Greater New Orleans Expressway Commission

Financial Statements

October 31, 2020

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Reports Required by *Government Auditing Standards*

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
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April 30, 2021

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, 2020 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Commission's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Commission. All disclosures necessary to enable the reader to gain an understanding of the Commission's financial activities have been included.

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

PROFILE

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

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

SAFETY

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

FINANCIAL INFORMATION, MANAGEMENT AND CONTROL

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

Basis of Accounting

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

Accounting Systems and Budgetary Control

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

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

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

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

Account Description

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

The costs of providing the services to the general public are recovered, in whole or in part, through user charges. The Commission's operations comprise the operation of the Expressway Bridge in which tolls are charged. Results of operations for the year ended October 31, 2020 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, 2020, a breakdown of the revenues is as follows:

Dedicated for Major Repairs & Capital Improvements	$ 10,215,329
Undedicated to be Used for General Operations	8,506,298
	$ 18,721,627

Long-term Debt

The Commission had the following principal outstanding long-term debt at October 31, 2020:

Revenue Bonds:

Refunding, Series 2013	$ 16,205,000
Refunding, Series 2014	17,345,000
Revenue Bonds Series 2017	86,665,000
	$120,215,000

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

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

On August 22, 2017, the Commission issued $87,495,000 of Revenue Bonds, Series 2017. The proceeds of this issue 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.

CASH MANAGEMENT POLICIES AND PROCEDURES

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

RISK MANAGEMENT

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

INDEPENDENT AUDIT

The financial records, books of account, and transactions of the Commission for the fiscal year ended October 31, 2020 have been audited by Griffin and Furman, LLC, and the opinion is included in the Finance Section of this report.

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

Respectfully submitted,

Melissa M. Phillpott

Melissa M. Phillpott
Director of Finance

GRIFFIN & FURMAN LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

Jessica S. Benjamin, Director

Members
American Institute of
Certified Public Accountants
Society of LA CPA's

Independent Auditors' Report

Board of Commissioners
Greater New Orleans Expressway Commission
Metairie, Louisiana

We have audited the accompanying financial statements of the business-type activities of the Greater New Orleans Expressway Commission (the Commission), a component unit of the State of Louisiana, as of and for the year ended October 31, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Commission as of October 31, 2020, and the respective changes in financial position, and its' cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

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, although not 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 expenditures of federal awards on page 42 and notes to schedule of expenditures of federal awards on page 43 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and is not a required part of the basic financial statements. The schedule of compensation paid to board of commissioners on page 44, schedule of compensation, benefits, and other payments to general manager on page 45, schedule of receipts and disbursements on page 46, schedule of investments on page 47 to 49, and schedule of revenue from tolls on page 50 is presented for purposes of additional analysis and is also 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.

The schedule of northshore traffic – number of crossings on page 51 and schedule of insurance on page 52 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2021, on our consideration of 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the 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

May 14, 2021

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, 2020. 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

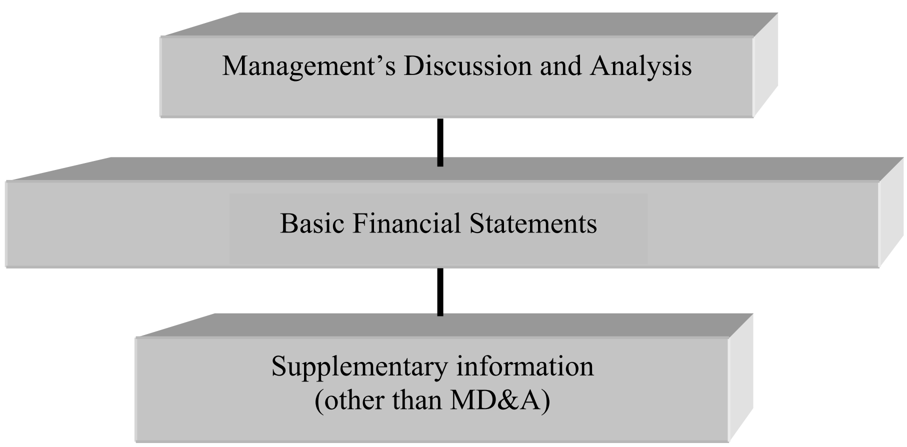
The Commission's assets exceeded its liabilities at October 31, 2020 by $134,568,548, which represents a 5.72% increase from last fiscal year.

The Commission's toll revenue decreased by $5,145,920 (21.56%) compared to the prior fiscal year.

The vehicle license tax, which is dedicated to debt service, increased by $330,236 (5.09%) 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 – 41 of this report.

Financial Analysis of the Entity

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

	2020	2019	Variance	% Variance
Assets				
Current assets	$ 23,490,546	$ 19,848,933	$ 3,641,613	18.35%
Current assets, restricted	37,299,305	73,603,025	(36,303,720)	-49.32%
Capital assets, net	222,612,114	194,101,988	28,510,126	14.69%
	283,401,965	287,553,946	(4,151,981)	-1.44%
Deferred outflows of resources	1,699,303	3,816,832	(2,117,529)	-55.48%
	$ 285,101,268	$ 291,370,778	$ (6,269,510)	-2.15%
Liabilities				
Current liabilities	$ 6,480,935	$ 3,472,780	$ 3,008,155	86.62%
Current liabilities payable from restricted assets	6,691,731	12,711,337	(6,019,606)	-47.36%
Noncurrent liabilities	135,660,751	144,090,542	(8,429,791)	-5.85%
	148,833,417	160,274,659	(11,441,242)	-7.14%
Deferred inflows of resources	4,392,214	425,865	3,966,349	931.36%
Net position				
Net investment in capital assets	91,262,333	95,946,206	(4,683,873)	-4.88%
Restricted	30,607,574	23,228,629	7,378,945	31.77%
Unrestricted	10,005,730	11,495,419	(1,489,689)	-12.96%
	131,875,637	130,670,254	1,205,383	0.92%
	$ 285,101,268	$ 291,370,778	$ (6,269,510)	-2.15%

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) decreased by $32,662,107, approximately 34.95% from October 31, 2019 to October 31, 2020, due primarily from restricted cash being used to purchase capital assets. Noncurrent assets consists of capital assets net of accumulated depreciation. The net pension liability is the amount by which the pension plan's liabilities exceed the total pension assets. The Commission had a net pension liability of $3,628,700 at October 31, 2019 and a net pension liability of $40,854 at October 31, 2020; a decrease of $3,587,846.

Noncurrent liabilities consist of accrued compensated absences, other postemployment benefits obligation, net pension liability, and bonds payable. Noncurrent liabilities decreased by $8,429,791, approximately 5.85% from October 31, 2019 to October 31, 2020, due primarily from a decrease in: net pension liability, other post-employment benefits payable, and bonds payable.

