Misc. ongoing projects
Maintenance Bldg. Electrical Upgrade	-	-	186,049	(186,049)	Project completed
Hangar # 34 Roof	-	-	1,583	(1,583)	FY 2018 accrued costs. Project completed
Hangar Floor Rehabilitation	-	-	27,991	(27,991)	Funded with FY 2009 insurance settlement
<b>TOTAL BUILDING IMPROVEMENTS</b>	<b>\$ 1,050,000</b>	<b>\$ 1,050,000</b>	<b>\$ 1,056,638</b>	<b>\$ (6,638)</b>	
<b>OTHER IMPROVEMENTS</b>					
Airport Branding: Infrastructure / Sign Mods.	\$ -	\$ -	\$ 49,062	\$ (49,062)	FY 2018 accrued costs. Project completed
Terminal Baggage Phase 2 (TSA OTA)	-	-	(252,414)	252,414	TSA reimbursement under OTA
<b>TOTAL OTHER IMPROVEMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (203,352)</b>	<b>\$ 203,352</b>	
<b>IT / COMMUNICATIONS / SECURITY</b>					
Fiber Optic Installation	\$ 500,000	\$ 500,000	\$ -	\$ 500,000	Project under review
DVSS Camera Replacement	250,000	250,000	38,336	211,664	Ongoing replacement project
IT Equipment (Network Switch, Server Repl.)	180,000	180,000	-	180,000	Equipment paid in July 2019 (\$28K)
Access Control / IET Replacement	-	-	130,270	(130,270)	FY 2018 accrued costs. Project completed
<b>TOTAL IT / COMMUNICATIONS / SECURITY</b>	<b>\$ 930,000</b>	<b>\$ 930,000</b>	<b>\$ 168,606</b>	<b>\$ 761,394</b>	
<b>EQUIPMENT</b>					
Verdugo Dispatch Communications Upgrades	\$ 350,000	\$ 350,000	\$ 89,154	\$ 260,846	Project to complete in FY 2020
Parking Revenue Control Eq. - LPR Cameras	200,000	200,000	212,590	(12,590)	Project completed
Parking Revenue Control Equipment - Valet	-	-	178,782	(178,782)	FY 2018 accrued costs. Project completed
Airfield Maintenance Equipment	455,000	455,000	-	455,000	Pending PFC application approval
<b>TOTAL EQUIPMENT</b>	<b>\$ 1,005,000</b>	<b>\$ 1,005,000</b>	<b>\$ 480,527</b>	<b>\$ 524,473</b>	
<b>RUNWAY / TAXIWAY / ROADWAY PROJECTS</b>					
Taxiways C & D; GA Ramp Rehabilitation	\$ 6,175,000	\$ 6,175,000	\$ 5,085,830	\$ 1,089,170	Project completed
Terminal Ramp Rehabilitation	3,600,000	3,600,000	3,373,036	226,964	Project completed
RPZ Land Acquisition - Hollyona Property	1,800,000	1,800,000	35,222	1,764,778	Acquisition completion anticipated in FY 2020
Airfield Lighting System Rehabilitation	1,650,000	1,650,000	7,400	1,642,600	Project deferred to FY 2020
Airfield Lighting Vault Replacement	500,000	500,000	58,990	441,010	Pending PFC application approval
Taxiway A Rehabilitation - Design	400,000	400,000	280,969	119,031	Project completed
Airside Paving Replacement	620,000	620,000	29,675	590,325	Project ongoing
Landside Paving Replacement	250,000	250,000	421,493	(171,493)	Completed, includes FY 2018 accrued costs
Public Parking Lot Improvements	300,000	300,000	-	300,000	Project deferred to FY 2020
Taxiway A Rehabilitation	-	-	3,218	(3,218)	Project budgeted in FY 2020
	<b>\$ 15,295,000</b>	<b>\$ 15,295,000</b>	<b>\$ 9,295,833</b>	<b>\$ 5,999,167</b>	
<b>NOISE MITIGATION</b>					
Residential Acoustical Treatment Program	\$ 500,000	\$ 500,000	\$ 4,293	\$ 495,707	Pending award of FAA grant
<b>TOTAL NOISE MITIGATION</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 4,293</b>	<b>\$ 495,707</b>	
<b>DEVELOPMENT</b>					
Replacement Terminal Development	\$ 3,575,000	\$ 3,575,000	\$ 2,013,691	\$ 1,561,309	Ongoing including FY 2018 accrued costs
Transportation Planning	100,000	100,000	88,888	11,112	Ongoing
<b>TOTAL DEVELOPMENT</b>	<b>\$ 3,675,000</b>	<b>\$ 3,675,000</b>	<b>\$ 2,102,579</b>	<b>\$ 1,572,421</b>	
<b>O &amp; M CAPITAL</b>	<b>\$ 408,100</b>	<b>\$ 408,100</b>	<b>\$ 499,409</b>	<b>\$ (91,309)</b>	Lower value O & M projects - ongoing
<b>Total</b>	<b>\$ 22,863,100</b>	<b>\$ 22,863,100</b>	<b>\$ 13,404,532</b>	<b>\$ 9,458,568</b>	

