



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

Office of Airport Compliance
and Management Analysis

800 Independence Ave., SW.
Washington, DC 20591

February 11, 2026

David Roth
Chief Executive Officer
Omaha Airport Authority
1519 E. Hartman Ct.
Omaha, NE 68110-2689

***Re: Transmittal of Final Financial Compliance Review of the Omaha Airport
Authority, Omaha, Nebraska***

Dear Mr. Roth:

The Federal Aviation Administration (FAA), Office of Airport Compliance and Management Analysis, conducted a financial compliance review at the Omaha Airport Authority (OAA), Eppley Field (OAA) from September 22-26, 2025. The purpose was to determine if the OAA, airport sponsor and operator of Eppley Field (OMA), complies with Airport Improvement Program (AIP) Grant Assurances and the FAA Policy *and Procedures Concerning the Use of Airport Revenue* (Revenue Use Policy), 64 Fed. Reg. 7697 (February 16, 1999).

We met with OAA officials at OMA, examined financial records pertaining to the use of airport revenues, and toured the facilities. The revenue compliance review period included fiscal years 2017 through 2024, however, our review focused on OAA's Fiscal Year 2019 and 2024.

We thank you, your staff, and other OAA officials for providing us with quick responses to our questions and requests for access to airport records. The review is summarized in the following draft report and identifies no findings that require a response. We noted two observations during our review of OAA's art program and terminal modernization project. Please take our comments under advisement.

For questions regarding the technical aspects of this letter, please email financialcompliance@faa.gov.

Sincerely,

A handwritten signature in black ink, reading "Michael V. Helvey". The signature is fluid and cursive, with a long, sweeping horizontal line extending from the end of the name.

Michael Helvey
Director, Office of Airport Compliance
and Management Analysis

Federal Aviation Administration
Office of Airport Compliance and Management Analysis
Financial Compliance Review

Omaha Airport Authority – Eppley Airfield

September 22-26, 2025



Federal Aviation Administration
Office of Airport Compliance and Management Analysis
Final Financial Compliance Review Report

The Federal Aviation Administration (FAA) Office of Compliance and Management Analysis (ACO) conducted a financial compliance review at the Omaha Airport Authority (OAA) to evaluate compliance with federal statutes and FAA requirements. The FAA conducted this review at the OAA offices from September 22, 2025, through September 26, 2025.

As the airport sponsor, OAA manages Eppley Airport (OMA) and Millard Airport and is responsible for ensuring compliance with federal statutes, the Airport Improvement Program (AIP) Grant Assurances, and FAA policies for federally obligated airports. Airport sponsors agree to certain obligations when they accept federal grant funds or federal property transfers for airport purposes. The FAA enforces these obligations through its Airport Compliance Program. The ACO conducts a financial compliance review of selected airports each fiscal year.

Unlawful revenue diversion, as defined in Section II, paragraph C of the Policy Concerning the Use of Airport Revenue (Policy), 64 Fed. Reg. 7697 (Feb 16, 1999), as “the use of airport revenue for purposes other than the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the airport owner or operator and directly and substantially related to air transportation or property.” The ACO is responsible for ensuring that airports adhere to AIP Grant Assurances and the FAA’s Revenue Use Policy.

OMA is a medium-hub airport with 2,583,212 passenger boardings (enplanements) in 2024. It is located four miles northeast of downtown Omaha. Millard Airport is a general aviation airport located seven miles southwest of downtown Omaha.

We reviewed the following financial topics and operations at OAA:

- Financial Transactions
- FAA Form 5100-126 and 127
- Single Audits
- 911 System Cost Allocation
- Police Services
- Uses of Airport Property

- Police Services
- Uses of Airport Property
- Fleet
- Utilities
- Marketing, Promotion, and Incentives
- Legal
- Noise
- Aircraft Fire Fighting and Rescue (ARFF)
- Art in Public Places
- Terminal Modernization Project

Airport Financial Transactions and Payments

The FAA Revenue Use Policy outlines the rules for how funds generated at public-use airports must be spent. These guidelines ensure that such revenue is solely used for expenses and improvements directly related to the operation of the airport. To assess compliance of OAA's expenditures with the FAA's Revenue Use Policy, we requested and reviewed OAA's accounting policies and procedures to understand how transactions were initiated, authorized, processed, and reported. We interviewed finance department staff to ensure financial practices align consistently with OAA's established policies. We randomly selected a sample of 60 expenditure transactions, in addition to 10 expenditure transactions selected judgmentally, and requested supporting documentation to determine if these expenditures were allowable, and reasonable under the Revenue Use Policy. During our evaluation of these transactions, we did not find any instances of exceptions or potential revenue use issues.