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

	2020	2019	Variance	% Variance
Operating revenues				
Tolls	$ 18,721,627	$ 23,867,547	$ (5,145,920)	-21.56%
Other operating revenues	96,757	91,224	5,533	6.07%
	18,818,384	23,958,771	(5,140,387)	-21.46%
Operating expenses				
Personal services	6,896,316	8,373,482	(1,477,166)	-17.64%
Depreciation	7,635,294	5,968,673	1,666,621	27.92%
Other operating expenses	6,396,689	6,347,722	48,967	0.07%
	20,928,299	20,689,877	238,422	1.15%
Operating income (loss)	(2,109,915)	3,268,894	(4,901,965)	-149.96%
Non-operating revenues	9,361,029	10,440,587	(1,079,558)	-10.34%
Non-operating expenses	(6,045,731)	(6,157,604)	111,873	-1.82%
	3,315,298	4,282,983	(967,685)	-22.59%
Change in net position	1,205,383	7,551,877	(6,346,494)	-83.50%
Net position, beginning of year	130,670,254	123,118,377	7,551,877	6.13%
Net position, end of year	$ 131,875,637	$ 130,670,254	$ 1,205,383	0.92%

The Commission's operating revenues decreased by $5,140,387, approximately 21.46%, due primarily to a decrease in toll revenues due to COVID-19 restrictions. Operating expenses remained consistent with the prior fiscal year. Net position increased by $1,205,383 from October 31, 2019 to October 31, 2020.

Capital Assets

Capital assets consist of the following at October 31:

	2020	2019	Variance	% Variance
Building	$ 5,893,856	$ 5,878,307	$ 15,549	0.26%
Furniture, fixtures, equipment	14,128,884	14,066,362	62,522	0.44%
Infrastructure	377,718,393	342,420,316	35,298,077	10.31%
	397,741,133	362,364,985	35,376,148	9.76%
Accumulated depreciation	(175,129,019)	(168,262,997)	(6,866,022)	4.08%
	$ 222,612,114	$ 194,101,988	$ 28,510,126	14.69%

Capital assets increased by $35,376,148, approximately 9.76%, over the prior fiscal year due primarily to infrastructure additions. The 2017 revenue bonds were used to acquire the infrastructure assets. Additions for the year ended October 31, 2020 included:

Building	$ 15,549
Furniture, fixtures, and equipment	845,238
Infrastructure	35,298,077
	$ 36,158,864

Revenue Bonds

The Commission had $131,349,781 of revenue bonds outstanding at October 31, 2020, compared to $134,221,835 at October 31, 2019, a decrease of approximately 2.14%. See note 6 to financial statements for more details.

	2020	2019	Variance	% Variance
Revenue bonds	$ 131,349,781	$ 134,221,835	$ (2,872,054)	-2.14%

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

Legal Claims

The Commission has estimated claims of $2,185,905 outstanding at October 31, 2020 compared with $1,803,484 at October 31, 2019.

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.
- Potential unknown impacts of Covid-19.

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, LA 70010.

Financial Statements

Greater New Orleans Expressway Commission
Statement of Net Position
October 31, 2020

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current Assets	
Cash and cash equivalents	$ 19,958,319
Accounts receivable	57,676
Grants receivable	190,705
Interest receivable	620
Prepaid expenses	1,402,830
Inventory	1,102,379
Investments	778,017
	23,490,546
Restricted	
Cash and cash equivalents	25,697,679
Vehicle license tax receivable	2,383,389
Investments	9,218,237
	37,299,305
	60,789,851
Noncurrent Assets	
Capital assets, net	222,612,114
	222,612,114
	283,401,965
Deferred Outflows of Resources	
Deferred outflows related to pension plan	1,150,161
Deferred outflows related to OPEB plan	549,142
	1,699,303
	$ 285,101,268

See accompanying notes to financial statements.

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	
Current Liabilities	
Accounts payable	$ 329,019
Accrued payroll expenses	230,382
Other post-employment benefits - current	168,643
Retainage payable	4,572,237
Unearned toll revenue	1,180,654
	6,480,935
Current liabilities payable from restricted assets	
Capital projects payable	1,078,124
Revenue bonds payable, current	2,765,779
Accrued interest	2,847,828
	6,691,731
	13,172,666
Noncurrent Liabilities	
Tag deposits	1,140,313
Estimated liability for claims	2,185,905
Other deposits	10,983
Revenue bonds payable, net of current portion	128,584,002
Accrued compensated absences	807,346
Net pension liability	40,854
Other post-employment benefits	2,891,348
	135,660,751
	148,833,417
Deferred Inflows of Resources	
Deferred inflows related to pension plan	1,905,863
Deferred inflows related to OPEB plan	2,486,351
	4,392,214
Net Position	
Net investment in capital assets	91,262,333
Restricted	30,607,574
Unrestricted	10,005,730
	131,875,637
	$ 285,101,268

Greater New Orleans Expressway Commission
Statement of Revenues, Expenses, and Changes in Net Position
October 31, 2020

Operating Revenues	
Tolls	$ 18,721,627
Miscellaneous revenues	96,757
	18,818,384
Operating Expenses	
Personal services	6,896,316
Contractual services	40,282
Operating services	3,429,516
Supplies and maintenance	2,077,582
Professional services	292,570
Administrative	556,739
Depreciation	7,635,294
	20,928,299
Operating Loss	(2,109,915)
Non-Operating Revenues(Expenses)	
Vehicular license tax	6,819,713
Federal CARES grant	1,067,649
Investment income	
Interest income	626,196
Change in fair value	(70,037)
Payments to parishes	(350,000)
Amortization of bond premium/discount	827,054
Gain on disposal of assets	90,454
Interest expense	(5,695,731)
	3,315,298
Change in Net Position	1,205,383
Beginning Net Position	130,670,254
Ending Net Position	$ 131,875,637

See accompanying notes to financial statements.

Greater New Orleans Expressway Commission
Statement of Cash Flows
October 31, 2020

Cash Flows From Operating Activities		
Receipts		
Received from customers, including cash deposits	$	18,872,294
Disbursements		
Payments to employees for services		(6,809,032)
Payments to suppliers for goods and services		(6,154,780)
		(12,963,812)
Net cash provided by operating activities		5,908,482
Cash Flows From Non-Capital Financing Activities		
Federal CARES act grant		876,944
Vehicular license tax		6,673,463
Subsidy to local governments		(350,000)
Net cash provided by non-capital financing activities		7,200,407
Cash Flows From Capital and Related Financing Activities		
Purchase of capital assets		(39,070,525)
Principal payments made on bonds		(2,045,000)
Interest paid		(5,746,156)
Net cash used in capital and related financing activities		(46,861,681)
Cash Flows From Investing Activities		
Earnings from investments		639,349
Sales/maturities of government securities and bonds		25,061,489
Sales/maturities of treasury bills		48,401,437
Purchases of government securities and bonds		(6,201,926)
Purchases of treasury bills		(31,212,967)
Net cash provided by investing activities		36,687,382
Net increase in cash and cash equivalents		2,934,590
Cash and cash equivalents, beginning of year		42,721,408
Cash and cash equivalents, end of year	$	45,655,998

See accompanying notes to financial statements.

