Greater New Orleans Expressway Commission

Financial Statements

October 31, 2018

Greater New Orleans Expressway Commission
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Reports Required by *Government Auditing Standards*

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
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April 30, 2019

To Members of the Greater New Orleans Expressway Commission

The Annual Financial Report of the Greater New Orleans Expressway Commission for the fiscal year ended October 31, 2018 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Commission's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Commission. All disclosures necessary to enable the reader to gain an understanding of the Commission's financial activities have been included.

The Annual Financial Report is presented in three sections: introductory, financial, and other supplemental information. The introductory section includes this transmittal letter. The financial section has been prepared in accordance with the Governmental Accounting Standard Board Statement No. 34. This section includes the following: Report of Independent Auditor; Management's Discussion and Analysis (Required Supplementary Information); Basic Financial Statements; and Notes to Financial Statements. The other supplemental information section includes schedules required by the Bond Indenture Agreements.

PROFILE

The Greater New Orleans Expressway Commission was established in 1954 as the governing body with jurisdiction over the Expressway. The Commission is a special-purpose government engaged in business type activities. By legislative enactment, after all bonds, principal and interest, are fully paid, the Expressway becomes the property of the State of Louisiana and thereafter will be operated and maintained by the Louisiana Department of Transportation and Development as a toll-free (non-business type) facility and as part of the state highway system.

The Commission provides for the policing of the Expressway, the operation and maintenance of the Expressway and the associated administrative services. By legislative mandate in 1986, the Commission provides for the policing of the Huey P. Long Bridge.

SAFETY

A major priority of the Commission is the safety of the motoring public crossing the Expressway. The Expressway is experiencing an excellent safety record. The Commission has implemented a public information system that includes the internet, radio announcements, brochures, call boxes, and variable message signs. These systems help to inform and educate the public about safety on the Expressway. A traffic monitoring program, consisting of security cameras and radar system, is fully operational. The security camera system consists of cameras at strategic locations throughout the twenty-four-mile Expressway, beneath the bridge spans, the toll plaza, and the approach roads. The Expressway has its own police department and motorists assistance patrol, which operate the following safety programs: motorists assist vehicles, wreckers, rescue trucks, and the rolling convoy for fog abatement.

FINANCIAL INFORMATION, MANAGEMENT AND CONTROL

A detailed understanding of the financial position and operating results of the Commission is provided in the report. Presented below is a brief description of financial information, management of financial resources and obligations, and control techniques applicable to financial resources, obligations, and information.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is used, which means revenues are recognized when earned and expenses are recognized when incurred.

Accounting Systems and Budgetary Control

In developing and evaluating the Commission's accounting control system, consideration is given to the adequacy of internal accounting controls. Accounting control comprises the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records and consequently are designed to provide reasonable assurance that:

- Transactions are executed in accordance with management's general or specific authorization.
- Transactions are reported as necessary (a) to permit preparation of financial statements in conformity with accounting principles generally accepted in the United States of America or any other criteria, such as finance-related legal and contractual compliance requirements applicable to such statements, and (b) to maintain accountability for assets.
- Access to assets is permitted only in accordance with management's authorization.
- The recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any difference.

The definition of accounting control comprehends reasonable, but not absolute, assurance that the objectives expressed in it will be accomplished by the system. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits. The benefits consist of reductions in the risk of failing to achieve the objectives implicit in the definition of accounting control.

All internal control evaluations occur within this framework. We believe the Commission's accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The Commission has formally established budgetary accounting controls for its operating funds. Budgetary control is maintained by category within the departments for each account group.

Account Description

As required by the Bond Indenture Agreement, the accounts of the Commission are organized on the basis of funds and accounts, each of which is considered a separate accounting activity for recording receipts and disbursements. Those accounts (General, Special Revenue, Debt Service, Capital Projects, and Internal Service) are shown on Schedule 1 of this report. Those account activities are summarized into the sole enterprise fund, which is used to account for ongoing organizations and activities that are similar to those found in the private sector.

The costs of providing the services to the general public are recovered, in whole or in part, through user charges. The Commission's operations comprise the operation of the Expressway Bridge in which tolls are charged. Results of operations for the year ended October 31, 2018 can be found in the Management's Discussion & Analysis.

The Commission's operations include electronic equipment at the toll plaza designed to classify vehicles, calculate the toll assessed and record those events. To facilitate the traffic flow, electronic toll devices read toll tags. Customers may acquire toll tags at the Commission operated toll tag stores on both north and south shores of the Expressway.

For the year ended October 31, 2018, a breakdown of the revenues is as follows:

Dedicated for Major Repairs & Capital Improvements	$ 7,345,512
Undedicated to be Used for General Operations	8,995,488
	$16,341,000

Long-term Debt

The Commission had the following principal outstanding long-term debt at October 31, 2018:

Revenue Bonds:

Refunding, Series 2013	$ 19,395,000
Refunding, Series 2014	17,480,000
Revenue Bonds Series 2017	87,495,000
	$124,370,000

On September 30, 2013, the Commission issued $25,545,000 of Revenue Bonds, Series 2013. The proceeds of this issue were used to refund a portion of the Commission's outstanding Series 2003 Bonds and pay costs of issuance of the Series 2013 Bonds including the cost of the bond insurance policy.

On June 19, 2014, the Commission issued $17,540,000 of Revenue Bonds, Series 2014. The proceeds of this issue were used to refund the final portion of the Commission's outstanding Series 2003 Bonds and pay cost of issuance of the Series 2014 Bonds including the cost of the bond insurance policy.

On August 22, 2017, the Commission issued $87,495,000 of Revenue Bonds, Series 2017. The proceeds of this issue will be used for safety bays, bridge railing improvements and cost of issuance of the Series 2017 Bonds including the cost of the bond insurance policy.

CASH MANAGEMENT POLICIES AND PROCEDURES

Cash receipts are deposited daily into the Commission's bank accounts. These funds are automatically transferred by the Trustee into the appropriate Trust Fund accounts and are invested in accordance with the provisions of the Bond Indenture. All bank and investment accounts are reconciled on a monthly basis.

RISK MANAGEMENT

The Commission is exposed to various risks of loss related to general liability, automotive liability, and property insurance contracts. An Internal Service Account (a risk management account) is used to account for and finance its uninsured risks of loss. Under this program, the risk management account provides coverage for the general and automotive liability up to the $500,000 deductible limits for each covered loss. The Commission purchased commercial insurance for claims in excess of coverage provided by the Internal Service Account. Settled claims have not exceeded this commercial coverage for the fiscal year. Additional information on the Commission's risk management activity can be found in the notes to the financial statements.

INDEPENDENT AUDIT

The financial records, books of account, and transactions of the Commission for the fiscal year ended October 31, 2018 have been audited by Pinell & Martinez, LLC, and the opinion is included in the Finance Section of this report.

The financial statements are the responsibility of the Commission. The responsibility of the independent auditor is to express an opinion on the Commission's financial statements based on the audit. An audit is conducted in accordance with auditing standards generally accepted in the United States of America. Those standards require that the audit be planned and performed in a manner to obtain a reasonable assurance as to whether the financial statements are free of material misstatement.

Respectfully submitted,

Melissa M. Phillpott

Melissa M. Phillpott
Chief Financial Officer

P&M PINELL & MARTINEZ LLC
Certified Public Accountants

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Independent Auditor's Report

To the Board of Commissioners
Greater New Orleans Expressway Commission
Metairie, Louisiana

We have audited the accompanying financial statements of the business-type activities of the Greater New Orleans Expressway Commission, a component unit of the State of Louisiana, as of and for the year ended October 31, 2018, and the related notes to the financial statements, which collectively comprise the Greater New Orleans Expressway Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Greater New Orleans Expressway Commission's preparation and fair presentation of the financial statements 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 Greater New Orleans Expressway Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Greater New Orleans Expressway Commission, as of October 31, 2018, 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.

Adoption of Governmental Accounting Standards Board Pronouncement

As discussed in Note 1 to the financial statements, the Greater New Orleans Expressway Commission adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This has resulted in a restatement of beginning net position as discussed in Note 13. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis at pages 8 through 13, the schedule of changes in total OPEB liability at page 40, the schedule of employer's proportionate share of net pension liability(asset) at page 41; and schedule of employer's pension contributions at page 42 be presented to supplement the basic financial statements. Such information, 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 and Other Information
Our audit was conducted for the purpose of forming an opinion on the financial statements of the Greater New Orleans Expressway Commission. The accompanying schedule of compensation paid to board of commissioners at page 44; schedule of compensation, benefits, and other payments to general manager at page 45; schedule of receipts and disbursements at page 46; schedule of investments at page 47; schedule of revenue from tolls at page 49; schedule of northshore traffic – number of crossings at page 50; and schedule of insurance at page 51 are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedule of compensation paid to board of commissioners; schedule of compensation, benefits, and other payments to general manager; schedule of receipts and disbursements; schedule of investments; and schedule of revenue from tolls is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of northshore traffic – number of crossings and schedule of insurance have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2019, on our consideration of the Greater New Orleans Expressway Commission'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 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 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 Greater New Orleans Expressway Commission's internal control over financial reporting and compliance.

Pinell & Martinez, llc

Covington, Louisiana
April 30, 2019

Management's Discussion and Analysis

Introduction

Management's Discussion and Analysis of the Greater New Orleans Expressway Commission's (the "Commission") financial performance presents a narrative overview and analysis of the Commission's financial activities for the year ended October 31, 2018. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter on pages 1 – 4 and the Commission's financial statements, which begin on page 14.

