



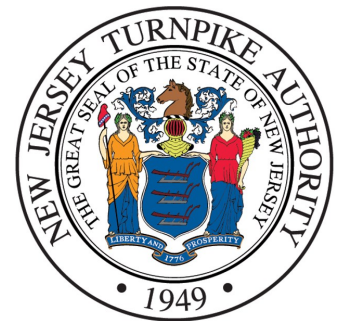
New Jersey Turnpike Authority

2023 Amended Annual Budget



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

1 Turnpike Plaza, Woodbridge, NJ 07095



Executive Summary

At its October 25, 2022 meeting, the Authority's Board of Commissioners approved the 2023 Annual Budget, which includes the Revenue and Operating Expense Budgets, among others, as well as Authorized Positions. Subsequent to the adoption of the 2023 Annual Budget, staff has determined that amendments to the Revenue and Operating Expense Budgets, as well as to Authorized Positions are required.

The Authority's 2023 Revenue Budget is being amended to account for an additional \$15 million in interest income as a result of continued higher short-term interest rates and a larger than expected investment portfolio. Interest income is now budgeted to reach \$40.4 million in 2023, and the \$15 million increase is about a 0.6% increase in total revenue as compared to the originally approved 2023 budget. The 2023 Operating Expense Budget is being amended to \$718.9 million, now increasing by 0.7%, or \$5.1 million, from 2023's original budget. The Operating Expense Budget is being amended to fund an additional 40 positions including salary, taxes, pension and benefits. Finally, the Authority is amending its 2023 Authorized Positions by increasing it by 40 positions to 2,170, centered around the core value of safety. All additional positions are within the Maintenance (29) and Operations (6) Departments to provide additional staffing during overnight hours in areas of increased traffic and planned construction activity. Also included are five additional contingent positions to fill as needs arise.

The 2023 Amended 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 Amended 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 Amended 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.

All charts from the 2023 Annual Budget document that have changed as a result of the amendments to the Revenue and Operating Expenses Budgets and Authorized Positions have been updated and included in this document.

Net Revenue Requirement			
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget
Revenue	\$ 2,468,700	2,483,700	15,000
Operating Expenses and Reserve ⁽¹⁾	(717,900)	(723,600)	(5,700)
Net Revenue	\$ 1,750,800	1,760,100	9,300
Net Debt Service	(873,300)	(873,300)	—
Maintenance Reserve Payments	(230,000)	(230,000)	—
Special Project Reserve Payments	(51,500)	(51,500)	—
Total Requirements	\$ (1,154,800)	(1,154,800)	—
Excess Revenue	\$ 596,000	605,300	9,300
Net Revenue	1,750,800	1,760,100	9,300
1.2X Debt Service	(1,048,000)	(1,048,000)	—
Excess Revenue at 1.2X Debt Service	\$ 702,800	712,100	9,300
Debt Service Coverage	2.00	2.02	0.02

(1) Operating Expenses and Reserve includes the operating expenses for the year (Original Budget- \$713,700, Amended Budget- \$718,900 in 2023) and the annual increase in the working capital reserve (Original Budget-\$4,200, Amended Budget- \$4,700 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

Figure 38: 2023 Net Revenue Requirement

Revenue			
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget
Toll Revenue	\$ 2,196,400	2,196,400	—
Other Revenue	272,300	287,300	15,000
Total	\$ 2,468,700	2,483,700	15,000

Figure 29: Annual 2023 Budget Revenue Summary

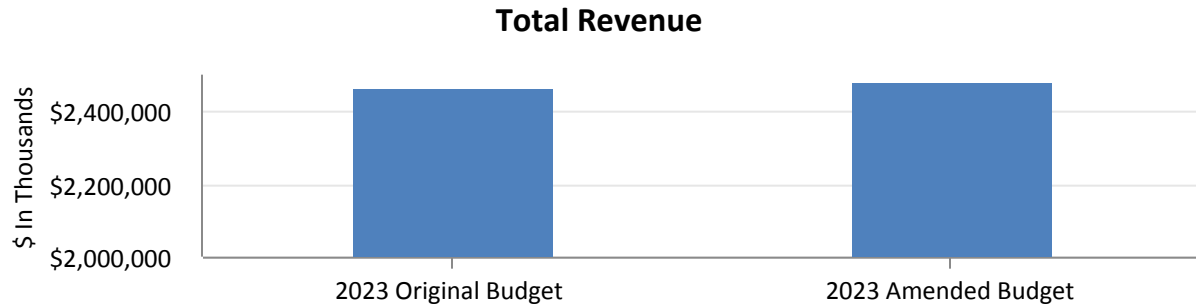


Figure 30: Total Annual Revenue

SIGNIFICANT REVENUE HIGHLIGHTS

- Budgeted Interest Income, which is included in Other Revenue above, is being increased to reflect the continued overall increase in short-term interest rates as well as a larger investment portfolio. This change increases budgeted Interest Income by 59.1%, budgeted Non-Operating Income by 14.6% and budgeted Total Revenue by 0.6%, all compared to the original 2023 budget.