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
FINANCE AND ADMINISTRATION COMMITTEE  
SEPTEMBER 23, 2019**

**APPROVAL OF PURCHASE AND SALE AGREEMENT  
HOLLYONA PARCEL**

**SUMMARY**

Staff seeks the recommendation of the Finance and Administration Committee ("Committee") to the Commission for approval of a Purchase and Sale Agreement ("PSA"), copy attached, with the Successor Agency to the Redevelopment Agency of the City of Burbank ("Successor Agency") in the amount of \$2,132,000 for a 0.99-acre parcel located at the southeast corner of Hollywood Way and Winona Avenue ("Hollyona Parcel").

**BACKGROUND**

In May of 1990, the Redevelopment Agency of the City of Burbank and the Authority entered into a non-residential Rental Agreement on a month-to-month basis for the Hollyona Parcel effective from June 1, 1990 at the rate of \$3,000 per month. This agreement allowed the Authority to use the parcel for a public fee parking lot of automobiles vehicles. The parcel has since served as a portion of the Authority's Public Parking Lot B and is located on the eastern side of Hollywood Way with approximately one-third of the parcel lying within the Runway Protection Zone ("RPZ") of Runway 8/26.

As part of the Budget Act of 2011, the State Legislature approved the dissolution of the State's 400 plus redevelopment agencies. Following a period of litigation, redevelopment agencies were officially dissolved as of February 1, 2012 and successor agencies were established to begin, among other duties, the process of disposing redevelopment properties. The Hollyona Parcel is one such property. In 2014, staff reached out to the Burbank Community Development Department to express the Authority's interest in acquiring the Hollyona Parcel for the purposes of RPZ land for Runway 8/26. In April 2015, the Commission authorized submission of a Public Utilities Code ("PUC") Section 21661.6(a) application to the Burbank City Council for the proposed acquisition and use of the Hollyona Parcel.

Staff completed the Phase 1 preliminary environmental assessment of the site April 2015 and began the PUC application process with the City. Staff submitted the original application on June 22, 2016, a revised application on October 15, 2016, and a second revised application submitted on February 1, 2017. On April 18, 2018, Burbank staff issued a Preliminary Analysis of the application. The Burbank City Council held a public hearing and approved the application on May 15, 2018.

With the PUC 21661.6(a) land acquisition approval, Authority staff and Burbank staff began in earnest to negotiate a fair market price that would address seller-related issues (i.e. Oversight Board requirements) and buyer-related issues (Federal Aviation Administration ("FAA") requirements). Land appraisals were undertaken by both parties. After an initial round of discussions, both parties agreed to undertake a second round of land appraisals.



The negotiations also addressed the fact that the property cannot be developed by the Authority due to RPZ requirements, but potentially could be developed owned by a third party. Based on these discussions and the second round of appraisals, the proposed acquisition price of \$2,132,000 was reached.