Financial Highlights

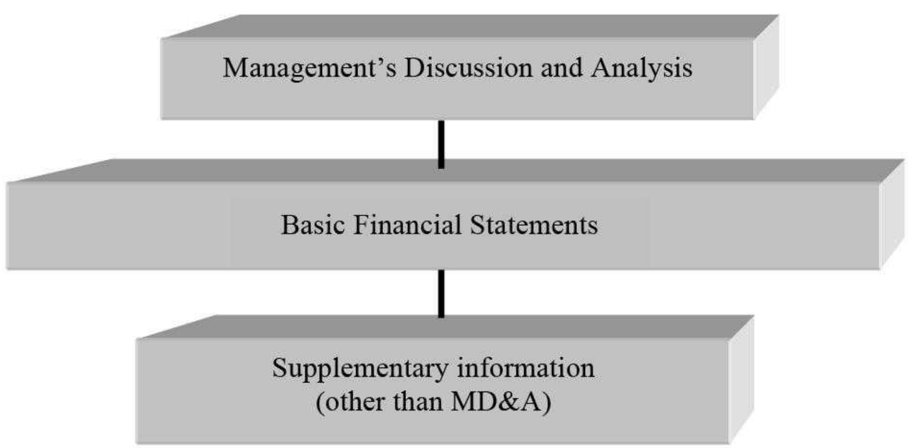
The Commission's assets exceeded its liabilities at October 31, 2018 by $124,199,144, which represents a 4.52% increase from last fiscal year.

The Commission's toll revenue increased by $3,982,548 (19.71%) compared to the prior fiscal year.

The vehicular license tax, which is dedicated to debt service, increased by $436,514 (6.56%) compared to the prior fiscal year.

Overview of the Financial Statements

The following graphic illustrates the minimum requirements for government entities engaged in business-type activities established by Governmental Accounting Standards Commission.



These financial statements consist of two sections - Management's Discussion and Analysis (this section), and the basic financial statements (including the notes to the financial statements). This report also contains supplementary information in addition to the basic financial statements.

The Commission's activities are reported in a single proprietary fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Commission's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred.

Basic Financial Statements

The basic financial statements present information for the Commission as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

Statement of Net Position
This statement presents the current and noncurrent assets, deferred outflows of resources, current and noncurrent portions of liabilities, and deferred inflows of resources, with the difference reported as net position. Net position may provide a useful indicator of whether the financial position of the Commission is improving or deteriorating.

Statement of Revenues, Expenses, and Changes in Net Position
This statement presents information showing how the Commission's net position changed as a result of current year operations. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

Statement of Cash Flows
This statement presents information showing how the Commission's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income to net cash provided by operating activities (indirect method) as required by GASB 34.

Financial Analysis of the Entity

The condensed statements of net position consist of the following at October 31:

	2018	2017	Variance	% Variance
Assets				
Current assets	$ 20,294,711	$ 14,636,318	$ 5,658,393	38.66%
Current assets, restricted	127,770,164	127,259,423	510,741	0.40%
Capital assets, net	127,427,614	126,337,011	1,090,603	0.86%
Net Pension asset	598,387	-	598,387	100.00%
	276,090,876	268,232,752	7,858,124	2.93%
Deferred outflows of resources	1,583,504	2,267,728	(684,224)	-30.17%
	$ 277,674,380	$ 270,500,480	$ 7,173,900	2.65%
Liabilities				
Current liabilities	$ 1,495,160	$ 1,691,241	$ (196,081)	-11.59%
Current liabilities payable from restricted assets	7,564,360	5,904,566	1,659,794	28.11%
Noncurrent liabilities	142,832,212	141,813,873	1,018,339	0.72%
	151,891,732	149,409,680	2,482,052	1.66%
Deferred inflows of resources	2,015,056	319,744	1,695,312	530.21%
Net position				
Net investment in capital assets	(9,768,998)	(13,335,554)	3,566,556	26.74%
Restricted	113,627,175	120,062,465	(6,435,290)	-5.36%
Unrestricted	19,909,415	14,044,145	5,865,270	41.76%
	123,767,592	120,771,056	2,996,536	2.48%
	$ 277,674,380	$ 270,500,480	$ 7,173,900	2.65%

** The Commission adopted GASB 75 during the current fiscal year, resulting in a prior period adjustment to other post-employment benefits obligation and deferred outflows of resources beginning balances. See note 13 to financial statements for more detail. The balances at October 31, 2017 in the above schedule <u>do not</u> reflect the prior period adjustment.*

Restricted net position represents those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Current assets (unrestricted and restricted) increased by $6,169,134, approximately 39.06% from October 31, 2017 to October 31, 2018, due primarily from an increase in cash and cash equivalents received from toll revenues. Noncurrent assets consists of capital assets and a net pension asset. The net pension asset is the amount by which the pension plan's assets exceed the total pension liability.

Noncurrent liabilities consist of accrued compensated absences, other postemployment benefits obligation, and bonds payable. Noncurrent liabilities increased by $1,018,339, approximately 0.72% from October 31, 2017 to October 31, 2018, due primarily from an increase in accrued compensated absences and other postemployment benefits obligation.

The condensed Statements of Revenues, Expenses, and Changes in Net Position consist of the following for the years ended October 31:

	2018	2017	Variance	% Variance
Operating revenues				
Tolls	$ 24,189,993	$ 20,207,445	$ 3,982,548	19.71%
Other operating revenues	294,004	325,352	(31,348)	-9.64%
	24,483,997	20,532,797	3,951,200	19.24%
Operating expenses				
Personal services	7,984,215	6,703,244	1,280,971	19.11%
Depreciation	5,765,975	5,556,246	209,729	3.77%
Other operating expenses	7,043,645	9,312,077	(2,268,432)	-24.36%
	20,793,835	21,571,567	(777,732)	-3.61%
Operating loss	3,690,162	(1,038,770)	4,728,932	-455.24%
Non-operating revenues	8,778,603	8,829,406	(50,803)	-0.58%
Non-operating expenses	(5,270,213)	(3,115,531)	(2,154,682)	69.16%
	3,508,390	5,713,875	(2,205,485)	-38.60%
Change in net position	7,198,552	4,675,105	2,523,447	53.98%
Net position, beginning of year	120,771,056	109,405,689	11,365,367	10.39%
Prior period adjustment	(4,202,016)	6,690,262	(10,892,278)	100.00%
Net position, end of year	$ 123,767,592	$ 120,771,056	$ 2,996,536	2.48%

** The Commission adopted GASB 75 during the current fiscal year, resulting in a prior period adjustment to other post-employment benefits obligation and deferred outflows of resources beginning balances. See note 13 to financial statements for more detail. The balances at October 31, 2017 in the above schedule do not reflect the prior period adjustment.*

The Commission's operating revenues increased by $3,951,200, approximately 19.24%, due primarily to an increase in toll revenues. Operating expenses decreased by $777,732, approximately 3.61%, due primarily to a decrease in costs associated with bridge supplies and maintenance. Net position increased by $2,996,536 from October 31, 2017 to October 31, 2018.

Capital Assets

Capital assets consist of the following at October 31:

	2018	2017	Variance	% Variance
Building	$ 5,027,720	$ 4,892,317	$ 135,403	2.77%
Furniture, fixtures, equipment	12,627,752	11,855,251	772,501	6.52%
Infrastructure	272,066,466	266,117,791	5,948,675	2.24%
	289,721,938	282,865,359	6,856,579	2.42%
Accumulated depreciation	(162,294,324)	(156,528,348)	(5,765,976)	-3.68%
	$ 127,427,614	$ 126,337,011	$ 1,090,603	0.86%

Capital assets increased (including additions and deductions) by $1,090,603, approximately 0.86%, over the prior fiscal year due primarily to additions exceeding deductions and depreciation. Additions for the year ended October 31, 2018 included:

	Additions	Deletions
Building	$ 135,403	$ -
Furniture, fixtures, and equipment	772,500	-
Infrastructure	5,948,675	-
	$ 6,856,578	$ -

Revenue Bonds

The Commission had $137,196,612 of revenue bonds outstanding at October 31, 2018, compared to $139,672,565 at October 31, 2017, a decrease of approximately 1.77%. See note 6 to financial statements for more details.

	2018	2017	Variance	% Variance
Revenue bonds	$ 137,196,612	$ 139,672,565	$ (2,475,953)	-1.77%

The Commission's bond indebtedness carries a Standard & Poor's "A" rating.

Other obligations include accrued vacation pay and sick leave and other post-employment benefits obligation.

Legal Claims

The Commission has estimated claims of $1,860,232 outstanding at October 31, 2018 compared with $1,433,817 at October 31, 2017.

Budget

The annual budget is approved by the Commission during its August meeting. The budget is then approved by the Joint Legislative Committee on the Budget of the Louisiana Legislature.

Economic Factors and Next Year's Budgets and Rates

The Commission and management considered the following factors and indicators when setting next year's budget, rates, and fees:

- Toll Revenue Forecast, which is provided by the Traffic Engineers in accordance with the Trust Indenture
- Prior year's expenses

- State Highway Fund No. 2 Forecasts by the Revenue Estimating Conference and the Legislative Fiscal Office. The Commission's share of Highway Fund No. 2 is designated for Debt Service first, and then bridge maintenance and rehabilitation.

The Commission expects that next year's results will improve based on the following:

- The overall economy in the area looks stable.
- Reduction in expenses and an increase in revenue due to a toll increase for safety projects.

Contacting the Commission's Management

This financial report is designed to provide citizens, taxpayers, customers, and investors and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer, Greater New Orleans Expressway Commission, P.O. Box 7656, Metairie, LA 70010.

Financial Statements

Greater New Orleans Expressway Commission
Statement of Net Position
October 31, 2018

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current Assets	
Cash and cash equivalents	$ 16,895,146
Accounts receivable	20,114
Interest receivable	129,843
Prepaid expenses	1,471,484
Inventory	856,842
Investments	921,282
	20,294,711
Restricted	
Cash and cash equivalents	33,402,541
Vehicle license tax receivable	2,777,004
Grants receivable	7,336
Investments	91,583,283
	127,770,164
	148,064,875
Noncurrent Assets	
Capital assets, net	127,427,614
Net pension asset	598,387
	128,026,001
	276,090,876
Deferred Outflows of Resources	
Deferred outflows related to pension plan	1,241,891
Deferred outflows related to OPEB plan	341,613
	1,583,504
	$ 277,674,380

See accompanying notes to financial statements.

