



LOUIS ARMSTRONG NEW ORLEANS INTERNATIONAL AIRPORT

PASSENGER FACILITY CHARGES COMPLIANCE REPORT

December 31, 2024

Louis Armstrong New Orleans International Airport

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REPORT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF REVENUES AND EXPENDITURES OF PASSENGER FACILITY CHARGES REQUIRED BY THE PFC GUIDE

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

Report on Compliance for the Passenger Facility Charge Program

Opinion

We have audited Louis Armstrong New Orleans International Airport's (the Airport) compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (PFC Guide), issued by the Federal Aviation Administration (FAA), applicable to the Airport's passenger facility charge (PFC) program for the year ended December 31, 2024.

In our opinion, the Airport complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the Airport's PFC program for the year ended December 31, 2024.

Basis for Opinion

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

We are required to be independent of the 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. Our audit does not provide a legal determination of the Airport's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The Airport's management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Airport's PFC program.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

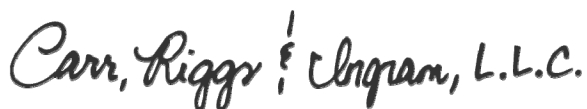
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

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

Report on Schedule of Revenues and Expenditures of Passenger Facility Charges

We have audited the financial statements of 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. We have issued our report thereon dated June 27, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of revenues and expenditures of passenger facility charges is presented for purposes of additional analysis as required by the PFC Guide and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." in a cursive script.

Metairie, Louisiana
June 27, 2025

LOUIS ARMSTRONG NEW ORLEANS INTERNATIONAL AIRPORT
Schedule of Revenues and Expenditures of Passenger Facility Charges
For the year ended December 31, 2024

	Program Total	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarters 1-4	Program Total
	December 31, 2023	January- March 2024	April- June 2024	July- September 2024	October- December 2024	January - December Total	December 31, 2024
REVENUE							
Collections	\$ 514,780,471	\$ 8,049,801	\$ 7,654,309	\$ 5,899,688	\$ 4,225,779	\$ 25,829,577	\$ 540,610,048
Interest	\$ 21,406,550	\$ 838,488	\$ 886,062	\$ 923,552	\$ 867,581	\$ 3,515,682	\$ 24,922,232
Total Revenue	\$ 536,187,021	\$ 8,888,289	\$ 8,540,371	\$ 6,823,240	\$ 5,093,360	\$ 29,345,259	\$ 565,532,280
EXPENDITURES							
Application 02-05 (Closed)	\$ 116,124,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,124,745
Application 06-08 (Closed)	\$ 742,165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 742,165
Application 09-09 (Closed)	\$ 446,885	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 446,885
Application 02-06 (Open)							
06-001 Aircraft Loading Bridges	\$ 18,574,641	\$ 509,243	\$ 10	\$ 170,205	\$ 255	\$ 679,713	\$ 19,254,354
06-002 Airfield Lighting Control Vault Alternative Power Source (2)	\$ 588,086	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 588,086
06-004 Airport Trench Drains (2)	\$ 1,886,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,886,917
06-006 Concourse C Reconstruction (2)	\$ 23,689,436	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,689,436
06-007 Environmental Impact Study for New Air Carrier Runway (2)	\$ 756,631	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 756,631
06-008 Expansion of Concourse D (2)	\$ 39,925,943	\$ 669,758	\$ 16	\$ 253,231	\$ 408	\$ 923,412	\$ 40,849,356
06-010 New Aircraft Rescue and Fire Fighting (ARFF) Station (2)	\$ 12,050,645	\$ 80,371	\$ 2	\$ 30,388	\$ 48	\$ 110,808	\$ 12,161,453
06-011 Rehabilitate Rotating Beacon (2)	\$ 348,560	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 348,560
06-012 Rehabilitate Runway 1/19 (2)	\$ 4,247,324	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,247,324
06-013 Rehabilitate Runway 10/28 (2)	\$ 60,935,865	\$ 2,431,994	\$ 46	\$ 812,848	\$ 1,215	\$ 3,246,103	\$ 64,181,968
06-014 Rehabilitate Taxiway Sierra (2)	\$ 1,405,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,405,540
06-015 South Lafon Airpark Land Purchase	\$ 5,062,117	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,062,117
06-016 Terminal Apron Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
06-017 Terminal HVAC Rehabilitation	\$ 1,278,664	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,278,664
06-018 West Air Cargo Complex Land Acquisition Program	\$ 1,050,244	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,050,244
Total Application - 02-06	\$ 171,800,614	\$ 3,691,365	\$ 74	\$ 1,266,672	\$ 1,926	\$ 4,960,037	\$ 176,760,650