Greater New Orleans Expressway Commission
Statement of Cash Flows *(Continued)*
October 31, 2020

Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	$	(2,109,915)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		7,635,294
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources		
Decrease (increase) in:		
Accounts receivable		(2,638)
Prepaid expenses		64,053
Inventory		(245,537)
Deferred outflows related to pension plan		2,007,700
Deferred outflows related to OPEB plan		109,829
Increase (decrease) in:		
Accounts payable		40,972
Accrued payroll expenses		77,711
Unearned toll revenue		97,760
Tag deposits		(41,212)
Estimated liability for claims		382,421
Accrued compensated absences		(12,711)
Other post-employment benefits obligation		(2,473,748)
Net pension liability(asset)		(3,587,846)
Deferred inflows related to pension plan		1,667,386
Deferred inflows related to OPEB plan		2,298,963
Net cash provided by operating activities	$	5,908,482
Reconciliation of cash and cash equivalents		
Current assets		
Cash and cash equivalents	$	19,958,319
Cash and cash equivalents, restricted		25,697,679
	$	45,655,998
Noncash investing, capital, and financing activities:		
Amortization of bond premium/discount	$	827,054
Amortization of bond issuance costs	$	80,952

See accompanying notes to financial statements.

1. History and Summary of Significant Accounting Policies

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

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

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

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

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

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

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

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

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

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

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

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

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

Cash and Cash Equivalents

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

Investments

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

Fair Value Measurements

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

Accounts and Grants Receivable

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

Prepaid Expenses

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

Capital Assets

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

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

Inventory

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

Compensated Absences

Employees earn and accumulate annual and sick leave at various rates, depending on their years of service. Annual and sick leave that may be accumulated by each employee is limited. Upon termination, employees or their heirs are compensated for 30 days accumulated annual leave and up to 45 days of unused sick leave at the employee's hourly rate of pay at the time of termination. Any unused grandfather leave accumulated before October 31, 2020 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, 2020, employees of the Commission have accumulated and vested $807,346 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 $79,778 to the plan during the year ended October 31, 2020.

Deferred Outflows of Resources

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

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

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

Deferred Inflows of Resources

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

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

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

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

Statement No. 83, *"Certain Asset Retirement Obligations"* addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. The requirements of this Statement are effective for the year ending October 31, 2020.

Statement No. 84, *"Fiduciary Activities"* improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 87, *"Leases"* increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 89, *"Accounting for Interest Cost Incurred before the End of a Construction Period"* establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 92, "*Omnibus 2020*" was issued by GASB to address practice issues identified after other standards have been approved for implementation. Omnibus statements clarify recent prior statements GASB has issued. This Omnibus addresses eight recent pronouncements, including GASB 87 – *Leases*, GASB 84 – *Fiduciary Activities*, and GASB 83 – *Asset Retirement Obligations*. GASB 92 is effective for reporting periods beginning after June 15, 2021.

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, 2020 consisted of the following:

Deposits per statement of net position (reconciled bank balance)	$ 1,793,386
Deposits in bank accounts per bank	$ 1,990,730
Category 3 bank balances:	
Uninsured and uncollateralized	-
Uninsured and collateralized with securities held by the pledging institution's trust department or agent, in the Commission's name	-
Uninsured and collateralized with securities held by the pledging institution or its agent but not in the Commission's name	1,740,730
Total category 3 bank balances	$ 1,740,730

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, 2020, $1,740,730 of the Commission's bank balance was exposed to custodial credit risk because the deposits were uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Commission's name.

Money Market Accounts
The Commission had $43,862,612 within money market accounts at October 31, 2020. 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, 2020, 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, 2020, investments consist of the following:

	Unrestricted	Restricted	Total
U.S. Treasury bills	$ 199,968	$ 3,999,730	$ 4,199,698
Federal agency securities	-	998,850	998,850
State municipal bonds	578,049	4,219,657	4,797,706
	$ 778,017	$ 9,218,237	$ 9,996,254

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, 2020, 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	$ 4,199,698	$ -	$ -	$ -	$ 4,199,698
Federal Agency Securities	-	-	998,850	-	998,850
State municipal bonds	2,607,170	1,675,782	514,754	-	4,797,706
	$ 6,806,868	$ 1,675,782	$ 1,513,604	$ -	$ 9,996,254

4. Fair Value Measurements

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

The Commission uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. When available, valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. The following table sets forth, by level, the Commission's assets at fair value as of October 31, 2020:

	Level 1	Level 2	Level 3	Total
Cash equivalents				
Money market accounts	$ 43,862,612	$ -	$ -	$ 43,862,612
Investments				
U.S. Treasury bills	4,199,698	-	-	4,199,698
Federal agency securities	-	998,850	-	998,850
State municipal bonds	-	4,797,706	-	4,797,706
	4,199,698	5,796,556	-	9,996,254
	$ 48,062,310	$ 5,796,556	$ -	$ 53,858,866

5. Capital Assets

A summary of changes in capital assets is as follows:

	Balance at 10/31/19	Additions	Deletions	Balance at 10/31/20
Capital assets, being depreciated				
Building	$ 5,878,307	$ 15,549	$ -	$ 5,893,856
Furniture, fixtures, and equipment	14,066,361	845,238	(782,715)	14,128,884
Infrastructure	342,420,316	35,298,077	-	377,718,393
	362,364,984	36,158,864	(782,715)	397,741,133
Accumulated depreciation	(168,262,996)	(7,635,295)	769,272	(175,129,019)
	$ 194,101,988	$ 28,523,569	$ (13,443)	$ 222,612,114

Depreciation expense for the year ended October 31, 2020 was $7,635,295.

