# Greater New Orleans Expressway Commission

*Financial Statements*

October 31, 2024

# 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, 2025

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, 2024 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, 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 operations.

## 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, 2024 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, 2024, a breakdown of the revenues is as follows:

| | |
|---|---|
| Dedicated for Major Repairs & Capital Improvements | $ 7,125,023 |
| Undedicated to be Used for General Operations | 24,421,977 |
| | $ 31,547,000 |

**Long-term Debt**

The Commission had the following principal outstanding long-term debt at October 31, 2024:

Revenue Bonds:

| | |
|---|---|
| Refunding, Series 2013 | $ 8,810,000 |
| Refunding, Series 2014 | 17,040,000 |
| Revenue Bonds Series 2017 | 86,480,000 |
| Revenue Bonds Series 2024 | 22,205,000 |
| | $134,535,000 |

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. The Revenue Bonds, Series 2013 was refunded on September 12, 2024. The Revenue Bonds, Series 2013, was closed in December 2024.

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. The Revenue Bonds, Series 2014 was refunded on September 12, 2024. The Revenue Bonds, Series 2014, was closed in December 2024.

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

On September 12, 2024, the Commission issued $22,205,000 of Revenue Bonds, Series 2024. The proceeds of this issue were used to refund the Commission's outstanding Series 2013 Bonds and Series 2014 Bonds and pays the cost of issuance of the Series 2024 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 $750,000 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, 2024 have been audited by Griffin and Furman, LLC, and the opinion is included in the Financial 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
Director of Finance

GRIFFIN & FURMAN LLC
CERTIFIED PUBLIC ACCOUNTANTS

Stephen M. Griffin, CPA
Robert J. Furman, CPA

Howard P. Vollenweider, CPA
Jessica S. Benjamin
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Michael R. Choate, CPA

American Society of Certified Public Accountants
Society of Louisiana CPAs

## Independent Auditor's Report

**Board of Commissioners**
**Greater New Orleans Expressway Commission**
**Metairie, Louisiana**

***Opinions***

**We have audited the accompanying financial statements of the business-type activities of the Greater New Orleans Expressway Commission (the Commission), a component unit of the State of Louisiana, as of and for the year ended October 31, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.**

**In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Commission, as of October 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.**

***Basis for Opinions***

**We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.**

***Responsibilities of Management for the Financial Statements***

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

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

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***Auditor's Responsibilities for the Audit of the Financial Statements***

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

**In performing an audit in accordance with GAAS and *Government Auditing Standards*, we**

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

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

***Other Matters***

***Required Supplementary Information***

**Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension and OPEB schedules listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.**

***Other Supplementary Information***

**Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's financial statements as a whole. The accompanying schedule of compensation paid to board of commissioners on page 46, schedule of compensation, benefits, and other payments to general manager on page 47, schedule of receipts and disbursements on page 48, schedule of investments on**

**page 49 to 51, and schedule of revenue from tolls on page 52 are presented for purposes of additional analysis and is not a required part of the basic financial statements.**

**The aforementioned other supplementary information 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.**

***Other Information***

**Management is responsible for the other information included in the annual report. The other information comprises the transmittal letter on pages 1 to 4, the schedule of Northshore traffic – number of crossings on page 53, and the schedule of insurance on pages 54 to 57 but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.**

**In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.**

***Other Reporting Required by Government Auditing Standards***

**In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2025 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 Commission's internal control over financial reporting and compliance.**

*Griffin & Furman, LLC*

**April 30, 2025**

**Covington, Louisiana**

## *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, 2024. 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

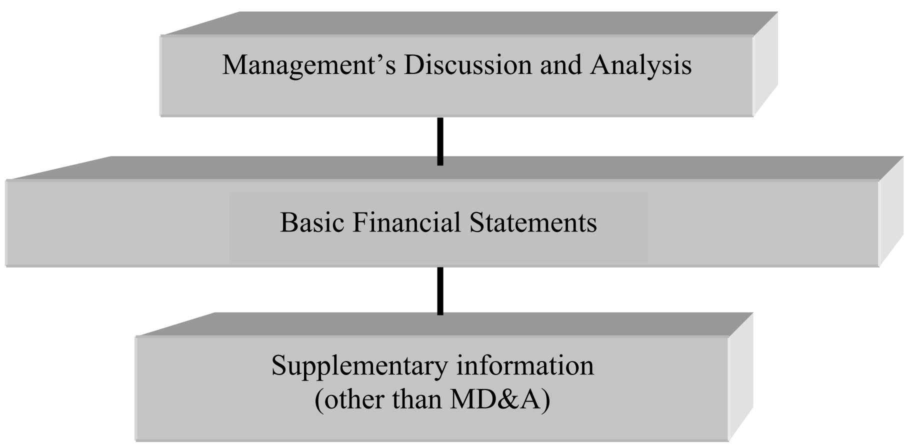
The Commission's assets exceeded its liabilities at October 31, 2024 by $145,153,938 which represents a 6% increase from last fiscal year.

The Commission's toll revenue increased by $2,976,763 (13.19%) compared to the prior fiscal year.

The vehicle license tax, which is dedicated to debt service, increased by $158,524 (2.23%) 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.

***Notes to Financial Statements***
The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 19 – 37.

***Other Information***
This report also presents required supplementary information on other post-employment benefits and pension plans. Required supplementary information can be found on pages 38 – 42 of this report.

## Financial Analysis of the Entity

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

| | 2024 | 2023 | Variance | % Variance |
|---|---|---|---|---|
| **Assets** | | | | |
| Current assets | $ 39,670,081 | $ 33,691,734 | $ 5,978,347 | 17.74% |
| Current assets, restricted | 60,795,385 | 36,124,676 | 24,670,709 | 68.29% |
| Capital assets, net | 204,475,318 | 209,007,258 | (4,531,940) | -2.17% |
| | 304,940,784 | 278,823,668 | 26,117,116 | 9.37% |
| **Deferred outflows of resources** | 2,630,762 | 4,467,909 | (1,837,147) | -41.12% |
| | $ 307,571,546 | $ 283,291,577 | $ 24,279,969 | 8.57% |
| **Liabilities** | | | | |
| Current liabilities | $ 6,560,255 | $ 5,729,487 | $ 830,768 | 14.50% |
| Current liabilities payable from restricted assets | 30,793,709 | 7,459,016 | 23,334,693 | 312.84% |
| Noncurrent liabilities | 122,432,882 | 129,328,494 | (6,895,612) | -5.33% |
| | 159,786,846 | 142,516,997 | 17,269,849 | 12.12% |
| **Deferred inflows of resources** | 2,595,507 | 1,947,351 | 648,156 | 33.28% |
| **Net position** | | | | |
| Net investment in capital assets | 86,578,501 | 88,166,382 | (1,587,881) | -1.80% |
| Restricted | 30,038,640 | 28,665,660 | 1,372,980 | 4.79% |
| Unrestricted | 28,572,052 | 21,995,187 | 6,576,865 | 29.90% |
| | 145,189,193 | 138,827,229 | 6,361,964 | 4.58% |
| | $ 307,571,546 | $ 283,291,577 | $ 24,279,969 | 8.57% |

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 $30,649,056, approximately 43.8% from October 31, 2023 to October 31, 2024, due primarily from an increase in investment account balances from the prior year. Noncurrent assets consist of capital assets net of accumulated depreciation, capital lease asset, net of accumulated amortization, and net pension asset.

Current liabilities increased by $24,165,461, approximately 183% from October 31, 2023 to October 31, 2024, due primarily from the recognition of the current portion of the bonds payable and the refunding payoff of the 2013 and 2014 Series bonds. Noncurrent liabilities consist of accrued compensated absences, other postemployment benefits obligation, bonds payable, capital asset lease liability, and net of current portion. Noncurrent liabilities were consistent from October 31, 2023 to October 31, 2024.