There are conditions attached to the acquisition of the Hollyona Parcel. These conditions are:

1. There will be no future uses of the property, except for an occasional use for public safety training;
2. The existing access road through the property to the Authority's Public Parking Lot B will be eliminated; and
3. The property will be maintained fallow and clear of all above-ground objects except for replacement fencing and perimeter landscaping that will be similar to the fencing and landscaping the Authority installed at the site of the former gas station while in compliance with the RPZ requirements of the FAA.

### ENVIRONMENTAL REVIEW

In 2015, at the time of the Commission's approval of the PUC 21661.6(a) application, the Authority determined that the proposed acquisition and use of the Hollyona Parcel as RPZ is not a "project" for the purposes of the California Environmental Quality Act ("CEQA") because it will merely change the public agency ownership of airport-adjacent land and provide for the RPZ use of such land consistent with federal airport safety standards. There also was a determination that, even if this were deemed to be a "project" as defined by CEQA, it would be exempt pursuant to the general rule that CEQA applies only to projects that have the potential to cause a significant effect on the environment (14 C.C.R. § 15061(b)(3)).

For the purpose of the National Environmental Policy Act, the FAA, pursuant to FAA Order 1050.1F, initially issued a Categorical Exclusion Approval of the Property Acquisition and Obstruction Removal on April 27, 2015, and reissued the same on July 5, 2018.

### BUDGET IMPACT

The proposed acquisition is planned to be funded 80 percent through an Airport Improvement Program grant with the local match of 20 percent through a Passenger Facility Charge Application that is in process. Authority reserves are proposed to be initially utilized and reimbursed upon receipt of these funds.

### STAFF RECOMMENDATION

Staff seeks the recommendation of the Committee to the Commission to approve a PSA with the Successor Agency in an amount of \$2,132,000 for the Hollyona Parcel acquisition and authorize the President to execute the same.

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
FINANCE AND ADMINISTRATION COMMITTEE  
SEPTEMBER 23, 2019**

**AUDITOR REQUIRED COMMUNICATIONS FOR  
THE FISCAL YEAR 2019 AUDITS**

**SUMMARY**

In accordance with applicable professional standards, the Authority's auditor, Macias Gini & O'Connell LLP ("MGO") has provided the attached letter to the Commission outlining its audit responsibilities, and planned scope and timing of the Fiscal Year (FY) 2019 audits. Also attached is a copy of the annual engagement letter, which substantially conforms to the professional services agreement between the Authority and MGO for audit services. Staff seeks a Finance and Administration Committee ("Committee") recommendation to the Commission that it note and file these communications.

**BACKGROUND**

In accordance with professional standards issued by the American Institute of Certified Public Accountants ("AICPA"), MGO has issued the attached letter which (1) outlines its responsibilities under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards*, and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance") related to the Single Audit of federal grant programs; and (2) outlines its planned scope and timing of the FY 2019 audits. The Auditor's responsibilities and management's responsibilities are detailed in the accompanying letters.

As the Committee functions as the Authority's Audit Committee, this letter provides a basic outline of the auditor's responsibilities related to the audits, together with its basic audit approach in accordance with professional standards.

Staff met with the core MGO audit team on June 19, 2019, for an audit planning meeting to discuss in detail any significant accounting, auditing and reporting matters that may affect the FY 2019 audits, as well as to discuss the timing of audit fieldwork and reporting. Audit fieldwork began on August 19, 2019, with the final reports expected to be issued by November 8, 2019.

**STAFF RECOMMENDATION**

Staff seeks a Finance and Administration Committee recommendation to the Commission that it note and file these Auditor Required Communications.

June 24, 2019

To the Board of Commissioners  
Burbank-Glendale-Pasadena Airport Authority

We are engaged to audit the financial statements of the Burbank-Glendale-Pasadena Airport Authority (the Authority) for the year ended June 30, 2019. We are also engaged to perform a compliance audit of the Passenger Facility Charge Program in accordance with compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and of the Customer Facility Charge Program in accordance with compliance requirements set forth under the *California Civil Code Section 1936, as amended*, and an examination on the Authority's compliance with covenants and other requirements as outlined in any indentures issued related to outstanding debt issues. Professional standards require that we provide you with the following information related to our audit. We are also available to discuss this information further at your convenience.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America, Government Auditing Standards, Uniform Guidance, *Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration, and the *California Civil Code*

As stated in our engagement letter dated June 12, 2019, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audits, we will consider the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program as described by the Uniform Guidance, compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, and the compliance requirements described in the *California Civil Code*; in order to determine our auditing procedures for the purpose of expressing our opinions on compliance and to test and report on internal control over compliance in accordance with those requirements.

