



New Jersey Turnpike Authority

2023 Annual Budget Book



Prepared by the Finance Department
Donna Manuelli, Chief Financial Officer
Erwin Luna, Assistant Comptroller
Stellanie Callanan, Assistant Comptroller

1 Turnpike Plaza, Woodbridge, NJ 07095

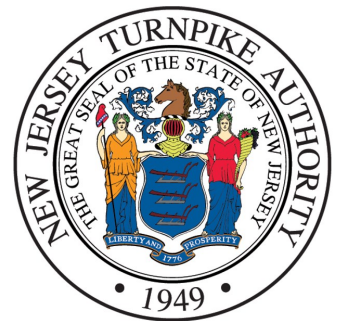


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Transmittal Letter



PHILIP D. MURPHY
GOVERNOR

SHEILA Y. OLIVER
LIEUTENANT GOVERNOR

New Jersey Turnpike Authority

1 TURNPIKE PLAZA - P.O. BOX 5042 - WOODBRIDGE, NEW JERSEY 07095
TELEPHONE (732) 750-5300

DIANE GUTIERREZ-SCACCETTI, Chair
ULISES E. DIAZ, Vice Chair
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JOHN D. MINELLA, Commissioner
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JOHN M. KELLER, Executive Director

October 25, 2022

To: The Board of Commissioners of the New Jersey Turnpike Authority:

We are pleased to submit for your review the New Jersey Turnpike Authority's (the Authority's) 2023 Annual Budget. The Authority's Turnpike Revenue Bond Resolution, Section 710, requires the Board of Commissioners to adopt, on or before January 15th of each fiscal year, an Annual Budget for that year, and promptly file the Annual Budget with the Trustee for inspection by the bondholders. The Annual Budget must include, at a minimum, appropriations for all anticipated Operating Expenses and Reserves therefor, and provisions for Maintenance Reserve Payments and Special Project Reserve Payments. The Annual Budget may set forth such additional material as the Authority may determine and shall contain a certificate of the Consulting Engineer approving such Annual Budget.

The 2023 Annual Budget has been prepared in accordance with the Authority's Strategic Plan and its Mission Statement. This mission is to prudently manage the finances and operations of the New Jersey Turnpike Authority to provide its customers with a safe, efficient, innovative, and resilient toll road system which facilitates mobility in New Jersey and the Northeast United States of America. To this end, the 2023 Annual Budget lays out, in detail, the progress that has been made since the approval of the 2020-2029 Strategic Plan. The 2023 Annual Budget includes total revenue which reflects the continued recovery from the pandemic, along with providing sufficient amounts for operating expenses, debt service and general reserve fund obligations. In addition, the 2023 Annual Budget includes the Authority's Capital Spending Program which is presented on a rolling five-year basis. The Capital Spending Program includes the revenue funded Capital Budget and the bond funded Construction Fund.

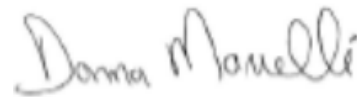
In 2023, the Revenue is budgeted at \$2.5 billion, which is a 7.4% increase from the 2022 budget, demonstrating a strong recovery as traffic is projected to return to about 96% of pre-pandemic levels, coupled with annual toll rate indexing at 3%, effective January 1, 2023. Operating Expenses are budgeted at \$713.7 million, which shows a 6.3% increase. Categorically, the increase is a derivative primarily of inflation and supply chain issues, but also of growth, a never-ending focus on the motoring public's safety, and contractual obligations. The national inflation rate is 8.3%, and inflation and supply change issues require budget increases in several areas including health benefits, fuel, utilities, insurance, automotive parts and supplies, and goods purchased for roadway and building maintenance. Also impacting operating expenses are forecasted growth in traffic and revenue which increases variable costs. Without inflation and growth, operating expenses are only budgeted to increase by a modest 2.2%. The 2023 Annual Budget includes Debt Service of \$958 million, an increase of \$55 million over last year's budget reflecting new money borrowings to fund the Capital Improvement Programs. General Reserve spending and transfers in 2023 total nearly \$760 million and include the fulfillment of \$640 million in contractual payments to the State after all debt service payments and bond resolution revenue funded capital requirements are met.

As illustrated in the Capital Spending Program, the Authority projects design, supervision, and construction contract awards to be approximately \$1.3 billion as per its target for the capital and construction projects. In addition, the Capital Spending Program projects a spending budget of nearly \$1.3 billion in 2023 from a combination of its bond and revenue funded programs. The various project budgets have also been increased by about 7% to account for inflation experienced or expected in future awards. Of note, the 2023-2027 Capital Improvement Program's primary focus is the rehabilitation of 19 bridges, as well as planning for the rehabilitation of the Newark Bay Hudson County Extension and Turnpike capacity enhancement between Interchanges 1 to 4. In addition, the Authority anticipates rolling out its All-Electronic Tolling initiative, also included in the 2023-2027 Capital Improvement Program. This program is derived from the 2020 Long-Range Capital Plan and is funded from bond proceeds. Revenue funded projects, on the other hand, focus on maintaining a state of good repair on both roadways. Funds will be utilized largely for the resurfacing of 620 total lane miles, as well as for several New Jersey Turnpike and Garden State Parkway bridge repairs and facility upgrades. The Authority is also starting its resiliency and sustainability initiatives, with projects involving solar panel installations at select Maintenance Districts, electric vehicle charging stations and the purchase of electric vehicles.

The 2023 Annual Budget demonstrates the Authority's continued ability to prudently manage its finances, and showcases its operational strength and resiliency despite the challenges faced by the current economic climate. The 2023 Annual Budget provides for the necessary personnel and expenditures to operate and maintain the New Jersey Turnpike and Garden State Parkway, two of the nation's busiest, yet safest toll roads. Finally, the 2023 Annual Budget provides bond covenant coverage that exceeds what is required by the Turnpike Revenue Bond Resolution and the Authority's Financial Management Principles and Guidelines and meets all contractual payment obligations.



John M. Keller
Executive Director



Donna Manuelli
Chief Financial Officer

Government Finance Officers Association Distinguished Budget Award 2022

GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**New Jersey Turnpike Authority
New Jersey**

For the Fiscal Year Beginning

January 01, 2022*Christopher P. Morill***Executive Director**

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **New Jersey Turnpike Authority, New Jersey**, for its Annual Budget for the fiscal year beginning **January 1, 2022**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Vision Statement

To be the premier toll road agency in the United States of America.

Mission Statement

To prudently manage the finances and operations of the New Jersey Turnpike Authority to provide our customers with a safe, efficient, innovative, and resilient toll road system, which facilitates mobility in New Jersey and the Northeast United States of America.

Core Values

The Authority's core values are a commitment to:

Safety

Diversity

Innovation

Transparency

State of Good Repair

Customer Satisfaction

Resiliency & Sustainability

Long Term Financial Stability



Figure 1: The Turnpike and Parkway Crossing in Woodbridge

Background

The New Jersey Turnpike Authority (the "Authority") is a body corporate and politic of the State of New Jersey (the "State"). The Authority was organized and exists by virtue of the New Jersey Turnpike Act of 1948 (the "Act"), constituting Chapter 454 of the Laws of New Jersey of 1948, as amended and supplemented. Pursuant to the Act, the Authority has owned and operated the New Jersey Turnpike (the "Turnpike") since the time the Turnpike opened for traffic in 1951. In July 2003, the New Jersey Highway Authority (the "Highway Authority") was abolished and the Authority assumed all of the powers, rights, obligations, assets, debts, liabilities, and statutory responsibilities and duties of the Highway Authority, including the ownership and operation of the Garden State Parkway (the "Parkway"). As a result, the assets, liabilities, ongoing operations, expenses, and revenues of the Authority and the Highway Authority are now combined under the ownership and operation of the Authority.

The Turnpike

The Turnpike is a limited access toll road that serves as part of the I-95 corridor, linking the major economic centers of the East Coast. Its connections to a major seaport in Newark and Elizabeth and an international airport in Newark make it an important route for both commercial and passenger vehicles. It also serves New Jersey commuters traveling to and from the major metropolitan areas surrounding Philadelphia, New York City, and other employment centers in the state. The Turnpike was the first toll road in New Jersey and the third in the nation when it opened in 1951.

When the Turnpike first opened in 1951, it was 118 miles in length, but has grown to 148 miles. The miles have grown over the years with the addition of the Newark Bay-Hudson County Extension (1956), the Pearl Harbor Memorial Turnpike Extension (1956), the Western Spur (1970), and the I-95 Extension (1992). The mainline connects to the George Washington Bridge in the north and the Delaware Memorial Bridge in the south. To the east it connects with the Lincoln and Holland Tunnels, as well as the Outerbridge Crossing. Lastly, to the west, it connects with the Delaware River Turnpike Toll Bridge. Originally four lanes for its full length, the Turnpike now boasts a width of fourteen lanes in some areas.

The Parkway

The Parkway first opened to traffic in 1954 with a length of 168 miles. It is now a 173-mile limited access toll road with connections in the north to the New York State Thruway at the New York-New Jersey border near Spring Valley, New York and in the south to Route 9 near Cape May, New Jersey. The Parkway interchanges are numbered according to their distance from the southern terminus.

The northern section of the Parkway serves the metropolitan suburban areas of Bergen, Union, Essex, and Passaic Counties near Newark and New York City. In addition to being heavily used by commuters, the location of many businesses and industrial complexes in or near the Parkway corridor has resulted in significant local business traffic. The Parkway is also the principal highway route between metropolitan Newark-New York City and the New Jersey seashore. The Parkway is now as wide as 15 lanes in some areas and has a heavy truck restriction north of Interchange 105.

Financial Policies Summary

The Authority has adopted four key financial policies that serve as the groundwork for how the Authority issues debt, makes investments, and manages its finances. Below is a brief description of these four policies. The policies were developed by staff in consultation with the Authority's Financial Advisors and approved by the Board of Commissioners. All financial policies are reviewed by the Authority's Chief Financial Officer no less than every two years. Any changes to the document will be presented to the Authority's Board of Commissioners for approval. The full versions of these policies are included in [Appendix C](#) of this document.

Financial Management Principles and Guidelines

The Financial Management Principles and Guidelines are intended to serve as a management tool to enable the Authority to communicate the Authority's commitment to a sound financial decision-making process and affirm to investors and the credit rating agencies management's commitment to the long term financial viability of the Authority and repayment of its bonds. The Financial Management Principles and Guidelines are also intended to serve as guidance for management of the Authority with respect to:

- (i) the issuance and management of Authority debt in appropriate amounts and types with the goals of achieving the lowest possible costs of capital within prudent risk parameters and ensuring ongoing access to the capital markets; and
- (ii) compliance by the Authority with all provisions of its enabling legislation relating to bonds, notes or other obligations of the Authority, as well as all provisions of the Turnpike Revenue Bond Resolution.

Since its inception, the policy has set targets for total debt service coverage, total requirements coverage, and the minimum General Reserve Fund balance. The debt service coverage target is 1.40 times, while the total requirements coverage target is 1.20 times, both above the levels required by the Authority's Turnpike Revenue Bond Resolution. Notably, in January 2017, the Authority's Board of Commissioners approved an amendment to the Financial Management Principles and Guidelines. This amendment increased the minimum General Reserve Fund target from \$100 million as follows:

- \$125 million as of 12/31/17
- \$150 million as of 12/31/18
- \$175 million as of 12/31/19
- 10% of that year's budgeted annual revenue for 12/31/20 and each year thereafter.

Debt Management Policy

The Debt Management Policy is intended to serve as a management tool to enable the Authority to identify circumstances and transactions under which the Authority can issue and manage its bonds, notes, and other obligations in the most efficient manner and provide for the full and timely repayment thereof. The policy is also intended to serve as guidance for management of the Authority with respect to:

- (i) the issuance and incurrence of Authority debt in appropriate amounts and types with the goals of achieving the lowest possible costs of capital within prudent risk parameters and ensuring ongoing access to the capital markets;
- (ii) compliance by the Authority with all provisions of its enabling legislation relating to bonds, notes, or other obligations of the Authority, as well as all provisions of the Turnpike Revenue Bond Resolution (as hereinafter defined);

- (iii) preservation of financial flexibility to maintain appropriate resources and funding capacity for present and future capital needs;
- (iv) management of interest rate risk exposure to promote the appropriate diversification within the debt portfolio to balance risk and liquidity and promote and maintain an acceptable balance between interest rate risk and the long-term cost of capital; and
- (v) securing of highly qualified professional services firms to assist with debt issuance in an open and competitive process.

Interest Rate Swap Management Plan

The Interest Rate Swap Management Plan sets forth the manner of execution of interest rate swaps and related agreements, provides for security and payment provisions, and sets forth certain other provisions related to interest rate swap agreements between the Authority and qualified swap counterparties. The Interest Rate Swap Management Plan also outlines procedures to be followed to ensure compliance with all applicable federal and state laws.

Investment Policy

The purpose of the Investment Policy is to define guidelines and operational factors governing the investment of all funds held by the Authority or its bond trustees. The Investment Policy is intended to show compliance with all provisions of the Authority's enabling legislation relating to the investment of funds of the Authority, as well as provisions of the Turnpike Revenue Bond Resolution.

Financial Plan

Financial Plan Key Highlights

The Authority's current financial plan includes projected revenues, expenses, deposits to reserve funds, and financial covenant calculations through December 31, 2027. Key highlights of the plan are as follows:

Revenue

- Toll revenue is projected by the Authority's traffic engineering consultant, CDM Smith. CDM Smith provided the Authority with a Draw Down letter in July 2022, which includes projected toll transactions and revenue for 2023-2032. The forecast assumes annual toll rate indexing at 3% and reflects an assumed permanent change in commuting patterns due to continuation of either full or hybrid work from home schedules that will remain post-pandemic. For the combined roadways, the forecast for 2023 shows toll transactions increasing by 2.0% and toll revenue by 3.6% in comparison to 2022 estimated actuals. Starting in 2024 and continuing through 2027, toll transactions are expected to increase, on average, by 1.0% and revenue by 4.0%.
- Fees are projected to increase by about 2.0% per year based on historical growth. The estimated actual for 2022 is higher than prior years and the future years reflecting current trends in administrative fee collections and growth in membership fees.
- Federal Subsidy for Series 2009F and 2010 Bonds (Build America Bonds) is projected to remain constant at current levels, which represents about 35% of the interest payable on the bonds. The sequestration cut of 5.7% is constant from 2021-2030 per IRS pronouncements.
- Concession revenue will be impacted by the closure and rebuilding of the Service Areas through 2024 assuming the adjoining Service Areas do not pick up the volumes lost during the closures. Concession revenue is projected to increase by about 2.1% per year from 2023 forward based on projected increases in travel volume on the roadways.
- Other Revenue (Investment & Miscellaneous) is projected to decline by approximately \$17.4 million in 2023 compared to 2022 estimated actual results as a result of the Authority recognizing \$15.4 million of the upfront payment for the 2022A forward delivery. Interest income is projected to increase due to the increase in interest rates and invested balances. Miscellaneous revenue is projected to remain the same in 2023. After 2023, Miscellaneous Revenue, except for items related to the Arts Center, is increasing by an average of 2.1% per year based upon historical growth rates. Investment income is projected to increase primarily due to the recognition of the upfront payment for the 2024A forward delivery which for the years 2024-2027 is estimated to be \$64.1 million.

Operating Expenses

- Operating Expenses are projected to increase by 6.3% from 2022 to 2023, primarily driven by general price inflation which has exceeded 8.0%, growth, safety initiatives, and to a lesser extent contractual increases. These increases are seen in Employee Health Benefits due to medical inflation and a decrease in employee contribution rates, Other Professional Services largely due to increased asset inspections beyond bridge inspections, increased toll collection costs associated with higher traffic and revenue numbers and increased supplemental staff services, Insurance premiums due to cyber insurance enhancements and the increased value of the Authority's insured bridges and properties due to higher replacement values and growth, Banking Services for toll collection due to rising toll revenue numbers and Roadway Maintenance, Equipment Maintenance, and Other Materials primarily due to general inflation and supply chain issues, as well as an increase in software due to growth. After 2023, Operating Expenses are projected to increase on average by about 4.3% per year, based upon assumed standard increases in salaries, pension, health benefits and other key cost categories.

Net Debt Service

- Projected Net Debt Service (payable from net revenues) includes interest payments on the assumed new money bond issuances of about \$1.0 billion per year to fund the Authority's various capital improvement programs. Projections assume the use of capitalized interest for a period of up to three years on each new money issuance from 2023 through 2027. Net Debt Service isn't projected to

increase from future new money issuances until 2026 when the capitalized interest expires on the Series 2022B Bonds.

Maintenance Reserve Fund and the Special Project Reserve Fund

- Deposits to both the Maintenance Reserve Fund and the Special Project Reserve Fund are determined by the Authority's General Consulting Engineer, HNTB. The deposits are determined based upon necessity from the Consulting Engineer's Report dated October 2022. Maintenance Reserve Fund deposits will increase by \$10 million per year through 2026, and then will increase by 3.5% per year thereafter. Special Project Reserve Fund deposits will increase by 3% in 2023, 5% in 2024, 4% in 2025, and 3.5% per year thereafter. Deposits to these funds have been increased over prior levels to account for needs and inflationary increases in materials and labor

State Payments

- Includes payments under the Transportation Trust Fund Agreement, Feeder Road Maintenance Agreement, and the 2021 State Public Transportation Projects Funding Agreement, all between the Authority and the State of New Jersey, with payments subordinate to debt service payments to bondholders and Bond Resolution required deposits to the Maintenance Reserve Fund and the Special Project Reserve Fund. The new State Public Transportation Projects Funding Agreement started on July 1, 2021. This agreement requires payments based on the state fiscal year which begins on July 1st. The 2023 projections include a portion of catch up payments for the state fiscal year 2023 (7/1/2022 - 6/30/2023). It is assumed that the State Public Transportation Projects Funding Agreement will be amended to provide funding to the State for the Gateway Project Tunnel operations estimated at about \$10 million/year during the 10 -year construction period beginning in 2023.

The Authority's Financial Plan through 2027 forecasts the Authority to be in compliance with and exceed its General Bond Resolution Financial covenants, which require a minimum debt service coverage ratio of 1.20 times and total requirements coverage of at least 1.0 times. In addition, the Authority is projected to be in compliance with and also exceed its Board approved policies that target debt service coverage of at least 1.40 times, total requirements coverage of 1.20 times, and a minimum unencumbered General Reserve Fund balance of 10% of total annual revenue as of December 31, 2022 and each subsequent year thereafter (\$246.9 million as of December 31, 2023 increasing to \$287.7 million as of December 31, 2027).

New Jersey Turnpike Authority Financial Plan							
<i>Fiscal Year Ending 12/31</i> <i>(\$ In Thousands, rounded to nearest hundred thousand)</i>	Actual 2021	Est/Act 2022	Budget 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Revenues							
Toll Revenues (1)							
Turnpike Tolls	\$ 1,493,600	\$ 1,593,300	\$ 1,638,700	\$ 1,712,300	\$ 1,776,100	\$ 1,844,900	\$ 1,922,000
Parkway Tolls	505,200	526,900	557,700	582,100	602,800	625,200	648,200
E-ZPass Fees	131,700	128,000	120,000	122,400	124,800	127,300	129,800
Federal Subsidy for Series 2009 F and Series 2010 A Bonds (2)	77,500	77,100	77,000	77,000	77,000	77,000	77,000
Concession Revenue	31,100	35,400	33,000	33,700	34,400	35,100	35,800
Other Revenue	27,100	59,700	42,300	48,600	59,500	66,800	64,500
Total Revenues	\$ 2,266,200	\$ 2,420,400	\$ 2,468,700	\$ 2,576,100	\$ 2,674,600	\$ 2,776,300	\$ 2,877,300
Operating Expenses and Reserve (3)	(590,700)	(627,200)	(717,900)	(753,100)	(786,500)	(817,700)	(845,800)
Total Revenues Available for Debt Service	\$ 1,675,500	\$ 1,793,200	\$ 1,750,800	\$ 1,823,000	\$ 1,888,100	\$ 1,958,600	\$ 2,031,500
Future Debt Issuance	—	700,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Existing Debt Service (4)(5)	(795,500)	(859,200)	(873,300)	(920,200)	(929,600)	(931,200)	(933,000)
Proposed DS on Future Debt Issuance	—	(5,800)	(85,000)	(135,000)	(185,000)	(235,000)	(285,000)
Proposed Capitalized Interest	—	5,800	85,000	135,000	179,200	150,000	150,000
Net Debt Service (6)	(795,500)	(859,200)	(873,300)	(920,200)	(935,400)	(1,016,200)	(1,068,000)
Total Revenues Available After Debt Service	\$ 880,000	\$ 934,000	\$ 877,500	\$ 902,800	\$ 952,700	\$ 942,400	\$ 963,500
Maintenance Reserve Fund (7)	(160,000)	(200,000)	(230,000)	(240,000)	(250,000)	(260,000)	(269,100)
Special Project Reserve Fund (7)	(50,000)	(50,000)	(51,500)	(54,100)	(56,500)	(58,800)	(60,900)
Net Revenues Available for General Reserve Fund	\$ 670,000	\$ 684,000	\$ 596,000	\$ 608,700	\$ 646,200	\$ 623,600	\$ 633,500
TTF Payments	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)
Feeder Road Maintenance Agreement	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
2016 State Transportation Projects Funding Agreement	(64,500)	—	—	—	—	—	—
2021 State Transportation Projects Funding Agreement (8)	(175,000)	(523,000)	(605,500)	(472,500)	(487,500)	(502,500)	(517,500)
Proposed Gateway Project Tunnel	—	—	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
General Reserve Spending	(33,600)	(60,600)	(59,800)	(54,800)	(54,800)	(54,800)	(54,800)
Net Transfer to Construction Fund Account	(63,400)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Funding for Salary Chargeback Bond funded Projects	(11,500)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Net Annual General Reserve Fund Increase (Decrease)	297,500	15,900	(163,800)	(13,100)	9,400	(28,200)	(33,300)
Available Ending General Reserve Fund Balance (9)	\$ 637,200	653,100	489,300	476,200	485,600	457,400	424,100
Net Revenues to Debt Service Coverage Ratio	2.11	2.09	2.00	1.98	2.02	1.93	1.90
Net Revenues to Debt Service and Reserves Coverage Ratio	1.67	1.62	1.52	1.50	1.52	1.47	1.45

(1) Toll Revenue from 2023 to 2027 is based on the 2022 Draw Down Letter from CDM Smith dated July 22, 2022.

(2) Assumes a 5.7% reduction in BAB Subsidy throughout projection period.

(3) Operating Expenses and Reserve includes the operating expenses for the year from the HNTB Report dated September 25, 2022 and the annual increase in the working capital reserve which brings the total amount of reserves in the Revenue Fund to 10% of the annual budgeted operating expenses as per section 504

(4) Existing debt service assumes swapped debt will achieve synthetic fixed rate and includes the applicable spreads of the FRNs. The unhedged portion of the

(5) Bonds with a mandatory tender dates are assumed to roll over their respective current spreads through maturity.

(6) Net Debt service includes debt service on the existing and future debt netted with the capitalized interest for the years 2022-2027.

(7) From HNTB Report dated September 25, 2022.

(8) State Payments are based on calendar year while the State agreement is on fiscal year basis (6/30).

(9) Beginning General Reserve Fund Balance is adjusted for non-cash interfund balances.

Figure 2: The Authority's Financial Plan

The Strategic Plan

The Authority adopted its first ten-year Strategic Plan (2020-2029) in 2019. The Strategic Plan, through its incorporation of the Authority's vision and mission statement, as well as its core values, provides clear direction and measurable goals for the next ten years. The Authority is working to measure, monitor, and report its performance as compared to the key goals on a quarterly basis.

The Strategic Plan includes performance measures for the Authority's key goals as listed below:

Safety

Safety is one of the Authority's core values and is a critical component of the mission statement. Ensuring safety for both customers and the Authority workforce is a focus of every project and initiative the agency undertakes.

Performance Measures have been established in each of these areas:

- Crashes and Fatalities
- Toll Collection Personnel Incidents
- Maintenance and Contractor Personnel Incidents
- Service Area and Park & Ride Safety



Figure 3: Installation of Barrier Fencing Express E-ZPass Lanes

Financial Strength

Maintaining a strong financial position to fund operations, maintenance tasks, and capital improvements adequately and efficiently supports the Authority's mission and vision for providing transportation services to the region.

Performance Measures have been established in each of these areas:

- Credit Strength
- Cost-Effective Operations
- Capital Funding Approach
- Reserve Funding
- Debt Capacity

Mobility

Customer satisfaction is a key best practice for any business, including the Authority. Maintaining and improving mobility for current and future customers on both the Turnpike and Parkway is critical to the organization's future success.

Performance Measures have been established in each of these areas:

- Vehicle Throughput
- Traffic Balancing
- Emerging Tolling and Vehicle Technologies
- Multi-Modal Connectivity Through Regional Coordination



Figure 4: Capacity Enhancement of Turnpike Interchange 11

State of Good Repair

Maintaining a state of good repair can increase the useful life of the Authority's assets, resulting in cost savings over time and ensuring proper traffic flow management. State of good repair cuts across all of the Authority's Strategic Plan goals.

Performance Measures have been established in each of these areas:

- Pavement Condition
- Pavement Markings
- Barrier and Guardrail
- Signage
- Lighting
- Drainage Systems
- Bridges
- Maintenance Equipment
- Facilities
- Technology
- Asset Management and Project Management



Figure 5: Widening Project and Mainline Pavement Repairs on the Garden State

People

The Authority's future success depends on its ability to continue to serve and satisfy customers, which requires the agency to hire, motivate, and retain a high-quality workforce. Qualified, motivated individuals across all levels of the organization are key to the Authority's continued success.

Performance Measures have been established in each of these areas:

- Customer Satisfaction
- Understanding Future Staffing Needs
- Retention of High-Quality Staff
- Succession Planning
- Attracting and Hiring Qualified Talent

New Jersey Turnpike Authority 2022 Accomplishments and 2023 Goals

The goals and accomplishments are based on the Authority's five goals established in the Strategic Plan. The Strategic Plan outlines the performance measures to which the Authority adheres.

The summary below highlights major accomplishments in 2022 and goals for 2023 per selective Strategic Plan performance criteria (the responsible departments are listed with each accomplishment or goal):

Safety

2022 Accomplishments

- Upgraded delineation of select interchanges on the Turnpike and Garden State Parkway roadways to reduce crashes (Maintenance)
- Installed over 60 traffic control device upgrades on ramp terminals to assist in the reduction of run-off road crashes (Maintenance)
- Published new and modern Work Zone Safety Procedures guidance for contractor and Maintenance personnel use (Maintenance)
- Upgraded and modernized Standard Operating Procedures in multiple sections to reduce incidents (Operations)
- State Police Commercial Vehicle Inspection (CVI) Units increased the annual number of inspections by 60% which targeting aggressive driving violations by commercial vehicles (State Police)
- State Police Troop D Construction Incident Management Unit (CIMU) expanded its training programs with NJTA Maintenance personnel in Traffic Incident Management System (TIMS) as Traffic Control Coordinators (TCC) (State Police)
- Created new and upgraded existing lane schematics on GSP for traffic reference - Toll Collection
- Continued to prioritize and implement security remediation activities using a data-driven approach (ITS)
- Continued to update disaster recovery, business continuity, and information security plans (ITS)

Selected Performance Measure: Crashes per million vehicle miles (MVM) traveled. Total Crash Rate per 100 MVM for the period January thru July 2022 increased by 19.7% on the Turnpike and 0.8% on the Parkway when comparing the same period in 2021. Safety is a top goal for the Authority, thus the Authority continues to upgrade roadway delineation systems, traffic control devices, and work with the State Police for traffic safety management. For departmental goals and accomplishments, please see page [64](#) (Maintenance Department) and page [80](#) (State Police Department)

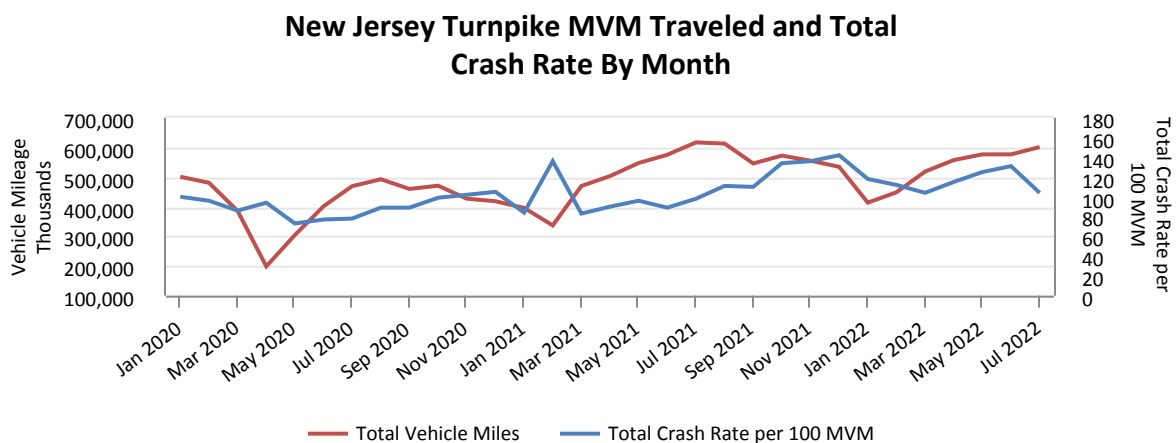


Figure 6: Turnpike MVM Traveled and Total Crash Rate by Month (Jan 2020-Jul 2022)

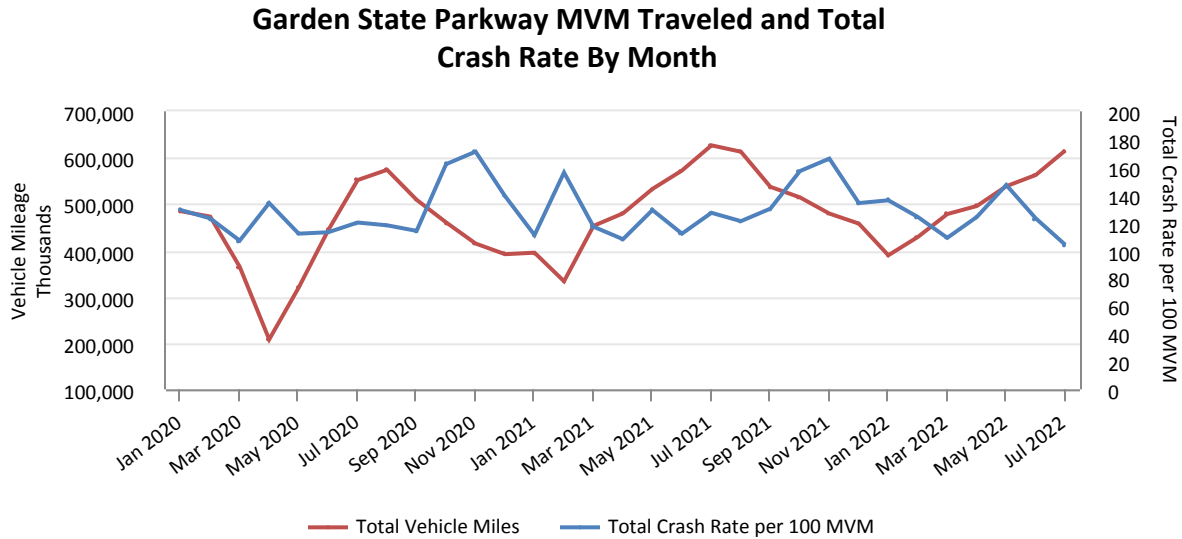


Figure 7: Parkway MVM Traveled and Total Crash Rate by Month (Jan 2020-Jul 2022)

Selected Performance Measure: Non-fatal crashes by month. For departmental goals and accomplishments, please see page [64](#) (Maintenance Department) and page [80](#) (State Police Department)

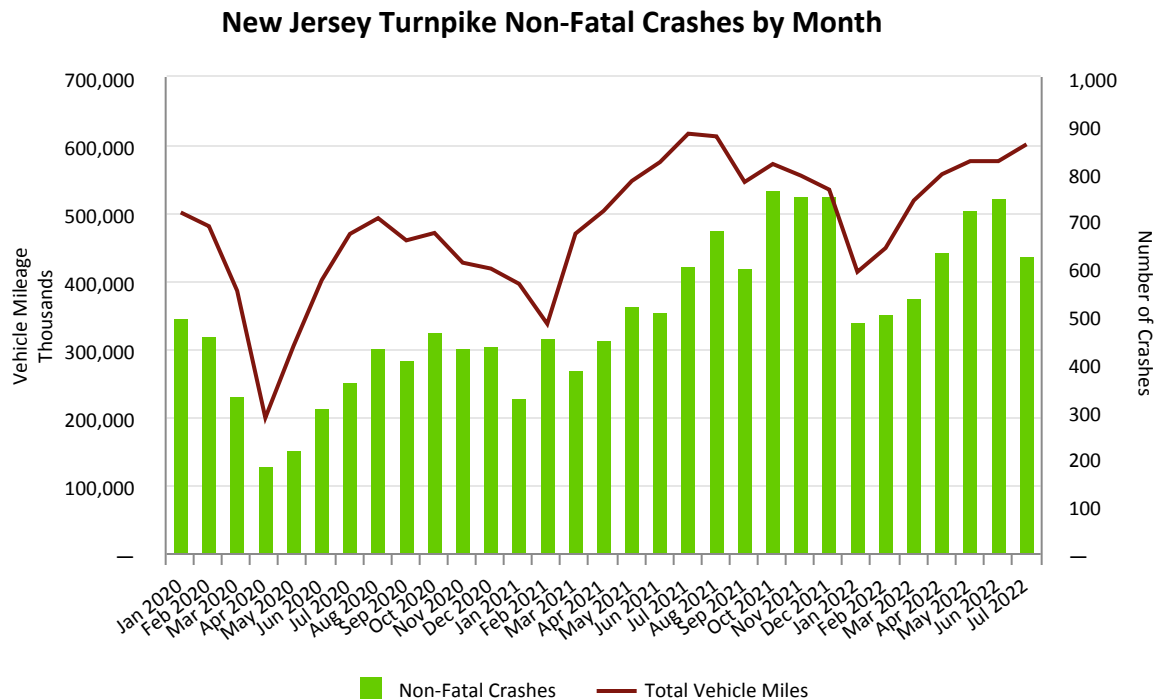


Figure 8: Turnpike Non-Fatal Crashes by Month (Jan 2020-Jul 2022)

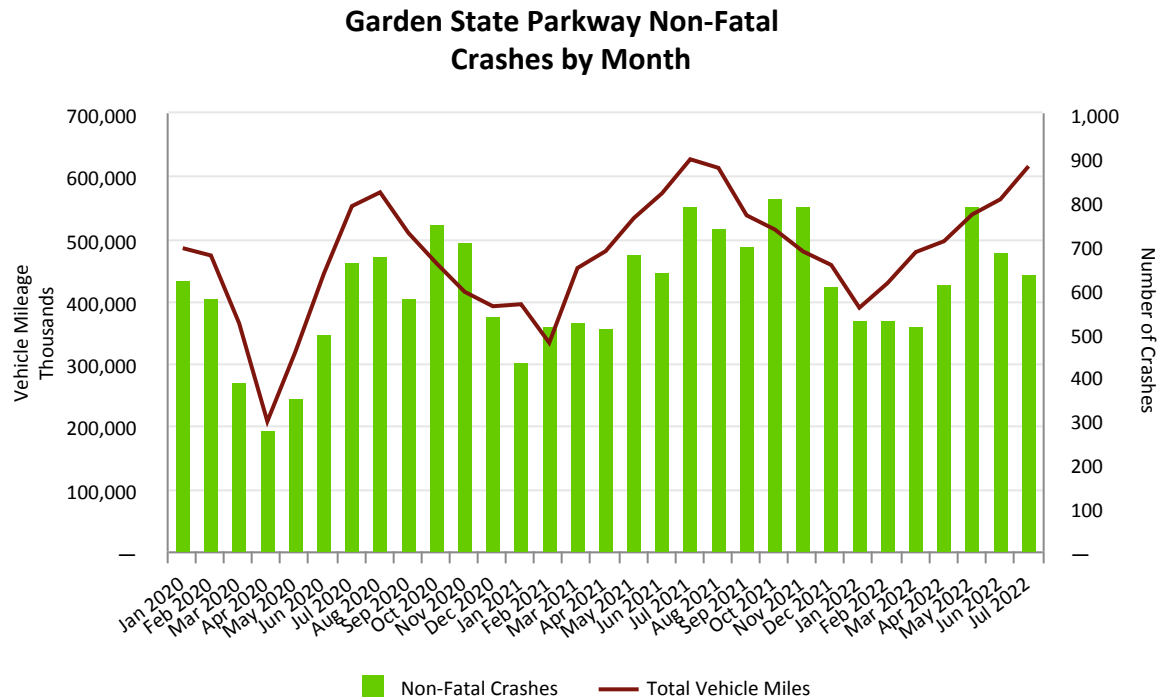


Figure 9: Parkway Non-Fatal Crashes by Month (Jan 2020-Jul 2022)

2023 Goals

- Deploy a training resource/program to contractors and Maintenance personnel at the Herbertsville Inspection Station for the training and compliance of national provisions on traffic control (Maintenance)
- Design and issue a compendium of approved detour routes for construction and maintenance to reduce needed resources prior to construction (Maintenance)
- Review Safety Measures at Interchange 13A (South Outer Turnpike [SOT] Ramp) and Interchange 16W (South West Turnpike [SWT] Ramp) (Toll Collection)
- Set up Jersey Barrier at Interchange 1 for upgraded traffic configuration - Toll Collection
- Migrate pavement marking asset management software platform to the Authority's infrastructure (Operations)
- Expand State Police Commercial Vehicle Inspection (CVI) units to combat the significant increase in commercial vehicle volume, safety issues, and enhance the ability to respond to critical incidents involving commercial motor vehicle crashes (State Police)
- Work in conjunction with the Authority to formulate and develop combined response plans with local emergency service personnel to limit roadway closures and establish a continuum of operations as they relate to incident response and management (State Police)
- Maximize the effectiveness of tactical patrol units while utilizing tactics to reduce aggressive driver behavior (State Police)

Financial Strength

2022 Accomplishments

- On January 28, 2022, Moody's upgraded the Authority's credit rating from 'A2' (Stable) to 'A1' (Stable). Additionally, on February 17, 2022, S&P raised the Authority's credit rating from 'A+' (Stable) to 'AA-' (Stable), and on March 30, 2022 Fitch also upgraded the Authority's credit ratings from 'A' (Positive) to 'A+' (Stable) (Finance)
- Debt service coverage in 2022 is expected to be 2.09 times and total requirements coverage is expected to be 1.62 times, both above Bond Resolution covenant requirement and Financial Policy targets (Finance)
- On July 1, 2022, the Authority issued the Series 2022A revenue bonds in the amount of \$100 million. These bonds were issued to refund and redeem certain maturities of the outstanding Series 2013A revenue bonds. This issuance was part of the forward delivery refunding direct bond purchase agreement between the Authority and Barclays Capital Inc. The Authority received an upfront payment of \$15.4 million representing savings on the bonds (Finance)
- The Authority's unrestricted General Reserve Fund balance has exceeded 10% of the budgeted operating revenue for 2022, complying with the Financial Management Principles and Guidelines. Additionally, the Authority is expected to meet all bond covenants and financial policies as of December 31, 2022 (Finance)
- Maintained funding for all construction and capital projects despite the continued impact of the global pandemic (Finance)
- Received Government Finance Officer's (GFOA's) Certificate of Achievement for Excellence in Financial Reporting for the comprehensive annual financial report for the fiscal year ended December 31, 2020 (Finance)
- Received GFOA's Distinguished Budget Presentation Award for the submission of the annual budget for the fiscal year beginning January 1, 2022
- Developed and finalized the 2023-2027 Rolling Five-Year Capital Improvement Program based on the 2020 Long-Range Capital Plan (Finance)
- Utilized the Authority's new "Teammate" audit software to provide an efficient and systematic risk assessment to develop a 2022 Audit Plan to ensure proper internal controls are used throughout the Authority (Internal Audit)

Selected Performance Measure: In 2022, Moody's, S&P, and Fitch all upgraded The New Jersey Turnpike Authority's Bond Ratings, as shown in table below. For departmental goals and accomplishments, please see [page 104](#) (Finance Department)

New Jersey Turnpike Authority Bond Ratings		
Credit Rating Agency	2021 Bond Ratings	2022 Bond Ratings
Moody's Investors Service Inc	A2 (Stable Outlook)	A1 (Stable Outlook)
S&P Global Ratings	A+ (Stable Outlook)	AA- (Stable Outlook)
Fitch Ratings	A (Positive Outlook)	A+ (Stable Outlook)

Moody's Investors Services Inc	S&P Global Ratings	Fitch Ratings		
Aaa	AAA	AAA	Investment Grade	Minimal Credit Risk
Aa1	AA+	AA+		Very Low Credit Risk
Aa2	AA	AA		
Aa3	AA-	AA-		
A1	A+	A+		Low Credit Risk
A2	A	A		
A3	A-	A-		
Baa1	BBB+	BBB+		Moderate Credit Risk
Baa2	BBB	BBB		
Baa3	BBB-	BBB-		

Figure 10: The Authority's Credit Rating

The Authority's investment grade bond ratings demonstrate a strong capacity to meet the Authority's financial obligations and represents a relatively low risk to investors.

2023 Goals

- Meet or exceed minimum General Reserve Fund Financial Policy target of 10% of budgeted revenue, which would be \$247 million as of December 31, 2023 (Finance)
- Meet or exceed debt service coverage ratio covenants and Financial Policy targets (Finance)
- Meet or exceed total requirements coverage ratio covenants and Financial Policy targets (Finance)
- Implement contract management software that will assist with the continued work on GASB 87 for the Authority's financial reporting (Finance)
- Further improve internal and external reporting (Finance)
- Improve bond ratings to provide the lowest cost of capital (Finance)
- Establish a cohesive Strategic Plan goals report for the Authority (Finance)
- Implement and integrate Capital Project Management and Enterprise Asset Management systems to improve recording and reporting of capital expenditures (Finance)

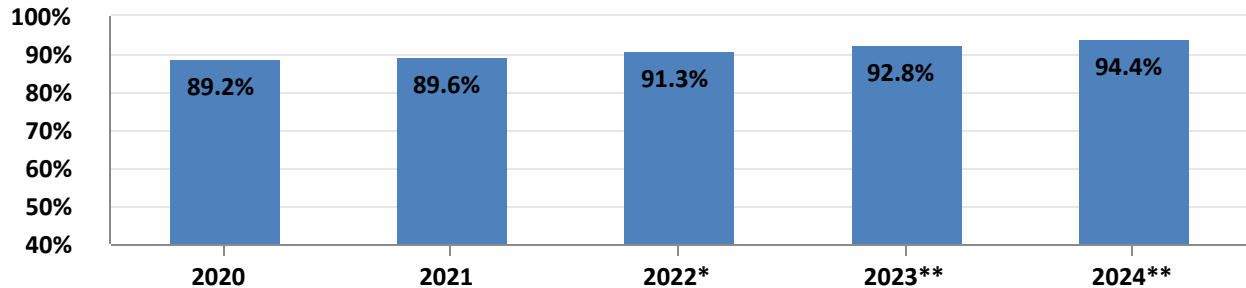
Mobility

2022 Accomplishments

- Completed tolling data business intelligence and business analytics pilot program for E-ZPass process improvements and enhanced customer experience (ITS)
- Replaced over 600 networking devices as part of a network enhancement initiative, ensuring additional capacity as required by roadway demand (ITS)
- Upgraded the Traffic Permitting and Lane Closure application (ITS)
- Finalized next generation Advance Traffic Management Platform (ATMP) requirement (ITS)
- Continued to maintain, install, and improve critical components of the Toll Lane System (ITS)
- Deployed more intelligent transportation devices including traffic cameras to improve E-ZPass traffic configuration (Operations)
- Expanded programs and strategies to improve travel times, automation, and new Hybrid Changeable Message Signs (Operations)
- Upgraded the Parkway and Turnpike touch screens to further increase collector efficiency (Toll Collection)

Selected Performance Measure: Annual Turnpike Percentage of E-ZPass Traffic. E-ZPass usage is expected to increase on the Turnpike by 1.5% in 2023. For departmental goals and accomplishments, see page [83](#) (Information Technology Services Department)

New Jersey Turnpike Percentage of E-ZPass Traffic



*Through July 31, 2022

**Estimates based on historical average trend from 2016-YTD July 2022

Figure 11: Percentage of E-ZPass Traffic (2020-2024)

2023 Goals

- Continue network and server infrastructure upgrades to ensure additional capacity, as required by roadway demand (ITS)
- Continue to improve and refine the business intelligence and business analytics program (ITS)
- Complete installation and deployment of Hybrid Changeable Messaging Signs (HCMS) - (Engineering and ITS)
- Continue to enhance the Traffic Permitting and Lane Closure application (ITS)
- Begin implementation of the next generation Advance Traffic Management Platform (ITS)
- Set up Jersey Barrier at Interchange 1 for continued traffic configuration upgrades (Toll Collection)
- Complete Traffic Count Application, which will produce an Annual Volume Report for multiple internal and external stakeholders (Operations)

State of Good Repair

2022 Accomplishments

- Improved the overall condition of mainline pavement and bridges on the Turnpike and Parkway (Engineering)
- Managed the rehabilitation and modernization of the Woodrow Wilson and Molly Pitcher service areas (Maintenance)
- Upgraded power infrastructure at critical sites (ITS)
- Upgrades to Commend, C-Cure, and intercom systems on each roadway (Toll Collection)
- Continued to refresh aging hardware with new standardized equipment which include multi-year warranty support contracts and to refresh aging software with current programming standards (ITS)
- Continued to work on the Authority's Capital Improvement Program. In 2022, the Authority is estimated to spend \$700 million in the Construction Fund, especially on bridges, lighting and draining structures (Engineering)

Selected Performance Measure: Budgeted resurfacing lane miles increased from 2021 to 2022 by 14.5% and increased from 2022 to 2023 by 57.0%. Budgeted lane miles to be resurfaced will increase significantly in 2023 as resurfacing work on the Garden State Parkway planned for 2024 is being accelerated into 2023 due to need. The Authority, as always, is committed to keeping its roadways in a state of good repair for patron's safety. Resurfacing miles are determined based upon established re-paving cycle targets established by the Engineering Department and the Authority's General Consulting Engineer. For departmental goals and accomplishments, see page [72](#) (Engineering Department)

Budgeted Resurfacing Lane Miles

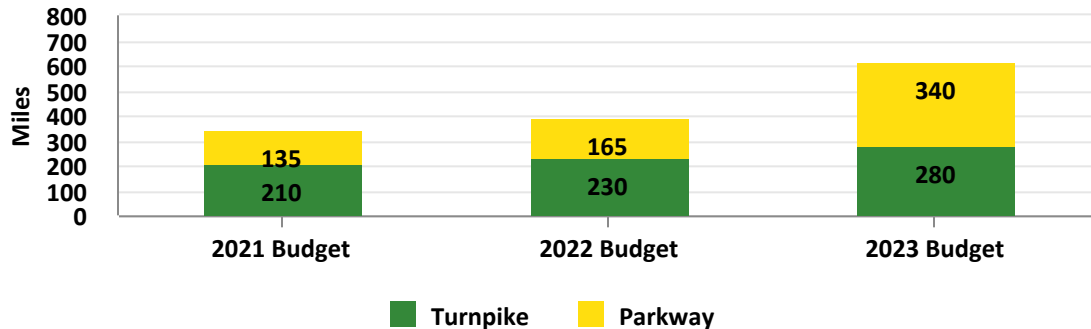


Figure 12: Budgeted Resurfacing Lane Miles (2021-2023)

2023 Goals

- Meet or exceed the average National Pavement Rating of 3.5 for the condition of all the mainline pavement of the Turnpike and Parkway (Engineering)
- Maintain or exceed a National Bridge Inspection Standards "fair" condition rating for all bridges of the Turnpike and Parkway (Engineering)
- Maintain the project delivery schedule for the 2023-2027 Rolling Five-Year Capital Improvement Program (Engineering)
- Continue to convert all roadway light fixtures to LED and improve the condition of Authority lighting (Engineering)
- Continue to replace and repair drainage systems (Engineering)
- Continue to advance the development of a resiliency to climate change plan to be incorporated into the project delivery process (Engineering)
- Manage the rehabilitation and modernization of the Joyce Kilmer, Vauxhall, and Brookdale South service areas (Operations)
- Upgrade the Sign Shop with modern machinery and computer software to improve and boost production lines (Operations)
- Begin modernization design of the tolling infrastructure (ITS)
- Continue to maintain, install, and improve critical components of the Toll Lane System (ITS)
- Continue to prioritize and implement security remediation activities using a data-driven approach (ITS)

People

2022 Accomplishments

- Implemented new manager/supervisor training with a concentration on employment and labor relations (Human Resources and Operations)
- Onboarded a new Employee Assistance Program (Human Resources)
- Devised a succession plan for Senior Staff and Management positions (Toll Collection)

- Troop D Training and Risk Management office continued with critical response training exercises and front line supervision training to enhance preparedness and expand job knowledge (State Police)
- Continued providing outstanding and timely customer service to the public (Community and Government Relations)
- Updated the Turnpike and Parkway information guides to provide useful and updated information to our customers (Community and Government Relations)
- Upgraded collector and supervisor manuals on the Turnpike (Toll Collection)

Selected Performance Measure: Total authorized positions are essentially flat over the three-year period. For departmental goals and accomplishments, see page [97](#) (Human Resources Department)

Total Authorized Positions

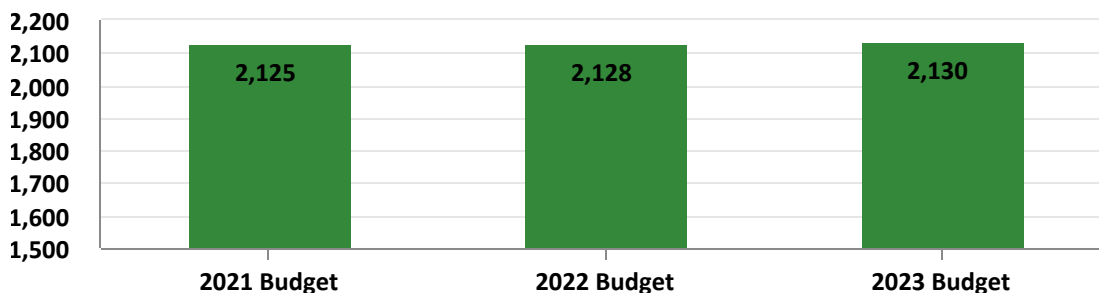


Figure 13: Total Authorized Positions Budgeted (2021-2023)

2023 Goals

- Continue to develop the Authority employee handbook (Human Resources)
- Implement on-boarding policy and training software (Human Resources)
- Continue to update the Authority policy book to ensure adherence to the latest state and federal regulations and laws (Human Resources)
- Continue to offer various training modules to Authority employees to further the professional and technical development of the workforce (Human Resources)
- Implement succession plan for Senior Staff and Management positions (Toll Collection)
- Coordinate with Human Resources for more efficient procedures to onboard and train new employees (Toll Collection)
- Increase training staff field visits to improve manual toll revenue collection statistics (Toll Collection)
- Complete staffing re-assignments to strengthen and enhance workflow process (Procurement and Materials Management)
- Provide training and support for Authority staff on the new Capital Project Management System (CPMS) (Procurement and Materials Management)
- Launch the NJTA Finance Internship program with recruitment efforts from local colleges. This program will provide interns with a vast array of real-world experience and will give Finance a direct pipeline of new talent to help propel the department to the next level (Finance)
- Continue to review and update the Finance Department policies and procedures. Implement leading practices and document current workflows (Finance)
- Replace all GSP toll booth card readers with a swipe card system (Toll Collection)

Key Financial Metrics

Toll Revenue as % of Operating Revenue

This ratio is calculated by dividing the Authority's Toll Revenue by Operating Revenue. The ratio remains consistent over the period which indicates that the primary component of the Authority's operating revenue continues to be from tolls. The 2023 Budget for Toll Revenue assumes toll rate indexing at 3% effective January 1, 2023. It also assumes normal growth in non-Toll Operating Revenue from increases in E-ZPass membership as well as higher concession revenue from the increase in traffic volumes.

Toll Revenue as % of Operating Revenue			
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget
Toll Revenue	\$ 1,998,800	2,067,000	2,196,400
Operating Revenue	2,181,300	2,211,100	2,366,300
Toll Revenue as % of Operating Revenue	91.6%	93.5%	92.8%

Figure 14: Toll Revenue as % of Operating Revenue (2021-2023)

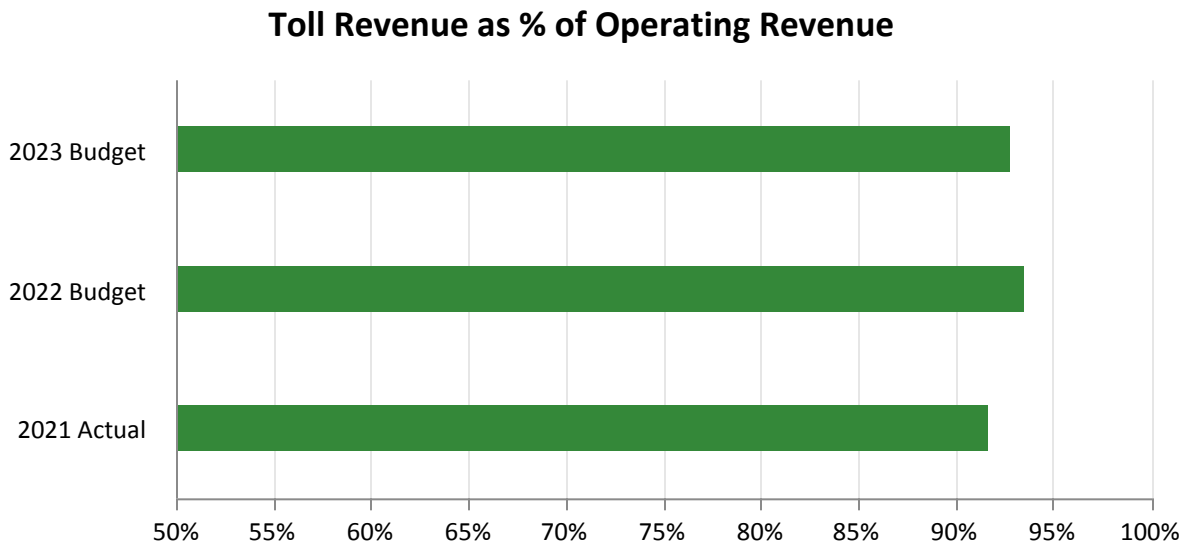


Figure 15: Toll Revenue as % of Operating Revenue Graph (2021-2023)

Operating Margin Ratio

This ratio is calculated by dividing the budgeted operating income by the budgeted operating revenue. This ratio demonstrates the Authority's operating efficiency and capacity to pay for its operating expenses. The ratio is budgeted to remain the same between 2022 and 2023 despite the budgeted increase in operating expenses due to a relative increase in operating revenue.

Operating Margin Ratio			
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget
Operating Revenue	\$ 2,181,300	2,211,100	2,366,300
Operating Expenses- Revenue Fund	(588,400)	(671,600)	(713,700)
Operating Income	\$ 1,592,900	1,539,500	1,652,600
Operating Margin Ratio	0.73	0.70	0.70

Figure 16: Operating Margin Ratio (2021-2023)

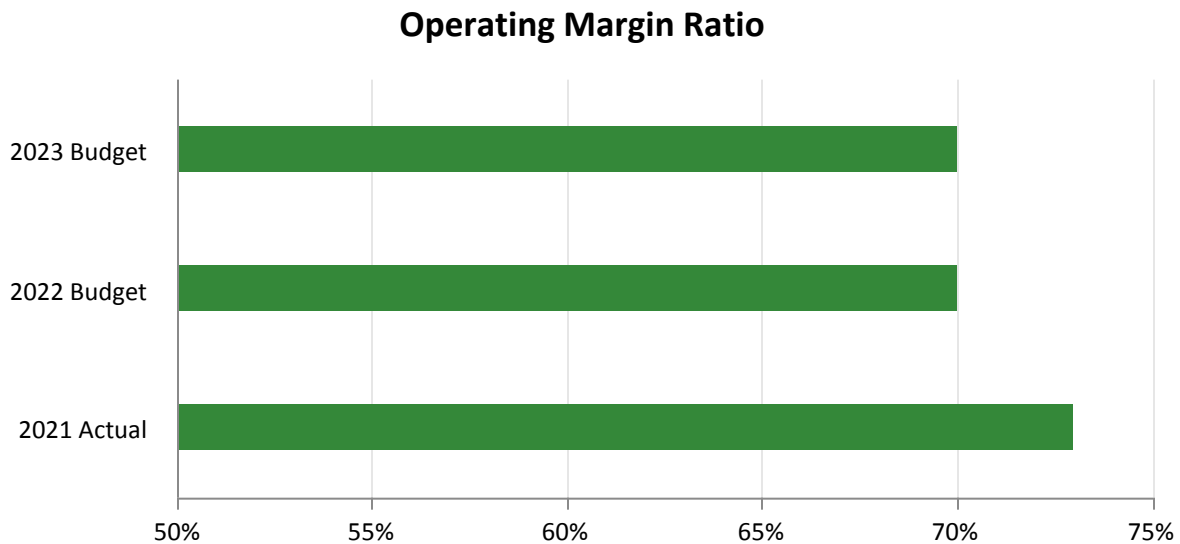


Figure 17: Operating Margin Ratio Graph (2021-2023)

Cost Recovery Ratio

This ratio is calculated by dividing operating revenue by total operating expenses. This ratio is a key indicator of the financial performance of the Authority. The Authority's ratio exceeds 1.0 times, which demonstrates that the Authority's operating revenue exceeds its operating expenses, providing funds to cover debt service and other requirements.

Cost Recovery Ratio			
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget
Operating Revenue	\$ 2,181,300	2,211,100	2,366,300
Operating Expenses - Revenue Fund	(588,400)	(671,600)	(713,700)
Cost Recovery Ratio	3.71	3.29	3.32

Figure 18: Cost Recovery Ratio (2021-2023))

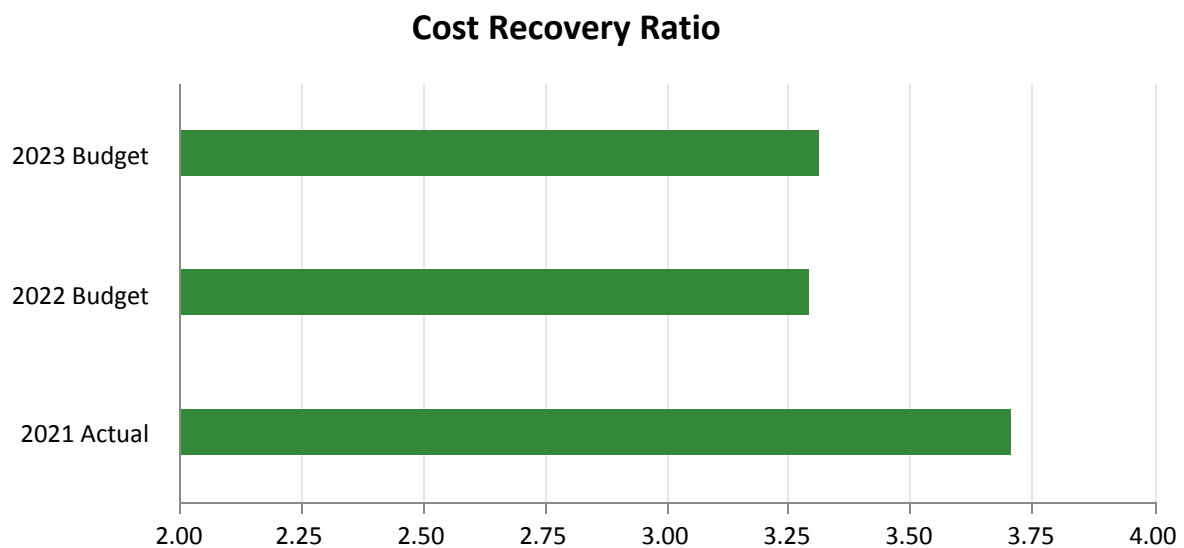


Figure 19: Cost Recovery Ratio Graph (2021-2023)

Average Toll/Transaction — Turnpike

This ratio is calculated by dividing the toll revenue generated by the total number of toll transactions on the Turnpike. The average toll per transaction is budgeted to increase in 2023 due to the anticipated 3% toll rate indexing effective January 1, 2023.

Average Toll Per Transaction — Turnpike			
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget
Toll Revenue — Turnpike	\$ 1,493,600	1,533,800	1,638,700
Toll Transactions — Turnpike	241,500	247,100	257,300
Average Toll Per Transaction — Turnpike	\$ 6.18	6.21	6.37

Figure 20: Average Toll/Transaction — Turnpike (2021-2023)

Average Toll/Transaction — Parkway

This ratio is calculated by dividing the toll revenue generated divided by the total number of toll transactions on the Parkway. The average toll per transaction is budgeted to increase in 2023 due to the anticipated 3% toll rate indexing effective January 1, 2023.

Average Toll Per Transaction — Parkway			
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget
Toll Revenue — Parkway	\$ 505,200	533,200	557,700
Toll Transactions — Parkway	353,000	362,000	366,900
Average Toll Per Transaction — Parkway	\$ 1.43	1.47	1.52

Figure 21: Average Toll/Transaction — Parkway (2021-2023)

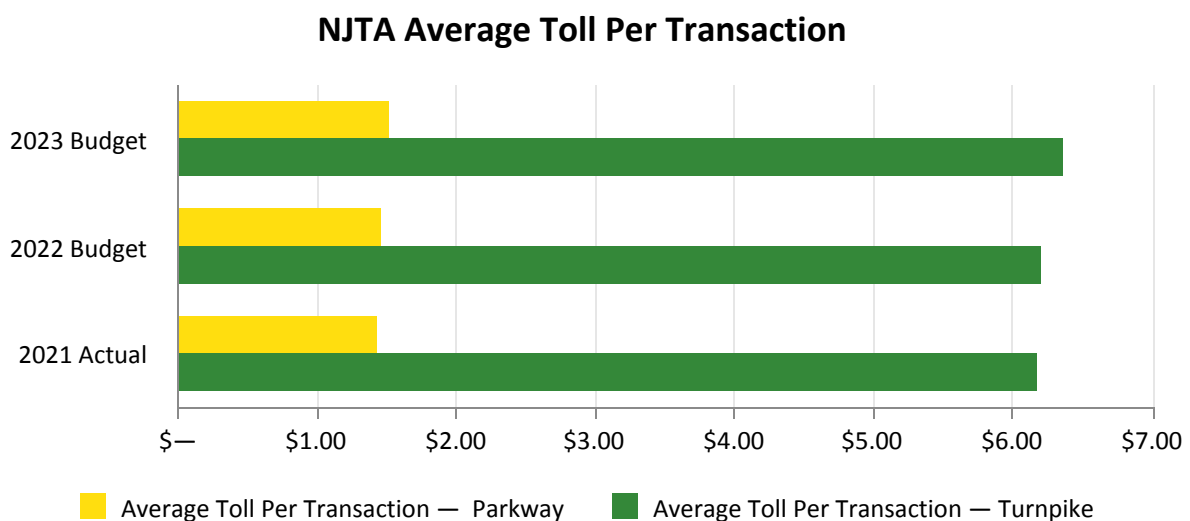


Figure 22: Average Toll/Transaction — Turnpike/Parkway Graph (2021-2023)

Toll Revenue/Lane Mile

This ratio shows the toll revenue generated per lane mile for both roadways. This can be used to analyze the operating expenses per lane mile and the operating revenue per lane mile. Toll revenue per lane mile will increase with an increase in traffic and any toll rate indexing or increases, assuming there are no additional lane miles. The toll revenue per lane mile is budgeted to increase in 2023 due to the toll rate indexing at 3% effective January 1, 2022 and a gradual recovery of traffic.

Toll Revenue Per Lane Mile			
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget
Toll Revenue — Turnpike	\$ 1,493,600	1,533,800	1,638,700
Toll Revenue — Parkway	505,200	533,200	557,700
Toll Revenue — Authority	\$ 1,998,800	2,067,000	2,196,400
Lane Miles — Turnpike	2,427	2,427	2,428
Lane Miles — Parkway	2,050	2,050	2,050
Lane Miles — Authority	4,477	4,477	4,478
Revenue per Lane Mile — Turnpike	\$ 615	632	675
Revenue per Lane Mile — Parkway	246	260	272
Revenue per Lane Mile — Authority	\$ 446	462	490

Figure 23:Toll Revenue/Lane Mile (2021-2023)

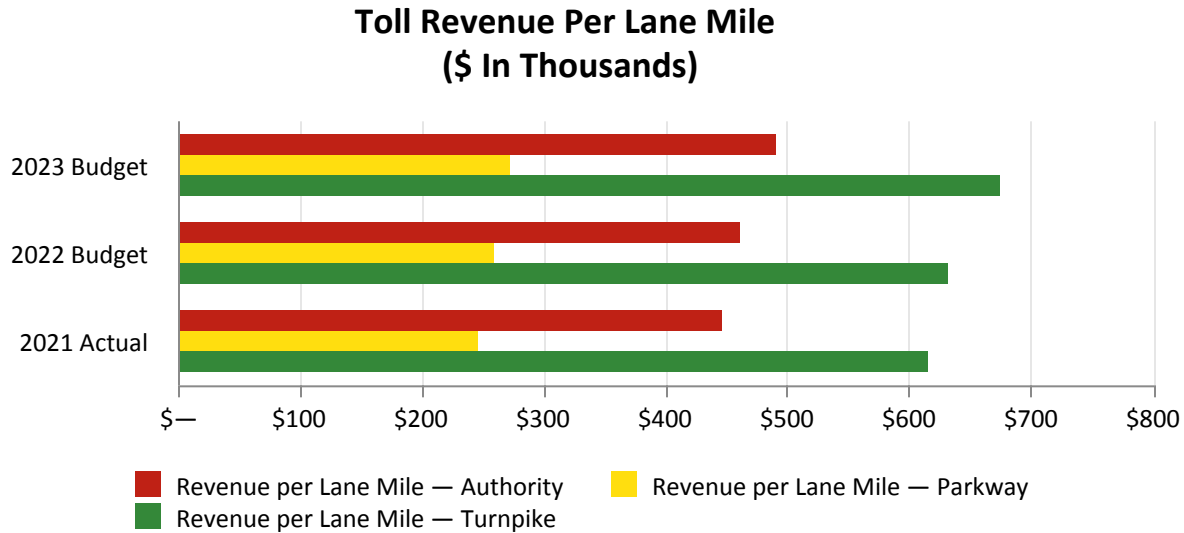


Figure 24:Toll Revenue/Lane Mile Graph (2021-2023)

Operating Cost/Lane Mile

This ratio indicates the operating expenses incurred per lane mile on both the roadways. This ratio can be used in comparison with the toll revenue per lane mile to analyze the Authority's spending efficiency. The 2022 and 2023 budgets assume full spending of the snow budget, funding all vacancies, and wage increases for all union contracts. The increase in toll revenue per lane mile far exceeds the increase shown below as toll revenue per lane mile is budgeted to increase by \$28/mile, while operating costs are budgeted to increase by only \$9/mile.

Operating Cost Per Lane Mile			
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget
Operating Expenses — Revenue Fund	\$ 588,400	671,600	713,700
Lane Miles — Authority	4,477	4,477	4,478
Operating Cost Per Lane Mile — Authority	\$ 131	150	159

Figure 25: Operating Cost/Lane Mile (2021-2023)

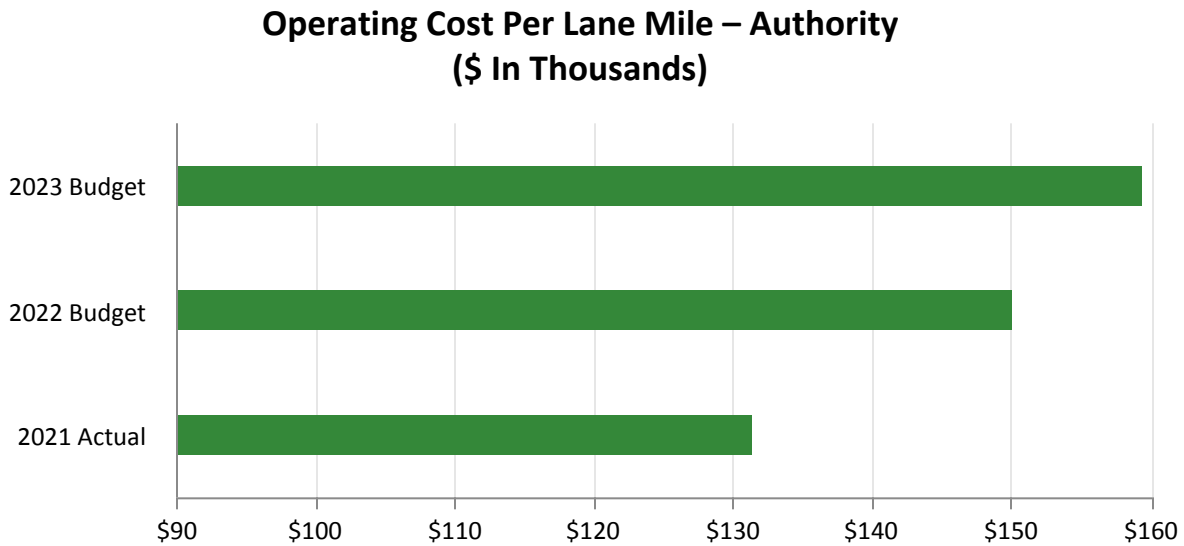


Figure 26: Operating Cost/Lane Mile (2021-2023)

Debt/Lane Mile

This ratio shows the Authority's bond indebtedness per lane mile as of December 31st each year. Debt per lane mile is budgeted to increase slightly in 2023 as compared to the 2022 budget, as the Authority issues more bonds to fund its CIPs. Even though debt per lane mile will increase, the Authority's toll revenue will also increase, providing a strong repayment source for the additional debt needed to fund capital needs.

Debt per Lane Mile			
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget
Bond Indebtedness, net	\$ 11,814,200	12,793,800	12,904,300
Lane Miles — Authority	4,477	4,477	4,478
Debt per Lane Mile — Authority	\$ 2,639	2,858	2,882

Figure 27: Debt/Lane Mile (2021-2023)

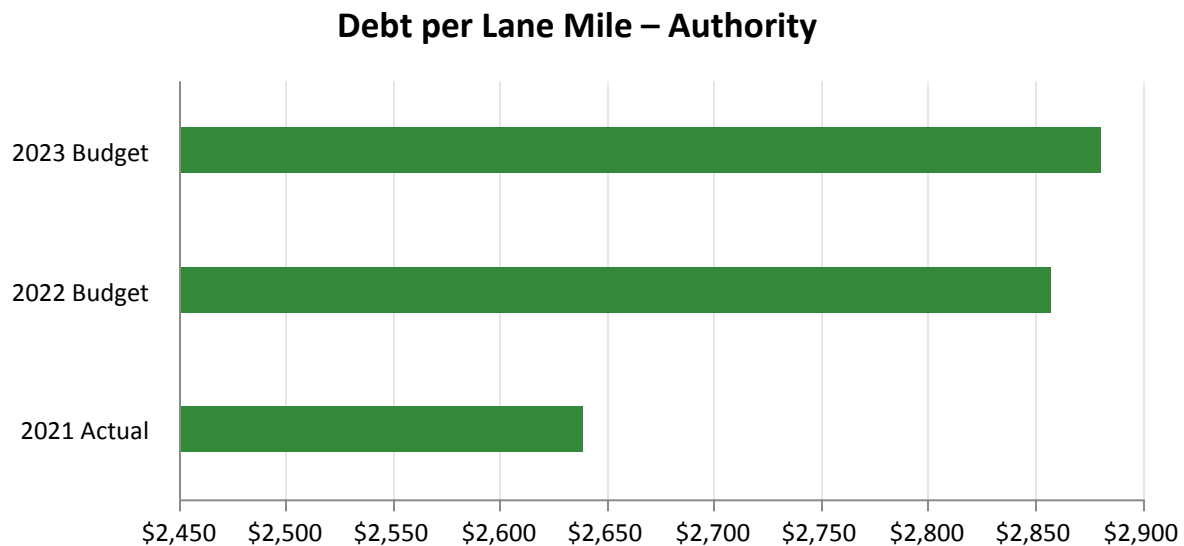


Figure 28: Debt/Lane Mile Graph (2021-2023)

Executive Summary

The Authority operates two well-established highways. Both roadways make up the backbone of north-south travel in New Jersey, with the Turnpike considered a critical link within the I-95/Northeast Corridor. The roads serve a densely populated and wealthy region. Most of the traffic is non-discretionary and the demand for the roads has proven to be inelastic.

In July 2003, the New Jersey Turnpike Authority and New Jersey Highway Authority were consolidated. Combining two premier toll roads like the Turnpike and the Parkway into a single agency was no small order. Almost 20 years later, the singular agency continues to be recognized as a first-class agency among its peers in the transportation and tolling industries. The Authority is consistently ranked at the top of toll road agencies in the United States for both vehicle miles traveled and toll revenue.

The Authority's prudent financial and operational planning has allowed it not only to continue to meet, but exceed all of its financial obligations even during the peak of the COVID-19 pandemic. The 2023 Annual Budget has been developed in accordance with the Authority's mission contained in the Strategic Plan, the 2020 Long-Range Capital Plan, and the 2020 toll rate increase plan, including 3% toll rate indexing, which was designed to provide a stable funding source for capital needs. The 2023 Annual Budget also addresses state of good repair needs and safety for both customers and employees. The Authority can meet its funding needs and obligations in 2023, despite the impacts of inflation, which are at levels not seen in 40 years, and global supply chain issues.

Throughout 2022, the Authority has continued to see improvements in traffic and revenue as a result of increased travel and higher than projected commercial traffic on the New Jersey Turnpike. Notably, commercial traffic reached record levels in June 2022. Toll revenue is expected to increase by 6.3% compared to the 2022 budget for both roadways. The 2023 toll revenue budget is based upon projections in the Draw Down Letter provided by CDM Smith as of July 22, 2022. The updated forecast includes the assumed continuing recovery from the impacts of COVID-19, the 3% toll rate indexing, slightly dampened traffic due to hybrid work schedules, and high fuel prices. On the Turnpike, CDM Smith projects, in 2023, a 6.8% increase in toll revenue and a 4.1% increase in toll transactions compared to the 2022 budget. When compared to the 2022 estimated results, there is a 2.8% increase in toll revenue and a 1.8 % increase in toll transactions. On the Parkway, CDM Smith projects a 4.6% increase in toll revenue and 1.4% increase in toll transactions when compared to the 2022 budget. When compared to the 2022 estimated results, there is a 5.8 % increase in toll revenue and a 2.1% increase in toll transactions.

Operating Expenses are budgeted to increase by 6.3% in 2023 which is driven by record high inflation of over 8.0% nationwide, increased growth in traffic and toll revenues, increased safety inspection tasks, and increased contractual obligations. Inflation and global supply chain issues greatly affect overall maintenance and safety inspections costs which accounts for 44.8% of the total budget increase. Growth, primarily in toll transactions increases banking or credit card fees which accounts for 20.3% of the total budget increase. Due to rising healthcare costs due to medical inflation and a decrease in employee contribution rates in Health Benefits, and additional asset inspections which occur every four years, these factors also contribute to the increase in the Operating Expenses. When excluding these items, Operating Expenses are budgeted to increase by only 2.2% primarily due to contractual salary increases and enhanced safety spending. Despite these assumed across-the-board salary increases, the Authority's overall salary budget is essentially flat compared to 2022. Authorized full-time positions remain flat at 2,130.

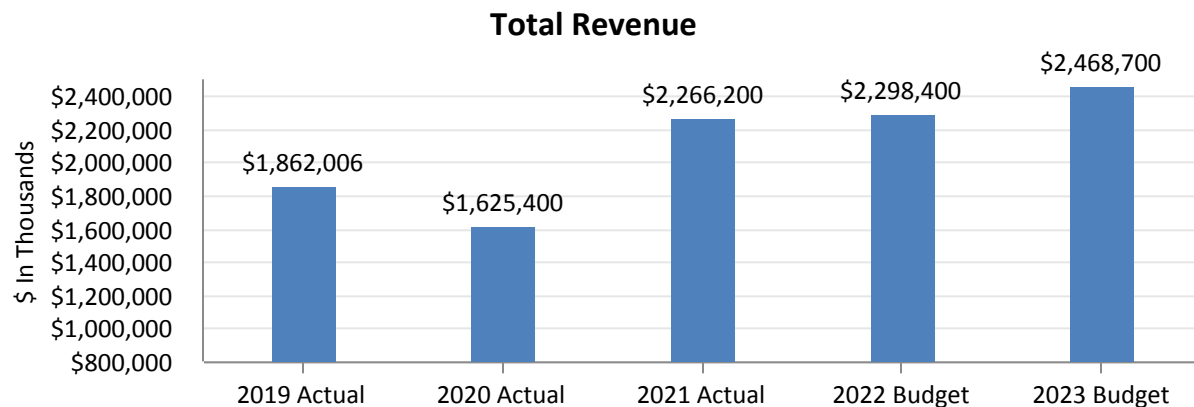
Most notably, the 2023 Annual Budget includes nearly \$1.3 billion for spending under its Capital Spending Program. The Capital Spending Program includes both bond funded and revenue funded capital projects. It is expected that the capital investment in these projects will boost mobility and improve safety for generations of New Jersey drivers to come. All Capital Spending Budget project budgets have been adjusted for actual and projected inflationary increases. The 2023 Annual Budget provides sufficient revenue and bond proceeds to meet capital spending needs. Finally, the 2023 Annual Budget projects debt service coverage of 2.0 times, and total requirements coverage of 1.52 times, each above both Bond Resolution covenants and financial policy targets.

2023 ANNUAL BUDGET SUMMARY

Revenue			
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget
Toll Revenue	\$ 1,998,800	2,067,000	2,196,400
Other Revenue	267,400	231,400	272,300
Total	\$ 2,266,200	2,298,400	2,468,700

Figure 29: Annual Budget Revenue Summary (2021-2023)

Total revenue in 2023 is budgeted at \$2.5 billion, which is a 7.4% increase compared to the 2022 budgeted total revenue, primarily due to the increase in traffic, toll rate indexing at 3%, increase in E-ZPass membership and administrative fees, and increase in investment income due to higher interest rates and invested balances.

**Figure 30: Total Annual Revenue (2019-2023)**

Total revenue in 2023 is budgeted to increase by \$170.3 million, or 7.4%, compared to the 2022 budget. Toll revenue comprises 89.0% of total revenue. Toll revenue in 2023 is budgeted at \$2.2 billion, which is a 6.3% increase compared to the 2022 budget. Other revenue, which makes up 11.0% of total revenue, is budgeted to increase by \$40.9 million, or 17.7%, due to budgeted increases in fees, concession revenue and income from investments.

SIGNIFICANT REVENUE HIGHLIGHTS

- Toll revenue is expected to increase by 6.8% on the Turnpike and 4.6% on the Parkway when compared to the 2023 budget, representing an overall 6.3% increase. This increase is primarily due to traffic increases, as travel patterns continue to return to pre-pandemic levels and normal growth, and toll rate indexing at 3% effective January 1, 2023.
- CDM Smith's July 2022 Traffic and Revenue Forecast increased the prior toll revenue forecast by about \$24 million for the years 2023 and 2024, but decreased the prior toll revenue forecast by about \$38 million between 2025 and 2027. This pattern for the years 2023 to 2027 is due to a greater than expected recovery from COVID-19 impacts in the next few years, then followed by damping demand for travel due to an increase in fuel prices and the prevalence of telecommuting.
- All other revenue sources in total are up about \$40.9 million compared to the 2022 budget, mainly due to more fee income, reflecting both current trends in administrative fee collections and growth in membership fees. Additionally, investment income is expected to increase due to the increase in interest rates and invested balances.

OPERATING EXPENSE

In 2023 operating expenses are budgeted at \$713.7 million, which is an increase of \$42.1 million, or 6.3%, compared to the 2022 budget. Five key cost factors included in the 2023 budget alone account for \$31.2 million of the \$42.1 million increase and are as follows:

- Employee Health Benefits are budgeted to increase by approximately \$11.9 million due to rising healthcare costs attributed to medical inflation and decreases in employee contribution rates
- Other Professional Services are budgeted to increase by approximately \$8.2 million largely due to increased safety inspection tasks (bridges, overhead sign structures, antenna towers, pavement of all travel lanes, and mechanically stabilized earth walls) and toll collection costs associated with higher traffic numbers, as well as increased amounts in supplemental staff services
- Roadway Maintenance, Equipment Maintenance, and Other Materials are budgeted to increase by approximately \$5.4 million due to increased maintenance tasks and repairs, the largest of which being renovating the Authority's vehicle fleet
- Insurance is budgeted to increase approximately \$3.0 million due to an increased need for cyber insurance and the increased asset value of the Authority's insured bridges and properties
- Banking Services are budgeted to increase by approximately \$2.7 million primarily for electronic toll collection due to rising traffic numbers

While operating expenses are budgeted to increase by 6.3% for 2023, which exceeds the average annual increase of 4.3%, operating expenses, excluding the five key cost factors, are only increasing by 1.5%, which is below the average annual increase. This remaining 1.5% increase totals \$10.9 million and is driven primarily by projected increases in pension expense, fuel and utility costs, consulting service costs, and equipment costs.

Expenses			
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget
Operating Expense and Reserve ⁽¹⁾	\$ 590,700	676,600	717,900
Debt Service	796,379	902,853	958,160
General Reserve	372,457	685,845	759,845

(1) Operating Expenses and Reserve includes the operating expenses for the year (\$713,700 in 2023) and the annual increase in the working capital reserve (\$4,200 in 2023) to bring total reserves in the Revenue Fund to 10% of the annual budgeted operating expenses as allowed per section 504(B) of the Bond Resolution

Capital Budget			
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget
Maintenance Reserve Fund	\$ 115,920	219,787	278,797
Special Project Reserve Fund	24,920	76,137	109,346
Supplemental Capital Program	42,707	74,950	51,679

Construction Fund			
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget
2023-2027 Capital Improvement Program	\$ 81,032	351,630	608,468
2019 Capital Improvement Program	182,310	172,507	129,645
2008 \$7 Billion Capital Improvement Program	81,972	74,160	103,001

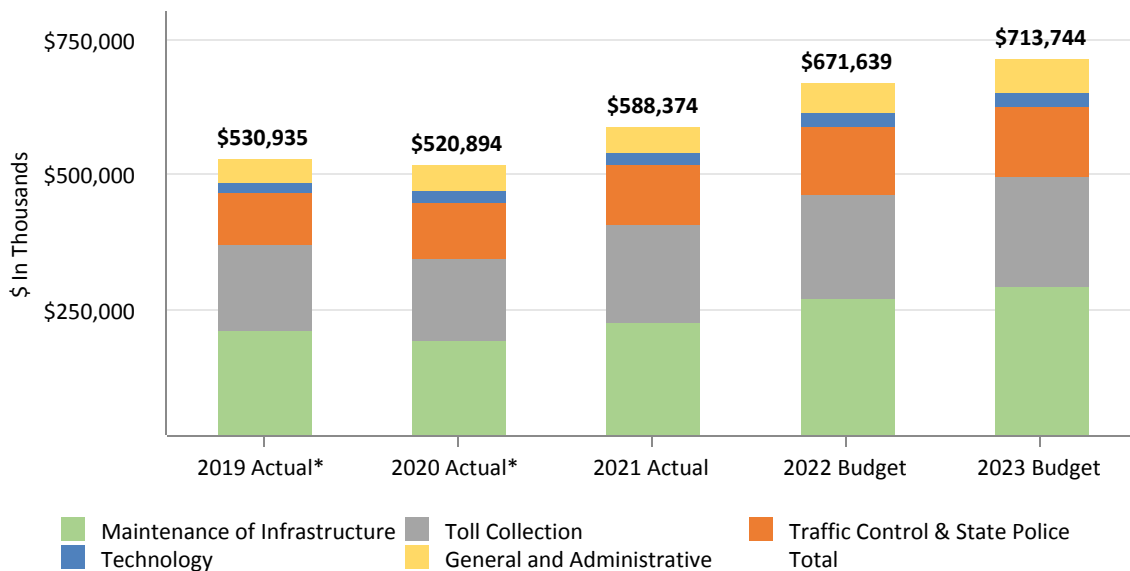
Figure 31: Annual Budget Spending Summary (2021-2023)

SIGNIFICANT SPENDING HIGHLIGHTS/CHALLENGES

- Operating Expenses in 2023 are budgeted at \$713.7 million, which includes four key factors that are increasing the budget:
 - Inflation and global supply chain - \$18.9 million or 44.8% of the budgeted increase
 - Growth - \$8.6 million or 20.3% of the budgeted increase
 - Safety - \$7.6 million or 18.1% of the budgeted increase
 - Contractual - \$7.0 million or 16.8% of the budgeted increase
- Without inflation and growth, the Authority's budget for Operating Expenses would only be increasing by a modest 2.2%
- The four key factors are affecting costs primarily in five key areas with significant increases totaling about \$31.2 million
 - Health Benefits are budgeted to increase by approximately \$11.9 million due to medical inflation and decreases in employee contribution rates
 - Other Professional Services are budgeted to increase by approximately \$8.2 million largely due to increased safety inspection tasks (for bridges, overhead sign structures, antenna towers, pavement of all travel lanes, and mechanically stabilized earth walls), increased toll collection costs associated with higher traffic numbers and increased supplemental staff services
 - Roadway Maintenance, Equipment Maintenance, and Other Materials are budgeted to increase by approximately \$5.4 million due to increased maintenance costs primarily due to inflation and supply chain issues, the largest of which is maintaining the Authority's vehicle fleet
 - Insurance is budgeted to increase approximately \$3.0 million due to an increased need for cyber insurance and the increased asset value of the Authority's insured bridges and properties mainly due to increases in replacement values of insured assets
 - Banking Services, mainly credit card fees for electronic toll collection are budgeted to increase by approximately \$2.7 million due to rising toll revenue mostly from increased traffic
- Without these five areas, the Authority's budget for Operating Expenses would only be increasing by 1.5%
- The 2023 Annual Budget includes essentially flat full-time authorized positions at 2,130, including five contingent positions. Even with assumed across-the-board increases of 2.0% in 2023, the Authority's budget for salaries in 2023 is essentially flat with 2022.
- Operating Expenses include \$38.1 million budgeted for snow and severe weather costs, which represents the budget level that has been maintained for the past eight years. The number and severity of weather events is unpredictable and could put pressure on Operating Expenses. In addition, the budget includes assumptions on pension payments, health benefit costs, and E-ZPass transaction and credit card processing fees, all of which are highly variable. Changes from the current budget assumptions in any of these areas also could put pressure on Operating Expenses.
- The 2023 Debt Service Budget is increasing by about \$55.3 million to \$958.2 million, or about 6.1% as compared to the 2022 Debt Service Budget. The Debt Service Interest Budget is increasing by approximately \$28.9 million. The 2023 budget provides for a full year of interest payments on the assumed new money bond issuance in 2022 of \$700.0 million and a full year of interest payments for new money bond issuance in 2023 of \$1.0 billion, both to fund the Authority's various capital programs. The Debt Service Principal Budget is also increasing by approximately \$26.4 million when compared to the 2022 budget. Of the total debt service, \$873.3 million is budgeted to be paid from net revenue and \$85.0 million is budgeted to be paid from capitalized interest. By the end of 2023, the Authority is expected to have \$12.9 billion of debt outstanding. Net Debt Service requirements currently equal 35.4% of 2023 total budgeted revenue.