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

| | 2024 | 2023 | Variance | % Variance |
|---|---|---|---|---|
| **Operating revenues** | | | | |
| Tolls | $ 25,552,605 | $ 22,575,842 | $ 2,976,763 | 13.19% |
| Other operating revenues | 241,469 | 338,310 | (96,841) | -28.62% |
| | 25,794,074 | 22,914,152 | 2,879,922 | 12.57% |
| **Operating expenses** | | | | |
| Personal services | 7,204,858 | 7,986,069 | (781,211) | -9.78% |
| Depreciation and amortization | 9,491,165 | 9,427,986 | 63,179 | 0.67% |
| Other operating expenses | 7,616,831 | 7,406,066 | 210,765 | 2.85% |
| | 24,312,854 | 24,820,121 | (507,267) | -2.04% |
| **Operating income (loss)** | 1,481,220 | (1,905,969) | 3,387,189 | -177.71% |
| Non-operating revenues | 10,699,868 | 9,894,873 | 804,995 | 8.14% |
| Non-operating expenses | (5,819,124) | (5,767,397) | (51,727) | 0.90% |
| | 4,880,744 | 4,127,476 | 753,268 | 18.25% |
| **Change in net position** | 6,361,964 | 2,221,507 | 4,140,457 | 186.38% |
| Net position, beginning of year | 138,827,229 | 136,605,722 | 2,221,507 | 1.63% |
| **Net position, end of year** | $ 145,189,193 | $ 138,827,229 | $ 6,361,964 | 4.58% |

The Commission's operating revenues increased by $2,879,922, approximately 12.57%, due primarily from an increase in toll revenues. Operating expenses decreased by $507,267, approximately 2.04%, due primarily from an increase in property insurance premiums and claim settlements. Net position increased $6,361,964 from October 31, 2023 to October 31, 2024.

## Capital Assets

Capital assets consist of the following at October 31:

| | 2024 | 2023 | Variance | % Variance |
|---|---|---|---|---|
| Building | $ 6,044,079 | $ 6,044,079 | $ - | 0.00% |
| Furniture, fixtures, equipment | 14,865,779 | 15,041,342 | (175,563) | -1.17% |
| Infrastructure | 389,528,743 | 385,175,165 | 4,353,578 | 1.13% |
| | 410,438,601 | 406,260,586 | 4,178,015 | 1.03% |
| Accumulated depreciation | (206,757,542) | (198,817,105) | (7,940,437) | 3.99% |
| | $ 203,681,059 | $ 207,443,481 | $ (3,762,422) | -1.81% |

Capital assets increased by $4,178,015, approximately 1.03%, from the prior fiscal year due primarily from infrastructure additions. The 2017 revenue bonds were used to acquire the infrastructure assets. Capital asset additions for the year ended October 31, 2024 included:

| | |
|---|---|
| Furniture, fixtures, and equipment | $ 605,780 |
| Infrastructure | 4,353,579 |
| | $ 4,959,359 |

## Capital Lease Asset

As of October 31, 2024, the Commission had $162,645, net of accumulated amortization, invested in a capital lease asset for an office building. The following is a summary of the capital lease asset at October 31, 2024 with comparative amounts for the year ended October 31, 2023:

| | 2024 | 2023 | Variance | % Variance |
|---|---|---|---|---|
| Leased office building | $ 507,070 | $ 507,070 | $ - | 0.00% |
| Accumulated amortization | (344,425) | (229,616) | (114,809) | 50.00% |
| | $ 162,645 | $ 277,454 | $ (114,809) | -41.38% |

## Subscription-Based Information Technology Arrangements (SBITA)

As of October 31, 2024, the Commission had $631,614, net of accumulated amortization, invested in a subscription-based asset for information technology services. The following is a summary of the capital lease asset at October 31, 2024 with comparative amounts for the year ended October 31, 2023:

| | 2024 | 2023 | Variance | % Variance |
|---|---|---|---|---|
| Subscription based asset | $ 1,930,825 | $ 1,930,825 | $ - | 100.00% |
| Accumulated amortization | (1,299,211) | (644,502) | (654,709) | 100.00% |
| | $ 631,614 | $ 1,286,323 | $ (654,709) | 100.00% |

## Revenue Bonds

The Commission had $144,845,218 of revenue bonds outstanding at October 31, 2024, compared to $123,237,863 at October 31, 2023, an increase of approximately 17.53%. See note 7 to financial statements for more details.

| | 2024 | 2023 | Variance | % Variance |
|---|---|---|---|---|
| Revenue bonds | $ 144,845,218 | $ 123,237,863 | $ 21,607,355 | 17.53% |

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

## Legal Claims

The Commission has estimated claims of $1,450,000 outstanding at October 31, 2024 compared to $1,975,362 at October 31, 2023.

## 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 Series 2013 and Series 2014 Debt Service first, then bridge maintenance and rehabilitation. In September 2024, the Series 2013 and Series 2014 bonds were refunded. In December 2024, Highway Fund No. 2 are designated to Series 2024.
- Potential unknown impacts of inflation.

The Commission expects that next year's results may decline based on the following:

- The overall economy in the area may result in fewer crossings.
- Increase in costs related to infrastructure improvements.

## 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 Director of Finance, Greater New Orleans Expressway Commission, P.O. Box 7656, Metairie, Louisiana 70010.

# *Financial Statements*

# Greater New Orleans Expressway Commission
## Statement of Net Position
## October 31, 2024

| | |
|---|---|
| **ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | |
| **Current Assets** | |
| Cash and cash equivalents | $ 35,476,693 |
| Accounts receivable | 38,977 |
| Interest receivable | 262,970 |
| Prepaid expenses | 1,994,510 |
| Inventory | 1,099,741 |
| Investments | 797,190 |
| | 39,670,081 |
| Restricted | |
| Cash and cash equivalents | 29,659,724 |
| Vehicle license tax receivable | 2,238,882 |
| Investments | 28,896,779 |
| | 60,795,385 |
| | 100,465,466 |
| **Noncurrent Assets** | |
| Capital assets, net | 203,681,059 |
| Capital lease asset, net | 162,645 |
| Subscription based assets, net | 631,614 |
| | 204,475,318 |
| | 304,940,784 |
| **Deferred Outflows of Resources** | |
| Deferred outflows related to pension plan | 2,130,092 |
| Deferred outflows related to OPEB plan | 500,670 |
| | 2,630,762 |
| | $ 307,571,546 |

*The accompanying notes are an integral part to the financial statements.*

# Greater New Orleans Expressway Commission
## Statement of Net Position *(Continued)*
## October 31, 2024

| | |
|---|---|
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION** | |
| **Current Liabilities** | |
| Accounts payable | $ 648,684 |
| Accrued payroll expenses | 173,136 |
| Capital lease liability - current | 118,856 |
| Subscription based liability - current | 427,918 |
| Retainage payable | 2,131,272 |
| Unearned toll revenue | 3,060,389 |
| | 6,560,255 |
| Current liabilities payable from restricted assets | |
| Capital projects payable | 384,918 |
| Revenue bonds payable, current | 27,755,000 |
| Accrued interest | 2,653,791 |
| | 30,793,709 |
| | 37,353,964 |
| **Noncurrent Liabilities** | |
| Estimated liability for claims | 1,450,000 |
| Other deposits | 10,597 |
| Revenue bonds payable, net of current portion | 117,090,218 |
| Accrued compensated absences | 970,414 |
| Net pension liability | 744,847 |
| Capital lease liability - noncurrent | 49,875 |
| Subscription based liability - noncurrent | 209,950 |
| Other post-employment benefits | 1,906,981 |
| | 122,432,882 |
| | 159,786,846 |
| **Deferred Inflows of Resources** | |
| Deferred inflows related to pension plan | 334,806 |
| Deferred inflows related to OPEB plan | 2,260,701 |
| | 2,595,507 |
| **Net Position** | |
| Net investment in capital assets | 86,578,501 |
| Restricted | 30,038,640 |
| Unrestricted | 28,572,052 |
| | 145,189,193 |
| | $ 307,571,546 |

*The accompanying notes are an integral part to the financial statements.*

# Greater New Orleans Expressway Commission
## Statement of Revenues, Expenses, and Changes in Net Position
## October 31, 2024

| | |
|---|---|
| **Operating Revenues** | |
| Tolls | $ 25,552,605 |
| Miscellaneous revenues | 241,469 |
| | 25,794,074 |
| **Operating Expenses** | |
| Personal services | 7,204,858 |
| Contractual services | 34,420 |
| Operating services | 4,501,310 |
| Supplies and maintenance | 2,102,884 |
| Professional services | 347,261 |
| Administrative | 630,956 |
| Depreciation of capital asssets | 8,721,647 |
| Amortization of leases and subscription based assets | 769,518 |
| | 24,312,854 |
| **Operating Income** | 1,481,220 |
| **Non-Operating Revenues(Expenses)** | |
| Vehicular license tax | 6,843,567 |
| Investment income | |
| Interest income | 3,023,968 |
| Change in fair value | 111,854 |
| Payments to parishes | (350,000) |
| Amortization of bond premium/discount | 720,612 |
| Bond issuance costs | (155,182) |
| Loss on disposal of assets | (133) |
| Interest expense | (5,313,942) |
| | 4,880,744 |
| **Change in Net Position** | 6,361,964 |
| Beginning Net Position | 138,827,229 |
| **Ending Net Position** | $ 145,189,193 |

