

**ANNUAL REPORT**  
**REQUIRED BY SEC RULE 15c2-12(b)(5)**  
**DATED AS OF AUGUST 31, 2025**  
**NEW ORLEANS AVIATION BOARD**  
**OF THE**  
**CITY OF NEW ORLEANS, LOUISIANA**

<b>\$100,010,000</b>	<b>\$219,390,000</b>	<b>\$46,995,000</b>
New Orleans Aviation Board General Airport Revenue Bonds (North Terminal Project) Series 2017A (Non-AMT)	New Orleans Aviation Board General Airport Revenue Bonds (North Terminal Project) Series 2017B (AMT)	New Orleans Aviation Board General Airport Revenue Refunding Bonds Series 2017C (Taxable)
<b>\$4,150,000</b>	<b>\$50,145,000</b>	
New Orleans Aviation Board General Airport Revenue Refunding Bonds Series 2017D-1 (Non-AMT)	New Orleans Aviation Board General Airport Revenue Refunding Bonds Series 2017D-2 (AMT)	
<b>\$23,800,000</b>		
New Orleans Aviation Board General Airport Revenue Refunding Bonds (Gulf Opportunity Zone Projects) Series 2019 (Non-AMT)		
<b>\$4,245,000</b>	<b>\$18,365,000</b>	
New Orleans Aviation Board General Airport Revenue Bonds Series 2023A (Non-AMT)	New Orleans Aviation Board General Airport Revenue Bonds Series 2023B (AMT)	
<b>\$48,445,000</b>	<b>\$464,095,000</b>	
New Orleans Aviation Board General Airport Revenue Refunding Bonds Series 2024A (Non-AMT)	New Orleans Aviation Board General Airport Revenue Refunding Bonds Series 2024B (AMT)	
<b>\$20,065,000</b>	<b>\$68,825,000</b>	<b>\$20,065,000</b>
New Orleans Aviation Board General Airport Revenue Bonds Series 2024C-1 (Non-AMT)	New Orleans Aviation Board General Airport Revenue Bonds Series 2024C-2 (AMT)	New Orleans Aviation Board General Airport Revenue Bonds Series 2024C-1 (Non-AMT)

The New Orleans Aviation Board (the “Board”) of the City of New Orleans, Louisiana, which administers the Louis Armstrong New Orleans International Airport, submits its Annual Report pursuant to SEC Rule 15c2-12 with respect to the above captioned series of bonds

(collectively, the “**Bonds**” or “**GARBs**”) for the fiscal year ending December 31, 2024 (“**FY 2024**”):

1. **Audited Financial Statements.** The audited financial statements for the Board for the FY 2024 are attached hereto as **Exhibit “A.”**

2. **Material Accounting Changes.** The Board follows GAAP principles and mandated Louisiana statutory accounting requirements as in effect from time to time. Material accounting changes can be found in the Audit attached hereto as **Exhibit “A** under Note 1: “**Summary of Significant Accounting Policies.**”

3. **Total Amount Outstanding General Airport Revenue Secured Debt.**

(a) **1<sup>st</sup> Lien Debt.** The total aggregate amount of GARBs of the Issuer secured by a 1<sup>st</sup> lien on the “Net Revenues” (as defined in the General Revenue Bond Trust Indenture (the “**Indenture**”) for GARBs) issued and outstanding as of the end of FY 2024, was \$988,810,000 consisting of the remaining outstanding amounts of the following GARBs:

<b><u>Series Designation</u></b>	<b><u>FY 2024 Ending Balance</u></b>
Series 2017A	\$93,840,000
Series 2017B	\$205,705,000
Series 2017D-2	\$39,320,000
Series 2019 (GO Zone)	\$20,895,000
Series 2023A	\$4,245,000
Series 2023B	\$18,365,000
Series 2024A	\$48,445,000
Series 2024B	\$464,095,000
Series 2024C-1	\$20,065,000
Series 2024C-2	\$68,825,000
Series 2024C-3	\$5,010,000
<b>TOTAL:</b>	<b>\$988,810,000</b>

Principal payments on the GARBs were made on January 1, 2025 as follows:

<b><u>Series Designation</u></b>	<b><u>January 1, 2025 Principal Payment</u></b>
Series 2017A	\$1,000,000
Series 2017B	\$2,160,000
Series 2017D-2	\$2,005,000
Series 2019 (GO Zone)	\$820,000
Series 2023B	\$685,000
<b>TOTAL:</b>	<b>\$6,670,000</b>

Accordingly, as of January 1, 2025 the total aggregate amount of 1<sup>st</sup> Lien GARBS was \$982,140,000.

(b) **Subordinate Debt.** On September 29, 2022, the Board issued a General Airport Revenue Interim Drawdown Note (AMT) (North Terminal Project) Series 2022 (the “**Series 2022 Note**”) payable to Regions Bank in a principal amount not to exceed \$75,000,000 to refinance a prior Series 2017A Note. The Series 2022 Note is a Subordinate Obligation to GARBS that matures on October 1, 2025. As of January 31, 2025, the Board drew down \$61,053,500.

On February 23, 2024, the Board issued General Airport Revenue Draw-Down Bond Anticipation Notes, Series 2024 in the aggregate principal amount not to exceed \$125,000,000 to reimburse the Board for certain prior capital expenditures paid from the general fund and to advance funds for other capital improvements. As of December 31, 2024, the outstanding balance is \$20,510,003.

**4. Total Amount of Net Debt Service Coverage for Fiscal Year 2012 through 2024.** The following table illustrates the Net Revenues, together with the sum on deposit in the rollover coverage account on the last day of the immediately preceding fiscal year, Debt Service on GARBS and debt service coverage ratio (“**DSCR**”) with respect to GARBS by Fiscal Year:

<b>Fiscal Year</b>	<b>Net Revenues</b>	<b>Debt Service</b>	<b>DSCR</b>
2012	\$31,858,523	\$14,879,840	2.14
2013	\$30,208,411	\$14,881,328	2.03
2014	\$37,786,400	\$14,876,328	2.54
2015	\$38,539,015	\$14,879,950	2.59
2016	\$41,480,612	\$14,879,400	2.79
2017	\$40,664,085	\$13,170,475	3.09
2018	\$37,319,774	\$19,475,434	1.92
2019	\$88,265,627	\$68,073,534	1.30
2020	\$91,427,234	\$66,017,558	1.38
2021	\$89,458,975	\$66,016,271	1.36
2022	\$85,640,471	\$66,264,529	1.29
2023	\$88,094,882	\$65,239,178	1.35
2024	\$93,239,630	\$63,574,878	1.47

**5. Total Amount of Released Revenues.** There were no Released Revenues, as such term is used in the Indenture, during FY 2024.

**6. Significant Events concerning the Capital Improvement Program for the Airport.**

The Airline-Airport Use and Lease Agreement between the Aviation Board and Signatory Airlines dated and effective as of January 1, 2009 (the “**Airline Agreement**”), as amended, establishes rentals, fees, and charges payable by all airlines which execute an Airline Agreement with the Aviation Board (the “**Signatory Airlines**”) during the term of the Airline Agreement.

The list below represents all of the Signatory Airlines currently operating at the Airport charged a Signatory Agreement Rate:

Southwest Airlines, Co.  
Delta Air Lines, Inc.  
American Airlines, Inc.  
United Airlines, Inc.  
JetBlue Airways Corporation  
Federal Express Corp.  
United Parcel Service, Inc.  
Spirit Airlines Inc.

Other Airlines operating at the Airport who are not party to the January 1, 2009, Airline Agreement are charged the Non-Signatory Agreement Rate in accordance with a Non-Signatory Agreement:

Air Canada Inc. (Jazz Air)  
Alaska Airlines, Inc.  
Allegiant Air, LLC  
Avelo Airlines  
Breeze Aviation Group, Inc.  
British Airways  
Frontier Airlines Inc.  
Sun Country Airlines and Sun Country  
Kalitta Air and Kalitta Charter (DHL)\*  
Swift Air\*  
ABX Air\*

\*Charged Non-Signatory Agreement Rate but not party to Non-Signatory Agreement

The Airport is currently undertaking the development of a ten-year capital improvement program (“**10-year CIP**”). The Aviation Board retained Unison Consulting, Inc. to facilitate the development of the 10-year CIP, components of which will require the review and approval of the Airlines in order to be financed with Additional GARBS.