- The 2023 Annual Budget includes the Debt Reserve which is budgeted at \$40.1 million. The \$40.1 million represents the anticipated increase necessary to bring the total balance in the Debt Reserve to \$640.7 million and is required under the Bond Resolution based upon the assumed \$1.0 billion new money bond issuance.
- The General Reserve includes funding for extraordinary weather events, contractual state payments, and transfers for revenue funded capital projects that are part of the Supplemental Capital Program in the Construction Fund. The most significant increase in budgeted spending comes from payments totaling \$605.5 million under the State Public Transportation Projects Funding Agreement for New Jersey that began on July 1, 2021. This includes a portion of catch up payments for the State Fiscal Year 2023 based on the new agreement. The 2023 budget also includes an assumed increase in the State Public Transportation Projects Funding Agreement for the Gateway Project Tunnel, with an estimated \$10.0 million provided for funding for the Gateway Development Corporation operations.
- The Capital Spending Program (Capital Budget and Construction Fund) totals over \$7.0 billion between 2023 through 2027, or an average of \$1.4 billion of spending per year. Spending is made up of 28% from revenue and 72% from bond proceeds. The Capital Spending Program includes the revenue funded programs in the Maintenance Reserve Fund, the Special Project Reserve Fund, and the Supplemental Capital Program (collectively known as the Capital Budget). It also includes the bond funded programs in the Construction Fund, which include the 2023-2027 Capital Improvement Program, which is derived from the 2020 Long-Range Capital Plan, the 2019 Capital Improvement Program, and the 2008 \$7 Billion Capital Improvement Program. The Construction Fund includes projects which maintain a state of good repair, improve safety, and provide capacity enhancements. All projects in the Capital Spending Program have had their project budgets adjusted to account for actual and projected inflationary price increases in materials and labor.

Revenue Fund Operating Expense by Functional Area



*Figures have been amended from the 2022 Budget book to match Revenue Fund operating expenses only

Figure 32: Revenue Fund Operating Expense by Functional Area (2019-2023)

Authorized full-time positions in 2023 are essentially flat compared to 2022, and are 235 positions lower than in 2008. Since the low in 2014, the Authority has added 126 positions primarily due to the need to add maintenance personnel to handle the increased roadway capacity enhancements created by the capital improvement programs.

Authorized positions since 2008 are shown below:

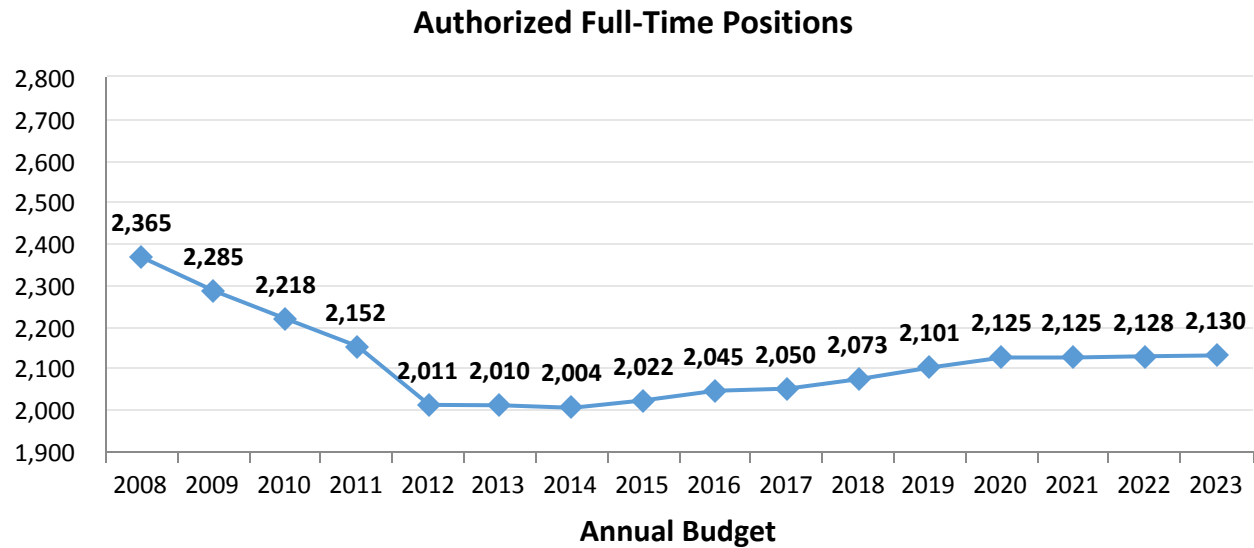


Figure 33: Authorized Positions (2008-2023)

Snow and severe weather costs are budgeted based upon the highest amount either budgeted or actual over the previous five years. The snow and severe weather budget is remaining at the same level in 2023 as 2022, based upon the high spending levels of 2014 and 2015. In fact, the levels budgeted in 2023 have been the same for the past eight years, despite increases in labor, material and outside contractor costs.

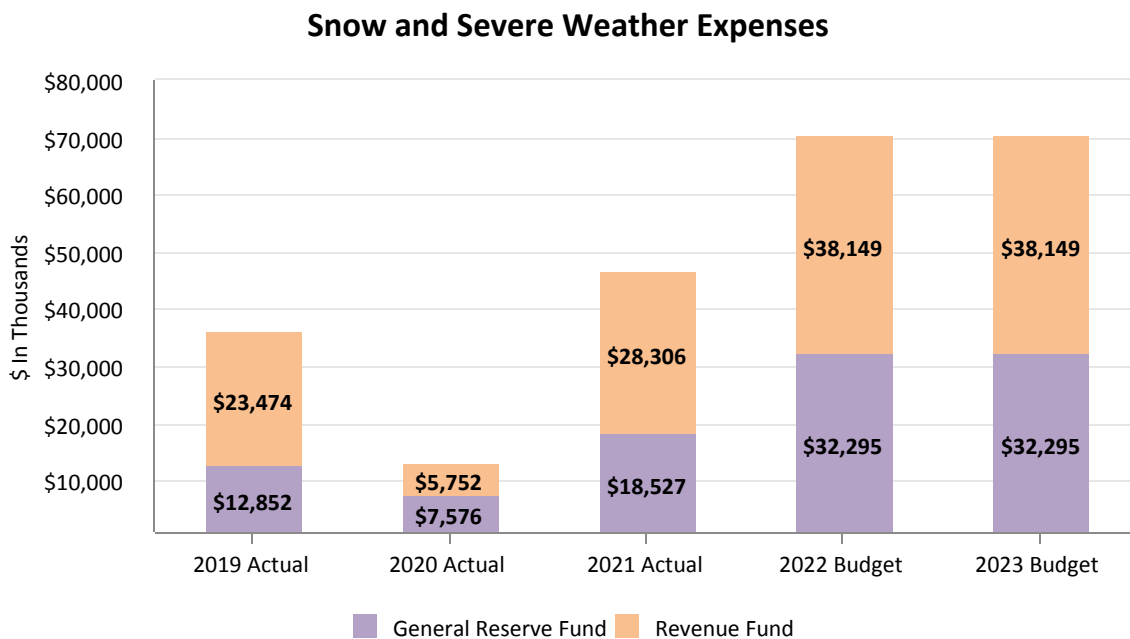


Figure 34: Snow and Severe Weather Expenses (2019-2023)

The Authority's operating expenses include highly variable costs such as toll processing, snow and severe weather, credit card fees, and health benefits to name a few. The chart below indicates that the Authority continues to maintain safe and efficient roadways while controlling operating expense growth in those areas under its direct control. As the Authority experiences growth in traffic and toll revenue, variable costs increase. Budgeted amounts include full funding for snow and vacancies.

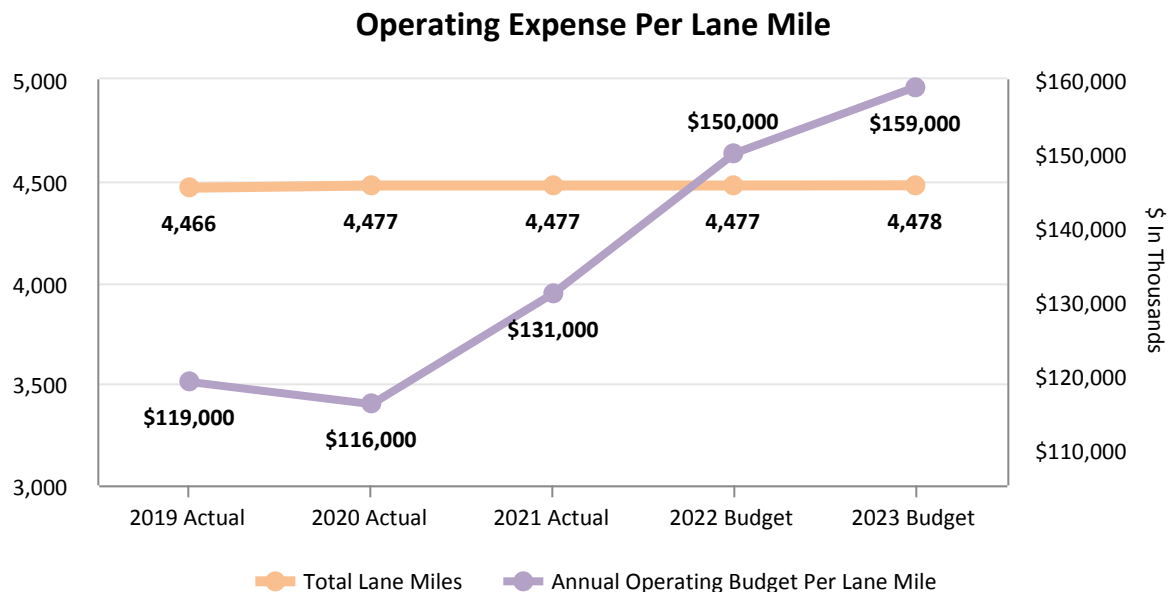


Figure 35: Total Lane Miles and Operating Expense Per Lane Mile (2019-2023)

DEBT SERVICE

Total Debt Service in 2023 is budgeted at \$958.2 million, which is approximately a \$55.3 million increase from the 2022 budget, due to an increase in both interest expense and principal payments. The budget provides for the interest payments on the assumed new money bond issuance of \$700.0 million in November 2022 and of \$1.0 billion in January 2023 to fund the Authority's various capital programs. Principal payments on existing bonds are also increasing by about \$26.4 million. By the end of 2023, the Authority is expected to have \$12.9 billion of debt outstanding. Net Debt Service equals 35.4% of the total budgeted revenue in 2023 and represents the single largest spending component of the 2023 Annual Budget. Of the total debt service, \$873.3 million is budgeted to be paid from net revenue and \$85.0 million is budgeted to be paid from capitalized interest (bond proceeds).

GENERAL RESERVE

The General Reserve has a budget of \$759.8 million, which is an increase of \$74.0 million from its 2022 budget. This includes \$699.8 million in spending and \$60.0 million in net transfers. The most significant increase comes from payments totaling \$605.5 million for the new State Public Transportation Projects Funding Agreement effective July 1, 2021. The agreement is on the state fiscal year basis (July 1st - June 30th). The budgeted payment of \$605.5 million represents one-half of \$746.0 million for the state Fiscal Year (FY) 2023 payment and one-half of \$465.0 million for the state FY 2024 payment. This includes a portion of catch up payments for the state FY 2023, based on the new agreement. In addition to the new agreement, this budget includes payment of \$22.0 million for the Transportation Trust Fund (TTF) Agreement and \$2.5 million for the Feeder Road Maintenance Agreement.

In addition to the above spending, the budget for General Reserve also includes \$32.3 million for state of emergency events, \$15.0 million in reserves for Other Post-Employment Benefits (OPEB), and \$60.0 million in net

transfers to the Construction Fund to cover the 2023 budgeted spending plans for the Supplemental Capital Program and internal costs allocated to bond funded capital projects.

CAPITAL BUDGET (REVENUE FUNDED)

The 2023 Capital Budget includes the Maintenance Reserve Fund, the Special Projects Reserve Fund, and the Supplemental Capital Program. The Capital Budget primarily supports the spending for the maintenance of both the roadways and bridges, scheduled fleet augmentation, several multi-year capital program projects such as pavement repairs and the replacement of toll collection equipment. The work in the Maintenance Reserve Fund and Special Projects Reserve Fund is funded from the Authority's revenue after paying the operating expenses and debt service. These two funds are separate funds established by the Authority's Bond Resolution. The work in the Supplemental Capital Program is funded by the transfers from the General Reserve Fund. This program is a separate account in the Construction Fund. The Construction Fund is established by the Authority's Bond Resolution.

1. MAINTENANCE RESERVE FUND

The Maintenance Reserve Fund primarily supports spending for the maintenance and resurfacing of roadways and bridges on both the Turnpike and Parkway. These projects have a combined spending budget for 2023 of \$278.8 million, and a rolling five-year spending plan of \$1.3 billion. The spending budget for 2023 is increasing by 26.8% compared to 2022, and includes funding primarily for Bridge Construction, Preservation, and Security, and Pavement Resurfacing. The 2023 Maintenance Reserve Fund also includes several projects that address facilities repairs and upgrades, including major building, roofing, and utility replacements. The majority of the increase in spending in 2023 is for pavement resurfacing on both roadways, which is increasing by over \$59.4 million. The increase in spending is also impacted by assumed inflation of 7.0%.

2. SPECIAL PROJECT RESERVE FUND

The Special Project Reserve Fund has a 2023 spending budget of over \$109.4 million and a rolling five-year spending plan of nearly \$361.6 million. The spending for 2023 is increasing 43.6% compared to 2022. The 2023 Special Project Reserve Fund provides spending for the Authority's major scheduled fleet replacement program. The increase in Fleet in 2023 is due in large part to vehicle delivery delays rolling over from 2022, as well as significant vehicle price increases between 25-33% across all new purchases. Technology Improvements are increasing with the carryover of initiatives such as the Advanced Traffic Management System, Statewide Traffic Management Center (STMC), Uninterruptible Power Supply (UPS) Replacements, as well as the continued implementation of Capital Program Management System and the Phase 2 of the Enterprise Asset Management System. Maintenance of Infrastructure is increasing mainly due to the Turnpike Westerly Alignment Capacity Enhancement Study, the Phase II Bridge Hydraulic Analysis, and the Facility Improvements Assessment. A portion of the increase in spending is also due to inflation assumed at 7.0%.

3. SUPPLEMENTAL CAPITAL PROGRAM (CONSTRUCTION FUND – REVENUE FUNDED)

The Supplemental Capital Program has a 2023 spending budget of almost \$51.7 million and a rolling five-year spending plan of \$284.9 million. The spending budget for 2023 is decreasing by 31.0% compared to 2022 due to the completion of additional resurfacing projects on the Parkway in 2022, as well as less spending on the Vauxhall and Brookdale South Service Areas since they will be completed in 2023. The 2023 budget provides funding to begin several multi-year roadway and facility improvement projects such as those at the Traffic Management Center Administration Building, Chevalier Maintenance Sub-Yard, and Maintenance Districts 3, 5, and 9. Supplemental Capital will also provide funding for Arts Center projects after the Arts Center Long Range Plan is completed and work is prioritized. Finally, this program will be used to fund new technology improvement initiatives such as the Road Weather Information System

(RWIS) Expansion, the Advanced Interactive Executive (AIX) Server Upgrade, and Tolling Legacy Parts Replacements. Although spending is decreasing in 2023, the project budgets include increases due to inflation assumed at 7.0% for 2023.

CAPITAL IMPROVEMENT PROGRAMS (CONSTRUCTION FUND – BOND FUNDED)

The 2023 Construction Fund includes the bond funded programs within the Capital Spending Program. The Construction Fund currently includes the 2023-2027 Capital Improvement Program, which was derived from the 2020 Long-Range Capital Plan, approved in May 2020, the 2019 Capital Improvement Program, approved in April 2019, and the 2008 \$7 Billion Capital Improvement Program approved in October 2008. These programs are funded through bond proceeds received from the issuance of Turnpike Revenue Bonds.

1. 2023-2027 CAPITAL IMPROVEMENT PROGRAM

The 2020 Long-Range Capital Plan was approved by the Board of Commissioners in May 2020. The 2023-2027 Capital Improvement Program was developed from that plan and focuses on maintaining the existing infrastructure in a state of good repair and targets capacity improvements in critical areas where congestion is already an issue. This program has a 2023 spending budget of \$608.5 million and a rolling five-year spending plan of \$4.7 billion. The spending budget for 2023 is increasing by about 73.0%, compared to 2022, with significant increases for repairs of bridges on both roadways, drainage structures, and roadway lighting fixtures. On the other hand, facility upgrades are reduced as planned projects moved to Supplemental Capital in 2023. Likewise, roadway projects such as MSE wall replacements for both roadways are reduced as some work, based upon priorities were moved to future years beyond the rolling five-year spend. Project budgets have been increased to account for assumed inflation at 7% in 2023, reducing down to 3.5% in the later years.

2. 2019 CAPITAL IMPROVEMENT PROGRAM

This program was approved by the Board of Commissioners in April 2019 and includes capital improvement projects focusing on bridge deck improvements, shoulder widening, and replacement of hybrid changeable message signs. The 2023 spending budget for the 2019 Capital Improvement Program is over \$129.6 million and has a rolling five-year spending plan of \$234.9 million. The 2023 spending budget is almost \$42.9 million less than the \$172.5 million budgeted for 2022, representing a decrease of 24.8%. This decrease is due to the substantial completion of projects in 2022. The service area renovations and Passaic River Bridge Rehabilitation are the two primary drivers of the 2019 Capital Improvement Program.

3. 2008 \$7 BILLION CAPITAL IMPROVEMENT PROGRAM

This program was approved by the Board of Commissioners in October 2008. In September 2018, the program was amended to extend the end date of the program to award new contracts until December 31, 2020. The 2023 spending budget is \$103.0 million with a rolling five-year spending plan of only \$6.4 million beyond 2023. This represents the winding down of this Capital Improvement Program as many projects are completed or are nearing completion. The 2008 \$7 Billion Capital Improvement Program includes current active projects such as the Newark Bay-Hudson County Extension redecking as well as miscellaneous facility improvements.

The 2023 Annual Budget provides the necessary funds to operate and maintain the Turnpike and Parkway; two of the most critical and busiest toll roads in the United States at a service and safety level that meets or exceeds leading practice standards. In addition, funds are provided to meet all debt service obligations to bondholders and all contractual payment obligations. The 2023 Annual Budget indicates that the Authority will exceed all required debt coverage covenants contained in its Bond Resolution, as well as exceed all targets established in its Financial

Management Principles and Guidelines, including maintaining a minimum general reserve balance of 10% of the 2022 budgeted revenue (\$246.9 million).

Leadership

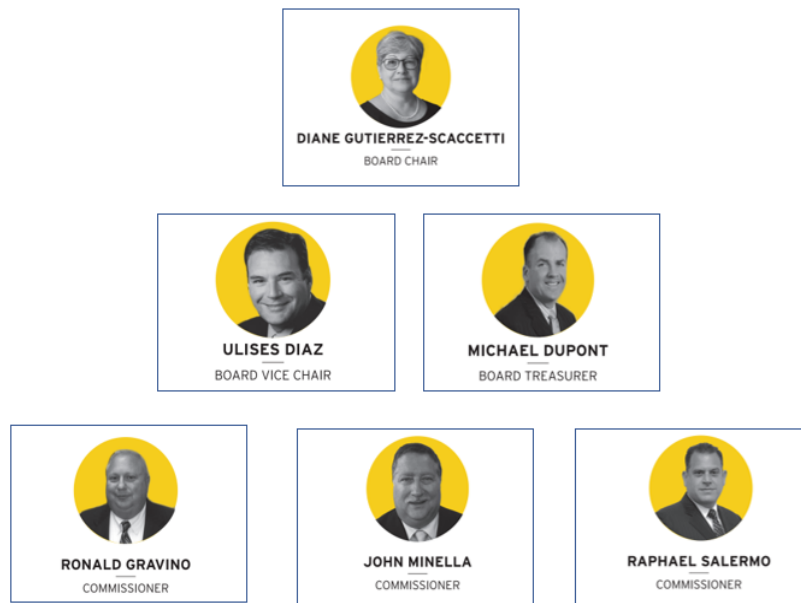
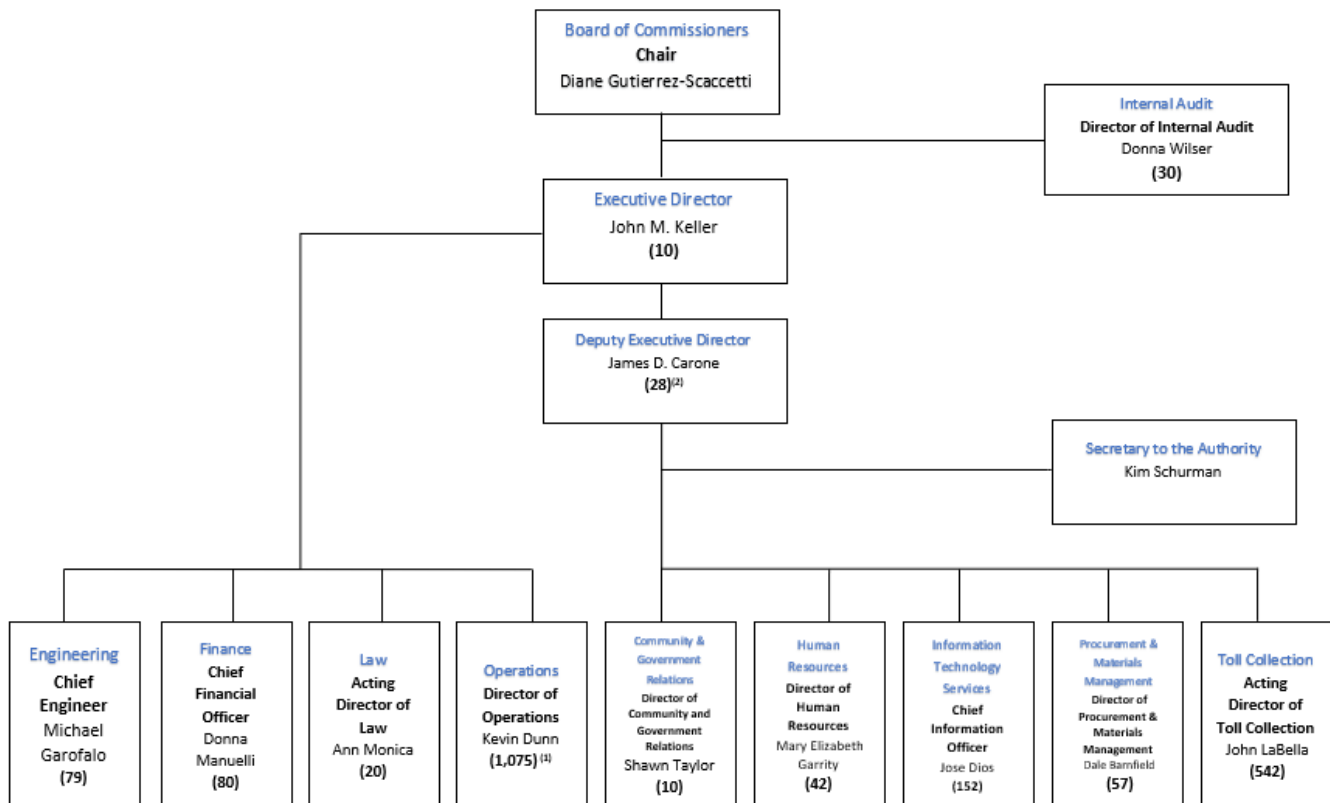


Figure 36: Leadership Chart

Organization Chart



- Departmental full-time employee count is shown in parenthesis
- In addition to the above authorized positions, there are 5 contingency positions budgeted
- (1) Operations includes the Maintenance Division (987) and the Traffic Division (88)
- (2) The 28 full-time employees in the State Police Department report directly to the Deputy Executive Director. This department is not shown in the above organization chart

Figure 37: Organization Chart

Fund Structure

Description of Funds

For financial statement purposes, the Authority's activities are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, net position, revenues and expenses are accounted for as an enterprise fund with revenue recorded when earned and expenses recorded at the time liabilities are incurred. NCGAS 1 defines the purpose of enterprise funds as, "to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through users charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes."

In addition, the Authority's Bond Resolution established the following funds, and the activities of the funds are reported in schedules included in the Authority's financial statements.

Revenue Fund – is the general operating fund of the Authority. The fund is used to account for all pledged revenues and operating expenses. Pledged Revenue includes, among other things, all toll revenues, fees, rents, charges and other income and receipts derived from the operation of the Turnpike System. Operating expenses are for operation, maintenance, repairs, ordinary replacement and ordinary reconstruction of the Turnpike System and ordinary acquisition of equipment for the Turnpike System.

Debt Service Fund - accumulates the amounts required for payment of interest, maturing principal amounts and sinking fund installments on all outstanding bonds and for amounts due and payable under Interest Rate Swap Agreements.

Debt Reserve Fund – holds an amount equal to the greatest amount of interest accruing on all outstanding bonds in any calendar year.

Charges Fund – used to pay fees for any variable rate bond liquidity agreement, remarketing fees and tender agent fees (currently not used).

Maintenance Reserve Fund – used to pay for the cost of major resurfacing, replacement or reconstruction of the Turnpike System and major or extraordinary repairs, renewals or replacements of the Turnpike System necessary to restore or prevent physical damage to the Turnpike System, for the safe and efficient operation of the Turnpike System or to prevent loss of Pledged Revenues.

Special Project Reserve Fund – used to pay for any major resurfacing, renewals or replacements of the Turnpike System and for studies, surveys, estimates, and investigations.

General Reserve Fund – used to make payments under any agreements with the State of New Jersey or for any other corporate purpose.

Construction Fund – used to fund the cost of construction of any Project as defined under the Bond Resolution. The Projects may be funded through bond proceeds or from transfers from the General Reserve Fund.

Flow of Funds table referenced in [Appendix C](#) under Financial Management Principals and Guidelines

Revenue Requirement

The Revenue Requirement under section 713(b) of the Bond Resolution states that in each calendar year Net Revenue shall at least equal the Net Revenue Requirement for such year. Under Section 101 of the Bond Resolution, Net Revenue is defined as "... for any calendar year or other period of time, the Pledged Revenue during such year or period less the amounts of the Operating Expenses for such year or period." The Net Revenue Requirement is defined as, "an amount equal to the greater of:

- (i) The Sum of the 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 (excluding, for purposes of clause (ii) only, any payment due and payable by the Authority under a Qualified Swap upon an early termination thereof)"

On or before December 1 in each year, the Authority will review its financial condition to estimate whether the net revenue for such year and for the next succeeding year will be sufficient to comply with the toll covenant. The required calculations are shown below.

Net Revenue Requirement			
<i>(\$ In Thousands)</i>	2021 Actual	2022 Est/Act	2023 Budget
Revenue	\$ 2,266,200	2,420,400	2,468,700
Operating Expenses and Reserve ⁽¹⁾	(590,700)	(627,200)	(717,900)
Net Revenue	\$ 1,675,500	1,793,200	1,750,800
Net Debt Service ⁽²⁾	(796,400)	(859,200)	(873,300)
Maintenance Reserve Payments	(160,000)	(200,000)	(230,000)
Special Project Reserve Payments	(50,000)	(50,000)	(51,500)
Total Requirements	\$ (1,006,400)	(1,109,200)	(1,154,800)
Excess Revenue	\$ 669,100	684,000	596,000
Net Revenue	1,675,500	1,793,200	1,750,800
1.2X Debt Service	(955,700)	(1,031,000)	(1,048,000)
Excess Revenue at 1.2X Debt Service	\$ 719,800	762,200	702,800
Debt Service Coverage	2.10	2.09	2.00

(1) Operating Expenses and Reserve includes the operating expenses for the year (\$713,700 in 2023) and the annual increase in the working capital reserve (\$4,200 in 2023) to bring total reserves in the Revenue Fund to 10% of the annual budgeted operating expenses as allowed per section 504(B) of the Bond Resolution

(2) Net Debt Service includes debt service on the existing and future debt netted with the capitalized interest for 2023 and represents debt service payable from net revenues..

Figure 38: Net Revenue Requirement (2021-2023)

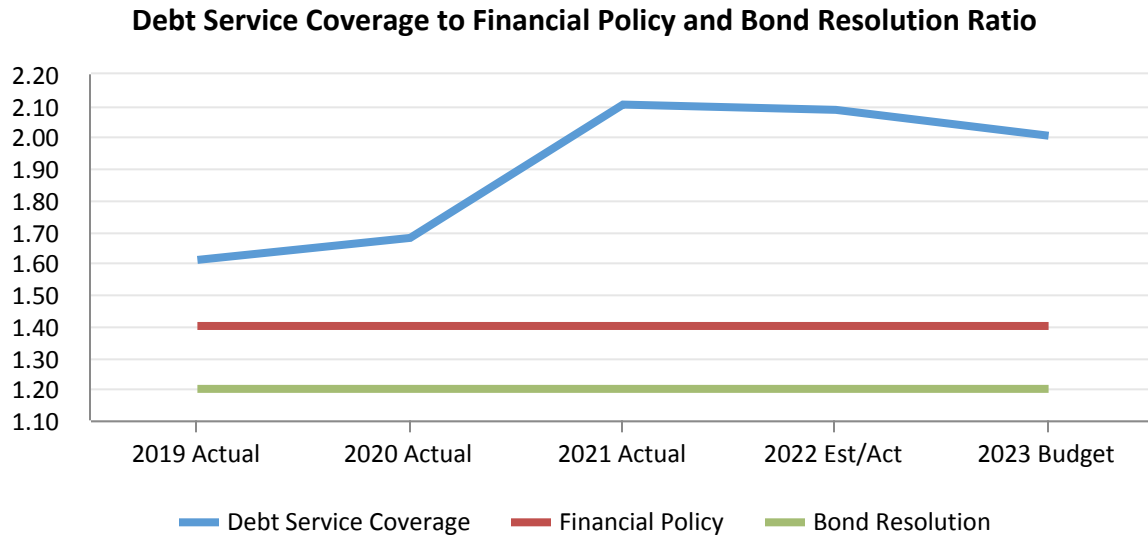


Figure 39: Debt Service Coverage Ratio Chart (2019-2023)

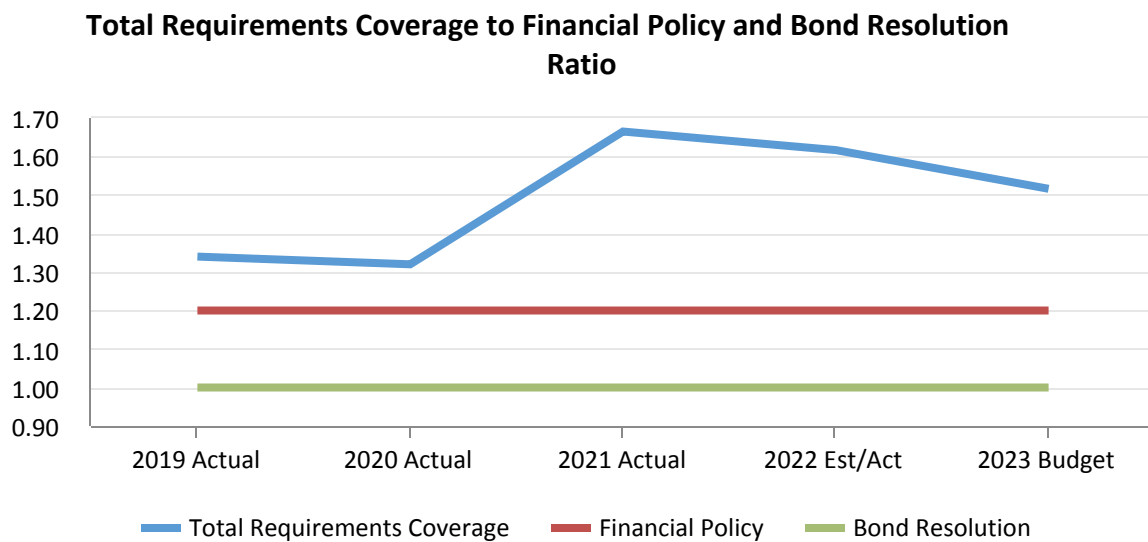


Figure 40: Total Requirements Coverage Ratio Chart (2019-2023)

Basis of Budgeting

The Authority's Annual Budget is prepared on the accrual basis of accounting; accordingly, revenues are recognized in the accounting period they are earned and become measurable and expenses are recognized in the accounting period in which the liability is incurred. This is consistent with the Authority's audited year-end financial statements, with the exception of the following non-cash items which are not budgeted:

- Depreciation and Amortization
- Accretion
- Change in Fair Market Value of Investments
- GASB 53 Interest Rate Swap Adjustments
- OPEB Annual Required Contribution (except for current pay retiree benefits and reserves for OPEB which are budgeted)
- GASB 49 Pollution Remediation Liability Reserve

The Authority's Annual Budget provides the basis for expenditures during the year. The Authority operates on a calendar-year basis. No fewer than 40 days before the end of the year, the Authority must submit a Preliminary Budget of operating expenses and reserves to the Trustee as required by the Bond Resolution. The budget is subject to the Trustee's examination, and the Authority is required to comply with all reasonable requests from the Trustee for classifications and clarifications. The Bond Resolution also specifies that each Annual Budget must include funding for operating expenses and reserves and provisions for deposits to the Maintenance Reserve Fund and the Special Project Reserve Fund. The Preliminary Budget and the Annual Budget may provide additional information, as the Authority may determine, and each shall contain a certificate from the Consulting Engineer approving the Preliminary Budget and the Annual Budget, as the case may be. In addition to the information required by the Bond Resolution, the Authority's Annual Budget also includes its Revenue, Debt Service, Debt Reserve, and General Reserve budgets, as well as the Capital Program Spending Budget. The Capital Program Spending Budget includes all revenue funded and bond funded capital projects and is presented on a rolling five-year basis since 2021.

The Annual Budget must be adopted by the Commissioners of the Authority by January 15th of each fiscal year and made a part of the Authority's minutes. In the event that the Authority does not adopt an Annual Budget by January 15th of the fiscal year or the Governor vetoes the adopted budget, the preceding year's budget remains in effect until such adoption and approval. The minutes of all meetings are subject to a 10-day review and veto period by the Governor of the State of New Jersey prior to final approval. The adoption and approval of the Annual Budget does not in itself authorize any specific expenditure. Specific expenditures must be submitted, adopted and approved consistent with the Authority's By-Laws and must be consistent with the statutory, contractual and other commitments of the Authority, including agreements with the holders of its obligations, including bonds. Adoption and approval of the Annual Budget does not limit or preclude the Authority from submitting an amended budget to the Commissioners for adoption. Copies of the Annual Budget and all amendments must be filed promptly with the Trustee. If at any time the Annual Budget and amendments thereto exceed the Preliminary Budget by 10% or more, the Authority must file a detailed report with the Trustee, stating specifically the reason for the increase, and hold a public hearing thereon.

Although the Authority is restricted from expending funds in excess of the Annual Budget allocation for operating expenses (other than through amendment to the Annual Budget), the Authority may allocate additional funds for operating expenses if such funds are obtained from sources other than Pledged Revenues.

According to the Authority's capitalization policy, the cost to construct, acquire or replace an existing asset (or otherwise prolong the useful life of an existing asset) is capitalized. The capitalization threshold, effective January 1, 2021 is \$20,000 and includes equipment valued over \$20,000 or any purchase related to a capital project whose project value exceeds \$20,000. Based on this policy, there are no capitalized assets included in the 2023 Operating Expense Budget, Debt Service Fund, Debt Reserve Fund, and the General Reserve Fund budgets. The Maintenance

Reserve Fund, Special Project Reserve Fund, and Construction Fund (including both revenue and bond funded accounts) contain capitalized projects and may contain some expense projects. The budget for these funds groups projects into expense projects (if applicable) and capitalized projects in accordance with the Authority's capitalization policy.

As previously noted, the Authority's financial statements are presented as an enterprise fund with the activity of the Bond Resolution Funds shown on schedules to the financial statements. The Authority's Annual Budget is prepared based upon the Bond Resolution Funds. Over the past several years the Authority has implemented several GASB pronouncements which has resulted in non-cash accounting entries to follow the Generally Accepted Accounting Principles (GAAP). This schedule presents an estimated non-cash impact of these GASB implementations on the 2023 Budget.

In addition to the Annual Budget required by the Bond Resolution, New Jersey Statutes Annotated (NJS.A). 27:23-3.2 requires the Authority to submit, before the close of each of its fiscal years, a complete and detailed report of its operating and capital construction budget. The report must include receipts and disbursements or revenue and expense, for the prior fiscal year and estimated amounts for the current and succeeding fiscal year.

Budget Procedure

The Annual Budget process begins in June of each year with a review of the Authority's financial projections, current results compared to budget, and a preliminary estimated budget for the next calendar year. The review is completed by the Authority's Chief Financial Officer, Deputy Executive Director and the Executive Director. Based on this review, as well as the Authority's strategic directives, financial policies and bond covenants, overall and specific departmental guidelines for the upcoming budget year are established. The Finance Department, through its Chief Financial Officer, communicates the budget guidelines to each department, as well as a call for capital projects. Departments must submit a detailed operating budget with spending justification, departmental organization, accomplishments for the current year, and goals for the next year. Departments must also submit all capital project requests, including total costs by year and justifications for each project. Based on these requests, a detailed preliminary operating and capital budget is prepared by the Finance Department, and approved by the Deputy Executive Director, the Executive Director, and the Authority's General Engineering Consultant. The budgets are then reviewed with the Authority's Commissioners at committee meetings. Once approved by the board committees, the Annual Budget is presented to the full Board of Commissioners in public session for adoption at the November Board of Commissioners meeting.

A summary of the 2023 Annual Budget calendar is as follows:

Action	Date
Commencement of 2023 Budget	
Executive Budget Planning Meeting	5/26/2022
2023 Annual Budget Preparation Kickoff	5/27/2022
Capital and Construction Budget	
Distribution of Capital Budget Documents Phase 1	6/13/2022
Response of Capital Budget Documents Phase 1	6/28/2022
Distribution of Capital Budget Documents Phase 2 - New Project requests	6/27/2022
Response of Capital Budget Documents Phase 2	7/15/2022
Distribution of Capital Budget Documents Phase 3 - Existing Projects	7/11/2022
Response of Capital Budget Documents Phase 3	8/11/2022
Capital Budget Phase 1 - Finance Internal Review	7/11/2022
Capital Budget Phase 2 - Finance Internal Review	7/15/2022
Capital Budget Phase 3 - Finance Internal Review	8/12/2022
Capital Budget Phase 1 Review Finance, Departments and Executive	7/18/2022
Capital Budget Phase 2 Review Finance, Departments and Executive	7/25/2022
Capital Budget Phase 3 Review Finance, Departments and Executive	8/15/2022
Capital Budget All Review Finance, Departments and Executive	8/22/2022
Capital Budget Finalization Meeting	Week of 8/29/2022
Operating Budget	
Distribution of Operating Budget Documents to Departments	7/25/2022
Response from Departments for Operating Budget	8/15/2022
Operating Budget Request Review with Individual Departments, Finance and Executive	9/6/2022
Operating Budget Finalization Meeting	9/29/2022
Preliminary Operating Budget Filed with Trustee	11/22/2022
Finalization of 2022 Budget	
Executive Budget Final Review Meeting	Week of 9/12/2022
Budget Presentation at Board Committee Meeting	10/11/2022
Budget Approved at Meeting of Board of Commissioners	10/25/2022
Governor's 10-day veto period expires without Governor exercising said power	11/9/2022

Figure 41: 2023 Annual Budget Calendar

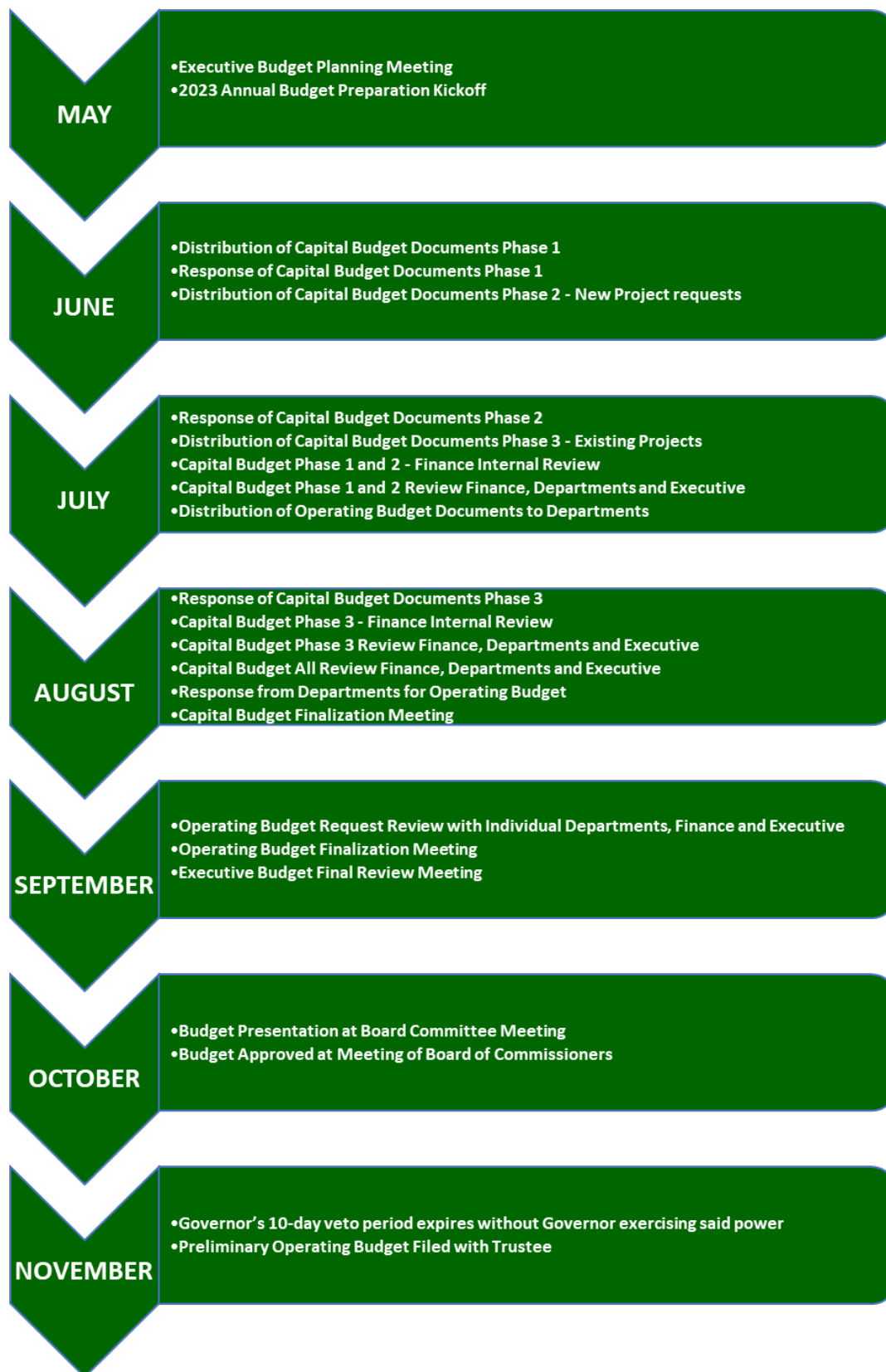


Figure 42: 2023 Budget Procedure Flow

Summary of Major Revenues and Expenses

Sources of Revenue

Sources of Revenue					
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Turnpike Toll Revenue	\$ 1,493,600	1,533,800	1,638,700	104,900	6.8%
Parkway Toll Revenue	505,200	533,200	557,700	24,500	4.6%
Other Operating Revenue	182,500	144,100	169,900	25,800	17.9%
Non-Operating Revenue	84,900	87,300	102,400	15,100	17.3%
Total Revenue	\$ 2,266,200	2,298,400	2,468,700	170,300	7.4%

Figure 43: Sources of Revenue (2021-2023)

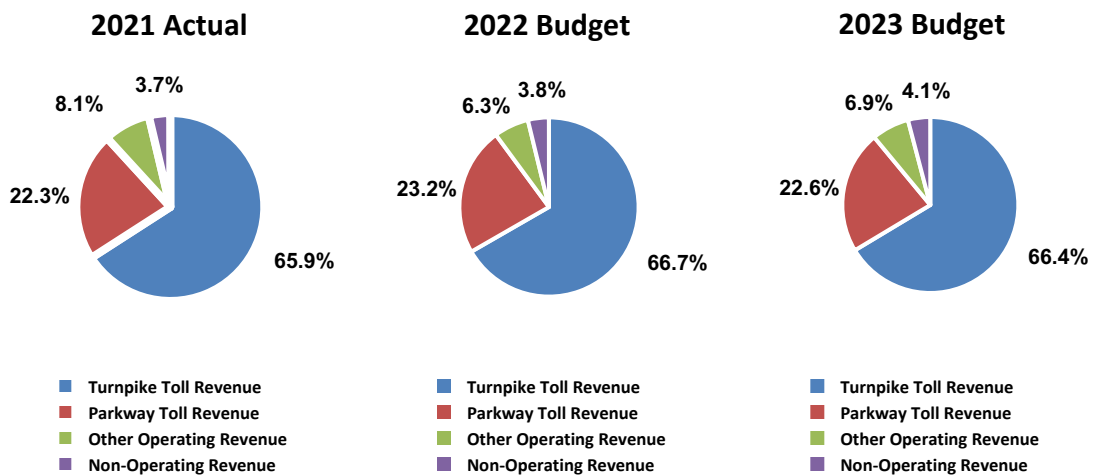


Figure 44: Sources of Revenue Percentages (2021-2023)

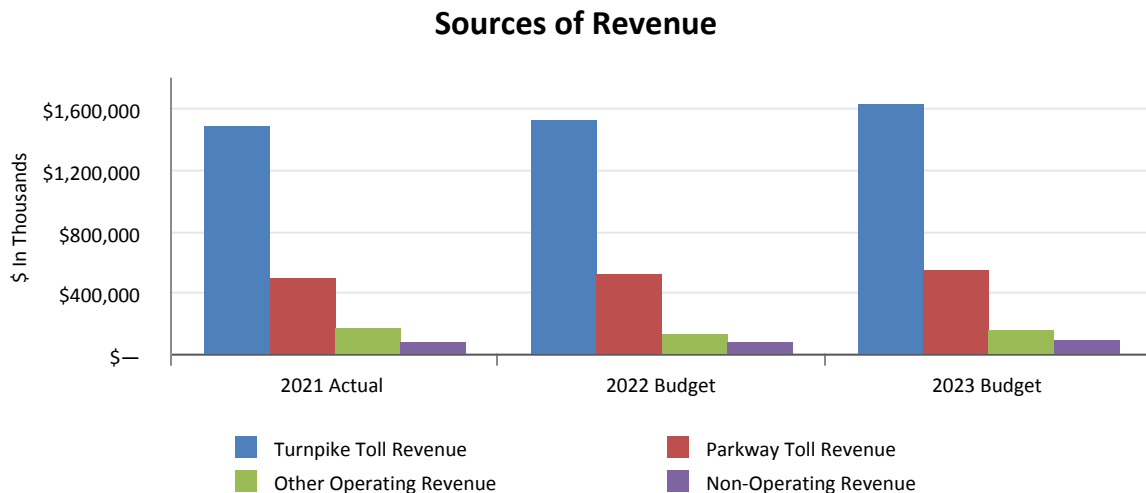


Figure 45: Sources of Revenue Graph (2021-2023)

Allocation of Revenue

Allocation of Revenue					
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Operating Expenses and Reserve ⁽¹⁾	\$ 590,700	676,600	717,900	41,300	6.1%
Net Debt Service ⁽²⁾	795,500	735,200	873,300	138,100	18.8%
Maintenance Reserve Fund	160,000	200,000	230,000	30,000	15.0%
Special Project Reserve Fund	50,000	50,000	51,500	1,500	3.0%
General Reserve	670,000	636,600	596,000	(40,600)	(6.4)%
Total Allocation of Revenue	\$ 2,266,200	2,298,400	2,468,700	170,300	7.4%

(1) Operating Expenses and Reserve includes the operating expenses for the year (\$713,700 in 2023) and the annual increase in the working capital reserve (\$4,200 in 2023) to bring total reserves in the Revenue Fund to of 10% of the annual budgeted operating expenses as allowed per section 504(B) of the Bond Resolution

(2) Net Debt Service includes debt service on the existing and future debt netted with the capitalized interest for 2023. Represents debt service payable from net revenues.

Figure 46: Allocation of Revenue (2021-2023)

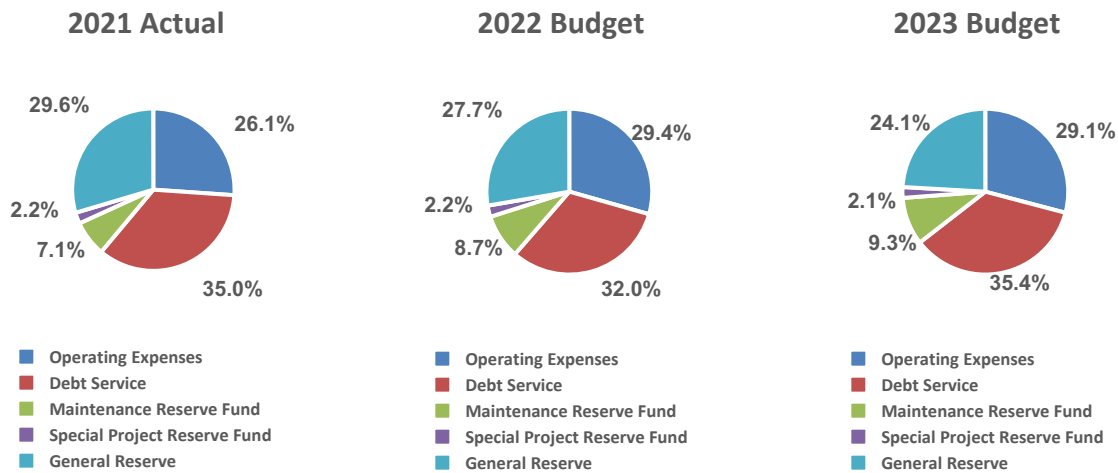


Figure 47: Allocation of Revenue Percentages (2021-2023)

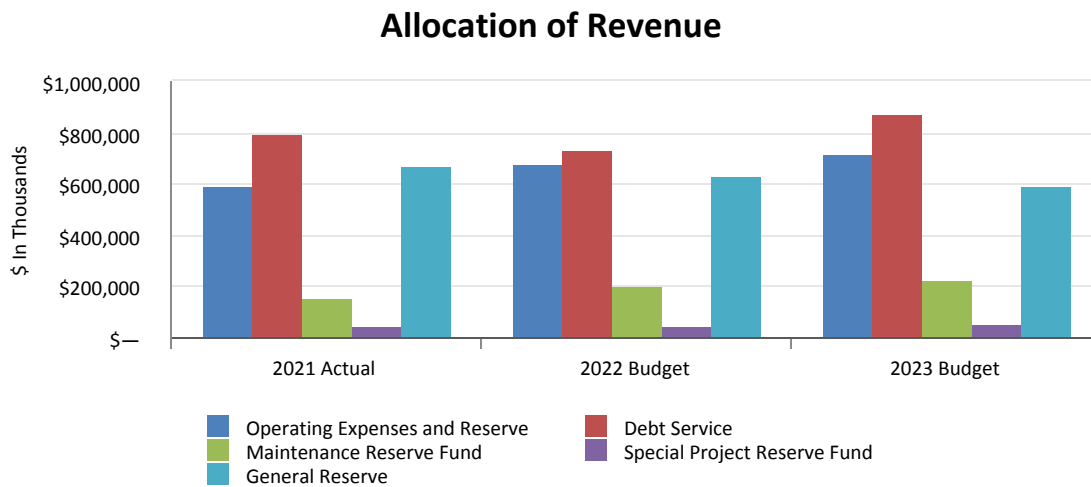


Figure 48: Allocation of Revenue Graph (2021-2023)

Revenue

2023 Revenue Budget

Revenue					
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Turnpike Toll Revenue	\$ 1,493,600	1,533,800	1,638,700	104,900	6.8%
Parkway Toll Revenue	505,200	533,200	557,700	24,500	4.6%
Fees	131,700	100,000	120,000	20,000	20.0%
Concession Revenue	31,100	31,500	33,000	1,500	4.8%
Miscellaneous Revenue	19,700	12,600	16,900	4,300	34.1%
Total Operating Revenue	\$ 2,181,300	2,211,100	2,366,300	155,200	7.0%
Federal Subsidy for Build America Bonds	77,500	77,000	77,000	—	—%
Federal and State Reimbursements	700	—	—	—	—%
Interest Income	6,700	6,000	25,400	19,400	323.3%
Arts Center Revenues ⁽¹⁾	—	4,300	—	(4,300)	(100.0)%
Total Non-Operating Revenue	\$ 84,900	87,300	102,400	15,100	17.3%
Total Revenue	\$ 2,266,200	2,298,400	2,468,700	170,300	7.4%

(1) The revenue line "Art Center Revenues" was combined with "Miscellaneous Revenue" as of the Annual Comprehensive Report dated December 31, 2021 which was finalized after the production of the 2022 budget. Budgeted Arts Center Revenue of \$4.3 million is included in the Miscellaneous Revenue Line in the 2023 budget and Actual Arts Center Revenue of \$4.4 million is included in the Miscellaneous Revenue Line in 2021.

Figure 49: Revenue Budget (2021-2023)

Key Assumptions:

- Toll revenue is expected to increase by 6.8% on the Turnpike and increase by 4.6% on the Parkway in 2023 compared to the 2022 budget. The increases are primarily due to the anticipated increase in traffic from continued recovery of traffic after COVID-19 pandemic declines and the toll rate indexing at 3% effective January 1, 2023. The 2023 toll revenue budget was derived from a Draw Down Letter by the Authority's traffic engineering consultant dated July 2022. To date in 2022, overall toll revenue is above budget due to increased travel as well as stronger than projected commercial traffic on the New Jersey Turnpike.
- Fees are expected to increase due to the increase in the number of E-ZPass accounts and to reflect current trends in administrative fee collections. To date in 2022, actual fees are above budget.
- Concession revenue is expected to slightly increase due to continued increases in travel and sales volumes which are recovering from COVID-19 lows. This improvement is slightly offset by the closing of up to six service areas for renovations. To date in 2022, concession revenue is above budget.
- Interest Income is expected to increase in 2023. The 2023 budget assumes improved market conditions with higher interest rates as experienced in 2022. Additionally, invested balances are expected to be higher in 2023. Interest rates were higher in 2022 than what was assumed in the 2022 budget. Furthermore, the Authority recognized a \$15.4 million upfront payment representing savings on the 2022A bond refunding. As such, 2022 actuals are expected to be significantly over budget.

Revenue Fund Balance					
(\$ In Thousands)	2021 Actual	2022 Est/Act	2023 Budget	\$ Δ from 2022 Est/Act	% Δ from 2022 Est/Act
Beginning Balance	\$ 59,900	62,200	67,200	5,000	8.0%
Revenues	2,266,200	2,420,400	2,468,700	48,300	2.0%
Expenses	(588,400)	(622,200)	(713,700)	(91,500)	14.7%
Transfers to Funds	(1,675,500)	(1,793,200)	(1,750,800)	42,400	(2.4)%
Ending Balance	\$ 62,200	67,200	71,400	4,200	6.3%

Figure 50: Revenue Fund Balance (2021-2023)

Toll Statistics

Toll Transactions by Vehicle Type and Roadway — 2023 Budget

Toll Transactions by Vehicle Type and Roadway					
(In Thousands)	2019 Actual	2020 Actual	2021 Actual	2022 Budget*	2023 Budget**
Passenger	233,500	166,300	205,800	214,800	223,200
Commercial ⁽¹⁾	34,300	32,300	35,700	32,300	34,100
New Jersey Turnpike Total	267,800	198,600	241,500	247,100	257,300
Garden State Parkway ⁽²⁾	386,800	308,500	353,000	362,000	366,900
Total Authority Toll Transactions	654,600	507,100	594,500	609,100	624,200

Toll Transactions Growth Rate					
	2019 Actual	2020 Actual	2021 Actual	2022 Budget*	2023 Budget**
Passenger	1.3%	(28.8)%	23.8%	4.4%	3.9%
Commercial ⁽¹⁾	—%	(5.8)%	10.5%	(9.5)%	5.6%
New Jersey Turnpike Total	1.1%	(25.8)%	21.6%	2.3%	4.1%
Garden State Parkway ⁽²⁾	(0.8)%	(20.2)%	14.4%	2.5%	1.4%
Total Authority Toll Transactions	—%	(22.5)%	17.2%	2.5%	2.5%

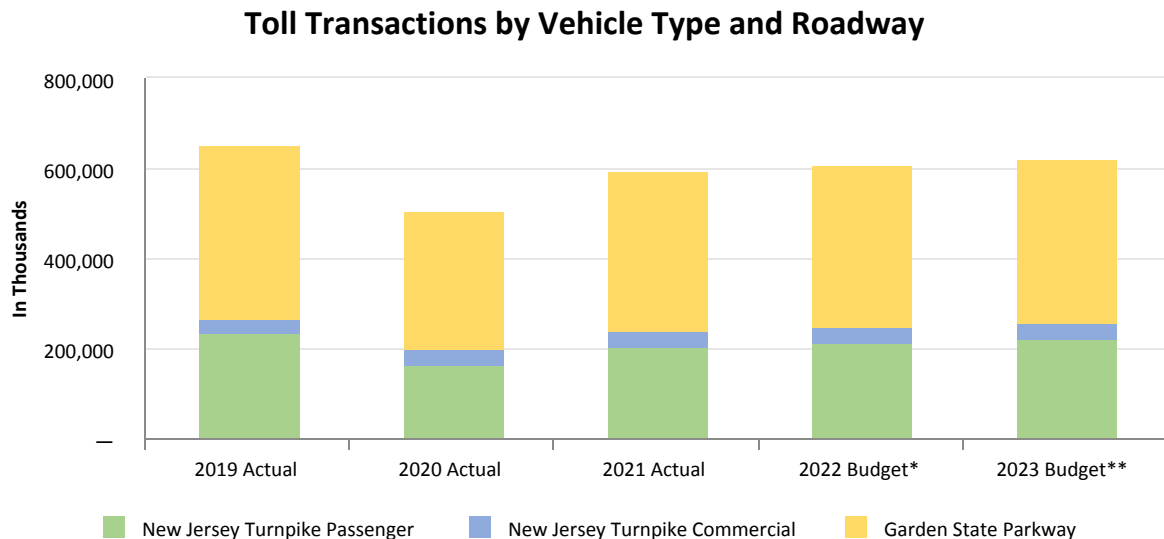
(1) Commercial vehicles include buses

(2) Commercial vehicles (including buses) are not shown separately as they account for less than 4% of total

*Projected traffic is based on the September 10, 2021 CDM Smith Updated Toll Revenue Forecast updating the projected traffic from the October 6, 2020 CDM Smith Draw Down Letter

**Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

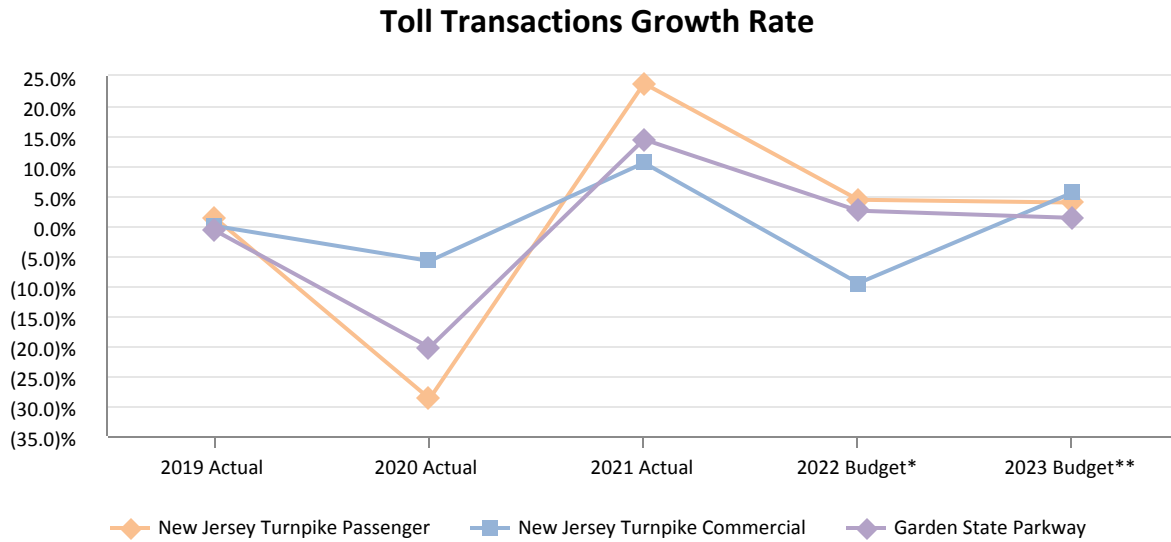
Figure 51: Toll Transactions by Vehicle Type and Roadway — 2023 Budget (2019-2023)



*Projected traffic is based on the September 10, 2021 CDM Smith Updated Toll Revenue Forecast updating the projected traffic from the October 6, 2020 CDM Smith Draw Down Letter

**Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 52: Total Toll Transactions — 2023 Budget (2019-2023)



*Projected traffic is based on the September 10, 2021 CDM Smith Updated Toll Revenue Forecast updating the projected traffic from the October 6, 2020 CDM Smith Draw Down Letter

**Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 53: Toll Transactions Growth Rate — 2023 Budget (2019-2023)
Toll Revenue by Vehicle Type and Roadway — 2023 Budget

Toll Revenue by Vehicle Type and Roadway					
(\$ In Thousands)	2019 Actual	2020 Actual	2021 Actual	2022 Budget*	2023 Budget**
Passenger	\$ 816,300	633,500	985,100	1,049,800	1,117,400
Commercial ⁽¹⁾	360,200	381,400	508,500	484,000	521,300
New Jersey Turnpike Total	\$ 1,176,500	1,014,900	1,493,600	1,533,800	1,638,700
Garden State Parkway ⁽²⁾	435,800	372,500	505,200	533,200	557,700
Total Authority Toll Revenue	\$ 1,612,300	1,387,400	1,998,800	2,067,000	2,196,400

Toll Revenue Growth Rate					
	2019 Actual	2020 Actual	2021 Actual	2022 Budget*	2023 Budget**
Passenger	0.9%	(22.4)%	55.5%	6.6%	6.4%
Commercial ⁽¹⁾	(2.8)%	5.9%	33.3%	(4.8)%	7.7%
New Jersey Turnpike Total	(0.2)%	(13.7)%	47.2%	2.7%	6.8%
Garden State Parkway ⁽²⁾	0.6%	(14.5)%	35.6%	5.5%	4.6%
Total Authority Toll Revenue	—%	(13.9)%	44.1%	3.4%	6.3%

(1) Commercial vehicles include buses

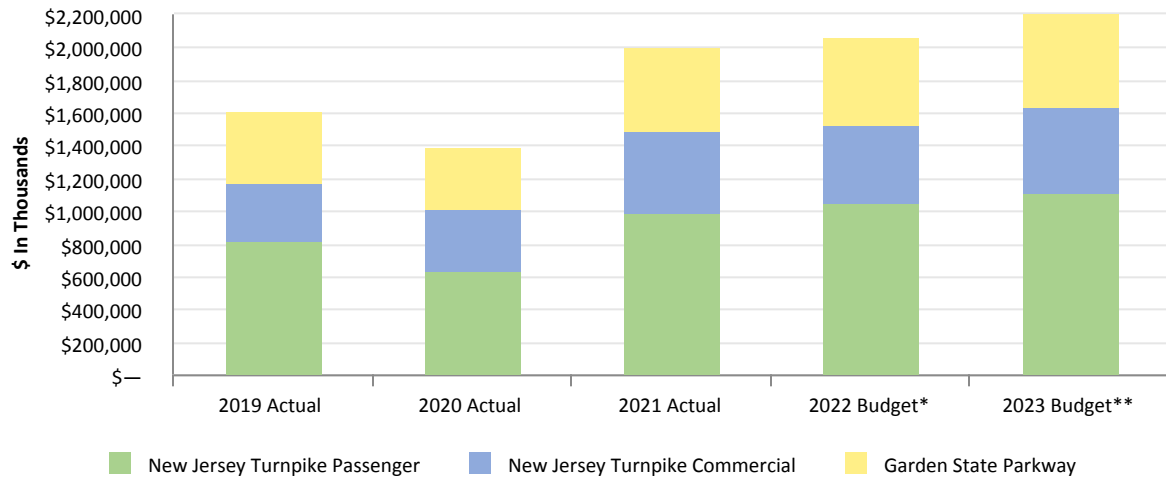
(2) Commercial vehicles (including buses) are not shown separately as they account for less than 4% of total

*Projected traffic is based on the September 10, 2021 CDM Smith Updated Toll Revenue Forecast updating the projected traffic from the October 6, 2020 CDM Smith Draw Down Letter

** Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 54: Toll Revenue by Vehicle Type and Roadway — 2023 Budget (2019-2023)

Toll Revenue by Vehicle Type and Roadway

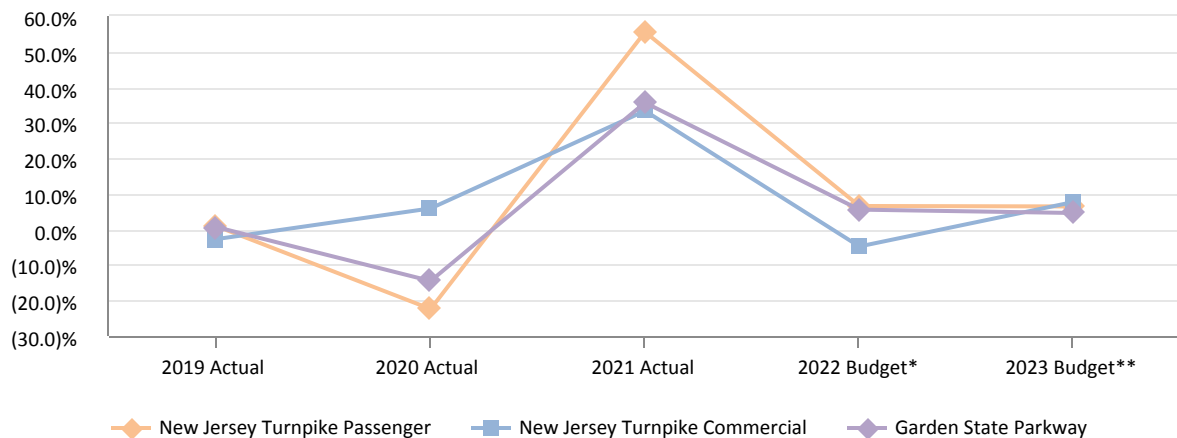


*Projected traffic is based on the September 10, 2021 CDM Smith Updated Toll Revenue Forecast updating the projected traffic from the October 6, 2020 CDM Smith Draw Down Letter

**Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 55: Total Toll Revenue — 2023 Budget (2019-2023)

Toll Revenue Growth Rate



*Projected traffic is based on the September 10, 2021 CDM Smith Updated Toll Revenue Forecast updating the projected traffic from the October 6, 2020 CDM Smith Draw Down Letter

**Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 56: Toll Revenue Growth Rate — 2023 Budget (2019-2023)

The COVID-19 pandemic caused unprecedented reductions in toll transactions in 2020. Because of this, the 2020 actuals are an anomaly in the data; this should be considered when comparing previous and future years.

Toll Transactions by Vehicle Type and Roadway — 2022 Estimated Actuals

Toll Transactions by Vehicle Type and Roadway					
(In Thousands)	2019 Actual	2020 Actual	2021 Actual	2022 Est/ Act*	2023 Budget*
Passenger	233,500	166,300	205,800	215,900	223,200
Commercial ⁽¹⁾	34,300	32,300	35,700	36,800	34,100
New Jersey Turnpike Total	267,800	198,600	241,500	252,700	257,300
Garden State Parkway ⁽²⁾	386,800	308,500	353,000	359,300	366,900
Total Authority Toll Transactions	654,600	507,100	594,500	612,000	624,200

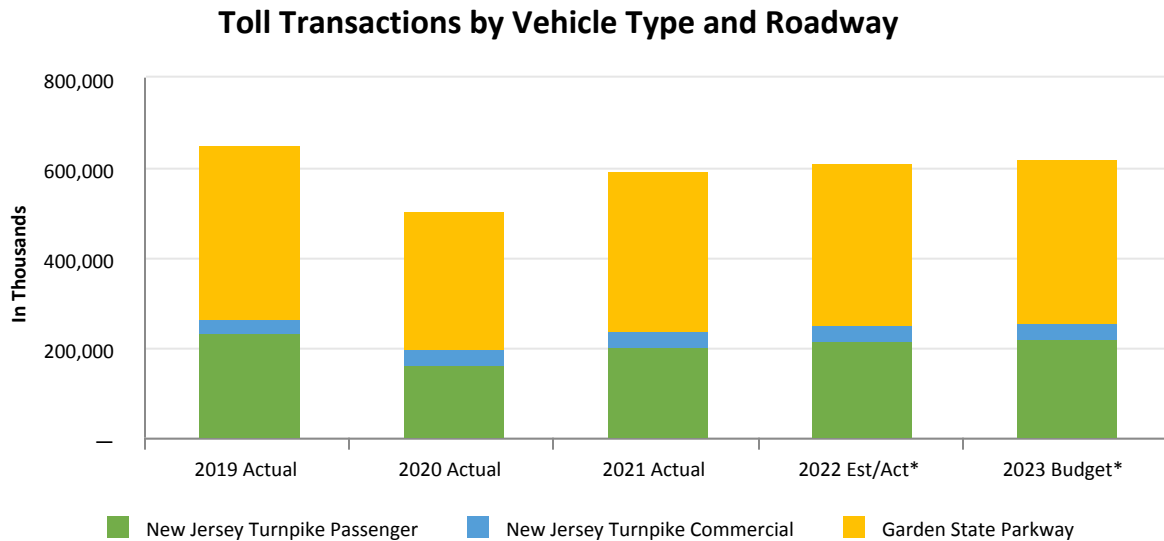
Toll Transactions Growth Rate					
	2019 Actual	2020 Actual	2021 Actual	2022 Est/ Act*	2023 Budget*
Passenger	1.3%	(28.8)%	23.8%	4.9%	3.4%
Commercial ⁽¹⁾	—%	(5.8)%	10.5%	3.1%	(7.3)%
New Jersey Turnpike Total	1.1%	(25.8)%	21.6%	4.6%	1.8%
Garden State Parkway ⁽²⁾	(0.8)%	(20.2)%	14.4%	1.8%	2.1%
Total Authority Toll Transactions	—%	(22.5)%	17.2%	2.9%	2.0%

(1) Commercial vehicles include buses

(2) Commercial vehicles (including buses) are not shown separately as they account for less than 4% of total

*Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

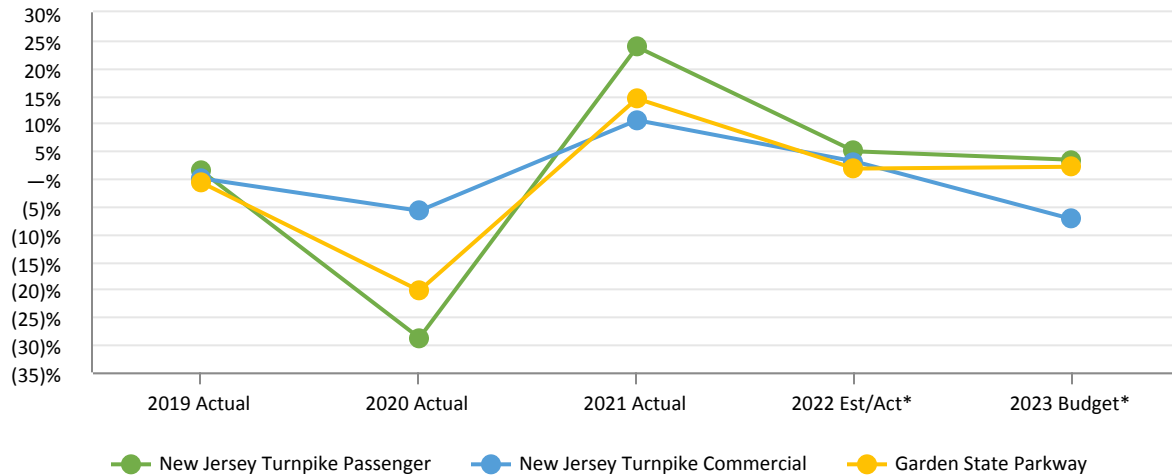
Figure 57: Toll Transactions by Vehicle Type and Roadway — 2022 Estimated Actuals (2019-2023)



*Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 58: Total Toll Transactions — 2022 Estimated Actuals (2019-2023)

Toll Transactions Growth Rate



*Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 59: Toll Transactions Growth Rate — 2022 Estimated Actuals (2019-2023)

When comparing the 2022 estimated/actuals to the 2021 actuals, the graphs above show that toll transactions did increase in 2022, although not as significantly as 2021, as toll transactions and travel continued to recover from the impacts of COVID-19. Starting in 2022, the Authority experienced a more normalized growth rate as the effects of the pandemic on traffic have diminished, even in the face of a rise in fuel prices and the increased prevalence of telecommuting. Despite the projected growth rate of 2.0% in 2023 being lower than in 2022, the 2023 rate is higher than the actual growth rate in 2019.

Toll Revenue by Vehicle Type and Roadway - 2022 Estimated Actuals

Toll Revenue by Vehicle Type and Roadway					
(\$ In Thousands)	2019 Actual	2020 Actual	2021 Actual	2022 Est/ Act*	2023 Budget*
Passenger	\$ 816,300	633,500	985,100	1,052,500	1,117,400
Commercial ⁽¹⁾	360,200	381,400	508,500	540,800	521,300
New Jersey Turnpike Total	\$ 1,176,500	1,014,900	1,493,600	1,593,300	1,638,700
Garden State Parkway ⁽²⁾	435,800	372,500	505,200	526,900	557,700
Total Authority Toll Revenue	\$ 1,612,300	1,387,400	1,998,800	2,120,200	2,196,400

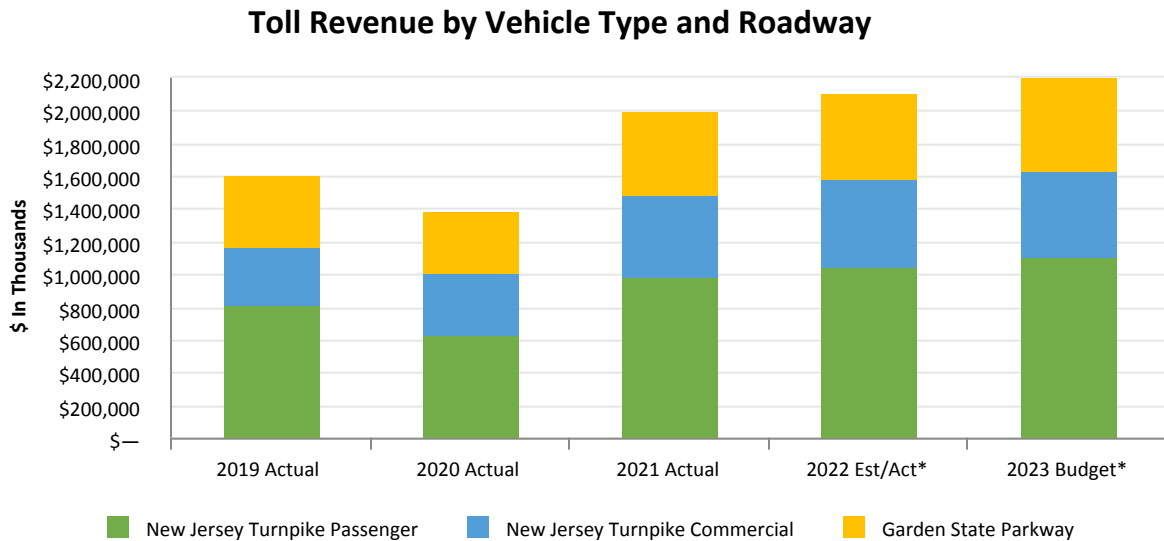
Toll Revenue Growth Rate					
	2019 Actual	2020 Actual	2021 Actual	2022 Est/ Act*	2023 Budget*
Passenger	0.9%	(22.4)%	55.5%	6.8%	6.2%
Commercial ⁽¹⁾	(2.8)%	5.9%	33.3%	6.4%	(3.6)%
New Jersey Turnpike Total	(0.2)%	(13.7)%	47.2%	6.7%	2.8%
Garden State Parkway ⁽²⁾	0.6%	(14.5)%	35.6%	4.3%	5.8%
Total Authority Toll Revenue	—%	(13.9)%	44.1%	6.1%	3.6%

(1) Commercial vehicles include buses

(2) Commercial vehicles (including buses) are not shown separately as they account for less than 4% of total

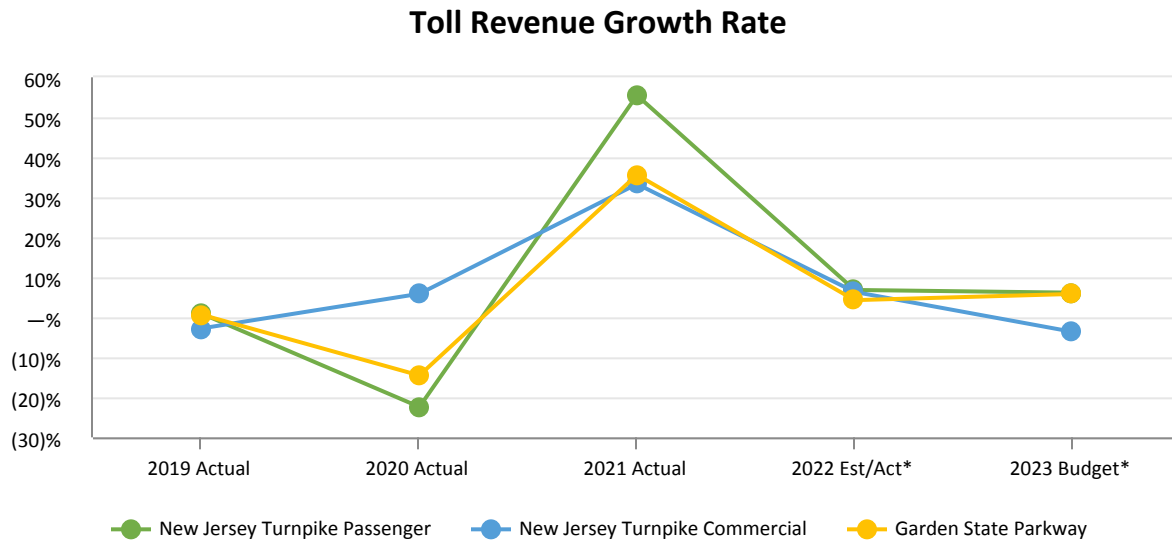
*Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 60: Toll Revenue by Vehicle Type and Roadway — 2022 Estimated Actuals (2019-2023)



*Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 61: Total Toll Revenue — 2022 Estimated Actuals (2019-2023)



*Projected traffic is based on the July 22, 2022 CDM Smith Draw Down Letter updating the September 21, 2018 Toll Revenue Forecast

Figure 62: Toll Revenue Growth Rate — 2022 Estimated Actuals (2019-2023)

Overall, toll revenue is budgeted to increase in 2023 when compared to 2022 estimated/actual results. The increases are due to the anticipated increase in toll transactions and travel from continued recovery from COVID-19, as well as an assumed 3% toll rate increase effective January 1, 2023. Likewise, the estimated/actual toll revenue growth in 2022 reflects the continued increase in toll transactions due to the ongoing recovery from COVID-19 and the toll rate indexing at 3% effective January 1, 2022. While the toll revenue is increasing in 2023, the growth rate is slightly less than 2022 estimated/actuals. However, the overall 2023 growth rate is higher than the actual rate in 2019.

Operating Expenses

Total Operating Expenses — By Functional Area					
(\$ In Thousands)	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Maintenance	\$ 204,325	243,469	262,747	19,277	7.9%
Engineering	25,463	29,697	31,474	1,777	6.0%
Total Maintenance of Infrastructure	\$ 229,788	273,166	294,220	21,054	7.7%
Toll Collection	179,161	192,021	204,877	12,856	6.7%
Total Toll Collection	\$ 179,161	192,021	204,877	12,856	6.7%
Operations	14,454	16,521	17,501	980	5.9%
State Police	95,561	107,731	108,457	725	0.7%
Total Traffic Control & State Police	\$ 110,015	124,252	125,957	1,706	1.4%
Information Technology Services	23,448	25,877	28,780	2,903	11.2%
Total Technology	\$ 23,448	25,877	28,780	2,903	11.2%
Executive Office	1,895	1,930	2,100	170	8.8%
Law & Insurance Services	11,047	14,629	15,400	770	5.3%
Purchasing & Materials Management	7,339	9,129	9,533	404	4.4%
Human Resources & Office Services	5,429	7,265	7,784	519	7.1%
Finance	13,204	15,756	17,011	1,255	8.0%
Community & Government Relations	1,624	1,846	1,769	(77)	(4.2)%
Internal Audit	5,424	5,767	6,312	546	9.5%
Total General & Administrative	\$ 45,962	56,323	59,910	3,587	6.4%
Total Operating Expenses	\$ 588,374	671,639	713,744	42,105	6.3%

Figure 63: Total Operating Expenses by Functional Area (2021-2023)

- Operating Expenses are budgeted to increase by 6.3%, or \$42.1 million. There are five key cost drivers which are expected to increase significantly in 2023: Employee Health Benefits, Other Professional Services, Insurance, Banking Services, and Other Materials, Roadway Maintenance, and Building Maintenance. Combined, these five items account for almost \$31.2 million of the increase. Excluding these items, Operating Expenses are budgeted to increase by only 1.5%, or \$10.1 million. A summary of increases included in the 2023 budget are as follows:
 - Maintenance of Infrastructure is budgeted to increase primarily due to an increase in safety inspections for bridges, overhead sign structures, antenna towers, pavement of all travel lanes, and Mechanically Stabilized Earth (MSE) walls, as well an increase in roadway and equipment repairs, the largest of which is the repair of the Authority's fleet. Additionally, there is a significant increase in employee health benefits due to medical inflation and decreases in employee contribution rates Other costs expected to increase are vehicle supplies and insurance costs as a result of increased industry costs and claims, in addition to the increased value of insured assets
 - Toll Collection is budgeted to increase mainly due to New Jersey E-ZPass costs which are expected to increase due to increased amounts payable to Conduent for higher electronic toll

transaction processing and credit card fees. This coincides with a forecasted increase in traffic and toll revenue, and higher amounts payable based upon percentage of administrative fees collections. Toll collection costs are also increasing despite a reduction in the number of budgeted part-time toll collector positions, due to assumed contractual salary increases and an increase in overtime to cover vacancies. There is also a significant increases in health benefits due to medical inflation and decreases in employee contribution rates.

- Traffic Control and State Police costs are budgeted to increase slightly due to higher health benefit costs for Authority staff due to medical inflation and a decrease in the employee contribution rate, and assumed contractual salary increases
- Technology costs are budgeted to increase primarily due to an increase in equipment maintenance, other professional services for supplemental staff, software, and licensing costs for new software products acquired. Additionally, there is a significant increase in employee health benefits due to medical inflation and a decrease in employee contribution rates
- General and Administrative costs are budgeted to increase primarily due to an increase in employee health benefits due to medical inflation and a decrease in employee contribution rates. Other than that, this increase is mainly due to an increase in tuition reimbursement, outside financial services and the rise in insurance premiums spiking from the threat of cyber attacks. Additionally, assumed contractual salary increases also contribute to this increase

Operating Expenses by Functional Area

Condensed Operating Expenses by Functional Area					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Maintenance of Infrastructure	\$ 229,788	273,166	294,220	21,054	7.7%
Toll Collection	179,161	192,021	204,877	12,856	6.7%
Traffic Control & State Police	110,015	124,252	125,957	1,706	1.4%
Technology	23,448	25,877	28,780	2,903	11.2%
General & Administrative	45,962	56,323	59,910	3,587	6.4%
Total Operating Expenses	\$ 588,374	\$ 671,639	\$ 713,744	\$ 42,105	6.3%

Figure 64: Condensed Operating Expenses by Functional Area (2021-2023)

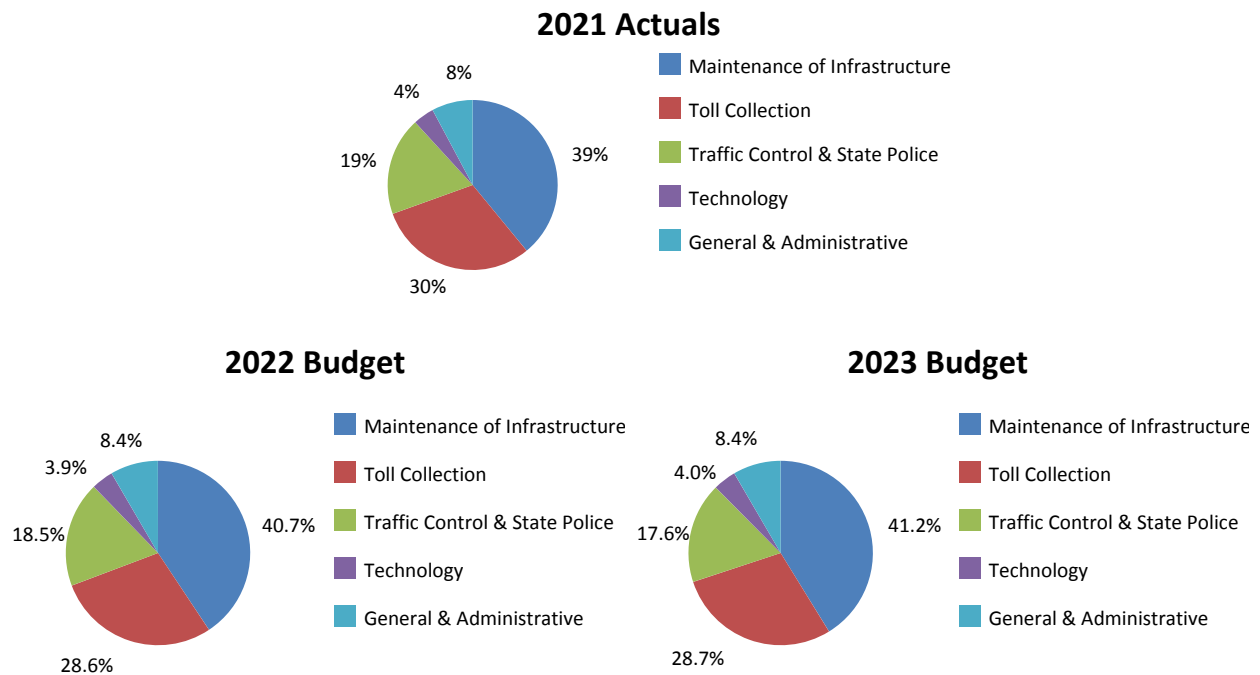


Figure 65: Condensed Operating Expenses by Functional Area Percentages (2021-2023)

Operating Expenses by Type

Condensed Operating Expenses by Type					
(\$ In Thousands)	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Personnel Costs	\$ 282,819	323,091	337,681	14,589	4.5%
Materials & Supplies	41,200	52,982	57,869	4,888	9.2%
Services	219,211	245,705	262,237	16,532	6.7%
Maintenance & Fixed Costs	35,150	40,425	45,474	5,050	12.5%
Equipment	9,994	9,437	10,484	1,047	11.1%
Total Operating Expenses	\$ 588,374	671,639	713,744	42,105	6.3%

Figure 66: Condensed Operating Expenses by Type (2021-2023)

The above chart shows that the primary increases in the 2023 budget are in Personnel Costs (Pension and Health Benefits), Services, Maintenance & Fixed Costs, and Materials & Supplies.