*The accompanying notes are an integral part to the financial statements.*

# Greater New Orleans Expressway Commission
## Statement of Cash Flows
## October 31, 2024

| | |
|---|---|
| **Cash Flows From Operating Activities** | |
| Receipts | |
| Received from customers, including cash deposits | $ 26,352,724 |
| Disbursements | |
| Payments to employees for services | (8,306,730) |
| Payments to suppliers for goods and services | (7,713,299) |
| | (16,020,029) |
| Net cash provided by operating activities | 10,332,695 |
| **Cash Flows From Non-Capital Financing Activities** | |
| Vehicular license tax | 6,743,576 |
| Net cash provided by non-capital financing activities | 6,743,576 |
| **Cash Flows From Capital and Related Financing Activities** | |
| Net capital asset additions and payments | (5,335,045) |
| Net capital lease additions and payments | (117,675) |
| Net SBITA additions and payments | (653,739) |
| Proceeds from the issuance of bonds | 24,397,967 |
| Principal payments made on bonds | (2,070,000) |
| Interest paid on bonds | (5,356,638) |
| Bond issuance costs | (376,179) |
| Interest paid on leased assets | (8,116) |
| Net cash provided by capital and related financing activities | 10,480,575 |
| **Cash Flows From Investing Activities** | |
| Interest and dividends | 2,999,190 |
| Sales/maturities of government securities and bonds | 5,845,000 |
| Sales/maturities of treasury bills | 4,800,115 |
| Purchases of government securities and bonds | (1,499,835) |
| Purchases of treasury bills | (30,240,844) |
| Net cash used in investing activities | (18,096,374) |
| **Net increase in cash and cash equivalents** | 9,110,472 |
| **Cash and cash equivalents, beginning of year** | 56,025,945 |
| **Cash and cash equivalents, end of year** | $ 65,136,417 |

*The accompanying notes are an integral part to the financial statements.*

# Greater New Orleans Expressway Commission
## Statement of Cash Flows *(Continued)*
## October 31, 2024

| | | |
|---|---|---|
| **Reconciliation of operating income to net cash provided by operating activities:** | | |
| Operating income | $ | 1,481,220 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | |
| Depreciation of capital assets | | 8,721,647 |
| Amortization of leases and contracts | | 769,518 |
| Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources | | |
| Decrease (increase) in: | | |
| Accounts receivable | | 36,449 |
| Prepaid expenses | | (21,849) |
| Deferred outflows related to pension plan | | 1,622,459 |
| Deferred outflows related to OPEB plan | | 214,688 |
| Increase (decrease) in: | | |
| Accounts payable | | 450,743 |
| Accrued payroll expenses | | 63,271 |
| Unearned toll revenue | | 522,587 |
| Tag deposits | | (386) |
| Estimated liability for claims | | (525,362) |
| Accrued compensated absences | | 100,709 |
| Other post-employment benefits obligation | | (1,639,403) |
| Net pension liability(asset) | | (2,111,752) |
| Deferred inflows related to pension plan | | (30,174) |
| Deferred inflows related to OPEB plan | | 678,330 |
| Net cash provided by operating activities | $ | 10,332,695 |
| | | |
| **Reconciliation of cash and cash equivalents** | | |
| Current assets | | |
| Cash and cash equivalents | $ | 35,476,693 |
| Cash and cash equivalents, restricted | | 29,659,724 |
| | $ | 65,136,417 |
| | | |
| **Noncash investing, capital, and financing activities:** | | |
| Amortization of bond premium/discount | $ | 720,612 |
| Amortization of bond issuance costs | $ | 155,182 |

*The accompanying notes are an integral part to the 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 |

***Capital Lease Assets and Liabilities***
In accordance with GASB Statement No. 87, the Commission recognized a lease liability and an intangible right-to-use lease asset for all lease contracts whose terms are for a lease period greater than one year. The lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The lease assets are amortized on a straight-line basis over the useful life of the related lease. The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with capital assets and lease liabilities are reported with long-term debt on the statement of net position.

***Subscription-Based Information Technology Arrangements (SBITA)***
The Commission follows Governmental Accounting Standards Board (GASB) Statement No. 96, *"Subscription-Based Information Technology Arrangement*." This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The statement establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability.

In accordance with GASB Statement No. 96, the Commission has examined the provisions of the statement and identified all SBITAs that qualify for adjustment and disclosure under the new statement. The Commission recognized a subscription liability, which was measured at the present value of the future minimum payments as of the date of inception. The subscription assets are amortized on a straight-line basis over the useful life of the related subscription. The Commission was not provided the interest rate charged by the SBITA vendors, therefore using its estimated incremental borrowing rate of 1.00% as the discount rate for subscriptions. The subscription terms include the noncancellable period of the subscription and optional renewal periods. The Commission recognized a SBITA net book value of $631,614 and a SBITA liability of $637,868 for the fiscal year ended October 31, 2024.

As with Leases, the Commission monitors changes in circumstances that would require a remeasurement of its subscription agreements and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Subscription assets are reported with capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

***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, 2024 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, 2024, employees of the Commission have accumulated and vested $970,414 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 Securian Retirement Services 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 $70,312 to the plan during the year ended October 31, 2024.

***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).

## 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, 2024 consisted of the following:

| | |
|---|---|
| Deposits per statement of net position (reconciled bank balance) | $ 735,368 |
| Deposits in bank accounts per bank | $ 994,990 |
| 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 | 744,990 |
| Uninsured and collateralized with securities held by the pledging institution or its agent but not in the Commission's name | - |
| Total category 3 bank balances | $ 744,990 |

***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, 2024, $744,990 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 in the Commission's name.

***Money Market Accounts***
The Commission had $64,534,122 within money market accounts at October 31, 2024. 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, 2024, 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, 2024, investments consist of the following:

| | Unrestricted | Restricted | Total |
|---|---|---|---|
| U.S. Treasury bills | $ 797,190 | $ - | $ 797,190 |
| U.S. Treasury notes / bonds | - | 1,341,383 | 1,341,383 |
| Federal agency securities | - | 27,405,674 | 27,405,674 |
| State municipal bonds | - | 149,722 | 149,722 |
| | $ 797,190 | $ 28,896,779 | $ 29,693,969 |

***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, 2024, 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 bills | $ 797,190 | $ - | $ - | $ - | $ 797,190 |
| U.S. Treasury notes / bonds | 1,341,383 | - | - | - | 1,341,383 |
| Federal Agency Securities | 26,257,436 | 948,530 | 199,708 | - | 27,405,674 |
| State municipal bonds | 149,722 | | | - | 149,722 |
| | $ 28,545,731 | $ 948,530 | $ 199,708 | $ - | $ 29,693,969 |

## 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 1 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, 2024:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Cash equivalents | | | | |
| Money market accounts | $ 64,534,122 | $ - | $ - | $ 64,534,122 |
| Investments | | | | |
| U.S. Treasury bills | 797,190 | - | - | 797,190 |
| U.S. Treasury notes / bonds | 1,341,383 | | | 1,341,383 |
| Federal agency securities | - | 27,405,674 | - | 27,405,674 |
| State municipal bonds | - | 149,722 | - | 149,722 |
| | 2,138,573 | 27,555,396 | - | 29,693,969 |
| | $ 66,672,695 | $ 27,555,396 | $ - | $ 94,228,091 |

## 5. Capital Assets

A summary of the changes in capital assets is as follows:

| | Balance at 10/31/23 | Additions | Deletions | Balance at 10/31/24 |
|---|---|---|---|---|
| Building | $ 6,044,079 | $ - | $ - | $ 6,044,079 |
| Furniture, fixtures, and equipment | 15,041,342 | 605,780 | (781,343) | 14,865,779 |
| Infrastructure | 385,175,164 | 4,353,579 | - | 389,528,743 |
| | 406,260,585 | 4,959,359 | (781,343) | 410,438,601 |
| Accumulated depreciation | (198,817,105) | (8,721,647) | 781,210 | (206,757,542) |
| | $ 207,443,480 | $ (3,762,288) | $ (133) | $ 203,681,059 |

Depreciation expense for the year ended October 31, 2024 was $8,721,647.

## 6. Capital Lease Assets and Liabilities

The Commission follows GASB Statement No. 87, *Leases* 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.

On March 31, 2020, 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.

