LOUIS ARMSTRONG NEW ORLEANS INTERNATIONAL AIRPORT

(A Proprietary Component Unit of the City of New Orleans)

Financial Statements

December 31, 2024 and 2023



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INDEPENDENT AUDITOR'S REPORT

To the New Orleans Aviation Board and the City Council of the City of New Orleans New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Louis Armstrong New Orleans International Airport (the Airport), a proprietary component unit of the City of New Orleans, as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Airport, as of December 31, 2024 and 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Airport and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information and the GASB-required pension and OPEB supplementary information, on pages 4-17 and 62-64, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Airport's basic financial statements. The Supplemental Schedule of Investments, Supplemental Schedule of Operating Revenues and Expenses by Area of Activity, Supplemental Schedule of Historical Debt Service Coverage Ratio as Required Under the General Revenue Trust Indenture dated February 1, 2009, and Schedule of Compensation, Benefits and Other Payments to the Director of Aviation (the Schedules) are presented for purposes of additional analysis and are 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 auditing standards generally accepted in the United States of America. In our opinion, the Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2025, on our consideration of the Airport's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Airport's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Airport's internal control over financial reporting and compliance.

Metairie, Louisiana June 27, 2025

Carr, Riggs & Ungram, L.L.C.

This narrative discussion and analysis is intended to serve as an introduction to the Louis Armstrong New Orleans International Airport's basic financial statements for the fiscal year ended December 31, 2024. The information presented here should be read in conjunction with the financial statements, footnotes, and supplementary information in this report.

Financial Highlights

- The assets and deferred outflows of the Louis Armstrong New Orleans International Airport (the Airport) exceeded its liabilities and deferred inflows at December 31, 2024 and 2023 by \$579,205,336 and \$569,339,160.
- The Airport's total net position increased by \$9,866,176 or 1.73% for 2024 and increased by \$3,155,428 or 0.56% for 2023
- In 2024, the US Government provided the Airport with approximately \$7.4 million in emergency airport improvement funds under the American Rescue Plan Act. These funds are being used consistently with the priorities of the federal government.

Overview of the Financial Statements

The Louis Armstrong New Orleans International Airport (the Airport) is structured as an enterprise component unit. The financial statements are prepared on the accrual basis of accounting. Therefore, revenues are recognized when earned and expenses are recognized when incurred. Capital assets are reported at their historical cost, which is reported as depreciation expense over the course of their useful lives, except for land and easements. See the notes to the financial statements for a summary of the Airport's significant accounting policies.

Following this Management Discussion and Analysis (MD&A) are the basic financial statements (including notes to financial statements) and supplemental schedules of the Airport. This information taken collectively is designed to provide readers with an understanding of the Airport's finances.

The statement of net position presents information on all of the Airport's assets and deferred outflows, and liabilities and deferred inflows, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Airport's financial position.

The statement of revenues, expenses, and changes in net position presents information showing how the Airport's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The principal operating revenues of the Airport are from sources such as airlines, concessions, rental cars, and parking. Investment income, passenger facility charges, customer facility charges, federal grants, and other revenues not related to the operations of the Airport are non-operating revenues. Operating expenses include the cost of airport and related facilities maintenance, administrative expenses, and depreciation on capital assets. Interest expense and financing costs are non-operating expenses.

The statement of cash flows relates to the flows of cash and cash equivalents. Consequently, only transactions that affect the Airport's cash accounts are recorded in this statement. A reconciliation is a part of this statement to assist in the understanding of the difference between cash flows from operating activities and operating income or loss.

Financial Position

Total assets and deferred outflows of resources increased by \$126,647,134 (6.60%) from 2023 to 2024 due primarily to the increase in net capital projects by \$3,502,864, an increase in cash and cash equivalents by \$70,908,552, an increase in investments by \$19,482,244 and an increase in accounts receivable of \$14,174,348. Capital projects increased because depreciation expense did not exceed current year fixed asset additions. Investments and cash increased as a result of volatile market conditions during 2024 and issuances of new bonds and short term notes. Total liabilities and deferred inflows increased by \$116,780,958 (8.64%) primarily resulting from an increase in net bonds payable and related deferred gains on advanced refunding of \$46,115,150, an increase in loans payable of \$20,510,003, net increase on accounts payable and accrued expenses of \$16,575,431 and an increase in capital projects and retainage payable of \$9,471,398. Accounts and capital projects payable increased due to the timing of payments made on outstanding payable balances before the end of the fiscal year. Bonds and Loans payable increased due to the issuance of new refunding bonds and short-term loans.

The largest portion of the Airport's net position, \$231,284,057 (39.93%) at 2024 and \$308,031,028 (54.10%) at 2023, represents its net investment in capital assets (e.g., land, buildings, machinery, and equipment, less the debt incurred to construct or acquire them). The Airport uses these assets to provide services to its passengers, visitors, and tenants of the airport; consequently, these assets are not available for future spending. Although the Airport's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from operations, since the capital assets cannot be used to liquidate these liabilities.

An additional portion of the Airport's net position, \$333,072,688 (57.43%) at 2024 and \$264,487,424 (46.49%) at 2023, represents resources that are subject to restrictions from contributors, bond indentures, and state and federal regulations on how they may be used. The remaining balance of unrestricted net position, \$14,848,591 2.56% may be used to meet the Airport's ongoing obligations.

Summary of Net Position (in thousands)

	_	2024		2023	_	2022
Assets:						
Current assets:						
Unrestricted assets	\$	90,044	\$	46,709	\$	79,187
Restricted assets		305,325		251,155		173,366
Noncurrent assets:						
Unrestricted assets		67,809		53,782		49,651
Restricted assets		54,888		46,371		109,754
Net capital assets	_	1,521,894		1,512,723	_	1,514,620
Total assets	\$_	2,039,960	\$_	1,910,740	\$_	1,926,578
Deferred Outflows of Resources:						
Deferred amounts related to pensio						
liability	\$	1,230	\$	3,239	\$	4,743
Deferred amounts related to OPEB liability		1,393		1,699		1,580
Deferred losses on advance refunding	_	3,640	_	3,899	_	4,157
Total deferred outflows	\$_	6,263	\$_	8,836	\$_	10,480
Liabilities:						
Current liabilities	\$	158,425	\$	85,702	\$	92,104
Noncurrent liabilities		1,173,220		1,180,579	_	1,184,232
Total liabilities	\$_	1,331,646	\$_	1,266,281	\$_	1,276,337
Deferred Inflows of Resources:						
Deferred amounts related to pensio	n					
liability	\$	2,141	\$	759	\$	1,411
Deferred amounts related to leases	•	60,853	•	45,991	•	54,637
Deferred amounts related to OPEB liability		1,684		1,513		1,841
Deferred gains on advanced refunding		35,999		, -		-
Deferred amounts related to servic	e	,				
concession arrangement		34,695		35,694		36,688
Total deferred inflows	\$	135,372	\$	83,957	\$	94,578
Net Position:						
Net investment in capital assets	\$	231,284	\$	308,031	\$	309,647
Restricted		333,073		264,487		246,742
Unrestricted	_	14,848	_	(3,179)		9,795
Total net position	\$	579,205	\$	569,339	\$	566,184

Debt Activity

At December 31, 2024 and 2023, the Airport had total debt outstanding of \$1,223,150,413 and \$1,172,496,933, respectively. The Airport's debt represents bonds secured solely by operating, Passenger Facility Charges (PFC) and Customer Facility Charges (CFC) revenue. As of the date of the audit, all required bond and loan principal and interest payments have been made.

Outstanding Debt (in thousands)

	_	2024	 2023	 2022
Bonds payable:				
Revenue Bonds 2015A-B	\$	-	\$ 565,325	\$ 565,325
Revenue Bonds 2017A-D		338,865	343,785	362,015
GO Zone CFC Revenue Bonds 2018		82,565	82,565	82,565
GO Zone Revenue Bonds 2019		20,895	21,675	22,420
Series 2023A-B		22,610	22,610	-
Series 2024A-C		606,440	-	-
Unamortized bond discount		(1,532)	(220)	(243)
Unamortized bond premium		71,743	75,703	78,737
Loans payable:				
Series 2022		61,054	61,054	61,054
Series 2024	_	20,510	-	 -
	\$	1,223,150	\$ 1,172,497	\$ 1,171,872

More detailed information on long-term debt can be found in Note 6 of the accompanying financial statements.

Capital Assets

The Airport's investment in capital assets for the years ended December 31, 2024 and 2023 is presented in the following tables. The total increase for the years ended December 31, 2024 and 2023 was 3.00% and 2.34%, respectively, before accumulated depreciation. The increase is due to the completion of the last remaining projects related to the new terminal, particularly the staff administration area. The significant increase in assets was offset by a decrease in construction in progress during the year for the following major projects:

Project	Approximate cost during FY 2024
North Terminal Project Design/Construction	\$34 million
Hurricane Ida	\$8 million
Taxiway Construction	\$24 million
Project	Approximate cost during FY 2023
North Terminal Project Design/Construction	\$31 million
Taxiway Construction	\$8 million
Planning Services	\$16 million

More detailed information on capital assets can be found in Note 5 of the accompanying financial statements.

Net Capital Assets (in thousands)

		2024	_	2023	_	2022
Land	\$	78,139	\$	78,139	\$	78,139
Air rights		22,282		22,282		22,282
Land improvements		601,537		575,258		513,101
Buildings and furnishings		1,721,936		1,679,654		1,650,816
Utilities		57,029		57,029		57,029
Fuel Tank Farm		39,118		39,118		39,118
Equipment		12,737		11,336		11,336
Computers		1,535		1,535		1,535
Heliport		-		-		3,074
HP Finance Lease		908		908		908
Right-to-use SBITA asset		242		-		-
Construction in progress		71,977		66,309		96,297
Total capital assets		2,607,439		2,531,568		2,473,635
Less accumulated depreciation	_	1,085,545	_	1,018,845		959,015
Net capital assets	\$	1,521,895	\$	1,512,723	\$_	1,514,620

Airlines Rates and Charges

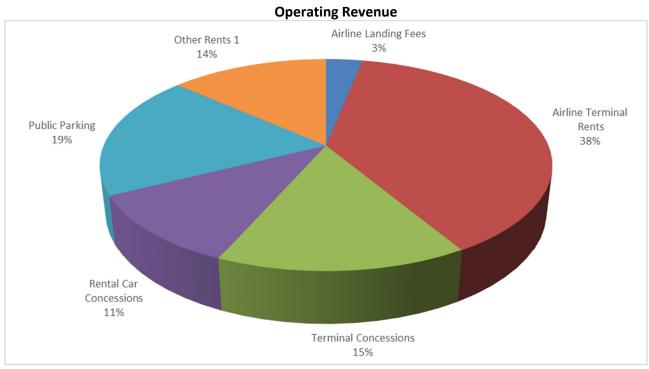
An Airline Airport Use and Lease Agreement became effective January 1, 2009. Actual rates for 2024, 2023 and 2022 are included in the table below.

	2024	2023	2022
Terminal building rental rates (per	<u>-</u>		
sq. ft.)	\$171.28	\$169.85	\$147.84
Landing fee rate (per 1,000 lbs.)	0.26	0.46	1.11
Apron use fee rate (per sq. ft.)	1.47	2.04	2.43
Enplaned passenger use fee (per			
passenger)	9.43	9.24	9.01

Under the terms of the agreement, these rates are subject to a year-end settlement. The Airport is required to use its best efforts such that within the later of (i) one hundred twenty (120) days following the close of each fiscal year or (ii) within sixty (60) days of receipt of audited financial statements, rates for rentals, fees, and charges for the preceding fiscal year shall be recalculated using available financial data and the methods set forth in the agreement.

Revenues

The following chart shows major sources and the percentage of operating revenues for the year ended December 31, 2024.



Operating Revenues (in thousands)

	2024	2023	2022
Passenger and cargo airlines: Airline landing fees \$ Airline terminal rents Land rents Other rents	3,624 44,421 142 3,992	\$ 4,163 43,099 158 3,782	\$ 8,684 37,069 134 3,922
Total passenger and cargo airlines	52,179	51,202	49,809
Non airline rentals: Terminal concessions Car rental concessions Public parking Other rents	17,592 12,750 21,977 11,514	16,640 12,089 19,519 10,276	14,057 12,561 19,936 9,843
Total nonairline revenues	63,833	58,524	56,397
Total operating revenues \$	116,012	\$ 109,726	\$ 106,206

2024 vs. 2023

Total passenger and cargo airline revenue for 2024 increased by \$0.8 million (2.0%) compared to 2023 due to increased Airline terminal rent, which was a result of increased passenger activity in 2024. Non-airline revenues increased by \$5.3 million (9.1%) due to increased terminal and car rental concessions, which is a result of increased passenger activity in 2024.

2023 vs. 2022

Total passenger and cargo airline revenue for 2023 increased by \$1.4 million (2.7%) compared to 2022 due to increased Airline terminal rent, which was a result of increased passenger activity in 2023. Non-airline revenues increased by \$1.74 million (2.9%) due to increased terminal and car rental concessions, which is a result of increased passenger activity in 2023.

	2024		2023		2022	
Cost per enplaned passenger:						
Airline revenues	\$	50,907	\$	51,202	\$	49,809
Enplaned passengers		6,561		6,367		5,946
Cost per enplaned passenger	\$	7.76	\$	8.04	\$	8.38

Non-Operating Revenues and Capital Contributions (in thousands)

The following chart shows major sources of non-operating revenues for the years ended December 31, 2024, and 2023.