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7. **Airport Revenues and Expenses for 2020-2024.** The revenues and expenses for the Airport in each fiscal year from 2020 through 2024 were as follows:

	2020	2021	2022	2023	2024
<b>OPERATING REVENUES</b>					
Airfield	\$ 10,793,044	\$ 5,119,634	\$ 13,318,164	\$ 8,849,296	\$ 8,408,290
Terminal	46,915,895	57,264,182	89,734,495	97,722,284	103,937,194
Ground transportation	2,663,618	2,852,023	3,153,429	3,154,253	3,666,456
<b>Total operating revenues</b>	<b>60,372,557</b>	<b>65,235,839</b>	<b>106,206,088</b>	<b>109,725,833</b>	<b>116,011,940</b>
<b>OPERATING EXPENSES</b>					
Direct	23,796,860	28,320,555	34,773,381	34,586,761	35,097,219
Depreciation	62,093,921	63,260,011	62,871,663	63,278,872	66,699,349
Administrative	32,416,828	31,419,413	36,733,959	40,291,956	42,373,367
<b>Total operating expenses</b>	<b>118,307,609</b>	<b>122,999,979</b>	<b>134,379,003</b>	<b>138,157,589</b>	<b>144,169,935</b>
Operating (loss) income	(57,935,052)	(57,764,140)	(28,172,915)	(28,431,756)	(28,157,995)
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment income (loss), net	5,290,437	(159,008)	(2,021,452)	14,348,109	16,361,802
Interest expense	(47,931,364)	(47,149,095)	(47,311,833)	(48,774,486)	(52,097,631)
Lease interest income	-	-	2,834,600	2,453,928	2,546,804
Passenger facility charges	9,828,383	17,869,002	24,152,258	25,015,692	25,794,419
Customer facility charges	8,405,392	10,776,062	14,030,057	14,961,257	15,800,411
Cost of issuance of bonds	(133,141)	-	(403,684)	(476,869)	(2,272,128)
Terminal transportation costs	(5,015,217)	(7,304,396)	(7,566,255)	(8,020,118)	(10,275,218)
Federal grants	41,677,226	41,413,062	4,448,837	9,739,597	8,153,198
Insurance revenue	-	-	9,159,790	11,003,335	5,690,149
Gain on disposal of capital assets	-	-	-	115,979	30,916
Other, net	(621,856)	2,366,456	1,743,855	777,986	521,298
<b>Total non-operating revenues, net</b>	<b>11,499,860</b>	<b>17,812,083</b>	<b>(933,827)</b>	<b>21,144,410</b>	<b>10,254,020</b>
Change in net position before capital contributions	(46,435,192)	(39,952,057)	(29,106,742)	(7,287,346)	(17,903,975)
Capital contributions	12,552,069	29,361,133	15,661,829	10,442,774	27,770,151
Change in net position	(33,883,123)	(10,590,924)	(13,444,913)	3,155,428	9,866,176
Net position, beginning of year	624,102,692	590,219,569	579,628,645	566,183,732	569,339,160
<b>Total net position, end of year</b>	<b>\$ 590,219,569</b>	<b>\$ 579,628,645</b>	<b>\$ 566,183,732</b>	<b>\$ 569,339,160</b>	<b>\$ 579,205,336</b>

Source:

Carr, Riggs & Ingram, LLC Audited Financial Statements and Supplemental Schedules December 31, 2021 and 2020.

Carr, Riggs & Ingram, LLC Audited Financial Statements and Supplemental Schedules December 31, 2023 and 2022.

Carr, Riggs & Ingram, LLC Audited Financial Statements and Supplemental Schedules December 31, 2024 and 2023.

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8. **Airport Enplaned Passengers for FYs 2006-2024.** The total enplaned passengers at the Airport in each fiscal year from 2006 through 2024 were as follows:

**HISTORICAL ENPLANEMENTS**  
Louis Armstrong New Orleans International Airport  
FY 2006-2024

<b><u>Fiscal Years</u></b>	<b><u>Airport Enplanements</u></b>	<b><u>Airport Growth</u></b>
2006 <sup>2</sup>	3,108,617	-20.4%
2007	3,762,955	21.0%
2008	3,973,167	5.6%
2009	3,908,416	-1.7%
2010	4,102,138	5.0%
2011	4,280,910	4.4%
2012	4,306,707	0.6%
2013	4,598,213	6.8%
2014	4,892,302	6.4%
2015	5,344,625	9.2%
2016	5,579,577	4.4%
2017	6,005,027	7.6%
2018	6,564,742	9.3%
2019	6,832,401	4.1%
2020	2,652,126	-61.2%
2021	4,018,897	51.5%
2022	5,946,283	47.8%
2023	6,368,341	7.1%
2024	6,560,847	3.0%

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12-month period ending December 31.

<sup>2</sup> First full year following Hurricane Katrina.

Source: New Orleans Aviation Board

Prepared by: Accounting Department of the New Orleans Aviation Board

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9. **Airline Market Share of Enplaned Passengers FYs 2020-2024.** Airline market shares of enplaned passengers in each fiscal year from FY 2020 through FY 2024 were as follows:

**HISTORICAL ENPLANEMENTS BY CARRIER**  
**Louis Armstrong New Orleans International Airport**  
**FYs 2020-2024**

<b>Airlines</b>	<b>FY 2020</b>		<b>FY 2021</b>		<b>FY 2022</b>		<b>FY 2023</b>		<b>FY 2024</b>	
	<b>Enplanements</b>	<b>Share</b>								
<b>Alaska Airlines</b>	46,124	1.74%	45,646	1.13%	59,937	1.01%	96,787	1.52%	98,474	1.50%
<b>Allegiant Air</b>	19,485	0.73%	24,249	0.60%	22,700	0.38%	15,024	0.24%	11,949	0.18%
<b>American</b>	486,628	18.35%	786,083	19.54%	965,362	16.23%	1,014,364	15.93%	1,052,176	16.04%
<b>Avelo</b>	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1,590	0.02%
<b>Boutique Air</b>	0	0.00%	45	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Breeze Airlines</b>	0	0.00%	28,279	0.70%	56,562	0.95%	117,773	1.85%	98,837	1.51%
<b>Delta</b>	395,592	14.92%	579,093	14.40%	898,116	15.10%	1,024,904	16.09%	1,056,347	16.10%
<b>Frontier</b>	55,938	2.11%	81,147	2.02%	114,466	1.93%	95,950	1.51%	94,355	1.44%
<b>JetBlue</b>	56,089	2.11%	97,766	2.43%	183,329	3.08%	219,125	3.44%	153,318	2.34%
<b>Silver Airways</b>	0	0.00%	2,201	0.05%	7,599	0.13%	9,351	0.15%	0	0.00%
<b>Southwest</b>	924,343	34.85%	1,364,856	33.93%	2,092,392	35.19%	2,160,462	33.93%	2,215,845	33.77%
<b>Spirit</b>	325,358	12.27%	494,018	12.28%	727,911	12.24%	676,732	10.63%	789,397	12.03%
<b>Sun Country</b>	5,426	0.20%	3,021	0.08%	13,462	0.23%	12,857	0.20%	12,474	0.19%
<b>Sunwing/Swift</b>	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>United</b>	303,745	11.45%	504,613	12.54%	749,881	12.61%	851,042	13.36%	889,307	13.55%
<b>Air Canada</b>	8,155	0.31%	0	0.00%	15,886	0.27%	24,149	0.38%	29,472	0.45%
<b>All Others</b>	25,418	0.96%	11,570	0.29%	38,680	0.65%	49,821	0.78%	57,306	0.87%
<b>TOTALS:</b>	<b>2,652,301</b>	<b>100%</b>	<b>4,022,587</b>	<b>100%</b>	<b>5,946,283</b>	<b>100%</b>	<b>6,368,341</b>	<b>100%</b>	<b>6,560,847</b>	<b>100%</b>

Source: New Orleans Aviation Board

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**10. Airport Revenues and Expenses Related to GARB Debt Service Schedule FYs 2020-2024.** The Airport revenues and expenses related to debt service coverage in each fiscal year from FY 2020 through FY 2024 were as follows:

**REVENUES, EXPENSES, AND DEBT SERVICE COVERAGE**

Louis Armstrong New Orleans International Airport  
Fiscal Years Ended December 31, 2020, 2021, 2022, 2023, and 2024