Greater New Orleans Expressway Commission
Statement of Net Position *(Continued)*
October 31, 2018

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
Current Liabilities		
Accounts payable	$	186,940
Accrued payroll expenses		125,026
Retainage payable		76,870
Unearned toll revenue		1,106,324
		1,495,160
Current liabilities payable from restricted assets		
Capital projects payable		1,637,018
Revenue bonds payable, current		2,984,789
Accrued interest		2,942,553
		7,564,360
		9,059,520
Noncurrent Liabilities		
Tag deposits		1,223,650
Estimated liability for claims		1,860,232
Other deposits		10,983
Revenue bonds payable, net of current portion		134,211,823
Accrued compensated absences		978,195
Other post-employment benefits		4,547,329
		142,832,212
		151,891,732
Deferred Inflows of Resources		
Deferred inflows related to pension plan		1,795,907
Deferred inflows related to OPEB plan		219,149
		2,015,056
Net Position		
Net investment in capital assets		(9,768,998)
Restricted		113,627,175
Unrestricted		19,909,415
		123,767,592
	$	277,674,380

See accompanying notes to financial statements.

Greater New Orleans Expressway Commission
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended October 31, 2018

Operating Revenues	
Tolls	$ 24,189,993
Miscellaneous revenues	294,004
	24,483,997
Operating Expenses	
Personal services	7,984,215
Contractual services	27,202
Operating services	3,228,636
Supplies and maintenance	2,798,222
Professional services	346,174
Administrative	643,411
Depreciation	5,765,975
	20,793,835
Operating Income	3,690,162
Non-Operating Revenues(Expenses)	
Vehicular license tax	7,092,826
Federal grants	201,178
Investment income(loss)	
Interest income	1,895,506
Change in fair value	(410,907)
Payments to parishes	(350,000)
Amortization of bond premium/discount	915,954
Bond issuance	(11,023)
Interest expense	(5,825,144)
	3,508,390
Change in Net Position	7,198,552
Beginning Net Position	120,771,056
Prior period adjustment (*Note 13*)	(4,202,016)
Ending Net Position	$ 123,767,592

See accompanying notes to financial statements.

Greater New Orleans Expressway Commission
Statement of Cash Flows
For the Year Ended October 31, 2018

Cash Flows From Operating Activities	
Receipts	
Received from customers, including cash deposits	$ 24,433,208
Disbursements	
Payments to employees for services	(7,290,755)
Payments to suppliers for goods and services	(6,364,677)
	(13,655,432)
Net cash provided by operating activities	10,777,776
Cash Flows From Non-Capital Financing Activities	
Federal grants	462,069
Vehicular license tax	6,447,501
Subsidy to local governments	(350,000)
Net cash flows provided by non-capital financing activities	6,559,570
Cash Flows From Capital and Related Financing Activities	
Purchase of capital assets	(6,856,578)
Principal payments made on bonds	(2,475,953)
Amortization of bonds	915,954
Interest paid	(4,567,200)
Bond issuance costs	(11,023)
Net cash used in capital and related financing activities	(12,994,800)
Cash Flows From Investing Activities	
Net purchases/sales of investment securities	(17,507,962)
Earnings from investments	1,408,942
Net cash used in investing activities	(16,099,020)
Net decrease in cash and cash equivalents	(11,756,474)
Cash and cash equivalents, beginning of year	62,054,161
Cash and cash equivalents, end of year	$ 50,297,687

See accompanying notes to financial statements.

Greater New Orleans Expressway Commission
Statement of Cash Flows *(Continued)*
For the Year Ended October 31, 2018

Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$	3,690,162
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		5,765,975
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources		
Decrease (increase) in:		
Accounts receivable		21,142
Prepaid expenses		21,303
Deferred outflows related to pension plan		1,025,837
Deferred outflows related to OPEB plan		(56,312)
Increase (decrease) in:		
Accounts payable		(9,304)
Accrued payroll expenses		(24,873)
Retainage payable		(147,473)
Unearned toll revenue		(14,431)
Capital projects payable		388,027
Tag deposits		(57,500)
Estimated liability for claims		426,415
Accrued compensated absences		625,829
Other post-employment benefits obligation		(147,102)
Net pension liability(asset)		(2,425,231)
Deferred inflows related to pension plan		1,476,163
Deferred inflows related to OPEB plan		219,149
Net cash provided by operating activities	$	10,777,776
Reconciliation of cash and cash equivalents		
Current assets		
Cash and cash equivalents	$	16,895,146
Cash and cash equivalents, restricted		33,402,541
	$	50,297,687
Noncash investing, capital, and financing activities:		
Amortization of bond premium/discount	$	915,954

See accompanying notes to financial statements.

1. History and Summary of Significant Accounting Policies

History and Nature of Operations
The Greater New Orleans Expressway Commission was established by articles of incorporation dated October 20, 1954, between the parishes of Jefferson and St. Tammany. Under the authority of Louisiana Revised Statute (R.S.) 33:1324, the parishes were granted the right and privilege to unite and incorporate a joint Commission for the purpose of constructing, operating, and maintaining a toll bridge or causeway and requisite approaches across Lake Pontchartrain, connecting the two parishes, known as the Greater New Orleans Expressway. Article 6, Section 22(g)(5) of the 1921 Louisiana Constitution confirmed the power of the parishes to jointly construct the expressway through the issuance of revenue bonds for that purpose and the authority to levy a reasonable toll that is sufficient in amount to provide adequate pay for all costs of operation and maintenance including debt service together with funds dedicated from vehicular license taxes. In addition to operating and maintaining the 23.87 mile long parallel expressway bridges, Act 762 of 1986 of the Regular Session of the Louisiana Legislature authorized the Commission to police the Huey P. Long Bridge. The act also requires that, after all bonds principal and interest are fully paid, the expressway bridge becomes the property of the State of Louisiana and thereafter be operated and maintained by the Louisiana Department of Transportation and Development as a toll-free project and as part of the state highway system.

The Commission is governed by five members, three of whom are appointed by the governor, including one member from Jefferson Parish and another member from St. Tammany Parish for a term of two years each. The third member appointed by the governor is for a one-year term alternately from Jefferson and St. Tammany Parishes. Of the remaining two members, one member is appointed from Jefferson Parish by the Jefferson Parish Council, and one member is appointed from St. Tammany Parish by the St. Tammany Parish Council for two-year terms.

Financial Reporting Entity
Governmental Accounting Standards Commission (GASB) issued Statement No. 61 (GASB 61), *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and 34*, to determine if a component unit is included in the financial reporting entity of its primary government. The Commission is considered a component unit of the State of Louisiana because: the state exercises oversight responsibility in that the governor appoints the Commission members and public service is rendered within the state's boundaries, and the Commission provides specific financial benefits to and may impose specific financial burdens on the State of Louisiana. The accompanying basic financial statements present information only as to the transactions of the Commission.

Annually the State of Louisiana issues a basic financial statement which includes the activity contained in the accompanying financial statement. The basic financial statement is issued by the Louisiana Division of Administration – Office of Statewide Reporting and Accounting Policy and audited by the Louisiana Legislative Auditor.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for each major proprietary fund. Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position.

The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are user charges and fees, while operating expenses consist of salaries, ordinary maintenance, assessments, indirect costs and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Net Position
The statement of net position reports net position as the difference between all other elements in a statement of net position and is displayed in three components—net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

- Net Investment in Capital Assets - Consists of capital assets including restricted capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets
- Restricted - Consists of amounts with constraints placed on the use by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation
- Unrestricted - All other amounts that do not meet the definition of "restricted" or "net investment in capital assets"

Restricted net position represents unexpended revenue bond proceeds as well as certain other resources set aside for the purpose of improvements to capital assets and funding debt service payments in accordance with bond resolutions.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted as needed.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Budget Practices
The general manager submits proposed operating budgets to the Commission and to the general public for inspection. The budgets are prepared on a modified accrual basis of accounting. For the period under audit, the proposed budgets were advertised in the official journal and formally adopted by the Commission. Annually, in August, the original budget is amended by management and is ratified by the Commission during October.

Cash and Cash Equivalents
For the purpose of the statement of net position and statement of cash flows, cash and cash equivalents include all demand accounts and money market funds of the Commission with an original maturity of 90 days or less.

Investments
Investments are carried at fair value. Purchases and sales of securities are recorded on trade dates, and realized gains and losses are determined on the basis of average cost of securities sold. Investment return(loss) includes interest, dividends, administrative fees, and realized and unrealized gains and losses, and is included in the statement of revenues, expenses, and changes in net position as investment income.

Fair Value Measurements
The Commission's financial instruments include cash deposits, money market accounts, and U.S. Government Obligations. The carrying amounts reported in the statement of financial position are stated at cost which approximates fair value because of the short maturities of those instruments.

Accounts and Grants Receivable
Receivables consist of all revenues earned at year-end but have not been collected at year end. Management monitors the receivable balances and assesses the collectability at year end based upon the historical collections, knowledge of the individual or entity, and the age of the receivable balance. As a result of these reviews, customer balances deemed to be uncollectible are charged to the allowance for doubtful accounts. Management has deemed all accounts collectible at year-end and no allowance has been recorded.

Prepaid Expenses
Payments to vendors for insurance and other operating expenses include costs applicable to the next accounting period and are recorded as prepaid items.

Capital Assets
Capital assets with a cost of $1,000 or more are reported at cost in the statement of net position. Repairs and maintenance are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

Description	Years
Automobiles	5
Data processing equipment	5
Furniture and fixtures	10
Buildings	40
Infrastructure	40

Inventory
The Commission maintains an inventory of spare bridge components for emergency use and is valued at the lower of cost or market.