6. Noncurrent Liabilities

The following is a summary of the noncurrent liabilities for the year ended October 31, 2020:

	Balance at 10/31/19	Additions	Payments and Reductions	Balance at 10/31/20	Due Within One Year
Revenue Bonds					
Refunding, Series 2013	$ 17,835,000	$ -	$ (1,630,000)	$ 16,205,000	$ 1,720,000
Refunding, Series 2014	17,415,000	-	(70,000)	17,345,000	65,000
Series 2017	87,010,000	-	(345,000)	86,665,000	185,000
	122,260,000	-	(2,045,000)	120,215,000	1,970,000
Bond Premium	11,961,835	-	(827,054)	11,134,781	795,779
	134,221,835	-	(2,872,054)	131,349,781	2,765,779
OPEB obligation	5,533,739	407,705	(2,881,453)	3,059,991	168,643
Net pension liability	3,628,700	-	(3,587,846)	40,854	-
Accrued compensated absences	820,057	497,423	(510,134)	807,346	-
	9,982,496	905,128	(6,979,433)	3,908,191	168,643
	$ 144,204,331	$ 905,128	$ (9,851,487)	$ 135,257,972	$ 2,934,422

Refunding Revenue Bonds, Series 2013

On September 30, 2013, the Commission issued $25,545,000 of Refunding Revenue Bonds, Series 2013. The proceeds of this issue were used to refund a portion of the Commission's outstanding Series 2003 Bonds and pay costs of issuance of the Series 2013 Bonds including the cost of the Bond Insurance Policy. The portion of the 2003 Bonds were redeemed in on November 1, 2013 in the amount of $25,545,000 principal and $644,193.75 of accrued interest. The Refunding Revenue Bonds, Series 2013, are secured by user fees, expressway bridge tolls, and other revenues. These bonds require future annual debt service installments of $450,000 to $2,340,000 beginning November 1, 2013 through November 1, 2028. The bonds carry interest rates between 3% - 5% and interest to maturity at October 31, 2020 totals $3,051,063 through November 1, 2028.

Refunding Revenue Bonds, Series 2014

On June 19, 2014, the Commission issued $17,540,000 of Refunding Revenue Bonds, Series 2014. The proceeds of this issue were used to refund the final portion of the Commission's outstanding Series 2003 Bonds and pay cost of issuance of the Series 2014 Bonds including the cost of the Bond Insurance Policy. The portion of the 2003 Bonds were redeemed in on June 19, 2013. The Refunding Revenue Bonds, Series 2014, are secured by user fees, expressway bridge tolls, and other revenues. These bonds require future annual debt service installments of $60,000 to $3,040,000 beginning November 1, 2018 through November 1, 2034. The bonds carry interest rates from 2.625% to 4% and interest to maturity at October 31, 2020 totals $6,562,113 through November 1, 2034.

Revenue Bonds, Series 2017
On August 22, 2017, the Commission issued $87,495,000 of Revenue Bonds, Series 2017. The proceeds of the issue will be used for safety improvement projects and pay cost of issuance of the Series 2017 Bonds including the cost of the Bond Insurance Policy. The Revenue Bonds, Series 2017, are secured by user fees and expressway bridge tolls. These bonds require future annual debt service installments of $485,000 to $7,865,000 beginning November 1, 2018 through October 31, 2047. The bonds carry interest rates from 1.03% to 3.14% and interest to maturity at October 31, 2020 totals $83,478,375 through November 1, 2047.

The annual requirements to amortize all bonds outstanding at October 31, 2020, including total interest to maturity of $93,091,590, 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
2021	$ 1,720,000	$ 701,963	$ 65,000	$ 616,544	$ 185,000	$ 4,328,625
2022	1,800,000	613,963	75,000	614,444	-	4,324,000
2023	1,895,000	521,588	75,000	612,194	-	4,324,000
2024	1,980,000	424,713	90,000	609,719	1,905,000	4,324,000
2025	2,070,000	333,813	90,000	607,187	1,780,000	4,276,375
Thereafter	6,740,000	455,025	16,950,000	3,502,062	82,795,000	61,901,375
	$ 16,205,000	$ 3,051,065	$ 17,345,000	$ 6,562,150	$ 86,665,000	$ 83,478,375

7. 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, 2020, the Commission contributed $168,643 for 42 retirees.

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

At October 31, 2020, the Commission reported a liability of $3,059,991 for its total OPEB liability. The total OPEB liability was measured as of October 31, 2020, 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, 2020, the Commission recognized a total OPEB expense of $103,687. 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	$ -	$ 1,151,254
Changes in assumptions	549,142	1,335,097
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	-	-
	$ 549,142	$ 2,486,351

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, 2021	$ (304,018)
October 31, 2022	(304,018)
October 31, 2023	(304,018)
October 31, 2024	(304,018)
October 31, 2025	(300,843)
Thereafter	(420,294)
	$ (1,937,209)

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, 2020
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	2.34% per annum
Healthcare cost trend rate	5.7% year 1 graded to 4.8% year 14
Salary increases, including inflation and merit increases	4.75%
Cost of living adjustments	Not substantively automatic
Mortality	PubG-H2010 projected forward with MP-2019

Discount Rate

The discount rate used to measure the total OPEB liability was 2.34%. 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 (1.34%)	Current Discount Rate (2.34%)	1.0% Increase (3.34%)
Total collective OPEB liability	$ 3,311,769	$ 3,059,991	$ 2,827,837

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 (4.70%)	Current Trend Rate (5.70%)	1.0% Increase (6.70%)
Total collective OPEB liability	$ 2,734,563	$ 3,059,991	$ 3,458,132

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	$ 5,533,739	$ -	$ 5,533,739
Service cost	248,711	-	248,711
Interest	158,994	-	158,994
Differences between expected and actual experience	-	-	-
Changes of economic/demographic gains(losses)	(1,339,984)	-	(1,339,984)
Changes in assumptions	(1,372,826)	-	(1,372,826)
Employer contributions	(168,643)	-	(168,643)
Total OPEB liability, end of year	$ 3,059,991	$ -	$ 3,059,991

Payables to the OPEB Plan
At October 31, 2020, the Commission included $91,396 in accounts payable for funds due to the OPEB plan.

8. 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, 2019.

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, 2019, the actuarially determined contribution rate was 12.18% of member's compensation for Plan A and 7.53% of member's compensation for Plan B. However, the actual rate for the fiscal year ended December 31, 2019 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, 2020, 2019 and 2018 were approximately $642,569, $606,727, and $606,777, respectively, which equaled the required contributions for each year. The State also made on-behalf contributions to the Plan, of which $70,230 was recognized by the Commission for the year ended October 31, 2020; 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, 2020, the Commission reported a liability(asset) of $40,854 for its proportionate share of the net pension liability(asset). The net pension liability(asset) was measured as of December 31, 2019, and the total pension liability(asset) used to calculate the net pension liability(asset) was determined by an actuarial valuation as of December 31, 2019. 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, 2019, the Commission's proportion was 0.86786%, which was a decrease of 0.05028% from its proportion measured as of December 31, 2018.