The following schedule summarizes the total lease assets and related accumulated amortization for office and equipment capital leases at October 31, 2024:

| | Balance at 10/31/23 | Additions | Deletions | Balance at 10/31/24 |
|---|---|---|---|---|
| Leased office building | 507,070 | - | - | 507,070 |
| Accumulated amortization | (229,616) | (114,809) | - | (344,425) |
| | $ 277,454 | $ (114,809) | $ - | $ 162,645 |

| Year Ending October 31: | Principal | Interest | Total |
|---|---|---|---|
| 2025 | $ 118,856 | $ 1,144 | $ 120,000 |
| 2026 | 49,875 | 125 | 50,000 |
| | $ 168,731 | $ 1,269 | $ 170,000 |

## 7. Subscription-Based Information Technology Arrangements (SBITA)

The Commission has entered into subscription-based information agreements, SBITAs, for officer safety technology, vehicle toll identification and licenses for various desktop software subscriptions. The SBITAs qualify as other than short-term agreement under GASB Statement No. 96 and, therefore, have been recorded at the present value of the future minimum payments as of the date of their inception. Neither subscription has a stated interest rate so the Commission's estimated incremental borrowing rate of 1.00% was used to discount the subscription payments. The Commission recorded a right-to-use asset with a net book value of $631,614 at October 31, 2024. The total liability balance at October 31, 2024 was $637,868.

The following schedule summarizes the total subscription assets and related accumulated amortization at October 31, 2024:

| | Balance at 10/31/23 | Additions | Deletions | Balance at 10/31/24 |
|---|---|---|---|---|
| Subscription based assets | 1,930,825 | - | - | 1,930,825 |
| Accumulated amortization | (644,502) | - | (654,709) | (1,299,211) |
| | $ 1,286,323 | $ - | $ (654,709) | $ 631,614 |

| Year Ending October 31: | Principal | Interest | Total |
|---|---|---|---|
| 2025 | $ 427,918 | $ 4,044 | $ 431,962 |
| 2026 | 75,826 | 2,018 | 77,844 |
| 2027 | 66,728 | 1,341 | 68,069 |
| 2028 | 67,396 | 674 | 68,070 |
| | $ 637,868 | $ 8,077 | $ 645,945 |

## 8. Noncurrent Liabilities

The following is a summary of the noncurrent liabilities for the year ended October 31, 2024:

| | Balance at 10/31/23 | Additions | Payments and Reductions | Balance at 10/31/24 | Due Within One Year |
|---|---|---|---|---|---|
| Revenue Bonds | | | | | |
| Refunding, Series 2013 | $ 10,790,000 | $ - | $ (1,980,000) | $ 8,810,000 | $ 8,810,000 |
| Refunding, Series 2014 | 17,130,000 | - | (90,000) | 17,040,000 | 17,040,000 |
| Series 2017 | 86,480,000 | - | - | 86,480,000 | 1,905,000 |
| Series 2024 | - | 22,205,000 | - | 22,205,000 | - |
| | 114,400,000 | 22,205,000 | (2,070,000) | 134,535,000 | 27,755,000 |
| Bond Premium | 8,837,863 | 2,192,967 | (720,612) | 10,310,218 | - |
| | 123,237,863 | 24,397,967 | (2,790,612) | 144,845,218 | 27,755,000 |
| OPEB obligation and net pension | 6,402,983 | - | (3,751,155) | 2,651,828 | - |
| Capital lease liability and SBITA | 1,578,013 | - | (771,414) | 806,599 | 546,774 |
| Accrued compensated absences | 869,705 | 563,573 | (462,864) | 970,414 | - |
| | 8,850,701 | 563,573 | (4,985,433) | 4,428,841 | 546,774 |
| | $ 132,088,564 | $ 24,961,540 | $ (7,776,045) | $ 149,274,059 | $ 28,301,774 |

***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 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, 2024 totals $1,735,139 through November 1, 2028. The Refunding Revenue Bonds, Series 2013, was authorized for payoff by with the Refunding Revenue Bonds, Series 2024, in September of 2024. However, the Refunding Revenue Bonds, Series 2013 were not paid-off until subsequent to fiscal year-end October 31, 2024.

***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 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, 2024 totals $5,331,126 through November 1, 2034. The Refunding Revenue Bonds, Series 2014, was authorized for payoff by with the Refunding Revenue Bonds, Series 2024, in September of 2024. However, the Refunding Revenue Bonds, Series 2014 were not paid-off until subsequent to fiscal year-end October 31, 2024.

***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 annual debt service installments of $185,000 to $7,865,000 beginning November 1, 2018 through October 31, 2047. The bonds carry interest rates from 1.03% to 5.00% and interest to maturity at October 31, 2024 totals $74,825,750 through November 1, 2047.

***Refunding Revenue Bonds, Series 2024***

On September 12, 2024, the Commission issued $22,205,000 of Refunding Revenue Bonds, Series 2024. The proceeds of this issue were used to refund the final portion of the Commission's outstanding Series 2013 and Series 2014 Bonds and pay cost of issuance of the Series 2024 Bonds including the cost of the Bond Insurance Policy. The portion of the 2013 and 2014 Bonds were redeemed in December 2024. The Refunding Revenue Bonds, Series 2024, are secured by user fees, expressway bridge tolls, and other revenues. These bonds require annual debt service installments of $205,000 to $2,960,000 beginning November 1, 2026 through November 1, 2035. The bonds carry interest rates from 2.85% to 3.15% and interest to maturity at October 31, 2024 totals $6,016,117 through November 1, 2035.

The annual requirements to amortize all bonds outstanding at October 31, 2024, including total interest to maturity of $198,262,015, are as follows:

| For the Year Ended October 31: | Refunding Series 2013 Principal | Refunding Series 2013 Interest | Refunding Series 2014 Principal | Refunding Series 2014 Interest | Series 2017 Principal | Series 2017 Interest | Series 2024 Principal | Series 2024 Interest |
|---|---|---|---|---|---|---|---|---|
| 2025 | $ 8,810,000 | $ 187,606 | $ 17,040,000 | $ 304,184 | $ 1,905,000 | $ 4,276,375 | $ - | $ 350,559 |
| 2026 | - | - | - | - | 1,780,000 | 4,184,250 | 205,000 | 875,746 |
| 2027 | - | - | - | - | 1,585,000 | 4,100,125 | 1,985,000 | 999,500 |
| 2028 | - | - | - | - | 1,365,000 | 4,026,375 | 2,085,000 | 895,125 |
| 2029 | - | - | - | - | 1,120,000 | 3,964,250 | 2,195,000 | 785,375 |
| Thereafter | - | - | - | - | 78,725,000 | 45,626,375 | 15,735,000 | 2,109,812 |
| | $ 8,810,000 | $ 187,606 | $ 17,040,000 | $ 304,184 | $ 86,480,000 | $ 66,177,750 | $ 22,205,000 | $ 6,016,117 |

## 9. 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. 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, 2024, the Commission contributed $163,670 for 45 retirees.

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

At October 31, 2024, the Commission reported a liability of $1,906,981 for its total OPEB liability. The total OPEB liability was measured as of October 31, 2024, 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, 2024, the Commission recognized a total OPEB benefit of $582,715. 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 | $ 386,419 | $ 1,189,383 |
| Changes in assumptions | 114,251 | 1,071,318 |
| 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 | - | - |
| | $ 500,670 | $ 2,260,701 |

Deferred outflows of resources related to OPEB resulting from the Commission's benefit payments subsequent to the measurement date will be recognized as a reduction of the total collective OPEB liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Period Ended | Amount |
|---|---|
| October 31, 2025 | $ (533,973) |
| October 31, 2026 | (615,216) |
| October 31, 2027 | (272,445) |
| October 31, 2028 | (241,136) |
| October 31, 2029 | (97,261) |
| Thereafter | - |
| | $ (1,760,031) |

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

| | |
|---|---|
| Measurement date | October 31, 2024 |
| 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 | 4.16% per annum |
| Healthcare cost trend rate | 6.10% year 1 graded to 4.00% year 15 |
| Salary increases, including inflation and merit increases | 4.75% per annum |
| Cost of living adjustments | Not substantively automatic |
| Mortality | PubG-H2010 projected forward with MP-2021 |

***Discount Rate***
The discount rate used to measure the total OPEB liability was 4.16%. 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 (3.16%) | Current Discount Rate (4.16%) | 1.0% Increase (5.16%) |
|---|---|---|---|
| Total collective OPEB liability | $ 2,040,970 | $ 1,906,981 | $ 1,783,402 |

***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 (5.10%) | Current Trend Rate (6.10%) | 1.0% Increase (7.10%) |
|---|---|---|---|
| Total collective OPEB liability | $ 1,759,672 | $ 1,906,981 | $ 2,080,097 |

***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 | $ 3,546,384 | $ - | $ 3,546,384 |
| Service cost | 144,728 | - | 144,728 |
| Interest on total OPEB liability | 151,263 | - | 151,263 |
| Effect of plan changes | (341,558) | - | (341,558) |
| Effect of economic/demographic gains(losses) | (973,287) | - | (973,287) |
| Effect of assumptions changes or inputs | (456,879) | - | (456,879) |
| Expected benefit payments | (163,670) | - | (163,670) |
| Total OPEB liability, end of year | $ 1,906,981 | $ - | $ 1,906,981 |

***Payables to the OPEB Plan***
At October 31, 2024, the Commission did not have any funds due to the OPEB plan.

## 10. Defined Benefit Pension Plan

***Plan Description***
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, 2023.

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***

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2023, the actuarially determined contribution rate was 7.49% of member's compensation for Plan A and 5.35% of member's compensation for Plan B. However, the actual rate for the fiscal year ended December 31, 2023 was 11.50% for Plan A and 7.50% for Plan B.