2,021)
2,835
4,152
4,030
5,662
4,449
0,907
0,014

2024 vs. 2023

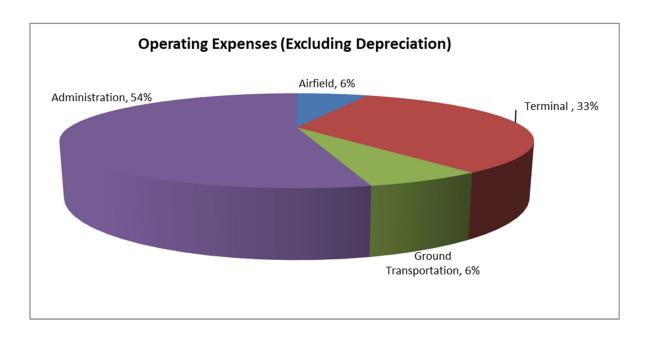
Non-operating revenues increased for 2024 by \$13.8 million (15.5%) primarily due to an increase in capital contributions.

2023 vs. 2022

Non-operating revenues increased for 2023 by \$18.85 million (26.9%) primarily due to an increase in investment income.

Expenses

The following chart shows major expense categories and the percentage of operating expenses for the year ended December 31, 2024.



Operating Expenses before Depreciation and Impairment

	2024		2023	2022	
Direct					
Airfield	\$	4,762	\$ 4,795	\$ 3,989	
Terminal		25,548	25,040	26,737	
Ground transportation		4,787	4,752	4,048	
Administration		42,373	 40,292	 36,734	
	\$	77,470	\$ 74,879	\$ 71,508	

2024 vs. 2023

The operating expenses, before depreciation and impairment, increased by approximately \$2.6 million compared to the prior year. This increase was primarily due to increased contract services and increased insurance expenses.

2023 vs. 2022

The operating expenses, before depreciation and impairment, increased by approximately \$3.4 million compared to the prior year. This increase was primarily due to increased contract services and increased insurance expenses.

Non-Operating Expenses

The following chart shows major expense categories of non-operating expenses for the years ended December 31, 2024, 2023 and 2022 (in thousands).

		2024	_	2023	_	2022
Interest expense and bond costs	\$	54,370	\$	49,251	\$	47,716
Terminal transportation costs	_	10,275	_	8,020	_	5,015
Total Non-operating Expense	\$	64,645	\$_	57,271	\$_	52,731

2024 vs. 2023

The Non-operating expense increased by approximately \$7.4 million due to increases in interest expenses and bond costs related to issuing new bonds, and increased terminal transportation costs.

2023 vs. 2022

The Non-operating expense increased by approximately \$4.5 million due to the increase in the terminal transportation costs due to the increase in passenger traffic between the South and North Terminal.

Total Revenues and Expenses (in thousands)

The following table reflects the total revenues and expenses for the Airport (in thousands):

	_	2024	_	2023	_	2022
Total operating revenues Total non-operating revenues	\$	116,011 102,668	\$_	109,727 88,859	\$_	106,206 70,014
Total revenues	\$	218,689	\$_	198,585	\$_	176,220
Total operating expenses Total non-operating expenses	\$	144,170 64,645	\$_	138,158 57,271	\$_	134,379 52,731
Total expenses	\$	208,815	\$_	195,429	\$_	187,110

Summary of Changes in Net Position (in thousands)

		2024	_	2023	_	2022
Summary of changes in net position:						
Operating revenues	\$	116,012	\$	109,726	\$	106,206
Operating expenses before depreciation and						
impairment	_	77,471		74,878	_	71,499
Operating income before						
depreciation and impairment		38,541		34,848		34,707
Depreciation		66,699		63,279		62,783
Operating income (loss)		(28,158)	_	(28,432)	_	(28,706)
Non-operating revenues, net		10,254	_	21,144	_	(3,768)
Income before capital						
contributions and transfers		(17,904)		(7,287)		(29,107)
Capital contributions	_	27,770	_	10,443	_	15,662
Change in net position	\$ <u></u>	9,866	\$ <u></u>	3,155	\$_	(13,445)

Operating income before depreciation and impairment increased \$3.7 million (10.5%) in 2024 compared to 2023. Depreciation expenses increased \$3.2 million (5.0%) due to timing of when projects in construction in progress being completed and transferred to depreciated fixed assets in 2023 and minimal assets being fully depreciated or disposed of. Non-operating revenues, net decreased \$11 million (60.9%) primarily due to an increase in interest expense and cost of issuance of bonds as a result of issuance of new refunding bonds. Capital contributions increased by \$18.2 million (174%) due to the increase in funding received from TSA, FAA and other grants.

Debt Service Coverage

Airport revenue bond covenants require that net revenues together with the sum on deposit in the rollover coverage account on the last day of the immediately preceding fiscal year will at least equal 125% of the bond debt service requirement with respect to the bonds for such fiscal year. Coverage ratios for the past three years are shown in the following table.

Revenue Refunding Bonds	2024	2023	2022
GARB Series Bonds	147.0%	135.0%	130.0%

During 2019, the Series 2010 PFC Bonds were fully refunded by the Series 2019 GARB Bonds. Following the defeasance of the Series 2010 Bonds, no other PFC bonds are outstanding under the PFC Indenture.

The Board approved the Rollover Coverage for fiscal years 2012-2024 in the amounts of \$3,719,960, \$3,720,332, \$3,719,082, \$3,721,446, \$3,729,060, \$3,740,582, \$3,290,643, \$13,586,508, \$16,505,151, \$16,508,343, \$16,701,793 and \$16,925,759, \$16,905,283 respectively. The funds are transferred monthly, in ratable portions of the total, to the NOAB Rollover Coverage Account held by the City of New Orleans, and then transferred to the Airport Operating Account, held by the City of New Orleans. The Airport's calculation of the historical debt service coverage ratio, as presented in Supplemental Schedule 3 to the financial statements is 147% for the year ended December 31, 2024 and 135% for the year ended December 31, 2023.

The Airport is current on all debt service payments as required by the bonds, and there has been no documented correspondence from the bond insurers or bond holders regarding noncompliance with the debt service coverage covenant.

Airport Activities and Highlights

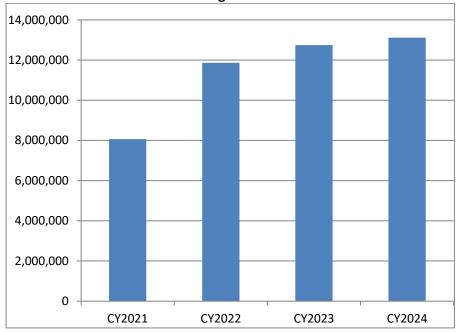
Passenger totals for 2024 increased to 13,115,013 (2.92%), from 12,742,512 passengers in 2023, due to increases in air travel. Aircraft landed weights increased from 7,988,795 in 2023 to 7,992,678 in 2024 (0.004%).

Passenger totals for 2023 increased to 12,742,512 (7.40%), from 11,864,527 passengers in 2022, due to increases in air travel. Aircraft landed weights increased from 7,352,552 in 2022 to 7,988,795 in 2023 (8.65%).

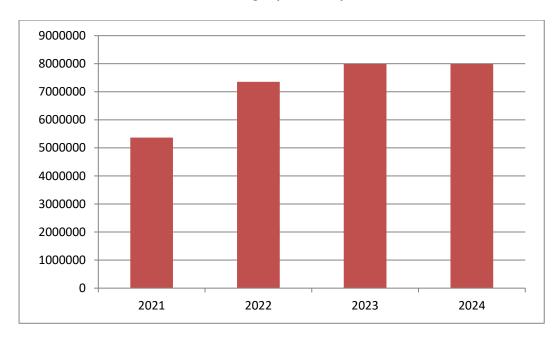
Selected statistical information about total passengers, aircraft landed weight, and air carrier operations for the past three years are presented in the table below.

Fiscal year	Total passengers	Landed weight (1,000 pound units)	Air carrier operations
2022	11,864,527	7,352,552	98,567
2023	12,742,512	7,988,795	106,750
2024	13,115,013	7,992,678	108,882
	Number of		
	daily	Number of	Average daily
Fiscal year	departures	destinations	seats
2022	137	60	20,989
2023	145	71	22,691
2024	145	71	23,086

Total Passengers for the Year



Landed Weight per 1,000 pounds



140,000 120,000 110,000 90,000 80,000 70,000 60,000 50,000

Number of Passenger Flight Operations

Economic Factors and Next Year's Budget

The Airport budgeted for an increase in 2025 non-airline revenue compared to 2024, going from \$68.5 million to \$72.2 million, tallying to a \$3.7 million (approx. 5.4%) increase over the previous year's budget. This is primarily attributed to hosting Super Bowl LIX, in February 2025, and the expectation that passenger traffic will return to pre-pandemic levels soon.

Compared to the 2024 budget, the Airport proposed an increase in the 2025 operating expenses of \$7.4 million (approx. 9%). This is driven primarily by increases in salaries and fringes, safety and security, and insurance based on the current insurance market.

The Airport continues to budget and maintain a competitive total cost per enplanement (CPE) rate. The Airport is projecting that the CPE for 2025 will be \$10.11.

Requests for Information

This financial report is designed to provide a general overview of the Airport's finances. Questions concerning any of the information should be addressed to the Chief Financial Officer, Louis Armstrong New Orleans International Airport, Post Office Box 20007, New Orleans, Louisiana 70141.

Louis Armstrong New Orleans International Airport Statements of Net Position

December 31,	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 6,495,855	\$ 4,874,352
Accounts receivable, less allowance for doubtful accounts	22,497,056	18,309,094
Capital grant receivable	17,273,462	7,287,076
Investments	32,648,343	7,646,987
Interest receivable	338,924	59,585
Lease receivable	10,320,666	7,893,394
Prepaid expenses and deposits	469,356	638,106
Total current unrestricted assets	90,043,662	46,708,594
Restricted assets		
Cash and cash equivalents	71,783,448	2,496,399
Investments	226,782,334	241,747,550
Passenger facility charges receivable	5,079,288	5,077,274
Customer facility charges receivable	1,680,252	1,834,124
Total current restricted assets	305,325,322	251,155,347
Total current assets	395,368,984	297,863,941
Noncurrent assets		
Investments	12,976,783	12,047,640
Restricted investments	54,887,665	46,370,704
Lease receivable, non-current	53,478,797	40,198,762
Prepaid insurance on revenue bonds, less accumulated amortization	342,492	524,771
Advances to related facility management company	1,011,301	1,011,301
Capital assets		, ,
Capital assets not being depreciated	172,398,145	166,729,743
Capital assets being depreciated	2,435,040,893	2,364,838,680
Less accumulated depreciation	(1,085,544,530)	(1,018,845,181)
Net capital assets	1,521,894,508	1,512,723,242
Total noncurrent assets	1,644,591,546	1,612,876,420
Total assets	2,039,960,530	1,910,740,361
Deferred Outflows of Resources		
Deferred amounts related to net pension liability (note 8)	1,230,094	3,238,539
Deferred amounts related to total OPEB liability (note 9)	1,392,482	1,698,538
Deferred losses on advance refunding	3,640,230	3,898,764
Total deferred outflows of resources	6,262,806	8,835,841
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Louis Armstrong New Orleans International Airport Statements of Net Position

December 31,	2024	2023
Liabilities		
Current liabilities:		
Payable from unrestricted assets:		
Accounts payable and accrued expenses	\$ 37,472,881	\$ 20,897,450
Due to City of New Orleans	1,830,234	561,104
Accrued salaries and other compensation	4,753,373	3,082,451
Capital projects and retainage payable	14,569,805	10,215,440
Unearned revenue	1,084,673	529,534
Subscription liability, current portion	46,176	-
Total OPEB liability, due within one year (note 9)	371,172	442,739
Total unrestricted current liabilities	60,128,314	35,728,718
Payable from restricted assets:		
Capital projects and retainage payable	5,576,259	459,226
Loans payable, current portion (note 6)	61,053,801	-
Finance lease payable, current portion (note 7)	171,160	181,514
Accrued bond interest payable	15,564,959	25,864,331
Bonds payable, current portion (note 6)	15,930,853	23,468,265
Total restricted current liabilities	98,297,032	49,973,336
Total current liabilities	158,425,346	85,702,054
	, -,-	, - ,
Noncurrent liabilities:		
Loans payable (note 6)	20,510,003	61,053,801
Finance lease payable, less current portion (note 7)	57,785	218,591
Subscription liability, less current portion	135,866	-
Bonds payable, less current portion (note 6)	1,125,655,750	1,087,975,164
Net pension liability (note 8)	21,336,503	25,367,734
Total OPEB liability, due beyond one year (note 9)	5,524,436	5,963,541
Total noncurrent liabilities	1,173,220,343	1,180,578,831
Total liabilities	1,331,645,689	1,266,280,885
Deferred Inflows of Resources		
Deferred amounts related to net pension liability (note 8)	2,141,416	759,189
Deferred amounts related to total OPEB liability (note 9)	1,683,888	1,512,574
Deferred amounts related to leases (note 12)	60,852,497	45,990,754
Deferred gains on advanced refunding	35,999,224	-
Deferred amounts related to service concession arrangement (note 10)	34,695,286	35,693,640
Total deferred inflows of resources	135,372,311	83,956,157
Net Position		
Net investment in capital assets	231,284,057	308,031,028
Restricted for:		220,001,020
Debt service	120,656,619	130,488,458
Capital acquisition	182,408,617	104,613,676
Operating reserve	30,007,452	29,385,290
•	14,848,591	(3,179,292)
Unrestricted	 14,040,331	(0)-10)-0

Louis Armstrong New Orleans International Airport Statements of Revenues, Expenses, and Changes in Net Position