Per the valuation report dated December 31, 2019, the Commission's proportionate share of pension expense was $803,745. At October 31, 2020, 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	$ -	$ 365,733
Net difference between projected and actual earnings on pension plan investments	-	1,531,427
Changes in assumptions	570,579	-
Changes in proportion	58,543	8,703
Employer contributions subsequent to the measurement date	521,039	-
	$ 1,150,161	$ 1,905,863

At October 31, 2020, the Commission reported $521,039 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, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources at October 31, 2020, related to pensions will be recognized in pension expense as follows:

Period Ended	Amount
October 31, 2021	$ (282,538)
October 31, 2022	(362,669)
October 31, 2023	57,941
October 31, 2024	(689,475)
	$ (1,276,741)

Actuarial Assumptions

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

Valuation date	December 31, 2019
Actuarial cost method	Entry age normal cost
Estimated remaining service life ("ERSL")	4 years
Investment rate of return	6.50% per annum
Inflation rate	2.40% 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
Disabled members	MP-2018 Disabled Lives Mortality Table

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

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

Asset Class	Long-term Target Asset Allocation	Expected Portfolio Real Rate of Return
Fixed income	35%	1.05%
Equity	52%	3.41%
Alternatives	11%	0.61%
Other	2%	0.11%
	100%	5.18%
Inflation		2.00%
Expected arithmetic nominal return		7.18%

Discount Rate

The discount rate used to measure the total pension liability(asset) was 6.50% for the valuation date of December 31, 2019. 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 6.50%, 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 (5.50%) or one percentage-point higher (7.50%) than the current rate:

	1.0% Decrease (5.50%)	Current Discount Rate (6.50%)	1.0% Increase (7.50%)
Employer's proportionate share of the net pension liability(asset)	$ 4,415,584	$ 40,854	$ (3,625,083)

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, 2020, the Commission reported a payable of $118,992 for the outstanding amount of employer contributions to the pension plan required for the year ended October 31, 2020. This amount is included in accrued expenses at October 31, 2020.

9. 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, 2020 was as follows:

Net investment in capital assets	
Capital assets	$ 397,741,133
Less: accumulated depreciation	(175,129,019)
Less: bonds payable	(131,349,781)
	91,262,333
Restricted	
Debt service	
Assets held in trust	22,301,477
Restricted receivables	2,383,389
Less: accrued interest on bonds	(2,847,828)
	21,837,038
Capital projects and major repairs	
Assets held in trust	12,614,439
Less: capital contracts payable	(1,078,124)
Less: bonds payable	(2,765,779)
	8,770,536
	30,607,574
Unrestricted	10,005,730
	$ 131,875,637

10. 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, 2020, the claims liability of $2,185,905 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, 2020 were as follows:

Estimated liability for claims at beginning of year	$ 1,803,484
Changes in estimates	431,833
Claims payment and expenses thereon	(49,412)
	$ 2,185,905

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 $500,000 deductible limits for each covered loss. The Commission purchased commercial insurance for claims in excess of coverage provided by the risk management program. Settled claims have not exceeded this commercial coverage for the fiscal year.

12. Operating Leases

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. Future minimum rental payments for the operating lease are as follows:

For the Year Ended October 31	Amount
2021	$ 120,000
2022	120,000
2023	50,000
	$ 290,000

The rental payments for 2020 were $120,000.

13. Subsequent Events

The Commission's management has evaluated subsequent events through May 10, 2021, 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, 2020

	2020	2019	2018
Service cost	$ 248,711	$ 244,136	$ 270,384
Interest	158,994	201,189	175,037
Difference between expected and actual experience	-	-	-
Changes of economic/demographic gains(losses)	(1,339,984)	-	-
Changes in assumptions or other inputs	(1,372,826)	768,800	(250,910)
Employer contributions	(168,643)	(227,715)	(341,613)
	(2,473,748)	986,410	(147,102)
Total OPEB liability, beginning of year	5,533,739	4,547,329	4,694,431
Total OPEB liability, end of year	$ 3,059,991	$ 5,533,739	$ 4,547,329
Covered employee payroll	$ 4,118,843	$ 5,018,504	$ 5,018,504
Total OPEB liability as a percentage of covered-employee payroll	74.29%	110.27%	90.61%
OPEB fiduciary net position	$ -	$ -	$ -
OPEB fiduciary net position as a percentage of total OPEB liability	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, 2020

	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, 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, 2020

	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, 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 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, 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, 2019.

Other Supplementary Information

Greater New Orleans Expressway Commission
Schedule of Expenditures of Federal Awards
For the Year Ended October 31, 2020

Program	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
United States Department of Treasury			
Pass through State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness	21.019	COVID-19-CRF-088561	$ 1,067,649

See notes to schedule of expenditures of federal awards.

General
The accompanying schedule of expenditures of federal awards presents the activities of federal award programs expended by the Greater New Orleans Expressway Commission (the "Commission"). The Commission's reporting entity is defined in Note 1 of the notes to financial statements. Federal awards received in 2020 were passed through the State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness.

Summary of Significant Accounting Policies
The schedule of expenditures of federal awards is presented on the accrual basis of accounting for proprietary funds, which is described in Note 1 of the notes to financial statements. Such expenditures are recognized following the cost principles contained in Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), wherein certain types of expenditures are not allowable or are limited to reimbursement.

The Commission did not elect to use the 10 percent de minimis indirect rate.

Basis of Presentation
The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Commission under programs of the federal government for the year ended October 31, 2020. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of the Commission, it is not intended to present the financial position or changes in net position.

Matching Revenues
Federal expenditures were determined by deducting matching revenues from total expenditures.

Greater New Orleans Expressway Commission
Schedule of Compensation Paid to Board of Commissioners
For the Year Ended October 31, 2020

Commissioner	Amount
Patrick Fitmorris	$ 6,836
Joy H. Zainey	6,836
Donald Sharp	6,836
James Thompson III	4,733
Wanda Theriot	4,395
Tim P. Coulon	2,441
	$ 32,077

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, 2020

Commission Head: Carlton Dufrechou
Position: General Manager

Purpose	Amount
Salary	$ 141,412
Benefits - insurance	10,671
Benefits - retirement	17,680
Reimbursements	118
	$ 169,881

Greater New Orleans Expressway Commission
Schedule of Receipts and Disbursements
For the Year Ended October 31, 2020

