

**New Jersey Turnpike Authority
Financial Summary
For the Month Ended January 31, 2020**

ACTUAL REVENUE - January	\$	142,070,000
ESTIMATED REVENUE - February - December		1,722,873,000
<i>Budgeted Annual Revenue</i>	\$	1,864,943,000
BUDGETED ANNUAL OPERATING EXPENSES		598,971,000
<i>Budgeted Net Revenue</i>	\$	1,265,972,000
DEBT SERVICE REQUIREMENTS		842,699,000
SPECIAL PROJECT RESERVE FUND		41,300,000
MAINTENANCE RESERVE FUND		134,097,000

The following un-audited results are for the month ended January 31, 2020.¹ 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, 2020, the Authority is projected to have a debt service coverage ratio of 1.50 and a total requirements coverage ratio of 1.24.

The Authority's total revenue for the month ended January 31, 2020 was \$142,070,000, which is \$5,612,000, or 4.1%, above the 2020 Budget. Toll revenue was \$122,582,000, which is \$5,306,000, or 4.5%, greater than the 2020 budget. Toll revenue is greater than budget primarily due to normal growth, stable economic conditions, and less severe winter weather. January 2020 was ranked the 11th least-snowy and the 8th mildest January since 1895. The increase in total revenue was also due to higher income from investments. Income from investments, which totaled \$2,249,000, was \$211,000 or 10.4% above the 2020 budget due to higher than projected yields on investments due to market conditions and higher invested balances.

For the month ended January 31, 2020, traffic on the New Jersey Turnpike increased 1.9% and toll revenue increased 0.7% compared to the same period in 2019. Traffic and toll revenue increased primarily due to less severe winter weather and normal growth. Both traffic and toll revenue were higher than projected. Projections are based on the Authority's traffic engineering consultant's (CDM Smith) toll revenue forecast study dated September 27, 2018. The actual results for the month ended January 31, 2020 have exceeded CDM Smith's projections of a 4.7% decrease in traffic and a 3.6% decrease in revenue as the projections assumed several winter storms which did not occur. Through January 2020, the *E-ZPass* usage rate on the New Jersey Turnpike was 88.3%, an increase from 87.2% for the same period in 2019.

For the month ended January 31, 2020, toll transactions on the Garden State Parkway increased 3.4% and revenue increased 3.0% when compared to the same period in 2019. The increase in revenue is due mainly to less severe winter weather in 2020 compared to 2019, as well as normal growth. The actual results for the month ended January 31, 2020 were above CDM's projections of a decrease of 1.8% in toll transactions and a decrease of 1.6% in toll revenue. As with the Turnpike, projections assumed several winter storms which did not occur. Through January 2020, the *E-ZPass* usage rate on the Garden State Parkway was 85.6%, an increase from 84.8% for the same period in 2019.

Operating expenses for the month ended January 31, 2020 were approximately \$42,317,000, which was 81.7% of the year-to-date budget. The Authority's operating expenses through January were under budget primarily due to lower than budgeted snow and severe weather costs. The Authority spent a total of \$3,181,000 for snow and severe weather costs in 2020 from the operating expense budget. All snow and severe weather costs are charged to the operating expense budget except for declared state of emergency events, which are charged to the General Reserve Fund. New Jersey had no declared state of emergency event in January 2020. For the

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

month ended January 31, 2020, snow and severe weather costs charged to operating expenses were approximately \$5,211,000 under budget.

Debt Service includes interest and principal payments on the Authority's outstanding debt. For the month ended January 31, 2020, Debt Service totaled \$69,648,000 and included \$48,865,000 in interest payments and \$20,783,000 in principal payments. Debt Service is currently under budget primarily due to the Series 2015A bonds, as the budget assumes interest at 12% of the \$5 million unhedged portion of the bonds and the actual interest rate was under 2%.

The General Reserve Fund includes all contractual payments subordinate to bondholders and expenditures for any other corporate purpose. The General Reserve Fund expenses totaled \$12,792,000 for the month ended January 31, 2020. Expenditures consisted primarily of \$10,750,000 for the State Transportation Projects Funding Agreement, and \$1,833,000 for the Transportation Trust Fund Agreement.

The Capital Budget, which is funded by revenue, consists of the Maintenance Reserve Fund, Special Project Reserve Fund, the Supplemental Capital Program, and the Passaic River Bridges Rehabilitation Program. For the month ended January 31, 2020, total expenditures were approximately \$6,874,000. Expenditures included \$1,235,000 for the Additional Roadway Resurfacing project, \$1,215,000 for the Service Area Renovations project, and \$814,000 for the Laderman Bridge Repair project.

Total expenditures from the \$7 Billion Capital Improvement Program (CIP) for the month ended January 31, 2020 were approximately \$9,739,000. Expenses included \$2,546,000 for Phase II of Sign Replacements, \$1,642,000 for NBHCE Bridge Redecking, and \$1,110,000 for the Authority's Phase I Facilities Improvements project. In addition to these expenditures, there are open contracts and commitments totaling approximately \$337,731,000. Total expenditures from the 2019 CIP for the month ended January 31, 2020 were approximately \$3,578,000. Expenses include \$1,142,000 for GSP Shoulder Widening from MP 30 to 35 and \$975,000 for Turnpike Interchange 6 E-ZPass Improvements. Both programs are funded from bond proceeds.