



City of El Paso, Texas

Passenger Facility Charge Program Report

August 31, 2025



**City of El Paso, Texas
Passenger Facility Charge Program
Contents
August 31, 2025**

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City of El Paso, Texas
Schedule of Passenger Facility Charge Collections and Expenditures
Year Ended August 31, 2025

	FY 2024 Program Total	Quarter 1 Sept. - Nov.	Quarter 2 Dec. - Feb.	Quarter 3 Mar. - May	Quarter 4 Jun. - Aug.	FY 2025 Total	FY 2025 Program Total
Revenue							
Collections	\$ 142,147,744	\$ 1,638,718	\$ 1,731,545	\$ 1,879,460	\$ 1,949,153	\$ 7,198,876	\$ 149,346,620
Interest	5,337,304	246,827	215,266	231,063	251,602	944,758	6,282,062
Total Revenue	147,485,048	1,885,545	1,946,811	2,110,523	2,200,755	8,143,634	155,628,682
Expenditures							
<i>Application 96-01 (1)</i>							
Proj. 1 – Terminal Renovation	31,462,086	-	-	-	-	-	31,462,086
Proj. 2 – Reconstruct Runway 4/22	630,036	-	-	-	-	-	630,036
Proj. 3 – Terminal Ramp Reconstruction	1,629,000	-	-	-	-	-	1,629,000
Proj. 4 – Airfield Pavement Evaluation Study	468,081	-	-	-	-	-	468,081
Total Application 96-01	34,189,203	-	-	-	-	-	34,189,203
<i>Application 00-02 (2)</i>							
Proj. 5 – Construct Runway 4/22 Extension	2,310,723	-	-	-	-	-	2,310,723
<i>Application 06-03 (3)</i>							
Proj. 6 – Reconstruct Runway 8R/26L	7,210,895	-	-	-	-	-	7,210,895
Proj. 7 – Construct Security Checkpoint	2,360,200	-	-	-	-	-	2,360,200
Proj. 8 – Administrative Costs	23,000	-	-	-	-	-	23,000
Total Application 06-03	9,594,095	-	-	-	-	-	9,594,095
<i>Application 08-04 (4)</i>							
Proj. 9 – Extend Runway 8R/26L	6,314,580	-	-	-	-	-	6,314,580
Proj. 10 – Pavement Management Update	415,813	-	-	-	-	-	415,813
Proj. 11 – Modify Terminal/Baggage Makeup	877,679	-	-	-	-	-	877,679
Proj. 12 – Reconstruct Taxiways H, J and K	992,967	-	-	-	-	-	992,967
Proj. 13 – Administrative Costs	20,993	-	-	-	-	-	20,993
Total Application 08-04	8,622,032	-	-	-	-	-	8,622,032
<i>Application 09-05 (5)</i>							
Proj. 14 – Design/Reconstruct Taxiway L	13,575,722	-	-	-	-	-	13,575,722
Proj. 15 – Reconstruct Taxiway Radius	5,200,000	-	-	-	-	-	5,200,000
Total Application 09-05	18,775,722	-	-	-	-	-	18,775,722
<i>Application 13-06 (6)</i>							
Proj. 16 – Baggage Claim Units	2,824,180	-	-	-	-	-	2,824,180