	Revenue Account	Operations and Maintenance	Extraordinary Maintenance and Repair Reserve	Excess Revenue	Huey P. Long Bridge	Assets Forfeiture	Vehicular License Tax	Debt Service	Debt Service Reserve	Construction Series 2017	Insurance Reserve	Total
Balances at November 1, 2019	$ 953,481	$ 1,306,958	$ 3,695,451	$ 13,829,031	$ 336,317	$ 23,024	$ 13,867,969	$ 2,423,041	$ 2,520,588	$ 3,412,271	$ 353,284	$ 42,721,415
RECEIPTS												
Tolls	18,778,175	-	-	-	-	-	-	-	-	-	-	18,778,175
Vehicular license tax	-	-	-	-	-	-	6,673,463	-	-	-	-	6,673,463
Federal Revenue	-	876,944	-	-	-	-	-	-	-	-	-	876,944
Other	4,065	89,855	-	-	-	200	-	-	-	-	-	94,120
Investment income	6,843	4,717	185,955	82,588	3,117	-	84,378	4,950	8,135	244,026	14,640	639,349
Sales/maturities of securities and bonds			300,000							24,661,489	100,000	25,061,489
Sales/maturates of treasury bills			33,915,000						2,700,000	9,986,437	1,800,000	48,401,437
Transfers in	-	8,433,506	100,975,554	5,346,372	1,826,996	-	-	3,456,034	4,509,194	28,723	47,196	124,623,575
	18,789,083	9,405,022	135,376,509	5,428,960	1,830,113	200	6,757,841	3,460,984	7,217,329	34,920,675	1,961,836	225,148,552
DISBURSEMENTS												
Personal services	-	5,712,054	-	-	1,096,978	-	-	-	-	-	-	6,809,032
Contractual services	-	40,247	-	-	35	-	-	-	-	-	-	40,282
Operating services	-	2,829,052	-	-	62,404	-	-	-	-	-	-	2,891,456
Supplies and maintenance	-	494,761	1,775,297	-	79,799	-	-	-	-	-	-	2,349,857
Professional services	-	270,070	-	-	-	-	-	-	-	-	22,500	292,570
Administrative	311,428	225,797	-	-	9,502	-	-	-	-	-	-	546,727
Capital outlay	-	369,957	104,463,841	-	57,514	-	-	-	-	(65,820,787)	-	39,070,525
Debt service												
Principal retirement	-	-	-	-	-	-	-	1,700,000	345,000	-	-	2,045,000
Interest	-	-	-	-	-	-	-	1,404,281	4,341,875	-	-	5,746,156
Cost of bond issuance	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental expenditures - parishes		-	-	350,000	-	-	-	-	-	-	-	350,000
Insurance settlements	-	-	-	-	-	-	-	-	-	-	33,896	33,896
Purchases of securities and bonds			5,523,257								678,669	6,201,926
Purchases of treasury bills			25,131,504						2,699,084	1,984,306	1,398,073	31,212,967
Transfers out	18,472,406	58,955	-	1,683,464	-	1,430	3,456,034	-	-	100,951,286	-	124,623,575
	18,783,834	10,000,893	136,893,899	2,033,464	1,306,232	1,430	3,456,034	3,104,281	7,385,959	37,114,805	2,133,138	222,213,969
Balances at October 31, 2020	$ 958,730	$ 711,087	$ 2,178,061	$ 17,224,527	$ 860,198	$ 21,794	$ 17,169,776	$ 2,779,744	$ 2,351,958	$ 1,218,141	$ 181,982	$ 45,655,998

Greater New Orleans Expressway Commission
Schedule of Investments
For the Year Ended October 31, 2020

	Carrying Value	Fair Value	Par Value
EXTRAORDINARY MAINTENANCE AND REPAIR RESERVE ACCOUNT			
Fixed Securities			
Lake Central Multi-District School			
Maturity date: January 15, 2021	265,000	265,098	265,000
City of Richmond VA Public Utility			
Maturity date: January 15, 2021	100,000	100,262	100,000
East Baton Rouge Sewerage Commission			
Maturity date: February 1, 2021	200,623	200,980	200,000
Oklahome Water Resources Board			
Maturity date: April 4, 2021	100,576	100,932	100,000
City of Alexandria LA Utilities Revenue			
Maturity date: May 1, 2021	100,000	100,234	100,000
Brighton Area School District/MI			
Maturity date: May 1, 2021	200,000	200,572	200,000
Franklin Special School District			
Maturity date: June 1, 2021	115,000	115,007	115,000
State of Louisiana			
Maturity date: June 1, 2021	150,000	149,984	150,000
Carmel Redevelopment Authority			
Maturity date: August 1, 2021	135,000	135,031	135,000
Maturity date: February 1, 2022	110,000	110,065	110,000
Crowley Independent School District			
Maturity date: August 1, 2021	249,226	249,320	250,000
Bethel Park Municipal Authority			
Maturity date: September 1, 2021	130,000	130,129	130,000
City of Jacksonville AL			
Maturity date: September 1, 2021	100,000	100,001	100,000
City of Nacogdoches TX			
Maturity date: September 1, 2021	125,000	124,998	125,000
Steuben Lakes Regional Waste District			
Maturity date: September 1, 2021	215,000	215,075	215,000
City of Orange Beach AL			
Maturity date: February 1, 2022	99,937	99,920	100,000
Thirf River Falls Independent School			
Maturity date: February 1, 2022	100,889	101,821	100,000
Frenship Independent School District			
Maturity date: February 15, 2022	158,826	158,814	160,000
City of Frisco TX			
Maturity date: February 15, 2022	146,966	148,497	140,000
Arkansas Development Finance Authority			
Maturity date: April 1, 2022	150,000	149,952	150,000
Lafayette Parish School Board			
Maturity date: April 1, 2022	145,000	144,935	145,000
Tulsa County Independent School District			
Maturity date: June 1, 2022	251,364	254,603	250,000
City of Daphine AL			
Maturity date: July 1, 2022	140,000	140,098	140,000

	Carrying Value	Fair Value	Par Value
City of De Pere WI			
Maturity date: September 1, 2022	100,000	99,997	100,000
Jerome Lincoln & Gooding Counties Joint			
Maturity date: September 15, 2022	108,639	108,580	100,000
Avon Local School District			
Maturity date: December 1, 2022	100,000	99,930	100,000
City of Memphis TN Electric System Revenue			
Maturity date: December 1, 2022	150,000	149,972	150,000
Municipality of Anchorage AK			
Maturity date: September 1, 2023	167,299	169,865	150,000
Ottawa & Glandorf Local School District			
Maturity date: December 1, 2023	95,000	94,988	95,000
Federal Home Loan Mortgage Corp			
Maturity date: December 29, 2023	1,000,000	998,850	1,000,000
United States Treasury Bill			
Maturity date: November 24, 2020	2,999,826	2,999,850	3,000,000
Maturity date: December 22, 2020	999,867	999,880	1,000,000
	9,209,038	9,218,237	9,175,000
Money Market			
Dreyfus - Governmental Cash Management	2,223,096	2,223,096	2,223,096
	11,432,134	11,441,333	11,398,096
EXCESS REVENUE ACCOUNT			
Money Market			
Dreyfus - Government Cash Management	16,524,527	16,524,527	16,524,527
HUEY P LONG BRIDGE ACCOUNT			
Money Market			
Dreyfus - Government Cash Management	810,931	810,931	810,931
REVENUE ACCOUNT			
Money Market			
Dreyfus - Government Cash Management	399,221	399,221	399,221
DEBT SERVICE ACCOUNT			
Money Market			
Dreyfus - Government Cash Management	2,779,744	2,779,744	2,779,744
SUBORDINATE LIEN ACCOUNT			
Money Market			
Dreyfus - Governmental Cash Management	2,351,625	2,351,625	2,351,625
DEBT SERVICE RESERVE ACCOUNT			
Money Market			
Dreyfus - Governmental Cash Management	333	333	333