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our financial statement audit. Also in accordance with Uniform Guidance, we will examine, on a test basis, evidence about the Authority's compliance with the types of requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on the Authority's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the Authority's compliance with those requirements.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to Management's Discussion and Analysis, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the Schedule of Expenditures of Federal Awards, Schedule of Passenger Facility Charge Revenues and Expenditures, Schedule of Customer Facility Charge Revenues and Expenditures, which accompany the financial statements but are not RSI. In addition, we will also conduct an examination on the Authority's compliance with covenants and other requirements as outlined in any indentures issued related to outstanding debt issues. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately August 19, 2019 and issue our report no later than November 8, 2019. Jim Godsey is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Members of the Board of Airport Commissioners and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Jim Godsey, *Partner*  
Macias Gini & O'Connell LLP

June 12, 2019

To the Board of Airport Commissioners

Burbank-Glendale-Pasadena Airport Authority  
2627 N Hollywood Way  
Burbank, California 91505

We are pleased to confirm our understanding of the services we are to provide to the Burbank-Glendale-Pasadena Airport Authority (the Authority) for the year ended June 30, 2019. We will audit the basic financial statements of the Authority as of and for the year ended June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

As part of our engagement, we will apply certain limited procedures to the Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.

We have also been engaged to report on supplementary information other than RSI that accompanies the Authority's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole:

1. Schedule of Expenditures of Federal Awards
2. Schedule of Passenger Facility Charge Revenues and Expenditures
3. Schedule of Customer Facility Charge Revenues and Expenditures



We will also perform a compliance audit on the Authority's federal award programs in accordance with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the Passenger Facility Charge Program in accordance with compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and the Customer Facility Charge Program in accordance with compliance requirements set forth under the *California Civil Code Section 1936, as amended*. In addition, we will also conduct an examination on the Authority's compliance with covenants and other requirements as outlined in any Indentures issued related to outstanding debt issues.

### Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The Objective also includes reporting on:

- 1) Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*.
- 2) Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
- 3) Internal control over Passenger Facility Charge Program and an opinion (or disclaimer of opinion) on compliance with requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration.
- 4) Internal control over Customer Facility Charge Program and opinion (or disclaimer of opinion) on compliance with requirements described in the *California Civil Code Section 1936, as amended*.

The *Government Auditing Standards* report on report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, the *California Civil Code Section 1936, as amended*; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our Single Audit. Our report will be addressed to Board of Airport Commissioners of the Authority.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports or may withdraw from this engagement.

#### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the Authority and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

As required by the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance requirements applicable to the program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration.

As required by the *California Civil Code Section 1936, as amended*, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to the program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the *California Civil Code Section 1936, as amended*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards* and the Uniform Guidance.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Authority's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *Office of Management and Budget (OMB) Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Authority's major programs. The purpose of these procedures will be to express an opinion on the Authority's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

The *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to the program. Our procedures will consist of tests of transactions and other applicable procedures described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by Federal Aviation Administration for the types of compliance requirements that could have a direct and material effect on the Authority's program. The purpose of these procedures will be to express an opinion



on the Authority's compliance with requirements applicable to the program in our report on compliance issued pursuant to the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration.

The *California Civil Code Section 1936, as amended*, requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to the program. Our procedures will consist of tests of transactions and other applicable procedures described in the *California Civil Code Section 1936, as amended*, for the types of compliance requirements that could have a direct and material effect on the Authority's program. The purpose of these procedures will be to express an opinion on the Authority's compliance with requirements applicable to the program in our report on compliance issued pursuant to the *California Civil Code Section 1936, as amended*.

