



Financial Highlights
A.B. Won Pat International Airport Authority, Guam Financial Audit
Fiscal Year 2025

June 19, 2026

The Antonio B. Won Pat International Airport Authority, Guam (GIAA) received an unmodified (clean) opinion on its Fiscal Year (FY) ended September 30, 2025, financial statements and report on compliance for each major federal program from independent auditors Ernst & Young LLP (EY). EY identified one material weakness in GIAA's internal control over financial reporting and one significant deficiency in internal control over compliance.

GIAA closed FY 2025 with a net position of \$229.8 million (M), from \$228.7M in FY 2024, reflecting a slight increase of \$1.1M. Restricted net position increased by 16.1% to \$23.5M during FY 2025. The increase was driven primarily by approximately \$2.2M in restricted customer construction deposits for the Guam Customs and Quarantine Agency terminal renovation project, as well as increases in federally funded capital project balances and debt service accounts.

Total Revenues Increased by \$11M

GIAA's total revenues for FY 2025 were \$94M, an increase of \$11M from \$82.9M in FY 2024. This growth was driven primarily by a notable \$12.5M increase in non-operating sources, from \$20.4M in FY 2024 to \$32.9M in FY 2025, reflecting increased grant funding and other favorable non-operating revenue during the year. This includes the following:

- Other income going from \$1.3M to \$9.7M, primarily driven by \$5M of insurance proceeds and \$2.5M in customer-funded terminal renovation revenues
- Federal capital grants going from \$9.1M to \$14.8M, reflecting GIAA's continued pursuit of federal funding

The increase in non-operating revenues was offset by a \$1.5M decrease in operating revenues, which went from \$62.5M in FY 2024 to \$61M in FY 2025. The decrease is primarily attributable to a \$3.3M reduction in miscellaneous revenues, which went from \$4M in FY 2024 to \$729 thousand (K) in FY 2025. The higher miscellaneous revenues reported in FY 2024 were largely due to the reversal of an aviation fuel tax allowance. The decrease in miscellaneous revenues was offset by a \$2.5M increase in Facilities and systems usage charges, which went from \$32.6M in FY 2024 to \$35M in FY 2025.

Total Expenses Decreased by \$5.1M

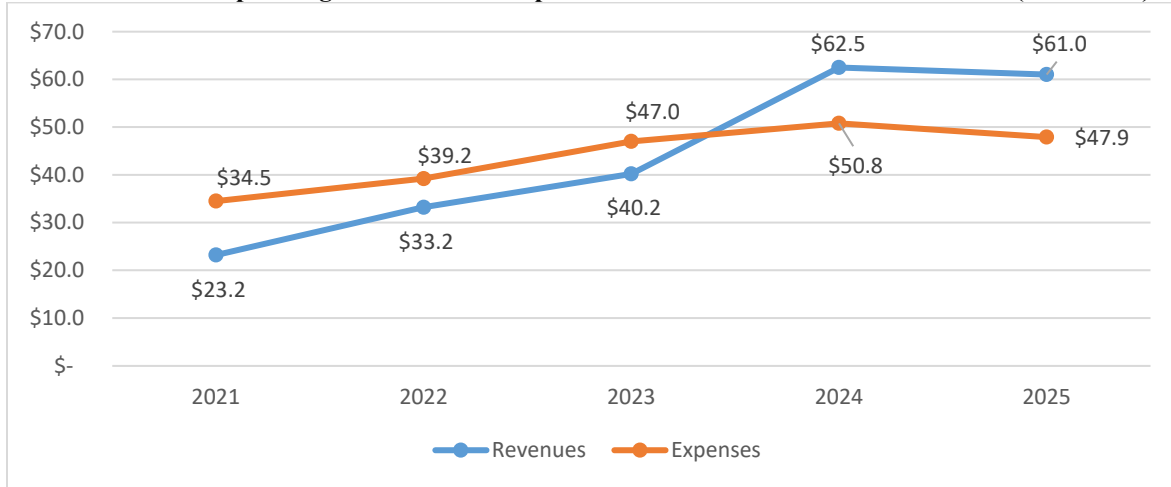
Total expenses reached \$92.9M in FY 2025, down \$5.1M from \$98M in FY 2024, primarily due to reductions in operating expenses, depreciation and amortization, and non-operating expenses.

Operating Expenses Decreased by \$2.9M

Operating expenses accounted for 51.5% of total expenses, decreasing from \$50.8M in FY 2024 to \$47.9M in FY 2025. The decline in expenses was driven by a \$1.5M reduction in contractual services due to lower professional services and project-related costs; contractual expenses went from \$24.7M in FY 2024 to \$23.2M in in FY 2025. Personnel services decreased by \$1M from \$24.6M in FY 2024 to \$23.6M in FY 2025. This was primarily due to lower pension-related expenses, which contributed to a 4.2% reduction in personnel services.

Depreciation and amortization, which accounted for 34.1% of total expenses, declined from \$33.4M in FY 2024 to \$31.7M in FY 2025, reflecting changes in depreciable asset balances and normal asset depreciation trends. Non-operating expenses decreased by \$479K, from \$13.8M in FY 2024 to \$13.4M in FY 2025.