	Carrying Value	Value	Par Value
SPECIAL REVENUE ACCOUNT: VEHICULAR LICENSE TAX			
Money Market			
Dreyfus - Government Cash Management	15,090,247	15,090,247	15,090,247
SPECIAL REVENUE ACCOUNT: EXCESS VEHICULAR TAX			
Money Market			
Dreyfus - Government Cash Management	2,079,528	2,079,528	2,079,528
CONSTRUCTION ACCOUNT			
Money Market			
Dreyfus - Governmental Cash Management	1,421,378	1,421,378	1,421,378
INTERNAL SERVICE ACCOUNT: SELF INSURANCE			
Fixed Securities			
City of Yakima WA			
Maturity date: December 1, 2020	100,000	100,137	100,000
City of Richmond VA Public Utility	100,000	100,262	100,000
Maturity date: January 15, 2021			
Oklahoma Water Resources Board	70,928	70,652	70,000
Maturity date: April 1, 2021			
Arizona Board of Regents			
Maturity date: July 1, 2021	100,000	100,673	100,000
San Angelo Independent School District			
Maturity date: February 15, 2022	105,189	104,484	100,000
Tulsa County Independent School District			
Maturity date: June 1, 2022	100,685	101,841	100,000
United States Treasury Bill			
Maturity date: January 7, 2021	199,967	199,968	200,000
	776,769	778,017	770,000
Money Market			
Dreyfus - Government Cash Management *	181,982	181,982	181,982
	958,751	959,999	951,982
Total	53,848,419	53,858,866	53,807,612
Cash equivalents: money market accounts	(43,862,612)	(43,862,612)	(43,862,612)
Investments, net of cash equivalents	9,985,807	9,996,254	9,945,000

Greater New Orleans Expressway Commission
Schedule of Revenue from Tolls
For the Year Ended October 31, 2020

Month	Amount
2019	
November	$ 1,951,582
December	2,025,827
2020	
January	1,914,909
February	1,859,506
March	1,387,245
April	504,986
May	1,035,828
June	1,538,737
July	1,584,665
August	1,586,157
September	1,579,042
October	1,753,143
	$ 18,721,627

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, 2020

	Axles Under 7'5" Height				Axles Over 7'5" Height				Non-Revenue Vehicles	Automatic Vehicle Identification Non-Revenue (Bridge Vehicles)	Automatic Vehicle Identification Recreational Vehicles	Automatic Vehicle Identification Full Toll Vehicles	Total Vehicles
	2	3	4	5 or more	2	3	4	5 or more					
2019													
November	170,425	957	807	15	1,412	242	248	301	20,318	3,264	-	327,710	525,699
December	179,628	802	745	5	1,385	218	264	287	21,151	3,320	1	338,091	545,897
2020													
January	153,285	732	749	10	1,359	233	204	287	20,654	3,222	-	346,370	527,105
February	158,022	737	779	17	1,429	234	266	302	19,609	3,058	-	319,047	503,500
March	121,463	884	909	17	1,551	275	284	454	13,553	2,790	-	260,003	402,183
April	97,770	874	985	31	2,206	462	312	779	335	2,136	-	149,722	255,612
May	130,216	1,225	1,177	23	2,263	402	420	724	13,051	2,780	-	200,660	352,941
June	133,250	1,145	960	17	2,104	206	342	357	15,017	2,921	1	248,284	404,604
July	139,182	1,169	1,019	19	1,979	230	379	398	15,465	2,768	-	255,084	417,692
August	135,853	1,154	1,078	13	1,832	244	343	374	15,748	3,012	-	254,686	414,337
September	131,824	1,159	1,069	12	1,985	200	353	422	26,259	2,940	1	257,929	424,153
October	140,997	1,053	1,006	12	1,864	264	397	374	25,723	3,214	-	267,698	442,602
	1,691,915	11,891	11,283	191	21,369	3,210	3,812	5,059	206,883	35,425	3	3,225,284	5,216,325

**Reduction in traffic is due to Covid-19

Greater New Orleans Expressway Commission (Unaudited)
Schedule of Insurance
For the Year Ended October 31, 2020

Coverage	Underwriter	Policy Period	Limits
Bridge Property Damage	Ace American Ins.	1/24/20 - 1/24/21	$100,000,000
$500,000 Contingent Extra Expense			Per occurrence and aggregate
465 days or $10,000,000 Contingent Loss of Revenue			
$10,000,000 Demolition & Increased Cost of Construction			
$5,000,000 Off Site Storage			
Deductibles			
$25,000 Non-Bridge Property, $500,000 Bridge Property,			
$250,000 Earth Movement (Non-Bridge Property),			
$500,000 Earth Movement (Bridge Property)			
$1,000,000 Flood, $1,000,000 Named Windstorm			
15 days - Loss of Revenue Waiting Period			
Builders Risk Coverage	Ace American Ins.	1/24/20 - 1/24/21	$85,894,175
Deductibles			Per occurrence and aggregate
$50,000 Any One Occurrence, $1,000,000 Flood,			
$250,000 Earth Movement, $50,000 Water Damage,			
$1,000,000 Named Windstorm, $50,000 Testing			
Terrorism	Underwriters at	1/24/20 - 1/24/21	$75,000,000
$25,000 Deductible Any One Occurrence for	Lloyd's London		Per occurrence and aggregate
damage and financial loss combined			
Contractors Equipment	AGCS Marine	11/1/19 - 11/1/20	$1,021,819
Limit - Per Schedule on File with Carrier $971,819	Insurance Co.		
Miscellaneous Equipment not to exeed $5,000 per item			
Deductibles			
$1,000 Iems Valued under $50,000			
$2,500 Items Valued $50,000 - $99,999			
$5,000 Items Valued Over $100,000			
Electronic Data Processing	AGCS Marine	11/1/19 - 11/1/20	$562,310
EDP Equipment and Software	Insurance Co.		
Deductibles			
$1,000 Flood; 5% Named Storm			
Commercial Crime			
Employee Theft	Hanover	11/1/19 - 10/31/20	$300,000
Costs Fees or Other Expenses - $50,000 - 25% Loss	Insurance Co.		
$5,000 Deductible			
Forgery or Alteration	Hanover	11/1/19 - 10/31/20	$300,000
$5,000 Deductible	Insurance Co.		
Inside the Premises - Theft of Money & Securities	Hanover	11/1/19 - 10/31/20	$50,000
$1,000 Deductible	Insurance Co.		

