1) Summary of Significant Accounting Policies (continued)

(c) Basis of Accounting continued)

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Interest income on investments is accrued as it is earned. Charges for tolls are recorded as the bridge is used. Tolls paid in advance are recorded as deferred revenue.

The accrual basis of accounting is utilized by the proprietary fund type. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal on long-term debt is recognized when due.

(d) Budget Practices

The Commission is required by Section 6.14 of the General Bond Resolution dated September 25, 1986, to comply with the provisions of the "Louisiana Local Government Budget Act" (R.S. 39: 1301-1315) in connection with the preparation of each annual budget and as required by Act 762 of the 1986 and Act 875 of the 1988 Regular Sessions of the Louisiana Legislature, shall, prior to final adoption, submit the annual budget to the Joint Legislative Committee on the Budget of the Louisiana Legislature for review and approval. The Commission has received notification of such approval of the budget for the year ending October 31, 1996.

The budgets presented in the statements are as amended through October 31, 1996. Amendments have been made in accordance with required procedures.

Budgeted expenditures for the general fund lapses at year end except for Extraordinary Maintenance and Repair Reserve Funds, Huey P. Long Bridge Fund and Capital Outlays.

The combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual, presents comparisons of the legally adopted budget (non-GAAP basis) with actual data on a budgetary basis. Budgets for the Special Revenue Fund and the Debt Service Fund are adopted on a basis consistent with generally accepted accounting principles. In the General Fund accounting principles applied for developing data on a budgetary basis differs from those used to present financial statements in conformity with GAAP. A reconciliation of this basis and timing difference is presented below:

Excess of Revenues and other sources over expenditures and other uses (budgetary basis) - (page 5)	$ 7,612
To reverse October 31, 1996 funds designated for extraordinary maintenance and reserve	750,000
To reverse October 31, 1996, funds designated for operations of the Huey P. Long Bridge	482,792

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

SUPPLEMENTARY INFORMATION - OPERATING EXPENDITURES

Year Ended October 31, 1996

	1996
Professional Services	
Auditing and accounting	$ 20,500
General counsel	264,409
Consulting engineers	85,920
Professional services - other	151,895
	522,724
Retirees' Group Insurance	56,428
Miscellaneous and Contingencies	110,365
Total Operating Expenditures	$6,593,311

3) Investments (continued)

The Commission investments are categorized below to give an indication of the level of risk assumed by the entity at year-end. Category one includes investments that are insured or registered or for which the securities are held by the Commission or its agent in the Commission's name. Category two includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Commission's name. Category three includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the Commission's name.

	Investment	
	Carrying Value	Market Value
Category 1	$30,936,703	$31,324,751
Category 2	$ -	$ -
Category 3	$ -	$ -

4) General Fixed Asset Account Group

The following is a summary of changes in the general fixed asset account group:

	November 1, 1995	Additions	Deductions	October 31, 1996
Furniture, fixtures and equipment, at cost	$ 1,422,420	$ 284,561	$ -	$ 1,706,981
Huey P. Long Bridge equipment, at cost	201,324	38,592	-	239,916
Total	$ 1,623,744	$ 323,153	$ -	$ 1,946,897

Beginning with the year ended October 31, 1996, assets related to infrastructure are not reported on the face of the Combined Balance Sheet. This is not consistent with the presentation of prior years.

The following is a summary of these assets:

	November 1, 1995	Additions	Deductions	October 31, 1996
Expressway - construction costs:				
1954 Bridge	$ 45,263,522	$ -	$ -	$ 45,263,522
1967 Bridge	33,367,133	-	-	33,367,133
Bridge improvements	40,472,032	4,345,933	-	44,817,965
Total	$119,102,687	$4,345,933	$ -	$123,448,620

5) Refunding and Improvements Bonds

The Expressway Refunding and Improvements Bonds outstanding at October 31, 1995, consist of Series 1986 Bonds in the amount of $2,235,000 and Series 1992 Bonds in the amount of $64,010,000. The Series 1992 and 1986 Bonds were issued by the Commission under the authority of Act 762 of the 1986 Regular Session of the Louisiana Legislature as amended by Act 875 of 1988 for the purpose of (1) refunding prior bonds, (2) financing the cost of construction of expressway improvements and (3) paying certain cost of issuing the Series 1992 and 1986 Bonds.

In December 1992, the Commission issued $64,010,000 in Refunding Revenue Bonds, 1992 Series to refund the 1986 Series bonds. The $64,010,000 consists of the following:

Serial Bonds (interest rates of 4.3% to 6.2%)	
Due through November 2007	$26,510,000
Term Bonds (interest rate of 5.5%)	
Due November 1, 2012	5,000,000
Term Bonds (interest rate of 6.0%)	
Due November 1, 2012	13,430,000
Term Bonds (interest rate of 6.0%)	
Due November 1, 2016	19,070,000
Total	$64,010,000

The net proceeds of $61,783,721 was used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1986 Series bonds. As a result, $55,490,000 of the 1986 Series bonds were considered to be defeased.

The Series 1992 Bonds maturing on and after November 1, 2003 are subject to redemption prior to maturity, at the option of the Commission, on or after November 1, 2002, either in whole or at any time or in part on any interest payment date, at the prices set forth below (expressed as a percentage of principal amount), plus accrued interest to the date of redemption:

Redemption Period (Both Dates Inclusive)	Redemption Price
November 1, 2002 through October 31, 2003	102%
November 1, 2003 through October 31, 2004	101
November 1, 2004 and thereafter	100

5) Refunding and Improvement Bonds (continued)

The following table set forth the annual debt service requirements for the Series 1986 and Series 1992 Bonds. Interest is payable on May 1 and November 1 of each year. Principal payments are payable on November 1 of each year:

Period Ending November 1	Principal	Interest	Total Annual Debt Service
1997	$ 1,540,000	$ 3,685,582	$ 5,225,582
1998	1,895,000	3,611,663	5,506,663
1999	1,985,000	3,518,807	5,503,807
2000	2,085,000	3,416,580	5,501,580
2001	2,200,000	3,306,075	5,506,075
2002	2,320,000	3,185,075	5,505,075
2003	2,450,000	3,053,995	5,503,995
2004	2,595,000	2,911,895	5,506,895
2005	2,745,000	2,758,790	5,503,790
2006	2,910,000	2,594,090	5,504,090
2007	3,090,000	2,416,580	5,506,580
2008	3,280,000	2,225,000	5,505,000
2009	3,470,000	2,032,675	5,502,675
2010	3,675,000	1,829,200	5,504,200
2011	3,890,000	1,613,700	5,503,700
2012	4,115,000	1,385,550	5,500,550
2013	4,355,000	1,144,200	5,499,200
2014	4,620,000	882,900	5,502,900
2015	4,900,000	605,700	5,505,700
2016	5,195,000	311,700	5,506,700
	$63,315,000	$46,489,757	$109,804,757