For the year ended December 31,		2023	
Operating revenues			
Airfield	\$	8,408,290 \$	8,849,296
Terminal	Ψ	103,937,194	97,722,284
Ground transportation		3,666,456	3,154,253
		-,,	-, - ,
Total operating revenues		116,011,940	109,725,833
Operating expenses			
Direct:			
Airfield		4,761,671	4,794,592
Terminal		25,548,148	25,039,704
Ground transportation			
·		4,787,400	4,752,465
Depreciation		66,699,349	63,278,872
Administrative		42,373,367	40,291,956
Total operating expenses		144,169,935	138,157,589
Operating (loss) income		(28,157,995)	(28,431,756)
		• • • •	<u> </u>
Nonoperating revenues (expenses)			
Investment income (loss), net		16,361,802	14,348,109
Interest expense		(52,097,631)	(48,774,486)
Lease interest income		2,546,804	2,453,928
Passenger facility charges		25,794,419	25,015,692
Customer facility charges		15,800,411	14,961,257
Cost of issuance of bonds		(2,272,128)	(476,869)
Terminal transportation costs		(10,275,218)	(8,020,118)
Federal grants		8,153,198	9,739,597
Insurance revenue		5,690,149	11,003,335
Gain on disposal of capital assets		30,916	115,979
Other, net		521,298	777,986
Total nonoperating revenues, net		10,254,020	21,144,410
Change in net position before capital contributions		(17,903,975)	(7,287,346)
Capital contributions (note 11)		27,770,151	10,442,774
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Change in net position		9,866,176	3,155,428
Net position, beginning of year		569,339,160	566,183,732
Total net position, end of year	\$	579,205,336 \$	569,339,160

Louis Armstrong New Orleans International Airport Statements of Cash Flows

For the years ended December 31,	2024	2023
Cash flows from Operating activities		
Cash received from customers	\$ 111,455,829 \$	101,059,519
Cash paid to suppliers for goods and services	(38,776,988)	(63,128,377)
Cash paid to employees and on behalf of employees for services	(19,683,226)	(18,814,485)
Net cash provided by (used in) operating activities	52,995,615	19,116,657
Cash flow from Noncapital financing activities		
Sales tax receipts	1,489,257	1,395,076
Operating grants and reimbursements from other governments	9,150,634	12,955,000
Other payments	(9,530,592)	(12,747,020)
Net cash provided by (used in) noncapital financing activities	1,109,299	1,603,056
Cash flows from Capital and related financing activities	25 702 405	22 224 555
Passenger facility charges collected	25,792,405	23,224,555
Customer facility charges collected	15,954,283	14,198,284
Lease interest income	2,546,804	2,453,928
Acquisition and construction of capital assets	(69,883,611)	(64,450,249)
Proceeds from sale of capital assets	66,938	152,001
Proceeds from insurance for Hurricane Ida Damages	5,690,149	11,003,335
Capital grants received	17,783,765	15,954,130
Issuance of revenue bonds	691,487,455	24,977,650
Principal paid on loan and revenue bond maturities	(600,223,317)	(18,975,000)
Interest paid on bonds, loans, and leases	(66,750,206)	(54,146,996)
Principal paid on lease payables	10,882	(171,160)
Cost of bond issuance and insurance	(2,272,128)	(476,568)
Net cash provided by (used in) capital and related financing activities	20,203,419	(46,256,090)
Cash flows from Investing activities		
Sales of investments	527,237,850	546,720,094
Purchases of investments	(546,720,094)	(541,992,389)
Interest and dividends on investments	16,082,463	14,350,002
Net cash provided by (used in) investing activities	(3,399,781)	19,077,707
Net change in cash and cash equivalents	70,908,552	(6,458,670)
Cash and cash equivalents at beginning of year	7,370,751	13,829,421
Cash and cash equivalents at end of year	\$ 78,279,303 \$	7,370,751
Cash, current	\$ 6,495,855 \$	4,874,352
Cash, current restricted	71,783,448	2,496,399
Cash and cash equivalents at end of year	\$ 78,279,303 \$	7,370,751

Louis Armstrong New Orleans International Airport Statements of Cash Flows

2024	2023
(4	(
\$ (28,157,995) \$	(28,431,756)
66,699,349	63,278,872
2,314,501	1,385,409
1,553,541	(981,156)
14,861,743	(8,646,029)
(4,031,231)	(41,753)
(510,672)	401,404
(273,865)	(885)
(3,991,821)	(8,024,993)
(15,707,307)	7,769,699
168,750	(8,647)
16,575,431	(5,400,451)
1,670,922	(302,039)
1,269,130	(2,116,912)
555,139	235,894
81,153,610	47,548,413
\$ 52,995.615 \$	19,116,657
\$	\$ (28,157,995) \$ 66,699,349 2,314,501 1,553,541 14,861,743 (4,031,231) (510,672) (273,865) (3,991,821) (15,707,307) 168,750 16,575,431 1,670,922 1,269,130 555,139 81,153,610

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Reporting Entity

The Louis Armstrong New Orleans International Airport (the Airport) is a proprietary component unit of the City of New Orleans, Louisiana. The New Orleans Aviation Board (the NOAB) was established in 1943 to provide for the operation and maintenance of the Airport. The Board consists of nine members appointed by the Mayor of the City of New Orleans with approval of the New Orleans City Council. The City of Kenner, Louisiana and the Parish of St. Charles, Louisiana each have input as to the selection of one board member.

The Airport is an approximately 972,000 square-foot terminal featuring three concourses, 35 gates, two parking garages, a surface parking lot next to the terminal and a remote economy garage with shuttle service. It was built with the passenger experience in mind, and contains state-of-the-art elements such as an efficient inline baggage screening system and a consolidated checkpoint through which all passengers have access to more than 40 different food and retail concessions once beyond security.

The accompanying policies of the Airport conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to proprietary component units of governmental entities.

Basis of Presentation

The Airport is a proprietary component unit and accounts for operations (a) where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Accordingly, the Airport's financial statements have been prepared using the economic resources measurement focus.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting under which revenues are recognized when earned and expenses are recognized when incurred. Grants are recorded as revenues when all eligibility requirements have been met.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allowance for doubtful accounts, pension liability and OPEB liability.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash consists of amounts deposited with commercial banks in interest bearing and noninterest bearing demand accounts. The Airport considers all liquid investments with original maturities of three months or less to be cash equivalents. For purposes of the statements of cash flows, cash and cash equivalents include unrestricted and restricted cash, consisting primarily of cash in banks.

Accounts Receivable

Accounts receivable consist of amounts owed from airlines, rental car companies, tenants and other operators. An allowance for estimated uncollectible accounts receivable is established at the time information becomes available, which would indicate the uncollectibility of the particular receivable. The Airport estimates the allowance balance based on specific identification of at-risk receivables.

Investments

Investments are carried at fair value in the financial statements. Unrealized gains and losses on investments are reflected in the Statements of Revenues, Expenses, and Changes in Net Position. Short-term and money market investments with a maturity of one year or less and investments in an external investment pool are reported at net asset value (NAV) or amortized cost.

Lease Receivables

The Airport is a lessor for noncancellable leases of Airport property. The Airport recognizes a lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received.

Under the lease agreements, the Airport may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The Airport uses the stated rate in the lease or its estimated incremental borrowing rate as the discount rate for the leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The Airport monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Restricted Assets and Liabilities

The trust agreements governing the Airport's various revenue bonds require the segregation of certain assets into restricted accounts and limits their use to specific items as defined by the document. Current liabilities payable from restricted assets are the liabilities that are to be retired by the use of restricted assets. Passenger facility charges receivable, customer facility charges receivable, and unliquidated cash balances resulting from collections of passenger facility charges (PFC) and rental car customer facility charges (CFC) are also reported as restricted assets as their use is legally restricted.

Capital Assets

Capital assets are carried at cost. An item is classified as a capital asset if the initial, individual cost is \$5,000 or greater. Additions, improvements, and other capital outlays that significantly extend the useful life or service utility of a capital asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

GASB Statement No. 51 Accounting and Financial Reporting for Intangible Assets provides that if there are no factors that limit the useful life of an intangible asset, the intangible asset is considered to have an indefinite useful life and should not be amortized. Certain air rights qualify as intangible assets as defined in GASB 51.

Depreciation is provided over the estimated useful lives of the assets using the straight-line method commencing with the date of acquisition or, in the case of assets constructed, the date placed into service.

The estimated useful lives by major classification are as follows:

	useful lives (years)
Land improvements	10 – 25
Buildings and furnishings	3 – 25
Fuel tank farm	27
Heliport	5 – 15
Utilities	5 – 25
Equipment	3 – 15
Computers	3 – 15

Due to the City of New Orleans and Cost of City Services

Amounts recorded as due to the City of New Orleans primarily relate to amounts paid by the City on behalf of the Airport. In addition, the City provides certain administrative services to the Airport. The cost of such services was \$2,075,835 and \$2,145,866 for the years ended December 31, 2024 and 2023, respectively, and is recorded in administrative expenses in the Statements of Revenues, Expenses, and Changes in Net Position.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term Debt and Related Items

Long-term debt and other long-term obligations are reported as liabilities. Bond issuance costs, excluding any prepaid bond insurance, are reported as expense in the year of debt issuance. Bond debt premiums, discounts, and gains (loss) or refunding are deferred and amortized over the life of the bonds using the effective interest method. Bond payable is reported net of the applicable bond premium or discount. Gains (losses) on refunding are reported as deferred outflows/inflows of resources.

In conjunction with bonds issued in 2017 and 2015, insurance was purchased which guarantees the payment of bond principal and interest and expires with the final principal and interest payment on the bonds. The insurance costs were capitalized at the dates of issuance and are being amortized over the life of the bonds.

Compensated Absences

The Airport recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – *annual and sick leave*. Annual leave and sick leave liabilities are included in accrued salaries and other compensation in the financial statements.

All full-time classified employees of the Airport hired prior to January 1, 1979 are permitted to accrue a maximum of 90 days of vacation (annual leave) and an unlimited number of days of sick leave (accumulated at a maximum of 24 days per year). Employees hired after December 31, 1978 can accrue a maximum of 45 days annual leave and an unlimited number of days of sick leave (accumulated at a maximum of 24 days per year). Upon termination of employment, an employee is paid for their accrued annual leave based on their current hourly rate of pay and for their accrued sick leave on a formula basis. If termination is the result of retirement, the employee has the option of converting their accrued annual and sick leave to additional pension credits.

Pension

The Airport participates in the City of New Orleans' defined benefit pension plan, as described in Note 8, which covers substantially all employees and funds all or part of the accrued pension cost, depending on the resources that are available at the time of contribution. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value within each plan.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The deferred charge on refunding reported on the statements of net position results from the amount by which the reacquisition price of refunded debt exceeded its carrying value. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows and outflows have been recognized for the differences between the actuarial expectation and the actual economic experience, net difference between projected and actual earnings on pension plan investments, and changes in assumptions related to the defined benefit pension plan. In addition, deferred inflows and outflows have been recognized for the net difference between the projected and actual experience and changes in assumptions related to the OPEB liability. These amounts are deferred and amortized over the average of the expected service lives of the respective pension and OPEB plan members. See Notes 8 and 9 for additional information on deferred inflows and outflows related to the pension and OPEB liabilities, respectively.

Deferred inflows for a service concession arrangement have been recognized for the amount of cumulative construction costs and amortized. See note 10 for additional information. Deferred inflows for leases have been recognized for the amount of lease receivables. See lease receivables note below and note 12 for additional information.

Operating Revenue and Expenses

Operating revenues and expenses for enterprise funds are those that result from providing services and producing and delivering goods. It also includes all revenue and expenses not related to capital and financing, noncapital financing or investing activities. The principal operating revenues of the Airport are from sources such as airlines, concessions, rental cars, and parking. Revenues from landing and airfield fees, terminal building, rental building, and leased areas are reported as operating revenues.

Rentals and concession fees are generated from airlines, parking structures and lots, rental cars, fixed based operators, food and beverage, retail, advertising and other commercial tenants. Leases are typically for terms from one or more years and generally require rental payments based on the volume of business, with specific minimum annual rental payments required. Rental revenue is recognized on a straight-line basis over the life of the respective leases, and concession revenue is recognized based on the greater of a percentage of reported concessions gross receipts activity or minimum annual guarantee (privilege fee) as well as a fixed premise and support space rental.

Operating expenses include the cost of airport and related facilities maintenance, administrative expenses, and depreciation on capital assets. Expenses from employee wages and benefits, purchase of services, materials and supplies, and other miscellaneous expenses are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Landing and airfield fees, terminal building, rental building, and leased areas rentals are recorded as revenues during the year in which earned. All signatory airlines pay signatory airline rates and charges according to the 2016 use and lease agreement. The final rates for 2024 are as follows:

	2024	2023	
Terminal building rental rates (per sq. ft.)	\$ 171.28	\$ 169.85	
Landing fee rate (per 1,000 lbs.)	0.26	0.46	
Apron use fee rate (per sq. ft.)	1.47	2.04	
Enplaned passenger use fee (per passenger)	9.43	9.24	

Under the terms of the agreement, these rates are subject to a year-end settlement. The Airport is required to use its best efforts such that within the later of (i) one hundred twenty (120) days following the close of each fiscal year or (ii) within sixty (60) days of receipt of audited financial statements, rates for rentals, fees, and charges for the preceding fiscal year shall be recalculated using available financial data and the methods set forth in the agreement. For the year ended December 31, 2024, the Airport's final rate structure varied from the rates in effect during the year.

Passenger Facility Charges

On June 1, 1993, the Airport began imposing, upon approval of the Federal Aviation Administration (the FAA), a \$3.00 Passenger Facility Charge (PFC) on each passenger enplaned at the Airport. On April 1, 2002, the FAA approved an increase in the amount of this fee to \$4.50. As of December 31, 2024 and 2023, the Airport is authorized to collect up to \$965,553,986 of PFC revenue through the expiration of the PFC, of which \$565,532,280 and \$536,187,020 has been collected. As of December 31, 2024 and 2023, respectively, the legal expiration date and projected expiration date on PFC revenue collection is August 1, 2034 and June 1, 2040, respectively.

During 2019, the Series 2010 PFC Bonds were fully refunded by the Series 2019 GARB Bonds. Following the defeasance of the Series 2010 Bonds, no other PFC bonds are outstanding under the PFC Indenture. The Aviation Board has covenanted and agreed that no additional PFC bonds will be issued under the PFC Indenture; however, the PFC Indenture will not be cancelled or discharged but will remain intact to receive all PFC's for deposit to the funds established within the PFC Indenture. PFC revenues will be used to fund the local share of various near-term infrastructure improvements, and to pay debt service on the PFC eligible portion of the Series 2015, 2017, 2019 and 2024 A/B Bonds.