Compensated Absences
Employees earn and accumulate annual and sick leave at various rates, depending on their years of service. Annual and sick leave that may be accumulated by each employee is limited. Upon termination, employees or their heirs are compensated for 30 days accumulated annual leave and up to 45 days of unused sick leave at the employee's hourly rate of pay at the time of termination. Any unused grandfather leave accumulated before October 31, 2018 is compensated. Upon retirement, an uncompensated annual leave at the employee's option plus unused sick leave in excess is used to compute retirement benefits for employees who earned full-time status before 2007. Compensated absences are recognized as an expense and liability in the financial statements when incurred. As of October 31, 2018, employees of the Commission have accumulated and vested $978,195 of employee annual and sick leave benefits.

Deferred Compensation Plan
The Commission offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code 457. The Plan is administered by the Commission. The Plan, available to all full-time employees of the Commission, permits them to defer a portion of their salary until future years. All amounts of compensation deferred, all property and rights purchased, and all income, property, or rights are (until paid or made available to the employee or other beneficiary) held in trust by Lincoln Financial for the exclusive benefit of the participants and their beneficiaries.

Participants may contribute up to the IRS maximum calendar limit with the Commission matching up to $72 per month. All contributions are immediately vested. The Commission contributed $76,567 to the plan during the year ended October 31, 2018.

Deferred Outflows of Resources
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission has the following items that qualify for reporting in this category:

Pension plan – these deferred outflows result from pension contributions after the measurement date (deferred and recognized in the following fiscal year) and/or differences in projected and actual earnings on pension assets (deferred and amortized over a closed five year period).

OPEB plan – these deferred outflows result from OPEB contributions after the measurement date (deferred and recognized in the following fiscal year).

Deferred Inflows of Resources
Deferred inflows of resources are acquisitions of net position or fund balance by the Commission that is applicable to a future reporting period and so will not be recognized as an inflow of resources until then. The Commission has the following items that qualify for reporting in this category:

Pension plan – these deferred inflows result from differences in projected and actual earnings on pension assets (deferred and amortized over a closed five year period).

OPEB plan – these deferred inflows result from changes in assumptions and changes in proportion and differences between employer contributions and proportionate share of contributions (deferred and amortized over a closed five year period).

Accounting Pronouncements
During the year ending December 31, 2018, the Commission implemented the following Government Accounting Standards Board (the "GASB") Statements:

Statement No. 75, *"Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions"* replaces the requirements of GASB Statement No. 45. This Statement requires governments to report a liability on the face of the financial statements for the OPEB that they provide: governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability, governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan and governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees. The adoption of this Statement has resulted in a prior period adjustment as disclosed at Note 13.

Statement No. 85, *"Omnibus 2017."* On March 20, 2017, GASB issued *"Omnibus 2017"* to address practice issues that have been identified during implementation and application of certain GASB Statements. Statement No. 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). Specifically, this statement addresses the following topics:

- Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation
- Reporting amounts previously reported as goodwill and "negative" goodwill
- Classifying real estate held by insurance entities
- Measuring certain money market investments and participating interest-earning investment contracts at amortized cost
- Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus
- Recognizing on-behalf payments for pensions or OPEB in employer financial statements
- Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB
- Classifying employer-paid member contributions for OPEB
- Simplifying certain aspects of the alternative measurement method for OPEB
- Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans

Statement No. 86, *"Certain Debt Extinguishment Issues"* improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources - resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement did not affect the Commission's financial statements.

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 83, *"Certain Asset Retirement Obligations"* addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 87, *"Leases"* increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 88, *"Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements"* improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The Statement clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for reporting periods beginning after June 30, 2018. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 89, *"Accounting for Interest Cost Incurred before the End of a Construction Period"* establishes accounting requirements for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management has not yet determined the effect of this Statement on the financial statements.

2. Deposits with Financial Institutions

For reporting purposes, deposits with financial institutions include demand deposits and are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

The Commission's deposits at October 31, 2018 consisted of the following:

Deposits per statement of net position (reconciled bank balance)	$ 1,293,731
Deposits in bank accounts per bank	$ 2,137,935
Category 3 bank balances:	
Uninsured and uncollateralized	-
Uninsured and collateralized with securities held by the pledging institution's trust department or agent, in the Commission's name	-
Uninsured and collateralized with securities held by the pledging institution or its agent but not in the Commission's name	1,887,935
Total category 3 bank balances	$ 1,887,935

Custodial Deposit Risk
In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned to the Commission. As of October 31, 2018, $1,187,935 of the Commission's bank balance was exposed to custodial credit risk because the deposits were uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Commission's name.

Money Market Accounts
The Commission had $48,352,774 within money market accounts at October 31, 2018. The accounts have a maturity of less than 90 days and are reported as cash equivalents. The balance is reported at cost which approximates market. The money market accounts consists of securities issued or guaranteed as to principal and interest by the U.S. government or its agencies or instrumentalities. At October 31, 2018, the Commission's money market accounts are uninsured on the performance of the custodian and are exposed to custodial credit risk because they are held by the counterparty's trust department, but not in the Commission's name.

3. Investments

At October 31, 2018, investments consist of the following:

U.S. Treasury notes / bonds	$ 45,458,416
Federal agency securities	2,457,525
U.S. Treasury bills	37,992,941
State municipal bonds	6,595,683
	$ 92,504,565

Interest Rate and Credit Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment - the greater the sensitivity of its fair value to changes in market interest rates is. The Commission limits its interest rate risk by limiting its investing to securities with terms of one year or less.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a national recognized statistical rating organization. Credit quality ratings are not required for U.S. government securities. Federal agency securities are securities, usually bonds, issued by a U.S. Government-sponsored agency. The investment policy of the Commission contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the State of Louisiana.

At October 31, 2018, the Commission's investments are uninsured on the performance of the custodian and are exposed to custodial credit risk because they are held by the counterparty's trust department, but not in the Commission's name. Credit risk is managed by limiting investments to those allowed under state law, which includes instruments issued by state or Federal governments.

Information about the credit risk and sensitivity of the fair values of the Commission's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Commission's investments by maturity:

Investment Type	Less Than 1 Year	1 to 2 Years	2 to 5 Years	More Than 5 Years	Total
U.S. Treasury notes / bonds	$ 28,297,330	$ 5,410,085	$ 11,751,001	$ -	$ 45,458,416
Federal Agency Securities					
Federal National Mortgage Association	-	2,457,525	-	-	2,457,525
U.S. Treasury bills	37,992,941	-	-	-	37,992,941
State municipal bonds	2,001,217	2,715,090	1,383,776	495,600	6,595,683
	$ 68,291,488	$ 10,582,700	$ 13,134,777	$ 495,600	$ 92,504,565

4. Fair Value Measurements

The fair value measurement accounting literature provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. Level I inputs to the valuation methodology are based on unadjusted quoted prices for identical assets in active markets that the Commission has the ability access. Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets and/or based on inputs that are derived principally from or corroborated by observable market data. Level 3 inputs are unobservable and are based on assumptions market participants would utilize in pricing the assets.

The Commission uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. When available, valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. The following table sets forth, by level, the Commission's assets at fair value as of October 31, 2018:

	Level 1	Level 2	Level 3	Total
Cash equivalents				
Money market accounts	$ 48,352,774	$ -	$ -	$ 48,352,774
Investments				
U.S. Treasury notes / bonds	45,458,416	-	-	45,458,416
Federal agency securities	-	2,457,525	-	2,457,525
U.S. Treasury bill	37,992,941	-	-	37,992,941
State municipal bonds	-	6,595,683	-	6,595,683
	$ 131,804,131	$ 9,053,208	$ -	$ 140,857,339

5. Capital Assets

A summary of changes in capital assets is as follows:

	Balance at 10/31/17	Additions	Deletions	Balance at 10/31/18
Capital assets, being depreciated				
Building	$ 4,892,317	$ 135,403	$ -	$ 5,027,720
Furniture, fixtures, and equipment	11,855,251	772,500	-	12,627,751
Infrastructure	266,117,791	5,948,675	-	272,066,466
	282,865,359	6,856,578	-	289,721,937
Accumulated depreciation	(156,528,348)	(5,765,975)	-	(162,294,323)
	$ 126,337,011	$ 1,090,603	$ -	$ 127,427,614

Depreciation expense for the year ended October 31, 2018 was $5,765,975.

6. Noncurrent Liabilities

The following is a summary of the noncurrent liabilities for the year ended October 31, 2018:

	Balance at 10/31/17	Additions	Payments and Reductions	Balance at 10/31/18	Due Within One Year
Revenue Bonds					
Refunding, Series 2013	20,895,000	-	(1,500,000)	19,395,000	1,560,000
Refunding, Series 2014	17,540,000	-	(60,000)	17,480,000	65,000
Series 2017	87,495,000	-	-	87,495,000	485,000
	125,930,000	-	(1,560,000)	124,370,000	2,110,000
Bond Premium	13,752,578	-	(925,966)	12,826,612	874,789
	139,682,578	-	(2,485,966)	137,196,612	2,984,789
Other post-employment benefits obligation	4,694,431	445,421	(592,523)	4,547,329	-
Accrued compensated absences	352,366	1,051,468	(425,639)	978,195	-
	$ 144,729,375	$ 1,496,889	$ (3,504,128)	$ 142,722,136	$ 2,984,789

** The Commission adopted GASB 75 during the current fiscal year, resulting in a prior period adjustment to other post-employment benefits obligation and deferred outflows of resources beginning balances. See note 13 to financial statements for more detail. The other post-employment benefits obligation at October 31, 2017 in the above schedule reflects the prior period adjustment.*

***At October 31, 2017, the Commission reported a net pension liability of $1,826,844. At October 31, 2018, pension assets exceeded the pension liability by $598,387. The $598,387 balance is reported as a noncurrent asset in the statement of net position at page 14; therefore the pension plan balance is not included in the above schedule.*

Refunding Revenue Bonds, Series 2013
On September 30, 2013, the Commission issued $25,545,000 of Refunding Revenue Bonds, Series 2013. The proceeds of this issue were used to refund a portion of the Commission's outstanding Series 2003 Bonds and pay costs of issuance of the Series 2013 Bonds including the cost of the Bond Insurance Policy. The portion of the 2003 Bonds were redeemed in on November 1, 2013 in the amount of $25,545,000 principal and $644,193.75 of accrued interest. The Refunding Revenue Bonds, Series 2013, are secured by user fees, expressway bridge tolls, and other revenues. These bonds require future annual debt service installments of $450,000 to $2,340,000 beginning November 1, 2013 through November 1, 2028. The bonds carry interest rates between 3% - 5% and interest to maturity at October 31, 2018 totals $4,694,440 through November 1, 2028.