6) Changes in Long-Term Obligations

The following is a summary of the changes in long-term obligations:

	Balance November 1, 1995	Additions (Retirements)	Balance October 31, 1996
1986 Series	$ 1,155,000	$ (1,155,000)	$ -
1992 Series	63,670,000	(355,000)	63,315,000
Unpaid sick leave and vacation	512,183	76,036	588,219
Totals	$65,337,183	$ (1,433,964)	$63,903,219

7) Pension Plans (continued)

In addition to ad valorem taxes that are remitted to the System by the State, covered employees are required by state statute to contribute 9.5 percent of gross salary, to which the Commission adds contributions as an employer's match of 8.75% prior to January 1, 1994 and 8.25% thereafter. The contribution for the year ended October 31, 1996 was $408,928, which consisted of $229,315 from the employees and $179,613 from the Commission; these contributions represented 9.5% and 8% of covered payroll respectively.

The pension benefit obligation is standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rated benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefit obligation for individual participating employers. The pension benefit obligation at December 31, 1995, for the System as a whole, determined through an actuarial valuation performed as of the date, was approximately $763,000,000. The System's net assets available for benefits on that date were approximately $648,000,000, leaving an unfunded pension benefit obligation of approximately $115,000,000. The Commission's 1995 contributions represented .7% of the total contribution required from all participating entities.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the Systems comprehensive annual financial report. The Commission does not guarantee the benefits granted by the System.

8) Post-Retirement Health Care and Life Insurance

The Commission provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Commission's employees become eligible for these benefits if they reach normal retirement age while working for the Commission. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the Commission. The Commission recognized the cost of providing these benefits as an expenditure when paid. The cost of providing these benefits for the retirees was approximately $56,428 for the year ended October 31, 1996.

14) Total Columns on Combined Statements

Total columns on the Combined Statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

15) Risk management

The Commission is exposed to various risks of loss under its General Liability, Automotive Liability and Property insurance contracts. To account for and finance its uninsured risks of loss, the Parish has established an Insurance Fund (an Internal Service Fund). The Insurance Fund provides coverage for the general liability and automotive liability up to the $100,000 deductible (per covered loss) limits. The Fund will also provide coverage for the 1% deductible (per covered loss) on the bridge structure in the event of a catastrophe loss.

The Commission has begun to fund the insurance program based on estimates of amounts sufficient to build a reserve for the deductible payments.

1) Summary of Significant Accounting Policies (continued)

Special Revenue Fund

All monies received from State Highway Fund Number 2 are deposited to the Special Revenue Fund. The money from this fund is then transferred to the Debt Service Fund.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs. The Debt Service Fund is comprised of two accounts as follows:

1. Debt Service Fund

   Monies are deposited to this account from the Special Revenue Fund to pay yearly debt service. Future sinking fund installments will also be deposited to the Debt Service Fund.

2. Debt Service Reserve Fund

   This account maintains a balance equal to the Debt Service Reserve Fund Requirement (maximum annual debt service for the current or any future year). Money from this account can be used to supplement any shortfall in the Debt Service Fund.

Governmental Funds -

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Fund -

Internal Service Fund

Internal service funds are used to account for business type activities of supplying goods or services within the government unit.

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

SUPPLEMENTARY INFORMATION

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended October 31, 1996

	Revenue Fund: Revenue Account	Revenue Fund: Undisbursed Debt Service Account	Operations and Maintenance Fund	Extraordinary Maintenance and Repair Reserve Fund	Vehicular License Tax Fund	Debt Service Fund: Debt Service Reserve Account	Debt Service Fund: Debt Service Account	Excess Revenue Fund	Huey P. Long Bridge Account	1986 Expressway Improvements Construction Fund	1992 Expressway Improvements Construction Fund	Sub-Account A	Self-Insurance Fund	Rehabilitation Account	Forfeiture Account	Total (Memo Only)
Balances at October 31, 1995	$ 97,334	$ -	$ 535,467	$ -	$ -	$ -	$ -	$ -	$ 64,323	$ -	$ -	$ -	$ -	$ -	$ 25,014	$ 722,138
Receipts:																
Revenues from tolls	13,498,543	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,498,543
Tag, toll and other deposits	201,868	-	-	-	-	-	-	-	-	-	-	-	-	-	-	201,868
Vehicular license tax from State Highway Fund #2	-	-	-	-	4,836,597	-	-	-	-	-	-	-	-	-	-	4,836,597
Sales and maturities of investments	8,037,976	7,852,679	-	22,532,061	4,401,738	4,889,141	13,064,456	6,720,902	466,138	18,241,779	-	-	6,645,567	59,516,462	-	152,448,899
Income from investments	26,127	45,665	34,690	145,628	23,425	394,586	68,235	383,757	16,492	101,384	61	8,661	63,424	308,959	-	1,530,922
Transfers from other funds:																
Revenue account	-	409,680	5,766,373	-	-	-	-	8,653,544	-	-	-	-	-	-	-	14,829,597
Collateral undisbursed debt service account	-	-	-	-	-	-	445,446	-	-	-	-	-	-	-	-	445,446
Operations and maintenance fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Extraordinary maintenance and repair reserve fund	141,857	-	-	-	-	-	-	-	-	-	-	-	-	-	-	141,857
Vehicular license tax fund	-	-	-	-	-	-	4,487,134	-	-	-	-	-	-	-	-	4,487,134
Debt service account	59,035	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,035
Debt service reserve account	394,512	-	-	-	-	-	-	-	-	-	-	-	-	-	-	394,512
Excess revenue account	515,590	-	-	630,000	-	-	-	-	351,778	-	-	-	-	7,678,428	-	9,175,796
Huey P. Long Bridge account	15,354	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,354
Rehabilitation account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1986 Expressway Improvement Construction Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	119,812	-	-	-	-	-	-	-	-	-	-	-	-	-	7,983	127,795
	$23,108,008	$ 8,307,852	$ 6,336,530	$23,307,689	$ 9,261,760	$ 5,283,727	$17,917,271	$15,678,203	$ 898,731	$18,343,163	$ 61	$ 8,661	$6,708,991	$67,503,849	$ 32,997	$203,055,291