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

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, 2024, 2023 and 2022 were approximately $651,630, $641,424, and $569,560, respectively, which equaled the required contributions for each year. The State also made on-behalf contributions to the Plan, of which $77,361 was recognized by the Commission for the year ended October 31, 2024; 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, 2024, the Commission reported a liability(asset) of $744,847 for its proportionate share of the net pension liability(asset). The net pension liability(asset) was measured as of December 31, 2023, and the total pension liability(asset) used to calculate the net pension liability(asset) was determined by an actuarial valuation as of December 31, 2023. 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, 2023, the Commission's proportion was 0.78181%, which was an increase of 0.03960% from its proportion measured as of December 31, 2022.

Per the valuation report dated December 31, 2023, the Commission's proportionate share of pension expense was $247,310. At October 31, 2024, 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 | $ 352,708 | $ - |
| Net difference between projected and actual earnings on pension plan investments | 1,200,429 | 199,932 |
| Changes of assumptions | - | 129,768 |
| Changes in proportion | - | 5,106 |
| Employer contributions subsequent to the measurement date | 576,955 | - |
| | $ 2,130,092 | $ 334,806 |

At October 31, 2024, the Commission reported $576,955 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, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources at October 31, 2024, related to pensions will be recognized in pension expense as follows:

| Period Ended | Amount |
|---|---|
| October 31, 2025 | $ 96,313 |
| October 31, 2026 | 600,081 |
| October 31, 2027 | 1,009,870 |
| October 31, 2028 | (487,933) |
| | $ 1,218,331 |

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

| | |
|---|---|
| Valuation date | December 31, 2023 |
| Actuarial cost method | Entry age normal cost |
| Estimated remaining service life ("ERSL") | 4 years |
| Investment rate of return | 6.40% per annum |
| Inflation rate | 2.30% per annum |
| Salary increases, including inflation and merit increases | 4.75%, including inflation |
| Cost of living adjustments | Only those previously granted |
| Mortality rate | |
| Non-disabled members | MP-2018 Employee Sex Distinct 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 | Target Asset Allocation | Long-Term Expected Portfolio Real Rate of Return |
|---|---|---|
| Fixed income | 33% | 1.12% |
| Equity | 51% | 3.20% |
| Alternatives | 14% | 0.67% |
| Real Assets | 2% | 0.11% |
| | 100% | 5.10% |
| Inflation | | 2.40% |
| Expected Arithmetic Nominal Return | | 7.50% |

***Discount Rate***
The discount rate used to measure the total pension liability(asset) was 6.40% for the valuation date of December 31, 2023. 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 6.40%, 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 (5.40%) or one percentage-point higher (7.40%) than the current rate:

| | 1.0% Decrease (5.40%) | Current Discount Rate (6.40%) | 1.0% Increase (7.40%) |
|---|---|---|---|
| Employer's proportionate share of the net pension liability(asset) | $ 5,314,617 | $ 744,847 | $ (3,091,021) |

***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, 2024, the Commission reported a payable of $132,138 for the outstanding amount of employer contributions to the pension plan required for the year ended October 31, 2024. This amount is included in accrued expenses at October 31, 2024.

## 11. 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 $750,000 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.

## 12. 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, 2024 was as follows:

| | |
|---|---|
| **Net investment in capital assets** | |
| Capital assets | $ 410,438,601 |
| Capital lease and SBITA assets | 2,437,895 |
| Less: accumulated depreciation | (206,757,542) |
| Less: accumulated amortization | (1,643,636) |
| Less: lease liabilities | (806,599) |
| Less: bonds payable | (117,090,218) |
| | 86,578,501 |
| **Restricted** | |
| Debt service | |
| Assets held in trust | 29,058,041 |
| Restricted receivables | 2,238,882 |
| Less: accrued interest on bonds | (2,653,791) |
| | 28,643,132 |
| Capital projects and major repairs | |
| Assets held in trust | 29,498,462 |
| Less: capital contracts payable | (384,918) |
| Less: bonds payable | (27,755,000) |
| | 1,358,544 |
| | 30,001,676 |
| Unrestricted | 28,609,016 |
| | $ 145,189,193 |

## 13. 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, 2024, the claims liability of $1,450,000 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, 2024 were as follows:

| | |
|---|---|
| Estimated liability for claims at beginning of year | $ 1,975,362 |
| Changes in estimates | 525,362 |
| Claims payment and expenses thereon | (1,050,724) |
| | $ 1,450,000 |

## 14. Subsequent Events

The Commission's management has evaluated subsequent events through April 30, 2025, 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, 2024

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|---|
| Service cost | $ 144,728 | $ 156,882 | $ 201,465 | $ 187,165 | $ 248,711 | $ 244,136 |
| Interest on total OPEB liability | 151,263 | 142,868 | 74,320 | 88,260 | 158,994 | 201,189 |
| Effect of plan changes | (341,558) | - | - | - | - | - |
| Changes of economic/demographic gains(losses) | (973,287) | 102,748 | 577,148 | - | (1,339,984) | - |
| Changes in assumptions or other inputs | (456,879) | (7,254) | (475,496) | 11,801 | (1,372,826) | 768,800 |
| Expected benefit payments | (163,670) | (250,069) | (154,857) | (168,588) | (168,643) | (227,715) |
| | (1,639,403) | 145,175 | 222,580 | 118,638 | (2,473,748) | 986,410 |
| Total OPEB liability, beginning of year | 3,546,384 | 3,401,209 | 3,178,629 | 3,059,991 | 5,533,739 | 4,547,329 |
| Total OPEB liability, end of year | $ 1,906,981 | $ 3,546,384 | $ 3,401,209 | $ 3,178,629 | $ 3,059,991 | $ 5,533,739 |
| Covered employee payroll | $ 2,835,227 | $ 3,968,233 | $ 3,788,289 | $ 4,118,843 | $ 4,118,843 | $ 5,018,504 |
| Total OPEB liability as a percentage of covered-employee payroll | 67.26% | 89.37% | 89.78% | 77.17% | 74.29% | 110.27% |
| OPEB fiduciary net position | $ - | $ - | $ - | $ - | $ - | $ - |
| OPEB fiduciary net position as a percentage of total OPEB liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

**The information above is presented as of the pension plan measurement date*

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

*See notes to required supplementary information.*

# Greater New Orleans Expressway Commission
## Schedule of Employer's Proportionate Share of Net Pension Liability(Asset)
## For the Year Ended October 31, 2024

| | Proportion of the Net Pension Liability(Asset) | Proportionate Share of the Net Pension Liability(Asset) | Covered Employee Payroll | Proportionate 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, 2023 | 0.78181% | $ 744,847 | $ 5,635,642 | 13.22% | 98.18% |
| December 31, 2022 | 0.74221% | 2,856,599 | 5,033,407 | 56.75% | 91.94% |
| December 31, 2021 | 0.74215% | (3,495,858) | 4,978,413 | -70.22% | 110.76% |
| December 31, 2020 | 0.75783% | (1,328,791) | 5,052,282 | -26.30% | 104.22% |
| December 31, 2019 | 0.86786% | 40,854 | 5,475,642 | 0.75% | 100.06% |
| December 31, 2018 | 0.81758% | 3,628,700 | 5,189,516 | 69.92% | 89.10% |
| 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*

***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, 2024

| | 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, 2024 | $ 684,935 | $ 684,935 | - | $ 5,955,959 | 11.50% |
| October 31, 2023 | 641,424 | 641,424 | - | 5,577,596 | 11.50% |
| October 31, 2022 | 569,560 | 569,560 | - | 4,952,697 | 11.50% |
| October 31, 2021 | 572,368 | 572,368 | - | 4,977,111 | 11.50% |
| October 31, 2020 | 642,569 | 642,569 | - | 5,310,159 | 12.10% |
| October 31, 2019 | 606,726 | 606,726 | - | 5,275,882 | 11.50% |
| 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.*

*See notes to required supplementary information.*

## 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 Benefit Terms***
There were no changes in benefit terms in any year presented.