*Section 6.05 to Article VI of the Indenture dated May 1, 2005, as amended by the Fourth Mellon Trust Company (Section 6.05 to Article VI)*, requires us to plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to the program. Our procedures will consist of tests of transactions and other applicable procedures described in *Section 6.05 to Article VI*, for the types of compliance requirements that could have a direct and material effect on the Authority's program. The purpose of these procedures will be to express an opinion on the Authority's compliance with requirements applicable to the program in our report on compliance issued pursuant to *Section 6.05 to Article VI*.

### **Management Responsibilities**

Management is responsible for the financial statements, schedule of expenditures of federal awards, and all accompanying information as well as representations contained therein. Management is also responsible for identifying all federal awards received and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the requirements of the Uniform Guidance.

Management is responsible for (1) establishing, and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, (3) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants.

Management is responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, and contracts or grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

Management is responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon, or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards. Management responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon, or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United

States of America; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

##### Assistance from the Authority

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. Further, the Authority will provide us with access to the internet for the purpose of access to our workpapers.

##### Data Collection Form

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

##### Report Copies

We will provide copies of our reports to the Board of Airport Commissioners; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

##### Audit Documentation

The audit documentation considered to be proprietary in nature for this engagement is the property of Macias Gini & O'Connell LLP (MGO) and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to cognizant oversight agency for audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision

of MGO personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven (7) years after the report release date or for any additional period requested by the cognizant agency or the oversight agency for audit, or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation. However, MGO does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies. By your signature below, you acknowledge and agree that upon expiration of the seven-year period, MGO shall be free to destroy our records related to this engagement.

#### Engagement Partner

We expect to begin our audit on approximately August 19, 2019 and to issue our reports no later than November 8, 2019. Jim Godsey is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

#### Fees

Our fees are outlined in the Contract No. A6261 dated July 10, 2017.

#### Independence

Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to the Authority in the performance of our services. Any discussions that the Authority representatives have with professional personnel of MGO regarding employment could pose a threat to our independence. Therefore, you agree to inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

#### General

*Government Auditing Standards* require that we provide you with a copy of the most recent external peer review report and any letter of comment, and any subsequent peer review reports and letter of comments received during the period of the contract. Our 2018 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Jim Godsey, *Partner*

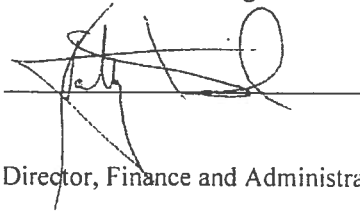
Macias Gini & O'Connell LLP



RESPONSE:

This letter correctly sets forth the understanding of the Burbank-Glendale-Pasadena Airport Authority.

Management signature: \_\_\_\_\_

A handwritten signature in black ink, consisting of a stylized 'J' followed by a large 'L' and a circular flourish, written over a horizontal line.

Title: Deputy Executive Director, Finance and Administration

Date: \_\_\_\_\_

6/13/19



9250 EAST COSTILLA AVENUE, SUITE 450  
GREENWOOD VILLAGE, COLORADO 80112  
303-792-3020 (o) | 303-792-5153 (f)  
WWW.WCRCPA.COM

## Report on the Firm's System of Quality Control

October 25, 2018

To the Partners of  
Macias Gini & O'Connell LLP  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Macias Gini & O'Connell LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

## Required Selections and Considerations

Engagements selected for review included an engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; an audit of an employee benefit plan and an examination of a service organization, SOC 1 engagement.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

## Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Macias Gini & O'Connell LLP engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Macias Gini & O'Connell LLP has received a peer review rating of *pass*.

*Watson Coon Ryan, LLC*

Watson Coon Ryan, LLC

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
FINANCE AND ADMINISTRATION COMMITTEE  
SEPTEMBER 23, 2019**

**COMMITTEE PENDING ITEMS**

**Future**

1. FedEx Lease Renewal
2. TSA OTA – Electricity and Janitorial Service Reimbursement
3. UPS Lease