Customer Facility Charges

On November 1, 2008, the Airport began imposing a Customer Facility Charge (CFC) on a per transaction day basis to all the On-Airport Rental Car Companies. On May 19, 2016, the Board approved an increase to \$7.95, which became effective July 1, 2016.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Customer Facility Charges (continued)

CFC revenues are pledged to secure the Series 2018 Gulf Opportunity Zone CFC Revenue Refunding Bonds, which were issued to refund the Series 2009 Gulf Opportunity Zone CFC Revenue Bonds, which were originally issued to fund construction of the Consolidated Rental Car Facility (CONRAC) garage.

Federal Financial Assistance

The Airport receives financial assistance for costs of construction and improvements to airport facilities through grants from the Federal Aviation Administration (FAA). The Airport receives funds from the FAA on a reimbursement basis for expenses incurred. In 2020, due to the COVID-19 Pandemic, the Airport began receiving COVID-19 related federal assistance, which was also received on a reimbursement basis.

Non-Operating Revenue and Expenses

Non-operating revenues and expenses represent revenue and expense items that are not incurred from the normal user activity of the Airport. This classification includes investment income, interest expense, lease interest income, passenger facility charges, customer facility charges, cost of issuance of bonds,

Net Position

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of borrowings for capital asset acquisition, construction, or improvement of those assets, increased by deferred outflows of resources attributable to capital asset acquisition, construction or improvement, and decreased by deferred inflows of resources attributable to either capital asset acquisition, construction, or improvement or to capital asset related debt. Capital-related debt or deferred inflows equal to unspent capital asset related debt proceeds or deferred inflows of resources is included in calculating either restricted or unrestricted net position, depending upon whether the unspent amounts are restricted.

Restricted net position reflects net position when there are limitations imposed on a net position's use by external parties such as creditors, grantors, laws, or regulations of other governments. Restricted net position consists of restricted assets less liabilities related to restricted assets less deferred inflows related to restricted assets. The government's policy is to consider restricted net position to have been depleted before unrestricted net position is applied when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Unrestricted net position is the balance of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 27, 2025, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Issued Accounting Pronouncements

GASB Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The implementation of this standard resulted in no cumulative effect of change in accounting principle to the December 31, 2022 or 2023 net position.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

GASB Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB Statement No. 104, Disclosure of Certain Capital Assets. The objective of this Statement is to establish requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

The Airport is evaluating the requirements of the above statements and the impact on financial reporting.

Reclassifications

Certain amounts previously reported in the financial statements for the prior year have been reclassified to conform with the current year classifications. Such impact had no change in net position previously reported.

Note 2: CASH AND INVESTMENTS

The commercial bank balances of cash and cash equivalents total \$6,485,454 and \$4,838,640 at December 31, 2024 and 2023, respectively. The commercial bank balances are fully insured by federal depository insurance or by collateral held by the financial institution in the Airport's name.

Note 2: CASH AND INVESTMENTS (CONTINUED)

The Airport is authorized to invest in securities as described in its investment policy, in each bond resolution and state statute. As of December 31, 2024 and 2023, the Airport held the following debt investments as categorized below:

Investment Maturities at December 31, 2024

Investment type		Less than 1 year		1 to 5 Years	Total
U.S. government obligations	\$_	20,428,489	\$_	67,864,447	\$ 88,292,936
Total debt investments	\$	20,428,489	\$	67,864,447	\$ 88,292,936

Investment Maturities at December 31, 2023

Investment type		Less than 1 year	1 to 5 Years		Total	
U.S. government obligations U.S. agency obligations	\$	36,334,047 193,530	\$	58,418,344 -	\$	94,752,391 193,530
Total debt investments	\$_	36,527,577	\$_	58,418,344	\$	94,945,921

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, investments are generally held to maturity. The Airport's investment policy requires the investment portfolio to be structured to provide sufficient liquidity to pay obligations as they come due.

To the extent possible, investment maturities are matched with known cash needs and anticipated cash flow requirements. Additionally, maturity limitations for investments related to the issuance of debt are outlined in the Bond Resolutions relating to the specific bond issue.

Credit Risk

The Airport's general investment policy applies the prudent-person rule. Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments. Airport policy limits investments to the highest credit rating category of Standard & Poor's (S&P). Funds can only be invested in money market funds rated AAAm, AAm, or AAAm-G by S&P.

Note 2: CASH AND INVESTMENTS (CONTINUED)

Credit Risk (continued)

In accordance with the Airport's investment policy and bond resolutions, the assets shall be invested in the following:

- Direct United States Treasury obligations, the principal and interest of which are fully guaranteed by the government of the United States.
- Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America.
- Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by U.S. government instrumentalities, which are federally sponsored.

Louisiana Asset Management Pool (LAMP) Investment

Unrestricted and restricted investments of \$29,802,829 and \$16,905,283, respectively, at December 31, 2024 and \$4,751,236 and \$16,925,759, respectively, at December 31, 2023 are invested in LAMP. LAMP is considered to be an external investment pool administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local Louisiana government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

The following facts are relevant for LAMP:

- Credit risk: LAMP is rated AAAm by Standard & Poor's.
- <u>Custodial credit risk:</u> LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- <u>Concentration of credit risk:</u> Pooled investments are excluded from the 5 percent disclosure requirement.
- <u>Interest rate risk:</u> LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days.
- Foreign currency risk: Not applicable.

Note 2: CASH AND INVESTMENTS (CONTINUED)

Louisiana Asset Management Pool (LAMP) Investment (Continued)

For purposes of determining participants' shares, investments are valued at fair value. The fair value of the participant's position is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and board of directors. LAMP is not registered with the SEC as an investment company. An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of LAMP. LAMP issues financial reports which can be obtained from https://www.lamppool.com.

Fair Value Measurement

A summary of the Airport's investments along with the fair value hierarchy levels of each type of investment is as follows:

		Fair Value Hierarchy							
	Total at December 31, 2024	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)					
Investment by fair value level: U.S. government obligations Total investments at fair value level	\$ 88,292,936		\$						
Investment measured at amortized cost: Money market funds LAMP Total investments at amortized cost	192,294,077 46,708,112 239,002,189								
Total investments	\$ 327,295,125								

Note 2: CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurement (Continued)

		Fair Value Hierarchy							
	-			Quoted		Significant		_	
				Prices in		Other		Significant	
		Total		Active		Observable		Unobservable	
		at December		Markets		Inputs		Inputs	
	-	31, 2023	. <u> </u>	(Level 1)		(Level 2)		(Level 3)	
Investment by fair value level:									
U.S. government obligations	\$	193,530	\$	-	\$	193,530	\$	-	
U.S. agency obligations		94,752,391		94,752,391		-		-	
Total investments at fair value	-		_		_		_	_	
level	-	94,945,921	\$_	94,752,391	\$_	193,530	\$		
Investment measured at									
amortized cost:									
Money market funds		191,189,965							
LAMP		21,676,995							
Total investments at amortized									
cost	-	212,866,960							
Total investments	\$	307,812,881							

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Note 3: ACCOUNTS RECEIVABLE, NET

Accounts receivable as of December 31 consisted of the following:

	2024	_	2023
Due from tenants	\$ 9,725,854	\$	6,410,637
Parking garage	3,597,242		2,914,895
Rent receivable – Service concession arrangement	2,686,730		2,768,371
Other	6,550,026	_	6,490,505
	22,559,852		18,584,408
Less: allowance for doubtful accounts	(62,796)		(336,661)
	\$ 22,497,056	\$	18,247,747

Note 4: SUMMARY OF RESTRICTED ASSETS

Assets restricted for specific purposes in accordance with bond indentures and other legal restrictions are composed of the following at December 31, 2024:

	Cash and certificates of deposits	-	Dreyfus Treasury Prime Cash Management	_	JPM U.S. Treasury and U.S. money market fund		Passenger facility charges receivable	_	Customer facility charges receivable	_	Total
Debt service fund	\$ 5,405,527	\$	26,500,996	\$	-	\$	- 9	\$	-	\$	31,906,523
Debt service reserve fund	4,001,357		46,714,638		53,602,357		-		-		104,318,352
Capitalized interest	-		6		-		-		-		6
Coverage account	-		1,920,446		-		-		-		1,920,446
Operations and maintenance					-						
reserve fund	-		13,102,169				-		-		13,102,169
Capital improvement fund	(19,313)		79,276,986		-		-		-		79,257,673
GARB restricted	62,246,334		12,606,647		-		-		-		74,852,981
Receipts fund	149,622		5,971,553		-		-		-		6,121,175
Rollover fund	-		16,905,283		-		-		-		16,905,283
PFC collect	-		-		-		-		-		-
CFC collect	(79)		23,132,879		-		-		-		23,132,800
Bond costs	-		650,731		-		-		-		650,731
Parking Facility Reserve	-		-		1,285,308		-		-		1,285,308
Receivables				_		_	5,079,288	_	1,680,252	=	6,759,540
Total	\$ 71,783,448	\$	226,782,334	\$	54,887,665	\$	5,079,288	\$ <u> </u>	1,680,252	\$	360,212,987

Assets restricted for specific purposes in accordance with bond indentures and other legal restrictions are composed of the following at December 31, 2023:

	-	Cash and certificates of deposits	 Dreyfus Treasury Prime Cash Management	_	JPM U.S. Treasury and U.S. money market fund	 Passenger facility charges receivable	_	Customer facility charges receivable	_	Total
Debt service fund	\$	2,361,590	\$ 58,304,789	\$	-	\$ - 9	\$	- \$	\$	60,666,379
Debt service reserve fund		-	37,011,706		59,831,179	-		-		96,842,885
Capitalized interest		-	13,220		-	-		-		13,220
Coverage account		-	1,922,772		-	-		-		1,922,772
Operations and maintenance					-					
reserve fund		-	12,459,531			-		-		12,459,531
Capital improvement fund		(19,340)	70,712,374		-	-		-		70,693,034
GARB restricted		4,057	234,025		-	-		-		238,082
Receipts fund		150,138	5,644,924		-	-		-		5,795,062
Rollover fund		-	16,925,759		-	-		-		16,925,759
PFC collect		-	-		-	-		-		-
CFC collect		(46)	23,061,625		-	-		-		23,061,579
Bond costs		-	774,785		-	-		-		774,785
Parking Facility Reserve		-	-		1,221,565	-		-		1,221,565
Receivables	_	-	 -	-		 5,077,274	_	1,834,124		6,911,398
Total	\$	2,496,399	\$ 227,065,510	\$	61,052,744	\$ 5,077,274	\$_	1,834,124 \$	\$ <u> </u>	297,526,051

Note 5: PROPERTY, BUILDINGS, AND EQUIPMENT

Capital assets include assets acquired with the Airport's own funds, those acquired through resources externally restricted for capital acquisition, and those capitalized due to a service concession arrangement. A summary of changes in capital assets for the year ended December 31, 2023 and 2022 is as follows:

is as renews.		Balance December 31, 2023		Additions during year		Deletions/ transfers during year		Balance December 31, 2024
Capital assets not being					_		_	
depreciated:								
Land	\$	78,138,359	\$	-	\$	-	\$	78,138,359
Air rights		22,282,449		-		-		22,282,449
Construction in progress		66,308,935		75,863,939		(70,195,537)		71,977,337
Total capital assets	_				-		_	
not being depreciated		166,729,743		75,863,939		(70,195,537)		172,398,145
Capital assets being	_				_		_	
depreciated/amortized:								
Land improvements		575,258,495		26,278,030		-		601,536,525
Buildings and furnishings		1,679,654,210		42,281,491		-		1,721,935,701
Fuel tank farm		39,118,194		-		-		39,118,194
Utilities		57,029,411		-		-		57,029,411
Equipment		11,335,631		1,400,872		-		12,736,503
Computers		1,534,992		-		-		1,534,992
HP Finance Lease		907,747		-		-		907,747
Right-to-use SBITA assets	_	-		241,820		-	_	241,820
Total capital assets								
Being depreciated/								
amortized	_	2,364,838,680	_	70,202,213			_	2,435,040,893
Total capital assets	_	2,531,568,423		146,066,152		(70,195,537)	_	2,607,439,038
Less accumulated								
depreciation/amortization:								
Land improvements		410,674,712		15,358,954		-		426,033,666
Buildings and furnishings		565,798,829		47,785,479		-		613,584,308
Fuel tank farm		3,997,354		979,974		-		4,977,328
Utilities		25,492,721		2,057,339		-		27,550,060
Equipment		10,976,627		320,315		-		11,296,942
Computers		1,390,484		-		-		1,390,484
HP Finance Lease		514,454		165,045		-		679,499
Right-to-use SBITA assets	_	-	_	32,248			_	32,248
Total accumulated								
Depreciation/		4 040 047 45		66 666 645				4 005 544 505
amortization	-	1,018,845,181	_	66,699,349	-		_	1,085,544,530
Total capital assets, net	\$_	1,512,723,242	\$_	79,366,803	\$	(70,195,537)	\$_	1,521,894,508

Note 5: PROPERTY, BUILDINGS, AND EQUIPMENT (CONTINUED)