Refunding Revenue Bonds, Series 2014
On June 19, 2014, the Commission issued $17,540,000 of Refunding Revenue Bonds, Series 2014. The proceeds of this issue were used to refund the final portion of the Commission's outstanding Series 2003 Bonds and pay cost of issuance of the Series 2014 Bonds including the cost of the Bond Insurance Policy. The portion of the 2003 Bonds were redeemed in on June 19, 2013. The Refunding Revenue Bonds, Series 2014, are secured by user fees, expressway bridge tolls, and other revenues. These bonds require future annual debt service installments of $60,000 to $3,040,000 beginning November 1, 2018 through November 1, 2034. The bonds carry interest rates from 2.625% to 4% and interest to maturity at October 31, 2018 totals $7,801,277 through November 1, 2034.

Revenue Bonds, Series 2017

On August 22, 2017, the Commission issued $87,495,000 of Revenue Bonds, Series 2017. The proceeds of the issue will be used for safety improvement projects and pay cost of issuance of the Series 2017 Bonds including the cost of the Bond Insurance Policy. The Revenue Bonds, Series 2017, are secured by user fees and expressway bridge tolls. These bonds require future annual debt service installments of $485,000 to $7,865,000 beginning November 1, 2018 through October 31, 2047. The bonds carry interest rates from 1.03% to 3.14% and interest to maturity at October 31, 2018 totals $92,182,875 through November 1, 2047.

The annual requirements to amortize all bonds outstanding at October 31, 2018, including total interest to maturity of $104,678,592, are as follows:

For the Year Ended October 31:	Refunding Series 2013		Refunding Series 2014		Series 2017	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	$ 1,560,000	$ 857,663	$ 65,000	$ 620,594	$ 485,000	$ 4,362,625
2020	1,630,000	785,713	70,000	618,569	345,000	4,341,875
2021	1,720,000	701,963	65,000	616,544	185,000	4,328,625
2022	1,800,000	613,963	75,000	614,444	-	4,324,000
2023	1,895,000	521,588	75,000	612,194	-	4,324,000
Thereafter	10,790,000	1,213,550	17,130,000	4,718,932	86,480,000	70,501,750
	$ 19,395,000	$ 4,694,440	$ 17,480,000	$ 7,801,277	$ 87,495,000	$ 92,182,875

7. Net Position

Net position represent the difference between assets, deferred outflows of resources and liabilities, deferred inflows of resources. The composition of net position at October 31, 2018 was as follows:

Net investment in capital assets	
Capital assets	$ 289,721,938
Less: accumulated depreciation	(162,294,324)
Less: bonds payable	(137,196,612)
	(9,768,998)
Restricted for debt service	
Assets held in trust	16,906,113
Less: restricted receivables	(2,777,004)
Less: accrued interest on bonds	(2,942,553)
	11,186,556
Restricted for capital projects and major repairs	
Assets held in trust	104,070,301
Restricted receivable in extraordinary maintenance	7,336
Less: capital contracts payable	(1,637,018)
	102,440,619
	113,627,175
Unrestricted	19,909,415
	$ 123,767,592

8. Post-Employment Health Care and Life Insurance Benefits

Plan Description

As of October 31, 2017, the Commission no longer offered post-employment health care benefits to retirees of Medicare age. In addition, employees hired after December 31, 2016 are not eligible for post-employment health care and life insurance benefits. These changes resulted in a restatement of net position as detailed at Note 13. Substantially all Commission employees hired before December 31, 2016 become eligible for postemployment health care and life insurance benefits ("OPEB") if they reach normal retirement age while working for the Commission. The Commission does not issue a publicly available financial report of the OPEB report; however, the OPEB report is available from the Commission by request.

Funding Policy

The benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid by the Commission. The Commission pays 100% of the retirees' total premium and 40% of dependent premiums until Medicare eligible, at which point the retiree will no longer be eligible for OPEB benefits. Participants who retired prior to March 1, 2017 have life insurance coverage of $13,000. Participants who retire after March 1, 2017 have life insurance coverage of 50% of the Basic Life coverage in force at the time of retirement. Life insurance drops to 65% of the initial amount at age 70, and 50% at age 75. Retirees pay 30% of the life insurance premium if hired before November 1, 2012 and 40% of the life insurance premium if hired on or after November 1, 2012. The Commission and the retirees pay their respective share of the premiums on a "pay-as-you-go" basis. For the year ended October 31, 2018, the Commission contributed $341,613 for 97 retirees.

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

At October 31, 2018, the Commission reported a liability of $4,547,329 for its total OPEB liability. The total OPEB liability was measured as of October 31, 2018, and was determined by an actuarial valuation as of that date. The Commission's total OPEB liability was based on projections of the Commission's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended October 31, 2018, the Commission recognized a total OPEB expense of $203,316. The Commission reported 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	$ -	$ -
Changes in assumptions	-	219,149
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	-
Employer contributions subsequent to the measurement date	341,613	-
	$ 341,613	$ 219,149

Deferred outflows of resources related to OPEB resulting from the Commission's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended October 31, 2018.

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

Period Ended	Amount
October 31, 2019	$ (31,761)
October 31, 2020	(31,761)
October 31, 2021	(31,761)
October 31, 2022	(31,761)
October 31, 2023	(31,761)
Thereafter	(60,344)
	$ (219,149)

Actuarial Methods and Assumptions
The total OPEB obligation in the November 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

Valuation date	November 1, 2018
Actuarial cost method	Entry age normal cost
Investment rate of return	N/A. Benefit payments are funded on a pay-as-you-go basis
Discount rate	4.30% per annum
Healthcare cost trend rate	6.7% year 1 graded to 5.3% year 12
Salary increases, including inflation and merit increases	2.75%
Cost of living adjustments	Not substantively automatic
Mortality	Sex Distinct RP 2000 Employee & Annuitant Healthy Mortality Tables projected using Scale BB

Discount Rate
The discount rate used to measure the total OPEB liability was 4.30%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following presents the Commission's total OPEB liability using the current discount rate as well as what the Commission's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease (3.30%)	Current Discount Rate (4.30%)	1.0% Increase (5.30%)
Total collective OPEB liability	$ 5,033,974	$ 4,547,329	$ 4,124,719

Sensitivity of the Total OPEB Liability to Changes to the Health Cost Trend Rate
The following presents the Commission's total OPEB liability calculated using assumed trend rates, as well as what the Commission's total OPEB liability would be if it were calculated using a trend rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease (5.70%)	Current Trend Rate (6.70%)	1.0% Increase (7.70%)
Total collective OPEB liability	$ 4,116,621	$ 4,547,329	$ 5,068,812

OPEB Expense and changes in OPEB Obligation
The Commission's Actuarially Determined Contribution (ADC) represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The OPEB expense, the percentage of OPEB expense contributed to the plan, and the OPEB obligation at the end of the year for the Commission were as follows:

	Total OPEB Liability	OPEB Fiduciary Net Position	Net OPEB Liability
Total OPEB liability, beginning of year, as restated	$ 4,694,431	$ -	$ 4,694,431
Service cost	270,384	-	270,384
Interest	175,037	-	175,037
Differences between expected and actual experience	-	-	-
Changes in assumptions	(250,910)	-	(250,910)
Employer contributions	(341,613)	-	(341,613)
Total OPEB liability, end of year	$ 4,547,329	$ -	$ 4,547,329

Payables to the OPEB Plan
At October 31, 2018, the Commission included $19,062 in accounts payable for funds due to the OPEB plan.

9. Defined Benefit Pension Plan

The Commission contributes to the Parochial Employees' Retirement System ("PERS"), a cost-sharing, multiple-employer defined benefit pension plan administered by the State of Louisiana (State). PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS is comprised of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the Commission are members of Plan A. Benefit provisions are established by state law and may be amended only by the State Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to PERS at P.O. Box 14619, Baton Rouge, Louisiana, 70898, or by calling 225.928.1361.

Significant Accounting Policies
The System's employer schedules were prepared using the accrual basis of accounting.
Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of December 31, 2017.

The System is not allocated a proportionate share of the net pension liability(asset) related to its employees. The net pension liability(asset) attributed to the System's employees is allocated to the remaining employers based on their respective employer allocation percentage.

Plan fiduciary net position is a significant component of the System's collective net pension liability(asset). The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts.

Benefits Provided
The Plan provides retirement, disability and death benefits to plan members and their beneficiaries. Retirement benefits for employees are calculated as 3% of the plan member's final average compensation multiplied by their years of service. Death benefits are equal to 100% of benefits if member is eligible for normal retirement or 60% of final compensation if not eligible for normal retirement. Disability retirement benefits are calculated to be equal to the lesser of an amount equal to 3% of the member's final average compensation multiplied by their years of services, not to be less than 15, or 3% multiplied by years of service assuming continued service to age 60.

For plan members hired prior to January 1, 2007, a member may obtain retirement benefits if any of the following are reached: (a) any age with 30 or more years of creditable service, (b) age 55 with 25 years of creditable service, (c) age 60 with minimum of 10 years of creditable service, (d) age 65 with a minimum of 7 years of creditable service.

For plan members hired after January 1, 2007, a member may obtain retirement benefits if any of the following are reached: (a) age 55 with 30 or more years of service, (b) age 62 with 10 years of service, (c) age 67 with 7 years of service.