Conclusion: The FAA noted no concerns or irregularities with the financial transactions and payments at OAA.

FAA Form 5100-126 and 127 Operating and Financial Summary

Section 111 of the Federal Aviation Administration (FAA) Authorization Act of 1994, Public Law 103-305 (August 23, 1994) established the requirement for commercial service airports to file financial reports with the FAA. These reports are the Financial Government Payment Report, Form 5100-126, and the Operating Financial Summary, Form 5100-127. Form 5100-126 reports the financial transactions between the airport and other governmental entities and all services and property provided to such units. Form 5100-127 reports airport financial operating results.

OAA is the sponsor and operator to both Eppley Airfield (OMA) and Millard Airport (MLE). As such, its Annual Comprehensive Financial Report (ACFR)

consolidates the operating results of both OMA and MLE. Since MLE is a general aviation, noncommercial airport, its results have been excluded from the Certification Activity Tracking System (CATS) reporting. The FAA attempted to reconcile OMA's Form 5100-127s to OAA's ACFRs for FY 2022 - 2024. However, because OAA's ACFRs contain consolidated financials for both OMA and MLE, the FAA was only able to reconcile some parts of OMA's Form 5100-127s to the OAA's ACFRs. Nonetheless, the FAA was able to reconcile remaining parts of OMA's Form 5100-127 to OAA's internal accounting records, except for two-line items on its FY 2022 Form 5100-127 (Section 16.9 Repairs and maintenance & Section 16.10 Marketing/Advertising/Promotions). After the site visit, the sponsor worked with the FAA to update its FY 2022 Form 5100-127 for OMA and addressed these two discrepancies.

The FAA reviewed the OMA's Form 5100-126s for FY 2022 – 2024, and no issues were identified.

Conclusion: The FAA noted no concerns or irregularities with the Form 5100-126 & 127 filings at OAA.

Single Audit Report Findings

Under 2 CFR § 200.501, any non-Federal entity that expends \$1,000,000 (\$750,000 prior to October 1, 2024) or more in Federal awards during its fiscal year must undergo a single audit, conducted in accordance with Generally Accepted Government Accounting Principles (§ 200.514). § 200.511 requires the auditee to address all findings and implement corrective actions.

After completion of the audit, the auditee is responsible for preparing a corrective action plan, separate from the auditor's findings outlined in § 200.516, to address each audit finding from the current fiscal year.

We obtained and reviewed the Single Audit Reports for OMA for fiscal years 2019 - 2024 to determine whether there were any findings or corrective action plans related to the Airport Improvement Program (AIP), under Federal Assistance Listing #20.106.

Our review found no audit findings related to AIP grants during the selected fiscal years.

Conclusion: No follow-up is required.

911 System Cost Allocation

OAA participates in a shared-use arrangement with Douglas County for access to its public safety radio system. This system supports emergency communications across multiple government entities, including the airport. The financial relationship is structured through a formal agreement that outlines how costs are distributed among users based on their proportional use of the system. The program's cost allocation has averaged approximately 4,000 per year across the reviewed period.

The agreement specifies a subscriber-based cost allocation model. OAA's share of expenses is determined by the number of radio units it operates. This number is compared to the total number of radios within Douglas County and the broader regional network. In 2024, OAA operated 29 radio units. Radio counts are updated annually for accurate allocation.

The structure separates costs into two categories: county-specific infrastructure and regional system services. For county-specific infrastructure, OAA pays a proportion based on its share of radios relative to Douglas County operations. For regional system services, OAA's share is based on its percentage of total system radios. These formulas are defined in the agreement and applied to cost categories such as system upgrades, security updates, and administrative services. OAA is also responsible for maintaining its own subscriber equipment.

The methodology is formula-driven and supported by annual subscriber counts and cost schedules.

Conclusion: No findings were identified.

Police and Security Services

OAA operates its own self-contained police department to protect the flying public utilizing OMA services. The airport assigns one sergeant and five police officers per shift to patrol airport properties, including parking garages, terminal areas, and security checkpoints. Airport police do not conduct any off the airport policing, and airport police have the authority to issue tickets for traffic violations on airport property. However, this rarely occurs, and any revenues from traffic violations are turned over to the City of Omaha. Douglas County handles the 911 operations, and OAA does not make any payments to the County for 911 services.