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

SUPPLEMENTARY INFORMATION - INVESTMENTS

October 31, 1996

	Market Value	Cost	Premiums (Discount)	Par Value
GENERAL FUND				
Excess Revenue Fund				
Cash equivalents	$ 5,799,106	$ 5,799,106	$ -	$ 5,799,106
Extraordinary Maintenance and Repair Reserve Fund				
Cash equivalents	$ 741,271	$ 741,271	$ -	$ 741,271
Federal Home Mortgage Corporation				
Discount note 5.275%				
Due November 19, 1996	1,034,283	1,033,277	(3,723)	1,037,000
Federal Home Loan Bank,				
Discount note 5.292%				
Due December 11, 1996	1,020,018	1,019,075	(6,925)	1,026,000
Accumulated Amortization of Discount	-	2,064	2,064	-
	$ 2,795,572	$ 2,795,687	$ (8,584)	$ 2,804,271
Huey P. Long Bridge Account				
Cash equivalents	$ 585,396	$ 585,396	$ -	$ 585,396
TOTAL GENERAL FUND	$ 9,180,074	$ 9,180,189	$ (8,584)	$ 9,188,773
SPECIAL REVENUE FUND				
Vehicular License Tax Fund	$ 1,446,549	$ 1,446,549	$ -	$ 1,446,549
TOTAL SPECIAL REVENUE FUND	$ 1,446,549	$ 1,446,549	$ -	$ 1,446,549
DEBT SERVICE FUND				
Debt Service Fund				
Cash equivalents	$ 3,401,860	$ 3,401,860	$ -	$ 3,401,860
Debt Service Reserve Fund				
Cash equivalents	$ 1,143	$ 1,143	$ -	$ 1,143
United States Treasury Bonds:				
Due May 15, 2016; 7.25%	4,747,500	4,325,625	(174,375)	4,500,000
Federal Home Loan Bank Discount Note				
Due January 24, 1997; 5.190%	1,219,032	1,217,633	(16,367)	1,234,000
Accumulated amortization of discount	-	30,690	30,690	-
	$ 5,967,675	$ 5,575,091	$ (160,052)	$ 5,735,143
TOTAL DEBT SERVICE FUND	$ 9,369,535	$ 8,976,951	$ (160,052)	$ 9,137,003

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

SUPPLEMENTARY INFORMATION - INVESTMENTS

October 31, 1996

	Market Value	Cost	Premiums (Discount)	Par Value
CAPITAL PROJECTS FUND				
1986 Expressway Improvements Construction Fund				
Cash equivalents	$ 51,108	$ 51,108	$ -	$ 51,108
Federal Home Loan Bank Discount Note Due November 19, 1996; 5.275%	814,859	814,067	(2,933)	817,000
Federal Home Loan Bank Discount Note Due December 11, 1996; 5.292%	815,219	814,465	(5,535)	820,000
	$ 1,681,186	$ 1,679,640	$ (8,468)	$ 1,688,108
1992 Expressway Improvements Construction Fund				
Cash equivalents	$ 1,267	$ 1,267	$ -	$ 1,267
Sub Account A				
Cash equivalents	$ 179,498	$ 179,498	$ -	$ 179,498
Capital Improvement Master Plan - Rehabilitation Account				
Cash equivalents	$ 735,071	$ 735,071	$ -	$ 735,071
Federal Home Loan Bank Discount Note Due November 19, 1996; 5.275%	4,694,668	4,690,101	(16,899)	4,707,000
Federal Home Loan Bank Discount Note Due December 11, 1996; 5.292%	3,002,393	2,999,616	(20,384)	3,020,000
Accumulated amortization of discount	-	7,730	7,730	-
	$ 8,432,132	$ 8,432,518	$ (29,553)	$ 8,462,071
TOTAL CAPITAL PROJECTS FUND	$10,294,083	$10,292,923	$ (38,021)	$10,330,944
PROPRIETARY FUND TYPE				
Self-Insurance Fund				
Federal Home Loan Mortgage Corporation Discount Note Due November 18, 1996; 5.463%	179,554	178,561	(1,439)	180,000
Federal Home Loan Mortgage Corporation Discount Note Due December 19, 1996; 5.33%	278,040	277,215	(2,785)	280,000
Federal Home Loan Mortgage Corporation Discount Note Due January 24, 1997; 5.347%	576,916	576,254	(7,746)	584,000
Accumulated Amortization of Discount	-	8,061	8,061	-
TOTAL PROPRIETARY FUND	$ 1,034,510	$ 1,040,091	$ (3,909)	$ 1,044,000
TOTAL ALL ACCOUNTS	$11,324,751	$10,936,703	$(210,566)	$11,147,269

3) Investments

The 1992 bond indenture agreement authorized the Commission to invest in (a) any direct and general obligation of, or any obligation fully and unconditionally guaranteed by, the United States of America or the State of Louisiana; (b) any bond, debenture, note or participation certificate issued by any of the following federal agencies, Bank of Cooperatives, Federal Intermediate Credit Banks, Federal Home Loan Bank System, Federal Land Banks, Export-Import Bank, Tennessee Valley Authority, Federal National Mortgage Association (to the extent guaranteed by the Government National Mortgage Association), Government National Mortgage Association, Farmers Home Administration, Federal Financing Bank, Student Loan Marketing Association and U.S. Postal Service; (c) negotiable or non-negotiable certificates of deposit issued by any bank, trust company or national banking association, which certificates of deposit, except in the case of certificates of deposit issued by a bank or trust company or national banking association in Louisiana or having a capital stock and surplus of more than $25,000,000, shall be continuously secured or collateralized by obligations described in subparagraph (a) and, to the extent permitted by law, subparagraphs (b) or (d) of this definition, which shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and shall be lodged with the Trustee, as custodian, by the bank, trust company or national banking association issuing such certificates of deposit; (d) full faith and credit obligations of any State, provided that at the time of purchase such obligations are rated in either of the two highest rating categories by a nationally recognized bond rating agency; (e) repurchase agreements with any bank, trust company or national banking association either located in Louisiana or having a capital stock and surplus of more than $25,000,000 with respect to any of the obligation described in subparagraphs (a), (b) or (d) above, continuously secured or collateralized by obligations described in subparagraph (a) of this definition, which shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such repurchase agreements, provided such security or collateral is held by or for the Trustee as titleholder, and provided further, that the financial institution which is a party to such repurchase agreement is not subject to the provisions of the Bankruptcy Code; or (f) shares or beneficial interest in any investment fund or trust substantially all of whose assets consist of those obligations described in subsection (a) above.