- Salaries are decreasing by 0.3%, as an assumed 2% contractual increase is being offset by a reduction authorized part-time toll collector positions, and an increase in vacancies, which are budgeted to be filled at lower rates compared to their filled rates last year
- Pension costs are budgeted to increase by \$2.9 million based on an assumed increase in the contribution rate based on budgeted covered payroll. Pension and FICA tax is allocated to each department at a rate of 23.7% of the respective department's salary budget. The change in pension expense seen at the department level is dependent on a combination of respective department's salary increase/decrease and the overall increase in pension cost
- Health Benefits are budgeted to increase significantly by \$11.9 million due to medical inflation and a decrease in employee contribution rates. Benefits are allocated to each department at a rate of 61.8% of the respective department's salary budget. The change in the health benefit cost seen at the department level is dependent on a combination of respective department's salary increase/decrease and the overall increase in health benefit cost
- Services include the higher costs for New Jersey E-ZPass services (including credit cards and transponders) resulting from higher traffic levels, insurance costs as a result of increased industry costs, increased value of insured assets and increased claims by NJTA, as well as fees for inspections and consulting services
- Maintenance and Fixed Costs are budgeted to increase by \$5.0 million due to increased roadway repairs (sink holes, water main breaks, etc.), and increased building and equipment maintenance repairs, such as renovating the authority's aging fleet
- Materials and Supplies include the projected increase in fuel costs, vehicle materials for additional fleet or maintaining aging fleet, and new software and licensing costs

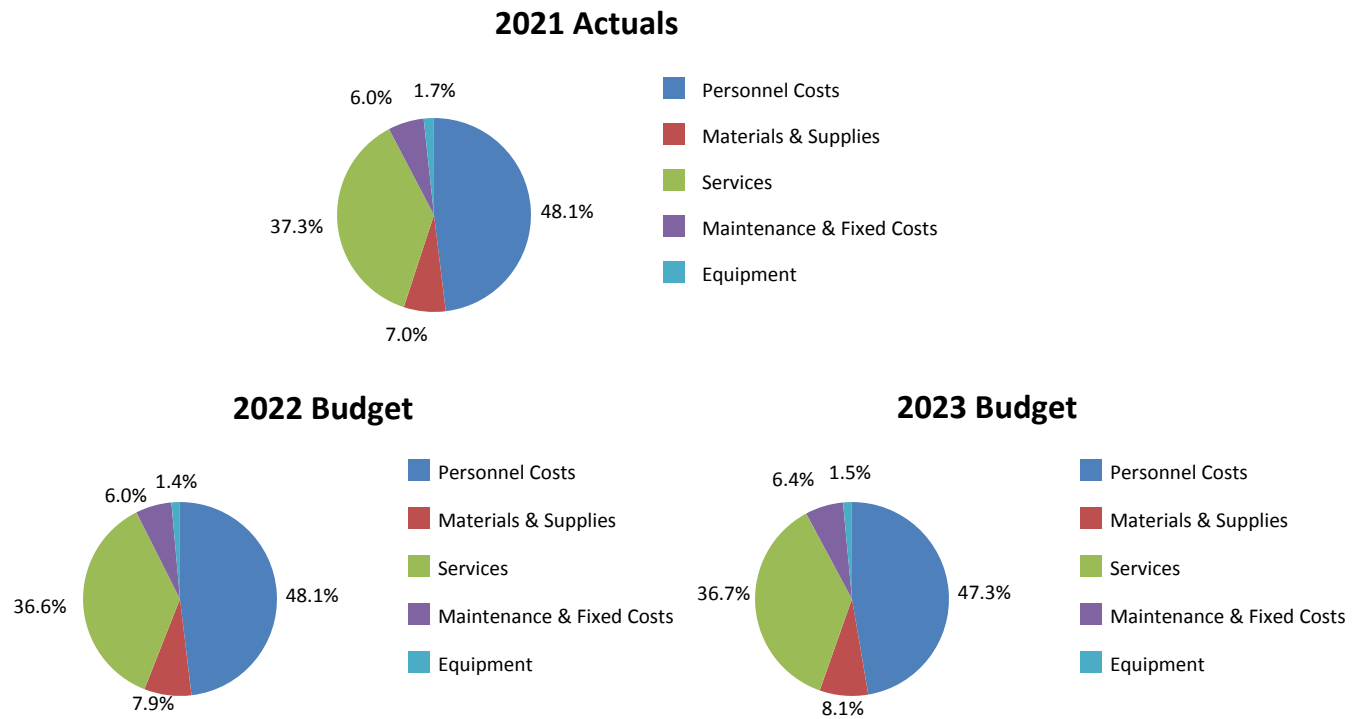


Figure 67: Condensed Operating Expenses by Type Percentages (2021-2023)

2023 Operating Expenses Summary by Line Item

Total Operating Expenses by Line Item					
(\$ In Thousands)	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 160,549	184,037	183,555	(482)	(0.3)%
Allowances	1,149	1,339	1,407	68	5.1%
Pension & Taxes	35,427	39,974	42,872	2,898	7.3%
Employee Relations	—	44	36	(9)	(19.3)%
Health Benefits	84,910	96,137	108,015	11,879	12.4%
Tuition	66	200	351	151	75.3%
Training, Travel, & Seminars	714	1,359	1,445	87	6.4%
Overnight Travel	5	2	—	(2)	(100.0)%
Total Personnel Costs	\$ 282,819	323,091	337,681	14,589	4.5%
Printing & Office Supplies	432	587	617	31	5.2%
Vehicle Supplies	4,537	5,247	7,537	2,290	43.6%
Medical Supplies	17	84	86	2	2.4%
Operating Supplies	1,877	2,540	1,995	(546)	(21.5)%
Toll Tickets	240	316	316	—	—%
Utilities	10,859	12,440	13,276	836	6.7%
Snow/Ice	4,650	10,173	10,173	—	—%
Software	5,785	6,642	7,426	783	11.8%
Other Materials	10,463	12,700	14,161	1,462	11.5%
Landscape	86	713	743	30	4.1%
Roadway	202	475	475	—	—%
Electronics	175	750	750	—	—%
Other Expenses	1,877	315	315	—	13.7%
Total Materials & Supplies	\$ 41,200	52,982	57,869	4,888	9.2%
Banking Services	36,193	38,896	41,555	2,659	6.8%
Insurance	12,754	15,265	18,314	3,050	20.0%
Facilities Services	3,416	4,385	4,978	593	13.5%
Legal Services	1,958	2,863	2,863	—	—%
Consulting Services	4,717	6,153	7,686	1,533	24.9%
Other Professional Services	64,539	70,715	78,939	8,224	11.6%
Environmental Services	4,128	4,951	5,566	615	12.4%
Other Services	817	946	1,099	153	16.1%
State Police Services	90,689	101,531	101,237	(294)	(0.3)%
Total Services	\$ 219,211	245,705	262,237	16,532	6.7%
Vehicle Maintenance	721	1,008	1,417	409	40.6%
Roadway Maintenance	26,338	30,821	33,012	2,191	7.1%
Building Maintenance	2,486	3,380	4,200	820	24.3%
Toll Booth Maintenance	33	76	76	—	—%
Equipment Maintenance	5,166	4,557	6,276	1,719	37.7%
Equipment Rental	352	477	388	(89)	(18.7)%
Taxes	53	106	106	—	—%
Total Maintenance & Fixed Costs	\$ 35,150	40,425	45,474	5,050	12.5%
Equipment	1,866	3,477	4,558	1,081	31.1%
ETC Transponders	8,129	5,960	5,926	(34)	(0.6)%
Total Equipment	\$ 9,994	9,437	10,484	1,047	11.1%
Total Operating Expenses by Line Item	\$ 588,374	671,639	713,744	42,105	6.3%

Figure 68: Total Operating Expenses by Line Item (2021-2023)

Authorized Positions

Authorized Positions				
Departments/Divisions	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Maintenance Division	982	982	987	5
Traffic Division	87	88	88	—
Operations Department	1,069	1,070	1,075	5
Engineering	84	84	79	(5)
Toll Collection	542	542	542	—
State Police	28	28	28	—
Information Technology Services	151	150	152	2
Executive Office	8	9	10	1
Law & Insurance Services	21	21	20	(1)
Procurement & Materials Management	55	56	57	1
Human Resources & Office Services	42	43	42	(1)
Finance	79	80	80	—
Community & Government Relations	10	10	10	—
Internal Audit	31	30	30	—
Subtotal	2,120	2,123	2,125	2
Contingency	5	5	5	—
Total Authorized Positions	2,125	2,128	2,130	2

Figure 69: Authorized Positions (2021-2023)

Overall, 2023 authorized positions are essentially flat. Two positions are added to restore contingent positions used during 2022.

- The Maintenance Division of the Operations Department increased by five positions, representing employees transferred from the Engineering Department. The two positions used from contingency during the year were transferred to the Procurement and Materials Management (1) and the ITS (1) Departments. ITS had an employee transferred in from Law, while Executive Office had a vacant position transferred in from Human Resources.
- Contingent positions have been replenished to five and remain in the budget to account for any staffing needs that may arise during the year

Department & Division Operating Expenses

Maintenance Division

Division Description:

Effective October 19, 2020, the Authority merged the Maintenance, Operations, and Patron Services Department into the Operations Department. The merger resulted in a model that is common through dozens of state transportation agencies nationwide. As a result of this merger, the Operations Department includes the Traffic Division (discussed on page [76](#) under Operations Department) and the Maintenance Division.

The Maintenance Division of the Operations Department is responsible for overseeing the maintenance and care of the Turnpike and Parkway roadways and infrastructure, as well as Authority buildings and facilities. Specifically, the Maintenance Division is responsible for the following: the inspection, maintenance, and repair of the Authority's maintenance vehicle fleet and equipment, maintenance and repair of approximately 500 facility locations and critical utilities along 321 miles of roadway, HVAC maintenance, inspection and repair, line striping, construction of small structures and facilities, coordination and implementation of snow and ice removal operations, roadway litter and debris removal, and maintenance and care of all roadway vegetation.

In order to preserve the Authority's existing classification of Operating Expenses for financial statement reporting purposes, the Maintenance Division's Operating Expenses are shown separate from the Operations Department in the Annual Budget. This is because the Maintenance Division expenses are considered Maintenance of Infrastructure, separate from the classification of other Operations Department expenses. However, all activities of the Maintenance Division are the responsibility of the Director of Operations.

Division Organization:

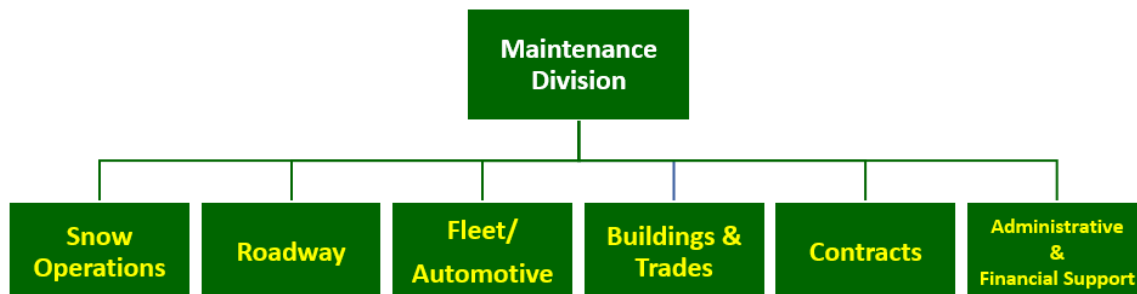


Figure 70: Maintenance Division Organization Chart

Senior Staff:

Director of Operations: Kevin Dunn

Acting Deputy Director of Operations: Leo Schaeffer

2022 Accomplishments:

- Upgraded delineation of select interchanges on the Turnpike to reduce crashes (Safety)
- Installed over 60 traffic control device upgrades on ramp terminals to assist in the reduction of run-off road crashes (Safety)
- Published new and modern Work Zone Safety Procedures guidance for contractor and Maintenance use (Safety, People)
- Managed the rehabilitation and modernization of the Woodrow Wilson and Molly Pitcher (State of Good Repair)
- Transitioned the Maintenance Department into the Operations Department following national models for state transportation departments (People)
- Implemented the first phase of Enterprise Asset Management (EAM) for the Automotive Section (State of Good Repair)

2023 Goals:

- Deploy a training resource/program to contractors and Maintenance at the Herbertsville Inspection Station for the training and compliance of national provisions on traffic control (Safety)
- Design and issue a compendium of approved detour routes for construction and maintenance to reduce needed resources prior to construction (Safety)
- Migrate pavement marking asset management software platform to the Authority's infrastructure (State of Good Repair)
- Expand existing truck-mounted attenuator fleet to support work zone and emergency operations (Safety)
- Continue priority locations for storm and bridge drain cleaning, including ditch line cleaning and reshaping (State of Good Repair)
- Continue modernization of heavy-duty vehicle fleet for snow removal (State of Good Repair)
- Modernize pavement marking program to provide long-lasting pavement markings reducing existing maintenance cycles (State of Good Repair)

Maintenance Division Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 77,844	91,996	90,653	(1,342)	(1.5)%
Allowances	779	1,087	1,057	(30)	(2.8)%
Pension & Taxes	16,709	19,549	20,704	1,155	5.9%
Health Benefits	39,185	45,253	50,581	5,329	11.8%
Tuition	10	12	13	1	8.7%
Training, Travel, & Seminars	130	298	300	3	0.8%
Printing & Office Supplies	75	94	109	15	15.7%
Vehicle Supplies	4,499	5,247	7,487	2,240	42.7%
Operating Supplies	1,618	2,123	1,550	(573)	(27.0)%
Utilities	10,859	12,440	13,276	836	6.7%
Snow/Ice	4,650	10,173	10,173	—	—%
Software	42	40	60	20	50.0%
Other Materials	9,110	11,372	12,690	1,318	11.6%
Landscape	86	713	743	30	4.1%
Roadway	202	475	475	—	—%
Electronics	175	750	750	—	—%
Insurance	6,442	7,140	9,466	2,326	32.6%
Facilities Services	1,353	1,330	1,330	—	—%
Consulting Services	—	—	50	50	—%
Other Professional Services	148	100	100	—	—%
Environmental Services	1,125	1,400	1,500	100	7.1%
Other Services	100	115	177	62	53.5%
Vehicle Maintenance	538	603	872	269	44.6%
Roadway Maintenance	23,971	26,195	31,320	5,125	19.6%
Building Maintenance	2,107	2,900	4,100	1,200	41.4%
Equipment Maintenance	323	430	1,040	610	141.9%
Equipment Rental	169	235	145	(90)	(38.3)%
Equipment	352	1,187	1,823	636	53.6%
Other Expenses	1,727	215	215	—	—%
Total Operating Expenses	204,325	243,469	262,757	19,288	7.9%

Figure 71: Maintenance Division Operating Expenses (2021-2023)

2023 Budget Highlights:

- Salaries are decreasing due to vacancies being budgeted at lower rates, which have offset contractual increases and the transfer of five positions from Engineering
- Pension and Health Benefits — see page 60 for explanation
- Vehicle Supplies are increasing by \$2.2 million due to a projected increase in fuel costs
- Utilities are increasing by \$836,000 due to projected increases in rates, primarily heating fuel
- Insurance is increasing by \$2.3 million with a contributing factor being Bridge and Property insurance increasing due primarily to an increase in insured values based on higher replacement costs and new assets, as well as a standard market rate increase of 4.5%
- Other Materials are increasing by \$1.3 million due to the increased costs of materials needed to maintain and repair the Authority's existing fleet because new vehicle deliveries have been delayed
- Roadway Maintenance is increasing by \$5.1 million due to the reorganization of transferred projects from Engineering, as well as the need to maintain and repair the Authority's existing fleet
- Building Maintenance is increasing by \$1.2 million for dump truck loading dock and Smith Street repairs

Maintenance Division Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Administrative Assistant - Division	2	2	1	(1)
Administrative Project Supervisor	1	1	1	—
Administrative Secretary - Maintenance	—	1	2	1
Apprentice	3	3	—	(3)
Assistant Automotive Manager	—	—	1	1
Assistant Building Maintenance Manager	1	1	1	—
Assistant Foreman	27	28	28	—
Assistant Foreman - Janitorial	3	3	3	—
Assistant Landscape Specialist	1	1	1	—
Assistant Maintenance Admin Manager	1	1	1	—
Assistant Maintenance Engineer	1	1	1	—
Assistant Project Supervisor	1	1	1	—
Assistant to Manager, Inventory Quality Assurance	1	1	1	—
Automotive Craftsperson I	1	1	—	(1)
Automotive Foreman	3	3	3	—
Automotive Services Coordinator	1	1	1	—
Automotive Services Manager	1	1	1	—
Automotive Technician	40	40	41	1
Automotive Training Manager	1	1	1	—
Body Repair person	2	2	2	—
Budget Coordinator	1	1	1	—
Building Craftsperson 3	3	3	3	—
Building Maintenance Foreman	3	3	3	—
Building Maintenance Mechanic	13	13	13	—
Building Maintenance Manager	1	1	1	—
Carpenter	13	13	13	—
Carpenter/Paint Foreman	2	2	2	—
CDL Training Coordinator	1	1	1	—

Maintenance Division Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Construction Manager Maintenance	1	1	1	—
Construction Supervisor Maintenance	—	—	1	1
Coordinator - Bargaining (8 hr)	1	—	—	—
Craftsperson Assistant - Auto	2	2	—	(2)
Craftsperson Field Supervisor	7	7	7	—
Craftsperson 2 - Auto	4	5	5	—
Craftsperson 3 - Auto	—	—	2	2
Crew Manager	6	6	6	—
Crew Supervisor	41	41	41	—
District Equipment Manager	3	3	3	—
District Manager	3	3	2	(1)
Electrical Craftsperson 2	16	16	16	—
Electrician -TPK	18	18	18	—
Equipment Trainer	3	3	3	—
Executive Secretary 2	2	2	1	(1)
Facilities Manager	—	1	1	—
Facility Craftsperson	4	4	2	(2)
Facility Manager	2	1	1	—
Field Engineer	1	1	3	2
General Foreman	6	6	6	—
General Foreman-Automotive	2	2	2	—
Heavy Equipment Operator	25	25	25	—
Janitor	12	12	12	—
Janitorial Foreman	1	1	1	—
Janitorial Manager	2	2	2	—
Landscape Specialist	1	1	1	—
Landscaper	6	7	7	—
Landscaping Foreman	1	2	2	—
Maintenance Assistant	1	1	1	—
Maintenance Automotive Manager	1	—	—	—
Maintenance Budget Analyst	1	1	1	—
Maintenance District Coordinator	2	2	2	—
Maintenance Engineer	1	1	2	1
Maintenance Financial & Office Manager	1	1	1	—
Maintenance Office Assistant	1	1	1	—
Maintenance Person	234	230	232	2
Maintenance Person 1	219	219	218	(1)
Maintenance Person 2	11	11	12	1
Maintenance Person 3	9	10	12	2
Maintenance Person 4	11	11	10	(1)
Maintenance Person General	31	32	31	(1)
Maintenance Records Clerk	20	20	20	—
Maintenance Roadway Special	2	1	1	—

Maintenance Division Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Maintenance Special-Landscape	5	4	4	—
Mason	3	3	3	—
Mechanic I	38	39	39	—
Mechanic Special	2	1	1	—
Mechanical Craftsperson 2	17	17	19	2
One Call Coordinator	1	1	1	—
Painter	3	3	3	—
Power Electric Foreman	4	4	4	—
Project Coordinator	1	1	1	—
Project Engineer Maintenance	—	—	1	1
Project Manager - Environmental	1	1	—	(1)
Project Supervisor	7	7	8	1
Quality Control Supervisor	—	—	1	1
Roadway Foreman	15	16	16	—
Roadway Maintenance Administrator	1	1	1	—
Roadway Superintendent	4	4	4	—
Senior Administrative Assistant - Division	1	1	1	—
Senior Clerk 80	18	18	18	—
Senior Maintenance Engineer	1	—	1	1
Sign Fabricator 1	8	8	8	—
Specialist - Sign Fabricator	2	2	2	—
Sign Shop Manager	1	1	1	—
Supervising Engineer	—	1	1	—
Training Equipment Supervisor	1	1	1	—
Welder	5	5	5	—
Total Authorized Positions	982	982	987	5

Figure 72: Maintenance Division Authorized Positions (2021-2023)

Toll Collection

Department Description:

The Toll Collection Department oversees the collection of toll revenue in full service manual lanes (cash and E-ZPass), automatic coin machine lanes, and E-ZPass only lanes on the New Jersey Turnpike and the Garden State Parkway. The department currently has 542 full-time employees and 322 part-time employees. In addition to the costs for the manual and automatic coin machine lanes, which the Toll Collection Department is directly responsible for, the Toll Collection functional area for financial reporting and budgeting purposes also includes the costs associated with Electronic Toll Collection, although oversight for this function and responsibility for the New Jersey E-ZPass Customer Service Center is spread over several departments.

The New Jersey E-ZPass Customer Service Center provides all back-office functions related to processing and collecting electronic tolls and violations. The service center opens and maintains customer accounts, distributes transponders, and responds to customer requests. The New Jersey E-ZPass Customer Service Center is located in Newark, New Jersey. Third-party costs associated with the New Jersey E-ZPass Customer Service Center are part of the Toll Collection functional area and also include credit card fees and transponder costs.

Department Organization:

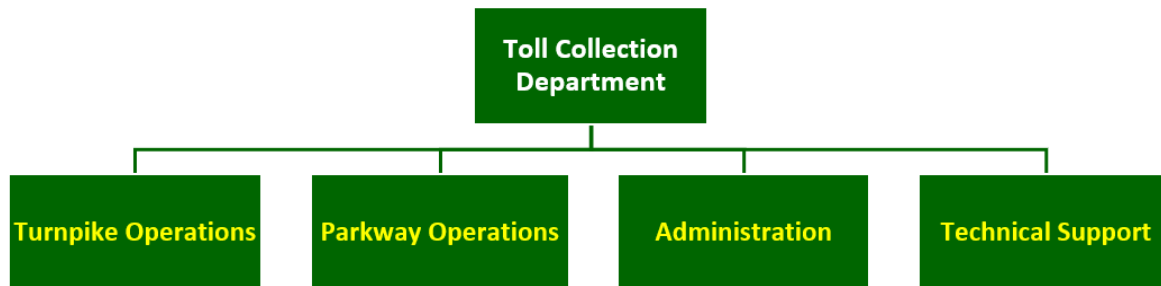


Figure 76: Toll Collection Department Organization Chart

Senior Staff:

Acting Director of Tolls: John LaBella

Deputy Director of Tolls: F. Scott Barton

Assistant Director of Tolls – Training: Colleen L. Lentini

2022 Accomplishments:

- Devised a succession plan for Senior Staff and Management positions (People)
- Upgraded Commend, C-Cure, and intercom systems on each roadway (Mobility)
- Created new and upgraded existing lane schematics of GSP for Reference (Mobility)
- Upgraded Toll Collector Manuals on GSP and TPK (People)
- Redesigned multiple Toll Collector forms (People)
- Upgraded the Garden State Parkway and Turnpike touch screens to further increase collector efficiency (People)

2023 Goals:

- Review safety measures at Interchange 13A (SOT Ramp) and Interchange 16W (SWT Ramp) (Safety)
- Remove Satellite Lanes at Union and Bergen Toll Plazas (Safety)
- Set up Jersey Barrier at Interchange 1 to upgrade traffic configuration (Safety)
- Implement a succession plan for Senior Staff and Management positions (People)
- Coordinate with Human Resources to provide more efficient training procedures for newly onboarded employees (People)
- Increase training staff field visits to improve manual toll revenue collection statistics (Financial)
- Evaluate scheduling and staffing to maximize efficiency (People)
- Continue to upgrade the Parkway and Turnpike touch screens to further increase collector efficiency (People)
- Replace all GSP toll booth card readers with a swipe card system (People)

Toll Collection Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 43,734	47,781	48,883	1,102	2.3%
Allowances	302	190	270	80	42.0%
Pension & Taxes	9,898	10,603	11,715	1,112	10.5%
Health Benefits	24,179	26,415	30,225	3,810	14.4%
Tuition	7	20	20	—	—%
Training, Travel, & Seminars	513	550	550	—	—%
Printing & Office Supplies	103	80	80	—	—%
Operating Supplies	179	326	343	16	5.0%
Toll Tickets	240	316	316	—	—%
Software	1,961	1,979	2,403	424	21.4%
Other Materials	480	556	572	16	2.9%
Banking Services	35,326	37,950	40,607	2,657	7.0%
Facilities Services	1,766	2,585	3,078	493	19.1%
Legal Services	102	700	700	—	—%
Other Professional Services	49,208	53,528	56,143	2,615	4.9%
Other Services	500	512	562	50	9.8%
Toll Booth Maintenance	33	76	76	—	—%
Equipment Maintenance	2,392	1,887	2,402	516	27.3%
Equipment	—	7	7	—	—%
ETC Transponders	8,129	5,960	5,926	(34)	(0.6)%
Other Expenses	110	—	—	—	—%
Total Operating Expenses	\$ 179,161	192,021	204,877	12,856	6.7%

Figure 77: Toll Collection Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Other Professional Services are increasing by \$2.6 million due to volume increases for NJ E-ZPass costs, including those costs based upon E-ZPass transactions and those based upon a percentage of administrative fee collections
- Banking services are increasing by \$2.7 million due to the budgeted increase in toll transactions and revenue. Toll revenue and transactions continue to return to pre-pandemic levels, coupled with annual 3% toll rate indexing

- Salaries are increasing 2.3% due to contractual increases, and additional overtime needed to cover shifts from vacancies, offsetting a 56 position reduction in budgeted part-time toll collector positions
- Pension and Health Benefits — see page 60 for explanation

Toll Collection Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Administration Toll Collection Manager	1	1	1	—
Administrative Assistant	1	1	1	—
Administrative Secretary	2	2	2	—
Area Manager	6	6	6	—
Assistant Director of Tolls - Training	1	1	1	—
Assistant Division Manager	2	2	2	—
Assistant Manager, Toll Facilities	1	1	1	—
Assistant Plaza Supervisor	20	20	20	—
Coordinator - Bargaining	1	1	1	—
Deputy Director Tolls	1	1	1	—
Director of Tolls	1	1	1	—
Field Operations Manager	2	2	2	—
Interchange Manager	8	8	8	—
Manager, Toll Systems Reconciliation	1	1	1	—
Manager, Training Operations	1	1	1	—
Senior Citizen Toll Collector	—	1	—	(1)
Senior Tolls Field Coordinator	2	2	2	—
Summer Assistant Plaza Supervisor	—	—	11	11
Temp Assistant Plaza Supervisor	2	2	—	(2)
Toll Collector - Parkway	145	145	136	(9)
Toll Collector - Turnpike	205	204	204	—
Toll Plaza Supervisor - Parkway	40	40	40	—
Toll Plaza Supervisor - Training	3	3	3	—
Toll Plaza Supervisor - Turnpike	92	92	93	1
Toll Records Clerk	4	4	4	—
Total Authorized Positions	542	542	542	—

Figure 78: Toll Collection Department Authorized Positions (2021-2023)

Engineering

Department Description:

The Engineering Department's mission is focused on the preservation and improvement of the Authority's roadways, structures, buildings, and other facilities. Responsibilities include planning, design, and construction management. In-house staff is supplemented by engineers from outside consulting engineering firms who work under direct Authority supervision. The Engineering Department is comprised of two main divisions and a section — Design Division, Construction Division, and the Facilities Section.

The Design Division is organized into four (4) sections; Structures, Highways, Planning, and Contracts. The main focus of the Design Division is to plan and design capital improvements to bridges, roadways, and facilities along the Turnpike and Parkway. In addition to the above activities, the Design Division is also responsible for the design of various major annual maintenance projects, including pavement resurfacing, lighting, drainage, median barrier, and bridge deck repairs. The Contracts Section is responsible for transitioning construction contracts from design to construction through the public bid process, maintaining the Authority's standard specifications, providing current supplemental specifications, and prequalifying all contractors interested in bidding on Authority construction contracts.

The Construction Division is organized into three (3) sections; Highways, Structures, and Environmental. The Highways and Structures Sections are responsible for ensuring that the Authority's roadway, bridge, structural, and other construction contracts are constructed in accordance with the contract plans and specifications. The Environmental Section is responsible for maintaining underground storage tank compliance in accordance with NJDEP regulations, as well as monitoring groundwater remediation systems.

The Facilities Section is responsible for new building construction and major maintenance projects.

Department Organization

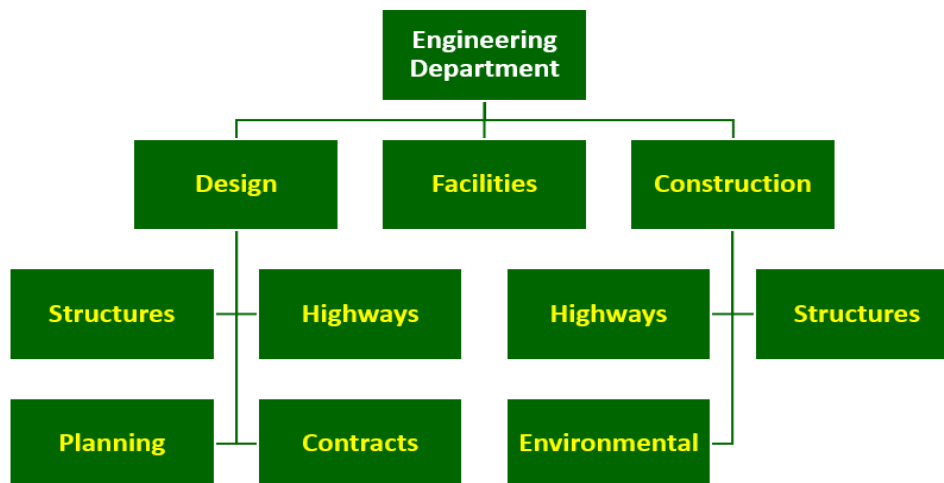


Figure 73: Engineering Department Organization Chart

Senior Staff:

Chief Engineer: Michael Garofalo

Deputy Chief Engineer – Construction: Daniel Hesslein

Deputy Chief Engineer – Design: Lamis Malak

2022 Accomplishments:

- Improved the overall condition of mainline pavement and bridges on the Turnpike and Parkway (State of Good Repair)
- Maintained the progress of the Rolling Five-Year Capital Improvement Program based on the 2020 Long-Range Capital Plan (Financial Strength)
- Backfilled key senior staff positions (People)
- Met the goal of awarding anticipated design/supervision orders for professional services and construction contracts (State of Good Repair)
- Reorganized the Engineering Department to separate planning and facilities and re-assign existing staff to accommodate the delivery of the Rolling Five-Year Capital Improvement Program (People)

2023 Goals:

- Meet or exceed the average National Pavement Rating of 3.5 for the condition of all the mainline pavement of the Turnpike and Parkway (State of Good Repair)
- Maintain or exceed a National Bridge Inspection Standards "fair" condition rating for all bridges of the Turnpike and Parkway (State of Good Repair)
- Continue to convert all roadway light fixtures to LED and improve the condition of Authority lighting (State of Good Repair)
- Continue to replace and repair drainage systems (State of Good Repair)
- Maintain the project delivery schedule for the 2023-2027 Rolling Five-Year Capital Improvement Program (State of Good Repair)
- Continue to advance the development of a resilient climate change plan that will be incorporated into the project delivery process (State of Good Repair)
- Backfill Key Senior Staff Positions (People)

Engineering Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 2,392	2,969	2,154	(815)	(27.4)%
Allowances	2	—	4	4	—%
Pension & Taxes	541	642	511	(132)	(20.5)%
Health Benefits	1,323	1,641	1,332	(309)	(18.8)%
Tuition	7	10	25	15	150.0%
Training, Travel, & Seminars	5	23	40	17	75.4%
Overnight Travel	—	1	25	24	1983.3%
Printing & Office Supplies	19	45	44	(1)	(2.2)%
Operating Supplies	1	2	2	—	—%
Other Materials	—	—	2	2	—%
Consulting Services	4,171	4,331	5,690	1,359	31.4%
Other Professional Services	11,266	11,503	15,926	4,424	38.5%
Environmental Services	2,994	3,500	4,000	500	14.3%
Other Services	11	—	30	30	—%
Roadway Maintenance	2,367	4,625	1,690	(2,935)	(63.5)%
Bridge Maintenance	—	—	—	—	—%
Building Maintenance	364	405	—	(405)	(100.0)%
Total Operating Expenses	\$ 25,463	29,697	31,475	1,778	6.0%

Figure 74: Engineering Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Salaries are decreasing due to a greater amount of vacancies, which are budgeted to be filled at lower rates, as well as the transfer of five positions to Maintenance which have offset budgeted salary increases
- Overall, Health Benefits and Pension for the Authority are budgeted to increase in 2023; however, they are decreasing in Engineering due to a budgeted decrease in Salaries. Health Benefits and Pension are allocated based on departmental salaries
- Roadway Maintenance and Building Maintenance are decreasing by \$3.3 million as these items have been moved and are now the responsibility of the Maintenance Department
- Other Professional Services are increasing by \$4.4 million as a result of increased safety inspections for bridges, and for first time non-bridge structures including overhead sign structures, antenna towers, pavement of all travel lanes, and Mechanically Stabilized Earth walls
- Consulting Services are increasing by \$1.4 million due to increased scope and activity on various core and consulting services

Engineering Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Acting Chief Engineer	—	—	1	1
Administrative Secretary/Assistant	8	9	9	—
Assistant Engineer	5	5	5	—
Assistant Manager, Right of Way	1	1	1	—
Assistant Project Supervisor	1	1	1	—
CAAD Engineering Technician	1	1	1	—
Chief Engineer	1	1	1	—
Chief File Clerk	1	1	1	—
Construction Supervisor, Maintenance	1	1	—	(1)
Contracts Division Manager	1	1	1	—
Deputy Chief Engineer	2	2	1	(1)
Electrical Engineer	1	1	1	—
Engineering Administrative Aide	1	1	1	—
Engineering Administrative Manager	1	1	—	(1)
Engineering Assistant	1	—	—	—
Engineering Coordinator	2	3	3	—
Engineering Project Analyst	1	1	1	—
Engineering Technician	2	2	2	—
Environmental Manager	1	1	1	—
Field Engineer	3	3	1	(2)
Highway Engineer	1	—	—	—
Maintenance Engineer	2	2	1	(1)
Office Administrator, Engineering	1	1	1	—
Project Architect	1	1	1	—
Project Analyst, GIS	1	1	1	—
Project Engineer	16	17	17	—
Project Engineer, Maintenance	1	1	1	—
Project Manager	1	1	1	—
Project Supervisor	4	5	4	(1)
Project Supervisor Construction	—	—	2	2
Right of Way Manager	1	1	1	—
Senior CADD Engineering Technician	1	1	1	—
Senior Clerk	2	—	—	—
Senior Construction Engineer	1	—	—	—
Senior Environmental Manager	1	1	1	—
Senior Environmental Supervisor	2	2	2	—
Senior Facilities Engineer	1	—	—	—
Senior File Room Supervisor	1	1	1	—
Senior Maintenance Engineer	1	1	—	(1)
Senior Maintenance Lighting Specialist	1	1	1	—
Senior Project Engineer	4	5	5	—
Senior Supervising Engineer	2	3	3	—
Supervising Engineer	3	3	3	—
Total Authorized Positions	84	84	79	(5)

Figure 75: Engineering Department Authorized Positions (2021-2023)

Operations

Department Description:

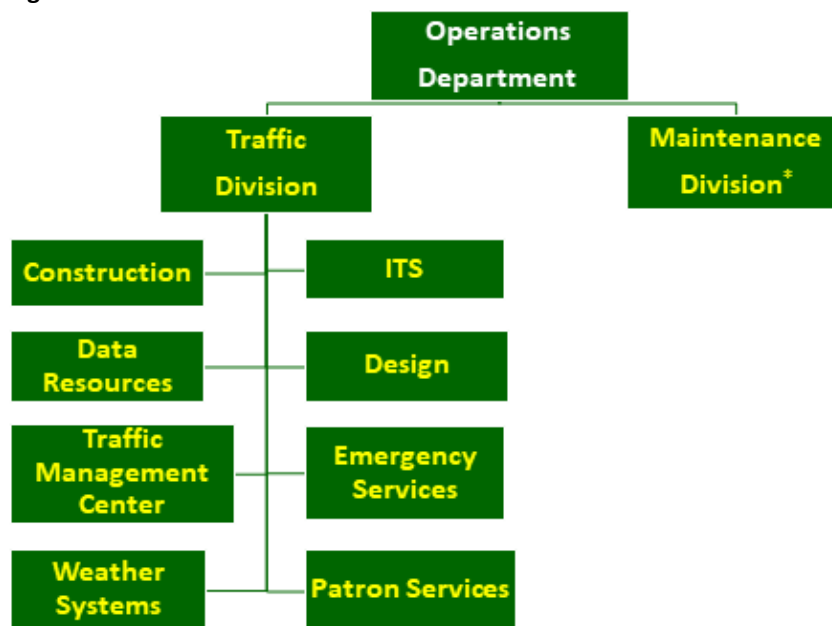
Since the reorganization (effective October 19, 2020), the Operations Department merged with the Maintenance Department and the Patron Services Department. The Operations Department is now comprised of two divisions — the Traffic Division, which is the former Operations Department, and the Maintenance Division, which is the former Maintenance Department. Patron Services is now a section within the Traffic Division.

The Traffic Division ensures the continuous, safe, and efficient movement of traffic on the Turnpike and Parkway by developing and implementing programs and by scheduling and coordinating activities of other Authority operating departments, contractors, and outside agencies. The Traffic Division is also responsible for all traffic engineering functions and all contracts with authorized towing companies, fire squads, first aid squads, and hazardous material clean-up contractors. The Traffic Division is also the Authority liaison with the New Jersey State Police.

A description of the Maintenance Division, its organization, accomplishments, goals and budget for operating expenses can be found beginning on page [64](#).

The Traffic Division is included in the functional expense category of Traffic Control and State Police for budgeting and financial reporting purposes. The Maintenance Division is included in the functional expense category of Maintenance of Infrastructure. To preserve the integrity of the Authority's functional expense categories used for both financial statement reporting and budgeting, only the Traffic Division is included in the Operations Department Operating Expense Budget shown in this section. Since the Patron Services Department no longer exists as a department, the operating expenses are now included in the Traffic Division of the Operations Department. Previously, the Patron Services Department budget and expenses were included in the Community & Government Relations Department.

Department Organization:



*Maintenance Division organization chart is found on page 64

Figure 79: Operations Department Organization Chart

Senior Staff:

Director of Operations: Kevin Dunn

Acting Deputy Director of Operations: Leo Schaeffer

2022 Accomplishments:

- Expanded programs and strategies to improve travel times, automation, and new hybrid changeable message signs (State of Good Repair)
- Deployed additional intelligent transportation devices, including traffic cameras, to improve E-ZPass traffic configuration (Mobility)
- Upgraded and modernized Standard Operating Procedures in multiple sections (Safety, People)

2023 Goals:

- Complete Traffic Count Application, which will produce an Annual Volume Report for multiple internal and external stakeholders (People)
- Manage the rehabilitation and modernization of the Joyce Kilmer, Vauxhall, and Brookdale South Service Areas (State of Good Repair)
- Upgrade the Sign Shop with modern machinery and computer software to improve and boost production lines (State of Good Repair)
- Upgrade full and complete radio coverage on Authority roadways (Safety)

Operations Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 7,557	8,543	8,551	7	0.1%
Allowances	29	25	25	—	—%
Pension & Taxes	1,710	1,899	2,031	133	7.0%
Health Benefits	4,178	4,723	5,288	565	12.0%
Tuition	—	10	10	—	—%
Training, Travel, & Seminars	—	7	11	4	54.3%
Overnight Travel	—	1	—	(1)	(100.0)%
Printing & Office Supplies	12	15	20	5	33.3%
Operating Supplies	2	3	5	2	66.7%
Other Materials	16	16	18	2	12.5%
Facilities Services	298	470	570	100	21.3%
Consulting Services	23	18	59	41	228.7%
Other Professional Services	512	621	700	79	12.7%
Environmental Services	7	40	50	10	25.0%
Other Services	108	109	120	11	10.1%
Vehicle Maintenance	1	5	25	20	400.0%
Roadway Maintenance	—	1	2	1	100.0%
Equipment Maintenance	1	3	4	1	33.3%
Equipment	1	12	14	2	16.7%
Total Operating Expenses	\$ 14,454	16,521	17,502	982	5.9%

The above only includes expenses of the Traffic Division of the Operations Department. See Page 65 for the Maintenance Division Operating Expense Budget. Effective October 19, 2020 the former Patron Services Department was absorbed into the Traffic Division.

Figure 80: Operations Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Salaries are increasing due to budgeted salary increases that are slightly offset by a decrease in budgeted temporary and seasonal employees and vacancy rates
- Pension and Health Benefits — see page 60 for explanation
- Facilities Services are increasing by \$100,000 due to an increase in fire and first aid payments

Operations Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Administrative Assistant	1	1	1	—
Administrative Secretary	1	1	1	—
Assistant Manager Emergency Services	—	—	1	1
Assistant Manager STMC	1	1	1	—
Assistant Manager Traffic Operations	1	1	1	—
Assistant Patron Services Manager	1	1	1	—
Assistant Traffic Engineer	1	1	2	1
Clerk	1	1	1	—
Communications Dispatcher	23	23	22	(1)
Contract Services Supervisor	1	1	1	—
Deputy Director of Operations	1	1	1	—
Director of Operations	1	1	1	—
Emergency Services Supervisor	2	2	2	—
Engineering Aide - Traffic	3	3	3	—
Executive Secretary 1	1	1	1	—
Incident Management Coordinator	1	1	1	—
Manager, STMC	1	1	1	—
Manager, Traffic Operations	1	1	1	—
Marketing Coordinator	1	1	1	—
Operations Coordinator	1	1	1	—
Operations Engineer	1	1	1	—
Operations Specialist Supervisor	—	—	1	1
Patron Services Contracts Manager	1	1	1	—
Patron Services Manager	1	1	1	—
Roadway Services Administrator	1	1	—	(1)
Senior Emergency Services Manager	1	1	1	—
Senior Engineering Technician	1	1	1	—
Senior Patron Services Aide	2	2	2	—
Senior Secretary	1	1	1	—
Shift Supervisor	12	12	12	—
Supervising Eng - Traffic	—	1	1	—
Supervisor, STMC	1	1	1	—
Traffic Control Supervisor	11	11	11	—
Traffic Engineer	4	4	3	(1)
Traffic Incident Specialist	1	1	1	—
Traffic Operations Specialist	1	1	1	—
Traffic Technician	2	2	2	—
Trailblazer Supervisor	1	1	1	—
Weather Systems Manager	1	1	1	—
Total Authorized Positions	87	88	88	—

Figure 81: Operations Department Authorized Positions (2021-2023)

State Police

Department Description:

The Authority's State Police Department includes employees who are responsible for administrative, secretarial, procurement, and automotive repair and replacement duties, which support State Police Troop D. The newly reorganized Automotive Section of the State Police department conducts preventive maintenance and makes repairs on all state police vehicles in the Troop D fleet, including the preparation of outfitting new vehicles in the fleet. The State Police Manager/liaison is an Authority employee who reports directly to the Deputy Executive Director and is responsible for supporting the New Jersey State Police Troop D assigned to patrol the Turnpike and the Parkway. Since the reorganization, which began on October 19, 2020, the State Police Department absorbed all responsibilities for the State Police Motor Pool Fleet. Previously, these employees and costs were included in the Maintenance Department.

State Police Services, which includes the State Troopers and their commanders, are contracted through an agreement with the New Jersey State Police. Although the costs associated with the State Police are budgeted and paid for by the Authority, the Authority does not exercise control over the Troop assigned to patrol its roadways and does not include the Troop roster in the Authority's headcount. The cost of the State Police is a contractual service.

The Mission of the New Jersey State Police Troop D is the safety of all travelers and patrons of the Turnpike and the Parkway. Troop D provides all police services including, but not limited to, the enforcement of laws and regulations, the prevention of crime, the pursuit and apprehension of offenders, providing stranded motorists with assistance, and policing of service areas for both the Turnpike and Parkway through its six regional stations in Cranbury, Moorestown, Newark, Galloway, Bloomfield, and Holmdel as well as specialized traffic enforcement, construction, operational and criminal investigative units. The strict enforcement of all motor vehicle laws, inclusive of Driving While Intoxicated, investigation of motor vehicle accidents, and truck inspection and enforcement programs are essential to maintaining and improving traffic safety. In addition, strict enforcement of all motor vehicle laws is essential to reducing motor vehicle crashes occurring on both roadways as well as the resulting fatalities, injuries, property damage, and traffic flow management.

Department Organization: (Authority)

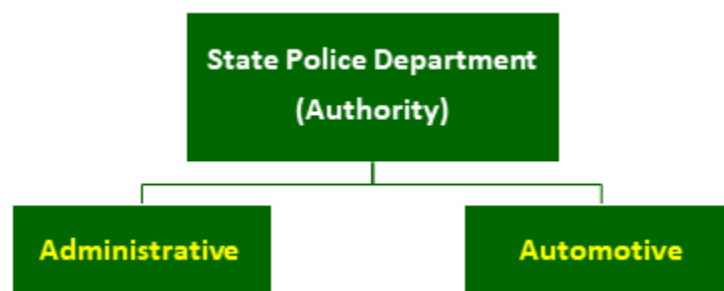


Figure 82: State Police (Authority) Department Organization Chart

Senior Staff:

State Police Services Manager: Brian Ingraham

Assistant State Police Services Manager: Jessica Schaeffer

Department Organization: (State Police Troop D)**Figure 83: State Police (Troop D) Department Organization Chart****Troop D Leadership:**

Troop Commander: Major Sheila McKaig-Devlin

Deputy Troop Commander: Captain Michael Krzyzkowski

Regional Commander: Captain Ralph Kohlhepp III

2022 Accomplishments: (State Police Troop D)

- Continued to participate in all Federally subsidized traffic enforcement programs, including "Click it or Ticket" and "U Text, U Drive, U Lose", "Drive Sober or get Pulled Over" detail, and the annual "I-95 to Save Lives" campaign in accordance with NHTSA guidelines (Safety)
- Commercial Vehicle Inspection (CVI) Units increased the annual number of inspections by 60%. Additionally, CVI participated in the NJSP and DOT statewide Truck enforcement initiative targeting aggressive driving violations by commercial vehicles (Safety)
- Troop D Criminal Investigations Office leveraged technology and other investigative means to apprehend approximately 95% of violators in which motor vehicle pursuits were terminated (Safety)
- Troop D Construction Incident Management Unit (CIMU) expanded its training programs with NJTA maintenance workers in Traffic Incident Management Systems (TIMS) and supervisors as Traffic Control Coordinators (TCC) (Safety)
- Troop D Training and Risk Management office continued with critical response training exercises and front-line supervision training to enhance preparedness and expand job knowledge (People)
- Troop D Criminal Investigation Office continued partnerships and investigations with NJTA assets as they relate to E-ZPass, employee misconduct, and damage to NJTA property and facilities (Financial Stability)
- Partnered with NJTA to purchase portable CVI weigh stations (Safety)
- Initiated an overhaul and modernization project with the NJTA for the Cranbury Sub Station and Cranbury Headquarters (State of Good Repair)
- Incorporated Field Intelligence Office (FIO) in intelligence briefings to dispel threats, specifically at the PNC Bank Arts center, by using leveraged technology for threat assessment to assist with personnel location and address any potential areas of concern (Safety)

2023 Goals: (State Police Troop D)

- Attain full Troop D staffing level to an authorized strength of 412 enlisted members (People/ Safety)
- Continue the pursuit of global access to the Authority's "Vector" database of toll violators in order to investigate chronic toll violators. Troopers and Detectives often encounter toll violators during the course of their normal duties and currently do not have the ability to determine the extent of the violator activity during non-business hours (Financial Stability)
- Reorganize and expand the CVI and CIMU units to most effectively staff upcoming capital improvements, and expanded TIMS and TCC training. Additionally, expand CVI units to combat significantly increased commercial vehicle volume, safety issues, and enhance the ability to respond to critical incidents involving commercial motor vehicle crashes (Safety)

- Continue discussions with NJTA over the construction of a Commercial Motor Vehicle Inspection Barn on the property of the old 12N Service Area (Safety)
- Participate in all federal and NJTA based supplemental traffic programs and enhance the effectiveness of such details as they relate to traffic enforcement and visible roadway presence (Safety)
- Ensure all Troop D Station personnel are properly trained in best practice patrol techniques that maximize Trooper safety and reduce response times (Safety)
- Maximize the effectiveness of tactical patrol units while utilizing tactics to reduce aggressive driver behavior (Safety)
- Work in conjunction with the NJTA to formulate and develop combined response plans with local emergency service personnel to limit roadway closures and establish a continuum of operations as they relate to incident response and management (Safety)
- Properly staff Newark and Bloomfield Stations with personnel levels attained in 2011. Both stations have a combined 40 fewer Troopers assigned due to a reduced allotment, which increases response time while reducing visibility and limiting enforcement capability due to the high crash volume in both station areas (Safety)

State Police Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 2,102	2,397	2,634	237	9.9%
Allowances	10	6	11	5	72.6%
Pension & Taxes	476	539	626	87	16.2%
Health Benefits	1,162	1,325	1,629	304	22.9%
Training, Travel, & Seminars	18	8	28	21	273.3%
Printing & Office Supplies	47	64	67	3	3.9%
Medical Supplies	13	70	70	—	—%
Operating Supplies	38	40	45	5	12.5%
Software	2	501	501	—	—%
Other Materials	725	600	719	119	19.8%
Environmental Services	2	5	10	5	100.0%
State Police Services	90,689	101,531	101,237	(294)	(0.3)%
Vehicle Maintenance	183	400	520	120	30.0%
Equipment Maintenance	18	45	53	8	16.7%
Equipment Rental	—	1	1	—	—%
Equipment	39	200	250	50	25.0%
Total Operating Expenses	\$ 95,561	107,731	108,457	726	0.7%

Figure 84: State Police Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- State Police Salaries are increasing by \$237,200 due to budgeted salary increases for Authority staff
- Pension and Health Benefits - see page 60 for explanation
- Trooper Salaries are decreasing mainly due to a decrease in pension rates offsetting an increase in trooper compensation being offset by a decrease in pension rates

State Police Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Administrative Assistant	1	1	1	—
Assistant Automotive Foreman	1	1	1	—
Assistant Police Services Manager	1	1	1	—
Automotive Craftsperson I	—	—	1	1
Automotive Technician	7	7	7	—
Clerk	1	1	1	—
Craftsperson 2 - Auto	9	9	8	(1)
Motor Pool Fleet Specialist	1	1	1	—
Police Operations Clerk	3	3	3	—
Police Services Manager	1	1	1	—
Secretary	1	1	1	—
State Police Automotive Services Manager	1	1	1	—
State Police Technologies Manager	1	1	1	—
Total Authorized Positions	28	28	28	—

Figure 85: State Police Department Operating Expenses (2021-2023)

Information Technology Services

Department Description:

The Information Technology Services Department (ITS) at the Authority provides strategic IT vision and enterprise solutions that drive and support the Authority's mission, goals, and operations. ITS is dedicated to collaboration, continuous improvements, state of good repair, innovation, and security. ITS serves two primary customer groups: the motoring public and employee community. The department strives to achieve efficient business processes and economies of scale, as it continues to enhance the IT delivery model. ITS is comprised of nine service teams which collectively work together to deliver value-added services and products.

Department Organization:

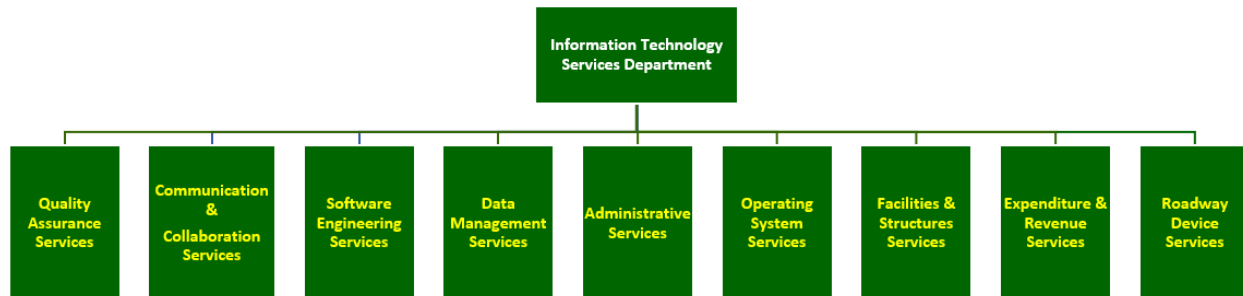


Figure 86: ITS Department Organization Chart

Senior Staff:

Chief Information Officer: Jose Dios

Assistant Director - Data Management Services: Stanley J. Ciszewski

Assistant Director - Software Engineering Services: Ning Ding

2022 Accomplishments:

- Completed tolling data business intelligence and analytics pilot program for E-ZPass process improvements and enhanced customer experience (Mobility)
- Upgraded the Traffic Permitting and Lane Closure application (Mobility)
- Finalized next generation Advance Traffic Management Platform requirement (Mobility)
- Replaced over 600 networking devices as part of a network enhancement initiative, ensuring additional capacity, as required by roadway demand (Mobility)
- Continued to maintain, install, and improve critical components of the Toll Lane System (Mobility)
- Completed State Police Troop D mobile radio upgrades (Safety)
- Continued to improve mobility apps and websites to enhance communications with motorists (Safety)
- Continued to utilize available capital funds in the most efficient and expeditious manner by ensuring on time and on-budget delivery of major initiatives (Financial Strength)
- Continued to leverage key supplier relationships to consolidate maintenance and licensing agreements, reducing the Total Cost of Ownership (Financial Strength)
- Upgraded power infrastructure at critical sites (State of Good Repair)
- Continued to update disaster recovery, business continuity, and information security plans (State of Good Repair)
- Continued to refresh aging hardware with new standardized equipment, which includes multi-year warranty support contracts, and refresh aging software with current programming standards (State of Good Repair)
- Continued to implement an active succession plan by positioning the next generation of ITS leaders in challenging and visible roles (People)

2023 Goals:

- Continue network and server infrastructure upgrades to ensure additional capacity, as required by roadway demand (Mobility)

- Continue to improve and refine the business intelligence and analytics program (Mobility)
- Begin implementation of the next generation Advance Traffic Management Platform (Mobility)
- Continue to maintain, install, and improve critical components of the Toll Lane System (Mobility)
- Continue to prioritize and implement security remediation activities using a data-driven approach (State of Good Repair)
- Continue to update disaster recovery, business continuity, and information security plans (State of Good Repair)
- Continue to refresh aging hardware with new standardized equipment, which include multi-year warranty support contracts, and to refresh aging software with current programming standards (State of Good Repair)
- Continue to enhance the employee security training program (State of Good Repair)
- Expand Roadside Weather Information System locations (Safety)
- Continue to lead, operate, and manage the Active Management Model for the New Jersey E-ZPass Group (Financial Strength)
- Continue to utilize available capital funds in the most efficient and expeditious manner by ensuring on time and on-budget delivery of major initiatives (Financial Strength)
- Continue to achieve monthly procurement objectives as outlined in the ITS 2023 procurement plan (Financial Strength)
- Continue software implementation for the next generation CPMS (People)
- Continue enhancing the next generation Human Capital Management System (HCM) (People)

Information Technology Services Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 7,681	8,244	8,491	247	3.0%
Allowances	3	20	20	—	—%
Pension & Taxes	1,738	1,829	2,018	189	10.4%
Health Benefits	4,246	4,558	5,250	693	15.2%
Tuition	—	27	27	—	—%
Training, Travel, & Seminars	15	89	91	2	2.3%
Printing & Office Supplies	18	22	27	4	18.8%
Operating Supplies	4	4	8	4	95.3%
Software	3,781	4,123	4,462	340	8.2%
Other Materials	129	143	148	5	3.7%
Other Professional Services	2,343	3,243	4,000	757	23.4%
Other Services	2	4	4	—	—%
Equipment Maintenance	1,848	1,395	1,784	389	27.9%
Equipment Rental	172	220	220	—	—%
Equipment	1,468	1,957	2,230	273	13.9%
Total Operating Expenses	\$ 23,448	25,877	28,780	2,904	11.2%

Figure 87:ITS Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Salaries are increasing due to budgeted salary increases, as well as the addition of two positions
- Software is increasing by \$340,000 due to projected increases in software products and license renewals such as Capital Project Management Software and Enterprise Asset Management Software
- Other Professional Services are increasing by \$757,000 due to the increased use of supplemental staffing services to assist in various technology and equipment upgrade projects
- Pension and Health Benefits — see page 60 for explanation

Information Technology Services Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Administrative Assistant	1	1	1	—
ASP Programmer	1	1	—	(1)
Assistant Director	2	2	2	—
Assistant Telecom Manager	1	1	1	—
Application Support Specialist	—	—	3	3
Business Intelligence & Business Analytics Administrator	—	—	1	1
Chief Information Officer	1	1	1	—
Clerk	1	1	1	—
Collaboration Services Manager	1	1	1	—
Configuration/Software Quality Assurance Manager	1	1	1	—
CSC/VPC Operations Manager	1	1	1	—
Customer Operations & Contracts Administrative Manager	1	1	1	—
Customer Operations & Contracts Administrative Assistant	1	1	1	—
Data Processing Operating Coordinator	1	1	1	—
Database Administrator	2	2	2	—
Electrical Engineer	1	1	1	—
Electronic Project Supervisor	1	1	1	—
ETC Database Manager	1	1	1	—
ETC Programmer	4	4	4	—
ETC Project Engineer	1	1	1	—
Fiber Optic Engineer	1	1	1	—
Field Electronics Manager	1	1	1	—
Human Resources Manager	1	—	—	—
Information Security Analyst	1	1	1	—
ITS Admin Support Specialist	1	1	1	—
ITS Aide	1	1	1	—
ITS Business Analyst	—	—	1	1
ITS Contract Administrator	1	1	1	—
ITS Coordinator	1	1	1	—
ITS Customer Operations	2	1	2	1
ITS Project Manager	—	—	1	1
IT Radio Engineer	1	1	1	—
IT Voice and Video Engineer	2	2	1	(1)
ITS Repair & Asset Specialist	1	1	1	—
ITS Trainer, Software Quality Assurance	—	—	1	1
Junior IT Voice and Video Admin	1	1	1	—
Manager, Administration Software	1	1	1	—
Manager, Communication Services	1	1	1	—
Manager, GIS Platform	1	1	1	—
Manager, GSP Tech Device Technician	2	2	2	—
Manager, Infrastructure/User Support	1	1	1	—

Information Technology Services Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Manager, IT Facilities	1	1	1	—
Manager, Technical Services	1	1	—	(1)
Manager, Technology Leased Assets	1	1	1	—
Manager, TPK Tech Device Technician	2	2	1	(1)
Manager, Traffic Operations Software	1	1	1	—
Manager, Windows Administration	1	1	1	—
Network Engineer	1	1	1	—
Network Engineer, Voice, Video & Data	—	—	1	1
Program Analyst	1	1	1	—
Programmer	1	1	1	—
Project Change Manager	1	1	—	(1)
Project Engineer, ITS	1	1	1	—
Project Manager Telecommunications	1	1	1	—
Senior Engineer, Voice & Coliab Services	1	1	1	—
Senior ETC Programmer	2	2	2	—
Senior IT Engineer, Facilities & Structures	3	3	2	(1)
Senior IT Software Developer	2	2	2	—
Senior Network Administrator	7	7	7	—
Senior Telecom Technical Assistant	1	1	1	—
Software Engineer	3	3	3	—
Systems Administrator	4	4	3	(1)
Systems Supervisor Parkway	2	2	2	—
Technology Device Technician	59	58	59	1
Technology Device Technician Supervisor	7	9	7	(2)
Telecom Systems Administrator	1	1	1	—
Toll Compliance & Enforcement Program Coordinator	—	—	1	1
Toll Equipment Supervisor	1	1	1	—
Windows Platform Support Manager	1	1	1	—
Total Authorized Positions	151	150	152	2

Figure 88:ITS Department Authorized Positions (2021-2023)

Executive Office

Department Description:

The Executive Office is the primary liaison with the Board of Commissioners and is responsible for the daily and long-term administration and operations of the Authority, which includes strategic planning, policy making, and implementation, and special projects. The Department provides leadership and oversight in the development and implementation of efficient solutions and responses to matters concerning both internal and external departmental functions and Authority initiatives.

Department Organization:

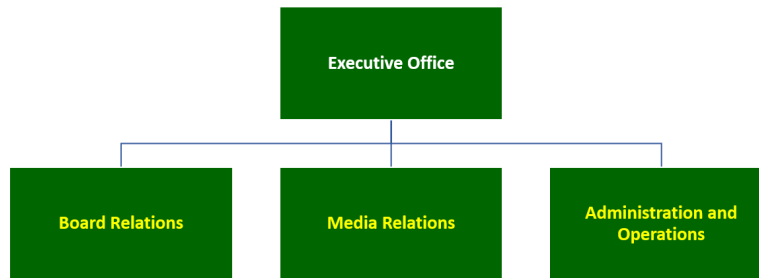


Figure 89: Executive Office Organization Chart

Senior Staff:

Executive Director: John M. Keller

Deputy Executive Director: James D. Carone

2022 Accomplishments:

- Continued to manage the Health and Safety Committee to meet the needs and requirements of the Authority operations and its staff during the COVID-19 pandemic (People/Safety)
- Negotiated contracts with External Legal Counsels for a three-year period to provide legal services (Safety)
- Implemented the 20-year Long-Range Capital Plan supported by toll revenue adjustments resulting in toll rate indexing at 3% effective January 1, 2023, which allows the Authority to enhance its infrastructure (Financial Stability/State of Good Repair)
- Increased electric vehicle charging capacity to 76 stations at multiple service areas, with the capacity to increase the network as demand requires (Mobility)
- Collaborated with the appropriate departments within the Authority on implementing the rolling five-year capital budget to efficiently plan the Authority's capital projects and expenses (State of Good Repair)
- Progressed with the integration of a new Capital Project Management System (CPMS) to help the Authority efficiently manage its capital projects (Financial Stability/State of Good Repair/People)
- Maintained the Authority's construction schedule throughout the COVID-19 pandemic (People)
- Initiated a pilot solar program at select Turnpike and GSP Maintenance Districts (State of Good Repair)
- Expanded Media Relations and increased communication through social media outlets (People)

2023 Goals:

- Continue to advance with electric charging stations at select Authority facilities (Mobility)
- Enhance cyber security through the establishment of Authority cyber policies and utilization of the latest technology (Mobility)
- Negotiate successor contracts with employee unions (People)
- Continue to streamline and monitor Authority policies and procedures for further efficiencies (People)
- Conduct an inventory of all Authority facilities and create a resiliency plan to address vulnerable Authority assets (Financial Strength)
- Continue to advance the Capital Improvement Program per schedule in an efficient and transparent manner (State of Good Repair)
- Oversee the ongoing efforts of the Health and Safety Committee as the COVID-19 pandemic continues and the plethora of challenges the Authority faces during the winter season (People)
- Oversee the Authority's technology strategies, implementing changes as needed (Mobility)
- Continue to update the Authority Policies and Procedures in conjunction with technology solutions to advance efficiencies and processes (People)

Executive Office Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 1,024	1,038	1,079	41	4.0%
Pension & Taxes	232	231	256	26	11.1%
Health Benefits	566	574	667	94	16.3%
Training, Travel, & Seminars	—	11	21	10	86.4%
Printing & Office Supplies	4	5	5	—	—%
Other Professional Services	59	60	60	—	—%
Other Services	7	12	12	—	—%
Total Operating Expenses	\$ 1,895	1,930	2,100	170	8.8%

Figure 90: Executive Office Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Salaries are increasing due to budgeted salary increases in 2023, as well as the addition of one position from Human Resources
- Pension and Benefits — see page 60 for explanation
- Travel, Training, and Seminars are increasing due to an increased amount of scheduled International Bridge, Tunnel, and Turnpike Association meetings

Executive Office Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Administrative/Executive Assistant	1	1	—	—
Assistant Manager, Media Relations & Public Information	—	—	1	—
Deputy Executive Director	1	1	1	—
Executive Admin Assistant	—	1	2	—
Executive Director	1	1	1	—
Labor Relations Manager	—	—	1	—
Manager, Media Relations & Public Information	—	—	1	—
Media Relations Coordinator	1	1	—	1
Media Relations Staff	2	2	—	—
Mobility Assignment	1	1	1	—
Public Information Assistant	—	—	1	—
Secretary to the Authority	1	1	1	—
Total Authorized Positions	8	9	10	1

Figure 91: Executive Office Department Authorized Positions (2021-2023)

Law

Department Description:

The Law Department's dedicated team of attorneys and support personnel collectively manages the legal affairs of the Authority, which include, but are not limited to, matters involving Authority contract review and drafting, management of the Authority's casualty and property insurance programs, real estate right of way and other property-related matters, employment, employee discipline and human resource issues, design, construction, maintenance and operational document approvals, risk management, labor negotiations/collective bargaining agreement oversight, toll violator enforcement, state and federal law compliance, Equal Employment Opportunity, Small Business Enterprise, Equal Pay Act, Open Public Records Act, subpoena compliance and evidence retrieval, E-ZPass enforcement issues, and bid and procurement issues.

The Department also provides daily diverse legal advice to the Authority's Executive Offices and various Departments, manages matters assigned to outside counsel, third-party administrators, insurance brokers, and risk management consultants, coordinates with New Jersey State Police operations, and liaisons with the New Jersey Motor Vehicle Commission, New Jersey Office of Administrative Law, New Jersey Office of the State Comptroller, Attorney General, Governor's Authority Unit, and New Jersey Department of Transportation on Authority legal matters. The Law Department's operating expenses encompass the Law and Insurance Services functions and, as such, the budget and expenses include, without limitation, the costs of certain insurance programs, e.g. professional liability, cyber liability, OCIP, and workers' compensation. Major bridge and property insurance costs, however, are accounted for in the Maintenance or Engineering Departmental functions, with the Law Department remaining responsible for oversight and management thereof.

Department Organization:



Figure 92: Law Department Organization Chart

Senior Staff:

Director of Law: Vacant (Ann Christine Monica is Acting Director of Law)

Deputy Director of Law: Ann Christine Monica

2022 Accomplishments:

- Continued advising and guiding the Authority's Executive Officers and Department Directors regarding diverse COVID-19 issues and minimizing, where possible, disruptions of the regular order of Authority operations and services (People)
- Continued inter-departmental development of enhanced toll violator remedies to respond to escalating and repetitive toll violator activities, including improving enforcement of existing laws and regulations (Financial Stability)

- Provided New Jersey State Police (NJSP) with more improved and efficient access to the Authority toll violation database to improve coordination with Authority's external legal counsel in pursuing violator litigation (State of Good Repair)
- Developed efficient criteria and the methodology for referral of repetitive offenders for administrative, civil, or if appropriate, criminal sanctions (State of Good Repair)
- Successfully prevailed before the New Jersey Supreme Court in the matter of *Stewart v. NJTA, et al.*, where the court ruled that no dangerous condition existed in the roadway involving a motorcyclist (Safety)
- Successfully prevailed in a hearing where the court found that pursuant to N.J.S.A. 27:23-34.3(a), the \$50 administrative fee was enforceable and "based upon the actual cost of processing and collecting the violation" in the matter of *Long/Walker v. NJTA (Financial Strength)*
- Department attorneys supervised and monitored over 50 active civil lawsuits (*Financial Strength*)
- Department attorneys rendered assistance in the assemblage of voluminous records for Open Public Records Act (OPRA) and litigation discovery requests and coordinated depositions involving Authority personnel, and responded to civil and criminal investigative or criminal subpoenas (People)
- Department attorneys participated in municipal court toll violator civil and criminal litigation as required
- In conjunction with the Directors of Human Resources and Internal Audit, supervised and conducted evaluations while functioning as the Disciplinary Review Committee (DRC) to promote consistency in employee disciplinary decisions in significant or major infractions as well as enabling a centralized documentation process (People)
- Continued daily support and involvement with the Authority's real estate right-of-way and acquisition efforts for our current five-year Capital Program, including community outreach (Mobility, State of Good Repair)
- Met with legal and engineering consultants to identify and resolve potential real estate right-of-way issues (Mobility)
- Supervised outside counsel in identifying and securing permits and approvals for work (Mobility, State of Good Repair)
- Oversaw management of the right-of-way necessary for each project (State of Good Repair)
- Successfully renewed and managed the Authority's Casualty and Property insurance program to maintain low deductibles or self-insured retentions, provide quality coverage and maintain low premiums in a difficult renewal climate, especially with respect to cyber and property insurance (State of Good Repair)
- Coordinated intake and resolution of 251 patron complaints regarding property damage; 150 claims were closed, and another 137 claims are being evaluated collectively on both roadways (Mobility, State of Good Repair)
- Investigated 31 EEO complaints (through July 31st) (People)
- Processed 530 OPRA requests (through July 31st) (People)
- Conducted daily review of engineering and construction documents for proposed and ongoing projects (State of Good Repair)
- Reviewed and oversaw more than 110 Authority professional/goods and services/construction contract solicitations in 2022 (State of Good Repair)
- Successfully consummated the RFP for Third- Party Administrator Services by awarding the contract to the most highly rated proposer; Inservco Insurance Services Inc. (State of Good Repair)
- Successfully consummated renewed and added contracts for Authority Counsel and Special Counsels (*Financial Strength*)

2023 Goals:

- Complete internal Authority restructuring to increase the effectiveness of NJMVC suspensions and expand civil and criminal enforcement efforts against toll violators with a special emphasis on large repetitive violators (*Financial Strength*)
- Expand personnel to assist in toll enforcement matters by adding two staff members (*Financial Strength*)
- Expand personnel to assist in collection matters through staff additions as budgetarily feasible (*Financial Strength*)

- Expand personnel to assist in litigation and real estate matters by adding one paralegal (People)
- Expand personnel to assist in litigation by adding one or two attorneys (People)
- Continue to identify, process, and market surplus real estate (Financial Strength)
- Finalize installation of Legal Files by the selected vendor for software and new hardware to improve and integrate diverse Law Department functions, including litigation oversight, case tracking, OPRA, subpoenas, litigation holds, and document preservation (People)
- Draft, review, and coordinate Board review of any new Authority Personnel Policy amendments with the Human Resources Department (People)
- Work with Human Resources and other departments to increase workforce diversity and expand outreach (People)
- Continue to provide legal guidance to resolve inter-employee disputes (People)
- Continue coordination with Human Resources and the department Equal Employment Opportunity (EEO) Officer to continue/emphasize sexual harassment and diversity training (People)
- Provide on-site personal instruction on proper employee conduct standards and the effective avoidance of offending co-worker sensibilities through improper or insensitive conduct (People)
- Continue to coordinate and manage outside counsel in seeking favorable outcomes in litigation matters and advising the Authority on transactional and policy matters (People)
- Continue to work with the Risk Management Committee to advance a full review of the Authority's operations for the purpose of strategic planning and prioritizing the Authority's enterprise risk management goals, including a timetable for implementing all goals, actions, and recommendations identified in the strategic plan (Financial Strength)
- Continue to provide support and supervision of all real estate acquisitions and transfers primarily necessitated by right of way acquisitions relating to the Authority's Capital Improvement Program (Mobility)

Law Department Operating Expenses					
(\$ In Thousands)	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 1,519	2,055	1,902	(153)	(7.4)%
Pension & Taxes	344	457	452	(5)	(1.1)%
Health Benefits	840	1,136	1,176	40	3.5%
Tuition	—	10	10	—	—%
Training, Travel, & Seminars	—	11	11	—	—%
Printing & Office Supplies	27	30	30	—	—%
Insurance	6,312	8,125	8,849	723	8.9%
Legal Services	1,856	2,163	2,163	—	—%
Consulting Services	10	400	565	165	41.3%
Other Professional Services	83	114	114	—	—%
Other Services	4	13	13	—	—%
Taxes	53	106	106	—	—%
Equipment	—	9	9	—	—%
Total Operating Expenses	\$ 11,048	14,629	15,400	771	5.3%

Figure 93: Law Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Insurance is increasing overall by \$723,400 from a spike in cybercrime insurance premiums due to a rise in cyberattacks industry-wide, not specific to the Authority
- Consulting Services are increasing by \$165,000 to recognize general consulting costs to assist with real estate acquisitions previously included in the Engineering budget

- Salaries are slightly decreased as more vacant positions are budgeted to be filled at lower rates in 2023, partially offset by budgeted salary increases
- Pension and Health Benefits — see page [60](#) for explanation

Law Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2021 Budget
Acting Director of Law	—	—	1	1
Administrative Assistant	2	2	2	—
Attorney	4	4	4	—
Claims Coordinator	1	1	1	—
Compliance Manager	1	1	1	—
Coordinator	1	1	1	—
Deputy Director of Law	1	1	—	(1)
Director of Law	1	1	1	—
Document Services Coordinator	2	2	2	—
Document Specialist Attorney	1	1	1	—
Equal Employment Opportunity Officer	1	1	1	—
Executive Secretary 1	1	1	1	—
Secretary	1	—	—	—
Senior Attorney	2	2	2	—
Senior ETC Project Analyst	1	1	1	—
Senior Secretary	—	1	1	—
Toll Compliance & Enforcement Program Coordinator	1	1	—	(1)
Total Authorized Positions	21	21	20	(1)

Figure 94: Law Department Authorized Positions (2021-2023)

Procurement & Materials Management

Department Description:

Procurement & Materials Management is tasked with procuring goods and services and managing the flow of inventory items in the most efficient and cost-effective manner. Objectives include enhancing all procurement and materials management processes; reducing spending on contracts; monitoring compliance with procurement laws, policies, and procedures, maintaining strong internal controls for the Authority's physical inventory of goods (centralized receiving), increasing revenue via surplus property sales and significantly reducing paper/manual processes.

The Department is separated into two primary functional areas: Procurement & Materials Management. Procurement is further divided into staff generally dedicated to types of commodities and services, as well as methods of procurement. For example, most of the technology goods and services are procured via the New Jersey State Contract system, and most of the maintenance equipment and services are procured via competitive procurement (public bid/informal solicitations or request for proposals for professional services). The Materials Management Section is separated into Inventory Control (with one centralized warehouse and one satellite facility on the Southern end of the Turnpike), Supply Chain Management, and Property Control and Surplus Personal Property Sales.

Department Organization:

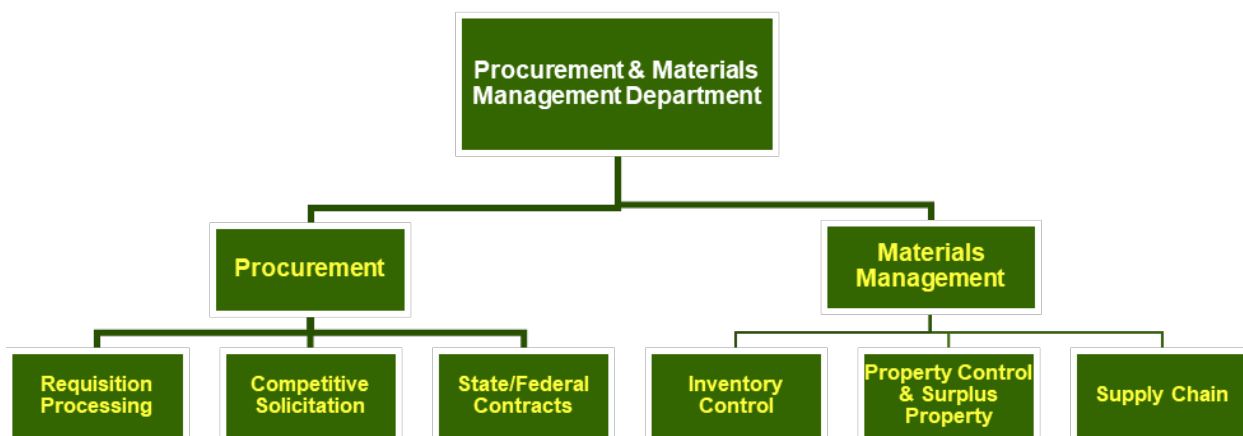


Figure 95: Procurement & Materials Management Department Organization Chart

Senior Staff:

Director of Procurement & Materials Management: Dale Barnfield

Deputy Director of Procurement & Materials Management: Janet Rzepka

2022 Accomplishments:

- Completed approximately 34 public bid solicitations to date, accounting for a \$26,829,000 public solicitation spend. Notable complex procurements include Snow Removal and Salting Services for 30 locations on the Turnpike and Parkway, Roadway Maintenance Salt, Banking and Money Counting, and Roadway Sweeping Services. Staff also completed 135 informal solicitations for goods and services under \$44,000 totaling \$953,000 (State of Good Repair)
- Completed or currently conducting solicitations for nine professional services (RFP) contracts, including an RFP for the administration of the Authority's Deferred Compensation Program (People)
- Other notable solicitations included Self-Funded Health Benefits for Authority employees (Vision), Authority Counsel and Special Counsels, and Health Benefits Consulting Services (People)

- Continued to emphasize and encourage the participation of diverse vendors Small Business Enterprise (SBE), Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Veteran Owned Business (VOB) firms in procurement contracts. To date, \$27,782,000 in contracts have been awarded by way of competitive solicitation – with \$2,019,000 being awarded to SBE, MBE, WBE, and VOB firms (People)
- Participated in CPMS project, a multi-year and multi-departmental effort, which will implement software to track all project-related costs and integrate with PeopleSoft Financials to track all project costs in one system for easier reporting and visibility, as well as centralize all approvals from the start of a project through final payment (State of Good Repair)
- Continued the procurement, distribution, and tracking of all Personal Protective Equipment (PPE) and other COVID-19 related items Authority wide to ensure all employees have the proper safety items needed to perform their job functions and maintain the daily operations of both roadways (People)
- Successfully rolled out the 2022 toll ticket rate increase, which included obtaining proofs from ticket vendors, working with Finance, Tolls, and Internal Audit to verify the accuracy of new toll rates prior to placing orders for the new tickets, putting a plan in place to ensure new tickets are out in the field prior to the changeover, removal of all old tickets from the interchanges, as well as the destruction of the old unused tickets (State of Good Repair)
- Discussed and noted Process improvements for future year rollouts (State of Good Repair)
- Successfully completed the Korber/High Jump (Warehouse Management System) platform upgrade project in conjunction with ITS, which was necessary due to required software updates since Silverlight is no longer being supported (State of Good Repair)
- Created a new surplus property sale vendor file and updated contact information, including email addresses, with the goal to eventually distribute bid packages electronically to potential bidders instead of mailing out hard copies, which will deliver information quicker and reduce the cost of production and mailing (State of Good Repair)

2023 Goals:

- Restructure/implement an electronic bidding platform for public bids as well as professional service contracts (requiring mandatory electronic submission for select contracts) (State of Good Repair)
- Commence searchable vendor database via the updated Authority website (State of Good Repair)
- Complete staffing re-assignments submitted as part of Procurement and Materials Management (PMM) Vision to strengthen and enhance the workflow process (People)
- Fill all vacancies within the department (People)
- Provide training and support for Authority staff on the new CPMS system as it pertains to Procurement and Materials Management. Continue participation in the next phases of the CPMS project (People)
- Review the current surplus property sale process and regulations to maximize potential opportunities to increase profits by utilizing online bidding resources and other types of sales, including live auctions – online and in person (Financial Strength)
- Continue the addition of photos to the item master in PeopleSoft Financials as well as EAM to assist users when ordering stock items (State of Good Repair)
- Participate in the second phase of the Authority's EAM project, which includes Roadway Maintenance using the system to enter and track work orders as well as enter stock requests that will interface over to PeopleSoft Financials and then to Korber/High Jump for processing (State of Good Repair)
- Commence Korber/High Jump enhancements project, which will focus on improving the current warehouse management system as well as reducing paper documentation by utilizing handheld devices to capture signatures at the time of delivery, as well as improving delivery tracking visibility (Financial Strength, State of Good Repair)
- Revise and improve the annual procurement plan to better prepare for future solicitations and ensure they are completed and awarded in a timely fashion (State of Good Repair)

Procurement & Materials Management Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 4,065	4,981	4,981	1	—%
Allowances	11	—	6	6	—%
Pension & Taxes	920	1,107	1,184	77	6.9%
Health Benefits	2,247	2,753	3,080	327	11.9%
Tuition	—	20	20	—	—%
Training, Travel, & Seminars	6	8	8	—	—%
Printing & Office Supplies	12	17	17	—	—%
Operating Supplies	10	11	11	—	—%
Other Materials	1	1	1	—	—%
Other Services	24	95	95	—	—%
Equipment Maintenance	1	5	5	—	—%
Equipment Rental	4	—	—	—	—%
Equipment	—	31	26	(5)	(16.1)%
Other Expenses	40	100	100	—	—%
Total Operating Expenses	\$ 7,339	9,129	9,534	405	4.4%

Figure 96: Procurement & Materials Management Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Salaries are slightly increasing due to the addition of one position from contingency offset by two vacant positions this year budgeted at lower rates
- Pension and Health Benefits — see page [60](#) for explanation

Procurement & Materials Management Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Admin Assistant 2	—	1	1	—
Assistant Buyer	1	1	1	—
Assistant Manager, Inventory Control	2	2	2	—
Buyer	4	5	5	—
Contracts Coordinator	—	—	1	1
Deputy Director Procurement & Materials Management	1	1	1	—
Director Procurement & Materials Management	1	1	1	—
Expediter	1	1	1	—
Inventory and Materials Supervisor	7	7	7	(1)
Inventory Records Clerk	1	1	—	—
IT Procurement Contract Specialist	1	—	—	—
Maintenance Records Clerk	2	2	2	—
Parts/Inventory Counter Clerk	14	14	14	—
Procurement Specialist	1	1	1	—
Property & Materials Supervisor	1	1	1	—
Property Control Manager	1	1	1	—
Property Control Specialist	1	1	1	—
Purchasing Assistant	1	1	1	—
Purchasing Manager	1	1	1	—
Senior Buyer	1	1	1	—
Senior Clerk	1	1	1	—
Senior Supply Chain Analyst	1	1	1	—
Storekeeper 2	2	2	2	1
Storekeeper 3	6	6	7	—
Supply Chain Manager	1	1	1	—
Tolls Inventory and Staffing Manager	1	1	1	—
Vendor Compliance Specialist	1	1	1	—
Total Authorized Positions	55	56	57	1

Figure 97: Procurement & Materials Management Department Authorized Positions (2021-2023)

Human Resources & Office Services

Department Description:

The Human Resources & Office Services Department supports the activities of the Authority by providing pre-employment applicant services and onboarding new employees. Other duties include the training and development of the workforce, labor relations management, employee and retiree health care and benefits administration, and the Authority workers' compensation program. The department also manages all printing services and ensures the timely delivery of all internal and external mail Authority wide.

Department Organization:



Figure 98: Human Resources & Office Services Department Organization Chart

Senior Staff:

Director of Human Resources: Mary Elizabeth Garrity

Deputy Director of Human Resources: Vacant

2022 Accomplishments:

- Robust Health and Wellness program for Authority workforce (People)
- In collaboration with the Operations department, implemented new manager/ supervisor training with a concentration on employment and labor relations (People)
- Implemented a mentorship program with employees from all departments (People)
- Obtained a new health benefits consultant to assist with employee benefits program and labor negotiations (People)
- Hosted a Leadership program with the NJDOT and NJ Transit managers and supervisors (People)
- Onboarded a new Employee Assistance Program (People)

2023 Goals:

- Provide online open enrollment for health benefits (People)
- Develop an Authority Employee Handbook (People)
- Implement onboarding software (People)
- Continue to update the Authority policy book to ensure adherence to the latest state and federal regulations and laws (People)
- Continue to offer various training modules to employees and supervisory staff of the Authority to further the professional and technical development of the workforce (People)

Human Resources & Office Services Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 2,712	3,277	3,321	44	1.3%
Allowances	5	7	7	—	—%
Pension & Taxes	614	729	789	61	8.3%
Employee Relations	—	39	36	(4)	(9.0)%
Health Benefits	1,500	1,812	2,054	242	13.4%
Tuition	—	20	20	—	—%
Training, Travel, & Seminars	24	337	342	5	1.5%
Printing & Office Supplies	81	154	154	—	—%
Medical Supplies	3	14	16	2	14.3%
Operating Supplies	5	10	10	—	—%
Other Materials	3	11	11	—	—%
Consulting Services	7	68	42	(26)	(37.8)%
Other Professional Services	375	613	650	37	6.0%
Environmental Services	1	5	5	—	—%
Other Services	7	18	20	2	8.3%
Equipment Maintenance	90	117	138	21	17.8%
Equipment Rental	1	1	2	1	—%
Equipment	6	34	169	135	395.6%
Recoveries	(85)	(99)	(99)	—	—%
Total Operating Expenses	\$ 5,429	7,265	7,785	519	7.1%

Figure 99: Human Resources & Office Services Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Salaries are increasing due to budgeted salary increases, offset by an increase in vacant positions budgeted to be filled at lower rates in 2023, as well as one position transferring to Executive Office
- Pension and Health Benefits — see page [60](#) for explanation
- Equipment is increasing by \$134,500 due to the planned replacement of certain medical equipment

Human Resources & Office Services Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Administrative Assistant	1	1	1	—
Assistant Director of Human Resources	1	1	—	(1)
Assistant Director, HR Policy & Training	1	1	1	—
Assistant Office Services Manager	1	1	1	—
Benefits Administrator	1	1	1	—
Benefits Supervisor	1	1	1	—
Camera Person	1	1	1	—
Clerk 1 - 70	1	1	1	—
Computer Graphics Coordinator	1	1	1	—
Confidential Secretary	2	2	2	—
Deputy Director of Human Resources	1	1	1	—
Director of Human Resources	1	1	1	—
Employment Manager	1	1	1	—
Human Resources Clerk	2	2	1	(1)
Human Resources Coordinator	1	1	1	—
Human Resources Generalist	4	4	2	(2)
Human Resources Manager	—	1	1	—
Human Resources Project Coordinator	1	1	1	—
Human Resources Specialist	1	1	1	—
Junior Printer	2	2	2	—
Labor Relations Generalist	1	1	1	—
Office Services Assistant	2	2	2	—
Paste-Up / Graphic Artist	1	1	1	—
Print Shop Manager	1	1	1	—
Printer	1	1	1	—
Printing and Support Specialist	1	1	1	—
Senior Benefits Manager	2	2	2	—
Senior Clerk	1	1	1	—
Senior Human Resources Generalist	1	1	4	3
Senior Mail Clerk	2	2	2	—
Senior Nurse	2	2	2	—
Senior Printer	2	2	2	—
Total Authorized Positions	42	43	42	(1)

Figure 100: Human Resources & Office Services Department Authorized Positions (2021-2023)

Finance

Department Description:

The Finance Department is responsible to prudently manage the finances of the Authority. The department ensures compliance with trust agreements, including the Bond Resolution, manages the Authority's resources, structures financial plans to maintain debt service coverage, and works with all departments to optimize costs. The Finance Department leads the issuance of Turnpike Revenue Bonds to provide funding for capital needs.

Overall financial policies and reporting requirements are dictated by the terms of the Authority's Bond Resolution and mandated by statute or Executive Order or required by Securities & Exchange Commission (SEC) rules and Internal Revenue Service (IRS) code. Responsibility for meeting all financial reporting deadlines and financial covenants lie with the Finance Department. Financial policies approved by the Board of Commissioners and managed by the Finance Department include the Financial Management Principles and Guidelines, Debt Management Policy, Interest Rate Swap Management Plan, and Investment Policy. The Finance Department oversees and prudently manages a \$2.3 billion revenue budget, \$2.6 billion of investments, and \$11.6 billion of debt. In addition, the department monitors funding and spending for all the Authority's capital programs.

