



# **NEW JERSEY TURNPIKE AUTHORITY**

(A Component Unit of the State of New Jersey)



## **Quarterly Financial Analysis and Unaudited Financial Statements as of June 30, 2020 and 2019**

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NEW JERSEY TURNPIKE AUTHORITY  
(A Component Unit of the State of New Jersey)  
Quarterly Financial Analysis  
For the Six Months Ended June 30, 2020 and 2019

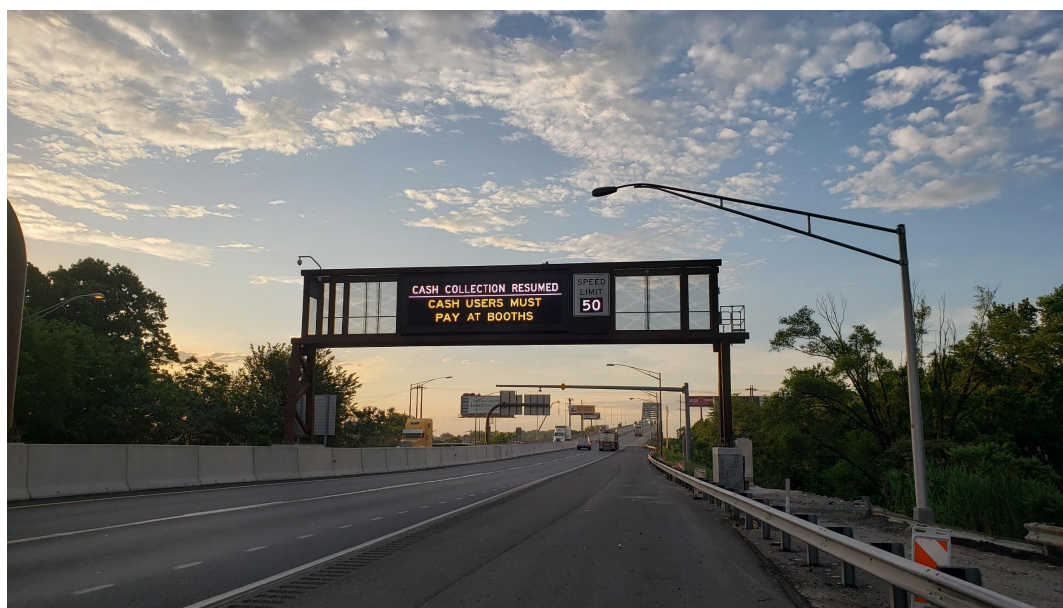
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**MANAGEMENT DISCUSSION & ANALYSIS SECTION  
(UNAUDITED)**

## Highlights

- On April 1, 2020, the Authority issued \$33,875 of Turnpike Revenue Bonds, Series 2020A, for the purpose of providing funds, together with other available moneys of the Authority, to refund, purchase and retire all of its outstanding Turnpike Revenue Bonds, Series 2015B.
- On May 19, 2020, cash toll collections were resumed on the roadways of the New Jersey Turnpike and Garden State Parkway. Coin lanes on Parkway entry and exit ramps were also reopened on May 19, 2020. Cash toll collection had been suspended on March 24, 2020 in response to the COVID-19 pandemic. Tolls were collected electronically during this time either through E-ZPass or Tolls By Mail. As a precaution against the spread of COVID-19 since the toll collectors returned to the booths, they are following CDC issued guidelines which includes wearing gloves, face masks, and plastic face shields.



- On May 27, 2020, the Board of Commissioners adopted a toll increase of 36% on the Turnpike and 27% on the Parkway and the \$24 Billion Long-Range Capital Plan. The new toll rates will go into effect on September 13, 2020. The Long-Range Capital Plan includes, among other things, a variety of safety, state of good repair and capacity enhancement projects, replacement of the Delaware River Turnpike Bridge and replacement of the Laderman Bridge on the Western Spur of the Turnpike.
- On June 18, 2020, the Authority issued \$24,935 of Turnpike Revenue Bonds, Series 2020B and \$163,230 of Turnpike Revenue Bonds, Series 2020C. The proceeds were used by the Authority to (i) refund and legally defease certain maturities of its currently

June 30, 2020

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outstanding Turnpike Revenue Bonds Series 2012B, Series 2013A, Series 2014C, Series 2015A, Series 2015C, Series 2015D and Series 2017C, (ii) to make termination payments required to be made by the Authority in connection with the partial termination of certain interest rate swap agreements, and (iii) to pay the costs of issuance for the Series 2020B Bonds and the Series 2020C Bonds. This refunding provided approximately \$180 million of cash flow relief in 2020 through debt service savings.

- In June 2020, three service areas on the New Jersey Turnpike and Garden State Parkway reopened after they were closed for rebuild and reconstruction. The Richard Stockton service area on the southbound Turnpike was reopened after extensive renovations on June 17, 2020. The Forked River service area on the Garden State Parkway in southern Ocean County was completed the week before. The renovation of the Vince Lombardi service area on the northern most point of the Turnpike was completed around the July Fourth holiday weekend. A portion of the rebuilds and renovations was temporarily funded by the Authority based on the two Memoranda of Understanding (MOU) entered in March 24, 2020 and on April 16, 2020, with HMS Host Tollroads Inc. (HMS). The MOU's authorized the Authority to fund the construction of these service areas on a reimbursable basis due to the negative impact of COVID-19 on HMS's revenue. This arrangement was made to allow for timely completion of the reconstruction work that had already begun and avoid indefinite closure of these service areas which would have negatively impacted the Authority's customers.



- The Authority's net position decreased by \$112,850, or 19.2%, from \$589,274 as of December 31, 2019, to \$476,424 as of June 30, 2020. The decrease in net position can be attributed to lower operating revenue, which was only partially offset by lower operating expenses and lower non-operating expenses.
- Operating revenue in Q2 2020 is \$261,261, which is \$188,569, or 41.9% less than Q2 2019. Toll revenue on the Turnpike decreased by 44.0%, and traffic decreased by 48.9% in Q2 2020. Parkway toll revenue decreased by 44.5%, while traffic decreased by 42.2% in Q2 2020, compared to Q2 2019. The declines on both roadways were due entirely to the impacts of the COVID-19 pandemic. Prior to the COVID-19 Pandemic and subsequent economic downturn, Authority revenue had been 4.1% higher than projections.

## Condensed Summary of Net Position

	Six months ended June 30, 2020	Twelve months ended December 31, 2019
Assets:		
Current assets	\$ 1,764,107	2,174,701
Other noncurrent assets	658,398	694,519
Capital assets, net of accumulated depreciation	12,156,842	12,094,445
Total assets	\$ 14,579,347	14,963,665
Deferred outflows	\$ 415,824	388,890
Liabilities:		
Current liabilities	\$ 778,825	970,744
Noncurrent liabilities	13,437,620	13,490,235
Total liabilities	\$ 14,216,445	14,460,979
Deferred inflows	\$ 302,302	302,302
Net position:		
Net investment in capital assets	\$ 1,886,650	1,687,349
Restricted under trust agreements	52,031	246,242
Unrestricted	(1,462,257)	(1,344,317)
Total net position	\$ 476,424	589,274

### Discussion of Condensed Summary of Net Position as of June 30, 2020

The Authority's total net position is reported at \$476,424 and \$589,274 as of June 30, 2020, and December 31, 2019 respectively. The decrease of \$112,850, or 19.2%, is mainly due to lower operating revenues. Other noncurrent assets decreased by \$36,121, or 5.2%, as compared to December 31, 2019. This is mainly due to a decrease in restricted investments as the bond proceeds included in restricted investments are used to fund construction projects and no new bonds were issued in Q2 2020 to fund construction projects. Capital assets increased by \$62,397, or 0.5%, as compared to December 31, 2019 mainly due to the increase in equipment purchases and increase in construction in progress. The decrease of \$191,919 or 19.8% in the current liabilities is mostly due to a decrease in current portion of bonds payable. The current portion of bonds payable decreased as the Authority refunded certain maturities of its currently outstanding bonds which resulted in reduction of debt service obligation by restructuring principal payments due on 1/1/2021 to 1/1/2026 at the earliest. Noncurrent liabilities decreased by \$52,615 or 0.4%, primarily due to a \$88,573 or 0.8% decrease in bonds payable. The decrease in bonds payable was largely due to mandatory redemption of outstanding Turnpike Revenue Bonds in January 2020. The decrease in noncurrent liabilities is offset by an increase in the interest rate swap liabilities and increase in the Other Postemployment benefits liability. The interest rate swap liabilities increased as a result of decrease in current floating interest rate that the Authority

June 30, 2020

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receives in exchange for interest at fixed rate. As floating interest rate decreases, the value of swaps decreases as well.

### Adjusted Net Position

	June 30, 2020	December 31, 2019
<b>Net Position as per GAAP Financials</b>	476,424	589,274
Other postemployment benefit liability/deferral GASB 75, net	1,569,148	1,546,471
Pension liability/deferral GASB 68, net liability	395,020	395,021
Derivatives Instruments/deferrals GASB 53, net	(117,459)	(104,409)
Pollution Remediation GASB 49	11,658	11,658
Other long-term liabilities	—	—
Leases GASB 62, net	34,344	34,344
<b>Total non cash adjustments</b>	<u>1,892,711</u>	<u>1,883,085</u>
Garden State Arts Foundation	<u>(1,173)</u>	<u>(680)</u>
<b>Net Position as per Bond Resolution</b>	<u>2,367,962</u>	<u>2,471,679</u>

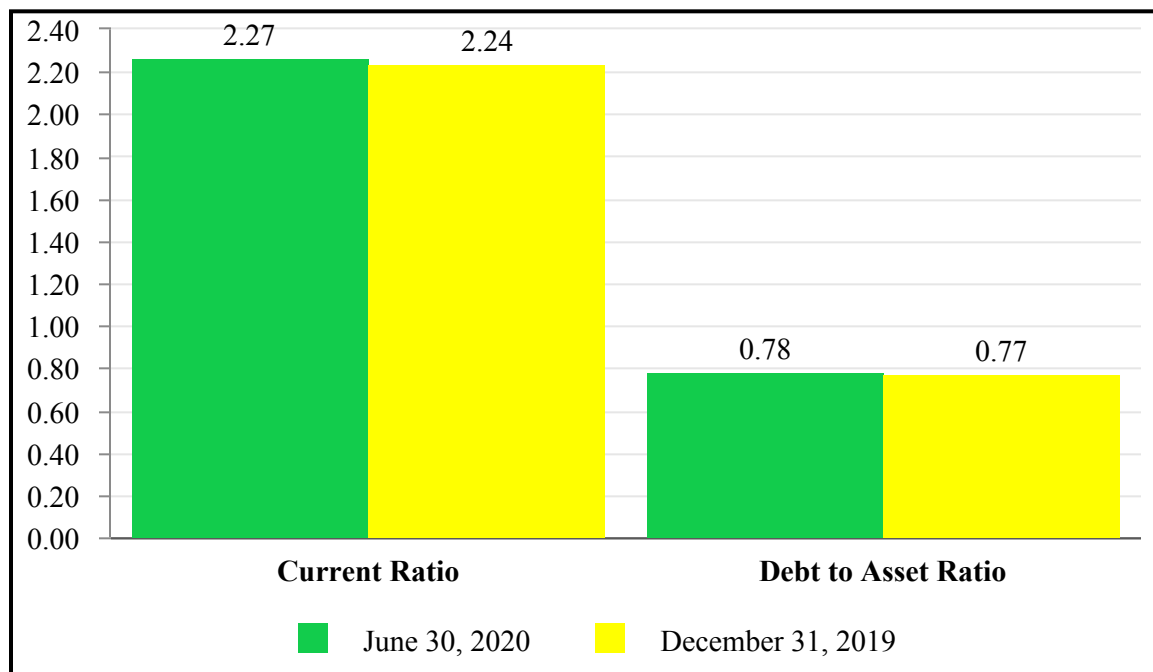
### Adjusted net position

Shown above is the Authority's adjusted net position as calculated per the Authority's Bond Resolution. Net position, per the Bond Resolution, has been calculated after adjusting for GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligation* (GASB 49), GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53), GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68) and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75) which are all non-cash liabilities. Over the past several years, the implementation of new GASB pronouncements has resulted in significant non-cash accounting reductions in the Authority's net position. Additionally, in accordance with the accounting under GASB 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* which includes leases, the Authority was required to recognize capital assets funded by the lessee and a corresponding unearned revenue. Management believes that the net position as per the Bond Resolution provides an alternate view of the strength of the Authority's operations and its financial position.



## Net Position Ratio Analysis – GAAP Basis

Ratio	June 30, 2020	Dec. 31, 2019	Explanation
<b>Current Ratio</b>	2.27	2.24	The current ratio is calculated as the Authority's current assets divided by current liabilities. A strong current ratio is over 1.0, and indicates an organization's ability to meet their short term obligations. The Authority's current ratio increased over the period due to decrease in current liabilities. The ratio still indicates a strong capacity to meet short term obligations as it is approximately 2 times the amount of current assets as compared with current liabilities for June 30, 2020.
<b>Debt to Asset Ratio</b>	0.78	0.77	The debt to assets ratio is calculated by dividing total debt by total assets. The debt to asset ratio increased slightly mainly due to a decrease in assets.



June 30, 2020

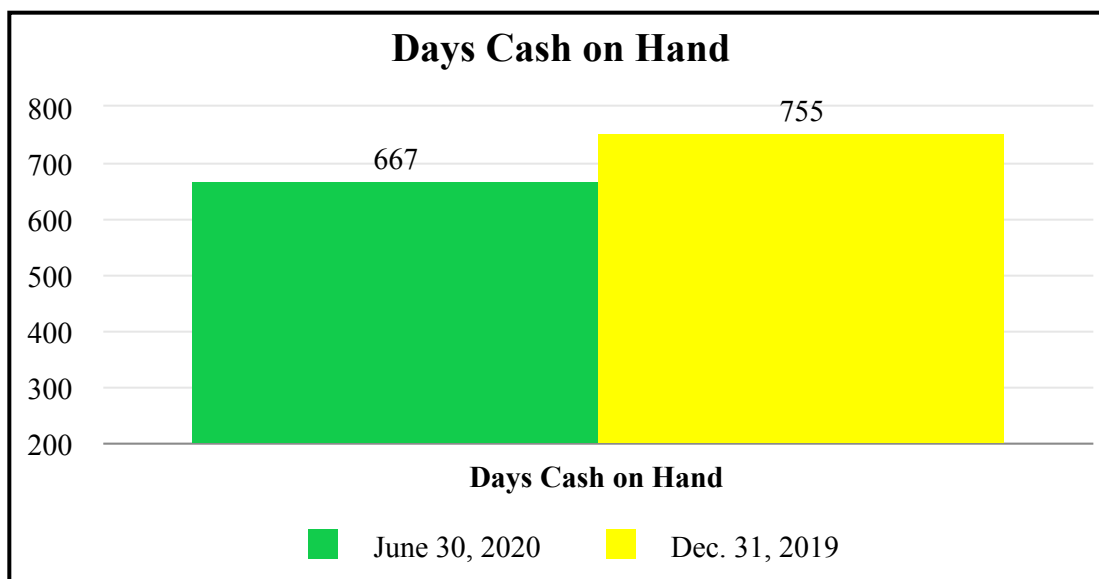
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## Key Performance Metric - Net Position

**Days Cash on Hand** – Days cash on hand is calculated by combining unrestricted cash and unrestricted investments and then dividing by daily operating expenses (taken from the Revenue Fund). This calculation shows how long (in days), the Authority would be able to pay its operating expenses without the generation of revenue. As a result, a larger number of days cash on hand is desirable. As shown in the graph, the days cash on hand has decreased for the period ended June 30, 2020 as compared to the period ended December 31, 2019. The decrease is primarily due to a decline in unrestricted cash and investments due to the decline in operating revenue for the six months ended June 30, 2020. Based on this calculation as of June 30, 2020, the Authority could go 667 days without generating any revenue and still pay its operating expenses.

	June 30, 2020	Dec. 31, 2019
Unrestricted Cash & Investments	\$ 879,757	1,098,509
Daily Operating Expenses (Revenue Fund)	1,318	1,455
Days cash on hand	667	755



## Capital Improvement Program (CIP)

The Authority currently has two active bond funded Capital Improvement Programs (CIP) – (I) the \$7 Billion CIP and (II) the 2019 CIP. The \$7 Billion CIP and the 2019 CIP are funded through proceeds generated from the issuance of Turnpike Revenue Bonds. In addition the these two programs, on May 26, 2020, the Authority approved a new \$24 billion 20 year long range capital plan that will begin in 2020. This new program is known as the 2020 Long-Range Capital Plan.

### I. \$7 Billion Capital Improvement Program

The Authority is nearing the conclusion of a \$7 Billion CIP that includes large scale projects such as widening stretches of both the Turnpike and the Parkway and smaller projects that improve interchanges, rehabilitate bridges, and deploy new technologies.

Total expenditures for the \$7 Billion CIP for the six months ended June 30, 2020 were approximately \$6,668,500. Spending included approximately \$35,400 for the NBHCE Bridge Re-decking, approximately \$16,200 for the Interchange Improvements, approximately \$10,500 for the Sign Replacements Phase II, approximately \$8,200 for the Facilities Improvements Phase I, and approximately \$4,200 for the Widening of GSP Interchange 35 to Interchange 63. In addition to these expenditures, there are open contracts and commitments totaling approximately \$259,400.