Coverage	Underwriter	Policy Period	Limits
Inside the Premises - Robbery or Burglary $1,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$50,000
Outside the Premises $1,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$50,000
Computer Fraud Costs Fees or Other Expenses - $50,000 - 25% Loss $5,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$300,000
Funds Transfer Fraud $5,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$300,000
Money Orders & Counterfeit Money $5,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$300,000
Destruction of Electronic Data or Computer Programs $1,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$50,000
ERISA Rider Endorsement $0 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$300,000
Telephone Fraud - 60 Days $500 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$25,000
Funds Transfer Fraud - False Pretenses $5,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$50,000
Credit Card, Debit Card or Charge Card Forgery $5,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$300,000
Faithful Performance of Duty $5,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$300,000
False Pretenses $5,000 Deductible	Hanover Insurance Co.	11/1/19 - 10/31/20	$50,000
Prior Theft or Dishonesty	Hanover Insurance Co.	11/1/19 - 10/31/20	$25,000
Retained Limits Liability			
Comprehensive General Liability $500,000 Self Insured Retention	AIX Specialty Insurance Co.	1/24/20 - 1/24/21	$9,500,000 Per occurrence and aggregate
Law Enforcement Liability $500,000 Self Insured Retention	AIX Specialty Insurance Co.	1/24/20 - 1/24/21	$9,500,000 Per occurrence and aggregate
Automobile Liability $500,000 Self Insured Retention	AIX Specialty Insurance Co.	1/24/20 - 1/24/21	$9,500,000 each accident
Errors & Omissions Liability $500,000 Self Insured Retention	AIX Specialty Insurance Co.	1/24/20 - 1/24/21	$9,500,000 Per claim and aggregate

Coverage	Underwriter	Policy Period	Limits
Employee Benefits Liability $500,000 Self Insured Retention	AIX Specialty Insurance Co.	1/24/20 - 1/24/21	$9,500,000 Per claim and aggregate
Sexual Harrassment Liability $500,000 Self Insured Retention	AIX Specialty Insurance Co.	1/24/20 - 1/24/21	$9,500,000 Per claim and aggregate
Sexual Abuse Liability $500,000 Self Insured Retention	AIX Specialty Insurance Co.	1/24/20 - 1/24/21	$9,500,000 Per claim and aggregate
Employment Practices $500,000 Self Insured Retention	AIX Specialty Insurance Co.	1/24/20 - 1/24/21	$9,500,000 Per claim and aggregate
Stand Alone Excess Liability	AIX Specialty Insurance Co.	1/24/20 - 1/24/21	$10,000,000 Excess of $10M Primary
Stand Alone Excess Liability	Houston Casualty Co.	1/24/20 - 1/24/21	$10,000,000 Excess of $20,000,000
Workers' Compensation	LWCC	11/1/19 - 10/31/20	Statutory
Bodily Injury by Accident - Each Accident			$1,000,000
Bodily Injury by Disease - Policy Limit			$1,000,000
Bodily Injury by Accident - Each Employee			$1,000,000
Maritime Employers Liability $2,500 Deductible any one accident or illness	Underwriters at Lloyd's London	11/1/19 - 10/31/20	$1,000,000
Boiler and Machinery Equipment Breakdown	Hartford Steam Boiler	11/1/19 - 10/31/20	$100,000,000
Property Damage - included			
Business Income - $38,827,000			
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			

Coverage	Underwriter	Policy Period	Limits
Boiler and Machinery (continued)			
Deductibles			
$10,000 - Direct			
48 Hours - Indirect			
24 Hours - Interruption Waiting Period			
5 Days - Extended Period of Restorations			
90 Days - Newly Acquired Locations			
Police Officers Faithful Performance Bond	Western Surety	5/12/20 - 5/12/21	$10,000 per officer
Pollution Legal Liability	Ironshore Specialty	12/18/19 - 12/18/20	$5,000,000 each incident
$100,000 Deductible Each Incident			$10,000,000 aggregate
Cyber Liability	Travelers	1/24/20 - 1/24/21	$1,000,000
Third Party Liability - $5,000 Deductible			
First Party Liability - $5,000 Deductible			

Reports Required by
Government Auditing Standards

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INDEPENDENT AUDITORS' 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, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated May 14, 2021.

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

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Compliance and Other Matters

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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *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

May 14, 2021

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Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance

Board of Commissioners
Greater New Orleans Expressway Commission
Metairie, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Greater New Orleans Expressway Commission's (the Commission), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended October 31, 2020. The Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Commission's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Commission's compliance.

Opinion on Each Major Federal Program

In our opinion, the Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended October 31, 2020.

Report on Internal Control over Compliance

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Commission's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Griffin & Furman, LLC

May 14, 2021

Summary of Audit Results:

Financial Statements:

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

2. **Internal control over financial reporting**
   a. **Significant deficiencies - no**
   b. **Material weaknesses - no**
   c. **Other – yes (2020-1)**

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

4. **Management letter - no**

Federal Awards:

1. **Internal control over major programs**
   a. **Significant deficiencies - no**
   b. **Material weaknesses - no**

2. **Type of report issued on compliance for major programs – unqualified**

3. **Audit findings required to be reported in accordance with Uniform Guidance – no**

4. **Identification of major program:**

Name of Program	CFDA No.	Expenditures
Corona Virus Relief Fund	**21.019**	**$ 1,067,649**

5. **Dollar threshold used to distinguish between Type A and Type B Programs - $750,000**

6. **Auditee qualified as low-risk auditee – no**

Finding 2020-1:

***Criteria*:**
Management is responsible for developing and implementing internal controls related to inventory.

Condition & Cause:
During our review of inventory, we noted that the Commission does not have specific controls in place to track movement of inventory. Prior to the current year, inventory consisted of large bridge replacement parts that rarely moved thus tracking inventory movement was not considered a critical

control. However, in the current year the Commission installed railings on the southbound span and acquired replacement parts that are much smaller and prone to movement.

Effect:
Without controls in place to track the movement of these inventory items, it is possible inventory balances on the financial statements could be misstated.

***Recommendation*:**
We recommend the Commission consider implementing inventory requisition forms that are retained to support the movement of the spare parts inventory.

Management Corrective Action:
Management is in the process of developing additional controls relating to the spare parts inventory and plans to present these for approval to the board of commissioners as soon as they are finalized.

Not Applicable