		Balance December 31, 2022	_	Additions during year	_		Deletions/ transfers during year	-	Balance December 31, 2023
Capital assets not being									
depreciated:	_		_		_	_		_	
Land	\$	78,138,359	\$	-	\$	>	-	\$	78,138,359
Air rights		22,282,449		-			-		22,282,449
Construction in progress	-	96,297,232	_	61,417,678	-	_	(91,405,975)	-	66,308,935
Total capital assets							(0.4.40=.0==)		
not being depreciated		196,718,040	_	61,417,678	-		(91,405,975)		166,729,743
Capital assets being									
depreciated:									
Land improvements		513,100,732		62,157,763			- (074 400)		575,258,495
Buildings and furnishings		1,650,816,213		29,212,190			(374,193)		1,679,654,210
Fuel tank farm		39,118,194		-			- (2.074.470)		39,118,194
Heliport		3,074,179		-			(3,074,179)		-
Utilities		57,029,411		-			-		57,029,411
Equipment		11,335,631		-			-		11,335,631
Computers		1,534,992		-			-		1,534,992
HP Finance Lease	-	907,747	_	-	-	_		-	907,747
Total capital assets		2 276 047 000		04 260 052			(2.440.272)		2 264 222 622
Being depreciated	-	2,276,917,099	_	91,369,953	-	_	(3,448,372)	-	2,364,838,680
Total capital assets		2,473,635,139	_	152,787,631	_		(94,854,347)		2,531,568,423
Less accumulated									
depreciation:									
Land improvements		397,539,967		13,134,745			-		410,674,712
Buildings and furnishings		519,641,981		46,531,041			(374,193)		565,798,829
Fuel tank farm		3,017,380		979,974			-		3,997,354
Heliport		3,074,179		-			(3,074,179)		-
Utilities		23,435,382		2,057,339			-		25,492,721
Equipment		10,565,899		410,728			-		10,976,627
Computers		1,390,484		-			-		1,390,484
HP Finance Lease	-	349,409	_	165,045	_			_	514,454
Total accumulated									
depreciation		959,014,681	_	63,278,872	_		(3,448,372)	-	1,018,845,181
Total capital assets, net	\$	1,514,620,458	\$_	89,508,759	\$	\$	(91,405,975)	\$	1,512,723,242

Note 5: PROPERTY, BUILDINGS, AND EQUIPMENT (CONTINUED)

Construction in progress is composed of the following at December 31, 2024 and 20223:

				Remaining Commitments
Description		2024	2023	at 2024
Airfield Lighting Vault		\$ -	\$ -	\$ 129,942
Airside Development		424,423	1,116,220	11,631,764
New Terminal Development		9,214,805	16,804,006	52,481,293
Miscellaneous Projects		56,476,024	46,917,949	75,791,034
Stormwater Pump Station		-	-	22,773
Roadways Development		4,109,771	-	26,711,414
Parking – Surface		79,445		7,971,720
Parking – Circulation Bridge		-	-	2,148
Southside Redevelopment		 1,672,869	1,470,760	4,503,207
	Total	\$ 71,977,337	\$ 66,308,935	\$ 179,245,295

Note 6: LONG-TERM DEBT

Long-term debt activity for the year ended December 31, 2024 and 2023 as follows:

	Balance December 31,	A.I. Pet	D. J. W.	Balance December 31,	Principal due within
Long-Term Debt	2023	Additions	Deductions	2024	one year
Bonds Payable:					
Series 2015A Revenue Bonds (North Terminal Project), fixed interest rate; January 1, 2045 at					
5.0% final maturity \$	54,590,000 \$	- \$	(54,590,000) \$	- :	\$ -
Series 2015B Revenue Bonds (North Terminal Project), fixed interest rate; January 1, 2045 at					
5.0% final maturity	510,735,000	-	(510,735,000)	-	-
Series 2017A Revenue Bonds (North Terminal Project), fixed interest rate; January 1, 2038 at					
5.0% final maturity	94,770,000	-	(930,000)	93,840,000	1,000,000
Series 2017B Revenue Bonds (North Terminal Project), fixed interest rate; January 1, 2038 at 5.0% final maturity	207,785,000		(2,080,000)	205,705,000	2,160,000
•	207,763,000	_	(2,080,000)	203,703,000	2,100,000
Series 2017D-2 Revenue Refunding Bonds (North Terminal Project), fixed interest rate; January 1, 2038 at 5.0% final maturity	41,230,000	-	(1,910,000)	39,320,000	2,005,000
Series 2018 Go Zone CFC Bonds Revenue Refunding Bonds, fixed interest rate ranging	00.555.000			22.555.202	4 225 222
from 4% - 5%; January 1, 2040 Series 2019 GO ZONE Revenue Bonds, fixed interest rate, January 1, 2041 at 5% final	82,565,000	-	-	82,565,000	1,385,000
maturity Series 2023A GARB Premium Revenue Bonds, fixed interest rate ranging from 5%; January 1,	21,675,000	-	(780,000)	20,895,000	820,000
2044	4,245,000	-	-	4,245,000	-

Note 6: LONG-TERM DEBT (CONTINUED)

·	Balance December 31,			Balance December 31,	Principal due within
Bonds Payable, (continued):	2023	Additions	Deductions	2024	one year
Series 2023B GARB Premium					•
Revenue Bonds, fixed interest					
rate ranging from 5%; January 1,					
2044	18,365,000	-	-	18,365,000	685,000
Series 2024A GARB Premium					
Revenue Bonds, fixed interest					
rate ranging from 5%; January 1,					
2044	-	48,445,000	-	48,445,000	-
Series 2024B GARB Premium					
Revenue Bonds, fixed interest					
rate ranging from 5%; January 1, 2044	_	464,095,000	_	464,095,000	_
Series 2024C-1 GARB Premium	-	404,093,000	-	404,093,000	-
Revenue Bonds, fixed interest					
rate ranging from 5%; January 1,					
2044	_	20,065,000	-	20,065,000	_
Series 2024C-2 GARB Premium		, ,		, ,	
Revenue Bonds, fixed interest					
rate ranging from 5%; January 1,					
2044	-	68,825,000	-	68,825,000	-
Series 2024C-3 GARB Premium					
Revenue Bonds, fixed interest					
rate ranging from 5%; January 1,					
2044		5,010,000		5,010,000	
	1,035,960,000	606,440,000	(571,025,000)	1,071,375,000	8,055,000
Unamortized discount on bonds	(220,239)	(1,334,800)	23,055	(1,531,894)	(22,655)
Unamortized premium on bonds	75,703,672	36,673,935	(40,634,015)	71,743,592	7,898,508
	1,111,443,433	641,779,135	(611,635,960)	1,141,586,698	15,930,853
<u>Loans Payable:</u>					
Series 2022 Series Trust rate,					
October 1, 2025 at 10% final					
maturity	61,053,500	-	-	61,053,500	61,053,500
General Airport Revenue Draw-					
Down Bond Anticipation					
Notes Series 2024, SOFR plus 1.70%, March 1, 2026		40 709 220	(20 100 217)	20 510 002	
1.70%, Walti 1, 2020	61 052 500	49,708,320	(29,198,317)	20,510,003	
	61,053,500	49,708,320	(29,198,317)	81,563,503	
\$	1,172,496,933	\$ <u>691,487,455</u>	\$ <u>(640,834,277)</u>	\$ <u>1,223,150,201</u>	\$ <u>76,984,353</u>

Note 6: LONG-TERM DEBT (CONTINUED)

	Balance December 31,			Balance December 31,	Principal due within
Long-Term Debt	2023	Additions	Deductions	2024	one year
Bonds Payable:					
Series 2015A Revenue Bonds (North Terminal Project), fixed interest rate; January 1, 2045 at					
5.0% final maturity \$	54,590,000	- \$	- \$	54,590,000	\$ 1,190,000
Series 2015B Revenue Bonds (North Terminal Project), fixed interest rate; January 1, 2045 at					
5.0% final maturity	510,735,000	-	-	510,735,000	11,240,000
Series 2017A Revenue Bonds (North Terminal Project), fixed interest rate; January 1, 2038 at	05.005.000		(4.245.222)	04 770 000	000.000
5.0% final maturity	96,085,000	-	(1,315,000)	94,770,000	930,000
Series 2017B Revenue Bonds (North Terminal Project), fixed interest rate; January 1, 2038 at 5.0% final maturity	210,690,000	_	(2,905,000)	207,785,000	2,080,000
Series 2017C Revenue Refunding Bonds (North Terminal Project), variable interest rate between 2.227% and 2.949%; January 1,					
2023 at 2.949% final maturity	12,190,000	-	(12,190,000)	-	-
Series 2017D-2 Revenue Refunding Bonds (North Terminal Project), fixed interest rate; January 1,					
2038 at 5.0% final maturity Series 2018 Go Zone CFC Bonds Revenue Refunding Bonds, fixed interest rate ranging from 4% -	43,050,000	-	(1,820,000)	41,230,000	1,910,000
5% ; January 1, 2040	82,565,000	-	-	82,565,000	-

Note 6: LONG-TERM DEBT (CONTINUED)

	Balance December 31,			Balance December 31,	Principal due within
Bonds Payable, (continued):	2023	Additions	Deductions	2024	one year
Series 2019 GO ZONE Revenue Bonds, fixed interest rate, January 1, 2041 at 5% final					
maturity	22,420,000	-	(745,000)	21,675,000	780,000
Series 2023A GARB Premium Revenue Bonds, fixed interest rate ranging from 5%; January 1,					
2044	-	4,245,000	-	4,245,000	-
Series 2023B GARB Premium Revenue Bonds, fixed interest rate ranging from 5%; January 1,					
2044		18,365,000		18,365,000	
	1,032,325,000	22,610,000	(18,975,000)	1,035,960,000	18,130,000
Unamortized discount on bonds	(243,294)	-	(23,055)	(220,239)	(23,055)
Unamortized premium on bonds	78,736,600	2,367,550	(5,400,578)	75,703,672	5,361,320
	1,110,818,306	24,977,650	(24,352,523)	1,111,443,433	23,468,265
Loans Payable:					
Series 2022 Series Trust rate,					
October 1, 2025 at 10% final					
maturity	61,053,500			61,053,500	
	61,053,500			61,053,500	
ę	5 1,171,871,806	\$ <u>24,977,650</u>	\$ <u>(24.352.523)</u>	\$ <u>1,172,496,933</u>	\$ <u>23,468,265</u>

Note 6: LONG-TERM DEBT (CONTINUED)

Debt service requirements to maturity for all outstanding bonds and loans are as follows:

	Principal	Interest	Total
Bonds Payable:			
December 31:			
2025	\$ 8,055,000) 42,397,141	50,452,141
2026	24,985,000		, ,
2027	26,245,000	, ,	, ,
2028	27,535,000	, ,	
2029	28,925,000		
2030-2034	167,770,000	221,258,188	389,028,188
2035-2039	221,380,000	173,602,863	394,982,863
2040-2044	269,695,000	111,139,600	380,834,600
2045-2049	269,560,000	35,569,244	305,129,244
2050-2054	27,225,000	3,552,888	30,777,888
	\$ 1,071,375,000	0 \$ 791,700,262	\$ 1,863,075,262
	Principal	Interest	Total
Loans Payable:			
December 31:			
2025	\$ 61,053,500	•	\$ 61,053,500
2026	20,510,003	<u> </u>	20,510,003
	\$ <u>81,563,803</u>	<u> </u>	\$ 81,563,803

In 2023, the Airport issued \$22,610,000 of New Orleans Aviation Board General Airport Revenue Bonds, Series 2023A and 2023B with an original issue premium of \$2,367,650. The purpose of the issue was to finance the costs of constructing and equipping the Series 2023 Projects, including capitalized interest, pay the Costs of Issuance of the Series 2023 Bonds and fund the Debt Service Reserve Fund Requirement for the Series 2023 Bonds.

In 2024, the Airport issued \$660,440,000 of New Orleans Aviation Board General Airport Revenue Bonds, Series 2024A, 2024B, 2024C-1, 2024C-2 and 2024C-3 with an original issue net premium of \$35,337,423. The purpose of the issue was to finance the refunding and defeasance of the Series 2015A and 2015B Revenue Bonds, pay the Costs of Issuance of the Series 2024 Bonds and fund the Debt Service Reserve Fund Requirement for the Series 2024 Bonds. As a result, that portion of the 2015 Series A and B revenues bonds are considered defeased and the Airport has removed the liability from its accounts. The advance refunding resulted in the recognition of an accounting gain of \$36 million for the year ended December 31, 2024, and the Airport in effect reduced its aggregate debt service payments by almost \$56.4 million over the next 21 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$49.4 million.

Note 6: LONG-TERM DEBT (CONTINUED)

In 2024, the Airport issued \$125,000,000 of New Orleans Aviation Board General Airport Revenue Draw-Down Bond Anticipation notes, Series 2024 with an initial drawdown of \$49,708,320. The proceeds from this issue will pay the costs of the Series 2024 Project Components in accordance with the Series 2024 Component Funding Plan.

Note 7: FINANCE LEASES

The Airport entered into a lease purchase agreement on August 18, 2020 to lease various equipment items, as defined in the terms of the agreement. Payments began in November 2020 and will continue for 66 months. The economic substance of the lease is that the Airport is financing the acquisition of the assets through the leases; and, accordingly, both a capital asset and lease liability are recorded in the Airport's statements of net position as of December 31, 2024 and 2023.

The following is an analysis of the equipment at December 31, 2024 and 2023:

	 2024	2023
Equipment	\$ 907,747	907,747
Less: Accumulated Deprecation	 679,499	514,454
	\$ 228,248	393,293

The following is a schedule by years of future minimum payments required under the lease together with the present value as of December 31:

2025	\$	194,308
2026		97,154
Total Minimum Lease Payments	· <u> </u>	291,462
Less: Amount Representing Interest		(62,517)
Present Value of Minimum Lease Payments	\$	228,945

Note 8: PENSION PLANS

Plan Descriptions

Employees and officers of the Airport are eligible for membership in the Employees' Retirement System of the City of New Orleans (the Plan), a single employer defined benefit retirement plan. A separate financial report on the Plan for the years ended December 31, 2024 and 2023 is available from the City of New Orleans Director of Finance, 1300 Perdido Street, Room 1E12, New Orleans, Louisiana 70112, (504) 658-1850.

The Plan is a defined benefit pension plan established under the laws of the State of Louisiana. The City Charter provided that the Retirement Ordinance (Chapter 114 of the Code) continues to govern and control the Plan under the management of the Board of Trustees (the Board), and also for changes in the Retirement System by council action, subject to certain limitations for the purpose of providing retirement allowances, death, and disability benefits to all officers and employees of the city, except those officers and employees who are already or may hereafter be included in the benefits of any other pension or retirement system of the city, the state or any political subdivision of the state.