The Projects currently included in the \$7 Billion CIP are the following:

Project	Current Budget	Amount Spent or Committed to Date	Percent Spent & Committed to Date
Turnpike Widening (Interchange 6-9)	\$ 2,133,500	2,133,400	100 %
Bridge Improvements	1,704,400	1,672,300	98 %
Roadway Improvements	834,300	831,000	100 %
Interchange Improvements	1,060,300	1,034,300	98 %
Facilities Improvements	684,300	678,000	99 %
Parkway Widening (Milepost 35-80)	583,200	578,900	99 %
	<b>\$ 7,000,000</b>	<b>6,927,900</b>	<b>99 %</b>

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## II. 2019 Capital Improvement Program (2019 CIP)

The Authority adopted the \$500 million 2019 CIP in April 2019 which consists of the design, supervision and construction of 17 capital improvement projects on both roadways and will be funded through Turnpike Revenue Bond proceeds. The projects include several bridge deck replacements on both roadways, the Garden State Parkway shoulder widening between mileposts 30 and 35, and the replacement of the hybrid changeable message signs on the New Jersey Turnpike. These projects are separated into the following categories: Roadway Improvements, Bridge Improvements, Facilities Improvements and Interchange Improvements.

As of June 30, 2020, the total expenditure for this program were approximately \$30,200 and there are open contracts and commitments totaling approximately \$328,600. Spending includes approximately \$6,900 for the Garden State Parkway Shoulder Widening Project and \$5,200 for the Turnpike Interchange 6 EZ-Pass Improvement Project.

The Projects currently included in the 2019 CIP are the following:

Project	Current Budget	Amount Spent or Committed to Date	Percent Spent & Committed to Date
Roadway Improvements	\$ 264,800	228,800	86 %
Bridge Improvements	194,300	137,700	71 %
Facilities Improvements	10,000	1,800	18 %
Interchange improvements	10,000	7,500	75 %
Contingency	5,000	—	—
	<b>\$ 484,100</b>	<b>375,800</b>	<b>78 %</b>

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## Revenue Funded Capital Programs

### I. Passaic River Bridges Program

In July 2017, the \$100 million Passaic River Bridges Program was established by the Board of Commissioners as a revenue funded Capital Improvement Program. The program is a direct result of the Authority's ability to achieve debt savings through refinancing Series 2009E, Series 2009H, Series 2009I and Series 2013A in 2017. These refinancings reduced the annual interest payments on the Authority's outstanding bond portfolio. This program budget was amended in 2020 from \$100 million to \$132 million. As of June 30, 2020, the total expenditures were approximately \$22,500 and there are open commitment and contracts totaling approximately \$18,300.

The Projects currently included in the Passaic River Bridges Program are:

Project	Current Budget	Amount Spent or Committed to Date	Percent Spent & Committed to Date
Passaic River Bridge Rehabilitation Project	97,300	8,800	9 %
Laderman Bridge Repair Project	24,900	21,800	88 %
Washington Bridge Repair Project	9,900	10,100	102 %
	<u>\$ 132,100</u>	<u>40,700</u>	<u>31 %</u>

### II. Maintenance Reserve Fund

This fund primarily supports the maintenance and resurfacing of roadway and bridges on the Turnpike and Parkway. As of June 30, 2020, the total expenditures were approximately \$82,800 and there are open commitment and contracts totaling approximately \$134,600.



The Projects currently included in the Maintenance Reserve Fund are:

<b>Project</b>	<b>Current Budget</b>	<b>Amount Spent or Committed to Date</b>	<b>Percent Spent &amp; Committed to Date</b>
Drainage Structure Repairs	35,200	14,500	41 %
Concrete Barrier Repairs	1	1	100 %
Bridge Repairs	80,000	78,600	98 %
Resurfacing	103,500	98,900	96 %
Major Roadway Repairs	2,500	2,200	88 %
Roadway Lighting	32,100	23,300	73 %
Emergency Repairs	215	(21)	(10) %
Recovery/Unallocated Chargebacks/ Contingency	2,500	—	— %
Emergency Maintenance	—	—	— %
	<b>\$ 256,016</b>	<b>217,480</b>	<b>85 %</b>

### III. Special Project Reserve Fund

This fund includes spending for the Authority's scheduled major fleet augmentation, which is the Authority's existing scheduled fleet replacement program, as well as other renovation and replacement projects, and studies. As of June 30, 2020, the total expenditures were approximately \$13,100 and there are open commitment and contracts totaling approximately \$31,100.

The Projects currently included in the Special Project Reserve Fund are:

<b>Project</b>	<b>Current Budget</b>	<b>Amount Spent or Committed to Date</b>	<b>Percent Spent &amp; Committed to Date</b>
Roadway Improvements	5,400	800	15 %
Facility Improvements	20,500	7,000	34 %
Fleet	15,400	14,300	93 %
Technology Improvements	14,900	2,600	17 %
Contingency	1,500	—	— %
Maintenance of Infrastructure	20,400	16,500	81 %
State Police and Traffic Control	1,600	600	38 %
Technology	2,500	1,700	68 %
General and Administrative Expenses	1,700	800	47 %
	<b>\$ 83,900</b>	<b>44,300</b>	<b>53 %</b>

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#### IV. Supplemental Capital Fund

This includes funding to continue several necessary multi-year projects including the replacement of the toll collection equipment on both roadways, the pavement repair on the New Jersey Turnpike Interchange 14 approach, improvements to the Garden State Arts Center, and the repairs and improvements to the Service Area parking lots and outside areas. As of June 30, 2020, the total expenditures were approximately \$34,400 and there are open commitment and contracts totaling approximately \$56,400.

The Projects currently included in the Supplemental Capital Fund are:

Project	Current Budget	Amount Spent or Committed to Date	Percent Spent & Committed to Date
Bridge Repairs	8,700	—	— %
Roadway Improvements	52,100	37,900	73 %
Resurfacing	18,500	11,900	64 %
Facility Improvements	35,700	12,100	34 %
Service Areas And Arts Center	36,900	22,800	62 %
Technology Improvements	12,100	4,300	36 %
Contingency	5,500	—	— %
Maintenance of Infrastructure	4,000	(200)	(5) %
Technology	3,300	2,100	64 %
	<b>\$ 176,800</b>	<b>90,900</b>	<b>51 %</b>

June 30, 2020

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## Capital Assets

	June 30, 2020	Dec. 31, 2019
Land	\$ 833,761	833,761
Construction-in-progress	829,096	572,496
Roadways	4,492,416	4,581,959
Bridges	4,285,275	4,345,580
Buildings and improvements	839,511	850,588
Equipment	876,783	910,061
Total capital assets, net of accumulated depreciation	<u>\$ 12,156,842</u>	<u>12,094,445</u>

Capital assets consist of land, buildings and improvements, equipment, infrastructure and construction in progress. Infrastructure assets are typically items that are immovable, such as highways and bridges.

- The Authority's capital assets as of June 30, 2020 were \$16,804,152 with an accumulated depreciation of \$4,647,310 for a net book value of \$12,156,842. This represents 83.4% of the Authority's total assets.



- Capital assets, net of accumulated depreciation, are reported at \$12,156,842 as of June 30, 2020 and \$12,094,445 as of December 31, 2019. This represents an increase of \$62,397 or 0.52% in the current year as compared to December 31, 2019. The main reason for the increase is due to the increase in equipment purchases and increase in construction in progress in the six months ended June 30, 2020. This increase is partly offset by an increase in accumulated depreciation in the six months ended June 30, 2020 as compared to December 31, 2019.

June 30, 2020

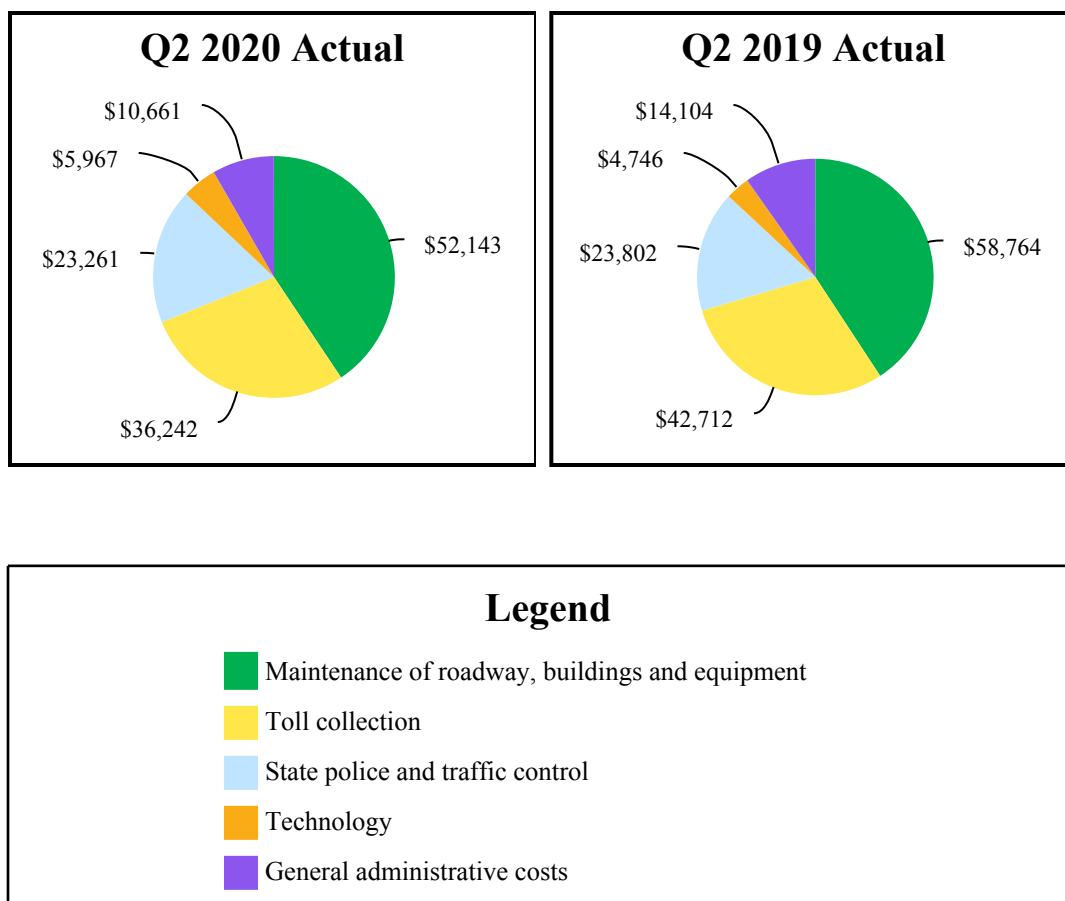
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## Condensed Summary of Revenue, Expenses and Changes in Net Position

	Q2 2020 (Actual)	Q2 2019 (Actual)	June 2020 (Actual)	June 2019 (Actual)	June 2020 (Budget)
Operating revenues:					
Toll revenue	\$ 233,658	\$ 417,934	\$ 571,388	780,470	783,513
E-ZPass fees	16,406	19,259	36,155	39,624	38,479
Concession revenue	8,157	8,920	15,340	15,355	16,550
Miscellaneous revenue	3,040	3,717	6,407	8,479	5,895
Total operating revenues	261,261	449,830	629,290	843,928	844,437
Operating expenses, excluding depreciation	(128,274)	(144,128)	(269,080)	(306,917)	(322,821)
Net operating revenue	132,987	305,702	360,210	537,011	521,616
Depreciation expense	(97,742)	(95,517)	(195,808)	(191,032)	(195,000)
Operating income (loss)	35,245	210,185	164,402	345,979	326,616
Nonoperating revenues (expenses):					
Build America Bonds subsidy	19,212	19,150	39,011	38,301	38,424
Federal and State reimbursements	—	—	—	1,006	—
Payments to the State of New Jersey	(38,375)	(51,250)	(76,750)	(102,500)	(76,750)
Interest expense, Turnpike Revenue Bonds	(139,039)	(140,975)	(264,481)	(266,434)	(265,100)
Other bond expenses	(107)	(24)	(107)	(1,304)	—
Investment income	7,772	13,851	17,789	25,859	14,902
Arts Center	997	998	2,286	2,290	2,289
Total nonoperating revenues (expenses), net	(149,540)	(158,250)	(282,252)	(302,782)	(286,235)
Change in net position, before capital contributions	(114,295)	51,935	(117,850)	43,197	40,381
Capital contributions	—	—	5,000	—	—
Change in net position	(114,295)	51,935	(112,850)	43,197	40,381
Net position – Beginning of period	590,719	389,516	589,274	398,254	589,274
Net position – End of period	\$ 476,424	\$ 441,451	\$ 476,424	441,451	629,655

### Operating Expenses

Operating expenses by category for the Q2 2020 actuals, Q2 2019 actuals, and Q2 2020 budget and are shown below:



### Discussion of Condensed Summary of Revenue, Expenses and Changes in Net Position for the quarter ended June 30, 2020 and 2019

- Change in net position decreased by \$166,230 or 320.1% for Q2 2020 as compared to Q2 2019. This is mainly due to lower operating revenue. The lower operating revenue was only partially offset by a decline in operating and non-operating expense.
- Operating revenues totaled \$261,261 in Q2 2020, representing a decrease of \$188,569 or 41.9% from \$449,830 in Q2 2019. Traffic and revenue decreased entirely due to the effects of the COVID-19 pandemic. Beginning in mid-March, the State of New Jersey issued a series of guidelines and orders designed to lessen the effects of the pandemic on the public. These actions have at various times included stay at home orders, travel restrictions and the mandatory closing of non-essential businesses. Due to these actions, the State has seen a dramatic improvement in the spread of the disease. In response to the pandemic, cash toll collection was suspended from March 24 –May 18, 2020, further impacting toll revenue. During this period, tolls were collected electronically through E-ZPass or Tolls By Mail only.

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- E-Z Pass fees totaled 16,406 in Q2 2020, representing a decrease of \$2,853 or 14.8% from \$19,259 in Q2 2019. The decline is largely due to a decrease in administrative fees as collection rates went down during the period compared to the prior year.
- Concession revenue decreased by \$763 or 8.6% to \$8,157 in Q2 2020 from \$8,920 in Q2 2019. This is due to a combination of service area closures for renovation and less travel from the COVID-19 pandemic. As such, the Authority only collected the minimum guaranteed rent during this period.
- Miscellaneous revenue decreased by \$677 or 18.2% to \$3,040 in Q2 2020 from \$3,717 Q2 2019. This is due to lower surplus sales in Q2 2020 as compared to Q2 2019.

#### **Operating Expense Breakdown (not including depreciation)**

- Operating expenses, excluding depreciation, totaled \$128,274 in Q2 2020, representing a decrease of \$15,854 or 11.0% from \$144,128 in Q2 2019. The overall decrease in operating expenses is due to a decrease in maintenance costs, electronic toll collection costs, health benefit and OPEB costs and vacancies. This is partially offset by a slight increase in technology costs.
- Maintenance expenses decreased by \$6,621 or 11.3% to \$52,143 in Q2 2020 from \$58,764 in Q2 2019. This decline is due to vacancies, relatively higher allocation of internal costs to capital projects with the increase in capital spending, and fewer purchases of trucks and snow plow hitches. This is partially offset by an increase in repair and maintenance costs for line striping, roadway lighting, and guide rail safety. Additionally, there is higher overtime costs for staff cleaning the office buildings in response to the COVID-19 pandemic.
- Toll collection expenses decreased by \$6,470 or 15.1% to \$36,242 in Q2 2020 from \$42,712 in Q2 2019. This decline is mainly due to lower electronic toll collection processing costs partly due to less traffic as a result of the COVID-19 pandemic and lower transponder expenses. There is also a decrease in costs for armored car services and savings in temporary toll collector costs due to the suspension of cash toll collection.
- State Police and traffic control expenses decreased by \$541 or 2.3% to \$23,261 in Q2 2020 from \$23,802 in Q2 2019. This decline is due to lower health benefit costs and less spending for motion digital video recording devices in Q2 2020 compared to Q2 2019. This is partially offset by an increase in trooper pension expenses and vehicle repair costs.

- Technology expenses increased by \$1,221 or 25.7% to \$5,967 in Q2 2020 from \$4,746 in Q2 2019. This is due to the rise in spending on cybersecurity and software support services as the Authority responded to the COVID-19 pandemic by rapidly expanding work from home options in Q2 2020 compared to Q2 2019.
- General administrative expenses decreased by \$3,443 or 24.4% to \$10,661 in Q2 2020 from \$14,104 in Q2 2019. This decline is due to vacancies, lower health benefits cost and lower professional services expense in Q2 2020 compared to Q2 2019. This is partially offset by an increase in the legal counsel fees and expenses.
- Net non-operating expenses decreased by \$8,710 or 5.5% to \$149,540 in Q2 2020 from \$158,250 in Q2 2019 predominantly due to reduction in the contractual payments to the State of New Jersey. This decrease is marginally offset by lower investment income.
- Interest expense decreased by \$1,936 or 1.4% to \$139,039 in Q2 2020 from \$140,975 in Q2 2019. This decrease is due to lower interest expense especially for Turnpike Revenue Bonds Series 2014C and Turnpike Revenue Bond Series 2015A through 2015D in Q2 2020 compared to Q2 2019, due to the partial mandatory redemption of these bonds on January 1, 2020.
- Investment income decreased by \$6,079 or 43.9% to \$7,772 in Q2 2020 from \$13,851 in Q2 2019. This is primarily due to lower average invested balances and lower investment yields.
- Payments to the State of New Jersey decreased by \$12,875 or 25.1% from \$38,375 in Q2 2020 to \$51,250 in Q2 2019. This decrease is due to the contractual reduction in the payments as per the State Transportation Projects Funding Agreement and the Feeder Road Maintenance and Cost Sharing Agreement.