OPERATING EXPENSE

In 2023 the amended operating expenses are budgeted at \$718.9 million, which is an increase of \$5.1 million, or 0.7%, compared to the original 2023 Operating Expense Budget.

- The Amended 2023 Operating Expense Budget includes a full year of salary, taxes, pension and benefit costs associated with the addition of 40 new full-time positions. The majority of these positions are to add an overnight shift to the Clark Maintenance Yard on the Garden State Parkway and the southern sections of the New Jersey Turnpike.

Expenses			
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget
Operating Expense and Reserve ⁽¹⁾	\$ 717,900	723,600	5,700
Debt Service	958,160	958,160	—
General Reserve	759,845	759,845	—

(1) Amended Operating Expenses and Reserve includes the operating expenses for the year (Original Budget- \$713,700, Amended Budget- \$718,900 in 2023) and the annual increase in the working capital reserve (Original Budget-\$4,200, Amended Budget- \$4,700 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

Figure 31: 2023 Budget Spending Summary

Financial Plan

Financial Plan Key Highlights

Revenue

- Amended Interest Income (included in Other Revenue) is increasing by \$15 million in 2023, or 59.1%, from the original 2023 budget due to higher than expected interest rates and a larger investment portfolio. There are no other changes to future year assumptions. See 2023 Annual Budget for assumptions.

Operating Expenses

- Amended Operating Expenses are increasing from the original 2023 budget by 0.7% due to the addition of 40 positions and their respective pension, taxes and health benefits costs. There are no other changes to future year assumptions. See 2023 Annual Budget for assumptions.

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	Amended Budget 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Revenues							
Toll Revenues							
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	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	57,300	48,600	59,500	66,800	64,500
Total Revenues	\$ 2,266,200	2,420,400	2,483,700	2,576,100	2,674,600	2,776,300	2,877,300
Operating Expenses and Reserve (1)	(590,700)	(627,200)	(723,600)	(758,400)	(792,200)	(823,500)	(852,000)
Total Revenues Available for Debt Service	\$ 1,675,500	1,793,200	1,760,100	1,817,700	1,882,400	1,952,800	2,025,300
Future Debt Issuance	—	700,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Existing Debt Service	(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	(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	886,800	897,500	947,000	936,600	957,300
Maintenance Reserve Fund	(160,000)	(200,000)	(230,000)	(240,000)	(250,000)	(260,000)	(269,100)
Special Project Reserve Fund	(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	605,300	603,400	640,500	617,800	627,300
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	(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	(154,500)	(18,400)	3,700	(34,000)	(39,500)
Available Ending General Reserve Fund Balance	\$ 637,200	653,100	498,600	480,200	483,900	449,900	410,400
Net Revenues to Debt Service Coverage Ratio	2.11	2.09	2.02	1.98	2.01	1.92	1.90
Net Revenues to Debt Service and Reserves Coverage Ratio	1.67	1.62	1.52	1.50	1.52	1.46	1.45

(1) 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 (b) of the Bond Resolution.

Figure 2: The Authority's Financial Plan (2021-2027)

Summary of Major Revenues and Expenses

Sources of Revenue

Sources of Revenue				
(\$ In Thousands)	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Turnpike Toll Revenue	\$ 1,638,700	1,638,700	—	—%
Parkway Toll Revenue	557,700	557,700	—	—%
Other Operating Revenue	169,900	169,900	—	—%
Non-Operating Revenue	102,400	117,400	15,000	14.6%
Total Revenue	\$ 2,468,700	2,483,700	15,000	0.6%