Revenues:	2020	2021	2022	2023	2024
Airline rentals and landing fees	\$ 38,535,498	\$ 28,488,751	\$ 49,808,633	\$ 51,201,562	\$ 52,179,827
Other operating revenues	21,837,059	36,747,088	56,397,455	58,525,090	63,832,104
Nonoperating revenues	3,323,784	2,079,699	6,174,810	7,183,466	8,652,767
Transferred PFCs	25,764,204	23,963,000	23,766,100	21,763,000	21,763,000
Federal funding	41,677,226	41,413,062	4,300,020	7,377,000	7,377,220
Rollover coverage	16,505,151	16,508,343	16,701,793	16,925,759	16,905,283
Total revenues	<b>147,642,922</b>	<b>149,199,943</b>	<b>157,148,811</b>	<b>162,975,877</b>	<b>\$ 170,710,201</b>
Less expenses:					
Operation and maintenance expenses	56,213,688	59,740,968	71,508,340	74,880,995	77,470,571
Net revenues	<b>\$ 91,429,234</b>	<b>\$ 89,458,975</b>	<b>\$ 85,640,471</b>	<b>\$ 88,094,882</b>	<b>\$ 93,239,630</b>
Debt service fund requirement:					
Principal payments	\$ 17,740,000	\$ 18,335,000	\$ 18,975,000	\$ 18,130,000	\$ 17,549,167
Interest expense	48,277,558	47,681,271	47,289,529	47,109,178	46,025,711
Total debt service fund	<b>\$ 66,017,558</b>	<b>\$ 66,016,271</b>	<b>\$ 66,264,529</b>	<b>\$ 65,239,178</b>	<b>\$ 63,574,878</b>
Historical debt service coverage ratio	1.38	1.36	1.29	1.35	1.47

Source: New Orleans Aviation Board

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11. **Origin-Destination Patterns.** The domestic passenger origin-destination patterns by city for calendar year 2024 were as follows:

Top 25 MSY O&D Markets, CY2024 (Ranked on descending pax share)		Est. O&D Passengers	Avg. Daily PAX	Market Share	
Rank	Metro Market				
Rank	Destination	Airports	Est. O&D Passengers	Avg. Daily PAX	Market Share
1	New York City, NY (Metropolitan Area)	EWR, LGA, JFK	952,320	2,609	8.4%
2	Washington, DC (Metropolitan Area)	BWI, DCA, IAD	671,440	1,840	5.9%
3	Dallas/Fort Worth, TX	DAL, DFW	599,330	1,642	5.3%
4	Los Angeles, CA (Metropolitan Area)	LAX, SNA, BUR, LGB, ONT	556,120	1,524	4.9%
5	Miami, FL (Metropolitan Area)	MIA	534,520	1,464	4.7%
6	Chicago, IL	ORD, MDW	521,660	1,429	4.6%
7	Houston, TX	IAH, HOU	518,670	1,421	4.6%
8	Orlando, FL	MCO	481,550	1,319	4.3%
9	Atlanta, GA (Metropolitan Area)	ATL	460,960	1,263	4.1%
10	Denver, CO	DEN	364,680	999	3.2%
11	Boston, MA (Metropolitan Area)	BOS, PVD	325,260	891	2.9%
12	San Francisco, CA (Metropolitan Area)	SFO, OAK, SJC	294,320	806	2.6%
13	Las Vegas, NV	LAS	257,840	706	2.3%
14	Tampa, FL (Metropolitan Area)	TPA	239,280	656	2.1%
15	Philadelphia, PA	PHL	237,850	652	2.1%
16	Austin, TX	LAS	237,410	650	2.1%
17	Seattle, WA	SEA	207,320	568	1.8%
18	Detroit, MI	DTW	205,630	563	1.8%
19	Nashville, TN	BNA	192,720	528	1.7%
20	Phoenix, AZ	PHX, AZA	171,920	471	1.5%
21	Charlotte, NC	CLT	152,390	418	1.3%
22	Minneapolis/St. Paul, MN	MSP	149,330	409	1.3%
23	Raleigh/Durham, NC	RDU	144,130	395	1.3%
24	San Diego, CA	SAN	124,140	340	1.1%
25	St. Louis, MO	STL	117,470	322	1.0%
...	Other		2,607,040	7,143	23.0%
<b>Top 25 Subtotal</b>		<b>8,718,260</b>	<b>23,886</b>	<b>77.0%</b>	
<b>Total MSY</b>		<b>11,325,300</b>	<b>31,028</b>	<b>100.0%</b>	

Source: U.S. Department of Transportation DB1B (Airline Origin and Destination Survey), last accessed July 11, 2025.

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12. **Percentage Total Aircraft Landed Weight by Carrier.** The percent of total aircraft landed weight by Carrier in each fiscal year from FY 2019 through FY 2024, is as follows:

#### **AIRLINE MARKET SHARES OF AIRCRAFT LANDED WEIGHT**

Louis Armstrong New Orleans International Airport

FYs 2019-2024

(percentage of total aircraft landed weight)

<b>Major and other airlines(a)</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Southwest Airlines</b>	33.46	34.54	29.10	31.79	33.11	31.60
<b>Delta Airlines</b>	15.93	13.22	14.65	14.14	14.90	15.18
<b>American Airlines/US Airways</b>	14.55	15.96	17.46	15.03	14.75	14.73
<b>United Airlines</b>	12.20	10.15	12.20	12.30	13.01	12.49
<b>Spirit</b>	9.56	9.97	10.12	10.54	8.58	10.42
<b>Cargo</b>	4.77	9.08	9.39	7.39	5.46	5.40
<b>Scheduled Int. (Other)</b>	2.13	0.95	0.06	1.76	2.22	3.06
<b>JetBlue</b>	2.79	2.13	2.42	2.90	3.16	2.32
<b>Frontier</b>	1.92	1.46	1.61	1.69	1.33	1.59
<b>Breeze Airways</b>	0.00	0.00	1.09	1.00	1.72	1.46
<b>Alaska/Virgin</b>	0.75	1.66	1.03	0.80	1.25	1.34
<b>Sun Country</b>	0.25	0.20	0.12	0.22	0.16	0.21
<b>Allegiant</b>	1.70	0.68	0.70	0.32	0.19	0.16
<b>Avelo Airlines</b>	0.00	0.00	0.00	0.00	0.00	0.03
<b>Prime Air</b>	0.00	0.00	0.00	0.00	0.00	0.01
<b>Boutique Air</b>	0.00	0.00	0.00	0.00	0.16	0.00
<b>Silver Airways</b>	0.00	0.00	0.05	0.11	0.00	0.00
<b>Totals</b>	100	100	100	100	100	100

(a) major airlines are defined for this analysis as scheduled airlines operating aircraft with more than 60 seats.

Source: New Orleans Aviation Board

Prepared by: New Orleans Aviation Board

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13. **Total Aircraft Landed Weight.** The total aircraft landed weight at the Airport for fiscal years 2009 through 2024 was as follows:

**HISTORICAL AIRCRAFT LANDED WEIGHT**  
Louis Armstrong New Orleans International Airport  
Fiscal Years 2009 through 2024 (Weight in Thousand Pounds)

<b><u>Fiscal Year</u></b>	<b><u>Landed Weight</u></b>
2009	5,174,944
2010	5,501,940
2011	5,613,632
2012	5,479,289
2013	6,032,372
2014	6,122,519
2015	6,499,788
2016	6,771,515
2017	7,328,602
2018	7,888,855
2019	8,232,139
2020	4,479,734
2021	5,365,624
2022	7,352,552
2023	7,988,795
2024	7,992,677

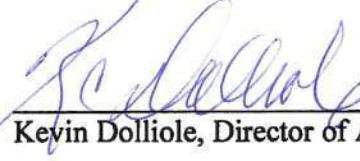
Source: New Orleans Aviation Board

14. **Ratings Changes.** On August 13, 2025, S&P Global Ratings lowered its rating from "A" to "A-".

IN FAITH WHEREOF, witness my official signature as of the 31<sup>st</sup> day of August, 2025.

**NEW ORLEANS AVIATION BOARD**

By:



\_\_\_\_\_  
Kevin Dolliole, Director of Aviation

**EXHIBITS**

Exhibit A      Audited Financial Statements for Airport for Fiscal Year 2024

**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.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." The signature is cursive and fluid, with a small vertical line above the 'i' in Ingram.

Metairie, Louisiana  
June 27, 2025

# **Louis Armstrong New Orleans International Airport**

## **Management's Discussion and Analysis**

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.

## **Louis Armstrong New Orleans International Airport Management's Discussion and Analysis**

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.

