

**New Jersey Turnpike Authority
Financial Summary
For the Four Months Ended April 30, 2017**

ACTUAL REVENUE - January - April	\$ 542,677,000
ESTIMATED REVENUE - May - December	1,225,568,000
<i>Projected Annual Revenue</i>	\$ 1,768,245,000
ESTIMATED ANNUAL OPERATING EXPENSES	\$ 528,762,000
<i>Projected Net Revenue</i>	\$ 1,239,483,000
DEBT SERVICE REQUIREMENTS	829,582,000
CHARGES FUND	155,000
SPECIAL PROJECT RESERVE FUND	39,696,000
MAINTENANCE RESERVE FUND	116,751,000

The following un-audited results are for the four months ended April 30, 2017.¹ Based upon these results, revenues will be sufficient to satisfy the requirements of the Authority's Bond Resolution. For the twelve months ending December 31, 2017, the Authority is projected to have a debt service coverage ratio of 1.49 and a total requirements coverage ratio of 1.26.

The Authority's total revenue for the four months ended April 30, 2017 was \$542,677,000, which is \$7,010,000, or 1.3%, above projections. Toll revenue was \$477,110,000, which is \$6,129,000, or 1.3%, greater than projections due to less severe weather in the first four months of 2017 than was projected. February had an average temperature of 40.1 degrees, making it one of the warmest February months in New Jersey history. Traffic and revenue increased despite the effects from winter Storm Stella, a state of emergency event which occurred on March 14-15, 2017 and the closure of the Delaware River Turnpike Bridge from January 20, 2017 to March 9, 2017. The increase in total revenue was also due in part to higher than anticipated income from investments. Income from investments, which totaled \$4,464,000, was \$686,000 or 18.2% above projections due to higher invested balances and higher yields on investments due to an increase in short term general interest rates.

For the four months ended April 30, 2017, traffic on the New Jersey Turnpike increased 0.9% and toll revenue decreased 0.2% as compared to the same period in 2016. The increase in traffic is due to less severe weather in the first four months of 2017 compared to the same period in 2016. Toll transactions increased despite one fewer day in 2017 and the closure of Interchanges 6 and 6A on the New Jersey Turnpike from January 20, 2017 to March 9, 2017 due to the emergency closure of the Delaware River Turnpike Bridge, which connects the New Jersey Turnpike to the Pennsylvania Turnpike. This closure resulted in a revenue loss of \$8.0 million. Traffic and revenue were also negatively impacted by winter storm Stella. The storm resulted in 742,000 fewer transactions and \$2,878,000 less revenue when compared to similar days in March. When adjusting for the impacts of this storm, traffic and revenue would have increased 1.8% and 0.6%, respectively. CDM Smith, the Authority's traffic engineer, released a draw down letter dated March 8, 2017 updating the short-term projections of its investment grade study released in May 2014. CDM Smith projects 2017 annual traffic to increase 0.3% and revenue to decrease 0.6%. The actual and adjusted results for the four months ended April 30, 2017 were above CDM Smith's projections of a decrease of 0.4% for traffic and 1.9% for revenue. Through April 2017, the E-ZPass usage rate on the New Jersey Turnpike was 83.9%, an increase from 82.9% for the same period in 2016.

For the four months ended April 30, 2017, toll transactions on the Garden State Parkway increased 0.3% and revenue remained flat when compared to the same period in 2016. Toll transactions increased and revenue remained flat despite one fewer day in 2017, and the impact of winter storm Stella. The storm resulted in 1,128,000 fewer transactions and \$1,216,000 less revenue when compared to similar days in March. When adjusting for the impacts of this storm, Parkway traffic and revenue would have increased 1.2% and 0.9%, respectively. CDM Smith's 2017 forecast projected toll transactions and revenue to increase 0.4% and 0.5% respectively for the Garden State Parkway. The actual and adjusted results for the four months ended April 30, 2017 compare favorably to CDM's projected decreases of 0.1% for toll transactions and 0.1% for revenue. Through April, 2017 the E-ZPass usage rate on the Garden State Parkway was 80.9%, an increase from 79.5% for the same period in 2016.

Operating expenses for the four months ended April 30, 2017 were approximately \$156,767,000, which was 86.9% of the year-to-date budget. The Authority's operating expenses through April were under budget primarily due to lower than expected snow and severe weather costs charged to operating expenses. The Authority spent \$24,888,000 for snow and severe weather costs through April 30, 2017, with \$17,343,000 spent from the operating expense budget and an additional \$7,545,000 spent from the General Reserve Fund. All snow and severe weather costs are charged to the operating expense budget with the exception of declared state of emergency events, which are charged to the General Reserve Fund. Discretionary spending and budgetary guidelines will be closely monitored and adhered to through the remainder of the year in order to control operating expenses.

The Capital Budget consists of Supplemental Capital, Maintenance Reserve, and Special Project Reserve Funds. For the four months ended April 30, 2017, total expenditures were approximately \$24,744,000. Expenditures included \$4,977,000 for Turnpike Bridge Repairs, \$4,439,000 for Emergency Maintenance, and \$3,421,000 for Parkway Bridge Repairs. In addition to the Capital Budget spending, the General Reserve Fund expenses totaled \$92,380,000 and consisted primarily of \$68,000,000 for the State Transportation Projects Funding Agreement 2016-2021, \$7,545,000 for Extraordinary Events Snow, and \$7,333,000 for the Transportation Trust Fund.

Total expenditures in the Construction Fund for the four months ended April 30, 2017 were approximately \$136,564,000. Expenses included \$43,847,000 for the Authority's Phase I Facilities Improvements project, \$15,792,000 for the Turnpike Interchange 14A Reconstruction project, and \$12,724,000 for the widening of GSP Int. 35 – Int. 63. In addition to these expenditures, there are open contracts and commitments totaling approximately \$639,678,000.

¹ These are un-audited results. Amounts and categories of revenue and expenses may change when audited.