Special details and Presidential visits are handled by the airport police while on airport property, and there is no further involvement after leaving the airport premises.

The Omaha Police Department leases a small office at the airport property for its canine unit and conducts training at the airport.

Conclusion: No follow-up is required. The FAA found no irregularities with the Airport Police and Security services at OMA.

Uses of Airport Property

Background

Each federally assisted airport owner/operator is required by statute and grant assurances to have an airport fee and rental rate structure that will make the airport as self-sustaining as possible and minimize the airport's reliance on federal funds and local tax revenues. The FAA has generally interpreted the self-sustaining assurance to require airport sponsors to charge fair market value commercial rates for non-aeronautical uses of airport property.

Leases and Agreements

The FAA received over 80 leases and agreements (collectively known as contracts) pertaining to the property and concessions at OMA to determine if the airport sponsor followed acceptable practices for the leasing of airport property. The FAA reviewed approximately 25 percent or 23 contracts.

The airport operates under a structured leasing policy that ensures the board approves all new leases and changes, ensuring compliance with grant assurances and maintaining self-sustaining operations. Aeronautical leases have one-year permits that auto-renew unless there is a change in space or cancellation. All leases have reversion clauses. Importantly, no leases are awarded outside the established policy framework, emphasizing the airport's commitment to procedural consistency. Currently, the airport does not have any leases designated for community use, focusing instead on standard agreements. A fair market value appraisal process sets rental rates at OMA. The airport properties are reappraised at the end of the lease period, values are updated, and new rates are set with consumer price index adjustments.

Recommendation: The FAA found no irregularities with the leases at OMA.

Fleet

OAA maintains full ownership and operation of its vehicle fleet, independent of city or county departments. The fleet includes maintenance trucks, snow removal and airfield equipment, police and fire vehicles, and other support units.



Vehicle acquisitions originate at the department level, where managers identify operational needs and submit requisitions that must align with the annual budget and procurement thresholds. Requests are reviewed through a tiered approval process. The process includes fiscal oversight, with heavy equipment purchases incorporated into capital planning, and routine replacements are treated as operating costs. All procurement follows the OAA's internal procedures, which require multiple bids.

Maintenance is performed entirely in-house, with parts and labor charged to the appropriate cost centers for expense tracking. OAA does not provide repair or fueling services to outside agencies, and there is no evidence of shared facilities or cross-charges. Vehicles are retired through formal disposal procedures, and any proceeds from sale or auction are returned to the airport operating account.

Conclusion: No compliance issues or deficiencies were identified.

Utilities

OAA assumes direct responsibility for all utility accounts, including electricity, gas, water, telecommunications, and waste management. There are no shared arrangements or reimbursement agreements with the City of Omaha (City) or Douglas County (County).

Invoices are processed through OAA's accounting system under the same internal controls applied to other operating expenses. Each invoice is matched to a purchase order, verified for accuracy, and paid directly by the OAA. OAA is not billed any differently than any other user within the City or County.

Tenants generally maintain separate meters for gas, electricity, and water. Where sub-metering is not feasible, costs are allocated fairly through lease agreements and billed at market rates. Sewer charges are assessed by the Metropolitan Utilities District and included on water bills.

OAA owns and manages its stormwater sewers, directing runoff to the river without incurring charges from the City. Discussions with staff confirmed that there are no disputes with tenants regarding utility charges, and no evidence was found of discounted or waived costs for tenants, government entities, or civic organizations.

OAA promotes green initiatives through a solar panel field on top of the airport parking garage. All power generated by the solar panels is used on airport.

Conclusion: No findings were identified.



Marketing, Promotion, and Incentives

OAA reported minimal marketing expenditures and no active incentive programs. All marketing activities are directly linked to airport operations and do not involve joint campaigns, sponsorships, or cooperative arrangements with non-airport entities. Marketing efforts are limited to airport-specific initiatives such as billboards promoting parking and informational materials.

OAA occasionally attends air service development conferences to engage with airlines but does not participate in joint marketing with carriers or local tourism organizations.

Due to the absence of nearby competing airports, OAA determined that market conditions do not justify incentive-based strategies. Although a framework for an air carrier incentive program was developed more than a decade ago, it was never implemented and has since been discontinued. Currently, the efforts are focused on maintaining competitive rates and responding to market demand.