***Changes of Assumptions***
The discount rate used in actuarial assumptions decreased from 4.19% for the October 31, 2023 measurement date to 4.16% for the October 31, 2024 measurement date. The discount rate used in actuarial assumptions increased from 4.16% for the October 31, 2022 measurement date to 4.19% for the October 31, 2023 measurement date. The discount rate used in actuarial assumptions increased from 2.25% for the October 31, 2021 measurement date to 4.16% for the October 31, 2022 measurement date. The discount rate used in actuarial assumptions decreased from 2.34% for the October 31, 2020 measurement date to 2.25% for the October 31, 2021 measurement date. The discount rate used in actuarial assumptions decreased from 2.79% for the October 31, 2019 measurement date to 2.34% for the October 31, 2020 measurement date. The discount rate used in actuarial assumptions decreased from 4.30% for the October 31, 2018 measurement date to 2.79% for the October 31, 2019 measurement date.

## Pension Plan Schedules

***Changes of Assumptions***
For the Parochial Employees' Retirement System for the valuation year ended December 31, 2023, the investment rate of return remained unchanged at 6.40%, and the inflation rate remained unchanged at 2.30% and salary increases remained unchanged at 4.75%.

For the Parochial Employees' Retirement System for the valuation year ended December 31, 2022, the investment rate of return remained unchanged at 6.40%, and the inflation rate remained unchanged at 2.30% and salary increases remained unchanged at 4.75%.

For the Parochial Employees' Retirement System for the valuation year ended December 31, 2021, the investment rate of return remained unchanged at 6.40%, and the inflation rate remained unchanged at 2.30% and salary increases remained unchanged at 4.75%.

For the Parochial Employees' Retirement System for the valuation year ended December 31, 2020, the investment rate of return decreased from 6.50% to 6.40%, and the inflation rate decreased from 2.40% to 2.30% and salary increases remained unchanged at 4.75%.

For the Parochial Employees' Retirement System for the valuation year ended December 31, 2019, the investment rate of return remained unchanged at 6.50%, and the inflation rate remained unchanged at 2.40% and salary increases remained unchanged at 4.75%.

For the Parochial Employees' Retirement System for the valuation year ended December 31, 2018, the investment rate of return decreased from 7.00% to 6.50%, and the inflation rate decreased from 2.50% to 2.40% and salary increases decreased from 5.25% to 4.75%.

For the Parochial Employees' Retirement System for the valuation year ended December 31, 2017, the investment rate of return decreased from 7.00% to 6.75%.

For the Parochial Employees' Retirement System for the valuation year ended December 31, 2016, the investment rate of return decreased from 7.25% to 6.75%,

For the Parochial Employees' Retirement System for the valuation year ended December 31, 2015, the investment rate of return decreased from 7.25% to 7.00%, projected salary increases decreased from 5.75% to 5.25% and inflation decreased from 3.00% to 2.50%

***Measurement Date***
The amounts presented within the Schedule of Employer’s Share of Net Pension Liability have a measurement date of December 31, 2023.

# *Other Supplementary Information*

# Greater New Orleans Expressway Commission
## Schedule of Compensation Paid to Board of Commissioners
## For the Year Ended October 31, 2024

| Commissioner | Amount |
|---|---|
| Lindsay Calub | $ 2,197 |
| Justin Clinton | 4,639 |
| Gary Cooper | 2,197 |
| Tim Coulon | 4,207 |
| Ralph Cox, Jr. | 6836 |
| Evans Spiceland, Jr. | 6836 |
| Wanda Theriot | 2,629 |
| James Tucker | 4,639 |
| | $ 34,180 |

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, 2024

Commission Head: Carlton Dufrechou
Position: General Manager

| Purpose | Amount |
|---|---|
| Salary | $ 164,808 |
| Benefits - insurance | 19,843 |
| Benefits - retirement | 19,510 |
| | $ 204,161 |

# Greater New Orleans Expressway Commission
## Schedule of Receipts and Disbursements
## For the Year Ended October 31, 2024

| | 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 | Insurance Reserve | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balances at October 31, 2023** | $ 6,459,948 | $ 1,246,188 | $ 1,412,186 | $ 20,944,470 | $ 841,711 | $ 29,968 | $ 19,811,451 | $ 2,612,641 | $ 2,162,349 | $ 505,033 | $ 56,025,945 |
| **RECEIPTS** | | | | | | | | | | | |
| Tolls | 26,075,192 | - | - | - | - | - | - | - | - | - | 26,075,192 |
| Vehicular license tax | - | - | - | - | - | - | 6,743,576 | - | - | - | 6,743,576 |
| Other | 15,471 | 251,477 | 9,720 | - | - | 1,250 | - | - | - | - | 277,918 |
| Bond proceeds | - | - | - | - | - | - | - | - | 24,397,967 | - | 24,397,967 |
| Interest and dividends | 141,192 | 23,329 | 311,080 | 1,249,175 | 72,589 | - | 1,001,510 | 53,789 | 93,324 | 53,202 | 2,999,190 |
| Sales/maturities of securities and bonds | - | - | 5,345,000 | - | - | - | - | - | - | 500,000 | 5,845,000 |
| Sales/maturates of treasury bills | - | - | 2,359,625 | - | - | - | - | - | - | 2,440,490 | 4,800,115 |
| Transfers in | - | 13,021,466 | 45,782 | 11,656,553 | 1,518,168 | - | 5,000,000 | 2,921,980 | 9,265,230 | - | 43,429,179 |
| | 26,231,855 | 13,296,272 | 8,071,207 | 12,905,728 | 1,590,757 | 1,250 | 12,745,086 | 2,975,769 | 33,756,521 | 2,993,692 | 114,568,137 |
| **DISBURSEMENTS** | | | | | | | | | | | |
| Personal services | - | 7,088,845 | - | - | 1,217,886 | - | - | - | - | - | 8,306,731 |
| Contractual services | - | 34,420 | - | - | - | - | - | - | - | - | 34,420 |
| Operating services | - | 5,275,141 | 5,893 | - | 74,750 | - | - | 51,499 | - | - | 5,355,784 |
| Supplies and maintenance | - | 894,352 | 1,141,441 | - | 51,278 | - | - | - | - | - | 2,087,071 |
| Professional services | - | 196,884 | - | - | - | - | - | - | - | 150,377 | 347,261 |
| Administrative | 480,681 | 136,739 | - | - | 13,537 | - | - | 1,796 | - | - | 630,957 |
| Interest paid on leased assets | - | 8,116 | - | - | - | - | - | - | - | - | 8,116 |
| Capital outlay | | 769,443 | 5,302,376 | - | 34,640 | - | - | - | - | - | 6,106,459 |
| Debt service | | | | | | | | | | | |
| Principal retirement | - | - | - | - | - | - | - | 2,070,000 | - | - | 2,070,000 |
| Interest | - | - | - | - | - | - | - | 1,032,638 | 4,324,000 | - | 5,356,638 |
| Bond issuance costs | - | - | - | - | - | - | - | (861,029) | 1,185,708 | - | 376,974 |
| Intergovernmental expenditures - parishes | - | - | - | - | - | - | - | - | - | - | - |
| Insurance settlements | - | - | - | - | - | - | - | - | - | (391,811) | (391,811) |
| Purchases of securities and bonds | - | - | 1,499,835 | - | - | - | - | - | - | - | 1,499,835 |
| Purchases of treasury bills | - | - | 893,536 | - | - | - | - | - | 26,112,684 | 3,234,624 | 30,240,844 |
| Transfers out | 30,713,527 | - | 38,630 | 1,379,097 | 231 | 4,745 | 7,921,980 | 2,937,389 | 192,146 | 241,434 | 43,429,179 |
| | 31,194,208 | 14,402,147 | 8,881,711 | 1,379,097 | 1,392,322 | 4,745 | 7,921,980 | 5,232,293 | 31,814,538 | 3,234,624 | 105,457,665 |
| **Balances at October 31, 2024** | $ 1,497,595 | $ 140,313 | $ 601,682 | $ 32,471,101 | $ 1,040,146 | $ 26,473 | $ 24,634,557 | $ 356,117 | $ 4,104,332 | $ 264,101 | $ 65,136,417 |