**Louis Armstrong New Orleans International Airport  
Management's Discussion and Analysis**

**Summary of Net Position (in thousands)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<b>Assets:</b>			
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	<u>\$ 2,039,960</u>	<u>\$ 1,910,740</u>	<u>\$ 1,926,578</u>
<b>Deferred Outflows of Resources:</b>			
Deferred amounts related to pension 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	<u>\$ 6,263</u>	<u>\$ 8,836</u>	<u>\$ 10,480</u>
<b>Liabilities:</b>			
Current liabilities	\$ 158,425	\$ 85,702	\$ 92,104
Noncurrent liabilities	<u>1,173,220</u>	<u>1,180,579</u>	<u>1,184,232</u>
Total liabilities	<u>\$ 1,331,646</u>	<u>\$ 1,266,281</u>	<u>\$ 1,276,337</u>
<b>Deferred Inflows of Resources:</b>			
Deferred amounts related to pension 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 service concession arrangement	34,695	35,694	36,688
Total deferred inflows	<u>\$ 135,372</u>	<u>\$ 83,957</u>	<u>\$ 94,578</u>
<b>Net Position:</b>			
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	<u>\$ 579,205</u>	<u>\$ 569,339</u>	<u>\$ 566,184</u>

## Louis Armstrong New Orleans International Airport Management's Discussion and Analysis

### 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
<b>Bonds payable:</b>			
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
<b>Loans payable:</b>			
Series 2022	61,054	61,054	61,054
Series 2024	20,510	-	-
	<hr/> <u>\$ 1,223,150</u>	<hr/> <u>\$ 1,172,497</u>	<hr/> <u>\$ 1,171,872</u>

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

## **Louis Armstrong New Orleans International Airport Management's Discussion and Analysis**

### **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.

**Louis Armstrong New Orleans International Airport  
Management's Discussion and Analysis**

**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	<u>\$ 1,521,895</u>	<u>\$ 1,512,723</u>	<u>\$ 1,514,620</u>

**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.

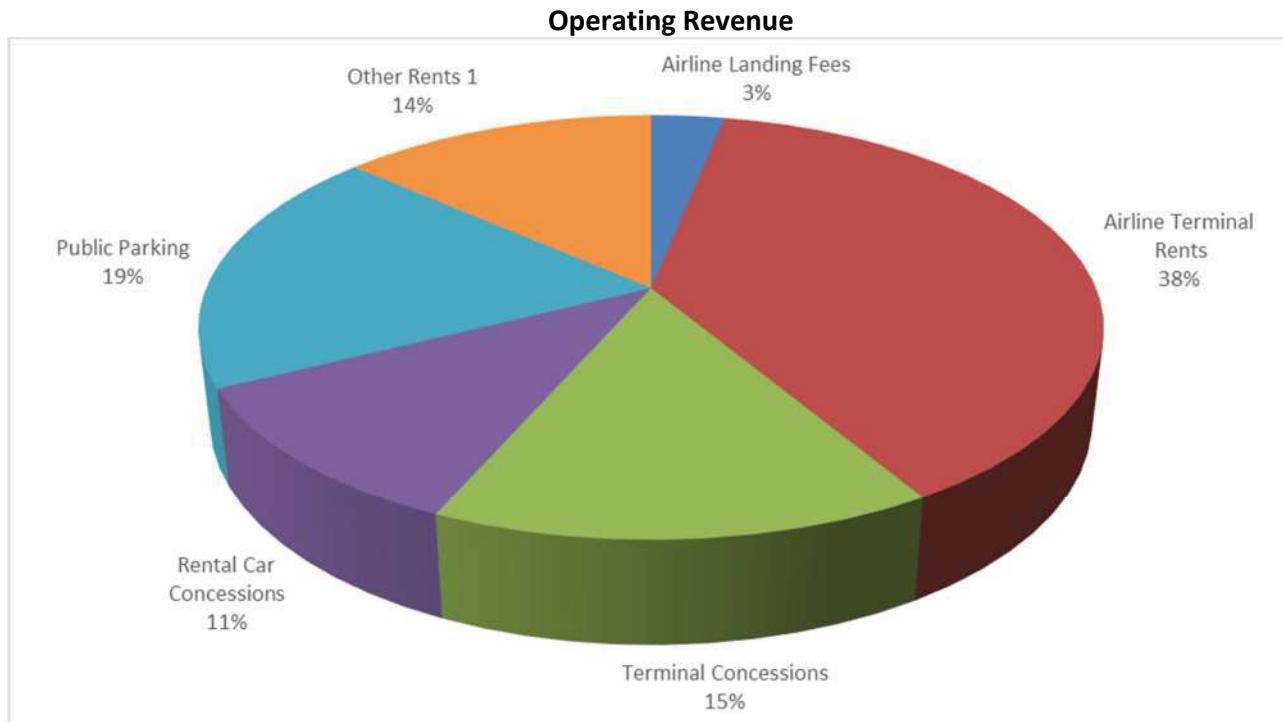
	2024	2023	2022
Terminal building rental rates (per sq. ft.)	\$171.28	\$169.85	\$147.84
Landing fee rate (per 1,000 lbs.)	0.26	0.46	1.11
Apron use fee rate (per sq. ft.)	1.47	2.04	2.43
Enplaned passenger use fee (per passenger)	9.43	9.24	9.01

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.

## Louis Armstrong New Orleans International Airport Management's Discussion and Analysis

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

## Louis Armstrong New Orleans International Airport Management's Discussion and Analysis

### **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.

	<b>2024</b>	<b>2023</b>	<b>2022</b>
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.

	<b>2024</b>	<b>2023</b>	<b>2022</b>
Investment income, net	\$ 16,362	\$ 14,348	\$ (2,021)
Lease interest income	2,547	2,454	2,835
Passenger facility charges	25,794	25,016	24,152
Customer facility charges	15,800	14,961	14,030
Capital contributions	27,770	10,443	15,662
Federal grants	8,153	9,740	4,449
Other, net	6,242	11,897	10,907
	\$ 102,668	\$ 88,859	\$ 70,014

### **2024 vs. 2023**

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

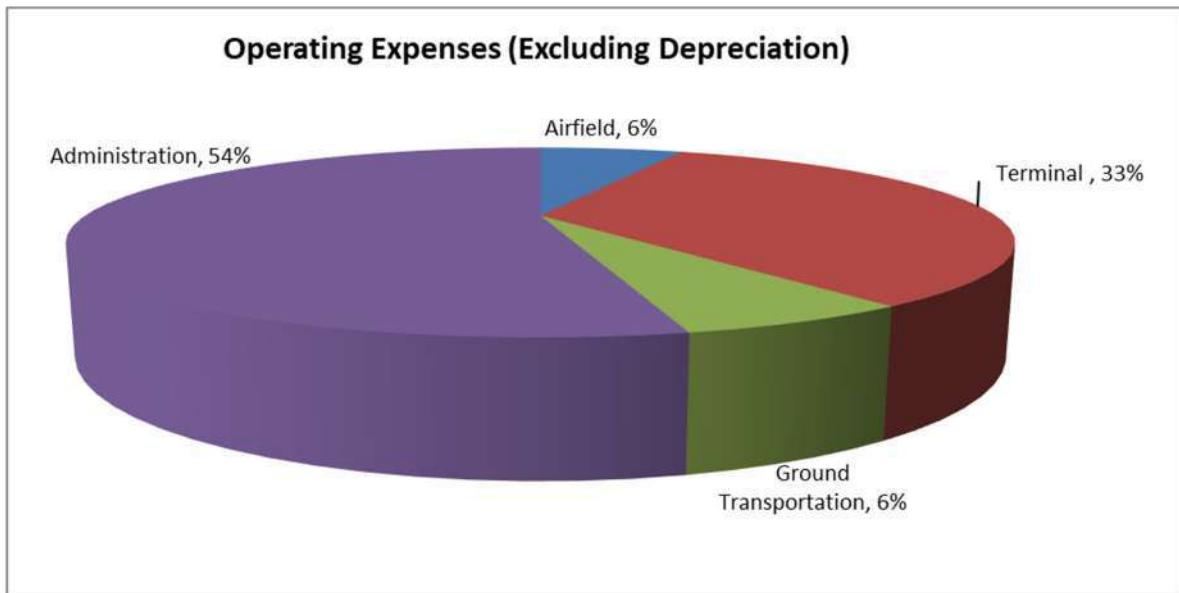
### **2023 vs. 2022**

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

## Louis Armstrong New Orleans International Airport Management's Discussion and Analysis

### 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

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

### **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.

## Louis Armstrong New Orleans International Airport Management's Discussion and Analysis

### **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
<b>Total Non-operating Expense</b>	<b>\$ 64,645</b>	<b>\$ 57,271</b>	<b>\$ 52,731</b>

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

**Louis Armstrong New Orleans International Airport  
Management's Discussion and Analysis**

**Summary of Changes in Net Position** (in thousands)

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

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.