The Commission's investments are managed by a Trustee and are held in book-entry form by the Trustee for the account of the Commission. Investment advice is provided by Sisung Securities Corporation. The investments are stated at cost plus accrued interest, which approximate market.

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

SUPPLEMENTARY INFORMATION - OPERATING EXPENDITURES

Year Ended October 31, 1996

	1996
Operations	
Salaries	
Supervisor	$ 34,500
Toll collectors	422,205
Police patrol	560,549
Communication operators	216,585
	1,233,839
Payroll taxes and benefits	249,840
Materials, supplies and contract work	373,502
Electric power	102,440
Telephone and radio	96,559
Advertising and public relations	16,539
Insurance	1,072,000
Gasoline & fuel	104,137
	3,248,856
Maintenance and Repairs	
Paid from Operations and Maintenance Fund	
Maintenance salaries	536,218
Payroll taxes and benefits	125,088
Materials, supplies and contract work	152,606
Call boxes/message signs	150,780
Maintenance & repair - vehicles	130,902
	1,095,594
Paid from Extraordinary Maintenance and Repair Reserve Fund	859,683
	1,955,277
Administrative	
Salaries	
Chairman	6,836
Vice-chairman	6,836
Secretary	6,836
Assistant secretary-treasurer	4,557
Treasurer	6,836
General manager	75,145
Assistant general manager	48,153
Office personnel	209,104
	364,303
Payroll taxes and benefits	129,647
Materials, supplies and contract work	107,861
Publication of minutes	1,432
Bank charges - Visa	86,799
Travel expenses	9,619
	$ 699,661

7) Pension Plans

Substantially all employees of the Commission are members of the Parochial Employee's Retirement System of Louisiana ("System"), a cost sharing multiple-employer public employee retirement system (PERS). The System is a statewide public retirement system which is administered and controlled by a separate board of trustees. Contributions of participating employers, together with shared local and state revenues, are pooled within the System to fund accrued benefits, with employer/employee contribution rates approved by the Louisiana Legislature. The Commission's total payroll covered by the System was approximately $2,414,000.

Generally, all employees of the Commission are eligible to participate in the system provided they meet the statutory criteria. *Retirement Benefits* - Members with 10 years of creditable service may retire at age sixty; members with 25 years of service may retire at age fifty-five; members with 30 years of service may retire regardless of age. The retirement allowance is equal to three percent of the member's final compensation multiplied by his years of creditable service; however, any employee who was a member of the supplement plan only prior to the revision date has the benefit earned for service credited prior to the revision date on the basis of one percent of final compensation plus two dollars per month for each year of service credited prior to the revision date, and three percent of final compensation for each year of service credited after the revision date. The retirement allowance may not exceed the greater of one hundred per-cent of member's final salary or the final compensation. *Disability Benefits* - Five years of creditable service are required in order to be eligible for disability benefits. Disabled members receive a normal retirement allowance if eligible. Otherwise, the member receives the lesser of three percent of compensation multiplied by his years of service not to be less than fifteen; or the accrual percentage as defined for retirement benefits multiplied by final compensation multiplied by years of service assuming continued service to age sixty. *Survivor Benefits* - Five years of creditable service are required in order to be eligible for survivor benefits. If member was eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit. If the member was not eligible for a normal retirement, the surviving unmarried spouse with minor children receives sixty percent of final compensation; the surviving unmarried spouse with no minor children receives forty percent of final compensation at age 60; minor children with no unmarried spouse receive thirty percent of final compensation each not to exceed a total of sixty percent of final compensation. *Contribution Refunds* - Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such refund cancels all accrued rights in the system.

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

SUPPLEMENTARY INFORMATION - COMMISSIONERS' SALARIES

For the Year Ended October 31, 1996

Name	Title	Compensation for Year
Ronald A. Goux	Chairman	$ 6,836
Reed M. Ingram	Vice Chairman	6,836
Frank A. Simone	Secretary	6,836
Richard H. Blanke	Treasurer	6,836
Lance J. Albin	Assistant Secretary/Treasurer (Term ended June 1996)	4,557
		$ 31,901

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

STATISTICAL INFORMATION - INSURANCE COVERAGE

Year Ended October 31, 1995

UNAUDITED

Description	Company	Policy Number	Expiration	Policy Amounts
Bridge Property Damage and Related Coverages	St. Paul	IM 02102086	11-01-96	$ 91,500,000
• Causeway bridge - inclusive of spare parts - deductible of $1,000,000.				
• Bridge use and occupancy - seven day deductible clause.				$ 15,000,000
EDP Equipment - $5,000 Deductible	St. Paul	IM 02102173	11-01-96	$ 2,985,360
• Variable Message Signs (VMS)				
• Hazard Incident Lights (HIL)				
• Call Boxes (CB) and Control Consoles				
• Interfacing equipment (related to VMS, HIL & CB)				
• Radio equipment				
• Extra expense				$ 1,000,000
• EDP media				$ 220,000
• Business income				$ 56,000
Building & Contents Property Damage & Related Coverages	Coregis Insurance Company	651-000358-8	11-01-96	$ 589,100
• Administration, garage, storage and toll buildings and contents - fire, lightning, and extended coverage - deductible of $1,000.				
Miscellaneous scheduled property and equipment - deductible of $1,000.				$ 2,070,844

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

STATISTICAL INFORMATION - INSURANCE COVERAGE

Year Ended October 31, 1996

UNAUDITED

Description	Company	Policy Number	Expiration	Policy Amounts
General Liability and Umbrella Coverages • Comprehensive general liability, "Claims Made" including Broad Form Contractual and Police Professional Liability, Retention applicable to each loss is $100,000	Coregis Insurance Company	651-006382-5	11-01-97	$ 1,000,000 per occurrence, $ 3,000,000 aggregate
Commercial Auto Coverages • Bodily injury and property damage including uninsured motorists. The retention applicable to each loss is $100,000	Coregis Insurance Company	651-006382-5	11-01-97	$ 1,000,000
• Automobile physical damage	Self Insured by the Commission			
Bond Coverages • Blanket employees dishonesty bond (including M&S and depositors forgery) deductible of $2,500.	Coregis Insurance Company	651-006382-5	11-01-97	$ 200,000 blanket dishonesty and $50,000 money & securities
• Catastrophe Umbrella - extends the limits and broadens the scope of general liability insurance coverage.	Coregis Insurance Company	503-146467-9	11-01-97	$ 10,000,000 excess of $1,000,000
	Pacific Insurance Company	TK0000383	11-01-97	$ 10,000,000 excess of $1,000,000
• Public officials & employees' liability retention applicable to each loss is $7,500	Coregis Insurance Company	524-444719-5	11-01-97	$ 10,000,000 per occurrence, $10,000,000 aggregate