The Plan became operative on July 1, 1947. It is supported by joint contributions of the Airport and employee members and income from investments. The Airport makes contributions for members during active service as well as for periods of service of members employed prior to July 1, 1947. In this way, reserves are accumulated from the Airport and employee contributions.

The general administration and the responsibility for the proper operation of the Plan and for making effective the provisions of the Retirement Ordinance are vested in the Board of Trustees of the Retirement System.

Contributions

Employee Contributions

The effective rate for employee contributions is 6% for 2024 and 2023.

Employer Contributions

Employer contributions are based on a certain percentage of earnable compensation of each member, known as "normal contributions," determined on the basis of regular interest and mortality tables adopted by the Board, and additional percentage of earnable compensation, known as "Accrued Liability contributions," determined by an actuary on the basis of the amortization period adopted by the Board of Trustees from time to time. Actual contributions by the Airport of \$2,337,061 and \$1,934,535 were approximately 17.7% and 18.8% of covered payroll for the years ended December 31, 2024 and 2023, respectively.

Note 8: PENSION PLANS (CONTINUED)

Benefits Provided

Retirement

Under the System, employees with 30 years of service, or who attain age 60 with 10 years of service, or age 65 and 5 years of service are entitled to a retirement allowance. Effective January 1, 2002, any member whose age and service total 80 may retire with no age reduction. The benefits to retirees consist of the following:

- 1. An annuity, which is the actuarial equivalent of the employee's accumulated contribution; plus
- 2. Effective for members retiring on or after January 1, 2002, an annual pension, which, together with above annuity, provides total retirement allowance equal to 2.5% of average compensation times first 25 years, plus 4% of average compensation times creditable service over 25 years.
- 3. Effective for members retiring before 2002, but on or after January 1, 1983, an annual pension, which, together with above annuity, provides total retirement allowance equal to 2% of average compensation times first 10 years, plus 2 1/2% of average compensation times next 10 years, plus 3% of average compensation times next 10 years, plus 4% of average compensation times creditable service over 30 years.
- 4. Effective January 1, 1983, additional pension equal to 2% of \$1,200 times first 10 years, plus 2 1/2% of \$1,200 times next 10 years, plus 3% of \$1,200 times next 10 years, plus 4% of \$1,200 times service over 30 years ceases at 62 or at eligibility for Social Security, whichever comes first. Effective January 1, 2002, the \$1,200 exclusion will not apply.
- 5. Additional pension for member who reaches age 65 with 20 or more years and the retirement allowance under (1) and (2) above is less than \$1,200 per year; to produce total retirement allowance of \$1,200 per year.
- 6. Effective January 1, 1982, for service retirement prior to age 62 with less than 30 years of service, (3) and (4) above are reduced by 3% for each year below 62. However, effective January 1, 1996, this reduction is not made if employee has at least 30 years of service. Effective January 1, 2002, no reduction if age and service total at least 80.
- 7. Maximum Benefit: Benefit not to be greater than 100% of average compensation, unless member has already accrued a larger benefit as of April 1978.
- 8. Minimum Benefit: Effective June 1, 1999, benefit of \$300 per month for retirees with 10 years of service at retirement.

Note 8: PENSION PLANS (CONTINUED)

- 9. Form of Benefit: Modified cash refund annuity If a member dies after retirement and before receiving the amount of his accumulated contributions in annuity payments, then the lump sum balance of his contributions is paid to beneficiary.
- 10. Cost-of-Living: Board of Trustees retains excess over average 3 1/2% interest earnings to provide Cost-of-Living increases in benefits to retirees (past or future) not to exceed 3% of original benefit per each year of retirement. Effective January 1, 2001, additional one-time increase of 1 % times member's or beneficiary's current monthly benefit times whole calendar years from date benefit commenced.

Deferred Retirement Option Program (DROP)

Effective January 1, 1994, any member who is eligible for a service retirement under Section 114-201(a) may participate in the DROP program. A member can participate for up to five years. When a member joins the DROP, he stops contributing to and earning benefits in the system. Employer contributions also stop. His retirement benefit begins being paid into his DROP account.

- 1. Interest is earned on the DROP account at an annual rate set by the Board. Members of the DROP receive cost-of-living increases, as if they would have received such raises as a retiree.
- Upon termination of employment at the end of the specified period of DROP participation, the DROP account is paid out. After his DROP period ends and upon continued or re-employment, the member may resume contributions and earn a supplemental benefit based on current covered compensation.
- 3. If at the end of a members' period of DROP participation he does not terminate employment, payments into DROP shall cease and no further interest shall be earned or credited to the account. Payments shall not be made until employment is terminated.

Net Pension Liability

The Airport's Net Pension Liability of \$21,336,503 and \$25,367,734 is measured as of December 31, 2024 and 2023, respectively. The Total Pension Liability used to calculate the Net Pension Liability was also determined as of that date.

The following schedule lists the Airport's proportionate share of the Net Pension Liability allocated by the pension plan based on the December 31, 2024 and 2023 valuation. The Airport uses this measurement to record its Net Pension Liability and associated amounts as of December 31, 2024 and 2023. The schedule also includes the proportionate share allocation rate used at December 31, 2024 and 2023. The Airport's proportion of the Net Pension Liability was based on a projection of the City of New Orleans' long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined.

Note 8: PENSION PLANS (CONTINUED)

	Net Pension	Allocation	Increase
	Liability at	Rate at	(Decrease) to
	December 31,	December 31,	December 31,
	2024	2024	2023 Rate
Employees' Retirement System of the City of New Orleans	\$ 21,336,503	7.051814%	0.104383%
	Net Pension	Allocation	Increase
	Liability at	Rate at	(Decrease) to
	December 31,	December 31,	December 31,
	2023	2023	2023 Rate
Employees' Retirement System of the City of New Orleans	\$ 25,367,734	6.947431%	0.092061%

<u>Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u>

For the years ended December 31, 2024 and 2023, the Airport recognized a pension expense of \$1,696,502 and \$2,744,926, respectively in payroll related expense on the statement of revenues, expenses, and changes in net position.

Note 8: PENSION PLANS (CONTINUED)

On December 31, 2024 and 2023, the Airport reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	December 31, 2024				
		Deferred			
	C	Outflows of	Deferred Inflows		
	1	Resources	of	Resources	
			-		
Differences between expected and actual experience Net difference between projected and actual earnings	\$	696,906	\$	581,927	
on pension plan investments		182,142		-	
Changes of assumptions		351,046		1,559,489	
Total	\$ 1,230,09				
		Decembei	r 31, 20	23	
		Deferred			
	C	Outflows of	Defe	erred Inflows	
	1	Resources	of	Resources	
Differences between expected and actual experience	\$	1,440,780	\$	143,676	
Net difference between projected and actual earnings					
on pension plan investments		1,720,348		-	
Changes of assumptions		77,411		615,513	
Total	\$	3,238,539	\$	759,189	

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2025	\$ 7,959
2026	590,686
2027	(1,188,543)
2028	(321,424)
	\$ (911,322)

Note 8: PENSION PLANS (CONTINUED)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2024 and 2023, using the following actuarial assumptions:

	Employees' Retirement System				
Valuation date	December 31, 2024 and 2023				
Actuary cost method	Entry age normal				
Actuarial assumptions:					
Expected remaining service live	4 years				
Investment rate of	2024: 7.00%, net of investment expense, including				
return	inflation				
	2023: 7.25%, net of investment expense, including inflation				
Inflation rate	2.50%				
Mortality	PubG-2010 Healthy Annuitant Table loaded by 15% for both males and females for healthy lives and PubNS-2010 Disabled Retiree for disabled lives, projected generationally with scale MP-2020				
Salary increases	Service-based annual rates ranging from 15% to 4%				
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the pension trust funds and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.				

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are development for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by an asset allocation percentage which is based on the nature and mix of current and expected plan investments and by adding expected inflation.

Note 8: PENSION PLANS (CONTINUED)

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Trust Fund's current and expected asset allocation as of December 31, 2024 and 2023 are summarized in the following table:

		2024		23
				Long-term
		Long-term		expected
	Target	expected		portfolio
	Asset	portfolio real	Target Asset	real rate of
_Asset Class	Allocation	rate of return	Allocation	return
Cash equivalents	2.00%	1.00%	2.00%	1.00%
Equity securities	56.50%	12.73%	56.50%	13.76%
Fixed income	22.00%	2.05%	22.00%	1.96%
Real Estate	5.00%	3.50%	5.00%	3.40%
Other alternative investments	14.50%	12.55%	14.50%	12.90%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% and 7.25% for the Employees' Retirement System for 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that the plan's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Employees' Retirement System pension trust funds' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 8: PENSION PLANS (CONTINUED)

Changes in Net Pension Liability

The change in net pension liability for the year ended December 31, 2024 is as follows:

	Total Pension		P	lan Fiduciary	Net Pension		
Change in Net Pension Liability	Liability		Net Position		Liability		
Service cost	\$	1,063,382	\$	-	\$	1,063,382	
Interest on the total pension liability		4,160,177		-		4,160,177	
Difference between expected and actual experience		(748,253)		-		(748,253)	
Changes of assumptions and other inputs		(926,999)		-		(926,999)	
Changes of benefit term		-		-		-	
Contributions – employer		-		2,364,710		(2,364,710)	
Contributions - member		-		780,320		(780,320)	
Net investment income		-		3,937,937		(3,937,937)	
Benefit payments and net transfers		(3,992,820)		(3,992,820)		-	
Administrative expense		-		(54,077)		(54,077)	
Other changes		-		550,648		(550,648)	
Net Change		(444,513)		3,586,718		(4,031,231)	
Net Pension Liability, Beginning		57,451,587		32,083,853		25,367,734	
Net Pension Liability, Ending	\$	57,007,074	\$	35,670,571	\$	21,336,503	

The change in net pension liability for the year ended December 31, 2023 is as follows:

	Total Pension		Plan Fiduciary		Net Pension	
Change in Net Pension Liability	Liability		Net Position		Liability	
Service cost	\$	887,422	\$	-	\$	887,422
Interest on the total pension liability		3,923,362		-		3,923,362
Difference between expected and actual experience		1,265,964		-		1,265,964
Changes of assumptions and other inputs		729,883		-		729,883
Changes of benefit term		-		-		-
Contributions – employer		-		2,126,103		(2,126,103)
Contributions - member		-		707,463		(707,463)
Net investment income		-		3,617,307		(3,617,307)
Benefit payments and net transfers		(3,706,150)		(3,706,150)		-
Administrative expense		-		(50,126)		50,126
Other changes		-		447,637		(447,637)
Net Change		3,100,481		3,142,234		(41,753)
Net Pension Liability, Beginning		54,351,106		28,941,619		25,409,487
Net Pension Liability, Ending	\$	57,451,587	\$	32,083,853	\$	25,367,734

Note 8: PENSION PLANS (CONTINUED)

Sensitivity of the Net Pension Liability to Change in the Discount Rate

The following presents the net pension liability of the Airport as of December 31, 2024 and 2023 using the discount rate of 7.00% and 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00% and 6.25%) or 1-percentage-point higher (8.00% and 8.25%) than the current rate.

	1% Current		1%	
	Decrease		Discount Rate	Increase
Net pension liability				
December 31, 2024	\$ 28,073,950	\$	21,336,503	\$ 15,722,513
December 31, 2023	\$ 31,944,137	\$	25,367,734	\$ 20,582,274

Payables to the Plan

The Airport recorded accrued liabilities of \$254,765 and \$122,485 to the Plan for the years ended December 31, 2024 and 2023, respectively, mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts, salaries and other payables.

Note 9: OTHER POST EMPLOYMENT RETIREMENT BENEFITS

Plan description

The Airport provides certain continuing health care and life insurance benefits for its retired employees through the City of New Orleans. The City of New Orleans' OPEB Plan (the OPEB Plan) is a single employer defined benefit OPEB plan administered by the City. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the City. No assets are accumulated in a trust. The OPEB plan does not issue a stand-alone financial report.

Benefits Provided

Medical benefits are provided through a self-insured comprehensive health benefit program. Full details are contained in the official plan documents. Medical benefits are provided to employees upon actual retirement (that is, at the end of the DROP period, if applicable) according to the retirement eligibility provisions of the OPEB Plan by which the employee is covered. Most Airport employees are covered by The Employees' Retirement System of the City of New Orleans (NOMERS). The maximum DROP period is five years. Retirement (DROP entry) eligibility is as follows: the earliest of 30 years of service at any age; age 60 and 10 years of service; age 65 and 20 years of service; or, satisfaction of the "Rule of 80" (age plus service equals or exceeds 80).

Note 9: OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)

Employees covered by benefit terms

At December 31, 2024, 204 active employees were covered by the benefit terms. There is a total of 55 inactive employees or beneficiaries currently receiving benefit payments under the OPEB plan.

The Airport's portion of the annual premium base is paid by the City and reimbursed by the Airport. The contributions by the City for the years ended December 31, 2024 and 2023 were estimated to be approximately \$353,000 and \$420,000, respectively.

Total OPEB Liability

The Airport's proportionate share (4.13% and 3.79%) of the total OPEB liability was \$5,895,608 and \$6,406,280, was measured as of December 31, 2024 and 2023, respectively and was determined by an actuarial valuation as of January 1, 2024 and 2023 for the years ended December 31, 2024 and 2023, respectively. The proportionate share of the total OPEB liability was based on a percentage of payroll of active employees of the Airport in proportion to total payroll of active employees for all participating entities.

Actuarial Assumptions and other inputs

The total OPEB liability in the December 31, 2024 and 2023 actuarial valuations were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation 2.5%, annually

Salary increases 4.0%, including inflation

Discount rate 4.08%, annually (As of December 31, 2024)

3.26%, annually (As of December 31, 2023)

Healthcare cost trend rates Flat 5.5% annually for 10 years, 4.5% thereafter

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2024 and 2023, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2010 to December 31, 2024. The actuarial assumptions used in the December 31, 2023 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2023.