<b>Revenue Refunding Bonds</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
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.

## **Louis Armstrong New Orleans International Airport Management's Discussion and Analysis**

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%).

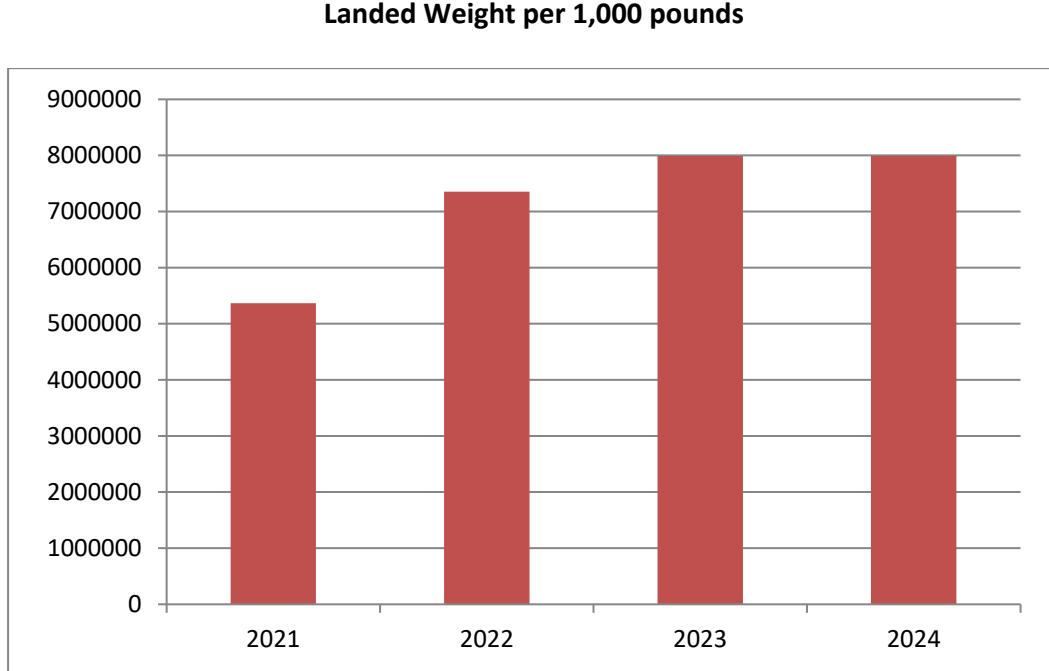
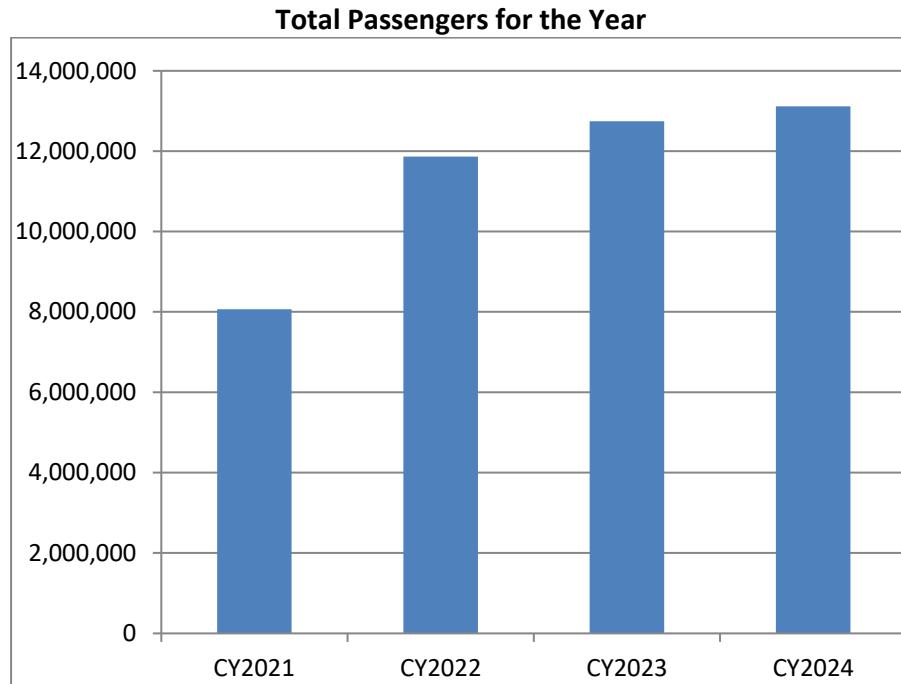
Selected statistical information about total passengers, aircraft landed weight, and air carrier operations for the past three years are presented in the table below.

<b>Fiscal year</b>	<b>Total passengers</b>	<b>Landed weight (1,000 pound units)</b>	<b>Air carrier operations</b>
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

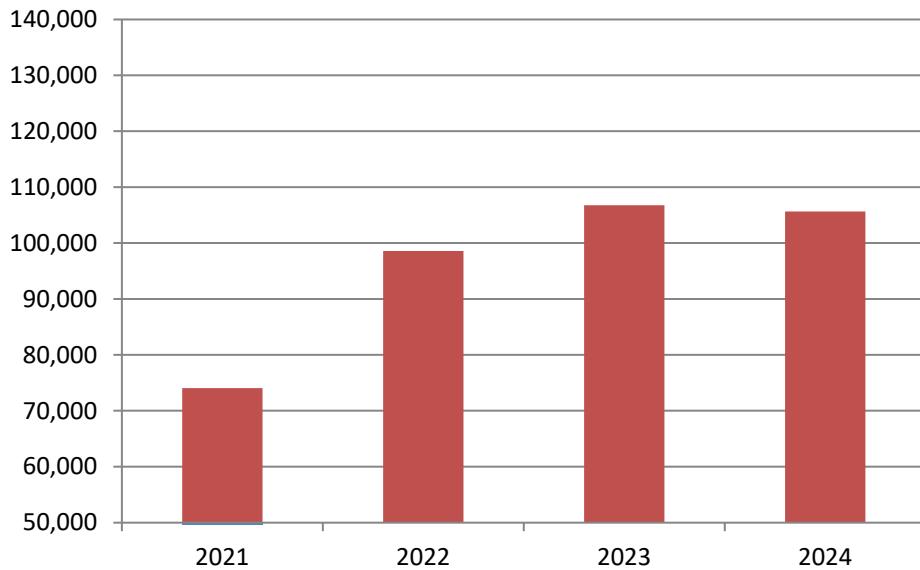
<b>Fiscal year</b>	<b>Number of daily departures</b>	<b>Number of destinations</b>	<b>Average daily seats</b>
2022	137	60	20,989
2023	145	71	22,691
2024	145	71	23,086

**Louis Armstrong New Orleans International Airport  
Management's Discussion and Analysis**



## Louis Armstrong New Orleans International Airport Management's Discussion and Analysis

### 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
<b>Assets</b>		
<b>Current assets</b>		
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
<b>Total current unrestricted assets</b>	<b>90,043,662</b>	<b>46,708,594</b>
<b>Restricted assets</b>		
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
<b>Total current restricted assets</b>	<b>305,325,322</b>	<b>251,155,347</b>
<b>Total current assets</b>	<b>395,368,984</b>	<b>297,863,941</b>
<b>Noncurrent assets</b>		
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
<b>Total noncurrent assets</b>	<b>1,644,591,546</b>	<b>1,612,876,420</b>
<b>Total assets</b>	<b>2,039,960,530</b>	<b>1,910,740,361</b>
<b>Deferred Outflows of Resources</b>		
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
<b>Total deferred outflows of resources</b>	<b>6,262,806</b>	<b>8,835,841</b>

*The accompanying notes are an integral part of these financial statements.*

**Louis Armstrong New Orleans International Airport  
Statements of Net Position**

December 31,	2024	2023
<b>Liabilities</b>		
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
 <b>Deferred Inflows of Resources</b>		
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
 <b>Net Position</b>		
Net investment in capital assets	231,284,057	308,031,028
Restricted for:		
Debt service	120,656,619	130,488,458
Capital acquisition	182,408,617	104,613,676
Operating reserve	30,007,452	29,385,290
Unrestricted	14,848,591	(3,179,292)
 Total net position	 \$ 579,205,336	 \$ 569,339,160