STATISTICAL INFORMATION - INSURANCE COVERAGE

Year Ended October 31, 1996

UNAUDITED

Description	Company	Policy Number	Expiration	Policy Amounts
Worker's Compensation and Employer's Liability Coverages				
• Workmen's Compensation, employer's liability, and maritime employer's liability	Louisiana Workers' Compensation Corp.	56550	11-01-97	Statutory plus specified additional coverage which includes employer's liability of $1,000,000 and maritime employer's liability of $25,000/$25,000.
• Excess maritime employer's liability Deductible of $5,000	Highlands Insurance Co.	H-70113	11-01-97	First excess maritime employer's $1,000,000

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF THE COMPONENT UNIT FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners of the
Greater New Orleans Expressway Commission
Jefferson Parish and St. Tammany Parish, Louisiana

We have audited the financial statements 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, 1996, and have issued our report thereon dated January 21, 1997.

We have conducted our audit in accordance with generally accepted auditing standards and 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 component unit financial statements are free of material misstatement.

The management of the Commission is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of component unit financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the component unit financial statements of the Commission, for the year ended October 31, 1996 we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

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We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgement, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

FINDING:

The Commission has not established procedures to ensure that purchases of material and supplies are made in accordance with the provisions of the Public Bid law. Good internal controls require that policies be established and transactions be adequately documented and monitored for compliance with laws.

RECOMMENDATION:

We recommend that policies and procedures be adopted and implemented which would centralize the purchasing process and assign responsibility to an individual for insuring compliance with the Public Bid law.

COMMISSION RESPONSE:

No response was received from the Commission.

* * *

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that error or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structures would not necessarily disclose all matters in the internal control structure that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe that the reportable conditions described above is not a material weaknesses.

This report is intended solely for the information and use of the Board of Commissioners of the Greater New Orleans Expressway Commission, management and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

January 21, 1997

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN AUDIT OF THE COMPONENT UNIT
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners of the
Greater New Orleans Expressway Commission
Jefferson Parish and St. Tammany Parish, Louisiana

We have audited the financial statements 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, 1996, and have issued our report thereon dated January 21, 1997.

We conducted our audit in accordance with generally accepted auditing standards and 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 component unit financial statements are free of material misstatement.

Compliance with laws, regulations and contracts applicable to the Commission is the responsibility of the Commission's management. As part of obtaining reasonable assurance about whether the component unit financial statements are free of material misstatement, we performed tests of the Commissions's compliance with certain provisions of laws, regulations and contracts. However, the objectives of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed the following instances of noncompliance that are required to be reported under Government Auditing Standards:

FINDING:

During our testing we noted that there were instances where the Commission was not in compliance with the Public Bid law LRS 38:2212. The law requires that "all purchase of any material or supplies exceeding the sum of ten thousand dollars ($10,000) to be paid out of public funds, be advertised and let to the lowest responsible bidder." Specifically we noted purchases from various camera and accessory equipment from a single vendor totaling $46,000 which was not advertised for bids. We also noted two instances where aggregate purchases of uniforms and furniture were in excess of the $10,000 limit.

RECOMMENDATION:

We recommend that one individual be designated as being responsible for insuring that the Public Bid law is followed:

COMMISSION RESPONSE:

No response was received from the Commission.

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FINDING:

During our testing we noted that the Commission was not in compliance with LRS 43:263, which requires that contracts with attorneys be approved by the Attorney General's office.

RECOMMENDATION:

We recommend that the Commission designate one individual to maintain all contracts for outside professional services and be responsible for insuring compliance with all applicable laws and regulations with regards to the contracts.

COMMISSION RESPONSE:

No response was received from the Commission.

FINDING:

We selected 50 traffic citation numbers randomly chosen from citation books that were signed out, we noted that eleven of those had no record on file. Of the 39 citations, we had documentation on, we noted that those were handled in accordance with RS:398.

RS:398.1 states that the chief administrative officer of each traffic enforcement agency shall issue the books, maintain a record of each book and citation issued to all members of the traffic enforcement agency and retain a receipt for each book issued. We noted that no record of the receipt of the books issued by the Parishes was kept. Each policeman was able to sign out books on their own.

RS:398.1(d) requires the Commission to retain copies of every citation issued and all copies of citations which had been spoiled or upon which an entry was made without having a citation issued to the alleged violator. We understand that warning tickets were not required to be turned in and warning tickets that were turned in were shredded in violation of RS:398.2(d).

Subsequently, the Commission has placed into effect a completely new system for handling traffic citations in the future. This new system is expected to correct all of the problems which existed in the old system.

RECOMMENDATION:

We recommend that the Commission continue implementation and maintenance of its new system.

COMMISSION RESPONSE:

No response was received from the Commission.

* * *

There were not funds received from Federal Financial Assistance Programs for the year ended October 31, 1996.

This report is intended for the information of the Board of Commissioners of the Greater New Orleans Expressway commission, management and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Wegmann-Dazet & Co.

January 21, 1997

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

Year Ended October 31, 1996

	Governmental Fund Types				Totals
	General	Special Revenue	Debt Service	Capital Projects	(Memorandum Only)
Revenues:					
Tolls	$13,652,961	$ -	$ -	$ -	$13,652,961
Vehicular license taxes received from State Highway Fund # 2	-	4,836,597	-	-	4,836,597
Income from investments	502,191	23,770	433,862	412,352	1,372,175
Miscellaneous	127,793	-	-	-	127,793
Total revenues	14,282,945	4,860,367	433,862	412,352	19,989,526
Expenditures:					
Operating - Causeway bridge	6,593,311	-	-	-	6,593,311
Operating - Huey P. Long bridge	425,962	-	-	-	425,962
Debt service:					
Principal retirement	-	-	1,510,000	-	1,510,000
Interest and fiscal charges	-	-	3,783,740	-	3,783,740
Intergovernmental:					
Parishes	350,000	-	-	-	350,000
State of Louisiana	-	-	-	-	-
Capital outlay:					
Equipment and vehicles					
Causeway bridge	284,561	-	-	-	284,561
Huey P. Long Bridge	38,592	-	-	-	38,592
Bridge improvements	-	-	-	4,345,933	4,345,933
Total expenditures	7,692,426	-	5,293,740	4,345,933	17,332,099
Excess (deficiency) of revenues over expenditures	6,590,519	4,860,367	(4,859,878)	(3,933,581)	2,657,427
Other sources (uses)					
Transfers in	394,512	-	5,288,035	6,682,453	12,365,000
Transfers out	(7,068,864)	(4,842,589)	(453,547)	-	(12,365,000)
Total other sources (uses)	(6,674,352)	(4,842,589)	4,834,488	6,682,453	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(83,833)	17,778	(25,390)	2,748,872	2,657,427
Fund balance, beginning	7,003,387	1,000,415	6,152,381	8,310,532	22,466,715
Fund balance, ending	$ 6,919,554	$1,018,193	$ 6,126,991	$11,059,404	$25,124,142

See accompanying Notes to Financial Statements.