Note 9: OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability during 2024 and 2023:

	2024	2023
Balance at December 31, 2022 and 2021	\$ 6,406,280	\$ 6,004,876
Changes for the year:		_
Service cost	90,775	83,682
Interest	221,833	215,576
Differences between expected and actual experience	113,370	196,297
Changes in assumptions and other inputs	(584,070)	325,507
Benefit payments and net transfers	(352,580)	(419,658)
Net changes	(510,672)	401,404
Balance at December 31, 2024 and 2023	\$ 5,895,608	\$ 6,406,280

Sensitivity of the total OPEB liability to changes in the discount rate — The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1.0% Decrease	Current Discount	1.0% Increase
December 31, 2024	(3.08%)	Rate (4.08%)	(5.08%)
Total OPEB liability	\$ 7,152,178	\$ 5,895,608	\$ 4,923,602
	1.0% Decrease	Current Discount	1.0% Increase
December 31, 2023	(2.26%)	Rate (3.26%)	(4.26%)
Total OPEB liability	\$ 7,742,331	\$ 6,406,280	\$ 5,375,021

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates — The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	1.0% Decrease	% Decrease Current Trend	
December 31, 2024	(4.5%)	(5.5%)	(6.5%)
Total OPEB liability	\$ 5,034,163	\$ 5,895,608	\$ 7,017,223
	1.0% Decrease	Current Trend	1.0% Increase
December 31, 2023	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)

Note 9: OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the Airport recognized its proportion of OPEB expense as \$308,305. At December 31, 2024, the Airport reported proportion of deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Defe	red Outflows	Deferred Inflov			
	of	Resources	of Resources			
Differences between expected and actual						
experience	\$	456,004	\$	296,189		
Changes in assumptions		936,478		1,387,699		
Total	\$	1,392,482	\$	1,683,888		

For the year ended December 31, 2023, the Airport recognized its proportion of OPEB expense as \$373,171. At December 31, 2023, the Airport reported proportion of deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Defe	rred Outflows	Defe	rred Inflows	
	of	Resources	of Resources		
Differences between expected and actual				-	
experience	\$	517,605	\$	381,642	
Changes in assumptions		1,180,933		1,130,932	
Total	\$	1,698,538	\$	1,512,574	

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

2025	\$ 6,668
2026	(211,536)
2027	(190,643)
2028	63,499
2029	(23,470)
Thereafter	 64,076
	\$ (291,406)

Note 10: SERVICE CONCESSION ARRANGEMENT

In April 2017, the City of New Orleans and the Airport entered into a 29-year lease with New Orleans Fuel Facilities LLC (NOFF) to lease the fuel system, provide for the continued operations, improvement, maintenance and management of the fuel system, and allow NOFF to make a significant capital investment in and improvement to the fuel system in connection with the Airport's development, construction and operation of the new passenger terminal at the Airport.

The Airport has determined that the cooperative endeavor agreement (CEA) between NOFF and the Airport meets the four criteria of a service concession arrangement (SCA) per GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements. SCAs are defined as a contract between a government and an operator, another government or private entity, in which the operator, another government or a private entity, in which the operator provides services, the operator collects and is compensated by fees from third parties, the government still retains control over the services provided and the government retains ownership of the assets at the end of the contract.

As part of the lease between the Airport and NOFF, NOFF agreed to pay rent, totaling a minimum of \$3.2 million over the term of the agreement. In addition, any improvements constructed on the leased premises become the property of the Airport upon installation. As of December 31, 2019, \$39,118,194 had been incurred in cumulative construction costs for the Airport Tank Farm and Hydrant System, and this project was substantially completed and operational by November 30, 2019. During the fiscal year 2019, the Airport recorded a capital asset and deferred inflow of resources for costs incurred by NOFF in the amount of \$38,490,470.

During the years ended December 31, 2024 and 2023, the Airport recorded depreciation expense in the amount of \$916,713. Revenue is recognized over the course of the agreement. The Airport recorded a rent receivable as of December 31, 2024 and 2023 of \$2,686,730 and \$2,768,371, respectively, for the minimum payments expected to be received over the remaining years of the lease.

Note 11: CAPITAL CONTRIBUTIONS

Capital contributions recorded by the Airport represent amounts received from the federal government to finance the cost of construction of airport facilities. During the years ended December 31, 2024 and 2023, the Federal Aviation Administration (FAA) contributed \$26,334,222 and \$10,429,378, respectively, the Aviation Trust Fund (ATF) contributed \$1,435,929 and \$13,396, respectively.

Note 12: LEASES

The Airport is the lessor of terminal space, land, hangars, and buildings on Airport property to air carriers and other tenants under various operating leases. Some of the leases, in addition to non-cancellable amounts at fixed rates, provide for additional payments based on usage or activity. For purposes of GASBS No. 87 implementation, the Airport's leases have been classified as:

- 1.Subject to GASBS No. 87 Non-Regulated Leases
- 2.Not Subject to GASBS No. 87 Short Term Leases and Regulated Leases

Leases Subject to GASBS No. 87

In accordance with GASBS No. 87, the Airport recognizes a lease receivable and a deferred inflow of resources for leases subject to GASBS No. 87. For these leases, the Airport is reporting Lease Receivable of \$63.8 million and \$48.1 million for the fiscal years ended December 31, 2024 and 2023, respectively. The Airport also reported lease revenue of \$9.1 million and \$8.6 million and interest revenue of \$2.5 million and \$2.4 million related to lease payments received for the fiscal years ended December 31, 2024 and 2023, respectively.

The leases managed by the Airport do not have an implicit rate of return, therefore the Airport has used their incremental borrowing rate of 5.56% to discount the lease revenue to the net present value.

The Leases Subject to GASBS No. 87 are summarized below.

Non-Regulated Leases – Terminal Concessions

The Airport leases concession space throughout the terminal for ATM's, advertising, passenger services, food and beverage, and retail goods. The remaining terms of these leases range from 1 to 10 years. The concession leases include a minimum annual guarantee (MAG) and a variable revenue component based on a percentage of gross sales.

Non-Regulated Leases – Rental Cars

The Airport leases a Consolidated Facility (CONRAC), ground, and service centers to the rental car companies. New leases started during 2024 with the current terms ending on the fifth anniversary of the lease effective date. During the first year of the agreement the tenant is required to pay the initial annual rate of \$1.50 per square foot for the Ground upon which the CONRAC is located and at the initial annual rate of \$1.50 per square foot for the ground upon which the service centers are located.

Non-Regulated Leases - Building

The Airport leases office or other building space to the Transportation Security Administration and to other parties. These leases include an annual rent amount plus an adjustment based on the consumer price index. The fixed revenue component is based on square footage and the length of the agreements vary.

Note 12: LEASES (CONTINUED)

Future payments included in the measurement of the lease receivable for the General Fund as of December 31, 2024 for each of the next five fiscal years and in five-year increments thereafter are as follows:

	Principal	Interest	Total
Years Ending December 31:			
2025	\$ 10,320,666	\$ 2,972,392 \$	13,293,058
2026	10,747,650	2,466,874	13,214,524
2027	10,910,201	1,936,935	12,847,136
2028	6,974,799	1,509,255	8,484,054
2029	7,106,044	1,141,273	8,247,317
2030-2039	17,740,103	3,840,283	21,580,386
	\$ 63,799,463	\$ 13,867,012 \$	77,666,475

Leases Not Subject to GASBS No. 87

Short-Term Leases

In accordance with GASBS No. 87, the Airport does not recognize a lease receivable and a deferred inflow of resources for a lease that is less than 12 months. This classification also includes leases that have expired, and are in a month-to-month status.

Regulated Leases

In accordance with GASBS No. 87, the Airport does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings. The U.S. Department of Transportation and the Federal Aviation Administration regulate aviation leases between airports and air carriers and other aeronautical users. The Airport has regulated leases with a number of airlines.

Note 12: LEASES (CONTINUED)

The use and lease agreement between the airlines and the Airport includes exclusive, preferential, and joint use of certain spaces at the Airport. The square footage breakdown of the airline leased space is listed below.

		Terminal		
	Terminal	Space % of		Apron Space
	Space	Total	Apron Space	% of Total
Air Canada	395.0	0.2%	-	0.0%
Alaska Airlines	1,120.0	0.7%	-	0.0%
Allegiant Air	188.0	0.1%	-	0.0%
American Airlines	21,313.0	13.3%	162,346.0	17.8%
Atlantic Aviation	-	0.0%	-	0.0%
BAGS	238.0	0.1%	-	0.0%
Breeze Airways	9,808.0	6.1%	-	0.0%
British Airways	1,019.0	0.6%	-	0.0%
Delta Air Lines	36,079.0	22.5%	178,376.0	19.5%
Frontier Airlines	192.0	0.1%	-	0.0%
JetBlue	4,721.0	2.9%	42,576.0	4.7%
New Orleans Airline Consortium (NOACO)	3,895.0	2.4%	-	0.0%
New Orleans Fuel Facilities (NOFF)	377.2	0.2%	-	0.0%
PrimeFlight fka Skytanking	119.7	0.1%	-	0.0%
SITA	14.0	0.0%	-	0.0%
Southwest Airlines	34,415.0	21.5%	289,939.0	31.8%
Spirit Airlines	15,603.0	9.7%	108,980.0	11.9%
United Airlines	30,895.0	19.3%	130,925.0	14.3%
Total	160,391.9	100.0%	913,142.0	100.0%

The Airport recognized \$0.4 million of total regulated lease revenues during each of the years ended December 31, 2024 and 2023.

Note 12: LEASES (CONTINUED)

The future expected minimum payments related to regulated leases are as follows:

	 Principal	Interest	Total
Years Ending December 31:			
2025	407.007		407.007
2025	\$ 137,327	\$ - \$	137,327
2026	137,327	-	137,327
2027	100,344	-	100,344
2028	73,928	-	73,928
2029	73,928	-	73,928
2030-2034	 178,658	 <u>-</u>	178,658
	\$ 701,512	\$ - \$	701,512

Note 13: COMMITMENTS AND CONTINGENCIES

Commitments

In the normal course of business, the Airport enters into various commitments and contingent liabilities, such as construction contracts and service agreements, which are not reflected in the accompanying financial statements.

Insurance

The Airport is insured for hospitalization and unemployment losses and claims under the City of New Orleans' self-insurance program. The Airport pays premiums to the City of New Orleans' unemployment self-insurance program, and the Airport and its employees pay premiums to the City of New Orleans' hospitalization self-insurance program. Amounts paid to the City by the Airport totaled \$1,870,939 and \$1,723,728 for the years ended December 31, 2024 and 2023.

Claims and Judgments

There are several pending lawsuits in which the Airport is involved. Based upon review and evaluation of such lawsuits and the advice of legal counsel, management does not believe that the ultimate outcome of such litigation will be material to the Airport's financial position.

Federal Financial Assistance

The Airport participates in a number of federal financial assistance programs. These programs are subject to financial and compliance audits by governmental agencies.

For the years ended December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY										
Service cost	\$ 1,063,382 \$	887,422 \$	847,873 \$	797,899 \$	852,247 \$	891,187 \$	681,302 \$	596,916 \$	630,676 \$	549,877
Interest	4,160,177	3,923,362	3,771,819	3,733,581	3,857,085	3,616,732	3,443,875	2,886,080	2,936,801	2,728,538
Change of benefit term	-	-	213,900	-	476,822	-	(32,760)	-	-	-
Differences between expected and actual experience	(748,253)	1,265,964	211,590	1,072,461	917,236	(1,324,570)	1,791,903	869,092	3,048,586	1,366,430
Change of assumptions and other inputs	(926,999)	729,883	(1,420,524)	(3,579,232)	64,379	5,192,940	7,321,948	(3,904,785)	1,260,761	-
Benefit payments and net transfers	(3,992,820)	(3,706,150)	(3,742,580)	(3,669,375)	(4,041,720)	(3,637,041)	(3,745,917)	(3,045,115)	(3,387,558)	(3,128,761)
Net Change in Total Pension Liability	(444,513)	3,100,481	(117,922)	(1,644,666)	2,126,049	4,739,248	9,460,351	(2,597,812)	4,489,266	1,516,084
Total Pension Liability - Beginning	57,451,587	54,351,106	54,469,028	56,113,694	53,987,645	49,248,397	39,788,046	42,385,858	37,896,592	36,380,508
Total Pension Liability - Ending (a)	\$ 57,007,074 \$	57,451,587 \$	54,351,106 \$	54,469,028 \$	56,113,694 \$	53,987,645 \$	49,248,397 \$	39,788,046 \$	42,385,858 \$	37,896,592
FIDUCIARY NET POSITION										
Contributions - employer	\$ 2,364,710 \$	2,126,103 \$	1,759,432 \$	1,524,061 \$	2,452,177 \$	2,529,718 \$	2,323,850 \$	1,716,570 \$	1,900,122 \$	1,511,811
Contributions - member	780,320	707,463	599,412	598,977	665,528	681,925	616,889	485,026	518,057	437,104
Net investment income	3,937,937	3,617,307	(4,649,276)	4,994,205	4,061,150	4,407,988	(1,166,189)	3,279,405	1,991,080	(945,905)
Benefit payments and net transfers	(3,992,820)	(3,706,150)	(3,742,580)	(3,669,375)	(4,041,720)	(3,637,041)	(3,745,917)	(3,045,115)	(3,387,558)	(3,128,761)
Administrative expense	(54,077)	(50,126)	(42,201)	(39,427)	(23,810)	(28,071)	(18,250)	(21,327)	(11,885)	(5,952)
Transfers into the System	68,600	58,979	52,398	67,939	19,692	19,757	37,941	-	-	-
Other	482,048	388,658	(936,271)	(2,209,105)	221,401	(54,425)	4,555,561	(2,266,977)	759,786	-
Net Change in Fiduciary Net Position	3,586,718	3,142,234	(6,959,086)	1,267,275	3,354,418	3,919,851	2,603,885	147,582	1,769,602	(2,131,703)
Fiduciary Net Position - Beginning	32,083,853	28,941,619	35,900,705	34,633,430	31,279,012	27,359,161	24,755,276	24,607,694	22,838,092	24,969,795
Fiduciary Net Position - Ending (b)	\$ 35,670,571 \$	32,083,853 \$	28,941,619 \$	35,900,705 \$	34,633,430 \$	31,279,012 \$	27,359,161 \$	24,755,276 \$	24,607,694 \$	22,838,092
NET PENSION LIABILITY - ENDING (a)-(b)	\$ 21,336,503 \$	25,367,734 \$	25,409,487 \$	18,568,323 \$	21,480,264 \$	22,708,633 \$	21,889,236 \$	15,032,770 \$	17,778,164 \$	15,058,500
Fiduciary net position as a percentage of the total pension liability	62.57%	55.85%	53.25%	65.91%	61.72%	57.94%	55.55%	62.22%	58.06%	60.26%
Covered payroll	\$ 13,194,473 \$	10,292,452 \$	10,185,859 \$	10,019,135 \$	10,208,620 \$	11,164,015 \$	9,614,821 \$	7,632,578 \$	8,037,960 \$	7,118,288
Net pension liability as a percentage of covered payroll	161.71%	246.47%	249.46%	185.33%	210.41%	203.41%	227.66%	196.96%	221.18%	211.55%

NOTES TO SCHEDULE:

Changes in Benefits: For 2020, the benefit multiplier changed to 2.50% for all years of service, 80 point provision added to retirement eligibility, age 60 with 10 years of service early retirement eligibility added, pensionable earnings capped at \$150,000, periodically adjusted for inflation by the Trustees, and a retirement Incentive Plan was adopted for participating members with a retirement date in 2020. For 2018, for all employees hired on or after January 1, 2018, the benefit multiplier changed to 1.9% for all years of service and pensionable earnings capped at \$100,0000 adjusted for inflation, and early retirement allowed at age 62 with 20 years of service.