The terms of the Plan provide for annual cost of living allowance for the retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Plan may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977 (or the member's retirement date, if later). Also, the Plan may provide a cost of living increase up to 2.5% for retirees 62 and older. Lastly, Act 270 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Contributions
State statute has the authority to establish and amend the contribution requirements of the Commission and active employees. According to state statute, the Plan also receives 1/4 of 1% of ad valorem taxes collected within the respective Parishes, except for Orleans and East Baton Rouge Parishes. The Plan also receives revenue sharing funds each year as appropriated by the State Legislature. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. Employees are required to contribute 9% of their annual pay.

The Commission's contractually required contribution rate for the year ended October 31, 2018 was 12.5% of annual payroll for the period from November 1, 2017 through December 31, 2017, and 11.5% of annual payroll for the period from January 1, 2018 through October 31, 2018. The employer contribution is actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Commission's contributions to PERS for the years ended October 31, 2018, 2017 and 2016 were approximately $606,777, $624,916, and $663,948, respectively, which equaled the required contributions for each year. The State also made on-behalf contributions to the Plan, of which $59,935 was recognized by the Commission for the year ended October 31, 2018; these on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities(Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At October 31, 2018, the Commission reported a liability(asset) of $(598,387) for its proportionate share of the net pension liability(asset). The net pension liability(asset) was measured as of December 31, 2017, and the total pension liability(asset) used to calculate the net pension liability(asset) was determined by an actuarial valuation as of December 31, 2017. The Commission's proportion of the net pension liability(asset) was based on a projection of the Commission's projected contribution effort to the pension plan for the next fiscal year as compared to the total of all participating employers' contribution effort to the Plan for the next fiscal year, actuarially determined.

At December 31, 2017, the Commission's proportion was 0.80618%, which was a decrease of 0.08084% from its proportion measured as of December 31, 2016.

Per the valuation report dated December 31, 2017, the Commission's proportionate share of pension expense was $749,916. At October 31, 2018, the Commission reported deferred outflows or resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 387,350
Net difference between projected and actual earnings on pension plan investments	-	1,382,446
Changes in assumptions	755,253	26,111
Changes in proportion	4,646	-
Employer contributions subsequent to the measurement date	481,992	-
	$ 1,241,891	$ 1,795,907

At October 31, 2018, the Commission reported $481,992 as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability(asset) in the year ended October 31, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources at October 31, 2018, related to pensions will be recognized in pension expense as follows:

Period Ended	Amount
October 31, 2019	$ 85,109
October 31, 2020	(99,087)
October 31, 2021	(474,108)
October 31, 2022	(547,922)
	$ (1,036,008)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability are as follows:

Valuation date	December 31, 2017
Actuarial cost method	Entry age normal cost
Estimated remaining service life ("ERSL")	4 years
Investment rate of return	6.75% per annum
Inflation rate	2.50% per annum
Salary increases, including inflation and merit increases	5.25%, including inflation
Cost of living adjustments	Only those previously granted
Mortality rate	
Non-disabled members	RP-2000 Employee Sex Distinct Table
Disabled members	RP-2000 Disabled Lives Mortality Table

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of future real rates of return (expected returns, net of pension plan 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 the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-term Target Asset Allocation	Expected Portfolio Real Rate of Return
Fixed income	35%	1.24%
Equity	52%	3.57%
Alternatives	11%	0.69%
Other	2%	0.12%
	100%	5.62%
Inflation		2.00%
Expected arithmetic nominal return		7.62%

Discount Rate

The discount rate used to measure the total pension liability(asset) was 6.75% for the valuation date of December 31, 2017. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's 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(asset).

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability(Asset) to Changes in the Discount Rate

The following presents the employer's proportionate share of the net pension liability(asset) using the discount rate of 6.75%, as well as what the employer's proportionate share of the net pension liability(asset) would be if it were calculated using a discount rate that is one percentage-point lower (5.75%) or one percentage-point higher (7.75%) than the current rate:

	1.0% Decrease (5.75%)	Current Discount Rate (6.75%)	1.0% Increase (7.75%)
Employer's proportionate share of the net pension liability(asset)	$ 2,950,263	$ (598,387)	$ (3,758,224)

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued PERS' financial report.

Payable to Pension Plan

At October 31, 2018, the Commission reported a payable of $102,190 for the outstanding amount of employer contributions to the pension plan required for the year ended October 31, 2018. This amount is included in accrued expenses at October 31, 2018.

10. Risk Management

The Commission is exposed to various risks of loss relating to general liability, automotive liability, and property insurance contracts and has a self-insured risk management program to account for and finance its uninsured risks of loss. Under this program, the Commission provides coverage for general and automotive liability up to the $500,000 deductible limits for each covered loss. The Commission purchased commercial insurance for claims in excess of coverage provided by the risk management program. Settled claims have not exceeded this commercial coverage for the fiscal year.

11. Legal Proceedings and Claims

The Commission is a defendant or co-defendant in several lawsuits in which the plaintiffs allege property damage and personal injury. In the opinion of the Commission's legal counsel, the ultimate resolution of these matters should not materially affect the financial statements.

At October 31, 2018, the claims liability of $1,860,232 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information before the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. Changes in the claims liability in fiscal for the year ended October 31, 2018 were as follows:

Estimated liability for claims at beginning of year	$ 1,433,817
Changes in estimates	978,571
Claims payment and expenses thereon	(552,156)
	$ 1,860,232

12. Operating Leases

On March 31, 2017, the Commission entered into a three year lease with Edgewater Ventures at the rate of $10,000 per month with the option to renew for an additional period of three years at an adjusted rate not to be less than $10,000 per month. Future minimum rental payments for the operating lease are as follows:

For the Year Ended October 31	Amount
2019	120,000
2020	20,000
	$ 140,000

The rental payments for 2018 were $120,000.

13. Prior Period Adjustment

The Commission adopted GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension—an amendment of GASB Statement No. 45*, for the fiscal year ended October 31, 2018. This has resulted in a prior period adjustment to unrestricted net position for $4,202,016 to account for the total OPEB liability at October 31, 2017. As a result, unrestricted net position was restated as follows:

Unrestricted net position at October 31, 2017, as previously reported	$ 14,044,145
Prior period adjustment - adoption of GASB No. 75	(4,202,016)
Unrestricted net position at October 31, 2017, as restated	$ 9,842,129

14. Subsequent Events

The Commission's management has evaluated subsequent events through April 30, 2019, which is the date the financial statements were available to be issued.

Required Supplementary Information

Greater New Orleans Expressway Commission
Schedule of Changes in Total OPEB Liability
For the Year Ended October 31, 2018

	2018
Service cost	$ 270,384
Interest	175,037
Difference between expected and actual experience	-
Changes in assumptions or other inputs	(250,910)
Employer contributions	(341,613)
	(147,102)
Total OPEB liability, beginning of year, as restated	4,694,431 *
Total OPEB liability, end of year	$ 4,547,329
Covered employee payroll	$ 5,018,504
Total OPEB liability as a percentage of covered-employee payroll	90.61%
OPEB fiduciary net position	$ -
OPEB fiduciary net position as a percentage of total OPEB liability	0.00%

*The Commission's OPEB liability has been restated at October 31, 2017. See note 13 to the financial statements.

Amounts presented were determined as of the measurement date of October 31, 2018.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Greater New Orleans Expressway Commission
Schedule of Employer's Proportionate Share of Net Pension Liability(Asset)
For the Year Ended October 31, 2018

	Proportion of the Net Pension Liability(Asset)	Proportionate Share of the Net Pension Liability(Asset)	Covered Employee Payroll	Share of the Net Pension Liability(Asset) as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability(Asset)
December 31, 2017	0.80618%	$ (598,387)	$ 4,956,809	-12.07%	101.98%
December 31, 2016	0.88703%	1,826,844	5,236,422	34.89%	94.15%
December 31, 2015	0.82106%	2,161,277	4,710,520	46.00%	92.23%
December 31, 2014	0.88625%	242,309	4,958,141	5.00%	99.15%

**The information above is presented as of the pension plan measurement date of December 31, 2017.*

***Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

Greater New Orleans Expressway Commission
Schedule of Employer's Pension Contributions
For the Year Ended October 31, 2018

	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
October 31, 2018	$ 606,777	$ 606,777	$ -	$ 5,189,516	11.69%
October 31, 2017	624,916	624,916	-	4,959,296	12.60%
October 31, 2016	663,948	663,948	-	5,018,504	13.23%
October 31, 2015	714,009	714,009	-	4,830,773	14.78%

***Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

OPEB Schedule

There are no assets accumulated in a trust that meet the requirements in paragraph 4 of GASB Statement 75 to pay related benefits.

Changes of Assumptions
In the valuation for 2018, the discount rate increased from 3.65% to 4.30%

Changes in Population
Changes in the Commission's census data included an increase in the number of participating employees at October 31, 2018, from 79 employees to 97 employees.

Pension Plan Schedules

Changes of Assumptions
The discount rate used in actuarial assumptions decreased from 7.00% for the December 31, 2016 measurement date to. 6.75% for the December 31, 2017 measurement date.

Measurement Date
The amounts presented within the Schedule of Employer's Share of Net Pension Liability have a measurement date of December 31, 2017.

Other Supplementary Information

Greater New Orleans Expressway Commission
Schedule of Compensation Paid to Board of Commissioners
For the Year Ended October 31, 2018

Commissioner		Amount
Tim P. Coulon	$	6,542
Patrick Fitmorris		7,099
Shelby P. LaSalle, Jr.		6,573
Anthony V. Ligi, Jr.		601
Donald Sharp		4,470
Patrick Williams		-
Joy H. Zainey		6,617
	$	31,902

The schedule of per diem payments to Commission Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As authorized by Louisiana Revised Statute 32:772, each member of the Commission shall be reimbursed when actually in attendance at a Commission meeting or when required to travel for the official authorized business of the Commission, and such reimbursement shall not exceed $75.00 per day.