Department Organization:

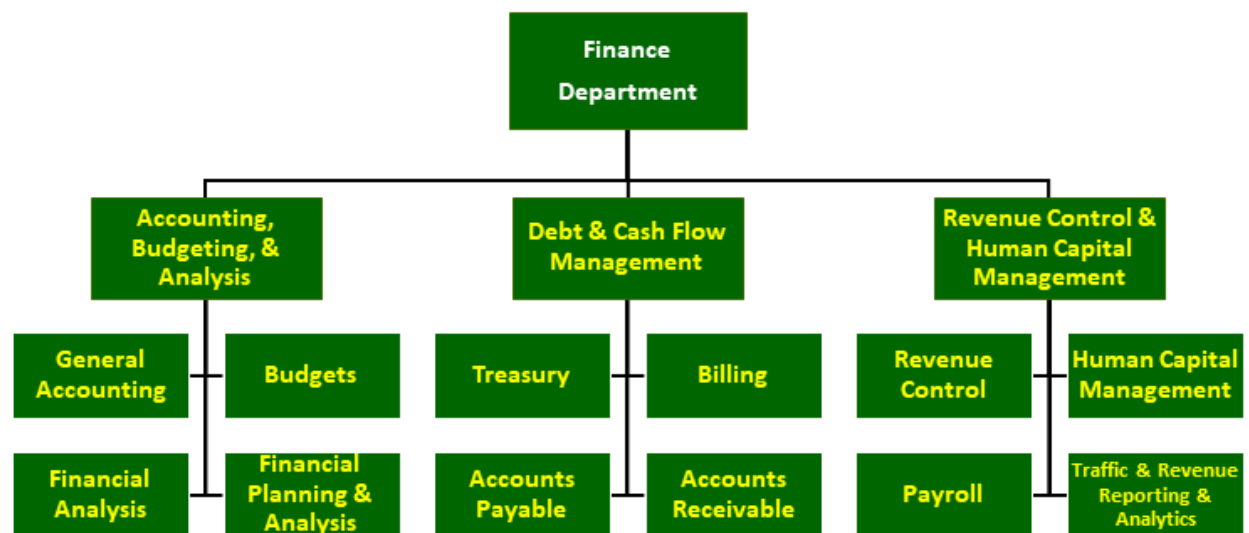


Figure 101: Finance Department Organization Chart

Senior Staff:

Chief Financial Officer: Donna Manuelli

Comptroller: Vacant

Assistant Comptroller: Erwin Luna

Assistant Comptroller: Stellanie Callanan

2022 Accomplishments:

- Moody's upgraded the Authority's credit rating from 'A2(Stable)' rating to A1 (Stable) on January 28, 2022 ([Financial Strength](#))
- Standard & Poor's raised the Authority's credit rating from 'A+(Stable)' to 'AA-(Stable)' on February 17, 2022 (Key Performance Metric)
- Fitch raised the Authority's credit rating from 'A(Positive)' to 'A+(Stable)' on March 30, 2022 (Key Performance Metric)
- On July 1, 2022, the Authority issued the series 2022A revenue bonds in the amount of \$100.0 million. These bonds were issued to refund and redeem certain maturities of the outstanding series 2013A series. This issuance was part of the forward delivery direct bond purchase agreement between the Authority and Barclays Capital Inc. (Financial Strength)
- Despite the global pandemic, met all bond covenants and financial policies as of December 31, 2021. The Authority's debt service coverage ratio was over 1.40; the total requirements ratio was over 1.2 (Financial Strength)
- The Authority's Unrestricted General Reserve Fund balance was over 10% of the budgeted operating revenue for 2021, which complies with its Financial Management Principles and Guidelines. Additionally, the Authority is expected to meet all bond covenants and financial policies as of December 31, 2022 (Financial Strength)
- Despite the continued impact of the global pandemic, maintained funding for all the construction and capital projects (Financial Strength, State of Good Repair)
- Developed and finalized the 2022-2026 Rolling Five-Year Capital Improvement Program based on the 2020 Long-Range Capital Plan (State of Good Repair)
- Worked with multiple departments to implement phase 3 stage 1 of the Authority's first-ever capital project management system. This stage manages capital projects details and budgets (State of Good Repair)
- Received GFOA's Certificate of Achievement for Excellence in Financial Reporting for the comprehensive annual financial report for the fiscal year ended December 31, 2020 (Financial Strength)
- Received GFOA's Distinguished Budget Presentation Award for the submission of the annual budget for the fiscal year beginning January 1, 2022 (Financial Strength)

2023 Goals:

- Increase General Reserve Fund balance to no less than \$246.9 million, which is 10% of 2023 budgeted revenue, which complies with the Authority's Financial Policies (Financial Strength)
- Implement contract management software, which will not only assist the department with the continued work on GASB 87 but benefit the Authority as a whole (Financial Strength)
- Further improve process efficiencies through automation (People)
- Further improve internal and external reporting (Financial Strength)
- Improve bond ratings to provide the lowest cost of capital (Financial Strength)
- Continue to review and update the Finance Department policies and procedures. Implement leading practices and document current workflows (People)
- Continue to encourage employee training in finance and technology (People)
- Launch the NJTA Finance Internship program with recruitment efforts from local colleges. This program will provide interns with a vast array of real-world experience and will give Finance a direct pipeline of new talent to help propel the department to the next level (People)
- Continue to improve cross-section collaboration to reach Finance department goals (People)
- Establish a cohesive strategic plan goals report for the Authority (Financial Strength)
- Implement and integrate Capital Project Management System and Enterprise Asset Management systems to improve recording and the reporting of capital expenditure (Financial Strength)

Finance Department Operating Expenses					
(\$ In Thousands)	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 6,294	7,047	7,209	162	2.3%
Allowances	2	3	3	—	—%
Pension & Taxes	1,424	1,566	1,713	147	9.4%
Health Benefits	3,480	3,896	4,458	562	14.4%
Tuition	27	55	158	104	189.9%
Training, Travel, & Seminars	1	13	13	—	—%
Printing & Office Supplies	15	34	34	—	—%
Operating Supplies	—	1	1	—	—%
Other Materials	—	1	1	—	—%
Banking Services	867	946	948	2	0.2%
Consulting Services	511	1,336	1,280	(56)	(4.2)%
Other Professional Services	528	792	1,129	337	42.6%
Other Services	56	67	65	(2)	(3.0)%
Recoveries	(24)	(4)	(4)	—	—%
Total Operating Expenses	\$ 13,204	15,756	17,012	1,256	8.0%

Figure 102: Finance Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Salaries are increasing 2.3% due to budgeted salary increases
- Pension and Health Benefits — see page 60 for explanation
- Tuition is increasing due to more staff participating in the tuition reimbursement program
- Other Professional Services are increasing by \$337,000 for financial and swap advisory services

Finance Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Accounting Manager, General Ledger	1	—	—	—
Accounting Manager, Internal Control	1	1	—	(1)
Accounts Clerk	2	1	1	—
Accounts Payable Manager	1	1	1	—
Accounts Receivable Analyst	1	1	—	(1)
Accounts Receivable Manager	1	1	1	—
Accounts Receivable Supervisor	—	—	1	1
Administrative Assistant	2	1	1	—
Assistant Comptroller	3	3	3	—
Audit Data Inspector	1	1	1	—
Audit Data Specialist	2	2	2	—
Billings Manager/Administrator	1	1	1	—
Billings Supervisor	1	1	1	—
Budget Coordinator, Finance	1	1	1	—
Budget Supervisor	1	1	1	—
Cash Manager	1	—	—	—
Cash Management Supervisor	—	1	1	—

Finance Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Chief Financial Officer	1	1	1	—
Clerk 1, 70	1	1	1	—
Comptroller	1	1	1	—
Contracts and Compliance Specialist	—	—	1	1
Coordinator - Bargaining	—	1	1	—
Data Analyst	1	2	2	—
Disbursements Section Supervisor	2	2	2	—
Documents Services Coordinator	1	1	1	—
ETC Audit Supervisor	—	—	1	1
Financial Analyst	4	7	4	(3)
Financial Manager	—	—	1	1
Financial Planning & Analytics Manager	1	1	1	—
Financial Resources Specialist	2	2	2	—
Human Capital Management Analyst	1	1	1	—
Human Capital Management Manager	1	1	1	—
Human Capital Management Specialist	2	2	2	—
Junior Accountant	5	5	5	—
Junior Accounting Analyst	10	9	6	(3)
Payroll Administrator/Manager	1	1	1	—
Payroll Analyst	2	2	2	—
Payroll Coordinator	3	3	3	—
Revenue Control Manager	1	1	1	—
Senior Accounting Analyst	1	3	3	—
Senior Budget Supervisor	2	2	1	(1)
Senior Clerk	4	4	4	—
Senior Data Analyst	2	2	2	—
Senior F&B Document Specialist	1	1	1	—
Senior Financial Analyst	2	2	6	4
Senior Toll Audit Coordinator	3	2	1	(1)
Staff Accountant	3	2	4	2
Variance Analyzer Coordinator	1	1	1	—
Total Authorized Positions	79	80	80	—

Figure 103: Finance Department Authorized Positions (2021-2023)

Community & Government Relations

Department Description:

The Community and Government Relations Department's primary responsibilities include both customer service and public policy. The department responds to and interacts with the public, the Governor's Office, the Department of Transportation key staff, legislators and their staff, and other agencies, as well as municipal and county leaders. The department has a legislative tracking list to follow and respond to any state legislative proposals that could impact the Authority. The Customer Service Division's goal is to provide the most effective and efficient customer service experience for our internal and external customers, partners, and stakeholders. Together, the public policy component and customer service function work together as one team.

Department Organization:

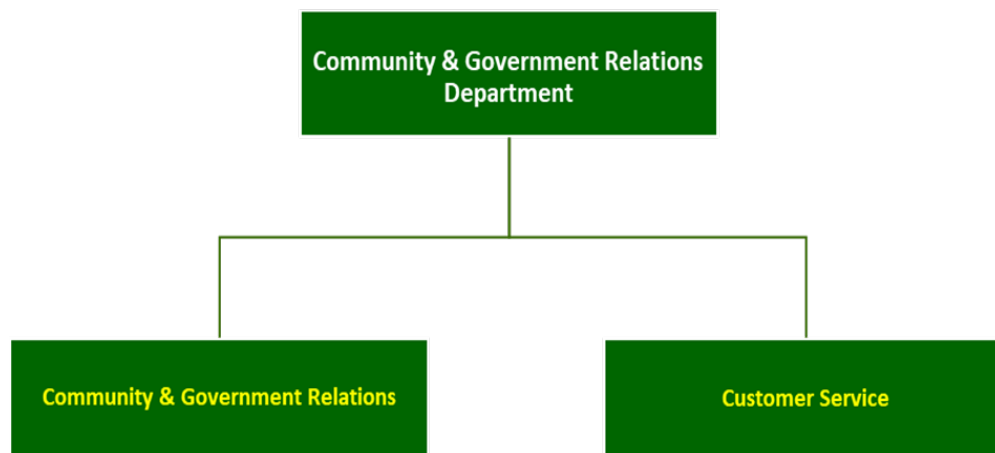


Figure 104:Community & Government Relations Department Organization Chart

Senior Staff

Director of Community & Government Relations: Shawn P. Taylor

Customer Service Manager: Denise DeSante

2022 Accomplishments:

- Updated the information guides for the Turnpike and Parkway to provide useful and updated information to our customers (People)
- Assisted the Governor's Office and legislators in amending legislation to benefit the Authority's stakeholders (State of Good Repair)
- Continue to work to provide outstanding and timely customer service to the public (People)
- Continue to expand the current legislative referral database (State of Good Repair)
- Attended over 100 virtual public meetings concerning Authority engineering projects with federal, state, county, and local leaders (State of Good Repair)
- Attended virtual legislative hearings, voting sessions, and budget hearings in Trenton (State of Good Repair)
- Chaired the Towing Committee, resulting in revised pre-qualification bid documents (Mobility)
- Monitored and dealt with municipalities and civic groups on the New Jersey Turnpike Authority's new flag policy (People)

2023 Goals:

- Appear at local public meetings concerning Authority engineering projects (State of Good Repair)
- Communicate with legislators concerning Authority engineering projects in their area (People)

- Attend legislative hearings and voting sessions in Trenton (People)
- Advocate internally and externally on transportation and labor policies affecting the Authority (People)
- Study relevant legislation and regulations, focusing on those with financial implications for the Authority (Financial Stability)
- Continue to work with our tow operators and strengthen our working relationship to provide better customer service (Financial Stability, People)
- Communicate with legislators on a wide range of new policy initiatives (People, Financial Stability)
- Continue active engagement in public and governmental outreach for capital projects, most importantly Newark Bay - Hudson County Extension and Turnpike Interchanges 1 to 4 Capacity Enhancement (People)
- Help create a new committee on Encroachments, a sub-committee of the Real Estate Committee (People)
- Start a joint Government Affairs Committee with counterparts at the New Jersey Department of Transportation and South Jersey Transportation Authority to increase communication and collaborate on legislative matters of common interest (People, Financial Stability, State of Good Repair)
- Work to initiate the PAECETrak land acquisition program (State of Good Repair)

Community & Government Relations Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 913	1,031	946	(86)	(8.3)%
Allowances	—	1	—	(1)	(100.0)%
Pension & Taxes	207	230	225	(5)	(2.3)%
Employee Relations	—	5	—	(5)	(100.0)%
Health Benefits	505	570	585	15	2.6%
Tuition	—	—	5	5	—%
Training, Travel, & Seminars	—	3	3	—	—%
Printing & Office Supplies	4	6	6	—	—%
Consulting Services	(4)	—	—	—	—%
Total Operating Expenses	\$ 1,624	1,846	1,769	(77)	(4.2)%

Figure 105: Community & Government Relations Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Salaries are decreasing due to budgeted salary increases being offset by three positions becoming vacant this year, which are budgeted to be filled at lower rates
- Pension and Benefits — see page 60 for explanation
- All other line items remain flat compared to the 2022 budget

Community & Government Relations Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Administrative Secretary	1	1	1	—
Assistant Customer Service Manager	2	2	2	—
Community & Government Relations Specialist	2	2	2	—
Customer Service Manager	1	1	1	—
Director Community & Government Relations	1	1	1	—
Receptionist	2	2	2	—
Senior Clerk	1	1	1	—
Total Authorized Positions	10	10	10	—

Figure 106: Community & Government Relations Department Authorized Positions (2021-2023)

Internal Audit

Department Description:

The Internal Audit Department reports functionally to the Audit Committee and the Authority's Commissioners and administratively to the Executive Director. The department is responsible for providing an independent appraisal of Authority financial and operating activities. In addition, the department is responsible for safeguarding the Authority's assets, as well as its employees.

Department Organization

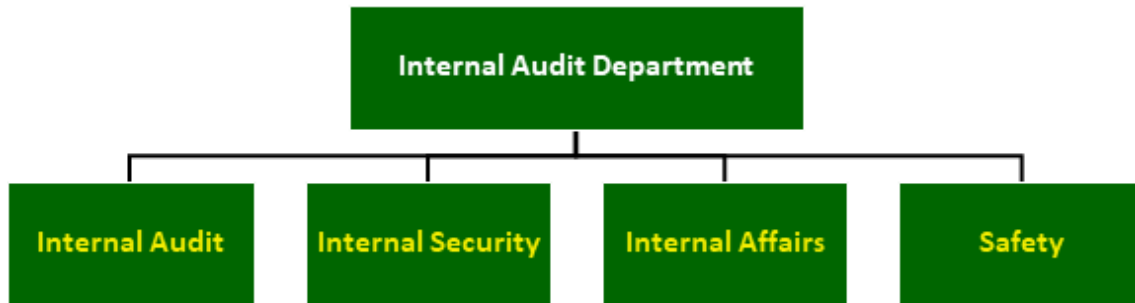


Figure 107: Internal Audit Department Organization Chart

Senior Staff:

Director of Internal Audit: Donna Wilser

Deputy Director of Internal Audit: Vacant

Safety Program Manager: Vacant

2022 Accomplishments:

- Utilized the Authority's new "Teammate" audit software to provide an efficient and systematic risk assessment to develop a 2022 Audit Plan that ensures proper internal controls are used throughout the Authority (Mobility)
- Continued installation and implementation of security enhancements and upgrades at Authority facilities on a prioritized risk basis (State of Good Repair)
- Continued the Authority's response to COVID-19 developments by monitoring, assessing, and updating the Authority's Employee Health and Safety Program for the protection of Authority facilities and employees (Safety, People)

2023 Goals:

- Develop a Strategic Audit Plan to ensure proper use of internal controls and compliance throughout the Authority and its vendor contracts by utilizing Teammate audit software to provide an efficient and systematic risk assessment (State of Good Repair)
- Continue installation and implementation of security enhancements and upgrades at Authority facilities on a prioritized risk basis (State of Good Repair)

Internal Audit Department Operating Expenses					
<i>(\$ In Thousands)</i>	2021 Actuals	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Salaries	\$ 2,713	2,678	2,751	72	2.7%
Pension & Taxes	614	595	653	58	9.8%
Health Benefits	1,500	1,481	1,701	220	14.9%
Tuition	14	17	35	18	105.9%
Training, Travel, & Seminars	3	2	3	1	50.0%
Printing & Office Supplies	18	20	25	5	25.0%
Operating Supplies	22	20	20	—	—%
Other Professional Services	17	142	117	(25)	(17.6)%
Environmental Services	—	1	1	—	—%
Other Services	—	1	2	1	50.0%
Building Maintenance	15	75	100	25	33.3%
Equipment Maintenance	495	675	850	175	25.9%
Equipment Rental	6	20	20	—	—%
Equipment	—	40	30	(10)	(25.0)%
Total Operating Expenses	\$ 5,424	5,767	6,313	546	9.5%

Figure 108: Internal Audit Department Operating Expenses (2021-2023)

2023 Budget Highlights:

- Equipment Maintenance is increasing by \$175,000 due to anticipated additional maintenance costs for supply chain costs and panels that are out of warranty
- Pension and Health Benefits — see page [60](#) for explanation
- Salaries are increasing due to budgeted salary increases, but are slightly offset by one additional vacant position that is budgeted to be filled at a lower rate

Internal Audit Department Authorized Positions				
	2021 Budget	2022 Budget	2023 Budget	Δ from 2022 Budget
Administrative Assistant/Secretary	2	1	2	1
Audit Manager	1	1	1	—
Auditor	4	4	4	—
Clerk	2	2	2	—
Deputy Director Internal Audit	1	1	1	—
Director Internal Audit	1	1	1	—
Executive Administrative Assistant	1	1	—	(1)
Manager - Safety Programs	1	1	1	—
Safety Manager	3	3	3	—
Security Inspector	2	2	1	(1)
Security Officer	3	3	3	—
Security Supervisor	2	2	2	—
Senior Auditor	2	2	2	—
Senior Contract Administrative Manager	1	1	1	—
Senior Maintenance Budget Supervisor	1	1	1	—
Senior Safety Inspector	1	1	1	—
Senior Security Inspector	—	—	1	1
Senior Security Manager	1	1	1	—
Tolls Investigation Manager	1	1	1	—
Tolls Investigation Supervisor	1	1	1	—
Total Authorized Positions	31	30	30	—

Figure 109: Internal Audit Department Authorized Positions (2021-2023)

Debt Service

Debt Limit

In accordance with the Bond Resolution, the amount of bonds to be issued is limited by the following:

- 1) **Additional Bonds Test — New Money Purposes:** In accordance with Section 203 of the Bond Resolution, in order for the Authority to issue and sell its bonds for new money purposes, the Authority must, among other things, satisfy the following tests:
 - a) the Net Revenue of the Authority (Pledged Revenue minus Operating Expenses) for any period of twelve (12) consecutive calendar months out of the twenty-four (24) calendar months next preceding the issuance of such bonds must equal or exceed the Net Revenue Requirement for such twelve (12) month period without regard to the bonds proposed to be issued; and
 - b) the estimated Net Revenue for the first full five (5) calendar years after the financed asset is estimated to be placed in service must equal or exceed the Net Revenue Requirement for each such year, and the estimated Net Revenue in the 5th such calendar year must equal or exceed the future maximum Aggregate Debt Service in any year

In addition, all other requirements of the Bond Resolution relating to the issuance of bonds for new money purposes must be satisfied.

For purposes of the Bond Resolution, the “Net Revenue Requirement” in any year is the greater of:

- (i) the sum of the Aggregate Debt Service on all outstanding Authority bonds, the Maintenance Reserve Payments, the Special Project Reserve Payment, and all deposits to the Charges Fund in such year; or
 - (ii) 1.20 times the Aggregate Debt Service on all outstanding Authority bonds in such year
- 2) **Additional Bonds Test — Refunding:** In accordance with Section 204 of the Bond Resolution, in order for the Authority to issue and sell its bonds for refunding purposes, the Authority must, among other things, either:
 - a) demonstrate that the Aggregate Debt Service on all outstanding Authority bonds is not increased in the then current or any future calendar year as a result of the issuance of such refunding bonds, or
 - b) satisfy both of the tests described in clauses (a) and (b) of the preceding subsection of this policy entitled “Additional Bonds Test — New Money Purposes”

Total Bonds Outstanding \$11.1 Billion as of September 30, 2022 (\$ In Thousands)

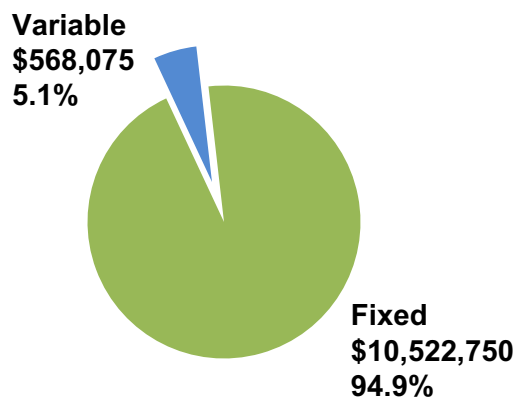


Figure 110: Total Bonds Outstanding

Bond Indebtedness

Bond Indebtedness				
Bond Series (\$ In Thousands)	Amount Outstanding 9/30/2022	Mandatory Redemption / Sinking Fund Installments	Projected Debt Issuance	Amount Outstanding 12/31/2023
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 2010 A	1,850,000	—	—	1,850,000
Series 2012A	15,000	—	—	15,000
Series 2012B	32,655	(32,655)	—	—
Series 2013A	5,065	(5,065)	—	—
Series 2013F	11,780	—	—	11,780
Series 2014A	889,000	—	—	889,000
Series 2014C	106,715	(22,630)	—	84,085
Series 2015A	19,650	(7,000)	—	12,650
Series 2015C	7,325	(3,500)	—	3,825
Series 2015D	7,325	(3,500)	—	3,825
Series 2015E	750,000	—	—	750,000
Series 2015G	16,960	(8,335)	—	8,625
Series 2016A	149,995	—	—	149,995
Series 2016B	75,025	(75,025)	—	—
Series 2016C	50,015	(50,015)	—	—
Series 2016D	33,925	(16,675)	—	17,250
Series 2017A	600,000	—	—	600,000
Series 2017B	646,765	—	—	646,765
Series 2017C	186,175	(34,575)	—	151,600
Series 2017D	163,300	(16,675)	—	146,625
Series 2017E	359,680	—	—	359,680
Series 2017F	104,770	(9,400)	—	95,370
Series 2017G	726,640	—	—	726,640
Series 2019A	449,110	—	—	449,110
Series 2020A	8,375	(4,000)	—	4,375
Series 2020B	24,935	—	—	24,935
Series 2020C	163,230	—	—	163,230
Series 2020 D	149,440	—	—	149,440
Series 2021A	502,500	—	—	502,500
Series 2021B	995,235	(2,000)	—	993,235
Series 2022A	100,000	—	—	100,000
Series 2022 B ⁽¹⁾	—	—	700,000	700,000
Series 2023 A ⁽¹⁾	—	—	1,000,000	1,000,000
Premiums and discounts, net	466,559	—	—	404,481
Total Bond Indebtedness	\$ 11,557,384	(291,050)	1,700,000	12,904,256

(1) Amounts are projected new money issuances

Figure 111: Bond Indebtedness

Aggregate Bond Debt Service Requirement

Aggregate Bond Debt Service Requirements			
(\$ In Thousands)			
Fiscal Year Ending 12/31	Principal	Interest	Total Debt Service ^{(1) (2)}
2022 ⁽³⁾	\$ 291,050	568,053	859,103
2023	317,490	555,670	873,160
2024	376,685	543,545	920,230
2025	402,170	527,400	929,570
2026	418,955	512,270	931,225
2027	438,335	494,634	932,969
2028	446,840	478,307	925,147
2029	466,200	458,939	925,139
2030	486,205	438,899	925,104
2031	505,380	419,697	925,077
2032	529,590	395,451	925,041
2033	554,120	370,895	925,015
2034	545,868	344,904	890,772
2035	544,057	316,675	860,732
2036	558,654	283,521	842,175
2037	601,282	245,550	846,832
2038	634,229	205,842	840,071
2039	676,197	163,850	840,047
2040	773,078	118,931	892,009
2041	434,080	66,919	500,999
2042	192,250	48,755	241,005
2043	117,400	40,224	157,624
2044	123,095	34,526	157,621
2045	129,070	28,552	157,622
2046	134,950	22,673	157,623
2047	141,095	16,526	157,621
2048	80,885	10,100	90,985
2049	84,125	6,865	90,990
2050	87,490	3,500	90,990
Total Bond Debt Service	\$ 11,090,825	7,721,673	18,812,498

(1) Total Debt Service does not include debt service from the potential \$700.0 million 2022B new money issuance , the potential \$1.0 billion 2023A new money issuance, or any potential refunding

(2) Total Debt Service is calculated by rounding each bond series interest and principal expense then totaling

(3) Represents actual current debt service requirement for 2022. Neither this nor the budget includes potential savings from any refunding or new money issuances. New money issuances are expected to capitalize interest for the first 3 years

Figure 112: Aggregate Bond Debt Service Requirement

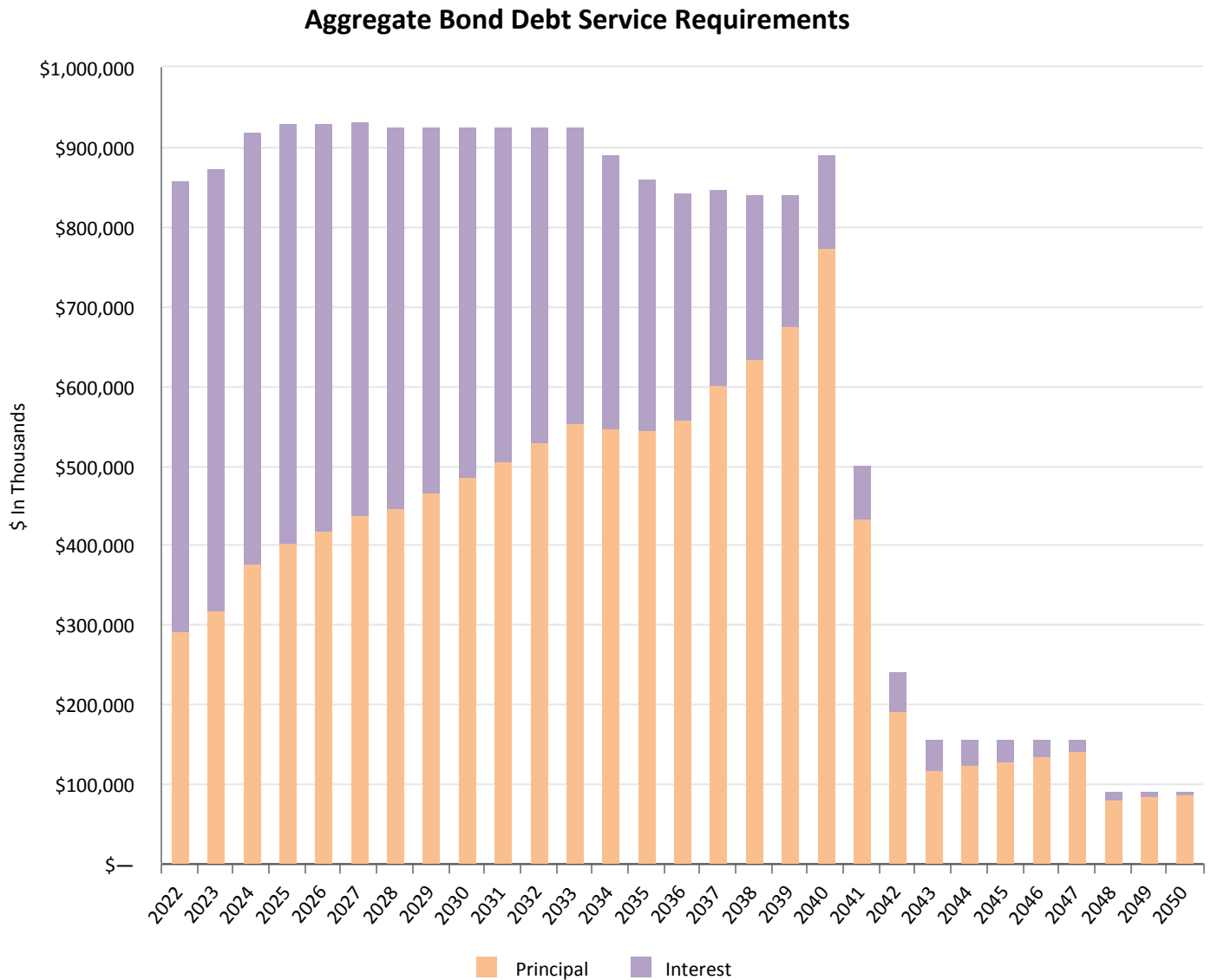


Figure 113: Aggregate Bond Debt Service Requirement Graph (2022-2050)

Debt Service — Interest and Principal

Debt Service — Interest					
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
2004 Series C-2	\$ 7,307	7,307	7,307	—	
2005 Series A	9,117	9,117	9,117	—	
2005 Series D1-4	10,959	10,959	10,959	—	
2009 Series F	101,943	101,943	101,943	—	
2010 Series A	131,387	131,387	131,387	—	
2012 Series A	581	581	581	—	
2012 Series B	3,711	1,633	—	(1,633)	
2013 Series A ⁽¹⁾	4,973	4,244	—	(4,244)	
2013 Series F	732	402	402	—	
2014 Series A	43,803	43,340	43,340	—	
2014 Series C	5,427	5,336	4,204	(1,132)	
2015 Series A ⁽²⁾⁽³⁾	839	1,190	927	(263)	
2015 Series C ⁽²⁾	419	289	151	(138)	
2015 Series D ⁽²⁾	418	290	151	(139)	
2015 Series E	36,413	36,413	36,413	—	
2015 Series F ⁽²⁾	2,927	—	—	—	
2015 Series G ⁽²⁾	979	670	341	(329)	
2015 Series H ⁽²⁾	1,951	—	—	—	
2016 Series A	7,312	7,312	7,312	—	
2016 Series B ⁽²⁾	3,024	3,060	—	(3,060)	
2016 Series C ⁽²⁾	1,941	2,040	—	(2,040)	
2016 Series D ⁽²⁾	2,004	1,354	688	(666)	
2017 Series A	29,409	29,409	29,409	—	
2017 Series B	31,304	31,304	31,304	—	
2017 Series C ⁽²⁾	10,623	9,093	7,444	(1,649)	
2017 Series D ⁽²⁾	7,279	6,725	6,066	(659)	
2017 Series E	17,984	17,984	17,984	—	
2017 Series F	4,010	3,764	3,491	(273)	
2017 Series G	30,480	30,480	30,480	—	
2019 Series A	20,456	20,456	20,456	—	
2020 Series A ⁽²⁾	549	310	162	(148)	
2020 Series B	623	623	623	—	
2020 Series C	5,261	5,261	5,261	—	
2020 Series D	7,472	7,472	7,472	—	
2021 Series A	18,258	20,100	20,100	—	
2021 Series B	14,719	16,205	16,195	(10)	
2022 Series A	—	—	4,000	4,000	
2022 New Money - A ⁽⁴⁾	—	25,000	—	(25,000)	
2022 New Money - B ⁽⁵⁾	—	18,750	—	(18,750)	
2022 New Money - C ⁽⁶⁾	—	—	35,000	35,000	
2023 New Money - A ⁽⁷⁾	—	—	50,000	50,000	
Total DS Interest Fund	\$ 576,594	611,803	640,670	28,867	4.7%

Debt Service — Principal					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
2012 Series B	\$ —	32,655	—	(32,655)	
2013 Series A ⁽¹⁾	340	5,065	—	(5,065)	
2014 Series C	—	22,630	23,445	815	
2015 Series A	6,575	7,000	12,650	5,650	
2015 Series C	3,300	3,500	3,825	325	
2015 Series D	3,275	3,500	3,825	325	
2015 Series F	72,350	—	—	—	
2015 Series G	8,040	8,335	8,625	290	
2015 Series H	48,235	—	—	—	
2016 Series B	—	75,025	—	(75,025)	
2016 Series C	—	50,015	—	(50,015)	
2016 Series D	16,075	16,675	17,250	575	
2017 Series C	32,775	34,575	36,475	1,900	
2017 Series D	16,075	16,675	146,625	129,950	
2017 Series E	—	—	1,325	1,325	
2017 Series F	8,995	9,400	10,100	700	
2020 Series A	3,750	4,000	4,375	375	
2021 Series B	—	2,000	48,970	46,970	
Total DS Principal Fund	\$ 219,785	291,050	317,490	26,440	9.1%

Debt Service — Total					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget⁽⁸⁾	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Total Debt Service	\$ 796,379	902,853	958,160	55,307	6.1%

(1) Issued Series 2022A refunding bonds in July 2022. Received an upfront payment of \$15.0 million.

(2) Variable rate debt with an associated Interest Swap Agreement has interest included at the fixed swap rate and includes the fixed credit spread as interest expense

(3) Interest on the \$5.0 million unhedged portion is calculated at the maximum rate of 12%

(4) 2022 Budget assumes new money issuance in January 2022 of \$500.0 million at 5% with capitalized interest for first 3 years

(5) 2022 Budget assumes new money issuances in July 2022 of \$750.0 million at 5% with capitalized interest for first 3 years

(6) 2023 Budget assumes new money issuance in November 2022 of \$700.0 million at 5% with capitalized interest for first 3 years.

(7) 2023 Budget assumes new money issuance in January 2023 of \$1.0 billion at 5% with capitalized interest for first 3 years.

(8) Total does not match to Revenue Certification or Table 7 due to rounding to the thousandths place instead of hundred-thousandths place.

Figure 114: Debt Service - Interest and Principal (2021-2023)

Debt Service is budgeted to increase in 2023 by \$55.3 million due to an increase in both interest expense and principal payments. The 2023 budget provides for a full year of interest payments on the assumed new money issuance in 2022 of \$700.0 million and a full year of interest payments for new money issuance of \$1.0 billion to fund the Authority's various Capital Improvement Programs. Interest expense will increase by \$28.9 million in 2023 due to interest on the new money issuances offset by the maturity of Series 2012B, Series 2013A, Series 2016B, and Series 2016C. There is also an increase in principal payments of about \$26.4 million when comparing the 2023 budget to the 2022 budget. The 2023 budget includes an increase in transfers from the construction fund, which represent capitalized interest (bond proceeds deposited into the construction fund at the time of bond closing) from the budgeted 2022B and 2023A new money bonds.

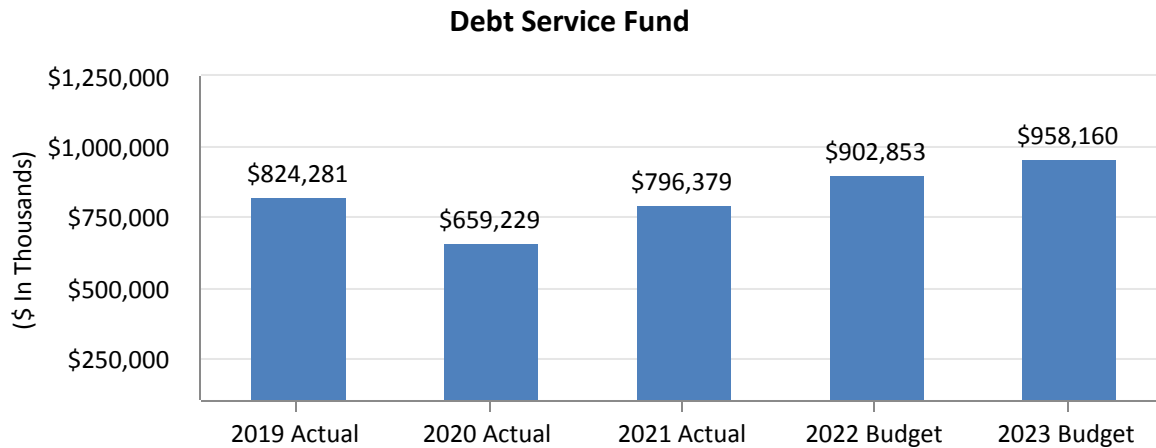


Figure 115: Debt Service Fund Graph (2019-2023)

Debt Service Fund Balance					
(\$ In Thousands)	2021 Actual	2022 Est/ Actual	2023 Budget	\$ Δ from 2022 Est/ Actual	% Δ from 2022 Est/ Actual
Beginning Balance	\$ 72,870	219,785	291,050	71,265	
Revenue Transfers	796,383	858,401	873,160	14,759	
Construction Fund Transfers ⁽¹⁾		5,833	85,000	79,167	
Interest Expense	(576,598)	(573,184)	(640,670)	(67,486)	
Principal Payments	(72,870)	(219,785)	(291,050)	(71,265)	
Ending Balance	\$ 219,785	291,050	317,490	26,440	9.1%

(1) Construction Fund Transfers represent bond proceeds that are required to be used for debt service, such as capitalized interest, excess refunding escrow deposits and excess cost of issuance deposits

Figure 116: Debt Service Fund Balance (2021-2023)

Debt Reserve

The Debt Reserve is expected to have an increase in its fund balance in 2023, as bond proceeds will be deposited to meet increased Debt Reserve requirements from the anticipated additional bonds to be issued.

Debt Reserve Fund Balance					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Est/ Actual⁽¹⁾	2023 Budget⁽²⁾	\$ Δ from 2022 Est/ Actual	% Δ from 2022 Est/ Actual
Beginning Balance	\$ 599,018	600,202	600,536	334	
Amortized Value Adjustment ⁽³⁾	1,184	334	23	(311)	
Bond Proceeds	—	—	40,109	40,109	
Ending Balance	\$ 600,202	600,536	640,668	40,132	6.7%

(1) Maximum debt service is expected to increase from potential bond issuance of \$700.0 million in 2022

(2) Maximum debt service is expected to increase from potential bond issuance of \$1.0 billion in 2023.

(3) Amortized value adjustment is a combination of unamortized discount/premium and accrued interest.

Figure 117: Debt Reserve Fund Balance (2021-2023)

General Reserve

General Reserve has a 2023 budget of \$759.8 million, which includes \$699.8 million in spending and \$60.0 million in net transfers out. This represents an increase of approximately \$74.0 million from the 2022 budget. The most significant increase comes from payments totaling \$605.5 million on the new State Public Transportation Projects Funding Agreement that began on July 1, 2021. The agreement is on a state fiscal year basis. The \$605.5 million represents one-half of the \$746.0 million for state FY 2023 and one-half of the \$465.0 million for state FY 2024. The total State Payments of \$640.0 million include the new agreement, as well as two other existing agreements: the Transportation Trust Fund and the Feeder Road Reimbursement Agreements. It also includes assumed payments for the Gateway Project Tunnel of approximately \$10.0 million. It is assumed that the State Public Transportation Projects Funding Agreement will be amended to provide funding to the State for the Gateway Project Tunnel. The amount budgeted in 2023 is the assumed annual contribution by the State to fund the operations of the Gateway Development Corporation during the 10-year construction period. The 2023 budget also includes \$32.3 million for state of emergency events and \$15.0 million in reserves for Other Post-Employment Benefits (OPEB).

The net transfers out of \$60.0 million include a \$50.0 million transfer to the Construction Fund to provide funding for 2023 spending on projects in the Supplemental Capital Program and a \$10.0 million transfer to the Construction Fund to fund chargebacks. Chargebacks represent the transfer to the Operating Budget to cover internal costs allocated to bond funded capital projects.

General Reserve Spending and Transfers					
	2021	2022	2023	\$ Δ from	% Δ from
(\$ In Thousands)	Actual	Budget	Budget	2022	2022
Spending					
Extraordinary Events	\$ 18,527	32,295	32,295	—	—%
Other Post-Employment Benefits	15,000	15,000	15,000	—	—%
Bond Cost of Issuance	222	1,000	2,500	1,500	150.0%
Miscellaneous Expenditures	—	50	50	—	—%
Transportation Trust Fund	22,000	22,000	22,000	—	—%
Feeder Road Reimbursement NJDOT	2,500	2,500	2,500	—	—%
State Transportation Projects Funding Agreement 2016-2021	64,500	—	—	—	-
State Public Transportation Projects Funding Agreement	175,000	548,000	605,500	57,500	10.5%
OCIP Claim Payment	236	—	—	—	—%
Reimbursable Expenditures	9	1,900	801	(1,099)	(57.8)%
Pollution Remediation	(428)	—	—	—	—%
Demolition of East Brunswick Bldg	—	—	5,000	5,000	—%
Gateway Project Tunnel	—	—	10,000	10,000	—%
Contingency	—	5,000	5,000	—	—%
Total Spending	\$ 297,566	627,745	700,646	72,901	11.6%
Recoveries from Reimbursable Expenditures	\$ (9)	(1,900)	(801)	1,099	(57.8)%
Total Spending Net of Recoveries	\$ 297,557	625,845	699,845	74,000	11.8%
Transfers					
Funding for Supplemental Capital Spending	\$ 63,400	50,000	50,000	—	—%
Funding for Chargebacks	11,500	10,000	10,000	—	—%
Total Transfers — Net	\$ 74,900	60,000	60,000	—	—%
Total General Reserve	\$372,457	685,845	759,845	74,000	10.8%

- Totals may not add due to rounding

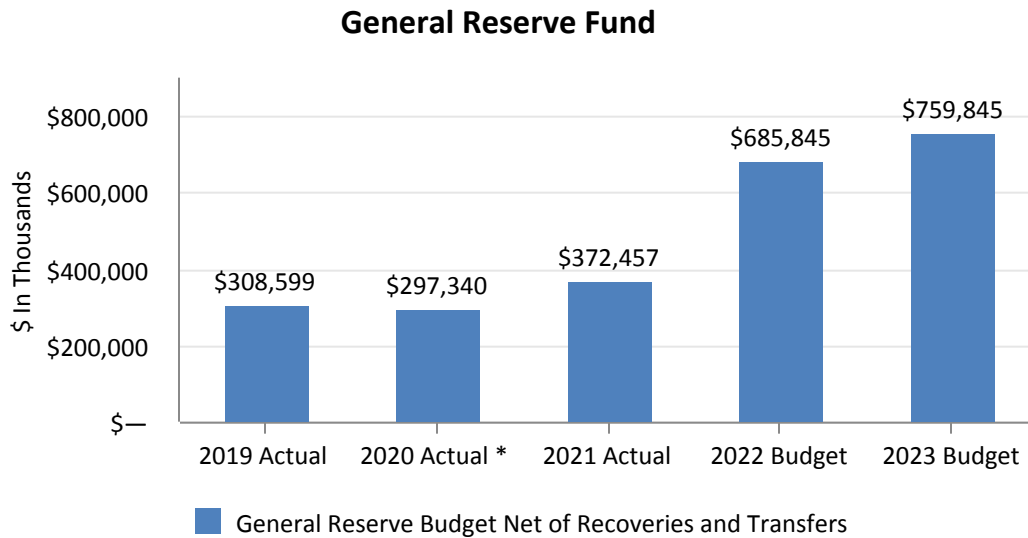
Figure 118: General Reserve Spending and Transfers (2021-2023)

Condensed General Reserve Spending by Functional Area					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Operating Expenses					
Maintenance of Infrastructure	\$ 25,636	42,251	47,251	5,000	11.8%
Toll Collection	4,222	5,720	5,720	—	—%
Traffic Control & State Police	926	968	968	—	—%
Technology	740	818	818	—	—%
General & Administrative	1,811	2,588	2,588	—	—%
Total Operating	\$ 33,335	52,345	57,345	5,000	9.6%
Non-Operating Expenses					
Bond Cost of Issuance	\$ 222	1,000	2,500	1,500	150.0%
State Payments	264,000	572,500	640,000	67,500	11.8%
Total Non-Operating	\$ 264,222	573,500	642,500	69,000	12.0%
Transfers					
Total Transfers - Net	\$ 74,900	60,000	60,000	—	12.2%
Total General Reserve Spending⁽¹⁾	\$ 372,457	685,845	759,845	74,000	10.8%

(1) Does not include net transfers from General Reserve

- Totals may not add due to rounding

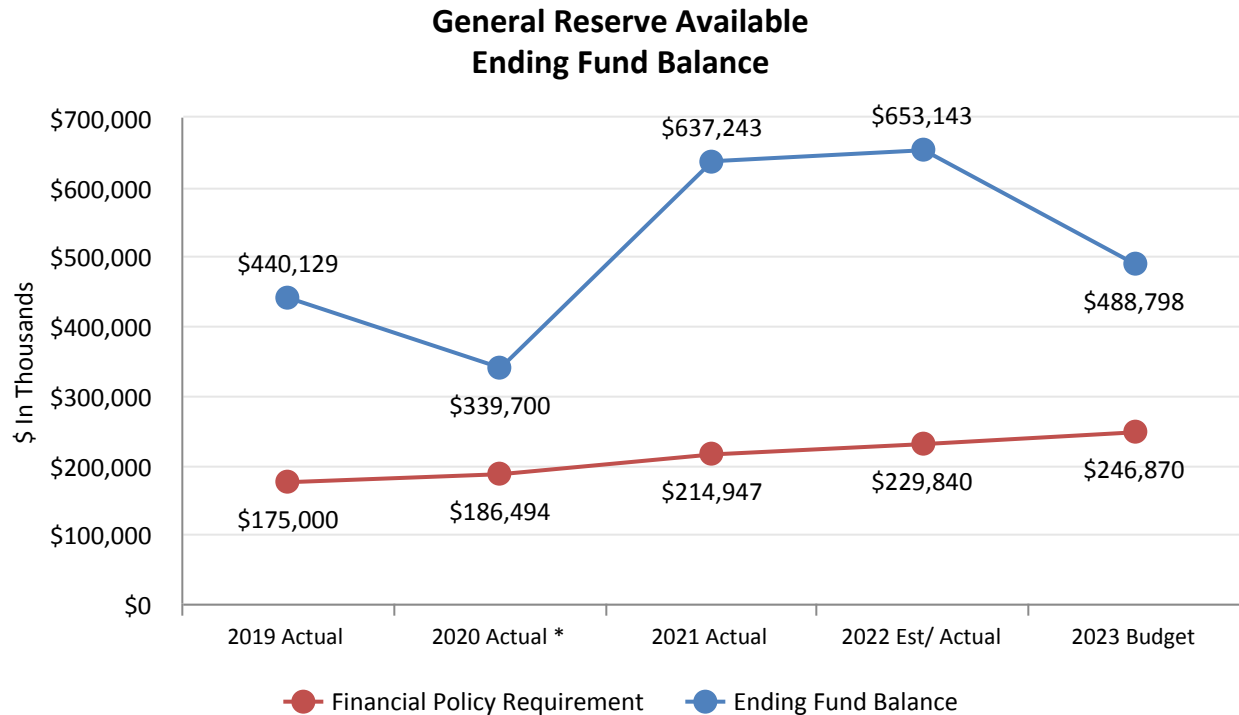
Figure 119: Condensed General Reserve Spending by Functional Area (2021-2023)



* Does not include net transfers from General Reserve

Figure 120: General Reserve Spending and Transfers, Net of Recoveries (2019-2023)

The graph below depicts the General Reserve available ending balance since 2019, including the estimated/actual for 2022 and budget for 2023, and is compared to the targets of the Authority's Financial Management Principles and Guidelines. The General Reserve balance has exceeded the target each year and is budgeted to exceed the target again in 2023. The General Reserve available ending balance in 2023 is expected to decrease by \$164.3 million from the estimated balance on December 31, 2022 due to the increase in General Reserve budgeted spending of \$91.7 million due to higher contractual and assumed state payments. In addition, net revenue deposited is budgeted to be \$88.5 million less in 2023 due to higher budgeted operating expenses, debt service and deposits to the Maintenance Reserve Fund..



* 2020 Actual for the Financial Policy Requirement has been restated.

Figure 121: General Reserve Available Ending Balance Graph (2019-2023)

General Reserve Fund Balance					
	2021	2022	2023	\$ Δ from	% Δ from
(\$ In Thousands)	Actual	Est/Actual	Budget	2022 Est/ Actual	2022 Est/ Actual
Beginning Balance	\$ 339,700	637,243	653,143	15,900	2.5%
Transfer from Revenue Fund	670,000	684,000	595,500	(88,500)	(12.9)%
GRF Expenditures	(297,557)	(608,100)	(699,845)	(91,745)	15.1%
Transfer to Construction Fund - Net	(74,900)	(60,000)	(60,000)	—	—%
Available Ending Fund Balance	\$ 637,243	653,143	488,798	(164,345)	(25.2)%

- Totals may not add due to rounding

Figure 122: General Reserve Fund Balance (2021-2023)

General Reserve	
Category	Description
Extraordinary Events	To pay for the cost of major weather or other events when there is a declared state of emergency.
Other Post-Employment Benefits	To fund reserve for OPEB, representing a portion of the additional funding necessary to meet the difference between actuarially calculated ARC and pay-go expenses paid through the Operating Expense budget.
Bond Cost of Issuance	To pay rating agency, legal, trustee, financial advisor, general consulting & traffic engineer fees, etc. for cost of issuance expenses related to variable rate debt.
Miscellaneous Expenditures	To fund reserve for potential arbitrage payments due to the IRS on the Authority's bonds based upon the arbitrage consultant's annual calculations.
Transportation Trust Fund	Under an agreement dated 4/27/84, Authority pays the Treasurer of the State of New Jersey. These funds are to be used by the State of New Jersey, or the Transportation Trust Fund, to pay or provide for the development of State transportation projects in an effort to further satisfy the overall transportation needs of the State. The agreement expires when all obligations of the Transportation Trust Fund have been satisfied.
Feeder Road Reimbursement NJDOT	Cost Sharing Agreement expiring 6/30/23, providing reimbursement by the Authority to the NJDOT for reconstruction, maintenance, and repair of Feeder Roads at twenty Turnpike Interchanges and thirty-six Parkway Interchanges.
State Public Transportation Projects Funding Agreement	New agreement started 7/1/21, replacing expiring State Transportation Projects Funding Agreement 2016-2021.
Reimbursable Expenditures	Agreements with the NJDOT, PANYNJ, and PTC that they will share the cost of construction on shared assets.
Demolition of East Brunswick Bldg	Demolition of the former Administration Building located in East Brunswick at Turnpike Interchange 9.
Gateway Project Tunnel	Represents approximate amounts of potential future payments to the State of New Jersey through an amendment to the existing State Public Transportation Projects Funding Agreement. Amounts payable over the initial 10-year construction period will be used to assist in funding the State's share of the operations of the Gateway Development Corporation (GDC). The GDC has been formed specifically for the purpose of applying for and obtaining a federal loan and overseeing the implementation of the rehabilitation of the existing train tunnel that runs under the Hudson River, as well as the building of a new rail tunnel to provide redundancy and avoid delays and shutdowns of rail service on both Amtrak and New Jersey Transit.
Contingency	To fund any unanticipated emergency work.

Figure 123: General Reserve Fund Category Descriptions

Capital Spending Program

The Authority's 2023 Annual Budget includes its Capital Spending Program, presented on a rolling five-year basis, with spending included for the years 2023-2027. The Capital Spending Program includes revenue funded projects, as well as bond funded projects. The revenue funded capital projects, referred to as the Capital Budget, include projects in the Maintenance Reserve Fund, the Special Project Reserve Fund, and the Supplemental Capital Program. The bond funded capital projects, referred to as the Construction Fund, include the 2023-2027 Capital Improvement Program, the 2019 Capital Improvement Program, and the 2008 \$7 Billion Capital Improvement Program. These capital projects are presented on a rolling five-year (2023-2027) spending basis along with their respective total project budgets. Each year, a new rolling five-year spending plan will be approved with the changes, if any, to the total project budgets, as a part of the annual budget approval process.

Driving the Capital Spending Program are the planned awards, construction contracts, and orders for professional services for design, supervision, and construction of the projects included within the program. In 2023, the Authority plans to award nearly \$1.3 billion for these projects, a 26.5% increase from 2022 awards.

Planned Awards, Construction Contracts, and Order for Professional Services							
(\$ In Thousands)		2021	2021	2022	2022	2023	2023
		Awards	Award \$	Awards	Award \$	Awards	Award \$
Fund	Fund Name ⁽¹⁾	Actual		Budget		Budget	
500	2023-2027 Capital Improvement Program	48	\$ 581,587	36	\$ 801,250	41	\$1,214,750
392	2019 Capital Improvement Program	4	118,864	—	—	—	—
400	Supplemental Capital Program	3	24,924	2	38,100	2	2,800
049	Special Project Reserve Fund	4	2,928	3	23,600	1	5,900
039	Maintenance Reserve Fund	21	108,942	28	158,300	10	68,400
Totals		80	\$ 837,245	69	\$1,021,250	54	\$1,291,850

(1) 2008 Capital Improvement Program has been fully awarded and not listed in the above chart

- Totals may not add due to rounding

Figure 124: Planned Awards, Contracts, and Order for Professional Services (2021-2023)

The 2023 rolling five-year Capital Spending Program includes \$7.0 billion to be spent during 2023-2027 or an average of \$1.4 billion per year. Approximately 27.8%, or \$1.9 billion, will be funded from revenue, leaving 72.2%, or \$5.1 billion to be funded by bond proceeds. Of the total \$7.0 billion to be spent, 27.1% is budgeted to be spent on Bridge Construction, Preservation, and Security, while 31.3% is for Capacity Enhancements on both roadways. These, along with 16.7% that is budgeted to be spent on Pavement Resurfacing and Other Roadway Improvements, combine for a total of 75.1% of the budgeted spending.

Capital Spending Program — Spending by Category or Functional Area					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Capitalized Projects by Category					
Roadway					
Bridge Construction, Preservation & Security	\$ 199,522	355,534	583,691	228,157	64.2%
Capacity Enhancements - Turnpike	16,564	42,636	40,749	(1,887)	(4.4)%
Capacity Enhancements - Parkway	161	500	3,449	2,949	589.8%
Pavement Resurfacing	64,992	111,789	146,946	35,157	31.4%
Interchanges	43,341	24,462	7,701	(16,761)	(68.5)%
Concrete Barrier	17,738	9,338	12,821	3,483	37.3%
Drainage Structures	17,981	79,001	99,435	20,434	25.9%
Roadway Lighting	22,936	18,217	45,668	27,451	150.7%
Other Roadway Improvements	58,045	114,270	109,183	(5,087)	(4.5)%
Total Roadway	\$ 441,279	755,747	1,049,643	293,896	38.9%
Non-Roadway					
Facilities	\$ 20,603	49,014	71,300	22,286	45.5%
Fleet	6,857	36,430	50,598	14,168	38.9%
Service Areas & Arts Center	13,099	48,257	34,396	(13,861)	(28.7)%
Technology Improvements	39,820	65,121	54,226	(10,895)	(16.7)%
Total Non-Roadway	\$ 80,379	198,822	210,520	11,699	5.9%
Total Capitalized Projects	\$ 521,658	954,569	1,260,163	305,594	32.0%
Expensed Projects by Functional Area					
Maintenance of Infrastructure	\$ 2,025	4,960	11,774	6,814	137.4%
Traffic Control & State Police	860	1,437	2,046	609	42.4%
Technology	4,057	7,619	5,173	(2,446)	(32.1)%
General & Administrative	262	590	1,780	1,190	201.7%
Total Expensed Projects	\$ 7,204	14,606	20,773	6,167	42.2%
Total Spending (Capitalized+Expensed)	\$ 528,862	969,173	1,280,936	311,763	32.2%

- Totals may not add due to rounding

Figure 125: Capital Spending Program by Category or Functional Area (2021-2023)

Capital Spending Program — Funding Sources					
<i>(\$ in Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Revenue Funded					
Maintenance Reserve Fund	\$ 115,920	219,787	278,797	59,010	26.8%
Special Project Reserve Fund	24,920	76,137	109,346	33,209	43.6%
Supplemental Capital Program	42,707	74,950	51,679	(23,271)	(31.0)%
Total Revenue Funded	\$ 183,547	370,875	439,822	68,947	18.6%
Bond Funded					
2023-2027 Capital Improvement Program	\$ 81,032	351,630	608,468	256,838	73.0%
2019 Capital Improvement Program	182,310	172,507	129,645	(42,862)	(24.8)%
2008 \$7 Billion Capital Improvement Program	81,972	74,160	103,001	28,841	38.9%
Total Bond Funded	\$ 345,315	598,297	841,114	242,818	40.6%
Total Funding Sources	\$ 528,862	969,173	1,280,936	311,763	32.2%

- Totals may not add due to rounding

Figure 126: Capital Spending Program Funding Source (2021-2023)

2023-2027 Rolling 5-Year Capital Spending Program by Category or Functional Area						
Revenue Funded and Bond Funded						
(\$ In Thousands)	Spending Plan					
	2023	2024	2025	2026	2027	Total
Capitalized Projects by Category						
Roadway						
Bridge Construction, Preservation & Security	\$ 583,691	530,522	392,538	210,753	181,676	1,899,180
Capacity Enhancements - Turnpike	40,749	103,317	212,183	500,807	1,249,990	2,107,046
Capacity Enhancements - Parkway	3,449	4,042	—	34,481	42,816	84,788
Pavement Resurfacing	146,946	99,336	125,022	126,000	128,000	625,304
Interchanges	7,701	4,064	—	—	—	11,765
Concrete Barrier	12,821	56,771	32,280	13,648	13,596	129,116
Drainage Structures	99,435	64,763	55,099	51,489	46,127	316,913
Roadway Lighting	45,668	41,980	31,786	29,777	32,006	181,217
Other Roadway Improvements	109,183	173,004	135,997	71,187	51,436	540,807
Total Roadway	\$ 1,049,643	1,077,799	984,905	1,038,142	1,745,647	5,896,136
Non-Roadway						
Facilities	\$ 71,300	61,345	56,024	32,742	33,805	255,216
Fleet	50,598	33,470	34,380	35,974	37,542	191,964
Service Areas & Arts Center	34,396	9,048	10,181	8,444	3,314	65,383
Technology Improvements	54,226	38,447	92,621	156,207	178,472	519,973
Total Non-Roadway	\$ 210,520	142,310	193,206	233,367	253,133	1,032,536
Total Capitalized Projects	\$ 1,260,163	1,220,109	1,178,111	1,271,509	1,998,780	6,928,672
Expensed Projects by Functional Area						
Maintenance of Infrastructure	\$ 11,774	8,450	7,310	5,250	9,370	42,154
Traffic Control & State Police	2,046	1,000	1,000	1,000	1,000	6,046
Technology	5,173	2,367	2,143	2,464	1,288	13,435
General & Administrative	1,780	2,639	1,049	747	749	6,964
Total Expensed Projects	\$ 20,773	14,456	11,502	9,461	12,407	68,599
Total Spending (Capitalized+Expensed)	\$1,280,936	1,234,565	1,189,613	1,280,970	2,011,187	6,997,271

- Totals may not add due to rounding

Figure 127: 2023-2027 Rolling Five-Year Capital Spending Program by Category or Functional Area (Revenue Funded and Bond Funded)

2023-2027 Rolling 5-Year Capital Spending Program						
Funding Sources						
(\$ In Thousands)	Spending Plan					
Revenue Funded	2023	2024	2025	2026	2027	Total
Maintenance Reserve Fund	\$ 278,797	228,758	260,197	262,794	266,710	1,297,256
Special Project Reserve Fund	109,346	71,778	61,416	57,248	61,812	361,600
Supplemental Capital Program	51,679	68,014	61,458	50,331	53,394	284,876
Total Revenue Funded	\$ 439,822	368,550	383,071	370,373	381,916	1,943,732
Bond Funded	2022	2023	2024	2025	2026	Total
2023-2027 Capital Improvement Program	\$ 608,468	795,142	777,481	901,132	1,626,987	4,709,210
2019 Capital Improvement Program	129,645	67,629	27,410	7,923	2,284	234,891
2008 \$7 Billion Capital Improvement Program	103,001	3,244	1,651	1,542	—	109,438
Total Bond Funded	\$ 841,114	866,015	806,542	910,597	1,629,271	5,053,539
Total Capital Spending	\$1,280,936	1,234,565	1,189,613	1,280,970	2,011,187	6,997,271
Percentage Revenue Funded	34.3%	29.9%	32.2%	28.9%	19.0%	27.8%
Percentage Bond Funded	65.7%	70.1%	67.8%	71.1%	81.0%	72.2%

- Totals may not add due to rounding

Figure 128: 2023-2027 Rolling Five-Year Capital Spending Program by Funding Source (Revenue Funded and Bond Funded)

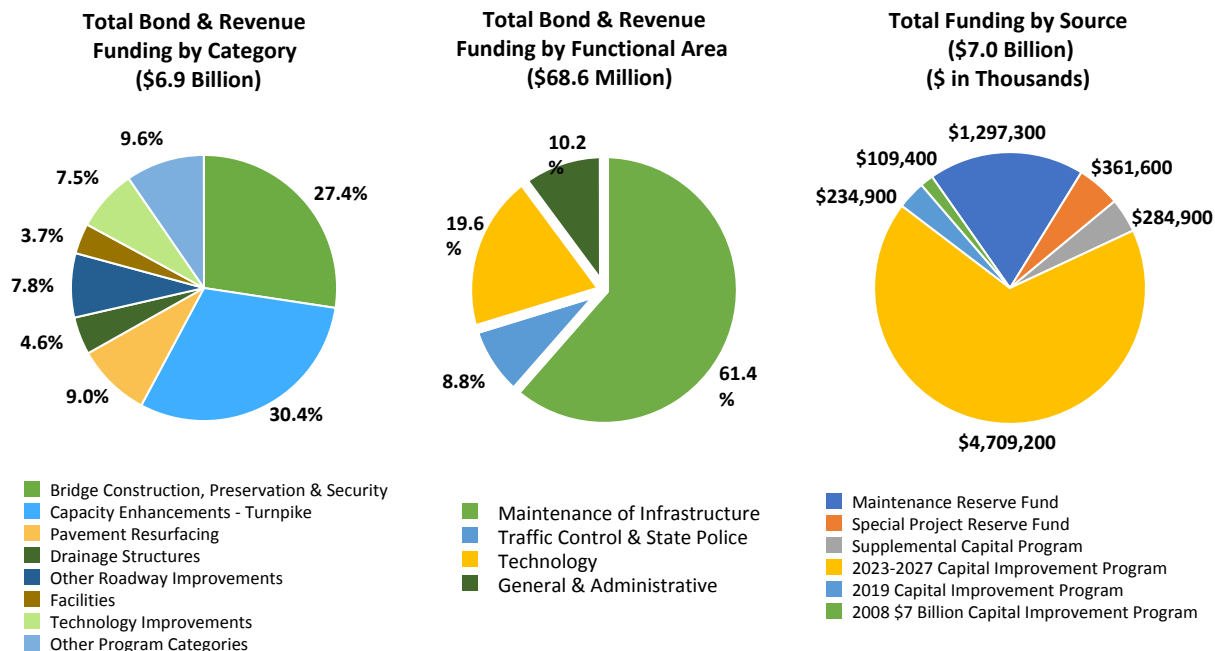


Figure 129: Total Bond & Revenue Funded by Category or Functional Area and Total Funding by Source Pie Charts (2023-2027)

Capital Spending Program - Benefit of Projects

All projects submitted for consideration for funding in the 2023-2027 Rolling Five-Year Capital Spending Program were classified into one of the following 11 benefit types that briefly describe the need for or benefit of the project. These benefit types are:

1. Public Safety
2. Employee Health & Safety
3. Regulatory Mandate
4. Frequent Problems
5. Generates Revenues
6. Generates Cost Savings
7. Age or Condition of Existing
8. Public Benefit
9. Public Demand
10. Synergy with Other Projects
11. Strategic Goal

During the evaluation process of determining which projects would be funded, the eleven benefit types were considered. Priority was given to those projects that maintain a state of good repair of the roadways and facilities, improve the safety of our roadways, and provide a high level of service for our patrons. A summary of all the projects included in the 2023-2027 Rolling Five-Year Capital Spending Program by benefit type is as follows:

<u>Category</u>	<u>% of Total Capital Budget Funding</u>
Age or Condition of Existing	66.8%
Public Safety	10.6%
Public Benefit	7.1%
Strategic Goal	5.5%
Employee Health & Safety	3.5%
Regulatory Mandate	2.6%
Synergy with Other Projects	2.6%
Public Demand	0.6%
Frequent Problems	0.4%
Generates Revenues	0.2%
Generates Cost Savings	0.2%

Figure 130: Total Bond & Revenue Funded by Benefit of Project Percentage (2023-2027)

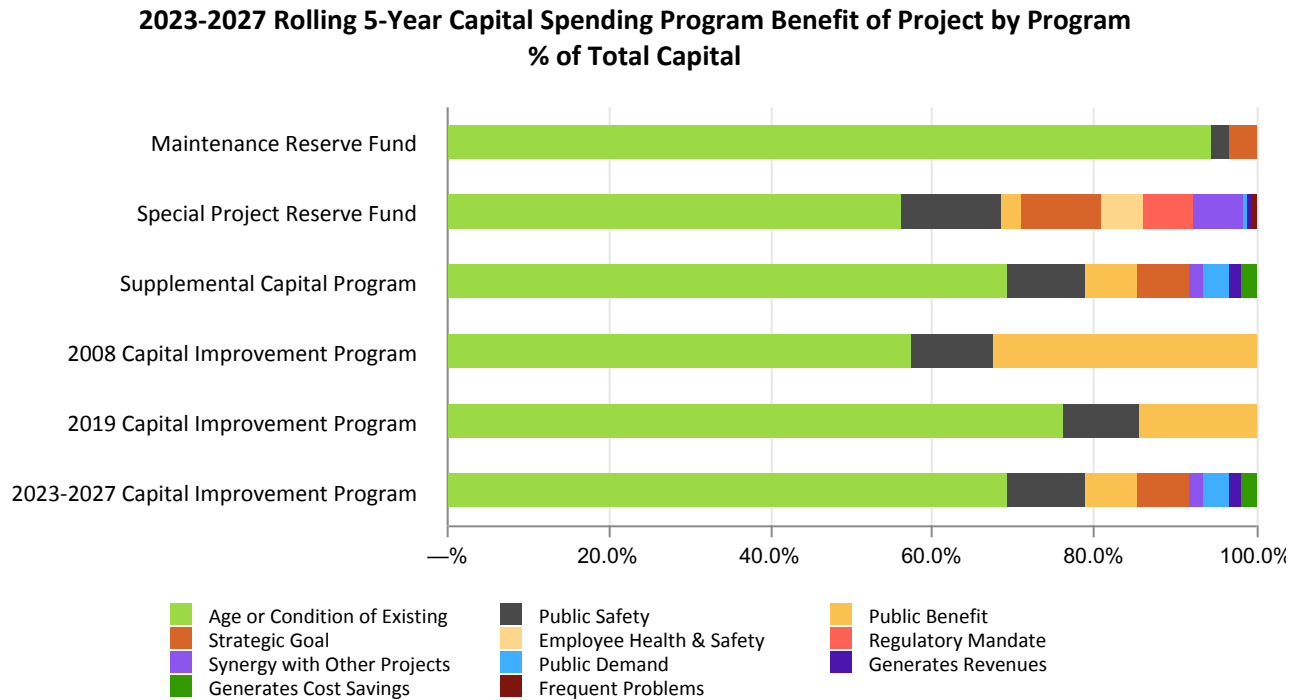


Figure 131: 2023-2027 Rolling 5-Year Capital Spending Program Benefit of Project by Program

Approximately 66.8% of the total funding for 2023-2027 Rolling Five-Year Capital Spending Program is intended to maintain assets in a state of good repair. This includes bridge repairs, roadway resurfacing projects, and facility improvements. The Authority continues to increase its funding to maintain the roadways in a state of good repair. In 2023, the Authority will actually exceed its goal of resurfacing at least 395 lane miles per year (12-year repaving cycle) by repaving 620 lanes miles. Approximately 10.6% of the total 2023-2027 Rolling Five-Year Capital Spending Program is for projects which are intended to improve Public Safety, such as providing wider shoulders and more effective signage.

Capital Budget (Revenue Funded)

The 2023 Capital Budget includes the Maintenance Reserve Fund, the Special Project Reserve Fund, and the Supplemental Capital Program. The Capital Budget primarily supports the spending for the maintenance of both roadways and bridges, scheduled fleet replacement based on target lifecycles, and several multi-year capital program projects; such as pavement repairs, replacement of toll collection equipment, etc. The spending from the Maintenance Reserve Fund and Special Project Reserve Fund is funded by the Authority's revenue after paying for the operating expenses and debt service. These two funds are separate funds established by the Authority's Bond Resolution. The spending from the Supplemental Capital Program is funded by transfers from the General Reserve Fund. This program is a separate account from the Construction Fund. The Construction Fund is established by the Authority's Bond Resolution.

Capital Budget — Spending by Category or Functional Area					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Capitalized Projects by Category					
Roadway					
Bridge Construction, Preservation & Security	\$ 51,413	84,499	76,830	(7,669)	(9.1)%
Pavement Resurfacing	64,992	111,789	146,946	35,157	31.4%
Drainage Structures	8,933	5,871	5,421	(450)	(7.7)%
Roadway Lighting	12,260	3,871	3,214	(657)	(17.0)%
Other Roadway Improvements	8,963	39,581	33,746	(5,835)	(14.7)%
Total Roadway	\$ 146,560	245,611	266,157	20,546	8.4%
Non-Roadway					
Facilities	\$ 18,010	39,166	64,812	25,646	65.5%
Fleet	6,857	36,430	50,598	14,168	38.9%
Service Areas & Arts Center	—	17,750	9,708	(8,042)	(45.3)%
Technology Improvements	4,916	17,313	27,774	10,461	60.4%
Total Non-Roadway	\$ 29,783	110,658	152,892	42,233	38.2%
Total Capitalized Projects	\$ 176,343	356,269	419,049	62,780	17.6%
Expensed Projects by Functional Area					
Maintenance of Infrastructure	\$ 2,025	4,960	11,774	6,814	137.4%
Traffic Control & State Police	860	1,437	2,046	609	42.4%
Technology	4,057	7,619	5,173	(2,446)	(32.1)%
General & Administrative	262	590	1,780	1,190	201.7%
Total Expensed Projects	\$ 7,204	14,606	20,773	6,167	42.2%
Total Spending (Capitalized+Expensed)	\$ 183,547	370,875	439,822	68,947	18.6%

- Totals may not add due to rounding

Figure 132: Capital Budget Spending by Category or Functional Area (2021-2023)

Capital Budget — Funding Sources					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Revenue Funded					
Maintenance Reserve Fund	\$ 115,920	219,787	278,797	59,010	26.8%
Special Project Reserve Fund	24,920	76,137	109,346	33,209	43.6%
Supplemental Capital Program	42,707	74,950	51,679	(23,271)	(31.0)%
Total Funding Sources	\$ 183,547	370,875	439,822	68,947	18.6%

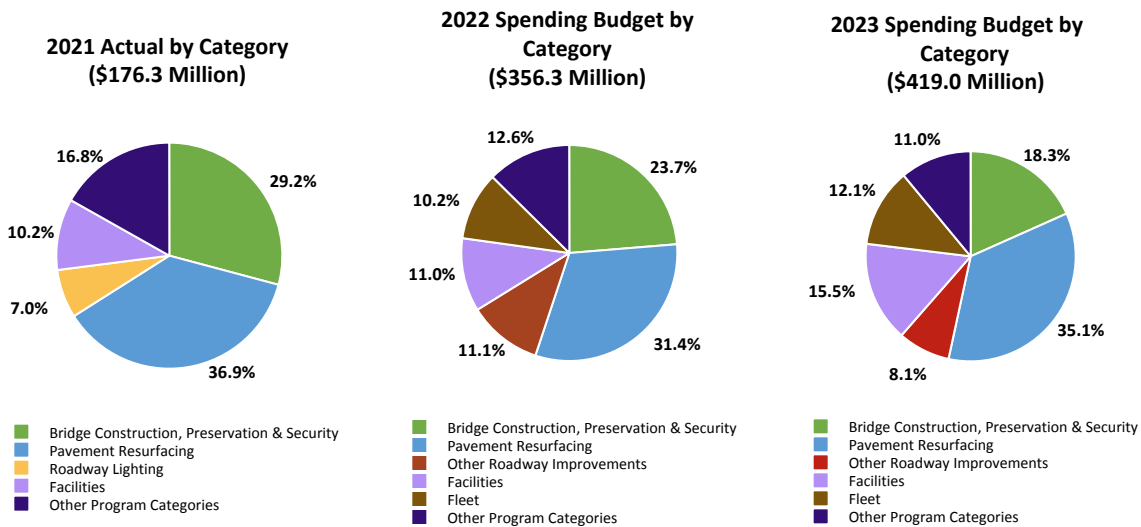
- Totals may not add due to rounding

Figure 133: Capital Budget Funding Sources (2021-2023)

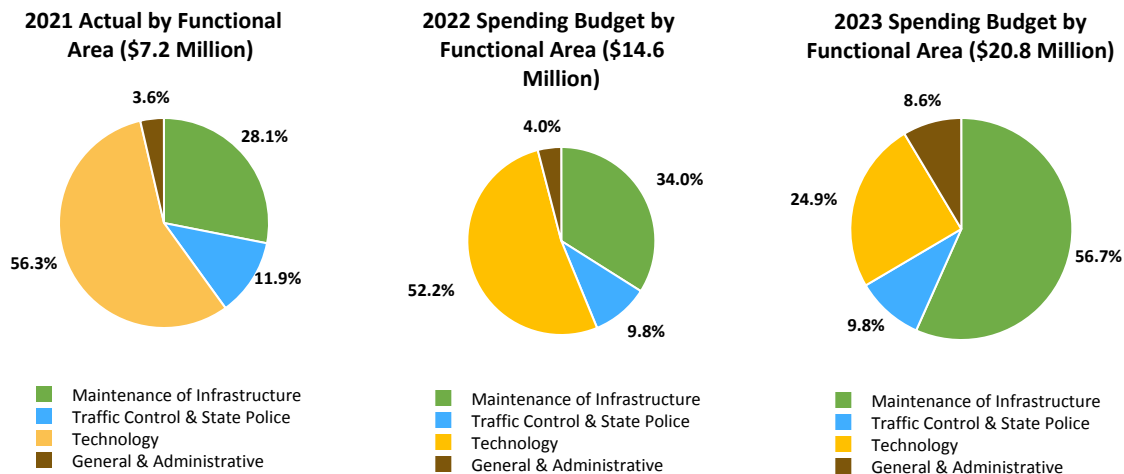
The spending budget for 2023 is \$439.8 million, an increase of \$68.9 million in comparison to the 2022 spending budget. This increase is primarily due to an increase in pavement resurfacing projects on both roadways, as well as upgrades to several Authority facilities at various maintenance districts and New Jersey State Police barracks. There is also a significant budgeted increase in spending for fleet purchases due to delays in 2022 from the global product shortage, as well as shipping delays. This will result in the costs rolling into 2023. Fleet spending is also significantly impacted by inflation for purchases in 2023 and beyond.

The 2023 five-year spending budget includes 32.2% to be spent on Pavement Resurfacing, 21.7% to be spent on Bridge Construction, Preservation, and Security, and 12.8% to be spent on Facilities. These three categories combine for a total of 66.7%, a majority of the Capital Budget.

Capital Budget — Capitalized Projects — Spending by Category



Capital Budget — Expensed Projects — Spending by Functional Area



Capital Budget — Spending by Funding Source

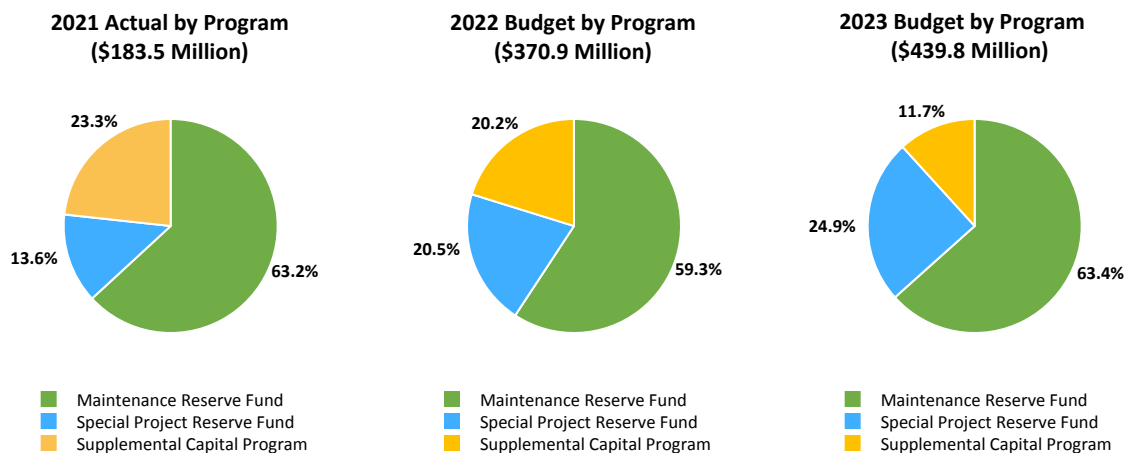


Figure 134: Capital Budget Spending by Category, Functional Area & Funding Source Graphs (2021-2023)

The 2023-2027 Rolling Five-Year Capital Budget spending plan totals to \$1.9 billion and has an average spend of about \$388.7 million per year.

2023-2027 Rolling 5-Year Capital Budget by Category or Functional Area						
Revenue Funded						
(\$ In Thousands)	Spending Plan					
	2023	2024	2025	2026	2027	Total
Capitalized Projects by Category						
Roadway						
Bridge Construction, Preservation & Security	\$ 76,830	82,537	87,161	87,965	88,030	422,523
Pavement Resurfacing	146,946	99,336	125,022	126,000	128,000	625,304
Drainage Structures	5,421	5,517	5,682	5,853	6,028	28,501
Roadway Lighting	3,214	3,310	3,409	3,512	3,617	17,062
Other Roadway Improvements	33,746	42,421	38,803	46,330	51,436	212,736
Total Roadway	\$ 266,157	233,121	260,077	269,660	277,111	1,306,126
Non-Roadway						
Facilities	\$ 64,812	61,345	56,024	32,742	33,805	248,728
Fleet	50,598	33,470	34,380	35,974	37,542	191,964
Service Areas & Arts Center	9,708	536	536	536	1,051	12,367
Technology Improvements	27,774	25,622	20,552	22,000	20,000	115,948
Total Non-Roadway	\$ 152,892	120,973	111,492	91,252	92,398	569,007
Total Capitalized Projects	\$ 419,049	354,094	371,569	360,912	369,509	1,875,133
Expensed Projects by Functional Area						
Maintenance of Infrastructure	\$ 11,774	8,450	7,310	5,250	9,370	42,154
Traffic Control & State Police	2,046	1,000	1,000	1,000	1,000	6,046
Technology	5,173	2,367	2,143	2,464	1,288	13,435
General & Administrative	1,780	2,639	1,049	747	749	6,964
Total Expensed Projects	\$ 20,773	14,456	11,502	9,461	12,407	68,599
Total Spending (Capitalized+Expensed)	\$ 439,822	368,550	383,071	370,373	381,916	1,943,732

- Totals may not add due to rounding

Figure 135: 2023-2027 Rolling Five-Year Capital Budget Spending by Category or Functional Area (Revenue Funded)

Capital Budget — Funding Sources						
(\$ In Thousands)	Spending Plan					
	2023	2024	2025	2026	2027	Total
Revenue Funded						
Maintenance Reserve Fund	\$ 278,797	228,758	260,197	262,794	266,710	1,297,256
Special Project Reserve Fund	109,346	71,778	61,416	57,248	61,812	361,600
Supplemental Capital Program	51,679	68,014	61,458	50,331	53,394	284,876
Total Revenue Funded	\$ 439,822	368,550	383,071	370,373	381,916	1,943,732

- Totals may not add due to rounding

Figure 136: 2023-2027 Rolling Five-Year Capital Budget Spending by Funding Source (Revenue Funded)

Maintenance Reserve Fund

The Maintenance Reserve Fund primarily supports spending for the maintenance and resurfacing of roadways and bridges on both the Turnpike and Parkway. These projects have a combined spending budget for 2023 of \$278.8 million, and a rolling five-year spending plan of \$1.3 billion. The spending budget for 2023 is increasing by 26.8% compared to 2022, and includes funding primarily for Bridge Construction, Preservation, and Security, and Pavement Resurfacing. The 2023 Maintenance Reserve Fund also includes several projects that address facilities repairs and upgrades, including major building, roofing, and utility replacements. The majority of the increase in spending in 2023 is for pavement resurfacing on both roadways, which is increasing by over \$59.4 million. The increase in spending is also impacted by assumed inflation of 7.0%.

In 2023, the two highest program categories are Bridge Construction, Preservation and Security and Pavement Resurfacing which includes:

- Turnpike Bridge Repairs: 55 bridges
- Turnpike Resurfacing: 280 lane miles
- Parkway Bridge Repairs: 43 bridges
- Parkway Resurfacing: 340 lane miles

The following charts show the Maintenance Reserve Fund consolidated based on Program Category. For individual project budget details and project descriptions, refer to Appendix B on page [160](#)

This following chart shows actual spending for 2021 of \$115.9 million, as well as the budgeted spending for 2022 and 2023. The budgeted spending for 2023 is an increase of 26.8%, as budgeted spending was \$219.8 million in 2022 and is \$278.8 million in 2023.

Maintenance Reserve Fund — Spending by Category					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Capitalized Projects by Category					
Roadway					
Bridge Construction, Preservation & Security	\$ 51,059	82,459	76,830	(5,629)	(6.8)%
Pavement Resurfacing	42,795	87,053	146,431	59,378	68.2%
Drainage Structures	8,933	5,871	5,421	(450)	(7.7)%
Roadway Lighting	12,245	3,871	3,214	(657)	(17.0)%
Other Roadway Improvements	888	19,506	15,102	(4,404)	(22.6)%
Total Roadway	\$ 115,920	198,760	246,998	48,238	24.3%
Non-Roadway					
Facilities	\$ —	21,028	31,799	10,771	51.2%
Total Non-Roadway	\$ —	21,028	31,799	10,771	51.2%
Total Spending (Capitalized)	\$ 115,920	219,787	278,797	59,009	26.8%

- Totals may not add due to rounding

Figure 137: Maintenance Reserve Fund Spending by Category (2021-2023)

The fund balance remaining in the Maintenance Reserve after accounting for 2021 Actual, 2022 Estimated Actual, and 2023-2027 Five-Year Spend is \$28.8 million, indicating there will be sufficient funding to cover anticipated expenditures over the rolling five-year period.

Maintenance Reserve Fund Balance									
	2021	2022	2023	\$ Δ	% Δ	2024	2025	2026	2027
(\$ In Thousands)	Actual	Est/ Actual	Budget	from 2022	from 2022	Plan	Plan	Plan	Plan
Beginning Balance	\$ 53,978	99,258	76,984	(22,274)	(22.4)%	28,187	39,429	29,232	26,438
Transfer from Revenue Fund	160,000	200,000	230,000	30,000	15.0%	240,000	250,000	260,000	269,100
Total Project Spending ⁽¹⁾	(114,720)	(222,274)	(278,797)	(56,523)	25.4%	(228,758)	(260,197)	(262,794)	(266,710)
Ending Balance	\$99,258	76,984	28,187	(48,797)	(63.4)%	39,429	29,232	26,438	28,828

(1) Total Project Spending includes an insurance recovery for \$1.2 million for the Delaware River Turnpike Bridge

- Totals may not add due to rounding

Figure 138: Maintenance Reserve Fund Balance (2021-2027)

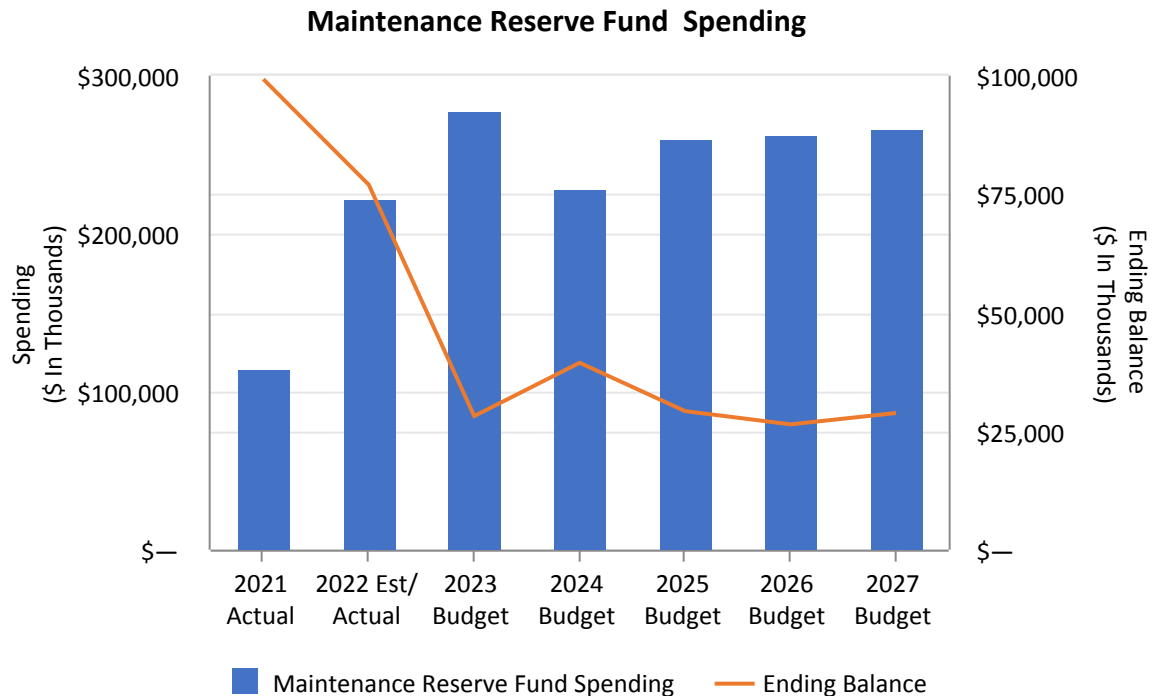


Figure 139: Maintenance Reserve Fund Spending Graph (2021-2027)

The chart below shows that 79.1% of the total current projects' budgets in the Maintenance Reserve Fund has been spent or committed as of 9/30/2022.