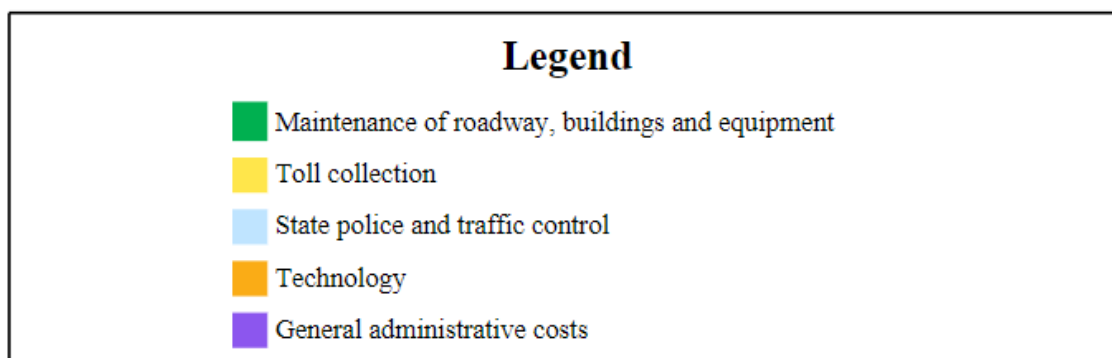
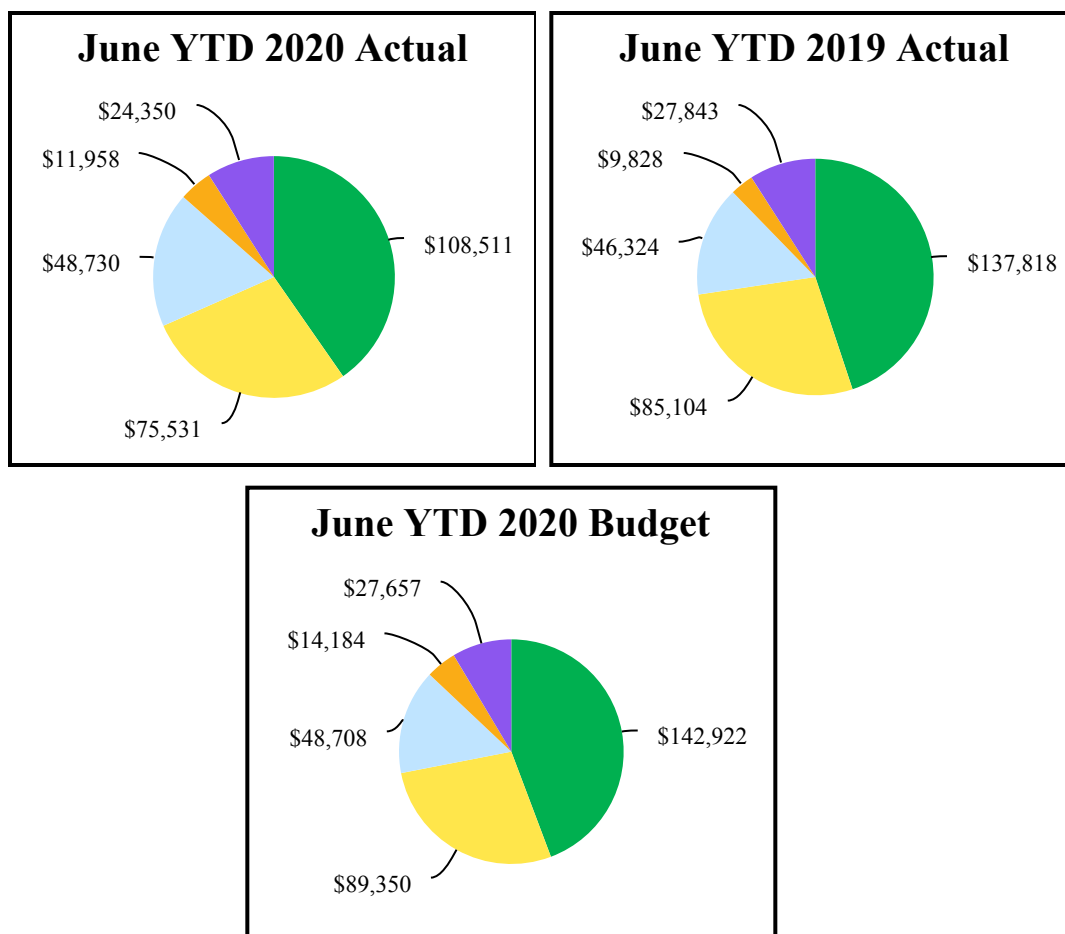
**Discussion of Condensed Summary of Revenue, Expenses and Changes in Net Position for the six months ended June 30, 2020 and 2019**

- Change in net position decreased by \$156,047 or 361.2% for the six months ended June 30, 2020 as compared to the six months ended June 30, 2019. Change in net position was also \$153,231 or 379.5% below the budgeted amount for the six months ended June 30, 2020. This is mainly due to lower net operating revenue for the six months ended June 30, 2020.
- Operating revenues totaled \$629,290 for the six months ended June 30, 2020, which is \$214,638 or 25.4% lower than the \$843,928 for the six months ended June 30, 2019. Operating revenues were also \$215,147 or 25.5% below the budgeted amount of \$844,437 for the six months ended June 30, 2020. Toll revenue is lower than the same period in 2019 and compared to the budgeted amount due to the impact of the COVID-19 pandemic crisis and the shelter in place and non-essential business closures imposed under the declared State of Emergency.
- E-Z Pass fees totaled \$36,155 for the six months ended June 30, 2020, representing a decrease of \$3,469, or 8.8% from \$39,624 for the six months ended June 30, 2019. This is also \$2,324 or 6.0% below the budgeted amount of \$38,479. The decline is largely due to a decrease in administrative fees as collection rates declined during the period.
- Concession revenue decreased by \$15 or 0.1% to \$15,340 for the six months ended June 30, 2020 from \$15,355 for the six months ended June 30, 2019. This is also \$1,210 or 7.3% below the budgeted amount of \$16,550. This decrease in sales is due to a combination of service area closures for renovation and less travel from the COVID-19 pandemic. Since March, the Authority has only received the minimum annual guaranteed rent from the service areas based on the sales declines.
- Miscellaneous revenue is \$6,407 for the six months ended June 30, 2020, which is \$512 or 8.7% above the budgeted amount of \$5,895. It is lower by \$2,072 or 24.4% compared to \$8,479 for the six months ended June 30, 2019. This decline is due in part to lower nonrecurring payments in 2020.

Operating expenses by category for the for the six months ended June 30, 2020 and for the six months ended June 30, 2020 actuals shown below:

June 30, 2020

(Continued)



**Operating Expense Breakdown (not including depreciation)**

- Operating expenses, excluding depreciation, totaled \$269,080 for the six months ended June 30, 2020, representing a decrease of \$37,837 from \$306,917 for the six months ended June 30, 2019. Operating expenses, excluding depreciation, were also \$53,741 or 16.6% below the budgeted amount of \$322,821 for the period. This is all resulted from lower maintenance due to milder winter weather and lower toll collection costs as a result of less traffic and lower overtime assignment due to COVID-19 pandemic. Additionally,

June 30, 2020

(Continued)

the Authority's total Other Post Employment Benefit obligation was lower in the actuarial report received in Q4 2019 compared to the previous measurement date. Authority's health benefit cost also went down for the six months ended on June 30, 2020 as compared to the same period of 2019 due to the current environment.

- Maintenance expenses decreased by \$29,307 or 21.3% to \$108,511 for the six months ended June 30, 2020 from \$137,818 for the six months ended June 30, 2019. This is below the budgeted amount of \$142,922 by \$34,411 or 24.1% for the period. This decline is due to lower snow removal and severe weather costs for the six months ended June 30, 2020 since the weather was milder than expected this year. The lower expenses were partially offset by additional workplace cleaning and sanitizing expenses in response to the COVID-19 pandemic as well as purchases in Personal Protective Equipment (PPE).
- Toll collection expenses decreased by \$9,573 or 11.2% to \$75,531 for the six months ended June 30, 2020 from \$85,104 for the six months ended June 30, 2019. This is also \$13,819 or 15.5% below the budgeted amount of \$89,350 for the six months ended June 30, 2020. This decrease is largely due to lower electronic toll collection processing costs caused by the decline in traffic from the COVID-19 pandemic. There is also a decrease in expense for armored car services and overtime costs for toll collectors due to the suspension of cash collection from the COVID-19 pandemic.
- State Police and traffic control expenses increased by \$2,406 or 5.2%, to \$48,730 for the six months ended June 30, 2020 from \$46,324 for the six months ended June 30, 2019. This is at par with the budgeted amount of \$48,708 for the six months ended June 30, 2020. The increase from the prior year actual amount and year-to-date budgeted amount is primarily due to higher vehicle purchases in 2020 to replace older fleet vehicles. There is also an increase in pension costs for state troopers.
- Technology expenses increased by \$2,130 or 21.7% to \$11,958 for the six months ended June 30, 2020 from \$9,828 in for the six months ended June 30, 2019. This increase is due to an increase in IT consulting services and temporary staffing costs to strengthen cybersecurity as part of the Authority's expansion of its work from home policy in response to the COVID-19 pandemic. Technology expenses was \$2,226 or 15.7% below the budgeted amount of \$14,184 for the six months ended June 30, 2020 due to lower than expected spending on special ITS projects such as the EZ-Pass Customer Service Center System Implementation.
- General administrative expenses decreased by \$3,493 or 12.5% to \$24,350 from \$27,843 for the six months ended June 30, 2020 compared to the six months ended June 30, 2019. General administrative expenses were \$3,307 or 12.0% below the budgeted amount of \$27,657 due to a reduction in health benefit costs and a decrease in salaries due to vacancies. There is also lower consulting fees and other services. This is partially offset by an increase in outside legal fees.



- Net non-operating expenses decreased by \$20,530 or 6.8% to \$282,252 for the six months ended June 30, 2020 as compared to \$302,782 in for the six months ended June 30, 2019 predominantly due to lower payments to the State of New Jersey, a decline in interest expense and lower investment income. Net non-operating expenses were \$3,983 or 1.4% lower than the budgeted amount of \$286,235 for the six months ended June 30, 2020 primarily due to lower than expected interest expenses and higher investment income.
- Payments to the State of New Jersey were \$76,750 for the six months ended June 30, 2020, which was the budgeted amount. This is \$25,750 or 25.1% lower than the same period in 2019 due to the contractual reduction in the payments as per the State Transportation Projects Funding Agreement and the Feeder Road Maintenance and Cost Sharing Agreement.
- Interest expense has decreased by \$1,953 or 0.7% to \$264,481 for the six months ended June 30, 2020 from \$266,434 for the six months ended June 30, 2019. This was \$619 or 0.2% below the budgeted amount of \$265,100. This decrease is due to lower interest expense especially for Turnpike Revenue Bonds Series 2014C and Turnpike Revenue Bond Series 2015A through 2015D which were subject to mandatory redemption on January 1, 2020. Additionally interest expense was lower due to Authority's refund of a portion of its outstanding bonds payable on June 18, 2020.
- Investment income decreased by \$8,070 or 31.2% to \$17,789 for the six months ended June 30, 2020 from \$25,859 for the six months ended June 30, 2019. This decrease resulted from lower yields caused by lower interest rates and lower amounts invested. Although interest revenue declined from 2019, it is \$2,887 or 19.4% higher than budgeted amount of \$14,902 for the six months ended June 30, 2020. This increase is due to higher actual investment interest rates than what was expected for the six months ended June 30, 2020.

**Adjusted Revenue, Expenses and Changes in Net Position**

	Q2 2020	Q2 2019	YTD June 30, 2020	YTD June 30, 2019
Change in Net Position as per GAAP Financials	\$ (114,295)	51,936	(112,850)	43,197
Unfunded non-cash adjustments:				
Total operating expenses	15,827	15,551	22,676	30,180
Interest expense, Turnpike Revenue Bonds	(4,889)	5,568	(13,050)	(2,422)
Interfund transfers	—	—	—	—
Total Non-Cash Adjustment	<u>\$ 10,938</u>	<u>21,119</u>	<u>9,626</u>	<u>27,758</u>
Garden State Arts Foundation	<u>(2)</u>	<u>(276)</u>	<u>493</u>	<u>219</u>
Change in net position as per Bond Resolution	<u>\$ (103,355)</u>	<u>73,331</u>	<u>(103,717)</u>	<u>70,736</u>
Add other non-cash expenses				
Depreciation	97,742	95,511	195,808	191,026
Amortization	<u>(11,003)</u>	<u>(14,122)</u>	<u>(22,167)</u>	<u>(28,142)</u>
Change in Net Position - Non-GAAP	<u>\$ (16,616)</u>	<u>154,720</u>	<u>69,924</u>	<u>233,620</u>

Shown above is the change in Net Position as per the Bond Resolution and has been calculated by adjusting the change in Net Position as per GAAP for non-cash expenses such as the noncash portion of the GASB 49, *Accounting and Financial Reporting for Pollution Remediation Obligation*, GASB 53, *Accounting and Financial Reporting for Derivative Instruments*, GASB 68, *Accounting and Financial Reporting for Pensions*, and GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The Change in Net Position – Non GAAP is calculated by adding back the non-cash expenses such as depreciation and amortization of discounts and premium to the Adjusted Change in Net Position – Bond Resolution. Management believes that the Adjusted Change in Net Position above, which eliminates the more significant GAAP basis non-cash line items, presents an alternate view of the strength of the Authority's financial results.

## Toll Revenue Schedules

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

**NEW JERSEY TURNPIKE**

Schedule of Toll Revenue

Quarters ended June 30, 2020 and 2019

(Unaudited)

(In thousands)

Class	Description	Q2 2020		Q2 2019	
		Toll revenue	Number of vehicles	Toll revenue	Number of vehicles
1	Passenger car, motorcycle, taxi or hearse, light truck	\$ 101,855	28,253	219,893	60,497
2	Vehicles having two axles other than type described under Class 1	13,183	1,831	17,309	2,407
3	Vehicle (vehicles), single or in combination, having three axles	6,948	863	12,311	1,250
4	Vehicle (vehicles), single or in combination, having four axles	8,339	700	8,313	745
5	Vehicle (vehicles), single or in combination, having five axles	53,054	3,462	50,621	3,687
6	Vehicle (vehicles), single or in combination, having six or more axles	2,597	130	3,173	157
7	Buses having two axles	158	55	570	141
8	Buses having three axles	827	105	3,684	356
	Nonrevenue vehicles	—	185	—	365
		<u>\$ 186,961</u>	<u>35,584</u>	<u>315,874</u>	<u>69,605</u>
	Nonrevenue vehicles	—	(185)	—	(365)
	Toll adjustments and discounts	(1,019)	—	(1,093)	—
	Net Uncollected Tolls	<u>(15,059)</u>	<u>—</u>	<u>(9,856)</u>	<u>—</u>
		<u><u>\$ 170,883</u></u>	<u><u>35,399</u></u>	<u><u>304,925</u></u>	<u><u>69,240</u></u>

June 30, 2020

(Continued)

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

**NEW JERSEY TURNPIKE**

Schedule of Toll Revenue

For the six months ended June 30, 2020 and 2019

(Unaudited)

(In thousands)

Class	Description	YTD June 30, 2020		YTD June 30, 2019	
		Toll revenue	Number of vehicles	Toll revenue	Number of vehicles
1	Passenger car, motorcycle, taxi or hearse, light truck	\$ 267,149	\$ 75,927	403,865	113,442
2	Vehicles having two axles other than type described under Class 1	28,645	4,006	32,916	4,584
3	Vehicle (vehicles), single or in combination, having three axles	14,710	1,825	21,907	2,321
4	Vehicle (vehicles), single or in combination, having four axles	17,384	1,463	16,461	1,458
5	Vehicle (vehicles), single or in combination, having five axles	109,698	7,265	102,275	7,382
6	Vehicle (vehicles), single or in combination, having six or more axles	5,243	262	6,649	321
7	Buses having two axles	529	167	986	252
8	Buses having three axles	3,711	396	6,613	644
	Nonrevenue vehicles	—	485	—	752
		\$ 447,069	91,796	591,672	131,156
	Nonrevenue vehicles	—	(485)	—	(752)
	Toll adjustments and discounts	(2,110)	—	(2,154)	—
	Net Uncollected Tolls	(25,544)	—	(18,461)	—
		<u>\$ 419,415</u>	<u>\$ 91,311</u>	<u>571,057</u>	<u>130,404</u>

June 30, 2020

(Continued)