Greater New Orleans Expressway Commission
Schedule of Compensation, Benefits, and Other Payments to General Manager
For the Year Ended October 31, 2018

Commission Head: Carlton Dufrechou
Position: General Manager

Purpose	Amount
Salary	$ 135,465
Benefits - insurance	903
Benefits - retirement	15,590
Per diem	262
Reimbursements	294
	$ 152,514

See independent auditor's report.

Greater New Orleans Expressway Commission
Schedule of Receipts and Disbursements
For the Year Ended October 31, 2018

	Revenue Account	Operations and Maintenance	Extraordinary Maintenance and Repair Reserve	Excess Revenue	Huey P. Long Bridge	Assets Forfeiture	Vehicular License Tax	Debt Service	Debt Service Reserve	Construction Series 2017	Insurance Reserve	Total
Balances at November 1, 2017	$ 2,330,997	$ (78,367)	$ 1,207,922	$ 7,989,366	$ 1,007,816	$ 28,514	$ 11,778,749	$ 3,802,092	$ 1,132,292	$ 32,853,083	$ 1,697	$ 62,054,161
RECEIPTS												
Tolls	24,118,062	-	-	-	-	-	-	-	-	-	-	24,118,062
Vehicular license tax	-	-	-	-	-	-	6,447,502	-	-	-	-	6,447,502
Investment income	12,619	16,658	149,895	111,868	15,954	-	135,432	18,873	16,280	915,920	15,441	1,408,940
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	-	-	462,070	-	-	-	-	-	-	-	-	462,070
Other	10,253	92,376	147,171	-	-	5,123	-	-	-	-	-	254,923
Net Investment sales and maturities	-	-	21,865,658	-	-	-	-	-	-	338,832,010	2,415,593	363,113,261
Transfers in	1,132,629	11,121,071	3,485,745	10,341,244	1,461,746	-	4,000,000	2,503,395	4,844,131	882	128,564	39,019,407
	25,273,563	11,230,105	26,110,539	10,453,112	1,477,700	5,123	10,582,934	2,522,268	4,860,411	339,748,812	2,559,598	434,824,165
DISBURSEMENTS												
Personal services	-	5,909,929	-	-	1,315,355	-	-	-	-	-	-	7,225,284
Contractual services	-	26,972	-	-	230	-	-	-	-	-	-	27,202
Operating services	-	2,663,091	-	-	38,190	-	-	-	-	-	-	2,701,281
Supplies and maintenance	-	741,624	2,004,204	-	33,536	11,838	-	-	-	-	-	2,791,202
Professional services	-	292,135	-	-	-	-	-	-	-	-	54,038	346,173
Administrative	361,216	266,254	-	-	15,941	-	-	-	-	-	-	643,411
Capital outlay	-	370,776	3,120,538	-	35,411	-	-	-	-	3,127,008	-	6,653,733
Debt service												
Principal retirement	-	-	-	-	-	-	-	2,475,954	-	-	-	2,475,954
Amortization of bonds	-	-	-	-	-	-	-	(915,954)	-	-	-	(915,954)
Interest	-	-	-	-	-	-	-	2,379,824	2,187,375	-	-	4,567,199
Cost of bond issuance	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental expenditures - parishes		-	-	350,000	-	-	-	-	-	-	-	350,000
Insurance settlements	-	-	-	-	-	-	-	-	-	-	74,526	74,526
Net Investment purchases	-	-	21,546,057	-	-	-	-	-	-	356,649,748	2,425,378	380,621,183
Transfers out	26,306,446	129,446	-	3,961,746	-	-	6,503,395	-	1,132,629	985,745	-	39,019,407
	26,667,662	10,400,227	26,670,799	4,311,746	1,438,663	11,838	6,503,395	3,939,824	3,320,004	360,762,501	2,553,942	446,580,601
Balances at October 31, 2018	$ 936,898	$ 751,511	$ 647,662	$ 14,130,732	$ 1,046,853	$ 21,799	$ 15,858,288	$ 2,384,536	$ 2,672,699	$ 11,839,394	$ 7,353	$ 50,297,725

See independent auditor's report

Greater New Orleans Expressway Commission
Schedule of Investments
For the Year Ended October 31, 2018

	Cost	Fair Value	Par Value
EXTRAORDINARY MAINTENANCE AND REPAIR RESERVE ACCOUNT			
Fixed Securities			
United States Note Bond			
Maturity date: December 15, 2018	994,883	998,850	1,000,000
United States Treasury Bill			
Maturity date: November 8, 2018	985,286	999,590	1,000,000
Maturity date: January 31, 2019	491,897	497,110	500,000
Maturity date: February 28, 2019	737,513	744,300	750,000
Maturity date: March 28, 2019	982,658	990,390	1,000,000
Maturity date: April 25, 2019	835,479	840,072	850,000
Maturity date: May 23, 2019	786,478	788,960	800,000
Maturity date: June 20, 2019	903,041	905,464	920,000
Maturity date: July 18, 2019	981,160	982,030	1,000,000
	7,698,395	7,746,766	7,820,000
Money Market			
Dreyfus - Governmental Cash Management	648,196	648,196	648,196
	8,346,591	8,394,962	8,468,196
EXCESS REVENUE ACCOUNT			
Money Market			
Dreyfus - Government Cash Management	13,430,732	13,430,732	13,430,732
HUEY P LONG BRIDGE ACCOUNT			
Money Market			
Dreyfus - Government Cash Management	840,583	840,583	840,583
REVEUNE ACCOUNT			
Money Market			
Dreyfus - Government Cash Management	671,567	671,567	671,567
DEBT SERVICE ACCOUNT			
Money Market			
Dreyfus - Government Cash Management	2,384,536	2,384,536	2,384,536
SUBORDINATE LIEN ACCOUNT			
Money Market			
Dreyfus - Governmental Cash Management	2,672,375	2,672,375	2,672,375
DEBT SERVICE RESERVE ACCOUNT			
Money Market			
Dreyfus - Governmental Cash Management	324	324	324
SPECIAL REVENUE ACCOUNT: VEHICULAR LICENSE TAX			
Money Market			
Dreyfus - Government Cash Management	11,849,202	11,849,202	11,849,202
SPECIAL REVENUE ACCOUNT: EXCESS VEHICULAR TAX			
Money Market			
Dreyfus - Government Cash Management	4,009,086	4,009,086	4,009,086

See independent auditor's report

	Cost	Fair Value	Par Value
CONSTRUCTION ACCOUNT			
Fixed Income Securities			
State of Oregon			
Maturity date: November 1, 2018	500,000	500,000	500,000
Maturity date: November 1, 2029	500,000	495,600	500,000
City of Borger			
Maturity date: August 1, 2019	204,480	200,150	200,000
City of Green Bay Water System			
Maturity date: November 1, 2019	285,000	281,552	285,000
Maturity date: November 1, 2020	1,420,000	1,383,776	1,420,000
City of Madison			
Maturity date: October 1, 2020	1,309,815	1,273,296	1,295,000
County of Dane			
Maturity date: June 1, 2019	697,410	674,992	670,000
Elk River Independent School District:			
Maturity date: February 1, 2020	198,754	194,446	195,000
State of Texas			
Maturity date: October 1, 2019	642,763	626,075	625,000
Maturity date: October 1, 2020	646,593	621,267	615,000
Village of Mount Pleasant			
Maturity date: March 1, 2020	359,176	344,529	340,000
Federal National Mortgage Association			
Maturity date: February 28, 2020	2,502,473	2,457,525	2,500,000
United States Treasury Note Bond			
Maturity date: December 31, 2018	3,998,906	3,994,360	4,000,000
Maturity date: March 31, 2019	8,494,121	8,463,400	8,500,000
Maturity date: June 30, 2019	7,948,906	7,923,600	8,000,000
Maturity date: September 30, 2019	6,984,414	6,917,120	7,000,000
Maturity date: November 15, 2019	2,481,152	2,455,775	2,500,000
Maturity date: December 15, 2019	2,988,398	2,954,310	3,000,000
Maturity date: December 31, 2020	1,998,438	1,973,900	2,000,000
Maturity date: June 15, 2020	3,738,135	3,670,163	3,750,000
Maturity date: July 31, 2020	3,748,975	3,670,613	3,750,000
Maturity date: November 30, 2020	2,508,984	2,436,325	2,500,000
United States Treasury Bill			
Maturity date: November 23, 2018	7,477,169	7,490,175	7,500,000
Maturity date: January 24, 2019	4,955,463	4,973,700	5,000,000
Maturity date: January 31, 2019	9,933,025	9,942,200	10,000,000
Maturity date: February 28, 2019	2,471,986	2,481,000	2,500,000
Maturity date: March 28, 2019	2,965,780	2,971,170	3,000,000
Maturity date: May 23, 2019	2,457,767	2,465,500	2,500,000
	84,418,083	83,836,519	84,645,000
Money Market			
Dreyfus - Governmental Cash Management	11,838,822	11,838,822	11,838,822
	96,256,905	95,675,341	96,483,822
INTERNAL SERVICE ACCOUNT: SELF INSURANCE			
Fixed Securities			
United States Treasury Bill			
Maturity date: December 6, 2018	296,254	299,377	300,000
Maturity date: March 28, 2019	295,367	297,117	300,000
Maturity date: June 20, 2019	324,083	324,786	330,000
	915,704	921,280	930,000
Money Market			
Dreyfus - Government Cash Management *	7,351	7,351	7,351
	923,055	928,631	937,351
Total	141,384,956	140,857,339	141,747,774
Cash equivalents: money market accounts	(48,352,774)	(48,352,774)	(48,352,774)
Investments, net of cash equivalents	$ 93,032,182	$ 92,504,565	$ 93,395,000

Greater New Orleans Expressway Commission
Schedule of Revenue from Tolls
For the Year Ended October 31, 2018

Month	Amount
2017	
November	$ 2,028,618
December	1,965,846
2018	
January	1,815,228
February	1,795,339
March	2,148,493
April	2,038,893
May	2,136,171
June	2,023,880
July	2,009,776
August	2,067,902
September	1,877,711
October	2,282,136
	$ 24,189,993

Notes

On May 5, 1999, the Commission began collecting tolls on the North Shore only.