Table 1: GIAA Operating Revenues and Expenditures Trend for FY 2021 to FY 2025 (in millions)



Cost per Enplaned Passenger Increased and Positive Debt Service Coverage

GIAA’s Cost per Enplaned Passenger (CPE) increased by 9.1%, rising from \$30.85 the previous year to \$33.66 in FY 2025. The increase was primarily driven by higher signatory airline fees, particularly terminal building rentals and arrival fees, while enplanements remained stable.

GIAA’s Debt Service Coverage remained strong and significantly above the required covenant level, finishing FY 2025 at 1.47x compared to 1.69x in FY 2024. While net revenues and other available monies decreased to \$18.4 million and annual debt service increased to \$12.5 million, the Authority continued to maintain coverage comfortably above the 1.25x requirement. The Authority’s ability to maintain strong debt service coverage reflects continued financial discipline and provides flexibility to support future capital investment and operational needs.

Debt and Long-Term Obligations

GIAA’s total liabilities decreased by \$35M in FY 2025, with long-term liabilities declining by \$28.2M, primarily due to scheduled principal repayments and the cash defeasance of a portion of GIAA’s outstanding debt. Current liabilities payable from unrestricted assets decreased by \$2.4M, while current liabilities payable from restricted assets declined by \$4.4M.

GIAA’s debt structure remains supported by general revenue bond issuances and refinancing transactions completed in recent years. These actions reduced future debt service obligations, maintained compliance with bond covenant requirements, and preserved financial flexibility for future capital investments. Debt service coverage remained above the required covenant level during FY 2025, supporting GIAA’s continued financial stability and long-term capital improvement objectives.

Capital Improvement Program and Future Funding Needs

In FY 2025, GIAA managed over \$118M in active capital projects across construction, design, and planning, reflecting a broad airport-wide modernization effort. Major initiatives included resiliency and sustainability projects such as the Microgrid Feasibility Study and Energy Efficiency Assessment. These projects support improved energy reliability, reduce long-term operating costs, and enhance preparedness for utility disruptions and severe weather events. The Authority also continued efforts toward fleet modernization through the planned procurement of zero-emission vehicles, supporting federal sustainability initiatives, and reducing reliance on fossil fuels. These capital improvements were funded primarily through grants from the Federal Aviation Administration's Airport Improvement Program and other federal programs, including the Bipartisan Infrastructure Law (BIL), the American Rescue Plan Act (ARPA), and the Infrastructure Investment and Jobs Act (IIJA), supplemented by passenger facility charges. These investments support the Authority's long-term objectives of maintaining safe and efficient operations, improving resiliency, enhancing accessibility, and modernizing airport infrastructure.

Management will continue to pursue available federal funding opportunities while evaluating financing alternatives as needed to support future capital requirements. This approach balances infrastructure investment needs with affordability for airline partners and other airport users while maintaining long-term financial sustainability.

GIAA's Primary Specialty Retail Concessionaire Contract Extension

GIAA's primary specialty retail concessionaire contract was set to expire in July 2026. However, Public Law 38-125 was signed on May 15, 2026, which extended the existing specialty retail concession contract for a period of up to an additional three (3) years in order to preserve the continuity of operations, stabilize GIAA revenues during the recovery period, and protect the public interest while Guam's visitor industry continues to return toward pre-pandemic levels. At the same time, GIAA continues to actively solicit a new specialty retail concessionaire under GIAA Request for Proposal (RFP) No. C-001-FY26, which remains in active procurement. The RFP was issued in early March 2026, with a proposal submission deadline at the end of May 2026.

Report on Internal Control Over Financial Reporting and Compliance

EY identified one material weakness in internal control over financial reporting. In the Schedule of Expenditures of Federal Awards (SEFA) for the year ended September 30, 2025, GIAA improperly included expenditures for a specific grant that occurred in the prior year, amounting to \$3.8M, and improperly excluded expenditures that occurred in the current fiscal year, amounting to \$2.7M. In addition, \$82K in expenditures were improperly excluded in the FY 2024 SEFA. This was due to GIAA's use of cash-basis accounting when preparing the SEFA. EY recommended GIAA ensures compliance with its accounting policy in preparing the SEFA, and formalize steps and internal controls to ensure completeness and accuracy of the SEFA. This finding was also deemed a significant deficiency in the Report on Internal Control Over Compliance.

Report on Compliance and Internal Control and Schedule of Passenger Facility Charges (PFC) Collected and Expended

EY identified one significant deficiency in internal control over compliance for the PFC Program, in which GIAA failed to timely submit a quarterly report to the FAA. The auditors recommended GIAA strengthen monitoring controls over the preparation and submission of required reports to ensure compliance with FAA reporting deadlines.

Management Letter

In a separate management letter, EY identified three findings:

1. Enhancing and further strengthening of existing controls needed for construction-in-progress monitoring and capital asset recognition.
2. Strengthening procedures needed to ensure proper recording of funds received from the Guam Customs and Quarantine Agency.
3. Strengthening of the financial statement close process is needed, which is a reiteration of prior year management letter comments.

For more details, refer to the Airport's FY 2025 Financial Statements, Reports on Compliance for Each Major Federal Program and Internal Control Over Financial Reporting, Report on Compliance for the Passenger Facility Charge Program, Management Letter, and The Auditor's Communication With Those Charged With Governance at www.opaguam.org and www.guamairport.com.