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

**GARDEN STATE PARKWAY**

Schedule of Toll Revenue

Quarters ended June 30, 2020 and 2019

(Unaudited)

(In thousands)

Class	Description	Q2 2020		Q2 2019	
		Toll revenue	Number of vehicles	Toll revenue	Number of vehicles
1	Passenger car, motorcycle, taxi or hearse, light truck	\$ 63,116	56,732	110,453	98,743
2	Vehicles having two axles other than type described under Class 1	828	379	758	360
3	Vehicle (vehicles), single or in combination, having three axles	1,019	331	941	303
4	Vehicle (vehicles), single or in combination, having four axles	929	220	1,093	251
5	Vehicle (vehicles), single or in combination, having five axles	696	149	799	169
6	Vehicle (vehicles), single or in combination, having six or more axles	31	5	43	8
7	Buses having two axles	89	35	495	181
8	Buses having three axles	167	74	690	239
	Nonrevenue vehicles	—	307	—	395
		\$ 66,875	58,232	115,272	100,649
	Nonrevenue vehicles	—	(307)	—	(395)
	Toll adjustments and discounts	(56)	—	(92)	—
	Net Uncollected Tolls	(4,044)	—	(2,171)	—
		<u>\$ 62,775</u>	<u>57,925</u>	<u>113,009</u>	<u>100,254</u>

June 30, 2020

(Continued)



**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

**GARDEN STATE PARKWAY**

Schedule of Toll Revenue

For the six months ended June 30, 2020 and 2019

(Unaudited)

(In thousands)

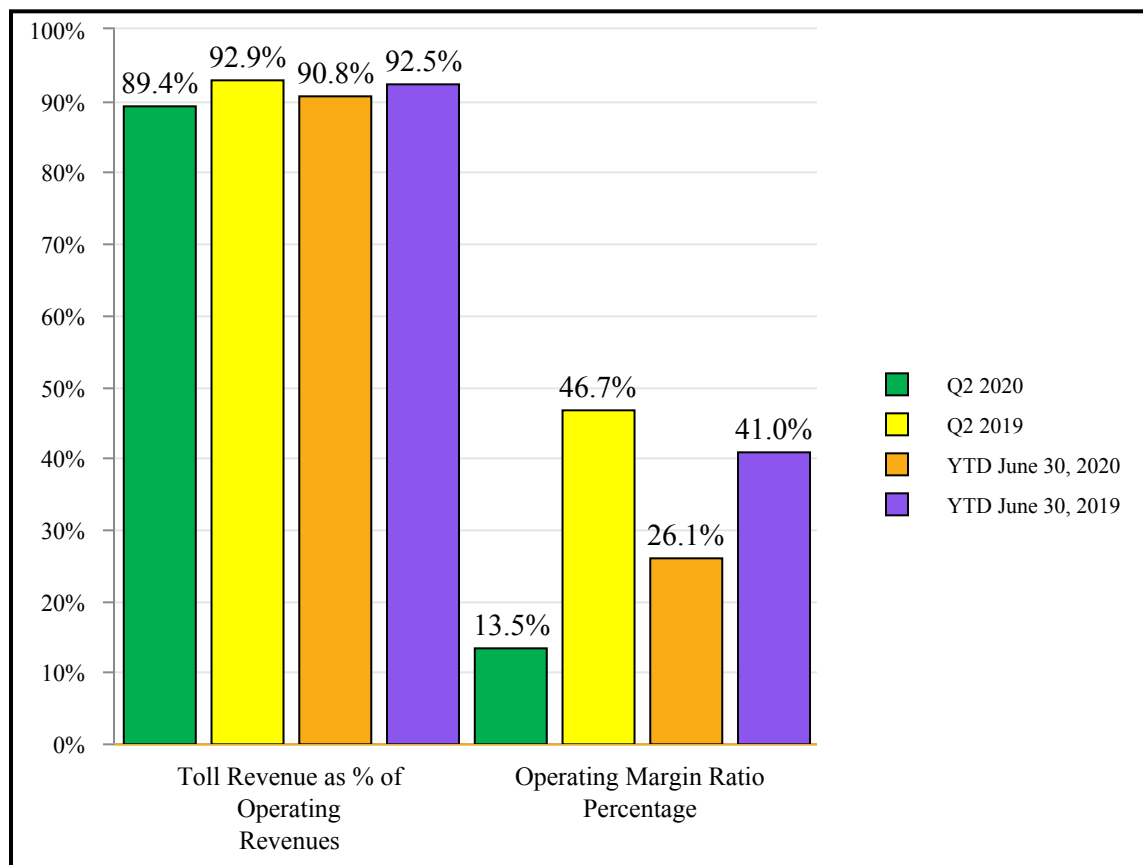
Class	Description	YTD June 30, 2020		YTD June 30, 2019	
		Toll revenue	Number of vehicles	Toll revenue	Number of vehicles
1	Passenger car, motorcycle, taxi or hearse, light truck	\$ 150,510	135,563	204,830	183,845
2	Vehicles having two axles other than type described under Class 1	1,655	769	1,366	646
3	Vehicle (vehicles), single or in combination, having three axles	1,685	549	1,583	508
4	Vehicle (vehicles), single or in combination, having four axles	1,596	379	1,807	420
5	Vehicle (vehicles), single or in combination, having five axles	1,350	291	1,448	309
6	Vehicle (vehicles), single or in combination, having six or more axles	59	10	75	15
7	Buses having two axles	500	192	936	357
8	Buses having three axles	682	257	1,238	446
	Nonrevenue vehicles	—	690	—	801
		\$ 158,037	138,700	213,283	187,347
	Nonrevenue vehicles	—	(690)	—	(801)
	Toll adjustments and discounts	(140)	—	(154)	—
	Net Uncollected Tolls	(5,924)	—	(3,716)	—
		<u>\$ 151,973</u>	<u>138,010</u>	<u>209,413</u>	<u>186,546</u>

June 30, 2020

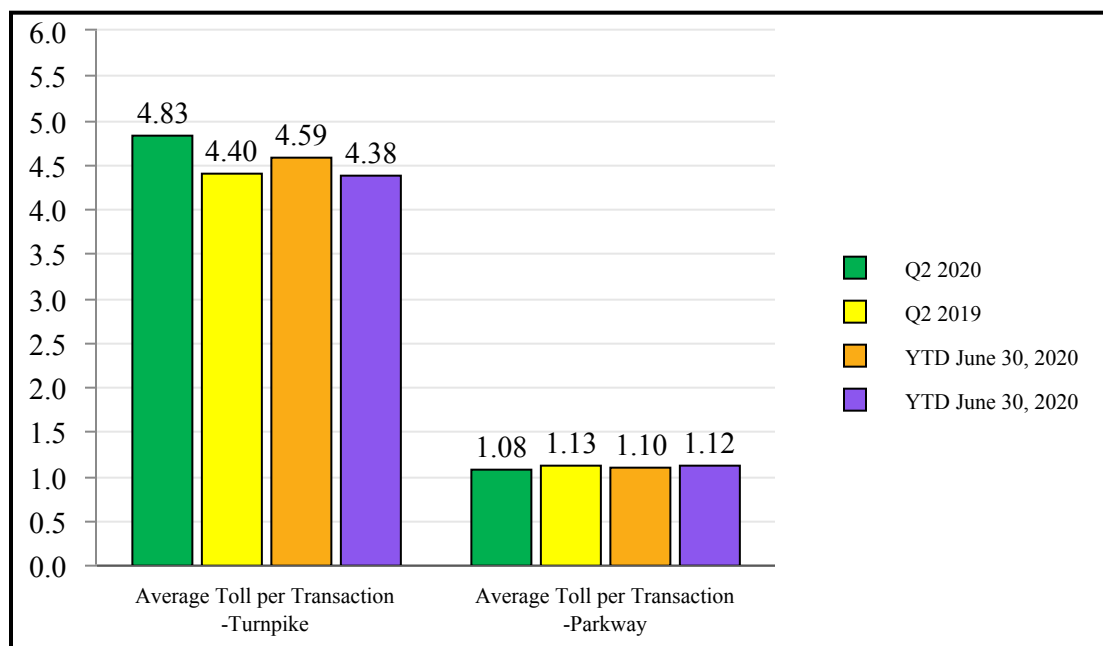
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## Revenue and Expense Ratio Analysis – GAAP Basis

Ratio	Q2 2020	Q2 2019	YTD June 30, 2020	YTD June 30, 2019	Explanation
<b><i>Toll Revenue as % of Operating Revenue</i></b>	89.4%	92.9%	90.8%	92.5%	Toll revenue as a percentage of operating revenue is calculated by dividing toll revenue by operating revenue. This ratio decreased slightly in Q2 2020 as compared to Q2 2019 due to lower toll revenue. This ratio indicates that almost all of the Authority's revenue is earned from toll collection.
<b><i>Operating Margin Ratio Percentage</i></b>	13.5%	46.7%	26.1%	41.0%	The operating margin ratio percentage is calculated by taking operating income before interest and dividing by total operating revenue. This ratio in decreased in Q2 2020 as compared to Q2 2019 due to lower operating revenue. In Q2 2020 the impact on toll revenue was more than the impact on other operating revenue



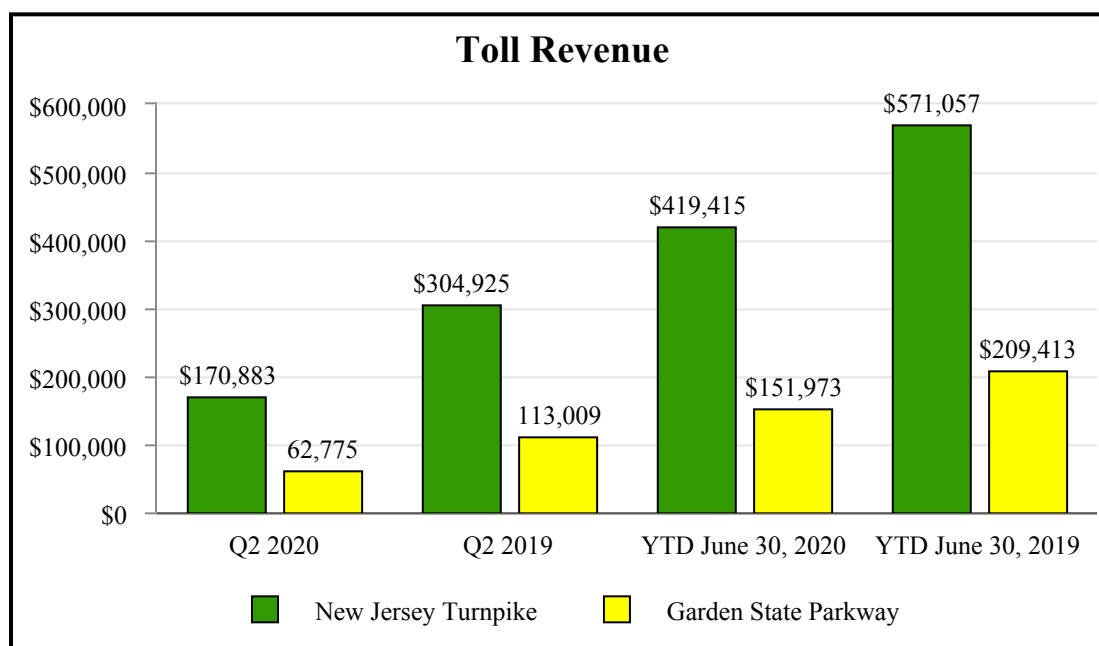
Ratio	Q2 2020	Q2 2019	YTD June 30, 2020	YTD June 30, 2019	Explanation
<b><i>Average Toll per Transaction -Turnpike</i></b>	4.83	4.40	4.59	4.38	Average toll per transaction is calculated by dividing toll revenue by the number of toll transactions. The average toll per transaction increased in Q2 2020 as compared to Q2 2019. The decline in passenger vehicles was greater than the decline in commercial vehicles resulting in an overall higher average toll.
<b><i>Average Toll per Transaction -Parkway</i></b>	1.08	1.13	1.10	1.12	The average toll per transaction has decreased slightly in Q2 2020 as compared to Q2 2019. Toll revenue and transactions decreased in Q2 2020 compared to Q2 2019 due to the State Guidance and Restrictions required for the COVID-19 pandemic.



## Key Performance Metrics- Revenue and Expenses

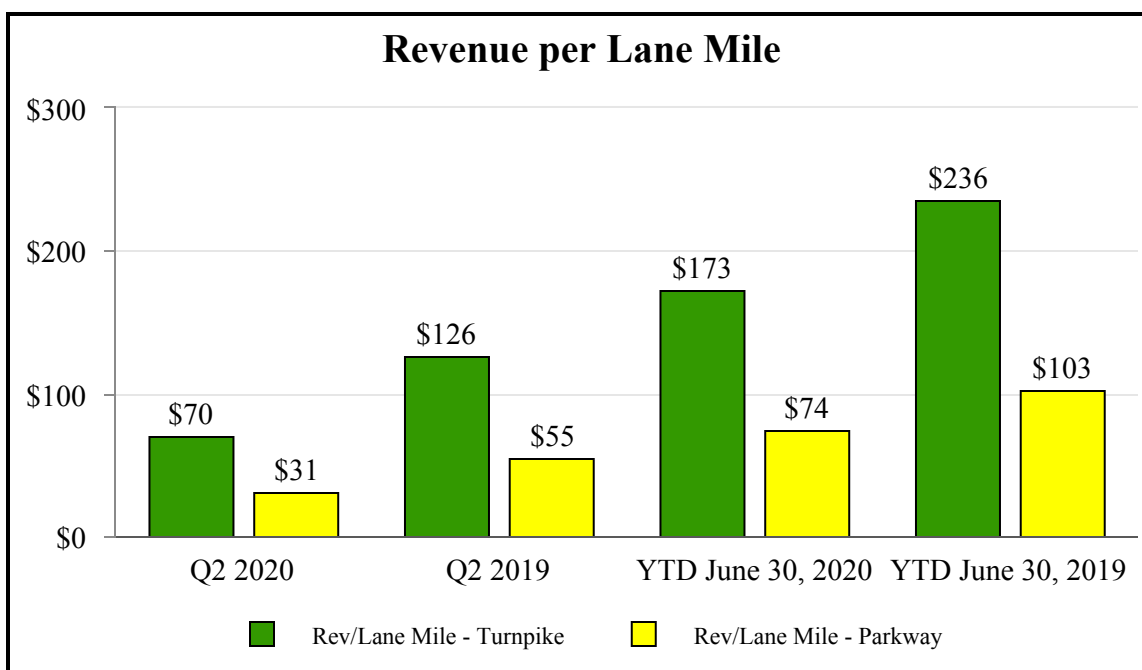
**Toll Revenue** – The Authority's revenues from tolls decreased in Q2 2020 from Q2 2019 by 44.1%. The decrease in toll revenue on the Turnpike in Q2 2020 from Q2 2019 is 44.0% and the decrease in toll revenue on the Parkway is 44.5%. Toll revenue decreased by 26.8% for the six months ended June 30, 2020 as compared to the six months ended June 30, 2019. The decrease in toll revenue on the Turnpike is 26.6% and the decrease in toll revenue on the Parkway is 27.4% for the six month ended June 30, 2020 as compared to the six months ended June 30, 2019. The overall decrease in the toll revenue on the both roadways is due to the State mandated stay at home orders, travel restrictions and mandatory closings of non-essential businesses designed to lessen the impact of the COVID-19 pandemic.