On June 12, 2006, the Commission eliminated the 60-day expiration requirement on discounted commuter toll tags.

Greater New Orleans Expressway Commission

(Unaudited)

Schedule of Northshore Traffic – Number of Crossings
For the Year Ended October 31, 2018

	Axles Under 7'5" Height				Axles Over 7'5" Height				Non Revenue Vehicles	Automatic Vehicle Identification Non-Revenue (Bridge Vehicles)	Automatic Vehicle Identification Recreational Vehicles	Automatic Vehicle Identification Full Toll Vehicles	Total Vehicles
	2	3	4	5 or more	2	3	4	5 or more					
2017													
November	170,975	902	626	9	2,528	477	539	365	17,700	4,389	110	340,230	538,850
December	176,089	613	476	4	2,275	313	413	286	16,948	4,380	117	321,298	523,212
2018													
January	145,251	587	524	13	2,361	371	486	560	16,484	4,191	84	317,572	488,484
February	147,289	549	500	4	2,470	391	512	459	15,965	3,471	87	308,333	480,030
March	179,050	870	678	5	3,000	436	582	529	18,855	3,249	46	361,431	568,731
April	168,911	880	693	14	2,869	486	607	463	18,013	3,016	1	346,365	542,318
May	178,249	883	777	12	3,121	455	604	429	18,843	3,140	-	360,051	566,564
June	174,290	851	712	9	2,860	392	576	390	17,645	2,849	-	334,688	535,262
July	173,131	986	709	7	2,922	414	542	356	18,023	2,744	-	329,314	529,148
August	165,498	893	702	6	2,818	398	526	413	19,833	3,060	-	359,302	553,449
September	154,016	792	635	4	2,503	330	445	354	18,928	2,910	-	323,460	504,377
October	171,220	806	791	6	2,802	449	637	378	21,318	3,304	-	367,443	569,154
	2,003,969	9,612	7,823	93	32,529	4,912	6,469	4,982	218,555	40,703	445	4,069,487	6,399,579

Greater New Orleans Expressway Commission

(Unaudited)

Schedule of Insurance
For the Year Ended October 31, 2018

Coverage	Underwriter	Policy Period	Limits
Bridge Property Damage	Ace American Ins.	1/24/18 - 1/24/19	$75,000,000
$75,000,000 Loss Limit	XL America	1/24/18-1/24/19	Part of
			$10,000,000 primary
Bridge Use and Occupancy	Ace American Ins.	1/24/18-1/24/19	
15-Day Deductible			
Named Windstorm			
$1,000,000 Deductible Bridge Property			$1,000,000
Flood			
$1,000,000 Deductible Bridge Property			$1,000,000
Bridge Property			
$500,000 Deductible AOP Except			
Named Storm & Flood			$500,000
Non-Bridge Property - Earth Movement			
$25,000 Deductible Per Occurrence			$25,000
Terrorism	Underwriters at		
$25,000 Deductible	Lloyd's London	1/24/18 - 1/24/19	$75,000,000
Water Damage			
$50,000 Deductible Bridge Property			$50,000
Contractors' Equipment	AGCS Marine	5/24/18 - 11/1/18	$934,027
Leased or Rented Mobile Equipment	Insurance Company		
Catastrophe			
Unscheduled Contractor's Equipment			
Special Perils, Flood & Earthquake - Deductible			
Electronic Data Processing	AGCS Marine	5/24/18 - 11/1/18	$390,065
Equipment - Schedule on file with company	Insurance Company		
Employee Dishonesty Bond	Travelers Casualty	1/24/18 - 1/24/19	
Employee Dishonesty	& Surety CO.		$300,000
Computer/Transfer of Funds/Money Order			$300,000
Forgery and Alterations			$300,000
Money In/Out with $500 deductible			

Coverage	Underwriter	Policy Period	Limits
Retained Limits Liability			
Comprehensive General Liability retention applicable to each loss is $500,000 - $500,000 SIR	AIX Specialty Insurance Co.	1/24/18 - 1/24/19	$9,500,000 Per Occurrence and Aggregate
Law Enforcement Liability retention applicable to each loss is $500,000	AIX Specialty Insurance Co.	1/24/18 - 1/24/19	$9,500,000 Per Occurrence and Aggregate $500,000 SIR
Excess Automobile Liability retention applicable to each loss is $500,000	AIX Specialty Insurance Co.	1/24/18 - 1/24/19	$10,000,000 each accident
Garage Keepers			$500,000, excess of $500,000 per occurrence
Public Officials Liability retention applicable to each loss is $500,000	AIX Specialty Insurance Co.	1/24/18 - 1/24/19	$9,500,000 Excess of $500,000 per occurrence and aggregate
Sub-limits - not in addition to part of total limit			$500,000 SIR
Wrongful Acts			$9,500,000, excess of $500,000
Sexual Harassment/Sexual Abuse			$9,500,000, excess of $500,000
Employment Practices			$9,500,000, excess of $500,000
Stand Alone Excess Liability	AIX Specialty Insurance Co.	1/24/18 - 1/24/19	$10,000,000 Excess of $10M Primary
Stand Alone Excess Liability	Houston Casualty Company	1/24/18 - 1/24/19	$10,000,000 Excess of $20,000,000
Workers' Compensation	LWCC	11/1/17 - 11/1/18	Statutory
Employer's liability			$1,000,000
Each accident disease limit			$1,000,000
Disease - each person			$1,000,000
Maritime Employers Liability $2,500 Deductible any one accident or illness	Underwriters at Lloyd's	2/20/18 - 11/1/18	$1,000,000, any one accident
Boiler and Machinery	Hartford Steam Boiler	6/14/18 - 11/1/18	$100,000,000
$10,000 deductible per claim - Direct			$1,000,000
48-hour deductible - Indirect			Business Income
Police Officers Faithful Performance Bond	Western Surety	5/12/18 - 5/12/19	$10,000 per officer
Pollution Legal Liability $100,000 deductible applicable to each accident	Ironshore Specialty	12/18/16 - 12/18/19	$5,000,000 each occurrence $10,000,000 general aggregate

Reports Required by
Government Auditing Standards

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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 Board of Commissioners
Greater New Orleans Expressway Commission
Metairie, 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 business-type activities of the Greater New Orleans Expressway Commission, as of and for the year ended October 31, 2018, and the related notes to the financial statements, which collectively comprise the Greater New Orleans Expressway Commission's basic financial statements, and have issued our report thereon dated April 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Greater New Orleans Expressway Commission's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Greater New Orleans Expressway Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Greater New Orleans Expressway Commission'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 entity'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Greater New Orleans Expressway Commission'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 determination of financial statement amounts. 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 entity'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.

Pinell & Martinez, llc

Covington, Louisiana
April 30, 2019

A. Summary of Auditor's Results

Financial Statements

a. Type of auditor's report issued:	Unmodified	
b. Internal control over financial reporting:		
Material weaknesses identified	______ yes	✓ no
Significant deficiencies identified that are not considered to be material weaknesses	______ yes	✓ none noted
c. Noncompliance material to financial statements noted	______ yes	✓ no

B. Findings in Accordance with *Government Auditing Standards*

None noted.

A. Findings in Accordance with *Government Auditing Standards*

2017 – 1 Compliance: Misappropriation of Funds

Criteria
Toll fees collected should be deposited into the Commission's operating account in a timely manner.

Condition
The Commission's toll analyst detected a toll collector, Roxie Kolbe, committing theft. Upon reconciling the toll revenues collected by the Northshore Toll Department to the number of vehicles crossing the New Orleans Causeway, management discovered a $2,275 discrepancy that occurred during the month of February 2018. Based upon the Commission's internal investigation, Roxie Kolbe was discovered stealing cash collected from drivers. Ms. Kolbe was terminated, and the Commission notified the Mandeville Police Department to pursue charges. Ms. Kolbe pleaded guilty to the theft on February 20, 2018 and paid full restitution through the St. Tammany Parish Probation Office. The investigation is deemed complete.

Cause
Toll collector, Roxie Kolbe, stole toll revenues (cash) collected at the Northshore toll booth.

Effect
Funds that would have been applied to the Commission's operating expenses were misappropriated.

Recommendation
We recommend the Commission to continue monthly reconciliations of toll revenues collected to the number of vehicles crossing in order to assist with detecting discrepancies.

Update
Ms. Kolbe has already been terminated and pleaded guilty to the theft. The District Attorney assisted with the recovery of the stolen funds which were repaid by Ms. Kolbe. This finding has been resolved.

2017 – 2 Compliance: Theft

Criteria
Causeway Police Department's evidence should be properly secured and accounted for.

Condition
On Friday, January 27, 2017, the St. Tammany Parish Sheriff's Office Major Crimes Unit was assigned to investigate missing evidence from the Causeway Police Department. As a result of the investigation, evidence officer William Jones was arrested for theft between $5,000 and $25,000, malfeasance in office, and tampering with evidence. The officer was immediately placed on administrative leave.

Cause
On January 27, 2017, a call was received from the St. Tammany Parish District Attorney's Office regarding evidence for an upcoming court hearing. The Commission's evidence officer, Sgt. William Jones, did not provide the evidence to the court. The District Attorney contacted his superior regarding the issue. Upon further investigation, additional items were discovered missing from evidence, including: an undetermined amount of cash, drugs, and firearms.

Effect
Evidence that would have been used for the prosecution of individuals may potentially lead to cases being dismissed or result in not guilty verdicts.

Recommendation
We recommend the Commission to review their system of controls over collecting, checking in/out, accessing, and transporting evidence to ensure evidence remains secure at all times. The Causeway Police Department may benefit from a property and evidence room audit.

Update
Mr. Jones was terminated and arrested. This finding has been resolved.

B. Findings and Questioned Costs for Federal Awards under Uniform Guidance

None noted.