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

SUPPLEMENTARY INFORMATION
REVENUE FROM TOLLS

Year Ended October 31, 1996

	North Shore	South Shore	Total
1995			
November	$ 548,681	$ 551,333	$ 1,100,014
December	541,612	542,714	1,084,326
1996			
January	535,336	537,128	1,072,464
February	500,868	511,955	1,012,823
March	572,137	576,619	1,148,756
April	570,299	572,170	1,142,469
May	602,162	605,561	1,207,723
June	562,577	567,102	1,129,679
July	573,595	576,594	1,150,189
August	581,374	585,007	1,166,381
September	556,193	554,480	1,110,673
October	583,919	588,454	1,172,373
	$6,728,753	$6,769,117	$13,497,870

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - GENERAL, SPECIAL REVENUE FUND AND DEBT SERVICE FUND

Year Ended October 31, 1996

	General Fund					Special Revenue Fund			Debt Service			Totals (Memorandum Only)		
	Actual	Adjustments to Budgetary Basis	Actual on Budgetary Basis	Budget	Variance-Favorable (Unfavorable)	Actual	Budget	Variance-Favorable (Unfavorable)	Actual	Budget	Variance-Favorable (Unfavorable)	Actual	Budget	Variance-Favorable (Unfavorable)
Revenues:														
Tolls	$13,652,961	$ -	$13,652,961	$13,479,000	$ 173,961	$ -	$ -	$ -	$ -	$ -	$ -	$13,652,961	$13,479,000	$ 173,961
Vehicular license tax received from State Highway Fund #2	-	-	-	-	-	4,836,597	4,836,597	-	-	-	-	4,836,597	4,836,597	-
Income from investments	502,191	-	502,191	572,000	(69,809)	23,770	33,000	(9,230)	433,862	495,000	(61,138)	959,823	1,100,000	(140,177)
Miscellaneous	127,793	-	127,793	128,000	(207)	-	-	-	-	-	-	127,793	128,000	(207)
Total revenues	14,282,945	-	14,282,945	14,179,000	103,945	4,860,367	4,869,597	(9,230)	433,862	495,000	(61,138)	19,577,174	19,543,597	33,577
Expenditures:														
Operating-Causeway Bridge	6,593,311	(109,683)	6,483,628	6,126,532	(357,096)	-	-	-	-	-	-	6,483,628	6,126,532	(357,096)
Operating-Huey P. Long bridge	425,962	18,238	444,200	445,707	1,507	-	-	-	-	-	-	444,200	445,707	1,507
Debt Service:														
Principal retirement	-	-	-	-	-	-	-	-	1,510,000	1,510,000	-	1,510,000	1,510,000	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	3,783,740	3,783,740	-	3,783,740	3,783,740	-
Intergovernmental														
Parishes	350,000	-	350,000	350,000	-	-	-	-	-	-	-	350,000	350,000	-
State of Louisiana	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay														
Causeway bridge	284,561	-	284,561	374,312	89,751	-	-	-	-	-	-	284,561	374,312	89,751
Huey P. Long bridge	38,582	-	38,582	37,075	(1,507)	-	-	-	-	-	-	38,582	37,075	(1,507)
Total expenditures	7,692,416	(91,445)	7,600,971	7,333,626	(267,345)	-	-	-	5,293,740	5,293,740	-	12,894,711	12,627,366	(267,345)
Excess (deficiency) of revenues over expenditures	6,590,519	91,445	6,681,966	6,845,366	(163,400)	4,860,367	4,869,597	(9,230)	(4,859,878)	(4,798,740)	(61,138)	6,682,455	6,916,221	(233,766)
Other sources (uses)														
Transfers in	394,512	-	394,512	-	394,512	-	-	-	5,288,035	4,798,740	489,295	5,682,547	4,798,740	883,807
Transfers out	(7,068,864)	-	(7,068,864)	(6,845,366)	(223,500)	(4,842,589)	(4,869,597)	27,008	(453,547)	-	(453,547)	(12,365,000)	(11,714,963)	(650,039)
Total other sources (uses)	(6,674,352)	-	(6,674,352)	(6,845,366)	171,012	(4,842,589)	(4,869,597)	27,008	4,834,488	4,798,740	35,748	(6,682,455)	(6,916,221)	233,766
Excess (deficiency) of revenues and other sources over expenditures and other uses	(83,833)	91,445	7,612	-	7,612	17,778	-	17,778	(25,390)	-	(25,390)	-	-	-
Fund balance, beginning	7,003,387	-	7,003,387	7,003,387	-	5,000,415	5,000,415	-	6,152,381	6,152,381	-	14,156,183	14,156,183	-
Fund balance, ending	$ 6,919,554	$ 91,445	$ 7,010,999	$ 7,003,387	$ 7,612	$5,018,193	$5,000,415	$ 17,778	$6,126,991	$6,152,381	$ (25,390)	$14,156,183	$14,156,183	$ -

See accompanying Notes to Financial Statements.

9) Due to Parishes

Act 1227 of the 1995 Regular Session of the Louisiana Legislature provides for an annual transfer out of surplus funds of up to $50,000 to each of the following:

Jefferson Parish	Tangipohoa Parish
St. Tammany Parish	Washington Convention Facility Fund
St. Charles Parish	City of New Orleans
St. John the Baptist Parish	

As of October 31, 1996, the transfer to the Washington Convention Facility Fund had not been made. Payment was subsequently remitted.

As of October 31, 1996, sufficient surplus was available for the transfer of $400,000, to the above.