	Q2 2020	Q2 2019	Percent Change	YTD June 30, 2020	YTD June 30, 2019	Percent Change
Toll Revenue- Turnpike	170,883	304,925	(44.0)%	419,415	571,057	(26.6)%
Toll Revenue- Parkway	62,775	113,009	(44.5)%	151,973	209,413	(27.4)%
Total Toll Revenue	233,658	417,934	(44.1)%	571,388	780,470	(26.8)%



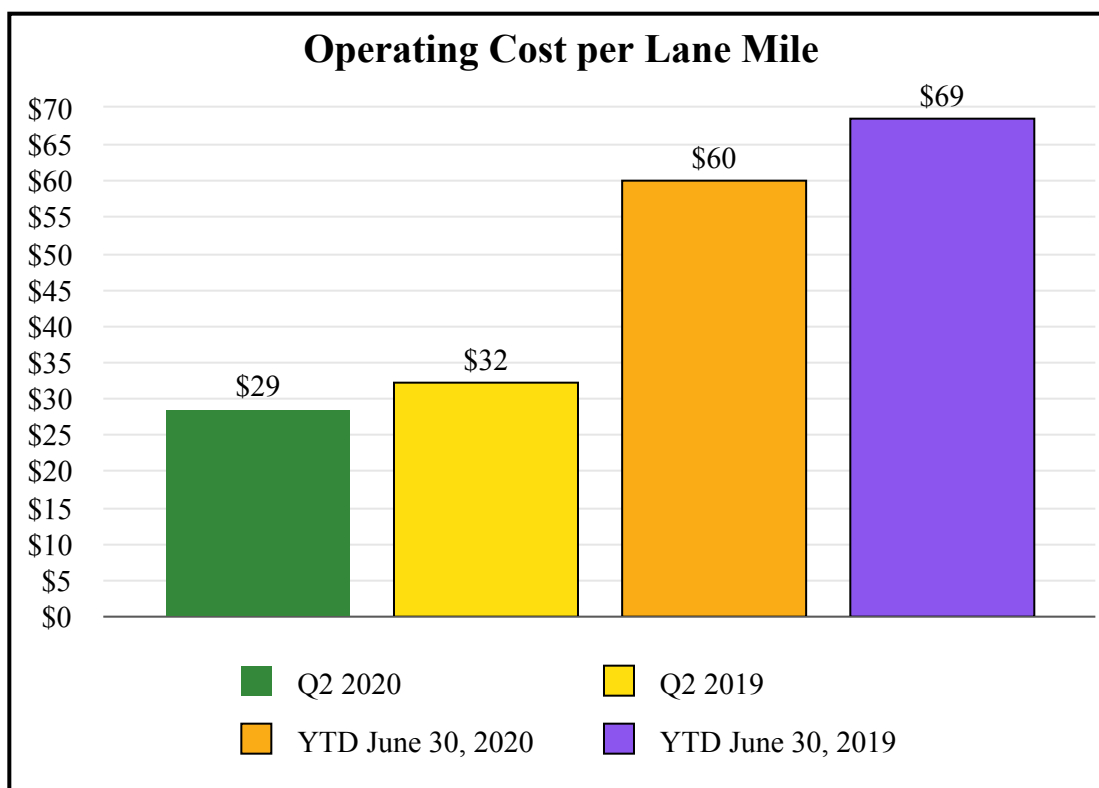
**Revenue per Lane Mile** – Revenue per lane mile has decreased in Q2 2020 from Q2 2019 on the Turnpike and Parkway due to the State mandated stay at home orders, travel restrictions and mandatory closings of non-essential businesses designed to lessen the impact of the COVID-19 pandemic. Overall, toll revenue has decreased on both the roadways for Q2 2020 (See Toll Revenue discussion on page 17).

	Q2 2020	Q2 2019	YTD June 30, 2020	YTD June 30, 2019
Toll Revenue - Turnpike	\$ 170,883	304,925	419,415	571,057
Toll Revenue - Parkway	62,775	113,009	151,973	209,413
Total Toll Revenue	<u>\$ 233,658</u>	<u>417,934</u>	<u>571,388</u>	<u>780,470</u>
Lane Miles (actual) - Turnpike	2,427	2,423	2,427	2,423
Lane Miles (actual) - Parkway	2,050	2,041	2,050	2,041
Total Lane Miles (actual)	<u>4,477</u>	<u>4,464</u>	<u>4,477</u>	<u>4,464</u>
Revenue per Lane Mile - Turnpike	\$ 70	126	173	236
Revenue per Lane Mile - Parkway	\$ 31	55	74	103
Revenue per Lane Mile - Authority	\$ 52	94	128	175



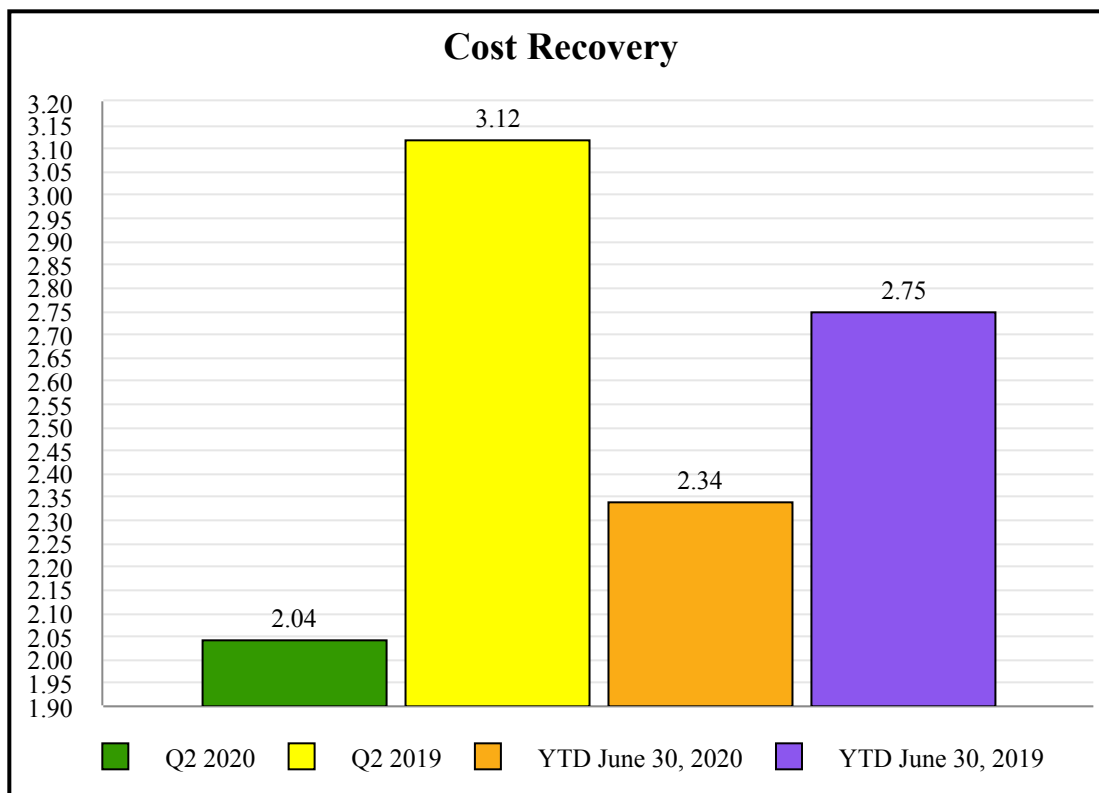
**Operating Cost per Lane Mile** – Operating expenses shown below include maintenance, toll collection, state police and traffic control, technology and general and administrative expenses but exclude depreciation. From Q2 2019 to Q2 2020, operating cost per lane mile slightly decreased due to lower operating expenses in Q2 2020 and for the six months ended June 30, 2020. The decrease in operating expenses resulted from lower maintenance costs due to milder weather, and lower toll collection costs due to reduced traffic on both the roadways.

	<u>Q2 2020</u>	<u>Q2 2019</u>	<u>YTD June 30, 2020</u>	<u>YTD June 30, 2019</u>
Total operating expenses	\$ 128,274	144,128	269,080	306,917
Lane Miles (actual) - Turnpike	2,427	2,423	2,427	2,423
Lane Miles (actual) - Parkway	<u>2,050</u>	<u>2,041</u>	<u>2,050</u>	<u>2,041</u>
Total Lane Miles	<u><u>4,477</u></u>	<u><u>4,464</u></u>	<u><u>4,477</u></u>	<u><u>4,464</u></u>
Operating cost Excluding				
Depreciation/Lane Mile - Authority \$	29	32	60	69



**Cost Recovery** – The cost recovery ratio is calculated by dividing operating revenues by operating expenses. Therefore, a ratio 1.0 or above is a positive sign as it indicates operating expenses are being fully recouped by operating revenues. The cost recovery ratio was about 2.04 in Q2 2020 and 3.12 in Q2 2019, which is a strong indicator of the Authority's ability to meet its operating expenses with its operating revenues.

	Q2 2020	Q2 2019	YTD June 30, 2020	YTD June 30, 2019
Operating Revenue	\$ 261,261	449,830	629,290	843,928
Operating Expenses (excluding depreciation)	\$ 128,274	144,128	269,080	306,917
Cost Recovery	2.04	3.12	2.34	2.75





## Financial Management Principles and Guidelines

In December 2012, the Authority adopted its “Financial Management Principles and Guidelines” (the Guidelines). This was amended in January 2017 to change the target unrestricted cash balance in the General Reserve based on current market practices. Among the policies established, the Authority will manage its toll rates, expense budget and debt issuance program to achieve minimum senior debt service coverage of 1.4x and total requirement coverage of 1.2x. The Authority will also manage its cash flow and total expenditure levels such that it maintains average unrestricted cash balance in the General Reserve Fund equal to at least:

- (1) a minimum balance of \$125,000 at 12/31/17;
- (2) a minimum balance of \$150,000 at 12/31/18;
- (3) a minimum balance of \$175,000 at 12/31/19;
- (4) beginning in 2020, by December 31<sup>st</sup> of each year, a minimum balance equal to 10% of that years’ budgeted total annual revenue.

The Guidelines are implemented at the discretion of the Authority and are not a legal covenant with the Bondholders. Such Guidelines can be changed or eliminated at any time at the discretion of the Authority. As specified in the Guidelines, the Authority also adopted an Investment Rate Swap Management Plan in April 2013, an Investment Policy in September 2013, and a Debt Management Policy in January 2014. The Interest Rate Swap Management Plan was amended in November 2015 to clarify the procurement provisions of the plan based upon current market practices. These documents may be found on the Authority’s website at <http://www.njta.com/investor-relations/about-investor-relations>.

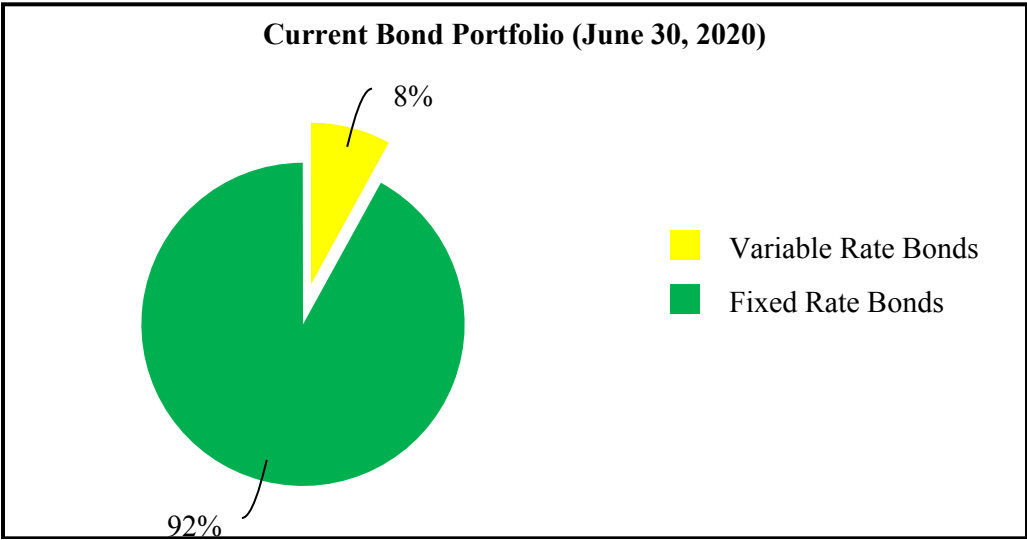


Debt Administration

The issuance of new bonds is conducted in accordance with the New Jersey Turnpike Act of 1948, constituting Chapter 454 of the Laws of New Jersey of 1948, as amended and supplemented and the Turnpike Revenue Bond Resolution adopted on August 20, 1991, as amended, restated and supplemented. The issuance of new bonds requires the approval of the Board of Commissioners and prior approval in writing from the Governor and from either or both the State Treasurer and the Director of the Division of Budget and Accounting of the Department of Treasury, payable solely from tolls and other revenues of the Authority.

Debt Portfolio

The Authority’s bond portfolio as of June 30, 2020 is comprised of 92% of fixed rate bonds and only 8% of variable rate bonds. These percentages are within the Authority’s Guidelines which limit variable rate bonds to 20% of total bonds outstanding.

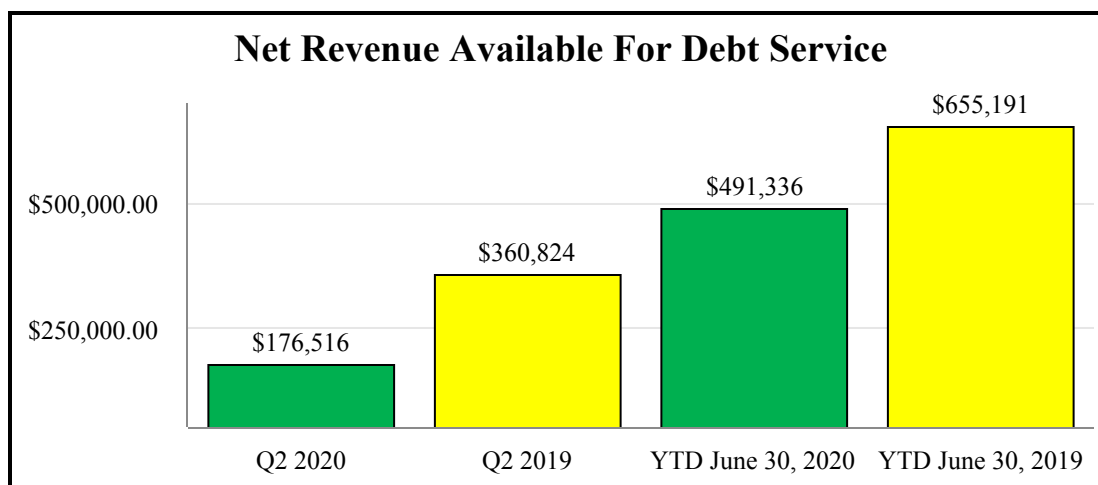


## Debt Service Coverage

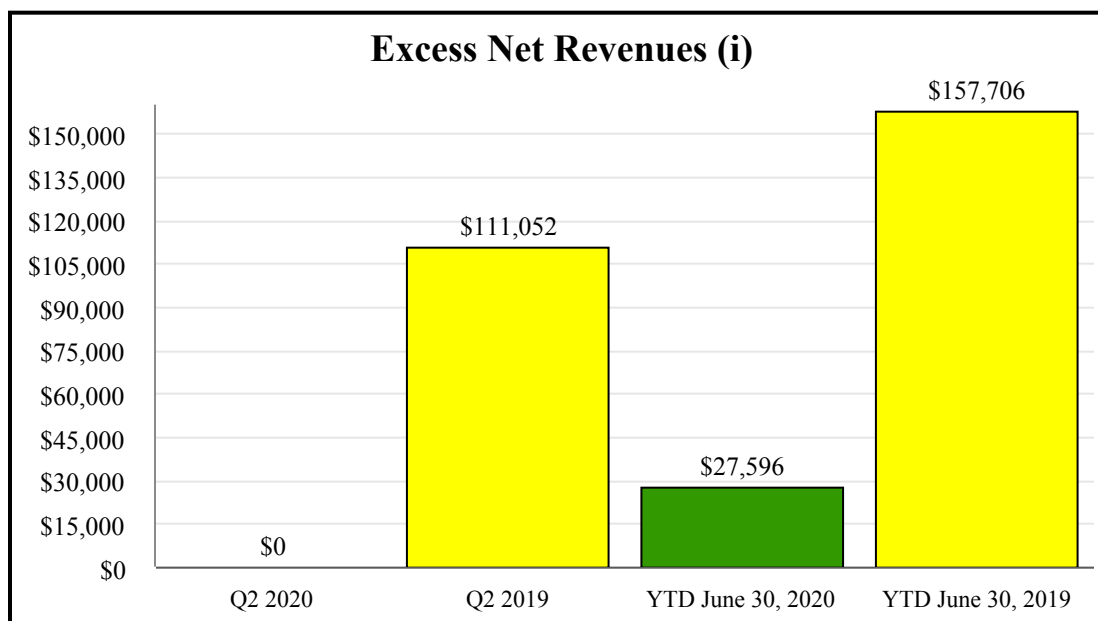
The Revenue Requirement under Section 713(b) of the Turnpike Revenue Bond Resolution states that in each calendar year, Net Revenues shall at least equal the Net Revenue Requirement for such year. The Net Revenue Requirement means with respect to any period of time, “an amount equal to the greater of (i) the sum of Aggregate Debt Service, Maintenance Reserve Payments, Special Project Reserve Payments and payments, if any, to the Charges Fund for such period or (ii) 1.20 times the Aggregate Debt Service for such period.”