Maintenance Reserve Fund Project Summary			
<i>(\$ In Thousands)</i>	2023 Total Project Budget	Spent/Committed Through 9/30/22	% of Budget
Capitalized Projects by Category — Current Projects			
Roadway			
Bridge Construction, Preservation & Security	\$ 257,846	185,452	71.9%
Pavement Resurfacing	225,387	209,208	92.8%
Drainage Structures	34,258	30,129	87.9%
Roadway Lighting	24,491	15,947	65.1%
Other Roadway Improvements	9,268	4,618	49.8%
Total Roadway	\$ 551,250	445,354	80.8%
Non-Roadway			
Facilities	\$ 20,377	7,077	34.7%
Total Non-Roadway	\$ 20,377	7,077	34.7%
Total Current Projects	\$ 571,627	452,431	79.1%
Capitalized Projects by Category — Future Projects			
Roadway			
Bridge Construction, Preservation & Security	\$ 360,549		
Pavement Resurfacing	614,730		
Drainage Structures	28,436		
Roadway Lighting	17,062		
Other Roadway Improvements	77,314		
Total Roadway	\$ 1,098,091		
Non-Roadway			
Facilities	\$ 116,584		
Total Non-Roadway	\$ 116,584		
Total Future Projects	\$ 1,214,675		
Total Spending (Capitalized)	\$ 1,786,302		

- Totals may not add due to rounding

Figure 140: Maintenance Reserve Fund Project Summary

Maintenance Reserve Fund						
2023-2027 Rolling 5-Year Spending Plan by Category						
<i>(\$ In Thousands)</i>	2023	2024	2025	2026	2027	Total 5-Year
Capitalized Projects by Category						
Roadway						
Bridge Construction, Preservation & Security	\$ 76,830	82,537	87,161	87,965	88,030	422,523
Pavement Resurfacing	146,431	99,336	125,022	126,000	128,000	624,789
Drainage Structures	5,421	5,517	5,682	5,853	6,028	28,501
Roadway Lighting	3,214	3,310	3,409	3,512	3,617	17,062
Other Roadway Improvements	15,102	14,797	15,627	15,469	16,319	77,314
Total Roadway	\$ 246,998	205,497	236,901	238,799	241,994	1,170,189
Non-Roadway						
Facilities	\$ 31,799	23,261	23,296	23,995	24,716	127,067
Total Non-Roadway	\$ 31,799	23,261	23,296	23,995	24,716	127,067
Total Spending (Capitalized)	\$278,797	228,758	260,197	262,794	266,710	1,297,256

- Totals may not add due to rounding

Figure 141: Maintenance Reserve Fund Five-Year Spending Plan by Category (2023-2027)

The Maintenance Reserve Fund has a five-year spending plan of approximately \$1.3 billion. Of this, approximately \$422.5 million is budgeted for Bridge Construction, Preservation, and Security, and \$624.8 million is budgeted for Pavement Resurfacing. The combined costs of these two categories account for 80.7% of the rolling five-year spending budget.

Maintenance Reserve Fund Budget by Category (Capitalized Projects)						
<i>(\$ In Thousands)</i>	Rolling 5-Year Spending Plan	Est/ Actual LTD Spending	2022 Total Project Budget	2023 Total Project Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Capitalized Projects by Category						
Roadway						
Bridge Construction, Preservation & Security	\$ 422,523	195,872	472,773	618,395	145,622	30.8%
Pavement Resurfacing	624,789	215,328	651,009	840,117	189,108	29.0%
Drainage Structures	28,501	34,193	54,010	62,694	8,684	16.1%
Roadway Lighting	17,062	24,491	36,441	41,553	5,112	14.0%
Other Roadway Improvements	77,314	9,268	78,997	86,582	7,585	9.6%
Total Roadway	\$1,170,189	479,152	1,293,230	1,649,341	356,111	27.5%
Non-Roadway						
Facilities	\$ 127,067	9,894	85,463	136,961	51,498	60.3%
Total Non-Roadway	\$ 127,067	9,894	85,463	136,961	51,498	60.3%
Total Project Budget ⁽¹⁾	\$1,297,256	489,046	1,388,693	1,786,302	399,318	28.8%

(1) 2022 Total Project Budget amount includes 4 projects totaling \$8.3 million completed in 2022

- Totals may not add due to rounding

Figure 142: Maintenance Reserve Fund Total Project Budget by Category

Special Project Reserve Fund

The Special Project Reserve Fund has a 2023 spending budget of over \$109.4 million and a rolling five-year spending plan of nearly \$361.6 million. The spending for 2023 is increasing 43.6% compared to 2022. The 2023 Special Project Reserve Fund provides spending for the Authority's major scheduled fleet replacement program. The increase in Fleet in 2023 is due in large part to vehicle delivery delays rolling over from 2022, as well as significant vehicle price increases between 25-33% across all new purchases. Technology Improvements are increasing with the carryover of initiatives such as the Advanced Traffic Management System, Statewide Traffic Management Center (STMC), Uninterruptible Power Supply (UPS) Replacements, as well as the continued implementation of Capital Program Management System and the Phase 2 of the Enterprise Asset Management System. Maintenance of Infrastructure is increasing mainly due to the Turnpike Westerly Alignment Capacity Enhancement Study, the Phase II Bridge Hydraulic Analysis, and the Facility Improvements Assessment. A portion of the increase in spending is also due to inflation assumed at 7.0%.

During 2023, approximately 46.3% of the Special Project Reserve Fund spending budget will be for Fleet replacement, while 17.0% is budgeted to be spent on Facility improvements such as the Turnpike milepost 92 Pump House replacement and garage and vehicle wash upgrades at various locations.

The following charts show the Special Project Reserve Fund consolidated based on Program Category and Functional Area. For individual project budget details and project descriptions, refer to Appendix B page [171](#).

This chart shows actual spending for 2021 of \$24.9 million, along with a budgeted spending increase of 43.6% in 2023, as spending was budgeted at \$76.1 million in 2022 and is \$109.3 million in 2023.

Special Project Reserve Fund — Spending by Category or Functional Area					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Capitalized Projects by Category					
Roadway					
Bridge Construction, Preservation & Security	\$ —	2,040	—	(2,040)	(100.0)%
Other Roadway Improvements	277	1,134	5,103	3,969	350.0%
Total Roadway	\$ 277	3,174	5,103	1,929	60.8%
Non-Roadway					
Facilities	\$ 8,175	14,965	18,611	3,646	24.4%
Fleet	6,857	36,430	50,598	14,168	38.9%
Technology Improvements	2,662	6,963	14,261	7,298	104.8%
Total Non-Roadway	\$ 17,694	58,358	83,470	25,112	43.0%
Total Capitalized Projects	\$ 17,971	61,531	88,573	27,041	43.9%
Expensed Projects by Functional Area					
Maintenance of Infrastructure	\$ 2,123	4,960	11,774	6,814	137.4%
Traffic Control & State Police	860	1,437	2,046	609	42.4%
Technology	3,704	7,619	5,173	(2,446)	(32.1)%
General & Administrative	262	590	1,780	1,190	201.7%
Total Expensed Projects	\$ 6,949	14,606	20,773	6,167	42.2%
Total Spending (Capitalized+Expensed)	\$ 24,920	76,137	109,346	33,209	43.6%

- Totals may not add due to rounding

Figure 143: Special Project Reserve Fund Spending by Category or Functional Area (2021-2023)

The fund balance remaining in the Special Project Reserve after accounting for 2021 Actual, 2022 Estimated Actual, and 2023-2027 Five-Year Spend is \$17.3 million, indicating there will be sufficient funding to cover spending over the five-year period.

Special Project Reserve Fund Balance									
<i>(\$ In Thousands)</i>	2021 Actual	2022 Est/Act	2023 Budget	\$ Δ from 2022	% Δ from 2022	2024 Plan	2025 Plan	2026 Plan	2027 Plan
Beginning Balance	\$ 82,872	107,952	97,274	(10,678)	(9.9)%	39,428	21,750	16,634	18,186
Transfer from Revenue Fund	50,000	50,000	51,500	1,500	3.0%	54,100	56,300	58,800	60,900
Total Project Spending	(24,920)	(60,678)	(109,346)	(48,668)	80.2%	(71,778)	(61,416)	(57,248)	(61,812)
Ending Balance	\$107,952	97,274	39,428	(57,846)	(59.5)%	21,750	16,634	18,186	17,274

- Totals may not add due to rounding

Figure 144: Special Project Reserve Fund Balance (2021 - 2027)

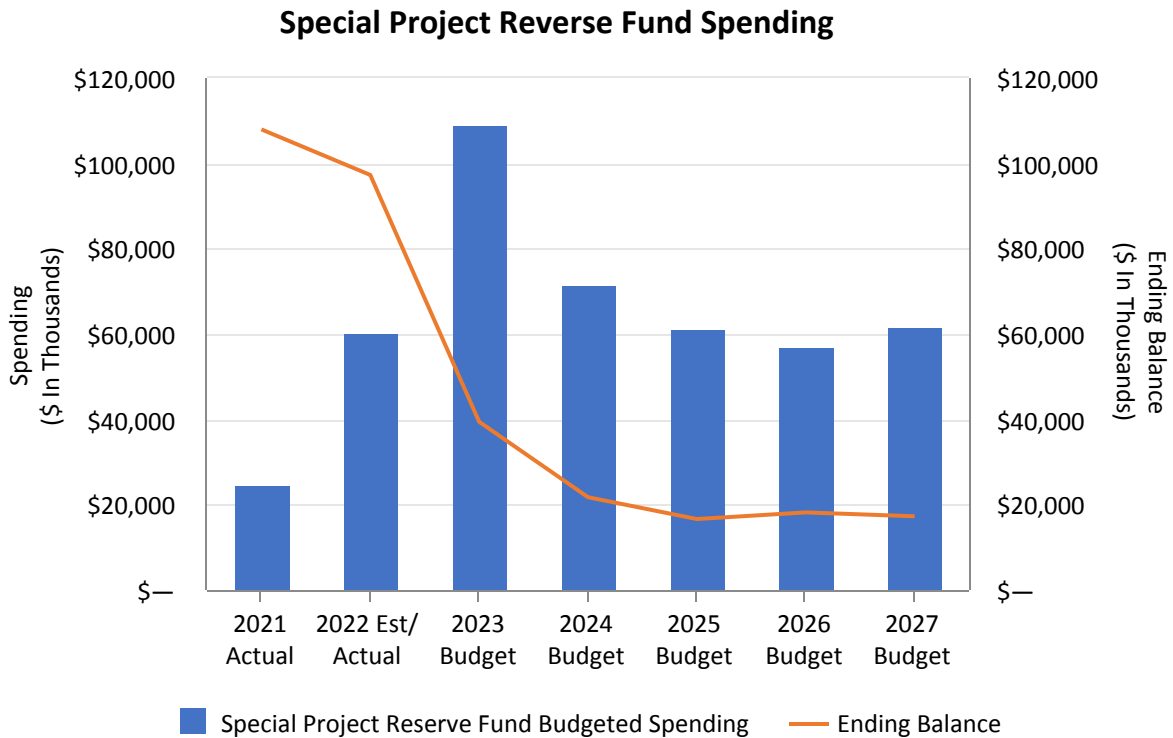


Figure 145: Special Project Reserve Fund Spending Graph (2021-2027)

The chart below shows that 68.0% of the total current projects' budgets in the Special Project Reserve Fund have been spent or committed as of 9/30/2022.

Special Project Reserve Fund Project Summary			
<i>(\$ In Thousands)</i>	2023 Total Project Budget	Spent/Committed Through 9/30/22	% of Budget
Capitalized Projects by Category — Current Projects			
Roadway			
Other Roadway Improvements	\$ 1,969	1,925	97.8%
Total Roadway	\$ 1,969	1,925	97.8%
Non-Roadway			
Facilities	\$ 48,375	29,649	61.3%
Fleet	52,853	57,048	107.9%
Technology Improvements	29,844	10,696	35.8%
Total Non-Roadway	\$ 131,072	97,393	74.3%
Total Capitalized Projects	\$ 133,041	99,318	74.7%
Expensed Projects by Functional Area — Current Projects			
Maintenance of Infrastructure	\$ 9,542	3,048	31.9%
Traffic Control & State Police	4,142	3,225	77.9%
Technology	20,807	9,862	47.4%
General & Administrative	4,553	1,548	34.0%
Total Expensed Projects	\$ 39,044	17,683	45.3%
Total Current Projects	\$ 172,085	117,001	68.0%
Capitalized Projects by Category — Future Projects			
Roadway			
Other Roadway Improvements	32,253		
Total Roadway	\$ 32,253		
Non-Roadway			
Facilities	\$ 16,334		
Fleet	173,462		
Technology Improvements	10,408		
Total Non-Roadway	\$ 200,204		
Total Capitalized Projects	\$ 232,457		
Expensed Projects by Functional Area — Future Projects			
Maintenance of Infrastructure	\$ 37,843		
Traffic Control & State Police	5,416		
Technology	2,835		
General & Administrative	3,934		
Total Expensed Projects	\$ 50,028		
Total Future Projects	\$ 282,485		
Total Spending (Capitalized+Expensed)	\$ 454,570		

- Totals may not add due to rounding

Figure 146: Special Project Reserve Fund Project Summary

Special Project Reserve Fund						
2023-2027 Rolling 5-Year Spending Plan by Category or Functional Area						
(\$ In Thousands)	2023	2024	2025	2026	2027	Total 5-Year
Capitalized Projects by Category						
Roadway						
Other Roadway Improvements	\$ 5,103	6,600	7,000	6,750	6,800	32,253
Total Roadway	\$ 5,103	6,600	7,000	6,750	6,800	32,253
Non-Roadway						
Facilities	\$ 18,611	10,051	4,525	3,063	3,063	39,313
Fleet	50,598	33,470	34,380	35,974	37,542	191,964
Technology Improvements	14,261	7,201	4,009	2,000	2,000	29,471
Total Non-Roadway	\$ 83,470	50,722	42,914	41,037	42,605	260,748
Total Capitalized Projects	\$ 88,573	57,322	49,914	47,787	49,405	293,001
Expensed Projects by Functional Area						
Maintenance of Infrastructure	\$ 11,774	8,450	7,310	5,250	9,370	42,154
Traffic Control & State Police	2,046	1,000	1,000	1,000	1,000	6,046
Technology	5,173	2,367	2,143	2,464	1,288	13,435
General & Administrative	1,780	2,639	1,049	747	749	6,964
Total Expensed Projects	\$ 20,773	14,456	11,502	9,461	12,407	68,599
Total Spending (Capitalized+Expensed)	\$ 109,346	71,778	61,416	57,248	61,812	361,600

- Totals may not add due to rounding

Figure 147: Special Project Reserve Fund Five-Year Spending Plan by Category or Functional area (2023-2027)

Approximately \$361.6 million in total is expected to be spent based upon the rolling five-year spending plan. Of this total amount, \$192.0 million or 53.1% is budgeted for Fleet, while Facilities account for \$39.3 million or 10.9%. \$32.3 million or 8.9% of the total is budgeted for Other Roadway Improvements. Expensed projects (primarily for various studies) are \$68.6 million or 19.0% of the total.

Special Project Reserve Fund Total Project Budget By Category and Functional Area						
<i>(\$ In Thousands)</i>	Rolling 5-Year Spending Plan	Est/Actual LTD Spending	2022 Total Project Budget	2023 Total Project Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Capitalized Projects by Category						
Roadway						
Other Roadway Improvements	\$ 32,253	1,969	13,415	34,222	20,807	155.1%
Total Roadway	\$ 32,253	1,969	13,415	34,222	20,807	155.1%
Non Roadway						
Facilities	\$ 39,313	25,396	55,197	64,709	9,512	17.2%
Fleet	191,964	34,351	160,250	226,315	66,065	41.2%
Technology Improvements	29,471	10,781	30,088	40,252	10,164	33.8%
Total Non-Roadway	\$ 260,748	70,528	245,535	331,276	85,741	34.9%
Total Project Budget (Capitalized)	\$ 293,001	72,497	258,950	365,498	106,548	41.1%
Expensed Projects by Functional Area						
Maintenance of Infrastructure	\$ 42,154	5,231	29,261	47,385	18,124	61.9%
Traffic Control & State Police	6,046	3,512	7,500	9,558	2,058	27.4%
Technology	13,435	10,207	18,427	23,642	5,215	28.3%
General & Administrative	6,964	1,523	6,047	8,487	2,440	40.4%
Total Project Budget (Expensed)	\$ 68,599	20,473	61,235	89,072	27,837	45.5%
Total Project Budget (Capitalized+Expensed) ⁽¹⁾	\$ 361,600	92,970	348,113	454,570	106,457	30.6%

(1) 2022 Total Project Budget includes 38 projects totaling \$27.9 million that were completed in 2022

- Totals may not add due to rounding

Figure 148: Special Project Reserve Fund Total Project Budget by Category or Functional Area

Supplemental Capital Program (Construction Fund - Revenue Funded)

The Supplemental Capital Program has a 2023 spending budget of almost \$51.7 million and a rolling five-year spending plan of \$284.9 million. The spending budget for 2023 is decreasing by 31.0% compared to 2022 due to the completion of additional resurfacing projects on the Parkway in 2022, as well as less spending on the Vauxhall and Brookdale South Service Areas since they will be completed in 2023. The 2023 budget provides funding to begin several multi-year roadway and facility improvement projects such as those at the Traffic Management Center Administration Building, Chevalier Maintenance Sub-Yard, and Maintenance Districts 3, 5, and 9. Supplemental Capital will also provide funding for Arts Center projects after the Arts Center Long Range Plan is completed and work is prioritized. Finally, this program will be used to fund new technology improvement initiatives such as the Road Weather Information System (RWIS) Expansion, the Advanced Interactive Executive (AIX) Server Upgrade, and Tolling Legacy Parts Replacements. Although spending is decreasing in 2023, the project budgets include increases due to inflation assumed at 7.0% for 2023.

The following charts show the Supplemental Capital Program consolidated based on Program Category. For individual project budget details and project descriptions, refer to Appendix B page [182](#).

The following chart shows actual spending for 2021, as well as the budgeted spending for 2022 and 2023. In 2023, the budgeted spending of \$51.7 million shows a 31.0% decrease when compared to the \$75.0 million spending budget in 2022.

Supplemental Capital Program — Spending by Category or Functional Area					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Capitalized Projects by Category					
Roadway					
Bridge Construction, Preservation & Security	\$ 354	—	—	—	—%
Pavement Resurfacing	22,197	24,736	515	(24,221)	(97.9)%
Roadway Lighting	15	—	—	—	—%
Other Roadway Improvements	7,798	18,942	13,541	(5,401)	(28.5)%
Total Roadway	\$ 30,363	43,678	14,056	(29,622)	(67.8)%
Non-Roadway					
Facilities	\$ 9,835	3,173	14,402	11,229	353.9%
Service Areas & Arts Center	—	17,750	9,708	(8,042)	(45.3)%
Technology Improvements	2,254	10,350	13,513	3,163	30.6%
Total Non-Roadway	\$ 12,089	31,273	37,623	6,350	20.3%
Total Capitalized Projects	\$ 42,452	74,950	51,679	(23,272)	(31.0)%
Expensed Projects by Functional Area					
Maintenance of Infrastructure ⁽¹⁾	\$ (98)	—	—	—	—%
Technology	353	—	—	—	—%
Total Expensed Projects	\$ 255	—	—	—	—%
Total Spending (Capitalized + Expensed)	\$ 42,707	74,950	51,679	(23,272)	(31.0)%

(1) This excludes an adjustment for prior year spending reported in the Authority's Schedule of Revenues, Expenses, and Changes in Net Position for Year ended December 31, 2021. For further details please see the Authority's [2021 Annual Comprehensive Financial Report](#)

- Totals may not add due to rounding

Figure 149: Supplemental Capital Program Spending by Category or Functional Area (2021-2023)

The fund balance remaining in the Supplemental Capital Program after accounting for 2021 Actual, 2022 Estimated Actual, and 2023-2027 Five-Year Spend is \$12.3 million, indicating that the planned funding will be sufficient to meet anticipated spending over the five-year period.

Supplemental Capital Program Balance									
<i>(\$ In Thousands)</i>	2021 Actual	2022 Est/ Actual	2023 Budget	\$ Δ from 2022	% Δ from 2022	2024 Plan	2025 Plan	2026 Plan	2027 Plan
Beginning Balance	\$ 24,400	44,600	47,138	2,538	5.7%	45,459	27,445	15,987	15,656
Transfer from General Reserve	63,400	50,000	50,000	—	—%	50,000	50,000	50,000	50,000
Total Project Spending ⁽¹⁾	(43,200)	(47,463)	(51,679)	(4,216)	8.9%	(68,014)	(61,458)	(50,331)	(53,394)
Ending Balance ⁽²⁾	\$ 44,600	47,138	45,459	(1,679)	(3.6)%	27,445	15,987	15,656	12,262

(1) Total Project Spending includes amounts paid on behalf of other funds

(2) Does not agree to fund balance in the Authority's financial statement as this chart excludes capitalized assets

- Totals may not add due to rounding

Figure 150: Supplemental Capital Program Balance (2021-2027)

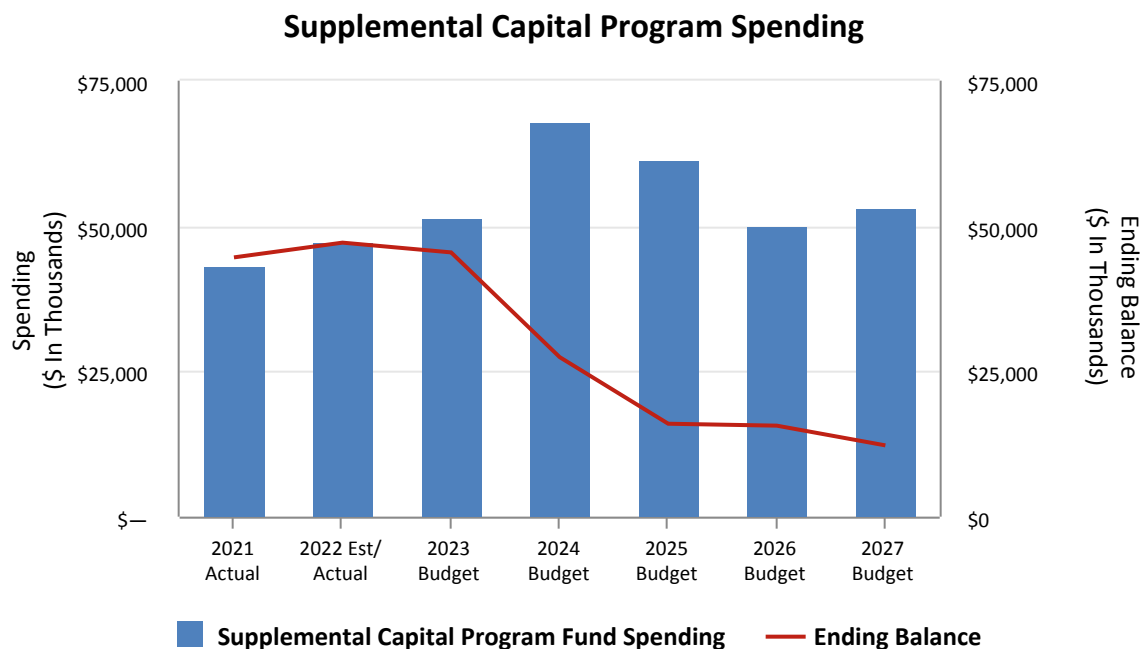


Figure 151: Supplemental Capital Program Spending Graph (2021-2027)

The chart below shows that 74.8% of the total current projects' budgets in the Supplemental Capital Program have been spent or committed as of 9/30/2022.

Supplemental Capital Program Project Summary			
<i>(\$ In Thousands)</i>	2023 Total Project Budget	Spent/Committed Through 9/30/22	% of Budget
Capitalized Projects Category — Current Projects			
Roadway			
Pavement Resurfacing	\$ 42,839	38,718	90.4%
Other Roadway Improvements	50,833	38,587	75.9%
Total Roadway	\$ 93,672	77,305	82.5%
Non-Roadway			
Facilities	\$ 47,963	40,039	83.5%
Service Areas & Arts Center	64,307	36,102	56.1%
Technology Improvements	21,426	16,535	77.2%
Total Non-Roadway	\$ 133,696	92,675	69.3%
Total Current Projects	\$ 227,368	169,980	74.8%
Capitalized Projects Category — Future Projects			
Roadway			
Other Roadway Improvements	\$ 96,479		
Total Roadway	\$ 96,479		
Non-Roadway			
Facilities	\$ 56,087		
Service Areas & Arts Center	5,770		
Technology Improvements	84,520		
Total Non-Roadway	\$ 146,377		
Total Future Projects	\$ 242,856		
Total Project Budget	\$ 470,224		

- Totals may not add due to rounding

Figure 152: Supplemental Capital Program Project Summary

Supplemental Capital Program 2023-2027 Rolling 5-Year Spending Plan by Category						
(\$ In Thousands)	2023	2024	2025	2026	2027	Total 5-Year
Capitalized Projects by Category						
Roadway						
Pavement Resurfacing	\$ 515	—	—	—	—	515
Other Roadway Improvements	13,541	21,024	16,176	24,111	28,317	103,169
Total Roadway	\$ 14,056	21,024	16,176	24,111	28,317	103,684
Non-Roadway						
Facilities	\$ 14,402	28,033	28,203	5,684	6,026	82,348
Service Areas & Arts Center	9,708	536	536	536	1,051	12,367
Technology Improvements	13,513	18,421	16,543	20,000	18,000	86,477
Total Non-Roadway	\$ 37,623	46,990	45,282	26,220	25,077	181,192
Total Capitalized Projects	\$ 51,679	68,014	61,458	50,331	53,394	284,876

- Totals may not add due to rounding

Figure 153: Supplemental Capital Program Five-Year Spending Plan by Category (2023-2027)

Approximately \$284.9 million of projects are included in the Supplemental Capital Program rolling five-year spending plan. Of this, \$103.2 million or 36.2% is for Other Roadway Improvements, \$86.5 million or 30.4% is for Technology Improvements, \$82.3 million or 28.9% is for Facilities, and \$12.4 million or 4.3% is for Service Areas & Arts Center.

Supplemental Capital Program Total Project Budget By Category							
(\$ In Thousands)	Rolling 5-Year Spending Plan	Est/Actual LTD Spending	Future Spending	2022 Total Project Budget	2023 Total Project Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Capitalized Projects by Category							
Roadway							
Pavement Resurfacing	\$ 515	42,324	—	42,581	42,839	258	0.6%
Other Roadway Improvements	103,169	35,594	8,549	169,466	147,312	(22,154)	(13.1)%
Total Roadway	\$ 103,684	77,918	8,549	212,047	190,151	(21,896)	(10.3)%
Non Roadway							
Facilities	\$ 82,348	19,127	2,575	35,153	104,050	68,897	196.0%
Service Areas & Arts Center	12,367	55,135	2,575	66,373	70,077	3,704	5.6%
Technology Improvements	86,477	19,469	—	119,204	105,946	(13,258)	(11.1)%
Total Non-Roadway	\$ 181,192	93,731	5,150	220,730	280,073	59,343	26.9%
Total Project Budget (Capitalized) ⁽¹⁾	\$ 284,876	171,649	13,699	442,959	470,224	27,265	6.2%

(1) 2022 Total Project Budget amount includes 19 projects totaling \$10.2 million completed in 2022

- Totals may not add due to rounding

Figure 154: Supplemental Capital Total Project Budget by Category

Construction Fund (Bond Funded)

The bond funded capital projects, referred to as the Construction Fund, include — (i) 2023–2027 Rolling Five-Year Capital Improvement Program (2023–2027 CIP), part of the 2020 Long-Range Capital Plan; (ii) 2019 Capital Improvement Program (2019 CIP); and (iii) 2008 \$7 Billion Capital Improvement Program (2008 \$7 Billion CIP). These capital projects are presented on a rolling five-year (2023–2027) spending basis, along with their respective total project budgets. Each year, a new rolling five-year spending plan will be approved with the changes, if any, to the total project budgets, as a part of the annual budget approval process.

Construction Fund — Spending by Category					
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Capitalized Projects by Category					
Roadway					
Bridge Construction, Preservation & Security	\$ 148,109	271,035	506,861	235,826	87.0%
Capacity Enhancements - Turnpike	16,564	42,636	40,749	(1,887)	(4.4)%
Capacity Enhancements - Parkway	161	500	3,449	2,949	589.8%
Interchanges	43,341	24,462	7,701	(16,761)	(68.5)%
Concrete Barrier	17,738	9,338	12,821	3,483	37.3%
Drainage Structures	9,048	73,130	94,014	20,884	28.6%
Roadway Lighting	10,676	14,346	42,454	28,108	195.9%
Other Roadway Improvements	49,082	74,689	75,437	748	1.0%
Total Roadway	\$ 294,719	510,135	783,486	273,351	53.6%
Non-Roadway					
Facilities	\$ 2,593	9,848	6,488	(3,360)	(34.1)%
Service Areas & Arts Center	13,099	30,507	24,688	(5,819)	(19.1)%
Technology Improvements	34,904	47,808	26,452	(21,356)	(44.7)%
Total Non-Roadway	\$ 50,596	88,162	57,628	(30,534)	(34.6)%
Total Spending (Capitalized)	\$ 345,315	598,297	841,114	242,818	40.6%

Construction Fund — Funding Sources					
(\$ In Thousands)	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Bond Funded					
2023-2027 Capital Improvement Program	\$ 81,032	351,630	608,468	256,838	73.0%
2019 Capital Improvement Program	182,310	172,507	129,645	(42,862)	(24.8)%
2008 \$7 Billion Capital Improvement Program	81,972	74,160	103,001	28,841	38.9%
Total Bond Funded	\$ 345,315	598,297	841,114	242,818	40.6%

- Totals may not add due to rounding

Figure 155: Construction Fund Spending by Category & Funding Source (2021-2023)

2023-2027 Rolling 5-Year Construction Fund Spending Plan by Category Bond Funded						
(\$ In Thousands)	Spending Plan					
	2023	2024	2025	2026	2027	Total
Capitalized Projects by Category						
Roadway						
Bridge Construction, Preservation & Security	\$ 506,861	447,985	305,377	122,788	93,646	1,476,657
Capacity Enhancements - Turnpike	40,749	103,317	212,183	500,807	1,249,990	2,107,046
Capacity Enhancements - Parkway	3,449	4,042	—	34,481	42,816	84,788
Interchanges	7,701	4,064	—	—	—	11,765
Concrete Barrier	12,821	56,771	32,280	13,648	13,596	129,116
Drainage Structures	94,014	59,246	49,417	45,636	40,099	288,412
Roadway Lighting	42,454	38,670	28,377	26,265	28,389	164,155
Other Roadway Improvements	75,437	130,583	97,194	24,857	—	328,071
Total Roadway	\$ 783,486	844,678	724,828	768,482	1,468,536	4,590,010
Non-Roadway						
Facilities	\$ 6,488	—	—	—	—	6,488
Service Areas & Arts Center	24,688	8,512	9,645	7,908	2,263	53,016
Technology Improvements	26,452	12,825	72,069	134,207	158,472	404,025
Total Non-Roadway	\$ 57,628	21,337	81,714	142,115	160,735	463,529
Total Spending (Capitalized)	\$ 841,114	866,015	806,542	910,597	1,629,271	5,053,539

Construction Fund — Funding Sources						
(\$ In Thousands)	Spending Plan					
	2023	2024	2025	2026	2027	Total
Bond Funded						
2023-2027 Capital Improvement Program	\$ 608,468	795,142	777,481	901,132	1,626,987	4,709,210
2019 Capital Improvement Program	129,645	67,629	27,410	7,923	2,284	234,891
2008 \$7 Billion Capital Improvement Program	103,001	3,244	1,651	1,542	—	109,438
Total Bond Funded	\$ 841,114	866,015	806,542	910,597	1,629,271	5,053,539

- Totals may not add due to rounding

Figure 156: 2023-2027 Rolling Five-Year Construction Fund Spending Plan by Category & Funding Source

Construction Fund – Spending by Category

The Construction Fund includes all bond funded capital projects contained in the 2023-2027 Capital Improvement Program, 2019 Capital Improvement Program, and the 2008 \$7 Billion Capital Improvement Program. The 2023 spending budget includes a significant increase in Bridge Construction, Preservation, and Security with the rehabilitation and replacement of bridge decks and superstructures on both roadways. Also increasing significantly in the 2023 budget are multiple Roadway Lighting and Drainage Structure projects accelerated to be completed sooner and ahead of the commencement of the Turnpike Capacity Enhancements between Interchanges 1 to 4 and the Newark Bay-Hudson County Extension.

Construction Fund - Capitalized Projects - Spending by Category

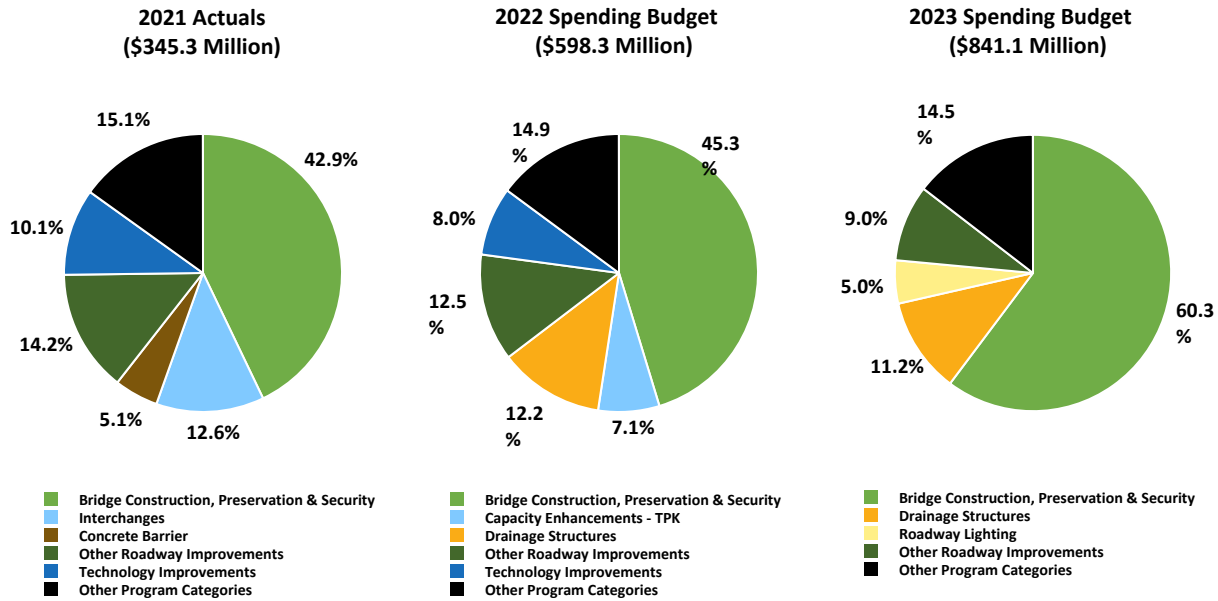


Figure 157: Construction Fund Spending by Category Pie Charts (2021-2023)

Construction Fund Balance									
	2021	2022	2023	\$ Δ from	% Δ from	2024	2025	2026	2027
(\$ In Thousands)	Actual	Est/ Actual	Budget	2022	2022	Plan	Plan	Plan	Plan
Beginning Balance	\$ 237,096	486,289	440,010	(46,279)	(9.5)%	538,896	612,881	746,339	775,742
Bond Proceeds	593,653	622,000	925,000	303,000	48.7%	925,000	925,000	925,000	925,000
Interest Income	855	5,625	15,000	9,375	166.7%	15,000	15,000	15,000	15,000
Total Project Spending	(345,314)	(673,904)	(841,114)	(167,210)	24.8%	(866,015)	(806,542)	(910,597)	(1,629,271)
Ending Balance⁽¹⁾	\$ 486,289	440,010	538,896	98,886	22.5%	612,881	746,339	775,742	86,472

(1) Represents balance of bond proceeds deposited into Construction Fund

- Totals may not add due to rounding

Figure 158: Construction Fund Bond Proceeds Balance (2021-2027)

2023-2027 Capital Improvement Program

The 2023-2027 Rolling Five-Year Capital Improvement Program (2023-2027 CIP), which is derived from the 2020 Long-Range Capital Plan, approved in May 2020, has a rolling five-year spending plan of \$4.7 billion. The average annual spending is approximately \$941.8 million/year. As this program develops further, it is expected that the spending plan will be, on average, \$1.0 billion per year. This is a significant increase from current spending due to the commencement of several Long-Range Capital Plan initiatives including Capacity Enhancements of the Newark Bay-Hudson County Extension and Turnpike Interchanges 1 to 4, as well as the All-Electronic Tolling Conversion on the Parkway.

The Bridge Construction, Preservation, and Security spending budget for the year of 2023 is significantly increasing by \$187.6 million, or 124.0%, primarily due to the Turnpike Bridge Replacements at mileposts W110.42 Sawmill Creek, W111.48 Berry's Creek, and W112.72B at Interchange 16W; the Interchange 17 Ramp Bridge Replacement; the Turnpike Bridge Rehabilitation at mileposts W107, E107, and 84 N&S; the Deck Rehabilitation of the Turnpike Westerly Bridges. The spending budgets for Roadway Lighting and Drainage Structures are also increasing by \$28.1 million, or 195.9% and \$20.9 million, or 28.6%, respectively, primarily due to the acceleration of the Roadway Lighting Upgrade and Corrugated Metal Pipe and Culvert Rehabilitation programs, with their expected completion within the next five years. This is offset by a reduction in Technology Improvements, by \$7.0 million, or (24.4)%, from the completion of the Hybrid Changeable Message Sign project and Facilities, with the transfer of the Facility Improvement Program Underground Storage Tank Replacement Program from this current fund into the Supplemental Capital Program.

The following charts show the 2023-2027 Capital Improvement Program consolidated based on Program Category. For individual project budget details and project descriptions, refer to Appendix B page [189](#).

This chart shows the actual spending for 2021, as well as the budgeted spending for 2022 and 2023. In 2023, the budgeted spending of \$608.5 million shows a 73.0% increase when compared to the \$351.6 million budgeted for in 2022.

2023-2027 Capital Improvement Program — Spending by Category					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Capitalized Projects by Category					
Roadway					
Bridge Construction, Preservation & Security	\$ 26,704	151,253	338,803	187,550	124.0%
Capacity Enhancements - Turnpike	16,359	42,571	40,749	(1,822)	(4.3)%
Capacity Enhancements - Parkway	—	500	3,449	2,949	589.8%
Interchanges	1,915	3,967	2,981	(986)	(24.9)%
Concrete Barrier	1,684	5,337	12,615	7,278	136.4%
Drainage Structures	9,048	73,130	94,014	20,884	28.6%
Roadway Lighting	10,676	14,346	42,454	28,109	195.9%
Other Roadway Improvements	2,252	25,775	51,846	26,072	101.2%
Total Roadway	\$ 68,638	316,878	586,911	270,033	85.2%
Non-Roadway					
Facilities	\$ —	6,240	—	(6,240)	(100.0)%
Technology Improvements	12,394	28,512	21,557	(6,955)	(24.4)%
Total Non-Roadway	\$ 12,394	34,752	21,557	(13,195)	(38.0)%
Total Spending (Capitalized)	\$ 81,032	351,630	608,468	256,838	73.0%

- Totals may not add due to rounding

Figure 159: 2023-2027 Capital Improvement Program Spending by Category (2021-2023)

The chart below shows that 5.4% of the total current projects' budgets in the 2023-2027 Capital Improvement Program have been spent or committed as of 9/30/2022.

2023-2027 Capital Improvement Program Project Summary			
<i>(\$ In Thousands)</i>	2023 Total Project Budget	Spent/Committed Through 9/30/22	% of Budget
Capitalized Projects Category — Current Projects			
Roadway			
Bridge Construction, Preservation & Security	\$ 1,325,443	571,018	43.1%
Capacity Enhancements - Turnpike	14,291,594	87,255	0.6%
Capacity Enhancements - Parkway	191,835	6,179	3.2%
Interchanges	209,227	3,316	1.6%
Concrete Barrier	61,843	5,791	9.4%
Drainage Structures	232,977	61,340	26.3%
Roadway Lighting	138,023	63,653	46.1%
Other Roadway Improvements	302,568	43,615	14.4%
Total Roadway	\$ 16,753,510	842,167	5.0%
Non-Roadway			
Facilities	\$ 508	248	48.8%
Technology Improvements	78,389	67,020	85.5%
Total Non-Roadway	\$ 78,897	67,268	85.3%
Total Current Projects	\$ 16,832,407	909,435	5.4%
Capitalized Projects Category — Future Projects			
Roadway			
Bridge Construction, Preservation & Security	\$ 1,483,541		
Capacity Enhancements - Turnpike	261,620		
Interchanges	47,299		
Concrete Barrier	103,412		
Drainage Structures	217,817		
Roadway Lighting	83,636		
Other Roadway Improvements	73,892		
Total Roadway	\$ 2,271,217		
Non-Roadway			
Technology Improvements	\$ 552,677		
Total Non-Roadway	\$ 552,677		
Total Future Projects	\$ 2,823,894		
Total Spending (Capitalized)	\$ 19,656,301		

- Totals may not add due to rounding

Figure 160: 2023-2027 Capital Improvement Program Project Summary

2023-2027 Capital Improvement Program 2023-2027 Rolling 5-Year Spending Plan by Category						
<i>(\$ In Thousands)</i>	2023	2024	2025	2026	2027	Total 5-Year
Capitalized Projects Category						
Roadway						
Bridge Construction, Preservation & Security	\$ 338,803	394,226	286,607	121,231	93,625	1,234,492
Capacity Enhancements - Turnpike	40,749	103,317	212,183	500,807	1,249,990	2,107,046
Capacity Enhancements - Parkway	3,449	4,042	—	34,481	42,816	84,788
Interchanges	2,981	4,064	—	—	—	7,045
Concrete Barrier	12,615	56,771	32,280	13,648	13,596	128,910
Drainage Structures	94,014	59,246	49,417	45,636	40,099	288,412
Roadway Lighting	42,454	38,670	28,377	26,265	28,389	164,155
Other Roadway Improvements	51,846	124,815	97,194	24,857	—	298,712
Total Roadway	\$ 586,911	785,151	706,058	766,925	1,468,515	4,313,560
Non-Roadway						
Technology Improvements	\$ 21,557	9,991	71,423	134,207	158,472	395,650
Total Non-Roadway	\$ 21,557	9,991	71,423	134,207	158,472	395,650
Total Spending (Capitalized)	\$ 608,468	795,142	777,481	901,132	1,626,987	4,709,210

- Totals may not add due to rounding

Figure 161: 2023-2027 Capital Improvement Program Five-Year Spending Plan by Category (2023-2027)

The 2023-2027 Capital Improvement Program has a five-year spending plan of approximately \$4.7 billion. Of this, approximately \$1.2 billion is budgeted for Bridge Construction, Preservation, and Security, and \$2.1 billion is budgeted for Turnpike Capacity Enhancements. The combined cost of these two categories accounts for 71.0% of the rolling five-year spending budget and 88.3% of the 2023 total project budget when taking future spending into consideration.

2023-2027 Capital Improvement Program Total Project Budget by Category							
<i>(\$ In Thousands)</i>	Rolling 5-Year Spending Plan	Est/Actual LTD Spending	Future Spending	2022 Total Project Budget	2023 Total Project Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Capitalized Projects by Category							
Roadway							
Bridge Construction, Preservation & Security	\$ 1,234,492	246,978	1,327,514	1,770,957	2,808,984	1,038,027	58.6%
Capacity Enhancements - Turnpike	2,107,046	33,706	12,412,462	5,882,893	14,553,214	8,670,321	147.4%
Capacity Enhancements - Parkway	84,788	629	106,418	192,255	191,835	(420)	(0.2)%
Interchanges	7,045	9,681	239,800	105,676	256,526	150,850	142.7%
Concrete Barrier	128,910	5,960	30,385	35,890	165,255	129,365	360.4%
Drainage Structures	288,412	61,435	100,947	421,888	450,794	28,906	6.9%
Roadway Lighting	164,155	48,074	9,430	230,524	221,659	(8,865)	(3.8)%
Other Roadway Improvements	298,712	16,645	61,103	260,524	376,460	115,936	44.5%
Total Roadway	\$ 4,313,560	423,108	14,288,059	8,900,607	19,024,727	10,124,120	53.2%
Non-Roadway							
Facilities	\$ —	508	—	44,930	508	(44,422)	(98.9)%
Technology Improvements	395,650	54,369	181,047	77,093	631,066	553,973	718.6%
Total Non-Roadway	\$ 395,650	54,877	181,047	122,023	631,574	509,551	417.6%
Total Project Budget (Capitalized)	\$ 4,709,210	477,985	14,469,106	9,022,630	19,656,301	10,633,671	117.9%

- Totals may not add due to rounding

Figure 162: 2023-2027 Capital Improvement Program Total Project Budget by Category

2019 Capital Improvement Program

The Authority adopted the 2019 Capital Improvement Program (2019 CIP) in April 2019, which consists of the design, supervision, and construction of 21 capital improvement projects on both roadways. The projects include several bridge deck improvements on both roadways, the shoulder widening and reconstruction of the Parkway between mileposts 30 and 35, the first phase of the replacement of the hybrid changeable message signs on the Turnpike, and the rehabilitation of three bridges that cross the Passaic River on both roadways. In 2023, the 2019 CIP combined Total Project Budget will increase to \$736.6 million from \$716.0 million primarily to cover the increased costs mainly in two existing projects: the Passaic River Bridge Rehabilitation and Service Area renovations.

The 2023 spending budget is \$129.6 million, which is \$42.9 million less than the 2022 spending budget, representing a decrease of 24.8%. This decrease is due to the substantial completion of projects in 2022.

The following charts show the 2019 Capital Improvement Program consolidated based on Program Category. For individual project budget details and project descriptions, refer to Appendix B page [203](#).

This chart shows actual spending for 2021 as well as the budgeted spending for 2022 and 2023. In 2023, the budgeted spending of \$129.6 million is a 24.8% decrease when compared to the \$172.5 million spending budget in 2022.

2019 Capital Improvement Program — Spending by Category					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Capitalized Projects by Category					
Roadway					
Bridge Construction, Preservation & Security	\$ 69,319	73,226	75,521	2,295	3.1%
Interchanges	18,019	—	2,135	2,135	100.0%
Concrete Barrier	15,720	3,802	206	(3,596)	(94.6)%
Other Roadway Improvements	43,643	45,676	22,200	(23,476)	(51.4)%
Total Roadway	\$ 146,701	122,705	100,062	(22,643)	(18.5)%
Non-Roadway					
Service Areas & Arts Center	\$ 13,099	30,507	24,688	(5,819)	(19.1)%
Technology Improvements	22,510	19,295	4,895	(14,400)	(74.6)%
Total Non-Roadway	\$ 35,609	49,802	29,583	(20,219)	(40.6)%
Total Spending (Capitalized)	\$ 182,310	172,507	129,645	(42,862)	(24.8)%

- Totals may not add due to rounding

Figure 163: 2019 Capital Improvement Program Spending by Category (2021-2023)

The chart below shows that 89.0% of the total project budget for projects in the 2019 Capital Improvement Program have been spent or committed as of 9/30/2022.

2019 Capital Improvement Program Project Summary			
<i>(\$ In Thousands)</i>	2023 Total Project Budget	Spent/Committed Through 9/30/22	% of Budget
Capitalized Projects Category			
Roadway			
Bridge Construction, Preservation & Security	\$ 370,029	340,095	91.9%
Interchanges	46,201	43,210	93.5%
Concrete Barrier	30,177	27,285	90.4%
Other Roadway Improvements	131,952	126,467	95.8%
Total Roadway	\$ 578,359	537,056	92.9%
Non-Roadway			
Service Areas & Arts Center	\$ 89,256	50,814	56.9%
Technology Improvements	68,990	67,999	98.6%
Total Non-Roadway	\$ 158,246	118,812	75.1%
Total Spending (Capitalized)	\$ 736,605	655,869	89.0%

- Totals may not add due to rounding

Figure 164: 2019 Capital Improvement Program Project Summary

2019 Capital Improvement Program 2023-2027 Rolling 5-Year Spending Plan by Category						
<i>(\$ In Thousands)</i>	2023	2024	2025	2026	2027	Total 5-Year
Capitalized Projects Category						
Roadway						
Bridge Construction, Preservation & Security	\$ 75,521	50,898	17,119	15	21	143,574
Interchanges	2,135	—	—	—	—	2,135
Concrete Barrier	206	—	—	—	—	206
Other Roadway Improvements	22,200	5,385	—	—	—	27,585
Total Roadway	\$ 100,062	56,283	17,119	15	21	173,500
Non-Roadway						
Service Areas & Arts Center	\$ 24,688	8,512	9,645	7,908	2,263	53,016
Technology Improvements	4,895	2,834	646	—	—	8,375
Total Non-Roadway	\$ 29,583	11,346	10,291	7,908	2,263	61,391
Total Spending (Capitalized)	\$129,645	67,629	27,410	7,923	2,284	234,891

- Totals may not add due to rounding

Figure 165: 2019 Capital Improvement Program Five-Year Spending Plan by Category (2023-2027)

2019 Capital Improvement Program Total Project Budget by Category						
<i>(\$ In Thousands)</i>	Rolling 5-Year Spending Plan	Est/Actual LTD Spending	2022 Total Project Budget	2023 Total Project Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Capitalized Projects by Category						
Roadway						
Bridge Construction, Preservation & Security	\$ 143,574	226,455	363,478	370,029	6,550	1.8%
Interchanges	2,135	44,066	46,315	46,201	(114)	(0.2)%
Concrete Barrier	206	29,971	32,702	30,177	(2,525)	(7.7)%
Other Roadway Improvements	27,585	104,367	130,441	131,952	1,512	1.2%
Total Roadway	\$ 173,500	404,859	572,935	578,359	5,423	0.9%
Non Roadway						
Service Areas & Arts Center	\$ 53,016	36,240	75,040	89,256	14,216	18.9%
Technology Improvements	8,375	60,615	67,990	68,990	1,000	1.5%
Total Non-Roadway	\$ 61,391	96,855	143,030	158,246	15,216	10.6%
Total Project Budget (Capitalized)	\$ 234,891	501,714	715,965	736,605	20,639	2.9%

- Totals may not add due to rounding

Figure 166: 2019 Capital Improvement Program Total Project Budget by Category

2008 \$7 Billion Capital Improvement Program

The Authority's 2008 \$7 Billion Capital Improvement Program was adopted in October 2008, with the first contract awarded in 2009. In September 2018, the program was amended to extend the end date of the program to award new contracts until December 31, 2020. The 2008 \$7 Billion CIP included the extremely successful widening of the Turnpike between Interchanges 6 and 9 and the widening of the Parkway between mileposts 35 and 80. The work that remains to be completed includes the Newark Bay-Hudson County Extension bridge rehabilitation, facilities improvements, interchange improvements, and bridge deck reconstruction. The Total Project Budget for the entire program remains unchanged at \$7 billion.

The 2023-2027 spending plan represents the winding down of this Capital Improvement Program as many projects are completed or are near completion.

The following charts show the 2008 \$7 Billion Capital Improvement Program consolidated based on Program Category. For individual project budget details and project descriptions, refer to Appendix B page [212](#).

This chart shows actual spending for 2021 at \$82.0 million as well as the budgeted spending for 2022 and 2023. The budgeted spending in 2023 includes approximately \$60.8 million under Bridge, Construction, Preservation, and Security that represents Contingency. At this time, it is expected that the total program will be completed for a cost less than \$7.0 billion.

2008 \$7 Billion Capital Improvement Program — Spending by Category					
<i>(\$ In Thousands)</i>	2021 Actual	2022 Budget	2023 Budget	\$ Δ from 2022	% Δ from 2022
Capitalized Projects by Category					
Roadway					
Bridge Construction, Preservation & Security	\$ 52,086	46,555	92,537	45,982	98.8%
Capacity Enhancements - Turnpike	205	65	—	(65)	(100.0)%
Capacity Enhancements - Parkway	161	—	—	—	—%
Interchanges	23,406	20,496	2,585	(17,911)	(87.4)%
Concrete Barrier	334	198	—	(198)	(100.0)%
Other Roadway Improvements	3,188	3,237	1,391	(1,846)	(57.0)%
Total Roadway	\$ 79,380	70,551	96,513	25,962	36.8%
Non-Roadway					
Facilities	\$ 2,593	3,608	6,488	2,880	79.8%
Total Non-Roadway	\$ 2,593	3,608	6,488	2,880	79.8%
Total Spending (Capitalized)	\$ 81,972	74,160	103,001	28,842	38.9%

- Totals may not add due to rounding

Figure 167: 2008 \$7 Billion Capital Improvement Program Spending by Category (2021-2023))

The chart below shows that 98.8% of the total project budgets for projects in the 2008 \$7 Billion Capital Improvement Program budget have been spent or committed as of 9/30/2022. Contracts will no longer be awarded under this program.

2008 \$7 Billion Capital Improvement Program Project Summary			
<i>(\$ In Thousands)</i>	2023 Total Project Budget	Spent/Committed Through 9/30/22	% of Budget
Capitalized Projects Category			
Roadway			
Bridge Construction, Preservation & Security	\$ 1,744,886	1,668,395	95.6%
Capacity Enhancements - Turnpike	2,131,547	2,130,009	99.9%
Capacity Enhancements - Parkway ⁽¹⁾	574,817	574,690	100.0%
Interchanges	1,041,893	1,036,568	99.5%
Concrete Barrier	51,567	51,482	99.8%
Drainage Structures	61,913	61,912	100.0%
Other Roadway Improvements	715,589	717,036	100.2%
Total Roadway	\$ 6,322,212	6,240,092	98.7%
Non-Roadway			
Facilities	\$ 677,788	677,993	100.0%
Total Non-Roadway	\$ 677,788	677,993	100.0%
Total Spending (Capitalized)	\$ 7,000,000	6,918,085	98.8%

(1) The total Capacity Enhancement for Parkway is \$574.8 million but \$100.0 million was financed with Bond Anticipation Notes proceeds prior to the first series of bonds being issued for the CIP

- Totals may not add due to rounding

Figure 168: 2008 \$7 Billion Capital Improvement Program Project Summary

2008 \$7 Billion Capital Improvement Program 2023-2027 Rolling 5-Year Spending Plan by Category						
<i>(\$ In Thousands)</i>	2023	2024	2025	2026	2027	Total 5-Year
Capitalized Projects by Category						
Roadway						
Bridge Construction, Preservation & Security ⁽¹⁾	\$ 92,537	2,861	1,651	1,542	—	98,591
Interchanges	2,585	—	—	—	—	2,585
Other Roadway Improvements	1,391	383	—	—	—	1,774
Total Roadway	\$ 96,513	3,244	1,651	1,542	—	102,950
Non-Roadway						
Facilities	\$ 6,488	—	—	—	—	6,488
Total Non-Roadway	\$ 6,488	—	—	—	—	6,488
Total Spending (Capitalized)	\$103,001	3,244	1,651	1,542	—	109,438

(1) Due to favorable bid prices and project close outs, the 2008 CIP is anticipated to close below the original funding level of \$7 billion. \$60.8 million is represented in the 2023 spending budget under the category Bridge, Construction, Preservation, & Security. This is not expected to be spent and is included only to maintain the original \$7 billion funding amount.

Figure 169: 2008 \$7 Billion Capital Improvement Program Five-Year Spending Plan by Category (2023-2027)

2008 Capital Improvement Program Total Project Budget by Category						
<i>(\$ In Thousands)</i>	Rolling 5-Year Spending Plan	Est/Actual LTD Spending	2022 Total Project Budget	2023 Total Project Budget	\$ Δ from 2022 Budget	% Δ from 2022 Budget
Capitalized Projects by Category						
Roadway						
Bridge Construction, Preservation & Security	\$ 98,591	1,646,295	1,723,330	1,744,886	21,556	1.3%
Capacity Enhancements - Turnpike	—	2,131,547	2,131,547	2,131,547	—	—%
Capacity Enhancements - Parkway	—	574,817	574,866	574,817	(49)	—%
Interchanges	2,585	1,039,308	1,058,620	1,041,893	(16,727)	(1.6)%
Concrete Barrier	—	51,567	51,567	51,567	—	—%
Drainage Structures	—	61,913	61,914	61,913	(1)	—%
Roadway Lighting	—	—	—	—	—	—%
Other Roadway Improvements	1,774	713,815	718,356	715,589	(2,767)	(0.4)%
Total Roadway	\$ 102,950	6,219,262	6,320,200	6,322,212	2,012	—%
Non Roadway						
Facilities	\$ 6,488	671,300	679,800	677,788	(2,012)	(0.3)%
Total Non-Roadway	\$ 6,488	671,300	679,800	677,788	(2,012)	(0.3)%
Total Project Budget (Capitalized)	\$ 109,438	6,890,562	7,000,000	7,000,000	—	—%

- Totals may not add due to rounding

Figure 170: 2008 \$7 Billion Capital Improvement Program Total Projects Budget by Category

Appendices

Appendix A: General Consulting Engineer's Approval Letter

HNTB Corporation
The HNTB Companies
Infrastructure Solutions

9 Entin Road
Suite 202
Parsippany, NJ 07054

Telephone (973) 434-3100
Facsimile (973) 434-3101
www.hntb.com

October 4, 2022



John M. Keller, PE
Executive Director
New Jersey Turnpike Authority
One Turnpike Plaza
Woodbridge, NJ 07095-5042

Re: Order for Professional Services No. A3785
General Consulting Engineering Services
Core Service 17, Bond Resolution Services
Review of Final 2023 Annual Budget

Dear Mr. Keller:

In accordance with the provisions of Section 710(d) of the Turnpike Revenue Bond Resolution, as adopted on August 20, 1991, as amended and restated on September 26, 1991, and as further amended and restated on November 22, 1991, the New Jersey Turnpike Authority (Authority) will be filing the Final 2023 Annual Budget with the Trustee on or before the 15th day of the budget calendar year, which is January 15, 2023. As part of that filing, a certificate from the General Consulting Engineer approving the final budget shall be provided. HNTB, as the Authority's General Consulting Engineer, has thoroughly reviewed the Authority's Final 2023 Annual Budget. Over the last several months, HNTB has analyzed various iterations of the 2023 Annual Budget which includes annual operating expense, debt service, and general reserve budgets; revenue-funded capital spending budgets; and longer-term, bond-funded capital spending budgets. The results of those analyses are that the various budgets are appropriately funded and meet the required needs of operation, maintenance, debt service, and capital improvements for the Authority's assets.

HNTB hereby approves the New Jersey Turnpike Authority's Final 2023 Annual Budget. The Final 2023 Annual Budget includes:

Annual Budgets

• Operating Expenses	\$713,744,000
• Debt Service	\$958,160,000
• General Reserve	\$759,845,000

Revenue-Funded Capital Spending Budgets

• Maintenance Reserve Fund	\$278,797,000
• Special Project Reserve Fund	\$109,346,000
• Supplemental Capital Program	\$51,679,000

John M. Keller, PE
October 4, 2022
Page 2 of 2

Bond-Funded Capital Spending Budgets

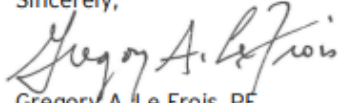
- 2008 \$7 Billion Capital Improvement Program \$103,001,000
- 2019 Capital Improvement Program \$129,645,000
- 2023 - 2027 Rolling 5-Year Capital Improvement Program \$608,468,000

In addition, the Final 2023 Annual Budget includes the following deposits:

- Maintenance Reserve Fund \$230,000,000
- Special Projects Reserve Fund \$51,500,000
- General Reserve Fund \$595,500,000

We appreciate being of service to you in this regard. Should you have any questions or comments related to our review of the Final 2023 Annual Budget, please contact us.

Sincerely,



Gregory A. Le Frois, PE
Senior Vice President
Project Manager

Copy: James Carone, NJTA
Donna Manuelli, NJTA
Michael Garofalo, PE, NJTA
Lamis Malak, PE, NJTA
Michael Gallarello, NJTA

GAL/sb

Appendix B: Individual Rolling 5-Year Spending Plans and Total Project Budgets by Fund and Project Descriptions

Maintenance Reserve Fund

The rolling five-year individual project spending plans within the Maintenance Reserve Fund are shown below:

Maintenance Reserve Fund — Total Project Spending Plan						
(\$ In Thousands)						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
Capitalized Projects						
Prior Approved Projects						
0390038003 - GSP Resurface MP 0-126 Sec 4	\$ 42,230	—	—	—	—	42,230
0390036008 - TPK Section 4 MP 35-48	38,110	—	—	—	—	38,110
0390038004 - GSP Resurface MP 0-126 Sec 14	26,059	—	—	—	—	26,059
0390036007 - TPK Section 2 MP 12-24	22,660	—	—	—	—	22,660
0390000001 - TPK Milepost 92-122 & NBHCE	20,079	31	—	—	—	20,110
0390000002 - TPK Milepost 0-92 PHM Extension	14,731	21	—	—	—	14,752
0390002002 - GSP Milepost 126-172	13,316	52	—	—	—	13,368
0390002001 - GSP Milepost 0-126	13,263	52	—	—	—	13,315
0390036009 - TPK Resurfacing 0-122 Var-2023	6,798	—	—	—	—	6,798
0390008003 - Drain STR IR/On-Call Tasks 2023	5,356	—	—	—	—	5,356
0390028009 - Roadside Barrier Imp 2023	5,356	—	—	—	—	5,356
0390028010 - Roadway Imprv & Rprs 2023	5,356	—	—	—	—	5,356
0390012010 - Major Building Improvements 2023	4,998	—	—	—	—	4,998
0390028008 - Major Sign & Safety Replacements OPS 2023	4,390	—	—	—	—	4,390
0390012009 - Major Roofing Replacements 2023	4,285	—	—	—	—	4,285
0390012011 - Utility Rplc & Impv 2023	4,285	—	—	—	—	4,285
0390012005 - Major Building Improvements 2022	3,399	—	—	—	—	3,399
0390012012 - HVAC & Boiler Replacement Program 2023	3,214	—	—	—	—	3,214
0390040010 - Lighting & Electrical 2023	3,214	—	—	—	—	3,214
0390038001 - GSP Resurfacing MP 0-126 Sec 6	2,854	—	—	—	—	2,854
0390012008 - Generator Replacements 2023	2,678	—	—	—	—	2,678
0390036001 - TPK Section 16 MP 83 to 122	2,386	—	—	—	—	2,386
0390012006 - Utility Rplc & Imprv 2022	2,060	—	—	—	—	2,060
0390036004 - TPK Resurfacing 0-83 Sec 3	1,803	—	—	—	—	1,803
0390000004 - TPK Bridge 2024 MP 92-122 & NBHCE	1,566	20,878	52	—	—	22,496
0390036000 - TPK Resurfacing MP 0-83	1,370	—	—	—	—	1,370
0390038000 - GSP Resurfacing MP 0-126 Sec 1	1,182	—	—	—	—	1,182
0390000005 - TPK Bridge 2024 MP 0-92 PHM Ext	1,159	15,368	46	—	—	16,573
0390002003 - GSP Bridge Repair 2024 MP 0-126	1,159	15,368	46	—	—	16,573
0390002004 - GSP Bridge Repair 2024 MP 126-172	1,159	15,368	46	—	—	16,573
030C10001E - Turnpike Bridge Repairs	387	31	—	—	—	418
0390036003 - Cleanup Contract MP 0-122	309	—	—	—	—	309
0390036010 - TPK Resurface Design Svcs 2023	309	—	—	—	—	309
0390038005 - GSP Resurface Design Svcs 2023	206	—	—	—	—	206
0390036005 - TPK Resurfacing 0-122 Various	155	—	—	—	—	155

Maintenance Reserve Fund — Total Project Spending Plan						
(\$ In Thousands)						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
030C00001E - Drainage Structure Repairs ENG	65	—	—	—	—	65
0390000003 - Emergency Repair Str. 53.28B	11	—	—	—	—	11
0390036012 - TPK Section 7 MP 54-60	—	23,999	—	—	—	23,999
0390036011 - TPK Section 5 MP 48-54	—	22,660	—	—	—	22,660
0390038006 - GSP Resurface MP 0-126 Sec 15	—	19,364	—	—	—	19,364
039TPKRFSN - TPK Resurfacing	—	14,000	—	92,000	93,000	199,000
039GSPRSFN - GSP Resurfacing	—	12,000	—	34,000	35,000	81,000
039MJRBILD - Major Building Improvements FTR	—	7,723	7,955	8,194	8,440	32,312
0390036013 - TPK Resurfacing 0-122 Var-2024	—	6,798	—	—	—	6,798
039DRAINIR - Drain STR IR/On-Call Tasks FTR	—	5,517	5,682	5,853	6,028	23,080
039ROADBAR - Roadside Barrier Imp FTR	—	5,517	5,682	5,853	6,028	23,080
039ROADYIR - Roadway Imprv & Rprs FTR	—	5,517	5,682	5,853	6,028	23,080
039MJRROOF - Major Roofing Replacements FTR	—	4,413	4,545	4,681	4,822	18,461
039UTILITY - Utility Rplc & Impv FTR	—	4,413	4,546	4,682	4,823	18,464
039MJRSSRI - Major Sign & Safety Rplc/Imprv FTR	—	3,763	4,263	3,763	4,263	16,052
039HVCBOIL - HVAC & Boiler Replacement Program	—	3,310	3,409	3,512	3,617	13,848
039LIGHTIR - Lighting & Electrical FTR	—	3,310	3,409	3,512	3,617	13,848
039GENRTOR - Generator Replacements FTR	—	2,758	2,841	2,926	3,014	11,539
0390000006 - TPK Bridge 2025 MP 92-122 & NBHCE	—	1,645	21,845	66	—	23,556
0390000007 - TPK Bridge 2025 MP 0-92 PHM Ext	—	1,313	17,442	53	—	18,808
0390002005 - GSP Bridge Repair 2025 MP 0-126	—	1,205	16,092	48	—	17,345
0390002006 - GSP Bridge Repair 2025 MP 126-172	—	1,205	16,092	48	—	17,345
0390036014 - TPK Resurface Design Svcs 2024	—	309	—	—	—	309
0390038007 - GSP Resurface Design Svcs 2024	—	206	—	—	—	206
0390038008 - GSP Resurface MP 0-126 Sec 7	—	—	44,496	—	—	44,496
0390036016 - TPK Section 9 MP 63-70	—	—	41,200	—	—	41,200
0390036015 - TPK Section 8 MP 60-63	—	—	31,930	—	—	31,930
0390036017 - TPK Resurfacing 0-122 Var-2025	—	—	6,798	—	—	6,798
039TPKBRDG - TPK Bridge Repairs	—	—	3,000	42,790	41,190	86,980
039GSPBRDG - GSP Bridge Repairs	—	—	2,500	34,960	36,840	74,300
0390036018 - TPK Resurface Design Svcs 2025	—	—	371	—	—	371
0390038009 - GSP Resurface Design Svcs 2025	—	—	227	—	—	227
039CONTNGY - Contingency 039	10,000	10,000	10,000	10,000	10,000	50,000
Total Prior Approved Projects	\$ 271,917	228,114	260,197	262,794	266,710	1,289,732
New Projects						
0390012007 - HQ Elevator Replacement	\$ 4,380	644	—	—	—	5,024
0390014000 - Southern Trades Workshop	2,500	—	—	—	—	2,500
Total New Projects	\$ 6,880	644	—	—	—	7,524
Total 2023-2027 Project Spending	\$ 278,797	228,758	260,197	262,794	266,710	1,297,256

- Totals may not add due to rounding

Figure 171: Maintenance Reserve Fund Five-Year Spending Plan by Project (2023-2027)

The chart below shows the 2023 Total Project Budget for each project included in the Maintenance Reserve Fund as compared to its 2022 Total Project Budget. The Total Project Budget includes each project's estimated/actual life-to-date spending, the rolling five-year spending plan, and any future spending expected beyond 2027.

Maintenance Reserve Fund — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022
Capitalized Projects						
Prior Approved Projects						
039TPKRSFN - TPK Resurfacing	\$ 199,000	—	—	199,000	80,000	119,000
039TPKBRDG - TPK Bridge Repairs	86,980	—	—	86,980	80,000	6,980
039GSPRSFN - GSP Resurfacing	81,000	—	—	81,000	30,000	51,000
039GSPBRDG - GSP Bridge Repairs	74,300	—	—	74,300	60,000	14,300
0390038008 - GSP Resurface MP 0-126 Sec 7	44,496	—	—	44,496	28,000	16,496
0390038003 - GSP Resurface MP 0-126 Sec 4	42,230	—	—	42,230	35,000	7,230
0390036016 - TPK Section 9 MP 63-70	41,200	—	—	41,200	37,000	4,200
0390036008 - TPK Section 4 MP 35-48	38,110	—	—	38,110	36,000	2,110
039MJRBILD - Major Building Improvements FTR	32,312	—	—	32,312	21,000	11,312
0390036015 - TPK Section 8 MP 60-63	31,930	—	—	31,930	29,000	2,930
0390038004 - GSP Resurface MP 0-126 Sec 14	26,059	—	—	26,059	23,000	3,059
0390036012 - TPK Section 7 MP 54-60	23,999	—	—	23,999	35,000	(11,001)
0390000006 - TPK Bridge 2025 MP 92-122 & NBHCE	23,556	—	—	23,556	20,000	3,556
039DRAINIR - Drain STR IR/On-Call Tasks FTR	23,080	—	—	23,080	15,000	8,080
039ROADBAR - Roadside Barrier Imp FTR	23,080	—	—	23,080	15,000	8,080
039ROADYIR - Roadway Imprv & Rprs FTR	23,080	—	—	23,080	15,000	8,080
0390036007 - TPK Section 2 MP 12-24	22,660	—	—	22,660	27,000	(4,340)
0390036011 - TPK Section 5 MP 48-54	22,660	—	—	22,660	31,000	(8,340)
0390000004 - TPK Bridge 2024 MP 92-122 & NBHCE	22,496	—	—	22,496	12,500	9,996
0390000001 - TPK Milepost 92-122 & NBHCE	20,110	35,872	—	55,982	34,805	21,177
0390038006 - GSP Resurface MP 0-126 Sec 15	19,364	—	—	19,364	18,000	1,364
0390000007 - TPK Bridge 2025 MP 0-92 PHM Ext	18,808	—	—	18,808	20,000	(1,192)
039UTILITY - Utility Rplc & Impv FTR	18,464	—	—	18,464	12,000	6,464
039MJRROOF - Major Roofing Replacements FTR	18,461	—	—	18,461	12,000	6,461
0390002005 - GSP Bridge Repair 2025 MP 0-126	17,345	—	—	17,345	15,000	2,345
0390002006 - GSP Bridge Repair 2025 MP 126-172	17,345	—	—	17,345	15,000	2,345
0390000005 - TPK Bridge 2024 MP 0-92 PHM Ext	16,573	—	—	16,573	10,500	6,073
0390002003 - GSP Bridge Repair 2024 MP 0-126	16,573	—	—	16,573	16,500	73
0390002004 - GSP Bridge Repair 2024 MP 126-172	16,573	—	—	16,573	10,500	6,073
039MJRSSRI - Major Sign & Safety Rplc/Imprv FTR	16,052	—	—	16,052	11,788	4,264
0390000002 - TPK Milepost 0-92 PHM Extension	14,752	27,733	—	42,485	26,308	16,177
039LIGHTIR - Lighting & Electrical FTR	13,848	—	—	13,848	9,000	4,848
039HVCBOIL - HVAC & Boiler Replace Program	13,848	—	—	13,848	—	13,848
0390002002 - GSP Milepost 126-172	13,368	14,440	—	27,808	14,317	13,491
0390002001 - GSP Milepost 0-126	13,315	22,834	—	36,149	22,401	13,748
039GENRTOR - Generator Replacements FTR	11,539	—	—	11,539	7,500	4,039

Maintenance Reserve Fund — Total Project Budget

(\$ In Thousands)

Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022
0390036009 - TPK Resurfacing 0-122 Var-2023	6,798	—	—	6,798	6,000	798
0390036013 - TPK Resurfacing 0-122 Var-2024	6,798	—	—	6,798	6,000	798
0390036017 - TPK Resurfacing 0-122 Var-2025	6,798	—	—	6,798	6,000	798
0390008003 - Drain STR IR/On-Call Tasks 2023	5,356	—	—	5,356	5,000	356
0390028009 - Roadside Barrier Imp 2023	5,356	—	—	5,356	6,700	(1,344)
0390028010 - Roadway Imprv & Rprs 2023	5,356	—	—	5,356	5,000	356
0390012010 - Major Building Improvements 2023	4,998	—	—	4,998	7,000	(2,002)
0390028008 - Major Sign & Safety Replacements OPS 2023	4,390	—	—	4,390	4,263	127
0390012009 - Major Roofing Replacements 2023	4,285	—	—	4,285	4,000	285
0390012011 - Utility Rplc & Impv 2023	4,285	—	—	4,285	4,000	285
0390012005 - Major Building Improvements 2022	3,399	—	—	3,399	2,900	499
0390012012 - HVAC & Boiler Replace Program 2023	3,214	—	—	3,214	—	3,214
0390040010 - Lighting & Electrical 2023	3,214	—	—	3,214	3,000	214
0390038001 - GSP Resurfacing MP 0-126 Sec 6	2,854	23,771	—	26,625	25,755	870
0390012008 - Generator Replacements 2023	2,678	—	—	2,678	2,500	178
0390036001 - TPK Section 16 MP 83 to 122	2,386	11,072	—	13,458	13,371	87
0390012006 - Utility Rplc & Imprv 2022	2,060	2,060	—	4,120	4,000	120
0390036004 - TPK Resurfacing 0-83 Sec 3	1,803	22,641	—	24,444	23,797	647
0390036000 - TPK Resurfacing MP 0-83	1,370	13,547	—	14,917	14,587	330
0390038000 - GSP Resurfacing MP 0-126 Sec 1	1,182	11,894	—	13,076	12,580	496
030C10001E - Turnpike Bridge Repairs	418	44,969	—	45,387	45,205	182
0390036018 - TPK Resurface Design Svcs 2025	371	—	—	371	300	71
0390036003 - Cleanup Contract MP 0-122	309	11,960	—	12,269	12,230	39
0390036010 - TPK Resurface Design Svcs 2023	309	—	—	309	300	9
0390036014 - TPK Resurface Design Svcs 2024	309	—	—	309	300	9
0390038009 - GSP Resurface Design Svcs 2025	227	—	—	227	200	27
0390038005 - GSP Resurface Design Svcs 2023	206	—	—	206	200	6
0390038007 - GSP Resurface Design Svcs 2024	206	—	—	206	200	6
0390036005 - TPK Resurfacing 0-122 Various	155	9,308	—	9,463	9,207	256
030C00001E - Drainage Structure Repairs ENG	65	19,326	—	19,391	19,328	63
0390000003 - Emergency Repair Str. 53.28B	11	8,547	—	8,558	8,310	248
030C10002E - Turnpike Resurfacing	—	67,269	—	67,269	67,156	113
030C20001E - Parkway Bridge Repairs	—	41,477	—	41,477	41,427	50
030C20005E - Parkway Resurfacing	—	32,920	—	32,920	32,902	18
030C00003E - Roadway Lighting Repairs ENG	—	19,686	—	19,686	19,647	39
0390036002 - TPK Section 19&20 Various	—	10,431	—	10,431	10,424	7
0390008002 - Drainage Repairs IR 2022	—	5,085	—	5,085	4,955	130
030C00001M - Drainage Structure Repairs OPS	—	4,650	—	4,650	4,851	(201)
0390028006 - Roadway Imprv & Rprs 2022	—	4,360	—	4,360	4,359	1
0390010000 - Emergency Drain Culvert Repair	—	4,251	—	4,251	4,000	251

Maintenance Reserve Fund — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022
0390012004 - Major Roofing Replacements 2022	—	4,000	—	4,000	4,000	—
0390012003 - Generator Replacements 2022	—	3,707	—	3,707	3,600	107
0390028004 - Major Sign & Safety Rplc/Imprv 2022	—	3,450	—	3,450	3,350	100
0390040009 - Lighting & Electrical Repairs 2022	—	2,656	—	2,656	2,656	—
0390008000 - IR Drainage Various Locations	—	618	—	618	618	—
0390040006 - 2021 OC Electrical Inspector	—	520	—	520	515	5
0390040004 - TPK Lighting I/C 9 & 70 A&B	—	515	—	515	515	—
0390040007 - Electrical Repairs TPK & GSP	—	515	—	515	514	1
030C00005E - Major Roadway Repairs ENG	—	501	—	501	498	3
0390040008 - Electrical Upgrades at SP	—	408	—	408	403	5
0390030001 - Raritan South Tunnel	—	351	—	351	350	1
0390036006 - TPK Resurfacing Design Svcs	—	309	—	309	300	9
0390008001 - On-Call IR Drainage Work	—	263	—	263	258	5
0390028001 - NJSP Shooting Range Gate	—	209	—	209	209	—
0390038002 - GSP Resurface Design Svcs 2022	—	206	—	206	200	6
0390042001 - GSP I/C 98 Lighting Supplement	—	191	—	191	191	—
0390028005 - Roadside Barrier Improvements 2022	—	185	—	185	179	6
0390028002 - Bridge Inspection and Repair App	—	160	—	160	250	(90)
0390030003 - GSP SB 83 Emergency Pot Hole	—	52	—	52	51	1
0390012001 - HVAC & Boiler Replacement 2022	—	—	—	—	86	(86)
0390012002 - HVAC Upgrades at Various 2022	—	—	—	—	877	(877)
0390028007 - Major Sign ENG 2023	—	—	—	—	3,000	(3,000)
039MJRSIGN - Major Signs	—	—	—	—	9,000	(9,000)
039CONTNGY - Contingency 039	50,000	—	—	50,000	20,000	30,000
Total Prior Approved Projects	\$ 1,289,732	488,919	—	1,778,651	1,378,693	399,958
New Projects						
0390012007 - HQ Elevator Replacement	\$ 5,024	127	—	5,151	—	5,151
0390014000 - Southern Trades Workshop	2,500	—	—	2,500	—	2,500
Total New Projects	\$ 7,524	127	—	7,651	—	7,651
Total Project Budget ⁽¹⁾	\$1,297,256	489,046	—	1,786,302	1,386,984	399,318

(1) 2022 Total Project Budget amount includes 4 projects totaling \$8.3 million completed in 2022

- Totals may not add due to rounding

Figure 172: Maintenance Reserve Fund Total Projects Budget by Project

Maintenance Reserve Fund Project Descriptions	
Project Name	Project Description
Prior Approved Projects	
Drainage Structure Repairs	Provide resources for the design, construction, and construction supervision of scheduled major reconstruction, repairs, and improvements of drainage and utility culverts with spans between 5 and 20 feet.
Roadway Lighting Repairs	Provides resources for the design, construction, and construction supervision of the repairs/replacements of roadway lighting on the New Jersey Turnpike and Garden State Parkway mainlines and ramps.
Turnpike Resurfacing	Provides resources for the annual roadway resurfacing program for the New Jersey Turnpike mainline and ramps, including inspection, design, construction, and construction supervision. This funding allows surface course pavement to be maintained in a safe and serviceable condition for the benefit of patrons.
Turnpike Bridge Repairs	Inspection, design, construction, and construction supervision for repairs of New Jersey Turnpike bridges; includes 37 bridge repairs for 2020.
Parkway Bridge Repairs	Inspection, design, construction, and construction supervision for repairs of Garden State Parkway bridges; includes 24 bridge repairs in 2020.
TPK MP 92-122 & NBHCE	Inspection, design, construction, and construction supervision for repairs of New Jersey Turnpike bridges.
TPK MP 0-92 PHM Extension	Inspection, design, construction, and construction supervision for repairs of New Jersey Turnpike bridges.
GSP MP 0-126	Inspection, design, construction, and construction supervision for repairs of Garden State Parkway bridges.
GSP MP 126-172	Inspection, design, construction, and construction supervision for repairs of Garden State Parkway bridges.
TPK Section 16 MP 83 to 122	New Jersey Turnpike resurfacing of this section of roadway.
TPK Section 19&20 Various Structures	New Jersey Turnpike resurfacing of this section of roadway.
Cleanup Contract MP 0-122	New Jersey Turnpike resurfacing of this section of roadway.
Electrical Repairs TPK & GSP	Provides resources for the design, construction, and construction supervision of the repairs/replacements of roadway lighting on the New Jersey Turnpike and Garden State Parkway mainlines and ramps.
GSP Bridge Repairs	Inspection, design, construction, and construction supervision for repairs of Garden State Parkway bridges.
GSP Resurfacing	Provides resources for the annual roadway resurfacing program for the Garden State Parkway mainline and ramps, including inspection, design, construction, and construction supervision. This funding allows surface course pavement to be maintained in a safe and serviceable condition for the benefit of patrons.
TPK Bridge Repairs	Inspection, design, construction, and construction supervision for repairs of New Jersey Turnpike bridges.
TPK Resurfacing	Provides resources for the annual roadway resurfacing program for the New Jersey Turnpike mainline and ramps, including inspection, design, construction, and construction supervision. This funding allows surface course pavement to be maintained in a safe and serviceable condition for the benefit of patrons.
Drainage Immediate Repairs	Annual budget to cover drainage repairs for existing drainage structures and drainage-related appurtenances. Does not include major drainage replacements, improvements, or upgrades which are covered by bond-funded capital projects.
Lighting and Electrical Immediate Repairs	Annual budget to allow for roadway lighting and related electrical repairs. Does not include major roadway lighting upgrades or replacements, which are bond-funded capital projects. Also does not include lighting/electrical tasks for buildings/facilities, which are included in building and facilities budget.
Roadway Improvements & Immediate Repairs	Funding for roadway and structural and structural repairs with costs over \$20,000.
Major Building Improvements	Major reconstruction, replacement, and improvements to Authority's buildings with a project cost greater than \$20,000.00.

Maintenance Reserve Fund Project Descriptions	
Project Name	Project Description
Utility Replacement & Improvements	Funding for design, permitting, purchasing, and construction resources to address immediate and scheduled utility replacements and improvements within our jurisdiction.
Roadside Barrier Improvements	Annual program to replace and improve roadside guide rail and concrete barrier.
Generator Replacements	Annual program for generator replacements when end of life is reached.
TPK & GSP Major Roofing Replacements	Annual program for full roof replacements on Authority buildings.
Major Sign & Safety Replacement/Improvement	New program for major sign replacement when funding becomes available.
Major Building Improvements TPK	Major reconstruction, replacement, and improvements to Authority's buildings with a project cost greater than \$20,000.00.
HVAC & Boiler Replace Program	Funding for design, permitting, purchasing, and construction resources to continue the Maintenance Departments Authority wide HVAC equipment replacement program. Facilities include toll department facilities, maintenance yards, etc.
Contingency	Provides additional funding for increased project needs or unanticipated projects.
New Projects	
HQ Elevator Replacement	Funding for the replacement of the Authority's elevators at the headquarters in Woodbridge.
Southern Trades Workshop	The trades division is split into 6 areas. 3 TPK. 3 GSP. GSP South Trades area has their crews located at the old GSP Barnegat toll plaza admin building at approximately mp 67. This area of the Trades Division does not have a workshop space to perform their duties, such as a table saw, drill press, fabrication tables/space, etc. Staff previously traveled to telegraph hill at milepost 116 and now are traveling to Smith Street at approximately milepost 127.

Figure 173: Maintenance Reserve Fund Project Descriptions

Special Project Reserve Fund

The rolling five-year individual project spending plans within the Special Project Reserve Fund are shown below:

Special Project Reserve Fund — Total Project Spending Plan						
(\$ In Thousands)						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
Capitalized Projects						
Prior Approved Projects						
0490016001 - Major Fleet Aug Dump Trucks - 2022	\$ 7,419	—	—	—	—	7,419
0490016011 - 2023 Major Fleet Aug Dump Trucks	6,890	—	—	—	—	6,890
040C00038 - Stormwater Pump Repl Bldg Reno	6,367	—	—	—	—	6,367
0490016010 - 2023 Major Fleet Aug Suppl Equip	5,476	—	—	—	—	5,476
0490016017 - 2023 Maintenance Vehicles	5,427	—	—	—	—	5,427
0490016016 - 2023 State Police Vehicles	5,100	—	—	—	—	5,100
0490016002 - Major Fleet Aug Tandem Dump Truck - 2022	5,062	—	—	—	—	5,062
040C00071 - Cap Program Mgmt SW	3,664	—	—	—	—	3,664
0490014005 - Bulk Fluid & Phase2 Clark Wash	3,230	—	—	—	—	3,230
0490016000 - Major Fleet Aug Supplemental Equipment - 2022	3,074	275	—	—	—	3,349
0490052005 - Advanced Traffic Management System Replacement	2,575	2,060	1,030	—	—	5,665
0490016012 - 2023 Major Fleet Tandem Dump Truck	2,531	—	—	—	—	2,531
0490012020 - Water Wastewater Asset Mgmt 2023	2,382	—	—	—	—	2,382
0490052008 - STMC UPS Replacement	2,231	—	—	—	—	2,231
040C00058 - HR Software Improve and Implementation	1,854	—	—	—	—	1,854
0490016013 - 2023 Major Fleet Aug Tractors	1,654	—	—	—	—	1,654
0490016014 - 2023 Major Fleet Aug Loaders	1,575	—	—	—	—	1,575
0490016019 - 2023 Major Fleet Aug TMA	1,444	—	—	—	—	1,444
0490012004 - Water Wastewater & Mgmt TPK	1,326	343	—	—	—	1,669
0490016015 - 2023 Major Fleet Aug Trade Ut Tr	1,240	—	—	—	—	1,240
040C00015 - Enterprise Asset Management	1,221	1,030	618	—	—	2,869
0490016009 - Major Fleet Aug TMA - 2022	1,100	—	—	—	—	1,100
0490016003 - Major Fleet Aug Tractors - 2022	1,079	—	—	—	—	1,079
0490016018 - 2023 Major Fleet Aug Generator	1,034	—	—	—	—	1,034
0490012021 - Security Enhancement Facility 2023	1,030	—	—	—	—	1,030
040C00077 - Business Intel and Analytics	825	250	—	—	—	1,075
040C00046 - 6S Wastewater Pretreatment Plant	819	—	—	—	—	819
0490012016 - 2022 WWM Demo of Facilities	618	—	—	—	—	618
0490012013 - 3S Pump Station Force Main Upgrade	569	569	—	—	—	1,138
0490016007 - Maintenance Vehicles - 2022	493	—	—	—	—	493
0490014012 - Pleasant Plains Sub-Barracks	454	3,038	731	—	—	4,223
0490030000 - Avalon Plains Sub-Barracks	454	3,038	731	—	—	4,223
0490014002 - Water Wastewater & Mgmt GSP	309	—	—	—	—	309
0490012019 - 2022 Capital Program Dev Study	206	—	—	—	—	206

Special Project Reserve Fund — Total Project Spending Plan						
(\$ In Thousands)						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
040C00013 - Law Dept Software Enhancements	103	—	—	—	—	103
0490028006 - Environmental IR 2023	103	—	—	—	—	103
0490052002 - High Jump Upgrade & Sky Track	102	—	—	—	—	102
0490012017 - 2022 WWM On-Call Vehicle Wash	77	—	—	—	—	77
0490012018 - 2022 WWM On-Call BMS System	77	—	—	—	—	77
0490014000 - Replacement of UST	23	—	—	—	—	23
049FLDMPTR - Major Fleet Aug Dump Trucks FTR	—	7,801	8,191	8,600	9,030	33,622
049MNTVEHC - Maintenance Vehicles FTR	—	5,448	5,470	5,744	6,031	22,693
049FLEQUIP - Major Fleet Aug Suppl Equip FTR	—	4,920	5,166	5,424	5,695	21,205
049SPVEHCL - State Police Vehicles FTR	—	4,500	4,500	4,600	4,600	18,200
049TLTNDT - Major Fleet Tandem Dump Truck FTR	—	3,233	3,395	3,565	3,743	13,936
049WTRWAMI - Water Wastewater Asset Mgmt FTR	—	2,313	2,313	2,313	2,313	9,252
049OTHRITS - Other ITS Project	—	2,000	2,000	2,000	2,000	8,000
049FLTRCTR - Major Fleet Aug Tractors FTR	—	1,736	1,823	1,914	2,010	7,483
049FLOADR - Major Fleet Aug Loaders FTR	—	1,654	1,736	1,823	1,914	7,127
049FLTMATR - Major Fleet Aug TMA Truck FTR	—	1,516	1,592	1,671	1,755	6,534
0490052001 - Finance Sftw Discovery and Implementation	—	1,500	—	—	—	1,500
049OTRRDWY - Other Roadway	—	1,500	1,500	1,500	1,500	6,000
049FLTRUTR - Major Fleet Aug Trad Utl Trk FTR	—	1,302	1,367	1,436	1,508	5,613
049FLGNRTR - Major Fleet Aug Generator FTR	—	1,085	1,140	1,197	1,256	4,678
049ENGDOCS - Engineering Documents FTR	—	1,000	1,000	1,000	1,000	4,000
049SECENHA - Security Enhancement Facility FTR	—	750	750	750	750	3,000
049ENVRMIR - Environmental IR FTR	—	100	500	250	300	1,150
049CONTNGY - Contingency 049	5,000	5,000	5,000	5,000	5,000	25,000
Total Prior Approved Projects	\$ 86,217	57,961	50,553	48,787	50,405	293,923
New Projects						
0490012022 - OS Equipment Improvements	\$ 670	—	—	—	—	670
0490052015 - Security Camera Expansion	361	361	361	—	—	1,083
0490052012 - Contract Admin Software	361	—	—	—	—	361
0490052016 - Alteryx	361	—	—	—	—	361
0490052013 - Smart Vehicle	345	—	—	—	—	345
0490052014 - CADS Upgrade	258	—	—	—	—	258
Total New Projects	\$ 2,356	361	361	—	—	3,078
Total 2023-2027 Capitalized Project Spending Plan	\$ 88,573	58,322	50,914	48,787	50,405	297,001

- Totals may not add due to rounding

Figure 174: Special Project Reserve Fund Five-Year Spending Plan by Capitalized Project (2023-2027)

Special Project Reserve Fund — Total Project Spending Plan

(\$ In Thousands)

Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
Expensed Projects						
Prior Approved Projects						
0490060013 - Engineering & Traffic Studies 2023	\$ 2,060	—	—	—	—	2,060
040E00006 - Remediation at Chromate Sites	1,653	—	—	—	—	1,653
0490060006 - TPK Westerly Alignment Capacity Enhancement Study	1,442	—	—	—	—	1,442
0490072001 - Next Gen CSC Back Office	1,030	1,030	1,030	1,030	1,030	5,150
0490068001 - 2023 On-Call Traffic Eng Study OPS	1,030	—	—	—	—	1,030
0490060012 - Engineering Documents 2023	1,030	—	—	—	—	1,030
0490072000 - All Electronic Tolling	1,000	1,000	1,000	1,434	258	4,692
0490060004 - Resiliency	927	—	—	—	—	927
0490076006 - On-Call Traffic & Rev Study 2023	701	—	—	—	—	701
0490068000 - On-Call Traffic Eng Studies	630	—	—	—	—	630
0490076005 - HAER Bridge Recordation	540	1,926	324	10	—	2,800
0490060014 - On-Call Security Enhancements 2023	258	—	—	—	—	258
0490072005 - CRMS	250	—	—	—	—	250
0490072006 - Safety Application	250	—	—	—	—	250
040E00048 - Preliminary AET Study	227	—	—	—	—	227
0490060010 - Turnpike Interchange 13 Safety Improvements	186	—	—	—	—	186
0490060008 - Network Infrastructure Improve	103	—	—	—	—	103
0490072014 - Contract Audit	93	—	—	—	—	93
040E00055 - Cell Tower Security	88	—	—	—	—	88
0490072016 - Modem Upgrade	77	—	—	—	—	77
040E00047 - On-Call Traffic & Revenue Study	3	—	—	—	—	3
049ENGSTDY - Engineering & Traffic Studies	—	4,000	4,000	4,000	4,000	16,000
049OCTRENG - On-Call Traffic Eng Study FTR	—	1,000	1,000	1,000	1,000	4,000
049TRAFREV - On-Call Traffic & Rev Study FTR	—	713	725	737	749	2,924
049SECURITY - On-Call Security Enhancements FTR	—	250	250	250	250	1,000
Total Prior Approved Projects	\$ 13,578	9,919	8,329	8,461	7,287	47,574
New Projects						
0490060021 - Phase II Bridge Hydraulic Analysis	\$ 1,545	515	—	—	—	2,060
0490060020 - Facility Improvements Assessment	1,256	444	—	—	—	1,700
0490072023 - Radio Signal Fixes Turnpike MP 0-3	1,030	—	—	—	—	1,030
0490072022 - NJTA Web Redesign	618	—	—	—	—	618
0490060015 - Sustainability Program Development	515	—	—	—	—	515
0490072021 - Salt Domes	515	—	—	—	—	515

Special Project Reserve Fund — Total Project Spending Plan						
<i>(\$ In Thousands)</i>						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
0490060019 - GSP Interchange 153 Operational Improvements Study	386	129	—	—	—	515
0490068002 - TP Interchange 11 Ramp Safety Study	386	—	—	—	—	386
0490076007 - Transportation Education Program	309	—	—	—	—	309
0490072020 - Cellular Based Fleet Management	222	337	113	—	—	672
0490060022 - PHMTE Median Barrier Install Study	206	—	—	—	—	206
0490060016 - Arts Center Long Range Plan	155	—	—	—	—	155
0490060017 - Arts Center Design Reviews and Technical Support	52	52	—	—	—	104
0490060018 - GSP Interchange 154 to 163 Operational Improvements Study	—	2,060	2,060	—	—	4,120
0490060023 - GSP Interchange 98 to 124 Needs Assessment	—	—	—	—	4,120	4,120
Total New Projects	\$ 7,195	3,537	2,173	—	4,120	17,025
Total 2023-2027 Expensed Project Spending	\$ 20,773	13,456	10,502	8,461	11,407	64,599
Total 2023-2027 Project Spending (Capitalized+Expensed)	\$ 109,346	71,778	61,416	57,248	61,812	361,600

- Totals may not add due to rounding

Figure 175: Special Project Reserve Fund Five-Year Spending Plan by Expensed Project (2023-2027)

The chart below shows the 2023 Total Project Budget for each project included in the Special Project Reserve Fund as compared to the 2022 Total Project Budget. The Total Project Budget includes each project's estimated/actual life-to-date spending, the rolling five-year spending plan, and any future spending expected beyond 2027.