Proj. 17 – Baggage Makeup Area	-	-	-	-	-	-	-
Proj. 18 – Passenger Loading Bridges	12,045,967	-	-	-	-	-	12,045,967
Proj. 19 – Airport Access Control System	754,630	-	-	-	-	-	754,630
Proj. 20 – Central Plant Upgrade	1,860,900	-	-	-	-	-	1,860,900
Proj. 21 – Administrative Cost	29,648	-	-	-	-	-	29,648
Total Application 13-06	17,515,325	-	-	-	-	-	17,515,325
<i>Application 16-07 (7)</i>							
Proj. 21 – Runway 4-22 Reconstruction	1,700,000	-	-	-	-	-	1,700,000
Proj. 22 – Phase II-Reconst Taxiway Radius	1,829,839	-	-	-	-	-	1,829,839
Proj. 23 – Master Plan Update	1,850,000	-	-	-	-	-	1,850,000
Proj. 24 – Replace Escalators	664,917	-	-	-	-	-	664,917
Proj. 25 – Concourse A expansion	2,162,128	-	-	-	-	-	2,162,128
Proj. 26 – Concourse A renovation	328,848	-	-	-	-	-	328,848
Proj. 27 – Passenger Loading Bridge - B9	520,507	-	-	-	-	-	520,507
Proj. 28 – Terminal Drive Crosswalks	600,000	-	-	-	-	-	600,000
Proj. 29 – Administrative Costs	52,917	-	-	-	-	-	52,917
Total Application 16-07	9,709,156	-	-	-	-	-	9,709,156
<i>Application 17-08</i>							
Proj. 30 – Runway 4-22 reconstruction and taxiway tie-ins (taxiway A, D, F, G, H, M, N, Q, & R) (construction)	13,848,228	-	208,308	-	2,141,165	2,349,473	16,197,701
Proj. 31 – Checked baggage inspection syst	9,611,481	-	144,578	-	1,486,094	1,630,672	11,242,153
Proj. 32 – Passenger Notification System	1,384,935	-	21,907	-	225,176	247,083	1,632,018
Proj. 33 – ARFF Station Renovation	1,056,020	-	14,811	-	152,237	167,048	1,223,068
Proj. 34 – PFC Administrative Costs	164,299	-	2,471	-	25,403	27,874	192,173
Total Application 17-08	26,064,963	-	392,075	-	4,030,075	4,422,150	30,487,113
<i>Application 24-09</i>							
Proj. 35 – Taxiway Geometry Improvements and Hot Spot Remediation	-	-	-	-	511,975	511,975	511,975
Proj. 36 – Terminal Ramp Pavement Rehabilitation	-	-	-	-	-	-	-
Proj. 37 – GA Apron Rehabilitation	-	-	-	-	-	-	-
Proj. 38 – PFC Administrative Costs	-	-	-	-	-	-	-
Total Application 24-09	-	-	-	-	511,975	511,975	511,975
Total Expenditures	126,781,219	392,075	392,075	-	4,542,050	4,934,125	131,715,344
Net PFC Revenue		1,885,545	1,554,736	2,110,523	(2,341,295)	3,209,509	
PFC Account Balance	\$ 20,703,829	\$ 22,589,374	\$ 24,144,110	\$ 26,254,633	\$ 23,913,338	\$ 23,913,338	\$ 23,913,338