*The accompanying notes are an integral part of these financial statements.*

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

*For the year ended December 31,*

	<b>2024</b>	<b>2023</b>
<b>Operating revenues</b>		
Airfield	\$ 8,408,290	\$ 8,849,296
Terminal	103,937,194	97,722,284
Ground transportation	3,666,456	3,154,253
<b>Total operating revenues</b>	<b>116,011,940</b>	<b>109,725,833</b>
<b>Operating expenses</b>		
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
<b>Total operating expenses</b>	<b>144,169,935</b>	<b>138,157,589</b>
<b>Operating (loss) income</b>	<b>(28,157,995)</b>	<b>(28,431,756)</b>
<b>Nonoperating revenues (expenses)</b>		
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
<b>Total nonoperating revenues, net</b>	<b>10,254,020</b>	<b>21,144,410</b>
<b>Change in net position before capital contributions</b>	<b>(17,903,975)</b>	<b>(7,287,346)</b>
<b>Capital contributions (note 11)</b>	<b>27,770,151</b>	<b>10,442,774</b>
Change in net position	9,866,176	3,155,428
<b>Net position, beginning of year</b>	<b>569,339,160</b>	<b>566,183,732</b>
<b>Total net position, end of year</b>	<b>\$ 579,205,336</b>	<b>\$ 569,339,160</b>

*The accompanying notes are an integral part of these financial statements.*

**Louis Armstrong New Orleans International Airport**  
**Statements of Cash Flows**

For the years ended December 31,

**2024**

**2023**

<b>Cash flows from Operating activities</b>		<b>2024</b>	<b>2023</b>
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	
<b>Cash flow from Noncapital financing activities</b>			
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	
<b>Cash flows from Capital and related financing activities</b>			
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)	
<b>Cash flows from Investing activities</b>			
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	
<b>Net change in cash and cash equivalents</b>		<b>2024</b>	<b>2023</b>
		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	

*The accompanying notes are an integral part of these financial statements.*

**Louis Armstrong New Orleans International Airport  
Statements of Cash Flows**

<i>December 31,</i>	<b>2024</b>	<b>2023</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating loss	\$ (28,157,995)	\$ (28,431,756)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:</b>		
Depreciation	66,699,349	63,278,872
Deferred outflows of resources		
Related to net pension and total OPEB liability	2,314,501	1,385,409
Deferred inflows of resources		
Related to net pension and total OPEB liability	1,553,541	(981,156)
Related to leases	14,861,743	(8,646,029)
Net pension liability	(4,031,231)	(41,753)
Total OPEB liability	(510,672)	401,404
Change in allowance for doubtful accounts	(273,865)	(885)
<b>Changes in assets and liabilities:</b>		
Accounts receivable	(3,991,821)	(8,024,993)
Leases receivable	(15,707,307)	7,769,699
Prepaid expenses and deposits	168,750	(8,647)
Accounts payable	16,575,431	(5,400,451)
Accrued salaries and other compensation	1,670,922	(302,039)
Due to City of New Orleans	1,269,130	(2,116,912)
Unearned revenue	555,139	235,894
<b>Total adjustments</b>	<b>81,153,610</b>	<b>47,548,413</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 52,995,615</b>	<b>\$ 19,116,657</b>

*The accompanying notes are an integral part of these financial statements.*

## **Louis Armstrong New Orleans International Airport Notes to Financial Statements**

### **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.

**Louis Armstrong New Orleans International Airport  
Notes to Financial Statements**

**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 noncancelable 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 noncancelable 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.

## Louis Armstrong New Orleans International Airport Notes to Financial Statements

### ***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:

	<b>Estimated useful lives (years)</b>
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.

**Louis Armstrong New Orleans International Airport  
Notes to Financial Statements**

**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.

## Louis Armstrong New Orleans International Airport Notes to Financial Statements

### **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.

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**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.

## Louis Armstrong New Orleans International Airport Notes to Financial Statements

### **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.

## Louis Armstrong New Orleans International Airport Notes to Financial Statements

### **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.

## Louis Armstrong New Orleans International Airport Notes to Financial Statements

### **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.

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**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**

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

**Investment Maturities at December 31, 2023**

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

***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.

## Louis Armstrong New Orleans International Airport Notes to Financial Statements

### **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 AAA by Standard & Poor's.
- Custodial credit risk: 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.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: 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.

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**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:

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

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**Note 2: CASH AND INVESTMENTS (CONTINUED)**

***Fair Value Measurement (Continued)***

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

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:

	<b>2024</b>	<b>2023</b>
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	<u>6,550,026</u>	<u>6,490,505</u>
	<u>22,559,852</u>	<u>18,584,408</u>
Less: allowance for doubtful accounts	<u>(62,796)</u>	<u>(336,661)</u>
	<b><u>\$ 22,497,056</u></b>	<b><u>\$ 18,247,747</u></b>

# Louis Armstrong New Orleans International Airport

## Notes to Financial Statements

### 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:

	<b>Cash and certificates of deposits</b>	<b>Dreyfus Treasury Prime Cash Management</b>	<b>JPM U.S. Treasury and U.S. money market fund</b>	<b>Passenger facility charges receivable</b>	<b>Customer facility charges receivable</b>	<b>Total</b>
Debt service fund	\$ 5,405,527	\$ 26,500,996	\$ -	\$ -	\$ -	\$ 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
<b>Total</b>	<b>\$ 71,783,448</b>	<b>\$ 226,782,334</b>	<b>\$ 54,887,665</b>	<b>\$ 5,079,288</b>	<b>\$ 1,680,252</b>	<b>\$ 360,212,987</b>

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

	<b>Cash and certificates of deposits</b>	<b>Dreyfus Treasury Prime Cash Management</b>	<b>JPM U.S. Treasury and U.S. money market fund</b>	<b>Passenger facility charges receivable</b>	<b>Customer facility charges receivable</b>	<b>Total</b>
Debt service fund	\$ 2,361,590	\$ 58,304,789	\$ -	\$ -	\$ -	\$ 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
<b>Total</b>	<b>\$ 2,496,399</b>	<b>\$ 227,065,510</b>	<b>\$ 61,052,744</b>	<b>\$ 5,077,274</b>	<b>\$ 1,834,124</b>	<b>\$ 297,526,051</b>

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**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:

	<b>Balance December 31, 2023</b>	<b>Additions during year</b>	<b>Deletions/ transfers during year</b>	<b>Balance December 31, 2024</b>
<b>Capital assets not being depreciated:</b>				
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
<b>Total capital assets not being depreciated</b>	<b>166,729,743</b>	<b>75,863,939</b>	<b>(70,195,537)</b>	<b>172,398,145</b>
<b>Capital assets being depreciated/amortized:</b>				
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
<b>Total capital assets Being depreciated/amortized</b>	<b>2,364,838,680</b>	<b>70,202,213</b>	<b>-</b>	<b>2,435,040,893</b>
<b>Total capital assets</b>	<b>2,531,568,423</b>	<b>146,066,152</b>	<b>(70,195,537)</b>	<b>2,607,439,038</b>
<b>Less accumulated depreciation/amortization:</b>				
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
<b>Total accumulated Depreciation/amortization</b>	<b>1,018,845,181</b>	<b>66,699,349</b>	<b>-</b>	<b>1,085,544,530</b>
<b>Total capital assets, net</b>	<b>\$ 1,512,723,242</b>	<b>\$ 79,366,803</b>	<b>\$ (70,195,537)</b>	<b>\$ 1,521,894,508</b>

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

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

	<b>Balance December 31, 2022</b>	<b>Additions during year</b>	<b>Deletions/ transfers during year</b>	<b>Balance December 31, 2023</b>
<b>Capital assets not being depreciated:</b>				
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
<b>Total capital assets not being depreciated</b>	<b>196,718,040</b>	<b>61,417,678</b>	<b>(91,405,975)</b>	<b>166,729,743</b>
<b>Capital assets being depreciated:</b>				
Land improvements	513,100,732	62,157,763	-	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	-	-	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
<b>Total capital assets Being depreciated</b>	<b>2,276,917,099</b>	<b>91,369,953</b>	<b>(3,448,372)</b>	<b>2,364,838,680</b>
<b>Total capital assets</b>	<b>2,473,635,139</b>	<b>152,787,631</b>	<b>(94,854,347)</b>	<b>2,531,568,423</b>
<b>Less accumulated depreciation:</b>				
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
<b>Total accumulated depreciation</b>	<b>959,014,681</b>	<b>63,278,872</b>	<b>(3,448,372)</b>	<b>1,018,845,181</b>
<b>Total capital assets, net</b>	<b>\$ 1,514,620,458</b>	<b>\$ 89,508,759</b>	<b>\$ (91,405,975)</b>	<b>\$ 1,512,723,242</b>