	<u>Q2 2020</u>	<u>Q2 2019</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
(i)				
Net revenue available for				
debt service	\$ 176,516	360,824	445,382	655,191
Transfer from General Reserve	32,398			
Less net revenue requirements				
(the sum of aggregate debt				
service, maintenance reserve,				
special project reserve and				
charges funds payments)	(208,914)	(249,772)	(417,786)	(497,485)
Excess net revenues	<u>\$ —</u>	<u>111,052</u>	<u>27,596</u>	<u>157,706</u>
(ii)				
Net revenue available for debt service	\$ 176,516	360,824	445,382	655,191
Transfer from General Reserve	32,398			
Less net revenue requirements				
computed under test				
(120% of aggregate debt				
service requirements)	(198,078)	(247,897)	(396,104)	(493,321)
Excess net revenues	<u>\$ 10,836</u>	<u>112,927</u>	<u>49,278</u>	<u>161,870</u>
Net revenue available for debt service	<u>\$ 208,914</u>	<u>360,824</u>	<u>445,382</u>	<u>655,191</u>
Debt service requirements	\$ 165,065	206,580	\$ 330,087	411,101
Debt service coverage ratio	1.27	1.75	1.35	1.59

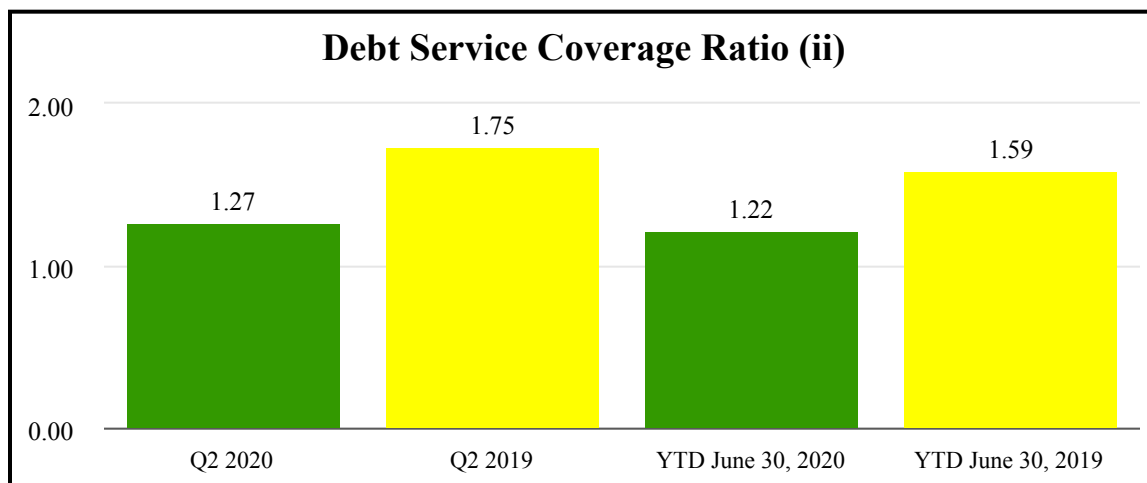
Net revenue available for debt service decreased by 42.1%, or \$151,910 to \$208,914 in Q2 2020 from \$360,824 in Q2 2019. Net revenue available for debt service decreased by 32.0% or \$209,809 to \$445,382 for the six months ended June 30, 2020 from \$655,191 for the six months ended June 30, 2019. The primary reason for this decrease is lower operating revenue due to the decrease in traffic and toll revenue as a result of COVID-19.



Excess net revenue has decreased by 129.2% or \$143,449 to negative \$32,398 in Q2 2020 from \$111,051 in Q2 2019. Excess net revenue has decreased by 83% or \$130,110 to \$27,596 for the six months ended June 30, 2020 from \$157,706 for the six months ended June 30, 2019. The reason for this decline is lower operating revenue due to a decrease in traffic and toll revenue as a result of COVID-19.

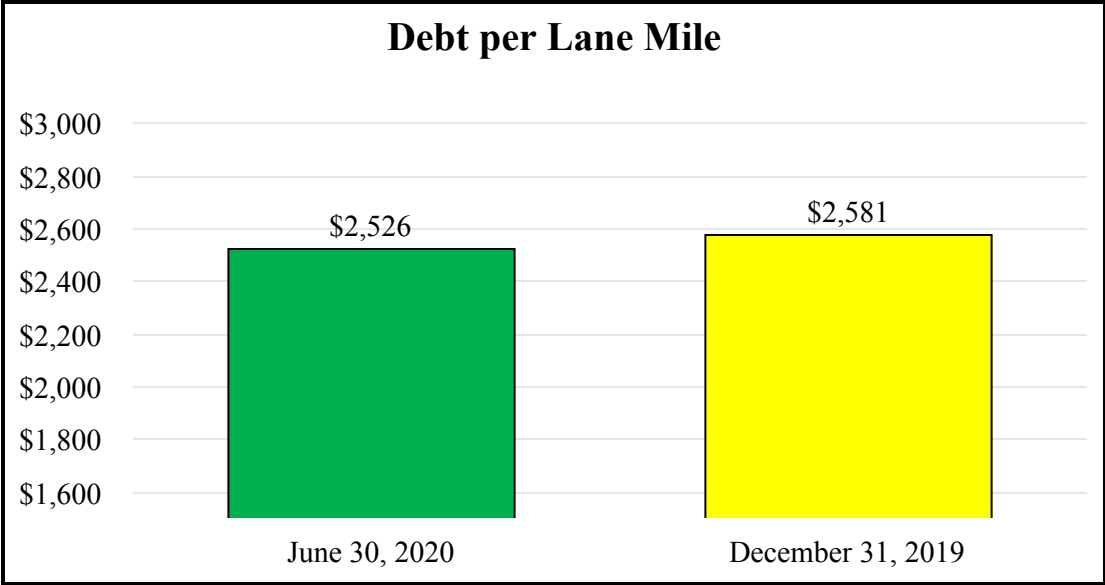


Debt service coverage ratio decreased by 27.5% or 0.5 to 1.27 in Q2 2020 from 1.75 in Q2 2019. Debt service coverage ratio decreased by 15.3% or 0.24 to 1.35 for the six months ended June 30, 2020 from 1.59 for the six months ended June 30, 2019. The primary reason for this decrease is lower net revenue available for debt service. This is due to lower operating revenue from less traffic as a result of COVID-19.



**Debt per Lane Mile** – Debt per lane mile decreased by \$54 to \$2,526 for the six months ended June 30, 2020 as compared to \$2,581 as of December 31, 2019 due to the mandatory redemption of the Series 2012B Turnpike Revenue Bonds, Series 2014C Turnpike Revenue Bonds, Series 2009H Turnpike Revenue Bonds, and Series 2015A Turnpike Revenue Bonds in January 2020.

	<u>June 30, 2020</u>	<u>December 31, 2019</u>
Bond indebtedness, net	\$ 11,309,198	11,553,106
Lane Miles (actual) – Turnpike	2,427	2,427
Lane Miles (actual) – Parkway	2,050	2,050
Total Lane Miles (actual)	<u>4,477</u>	<u>4,477</u>
Debt per Lane Mile – Authority	\$ 2,526	2,581



## Contacting Authority's Financial Management

The purpose of this narrative and the attached exhibits was to assist the readers in obtaining a general overview of the Authority's business and finances. If you should have any questions about this report or need clarification on its contents, please contact the Chief Financial Officer of the New Jersey Turnpike Authority, P.O. Box 5042, Woodbridge, New Jersey 07095-5042 or via email at [info@njta.com](mailto:info@njta.com).





UNAUDITED

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

Statements of Net Position

June 30, 2020 and 2019

(In thousands)

	<b>Assets</b>	<b>2020</b>	<b>2019</b>
Current assets:			
Cash		\$ 177,442	111,919
Restricted cash		203,044	24,166
Investments		702,315	934,199
Restricted investments		508,611	689,985
Receivables, net of allowance		121,345	87,407
Inventory		24,153	24,848
Due from State of New Jersey		28	2,406
Restricted deposits		18,471	20,583
Prepaid expenses		8,698	13,787
Total current assets		<u>1,764,107</u>	<u>1,909,300</u>
Noncurrent assets:			
Restricted investments		658,372	901,055
Long term receivables		26	—
Capital assets, net of accumulated depreciation		12,156,842	11,946,595
Total noncurrent assets		<u>12,815,240</u>	<u>12,847,650</u>
Total assets		<u><u>\$ 14,579,347</u></u>	<u><u>14,756,950</u></u>
	<b>Deferred Outflows</b>		
Deferred outflows:			
Accumulated decrease in fair value of hedging derivatives		\$ 46,270	10,946
Deferred amounts on refunding and derivative instruments		221,580	239,985
Deferred amount relating to pensions		47,716	76,452
Deferred amount relating to postemployment benefit		100,258	118,324
Total deferred outflows		<u><u>\$ 415,824</u></u>	<u><u>445,707</u></u>
	<b>Liabilities</b>		
Current liabilities:			
Accounts payable and accrued expenses		\$ 203,651	181,470
Due to State of New Jersey		3,138	2,958
Accrued interest payable		274,893	276,965
Unearned revenue		199,881	169,581
Current portion of bonds payable		72,870	228,205
Current portion of hybrid instrument borrowing		13,492	13,735
Current portion of other long-term liabilities		10,900	13,961
Total current liabilities		<u>778,825</u>	<u>886,875</u>
Noncurrent liabilities:			
Bonds payable, net		\$ 11,236,328	11,353,145
Hybrid instrument borrowing		76,160	91,115
Other long-term liabilities		112,004	116,323
Other postemployment benefits liability		1,622,855	1,777,413
Interest rate swap liabilities		60,739	30,515
Net pension liability		329,534	365,599
Total noncurrent liabilities		<u>13,437,620</u>	<u>13,734,110</u>
Total liabilities		<u><u>\$ 14,216,445</u></u>	<u><u>14,620,985</u></u>
	<b>Deferred Inflows</b>		
Deferred inflows:			
Accumulated increase in fair value of hedging derivatives		\$ —	—
Deferred amount relating to pensions		134,426	135,004
Deferred amount relating to other postemployment benefit		167,876	5,217
Total deferred inflows		<u><u>\$ 302,302</u></u>	<u><u>140,221</u></u>
	<b>Net Position</b>		
Net position:			
Net investment in capital assets		\$ 1,886,650	1,646,481
Restricted under trust agreements		52,031	132,064
Unrestricted		(1,462,257)	(1,337,094)
Total net position		<u><u>\$ 476,424</u></u>	<u><u>441,451</u></u>

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)  
Statements of Revenues, Expenses, and Changes in Net Position  
For the six months ended June 30, 2020 and 2019  
(In thousands)

	<b>2020</b>	<b>2019</b>
Operating revenues:		
Toll revenue	\$ 571,388	780,470
E-ZPass fees	36,155	39,624
Concession revenue	15,340	15,355
Miscellaneous revenue	6,407	8,479
Total operating revenues	<u>629,290</u>	<u>843,928</u>
Operating expenses:		
Maintenance of roadway, buildings, and equipment	108,511	137,818
Toll collection	75,531	85,104
State police and traffic control	48,730	46,324
Technology	11,958	9,828
General administrative costs	24,350	27,843
Depreciation	195,808	191,032
Total operating expenses	<u>464,888</u>	<u>497,949</u>
Operating income	<u>164,402</u>	<u>345,979</u>
Nonoperating revenues (expenses):		
Build America Bonds subsidy	39,011	38,301
Federal and State reimbursements	—	1,006
Payments to the State of New Jersey	(76,750)	(102,500)
Interest expense, Turnpike Revenue Bonds	(264,481)	(266,434)
Other bond expenses	(107)	(1,304)
Loss on disposal of capital assets	—	—
Investment income	17,789	25,859
Arts Center	2,286	2,290
Total nonoperating (expenses), net	<u>(282,252)</u>	<u>(302,782)</u>
Change in net position, before capital contributions	(117,850)	43,197
Capital contributions	5,000	—
Change in net position	<u>(112,850)</u>	<u>43,197</u>
Net position – January 1	589,274	398,254
Net position – June 30	<u>\$ 476,424</u>	<u>441,451</u>

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)  
**Statements of Cash Flows**  
For the six months ended June 30, 2020 and 2019  
(In thousands)

	<b>2020</b>	<b>2019</b>
Cash flows from operating activities:		
Receipts from customers and other operating activities	\$ 620,798	824,772
Payments to suppliers	(191,890)	(161,819)
Payments to employees	(80,838)	(85,405)
Payments for self-insured health benefit claims	(33,380)	(39,115)
Net cash provided by operating activities	<u>314,690</u>	<u>538,433</u>
Cash flows from noncapital financing activities:		
Payments to State of New Jersey	(76,750)	(102,500)
Proceeds from Arts Center	2,286	2,289
Net cash used in noncapital financing activities	<u>(74,464)</u>	<u>(100,199)</u>
Cash flows from capital and related financing activities:		
Proceeds acquired from new capital debt	210,818	478,629
Purchases and sales of capital assets, net	(241,525)	(166,536)
Principal paid on capital debt	(228,205)	(201,025)
Refunded capital debt	(210,400)	—
Proceeds from Build America Bonds subsidy	39,011	38,301
Interest paid on capital debt	(297,881)	(293,773)
Payments for bond expenses	(108)	(1,304)
Proceeds from capital contributions	5,000	—
Net cash used in capital and related financing activities	<u>(723,290)</u>	<u>(145,708)</u>
Cash flows from investing activities:		
Purchases of investments	(5,103,437)	(6,645,562)
Sales and maturities of investments	5,765,288	6,296,695
Interest received	24,358	22,421
Net cash provided by (used in) investing activities	<u>686,209</u>	<u>(326,446)</u>
Net decrease in cash	203,145	(33,920)
Cash and restricted cash – January 1	177,341	170,005
Cash and restricted cash – June 30	<u>\$ 380,486</u>	<u>136,085</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 164,402	345,979
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	195,807	191,029
Changes in assets and liabilities:		
Receivables	(19,367)	(24,904)
Inventory	(1,787)	2,552
Prepaid expenses	228	(4,822)
Accounts payable and accrued expenses	(49,330)	(21,144)
Unearned revenue	(7,224)	5,005
Other liabilities	9,285	7,058
Other postemployment benefit liability	20,585	36,500
Deferred outflows related to other postemployment benefit	2,091	1,180
Net cash provided by operating activities	<u>\$ 314,690</u>	<u>538,433</u>

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)  
Schedule of Net Position – Reconciliation of Bond Resolution to GAAP  
June 30, 2020  
(With summarized comparative financial information as of June 30, 2019)  
(In thousands)

Schedule 1  
**UNAUDITED**

			Maintenance	Special	General	Debt	Debt	Total bond	Garden	GAAP	Total 2020	Total 2019
	Revenue	Construction	reserve	project	reserve	service	reserve	resolution	State Arts	Adjustments	GAAP	GAAP
Assets				reserve					Foundation		Financials	Financials
Current assets:												
Cash	\$ 165,378	—	220	3,514	7,231	—	—	176,343	1,099	—	177,442	111,919
Restricted cash	—	13,158	—	—	5,506	184,352	28	203,044	—	—	203,044	24,166
Investments	311,202	—	94,971	87,403	208,739	—	—	702,315	—	—	702,315	934,199
Restricted investments	—	—	—	—	—	201,379	307,232	508,611	—	—	508,611	689,985
Receivables, net of allowance	102,140	—	697	159	18,275	—	—	121,271	74	—	121,345	87,407
Inventory	24,153	—	—	—	—	—	—	24,153	—	—	24,153	24,848
Due from State of New Jersey	28	—	—	—	—	—	—	28	—	—	28	2,406
Deposits	2,875	—	—	—	15,596	—	—	18,471	—	—	18,471	20,583
Prepaid expenses	8,698	—	—	—	—	—	—	8,698	—	—	8,698	13,787
Interfund	(176,087)	(2,763)	(2,194)	(498)	258,289	(74,403)	(2,344)	—	—	—	—	—
Total current assets	438,387	10,395	93,694	90,578	513,636	311,328	304,916	1,762,934	1,173	—	1,764,107	1,909,300
Noncurrent assets:												
Restricted investments	—	363,310	—	—	—	—	295,062	658,372	—	—	658,372	901,055
Long term receivables	—	—	—	—	26	—	—	26	—	—	26	—
Capital assets, net of accumulated depreciation	—	11,091,469	625,407	117,939	322,027	—	—	12,156,842	—	—	12,156,842	11,946,595
Total noncurrent assets	—	11,454,779	625,407	117,939	322,053	—	295,062	12,815,240	—	—	12,815,240	12,847,650
Total assets	\$ 438,387	11,465,174	719,101	208,517	835,689	311,328	599,978	14,578,174	1,173	—	14,579,347	14,756,950
<b>Deferred Outflows</b>												
Deferred outflows:												
Accumulated decrease in fair value of hedging derivatives	\$ —	—	—	—	—	—	—	—	—	46,270	46,270	10,946
Deferred amount on refunding and derivative instruments	—	—	—	—	—	—	—	—	—	221,580	221,580	239,985
Deferred amount relating to pensions	—	—	—	—	—	—	—	—	—	47,716	47,716	76,452
Deferred amount relating to other postemployment benefit	—	—	—	—	—	—	—	—	—	100,258	100,258	118,324
Total deferred outflows	\$ —	—	—	—	—	—	—	—	—	415,824	415,824	445,707
<b>Liabilities</b>												
Current liabilities:												
Accounts payable and accrued expenses	\$ 104,131	66,604	24,134	4,077	4,705	—	—	203,651	—	—	203,651	181,470
Due to State of New Jersey	3,138	—	—	—	—	—	—	3,138	—	—	3,138	2,958
Accrued interest payable	—	—	—	—	—	274,893	—	274,893	—	—	274,893	276,965
Unearned revenue	161,400	—	—	—	4,137	—	—	165,537	—	34,344	199,881	169,581
Current portion of bonds payable	—	72,870	—	—	—	—	—	72,870	—	—	72,870	228,205
Current portion of hybrid instrument borrowing	—	—	—	—	—	—	—	—	—	13,492	13,492	13,735
Current portion of other long-term liabilities	4,783	—	38	1,409	4,670	—	—	10,900	—	—	10,900	13,961
Total current liabilities	273,452	139,474	24,172	5,486	13,512	274,893	—	730,989	—	47,836	778,825	886,875
Noncurrent liabilities:												
Bonds payable, net	—	11,236,328	—	—	—	—	—	11,236,328	—	—	11,236,328	11,353,145
Hybrid instrument borrowing	—	—	—	—	—	—	—	—	—	76,160	76,160	91,115
Other long-term obligations	107,840	—	—	115	13,615	—	—	121,570	—	(9,566)	112,004	116,323
Other postemployment benefit liability	—	—	—	—	121,325	—	—	121,325	—	1,501,530	1,622,855	1,777,413
Interest rate swaps liabilities	—	—	—	—	—	—	—	—	—	60,739	60,739	30,515
Net pension liability	—	—	—	—	—	—	—	—	—	329,534	329,534	365,599
Total noncurrent liabilities	107,840	11,236,328	—	115	134,940	—	—	11,479,223	—	1,958,397	13,437,620	13,734,110
Total liabilities	\$ 381,292	11,375,802	24,172	5,601	148,452	274,893	—	12,210,212	—	2,006,233	14,216,445	14,620,985
<b>Deferred Inflows</b>												
Deferred inflows:												
Accumulated increase in fair value of hedging derivatives	\$ —	—	—	—	—	—	—	—	—	—	—	—
Deferred amount relating to pensions	—	—	—	—	—	—	—	—	—	134,426	134,426	135,004
Deferred amount relating to other postemployment benefit	—	—	—	—	—	—	—	—	—	167,876	167,876	5,217
Total deferred inflows	\$ —	—	—	—	—	—	—	—	—	302,302	302,302	140,221
<b>Net Position</b>												
Net position:												
Net investment in capital assets	\$ —	89,372	625,407	117,939	322,027	—	599,978	1,754,723	—	131,927	1,886,650	1,646,481
Restricted under trust agreements	—	—	—	—	15,596	36,435	—	52,031	—	—	52,031	132,064
Unrestricted	57,095	—	69,522	84,977	349,614	—	—	561,208	1,173	(2,024,638)	(1,462,257)	(1,337,094)
Total net position	\$ 57,095	89,372	694,929	202,916	687,237	36,435	599,978	2,367,962	1,173	(1,892,711)	476,424	441,451