10) Surplus Due to State of Louisiana

The bond resolution provides for any surplus as defined in the bond resolution, to be transferred to the State Treasury.

As of October 31, 1996, no surplus was available for transfer to the State Treasury.

11) Unpaid Sick Leave and Vacation

The Commission has calculated this amount based on current employee salaries and accumulated unused sick and vacation leave. The maximum unused sick leave paid to an employee is 120 days. The Commission is unable to determine how much of the amount accrued would normally be liquidated with expendable available resources and should therefore be recorded as a current liability. However, the amount would not be expected to be material.

12) Sales Tax Claims

The State of Louisiana, Department of Revenue has filed a claim against the Commission for sales taxes due. The Commission contends that under the sales tax regulations it is not required to pay the sales taxes in question. A payable of $125,000 has been recorded in the event the Commission is required to remit the sales taxes. The net effect of this is to reduce by $125,000 the surplus available to pay the State treasury.

13) Contingencies

The Commission is a defendant in a number of lawsuits and claims arising from personal injury, wrongful death, property damage and employment discrimination, the ultimate results of these cannot be determined. The Commission does not expect that these matters will have a material adverse effect on the financial statements.

1) Summary of Significant Accounting Policies (continued)

(d) Budget Practices (continued)

To add back prior years' funds designated for extraordinary maintenance and reserve paid in 1996, but not recorded as expenditures in 1996	(859,683)
To add back prior years' funds designated for operations of the Huey P. Long bridge paid in 1996, but not recorded as expenditures in 1996	(464,554)
Excess of revenues and other sources over expenditures and other uses (GAAP basis) - (page 4)	$ (83,833)

(e) Disposition of Property
The Commission may sell any machinery, fixtures or other moveable property acquired by it from the proceeds of bonds issued or revenues received with the determination by the Consulting Engineer that such equipment is no longer needed or useful. The proceeds of the sale shall be applied to the replacement of the properties sold or disposed or shall be deposited to the credit of (1) the Extraordinary Maintenance and Repair Reserve Fund to the extent necessary to make the amount on deposit in said fund equal to the amount required to be then on deposit therein and (2) the entire balance remaining shall be deposited in the Revenue Fund. There were no proceeds received from dispositions of property in the year ended October 31, 1996.

(f) Inventory
Inventory consists of spare bridge components and is stated at costs.

2) Cash

At October 31, 1996, the Commission had cash accounts totaling $1,075,436 Actual cash on hand at the banks was $1,142,870.

These deposits are stated at cost. Under state law, these deposits or the resulting bank balances 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 or exceed the amount on deposit with the fiscal agent. Cash accounts at October 31, 1996, are secured as follows:

Federal deposit insurance	$ 100,000
Agent banks pledged securities	1,308,515
	$ 1,408,515

In accordance with state law all deposits were collateralized at October 31, 1996.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statue 39:1229 imposes a statutory requirement on the custodial bank to advertise for sale of the pledged securities within 10 days of being notified by the Commission that the fiscal agent bank has failed to pay deposited funds upon demand.

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

October 31, 1996

	Governmental Fund Types				Proprietary Fund Type	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Internal Service	General Fixed Assets	General Long-Term Debt	Totals (Memorandum Only)
ASSETS								
Cash	$ 1,075,436	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,075,436
Investments, at lower of cost or par value, net	9,180,189	1,446,549	8,976,951	10,292,923	1,040,091	-	-	30,936,703
Interest receivable - investments	26,834	7,099	153,961	6,712	-	-	-	194,606
Due from other funds	37,506	-	435,455	1,425,405	700,038	-	-	2,598,404
Other receivables	2,846	-	-	-	-	-	-	2,846
Inventory	329,575	-	-	-	-	-	-	329,575
Property, plant and equipment	-	-	-	-	-	1,946,897	-	1,946,897
Amount available in Debt Service Fund	-	-	-	-	-	-	6,126,991	6,126,991
Amount to be provided in future years	-	-	-	-	-	-	57,188,009	57,188,009
Amount to be provided for unpaid sick leave and vacation	-	-	-	-	-	-	588,219	588,219
Total Assets	$10,652,386	$1,453,648	$9,566,367	$11,725,040	$1,740,129	$ 1,946,897	$63,903,219	$100,987,686
LIABILITIES AND FUND BALANCE								
Expressway refunding and improvements bonds outstanding	$ -	$ -	$ -	$ -	$ -	$ -	$63,315,000	$ 63,315,000
Accounts payable and accrued expenses	201,008	-	-	665,636	652,247	-	-	1,518,891
Matured bonds payable	-	-	1,510,000	-	-	-	-	1,510,000
Matured interest payable	-	-	1,891,870	-	-	-	-	1,891,870
Excess payable to parishes	400,000	-	-	-	-	-	-	400,000
Surplus payable to State of Louisiana	-	-	-	-	-	-	-	-
Due to other funds	2,110,853	435,455	37,506	-	14,590	-	-	2,598,404
Tag deposits	480,680	-	-	-	-	-	-	480,680
Payable to state - sales tax claim	124,999	-	-	-	-	-	-	124,999
Unearned revenue	415,293	-	-	-	-	-	-	415,293
Unpaid sick leave and vacation	-	-	-	-	-	-	588,219	588,219
Total Liabilities	3,732,833	435,455	3,439,376	665,636	666,837	-	63,903,219	72,843,356
Fund Equity:								
Investment in general fixed assets	-	-	-	-	-	1,946,897	-	1,946,897
Retained earnings:								
Reserved for self insurance	-	-	-	-	1,073,292	-	-	1,073,292
Fund balance:								
Reserved for inventory	329,575	-	-	-	-	-	-	329,575
Reserved for debt-service	-	1,018,193	6,126,991	-	-	-	-	7,145,184
Reserved for construction of expressway improvements	-	-	-	11,059,404	-	-	-	11,059,404
Unreserved								
Designated for Huey P. Long Bridge	474,467	-	-	-	-	-	-	474,467
Designated for extraordinary maintenance and repair	2,846,154	-	-	-	-	-	-	2,846,154
Designated for operations and maintenance	2,002,710	-	-	-	-	-	-	2,002,710
Designated for debt service	1,266,648	-	-	-	-	-	-	1,266,648
Total Fund Equity	6,919,553	1,018,193	6,126,991	11,059,404	1,073,292	1,946,897	-	28,144,330
Total Liabilities and Fund Balance	$10,652,386	$1,453,648	$9,566,367	$11,725,040	$1,740,129	$ 1,946,897	$63,903,219	$100,987,686

See accompanying Notes to Financial Statements.