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

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

Construction in progress is composed of the following at December 31, 2024 and 2023:

<b>Description</b>	<b>2024</b>	<b>2023</b>	<b>Remaining Commitments at 2024</b>
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
<b>Total</b>	<b>\$ 71,977,337</b>	<b>\$ 66,308,935</b>	<b>\$ 179,245,295</b>

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**Note 6: LONG-TERM DEBT**

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

<b>Long-Term Debt</b>	<b>Balance December 31, 2023</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2024</b>	<b>Principal due within one year</b>
<b><u>Bonds Payable:</u></b>					
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
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 from 4% - 5% ; January 1, 2040	82,565,000	-	-	82,565,000	1,385,000
Series 2019 GO ZONE Revenue Bonds, fixed interest rate, January 1, 2041 at 5% final maturity	21,675,000	-	(780,000)	20,895,000	820,000
Series 2023A GARB Premium Revenue Bonds, fixed interest rate ranging from 5% ; January 1, 2044	4,245,000	-	-	4,245,000	-

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**Note 6: LONG-TERM DEBT (CONTINUED)**

	Balance December 31, 2023	Additions	Deductions	Balance December 31, 2024	Principal due within one year
<b><u>Bonds Payable, (continued):</u></b>					
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 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	-
	<u>1,035,960,000</u>	<u>606,440,000</u>	<u>(571,025,000)</u>	<u>1,071,375,000</u>	<u>8,055,000</u>
Unamortized discount on bonds	(220,239)	(1,334,800)	23,055	(1,531,894)	(22,655)
Unamortized premium on bonds	<u>75,703,672</u>	<u>36,673,935</u>	<u>(40,634,015)</u>	<u>71,743,592</u>	<u>7,898,508</u>
	<u><u>1,111,443,433</u></u>	<u><u>641,779,135</u></u>	<u><u>(611,635,960)</u></u>	<u><u>1,141,586,698</u></u>	<u><u>15,930,853</u></u>
<b><u>Loans Payable:</u></b>					
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	-	49,708,320	(29,198,317)	20,510,003	-
	<u>61,053,500</u>	<u>49,708,320</u>	<u>(29,198,317)</u>	<u>81,563,503</u>	<u>-</u>
	<u><u>\$ 1,172,496,933</u></u>	<u><u>\$ 691,487,455</u></u>	<u><u>\$ (640,834,277)</u></u>	<u><u>\$ 1,223,150,201</u></u>	<u><u>\$ 76,984,353</u></u>

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**Note 6: LONG-TERM DEBT (CONTINUED)**

<b>Long-Term Debt</b>	<b>Balance December 31, 2023</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2024</b>	<b>Principal due within one year</b>
<b>Bonds Payable:</b>					
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 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	43,050,000	-	(1,820,000)	41,230,000	1,910,000
Series 2018 Go Zone CFC Bonds Revenue Refunding Bonds, fixed interest rate ranging from 4% - 5% ; January 1, 2040	82,565,000	-	-	82,565,000	-

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**Note 6: LONG-TERM DEBT (CONTINUED)**

	<u>Balance</u> <u>December 31,</u> <u>2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>2024</u>	<u>Principal</u> <u>due within</u> <u>one year</u>
<b>Bonds Payable, (continued):</b>					
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	-
	<u>1,032,325,000</u>	<u>22,610,000</u>	<u>(18,975,000)</u>	<u>1,035,960,000</u>	<u>18,130,000</u>
Unamortized discount on bonds	(243,294)	-	(23,055)	(220,239)	(23,055)
Unamortized premium on bonds	<u>78,736,600</u>	<u>2,367,550</u>	<u>(5,400,578)</u>	<u>75,703,672</u>	<u>5,361,320</u>
	<u>1,110,818,306</u>	<u>24,977,650</u>	<u>(24,352,523)</u>	<u>1,111,443,433</u>	<u>23,468,265</u>
<b>Loans Payable:</b>					
Series 2022 Series Trust rate, October 1, 2025 at 10% final maturity	61,053,500	-	-	61,053,500	-
	<u>61,053,500</u>	<u>—</u>	<u>—</u>	<u>61,053,500</u>	<u>—</u>
	<u><u>\$ 1,171,871,806</u></u>	<u><u>\$ 24,977,650</u></u>	<u><u>\$ (24,352,523)</u></u>	<u><u>\$ 1,172,496,933</u></u>	<u><u>\$ 23,468,265</u></u>

**Louis Armstrong New Orleans International Airport  
Notes to Financial Statements**

**Note 6: LONG-TERM DEBT (CONTINUED)**

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

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
<b>Bonds Payable:</b>			
December 31:			
2025	\$ 8,055,000	42,397,141	50,452,141
2026	24,985,000	53,022,492	78,007,492
2027	26,245,000	51,747,637	77,992,637
2028	27,535,000	50,409,003	77,944,003
2029	28,925,000	49,001,206	77,926,206
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	<u>27,225,000</u>	<u>3,552,888</u>	<u>30,777,888</u>
	<u><u>\$ 1,071,375,000</u></u>	<u><u>\$ 791,700,262</u></u>	<u><u>\$ 1,863,075,262</u></u>
<b>Loans Payable:</b>			
December 31:			
2025	\$ 61,053,500	\$ -	\$ 61,053,500
2026	<u>20,510,003</u>	<u>-</u>	<u>20,510,003</u>
	<u><u>\$ 81,563,803</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 81,563,803</u></u>

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.

**Louis Armstrong New Orleans International Airport  
Notes to Financial Statements**

**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:

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

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

## Louis Armstrong New Orleans International Airport Notes to Financial Statements

### **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.

## Louis Armstrong New Orleans International Airport Notes to Financial Statements

### 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.

**Louis Armstrong New Orleans International Airport  
Notes to Financial Statements**

**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.
2. 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.

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

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.

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**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 Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 696,906	\$ 581,927
Net difference between projected and actual earnings on pension plan investments	182,142	-
Changes of assumptions	351,046	1,559,489
<b>Total</b>	<b>\$ 1,230,094</b>	<b>\$ 2,141,416</b>

	December 31, 2023	
	Deferred Outflows of Resources	Deferred Inflows 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
<b>Total</b>	<b>\$ 3,238,539</b>	<b>\$ 759,189</b>

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)
	<b><u>\$ (911,322)</u></b>

**Louis Armstrong New Orleans International Airport  
Notes to Financial Statements**

**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:

<b>Employees' Retirement System</b>	
<b>Valuation date</b>	December 31, 2024 and 2023
<b>Actuary cost method</b>	Entry age normal
<b>Actuarial assumptions:</b>	
<b>Expected remaining service live</b>	4 years
<b>Investment rate of return</b>	2024: 7.00%, net of investment expense, including inflation 2023: 7.25%, net of investment expense, including inflation
<b>Inflation rate</b>	2.50%
<b>Mortality</b>	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
<b>Salary increases</b>	Service-based annual rates ranging from 15% to 4%
<b>Cost of living adjustments</b>	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 developed 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.

**Louis Armstrong New Orleans International Airport  
Notes to Financial Statements**

**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:

Asset Class	2024		2023	
	Target Asset Allocation	Long-term expected portfolio real rate of return	Target Asset Allocation	Long-term expected portfolio real rate of 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.

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**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:

<b>Change in Net Pension Liability</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
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:

<b>Change in Net Pension Liability</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
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

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**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% Decrease	Current Discount Rate	1% Increase
<b>Net pension liability</b>			
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).