(1) Application was closed by the Federal Aviation Administration (FAA) on March 1, 2005
(2) Application was closed by the FAA on March 1, 2025
(3) Application was closed by the FAA on March 1, 2007
(4) Application was closed by the FAA on June 1, 2009
(5) Application was closed by the FAA on May 1, 2013
(6) Application was closed by the FAA on June 1, 2016
(7) Application was closed by the FAA on April 1, 2018

City of El Paso, Texas
Passenger Facility Charge Program
Notes to Schedule of Passenger Facility Charge Collections and Expenditures
August 31, 2025

Note 1. General

The *Aviation Safety and Capacity Expansion Act of 1990* (Public Law 101-508, Title II, Subtitle B) authorized the imposition of local passenger facility charges (PFC) and use of resulting PFC revenues for Federal Aviation Administration (FAA) approved projects meeting at least one of the following criteria: (1) preserve or enhance safety, security, or capacity of the national air transportation system; (2) reduce noise or mitigate noise impacts resulting from an airport; or (3) furnish opportunities for enhanced competition between or among carriers. In May 2010, the FAA approved a \$4.50 PFC collection at El Paso International Airport (Airport).

Note 2. Schedule of Passenger Facility Charge Collections and Expenditures

The accompanying Schedule of Passenger Facility Charge Collections and Expenditures presents the revenues received from PFC, interest earned thereon, and the expenditures incurred on approved projects. Revenues received and expended on approved projects in this accompanying schedule agree to the PFC quarterly status reports submitted by the Airport to the FAA, net of minor adjustments.

PFC charges collected represent cash collected through the end of the quarter as reported to the FAA in accordance with 14 CFR Part 158. The Schedule of Passenger Facility Charge Collections and Expenditures is prepared using the cash basis of accounting.

PFC expenditures are for debt service paid on approved projects and represent only a portion of the debt service as the related debt service requirements exceed the PFC charges collected. PFC expenditures also include pay-as-you-go expenditures paid on approved projects.

Report on Compliance for the Passenger Facility Charge Program; Report on Internal Control Over Compliance; and Report on Schedule of Passenger Facility Charge Collections and Expenditures

Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of El Paso, Texas

Report on Compliance for the Passenger Facility Charge Program

Opinion on Passenger Facility Charge Program

We have audited the City of El Paso, Texas' (City) compliance with the types of compliance requirements identified as subject to audit in the *Passenger Facility Charge Audit Guide for Public Agencies* (Guide), issued by the Federal Aviation Administration, that could have a direct and material effect on the City's passenger facility charge program for the year ended August 31, 2025.

In our opinion, the City of El Paso, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its passenger facility charge program for the year ended August 31, 2025.

Basis for Opinion on the Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and audit requirements of the Guide. Our responsibilities under those standards and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance of the passenger facility charge program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or agreements applicable to its passenger facility charge program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the passenger facility charge program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the passenger facility charge program on a timely basis.

A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Passenger Facility Charge Collections and Expenditures

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended August 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated February 20, 2026, which contained unmodified opinions on those financial statements and a reference to the reports of other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Passenger Facility Charge Collections and Expenditures is presented for purposes of additional analysis, as required by the Guide, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Passenger Facility Charge Collections and Expenditures is fairly stated in all material respects in relation to the basic financial statements as a whole.

Forvis Mazars, LLP

**Dallas, Texas
February 20, 2026**

City of El Paso, Texas
Passenger Facility Charge Program Audit Summary
Year Ended August 31, 2025

Summary of Auditor's Results

- | | | |
|--|--|------------------------------------|
| 1. Type of report issued on PFC financial statements. | <input checked="" type="checkbox"/> Unmodified | <input type="checkbox"/> Qualified |
| 2. Type of report on PFC compliance. | <input checked="" type="checkbox"/> Unmodified | <input type="checkbox"/> Qualified |
| 3. Quarterly revenue and expenditures reconcile with submitted quarterly reports and reported un-liquidated revenue matches actual amounts. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. PFC revenue and interest is accurately reported on FAA Form 5100-127. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. The Public Agency maintains a separate financial accounting record for each application. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. Funds disbursed were for PFC eligible items as identified in the FAA decision to pay only for the allowable costs of the project. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. Monthly carrier receipts were reconciled with quarterly carrier reports. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. PFC revenues were maintained in a separate interest-bearing capital account or commingled only with other interest-bearing airport capital funds. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 9. Serving carriers were notified of PFC program actions/changes approved by the FAA. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 10. Quarterly reports were transmitted (or available via website) to remitting carriers. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 11. The Public Agency is in compliance with Assurances 5, 6, 7, and 8. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 12. Project design and implementation is carried out in accordance with Assurance 9. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 13. Program administration is carried out in accordance with Assurance 10. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 14. For those public agencies with excess revenue, a plan for the use of this revenue has been submitted to the FAA for review and concurrence. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| | <input checked="" type="checkbox"/> N/A | |

**City of El Paso, Texas
Schedule of Findings and Questioned Costs
Year Ended August 31, 2025**

Findings Required to be Reported by the Guide

Reference Number	Finding
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No matters are reportable.

City of El Paso, Texas
Summary Schedule of Prior Audit Findings
Year Ended August 31, 2025

Reference Number	Summary of Finding	Status
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No matters are reportable.