# Greater New Orleans Expressway Commission
## Schedule of Investments
## For the Year Ended October 31, 2024

| | Carrying Value | Fair Value | Par Value |
|---|---|---|---|
| **EXTRAORDINARY MAINTENANCE AND REPAIR RESERVE ACCOUNT** | | | |
| **Fixed Securities** | | | |
| United States Treasury Note/Bond | | | |
| Maturity date: November 15, 2024 | 343,971 | 349,668 | 350,000 |
| Federal Home Loan Banks | | | |
| Maturity date: February 28, 2025 | 150,000 | 148,572 | 150,000 |
| United States Treasury Note/Bond | | | |
| Maturity date: March 31, 2025 | 495,117 | 496,235 | 500,000 |
| United States Treasury Note/Bond | | | |
| Maturity date: May 15, 2025 | 496,442 | 495,480 | 500,000 |
| State of Texas | | | |
| Maturity date: October 1, 2025 | 159,109 | 149,722 | 150,000 |
| Federal Home Loan Banks | | | |
| Maturity date: May 19, 2026 | 500,000 | 475,175 | 500,000 |
| Federal Home Loan Banks | | | |
| Maturity date: June 30, 2026 | 500,000 | 473,355 | 500,000 |
| Federal Home Loan Banks | | | |
| Maturity date: April 9, 2029 | 200,000 | 199,708 | 200,000 |
| | 2,844,639 | 2,787,915 | 2,850,000 |
| **Money Market** | | | |
| Dreyfus - Governmental Cash Management | 1,019,348 | 1,019,348 | 1,019,348 |
| **EXCESS REVENUE ACCOUNT** | | | |
| **Money Market** | | | |
| Dreyfus - Government Cash Management | 32,471,101 | 32,471,101 | 32,471,101 |
| **HUEY P LONG BRIDGE ACCOUNT** | | | |
| **Money Market** | | | |
| Dreyfus - Government Cash Management | 913,236 | 913,236 | 913,236 |
| **REVENUE ACCOUNT** | | | |
| **Money Market** | | | |
| Dreyfus - Government Cash Management | 1,053,723 | 1,053,723 | 1,053,723 |
| **DEBT SERVICE ACCOUNT** | | | |
| **Money Market** | | | |
| Dreyfus - Government Cash Management | 356,117 | 356,117 | 356,117 |
| **Other** | | | |
| Assured Grnty Municipal Bond Ins Pol 215781-N | - | - | 1 |
| **SUBORDINATE LIEN ACCOUNT** | | | |
| **Money Market** | | | |
| Dreyfus - Governmental Cash Management | 4,067,000 | 4,067,000 | 4,067,000 |
| **DEBT SERVICE RESERVE ACCOUNT** | | | |
| **Money Market** | | | |
| Dreyfus - Governmental Cash Management | 367 | 367 | 367 |

# Greater New Orleans Expressway Commission
## Schedule of Investments *(Continued)*
## For the Year Ended October 31, 2024

| | Carrying Value | Fair Value | Par Value |
|---|---|---|---|
| **Other** | | | |
| Assured Grnty Municipal Bond Debt Serv Res Plcy NO 215781-R | - | - | 1 |
| Assured Grnty Municipal Bond Debt Serv Res Plcy NO 215784-S | - | - | 1 |
| | - | - | 2 |
| **Equity** | | | |
| Assured Grnty Policy NO 216066-R Muni BD | - | - | 1 |
| Assured Grnty Policy NO 216066-N Muni BD | - | - | 1 |
| | - | - | 2 |
| **Fixed Securities** | | | |
| Financial Guaranty Insurance Policy No. D2009-1399 | - | - | 1 |
| Ambac Surety BD POL SB1602BE | - | - | 1 |
| | - | - | 2 |
| **SPECIAL REVENUE ACCOUNT: VEHICULAR LICENSE TAX** | | | |
| **Money Market** | | | |
| Dreyfus - Government Cash Management | 15,535,989 | 15,535,989 | 15,535,989 |
| **SPECIAL REVENUE ACCOUNT: EXCESS VEHICULAR TAX** | | | |
| **Money Market** | | | |
| Dreyfus - Government Cash Management | 9,098,568 | 9,098,568 | 9,098,568 |
| **INTERNAL SERVICE ACCOUNT: SELF INSURANCE** | | | |
| **Fixed Securities** | | | |
| United States Treasury Bill | | | |
| Maturity date: November 12, 2024 | 196,590 | 199,716 | 200,000 |
| United States Treasury Bill | | | |
| Maturity date: December 17, 2024 | 198,586 | 198,830 | 200,000 |
| United States Treasury Bill | | | |
| Maturity date: November 29, 2024 | 197,658 | 199,284 | 200,000 |
| United States Treasury Bill | | | |
| Maturity date: November 26, 2024 | 198,630 | 199,360 | 200,000 |
| | 791,464 | 797,190 | 800,000 |
| **Money Market** | | | |
| Dreyfus - Government Cash Management | 18,673 | 18,673 | 18,673 |
| **2013 AND 2014 ESCROW** | | | |
| **Fixed Securities** | | | |
| United States Treasury CTF SLUG | | | |
| Maturity date: November 1, 2024 | 2,632,034 | 2,631,640 | 2,632,034 |
| United States Treasury CTF SLUG | | | |
| Maturity date: December 11, 2024 | 23,480,650 | 23,477,224 | 23,480,650 |
| | 26,112,684 | 26,108,864 | 26,112,684 |
| Total | 94,282,909 | 94,228,091 | 94,296,813 |
| Less: Cash equivalents - money market accounts | (64,534,122) | (64,534,122) | (64,534,122) |
| **Investments, net of cash equivalents** | 29,748,787 | 29,693,969 | 29,762,684 |

# Greater New Orleans Expressway Commission
## Schedule of Revenue from Tolls
## For the Year Ended October 31, 2024

| Month | Amount |
|---|---|
| 2023 | |
| November | $ 2,166,860 |
| December | 2,233,353 |
| 2024 | |
| January | 1,969,230 |
| February | 2,052,591 |
| March | 2,243,561 |
| April | 2,216,486 |
| May | 2,301,007 |
| June | 2,133,404 |
| July | 2,144,217 |
| August | 2,183,308 |
| September | 1,910,883 |
| October | 1,997,705 |
| | $ 25,552,605 |

***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, 2024

| | Axles Under 7' Height | | | | Axles Over 7' 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 | | | | | |
| 2023 | | | | | | | | | | | | | |
| November | 143,230 | 797 | 824 | 17 | 1,609 | 198 | 293 | 255 | 30,942 | 4,529 | - | 300,893 | 483,587 |
| December | 146,355 | 688 | 711 | 17 | 1,443 | 195 | 220 | 177 | 19,301 | 4,464 | - | 312,284 | 485,855 |
| 2024 | | | | | | | | | | | | | |
| January | 112,138 | 567 | 632 | 6 | 1,280 | 107 | 213 | 202 | 18,796 | 4,571 | - | 299,957 | 438,469 |
| February | 119,257 | 640 | 740 | 9 | 1,392 | 183 | 239 | 242 | 19,263 | 4,843 | - | 302,950 | 449,758 |
| March | 131,691 | 718 | 781 | 8 | 1,436 | 214 | 248 | 267 | 20,774 | 4,850 | - | 326,814 | 487,801 |
| April | 125,018 | 822 | 903 | 19 | 1,568 | 244 | 271 | 256 | 20,832 | 5,092 | - | 324,711 | 479,736 |
| May | 131,240 | 868 | 867 | 12 | 1,448 | 250 | 271 | 315 | 21,188 | 5,092 | - | 330,947 | 492,498 |
| June | 123,318 | 1,055 | 871 | 15 | 1,471 | 207 | 195 | 234 | 19,539 | 4,736 | - | 299,975 | 451,616 |
| July | 118,671 | 889 | 843 | 13 | 1,486 | 259 | 212 | 231 | 20,475 | 4,994 | - | 306,571 | 454,644 |
| August | 115,615 | 830 | 879 | 38 | 1,490 | 325 | 179 | 199 | 22,247 | 5,324 | - | 319,106 | 466,232 |
| September | 102,728 | 701 | 622 | 15 | 1,277 | 161 | 167 | 157 | 25,917 | 4,504 | - | 280,756 | 417,005 |
| October | 123,650 | 830 | 828 | 19 | 1,474 | 211 | 258 | 238 | 22,830 | 5,245 | - | 338,154 | 493,737 |
| | 1,492,911 | 9,405 | 9,501 | 188 | 17,374 | 2,554 | 2,766 | 2,773 | 262,104 | 58,244 | - | 3,743,118 | 5,600,938 |