Changes in Assumptions and Other Inputs:

Allocation Percentage to the Airport (component unit)	7.0518140%	6.9474310%	6.8553700%	7.038942%	7.518513%	7.465669%	7.480550%	6.317905%	6.959001%	6.734940%
Discount Rate	7.00%		7.25%							
			PubG-2010,							
			Disabled-PubNS-							
Mortality Tables			2010							
Mortality Projection Scale	MP-2021	MP-2020	MP-2018							
Salary Increases	15%-4%		10%-3.2%							

December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 2,090,024	\$ 1,873,685	\$ 1,676,158	\$ 2,452,177	\$ 2,529,718	\$ - \$	2,095,713	\$ 1,716,570	\$ 1,900,122	\$ 1,511,811
Contributions in related to the contractually required contributions	2,337,061	1,934,535	1,857,843	1,636,885	2,522,932	2,569,097	2,249,395	1,761,937	1,666,973	1,603,282
Contribution deficiency (excess)	\$ (247,037)	\$ (60,850)	\$ (181,685)	\$ 815,292	\$ 6,786	\$ (2,569,097) \$	(153,682)	\$ (45,367)	\$ 233,149	\$ (91,471)
Covered payroll	\$ 13,194,473	\$ 10,292,452	\$ 10,156,066	\$ 10,208,620	\$ 11,164,015	\$ 9,614,821 \$	7,632,578	\$ 8,037,960	\$ 7,118,288	\$ -
Contributions as a percentage of covered payroll	17.71%	18.80%	18.29%	16.03%	22.60%	26.72%	29.47%	21.92%	23.42%	#DIV/0!
NOTES TO SCHEDULE Allocation Percentage to the Airport (component unit) Methods and assumptions used to determine contribution rates: Valuation date:	7.051814% January 1, 2025 Entry Age Actuarial	6.855370%	7.038942%	7.518513%	7.465669%	7.480550%	6.317905%	6.959001%	6.734940%	6.734940%
Actuarial cost method Amortization method Amortization period. Asset valuation method Arket value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.										
Investment rate of return Inflation Salary increases	2.50%	on plan investment ex		ation						

4.5% to 5.5%

5.5%

December 31,		2024		2023		2022		2021		2020	2019	2018
Total OPEB liability												
Service cost	\$	90,775	\$	83,682	\$	109,610	\$	142,695	\$	131,766	\$ 80,941	\$ 91,236
Interest		221,833	-	215,576		148,796	-	164,500	-	179,669	222,214	212,949
Current Year Amortization		-		-		-		-		-	43,774	-
Differences between expected and actual experience		113,370		196,297		(248,219)		(180,580)		669,003	203,246	(209,788)
Changes of assumptions or other inputs		(584,070)		325,507		(1,276,615)		136,395		559,055	996,934	(466,422)
Benefit payments		(352,580)		(419,658)		(454,027)		(431,839)		(405,160)	(414,293)	(382,674)
Net change in total OPEB liability		(510,672)		401,404		(1,720,455)		(168,829)		1,134,333	1,132,816	\$ (754,699)
Total OPEB liability - beginning		6,406,280		6,004,876		7,725,331		7,894,160		6,759,827	5,627,011	6,381,710
Total OPEB liability - ending	\$	5,895,608	\$	6,406,280	\$	6,004,876	\$	7,725,331	\$	7,894,160	\$ 6,759,827	\$ 5,627,011
Covered payroll	\$	14,801,668	\$	11,631,514	\$	11,184,148	\$	10,596,026	\$	10,084,787	\$ 9,982,277	\$ 9,614,757
Total OPEB liability as a percentage of covered payroll		39.83%		55.08%		53.69%		72.91%		78.28%	67.72%	58.52%
* Schedule is intended to show information for 10 years. Add	tional y	vears will be disp	playe	d as they becor	me av	ailable.						
Notes to Schedule: - Information is presented using measurement date which is to the No assets are accumulated in a trust to pay related benefits.		ie as the fiscal y	ear e	nd.								
- Changes of Assumptions or other inputs:												
Discount Rate: Mortality:		4.08%		3.26% RP-2000		3.72%		2.06%		2.12% RP-2000	2.74%	4.10% RP-2000

5.5%

Trend:

Louis Armstrong New Orleans International Airport Supplemental Schedule of Investments

Yea<u>r</u> ended <u>December 31, 2024</u>

	Year	Maturity			
Description	Aquired	date		Book value	Fair value
Unrestricted investments:					
Special Receipts:					
Dreyfus Treasury Prime					
Cash Management					
The Bank of New York Mellon	2008	N/A	\$	1,352,904 \$	1,352,904
JPM U.S. Treasury Plus Investments					
The Bank of New York Mellon	2009	N/A		768,842	768,842
		,	-	2,121,746	2,121,746
City of New Orleans:			_	, , -	, , , -
LAMP - Sales Tax/General Purpose	2003	N/A		29,801,327	29,801,327
LAMP - Revolving				1,494	1,494
LAMP - Use & Lease General Purpose	2011	N/A	_	8	8
			_	29,802,829	29,802,829
New Orleans Aviation Board:					
Whitney Custody Account			_	13,700,551	13,700,551
Total unrestricted investments			_	45,625,126	45,625,126
Restricted investments:					
City of New Orleans:					
LAMP - Rollover Coverage	2009	N/A	_	16,905,283	16,905,283
CIF-Parking Facility Loan:					
JPM U.S. Treasury Prime					
Investments:					
The Bank of New York Mellon	2010	N/A	_	1,285,308	1,285,308
Debt Service Fund:					
Dreyfus Treasury Prime					
Cash Management					
The Bank of New York Mellon	2008	N/A	_	26,500,996	26,500,996
Debt Service Reserve Fund:					
Dreyfus Treasury Prime					
Cash Management					
The Bank of New York Mellon	2009	N/A	_	100,316,993	100,316,993
Capitalized Interest:					
Dreyfus Treasury Prime					
Cash Management:					
The Bank of New York Mellon	2015	N/A	_	6	6
			_		(Continued)
					,

Louis Armstrong New Orleans International Airport Supplemental Schedule of Investments

Description	Year Acquired	Maturity date	Book value	Fair value
Operations and Maintenance:				
Reserve fund:				
JPM U.S. Treasury Plus				
Cash Management				
The Bank of New York Mellon	2009	N/A	13,102,170	13,102,170
Receipts Fund:				
Dreyfus Treasury Prime				
Cash Management				
The Bank of New York Mellon	2009	N/A	5,922,539	5,922,539
CFC Restricted:				
Dreyfus Treasury Prime				
Cash Management				
The Bank of New York Mellon	2010	N/A	25,704,056	25,704,056
Time Reimbursement:				
Dreyfus Treasury Prime				
Cash Management				
The Bank of New York Mellon	2009	N/A	1,321,605	1,321,605
Project Account:				
Dreyfus Treasury Prime				
Cash Management				
The Bank of New York Mellon	2009	N/A	760,575	760,575
PFC Restricted:				
Dreyfus Treasury Prime				
Cash Management				
The Bank of New York Mellon	2009	2008	77,194,806	77,194,806
GARB Restricted:				
Dreyfus Treasury Prime				
Cash Management				
The Bank of New York Mellon	2015	N/A	12,606,648	12,606,648
Vendor Payment:				
Dreyfus Treasury Prime				
Cash Management				
The Bank of New York Mellon	2015	N/A	49,014	49,014
Total restricted investments			281,669,999	281,669,999
Total all investments			\$ 327,295,125 \$	327,295,125
				(Concluded)

Louis Armstrong New Orleans International Airport Supplemental Schedule of Operating Revenues and Expenses by Area of Activity

				Terminal		Ground		
		Airfield		buildings		transportation		Total
Operating revenues	\$	8,408,290	\$	103,937,194	\$	3,666,456 \$; -	116,011,940
Direct expenses		4,761,671		25,548,148		4,787,400		35,097,219
Operating revenues, less direct expenses	_	3,646,619	_	78,389,046		(1,120,944)		80,914,721
Depreciation of cost center assets	_	17,734,957	_	46,641,048		979,974		65,355,979
Operating revenues, less direct expenses and								
depreciation	\$_	(14,088,338)	\$_	31,747,998	\$	(2,100,918)		15,558,742
Other operating expenses:	_		_		•			
Depreciation of non-cost center assets								1,343,370
Administrative								42,373,367
Total other operating expenses							_	43,716,737
Operating (loss)						\$; –	(28,157,995)

Louis Armstrong New Orleans International Airport Supplemental Schedule of Historical Debt Service Coverage Ratio as Required Under the General Revenue Bond Trust Indenture Dated February 1, 2009

Year ended December 31,	2024
Development	
Revenues:	
Airline rentals and landing fees	\$ 52,179,827
Other operating revenues	63,832,104
Nonoperating revenues	8,652,767
Transferred PFCs	21,763,000
Federal funding	7,377,220
Rollover coverage	16,905,283
Total revenues	170,710,201
Less expenses:	
Operation and maintenance expenses	77,470,571
Net revenues	\$ 93,239,630
Debt service fund requirement:	
Principal payments	\$ 17,549,167
Interest expense	46,025,711
Total debt service fund requirement	\$ 63,574,878
Historical debt service coverage ratio	1.47

(1) Basis of Accounting

The accompanying supplemental schedule has been prepared in accordance with the General Revenue Bond Trust Indenture dated February 1, 2009. The supplemental schedule excludes certain revenues and expenses as defined in the trust indenture.

(2) Rollover Coverage

The Airport annually approves Rollover Coverage, in which the funds are transferred monthly, in ratable portions of the total, to the NOAB Rollover Coverage Account held by the City of New Orleans, and then transferred to the airport operating account, held by the City of New Orleans.

Louis Armstrong New Orleans International Airport Schedule of Compensation, Benefits, and Other Payments to the Director of Aviation

Year ended December 31,

2024

Kevin Dolliole, Director of Aviation

Purpose		Amount	
Salary	\$	352,561	
Benefits- medical		9,049	
Benefits-Medicare, Social Security, Workman's Compensation		15,668	
Benefits-insurance contribution		88	
Travel*		32,065	
Conference registration fees*		2,591	
Reimbursements*		-	

^{*} All Director of Aviation travel, including per diem, lodging, and registration fees associated therewith, are approved at New Orleans Aviation Board public meetings. All reimbursements were for parking charges to attend off-airport meetings. The Director of Aviation charges to the Airport credit card are approved at New Orleans Aviation Board public meetings and the expense report is publically posted on the Airport website at http://flymsy.com/transparentMSY with detail for each expense.



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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the New Orleans Aviation Board and the City Council of the City of New Orleans, Louisiana:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Louis Armstrong New Orleans International Airport (the "Airport"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements and have issued our report thereon dated June 27, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Airport's internal control over financial reporting ("internal control") as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, we do not express an opinion on the effectiveness of the Airport's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Airport's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

LOUIS ARMSTRONG NEW ORLEANS INTERNATIONAL AIRPORT SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED DECEMBER 31, 2024

Report on Compliance and Other Matters

Carr, Riggs & Chapan, L.L.C.

As part of obtaining reasonable assurance about whether the Airport's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Airport's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Metairie, Louisiana

June 27, 2025

LOUIS ARMSTRONG NEW ORLEANS INTERNATIONAL AIRPORT SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED DECEMBER 31, 2024

We have audited the basic financial statements of Louis Armstrong New Orleans International Airport as of and for the year ended December 31, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2024 resulted in an unmodified opinion.

Section I: Summary of Auditor's Report

a.	Report on Internal Control and Compliance Material to the	Financial Statements
	Internal Control:	
	Material Weaknesses	No
	Significant Deficiencies	None noted
	Compliance:	
	NonCompliance Material to Financial Statements	No
b.	Federal Awards	
	There were no federal awards noted.	

SECTION II – DEFICIENCIES IDENTIFIED DURING THE AUDIT

None noted.

SECTION III – COMPLIANCE AND OTHER MATTERS

None noted.