Our audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole. The schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the component unit financial statements of the Greater New Orleans Expressway Commission. Such information, except for that portion marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in our opinion, is fairly stated in all material respects in relation to the component unit financial statements taken as a whole.

Wegmann - Dazet + Co.

January 21, 1997

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CERTIFIED PUBLIC ACCOUNTANTS

Member
Independent Accountants
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INDEPENDENT AUDITORS' REPORT

To Board of Commissioners
Greater New Orleans Expressway Commission
Jefferson Parish and St. Tammany Parish, Louisiana

We have audited the accompanying financial statements of the Greater New Orleans Expressway Commission (the Commission), a component unit of the State of Louisiana, as of October 31, 1996 and for the year then ended as listed in the table of contents. These component unit financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 4 to the financial statements, the Commission changed its method of accounting for infrastructure assets. This change was made at the request of Louisiana's Division of Administration - State Accounting in order to conform to the State of Louisiana's presentation of infrastructure assets.

In accordance with Government Auditing Standards, we have also issued a report dated January 21, 1997, on our consideration of the Commission's internal control and a report dated January 21, 1997, on its compliance with laws and regulations.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of October 31, 1996, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In connection with our examination, nothing came to our attention that caused us to believe that funds received by the Greater New Orleans Expressway Commission have not been applied in accordance with the General Bond Resolution dated September 25, 1986 and as supplemented by the Series 1992 Resolution dated December 4, 1992. However, it should be noted that our examination was not directed primarily toward obtaining knowledge of such noncompliance.

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LEGISLATIVE AUDITOR

GREATER NEW ORLEANS
EXPRESSWAY COMMISSION

JEFFERSON AND ST. TAMMANY PARISHES
STATE OF LOUISIANA

FINANCIAL STATEMENTS

Year Ended October 31, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date APR 09 1997

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - PROPRIETARY FUND TYPE - INTERNAL SERVICE FUND

Year Ended October 31, 1996

Operating Revenues:	
Premiums	$ 405,610
Income from investments	62,911
Total Operating Revenues	468,521
Operating Expenses:	
Contractual service	52,437
Claims	666,143
Total Operating Expenses	718,580
Net Income (Loss)	(250,059)
Retained Earnings:	
Beginning of year	1,323,351
End of year	$1,073,292

See accompanying Notes to Financial Statements.

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
INTERNAL SERVICE FUND

Year Ended October 31, 1996

Increase (decrease) in cash and cash equivalents:

Cash Flows from Operating Activities	
Net income (loss)	$(250,059)
Changes in current assets and liabilities increase (decrease)	
Due from other funds	(328,629)
Increase in accounts payable	572,047
Net Cash Provided by Operating Activities	(6,641)
Cash Flows from Investing Activities	
Purchase and sales of investments - net	6,641
Net Cash From Investing Activities	6,641
Net increase (decrease) in cash	-
Cash at beginning of year	-
Cash at end of year	-
	$ -

See accompanying Notes to Financial Statements

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

NOTES TO FINANCIAL STATEMENTS

Year Ended October 31, 1996

1) Summary of Significant Accounting Policies

The Greater New Orleans Expressway Commission was formed on October 20, 1954, for the purpose of constructing, operating and maintaining the Expressway.

The following is a summary of certain significant policies:

(a) Financial Reporting Entity

The Commission was originally created as an agency and instrumentality of the Parish of Jefferson and the Parish of St. Tammany, Louisiana. Subsequent to passage of Act 762 of the 1986 Regular Session of the Louisiana Legislature, the Louisiana Division of Administration - State Accounting has determined that the Commission is a component unit of the State of Louisiana in accordance with provisions of the National Council on Governmental Accounting's Statement No. 3. Therefore, the accompanying component unit financial statements of the Commission contain sub-account information of the State of Louisiana. As such, the accompanying statements present information only as to the transactions of the Commission as authorized by Louisiana statutes.

Annually, the State of Louisiana issues both comprehensive and general purpose financial statements which include the activity contained in the accompanying component unit financial statements. The comprehensive and general purpose financial statements are issued by the Louisiana Division of Administration - State Accounting and audited by the Louisiana Legislative Auditor.

This report includes all funds and account groups which are controlled by or dependent on the Commission. Control by or dependence on the Commission was determined on the basis of budget adoption, authority to issue debt, and other general oversight responsibility.

(b) Fund Accounting

The accounts of the Commission are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures. The various funds are grouped, in the financial statements in this report as follows:

Governmental Funds -

General Fund

The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is comprised of seven accounts as follows:

1) Summary of Significant Accounting Policies (continued)

1. Revenue Fund:

All revenues collected by the Commission are deposited to this account. Transfers are then made as required by the bond resolution.

2. Collateral Undisbursed Debt Service Account:

Funds are transferred to this account whenever the amount on deposit in the Debt Service Fund is not at least equal to the Accrued Aggregate Debt Service through the end or the next succeeding month. When funds are deposited to the Debt Service Fund bringing the balance equal to Accrual Aggregate Debt Service through the end of the next succeeding month, then the funds in the Collateral Undisbursed Debt Service Account are returned to the funds from which they were transferred.

3. Operation and Maintenance Fund:

The monies transferred to the Operation and Maintenance Fund are for paying the operating expenses of the Expressway and administrative expenses of the Commission.

4. Extraordinary Maintenance and Repair Reserve Fund:

The monies in the Extraordinary Maintenance and Repair Reserve Fund may be used for major resurfacing, replacement or reconstruction of the Expressway and major or extraordinary repairs, renewals or replacement of the Expressway.

5. Huey P. Long Bridge Account:

The money in the Huey P. Long Bridge Account is provided from State surplus of the prior year. These funds are used to reimburse the Commission for the cost of providing police officers to police the Huey P. Long Bridge.

6. Excess Revenue Fund

This account maintains any surplus remaining at the end of a fiscal year pending distribution pursuant to Act 762 of the 1986 Regular Session of the Louisiana Legislature.

7. Excess Vehicle License Tax Account

This account maintains any excess of the vehicle license tax collected over debt service requirements for a year. In the event of any such excess that excess shall be deemed surplus and transferred to the State Treasurer.

1) Summary of Significant Accounting Policies (continued)

(b) Fund accounting (continued)

Account Groups -

Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets. Interest has not been capitalized during construction.

All fixed assets are valued at historical cost.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

(c) Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
JEFFERSON PARISH AND ST. TAMMANY PARISH, LOUISIANA

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