Special Project Reserve Fund — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022 Budget
Capitalized Projects						
Prior Approved Projects						
049FLDMPTR - Major Fleet Aug Dump Trucks FTR	\$ 33,622	—	—	33,622	18,421	15,201
049MNTVEHC - Maintenance Vehicles FTR	22,693	—	—	22,693	13,330	9,363
049FLEQUIP - Major Fleet Aug Suppl Equip FTR	21,205	—	—	21,205	12,408	8,797
049SPVEHCL - State Police Vehicles FTR	18,200	—	—	18,200	12,700	5,500
049TLTNDT - Major Fleet Tandem Dump Truck FTR	13,936	—	—	13,936	7,664	6,272
049WTRWAMI - Water Wastewater Asset Mgmt FTR	9,252	—	—	9,252	6,938	2,314
049OTHRITS - Other ITS Project	8,000	—	—	8,000	6,000	2,000
049FLTRCTR - Major Fleet Aug Tractors FTR	7,483	—	—	7,483	4,379	3,104
0490016001 - Major Fleet Aug Dump Trucks - 2022	7,419	3,662	—	11,081	11,081	—
049FLLOADR - Major Fleet Aug Loaders FTR	7,127	—	—	7,127	4,171	2,956
0490016011 - 2023 Major Fleet Aug Dump Trucks	6,890	—	—	6,890	6,890	—
049FLTMATR - Major Fleet Aug TMA Truck FTR	6,534	—	—	6,534	3,823	2,711
040C00038 - Stormwater Pump Repl Bldg Reno	6,367	116	—	6,483	4,648	1,835
049OTRRDWY - Other Roadway	6,000	—	—	6,000	4,500	1,500
0490052005 - Advanced Traffic Management System Replacement	5,665	—	—	5,665	5,286	379
049FLTRUTR - Major Fleet Aug Trad Utl Truck FTR	5,613	—	—	5,613	3,284	2,329
0490016010 - 2023 Major Fleet Aug Suppl Equip	5,476	—	—	5,476	1,760	3,716
0490016017 - 2023 Maintenance Vehicles	5,427	—	—	5,427	4,341	1,086
0490016016 - 2023 State Police Vehicles	5,100	—	—	5,100	4,200	900
0490016002 - Major Fleet Aug Tandem Dump Truck - 2022	5,062	—	—	5,062	5,062	—
049FLGNRTR - Major Fleet Aug Generator FTR	4,678	—	—	4,678	2,737	1,941
0490014012 - Pleasant Plains Sub-Barracks	4,223	1	—	4,224	1,521	2,703
0490030000 - Avalon Plains Sub-Barracks	4,223	1	—	4,224	3,500	724
049ENGDOCS - Engineering Documents FTR	4,000	—	—	4,000	3,000	1,000
040C00071 - Cap Program Mgmt SW	3,664	4,085	—	7,749	4,677	3,072
0490016000 - Major Fleet Aug Supplemental Equipment - 2022	3,349	2,997	—	6,346	6,180	166

Special Project Reserve Fund — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022 Budget
0490014005 - Bulk Fluid & Phase2 Clark Wash	3,230	2,218	—	5,448	5,291	157
049SECENHA - Security Enhancement Facility FTR	3,000	—	—	3,000	1,500	1,500
040C00015 - Enterprise Asset Management	2,869	2,085	—	4,954	4,697	257
0490016012 - 2023 Major Fleet Tandem Dump Truck	2,531	—	—	2,531	2,531	—
0490012020 - Water Wastewater Asset Mgmt 2023	2,382	—	—	2,382	2,313	69
0490052008 - STMC UPS Replacement	2,231	274	—	2,505	1,650	855
040C00058 - HR Software Improve and Implementation	1,854	417	—	2,271	1,662	609
0490012004 - Water Wastewater & Mgmt TPK	1,669	2,134	—	3,803	3,009	794
0490016013 - 2023 Major Fleet Aug Tractors	1,654	—	—	1,654	1,323	331
0490016014 - 2023 Major Fleet Aug Loaders	1,575	—	—	1,575	1,260	315
0490052001 - Finance Sftw Discovery and Implementation	1,500	—	—	1,500	1,500	—
0490016019 - 2023 Major Fleet Aug TMA	1,444	—	—	1,444	1,155	289
0490016015 - 2023 Major Fleet Aug Trade Ut Tr	1,240	—	—	1,240	992	248
049ENVRMIR - Environmental IR FTR	1,150	—	—	1,150	850	300
0490012013 - 3S Pump Station Force Main Upgrade	1,138	—	—	1,138	1,105	33
0490016009 - Major Fleet Aug TMA - 2022	1,100	—	—	1,100	1,100	—
0490016003 - Major Fleet Aug Tractors - 2022	1,079	1,381	—	2,460	2,460	—
040C00077 - Business Intel and Analytics	1,075	501	—	1,576	759	817
0490016018 - 2023 Major Fleet Aug Generator	1,034	—	—	1,034	827	207
0490012021 - Security Enhancement Facility 2023	1,030	—	—	1,030	500	530
040C00046 - 6S Wastewater Pretreatment Plant	819	921	—	1,740	1,690	50
0490012016 - 2022 WWM Demo of Facilities	618	—	—	618	350	268
0490016007 - Maintenance Vehicles - 2022	493	7,866	—	8,359	8,438	(79)
0490014002 - Water Wastewater & Mgmt GSP	309	—	—	309	300	9
0490012019 - 2022 Capital Program Dev Study	206	—	—	206	200	6
040C00013 - Law Dept Software Enhancements	103	46	—	149	115	34
0490028006 - Environmental IR 2023	103	—	—	103	100	3
0490052002 - High Jump Upgrade & Sky Track	102	108	—	210	113	97
0490012017 - 2022 WWM On-Call Vehicle Wash	77	—	—	77	75	2
0490012018 - 2022 WWM On-Call BMS System	77	—	—	77	13	64
0490014000 - Replacement of UST	23	861	—	884	872	12
0490016006 - State Police Vehicles	—	9,173	—	9,173	8,461	712
040C00064 - Pre-Engineered Buildings	—	5,234	—	5,234	5,234	—

Special Project Reserve Fund — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022 Budget
040C07021 - Major Fleet Aug	—	4,239	—	4,239	4,239	—
040C17027 - Major Building Improvements	—	3,046	—	3,046	3,041	5
040C00065 - Building Renovations	—	2,783	—	2,783	2,779	4
0490016004 - Major Fleet Aug Loaders - 2022	—	2,400	—	2,400	2,400	—
0490052004 - TMC Communication Upgrades	—	1,941	—	1,941	1,925	16
0490016005 - Major Fleet Aug Trade Utility Truck - 2022	—	1,845	—	1,845	1,845	—
0490012000 - Security Enhancement Facility 2022	—	1,290	—	1,290	1,255	35
0490014004 - Maint Dep Mtrl Storage Fac GSP	—	926	—	926	925	1
0490052003 - SP/Emergency Services Upgrades	—	907	—	907	884	23
0490012005 - Maint Dep Mtrl Storage Fac TPK	—	809	—	809	806	3
0490016008 - Major Fleet Aug Generator - 2022	—	788	—	788	788	—
0490012015 - East Rutherford Security Gates	—	764	—	764	742	22
0490028002 - Major Sign Impr MUTCD Federal	—	670	—	670	670	—
0490014007 - Roofing Project E Orange	—	654	—	654	654	—
0490014010 - Demo Existing Sewer Pump FRSA	—	600	—	600	600	—
040C00011 - Major Sign & Safety Replacement	—	529	—	529	529	—
040C00074 - Safety Imp at SP and Mtc Dist	—	526	—	526	2,806	(2,280)
0490014003 - Major Roofing Replacement GSP	—	514	—	514	510	4
0490012006 - EGIS Map of Water and Wastewater	—	500	—	500	500	—
040C00003 - Replacement of UST	—	377	—	377	377	—
0490012014 - Storm Ida Capital	—	305	—	305	305	—
0490014008 - Int. 109 Repair & PP SP Water	—	277	—	277	274	3
040C08056 - Traffic Permit Lane Close App	—	270	—	270	520	(250)
0490014009 - Utility Improvements at TMD 10	—	263	—	263	260	3
0490028000 - TPK Misc Geometric Upgrades	—	261	—	261	258	3
040C00034 - Mtce Dept Material Storage Fac	—	226	—	226	226	—
0490014001 - Major Building Improve GSP	—	168	—	168	168	—
0490052000 - Backup Storage	—	147	—	147	300	(153)
0490012012 - Security Enhancement Facility 2022	—	128	—	128	124	4
0490028005 - Environmental IR 2022	—	100	—	100	100	—
0490014006 - TMC Office Renovations	—	77	—	77	76	1
040C00073 - HQ Water Main Improvements	—	54	—	54	52	2
040C00050 - GSP I/C 127 SBE Merge Improve	—	32	—	32	31	1
0490012001 - Hearing Booth	—	—	—	—	35	(35)
049CONTNGY - Contingency 049	25,000	—	—	25,000	6,000	19,000
Total Prior Approved Projects	\$ 293,923	72,497	—	366,420	261,950	104,470

Special Project Reserve Fund — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022 Budget
New Projects						
0490052015 - Security Camera Expansion	\$ 1,083	—	—	1,083	—	1,083
0490012022 - OS Equipment Improvements	670	—	—	670	—	670
0490052012 - Contract Admin Software	361	—	—	361	—	361
0490052016 - Alteryx	361	—	—	361	—	361
0490052013 - Smart Vehicle	345	—	—	345	—	345
0490052014 - CADS Upgrade	258	—	—	258	—	258
Total New Projects	\$ 3,078	—	—	3,078	—	3,078
Total Capitalized Project Budget						
	\$ 297,001	72,497	—	369,498	261,950	107,548

- Totals may not add due to rounding

Figure 176: Special Project Reserve Fund Total Project Budget by Capitalized Project

Special Project Reserve Fund — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022 Budget
Expensed Projects						
Prior Approved Projects						
049ENGSTDY - Engineering & Traffic Studies	\$ 16,000	—	—	16,000	12,000	4,000
0490072001 - Next Gen CSC Back Office	5,150	1,417	—	6,567	5,446	1,121
0490072000 - All Electronic Tolling	4,692	1,655	—	6,347	5,437	910
049OCTRENG - On-Call Traffic Eng Study FTR	4,000	—	—	4,000	3,000	1,000
049TRAFREV - On-Call Traffic & Rev Study FTR	2,924	—	—	2,924	1,200	1,724
0490076005 - HAER Bridge Recordation	2,800	—	—	2,800	2,800	—
0490060013 - Engineering & Traffic Studies 2023	2,060	—	—	2,060	2,000	60
040E00006 - Remediation at Chromate Sites	1,653	144	—	1,797	1,545	252
0490060006 - TPK Westerly Alignment Capacity Enhancement Study	1,442	618	—	2,060	4,000	(1,940)
0490068001 - 2023 On-Call Traffic Eng Study OPS	1,030	—	—	1,030	1,000	30
0490060012 - Engineering Documents 2023	1,030	—	—	1,030	1,000	30
049SECURITY - On-Call Security Enhancements FTR	1,000	—	—	1,000	750	250
0490060004 - Resiliency	927	531	—	1,458	520	938
0490076006 - On-Call Traffic & Rev Study 2023	701	—	—	701	400	301
0490068000 - On-Call Traffic Eng Studies	630	2,884	—	3,514	2,858	656
0490060014 - On-Call Security Enhancements 2023	258	—	—	258	250	8
0490072005 - CRMS	250	—	—	250	250	—
0490072006 - Safety Application	250	—	—	250	250	—
040E00048 - Preliminary AET Study	227	3	—	230	128	102
0490060010 - Turnpike Interchange 13 Safety Improvements	186	186	—	372	372	—
0490060008 - Network Infrastructure Improve	103	103	—	206	200	6
0490072014 - Contract Audit	93	—	—	93	90	3
040E00055 - Cell Tower Security	88	605	—	693	650	43
0490072016 - Modem Upgrade	77	124	—	201	120	81
040E00047 - On-Call Traffic & Revenue Study	3	1,024	—	1,027	1,023	4
040E00046 - E-ZPass Contract Implementation	—	4,093	—	4,093	3,976	117
0490072007 - Camera Upgrade	—	1,124	—	1,124	1,037	87
0490060007 - Engineering Documents 2022	—	1,000	—	1,000	1,000	—
040E18054 - On-Call Traffic Services Engin	—	634	—	634	633	1
040E00001 - Maintenance Studies & Scoping	—	560	—	560	560	—
0490072012 - TCA Software Improvements	—	511	—	511	500	11
0490076004 - On-Call Traffic & Revenue Study 2022	—	496	—	496	496	—
040E10062 - Engineering Studies	—	459	—	459	454	5
0490060011 - Engineering Studies 2022	—	379	—	379	379	—
0490072015 - WINK Refresh	—	356	—	356	350	6
0490060001 - Storm Ida Expenses	—	316	—	316	316	—
040E00032 - Culvert Inspections	—	299	—	299	297	2

Special Project Reserve Fund — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022 Budget
0490060009 - On-Call Security Enhancements	—	258	—	258	250	8
0490072018 - PAECETrack Application	—	193	—	193	187	6
0490060003 - Building Demolition	—	191	—	191	185	6
0490072017 - GSP Plaza Server Refresh	—	129	—	129	125	4
040E00056 - Direct to Plate System, Cron	—	113	—	113	110	3
040E00053 - GSP 130-132 Crash Mitigation	—	68	—	68	82	(14)
0490072002 - Bridge Inspection Software	—	—	—	—	9	(9)
Total Prior Approved Projects	\$ 47,574	20,473	—	68,047	58,235	9,812
New Projects						
0490060018 - GSP Interchange 154 to 163 Operational Improvements Study	\$ 4,120	—	—	4,120	—	4,120
0490060023 - GSP Interchange 98 to 124 Needs Assessment	4,120	—	—	4,120	—	4,120
0490060021 - Phase II Bridge Hydraulic Analysis	2,060	—	—	2,060	—	2,060
0490060020 - Facility Improvements Assessment	1,700	—	—	1,700	—	1,700
0490072023 - Radio Signal Fixes Turnpike MP 0-3	1,030	—	—	1,030	—	1,030
0490072020 - Cellular Based Fleet Management	672	—	—	672	—	672
0490072022 - NJTA Web Redesign	618	—	—	618	—	618
0490060015 - Sustainability Program Development	515	—	—	515	—	515
0490060019 - GSP Interchange 153 Operational Improvements Study	515	—	—	515	—	515
0490072021 - Salt Domes	515	—	—	515	—	515
0490068002 - TP Interchange 11 Ramp Safety Study	386	—	—	386	—	386
0490076007 - Transportation Education Prog	309	—	—	309	—	309
0490060022 - PHMTE Median Barrier Install Study	206	—	—	206	—	206
0490060016 - Arts Center Long Range Plan	155	—	—	155	—	155
0490060017 - Arts Center Design Reviews and Technical Support	104	—	—	104	—	104
Total New Projects	\$ 17,025	—	—	17,025	—	17,025
Total Expensed Project Budget	\$ 64,599	20,473	—	85,072	58,235	26,837
Total Project Budget (Capitalized+Expensed) ⁽¹⁾	\$ 361,600	92,970	—	454,570	348,113	106,457

(1) 2022 Total Project Budget includes 38 projects totaling \$27.9 million that were completed in 2022

- Totals may not add due to rounding

Figure 177: Special Project Reserve Fund Total Project Budget by Expensed Project

Special Project Reserve Fund Capitalized Projects Descriptions	
Project Name	Project Descriptions
Prior Approved Projects	
Safety Improvements at State Police and Maintenance District	Funding for the design and construction of safety enhancements for Maintenance and NJSP Buildings to prevent vehicles from veering off the roadway and into the buildings.
Stormwater Pump Replacement & Building Renovations	Issue OPS for the preparation of plans and specifications to replace the existing Pump House at MP 92 on the New Jersey Turnpike.
Pleasant Plains Sub-Barracks	Funding for design, construction, construction supervision, and all other associated costs for a new NJSP sub-barracks building at Pleasant Plains and associated site work to replace the existing building.
HAER Bridge Recordation	Requirement of a Programmatic Agreement to be executed between the NJTA and NJDEP Historic Preservation Office for the Garden State Parkway Historic District. Recordation will be a requirement. Project will record approximately 50 structures per year starting in year two until all 450 are recorded.
Other Roadway	Additional projects not yet identified.
Resiliency Study	Funding for design, permitting, planning, purchasing, and construction resources for delivering the resiliency program through tasks and projects associated with the Authority's Strategic goals on the New Jersey Turnpike and Garden State Parkway.
Security Enhancement Facility	This project includes but is not limited to cameras, alarm systems, and C-Cure at Toll Plazas, Maintenance Districts, and other Authority Facilities.
State Police Vehicles	Purchase of State Police Vehicles.
Law Department Software Enhancements	Implementation of case management software to track litigation holds, subpoena requests, OPRA requests, and management of outside counsel projects. Funding will be used for hardware, software, and services.
Business Intel and Analytics	Create a project that will form a core of senior management team to explore how Business Intelligence and Business Analytics can help the agency to gain insights into it operations from the data source internal to the agency and available externally, identify exceptions such that analyst resources are focused on problem areas only, provide end users with the ability to create customized reports without the need to have report programs written, and provide management with tools to measure KPIs and to create meaningful dashboards that help them carry out their responsibilities to operate the agency. Funding will be used for hardware, software, and services.
HR Software Improvement and Implementation	This project is for the discovery of an alternative ERP System(s) for HR. PSHR92 support is provided until 2030, and there will be no future releases or enhancements. In addition, this project will provide the Authority with an upgrade to the latest version of Kronos. This may be a phased approach. Funding will be used for hardware, software, and services.
Capital Program Management Software	This project will enable the Authority to deploy a CPMS – Capital Project/Program/Portfolio Management Software/System. Funding will be used for hardware, software, and services.
Finance Software Discovery and Implementation	This project will allow the Authority to discover a replacement for PSFin. PSFSCM92 is supported until 2030, and there are no future releases or enhancements. This project escalates Enterprise Planning. Funding will be used for hardware, software, and services.
High Jump Upgrade & Sky Track	All work associated with performing the HighJump upgrade and implement the new software release, HighJump1, which is the next generation of HighJump Warehouse Advantage. It is recommended that this project not to commence until after the EAM system implementation is completed. Funding will be used for hardware, software, and services.

Special Project Reserve Fund Capitalized Projects Descriptions	
Project Name	Project Descriptions
Enterprise Asset Management	\$2,500,000 is also requested for 2020 to purchase production software licenses and continued HNTB consulting, project management, and implementation of Phase II (to be defined). This project will continue Phase I implementation of EAM: Fleet Management. In addition, funds are requested to continue improving Jira Implementation for ITS as part of the Authority EAM initiative. LOADRITE upgrade - Centralize reporting and monitoring for salt usage. Interface to Inform enterprise asset management system. Lastly, funds are requested for hardware, software, services, and a consultant to rewrite Rutgers WeatherEVENT and Guardrail applications, thus the Authority can support in-house.
Other ITS Project	Additional projects not yet identified.
State Police/Emergency Services Upgrades	Emergency Access SN 23.4 - Helipad and Ramp Gate Upgrade tasks.
Water Wastewater & Management TPK	Funding for design, permitting, purchasing, and construction resources to address asset management requirements with respect to the water and wastewater assets that are operated and maintained by the Authority.
Water Wastewater & Management GSP	Funding for design, permitting, purchasing, and construction resources to address asset management requirements with respect to the water and wastewater assets that are operated and maintained by the Authority.
Water & Wastewater Asset Management	Funding for design, permitting, purchasing, and construction resources to address asset management requirements with respect to the water and wastewater assets that are operated and maintained by the Authority.
3S Pump Station Force Main Upgrade	The existing force main is excessively long, with many dips and rises. As a result, the pipe often clogs because the profile cannot be cleaned safely.
6S Wastewater PreTreatment Plant	Funding for replacement of the plant which is past its useful life. The SBR system will be replaced with a smaller system that will allow the plant to meet new township sewage quality standards.
Major Fleet Augmentation	The purchase of replacement and supplemental equipment over \$20,000.00, as needed, on a priority and lifecycle basis.
Major Fleet Augmentation Dump Trucks	Annual purchase of 22 single-axle dump trucks to maintain current lifecycle levels. (Vehicles have a 12 year life cycle). Replace models that have exhausted their life expectancy.
Major Fleet Augmentation Tandem Dump Trucks	Annual purchase of 8 tandem axle dump trucks to maintain current lifecycle levels and replace single axle dump trucks for additional capacity during winter operations. (Vehicles have a 12 year life cycle).
Major Fleet Augmentation Tractors	Designated Program for lawn tractor replacement.
Major Fleet Augmentation Loaders	Designated program for loader replacement.
Major Flt Augmentation Trade Utility Trucks	Designated program for trades utility vehicles.
Major Fleet Augmentation Generators	Designated program for generator replacement.
Maintenance Vehicles	Purchase of Maintenance Department vehicles.
Environmental IR	Remediation at various locations as needs arise.
Avalon Plains Sub-Barracks	Funding for design, construction, construction supervision, and all other associated costs for a new NJSP sub-barracks building at Avalon and associated site work.
East Rutherford Security Gates	Installation of security gates at East Rutherford TMD10 to increase security and to prohibit thru traffic, primarily at Route 3 and Turnpike Interchange 16W. This project will also match other districts' gate footprints which were constructed under the Facilities program.
Advanced Traffic Management System Replacement	Replace existing ITMS System which is at end-of-life for both software and hardware.
Statewide Traffic Management Center UPS Replacement	To replace the UPS system and the Statewide Traffic Management Center with a stable UPS. The current UPS will be at end-of-life and end-of-support. Funding will be used for hardware, software, and services.

Special Project Reserve Fund Capitalized Projects Descriptions	
Project Name	Project Descriptions
Major Fleet Augmentation TMA	Annual purchase of four (4) Dedicated TMA Trucks, ten (10) TMA Trailer units, and six (6) Fast-Trak TMA Attachments. This reflects life cycle replacements and damaged unit replacements.
Replacement of UST	Request funding for preparation of Plans and Specifications for replacing Underground Storage Tanks at New Jersey Turnpike Maintenance District #5.
Bulk Fluid & Phase2 Clark Wash	Miscellaneous garage and vehicle wash upgrades.
Contingency 2023-2027	Provides additional funding for increased project needs or unanticipated projects.
New Projects	
Smart Vehicle	This project will install a 25ft telescopic mast with a camera on 6 Operations vehicles giving them the capability to live stream video from any location to STMC.
CADS Upgrade	CADS Platform Upgrade to migrate from older Angular framework to React for mitigating security issues.
Security Camera Expansion	Expand the surveillance security cameras for installation at new locations.
OS Equipment Improvements	Office Services (Print Shop and Mail Room) equipment improvements for outdated and unrepairable equipment to include but not limited to numbering unit, folder, and digital press.
Alteryx	Implement Analytics software to work in conjunction with Tableau.
Contract Admin Software	To procure and implement a contract administration software.

Figure 178: Special Project Reserve Fund Capitalized Project Descriptions

Special Project Reserve Fund Expensed Projects Descriptions	
Project Name	Project Descriptions
Prior Approved Projects	
Remediation at Chromate Sites	Efforts associated with the remediation of chromium impacted soil and/or groundwater at Chromate sites 120, 121, & 192 per a court-ordered mandate. Design will take place in 2017 & Construction and tank removal will take place in 2018 - 2021.
Engineering Studies	Funding for various Engineering studies.
On Call Traffic & Revenue Study	Various studies pertaining to Traffic and Revenue.
Preliminary AET Study	Preliminary work related to all electronic tolling including, but not limited to, studies, business rules, etc.
Contract Audit	ITS, along with Internal Audit and an auditor, will review and audit existing IT contracts.
Cell Tower Security	The Authority has 30 cell towers on both roadways, which house equipment critical for ITS infrastructure. This project will secure the towers by providing physical fencing and cameras at each location. Funding will be used for hardware, software, and services.
Next Generation CSC - Back Office	Begin writing the RFP for the Next Generation of CSC back office. The current contract will exp on 2/1/25 (without the two one-year extensions).
Customer Relationship Management System.	This project will allow the Authority to research and begin implementing a Customer Relationship Management System.
Safety Application	The firewalls for 4 NJSP barracks and switches for 2 NJSP barracks are end of support and need to be replaced.
On-Call Traffic Engineering Studies	Funding for Traffic Engineering Studies required by the Authority's Operations Department. There are currently a number of special needs that the Operations Department has that can be addressed under an on-call assignment. In addition, this assignment will allow the Operations Department the benefit of immediately utilizing a consultant's extensive experience with the NJTA.
Engineering Documents	Annual updates to various engineering documents including, but not limited to, design manual, DEP policies, procedures, and other similar documents.
All Electronic Tolling	Studies to determine feasibility and to develop a preliminary plan for implementing All-Electronic Tolling on TPK & GSP. Work after project details are developed will move to the bond-funded budget.
Engineering and Traffic Studies	Annual engineering and traffic studies are performed to determine capital project feasibility, toll revenues, capacity analyses, maintenance plans, development of policies and procedures, and other similar studies that are not specifically part of a previously approved capital project.
TPK Westerly Alignment Capacity Enhancement Study	Study of the feasibility of capacity enhancements for the Westerly Alignment, including the development of alternatives and preliminary design concepts.
On-Call Security Enhancements Facilities	This project is for "as needed" security enhancements such as cameras, alarm systems, and wipes at any Authority facility.
Modem Upgrade	The Authority has over 150 modems that provide communication for signs. These modems are end of support and need to be replaced.
Turnpike Interchange 13 Safety Improvements	The ET, TW, and SOT Ramps of the interchange have crash severity rankings of 4, 8, and 17, respectively, out of the 327 Turnpike total ramp terminals in the Turnpike system. Additionally, the NT and ST Ramps have a high crash and high-injury rate of truck rollover incidents averaging a combined seven a year. Other interchanges with a history of truck rollovers average approximately two a year. This study will identify potential safety improvements to be advanced for design.
Network Infrastructure Improve	This is a multiyear project which will provide fiber or wireless communication to roadway signs that are currently on modems and have poor network connectivity. Funding will be used for hardware, software, and services.
New Projects	
Sustainability Program Development	Development of a sustainability program, including a carbon footprint baseline study of Authority wide operations to provide recommendations for modifications of practices to reduce carbon footprint per Executive Order 274.

Special Project Reserve Fund Expensed Projects Descriptions	
Project Name	Project Descriptions
Arts Center Long Range Plan	Development of Long Range Plan for renovation and replacement of remaining buildings on campus as per the Authority's responsibilities under the agreement with Live Nation (Section 5.10 and 5.11). This includes renovation of the Lawn concession buildings and box office building. It also includes renovating the basement dressing rooms, expanding the stage-level catering, and addressing groundwater intrusion in the backstage basement. This also includes a reevaluation of the security plan.
Arts Center Design Reviews and Technical Support	Design Reviews of Tenant Alteration Requests (Per Agreement Section 5.2 and 5.11) & Technical Support for consistency with the recent redevelopment under P500.494 and commitments to the historic aesthetics with NJSHPO as well as the long range plan.
GSP Interchange 154 to 163 Operational Improvements Study	Feasibility Study for Operational Improvements for GSP Int 154 to 163
GSP Interchange 153 Operational Improvements Study	Feasibility Study for Operational Improvements for GSP Int 153.
Facility Improvements Assessment	Engineering Services for inspection and scoping of the next phase of facility improvements (11 sites) includes TMD 10, Northern Division, TMD 6, PMD 1, PMD 2, Bass River, Smith Street, Union sub yard, and Clark.
Phase II Bridge Hydraulic Analysis	Design Services for Phase II Bridge Hydraulic Analysis and Scour Evaluation of Various Turnpike and Parkway Bridges.
PHMTE Median Barrier Study	The Operations Dept. is requesting design and construction for this project for the benefit of both worker safety and head-on crash avoidance. The establishment of Interstate 95 has resulted in a traffic volume increase of 18%. The existing dual-faced guiderail should be replaced with a concrete median barrier so that a greater degree of positive protection can be provided against a head-on crash involving a heavy vehicle. Paved left shoulders would then be established. Additionally, the existing left-hand shoulders, although graded, are grass and require a left-lane closing to mow because the maintenance environment is unsafe.
GSP Interchange 98 to 124 Needs Assessment	Feasibility Study for Operational Improvements for GSP between Interchanges 98 to 124
TP Interchange 11 Ramp Safety Study	Multiple Interchange 11/129 system ramps are ranked in Operations' top 20 highest crash locations. A special project to start safety improvements or ramp terminal and drainage upgrades is requested.
Radio Signal Fixes Turnpike MP 0-3	The Operations Dept. is requesting the Authority's radio transmission to be improved on the TPK roadway from approximately milepost 0 - 3. We have limited service, and employees are challenged with using personal or Authority cell phones to contact the TMC, co-workers, and/or their district.
CellularBased Fleet Management	This project will replace the Motorola GPS in all NJTA vehicles (appx. 1400) with a cellular based fleet management system. This solution will provide vehicle diagnostic as well as statewide Geofence functionality.
Transportation Education Program	Bring on a marketing organization to produce documentation and videos educating the public about NJ E-ZPass and other transportation tools.
Salt Domes	Working with Operations in identifying a salt measuring tool.
NJTA Web Redesign	Redesign NJTA.com as well as the intranet site to be more user friendly. In addition, explore possibilities of having an NJTA employee app.

Figure 179: Special Project Reserve Fund Expensed Project Descriptions

Supplemental Capital Program

The rolling five-year individual project spending plans within the Supplemental Capital Program are shown below:

Supplemental Capital Program — Total Project Spending Plan						
(\$ In Thousands)						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
Prior Approved Projects						
4000046000 - Service Area Vauxhall & Brookdale	\$ 9,172	—	—	—	—	9,172
080C00050 - Tremley Point Connector Road	5,912	3,708	2,379	1,051	309	13,359
4000012008 - 2022 HVAC & Boiler Replacement	4,026	—	—	—	—	4,026
4000014001 - Chevalier Maintenance Sub Yard	1,401	7,155	9,779	—	—	18,335
4000028000 - Steel Post Median Sign Install	1,391	—	—	—	—	1,391
4000012010 - TMC Administration Building	1,236	6,934	9,888	173	—	18,231
4000052000 - Network Refresh	1,030	—	—	—	—	1,030
080C00030 - Traffic Software Upgrade & Imp	707	57	—	—	—	764
4000038001 - GSP Milepost 0-126 Resurfacing	515	—	—	—	—	515
4000014000 - Maintenance Lean-to Replacement	508	768	643	—	—	1,919
4000028001 - TPK MP 112 Billboard Sign Access	489	—	—	—	—	489
4000012012 - TMD 3 - Storage Building	319	2,972	303	—	—	3,594
4000012013 - TMD 9 - Storage Building	181	1,441	1,253	—	—	2,875
4000028002 - UST Repl TMD 2 Southern Div	165	594	580	—	—	1,339
4000028003 - UST Repl TMD 7 Northern Div	165	749	734	—	—	1,648
4000028004 - UST Repl TMD 6 Elizabeth	165	764	719	—	—	1,648
4000028005 - UST Repl TMD 9 Jersey City	165	749	734	—	—	1,648
080E00022 - NJSP Interview Room Equipment	163	—	—	—	—	163
4000012011 - TMD 5 - Milltown Storage Building	132	838	826	—	—	1,796
400SOFTUPD - GSP & TPK Infr & Sftwr Upg FTR	—	15,000	15,000	20,000	18,000	68,000
400OTHRWAY - Other Roadway FTR	—	8,000	5,000	16,000	9,000	38,000
400CONTNGY - Contingency 400	5,000	5,000	5,000	5,000	5,000	25,000
Total Prior Approved Projects	\$ 32,842	54,729	52,838	42,224	32,309	214,942
New Projects						
4000052004 - Tolling Legacy Parts Replacement	\$ 6,180	515	515	—	—	7,210
4000052002 - AIX Server Upgrade	3,914	—	—	—	—	3,914
4000012014 - Pilot Program Solar Panels Installation	3,447	673	—	—	—	4,120
400TOLLFAC - Toll Facility Repairs	2,730	4,069	5,511	5,511	5,511	23,332
4000052003 - HyperV Production Environment	1,100	—	—	—	—	1,100
400SVCARTS - Arts Center Facility Repairs	536	536	536	536	536	2,680
4000012009 - Interchange 9 HQ Site Redevelopment	422	3183	—	—	—	3605
4000052001 - RWIS Expansion	419	2,849	1,028	—	—	4,296
4000030000 - NJDOT/GSP Int 130 Lane Add Reconstruction	89	945	—	—	—	1,034

Supplemental Capital Program — Total Project Spending Plan						
<i>(\$ In Thousands)</i>						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
4000028007 - Authority Wide Emergency Services Upgrades	—	515	1,030	2,060	7,828	11,433
4000028006 - Authority Wide Signalized Intersection Upgrades	—	—	—	—	6,180	6,180
4000012016 - Cranbury Station Improvements	—	—	—	—	515	515
4000046001 - Colonia Service Area Safety Improvements	—	—	—	—	515	515
Total New Projects	\$ 18,837	13,285	8,620	8,107	21,085	69,934
Total 2023-2027 Project Spending	\$ 51,679	68,014	61,458	50,331	53,394	284,876

- Totals may not add due to rounding

Figure 180: Supplemental Capital Program Five-Year Spending Plan by Project (2023-2027)

The chart below shows the 2023 Total Project Budget for each project included in the Supplemental Capital Program as compared to the 2022 Total Project Budget. The Total Project Budget includes each project's estimated/actual life-to-date spending, the rolling five-year spending plan, and any future spending expected beyond 2027.

Supplemental Capital Program — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022
Prior Approved Projects						
400SOFTUPD - GSP & TPK Infr & Sftwr Upg FTR	\$ 68,000	—	—	68,000	100,000	(32,000)
4000THRWAY - Other Roadway FTR	38,000	—	—	38,000	100,000	(62,000)
4000014001 - Chevalier Maintenance Sub Yard	18,335	—	—	18,335	—	18,335
4000012010 - TMC Administration Building	18,231	—	—	18,231	—	18,231
080C00050 - Tremley Point Connector Road	13,359	5,677	—	19,036	18,546	490
4000046000 - Service Area Vauxhall & Brookdale	9,172	8,755	—	17,927	17,000	927
4000012008 - 2022 HVAC & Boiler Replacement	4,026	—	—	4,026	3,909	117
4000012012 - TMD 3 - Storage Building	3,594	11	—	3,605	—	3,605
4000012013 - TMD 9 - Storage Building	2,875	9	—	2,884	—	2,884
4000014000 - Maintenance Lean-to Replacement	1,919	28	—	1,947	—	1,947
4000012011 - TMD 5 - Milltown Storage Building	1,796	7	—	1,803	—	1,803
4000028003 - UST Repl TMD 7 Northern Div	1,648	—	—	1,648	—	1,648
4000028004 - UST Repl TMD 6 Elizabeth	1,648	—	—	1,648	—	1,648
4000028005 - UST Repl TMD 9 Jersey City	1,648	—	—	1,648	—	1,648
4000028000 - Steel Post Median Sign Install	1,391	155	—	1,546	1,500	46
4000028002 - UST Repl TMD 2 Southern Div	1,339	—	—	1,339	—	1,339
4000052000 - Network Refresh	1,030	8,367	—	9,397	8,250	1,147
080C00030 - Traffic Software Upgrade & Imp	764	527	—	1,291	540	751
4000038001 - GSP Milepost 0-126 Resurfacing	515	25,085	—	25,600	25,421	179
4000028001 - TPK MP 112 Billboard Sign Access	489	26	—	515	500	15
080E00022 - NJSP Interview Room Equipment	163	18	—	181	180	1
080C00047 - SA - HMS Host & Sunoco	—	25,711	—	25,711	25,711	—
080C27033 - Arts Center Improvements	—	19,919	—	19,919	19,912	7
080C00049 - Additional Roadway Resurfacing	—	17,239	—	17,239	17,160	79
080C00036 - I-78 Pavement Repairs	—	16,771	—	16,771	16,748	23
080C00013 - Production Toll Lane System Refresh	—	9,730	—	9,730	9,080	650
080E18028 - Morris Canal Bridge	—	9,131	—	9,131	8,378	753
080C07117 - HVAC & Boiler Replacement Program	—	7,290	—	7,290	7,282	8
4000012002 - 2021 HVAC Upgrades at Various	—	4,368	—	4,368	4,289	79
080C00005 - Toll Facility Repairs & Improvements	—	3,386	—	3,386	3,398	(12)
080C00035 - Roadside Appurtenances	—	2,433	—	2,433	2,403	30
080C00003 - Major Backup Generator Replace	—	1,910	—	1,910	1,903	7
080C17034 - Non-Vegetative Management	—	775	—	775	770	5
4000012004 - 2021 IR/OPS Tasks On-Call Cont	—	773	—	773	750	23
4000044000 - Other Service Area & Arts Cntr 2022	—	750	—	750	750	—
4000012000 - 2021 HVAC & Boiler Replacement	—	656	—	656	656	—
080C00043 - NWC/CNW Ramp	—	626	—	626	621	5

Supplemental Capital Program — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	2023 Total Project Budget	2022 Total Project Budget	\$ Δ from 2022
080C07033 - Security Systems/C Cure	—	449	—	449	776	(327)
4000012003 - 2021 CM PDS Cx	—	441	—	441	435	6
080C00012 - Road Weather Information System	—	378	—	378	378	—
080C00015 - Gate Repair and Replacement	—	102	—	102	102	—
080C00002 - Replace Toll Booths TPA/GSP	—	96	—	96	129	(33)
4000012005 - 2021 Training/Documentation Me	—	50	—	50	300	(250)
400SVCARTS - Other Service Area & Art Cntr FTR	—	—	—	—	3,000	(3,000)
400BUHVCBR - HVAC & Boiler Replacement Program	—	—	—	—	12,000	(12,000)
400CONTNGY - Contingency 400	25,000	—	—	25,000	20,000	5,000
Total Prior Approved Projects	\$ 214,942	171,649	—	386,591	432,777	(46,186)
New Projects						
400TOLLFAC - Toll Facility Repairs	\$ 23,332	—	—	23,332	—	23,332
4000028007 - Authority Wide Emergency Services Upgrades	11,433	—	8,549	19,982	—	19,982
4000052004 - Tolling Legacy Parts Replacement	7,210	—	—	7,210	—	7,210
4000028006 - Authority Wide Signalized Intersection Upgrades	6,180	—	—	6,180	—	6,180
4000052001 - RWIS Expansion	4,296	—	—	4,296	—	4,296
4000012014 - Pilot Program Solar Panels Installation	4,120	—	—	4,120	—	4,120
4000052002 - AIX Server Upgrade	3,914	—	—	3,914	—	3,914
400SVCARTS - Arts Center Facility Repairs	2,680	—	—	2,680	—	2,680
4000052003 - HyperV Production Environment	1,100	—	—	1,100	—	1,100
4000030000 - NJDOT/GSP Int 130 Lane Add Reconstruction	1,034	—	—	1,034	—	1,034
4000012016 - Cranbury Station Improvements	515	—	2,575	3,090	—	3,090
4000046001 - Colonia Service Area Safety Improvements	515	—	2,575	3,090	—	3,090
4000012009 - Interchange 9 HQ Site Redevelopment	3,605	—	—	3,605	—	3,605
Total New Projects	\$ 69,934	—	13,699	83,633	—	83,633
Total Project Budget⁽¹⁾	\$ 284,876	171,649	13,699	470,224	442,959	27,265

(1) 2022 Total Project Budget amount includes 19 projects totaling \$10.2 million completed in 2022

- Totals may not add due to rounding

Figure 181: Supplemental Capital Program Total Project Budget by Project

Supplemental Capital Program Project Descriptions	
Project Name	Project Descriptions
Prior Approved Projects	
Production Toll Lane System Refresh	3 consultants (supplemental staff: 2 existing, 1 new) for the continuing support, maintenance, and enhancements of the Electronic Tolling Software System, as well as project management. In addition, this project will also be utilized to reduce the amount of ETC Huts that are causing damage to the equipment. The existing ETC huts were installed in 1999 with a design life cycle of 15 years. Project costs would include conduit installation (in-house or contracted), UPS relocation, and room modifications such as HVAC, painting, flooring, and lighting. If required, those huts will be replaced or equipment consolidated. From a hardware lane perspective, this is a multiyear project in which ITS will replace all system components which have been tested and qualified for use through the Toll Lane System Evaluation project. The current toll collection equipment is approximately 20 years old. Funding for this project will replace equipment in High Speed, Manual, Standard, and Automatic lanes. Components in these lanes include, but are not limited to, lane controllers, Automatic Vehicle Classification (AVC), Automatic Vehicle Identification (AVI), Violation Enforcement System (VES), Lane Electronic Cabinet (LEC), Patron Fare Display (PFD), Manual Lane Toll Terminals (MLT), and Zone Controllers. These components have been fully tested, and ITS will continue to replace components in the lane systematically. This procurement includes hardware, software, and support services. In addition, funding will support software initiatives such as migrating reports from Actuate 9 to JReport, replacing Xerox software in all High Speed Lanes on the Turnpike and Parkway, migration of Turnpike Plazas from Windows 2003 to Linux, and enhancing the tolling audit software. (Please note: does not include AET) All of this work is intended to maintain the existing system for the next few years as the Authority prepares for the next generation of tolling software, hardware, and services.
Traffic Software Upgrade & Improvement	RTTM is an application that integrates the data and/or feeds from various intelligent transportation devices like roadway sensors, cameras, and sign devices to create a single platform where the Traffic Supervisors can monitor roadway congestion/incident detection and respond accordingly during their routine traffic management operations. The user interface is a Roadway Line Diagram approach where all ITS devices are placed according to their geographic locations based on their mile marker data. This project will also be utilized to purchase, install, and evaluate alternate technologies for traffic detection as a possible alternative to Sensys pucks at areas where it's not practical to install, replace, and maintain the "in-pavement" sensors, as well as project management. Full implementation of the project should also include custom programming resources to integrate the data from these sensors with data from the Sensys system and present it to Operations in a seamless format and use it in an actionable manner, such as real-time automated sign and camera control. Funding will be used for hardware, software, and services.
Toll Facility Repairs & Improvements	Funding for the design, construction, and construction supervision of toll plaza site rehabilitation at various locations on the Garden State Parkway and New Jersey Turnpike.
Roadside Appurtenances	Design, Construction, and Supervision of the installation or upgrade of roadside devices, including weathering steel guide rail on the GSP.
I-78 Pavement Repairs	Design, Construction, and Supervision of the repair to the Authority maintained section of I-78.
Additional Roadway Resurfacing	Funding for additional roadway resurfacing.
HVAC & Boiler Replacement Program	Funding for design, permitting, purchasing, and construction resources to continue the Maintenance Department's Authoritywide HVAC equipment replacement program. Facilities include toll department facilities, maintenance yards, etc.
GSP MP 0-126 Resurfacing	Resurfacing along inner and outer roadways on GSP MP 0-126.
Major Backup Generator Replacement	Funding for backup up generators with costs over \$20,000.00.
Tremley Point Connector Road Design	Funding for the design associated with this new predominantly pier/pile supported, 1.1 mile long four-lane elevated roadway/bridge that will connect Industrial Highway in Carteret, Middlesex County, with Tremley Point Road in Linden, Union County, traversing the Rahway River.
Morris Canal Bridge	Design, supervision, and construction of a vehicular bridge over the Morris Canal, connecting Jersey Avenue and Phillips Street in Jersey City.
Steel Post Median Sign Installations	The design to complete the steel post installations on median barriers where regulatory, warning, or exit gore signs were required.

Supplemental Capital Program Project Descriptions	
Project Name	Project Descriptions
TPK MP 112.0 Billboard Sign Access	A design and construction effort to establish access at this location for NJTA use. Stakeholders such as Maintenance and the billboard sign owner are required to access the billboard sign that is in TPK Right of Way.
Other Roadway Improvements	Additional projects not yet identified
Other Service Areas & Arts Center	Additional projects not yet identified
Network Refresh	The current network and voice infrastructure at the plaza, districts, NJSP barracks, and NJDOT facilities is over 10 years old and needs to be replaced.
NJSP Interview Room Equipment	NJSP has requested an upgrade to the interview room equipment at their six barracks. This project will install equipment in two interview rooms at each Bloomfield SP, Galloway SP, Newark SP and Moorestown SP, and one interview room at Holmdel SP and Cranbury SP. Funding will be used for hardware, software, and services.
GSP & TPK Infrastructure & Software Upgrade	This program involves the upgrade and replacement of software, hardware, and related infrastructure associated with Intelligent Transportation Systems that are used for traffic operations for both roadways. It will also address internal Authority software and hardware associated with the Authority's day-to-day business operations and functions. This program is intended to supplement the Authority's normal technology refresh and replacement process with a focus on new technologies that can improve safety, efficiency, and cost effectiveness.
Service Area Vauxhaull & Brookdale South	Curb-in cost for Vauxhall & Brookdale South Facilities
UST Replacement TMD 2 Southern Div	This project involves removing underground storage tanks and replacing them with above-ground tanks.
UST Replacement TMD 7 Northern Div	This project involves removing underground storage tanks and replacing them with above-ground tanks.
UST Replacement TMD 6 Elizabeth	This project involves removing underground storage tanks and replacing them with above-ground tanks.
UST Replacement TMD 9 Jersey City	This project involves removing underground storage tanks and replacing them with above-ground tanks.
TMC Administration Building	Improvements to the Traffic Management Center Administration Building - Woodbridge
TMD 5 - Milltown Equipment Storage Building	Improvements to Milltown Equipment Storage Building at TMD 5 TPK MP 80.7 - Milltown
TMD 3 - Storage Building	Improvements to TMD 3 - Storage Building at TPK MP 56.9 - Crosswicks/Chesterfield
TMD 9 - Storage Building	Improvements to TMD 9 - Storage Building at TPK MP N5.8 - Jersey City
Maintenance Lean-to Replacement at Paramus, Clifton, Telegraph Hill and Ocean	Maintenance Lean-to replacement at Paramus, Clifton, Telegraph Hill, and Ocean
Chevalier Maintenance Sub Yard	Improvements to Chevalier Maintenance Sub Yard(Westside) at GSP MP 125 - Sayreville
Contingency	Provides additional funding for increased project needs or unanticipated projects
New Projects	
Pilot Program Solar Panels Installation	Pilot program for the use of Solar Panels in conjunction with the Governor's "Green Initiative." Solar Panels will be installed at two Maintenance Districts on the Turnpike (TMD 1 & TMD 2) as well as two Maintenance Districts on the Parkway (PMD 1 & PMD 2)
Toll Facility Repairs	Annual maintenance of GSP and TPK toll buildings and plazas
Arts Center Facility Repairs	Annual maintenance of the Arts Center and campus buildings to support the Long Range Plan and the Authority's commitments in the agreement with Live Nation (Sections 5.10 and 5.11)
NJDOT/GSP Int 130 Lane Add Reconstruction	Operations concluded its traffic safety study and identified an advancement of Minor Improvement #1. This work includes a simple widening of southbound US 1 to allow a continuous lane from SB Exit 130B to the Ford Avenue traffic signal. This reconstruction work is contained to US 1. It will be determined which agency will construct the improvement, but the NJTA will design through an Operations on-call.

Supplemental Capital Program Project Descriptions	
Project Name	Project Descriptions
RWIS Expansion	This project will provide additional RWIS stations on the Parkway (8) and Turnpike (6). This project includes design, hardware, software, and installation.
AIX Server Upgrade	Current production servers hosting PeopleSoft applications, as well as other critical business functions, are nearing end-of-support. This project will allow the Authority to upgrade the hardware to IBM's newest platform, providing improved performance and an extended lifespan.
Cranbury Station Improvements	The Operations Dept. is requesting the Cranbury State Police Headquarters be added to the recent State Police facility renovation projects thru discussions with current NJSP leadership and due to the age of this facility. Please include efforts starting with coordination and assessment thru final design/construction.
Authority Wide Emergency Services Upgrades	The Operations Dept. completed a study to upgrade facilities to reduce emergency response times and roadway impacts such as full roadway closings. Facilities include helipads, ramp gates, and emergency access gates for county OEM use. Those facilities are represented in conceptual layouts and plans that we are requesting be moved forward to the final design.
Colonia Service Area Safety Improvements	The Colonia North and Colonia South Service Areas do not provide sufficient parking areas to accommodate patrons. As a result, patrons commonly park in live travel lanes resulting in pedestrian movements in, on, and across these high-speed ramps. To address this safety concern, the Operations Department conducted a conceptual improvement study to expand patron parking at these service areas. Available real estate will be shared and repurposed as contractor staging area(s). The Operations Department is requesting this project progress to the final design.
HyperV Production Environment	Upgrade existing production virtualization infrastructure (Hyper-V) to accommodate the growing needs of the Authority. Capacity has been met on the current infrastructure, and this project will allow the Authority to upgrade to an infrastructure that meets the Authority's current and future needs.
Authority Wide Signalized Intersection Upgrades	The Operations Dept. completed a study that analyzed all of our Authority owned signalized intersections and the concept effort to bring them all up to current standards. Many of the traffic signals are approximately 40 years old. This is a design and construction effort for improvements and renovations to the Authority's eight (8) signalized intersections on the Garden State Parkway and NJ Turnpike. Improvements will include DOJ, ADA, and MUTCD compliance.
Tolling Legacy Parts Replacement	This project will replace the Toll Lane Refresh project and will include the purchase of cameras, multiprotocol readers, software development, etc.

Figure 182: Supplemental Capital Program Project Descriptions

2023-2027 Capital Improvement Program

The rolling five-year individual project spending plans within the 2023-2027 CIP are shown below:

2023-2027 Capital Improvement Program — Total Project Spending Plan						
(\$ In Thousands)						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
Capitalized Projects						
Prior Approved Projects						
5000000003 - TPK Rehab Bridge W107_E107_84N&S	\$ 87,564	50,213	12,803	—	—	150,580
5000002002 - GSP 128 AB 154.2N TPK 90-91.37	39,280	33,309	16,296	642	—	89,527
5000000006 - TPK Deck Recon 98.48 to 98.76	36,918	17,254	1,570	—	—	55,742
5000056001 - TPK NBHCE Capacity	34,426	90,845	166,430	400,713	1,071,908	1,764,322
5000030001 - GSP SA Ramp Widening	25,585	370	—	—	—	25,955
5000000009 - TPK Deck MP E113.0-E115.21	21,088	8,393	110	—	—	29,591
5000000004 - TPK MPS 35.3-37.9 & 74.3-74.4	20,942	5,521	201	—	—	26,664
5000010005 - Culvert Repairs I/C 100	19,011	7,260	746	—	—	27,017
5000010006 - Culvert Repair MP 109-111;123-128	18,395	5,453	—	—	—	23,848
5000028000 - Roadway Improvement MP 97.1-98;102-104.5	17,100	51,010	3,601	—	—	71,711
5000000008 - Recon Wtrwy Piers TPK StrW115.36	15,299	44,767	—	—	—	60,066
5000010004 - Heards Brook Improvements	13,651	5,633	1,878	—	—	21,162
5000040006 - TPK Lighting Upgrades I/C 10 & 11	13,609	2,529	—	—	—	16,138
5000000001 - TPK Bridges W110_111_112	11,484	69,313	22,960	—	—	103,757
5000002001 - GSP Brdg Sprstruct Rplc MP 106	11,395	264	—	—	—	11,659
5000006000 - GSP Median Barrier Improvements MP 134 to 140	11,165	32,988	11,165	—	—	55,318
5000010010 - GSP Drainage Cleaning and Video Inspection	10,846	4,553	—	—	—	15,399
5000040004 - TPK I/C 7A, 8A, 10 & 11	10,088	—	—	—	—	10,088
5000008002 - GSP & TPK Corrugated Metal Pipe Rehabilitation at Various Locations	9,928	15,557	1,033	—	—	26,518
5000052001 - TPK Hybrid CMS	8,936	—	—	—	—	8,936
5000028003 - TPK Grade Separated Median U-Turns	8,038	68,571	59,633	—	—	136,242
5000010013 - GSP Corrugated Metal Pipe Rehabilitation MP 120.6 to 123.6	6,598	1,090	—	—	—	7,688
5000040007 - TPK Lighting Upgrades I/C 17E	5,467	943	—	—	—	6,410
5000052000 - Horizontal Curve Warning Signs	5,445	—	—	—	—	5,445
5000040003 - TPK SA 10S, I/C 13A, 15E, & 15W	4,996	16,553	4,076	—	—	25,625
5000000012 - Deck NBHCE Bridges Zones 2-3	4,294	81,553	23,005	—	—	108,852
5000010000 - GSP Culvert MP 110.6 & 116.4	4,189	—	—	—	—	4,189
5000010015 - Culvert Rehab MP 164 to 172	3,805	17,319	28,505	1,109	—	50,738
5000056003 - TPK Capacity I/C 1-4	3,796	8,916	11,200	12,966	86,175	123,053
5000040001 - TPK I/C 12 & 13	3,658	—	—	—	—	3,658
5000002003 - GSP Deck Recon MP 169.2-171.7	3,567	15,094	9,329	281	—	28,271
5000020001 - GSP Capacity I/C 129-142	3,449	4,042	—	34,481	42,816	84,788

2023-2027 Capital Improvement Program — Total Project Spending Plan

(\$ In Thousands)

Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
5000040000 - TPK Mixing Bowls N/S, I/C 1, Service Areas 1S, 1N, 3S	3,129	14,720	8,674	—	—	26,523
5000010012 - GSP Drainage Cleaning and Video Inspection MP 116-120.6	3,125	—	—	—	—	3,125
5000010002 - GSP Culvert Repairs MP 112.7	2,362	—	—	—	—	2,362
5000000017 - TPK Sprstruct Rplc Str E111.15	2,323	4,134	4,702	36,364	55,564	103,087
5000040002 - TPK I/C 14 & NBHCE	1,507	—	—	—	—	1,507
5000010003 - Culvert Repairs MP 115	1,317	—	—	—	—	1,317
5000052002 - TPK Guide Sign Improvements	1,223	—	—	—	—	1,223
5000052003 - CIP Support Services	1,222	1,084	1,035	1,015	1,015	5,371
5000026004 - GSP Interchange 168 Completion	1,149	3,897	—	—	—	5,046
5000000005 - TPK Deck SS MP 85.77 TO 87.1	1,146	—	—	—	—	1,146
5000028004 - TPK IC 69 Improvements	974	1,473	8,572	1,770	—	12,789
5000026001 - GSP I/C 80 Capacity Btwn 80-83	955	—	—	—	—	955
5000000015 - Deck Rehab TPK Westerly Bridges	936	9,580	43,345	49,234	19,692	122,787
5000010014 - Culvert Rehab MP 156 to 163	787	1,561	9,619	25,002	3,627	40,596
5000026002 - Interchange 13 Completion	504	167	—	—	—	671
5000004003 - TPK Median Barr MP 0-48 72-89	451	114	—	—	—	565
5000026003 - Interchange 29 Completion	373	—	—	—	—	373
5000030002 - GSP PMD #8 Paramus UST Removal	149	—	—	—	—	149
5000000007 - Interim Repairs to Two Waterway Piers for TPK Structure W115.36	20	—	—	—	—	20
5000000002 - TPK I/C 17 Ramp Bridge Replace	—	39,592	136,371	18,155	—	194,118
5000030000 - GSP Driscoll Brdg MSE MP 127.2	—	3,391	25,388	23,087	—	51,866
5000040013 - TPK SA 6N, 8N, & 10N	—	1,922	6,960	1,369	—	10,251
5000040010 - TPK Rt 46, I/C 68 & 69, & LCH	—	1,543	2,242	13,491	3,227	20,503
5000008000 - TPK Culvert Rehab MP W112 to W114	—	548	3,453	3,285	53	7,339
5000040008 - TPK Lighting Upgrades I/C 14	—	460	4,717	—	—	5,177
5000010009 - GSP Culvert Rehabilitation MP33.6, 62.85S and 116.74	—	272	4,183	10,364	1,015	15,834
5000040012 - TPK I/C 16E, 18E, & 18W	—	—	1,137	6,898	6,785	14,820
5000040009 - TPK Lighting Upgrades I/C 6 & 6A	—	—	571	2,964	8,847	12,382
5000010019 - GSP Drainage Rehab MP 116-120.6	—	—	—	1,624	9,825	11,449
5000040011 - TPK I/C 70A, 70B, 71, 72, & 73	—	—	—	1,543	9,530	11,073
5000008001 - TPK Drainage Cleaning and Video Inspection MP 77-97	—	—	—	1,084	6,604	7,688
5000010016 - GSP Culvert Rehab MP 105-111	—	—	—	1,056	6,325	7,381
5000010017 - GSP Culvert Rehab MP 111-117	—	—	—	1,056	6,325	7,381
5000010018 - GSP Culvert Rehab MP 117-122	—	—	—	1,056	6,325	7,381
5000000020 - TPK Deck Recon MP 97.5-98.7	—	—	—	—	2,439	2,439
500CONTNGY - Contingency	5,000	5,000	5,000	5,000	5,000	25,000
Total Prior Approved Projects	\$ 522,664	748,771	640,510	655,609	1,353,097	3,920,651

2023-2027 Capital Improvement Program — Total Project Spending Plan						
(\$ In Thousands)						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
New Projects						
5000000022 - Delaware River Turnpike Bridge Replacement	\$ 77,547	10,239	10,915	11,555	10,930	121,186
5000054000 - GSP All Electronic Tolling Program	4,731	8,907	70,388	133,192	157,457	374,675
5000056004 - TPK Tremley Point Connector Road	2,527	3,556	34,553	87,128	91,907	219,671
5000004004 - TPK Guide Rail Improvement Program	999	23,669	21,115	13,648	13,596	73,027
Total New Projects	\$ 85,804	46,371	136,971	245,523	273,890	788,559
Total 2023-2027 Project Spending						
	\$ 608,468	795,142	777,481	901,132	1,626,987	4,709,210

- Totals may not add due to rounding

Figure 183: 2023-2027 Capital Improvement Program Five-Year Spending Plan by Project (2023-2027)

The chart below shows the 2023 Total Project Budget for each project included in the 2023-2027 Capital Improvement Program as compared to the 2022 Total Project Budget. The Total Project Budget includes each project's estimated/actual life-to-date spending, the rolling five-year spending plan, and any future spending expected beyond 2027.

2023-2027 Capital Improvement Program — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated / Actual LTD Spending	Future Spending	Total Project Budget 2023	Total Project Budget 2022	\$ Δ from 2022
Capitalized Projects						
Prior Approved Projects						
5000056001 - TPK NBHCE Capacity	\$ 1,764,322	20,757	8,910,512	10,695,591	4,693,426	6,002,165
5000000002 - TPK I/C 17 Ramp Bridge Replace	194,118	8,311	—	202,429	134,185	68,244
5000000003 - TPK Rehab Brdg W107_E107_84N&S	150,580	68,140	—	218,720	323,166	(104,446)
5000028003 - TPK Grade Separated Median U- Turns	136,242	387	—	136,629	16,000	120,629
5000056003 - TPK Capacity I/C 1-4	123,053	12,949	3,460,001	3,596,003	1,139,467	2,456,536
5000000015 - Deck Rehab TPK Westerly Bridges	122,787	26	—	122,813	91,500	31,313
5000000012 - Deck NBHCE Bridges Zones 2-3	108,852	4,321	—	113,173	91,500	21,673
5000000001 - TPK Bridges W110_111_112	103,757	6,003	—	109,760	88,357	21,403
5000000017 - TPK Sprstruct Rplc Str E111.15	103,087	32	24,265	127,384	90,500	36,884
5000002002 - GSP 128 AB 154.2N TPK 90-91.37	89,527	29,694	—	119,221	115,660	3,561
5000020001 - GSP Capacity I/C 129-142	84,788	629	106,418	191,835	189,000	2,835
5000028000 - Roadway Improvement MP 97.1-98;102-104.5	71,711	4,914	—	76,625	74,300	2,325
5000000008 - Recon Wtrwy Piers TPK StrW115.36	60,066	2,149	—	62,215	27,300	34,915
5000000006 - TPK Deck Recon 98.48 to 98.76	55,742	31,233	—	86,975	88,196	(1,221)
5000006000 - GSP Median Barrier Improvements MP 134 to 140	55,318	—	—	55,318	23,410	31,908
5000030000 - GSP Driscoll Brdg MSE MP 127.2	51,866	—	—	51,866	40,000	11,866
5000010015 - Culvert Rehab MP 164 to 172	50,738	11	—	50,749	39,000	11,749
5000010014 - Culvert Rehab MP 156 to 163	40,596	3	—	40,599	29,700	10,899
5000000009 - TPK Deck MP E113.0-E115.21	29,591	20,662	—	50,253	52,581	(2,328)
5000002003 - GSP Deck Recon MP 169.2-171.7	28,271	1,773	—	30,044	66,962	(36,918)
5000010005 - Culvert Repairs I/C 100	27,017	4,878	—	31,895	31,400	495
5000000004 - TPK MPS 35.3-37.9 & 74.3-74.4	26,664	36,191	—	62,855	63,542	(687)
5000040000 - TPK Mixing Bowls N/S, I/C 1, Service Areas 1S, 1N, 3S	26,523	883	—	27,406	27,000	406
5000008002 - GSP & TPK Corrugated Metal Pipe Rehabilitation at Various Locations	26,518	1,911	—	28,429	28,000	429
5000030001 - GSP SA Ramp Widening	25,955	10,959	—	36,914	37,874	(960)
5000040003 - TPK SA 10S, I/C 13A, 15E, & 15W	25,625	1,916	—	27,541	26,700	841
5000010006 - Culvert Repair MP 109-111;123-128	23,848	6,144	—	29,992	29,525	467
5000010004 - Heards Brook Improvements	21,162	5,091	—	26,253	10,337	15,916
5000040010 - TPK Rt 46, I/C 68 & 69, & LCH	20,503	—	—	20,503	17,600	2,903
5000040006 - TPK Lighting Upgrades I/C 10 & 11	16,138	1	—	16,139	4,800	11,339

2023-2027 Capital Improvement Program — Total Project Budget

(\$ In Thousands)

Project Number & Name	Rolling 5-Year Spending Plan	Estimated / Actual LTD Spending	Future Spending	Total Project Budget 2023	Total Project Budget 2022	\$ Δ from 2022
5000010009 - GSP Culvert Rehabilitation MP33.6, 62.85S and 116.74	15,834	—	—	15,834	15,600	234
5000010010 - GSP Drainage Cleaning and Video Inspection	15,399	993	—	16,392	23,150	(6,758)
5000040012 - TPK I/C 16E, 18E, & 18W	14,820	—	—	14,820	13,200	1,620
5000028004 - TPK IC 69 Improvements	12,789	—	—	12,789	7,500	5,289
5000040009 - TPK Lighting Upgrades I/C 6 & 6A	12,382	—	—	12,382	10,500	1,882
5000002001 - GSP Brdg Sprstruct Rplc MP 106	11,659	13,613	—	25,272	23,759	1,513
5000010019 - GSP Drainage Rehab MP 116-120.6	11,449	—	9,663	21,112	14,300	6,812
5000040011 - TPK I/C 70A, 70B, 71, 72, & 73	11,073	—	9,430	20,503	17,600	2,903
5000040013 - TPK SA 6N, 8N, & 10N	10,251	—	—	10,251	9,000	1,251
5000040004 - TPK I/C 7A, 8A, 10 & 11	10,088	895	—	10,983	44,756	(33,773)
5000052001 - TPK Hybrid CMS	8,936	34,133	—	43,069	42,049	1,020
5000008001 - TPK Drainage Cleaning and Video Inspection MP 77-97	7,688	—	8,070	15,758	15,525	233
5000010013 - GSP Corrugated Metal Pipe Rehabilitation MP 120.6 to 123.6	7,688	127	—	7,815	7,700	115
5000010016 - GSP Culvert Rehab MP 105-111	7,381	—	6,220	13,601	2,250	11,351
5000010017 - GSP Culvert Rehab MP 111-117	7,381	—	6,220	13,601	2,250	11,351
5000010018 - GSP Culvert Rehab MP 117-122	7,381	—	6,017	13,398	2,250	11,148
5000008000 - TPK Culvert Rehabilitation MP W112 to W114	7,339	—	—	7,339	7,230	109
5000040007 - TPK Lighting Upgrades I/C 17E	6,410	4,799	—	11,209	10,400	809
5000052000 - Horizontal Curve Warning Signs	5,445	2,685	—	8,130	13,400	(5,270)
5000052003 - CIP Support Services	5,371	870	3,045	9,286	2,000	7,286
5000040008 - TPK Lighting Upgrades I/C 14	5,177	—	—	5,177	4,625	552
5000026004 - GSP Interchange 168 Completion	5,046	29	—	5,075	5,000	75
5000010000 - GSP Culvert MP 110.6 & 116.4	4,189	8,730	—	12,919	13,069	(150)
5000040001 - TPK I/C 12 & 13	3,658	16,669	—	20,327	20,086	241
5000010012 - GSP Drainage Cleaning and Video Inspection MP 116-120.6	3,125	97	—	3,222	3,175	47
5000000020 - TPK Deck Recon MP 97.5-98.7	2,439	—	68,611	71,050	53,300	17,750
5000010002 - GSP Culvert Repairs MP 112.7	2,362	10,140	—	12,502	12,129	373
5000040002 - TPK I/C 14 & NBHCE	1,507	12,757	—	14,264	14,160	104
5000010003 - Culvert Repairs MP 115	1,317	15,135	—	16,452	16,130	322
5000052002 - TPK Guide Sign Improvements	1,223	16,681	—	17,904	19,644	(1,740)
5000000005 - TPK Deck SS MP 85.77 TO 87.1	1,146	5,238	—	6,384	6,351	33
5000026001 - GSP I/C 80 Capacity Btwn 80-83	955	5,019	192,501	198,475	75,076	123,399
5000026002 - Interchange 13 Completion	671	1,762	—	2,433	2,400	33
5000004003 - TPK Median Barr MP 0-48 72-89	565	238	—	803	794	9
5000026003 - Interchange 29 Completion	373	2,871	—	3,244	3,200	44
5000030002 - GSP PMD #8 Paramus UST Removal	149	385	—	534	600	(66)

2023-2027 Capital Improvement Program — Total Project Budget

(\$ In Thousands)

Project Number & Name	Rolling 5-Year Spending Plan	Estimated / Actual LTD Spending	Future Spending	Total Project Budget 2023	Total Project Budget 2022	\$ Δ from 2022
5000000007 - Interim Repairs to Two Waterway Piers for TPK Structure W115.36	20	1,734	—	1,754	2,168	(414)
5000010001 - GSP Culvert Rehab MP 111.5	—	8,175	—	8,175	8,143	32
5000004002 - TPK Median Barr Impr MP 89-122	—	5,722	—	5,722	7,186	(1,464)
5000042002 - GSP I/C 117 & 118	—	4,517	—	4,517	4,478	39
5000042003 - GSP I/C 102 & 105	—	2,926	—	2,926	2,919	7
5000042001 - GSP I/C 120	—	2,711	—	2,711	2,700	11
5000012004 - Facilities Program 2022	—	508	—	508	500	8
5000000019 - TPK Deck Recon MP 40.34	—	347	28,982	29,329	21,750	7,579
5000000010 - TPK Deck Recon MP P2.0-P5.0	—	—	51,461	51,461	63,500	(12,039)
5000000018 - TPK Pier Recon MP 99.0-100.0	—	—	32,785	32,785	27,000	5,785
5000010008 - GSP Culvert Rehabilitation MP 112.7	—	—	—	—	525	(525)
5000000013 - TPK Deck MP 105.1-W106.68	—	—	149,307	149,307	110,000	39,307
5000000014 - TPK Deck Recon MP 81.5-84.5	—	—	61,103	61,103	46,800	14,303
5000000016 - TPK Deck Recon MP 44.7-50.43	—	—	86,580	86,580	65,000	21,580
5000000021 - TPK Deck Recon MP 88.0-88.9	—	—	82,824	82,824	59,800	23,024
5000008003 - TPK Drainage Rehab MP 77-97	—	—	64,757	64,757	46,000	18,757
5000020002 - GSP Capacity I/C 154-163	—	—	—	—	3,255	(3,255)
5000026005 - GSP Interchange 153 Completion	—	—	47,299	47,299	20,000	27,299
5000028002 - Repair/Rplc Various MSE Walls	—	—	61,103	61,103	46,400	14,703
5000056002 - Westerly Alignment Capacity	—	—	—	—	50,000	(50,000)
500GSPCMR - GSP Corrugated & Culvert Rehab	—	—	—	—	64,500	(64,500)
500MDBARRR - GSP Median Barrier Improvement	—	—	—	—	4,500	(4,500)
5000028005 - UST Repl TMD 2 Southern Div	—	—	—	—	700	(700)
5000028006 - UST Repl TMD 7 Northern Div	—	—	—	—	850	(850)
5000028007 - UST Repl TMD 6 Elizabeth	—	—	—	—	850	(850)
5000028008 - UST Repl TMD 9 Jersey City	—	—	—	—	850	(850)
5000012000 - TMC Administration Building	—	—	—	—	17,700	(17,700)
5000012001 - TMD 5 - Milltown Equipment Storage Building	—	—	—	—	1,750	(1,750)
5000012002 - TMD 3 - Storage Building	—	—	—	—	2,400	(2,400)
5000012003 - TMD 9 - Storage Building	—	—	—	—	2,800	(2,800)
5000014000 - Maintenance Lean-to Replacement at Paramus, Clifton, Telegraph Hill and Ocean	—	—	—	—	1,890	(1,890)
5000014002 - Chevalier Maintenance Sub Yard	—	—	—	—	12,390	(12,390)
500FACILTY - Facility Program FTR	—	—	—	—	5,500	(5,500)
5000028001 - Rehab TPK Secaucus IC MSE Wall	—	—	—	—	34,600	(34,600)
5000002004 - GSP Sprstruct MP 150.3-150.4	—	—	—	—	51,400	(51,400)
500CONTNGY - Contingency	25,000	—	—	25,000	6,680	18,320
Total Prior Approved Projects	\$ 3,920,651	460,474	13,477,174	17,858,299	9,022,630	8,835,669

2023-2027 Capital Improvement Program — Total Project Budget						
<i>(\$ In Thousands)</i>						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated / Actual LTD Spending	Future Spending	Total Project Budget 2023	Total Project Budget 2022	\$ Δ from 2022
New Projects						
5000054000 - GSP All Electronic Tolling Program	\$ 374,675	—	178,002	552,677	—	552,677
5000056004 - TPK Tremley Point Connector Road	219,671	—	41,949	261,620	—	261,620
5000000022 - Delaware River Turnpike Bridge Replacement	121,186	17,511	741,596	880,293	—	880,293
5000004004 - TPK Guide Rail Improvement Program	73,027	—	30,385	103,412	—	103,412
Total New Projects	\$ 788,559	17,511	991,932	1,798,002	—	1,798,002
Total Project Budget						
	\$4,709,210	477,985	14,469,106	19,656,301	9,022,630	10,633,671

- Totals may not add due to rounding

Figure 184: 2023-2027 Capital Improvement Program Total Project Budget by Project

NEW JERSEY TURNPIKE AUTHORITY 2023 - 2027 CAPITAL IMPROVEMENT PROGRAM

- GSP & TPK Hybrid Changeable Message Signs (system-wide)
- GSP & TPK Lighting Upgrade Program (system-wide)
- Guide Rail Improvement Program (system-wide)
- GSP & TPK Median Barrier Improvement Program (system-wide)
- GSP Service Area Ramp Widening Program (system-wide)
- GSP & TPK ITS Infrastructure and Software Upgrade Program (system-wide)
- GSP & TPK Bridge Rehabilitation/Replacement Program (system-wide)
- GSP Corrugated Metal Pipe Replacement and Culvert Rehabilitation Program (system-wide)
- GSP & TPK Interchange Improvement Program (system-wide)
- GSP & TPK Facility Improvement Program (system-wide)
- Grade Separated Median U-Turns (Turnpike, southern portion)
- GSP & TPK MSE Wall Replacement Program (system-wide)
- All-Electronic Tolling (Parkway)
- Capital Improvement Program Support Services (system-wide)
- 1 TPK Westerly Alignment Mainline Capacity Enhancements
- 2 GSP Interchange 80 Completion and Capacity Enhancements between MP 80 - 83
- 3 GSP Mainline Capacity Enhancements Between Interchanges 129 - 142
- 4 GSP Mainline Capacity Enhancements Between Interchanges 154 - 163
- 5 TPK Mainline Widening Between Interchanges 1 - 4
- 6 TPK Newark Bay - Hudson County Extension Mainline Capacity Enhancements
- 7 Delaware River Turnpike Bridge
- 8 Tremley Point Connector Road

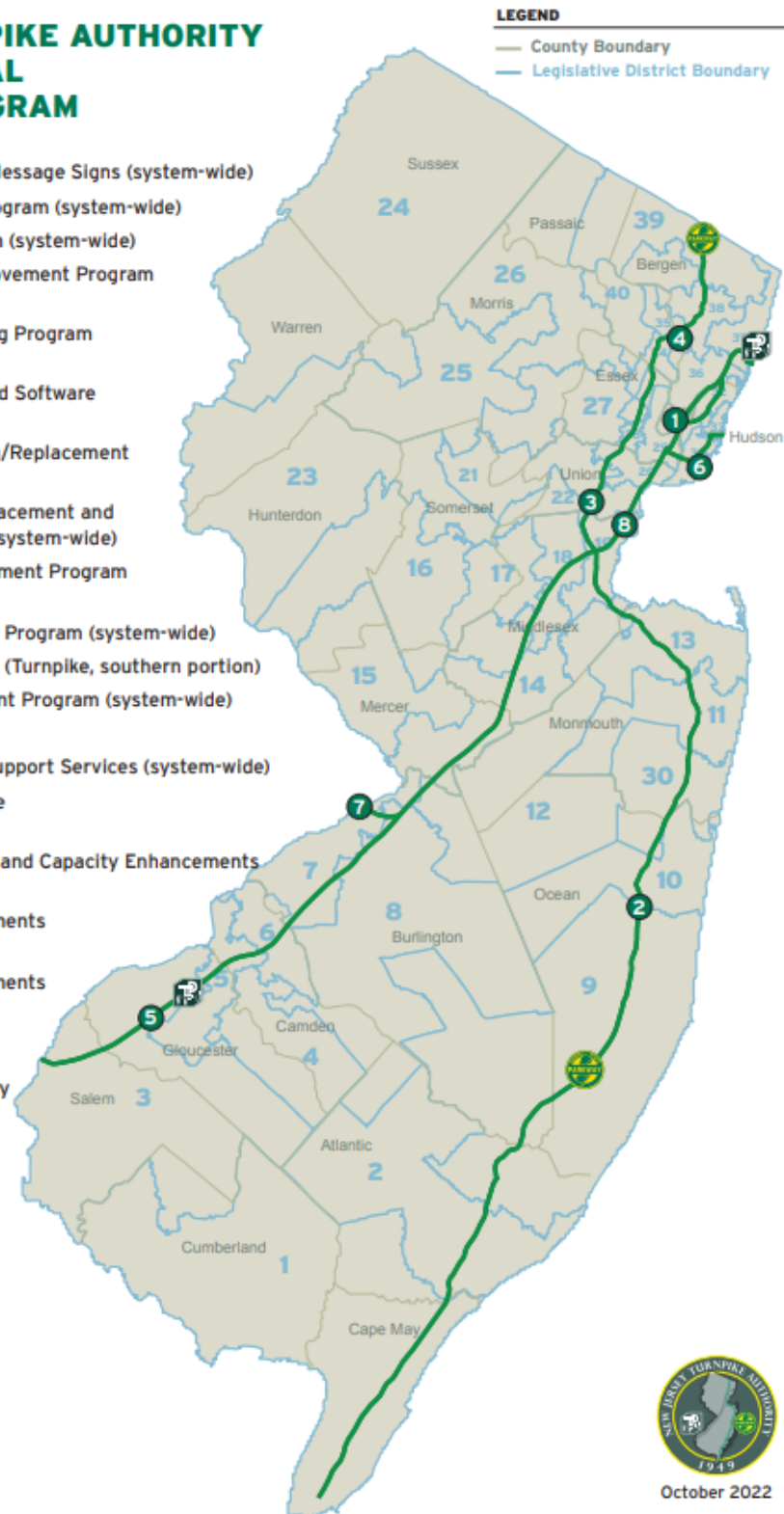


Figure 185: (2023-2027) Capital Improvement Program Projects Map

The 2023–2027 Capital Improvement Program includes the following programs and projects:

Bridge Construction, Preservation & Security

1. GSP & TPK Bridge Rehabilitation/Replacement Program

- i. **Location:** Various Counties
- ii. **Description:** This proposed program involves the replacement of various bridge decks or superstructures, the repainting of various superstructures, and the rehabilitation of various bridge substructures each year. This program is intended to supplement the Authority's ongoing annual maintenance program for bridges.
- iii. **Status:** Various individual projects are under design and construction.
- iv. **Impact on Operating Budget:** The program is planned to address approximately 10–20 bridges annually and will decrease operation and maintenance costs by a minor amount. These minor operation and maintenance cost savings will be considered when developing the operating budget for the future.

2. TPK Delaware River Turnpike Bridge Replacement

- i. **Location:** Burlington County
- ii. **Description:** This significant bridge that connects the New Jersey Turnpike to the Pennsylvania Turnpike over the Delaware River is jointly owned by the Authority and the Pennsylvania Turnpike Commission. Both agencies are engaged in a project to replace the aging structure with a pair of new bridges. The PTC is leading the effort with the Authority providing financial support for approximately half the total project cost.
- iii. **Status:** The project is under preliminary design.
- iv. **Impact on Operating Budget:** The project will result in a new bridge which will decrease operation and maintenance costs by a small amount. These operation and maintenance cost savings will be considered when developing the operating budget for the future.

Capacity Enhancements — Turnpike

3. TPK Mainline Capacity Enhancements between I/C Nos. 1-4

- i. **Location:** Salem, Gloucester, Camden, and Burlington Counties
- ii. **Description:** The project includes the design and construction of one additional lane and full shoulders in each direction between Interchanges 1 to 4, approximately 37 miles in length. Many other improvements in addition to the roadway and bridge capacity enhancements will be provided, including improvements to drainage, guide rail, lighting, signing, striping, median barrier, and other items.
- iii. **Status:** Program management and environmental services for this project are underway.
- iv. **Impact on Operating Budget:** The project will add approximately 148 lane miles of new pavement and bridge deck which will increase operation and maintenance costs by about 3%. However, due to the other improvements included in the project, a reduction in operation and maintenance costs will be experienced for the existing assets. These operation and maintenance cost impacts will be considered when developing the operating budget for the future.

4. TPK Newark Bay-Hudson County Extension Capacity Enhancements

- i. **Location:** Essex and Hudson Counties
- ii. **Description:** The early phases of this project will determine capacity enhancement strategies for the Newark Bay — Hudson County Extension. Specifically, the first Order for Professional Services, which brings consultant services on board, will provide for conceptual design and comprehensive environmental services for the capacity enhancements and rehabilitation of the entire 8.1 mile Newark Bay-Hudson County Extension from Interchange 14 in Newark, exclusive of the interchange itself, to the eastern terminus of the Authority's jurisdiction at Jersey Avenue in Jersey City. Prior to the studies being completed and in order to provide a general project description for purposes of this document, it is assumed that this project may widen the Turnpike mainline from two lanes in each direction to four lanes in each direction between Interchanges 14 and 14A. The project may widen the Turnpike mainline from two lanes in each direction to three lanes in each direction between Interchanges 14A and 14C. This project will provide full shoulders on the mainline throughout the project length. The eight-mile project would replace or widen multiple bridges and construct a new Newark Bay Bridge providing four lanes of

traffic in each direction. Upgrades for drainage, lighting, signing, striping, retaining walls, and other roadway improvements would also be included.

- iii. **Status:** Conceptual design and environmental services are underway.
- iv. **Impact on Operating Budget:** As currently envisioned, the project will add approximately 38 lane miles of new pavement and bridge deck which will increase operation and maintenance costs by about 1%. In addition, due to the other improvements included in the project, a reduction in operation and maintenance costs will be experienced for the existing assets. These operation and maintenance cost impacts will be considered when developing the operating budget for the future. As the project becomes more defined, impacts on future operation and maintenance expense estimates will be adjusted.

5. Westerly Alignment Mainline Capacity Enhancements

- i. **Location:** Essex, Hudson, and Bergen Counties
- ii. **Description:** The early phases of this project will determine capacity enhancement strategies for the Turnpike Westerly Alignment. Prior to the studies being completed and in order to provide a general project description for purposes of this document, it is assumed that this project may widen the Turnpike Westerly Alignment between the Southern Mixing Bowl (where the Westerly and Easterly Alignments diverge) and the Northern Mixing Bowl (where the Westerly and Easterly Alignments merge), adding one lane in each direction and providing full-width shoulders. The 13-mile project would also replace or widen multiple bridges and upgrade drainage, lighting, signing, striping, retaining walls, and other roadway appurtenances.
- iii. **Status:** This project will be under study beginning in 2023.
- iv. **Impact on Operating Budget:** As currently envisioned, the project will add approximately 52 lane miles of new pavement and bridge deck which will increase operation and maintenance costs by about 1%. However, due to the other improvements included in the project, a reduction in operation and maintenance costs will be experienced for the existing assets. These operation and maintenance cost impacts will be considered when developing the operating budget for the future. As the project becomes more defined, impacts on future operation and maintenance expense estimates will be adjusted.

6. Tremley Point Connector Road

- i. **Location:** Middlesex and Union Counties
- ii. **Description:** This project consists of a new 1.1-mile, four-lane, bi-directional roadway that will connect Tremley Point in Linden to Turnpike Interchange 12 in Carteret. Most of the alignment is on the structure, and the use of the facility will be tolled.
- iii. **Status:** This project is currently under design.
- iv. **Impact on Operating Budget:** As currently envisioned, the project will add nearly five lane miles of new pavement and bridge deck plus new toll collection facilities, which will increase operation and maintenance costs. These operation and maintenance cost increases will be considered when developing the operating budget for the future.

Capacity Enhancements — Parkway

7. GSP I/C 80 Completion & Capacity Enhancements between I/C 80-83

- i. **Location:** Ocean County
- ii. **Description:** Interchange 80 consists of a southbound exit ramp and northbound entrance ramp at US Route 9 and County Route 530. The missing directional movements would be added to this interchange. In addition, capacity enhancements are needed from Interchanges 80-83 to accommodate existing, and future traffic demands. The early phases of this project will determine capacity enhancement strategies for this section of the Parkway. Before the studies and preliminary design are completed, and a general project description for purposes of this document is provided, it is assumed that this project may widen the Parkway mainline in each direction to four lanes between Interchanges 80 and 83. The project will provide full shoulders on the mainline throughout the project length. The approximately three-mile project would replace or widen multiple bridges, including across Toms River and under Lakehurst Road (County Route 527). Upgrades for drainage, lighting, signing, striping, retaining walls, and other roadway improvements would also be included.
- iii. **Status:** Studies and design for this project are currently underway.