The only cooperative presence observed is a small kiosk with a chair operated by a single volunteer from the local tourism bureau. The primary purpose of the kiosk is to provide information about the airport's facilities and services and the surrounding community. This program is managed independently, and while the airport provides free use of the space, they do not provide financial support or staffing.

Conclusion: OAA's marketing and incentive practices are limited. No findings were identified.

Legal

OAA does not have an in-house legal department. OAA retains an outside general counsel, McGrath North Mullin & Kratz, for all legal matters, including insurance claims for injuries occurring at the airport & damage to airport properties due to natural events, human resource issues such as workers' compensation, union negotiations, and personnel matters, and cybersecurity compliance with the Transportation Security Administration (TSA) mandate. The outside counsel also handles the Freedom of Information Act (FOIA) requests for OAA and bills OAA on a 6-minute increment for all the services it provides. The firm does not provide any lobbying services for OAA.

OAA has a pending litigation with the off-airport parking operator. The dispute involves a fee charged by OAA to the off-airport parking operator when it was not historically charged. While OAA received an unfavorable lower court ruling, the matter is currently before the Court of Appeals; the Authority is prepared to appeal the case to the Nebraska Supreme Court if necessary.

Conclusion: The FAA noted no concerns or irregularities with the attorney's activities at OAA.

Noise Land

The FAA reviewed the noise and capacity restrictions at OAA to determine compliance with the FAA's noise requirements and AIP grant assurances. Aircraft noise affects many communities close to airports. Therefore, Title 14 Code of Federal Regulations, Part 150, was enacted to mitigate the noise levels created by aircraft operating at airports. It is permissible to fund noise programs with AIP grants, and airport revenues may be used to mitigate aircraft noise on or off the airport.

There is no noise program at OAA. OAA has no noise land and owns all property within the 65 dBA DNL. Thus, OAA has had no residential sound mitigation program, in the past or present. OAA documents very few complaints from residents in the surrounding communities.

Conclusion: No follow-up required.

Aircraft Rescue and Fire Fighting (ARFF)

ARFF at OMA is primarily focused on being immediate responders to aircraft incidents and medical emergencies in the terminal. Three shifts are staffed 24/7 with a supervisory captain and 5 firefighters to meet Index C coverage. The fire station is located inside the airport perimeter, and no off-airport work is performed, unless for rare occurrences. OAA has a mutual aid agreement with the surrounding City stations, however, the Chief Operating Officer decides whether to respond to any outside requests. Typically, the ARFF station responds to one to two aid requests per year on average. The Omaha Fire Department also provides supplemental assistance for medical emergencies on OAA property. OAA is not charged for this service. The City of Omaha handles any need for firefighting services at Millard Airport.

Truck and equipment maintenance is conducted in-house by the Field Maintenance Department.

Conclusion: The FAA noted no concerns or irregularities with the ARFF at OAA.

Art in Public Places

The focus of OAA's art program is to enhance the passenger experience and showcase the local community. OAA's art program consists mostly of fixed and movable pieces and large sculptures located throughout the terminals and surrounding property. All art is owned by OAA, and there are no rotational pieces shown by the local community. OAA is currently evaluating proposals from artists to install artwork as part of the terminal modernization project. Any disposals are

handled by auctions, and proceeds return to the OAA revenue accounts. All art is covered by the master insurance policy.

The FAA requested a copy of OAA's art inventory; however, OAA does not maintain a listing.

Conclusion: Generally, the FAA noted no irregularities with the art program at OAA; however, as a general practice, OAA should be tracking its art assets. We suggest OAA maintain a listing of all artwork, which should include the condition and location of each piece.

Terminal Modernization Project

OAA is in the process of modernizing and expanding the Eppley Airfield terminal. The project was a vision as part of the 2011 master plan and is currently being carried out in phases. It is projected to cost approximately \$950M, and the funding for the project is derived from OAA issued bonds, Passenger Facility Charges, airport revenue, and AIP funding. The media reported taxpayer funds will be used to pay out approximately \$3M in bonuses to OAA executives at the end of the project. OAA attests that all funds for the bonuses will be derived from user fees and airport revenue. OAA used benchmarking from other airports that were involved in similar projects to determine appropriate bonuses. The bonuses were approved by the OAA Board.

Follow-up: At the termination of the project, OAA should ensure that no AIP funds have been used to pay executive bonuses. In addition, any type of early completion bonuses is not allowed per Order 5100.38D, Change 1.¹

¹ Policy and Procedures for the Administration of the Airport Improvement Program