## Louis Armstrong New Orleans International Airport Notes to Financial Statements

### **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.

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**Note 9: OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)**

*Changes in the Total OPEB Liability during 2024 and 2023:*

	<b>2024</b>	<b>2023</b>
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:

	<b>1.0% Decrease</b>	<b>Current Discount</b>	<b>1.0% Increase</b>
<b>December 31, 2024</b>	<b>(3.08%)</b>	<b>Rate (4.08%)</b>	<b>(5.08%)</b>
Total OPEB liability	\$ 7,152,178	\$ 5,895,608	\$ 4,923,602

	<b>1.0% Decrease</b>	<b>Current Discount</b>	<b>1.0% Increase</b>
<b>December 31, 2023</b>	<b>(2.26%)</b>	<b>Rate (3.26%)</b>	<b>(4.26%)</b>
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:

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

	<b>1.0% Decrease</b>	<b>Current Trend</b>	<b>1.0% Increase</b>
<b>December 31, 2023</b>	<b>(4.5%)</b>	<b>(5.5%)</b>	<b>(6.5%)</b>
Total OPEB liability	\$ 5,504,743	\$ 6,406,280	\$ 7,588,878

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 456,004	\$ 296,189
Changes in assumptions	936,478	1,387,699
<b>Total</b>	<b>\$ 1,392,482</b>	<b>\$ 1,683,888</b>

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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 517,605	\$ 381,642
Changes in assumptions	1,180,933	1,130,932
<b>Total</b>	<b>\$ 1,698,538</b>	<b>\$ 1,512,574</b>

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
	<b><u>\$ (291,406)</u></b>

## **Louis Armstrong New Orleans International Airport Notes to Financial Statements**

### **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.

## **Louis Armstrong New Orleans International Airport Notes to Financial Statements**

### **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.

**Louis Armstrong New Orleans International Airport  
Notes to Financial Statements**

**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:

Years Ending December 31:	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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	<u>17,740,103</u>	<u>3,840,283</u>	<u>21,580,386</u>
	<u><u>\$ 63,799,463</u></u>	<u><u>\$ 13,867,012</u></u>	<u><u>\$ 77,666,475</u></u>

**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.

**Louis Armstrong New Orleans International Airport**  
**Notes to Financial Statements**

**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 Space	Terminal Space % of		Apron Space
		Total	Apron Space	
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%
<b>Total</b>	<b>160,391.9</b>	<b>100.0%</b>	<b>913,142.0</b>	<b>100.0%</b>

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

**Louis Armstrong New Orleans International Airport  
Notes to Financial Statements**

**Note 12: LEASES (CONTINUED)**

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

Years Ending December 31:	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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	<u>178,658</u>	<u>-</u>	<u>178,658</u>
	<u><u>\$ 701,512</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 701,512</u></u>

**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.

**Louis Armstrong New Orleans International Airport**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Last 10 Years**

<i>For the years ended December 31,</i>	<i>2024</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>	<i>2015</i>
<b>TOTAL PENSION LIABILITY</b>										
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
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 57,007,074</b>	<b>\$ 57,451,587</b>	<b>\$ 54,351,106</b>	<b>\$ 54,469,028</b>	<b>\$ 56,113,694</b>	<b>\$ 53,987,645</b>	<b>\$ 49,248,397</b>	<b>\$ 39,788,046</b>	<b>\$ 42,385,858</b>	<b>\$ 37,896,592</b>
<b>FIDUCIARY NET POSITION</b>										
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
<b>Fiduciary Net Position - Ending (b)</b>	<b>\$ 35,670,571</b>	<b>\$ 32,083,853</b>	<b>\$ 28,941,619</b>	<b>\$ 35,900,705</b>	<b>\$ 34,633,430</b>	<b>\$ 31,279,012</b>	<b>\$ 27,359,161</b>	<b>\$ 24,755,276</b>	<b>\$ 24,607,694</b>	<b>\$ 22,838,092</b>
<b>NET PENSION LIABILITY - ENDING (a)-(b)</b>	<b>\$ 21,336,503</b>	<b>\$ 25,367,734</b>	<b>\$ 25,409,487</b>	<b>\$ 18,568,323</b>	<b>\$ 21,480,264</b>	<b>\$ 22,708,633</b>	<b>\$ 21,889,236</b>	<b>\$ 15,032,770</b>	<b>\$ 17,778,164</b>	<b>\$ 15,058,500</b>
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%
<b>NOTES TO SCHEDULE:</b>										
<b>Changes in Benefits:</b> 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 \$100,000 adjusted for inflation, and early retirement allowed at age 62 with 20 years of service.										
<b>Changes in Assumptions and Other Inputs:</b>										
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%							
Mortality Tables				PubG-2010, Disabled-PubNS- 2010						
Mortality Projection Scale	MP-2021	MP-2020	MP-2018							
Salary Increases	15%-4%		10%-3.2%							

**Louis Armstrong New Orleans International Airport**  
**Schedule of Employer Contributions to Defined Benefit Plan**  
**Last 10 Years**

<i>December 31,</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
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	<u>2,337,061</u>	<u>1,934,535</u>	<u>1,857,843</u>	<u>1,636,885</u>	<u>2,522,932</u>	<u>2,569,097</u>	<u>2,249,395</u>	<u>1,761,937</u>	<u>1,666,973</u>	<u>1,603,282</u>
Contribution deficiency (excess)	<u>\$ (247,037)</u>	<u>\$ (60,850)</u>	<u>\$ (181,685)</u>	<u>\$ 815,292</u>	<u>\$ 6,786</u>	<u>\$ (2,569,097)</u>	<u>\$ (153,682)</u>	<u>\$ (45,367)</u>	<u>\$ 233,149</u>	<u>\$ (91,471)</u>
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!
<b>NOTES TO SCHEDULE</b>										
Allocation Percentage to the Airport (component unit)	7.051814%	6.855370%	7.038942%	7.518513%	7.465669%	7.480550%	6.317905%	6.959001%	6.734940%	6.734940%
Methods and assumptions used to determine contribution rates:										
Valuation date:	January 1, 2025									
Actuarial cost method	Entry Age Actuarial Cost Method									
Amortization method	Level percent of pay with layered bases									
Remaining amortization period.	21 years									
Asset valuation method	Market 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	7.00%, net of pension plan investment expense, including inflation									
Inflation	2.50%									
Salary increases	Service-based annual rates ranging from 15% to 4%									

**Louis Armstrong New Orleans International Airport**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**Last 10 Years\***

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. Additional years will be displayed as they become available.

Notes to Schedule:

- Information is presented using measurement date which is the same as the fiscal year end.
- No assets are accumulated in a trust to pay related benefits.

- Changes of Assumptions or other inputs:

Discount Rate:	4.08%	3.26%	3.72%	2.06%	2.12%	2.74%	4.10%
Mortality:		RP-2000			RP-2000		RP-2000
Trend:		5.5%			4.5% to 5.5%		5.5%

**Louis Armstrong New Orleans International Airport**  
**Supplemental Schedule of Investments**

*Year ended December 31, 2024*

<b>Description</b>	<b>Year Aquired</b>	<b>Maturity date</b>	<b>Book value</b>	<b>Fair value</b>
<b>Unrestricted investments:</b>				
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
			<u>2,121,746</u>	<u>2,121,746</u>
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
			<u>29,802,829</u>	<u>29,802,829</u>
New Orleans Aviation Board:				
Whitney Custody Account			<u>13,700,551</u>	<u>13,700,551</u>
			<u>45,625,126</u>	<u>45,625,126</u>
<b>Restricted investments:</b>				
City of New Orleans:				
LAMP - Rollover Coverage	2009	N/A	<u>16,905,283</u>	<u>16,905,283</u>
CIF-Parking Facility Loan:				
JPM U.S. Treasury Prime				
Investments:				
The Bank of New York Mellon	2010	N/A	<u>1,285,308</u>	<u>1,285,308</u>
Debt Service Fund:				
Dreyfus Treasury Prime				
Cash Management				
The Bank of New York Mellon	2008	N/A	<u>26,500,996</u>	<u>26,500,996</u>
Debt Service Reserve Fund:				
Dreyfus Treasury Prime				
Cash Management				
The Bank of New York Mellon	2009	N/A	<u>100,316,993</u>	<u>100,316,993</u>
Capitalized Interest:				
Dreyfus Treasury Prime				
Cash Management:				
The Bank of New York Mellon	2015	N/A	<u>6</u>	<u>6</u>

(Continued)

**Louis Armstrong New Orleans International Airport  
Supplemental Schedule of Investments**

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

(Concluded)

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

*Year ended December 31,*

*2024*

	<b>Airfield</b>	<b>Terminal buildings</b>	<b>Ground transportation</b>	<b>Total</b>
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*

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**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	<u>16,905,283</u>
 Total revenues	 170,710,201

**Less expenses:**

Operation and maintenance expenses	77,470,571
Net revenues	<u>\$ 93,239,630</u>

**Debt service fund requirement:**

Principal payments	\$ 17,549,167
Interest expense	<u>46,025,711</u>
 Total debt service fund requirement	 <u>\$ 63,574,878</u>
 Historical debt service coverage ratio	 <u>1.47</u>

**(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,*  
**Kevin Dolliole, Director of Aviation**

**2024**

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**

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.

*Carr, Riggs & Ingram, L.L.C.*

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
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*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.