- iv. **Impact on Operating Budget:** As currently envisioned, the project will add approximately 12 lane miles of new pavement and bridge deck which will increase operation and maintenance costs a very minor amount. In addition, due to the other improvements included in the project, a reduction in operation and maintenance costs will be experienced for the existing assets. These operation and maintenance cost impacts will be considered when developing the operating budget for the future.

8. GSP Mainline Capacity Enhancements between I/C 129-142

- i. **Location:** Middlesex and Union Counties
- ii. **Description:** The early phases of this project will determine capacity enhancement strategies for this portion of the Parkway. Prior to the studies being completed and in order to provide a general project description for purposes of this document, it is assumed that the project would widen the Parkway mainline from five lanes in each direction to six lanes in each direction with full shoulders along the entire length of the project. The project will replace or widen approximately 36 bridges to accommodate the capacity enhancements. The total project length is approximately 13 miles.
- iii. **Status:** This project is currently under study and preliminary design for a small segment that has been prioritized for safety reasons.
- iv. **Impact on Operating Budget:** The project will add approximately 52 lane miles of new pavement and bridge deck which will increase operation and maintenance costs by about 1%. However, due to the other improvements included in the project, a reduction in operation and maintenance costs will be experienced for the existing assets. These operation and maintenance cost impacts will be considered when developing the operating budget for the future. As the project becomes more defined, impacts on future operation and maintenance expense estimates will be adjusted.

9. GSP Mainline Capacity Enhancements between I/C 154-163

- i. **Location:** Passaic and Bergen Counties
- ii. **Description:** The early phases of this project will determine capacity enhancement strategies for this portion of the Parkway. Prior to the studies being completed and in order to provide a general project description, it is assumed that this project may widen the Parkway in various locations throughout the limits of this project. The nine-mile project would also focus on providing full shoulders, upgraded weaving and merge distances, and general upgrades to the various other aspects of the facility, such as drainage, lighting, and other roadway appurtenances.
- iii. **Status:** This project is anticipated to begin beyond 2027.
- iv. **Impact on Operating Budget:** As currently envisioned, the project will add approximately 36 lane miles of new pavement and bridge deck which will increase operation and maintenance costs by about 1%. In addition, due to the other improvements included in the project, a reduction in operation and maintenance costs will be experienced for the existing assets. These operation and maintenance cost impacts will be considered when developing the operating budget for the future. As the project becomes more defined, impacts on future operation and maintenance expense estimates will be adjusted.

Interchanges

10. GSP & TPK Interchange Improvements

- i. **Location:** Various Counties
- ii. **Description:** This program will provide for the improvement of vehicular movements at various interchanges along the Turnpike and Parkway. Examples of improvements include ramp reconfigurations to provide for missing movements, adding/lengthening acceleration and deceleration lanes, shoulder widenings, traffic flow improvements on and off the roadways, and enhancing ramp geometries to improve safety and remove substandard features.
- iii. **Status:** Project designs are underway.
- iv. **Impact on Operating Budget:** This program is expected to add a minor quantity of lane miles of new pavement, which would increase operating and maintenance expenses a small amount. These operation and maintenance cost impacts will be considered when developing the operating budget for the future.

Concrete Barrier**11. GSP & TPK Median Barrier Improvements**

- i. **Location:** Various Counties
- ii. **Description:** This program will replace deteriorated sections of median barrier on both roadways. The new median barriers will be designed to the latest design standards and will be prioritized by areas of greatest need. This program is intended to supplement the Authority's annual maintenance program for median barrier.
- iii. **Status:** Project designs and construction are underway.
- iv. **Impact on Operating Budget:** This program will address and replace deteriorated sections of median barrier, which will reduce maintenance needs. These reductions will be considered when forecasting future operation and maintenance budgets.

12. TPK Guide Rail Improvement Program

- i. **Location:** Various Counties
- ii. **Description:** This program will replace deteriorated sections of guide rail on the Turnpike. The new guide rail will be designed and installed in accordance with the latest standards outlined in AASHTO's Manual for Assessing Safety Hardware (MASH). Guide rail sections slated for replacement will be ranked, with the highest priority locations being early projects. This project supplements the Authority's annual maintenance program, which includes guide rail replacements.
- iii. **Status:** This project will be under design in 2023.
- iv. **Impact on Operating Budget:** This program will address and replace deteriorated sections of guide rail which will reduce maintenance needs. These minor reductions will be considered when forecasting future operation and maintenance budgets.

Drainage Structures**13. GSP Corrugated Metal Pipe Replacement & Culvert Rehabilitation**

- i. **Location:** Various Counties
- ii. **Description:** This program will replace existing corrugated metal pipes used in drainage systems and culverts on the Parkway. The metal pipes have significantly deteriorated due to corrosion and age. In addition, culverts will be rehabilitated to repair pipes or concrete boxes and repair erosion.
- iii. **Status:** Project designs and construction are underway.
- iv. **Impact on Operating Budget:** This program will replace significant drainage infrastructure that has deteriorated and will result in operation and maintenance cost reductions. The operation and maintenance cost reductions will be considered when developing the operating budget for the future.

Roadway Lighting**14. GSP & TPK Lighting Upgrades**

- i. **Location:** Various Counties
- ii. **Description:** This program will upgrade existing filament bulb fixtures to LED fixtures and upgrade the wiring at multiple locations along both the Parkway and the Turnpike.
- iii. **Status:** Project designs and construction are underway.
- iv. **Impact on Operating Budget:** This program will replace outdated lighting fixtures and associated infrastructure, resulting in reductions in operation and maintenance costs. The operation and maintenance cost reductions will be considered when developing the operating budget for the future.

Other Roadway Improvements**15. GSP & TPK MSE Wall Replacement**

- i. **Location:** Various Counties

- ii. **Description:** This program will replace deteriorated first generation MSE retaining walls with new retaining walls. This program is intended to supplement the Authority's annual maintenance program for MSE walls.
- iii. **Status:** Project studies and design services will be underway beginning in 2023.
- iv. **Impact on Operating Budget:** This program will address and replace deteriorated MSE retaining walls, which will reduce maintenance needs. These reductions will be considered when forecasting future operation and maintenance budgets.

16. GSP Service Area Ramps

- i. **Location:** Various Counties
- ii. **Description:** This project provides for improvements at thirty-five (35) ramps that provide access to eleven (11) Service Areas along the Garden State Parkway. The project will widen service area access ramps to a sufficient width to accommodate vehicle movement past a disabled vehicle, thereby increasing safety. The work will typically include widened pavement and associated items such as drainage, lighting, signing, utility relocations, and addressing any other impacts of the capacity enhancements.
- iii. **Status:** The project is currently under design.
- iv. **Impact on Operating Budget:** The project is primarily a safety improvement project and will have little, if any, impact on the operation and maintenance budget.

17. Horizontal Curve Warning Sign Installation

- i. **Location:** Various Counties
- ii. **Description:** This project will provide for the installation of site-specific curve advisory signs on 44 ramp bridges and associated approaches to sharp curves on the New Jersey Turnpike MP 90.9 to 119.1 and MP N7.7 to N7.9, and the Garden State Parkway MP 130.0 to 160.2 to provide advanced warning to the motoring public for improved safety.
- iii. **Status:** Project is currently in design.
- iv. **Impact on Operating Budget:** This project will have no impact on the operating budget.

Facility Improvements**18. GSP & TPK Facility Improvements**

- i. **Location:** Various Counties
- ii. **Description:** This program will provide for improvements to multiple facilities along the Turnpike and Parkway.
- iii. **Status:** This program is anticipated to begin later in the 2023-2027 CIP.
- iv. **Impact on Operating Budget:** This program will address maintenance issues which will reduce the need for intermittent repairs resulting in minor reductions in future routine maintenance costs.

Technology Improvements**19. TPK Hybrid Changeable Message Signs**

- i. **Location:** Various Counties
- ii. **Description:** This project includes the deployment of 89 Hybrid Changeable Message Signs (HCMSs) at 50 sites along the New Jersey Turnpike to replace the existing changeable message drum signs. The project provides for the design and construction of the HCMS structural supports, provision and installation of HCMSs, and connectivity utilizing fiber optic communication networks back to the Statewide Traffic Management Center (STMC). All signs are monitored and controlled from the STMC.
- iii. **Status:** This project is under construction.
- iv. **Impact on Operating Budget:** This project results in a reduction of maintenance costs because the new signs allow access from the roadway shoulder, thereby eliminating the need for lane closures to perform maintenance. In addition, the HCMSs utilize new technology that further reduces maintenance needs. These minor savings are incorporated into the future operating expense estimates.

20. GSP All-Electronic Tolling (AET)

- i. **Location:** Various Counties
- ii. **Description:** This project provides for converting the Parkway from a cash/E-ZPass toll collection process that is carried out at conventional toll plazas to an AET process that eliminates the collection of cash at toll plazas and utilizes E-ZPass for the majority of customers on the Parkway and toll-by-mail for those that do not have E-ZPass. Toll plazas will be removed and replaced by overhead gantries, eliminating the need to stop for payment. This project includes civil infrastructure necessary to accommodate the new toll collection process, lane equipment needed to read E-ZPass transponders and license plates, and host equipment to aggregate transaction data for processing by the Customer Service Center. Upgrades to the Customer Service Center will be carried out under a different project.
- iii. **Status:** The project is beginning preliminary engineering and planning.
- iv. **Impact on Operating Budget:** This project is anticipated to result in a reduction of operating costs, the magnitude of which is currently under study.

2019 Capital Improvement Program

The 2023-2027 rolling five-year individual project spending plans within the 2019 Capital Improvement Program are shown below.

2019 Capital Improvement Program — Total Project Spending Plan						
(\$ In Thousands)						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
Capitalized Projects						
39200019 - Passaic River Bridge Rehab	\$ 32,839	27,780	17,119	15	21	77,774
39200018 - SA - HMS Host & Sunoco	22,757	8,512	9,645	7,908	2,263	51,085
39200004 - GSP Shoulder Widen Rec MP30-35	19,618	5,385	—	—	—	25,003
39200016 - GSP Bridge Deck Recon 141-142	19,020	897	—	—	—	19,917
39200009 - GSP Str 160.6 to 161.9 NB SB	17,295	22,221	—	—	—	39,516
39200002 - TPK Install New Hybrid CMS	4,895	2,834	646	—	—	8,375
39200003 - GSP Weather Guiderail Replace	2,582	—	—	—	—	2,582
39200008 - TPK Bridge Lengthen 30.75&33.94	2,246	—	—	—	—	2,246
39200010 - GSP Arts Center Signal Lot Exp	1,931	—	—	—	—	1,931
39200013 - TPK IC 18E High Speed EZPass 16E	1,826	—	—	—	—	1,826
39200007 - TPK Improve Str N2.01 Piers	1,369	—	—	—	—	1,369
39200020 - Laderman Bridge Repair Project	1,302	—	—	—	—	1,302
39200005 - TPK Redeck Str E106.68 E106.92	882	—	—	—	—	882
39200017 - TPK IC 6-9 Berm Surface Revision	309	—	—	—	—	309
39200021 - Washington Bridge Repair Project	287	—	—	—	—	287
39200012 - TPK Bridge Fender Reconstruct	223	—	—	—	—	223
39200001 - GSP Rehab Concrete Median Barr	206	—	—	—	—	206
39200015 - TPK Bridge Rehabilitation	58	—	—	—	—	58
Total 2023-2027 Project Spending	\$129,645	67,629	27,410	7,923	2,284	234,891

- Totals may not add due to rounding

Figure 186: 2019 Capital Improvement Program Five-Year Spending Plan by Project (2023-2027)

The chart below shows the 2023 Total Project Budget for each project included in the 2019 Capital Improvement Program as compared to the 2022 Total Project Budget. The Total Project Budget includes each project's estimated/actual life-to-date spending, the rolling five-year spending plan, and any future spending expected beyond 2027.

2019 Capital Improvement Program — Total Project Budget						
<i>(\$ In Thousands)</i>						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/Actual LTD Spending	Future Spending	Total Project Budget 2023	Total Project Budget 2022	\$ Δ from 2022
Capitalized Projects						
39200019 - Passaic River Bridge Rehab	\$ 77,774	52,781	—	130,555	121,554	9,001
39200018 - SA - HMS Host & Sunoco	51,085	25,343	—	76,428	63,512	12,916
39200009 - GSP Str 160.6 to 161.9 NB SB	39,516	41,746	—	81,262	78,462	2,800
39200004 - GSP Shoulder Widen Rec MP30-35	25,003	89,036	—	114,039	112,938	1,101
39200016 - GSP Bridge Deck Recon 141-142	19,917	39,847	—	59,764	63,264	(3,500)
39200002 - TPK Install New Hybrid CMS	8,375	60,615	—	68,990	67,990	1,000
39200003 - GSP Weather Guiderail Replace	2,582	15,318	—	17,900	17,489	411
39200008 - TPK Bridge Lengthen 30.75&33.94	2,246	25,047	—	27,293	27,973	(680)
39200010 - GSP Arts Center Signal Lot Exp	1,931	10,897	—	12,828	11,528	1,300
39200013 - TPK IC 18E High Speed EZPass 16E	1,826	27,170	—	28,996	29,106	(110)
39200007 - TPK Improve Str N2.01 Piers	1,369	11,719	—	13,088	13,170	(82)
39200020 - Laderman Bridge Repair Project	1,302	6,849	—	8,151	8,231	(80)
39200005 - TPK Redeck Str E106.68 E106.92	882	26,364	—	27,246	27,896	(650)
39200017 - TPK IC6-9 Berm Surface Revision	309	8,606	—	8,915	8,915	—
39200021 - Washington Bridge Repair Project	287	5,485	—	5,772	5,772	—
39200012 - TPK Bridge Fender Reconstruct	223	8,705	—	8,928	8,940	(12)
39200001 - GSP Rehab Concrete Median Barr	206	29,971	—	30,177	32,702	(2,525)
39200015 - TPK Bridge Rehabilitation	58	3,520	—	3,578	3,578	—
39200006 - TPK Redeck Str 87.27 NSI	—	4,392	—	4,392	4,639	(247)
39200011 - TPK IC 6 Exp EZ Pass Improvement	—	8,290	—	8,290	8,294	(4)
39200014 - Horizontal Curve Warn Sign Ins	—	13	—	13	13	—
Total Project Budget	\$ 234,891	501,714	—	736,605	715,965	20,639

- Totals may not add due to rounding

Figure 187: 2019 Capital Improvement Program Total Project Budget by Capitalized Project

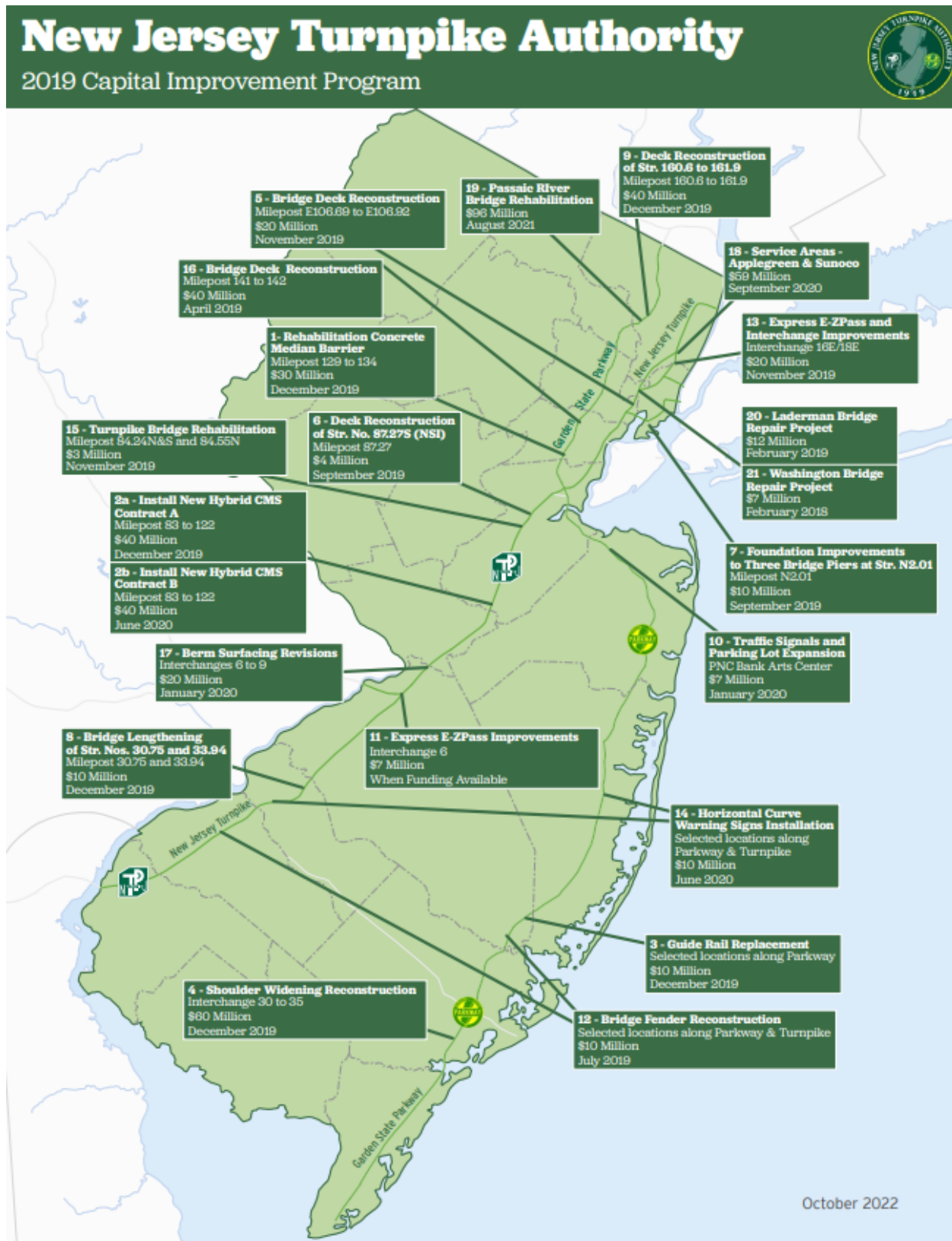


Figure 188: 2019 Capital Improvement Program Projects Map

The 2019 CIP includes the following projects:

Bridge Construction, Preservation & Security

1. GSP Bridge Deck Reconstruction MP 140-143

- i. **Location:** Union County
- ii. **Description:** This project provides for the reconstruction and/or superstructure replacement of severely deteriorated, high priority bridge decks located between MP 140 and 143. The reconstruction work will also include median barrier, bridge painting, and approach roadway improvements.
- iii. **Status:** Project is currently under construction
- iv. **Impact on Operating Budget:** This project will extend the life of several bridges between Parkway MP 140 and 143 and will reduce the need for intermittent repairs resulting in minor reductions in routine maintenance costs. These minor savings will be considered when developing the operating budget for future years.

2. GSP Structure Numbers 160.6 to 161.9 NB & SB

- i. **Location:** Bergen County
- ii. **Description:** This project provides for the replacement of bridge decks and superstructure re-painting for five bridges, replacement of two bridge superstructures, deck repairs to six bridges, reconstruction of roadway median barrier, and other miscellaneous work along the Garden State Parkway mainline between MP 160.6 and 161.9.
- iii. **Status:** Project is currently under construction
- iv. **Impact on Operating Budget:** This project will extend the life of six bridges and will reduce the need for intermittent repairs resulting in minor reductions in routine maintenance costs, which will be considered during the development of the operating budget estimates for future years.

3. Bridge Fender Reconstruction

- i. **Location:** Various Counties
- ii. **Description:** This project provided the repair and rehabilitation of bridge channel fender protection systems for multiple bridges on the New Jersey Turnpike and Garden State Parkway. This project also included the repair of deteriorated structural members and channel marking lighting systems.
- iii. **Status:** Project is complete
- iv. **Impact on Operating Budget:** This project extends the life of waterway channel fender protection systems and reduces the need for intermittent repairs resulting in minor reductions in routine maintenance costs, which will be considered in the operating budget forecasts for future years.

4. TPK Bridge Lengthening of Structure Numbers 30.75 & 33.94

- i. **Location:** Camden and Burlington Counties
- ii. **Description:** This project provides for the design, deck reconstruction, and lengthening of one severely deteriorated bridge deck, which carries a local road over the southern portion of the Turnpike located at MP 30.75. The bridge lengthening will provide adequate space for future widening of the Turnpike between Interchanges 1 to 4. Preliminary engineering studies resulted in the conclusion that a second bridge at MP 33.94, which was originally part of this project, will not be part of the 2019 Capital Improvement Program.
- iii. **Status:** Project is currently under construction
- iv. **Impact on Operating Budget:** This project will extend the life of one bridge and will reduce the need for intermittent repairs resulting in minor reductions in routine maintenance costs. These minor savings will be included in the operating budget forecast for the year construction will be completed and beyond.

5. TPK Bridge Rehabilitation

- i. **Location:** Middlesex County
- ii. **Description:** This project provides for the design and continued rehabilitation of the Turnpike Raritan River Bridge Structure Nos. 84.24N&S and 84.55N.
- iii. **Status:** Project is currently complete
- iv. **Impact on Operating Budget:** This project extends the life of these bridges and reduces the need for intermittent repairs resulting in minor reductions in routine maintenance costs. These minor reductions are reflected in actual operating expenses over the past few years.

6. TPK Foundation Improvements Structure Number N2.01 Piers

- i. **Location:** Essex and Hudson Counties
- ii. **Description:** This project provides for the design and reconstruction of high priority undermined bridge pier foundations between Piers E6 and E9 for the Newark Bay Bridge, Turnpike Structure No. N2.01, on the Hudson County Extension. The project also repairs or replaces deteriorated or damaged navigational channel fender system components.
- iii. **Status:** Project is currently under construction and very near completion.
- iv. **Impact on Operating Budget:** This project will extend the life of three piers associated with Bridge No. N2.01 and will reduce the need for intermittent repairs resulting in very minor reductions in routine maintenance costs. These minor reductions will be considered in the development of the operating budget for the year of construction completion and beyond.

7. TPK Redecking Structure Number. 87.27 NSI

- i. **Location:** Middlesex County
- ii. **Description:** This project provides for the design and construction for the reconstruction of a severely deteriorated, high priority bridge deck located at MP 87.27S on the Turnpike, which carries the mainline over Main Street (CR 531).
- iii. **Status:** Project was completed in June 2021
- iv. **Impact on Operating Budget:** This project extends the life of Bridge No. 87.27S and reduces the need for intermittent repairs resulting in very minor reductions in routine maintenance costs. These reductions are reflected in the actual operating expenses.

8. TPK Redecking Structure Numbers E106.68 & E106.92

- i. **Location:** Essex County
- ii. **Description:** This project provides for the design and construction of the deck reconstruction of two severely deteriorated, high priority bridge decks located at MP E106.68 and E106.92B along the easterly extension of the Turnpike.
- iii. **Status:** Project is currently under construction
- iv. **Impact on Operating Budget:** This project will extend the life of two bridges and will reduce the need for intermittent repairs resulting in minor reductions in routine maintenance costs. These routine maintenance cost savings will be considered when developing future operating budgets.

9. Passaic River Bridge Rehabilitation

- i. **Location:** Passaic and Bergen Counties
- ii. **Description:** This project provides for the design, construction, construction supervision, and permitting services for the superstructure replacement and widening of Parkway Bridge Structure No. 158.2 over the Passaic River, US Route 46, and River Road.
- iii. **Status:** Project is currently under construction
- iv. **Impact on Operating Budget:** This project will extend the life of Parkway Bridge Structure No. 158.2 and will reduce the need for intermittent repairs resulting in minor reductions in routine maintenance costs. These minor savings will be considered when developing the operating budget for future years.

10. Laderman Bridge Repair Project

- i. **Location:** Essex and Hudson Counties
- ii. **Description:** This project provides the design, construction, and construction supervision services for superstructure repairs to Turnpike Structure No. W107.87, Laderman Memorial Passaic River Bridge on the Turnpike Westerly Alignment. The project also provides for the strengthening of low rating superstructure members.
- iii. **Status:** Project is complete as of December 2021
- iv. **Impact on Operating Budget:** This project extends the life of Turnpike Structure No. W107.87 and reduces the need for intermittent repairs resulting in minor reductions in routine maintenance costs. These minor savings will be considered when developing the operating budget for future years.

11. Washington Bridge Repair Project

- i. **Location:** Essex and Hudson Counties
- ii. **Description:** This project provides the design, construction, and construction supervision services for superstructure repairs to Turnpike Structure No. E107.88, Chaplain Washington Memorial Passaic River Bridge on the Turnpike Easterly Alignment. The project also provides for the strengthening of low rating superstructure members and the replacement of the major pin and hanger assemblies of the superstructure.
- iii. **Status:** Project is complete as of December 2021
- iv. **Impact on Operating Budget:** This project extends the life of Turnpike Structure No. E107.88 and reduces the need for intermittent repairs resulting in minor reductions in routine maintenance costs. These minor savings are reflected in current operating expenses.

Interchanges**12. TPK I/C 18E Express E-ZPass and 16E Improvements**

- i. **Location:** Bergen County
- ii. **Description:** This project provides two Express E-ZPass toll collection lanes in the southbound and northbound directions at New Jersey Turnpike Interchange 16E/18E Toll Plaza on the Eastern Spur at MP 112.3. The contract also includes modifications to the express bus lanes (XBL) and exit ramps at Interchange 16E. This will improve the overall traffic flow at the Interchange and reduce the exiting bus queuing that utilizes the contraflow Exclusive Bus Lane. This project also includes toll collection equipment modifications, toll plaza electrical and communications work, approach roadway and striping modifications, and ground mounted and overhead signing improvements.
- iii. **Status:** Project is complete as of June 2022
- iv. **Impact on Operating Budget:** This project constructed new express E-ZPass lanes at Interchange 18E and will slightly increase the need for intermittent repairs resulting in a minor increase in routine maintenance costs. This small increase is reflected in the current operating expenses.

13. TPK I/C 6 Express E-ZPass Improvements

- i. **Location:** Burlington County
- ii. **Description:** This project will implement additional Express E-ZPass toll collection lanes in the eastbound and westbound directions at the New Jersey Turnpike Interchange 6 Toll Plaza on the Pearl Harbor Memorial Turnpike Extension. Anticipated work includes toll collection equipment modifications, toll plaza electrical and communications work, approach roadway modifications, and ground mounted and overhead signing improvements.
- iii. **Status:** This project is complete as of September 2020.
- iv. **Impact on Operating Budget:** This project will implement dual Express E-ZPass lanes at Interchange 6 and will reduce the need for intermittent repairs for the existing toll plaza resulting in very minor reductions in routine maintenance costs. The minor reductions are reflected in the operating expenses over the past few years.

14. TPK I/C 6-9 Berm Surface Revisions

- i. **Location:** Middlesex, Mercer, and Burlington Counties
- ii. **Description:** This project will design and construct berm surfacing improvements at select locations adjacent to and underneath exiting guide rail systems and at various median locations on the Turnpike between Interchanges 6 and 9.
- iii. **Status:** Project was completed as of April 2021
- iv. **Impact on Operating Budget:** This project constructed berm surfacing improvements that slightly decrease operating and maintenance expenses for personnel, materials, and equipment. These minor expense reductions are reflected in the current operating expenses.

Concrete Barrier**15. GSP Rehabilitation Concrete Median Barrier**

- i. **Location:** Middlesex and Union Counties
- ii. **Description:** This project provides for the removal and replacement of damaged, misaligned, deteriorated, and substandard height concrete median barrier along with drainage repairs, paving and other incidental work on the Garden State Parkway between MP 129 and 134.
- iii. **Status:** Project is complete as of June 2022
- iv. **Impact on Operating Budget:** This project extends the life of concrete median barriers and reduces the need for intermittent repairs, which results in very minor reductions in routine maintenance costs. These reductions are reflected in the current operating expenses.

Other Roadway Improvements**16. Horizontal Curve Warn Sign Installation**

- i. **Location:** Various Counties
- ii. **Description:** This project will provide for the installation of site-specific curve advisory signs on 44 ramp bridges and associated approaches of the New Jersey Turnpike MP 90.9 to 119.1 and MP N7.7 to N7.9, and the Garden State Parkway MP 130.0 to 160.2 to provide advanced warning to the motoring public to improve safety.
- iii. **Status:** Project has been deferred and moved into the 2023-2027 CIP
- iv. **Impact on Operating Budget:** This project will have no impact on the operating budget.

17. GSP Shoulder Widening Reconstruction MP 30-35

- i. **Location:** Cape May and Atlantic Counties
- ii. **Description:** Safety and maintenance improvements to this section of the Parkway are necessary to be consistent with the other safety improvements recently completed under the \$7 Billion Capital Improvement Program in adjacent sections. This project provides for the construction of standard width shoulders for the five-mile section in both the northbound and southbound directions, reconstruction of eight bridges, drainage improvements, and roadside area improvements.
- iii. **Status:** Project is currently under construction
- iv. **Impact on Operating Budget:** This project will add approximately 10 lanes miles of pavement, reconstruct eight bridges, and improve drainage facilities. Although there will be a slight increase in operation and maintenance costs for the widened shoulders, overall operation and maintenance costs will be slightly reduced after accounting for the extended life of the bridges and drainage systems. These slight reductions will be considered in the operating budget estimates.

18. GSP Weathering Steel Guide Rail Replacement

- i. **Location:** Various Counties
- ii. **Description:** The Parkway guide rail systems are comprised of weathering steel. This project will provide for upgrades to the highest priority guide rail systems along the Parkway to comply with recently adopted Federal crash test standards.
- iii. **Status:** Project is currently under construction
- iv. **Impact on Operating Budget:** This project extends the life of weathering steel guide rail systems and reduces the need for intermittent repairs, which results in minor reductions in routine maintenance costs. These reductions will be considered when developing the operating budget for the year of construction completion and beyond.

Service Areas & Arts Center**19. GSP Arts Center Signal Lot Expansion**

- i. **Location:** Monmouth County
- ii. **Description:** This project provides intersection improvements at the PNC Arts Center exit ramps from the Garden State Parkway. Additional improvements also include reconfiguring the East/West PNC Service Road, overhead lane control system upgrades, roadway and parking lot lighting, and other ancillary activities.
- iii. **Status:** Project is currently under construction
- iv. **Impact on Operating Budget:** This project will construct new traffic signals at the PNC Arts Center and will slightly increase the need for intermittent repairs resulting in a minor increase in routine maintenance costs. These minor increases will be considered when developing the operating budget for the year of construction completion.

20. Service Areas – Applegreen & Sunoco

- i. **Location:** Various Counties
- ii. **Description:** The Authority entered into 25-year contracts with Applegreen Ltd. to provide food services and Sunoco Retail LLC to provide fuel services at Authority service areas, which include all service areas on both the Parkway and Turnpike except Colonia (Northbound Parkway) and Colonia (Southbound Parkway) which are privately owned and operated. As a result of the contracts, Applegreen and Sunoco will be investing in the service areas from 2018 through approximately 2029, providing new and rehabilitated restaurant buildings and fueling station facilities. The Authority will be investing in rehabilitated infrastructure outside the building envelopes at each of the service areas, which will include resurfaced parking lots and commuter lots, updated lighting, enhanced security, landscaping, signing, and striping.

iii. **Status:**

The following service areas have been completed and are open to the public:

- Monmouth (Parkway)
- Alexander Hamilton (Turnpike)
- Brookdale North (Parkway)
- Forked River (Parkway)
- Richard Stockton (Turnpike)
- Thomas Edison (Turnpike)
- Vince Lombardi (Turnpike)
- Grover Cleveland (Turnpike) - Sunoco work only
- Woodrow Wilson (Turnpike) - ongoing site work but site is open to public
- Molly Pitcher (Turnpike) - ongoing site work but site is open to public

The following service areas are under construction (sites are closed):

- Walt Whitman (Turnpike) - site closed as of 9/8/22
- Vauxhall (Parkway) - site closed as of 8/17/22
- Brookdale South (Parkway) - site closed as of 8/17/22

Service Areas (continued)

The following service areas are under design:

- James Fenimore Cooper (Turnpike)
- Joyce Kilmer (Turnpike)

The following service areas are planned for future work (no design work currently being done):

- Clara Barton (Turnpike)
- John Fenwick (Turnpike)
- Cheesquake (Parkway)
- Montvale (Parkway)
- Atlantic (Parkway)
- Oceanview (Parkway)

- iv. **Impact on Operating Budget:** This project will provide for needed improvements to the Service Areas to extend their life and reduce the need for future intermittent repairs resulting in very minor reductions in routine maintenance costs. These minor reductions will be incorporated into the operating expenses and future estimates.

Technology Improvements

21. TPK Install New Hybrid CMS

- Location:** Various Counties
- Description:** This project includes the deployment of 89 Hybrid Changeable Message Signs (HCMSs) at 50 sites along the New Jersey Turnpike to replace the existing changeable message drum signs. The project provides for the design and construction of the HCMS structural supports, provision and installation of HCMSs, and connectivity utilizing fiber optic communication networks back to the Statewide Traffic Management Center (STMC). All signs are monitored and controlled from the STMC.
- Status:** Project is currently under construction
- Impact on Operating Budget:** This project implements new HCMS signs to replace the existing drum signs and adds several new signs for a total of 126 HCMSs. Since the majority of the new HCMSs replace existing signs, there will be a reduction in maintenance costs because the new signs allow access from the roadway shoulder, eliminating the need for lane closures to perform maintenance and the HCMSs utilize new technology that reduces maintenance needs. These savings will be considered during the operating budget forecasts for the year in which construction is completed and beyond.

2008 \$7 Billion Capital Improvement Program

The 2023-2027 rolling five-year individual project spending plans within the 2008 \$7 Billion Capital Improvement Program are shown below.

2008 \$7 Billion Capital Improvement Program — Total Project Spending Plan						
(\$ In Thousands)						
Project Number & Name	2023 Spending	2024 Spending	2025 Spending	2026 Spending	2027 Spending	Rolling 5-Year Spending Plan
Capitalized Projects						
39011025 - NBHCE Bridge Redecking	\$ 31,627	1,319	109	—	—	33,055
39005013 - Facilities Improvement Phase I	6,488	—	—	—	—	6,488
39003035 - Interchange Improvements	2,043	—	—	—	—	2,043
39006019 - Sign Replacements Phase II	1,051	383	—	—	—	1,434
39023024 - Parkway Int 125 Phase I	542	—	—	—	—	542
39022023 - Parkway Mainline Shoulder Imp	340	—	—	—	—	340
39001033 - Deck Reconstruction Phase II	154	—	—	—	—	154
39099999 - Contingency	60,756	1,542	1,542	1,542	—	65,382
Total 2023-2027 Project Spending	\$ 103,001	3,244	1,651	1,542	—	109,438

- Totals may not add due to rounding

Figure 189: 2008 \$7 Billion Capital Improvement Program Five-Year Spending Plan by Project (2023-2027)

The chart below shows the 2023 Total Project Budget for each project included in the 2008 \$7 Billion Capital Improvement Program as compared to the 2022 Total Project Budget. The Total Project Budget includes each project's estimated/actual life-to-date spending, the rolling five-year spending plan, and any future spending expected beyond 2027.

2008 \$7 Billion Capital Improvement Program — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	Total Project Budget 2023	Total Project Budget 2022	\$ Δ from 2022
Capitalized Projects						
39011025 - NBHCE Bridge Redecking	\$ 33,055	461,973	—	495,028	498,070	(3,042)
39005013 - Facilities Improvement Phase I	6,488	629,129	—	635,617	637,611	(1,994)
39003035 - Interchange Improvements	2,043	411,877	—	413,920	423,179	(9,259)
39006019 - Sign Replacements Phase II	1,434	156,259	—	157,693	157,693	—
39023024 - Parkway Int 125 Phase I	542	97,340	—	97,882	97,882	—
39022023 - Parkway Mainline Shoulder Imp	340	360,395	—	360,735	363,503	(2,768)
39001033 - Deck Reconstruction Phase II	154	140,713	—	140,867	142,367	(1,500)
39018001 - Turnpike Int 6-9 Widening	—	2,131,547	—	2,131,547	2,131,547	—
39028031 - GSP Widening of I/C 35-63	—	447,885	—	447,885	447,885	—
39013027 - TP Int 14A Reconstruction	—	278,785	—	278,785	285,785	(7,000)
39021036 - Great Egg Harbor/Drag Channel	—	261,352	—	261,352	261,352	—

2008 \$7 Billion Capital Improvement Program — Total Project Budget						
(\$ In Thousands)						
Project Number & Name	Rolling 5-Year Spending Plan	Estimated/ Actual LTD Spending	Future Spending	Total Project Budget 2023	Total Project Budget 2022	\$ Δ from 2022
39001010 - Deck Reconstruction Phase I	—	200,766	—	200,766	208,266	(7,500)
39006014 - Sign Replacements Phase I	—	139,816	—	139,816	139,816	—
39011012 - TP Hackensack East Bridge Rehab	—	131,978	—	131,978	131,980	(2)
39028018 - Widening Parkway Int 63 - 80	—	126,932	—	126,932	126,981	(49)
39001008 - Bridge Painting Phase I	—	105,042	—	105,042	105,048	(6)
39023029 - Parkway Int 88 Improvements	—	97,433	—	97,433	97,433	—
39001011 - Bridge Preservation & Security	—	94,161	—	94,161	94,161	—
39023022 - Parkway Int 9, 10 & 11 Improve	—	84,402	—	84,402	84,402	—
39021004 - Parkway Bass River Bridge	—	76,440	—	76,440	76,440	—
39001034 - Bridge Painting Phase II	—	68,714	—	68,714	70,214	(1,500)
39002003 - Drainage Improvements	—	61,913	—	61,913	61,914	(1)
39002017 - Median Barrier Improvements	—	51,567	—	51,567	51,567	—
39021015 - Parkway Mullica River Bridge	—	49,392	—	49,392	49,402	(10)
39002016 - Imp Roadway Appurtenances	—	41,479	—	41,479	41,479	—
39021020 - Parkway Substructure Repairs	—	33,249	—	33,249	33,249	—
39023009 - Parkway Int 44 Improvements	—	28,834	—	28,834	28,863	(29)
39023006 - Parkway Int 41 Improvements	—	23,001	—	23,001	23,001	—
39003040 - Salt Storage Facilities	—	17,561	—	17,561	17,561	—
39009036 - Turnpike/Parkway So Improve	—	15,866	—	15,866	15,865	1
39011002 - Int 16E-18E Bridge Improvement	—	15,147	—	15,147	15,147	—
39005013IT - SP Facilities ITS Computers	—	12,182	—	12,182	12,200	(18)
39005013M - Facilities Equipment -Maint	—	11,800	—	11,800	11,800	—
39023030 - Parkway Int 91 Improvements	—	10,823	—	10,823	11,263	(440)
39011028 - TP Special Bridge Structure	—	7,368	—	7,368	7,386	(18)
39013005 - TP Int 8A to Rte 130 Connect	—	6,158	—	6,158	6,157	1
39023007 - Parkway Int 142 Improvements	—	655	—	655	655	—
39005013SP - SP Facilities SP Furnish	—	535	—	535	535	—
39005013CS - Facilities Improvement Phase I CS	—	93	—	93	93	—
39099999 - Contingency	65,382	—	—	65,382	30,248	35,134
Total Project Budget	\$109,438	6,890,562	—	7,000,000	7,000,000	—

- Totals may not add due to rounding

Figure 190: 2008 \$7 Billion Capital Improvement Program Total Project Budget by Project

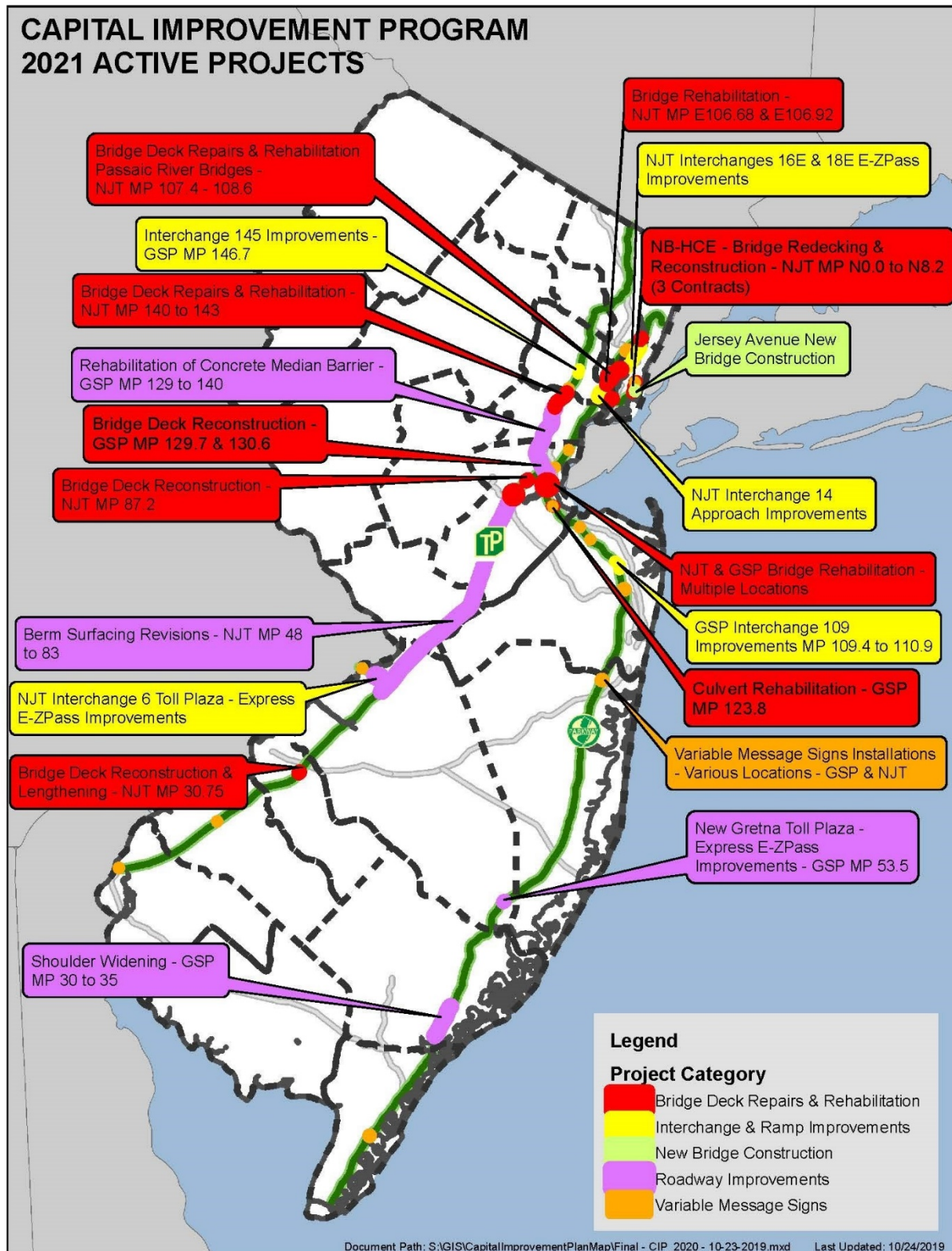


Figure 191: 2008 \$7 Billion Capital Improvement Program Active Projects Map

The 2008 \$7 Billion CIP includes the following projects:

Bridge Construction, Preservation, & Security

1. Bridge Painting Phase I

- i. **Location:** Various Counties
- ii. **Description:** This project provided for the design and construction for the cleaning and repainting of structural steel of the highest priority Turnpike and Parkway major bridges.
- iii. **Status:** Design and construction completed — September 2014.
- iv. **Impact on Operating Budget:** This group of bridge projects, which extended the life of the structural steel and reduced the need for intermittent repairs, has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

2. Bridge Painting Phase II

- i. **Location:** Various Counties
- ii. **Description:** This project provides for the design and construction for the cleaning and repainting of structural steel of the highest priority Turnpike and Parkway major and non-major bridges.
- iii. **Status:** Design and construction are ongoing.
- iv. **Impact on Operating Budget:** This group of bridge projects extends the life of the structural steel and reduces the need for intermittent repairs resulting in minor reductions in routine maintenance costs. These reductions have been incorporated into the operating budget.

3. Bridge Preservation & Security

- i. **Location:** Various Counties
- ii. **Description:** This project provides for the design and construction phases of countermeasures and security improvements for the Authority's 16 major bridges on the Turnpike and Parkway. It also includes the design and construction of seismic retrofitting of the Turnpike's highest priority bridges as recommended from the Phase I Seismic Screening and Prioritization Report. This project further provides for the design and construction for the miscellaneous bridge work on the Turnpike not covered under the annual miscellaneous structural repair contracts. The primary work includes bridge bearing replacement and significant substructure repairs.
- iii. **Status:** Design and construction was substantially completed — July 2019.
- iv. **Impact on Operating Budget:** This group of bridge projects focuses primarily on security measures and seismic retrofitting, which has little to no impact on the operating budget. The miscellaneous bridge repairs will provide minor reductions in routine maintenance costs and have been incorporated into the budget estimates.

4. Deck Reconstruction Phase I

- i. **Location:** Various Counties
- ii. **Description:** This project provided for the design and construction of the re-decking of the highest priority non-major Turnpike and Parkway mainline and overpass bridges.
- iii. **Status:** Design and construction completed and opened to traffic — March 2016.
- iv. **Impact on Operating Budget:** This group of bridge projects, which extended the life of the bridge decks and reduced the need for intermittent repairs resulting in minor reductions in routine maintenance costs, has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

5. Deck Reconstruction Phase II

- i. **Location:** Various Counties
- ii. **Description:** This project provides for the design and construction of the re-decking of the highest priority non-major Turnpike and Parkway mainline and overpass bridges.
- iii. **Status:** Design and construction are substantially complete — Spring 2020.
- iv. **Impact on Operating Budget:** This group of bridge projects extends the life of the bridge decks and reduces the need for intermittent repairs, which results in minor reductions in routine maintenance costs. These minor reductions are reflected in the actual operating expenses over the past few years.

6. GSP Bass River Bridge

- i. **Location:** Atlantic County
- ii. **Description:** This project provided for the design and construction of improvements to the Parkway crossing of the Bass River. The primary work included the construction of a new parallel bridge and re-decking, structural repairs, re-painting, and seismic retrofit on the existing bridge, Structure No. 51.9.
- iii. **Status:** Design and construction completed and opened to traffic — May 2015.
- iv. **Impact on Operating Budget:** This bridge project extended the life of the existing bridge and added a new bridge. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

7. GSP Great Egg Harbor/Drag Channel

- i. **Location:** Atlantic and Cape May Counties
- ii. **Description:** This project provides for the design and construction of new parallel bridges carrying the southbound Parkway over Great Egg Harbor and Drag Channel. The new bridges will be constructed west of the existing southbound structures. Construction will also include the demolition of the existing southbound bridges, rehabilitation of the northbound Parkway bridges, and the demolition of the nearby existing Beesley's Point Bridge. Special construction features include a ten-foot-wide multi-use pathway on the west side of the new bridges and approach roadways and a plastic lumber fender system to protect the bridge piers.
- iii. **Status:** Design and construction are substantially complete — August 2019.
- iv. **Impact on Operating Budget:** This bridge project extends the life of the existing bridge and reduces the need for intermittent repairs which, results in minor reductions in routine maintenance costs. In addition, new bridges were added (4.5 lane miles), which increased the operations and maintenance costs by approximately 0.1%. These operations and maintenance cost savings and additions have been incorporated into the operating budget.

8. GSP Mullica River Bridge

- i. **Location:** Atlantic County
- ii. **Description:** This project provided for the design and construction of improvements to the Parkway crossing of the Mullica River. The primary work included the construction of a new parallel bridge and re-decking, structural repairs, re-painting, and seismic retrofit on the existing bridge, Structure No. 49.0.
- iii. **Status:** Design and construction of new bridge completed and opened to traffic — December 2012. Design and reconstruction of the existing bridge completed and opened to traffic — April 2014.
- iv. **Impact on Operating Budget:** This bridge project extended the life of the existing bridge and added a new bridge. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

9. GSP Substructure Bridge Repairs

- i. **Location:** Various Counties
- ii. **Description:** This project provided for the design and construction of repairs and rehabilitation of the substructure elements of the northbound Driscoll Bridge, Structure No. 127.2N, along with pier caps, columns, and substructure elements on other major and non-major bridge water crossings.
- iii. **Status:** Design and construction completed and opened to traffic — December 2015.
- iv. **Impact on Operating Budget:** This group of bridge projects extended the life of the bridges and reduced the need for intermittent repairs, which resulted in minor reductions in routine maintenance costs. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

10. Newark Bay-Hudson County Extension Bridge Redecking

- i. **Location:** Hudson and Essex Counties
- ii. **Description:** This project provides for the design and construction of the re-decking of various structures on the Newark Bay-Hudson County Extension, including the Newark Bay Bridge, Structure No. N2.01. This project also provides for the repairs to structural steel and substructure units, security improvements, and re-painting.
- iii. **Status:** Design and construction ongoing.
- iv. **Impact on Operating Budget:** This group of bridge projects extends the life of the bridges. These projects reduce the need for intermittent repairs, which results in minor reductions in routine maintenance costs. These minor reductions have been incorporated into the operating budget.

11. TPK Hackensack East Bridge Rehabilitation

- i. **Location:** Hudson County
- ii. **Description:** This project provided for the design and construction of the rehabilitation of the Turnpike's existing eastern Hackensack River Bridge, Structure No. E109.83. The primary work included bridge re-decking, structural repairs, re-painting, and seismic retrofit.
- iii. **Status:** Design and construction completed and opened to traffic — April 2015.
- iv. **Impact on Operating Budget:** This bridge project extended the life of the bridge, reduced the need for intermittent repairs, which resulted in minor reductions in routine maintenance costs, and has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

12. TPK I/C 16E-18E Bridge Improvements

- i. **Location:** Hudson County
- ii. **Description:** This project provided for the widening and re-decking of Structure No. E112.58A and the widening of Secaucus Road, Structure No. E112.10.
- iii. **Status:** Design and construction completed and opened to traffic — 2011.
- iv. **Impact on Operating Budget:** This bridge project extended the life of the rehabilitated bridges and reduced the need for intermittent repairs resulting in minor reductions in routine maintenance costs. This project has been completed for numerous years. The operating and maintenance expense reductions are reflected in the actual expenses over recent years.

13. TPK Specialized Bridge Structure Repairs

- i. **Location:** Various Counties
- ii. **Description:** This project provided for the design and construction of specialized bridge repairs on the Turnpike that were not covered under the annual miscellaneous structural repair contracts. The primary work included improvements to structural steel modifications, bearing replacements, and steel repairs for various non-major bridges.
- iii. **Status:** Design and construction are complete.
- iv. **Impact on Operating Budget:** This group of bridge projects extended the life of the bridges and reduced the need for intermittent repairs, which resulted in minor reductions in routine maintenance costs. These minor reductions have been incorporated into the operating budget.

Capacity Enhancements — Turnpike**14. TPK I/C 6-9 Widening**

- i. **Location:** Burlington, Mercer, and Middlesex Counties
- ii. **Description:** The project involved the construction of 3 additional lanes, both northbound and southbound, between Interchanges 6 and 8A, approximately 25 miles. The project also included the addition of one lane in each direction between Interchanges 8A and 9. The widening project resulted in 12 total mainline lanes being provided between Interchanges 6 and 9. In addition, the project included interchange improvements within the project limits as determined to be necessary to meet traffic demands for the design year of 2032.
- iii. **Status:** Design and construction completed and opened to traffic — November 2014.
- iv. **Impact on Operating Budget:** This project, which added 216 lane miles of new pavement, has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

Capacity Enhancement — Parkway**15. GSP Widening of I/C 35-63**

- i. **Location:** Various Counties
- ii. **Description:** This project provides for the construction of a third travel lane with full shoulders in each direction on the Parkway. Six (6) individual design and construction contracts will provide for the widening of the 28-mile section in both directions of the Parkway, new sign structures, and multiple bridge replacements.
- iii. **Status:** Design and construction from Interchange 63 to 41 completed — 2016. Design and construction from Interchange 41 to 35 were completed and opened to traffic in the spring of 2018.
- iv. **Impact on Operating Budget:** The project adds 56 lane miles of new pavement, which increases operating and maintenance expenses. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

16. GSP Widening of I/C 63-80

- i. **Location:** Various Counties
- ii. **Description:** This project provided for a third travel lane with full shoulders in each direction on the Parkway and Express E-ZPass/One-Way Southbound Tolls at the Barnegat Toll Plaza. Three (3) individual design and construction contracts were provided for mainline widening of the 17-mile section in both directions, new sign structures, ten bridge replacements, and realignment of the Parkway at the Barnegat Toll Plaza to provide for the elimination of tolls in the northbound direction, creating Express E-ZPass operation in the southbound direction, and a new toll utility building.
- iii. **Status:** Design and construction completed and opened to traffic — May 2011.
- iv. **Impact on Operating Budget:** This project adds new pavement, which increases operating and maintenance expenses for personnel, materials, and equipment. The project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

Interchanges**17. GSP I/C 125 Phase I**

- i. **Location:** Middlesex County
- ii. **Description:** Interchange 125 is a partial interchange presently configured with a southbound entrance and northern exit ramp. This project will provide a new northbound entrance and a new southbound exit ramp. The southbound exit ramp was opened in July 2017 and is tolled to be consistent with one-way tolls at the Raritan Toll Plaza.
- iii. **Status:** Design and construction are substantially complete — June 2020.
- iv. **Impact on Operating Budget:** This project adds one lane mile of new pavement, which increases operating and maintenance expenses by less than 0.1% for personnel, materials, and equipment. These slight increases in costs are reflected in actual operating expenses over the past few years.

18. GSP I/C 142 Improvements

- i. **Location:** Union County
- ii. **Description:** This project was a joint cooperative project between the Authority and the New Jersey Department of Transportation (NJDOT) that provided for the design and construction of missing ramp connections between the Parkway and I-78. The project also provided improvements to the interchange's existing ramp network, toll plaza, and to the I-78 mainline. The project was funded by the Federal Highway Administration, NJDOT, and the Authority. The project cost presented herein represents the Authority's share of the overall project cost.
- iii. **Status:** Design and construction completed and opened to traffic — April 2011.
- iv. **Impact on Operating Budget:** This project added new pavement and bridge structures which increased operating and maintenance expenses for personnel, materials, and equipment. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

19. GSP I/C 41 Improvements

- i. **Location:** Atlantic County
- ii. **Description:** At Interchange 41, local traffic previously accessed the Parkway through a service road to the Atlantic Service Area from Jimmie Leeds Road. This project provided a full interchange to allow Parkway access at Jimmie Leeds Road to and from the south.
- iii. **Status:** Design and construction completed and opened to traffic — August 2015.
- iv. **Impact on Operating Budget:** This project added two lane miles of new pavement which increased operating and maintenance expenses. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

20. GSP I/C 44 Improvements

- i. **Location:** Atlantic County
- ii. **Description:** Interchange 44 previously provided access to the Parkway to and from the north only. This project completed the interchange to provide two additional ramps to allow access to and from the south.
- iii. **Status:** Design and construction completed and opened to traffic — August 2015.
- iv. **Impact on Operating Budget:** This project adds two lane miles of new pavement, which increases operating and maintenance expenses. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

21. GSP I/C 88 Improvements

- i. **Location:** Ocean County
- ii. **Description:** This project provided missing ramp movements at this partial interchange along with modifications to the existing ramp movements to and from the north. The project also included the reconstruction of two mainline bridges, the construction of two new bridges over NJ Route 70, the construction of a new collector/distributor roadway between Interchange 88 and Interchange 89, and the relocation and consolidation of ramp toll collection facilities.
- iii. **Status:** Design and construction completed and opened to traffic — July 2015.
- iv. **Impact on Operating Budget:** This project added 15 lane miles of new pavement which increased operating and maintenance expenses. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

22. GSP I/C 9, 10 & 11 Improvements

- i. **Location:** Cape May County
- ii. **Description:** There were three traffic signals on the Parkway in Cape May County at Interchanges 9, 10, and 11. This project eliminated the traffic signals by providing three bridges to carry the Parkway over the local streets at each interchange. This project also provided full access to the Parkway northbound and southbound at each interchange.
- iii. **Status:** Design and construction substantially completed and opened to traffic — April 2016.
- iv. **Impact on Operating Budget:** This project added approximately four lane miles of new pavement which increases operating and maintenance expenses. This project has been completed for several years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

23. GSP I/C 91 Improvements

- i. **Location:** Ocean County
- ii. **Description:** This project was a joint cooperative project between the Authority and Ocean County that provided missing ramp movements at this partial interchange. The project also includes the construction of two extended service roads and County road improvements that eliminated the complex traffic pattern at the interchange, relieving congestion on local roads, and enhanced safety. The project was funded by Ocean County and the Authority. The project cost represents the Authority's share of the overall cost of the project.
- iii. **Status:** Design and construction completed — September 2017.
- iv. **Impact on Operating Budget:** This project adds two lane miles of new pavement which increases operating and maintenance expenses. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

24. I/C Improvements

- i. **Location:** Various Counties
- ii. **Description:** This project includes improvements to interchanges on the Turnpike and Parkway. Interchange locations include Turnpike Interchanges 9, 10, 15W, 16W, and Parkway Interchanges 0, 105, 109, 145, and 163.
- iii. **Status:** Construction is ongoing.
- iv. **Impact on Operating Budget:** This group of projects will clear numerous operational and maintenance issues and reduce the need for intermittent repairs, which results in minor reductions in routine maintenance costs. These minor reductions have been incorporated into the operating budget.

25. TPK I/C 14A Reconstruction

- i. **Location:** Hudson County
- ii. **Description:** There were operational limitations due to constrained geometry for this existing Turnpike interchange that is located within the cities of Bayonne and Jersey City. The proposed redevelopment of the Military Ocean Terminal in Bayonne, along with the Global Terminal will result in a significant increase in traffic using the Interchange 14A toll plaza. The interchange capacity was improved, and two additional toll lanes were added to the existing toll plaza to address the operational and capacity deficiencies of the existing interchange.
- iii. **Status:** Design and construction are complete — June 2020.
- iv. **Impact on Operating Budget:** This project added six lane miles of new pavement which increased operating and maintenance expenses for personnel, materials, and equipment. These increases in costs are reflected in the actual operating expenses for the past few years.

26. TPK I/C 8A to Route 130 Connector Improvements

- i. **Location:** Middlesex County
- ii. **Description:** This project will address significant traffic congestion near Interchange 8A. The project limits include a section of Route 32 between Interchange 8A and the interconnection of Route 32 with Route 130. Middlesex County has requested that the Authority undertake appropriate improvements on the basis that much of the traffic within the corridor is destined to or from the Turnpike.
- iii. **Status:** Design and construction are complete.
- iv. **Impact on Operating Budget:** This project adds approximately nine lane miles of new pavement, which increases operating and maintenance expenses. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

Concrete Barrier**27. Median Barrier Improvements**

- i. **Location:** Various Counties
- ii. **Description:** This project included the inspection and condition assessment of the concrete median barrier, and the implementation of a repair, replacement, and upgrade program along the Parkway and Turnpike mainline and interchange ramps. The project included sections of severely deteriorated concrete median barrier that required replacement between Parkway MP 141 and MP 160 as well as other locations.
- iii. **Status:** Design and construction substantially complete — July 2014.
- iv. **Impact on Operating Budget:** This group of projects extended the life of the median barrier and reduced the need for intermittent repairs, which resulted in minor reductions in routine maintenance costs. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

Drainage Structures**28. Drainage Improvements**

- i. **Location:** Various Counties
- ii. **Description:** This project included design services and construction to rehabilitate or replace non-functioning and substandard drainage systems. The project also included the analysis of the condition of existing median inlets along the Authority's mainline and interchange ramp roadways and will construct recommended improvements in compliance with current environmental regulations.
- iii. **Status:** Design and construction completed — 2019.
- iv. **Impact on Operating Budget:** This group of projects extended the life of the drainage systems and reduced the need for intermittent repairs, which results in minor reductions in routine maintenance costs. These reductions have been incorporated into the operating budget based on actual cost savings.

Other Roadway Improvements**29. GSP Mainline Shoulder Improvements**

- i. **Location:** Ocean and Monmouth Counties
- ii. **Description:** In the late 1980s, the right and left mainline shoulders from MP 80 to MP 100 on the Parkway were eliminated, and the width of the travel lanes was reduced to create a third travel lane in both the northbound and southbound directions between Interchanges 80 and 91 and a fourth lane between Interchanges 91 and 98. The geometric changes were made to provide additional capacity to meet the traffic demands along this section of the Parkway. This project reconstructed the mainline roadway to provide full-width right and left shoulders and to widen the travel lanes to widths that meet current standards.
- iii. **Status:** Design and construction were completed and opened to traffic — December 2015.
- iv. **Impact on Operating Budget:** This project added 40 lane miles of new pavement which increased operating and maintenance expenses. The project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

30. Improvements Roadway Appurtenances

- i. **Location:** Various Counties
- ii. **Description:** This project provides for upgrading various guide rail, guide rail end treatments, and crash cushions along the Parkway and Turnpike.
- iii. **Status:** Design and construction substantially complete — 2019.
- iv. **Impact on Operating Budget:** This group of projects extends the life of the guide rail system and reduces the need for intermittent repairs, which results in minor reductions in routine maintenance costs. These reductions are reflected in the actual operating expenses over the past few years.

31. Sign Replacements Phase I

- i. **Location:** Various Counties
- ii. **Description:** This project includes inspection, assessment, and implementation of the remedial measures necessary to bring dated mainline and interchange guide signing into compliance with current standards. This project will upgrade existing Parkway and Turnpike guide signs and structures along the mainline, ramps, or at facilities to the current design standards. The project includes the study and assessment of current signing legends and locations, along with recommendations and plans to procure the construction services necessary to bring signing into compliance with current standards.
- iii. **Status:** Design and construction completed — September 2018.
- iv. **Impact on Operating Budget:** This group of projects has no significant impact on the operating budget.

32. Sign Replacements Phase II

- i. **Location:** Various Counties
- ii. **Description:** This project includes the deployment of over 220 Variable Message Signs (VMSs) at various locations along the length of the Turnpike and the Parkway. The project provided for the design and construction of VMS sign supports, provision and installation of VMS signs, and connectivity utilizing fiber optic communications networks back to the Statewide Traffic Management Center (STMC). All signs are monitored and controlled from the STMC.
- iii. **Status:** Construction has generally been completed and, the signs are now operating as of February 2021.
- iv. **Impact on Operating Budget:** This project added over 220 VMSs to Authority facilities, which resulted in additional operating and maintenance expenses. These minor increases are reflected in actual operating expenses over the past year.

33. TPK/GSP Southern Improvements

- i. **Location:** Various Counties
- ii. **Description:** This project provided miscellaneous improvements to the mainline and interchanges located in the southern portion of the Turnpike between Interchange 1 and Interchange 4 and on the Parkway between MP 0 and MP 48.
- iii. **Status:** Design and construction completed — June 2013.
- iv. **Impact on Operating Budget:** This group of projects cleared numerous maintenance issues and reduced the need for intermittent repairs, which resulted in minor reductions in routine maintenance costs. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

Facilities**34. Facilities Improvements Phase I**

- i. **Location:** Various Counties
- ii. **Description:** This project replaces and rehabilitates facilities at 22 Turnpike and Parkway maintenance districts to bring 50+ year old maintenance buildings into compliance with current building codes and operational standards. The project also includes repairing/rehabilitating several Turnpike toll plazas to incorporate safety and operational improvements. Finally, four new State Police facilities will be constructed under this project.
- iii. **Status:** Construction is substantially complete as of August 2020, and the Authority and State Police have moved into the new facilities.
- iv. **Impact on Operating Budget:** This group of projects cleared numerous maintenance issues, which reduced the need for intermittent repairs resulting in minor reductions in routine maintenance costs. In addition, new facilities were added, which increased operations and maintenance costs. These minor reductions and additions are reflected in the recent actual operating expenses over the past few years.

35. Salt Storage Facilities

- i. **Location:** Various Counties
- ii. **Description:** This project provided new, increased salt storage capacity for the Turnpike and Parkway.
- iii. **Status:** Design and construction is completed — May 2016.
- iv. **Impact on Operating Budget:** This group of projects resulted in salt storage facilities that reduce operating costs adding storage capacity and improving locations. This project has been completed for numerous years. The operating and maintenance expense impacts are reflected in the actual expenses over recent years.

Appendix C: Financial Policies

Financial Management Principles and Guidelines

I. INTRODUCTION

A. Purpose of Financial Management Principles and Guidelines

These Financial Management Principles and Guidelines are intended to serve as a management tool to enable the New Jersey Turnpike Authority (the Authority) to communicate the Authority's commitment to a sound financial decision-making process and affirm to investors and the credit rating agencies management's commitment to the long term financial viability of the Authority and repayment of its bonds. These Financial Management Principles and Guidelines are also intended to serve as guidance for management of the Authority with respect to:

- i. the issuance and management of Authority debt in appropriate amounts and types with the goals of achieving the lowest possible costs of capital within prudent risk parameters and ensuring ongoing access to the capital markets; and
- ii. compliance by the Authority with all provisions of the Act (as hereinafter defined) relating to bonds, notes, or other obligations of the Authority, as well as all provisions of the Authority's Bond Resolution (as hereinafter defined).

These Financial Management Principles and Guidelines will be reviewed by the Authority no less than once every two (2) years, and any changes to these Financial Management Principles and Guidelines will be presented to and approved by the Authority's Board of Commissioners. These Financial Management Principles and Guidelines will also be made available on the Authority's website (<http://www.njta.com>).

B. Best Interests of the Authority

While adherence to these Financial Management Principles and Guidelines is desirable, deviations from these Financial Management Principles and Guidelines may be appropriate from time to time to address: (i) changing financial goals; (ii) emerging financial products/debt structures; and (iii) unique market opportunities. As a result, the general best interests of the Authority shall supersede any provision of these Financial Management Principles and Guidelines.

C. The Authority

The Authority is a public body corporate and politic of the State of New Jersey created under and by virtue of the New Jersey Turnpike Authority Act of 1948, constituting Chapter 454 of the Laws of New Jersey of 1948, as amended and supplemented (the "Act"). Pursuant to the Act, the Authority is authorized and empowered to issue and incur its bonds, notes, and other obligations for the purposes and on the terms and conditions set forth in the Act. All currently issued and outstanding bonds of the Authority, and all future bonds, notes, or other obligations of the Authority, have been or will be issued and incurred under and pursuant to, and/or in accordance with, the terms and provisions of the Act and a resolution of the Authority adopted on August 20, 1991, and entitled, "Turnpike Revenue Bond Resolution", as amended and restated on September 26, 1991, and as further amended and restated on November 22, 1991, as the same has been and will be further amended, restated and supplemented from time to time (the "Bond Resolution"). Capitalized terms used herein which are not otherwise defined shall have the meaning given to such terms in the Bond Resolution.

II. FINANCIAL MANAGEMENT PRINCIPLES AND GUIDELINES

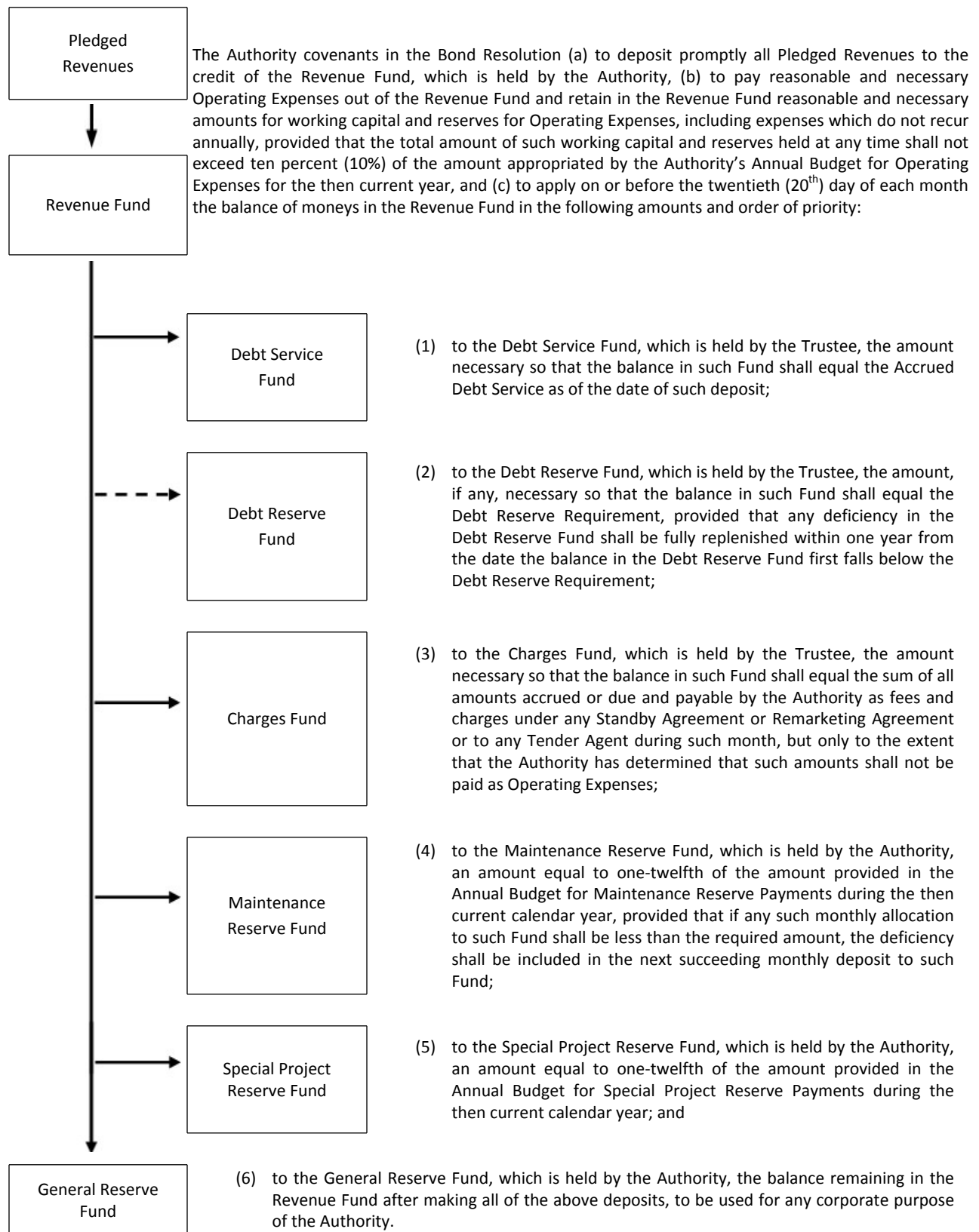
- A. Management will conduct Authority business in a manner that is in compliance with the requirements of the Act and the Bond Resolution, as well as all other applicable federal and state laws, rules, and regulations.
- B. Revenues and bond proceeds will be used to improve and/or maintain safe and efficient roadways.
- C. The Authority will employ a Traffic Engineer to develop conservative toll revenue growth projections and establish toll rate schedules.
- D. The Authority will manage operating expenses within its available annual authorized operating budget, with a goal of reducing operating expenses while maintaining the quality of its roads and services.
- E. The Authority will adequately fund its Maintenance Reserve Fund, Special Project Reserve Fund, and other capital budgets in compliance with the provisions of the Bond Resolution and the recommendations of its Consulting Engineer.
- F. The Authority will manage its cash flow and total expenditure levels such that it maintains average unrestricted cash balances in the General Reserve Fund equal to at least:
 - (1) one hundred and twenty-five million dollars (\$125,000,000) as of December 31, 2017;
 - (2) one hundred and fifty million dollars (\$150,000,000) as of December 31, 2018;
 - (3) one hundred and seventy-five million dollars (\$175,000,000) as of December 31, 2019; and
 - (4) ten (10) percent of total annual revenue as of December 31, 2020, and each December 31st thereafter, based on that year's budgeted total annual revenue.
- G. The Authority will continue to fund its approved Capital Improvement Program with the lowest possible cost of capital. The Capital Improvement Program will be reviewed on an annual basis. Management will establish a Capital Improvement Program Reserve within the Capital Improvement Program budget to protect against risk.
- H. The Authority will prepare, at a minimum, a five-year financial plan and update this plan on a regular basis as assumptions change.
- I. The Authority shall invest all of its funds (including the proceeds received from the sale of its bonds, notes, or other obligations) which are not immediately needed for the purposes of the Authority in Investment Securities as provided in the Bond Resolution. The Authority shall invest all of its funds in a manner that allows such funds to be available when needed to be applied for their intended purposes. Funds will be invested in a manner consistent with the Investment Plan to be hereafter adopted by the Authority in accordance with Paragraph S below, with the goals of safety, liquidity, and then yield in that order of priority.
- J. The Authority will prepare its books, records, and accounts according to General Accepted Accounting Principles applicable to governmental entities in the United States of America and cause such books, records, and accounts to be audited annually by a nationally recognized firm of Certified Public Accountants. The Authority shall record all transactions consistent with the provisions of the Bond Resolution, including the provisions relating to all Funds and Accounts established under the Bond Resolution.
- K. The Authority will maintain current and meaningful financial and other information on its website for the benefit of investors, credit enhancement providers, and credit rating agencies.

- L. The Authority shall strive to maintain or improve the credit ratings for its debt without adversely affecting the levels or types of debt that may be issued by the Authority to finance its essential capital activities. The Authority will strive to communicate regularly with the rating agencies. To the extent possible and/or necessary, the Authority will forward periodic financial and other information to the rating agencies, update the rating agencies upon the occurrence of any significant financial developments, and communicate with the rating agencies prior to each Authority debt issuance.
- M. The Authority will manage its toll rates, expense budget, and debt issuance program to achieve a minimum senior debt service coverage of 1.4x, and a total requirements coverage of 1.2x, although compliance with the Net Revenue Requirement under the Bond Resolution only requires the Authority to generate Net Revenues in each calendar year in an amount equal to the greater of (i) the sum of Aggregate Debt Service, required payments into the Maintenance Reserve Fund, required payments into the Special Project Reserve Fund, and the payments, if any, into the Charges Fund for such year, or (ii) 1.2x the Aggregate Debt Service for such year. Furthermore, although the Bond Resolution permits the Authority to include amounts which are withdrawn from the Construction Fund, the Special Project Reserve Fund, and the General Reserve Fund and deposited into the Revenue Fund as part of the Pledged Revenues for purposes calculating compliance with the Net Revenue Requirement, the Authority shall not, in any calendar year, set its toll rates and/or adopt an annual budget which in any manner expressly relies, in whole or in part, upon any such withdrawals and deposits into the Revenue Fund as a means for achieving compliance with the Net Revenue Requirement or any other higher debt service or other coverage levels, which the Authority has established as its goal.
- N. Bonds, notes, and other obligations will be issued by the Authority solely for the purposes of financing its essential capital activities or refunding outstanding debt. Debt will not be issued by the Authority to fund, in whole or in part, operation and maintenance costs of the Turnpike System or capital assets with remaining useful lives shorter than the final maturity date of the associated debt. All bonds, notes, and other obligations issued by the Authority will comply with the requirements of the Act and the Bond Resolution, as well as all other applicable federal and state laws, rules, and regulations.
- O. The Authority will structure its new money debt maturities to achieve either an overall level debt service structure or a standalone level debt service structure. The Authority will continue to issue its bonds with maturities up to thirty (30) years from date of issuance to finance essential capital activities for the Turnpike System, including the acquisition, construction, and rehabilitation of major capital assets for and/or additions to the New Jersey Turnpike, the Garden State Parkway, and any other component of the Turnpike System.
- P. During the financing of the Authority's currently approved Capital Improvement Program, the Authority does not intend to increase its overall variable rate debt in an amount greater than 20% of its overall debt.
- Q. During the financing of the currently approved Capital Improvement Program, the Authority does not intend to increase the overall aggregate notional amount of its currently outstanding interest rate swap agreements and will look to reduce its outstanding interest rate swaps as economic opportunities to do so arise. Over the long-term, the Authority will not enter into interest rate swaps in an aggregate notional amount greater than 20% of its overall debt outstanding. If additional swaps are entered into, the Authority will have a goal to achieve a diversified (no more than 25% with any single counterparty) and highly rated (A1/A+ or better) group of counterparties. The Authority will require appropriate collateral provisions from such counterparties if their ratings decline below A2/A. The Authority will not provide collateral or termination rights to the counterparty unless the Authority's ratings decline below Baa2/BBB or lower. Any additional interest rate swap agreements will be entered into by the Authority in a manner consistent with the Interest Rate Swap Management Plan to be hereafter adopted by the Authority in accordance with Paragraph S below.

- R. When identifying potential refunding candidates for economic refundings, the Authority will generally seek a minimum per transaction present value savings threshold of 3%. Notwithstanding the above, the 3% savings threshold shall not apply for debt with a call date between one (1) and three (3) years from their stated maturity or for small principal maturities and bonds that produce significant negative arbitrage. In certain instances, it may be advantageous for the Authority to issue refunding debt that does not produce positive economic savings but serves to restructure existing debt or retire debt in order to remove undesirable debt covenants. Prior to issuing non-economic refunding debt, the Authority will evaluate the benefits (both intangible and tangible) of issuing such debt as well as the economic cost of such debt.
- S. The Authority will hereafter adopt a formal Debt Management Plan, an Interest Rate Swap Management Plan, and an Investment Plan, all of which shall be consistent with the provisions of the Act, the Bond Resolution, and these Financial Management Principles and Guidelines.

III. BOND RESOLUTION FLOW OF FUNDS:

The Bond Resolution creates and establishes various Funds and provides that the Pledged Revenues shall be deposited into such Funds in the amounts and in the order of priority set forth in the Bond Resolution. The Authority will, at all times, comply with the provisions of the Bond Resolution in connection with the deposit and application of the Pledged Revenues. The following chart illustrates and generally describes the provisions of the Bond Resolution governing the deposit and application of the Pledged Revenues to the various Funds created and established under the Bond Resolution:



IV. STATUTORY PROVISIONS AND CONSIDERATIONS**A. General**

Bonds, notes, or other obligations issued by the Authority are revenue obligations of the Authority and are not a debt or liability of the State of New Jersey or any political subdivision thereof (other than the Authority). Neither the faith and credit nor the taxing power of the State of New Jersey or of any political subdivision thereof is pledged to the payment of the Authority's bonds, notes, or other obligations. The Authority has no taxing power.

B. Approvals of Governor and State Treasurer

Pursuant to Section 3(F) of the Act (NJSA 27:23-3(F)), no resolution or other action of the Authority providing for the issuance of bonds, refunding bonds, or other obligations or the fixing, revising, or adjusting of tolls for the use of the Turnpike System shall be adopted or otherwise made effective by the Authority without the prior written approval of the Governor and the State Treasurer. Section 3(F) of the Act further provides that the powers conferred upon the Governor and the State Treasurer pursuant to such Section shall be exercised with due regard of the rights of the holders of the Authority's bonds at any time outstanding and nothing in such Section shall in any limit, restrict or alter the obligation or powers of the Authority to carry out and perform each and every covenant, agreement, or contract at any time made or enter into by or on behalf of the Authority with respect to its bonds or for the benefit, protection, and security of the holders thereof.

C. State Non-Impairment Agreement

Pursuant to Section 7 of the Act (NJSA 27:23-7), the State of New Jersey has pledged and agreed with the holders of the Authority's bonds that it will not limit or restrict the rights vested in the Authority to acquire, maintain, construct, improve, manage, repair, reconstruct, and operate the Turnpike System, or to establish and collect such charges and tolls as may be convenient or necessary to produce sufficient revenue to meet the expenses of maintenance and operation thereof, and to fulfill the terms of any agreements made with the holders of the Authority's bonds, or in any way impair the rights and remedies of the holders of such bonds until the bonds, together with interest thereon, are fully paid and discharged.

Debt Management Policy

I. INTRODUCTION

A. Purpose of Policy

This Debt Management Policy is intended to serve as a management tool to enable the New Jersey Turnpike Authority (the "Authority") to identify circumstances and transactions under which the Authority can issue and manage its bonds, notes, and other obligations in the most efficient manner and provide for the full and timely repayment thereof. This policy is also intended to serve as guidance for management of the Authority with respect to:

- (i) the issuance and incurrence of Authority debt in appropriate amounts and types with the goals of achieving the lowest possible costs of capital within prudent risk parameters and ensuring ongoing access to the capital markets;
- (ii) compliance by the Authority with all provisions of the Act (as hereinafter defined) relating to bonds, notes, or other obligations of the Authority, as well as all provisions of the Authority's Bond Resolution (as hereinafter defined);
- (iii) preservation of financial flexibility to maintain appropriate resources and funding capacity for present and future capital needs;
- (iv) management of interest rate risk exposure to promote the appropriate diversification within the debt portfolio to balance risk and liquidity and promote and maintain an acceptable balance between interest rate risk and the long-term cost of capital; and
- (v) securing of highly qualified professional services firms to assist with debt issuance in an open and competitive process.

B. The Authority

The Authority is a public body corporate and politic of the State of New Jersey created under and by virtue of the New Jersey Turnpike Authority Act of 1948, constituting Chapter 454 of the Laws of New Jersey of 1948, as amended and supplemented (the "Act").

C. Review

This Policy will be reviewed by the Authority no less than once every (2) two years, and any changes to this Policy will be presented to and approved by the Authority's Board of Commissioners. This Policy will also be made available on the Authority's website (<http://www.njta.com>).

D. Best Interests of the Authority

Although adherence to this policy is desirable, deviations from the policy may be appropriate at times to address: (i) changing financial goals; (ii) emerging financial products/debt structures; and/or (iii) unique market opportunities. Consequently, the general best interests of the Authority shall supersede any provision of the policy.

II. TURNPIKE REVENUE BONDS

A. Legal Authority

Pursuant to the Act, the Authority is authorized and empowered to issue and incur its bonds, notes, and other obligations for the purposes and on the terms and conditions set forth in the Act. All currently issued and outstanding bonds of the Authority, and all future bonds, notes, or other obligations of the Authority, have been or will be issued and incurred under and pursuant to, and/or in accordance with, the terms and provisions of the Act and a resolution of the Authority adopted on August 20, 1991 and entitled, "Turnpike Revenue Bond Resolution", as amended and restated on September 26, 1991, and as further amended and restated on November 22, 1991, as the same has been and will be further amended, restated, and supplemented from time to time (the "Bond Resolution") (Capitalized terms used herein which are not otherwise defined shall have the meaning given to such terms in the Bond Resolution).

B. Approvals of Governor and State Treasurer

Pursuant to Section 3(F) of the Act (NJSA 27:23-3(F)), no resolution or other action of the Authority providing for the issuance of bonds, refunding bonds, or other obligations or the fixing, revising, or adjusting of tolls for the use of the Turnpike System shall be adopted or otherwise made effective by the Authority without the prior written approval of the Governor and the State Treasurer. Section 3(F) of the Act further provides that the powers conferred upon the Governor and the State Treasurer pursuant to such Section shall be exercised with due regard of the rights of the holders of the Authority's bonds at any time outstanding and nothing in such Section shall in any way limit, restrict, or alter the obligation or powers of the Authority to carry out and perform each and every covenant, agreement, or contract at any time made or enter into by or on behalf of the Authority with respect to its bonds or for the benefit, protection, and security of the holders thereof.

C. Use of Debt Proceeds

As more fully described in this Policy, bonds, notes, and other obligations will be issued by the Authority solely for the purposes of financing its essential capital activities or refunding outstanding debt. Debt will not be issued by the Authority to fund, in whole or in part, operation and maintenance costs of the Turnpike System or capital assets with average useful lives which are shorter than the average maturity of the associated debt. All bonds, notes, and other obligations issued by the Authority will comply with the requirements of the Act and the Bond Resolution, as well as all other applicable federal and state laws, rules, and regulations.

D. Types of Debt

Under the Bond Resolution, the Authority is authorized to issue Turnpike Revenue Bonds payable from and secured by a lien on and pledge of the Pledged Revenues of the Turnpike System on a parity with all Bonds Outstanding under the Bond Resolution from time to time and the reimbursement and payment obligations under certain Credit Facilities and Qualified Swap (as such terms are defined in the Bond Resolution). Specific types of debt that can be issued are as follows:

- (i) Long-Term Debt: Although the Statute and Bond Resolution allow debt to be issued up to forty (40) years, the Authority will limit its maturities to up to thirty (30) years from date of issuance to finance essential capital activities for the Turnpike System, including the acquisition, construction, and rehabilitation of major capital assets for and/or additions to the New Jersey Turnpike, the Garden State Parkway, and any other component of the Turnpike System.
- (ii) Short-Term Debt: Short-term debt with maturities of two (2) years or shorter may be used to provide interim financing for the acquisition, construction, and rehabilitation of capital assets for and/or additions to the Turnpike System and/or to reduce or hedge interest rate costs. Short-term debt

obligations may include bond anticipation notes and variable rate bonds or notes, as well as any other appropriate instrument(s).

- (iii) Variable Rate Debt: In addition to fixed rate debt, the Authority may issue bonds/notes with a variable interest rate to: (i) diversify its debt portfolio; (ii) reduce interest costs; (iii) improve its match of assets to liabilities; and/or (iv) provide budgetary relief. Pursuant to and in accordance with the provisions of the Bond Resolution and its Interest Rate Swap Management Plan, the Authority may also enter Qualified Swap Agreements and/or Exchange Agreements to hedge its interest rate risk on variable rate debt where appropriate.

E. Purposes

The Authority may issue debt for either new money or refunding purposes.

- (i) New Money: New money debt may be issued by the Authority to provide funding for essential capital activities as described in the Section entitled “Types of Debt” above.
- (ii) Economic Refunding: The Authority may issue refunding debt to achieve debt service savings on its outstanding debt by redeeming outstanding debt with lower interest rate debt. The Authority may structure the savings from these refunding issues on a level, accelerated, or deferred basis depending on the Authority's financing goals.
- (iii) Non-Economic Refunding: In certain instances, it may be advantageous for the Authority to issue refunding debt that does not produce positive economic savings but serves to restructure existing debt or retire debt in order to remove undesirable debt covenants. Prior to issuing non-economic refunding debt, the Authority will evaluate the benefits (both intangible and tangible) of issuing such debt as well as the economic cost of such debt.

F. Debt Limit

The amount of bonds to be issued is limited by the following in the Bond Resolution:

- (i) Additional Bonds Test - New Money Purposes: In accordance with Section 203 of the Bond Resolution, in order for the Authority to issue and sell its bonds for new money purposes, the Authority must, among other things, satisfy the following tests:
 - (a) the Net Revenues of the Authority (Pledged Revenues minus Operating Expenses) for any period of twelve (12) consecutive calendar months out of the twenty-four (24) calendar months next preceding the issuance of such bonds must equal or exceed the Net Revenue Requirement for such twelve (12) month period without regard to the bonds proposed to be issued; and
 - (b) the estimated Net Revenues for the first full five (5) calendar years after the financed asset is estimated to be placed in service must equal or exceed the Net Revenue Requirement for each such year and the estimated Net Revenues in the 5th such calendar year must equal or exceed the future maximum Aggregate Debt Service in any year.

In addition, all other requirements of the Bond Resolution relating to the issuance of bonds for new money purposes must be satisfied.

For purposes of the Bond Resolution, the “Net Revenue Requirement” in any year is the greater of: (i) the sum of the Aggregate Debt Service on all outstanding Authority bonds, the Maintenance Reserve

Payments, the Special Project Reserve Payment, and all deposits to the Charges Fund in such year; or (ii) 1.20 times the Aggregate Debt Service on all outstanding Authority bonds in such year.

- (ii) **Additional Bonds Test - Refunding:** In accordance with Section 204 of the Bond Resolution, in order for the Authority to issue and sell its bonds for refunding purposes, the Authority must, among other things, either (i) demonstrate that the Aggregate Debt Service on all outstanding Authority bonds is not increased in the then current or any future calendar year as a result of the issuance of such refunding bonds, or (ii) satisfy both of the tests described in clauses (a) and (b) of the preceding subsection of this policy entitled “Additional Bonds Test – New Money Purposes”.