**NEW JERSEY TURNPIKE AUTHORITY**

(A Component Unit of the State of New Jersey)

Schedule of Revenues, Expenses, and Changes in Net Position – Reconciliation of Bond Resolution to GAAP

For the six months ended June 30, 2020

(With summarized comparative financial information for the six months ended June 30, 2019)

(In thousands)

			Maintenance	Special	General	Debt	Debt	Total bond	Garden	GAAP	Total 2020	Total 2019
	Revenue	Construction	reserve	project	reserve	service	reserve	resolution	State Arts	Adjustments	GAAP	GAAP
				reserve					Foundation		Financials	Financials
Operating revenues:												
Toll revenue	\$ 571,388	—	—	—	—	—	—	571,388	—	—	571,388	780,470
E-ZPass fees	36,155	—	—	—	—	—	—	36,155	—	—	36,155	39,624
Concession revenue	15,340	—	—	—	—	—	—	15,340	—	—	15,340	15,355
Miscellaneous revenue	5,902	—	—	—	—	—	—	5,902	505	—	6,407	8,479
Total operating revenues	628,785	—	—	—	—	—	—	628,785	505	—	629,290	843,928
Operating expenses:												
Maintenance of roadway, buildings and equipment	89,952	1,755	—	4,679	1,070	—	—	97,456	—	11,055	108,511	137,818
Toll collection	69,000	—	—	—	—	—	—	69,000	—	6,531	75,531	85,104
State police and traffic control	47,291	—	—	322	—	—	—	47,613	—	1,117	48,730	46,324
Technology	9,914	—	—	913	—	—	—	10,827	—	1,131	11,958	9,828
General administrative costs	21,155	—	—	338	—	—	—	21,493	15	2,842	24,350	27,843
Depreciation	—	156,562	26,679	5,491	7,076	—	—	195,808	—	—	195,808	191,032
Total operating expenses	237,312	158,317	26,679	11,743	8,146	—	—	442,197	15	22,676	464,888	497,949
Operating income (loss)	391,473	(158,317)	(26,679)	(11,743)	(8,146)	—	—	186,588	490	(22,676)	164,402	345,979
Nonoperating revenues (expenses):												
Build America Bonds subsidy	39,011	—	—	—	—	—	—	39,011	—	—	39,011	38,301
Federal and State reimbursements	—	—	—	—	—	—	—	—	—	—	—	1,006
Payments to the State of New Jersey	—	—	—	—	(76,750)	—	—	(76,750)	—	—	(76,750)	(102,500)
Interest expense, Turnpike Revenue Bonds	—	16,122	—	—	—	(293,653)	—	(277,531)	—	13,050	(264,481)	(266,434)
Other bond expenses	—	—	—	—	(107)	—	—	(107)	—	—	(107)	(1,304)
Investment income	1,095	4,173	805	697	3,273	947	6,796	17,786	3	—	17,789	25,859
Arts Center	2,286	—	—	—	—	—	—	2,286	—	—	2,286	2,290
Total nonoperating revenues (expenses), net	42,392	20,295	805	697	(73,584)	(292,706)	6,796	(295,305)	3	13,050	(282,252)	(302,782)
Income before capital contributions and interfund transfers	433,865	(138,022)	(25,874)	(11,046)	(81,730)	(292,706)	6,796	(108,717)	493	(9,626)	(117,850)	43,197
Capital contributions	—	—	—	—	5,000	—	—	5,000	—	—	5,000	—
Interfund transfers	(433,865)	272,224	66,538	19,953	(19,992)	100,936	(5,794)	—	—	—	—	—
Net change in fund balance/change in net position	—	134,202	40,664	8,907	(96,722)	(191,770)	1,002	(103,717)	493	(9,626)	(112,850)	43,197
Net position (deficit) – beginning of January 1	57,095	(44,830)	654,265	194,009	783,959	228,205	598,976	2,471,679	680	(1,883,085)	589,274	398,254
Net position (deficit) – June 30	\$ 57,095	89,372	694,929	202,916	687,237	36,435	599,978	2,367,962	1,173	(1,892,711)	476,424	441,451

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)  
Schedule of Cash Flows – Reconciliation of Bond Resolution to GAAP  
For the six months ended June 30, 2020  
(With comparative financial information for the six months ended June 30, 2019)  
(In thousands)

	Revenue	Construction	Maintenance reserve	Special project reserve	General reserve	Debt service	Debt reserve	Total bond resolution	Garden State Arts Foundation	GAAP Adjustments	Total 2020 GAAP Financials	Total 2019 GAAP Financials
Cash flows from operating activities:												
Receipts from customers and other operating activities	\$ 620,245	—	48	—	—	—	—	620,293	505	—	620,798	824,772
Payments to suppliers	(151,858)	(1,756)	—	(12,369)	(25,886)	—	—	(191,869)	(21)	—	(191,890)	(161,819)
Payments to employees	(80,838)	—	—	—	—	—	—	(80,838)	—	—	(80,838)	(85,405)
Payments for self insured health benefits claims	(33,380)	—	—	—	—	—	—	(33,380)	—	—	(33,380)	(39,115)
Net cash provided by operating activities	354,169	(1,756)	48	(12,369)	(25,886)	—	—	314,206	484	—	314,690	538,433
Cash flows from noncapital financing activities:												
Receipts from Federal and State reimbursements	—	—	—	—	—	—	—	—	—	—	—	12
Payments to State of New Jersey	—	—	—	—	(76,750)	—	—	(76,750)	—	—	(76,750)	(102,500)
Proceeds from Arts Center	2,286	—	—	—	—	—	—	2,286	—	—	2,286	2,289
Net cash (used in) noncapital financing activities	2,286	—	—	—	(76,750)	—	—	(74,464)	—	—	(74,464)	(100,199)
Cash flows from capital and related financing activities:												
Proceeds acquired from new capital debt	—	210,818	—	—	—	—	—	210,818	—	—	210,818	478,629
Purchases and sales of capital assets, net	—	(162,222)	(71,602)	(6,831)	(870)	—	—	(241,525)	—	—	(241,525)	(166,536)
Principal paid on capital debt	—	(228,205)	—	—	—	—	—	(228,205)	—	—	(228,205)	(201,025)
Principal paid on defeased capital debt	—	(210,400)	—	—	—	—	—	(210,400)	—	—	(210,400)	—
Proceeds from Build America Bonds subsidy	39,011	—	—	—	—	—	—	39,011	—	—	39,011	38,301
Interest paid on capital debt	—	—	—	—	—	(297,881)	—	(297,881)	—	—	(297,881)	(293,773)
Payments for bond expenses	—	—	—	—	(108)	—	—	(108)	—	—	(108)	(1,304)
Proceeds from capital contributions	—	—	—	—	5,000	—	—	5,000	—	—	5,000	—
Interfund Transfers related to capital and related financing activities	(387,002)	273,917	68,234	21,671	(142,157)	171,102	(5,765)	—	—	—	—	—
Net cash (used in) capital and related financing activities	(347,991)	(116,092)	(3,368)	14,840	(138,135)	(126,779)	(5,765)	(723,290)	—	—	(723,290)	(145,708)
Cash flows from investing activities:												
Purchases of investments	(2,349,718)	(873,828)	(324,864)	(172,090)	(771,773)	(491,574)	(119,590)	(5,103,437)	—	—	(5,103,437)	(6,645,562)
Sales and maturities of investments	2,360,020	985,417	326,555	169,536	1,006,589	798,540	118,631	5,765,288	—	—	5,765,288	6,296,695
Interest received	1,360	8,214	666	227	3,026	4,140	6,721	24,354	4	—	24,358	22,421
Net cash (used in) capital and related financing	11,662	119,803	2,357	(2,327)	237,842	311,106	5,762	686,205	4	—	686,209	(326,446)
Net decrease in cash	20,126	1,955	(963)	144	(2,929)	184,327	(3)	202,657	488	—	203,145	(33,920)
Cash and restricted cash – January 1	145,252	11,203	1,183	3,370	15,666	25	31	176,730	611	—	177,341	170,005
Cash and restricted cash – June 30	\$ 165,378	13,158	220	3,514	12,737	184,352	28	379,387	1,099	—	380,486	136,085
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:												
Operating income (loss)	\$ 391,473	(158,317)	(26,679)	(11,743)	(8,146)	—	—	186,588	490	(22,676)	164,402	345,979
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:												
Depreciation expense	7,076	—	—	—	195,807	—	—	195,807	—	—	195,807	191,029
Changes in assets and liabilities:												
Receivables	(1,315)	—	48	(74)	(18,026)	—	—	(19,367)	—	—	(19,367)	(24,904)
Inventory	(1,787)	—	—	—	—	—	—	(1,787)	—	—	(1,787)	2,552
Prepaid expenses	228	—	—	—	—	—	—	228	—	—	228	(4,822)
Accounts payable and accrued expenses	(38,828)	—	—	(3,204)	(7,292)	—	—	(49,324)	(6)	—	(49,330)	(21,144)
Unearned revenue	(7,224)	—	—	—	—	—	—	(7,224)	—	—	(7,224)	5,005
Other liabilities	11,622	—	—	(2,839)	502	—	—	9,285	—	—	9,285	7,058
Other postemployment benefit liability	—	—	—	—	—	—	—	—	—	20,585	20,585	36,500
Deferred outflows relating to other postemployment benefit	—	—	—	—	—	—	—	—	—	2,091	2,091	1,180
Net cash provided by (used in) operating activities	\$ 354,169	(1,756)	48	(12,369)	(25,886)	—	—	314,206	484	—	314,690	538,433

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)  
Schedule of Net Revenue Requirement  
For the six months ended June 30, 2020 and 2019  
(in thousands)

	<b>2020</b>	<b>2019</b>
Test 1:		
Total operating revenues - bond resolution	\$ 628,785	843,393
Build America Bonds subsidy	39,011	38,301
Federal and State reimbursements	—	1,006
Total investment income - bond resolution	17,786	25,855
Less earnings on investments - construction fund	(4,173)	(6,899)
Fair market value adjustments	(1,001)	(392)
Arts center	2,286	2,287
Total pledged revenues	682,694	903,551
Less revenue operating expenses - revenue fund	(237,312)	(248,360)
Net revenue available for debt service	445,382	655,191
Less net revenue requirements:		
Interest expense - debt service	(293,652)	(296,998)
Principal payment - debt service	(36,435)	(114,103)
Revenue transfer to maintenance reserve	(67,049)	(65,734)
Revenue transfer to special project reserve	(20,650)	(20,650)
Excess net revenues	\$ 27,596	157,706
Test 2:		
Total operating revenues - bond resolution	\$ 628,785	843,393
Build America Bonds subsidy	39,011	38,301
Federal and State reimbursements	—	1,006
Total investment income - bond resolution	17,786	25,855
Less earnings on investments - construction fund	(4,173)	(6,899)
Fair market value adjustments	(1,001)	(392)
Arts center	2,286	2,287
Total pledged revenues	682,694	903,551
Less revenue operating expenses - revenue fund	(237,312)	(248,360)
Net revenue available for debt service	445,382	655,191
Less 1.2 times aggregate debt service	(396,104.4)	(493,321.2)
Excess net revenues	\$ 49,278	161,869.8
Debt service coverage ratio	1.35	1.59



**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

Schedule of Investments

June 30, 2020

(In thousands)

	<b>Interest rate</b>	<b>Maturity</b>	<b>Par value</b>	<b>Carrying value</b>
Revenue:				
Certificate of deposit	1.85%- 1.95%	04/24/2020- 11/16/2020	85,000	86,335
Commercial paper	0.07- 0.32	07/01/2020-09/28/2020	131,360	131,298
Federal agency note	0.05	07/02/2020	5,658	5,658
U.S. Treasury bill	0.03- 0.13	07/02/2020	87,911	87,911
			<u>309,929</u>	<u>311,202</u>
Construction:				
Certificate of Deposit	0.33%- 2.08%	09/24/2020- 04/01/2021	50,000	50,325
Commercial Paper	0.38- 2.40	07/14/2020-02/26/2021	237,550	236,477
Money Market Fund	0.15	07/01/2020	43,065	43,065
Municipal	4.01	08/27/2020	8,000	8,283
US Treasury Note with coupon	1.75- 1.88	11/15/2020-12/15/2020	25,000	25,160
			<u>363,615</u>	<u>363,310</u>
Maintenance reserve:				
Commercial paper	0.17%- 2.22%	07/07/2020- 12/11/2020	60,000	59,942
Federal agency note	1.88	11/17/2020	10,000	10,036
U.S. Treasury bill	0.11- 0.17	04/16/2020-06/25/2020	25,000	24,993
			<u>95,000</u>	<u>94,971</u>
Special project reserve:				
Certificate of Deposit	1.71%- 1.72%	08/03/2020	52,500	52,879
Commercial Paper	0.11- 2.10	07/10/2020	18,000	17,961
Federal agency note	0.50- 1.54	07/17/2020- 10/16/2020	15,099	15,063
U.S. Treasury bill	0.07	07/02/2020	1,500	1,500
			<u>87,099</u>	<u>87,403</u>
General reserve:				
Certificate of deposit	0.10%	07/31/2020	197,379	196,740
Commercial paper	0.05	07/02/2020	12,000	12,000
			<u>209,379</u>	<u>208,740</u>
Debt service:				
Federal agency note	1.42%- 1.46%	07/01/2020-12/31/2020	89,773	89,577
Commercial paper	0.05- 1.45	12/31/2020	111,954	111,802
			<u>201,727</u>	<u>201,379</u>
Debt reserve:				
Certificate of deposit	0.46%- 3.29%	08/14/2020- 04/09/2024	443,683	445,582
Federal Agency Note - LT	0.12- 2.38	10/13/2021- 05/27/2025	155,255	156,712
			<u>598,938</u>	<u>602,294</u>
Total			<u>\$ 1,865,687</u>	<u>1,869,298</u>

Above is the detail of investments listed on the Schedule of Net Position – Reconciliation of Bond Resolution to GAAP (Schedule 1) for Total Bond Resolution.

**NEW JERSEY TURNPIKE AUTHORITY**

(A Component Unit of the State of New Jersey)

Schedule of Investments

June 30, 2019

(In thousands)

	Interest rate	Maturity	Par value	Carrying value
<b>Revenue:</b>				
Certificate of deposit	2.57%- 3.08%	07/26/2019- 03/27/2020	125,000	127,179
Commercial paper	2.24- 2.53	07/30/2019- 03/27/2020	65,249	64,782
Federal agency note	2.00- 2.26	07/02/2019- 09/25/2019	97,507	97,444
U.S. Treasury bill	1.90- 2.21	07/11/19	63,481	63,445
			351,237	352,850
<b>Construction:</b>				
Certificate of Deposit	2.53%- 2.72%	03/25/2020- 04/15/2020	132,140	133,073
Commercial Paper	2.48- 2.57	07/17/2019- 12/19/2019	135,000	134,137
Federal Agency Note	2.31- 2.42	07/03/2019- 03/26/2020	280,000	276,987
Money Market Fund	2.32	07/01/19	54,093	54,103
			601,233	598,300
<b>Maintenance reserve:</b>				
Commercial paper	2.36%- 2.80%	07/18/2019- 12/26/2019	71,531	70,902
Federal agency note	2.00- 2.52	07/05/2019- 12/26/2019	39,933	39,676
			111,464	110,578
<b>Special project reserve:</b>				
Commercial paper	2.39%- 2.50%	12/20/2019- 12/26/2019	42,105	41,603
Federal agency note	2.10- 2.50	07/12/2019- 12/24/2019	45,673	45,310
U.S. Treasury bill	2.24	10/17/2019	2,000	1,987
			89,778	88,900
<b>General reserve:</b>				
Certificate of deposit	2.77%	09/27/19	31,500	32,169
Commercial paper	2.25- 2.92	07/10/2019- 12/26/2019	310,737	308,500
Federal agency note	2.10- 2.53	07/05/2019- 09/30/2019	38,652	38,565
U.S Treasury note	1.13	12/31/2019	2,654	2,637
			383,543	381,871
<b>Debt service:</b>				
Federal agency note	2.30%	07/01/19	251,630	251,408
Commercial paper	2.21- 2.40	07/01/2019- 01/02/2020	44,394	44,394
U.S. Treasury bill	1.99- 2.45	01/02/20	96,916	95,772
			392,940	391,574
<b>Debt reserve:</b>				
Certificate of deposit	1.72%- 3.29%	07/16/2019- 04/25/2023	343,612	344,567
Commercial Paper	1.44- 2.21	07/01/2019- 02/27/2020	165,000	165,859
Federal Agency note	2.27- 2.75	07/17/2019- 06/20/2024	90,390	90,740
			599,002	601,166
Total			\$ 2,529,197	2,525,239

Above is the detail of investments listed on the Schedule of Net Position – Reconciliation of Bond Resolution to GAAP (Schedule 1) for Total Bond Resolution.