(Continued)

LOUIS ARMSTRONG NEW ORLEANS INTERNATIONAL AIRPORT
Schedule of Revenues and Expenditures of Passenger Facility Charges (Continued)
For the year ended December 31, 2024

		Program Total	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarters 1-4	Program Total
		December 31, 2023	January- March 2024	April- June 2024	July- September 2024	October- December 2024	January - December Total	December 31, 2024
Application 04-07 (Open)								
07-001	Airport Master Plan	\$ 1,303,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,303,828
07-002	Airport Interior Signage	\$ 1,298,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,298,209
07-004	Concourse C Checkpoint Expansion	\$ 1,230,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,230,667
07-005	Construct Connector Taxiway - Taxiway Uniform	\$ 4,651,018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,651,018
07-006	Construct Holding Bay - Runway End 19	\$ 1,067,801	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,067,801
07-007	Exterior Terminal Renovations - Lower Roadway	\$ 4,995,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,995,000
07-008	FIS Facility	\$ 8,083,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,083,512
07-009	Gate Utilization Study	\$ 455,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 455,662
07-011	Part 1542 Security System	\$ 11,403,949	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,403,949
07-013	Residential Sound Insulation Program /Land Acquisition	\$ 3,307,733	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,307,733
07-014	TSA - Related Terminal Modification and Airline Relocations	\$ 5,918,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,918,810
07-016	Terminal HVAC Rehabilitation - Phase II	\$ 2,101,018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,101,018
07-017	Terminal HVAC Rehabilitation - Phase III	\$ 1,449,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,449,000
07-018	Terminal Interior and Exterior Improvements	\$ 32,754,694	\$ 267,903	\$ 6	\$ 101,292	\$ 163	\$ 369,364	\$ 33,124,058
07-019	Terminal Pedestrian Access Enhancements	\$ 1,381,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,381,705
Total Application - 04-07		\$ 81,402,606	\$ 267,903	\$ 6	\$ 101,292	\$ 163	\$ 369,364	\$ 81,771,970
Application 09-10 (Open)								
10-001	Terminal Apron Rehabilitation	\$ 7,236,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,236,602
10-002	Northwest Service (Perimeter) Road	\$ 687,167	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 687,167
10-003	Facility Improvement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10-004	Utility Building (Design and Construct)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10-005	Baggage Handling System	\$ 13,198,985	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,198,985
10-006	Concourse Cand D Sterile Corridor	\$ -	\$ 267,903	\$ 6	\$ 101,292	\$ 163	\$ 369,364	\$ 369,364
10-007	Airfield Lighting Vault	\$ 1,132,534	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,132,534
10-008	Runway 06/24 Downgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Application - 09-10		\$ 22,255,288	\$ 267,903	\$ 6	\$ 101,292	\$ 163	\$ 369,364	\$ 22,624,652

(Continued)

LOUIS ARMSTRONG NEW ORLEANS INTERNATIONAL AIRPORT
Schedule of Revenues and Expenditures of Passenger Facility Charges (Continued)
For the year ended December 31, 2024