G. State Non-Impairment Agreement

Pursuant to Section 7 of the Act (NJS 27:23-7), the State of New Jersey has pledged and agreed with the holders of the Authority’s bonds that it will not limit or restrict the rights vested in the Authority to acquire, maintain, construct, improve, manage, repair, reconstruct, and operate the Turnpike System, or to establish and collect such charges and tolls as may be convenient or necessary to produce sufficient revenue to meet the expenses of maintenance and operation thereof, and to fulfill the terms of any agreements made with the holders of the Authority’s bonds, or in any way impair the rights and remedies of the holders of such bonds until the bonds, together with interest thereon, are fully paid and discharged.

III. DEBT STRUCTURING

A. Maximum Term

The Authority will limit its maturities to a maximum of thirty (30) years from date of issuance. The average maturity of the Authority’s bonds may not exceed the average remaining useful life of the assets being financed or the limitations set forth in the Act.

B. Bond and Debt Service Structure

Turnpike Revenue Bonds can be structured using discount, par, or premium coupons, or any combination, utilizing the coupon structure, which produces the lowest True Interest Cost (TIC), taking into consideration the call option value of any callable maturities. When comparing yields associated with callable premium bonds and callable discount bonds of the same maturity, the yield-to-maturity should be evaluated in addition to the yield-to-call date. The use of capital appreciation bonds or zero-coupon bonds should be used only when necessary to meet minimum Net Revenue Requirement targets or minimum General Reserve Fund target balances as specified in the Authority’s Financial Management Principles and Guidelines, or if they produce the lowest TIC compared to other structures. The Authority will structure its new money debt maturities to achieve either an overall level debt service structure for its debt portfolio or a standalone level debt service structure. The determination of debt service structure will consider Net Revenue Requirement targeted levels and minimum General Reserve Fund balance target levels as specified in the Authority’s Financial Management Principles and Guidelines, as well as the TIC for various debt service structures to achieve the optimum structure.

C. Maturities

Bonds or notes may be serial bonds or notes, or term bonds or notes, or any combination thereof.

D. Composition of Debt

The aggregate amount of the Authority’s long-term variable rate debt should not exceed 20% of its outstanding long-term debt.

E. Credit Enhancement

The Authority may secure credit and/or liquidity enhancement for all or a portion of each debt issuance, which may be in the form of municipal bond insurance, a letter/line of credit or a standby purchase arrangement. The Executive Director and the Chief Financial Officer shall make the final recommendation to use bond insurance for a particular debt issuance after taking into account such factors as the economic benefit of the enhancement, the Authority's available insurance capacity with the insurance community, and future secondary market trading conditions. The Authority will not secure credit enhancement through the final maturity date of a particular debt issuance unless it meets the minimum threshold of providing a net economic benefit to the transaction, assuming the debt remains outstanding until its final maturity date. With respect to bond insurance or any other form of credit enhancement which is paid for with an upfront premium, the Authority will analyze the economic benefit both to the final maturity date of the debt and to the first optional redemption date of the debt.

The Authority may also use a letter/line of credit and/or a standby purchase arrangement (collectively, a "Credit/Liquidity Facility") to provide credit and/or liquidity support for its debt. The Authority shall consider the following criteria when selecting the provider of a Credit/Liquidity Facility: (i) the long-term ratings of the provider, which shall be at least equal to or better than the Authority's long-term ratings; (ii) the short-term ratings of the provider, which shall be at least P-1/A-1; (iii) the legal and business terms and conditions of the agreement with the provider, which shall be acceptable to the Authority; (iv) a representative list of clients similar to the Authority for whom the provider has provided credit and/or liquidity support; (v) the costs to the Authority associated with the proposed Credit/Liquidity Facility, including the cost of the Credit/Liquidity Facility itself, the fees associated with any drawings on the Credit/Liquidity Facility, the fees and expenses of counsel to the provider and any other administrative costs associated with the Credit/Liquidity Facility, and (vi) the trading differential cost between the Authority's debt which is supported by the proposed Credit/Liquidity Facility and its unenhanced debt.

F. Capitalized Interest

Capitalized Interest may be used if needed for new money bonds but is limited to two (2) years.

G. Derivative Agreements

The Authority shall maintain an Interest Rate Swap Management Plan and the time to time use by the Authority of any Qualified Swap Agreements, Exchange Agreements, and other derivative agreements and instruments in connection with its debt shall comply with the terms of its Interest Rate Swap Management Plan as in effect. The Authority shall consult with its Bond Counsel and Financial/Swap Advisor in the event that the Authority is considering entering into any Qualified Swap Agreement, Exchange Agreement, and other derivative agreement or instrument in connection with any debt.

H. Call Provisions

Long-term fixed rate tax-exempt debt should generally be callable in ten (10) years. This provides flexibility to refund bonds if interest rates decline. An analysis should be performed to determine the economic benefit of utilizing call provisions shorter than ten (10) years.

I. Tax Status

The Authority may issue debt on a taxable or tax-exempt basis. The Authority has a preference for issuing debt on a tax-exempt basis to take advantage of the expected interest costs savings compared to issuing taxable debt.

IV. DEBT ISSUANCE**A. Sale of Bonds**

The Authority shall determine the method of sale of its bonds (competitive versus negotiated) by evaluating the benefits that are associated with each method of sale, in addition to examining financial and market conditions. Due to the size and complexity of the Authority's debt issues, bonds are normally sold on a negotiated basis. Underwriters shall be selected through a Request For Proposal (RFP) process and the Authority will encourage the participation of minority-owned and women-owned business enterprises, and will take into consideration an applicant's presence in New Jersey. The RFP process will be in compliance with the Authority's procurement policies and Executive Order 37 (Corzine). The Authority will use the services of a financial advisor and bond counsel, each of which will be selected through an RFP process.

In accordance with Article IX of the Bond Resolution, the Authority shall appoint a Trustee, Paying Agent, and Registrar for the new bond series. All Fiduciaries shall accept all responsibilities as outlined in Article IX of the Bond Resolution.

B. Credit Ratings

The Authority shall have a ratings strategy that is guided by achieving the best economic results for the Authority, including attaining a proper balance between minimizing borrowing costs and maximizing financial flexibility for the Authority's debt program. The Authority shall strive to maintain or improve the credit ratings for its debt without adversely affecting the levels or types of debt that may be issued by the Authority to finance its essential capital activities, including the acquisition, construction, and rehabilitation of major capital assets for and/or additions to the Turnpike System. The Authority recognizes and acknowledges, however, that as market conditions and financing needs change and evolve, so should the Authority's credit ratings strategy. The Authority may accept a lower credit rating or downgrade to its existing ratings (and thus incur a modest financing cost differential) in order to gain the flexibility needed to effect significant policy initiatives. The Authority will periodically review its credit rating strategy to assess whether market or capital plan developments warrant a revision in the Authority's approach to its ratings.

As of January 2014, the Authority is rated A3* by Moody's Investors Services, A+ by Standard and Poor's Ratings Services, and A by Fitch Ratings Inc. The Authority will receive ratings from at least two (2) of the four (4) nationally recognized credit rating agencies, which are currently Moody's Investors Services, Standard and Poor's Rating Services, Fitch Ratings Inc., and Kroll Bond Rating Agency. Selection of the ultimate number of ratings and credit rating agency will be based upon overall cost, service to the Authority, any investor requirements, and the recommendation of the Authority's financial advisor.

The Authority will strive to communicate regularly and frequently with the credit rating agencies. To the extent possible and/or necessary, the Authority will forward periodic information to the credit rating agencies, arrange regular conference calls to update the rating analysts on any significant financial developments, and communicate with the credit rating agencies prior to each Authority debt issuance. The Authority will also maintain periodic communication with its credit enhancement providers, updating them on financial developments as a means of facilitating future market participation with the credit enhancement community.

C. Economic Refunding Criteria

When identifying potential refunding candidates for economic refunding, the Authority will generally seek a minimum per transaction present value savings threshold of three percent (3%). Notwithstanding the above, the 3% savings threshold shall not apply for debt with a call date between one (1) and three (3) years from their stated maturity, or for small principal maturities and bonds that produce significant negative arbitrage. In addition, for an advance refunding, the Authority will consider the refunding efficiency of potential bond refunding, considering

the negative arbitrage, if any, on the refunding escrow and will seek a minimum refunding efficiency percentage of at least seventy percent (70%).

* Effective July 2016, the Authority's credit rating was upgraded to A2. In April 2020, Fitch affirmed the positive outlook and in May 2020, after the approval of Long Range Capital Plan and associated toll increase, Moody's rated it as credit positive.

* As of January 2022, the Authority's credit rating was upgraded to A1 by Moody's. In March 2022, Fitch affirmed the positive outlook and upgraded the Authority's revenue bonds from 'A' to 'A+'. The annual toll increase, which went into effect in September 2020 have significantly increased revenues and support the debt requirements for the Long Range Capital Plan over the next 20 years.

V. DEBT MANAGEMENT

A. Investment of Funds

The Authority shall invest all of its funds (including the proceeds received from the sale of its bonds, notes, or other obligations), which are not immediately needed for the purposes of the Authority, in Investment Securities as provided in the Bond Resolution. The Authority shall invest all of its funds in a manner that allows such funds to be available when needed to be applied for their intended purposes. Investments are further governed by the terms of the Authority's Investment Policy.

B. Compliance with Bond Resolution

The Bond Resolution, including specifically Article VII thereof, contains several covenants, requirements, and other provisions which the Authority has agreed to comply with for the benefit, protection, and security of the holders of its outstanding bonds issued from time to time under and pursuant to the Bond Resolution. The Authority shall at all times manage its debt portfolio and operate and manage the Turnpike System in a manner which results in the Authority being in compliance with all covenants, requirements, and other provisions of the Bond Resolution, including, without limitation, the Sections of the Bond Resolution more fully described below.

(i) Tolls and Charges

Pursuant to Section 713 of the Bond Resolution, the Authority has covenanted to, at all times, fix, charge, and collect such tolls for the use of the Turnpike System as shall be required in order that in each calendar year the Net Revenues shall at least equal the Net Revenue Requirement for such year. Section 713 of the Bond Resolution furthers provides that, on or before December 1 in each year, the Authority shall complete a review of its financial condition for the purpose of estimating whether the Net Revenues for such year and the next succeeding year will be sufficient to meet the Net Revenue Requirement and shall by resolution of its Board of Commissioners make a determination with respect thereto. The Authority shall file a copy of its determination with the Trustee under the Bond Resolution on or before December 20 of each year. If the Authority determines that the Net Revenues may not be sufficient to meet the Net Revenue Requirement, the Authority shall cause its Traffic Engineers to make a study for the purpose of recommending a new schedule of tolls which will cause the Authority to have sufficient Net Revenues to meet the Net Revenue Requirement, and, as promptly as practicable, but by no later than the following April 1, the Authority shall adopt and place into effect the schedule of tolls recommended by the Traffic Engineers.

(ii) Annual Budget

Section 710 of the Bond Resolution contains certain covenants, agreements, and provisions relating to the preparation, filing, and adoption of the Authority's annual budget for each calendar year. The Authority shall at all times comply with the provisions of Section 710 in connection with the adoption of each annual budget.

(iii) **Sale, Lease, or Disposal of Property**

Section 708 of the Bond Resolution provides that no part of the Turnpike System shall be sold, mortgaged, leased, or otherwise disposed of, except as permitted by such Section. Among other things, Section 708 permits the Authority to sell, lease, or exchange any property or facilities constituting part of the Turnpike System and not useful or necessary in the operations thereof, but any proceeds of any such transaction not used to acquire other property necessary or desirable for the safe and efficient operation of the Turnpike System shall be deposited in the Revenue Fund or the General Reserve Fund as the Authority may determine. The Authority shall at all times comply with the provisions of Section 708 of the Bond Resolution.

(iv) **Consulting and Traffic Engineers**

As required by Section 709 of the Bond Resolution, the Authority shall employ, at the times and in the manner set forth in Section 709, the services of separate, independently nationally recognized engineering firms or entities to perform the functions and duties of the Consulting Engineers and the Traffic Engineers, respectively, set forth in the Bond Resolution.

(v) **Books, Accounts, Records, and Reports**

As required by Section 717 of the Bond Resolution, the Authority shall keep and maintain proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the Turnpike System and all Funds and Accounts established under the Bond Resolution. The Authority shall also prepare, or caused to be prepared, and file with the Trustee, the Consulting Engineers and, if applicable, the holders of any of the Authority's bonds, all financial and statistical reports, including its annual audited financial statements, required by the provisions of Section 717 at the times and in the manner required by the provisions of such Section. The Authority shall prepare and keep its books of record, accounts, financial statements, and reports in accordance with generally accepted accounting principles applicable to governmental entities in the United States of America. The Authority shall from time to time institute such controls as may be recommended by its independent auditor and other best practices deemed appropriate by its Chief Financial Officer.

(vi) **Debt Service Reserve Requirement**

In connection with the issuance of any bonds by the Authority, the Bond Resolution also requires that the Debt Reserve Fund created under the Bond Resolution must be funded to the Debt Reserve Requirement, which is the lesser of (i) the greatest amount of interest accruing on all outstanding bonds of the Authority any in calendar year, or (ii) the maximum amount permitted by the provisions of the Internal Revenue Code of 1986, as amended.

C. Compliance with Financial Management Principles and Guidelines

The Authority will comply with its Financial Management Principles and Guidelines as they pertain to the issuance, structure, and management of debt.

D. Arbitrage and Rebate

The Authority will engage the services of an Arbitrage and Rebate Consultant to provide written reports to assist the Authority in monitoring yield on investments and calculating any rebate that may be due for all tax-exempt bonds. The consultant will provide written reports on the arbitrage liability, if any, on an annual basis. The Authority will file all required forms with the Internal Revenue Service and make any required payments when due.

E. Continuing Disclosure Agreement

In order to enable the underwriters of its bonds to comply with SEC Rule 15c2-12, the Authority enters into a Continuing Disclosure Agreement for each bond issue to provide for the timely filing of annual financial information and material event notifications. Under its existing Continuing Disclosure Agreements, the Authority has agreed to provide, by May 1 of each year, its Audited Financial Statements, Annual Budget, and Financial Summary for the Twelve Months Ended December 31 and its Net Revenue Certification. A Continuing Disclosure Agreement will be executed for each bond issue.

F. Investor Relations

The Authority will maintain current and meaningful financial and other information on its website for the benefit of investors, credit enhancement providers, and credit rating agencies. At a minimum, the Authority's investor relations website will contain traffic and revenue statistics, audited financial statements, trustee reports, and financial summaries.

VI. POST-ISSUANCE COMPLIANCE POLICY**A. Purpose**

This Post-Issuance Compliance Policy (the "Policy") sets forth policies of the Authority designed to monitor compliance of tax-advantaged obligations ("Obligations") issued by the Authority with applicable provisions of the Internal Revenue Code of 1986 as amended (the "Code") and regulations promulgated thereunder ("Treasury Regulations").

The Policy documents existing practices and describes various procedures and systems designed to identify on a timely basis facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations in order that the interest on such Obligations be, or continue to be, or would be but for certain provisions of the Code, excludable from gross income for Federal income tax purposes.

The Authority recognizes that compliance with applicable provisions of law is an ongoing process, necessary during the entire term of the Obligations. Accordingly, analysis of information and implementation of this Policy will require continual monitoring and likely, ongoing consultation with bond counsel. Further policies and procedures may be identified from time to time by Authority staff in consultation with bond counsel and the arbitrage and rebate consultant.

B. Policy Statement

After Obligations are issued, the compliance process includes a focus on use and investment of proceeds of the Obligations and includes:

- Tracking bond proceeds spending for qualified and non qualified purposes;
- Maintaining detailed records of expenditures and investments;
- Ensuring that the facilities financed are used in a manner consistent with legal and tax requirements;
- Providing necessary disclosure information regarding financial and operating status;
- Maintaining adequate records.

C. Organizational Responsibility

The Executive Director has overall responsibility for post-issuance compliance for Obligations issued by the Authority and may delegate such responsibilities to a "Compliance Officer," who will have primary responsibility for post-issuance compliance to ensure and monitor post-issuance matters with respect to Obligations. The

Executive Director shall be responsible for assuring an adequate succession plan for transferring post-issuance compliance responsibility when changes in staff occur.

In the case of Obligations for which the Authority must review and approve requisitions, the Authority's Finance Department shall review requisitions to assure that proceeds are expended on projects as authorized in the applicable bond documents, that reimbursement of pre-issuance costs are permissible, and to determine when projects are completed and/or placed in service, including for Build America Bonds. The Chief Financial Officer, or designee, shall direct investment of proceeds, review monthly bank statements from trustees or custodians, and engage an Arbitrage and Rebate Consultant for each issue of Authority Obligations. The Chief Financial Officer, or designee, shall consult with the Authority's Bond Counsel if questions should arise.

D. Tracking Expenditures and Investment Earnings

The Authority shall maintain detailed records regarding the use and allocation of bond proceeds, including investment earnings, throughout the term of the bonds to ensure compliance with covenants and restrictions set forth in the Tax Certificate relating to the Bonds. The Authority's Accounting System will maintain copies of approved requisitions and invoices for expenditures, as well as investment earnings records, including bank statements. The Finance Department will maintain copies of bank statements if electronic statements are not available.

The Authority's Compliance Officer will monitor the application and use of bond proceeds on an ongoing basis and inform the Executive Director and bond counsel of events relating to use of bond proceeds which may result in issues which must be analyzed for compliance with Federal tax laws.

E. Records Retention

The Authority will maintain the following documents for the term of each issue of bonds plus at least three (3) years:

- The bond transcript of proceedings;
- All resolutions, including reimbursement resolutions, and minutes pertaining to the projects financed, if not included in the bond transcript;
- All surveys, feasibility or demand studies, and any publications, brochures, and newspaper articles with respect to the bonds, if not included in the bond transcript;
- All bond yield computations including supporting certificates and investment records, including trustee records, pertaining to the issue price of the bonds, proceeds of the bonds, investment agreements, and related bidding documents, credit enhancement and liquidity documents, swap documents, rebate reports, and rebate payments;
- All documents pertaining to the expenditure or granting of bond proceeds for the acquisition, construction, or renovation of bond financed property including any trustee records, requisitions, reimbursements, draw schedules, draw requests, construction contracts, invoices, bills, land/project related appraisals, payment records, requisition statements, reimbursement records, cancelled checks, a final schedule of property financed by the bonds, and final allocations of bond proceeds;
- All formal elections made for the bond financing (e.g., an election to employ an accounting methodology other than specific tracing);
- All records of trade or business use, purchase, lease, sublease, or sale of bond financed property including any leasehold improvement contracts and ownership documentations such as joint venture arrangements, limited liability corporation arrangements, or partnership arrangements;
- All management contracts and other service agreements, research contracts, and naming rights contracts;
- All accounting audits for bond financed property;
- All information reports filed for the bonds;
- All documentation pertaining to any prior IRS examination of Authority and/or tax-exempt bonds; and
- All correspondence related to the above including faxes, emails, and letters.

The Authority, in the Tax Certificate and/or other documents pertaining to the bonds that are finalized in connection with the issuance of the bonds, shall designate an employee responsible for retaining the records listed above. Records may be retained in electronic format.

F. Arbitrage and Rebate

The Authority will engage the services of an Arbitrage and Rebate Consultant to provide written reports to assist the Authority in monitoring yield on investments and calculating any rebate that may be due. The Consultant will work with the Chief Financial Officer to review the yield on investments to determine if there is a possible rebate liability. If the Consultant provides a written report that rebate is due, the Authority will make any required payments to the IRS and any required filings.

G. Credit Enhancement or Other Agreements Relating to Bonds

The Compliance Officer will monitor any extension or alteration of any credit enhancement relating to the Authority's tax-exempt debt or of any changes to other agreements relating to Authority Obligations such as guaranteed investment contracts or derivative products to assure that any changes meet post-issuance compliance requirements. The Compliance Officer will also monitor information relating to the ratings of counterparties to such agreements to assure that provisions of such agreements are fulfilled. The Compliance Officer will report any questions or issues to bond counsel.

H. Disclosures and Filings

The Authority will, according to the bond documents, enter into Continuing Disclosure Agreements with the trustee for the applicable Obligations and to comply with continuing disclosure requirements. In addition, the Authority will provide bond documents, as applicable, and copies of reports sent to credit providers, insurance companies, and other parties to transactions, as well as financial information. The Authority's bond counsel will be responsible for completing any necessary material event notice filings.

I. Continuity and Training

The Compliance Officer will receive periodic training regarding the tax and other requirements applicable to Obligations and provide periodic training to staff with responsibilities relating to the procedures set forth above. Such training will cover the purposes and importance of these procedures. Training may be provided by bond counsel and shall include a review of the IRS Code and the IRS's web site established for the use of the tax-exempt bond community located at: <https://www.irs.gov/tax-exempt-bonds>.

To provide for continuity of compliance with post-issuance debt requirements, the Authority will periodically review this policy but no less frequent than once every two (2) years, to assure that it comports with current law.

J. Remedial Action

Should the Authority become aware of events which may affect the permissible use and investment of bond proceeds the Authority will take steps, with advice from bond counsel, to seek remedial action with respect to such events.

Interest Rate Swap Management Plan

1. PURPOSE

This Interest Rate Swap Management Plan sets forth the manner of execution of interest rate swaps and related agreements, provides for security and payment provisions, and sets forth certain other provisions related to interest rate swap agreements between the New Jersey Turnpike Authority ("Authority") and qualified swap counterparties. The Interest Rate Swap Management Plan also outlines procedures to be followed to ensure compliance with all applicable federal and state laws. This Interest Rate Swap Management Plan will be reviewed by the Authority no less than once every two (2) years and any changes to this Interest Rate Swap Management Plan will be presented to the Authority's Board of Commissioners for approval. This Interest Rate Swap Management Plan will be made available on the Authority's website, <http://www.njta.com>.

2. BEST INTERESTS OF THE AUTHORITY

Although adherence to this Interest Rate Swap Management Plan ("Plan") is desirable, deviations from this Plan may be appropriate from time to time to address: (i) changing financial goals; (ii) emerging financial products/debt structures; and (iii) unique market opportunities. As a result, the general best interests of the Authority shall supersede any provision of this Swap Management Plan.

3. THE AUTHORITY

The Authority is a public body corporate and politic of the State Of New Jersey operated under and by virtue of the New Jersey Turnpike Authority Act of 1948, constituting Chapter 454 of the Laws of New Jersey of 1948, as amended and supplemented (the "Act"). Pursuant to Section 5 of the Act, and Section 201 of the General Bond Resolution, the Authority is authorized to enter into interest rate swap transactions as it deems fit in order to obtain lower costs of capital or other advantages associated with this financing technique. The Authority may only enter into a swap transaction in connection with a specifically identified series of Authority bonds issued under its senior lien General Bond Resolution.

4. INTEREST RATE SWAP MANAGEMENT GOALS

The Authority intends to execute interest rate swaps if the transaction can be expected to result in the following:

- A. Hedging to reduced exposure to changes in interest rates on a particular financial transaction;
- B. Reduction in interest rate risk in order to maintain from the Authority's overall asset/liability balance;
- C. Obtain a lower net cost of borrowing with respect to the Authority's debt; and
- D. Manage variable interest rate exposure consistent with prudent debt practices.

The Authority shall not enter into interest rate swaps for speculative purposes or not in connection with a specified bond issue.

5. PROCUREMENT OF INTEREST RATE SWAP AGREEMENTS

The Authority will award interest rate swap transactions to one or more qualified counterparties (as herein defined) through competitive or negotiated procurement methods. The general method of procurement and the specific procurement process will be determined based on the prevailing market conditions at the time. Regardless of the procurement method employed, the Authority shall endeavor to obtain the best pricing and execution possible, diversify counterparty exposure, and minimize aggregate counterparty risk. To that end, before entering into a transaction, the Authority, with input from its financial advisor and/or swap advisor, will evaluate the prevailing market conditions to determine the optimal procurement process and will evaluate how the proposed transaction would affect the Authority's aggregate counterparty exposure.

6. INTEREST RATE SWAP RISK FACTORS

The Authority recognizes that there are certain risks associated with interest rate swap transactions that it will consider prior to entering into each transaction. Such risks include:

- A. Counterparty risk** is the risk that the swap counterparty will not fulfill its obligation to honor its obligations as specified under the contracts. Failure of a counterparty could result in an unplanned change in the expected costs of funds of a particular transaction that could increase debt service costs to the Authority, depending upon the interest rate environment when this occurred.

In order to mitigate against this risk, the Authority intends to diversify its counterparties and expects that going forward, no more than 25% of its interest rate swap exposure will be with any one counterparty. An exception will be made for fully collateralized swaps or if market conditions are such that it is not economically feasible to diversify or the interest rate swap market is such that no additional counterparties exist.

In order to diversify the Authority's counterparty risk, and to limit the Authority's credit exposure to any one counterparty, limits will be established by the Executive Director based in part upon the credit rating of the counterparty as well as the relative level of risk associated with each existing interest rate swap transaction.

The Authority shall be authorized to enter into interest swap transactions only with qualified swap counterparties rated at least A1/A+, or equivalent, by any two (2) of the nationally recognized rating agencies (e.g. Moody's, Standard and Poor's, or Fitch); or a "AAA" subsidiary as rated by at least one nationally recognized credit rating agency.

- B. Termination risk** is the risk that the interest rate swap could be terminated by the counterparty due to any of several events, which may include issuer or counterparty ratings downgrade, covenant violation by either party, bankruptcy of either party, swap payment default by either party, and default events as defined in the issuer's bond indenture.

In order to mitigate against these risks the Authority will require collateral postings from counterparties if the counterparties ratings decline below A2/A and other protection measures. As a general rule, the Authority will not enter into swaps where the counterparty has any optional right of termination.

The Authority shall consider including in all interest rate swap transactions provisions granting the Authority the right to optionally terminate a swap agreement at any time over the term of the agreement. The Executive Director shall determine if it is financially advantageous for the Authority to terminate a swap agreement.

A termination payment to or from the Authority may be required in the event of termination of an interest rate swap agreement due to a default or a decrease in credit rating of either the Authority or the counterparty. It is the intent of the Authority not to make a termination payment to a counterparty that does not meet its contractual obligations. Prior to making any such termination payment, the Executive Director shall evaluate whether it is financially advantageous for the Authority to obtain a replacement counterparty to avoid making such termination payment.

As part of any interest rate swap agreement, the Authority may require collateralization or other credit enhancement to secure any or all swap payment obligations. As appropriate, the Authority may require collateral or other credit enhancement to be posted by each swap counterparty under the following circumstances:

- i. Each counterparty to the Authority may be required to post collateral if the credit rating of the counterparty or parent falls below the A2/A category. Additional collateral for further decreases in credit ratings of each counterparty shall be posted by each counterparty in accordance with the provisions contained in the collateral support agreement to each interest rate swap agreement with the Authority.
- ii. The Collateral shall consist of cash, U.S. Treasury securities, and Federal agency securities.
- iii. Collateral shall be deposited with a third party trustee, or as mutually agreed upon between the Authority and each counterparty.
- iv. A list of acceptable securities that may be posted as collateral and the valuation of such collateral will be determined and mutually agreed upon during negotiation of the swap agreement with each swap counterparty.
- v. The market value of the collateral shall be determined on at least a monthly basis.
- vi. The Authority will determine reasonable threshold limits for the initial deposit and for increments of collateral posting thereafter.

The Executive Director shall determine on a case by case basis whether other forms of credit enhancement are more beneficial to the Authority

- C. **Basis risk** refers to a mismatch between the interest rate received from the interest rate swap contract and the interest actually owed on the Authority's variable rate bonds. Prior to the execution of any interest rate swap, the Authority will undertake any analysis of both the starting basis risk match and the historical basis risk match in order to select an index payment of the interest rate swap and a mode mechanic for the variable rate debt that most closely approximates a zero basis risk profile, while still maintaining the economic advantages of the interest rate swap.
- D. **Tax event risk.** All issuers who issue tax-exempt variable rate bonds that trade accept risk stemming from changes in marginal income tax rates. These risks are best mitigated by limiting the amount of variable rate debt as a percentage of the Authority's total debt outstanding. The Authority does not expect to issue more than 20% of its total debt in a variable rate mode of any form.
- E. **Rollover risk** is the risk that the swap contract is not coterminous with related bonds. The Executive Director shall determine the appropriate term for an interest rate swap agreement on a case-by-case basis. The slope of the interest rate swap curve, the marginal change in interest rate swap rates from year to year along the interest rate swap curve, and the impact that the term of the interest rate swap has on the overall exposure of the Authority shall be considered in determining the appropriate term of any interest rate swap agreement. In connection with the issuance or carrying of bonds, the term of the

interest rate swap agreement between the Authority, and a qualified interest rate swap counterparty shall not extend beyond the final maturity date of existing debt of the Authority, or in the case of a refunding transaction, beyond the final maturity date of the refunding bonds. The Authority does not intend to execute interest rate swaps that have rollover risk.

- F. Amortization risk** represents the cost to the issuer of servicing debt or honoring interest rate swap payments due to a mismatch between bonds and the notional amount of the interest rate swap. The Authority intends to always match the principal amount of bonds with the notional amount of the interest rate swap.
- G. Liquidity risk** refers to the issuer's inability to continue or renew a liquidity facility to assist in the sale of outstanding debt. The Authority will endeavor to provide sufficient liquidity available for swapped debt.

7. PAYMENT OBLIGATIONS

Pursuant to Section 201 of the General Bond Resolution, the Authority's payment obligation under any qualified interest rate swap shall be made from the Debt Service Fund.

8. LEGAL MATTERS

Each interest rate swap executed by the Authority shall contain terms and conditions as set forth in the International Swap and Derivatives Association, Inc. ("ISDA") Master Agreement, including any schedules and confirmations. The interest rate swap agreements between the Authority and each qualified swap counterparty shall include payment, term, security, collateral, default, remedy, termination, and other terms, conditions, and provisions as the Executive Director or his/her designee deems necessary or desirable. The Executive Director is authorized to sign all representations and disclosures as required.

9. REGULATORY COMPLIANCE

Following is a list of regulatory requirements imposed at the Federal level with which the Authority shall make every reasonable effort to comply:

- A. Dodd-Frank Compliance.** Pursuant to the authority of Section 731 of Title VII of Dodd-Frank Act, which includes amendments to the Commodity Exchange Act ("CEA") regarding over-the-counter derivative instruments, regulations were published by the Commodities Futures Trading Commission ("CFTC") that define business conduct between Swap Dealers or Major Swap Participants and their counterparties, including Swap Dealers or Major Swap Participants engaged in transactions with state and local governmental counterparties such as the Authority (referred to in the regulations as "Special Entities"). The new business conduct rules are far ranging and they can impact the Authority on several fronts as the Authority enters into or modifies transactions. The following sections are included in this Swap Management Plan in order to assist the Authority in complying with the CEA as amended by Dodd-Frank:

- (1) Qualified Independent Representative

- a) In accordance with the CEA and as amended by Dodd-Frank, the Authority shall select a QIR that meets the following enumerated criteria:
 - i. has sufficient knowledge to evaluate the transaction and risks;
 - ii. is not subject to a statutory disqualification;
 - iii. is independent of the interest rate swap provider or major interest rate swap participant. To be independent the QIR must currently not, and was not with a one-year look back, an

associated person of the swap dealer; has no principal relationship with the swap dealer, provides timely disclosures of all potential conflicts of interest, complies with procedures designed to manage and mitigate conflicts of interest, is not controlled by, in control of, or under common control with the swap dealer, and was not recommended to the issuer by the swap dealer within one year of the transaction date;

- iv. undertakes a duty to act in the best interests of the Authority;
 - v. makes appropriate and timely disclosures to the Authority;
 - vi. evaluates, consistent with any guidelines provided by the Authority, fair pricing and the appropriateness of the transaction; and
 - vii. is subject to restrictions on certain political contributions imposed by the CFTC, the SEC, or a self-regulatory organization subject to the jurisdiction of the CFTC or the SEC.
- b) At least annually, or as required by the Board of Commissioners, the Authority shall conduct a review of its QIR to ensure that the QIR still meets the above enumerated criteria. In the event that it is determined that the QIR no longer meets the enumerated criteria, then prior to the execution of any transaction the Authority shall select a replacement QIR that meets the enumerated criteria.
- (2) Written Representations. In order to ensure that the Authority is in compliance with the new regulations imposed by Dodd-Frank, the Authority may, but is not required to, execute a ISDA August 2012 DF Protocol Agreement with its QIR and each Counterparty prior to executing any transactions. If the Authority elects not to execute a ISDA August 2012 DF Protocol Agreement with a counterparty, then the Authority shall provide an alternate form of written representation to such Counterparty that meets all applicable disclosure requirements as required by Dodd-Frank.
- (3) Derivative Clearing Requirement.
- (a) The CEA, as amended by Dodd-Frank, requires that certain derivative transactions, including those commonly entered into by state and local governmental entities, must be cleared through a derivatives clearing organization unless otherwise exempt from clearing under the "End User Exception" as specified in Section 2(h)(7) of the CEA. In order to qualify for the End User Exception to the clearing requirements of the CEA, the Special Entity must report to the CFTC on either an annual or a transaction-by-transaction basis that it:
 - (i) is not a financial entity;
 - (ii) is using swaps to hedge or mitigate commercial risk; and
 - (iii) will notify the CFTC, in a manner set forth by the CFTC, how it generally meets its financial obligations associated with entering into non-cleared swaps.
 - (b) The Authority, in consultation with its QIR, shall make its best efforts to comply with the applicable derivative clearing requirements of the CEA as amended by Dodd-Frank.

10. SELECTION OF QIR

The Authority will competitively procure the services of a financial advisor or a swap advisor, whose scope of work shall include swap advisory services which will allow the firm to serve as the Authority's QIR under Dodd-Frank.

11. RECORD KEEPING

Written records noting the status of all interest rate swap agreements will be maintained by the Authority and shall include the following information:

1. Highlights of all material changes to swap agreements or new swap agreements entered into by the Authority since the last report
2. Market value of each of the Authority's interest rate swap agreements.
3. For each counterparty, the Authority shall provide the total notional amount position, the average life of each swap agreement, the available capacity to enter into a swap transaction, and the remaining term of each swap agreement.
4. The credit rating of each swap counterparty and credit enhancer insuring swap payments
5. Actual collateral posting by swap counterparty, if any, per swap agreement and in total by swap counterparty.
6. A summary of each swap agreement, including but not limited to the type of swap, the rates paid by the Authority and received by the Authority, and other terms.
7. Results of the default, including but not limited to the financial impact to the Authority, if any.
8. A summary of any swap agreements that were terminated.

12. COMPLIANCE WITH ACCOUNTING STANDARDS

Any interest rate swap agreement entered into by the Authority under this Interest Rate Swap Management Plan shall be described in the Authority's annual audited financial statements in accordance with applicable accounting standards. This Interest Rate Swap Management plan shall be reviewed on an annual basis with the Authority's external auditor and any necessary changes shall be promptly implemented.

Investment Policy

I. INTRODUCTION**A. Purpose of Investment Policy**

The purpose of the Investment Policy is to define guidelines and operational factors governing the investment of all funds held by the New Jersey Turnpike Authority (the "Authority") or its bond trustees. This Investment Policy is intended to show compliance with all provisions of the Act (as defined herein) relating to investment of funds of the Authority, as well as provisions of the Authority's Bond Resolution (as defined herein). The Investment Policy will be reviewed by the Authority's Chief Financial Officer no less than once every 2 years, and any changes to this document will be presented to the Authority's Board of Commissioners for approval. This Investment Policy will be made available on the Authority's website, <http://www.njta.com>.

B. The Authority

The Authority is a public body corporate and politic of the State of New Jersey created under and by virtue of the New Jersey Turnpike Authority Act of 1948, constituting Chapter 454 of the Laws of New Jersey of 1948, as amended and supplemented (the "Act"). Pursuant to the Act, the Authority is authorized and empowered to, subject to any agreement with the bondholders, invest moneys of the Authority not required for immediate use, including proceeds from the sale of any bonds, in such obligations, securities, and other investments as the Authority shall deem prudent. All investments that have been purchased or will be purchased under and pursuant to, and/or in accordance with, the terms and provision of the Act and a resolution of the Authority adopted on August 20, 1991 and entitled, "Turnpike Revenue Bond Resolution", as amended and restated on September 26, 1991, and as further amended and restated on November 22, 1991, as the same has been and will be further amended, restated, and supplemented from time to time (the "Bond Resolution"). Capitalized terms used herein which are not otherwise defined shall have the meaning given to such terms in the Bond Resolution.

C. Best Interest of the Authority

Although adherence to this Investment Policy is desirable, deviations from this Policy may be appropriate from time to time to address: (i) changing financial goals; (ii) changing financial markets; and (iii) unique market opportunities. As a result, the general best interests of the Authority shall supersede any provision of this Investment Policy, provided that those provisions mandated by the Act or the Bond Resolution cannot be superseded without amendments to the Act or the Bond Resolution.

II. INVESTMENT OBJECTIVES**A. All investment decisions will meet the following requirements:**

1. Safeguard and preserve the principal amount of invested funds.
2. Manage and maintain adequate liquidity to meet cash flow requirements, including bond payments.
3. Maintain demand bank balances at minimum levels consistent with sound operations.
4. Maximize the total rate of return on invested funds.

III. PERMITTED INVESTMENTS**A. Eligible securities are defined in the Bond Resolution and shall include:**

1. Any direct and general obligations of, or any obligations guaranteed by, the United States of America, including but not limited to interest obligations of the Resolution Funding Corporation or any successor thereto.
2. Any obligations of any state or political subdivision of a state which bonds are fully secured as to principal and interest by an irrevocable pledge of moneys or direct and general obligations of, or obligations guaranteed by the United States of America, which moneys or obligations are segregated in trust and pledged for the benefit of the holders of the bonds.
3. Certificates of ownership of the principal or interest of direct and general obligations of, or obligations guaranteed by, the United States of America, which obligations are held in trust by a commercial bank which is a member of the Federal Reserve System.
4. Bonds, debentures, notes, or other evidences of indebtedness issued by any agency or instrumentality of the United States to the extent such obligations are guaranteed by the United States or by another such agency the obligations (including guarantees) of which are guaranteed by the United States.
5. Bonds, debentures, notes, or other evidences of indebtedness issued by any of the following agencies:

Government National Mortgage Assn. (GNMA)
Federal Home Loan Mortgage Corp. (FHLMC)
Federal National Mortgage Assn. (FNMA)
Federal Home Loan Banks (FHLB)
Federal Land Banks
Federal Intermediate Credit Banks
Banks for Cooperatives
Tennessee Valley Authority
United States Postal Service
Farmers Home Administration
Export-Import Bank
Federal Financing Bank
Student Loan Marketing Assn.(SLMA);
6. Negotiable or non-negotiable certificates of deposit issued by any bank, trust company, or national banking association, which certificates of deposit shall be continuously secured or collateralized by obligations described in subparagraphs 1,2,3,4, and 5 above, which shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and shall be lodged with the Trustee, as custodian, by the bank, trust company, or national banking association issuing such certificates of deposit.
7. Uncollateralized negotiable or non-negotiable certificates of deposit issued by any bank, trust company, or national banking association, the unsecured obligations of which are rated in one of the two highest rating categories, without regard to rating sub-categories, by Moody Investors Service (Moody's) and Standard & Poor's (S&P).
8. Repurchase agreements collateralized by obligations described in subparagraphs 1,2,3,4, and 5 above with any registered broker/dealer subject to the Securities Investors Protection

Corporation jurisdiction, which has an uninsured, unsecured, and unguaranteed obligation rated "Prime-1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P, or any commercial bank with the above ratings provided:

- A. A master repurchase agreement or specific written repurchase agreement governs the transaction, which characterizes the transaction as a purchase and sale of securities.
 - B. The securities are held free and clear of any lien, by the Trustee or an independent third party acting solely as agent for the Trustee, and such third party is (i) a Federal Reserve Bank, (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus, and undivided profits of not less than \$75,000,000, or (iii) a bank approved in writing for such purpose by each Credit Issuer, if any, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee.
 - C. A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 CFR 306.1 et seq. or 31 CFR 350.0 et seq. or a successor provision in such securities is created for the benefit of the Trustee.
 - D. The repurchase agreement has a term of six month or less, or the Authority will value the collateral securities no less frequently than monthly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two business days of such valuation.
 - E. The repurchase agreement matures on or before a debt service payment date (or other appropriate liquidation period).
 - F. The fair market value of the securities in relation to the amount of the repurchase obligation is equal to at least 100%.
9. Banker's acceptances, Eurodollar deposits, and certificates of deposit (in addition to the certificates of deposit provided for by subparagraphs 6 and 7 above) of the domestic branches of foreign banks having a capital and surplus of \$1,000,000,000 or more, or any bank or trust company organized under the laws of the United States of America or Canada, or any state or province thereof, having capital and surplus, in the amount of \$1,000,000,000; provided that the aggregate maturity value of all such banker's acceptances and certificates of deposit held at any times as investment of funds under the Bond Resolution with respect to any particular bank, trust company, or national association shall not exceed 5% of its capital and surplus; and provided further that any such bank, trust company, or national association shall be rated in one of the two highest rating categories, without regard to rating sub-categories, by both Moody's and S&P.
10. Other obligations of the United States of America or any agency thereof which may then be purchased with funds belonging to the State of New Jersey or which are legal investments for savings banks in the State of New Jersey.
11. Deposits in the New Jersey Cash Management Fund.
12. Obligations of any state, commonwealth, or possession of the United States or a political subdivision thereof or any agency or instrumentality of such a state, commonwealth, possession, or political subdivision, provided that at the time of their purchase such obligations are rated in either of the two highest rating categories by both Moody's and S&P.

13. Commercial paper with a maturity date not in excess of 270 days rated A1+ and P-1 by Moody's at the time of such investment, issued by an entity incorporated under the laws of the United States or any state thereof.

IV. INVESTMENT PRACTICES

A. Investment Concentration

It is the policy of the Authority to diversify its investment portfolio. Assets held in the investment portfolio shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. The Authority will maintain an investment concentration not to exceed the percentages noted below. The Chief Financial Officer, or designee, is authorized to approve any deviation from these limits on a case by case basis.

1. There are no limitations on investments carrying the full faith and credit of the United States Government, including repurchase agreements collateralized by such investments.
2. Investments in any single Federal Agency not carrying the full faith and credit of the United States Government are limited to 40% of the portfolio.
3. Investments in Certificates of Deposit are limited to 30% of the portfolio.
4. Investments made in Commercial Paper are limited to 30% of the total portfolio.
5. Investments in Municipal securities are limited to 30% of the total portfolio.
6. Investments in any one single issuer (excluding US Treasury and Federal Agency securities) are limited to 5% of the portfolio.

B. Quality of Investments

All investments shall be made with judgment and care, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived.

All investments ratings shall be based on security ratings at the time of purchase. In the event of a downgrade in rating, the Chief Financial Officer, or designee, will determine whether to sell or hold the investment. The Authority will not make an investment in an issuer who has a negative outlook associated with their credit rating, except for US Treasury or Federal Agencies. The portfolio's average credit quality should be rated AA3/AA- or better by Moody's/S&P.

C. Maximum Maturity

At the time of purchase, the maturity of each security in the portfolio may not exceed the following maximum timeframes for the respective fund in which the investment is made in accordance with the Bond Resolution or Authority policy. The maximum maturity will take into account any call, put, prepayment, or other features that may impact maturity. All investments mature no later than necessary to provide moneys when needed for payments to be made from such funds.

- Revenue Funds – 1 year (by Bond Resolution)
- Construction Funds – 5 years (by Authority Policy)
- Maintenance Reserve Fund – 2 years (by Bond Resolution)
- Special Projects Reserve Fund – 2 years (by Bond Resolution)
- General Reserve Fund – 3 years (by Bond Resolution)
- Debt Service Fund – 1 year (by Authority Policy)
- Charges Fund – 3 months (by Authority Policy)
- Debt Reserve Fund – 5 years (by Bond Resolution)

Investments are generally purchased with the intent of holding to maturity, but the Chief Financial Officer, or designee, has the flexibility to restructure and rebalance portfolio holdings to manage risk and take advantage of market opportunities.

D. Security Purchases

All securities purchased by the Authority under this Investment Policy shall be designated as assets of the Authority and shall be conducted on a delivery-versus-payment (DVP) basis, with the securities delivered to a designated Authority custodian. The securities will be protected through the use of a third-party custodian/safekeeping agent, which may be a Trustee. A minimum of three (3) informal bids or offers will be solicited for direct purchases of securities. The award will be based on lowest cost for purchase. The Authority may use electronic trading screens to facilitate the informal bid process.

V. REPORTING REQUIREMENTS

- A. On an annual basis, the Authority's Finance Department will prepare an Investment Plan, which will specify the targets for average invested balances, average maturity, and average yield by fund. The report will also include concentration targets by investment type and issuer for the upcoming year considering current and projected market conditions.
- B. On a quarterly basis, the Authority's Finance Department will prepare an investment report which details actual performance compared to the Investment Plan.
- C. On a monthly basis, the Authority's Finance Department will prepare the following:
 - Schedule of Investments by fund;
 - Detailed purchases, maturities, and sales of investments by fund;
 - Investments by Issuer;
 - Credit ratings by Issuer;
 - Average invested balances, maturity, and yield by fund.

New Jersey Turnpike Authority

The Authority is a body of corporate and politic of the State of New Jersey organized and existing by virtue of the New Jersey Turnpike Act of 1948, and is a public instrumentality exercising essential governmental functions. The Authority is empowered to acquire, construct, maintain, repair, and operate projects at locations established by law, to fix and establish tolls for use of the turnpike system, and to issue revenue bonds for its purposes. The Authority operates the State's two busiest toll roads, two of the busiest in the United States -- the New Jersey Turnpike and the Garden State Parkway. These two roadways run through 15 of New Jersey's 21 counties. The two Roadways intersect in Woodbridge Township, Middlesex County and intersect with every interstate and many major roadways across the State. The highways effectively serve as links for the entire State, Air, and Sea Ports, and the Northeast Corridor.

New Jersey Turnpike

The Turnpike was the first toll road in New Jersey and the third in the nation when it opened in 1951. It has grown over time from 118 linear miles to 148 linear miles with the addition of the Newark Bay-Hudson County Extension (1956), the Pearl Harbor Memorial Turnpike Extension (1956), the Western Spur (1970) and the I-95 Extension (1992). The road has also grown wider over the years. Originally, it was four lanes for its full length. Today, it is as wide as 14 lanes in some areas and as of October 2022 includes approximately 2,428 lane miles. There are 30 toll interchanges and 378 toll lanes 148 entry lanes and 230 exit lanes.

This roadway serves as a major corridor for I-95 linking travel:

- 1) Between four states -- New Jersey, New York, Pennsylvania, and Delaware;
- 2) Two major cities -- New York and Philadelphia;
- 3) Military roadway use for Joint Base McGuire-Dix-Lakehurst; and
- 4) Access to the port of New Jersey for use in transporting goods for global trade along the east coast.

Garden State Parkway

The Parkway, which opened to traffic in 1954, passes through 10 counties between the Cape May-Lewes Ferry in Cape May County and the New York State Thruway at the New York State line in Bergen County. Originally four lanes wide, the Parkway is now 12 lanes at its widest point in Monmouth and Middlesex counties and has approximately 2,050 lane miles. The Parkway has a total of 359 exit and entrance points.

The Parkway is a major commuter highway throughout the year and during the summer months is the principal travel route to the Jersey Shore. It also provides access to the Delmarva Peninsula via the Cape May – Lewes Ferry.

Population

The two roadways pass through Atlantic, Bergen, Burlington, Camden, Cape May, Essex, Gloucester, Hudson, Mercer, Middlesex, Monmouth, Ocean, Passaic, Salem, and Union counties. Population growth serves as one indicator of roadway usage. The chart below provides the official United States Census Bureau statistics from April 1, 2010 and its estimate as of July 1, 2020, the latest data published. While the State has seen a population growth of 1.0% over the time measured, the counties served by the Authority experienced above average growth rates with the counties that either roadway passes through decreased in population by an average of -0.4%. Whereas counties that neither roadway passes through increased by an average of 0.3%. These statistics demonstrate the importance of the roadways to the State's overall economic well-being.

Population by County				
County	2021 Population	2020 Population	Increase (Decrease)	% Δ from 2010
Cumberland	153,600	154,200	(600)	(0.4)%
Hunterdon	129,900	128,900	1,000	0.8%
Morris	511,000	509,300	1,700	0.3%
Somerset	345,600	345,400	200	0.1%
Sussex	145,500	144,200	1,300	0.9%
Warren	110,700	109,600	1,100	1.0%
Counties Not Served by Either Roadway	1,396,300	1,391,600	4,700	0.3%
Atlantic	275,000	274,500	500	0.2%
Cape May	95,700	95,300	400	0.4%
Monmouth	645,400	643,600	1,800	0.3%
Ocean	649,000	637,200	11,800	1.9%
Passaic	518,100	524,100	(6,000)	(1.1)%
Counties Served by Parkway Only	2,183,200	2,174,700	8,500	0.4%
Camden	523,800	523,500	300	0.1%
Gloucester	304,500	302,300	2,200	0.7%
Hudson	702,500	724,900	(22,400)	(3.1)%
Mercer	385,900	387,300	(1,400)	(0.4)%
Salem	65,000	64,800	200	0.3%
Counties Served by Turnpike Only	1,981,700	2,002,800	(21,100)	(1.1)%
Bergen	953,800	955,700	(1,900)	(0.2)%
Burlington	464,300	461,900	2,400	0.5%
Essex	854,900	863,700	(8,800)	(1.0)%
Middlesex	860,800	863,200	(2,400)	(0.3)%
Union	572,100	575,300	(3,200)	(0.6)%
Counties Served by Both Roadways	3,705,900	3,719,800	(13,900)	(0.4)%
All Counties Served by Parkway	5,889,100	5,894,500	(5,400)	(0.1)%
All Counties Served by Turnpike	5,687,600	5,722,600	(35,000)	(0.6)%
Total	9,267,100	9,288,900	(21,800)	(0.2)%

The above information was obtained from <https://nj.gov>

Figure 193: New Jersey Population by County

Employment

Employment growth is a key indicator of economic growth. The total number of residents who live and work in New Jersey is 3,618,100 and the number of residents who commute to work out of state is 572,700. According to the New Jersey Department of Labor and Workforce Development, Bergen, Essex, Hudson, Monmouth, and Union counties have shown an increase in employment.

The importance of the Authority's roadways in providing key connections to neighboring states is highlighted by the percentage of residents who work out of state. The chart below indicates the 2011-2015 five-year average of where the residences of each county are employed as reported by the New Jersey State Data Center. Overall, 13.7% of New Jersey state workers are employed out of state while 21.7% of employees working out of state are living in counties served by the New Jersey Turnpike. Further, only 7.3% of employees residing in counties that are not directly served by either roadway work out of state.

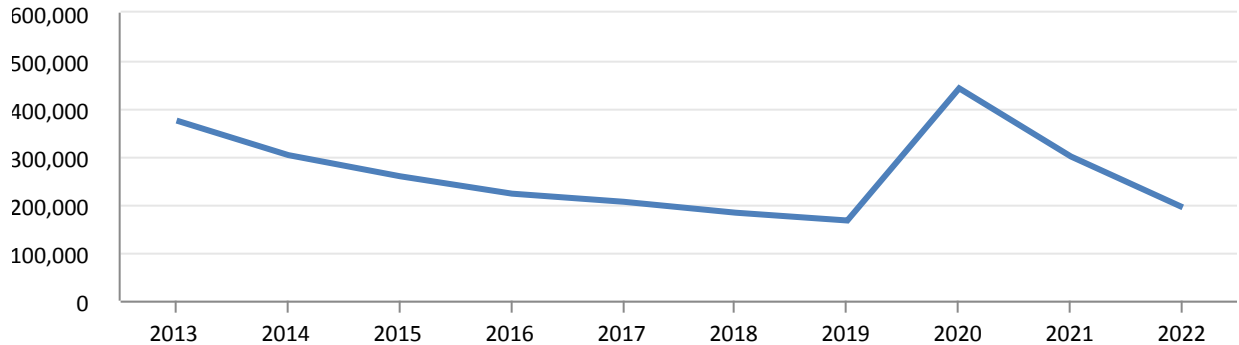
Employment by County				
County	In State	Out of State	% in State	% Out of State
Cumberland	59,500	1,800	97.1%	2.9%
Hunterdon	59,500	4,900	92.4%	7.6%
Morris	232,400	20,400	91.9%	8.1%
Somerset	155,100	12,100	92.8%	7.2%
Sussex	68,500	5,500	92.6%	7.4%
Warren	47,800	4,500	91.4%	8.6%
Counties Not Served by Either Roadway	622,800	49,200	92.7%	7.3%
Atlantic	120,600	4,300	96.6%	3.4%
Cape May	40,300	2,100	95.0%	5.0%
Monmouth	266,300	34,700	88.5%	11.5%
Ocean	230,400	9,500	96.0%	4.0%
Passaic	206,900	18,300	91.9%	8.1%
Counties Served by Parkway Only	864,500	68,900	92.6%	7.4%
Camden	190,700	44,900	80.9%	19.1%
Gloucester	111,700	27,200	80.4%	19.6%
Hudson	229,600	102,900	69.1%	30.9%
Mercer	156,400	17,400	90.0%	10.0%
Salem	23,900	4,900	83.0%	17.0%
Counties Served by Turnpike Only	712,300	197,300	78.3%	21.7%
Bergen	345,200	104,800	76.7%	23.3%
Burlington	189,100	31,400	85.8%	14.2%
Essex	301,700	47,900	86.3%	13.7%
Middlesex	349,700	44,700	88.7%	11.3%
Union	232,800	28,500	89.1%	10.9%
Counties Served by Both Roadways	1,418,500	257,300	84.6%	15.4%
All Counties Served by Parkway	2,283,000	326,200	87.5%	12.5%
All Counties Served by Turnpike	2,130,800	454,600	82.4%	17.6%
Total	3,618,100	572,700	86.3%	13.7%

The above information was obtained from <https://www.census.gov>

Figure 194: New Jersey In/Out of State Employment by County

The State had experienced a steady decline in unemployment since 2012, but because of the the Coronavirus pandemic in 2020, unemployment levels began to rise. However, unemployment levels have continued to gradually decline since June 2020.

New Jersey Annual Unemployment Totals



The above information was obtained from <https://www.bls.gov>

Figure 195: New Jersey Annual Unemployment Totals (2013-2022)

Employment in the 21 counties in New Jersey increased by 162,200 and unemployment decreased by (144,100) between 2020 and 2021. The increase in employment and decrease in unemployment can be attributed to the continuing recovery from the COVID-19 pandemic and its effects on the economy. The county with the largest increase in employment was Middlesex, reporting an increase of 17,800 jobs. Bergen was followed by Monmouth at 14,700 and 13,700, respectively. The top 3 counties with a decrease in unemployment were Bergen, reporting a decrease of 15,900 unemployed, followed by Essex and Hudson at 12,900 and 12,800, respectively.

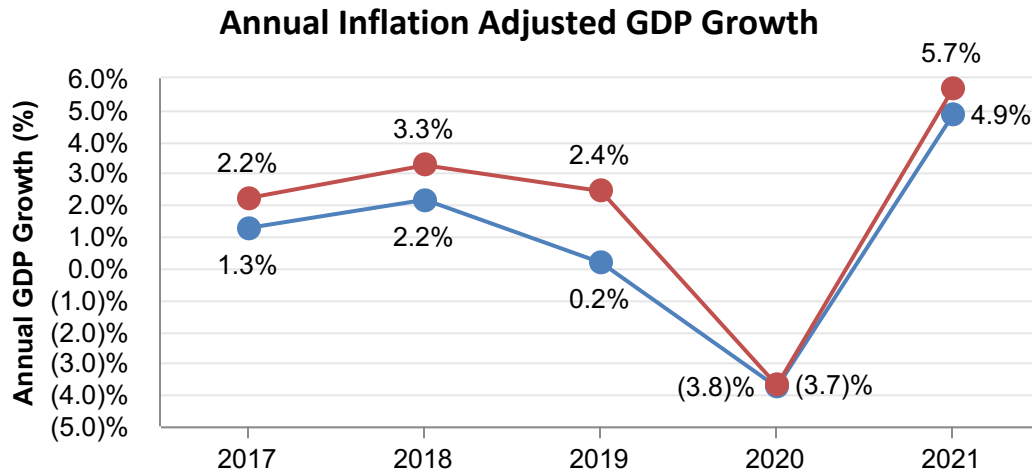
New Jersey Employment by County						
County	2020 Employed	2021 Employed	Δ from 2020	2020 Unemployed	2021 Unemployed	Δ from 2020
Atlantic	102,900	111,500	8,600	21,300	11,700	(9,600)
Bergen	448,800	463,500	14,700	45,700	29,800	(15,900)
Burlington	220,300	229,400	9,100	19,000	12,800	(6,200)
Camden	239,000	248,800	9,800	25,700	18,000	(7,700)
Cape May	39,500	43,200	3,700	6,200	4,200	(2,000)
Cumberland	61,500	63,700	2,200	7,100	5,300	(1,800)
Essex	343,500	355,100	11,600	43,800	30,900	(12,900)
Gloucester	142,900	148,800	5,900	14,000	9,500	(4,500)
Hudson	334,900	345,700	10,800	38,200	25,400	(12,800)
Hunterdon	61,200	63,400	2,200	4,600	3,000	(1,600)
Mercer	196,100	201,800	5,700	15,300	11,000	(4,300)
Middlesex	409,400	427,200	17,800	38,100	26,000	(12,100)
Monmouth	308,000	321,700	13,700	28,900	18,800	(10,100)
Morris	241,500	249,700	8,200	19,600	13,100	(6,500)
Ocean	263,000	274,700	11,700	26,400	17,400	(9,000)
Passaic	222,300	229,400	7,100	30,900	20,900	(10,000)
Salem	27,700	28,200	500	2,800	2,200	(600)
Somerset	161,000	166,400	5,400	13,100	8,900	(4,200)
Sussex	69,200	71,600	2,400	6,900	4,500	(2,400)
Union	257,900	266,500	8,600	27,400	19,000	(8,400)
Warren	52,800	55,300	2,500	4,700	3,200	(1,500)
Total	4,203,400	4,365,600	162,200	439,700	295,600	(144,100)

The above information was obtained from <https://www.bls.gov>

Figure 196: New Jersey Employment by County

Economic Indicators

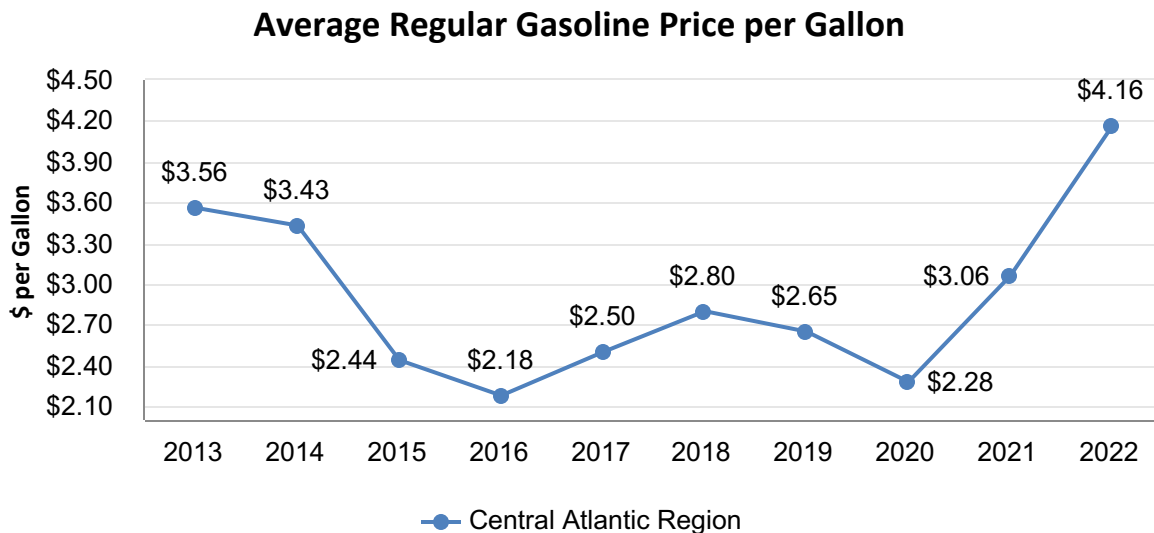
The latest estimates of state and national GDP growth released by the Bureau of Economic Analysis are for 2021. Up until 2020, New Jersey had seen eight consecutive years of growth in the state's gross domestic output since contractions in 2011. Due to the Coronavirus pandemic and its effects on the economy, there were contractions at both the state and national levels. However, the economy began to show signs of recovery in 2021 and saw significant growth in both the state and national gross domestic output.



The above information was obtained from <https://apps.bea.gov>

Figure 197: Annual Inflation Adjusted GDP Growth (2017-2021)

The average price for regular grade gasoline reached a 10 year low in 2016. According to projections from the U.S. Energy Information Administration (EIA) the average annual price for regular grade gas will rise to an average of \$4.16 per gallon in 2022 (data as of September) from an average of \$3.06 in 2021. In 2022, the average annual price for regular grade gas is estimated to be an average of \$4.09 per gallon. New Jersey is included in the EIA's Central Atlantic Region (PADD 1B), where gas prices have closely tracked the national average for the past 10 years.



*Prior years not adjusted for inflation. 2022 average as of September

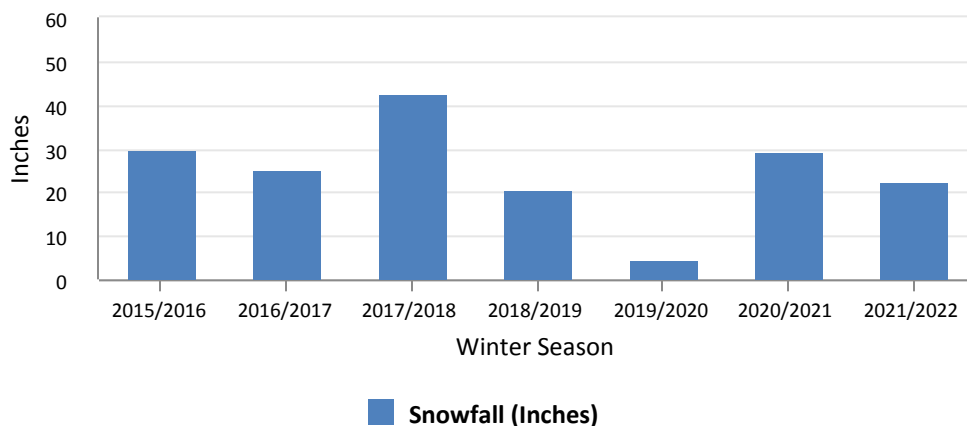
The above information was obtained from <https://www.eia.gov>

Figure 198: Average Regular Gasoline Price per Gallon (2013-2022)

Weather

Snowfall, as well as other severe weather events such as hurricanes or icing and freezing rain, has a significant impact on the Authority's operating expenses and toll revenue. In addition to the amount of snow, the frequency and duration of the weather event also impacts costs. In addition to overtime costs, the Authority incurs costs for brine and salt, as well as outside contractor costs when snow amounts exceed certain levels. In 2022, the Authority spent approximately \$30.0 million on snow and severe weather costs through September. Spending of \$46.8 million in 2021 was the highest amount in Authority history, while snow and severe weather costs for 2022 are 36% lower. The 2021-2022 winter season had an average temperature of 42.4° and was the least snowy season since 2017/2018. While there were a few state of emergency storms in 2022, the overall winter weather was not as severe compared to 2021, which resulted in decreased costs. According to annual snowfall totals compiled by the New Jersey State Climatologist, snowfall has varied wildly over the previous six winter seasons.

Statewide Average Snowfall

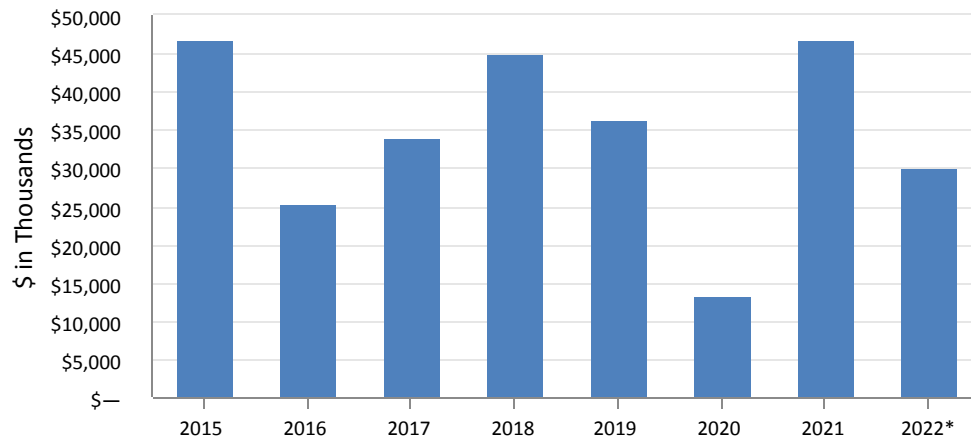


*2022 data through September

The above information was obtained from <https://climate.rutgers.edu>

Figure 199: Statewide Average Snowfall by Season (2015-2022)

Authority's Snow Expense by Calendar Year



*2022 costs are through September

Figure 200: Authority's Snow Expense by Calendar Year (2015-2022)

Authority's Snow Expense by Season (October 15 September 30)

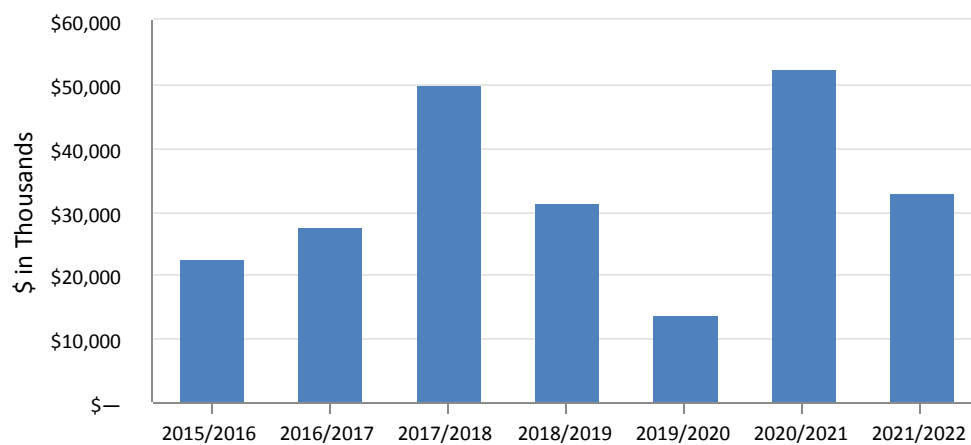


Figure 201: Authority's Snow Expense by Season (2015-2022)

Appendix E: Additional Financial Resources

New Jersey Turnpike Authority — The New Jersey Turnpike Authority website.

[New Jersey Turnpike Authority Homepage](#)

Key Metrics & Financial Policies — The website provides additional information on The Authority's Key Metrics, as well as Financial Policy documents.

[About — Investor Relations](#)

Bond Documents — The website provides further information on some of the Authority's current Bond Series.

[Investor Relations — Bond Documents](#)

Traffic Statistics & Revenue — The website provides the latest data on the New Jersey Turnpike & Garden State Parkway Traffic & Revenue, and E-ZPass Usage Rates.

[Investor Relations — Traffic Revenue](#)

Capital Plan — The website provides the Authority's Strategic Plan & Consulting Engineers latest quarterly report.

[Investor Relations — Capital Plan Strategic Plan](#)

Glossary

ACCRETION – Accumulation of capital gains on discount bonds.

ACCRUAL BASIS – Accounting practice in which expenses and income are accounted for as they are earned or incurred.

AMORTIZATION – Gradual repayment of debt over a period of time.

ANNUAL BUDGET – Includes the Authority's Budget for Revenue, Operating Expenses, Debt Service Fund, Debt Reserve Fund, Charges Fund, Maintenance Reserve Fund, Special Project Reserve Fund, General Reserve Fund, Supplemental Capital Program, 2023–2027 Rolling Five-Year Capital Improvement Program, 2019 Capital Improvement Program and 2008 \$7 Billion Capital Improvement Program.

ANNUAL PROCUREMENT PLAN – Active document listing all of the Authority's procurement contracts necessitating board approval for the current fiscal year.

APPROPRIATIONS – A sum of money or total of assets devoted to a specific purpose.

ARBITRAGE – The simultaneous purchase and sale of an asset in order to profit from a difference in price.

AUCTION AGENT – A financial institution responsible for conducting the auction used in connection with the periodic interest rate reset and remarketing of the Authority's bonds.

AUDITED YEAR-END FINANCIAL STATEMENTS – The Authority's end of fiscal year financial statements reviewed and audited by an independent auditor.

BASIS OF ACCOUNTING – The method of accounting used to track and report revenues and expenses, for example, cash or accrual.

BONDS – A written guarantee to pay a principal amount and/or interest at a specified date or dates known as the maturity date(s).

BOND COVENANTS – The Authority's contractual obligations set forth in issued bond contracts.

BOND INSURANCE – Insurance purchased by a bond issuer that guarantees the repayment of principal and all associated interest payments to the bondholders in the event of a default.

BOND RATING – An assessment of the credit risk with respect to a specific bond issue.

BOND RESOLUTION – The agreement that defines the Authority's obligations and requirements when issuing new-money bonds.

BROKER/DEALER – A financial institution responsible for both buying and selling securities for the Authority.

BUDGET – Plan of coordinating estimated expenses and income for a given period of time.

CALL – An option contract giving the owner the right to buy a specified amount of an underlying security at a specified price within a specified time.

CALL OPTION VALUE – The present value of a call option in light of present market conditions.

CAPITAL ASSETS – Land and improvements, easements, building and improvements, vehicles, machinery, equipment, infrastructure, and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

CAPITAL EXPENDITURE – The costs in the acquisition of fixed assets and the non-recurring expenditures for the preservation, replacement, repair, renewal, reconstruction, modification, or expansion of the roadway.

CAPITAL IMPROVEMENT PROGRAM – An account within the Construction Fund, funded by the issuance of Turnpike Revenue Bonds, used for construction of projects focused on increasing capacity, maintaining a state of good repair, and improving safety and security. The current Capital Improvement Programs are the 2023–2027 Capital Improvement Program, the 2019 Capital Improvement Program, and the \$7 Billion Capital Improvement Program.

CAPITALIZED INTEREST – A portion of the proceeds from the issue of Turnpike Revenue Bonds set aside to pay interest on those bonds for a set period of time.

CAPITALIZATION – Recordation of a cost as an asset, rather than an expense. This approach is used when a cost is not expected to be entirely consumed in the current period, but rather over an extended period of time. The asset is recorded on the Authority's balance sheet and depreciated over its useful life.

CAPITALIZATION POLICY – The Authority's policy on allowable levels of asset capitalization.

CAPITALIZED PROJECTS – Long-term investment projects with the purpose to build upon, add to, or improve an asset. They are larger in scale and cost relative to other investments, extend beyond a normal reporting period, and are depreciated over their useful life.

CASH FLOW – The net amount of cash and cash-equivalents moving into and out of the Authority.

CELLULAR VEHICLE-TO-EVERYTHING – A unified connectivity platform designed to offer vehicles low-latency vehicle-to-vehicle (V2V), vehicle-to-roadside infrastructure (V2I) and vehicle-to-pedestrian (V2P) communication. In this mode, C-V2X works independently of the cellular networks.

CHARGES FUND – Fund held for the purpose of paying accrued fees and charges of any credit issuer, remarketing agent, and tender agent not otherwise paid as an operating expense.

COMMISSIONERS – The eight members of the Authority's governing Board of Commissioners. Commissioners are appointed by the Governor of New Jersey.

CONSTRUCTION FUND – Fund created for the purpose of paying all costs of acquiring or constructing new projects and for the capital improvements of the roadway.

COUPONS – The interest rate stated on a bond when it is issued.

CREDIT QUALITY – An assessment of the credit risk with respect to a specific investment.

CREDIT RATING AGENCY – A company that assigns credit ratings for debt financed securities, assessing their credit quality.

CURRENT PAY INTEREST BOND – A bond that pays interest at regular intervals.

DEBT COVERAGE COVENANTS – The Authority's debt coverage obligations as defined by its Bond Resolution.

DEBT FINANCING – Raising money for working capital or capital expenditures by selling bonds.

DEBT ISSUANCE – The process of raising funds through the issue of bonds.

DEBT RESERVE FUND – Fund created to hold an amount equal to the greatest amount of interest accruing on all outstanding bonds in a calendar year to ensure full and timely payments to bond holders.

DEBT RESERVE REQUIREMENT – The amount required to be held in the Debt Reserve Fund under the Authority's Bond Resolution.

DEBT SERVICE – Payment of principal, interest, and other obligations associated with the retirement of debt.

DEBT SERVICE BUDGET – Amounts held to pay the principal and accrued interest due on all outstanding bonds.

DEBT SERVICE COVERAGE RATIO – A measure of the Authority's cash flow available to pay current debt obligations; the ratio of cash available for debt servicing to interest, principal, and lease payments.

DEDICATED SHORT RANGE COMMUNICATIONS – Wireless communication technology that enables highly secure, high-speed direct communication between vehicles and the surrounding infrastructure, without involving any cellular infrastructure.

DEPARTMENT – A major administrative division of the Authority that has overall management responsibility for an operation or group of related operations within a functional area.

DEPARTMENTAL REQUEST – This request represents the various departmental budgets to be presented to the budget section of the Finance Department.

DEPRECIATION – Allocation of the cost of a tangible asset over its useful life.

ELECTRONIC TOLL COLLECTION – An electronic means for motorists to pay toll charges without using coins or currency. Motorists attach an electronic signal device, known as a transponder, on their windshield to automatically deduct the toll charge as they drive through a toll plaza.

ENTERPRISE FUND – A government-owned fund that sells goods and services to the general public.

E-ZPASS – Brand name by which the Authority collects toll electronically.

EXPENSED PROJECTS – Projects with costs that are not recorded as a capital investment. As these project costs are used up or expired, they are considered to have no future economic value and are fully reported (deducted from revenue) in the period in which those costs are incurred.

FAIR MARKET VALUE – The accurate valuation or assessment of an asset's worth.

FEDERAL SUBSIDY FOR BUILD AMERICA BONDS – A federal subsidy of payable interest on bonds issued by state or local government agencies to raise necessary capital to pursue infrastructure improvements.

FIDUCIARIES – A party legally appointed and authorized to hold assets in a trust for another party.

FISCAL YEAR – The New Jersey Turnpike's fiscal year is January 1 through December 31. This is the period used for the annual operating budget and the reporting of financial position and results of operations of the Authority. The State of New Jersey's fiscal year is July 1 through June 30.

FIXED CREDIT SPREAD – The fixed spread between a benchmark interest rate and floating rate notes.

FIXED RATE – An interest rate that does not change over the life of a credit security.

FIXED SWAP RATE – The fixed rate that the receiver of floating rate notes demands in an interest rate swap.

FLOATING RATE NOTES – A debt instrument with a variable interest rate tied to a benchmark interest rate.

FULL-TIME EMPLOYEE – A full-time employee's work is based on a 35 hour or a 40-hour work week for 52 weeks depending on job title and function.

FUND – An account established to hold money for specific programs, activities, or objectives.

FUND BALANCE – Represents the difference between fund assets and fund liabilities at year-end. For budgetary presentation purposes, fund balance excludes capitalized assets.

GENERAL RESERVE FUND – Used to make payments under any agreements with the State of New Jersey or for any other corporate purpose. The General Reserve Fund includes the Supplemental Capital Program, which was established only for budgetary purposes.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD – The independent organization that establishes accounting and financial reporting standards for state and local governments in the United States that follow generally accepted accounting principles (GAAP).

INELASTIC – Insensitive to changes in price or income.

INFRASTRUCTURE – The roads and facilities needed for daily operation.

INTERCHANGE – A road junction that uses one or more ramps to allow traffic on one highway to pass through a junction without directly crossing any other traffic stream.

INTEREST INCOME – The Authority's income from interest and investments.

INTEREST RATE SWAP – An agreement between two parties where one stream of future interest payments is exchanged for another based on a specified principal amount.

LANE MILES – The total length of a road multiplied by the number of lanes. For example, a 6-lane road that is 10 miles long has a total of 60 lane miles.

LIMITED ACCESS TOLL ROAD – A toll highway system in which the user pays tolls at plazas along the toll road.

MAINTENANCE RESERVE FUND – Used to pay for the cost of major resurfacing, replacement, or reconstruction of the Turnpike System; for major or extraordinary repairs, renewals, or replacements of the Turnpike System necessary to restore or prevent physical damage to the Turnpike System; for the safe and efficient operation of the Turnpike system; or to prevent loss of Pledged Revenues.

MILEPOST – A marker set up to indicate a distance from a particular point.

NET REVENUE REQUIREMENT – The minimum net revenue level allowed under the Authority's Bond Resolution.

NET REVENUE – The Authority's total revenue less its operating expenses for the fiscal year, interest paid, depreciation, and taxes.

NEW JERSEY TURNPIKE AUTHORITY ACT – 1948 Act enacted by the State of New Jersey creating the New Jersey Turnpike Authority and bestowing ownership and operational authority over the New Jersey Turnpike upon the Authority.

OPERATING BUDGET – The Authority’s Operating Budget consists of funds for Maintenance of Infrastructure, Toll Collection, State Police and Traffic Control operations, Integrated Technology Services, and General and Administrative Services.

OTHER POSTEMPLOYMENT BENEFITS – Are benefits (other than pensions) that the Authority provides to retired employees. These benefits principally involve health care benefits.

OUTSTANDING DEBT – The as-of-yet unpaid portion of the Authority’s previously issued Turnpike Revenue Bonds.

PAYING AGENT – An agent who accepts payment from the Authority and then distributes those payments to the holders of the Authority’s bonds.

PLEDGED REVENUES – Includes, among other things, all toll revenues, fees, rents, charges, and other income and receipts derived from the operation of the Turnpike System.

POSITION – A statement or description of the number of employees for a specific time period in each department.

PNC BANK ARTS CENTER – An outdoor amphitheater in Holmdel, NJ. Owned by the Authority, and leased and operated by Live Nation.

POLLUTION REMEDIATION LIABILITY RESERVE – Fund maintained to meet the obligations of the Government Accounting Standards Board’s pollution remediation policy.

PRELIMINARY BUDGET – The draft of the Authority’s fiscal year budget of operating expenses and reserves submitted to the Trustee for examination and approval.

PROCUREMENT – The buying of supplies and materials as needed for project completion.

REGISTRAR – An institution responsible for keeping records of the Authority’s bondholders.

REMARKETING – A formal underwriting of the Authority’s Revenue Bonds for which the form or structure is being changed.

RESERVE – Funds set aside to pay future liabilities.

REVENUE FUND – General operating fund of the Authority. The fund is used to account for all pledged revenues and operating expenses.

REVENUE REQUIREMENT – Requirement under the Authority’s Bond Resolution establishing Net Revenue Requirements.

REVENUES – All tolls, fees, charges, rents, and other income and receipts derived from the operation of the Turnpike and Parkway. Revenues also include investment income from any monies or securities and the Federal Subsidy for Build America Bonds.

ROLLING FIVE-YEAR CAPITAL SPENDING PROGRAM – Capital projects, funded by either revenue or bonds, presented on a continuous five-year basis.

SERIAL BONDS – A bond issue in which a portion of the outstanding bonds matures at regular intervals until eventually all the bonds eventually mature.

SHORT TERM INTEREST RATES – The interest rates on loan contract or other debt instruments with a maturity of less than one year.

SPECIAL PROJECT RESERVE FUND – Used to pay for any major resurfacing, renewals, or replacements of the Turnpike System and for studies, surveys, estimates, and investigations.

STANDBY AGREEMENT – An agreement between the Authority and its Revenue Bond underwriters that the underwriters are responsible for any unsold portion of a bond issue.

SUBORDINATE BOND ANTICIPATION NOTES – A short-term interest-bearing security issued by the Authority in advance of a larger bond issue.

SUPPLEMENTAL CAPITAL PROGRAM – For budgeting purposes only, the Authority has established a ‘Supplemental Capital Program’ within the General Reserve Fund that is used to fund short to medium term projects not financed through bond proceeds. The Supplemental Capital Program is not a legal fund, is not recognized under the Bond Resolution, and its activity is reported as General Reserve Fund activity in the Authority’s financial statements.

SWAP DEALER – An individual who acts as a counterparty in a swap agreement for a fee.

TENDER AGENT – The financial institution responsible for coordinating the process of soliciting bondholders for the issue of the Authority’s bonds.

TERMINUS – The end of the roadway.

TOLL – A fee for usage or passage over a toll roadway.

TOLL BOOTH – A booth on a highway where tolls are taken.

TOLL COLLECTOR – An employee hired to take tolls manually from customers.

TOLL REVENUE – The Authority’s main source of revenue, generated from the tolls collected by the Authority.

TOLL TRANSACTION – A passenger or commercial vehicle that passes through a toll plaza causing a toll to be collected.

TOTAL DEBT SERVICE – The total cash amount required to repay the interest and principal due on the Authority’s issued bonds for the fiscal year.

TOTAL REQUIREMENTS COVERAGE RATIO – A measure of the Authority’s cash flow available to meet all financial requirements for the fiscal year, including debt service, debt reserve, and revenue requirements.

TOTAL REVENUE – Includes the Authority’s Toll Revenue, E-ZPass Fees, Concessions Revenue, Miscellaneous Revenue, Federal Subsidies, Interest Income, and Arts Center Revenues.

TRANSPONDER – An electronic device placed in a vehicle to communicate through radio signals with the toll plaza collection equipment as the vehicle passes through the lane, making a record of a paid toll.

TRUE INTEREST COST – The actual cost of issuing a bond including all ancillary fees and costs.

TRUSTEE – The Authority’s Trustee is Bank of New York Mellon. The Authority’s Co-Trustee is US Bank.

USEFUL LIFE – The period of time for which the asset will be economically feasible for use.

VARIABLE RATE DEBT – A tax-exempt short-term investment instrument based on the Authority’s long-term bonds.

VEHICLE-TO-INFRASTRUCTURE - The wireless exchange of data between vehicles and road infrastructure.

Acronyms

AASHTO American Association of State Highway and Transportation Officials

ACM Automatic Coin Machine

AET All-Electronic Tolling

AIX Advanced Interactive Executive

ALPR Automated License Plate Recognition

APD Annual Pavement Distress

ARC Annual Required Contribution

ATMP Advanced Traffic Management Program

ATMS Active Traffic Management Systems

AVC Automatic Vehicle Classification

AVI Automatic Vehicle Identification

BDA Bi-Directional Amplifier

CADS Computer Aided Design Software

CAPEX Capital Expenditure

CEA Commodity Exchange Act

CFTC Commodities Futures Trading Commission

CIMU Construction Incident Management Unit

CIP Capital Improvement Program

CM Construction Management

CMS Changeable Message Signs

CNW Complex to North on Westerly

CO Certificate of Occupancy

CPI Consumer Price Index

CPMS Capital Project Management System

CRMS Customer Relationship Management System

CSC Customer Service Center

C-V2X Cellular Vehicle-to-Everything

CVI Commercial Vehicle Inspection

DCA Department of Community Affairs

DF Dodd-Frank Act

DOT Department of Transportation

DRC Disciplinary Review Committee

DSRC Dedicated Short Range Communications

DVP Delivery Versus Payment

EAM Enterprise Asset Management

EEO Equal Employment Opportunity

EGIS Enterprise Geographic Information System

EIA Energy Information System

EN Entrance

EOL End of Life

EPA Equal Pay Act

ERP Enterprise Resource Planning

ETC Electronic Toll Collection
FEMA Federal Emergency Management Agency
FHWA Federal Highway Administration
FIO Field Intelligence Office
FTE Full Time Employees
FY Fiscal Year
GAAP Generally Accepted Accounting Principles
GASB Government Accounting Standards Board
GAU Governors Authority Unit
GDP Gross Domestic Product
GFOA Government Finance Officers Association
GIS Geospatial Information System
GSAC Garden State Arts Center
GSP Garden State Parkway
GWB George Washington Bridge
HAER Historic American Engineering Record
HCM Human Capital Management
HCMS Hybrid Changeable Messaging Sign
HMS Host Marriot Services
HQ Headquarters
HR Human Resources
HVAC Heating, Ventilation, and Cooling
I/C Interchange
ILP Intelligence Led Policing
IP Internet Phone
IR Immediate Repair
IRI International Roughness Index
IRS Internal Revenue Service
ISDA International Swap and Derivatives Association
ITS Information Technology Services
KPI Key Performance Indicators
LAN Local Area Network
LEC Lane Electronic Cabinet
LED Light Emitting Diode
LIBOR London Inter-bank Offered Rate
MBE Minority Business Enterprise
MLT Manual Lane Toll Terminals
MP Milepost
MPT Maintenance and Protection of Traffic
MS Microsoft
MSE Mechanical Stabilized Earth
MUB Mixed-Use Building
MVM Million Vehicle Miles
NB North Bound

NBHCE Newark Bay-Hudson County Extension
NCGAS National Council on Governmental Accounting Statements
ND Northern Division
NHTSA National Highway Traffic Safety Administration
NJDEP New Jersey Department of Environmental Protection
NJDOT New Jersey Department of Transportation
NJHA New Jersey Highway Authority
NJMVC New Jersey Motor Vehicle Commission
NJSA New Jersey Statutes Annotated
NJSP New Jersey State Police
NJTA New Jersey Turnpike Authority
NO Notice of Completion
NOS Numbers
NSE North South Easterly
NSO North to South Outer
NWC North on Westerly to Complex
OCIP Owner Controlled Insurance Program
ODU Operational Dispatch Unit
OPEB Other Post-Employment Benefits
OPRA Open Public Records Act
OPS Order for Professional Services
OSHA Occupational Safety and Health Administration
PANYNJ Port Authority of New York and New Jersey
PDQ Portable Dock Scissor Lift
PERS Public Employees Retirement System
PFD Patron Fare Display
PMD Parkway Maintenance District
PMM Procurement and Materials Management
PNC Pittsburgh National Corporation
POTS Plain Old Telephone Service
PPE Personal Protective Equipment
PSFin Peoplesoft Financial
PSFSCM92 Peoplesoft Financial Supply Chain Management
PTC Pennsylvania Turnpike Commission
QIR Qualified Independent Representative
QPL Quality Products List
RFP Request for Proposal
RMA Return Materials Authorization
ROW Right of Way
RTTM Real Time Traffic Management
RWIS Road Weather Information System
SA Service Area
SAFE Service Area Frequent Enforcement
SB South Bound

SBE Small Business Enterprise
SBR Sequencing Batch Reactor
SDI Surface Distress Index
SEC Securities and Exchange Commission
SN South to North
SNE South North Easterly
SNL South to North on Local
SNW South to North Westerly
SNX South to North on Express
SOSA South Outer to Service Area
SOT South Outer Turnpike
SQL Structured Query Language
STMC Statewide Traffic Management Center
STR Structure
SWT South West Turnpike
TBD To Be Determined
TCC Traffic Control Coordinators
TCO Total Cost of Ownership
TD Turnpike District
TIC True Interest Cost
TIMS Traffic Incident Management Unit
TMC Traffic Management Center
TMD Turnpike Maintenance District
TPA Third Party Administrator
TPK Turnpike
TSO Toll to South Outer
TTF Transportation Trust Fund
UPS Uninterruptible Power Supply
UST Underground Storage Tanks
V2I Vehicle-to-Infrastructure
VES Violation Enforcement System
VMS Variable Messaging System
VOB Veteran Owned Business
VoIP Voice over Internet Protocol
VRLA Valve-Regulated Lead-Acid
WBE Women Business Enterprise
WMS Warehouse Management System
XBL Exclusive Bus Lane