



U.S. Department  
of Transportation  
**Federal Aviation  
Administration**

# Memorandum

Subject: **INFORMATION:** PFC Update, PFC 48-05

Date: February 11, 2005

From: Manager, Airports Financial  
Assistance Division

Reply to  
Attn. of:

To: All Regional Airports Division Managers  
and AMA-620  
Attention: PFC Contacts

**PFC 05-48.1. Annual request for PFC collections data.** Its once again approaching time to report annual PFC collections to Congress and others. This year you have four options on reporting the information. Option 1 is to update the collections spreadsheets that Jane sent out earlier this year to gather data for the new database with any missing months. Option 2 is to fill in the amounts for calendar year 2004 and, where indicated, Federal fiscal year 2004 for the airports in your region on the spreadsheet identified as Attachment 1 to this update letter. Option 3 is to send in a report with the required information from your own database. Option 4 is to obtain the Calendar year, and where applicable Federal fiscal year, data from the public agencies and submit their reports/letters.

Whichever option you choose, please submit the data to Sheryl Scarborough by close of business on Friday, February 25<sup>th</sup>.

If you have questions regarding the spreadsheets Jane sent out in 2004, please contact her at (202) 267-5878. If you have questions about this request for data, please contact Sheryl Scarborough at 202-267-8825.

**PFC 05-48.2. Interest earned on PFC collections.** APP-510 has noticed that some airports are reporting negative interest earned on the collection spreadsheets sent out by Jane earlier this year. Section 158.67(a) requires that public agencies keep any unliquidated PFC revenue on deposit in an interest bearing account or in other interest bearing instruments used by the public agency's airport capital fund. "Unliquidated PF revenue" is defined in §158.3 as PFC revenue received by the public agency but not yet used on approved projects. Furthermore, the discussion of §158.67 in the preamble to the original rule states that "[W]hile a segregated PFC account is not required by the rule, an amount equal to the PFC revenue remitted by carriers and any interest earned

must be retained in an airport's capital account until used on an approved project.”

It is the public agency's responsibility to invest their unliquidated PFC revenue wisely and to only use PFC revenue to pay for the allowable costs of approved projects. The FAA will not approve the collection of additional PFC's to cover a public agency's bad investments. Therefore, the interest earned column on this spreadsheet must be either zero (if there is no unliquidated PFC revenue in the account) or a positive amount.

Barry L. Molar

Attachment