| Coverage | Underwriter | Policy Period | Limits |
|---|---|---|---|
| **Bridge Property Damage**<br>Annual Aggregate<br>$100,000,000 Earth Movement, Flood, Named Windstorm<br>$250,000,000 Pollution or Contamination Clean-up<br>Sublimits<br>$100,000,000 Contingent Extra Expense<br>465 days or $30,234,200 Contingent Loss of Revenue<br>$10,000,000 Demolition & Increased Cost of Construction<br>$5,000,000 Off Site Storage<br>Deductibles<br>$100,000 Non-Bridge Property,<br>$2,000,000 Bridge Property,<br>$250,000 Earth Movement (Non-Bridge Property),<br>$5,000,000 Flood, $5,000,000 Named Windstorm<br>30 days - Loss of Revenue Waiting Period | Ace American Insurance Co. | 1/24/24 - 1/24/25 | $100,000,000<br>Per occurrence and aggregate |
| **Terrorism**<br>$25,000 Deductible Any One Occurrence for damage and financial loss combined<br>10% Any One Occurrence - Brand Rehabilitation<br>5 hrs Any One Occurrence - Contingent Financial Loss<br>12 hrs Any One Occurrence unless designated crime scene<br>5 hrs Any One Occurrence - Utilities<br>7 days Any One Occurrence - Attraction<br>2 hrs Any One Occurrence - Threat | Underwriters at Lloyd's London | 1/24/24 - 1/24/25 | $100,000,000<br>Per occurrence and aggregate |
| **Contractors Equipment**<br>Limit - Per Schedule on File with Carrier $2,193,623<br>Miscellaneous Equipment not to exceed $5,000 per item<br>Deductibles<br>$1,000 Items Valued under $50,000<br>$2,500 Items Valued $50,000 - $99,999<br>$5,000 Items Valued $100,000 or Greater | AGCS Marine Insurance Co. | 11/1/23 - 10/31/24 | $2,243,623 |
| **Electronic Data Processing**<br>EDP Equipment and Software<br>Covered Property while in transit or while temporarily within other premises - $10,000<br>Limit of Insurance in any one loss or disaster, or casualty for all coverages - $2,500<br>Flood - $10,000<br>Deductibles<br>$2,500; except 5% Named Storm | AGCS Marine Insurance Co. | 11/1/23 - 10/31/24 | $745,866 |

# Greater New Orleans Expressway Commission (Unaudited)
## Schedule of Insurance *(Continued)*
## For the Year Ended October 31, 2024

| Coverage | Underwriter | Policy Period | Limits |
|---|---|---|---|
| **Commercial Crime** | | | |
| Employee Theft<br>Costs Fees or Other Expenses - $50,000 - 25% Loss<br>$5,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $300,000 |
| Forgery or Alteration<br>$5,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $300,000 |
| Inside the Premises - Theft of Money & Securities<br>$1,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $50,000 |
| Inside the Premises - Robbery or Safe Burglary<br>$1,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $50,000 |
| Outside the Premises<br>$1,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $50,000 |
| Computer Fraud<br>Costs Fees or Other Expenses - $50,000 - 25% Loss<br>$5,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $300,000 |
| Money Orders & Counterfeit Money<br>$5,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $300,000 |
| Destruction of Electronic Data or Computer Programs<br>$1,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $50,000 |
| Telephone Fraud - 60 Days<br>$500 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $25,000 |
| Funds Transfer Fraud - False Pretenses<br>$5,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $50,000 |
| Credit Card, Debit Card or Charge Card Forgery<br>$5,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $300,000 |
| Faithful Performance of Duty<br>$5,000 Deductible | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $300,000 |
| Prior Theft or Dishonesty | Hanover Insurance Co. | 11/1/22 - 10/31/25 | $25,000 |
| **Retained Limits Liability** | | | |
| Comprehensive General Liability<br>$750,000 Self Insured Retention | Princeton Excess & Surplus Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Per occurrence and aggregate |
| Law Enforcement Liability<br>$750,000 Self Insured Retention | Princeton Excess & Surplus Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Per occurrence and aggregate |
| Automobile Liability<br>$750,000 Self Insured Retention | Princeton Excess & Surplus Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>each accident |
| Errors & Omissions Liability<br>$750,000 Self Insured Retention | Princeton Excess & Surplus Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Per claim and aggregate |
| Employee Benefits Liability<br>$750,000 Self Insured Retention | Princeton Excess & Surplus Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Per claim and aggregate |
| Sexual Harrassment Liability<br>$750,000 Self Insured Retention | Princeton Excess & Surplus Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Per claim and aggregate |

| Coverage | Underwriter | Policy Period | Limits |
|---|---|---|---|
| Sexual Abuse Liability<br>$750,000 Self Insured Retention | Princeton Excess & Surplus Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Per claim and aggregate |
| Employment Practices<br>$750,000 Self Insured Retention | Princeton Excess & Surplus Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Per claim and aggregate |
| **Stand Alone Excess Liability** | Gemini Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Excess of $5M Primary |
| **Stand Alone Excess Liability** | Lexington Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Excess of $10,000,000 |
| **Stand Alone Excess Liability** | Hallmark Specialty Insurance Co. | 1/24/24 - 1/23/25 | $5,000,000<br>Excess of $15,000,000 |
| **Stand Alone Excess Liability** | Allied World Assurance | 1/24/24 - 1/23/25 | $5,000,000<br>Excess of $20,000,000 |
| **Flood** | Hartford Insurance | 8/27/23 - 8/26/24 | |
| Building - $2,000 Deductible | | | $99,000 |
| Contents - $2,000 Deductible | | | $11,000 |
| **Workers' Compensation** | LWCC | 11/1/23 - 10/31/24 | Statutory |
| Bodily Injury by Accident - Each Accident | | | $1,000,000 |
| Bodily Injury by Disease - Policy Limit | | | $1,000,000 |
| Bodily Injury by Disease - Each Employee | | | $1,000,000 |
| **Maritime Employers Liability**<br>$2,500 Deductible any one accident or illness | Underwriters at Lloyd's London | 11/1/23 - 10/31/24 | $1,000,000 |
| **Boiler and Machinery** | Hartford Steam Boiler | 11/1/23 - 10/31/24 | $100,000,000 |
| Equipment Breakdown | | | |
| Property Damage - included | | | |
| Business Income - $30,827,000 | | | |
| Extra Expense - combined with business income | | | |
| Civil Authority - combined with business income | | | |
| Data Restoration - $100,000 | | | |
| Demolition - $100,000 | | | |
| Expediting Expense - $100,000 | | | |
| Green - $25,000 | | | |
| Hazardous Substances - $100,000 | | | |
| Mold - $25,000 | | | |
| Newly Acquired Locations - $1,000,000 | | | |
| Off Premise Equipment Breakdown - $25,000 | | | |
| Ordinance or Law - $25,000 | | | |
| Public Relations - $5,000 | | | |
| Service Interruption - $1,000,000 | | | |
| Deductibles | | | |
| $10,000 - Direct | | | |
| 48 Hours - Indirect | | | |
| 24 Hours - Interruption Waiting Period | | | |
| 5 Days - Extended Period of Restorations | | | |
| 90 Days - Newly Acquired Locations | | | |

| Coverage | Underwriter | Policy Period | Limits |
|---|---|---|---|
| **Pollution Legal Liability** | Ironshore Specialty | 12/18/22 - 12/18/25 | $5,000,000 each incident |
| $100,000 Deductible Each Incident | | | $10,000,000 aggregate |
| **Cyber Liability** | Arch Specialty | 1/24/24 - 1/23/25 | $2,000,000 |
| Third Party Liability - $10,000 Deductible | Insurance | | |
| Network & Information Security Limit | | | |
| Communications & Media Limit | | | |
| Regulatory Defense Expenses Limit | | | |
| PCI Fines & Assessments | | | |
| First Party - $10,000 Deductible | | | $2,000,000 |
| Crisis Management Event Expenses | | | |
| Security Breach Remediation & Notification Expenses | | | |
| Computer Program & Electronic Data Restoration Expenses | | | |
| E-Commerce Extortion | | | |
| Business Interruption & Additional Expenses | | | |
| First Party - $25,000 Deductible | | | $250,000 |
| Funds Transfer Fraud | | | |

***Reports Required by Government Auditing Standards***

GRIFFIN & FURMAN LLC
CERTIFIED PUBLIC ACCOUNTANTS

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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**
**State of Louisiana**
**Metairie, Louisiana**

**We have audited, 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, the financial statements of the business-type activities of the Greater New Orleans Expressway Commission (the Commission), as of and for the year then ended October 31, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated April 30, 2025.**

**Report on Internal Control Over Financial Reporting**

**In planning and performing our audit of the financial statements, we considered the 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 their purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 misstatements on a timely basis. A *material weakness* is a deficiency, or 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not**

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**identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.**

**<u>Report on Compliance and Other Matters</u>**

**As part of obtaining reasonable assurance about whether the Commission's financial statements are free of 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*.**

**<u>Purpose of this Report</u>**

**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 *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.**

*Griffin & Furman, LLC*

**April 30, 2025**

**Covington, Louisiana**

**Summary of Audit Results:**

***Financial Statements:***

1. **Type of report issued – unmodified**

2. **Internal control over financial reporting**
    a. **Significant deficiencies - no**
    b. **Material weaknesses - no**
    c. **Other – no**

3. **Compliance and other matters - no**

4. **Management letter - no**

## A. Findings in Accordance with *Government Auditing Standards*

None noted.