(1) Under a \$150,000 notional value forward delivery agreement, Deutsche Bank delivers investment securities to the Debt Reserve Fund held by the Co-Trustee, U.S.Bank, and pays the Authority a fixed interest rate of 1.44%. The agreement expires on July 1, 2019. The actual investment securities delivered by Deutsche Bank to U.S.Bank for deposit into the Debt Reserve Fund are held in the Authority's name and are reflected as the actual securities held in the schedule above.

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

Schedule of Depositories  
June 30, 2020 and 2019  
(in thousands)

	2020			2019		
	Book balance	Bank balance	Market value of securities pledged to secure deposits	Book balance	Bank balance	Market value of securities pledged to secure deposits
JP Morgan Chase:						
Revenue	\$ 143,103	129,165		77,805	85,430	
Construction	7,891	9,004		6,703	8,479	
Maintenance reserve	220	450		3,904	1,897	
General Reserve	1,992	1,992		9,884	9,884	
	<u>153,206</u>	<u>140,611</u>	<u>154,240</u>	<u>98,296</u>	<u>105,690</u>	<u>110,066</u>
Bank of America:						
Revenue	18,127	18,757		12,602	16,745	
	<u>18,127</u>	<u>18,757</u>	<u>20,635</u>	<u>12,602</u>	<u>16,745</u>	<u>25,476</u>
Wells Fargo:						
Revenue	3,124	2,186		4,470	1,415	
Special project reserve	3,514	3,773		2,856	2,856	
General reserve	10,614	5,882		9,801	10,411	
Construction	4,844	4,844				
	<u>22,096</u>	<u>16,685</u>	<u>22,496</u>	<u>17,127</u>	<u>14,682</u>	<u>22,045</u>
Bank of New York Mellon:						
Revenue	440	462		1,076	1,072	
	<u>440</u>	<u>462</u>	<u>975</u>	<u>1,076</u>	<u>1,072</u>	<u>888</u>
TD Bank, NA:						
Revenue	252	666		252	221	
	<u>252</u>	<u>666</u>	<u>979</u>	<u>252</u>	<u>221</u>	<u>406</u>
Investors Bank						
Construction						
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Subject to Pledged Securities	<u>194,121</u>	<u>177,181</u>	<u>\$ 199,325</u>	<u>129,353</u>	<u>138,410</u>	<u>\$ 158,880</u>
Bank of New York Mellon – Trust:						
Construction:	423	423		3,447	3,447	
General reserve	131	131		—	—	
Charges	—	—		—	—	
Debt service	184,352	192,267		1,850	1,854	
	<u>184,906</u>	<u>192,821</u> (1)		<u>5,297</u>	<u>5,301</u> (1)	
US Bank:						
Debt reserve	28	28		274	274	
	<u>28</u>	<u>28</u>		<u>274</u>	<u>274</u>	
Toll collection and other imprest funds:						
Revenue	332	—		336	—	
	<u>332</u> (2)	<u>—</u>		<u>336</u> (2)	<u>—</u>	
Total subject to bond resolution	<u>379,387</u>	<u>370,030</u>		<u>135,260</u>	<u>143,985</u>	
Investors Bank:						
Garden State Arts Foundation	914	919		642	643	
	<u>914</u>	<u>919</u> (3)		<u>642</u>	<u>643</u> (3)	
Northfield Bank:						
Garden State Arts Foundation	185	185		185	184	
	<u>185</u>	<u>185</u> (3)		<u>185</u>	<u>184</u> (3)	
	<u>\$ 380,486</u>	<u>371,134</u>		<u>136,087</u>	<u>144,812</u>	

(1) Funds held by Trustee are not subject to collateral requirements, under the Bond Resolution.

(2) Cash on hand, not at bank.

(3) Garden State Arts Foundation bank account balances are not subject to the collateral posting requirements of the Bond Resolution.

## NEW JERSEY TURNPIKE AUTHORITY

(A Component Unit of the State of New Jersey)

## Schedule of Cost of Investment in Facilities

June 30, 2020

(With summarized comparative financial information for the six months ended June 30, 2019)

(In thousands)

	Completed construction funds	\$7 Billion Capital Improvement Program	Revenue Funded Construction Account	Maintenance reserve	Special project reserve	General reserve	GAAP Adjustments	2020 Total	2019 Total
Land	\$ 660,555	165,078	—	—	—	8,128	—	833,761	833,761
Construction-In-Progress	—	474,089	67,583	94,813	39,235	106,120	—	829,096	716,588
Roadways	3,185,141	2,925,489	—	329,063	2,288	51,428	—	6,493,409	6,382,453
Bridges	1,910,858	3,445,113	—	430,368	64	40,213	—	5,826,616	5,709,276
Buildings	375,090	669,239	—	182	23,184	101,120	—	1,168,815	936,696
Equipment	552,817	820,009	—	7,708	139,950	131,971	—	1,652,455	1,655,392
Cost of investment in facilities	6,684,461	8,499,017	67,583	862,134	204,721	438,980	—	16,804,152	16,234,166
Accumulated depreciation	(3,163,774)	(1,043,074)	—	(236,727)	(86,782)	(116,953)	—	(4,647,310)	(4,287,571)
Capital assets, net of accumulated depreciation	<u>\$ 3,520,687</u>	<u>7,455,943</u>	<u>67,583</u>	<u>625,407</u>	<u>117,939</u>	<u>322,027</u>	<u>—</u>	<u>12,156,842</u>	<u>11,946,595</u>
Completed construction funds:									
Original turnpike extensions and additional lanes	\$ 57,183								
Revenues invested in facilities	36,581								
1966 Turnpike Improvement	140,333								
1971 Turnpike Improvement	15,191								
1973 Improvement and Funding Program	24,900								
1985-1990 Widening Project	289,904								
Business Plan for the 90's	728,247								
Former NJHA Construction	482,031								
2000 Construction Fund	1,158,266								
2003 Construction Fund	15,311								
2004 Construction Fund	376,050								
2005 Construction Fund	68,294								
2008/2009 Bond anticipation note	128,396								
	<u>\$ 3,520,687</u>								

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

Schedule of Bond Indebtedness

June 30, 2020

(In thousands)

	<b>Amount outstanding December 31, 2019</b>	<b>Refunded or acquired and canceled in current year</b>	<b>Mandatory redemption/ sinking fund installments</b>	<b>Debt issuance</b>	<b>Amortization of premiums and discounts</b>	<b>Amount outstanding June 30, 2020</b>
Turnpike revenue bonds:						
Series 2004 C-2	\$ 132,850	—	—	—	—	132,850
Series 2005 A	173,650	—	—	—	—	173,650
Series 2005 D1-D4	208,735	—	—	—	—	208,735
Series 2009 F	1,375,000	—	—	—	—	1,375,000
Series 2009 H	36,695	—	(36,695)	—	—	—
Series 2010 A	1,850,000	—	—	—	—	1,850,000
Series 2012A	15,000	—	—	—	—	15,000
Series 2012B	646,000	(42,070)	(63,485)	—	—	540,445
Series 2013A	306,480	(6,165)	(4,795)	—	—	295,520
Series 2013F	90,880	—	—	—	—	90,880
Series 2014A	1,000,000	—	—	—	—	1,000,000
Series 2014C	198,730	(21,090)	(49,085)	—	—	128,555
Series 2015A	92,500	(38,075)	(28,200)	—	—	26,225
Series 2015B	50,000	(33,875)	(16,125)	—	—	—
Series 2015C	43,750	(19,025)	(14,100)	—	—	10,625
Series 2015D	43,750	(19,050)	(14,100)	—	—	10,600
Series 2015E	750,000	—	—	—	—	750,000
Series 2015F	72,350	—	—	—	—	72,350
Series 2015G	25,000	—	—	—	—	25,000
Series 2015H	48,235	—	—	—	—	48,235
Series 2016A	149,995	—	—	—	—	149,995
Series 2016B	75,025	—	—	—	—	75,025
Series 2016C	50,015	—	—	—	—	50,015
Series 2016D	50,000	—	—	—	—	50,000
Series 2017A	600,000	—	—	—	—	600,000
Series 2017B	646,765	—	—	—	—	646,765
Series 2017C	400,000	(31,050)	—	—	—	368,950
Series 2017D	179,375	—	—	—	—	179,375
Series 2017E	359,680	—	—	—	—	359,680
Series 2017F	166,505	—	(1,620)	—	—	164,885
Series 2017G	726,640	—	—	—	—	726,640
Series 2019A	449,110	—	—	—	—	449,110
Series 2020A	—	—	—	33,875	—	33,875
Series 2020B	—	—	—	24,935	—	24,935
Series 2020C	—	—	—	163,230	—	163,230
	<u>11,012,715</u>	<u>(210,400)</u>	<u>(228,205)</u>	<u>222,040</u>	<u>—</u>	<u>10,796,150</u>
Premiums and discounts, net	540,391	—	—	(1,014)	(26,329)	513,048
	<u>\$ 11,553,106</u>	<u>(210,400)</u>	<u>(228,205)</u>	<u>221,026</u>	<u>(26,329)</u>	<u>11,309,198</u>

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

Schedule of Bond Indebtedness

June 30, 2019

(In thousands)

	Amount outstanding December 31, 2018	Refunded or acquired and canceled in current year	Mandatory redemption/ sinking fund installments	Debt issuance	Amortization of premiums and discounts	Amount outstanding June 30, 2019
Turnpike revenue bonds:						
Series 2004 C-2	\$ 132,850	—	—	—	—	132,850
Series 2005 A	173,650	—	—	—	—	173,650
Series 2005 B	32,500	—	(32,500)	—	—	—
Series 2005 D1-D4	208,735	—	—	—	—	208,735
Series 2009 F	1,375,000	—	—	—	—	1,375,000
Series 2009 H	36,695	—	—	—	—	36,695
Series 2010 A	1,850,000	—	—	—	—	1,850,000
Series 2012A	15,000	—	—	—	—	15,000
Series 2012B	804,435	—	(158,435)	—	—	646,000
Series 2013A	312,100	—	(5,620)	—	—	306,480
Series 2013F	90,880	—	—	—	—	90,880
Series 2014A	1,000,000	—	—	—	—	1,000,000
Series 2014C	201,860	—	(3,130)	—	—	198,730
Series 2015A	92,500	—	—	—	—	92,500
Series 2015B	50,000	—	—	—	—	50,000
Series 2015C	43,750	—	—	—	—	43,750
Series 2015D	43,750	—	—	—	—	43,750
Series 2015E	750,000	—	—	—	—	750,000
Series 2015F	72,350	—	—	—	—	72,350
Series 2015G	25,000	—	—	—	—	25,000
Series 2015H	48,235	—	—	—	—	48,235
Series 2016A	149,995	—	—	—	—	149,995
Series 2016B	75,025	—	—	—	—	75,025
Series 2016C	50,015	—	—	—	—	50,015
Series 2016D	50,000	—	—	—	—	50,000
Series 2017A	600,000	—	—	—	—	600,000
Series 2017B	646,765	—	—	—	—	646,765
Series 2017C	400,000	—	(1,340)	—	—	398,660
Series 2017D	179,375	—	—	—	—	179,375
Series 2017E	359,680	—	—	—	—	359,680
Series 2017F	167,845	—	—	—	—	167,845
Series 2017G	726,640	—	—	—	—	726,640
Series 2019A	—	—	—	449,110	—	449,110
						—
						—
	10,764,630	—	(201,025)	449,110	—	11,012,715
Premiums and discounts, net	567,257	—	—	29,519	(28,141)	568,635
	<u>\$ 11,331,887</u>	<u>—</u>	<u>(201,025)</u>	<u>478,629</u>	<u>(28,141)</u>	<u>11,581,350</u>

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)  
Schedule of Refunded Bond and Note Indebtedness  
June 30, 2020

(With summarized comparative financial information as of June 30, 2019)  
(In thousands)

Note:

As of June 30, 2020 and 2019, refunded bond and note indebtedness which is still outstanding in fully collateralized escrow accounts is as follows:

Refunded series	Refunded amount	Matured/ redeemed	2020 outstanding	2019 outstanding
Series 2009I Turnpike Revenue Bonds, redemption January 1, 2020	\$ 178,005	(178,005)	—	178,005
Series 2012A Turnpike Revenue Bonds, redemption January 1, 2022	126,255	—	126,255	126,255
Series 2013A Turnpike Revenue Bonds, redemption January 1, 2020 through January 1, 2025	1,078,670	(1,080)	1,077,590	1,072,505
Series 2012B Turnpike Revenue Bonds, redemption July 1, 2025	42,070	—	42,070	—
Series 2014C Turnpike Revenue Bonds, redemption July 1, 2025	21,090	—	21,090	—
Series 2015A Turnpike Revenue Bonds, redemption July 1, 2025	38,075	—	38,075	—
Series 2015C Turnpike Revenue Bonds, redemption July 1, 2025	19,025	—	19,025	—
Series 2015D Turnpike Revenue Bonds, redemption July 1, 2025	19,050	—	19,050	—
Series 2017C-1 Turnpike Revenue Bonds, redemption July 1, 2025	31,050	—	31,050	—
Total	<u>\$ 1,553,290</u>	<u>(179,085)</u>	<u>1,374,205</u>	<u>1,198,760</u>



**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

**NEW JERSEY TURNPIKE**

Schedule of Toll Revenue

For the six months ended June 30, 2020 and 2019

(Unaudited)

(In thousands)

Class	Description	2020		2019	
		Toll revenue	Number of vehicles	Toll revenue	Number of vehicles
1	Passenger car, motorcycle, taxi or hearse, light truck	267,149	75,927	403,865	113,442
2	Vehicles having two axles other than type described under Class 1	28,645	4,006	32,916	4,584
3	Vehicle (vehicles), single or in combination, having three axles	14,710	1,825	21,907	2,321
4	Vehicle (vehicles), single or in combination, having four axles	17,384	1,463	16,461	1,458
5	Vehicle (vehicles), single or in combination, having five axles	109,698	7,265	102,275	7,382
6	Vehicle (vehicles), single or in combination, having six or more axles	5,243	262	6,649	321
7	Buses having two axles	529	167	986	252
8	Buses having three axles	3,711	396	6,613	644
	Nonrevenue vehicles	—	485	—	752
		447,069	91,796	591,672	131,156
	Nonrevenue vehicles	—	(485)	—	(752)
	Toll adjustments and discounts	(2,110)	—	(2,154)	—
	Net Uncollected Tolls	(25,544)	—	(18,461)	—
		419,415	91,311	571,057	130,404

**NEW JERSEY TURNPIKE AUTHORITY**  
(A Component Unit of the State of New Jersey)

**GARDEN STATE PARKWAY**

Schedule of Toll Revenue

For the six months ended June 30, 2020 and 2019

(Unaudited)

(In thousands)

Class	Description	2020		2019	
		Toll revenue	Number of vehicles	Toll revenue	Number of vehicles
1	Passenger car, motorcycle, taxi or hearse, light truck	\$ 150,510	135,563	204,830	183,845
2	Vehicles having two axles other than type described under Class 1	1,655	769	1,366	646
3	Vehicle (vehicles), single or in combination, having three axles	1,685	549	1,583	508
4	Vehicle (vehicles), single or in combination, having four axles	1,596	379	1,807	420
5	Vehicle (vehicles), single or in combination, having five axles	1,350	291	1,448	309
6	Vehicle (vehicles), single or in combination, having six or more axles	59	10	75	15
7	Buses having two axles	500	192	936	357
8	Buses having three axles	682	257	1,238	446
	Nonrevenue vehicles	—	690	—	801
		158,037	138,700	213,283	187,347
	Nonrevenue vehicles	—	(690)	—	(801)
	Toll adjustments and discounts	(140)	—	(154)	—
	Net Uncollected Tolls	(5,924)	—	(3,716)	—
		<u>\$ 151,973</u>	<u>138,010</u>	<u>209,413</u>	<u>186,546</u>