		Program Total	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarters 1-4	Program Total
		December 31, 2023	January- March 2024	April- June 2024	July- September 2024	October- December 2024	January - December Total	December 31, 2024
Application 14-11 (Open)								
11-001	Airfield Pavement Condition Study (reimbursement)	\$ 74,628	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,628
11-002	Long Term Planning Study (reimbursement)	\$ 120,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,185
11-003	Airfield Electrical Design and Construction	\$ 2,209,123	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,209,123
11-004	Land Use and Development Study (reimbursement)	\$ 951,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 951,686
11-005	Long Term Development Feasibility Study (reimbursement)	\$ 155,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,303
11-006	Perimeter Fencing Replacement Construction (reimbursement)	\$ 323,743	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 323,743
11-008	Airfield Pavement Rehabilitation Design and Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11-010	Drainage Pumping Station Design and Construction	\$ 73,703	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,703
11-011	Long Term Development Program- Terminal Design and Construction	\$ 73,471,584	\$ 6,945,140	\$ 685	\$ 6,939,850	\$ 17,935	\$ 13,903,611	\$ 87,375,195
11-012	Long Term Development Program- Airside Design and Construction	\$ 7,960,504	\$ 732,627	\$ 72	\$ 732,069	\$ 1,892	\$ 1,466,659	\$ 9,427,163
11-013	Long Term Development Program- Landside Terminal Support Design and Construction	\$ 3,631,102	\$ 329,082	\$ 32	\$ 328,831	\$ 851	\$ 658,796	\$ 4,289,898
	Total Application - 14-11	\$ 88,971,562	\$ 8,006,848	\$ 790	\$ 8,000,750	\$ 20,678	\$ 16,029,065	\$ 105,000,627
	Total Expenditures	\$ 481,743,864	\$ 12,234,019	\$ 876	\$ 9,470,006	\$ 22,929	\$ 21,727,830	\$ 503,471,695
	PFC revenues in excess of (under) expenditures	\$ 54,443,157	\$ (3,345,730)	\$ 8,539,495	\$ (2,646,766)	\$ 5,070,431	\$ 7,617,429	\$ 62,060,585

(Concluded)

Louis Armstrong International Airport
Note to Schedule of Revenues and
Expenditures of Passenger Facility Charges

Note A: SCHEDULE OF REVENUES AND EXPENDITURES OF PASSENGER FACILITY CHARGES

The accompanying Schedule of Revenues and Expenditures of Passenger Facility Charges (PFC) presents the revenues received from the PFC and expenditures incurred on approved projects. The Schedule has been prepared on the cash basis of accounting, under which revenues are recognized when received and expenditures are recognized when paid.

PFC revenue collections represent cash collected through the end of the month subsequent to the quarter-end as reported to the Federal Aviation Administration (FAA) in accordance with 14 CFR Part 158. The interest recognized represents the actual interest collected on the unexpended PFC cash collected during the periods reported.

The approved collection level for the 10 projects denoted by (2) was increased by the FAA from \$3.00 per enplaned passenger to \$4.50 per enplaned passenger, effective April 1, 2002, upon the Airport's submission of Application 02-06. The collection level for the remaining projects was approved by the FAA at \$3.00 per enplaned passenger, effective April 1, 2002.

Louis Armstrong New Orleans International Airport Passenger Facility Charges Audit Summary

- | | | | | |
|--|----------|------------|-----|-----------|
| 1. Type of report issued on PFC financial statements. | <u>√</u> | Unmodified | ___ | Qualified |
| 2. Type of report on PFC compliance. | <u>√</u> | Unmodified | ___ | Qualified |
| 3. Quarterly Revenue and Disbursements reconcile with submitted quarterly reports. | <u>√</u> | Yes | ___ | No |
| 4. PFC Revenue and Interest is accurately reported on FAA Form 5100-127. | <u>√</u> | Yes | ___ | No |
| 5. The Public Agency maintains a separate financial accounting record for each application. | <u>√</u> | Yes | ___ | No |
| 6. Funds disbursed were for PFC eligible items as identified in the FAA Decision to pay only for the allowable costs of the projects. | <u>√</u> | Yes | ___ | No |
| 7. PFC revenues were maintained in a separate interest-bearing capital account or commingled only with other interest-bearing airport capital funds. | <u>√</u> | Yes | ___ | No |
| 8. Serving carriers were notified of PFC program actions/changes approved by the FAA. | <u>√</u> | Yes | ___ | No |
| 9. The Public Agency is in compliance with Assurances 5, 6, 7, and 8. | <u>√</u> | Yes | ___ | No |
| 10. Project administration is carried out in accordance with Assurance 10. | <u>√</u> | Yes | ___ | No |
| 11. For those public agencies with excess revenue, a plan for the use of this revenue has been submitted to the FAA for review and concurrence. | ___ | Yes | ___ | No |
| | <u>√</u> | N/A | | |