Figure 43: 2023 Sources of Revenue

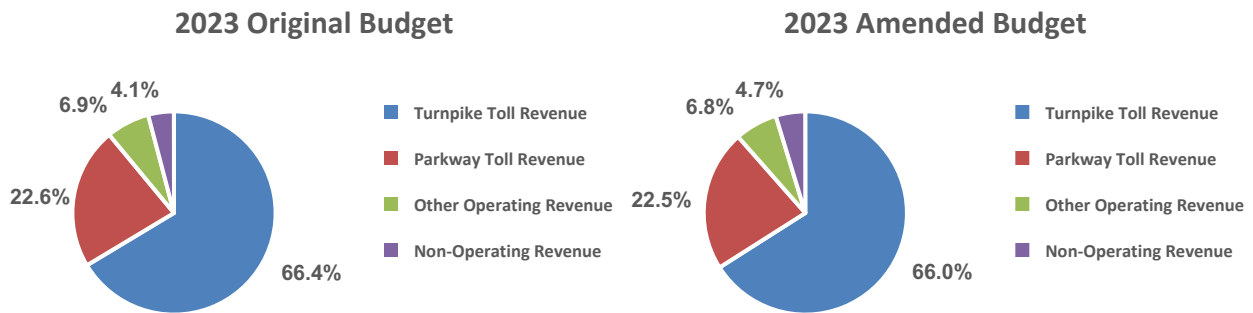


Figure 44: 2023 Sources of Revenue Percentages

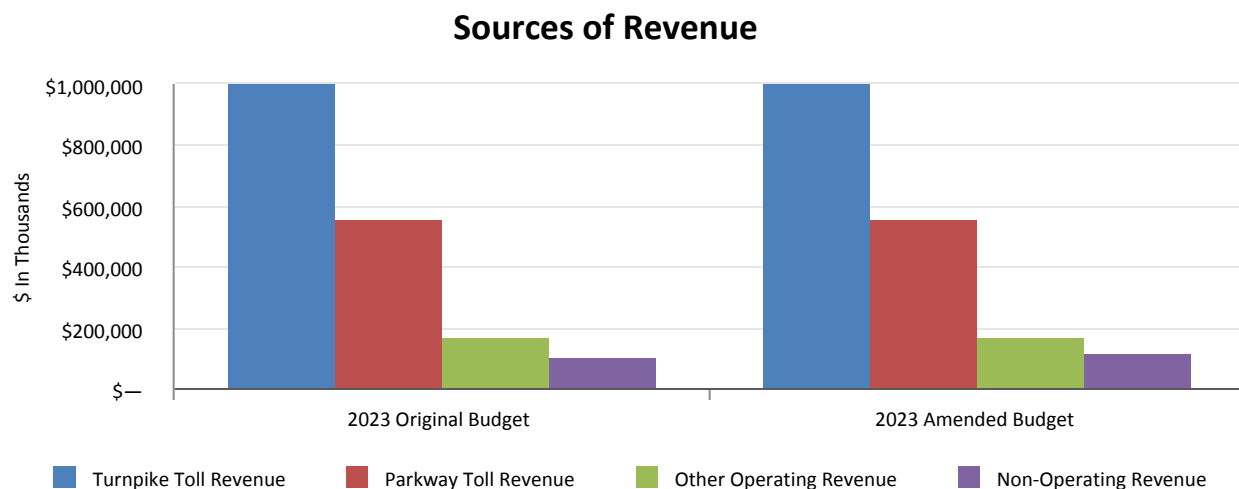


Figure 45: 2023 Sources of Revenue Graph

Allocation of Revenue

Allocation of Revenue				
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Operating Expenses and Reserve ⁽¹⁾	\$ 717,900	723,600	5,700	0.8%
Net Debt Service	873,300	873,300	—	—%
Maintenance Reserve Fund	230,000	230,000	—	—%
Special Project Reserve Fund	51,500	51,500	—	—%
General Reserve	596,000	605,300	9,300	1.6%
Total Allocation of Revenue	\$ 2,468,700	2,483,700	15,000	0.6%

(1) Operating Expenses and Reserve includes the operating expenses for the year (Original Budget- \$713,700, Amended Budget- \$718,900 in 2023) and the annual increase in the working capital reserve (Original Budget- \$4,200, Amended Budget- \$4,700 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.

Figure 46: 2023 Allocation of Revenue

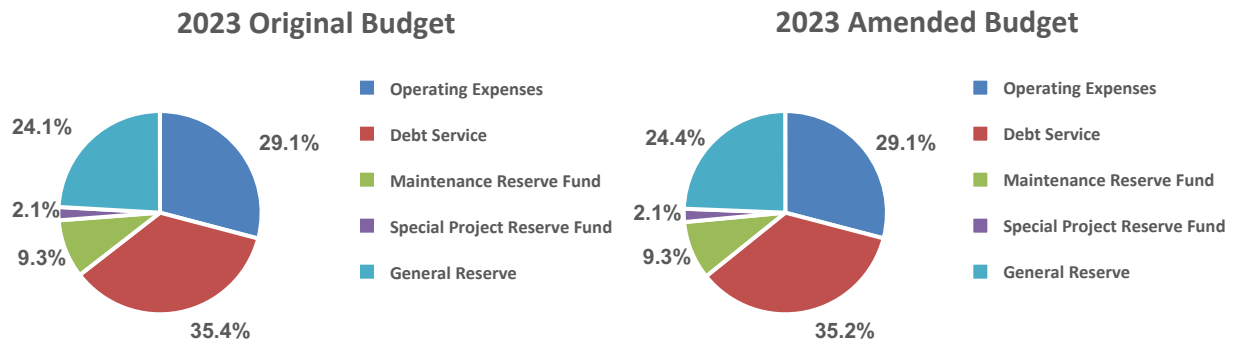


Figure 47: 2023 Allocation of Revenue Percentages

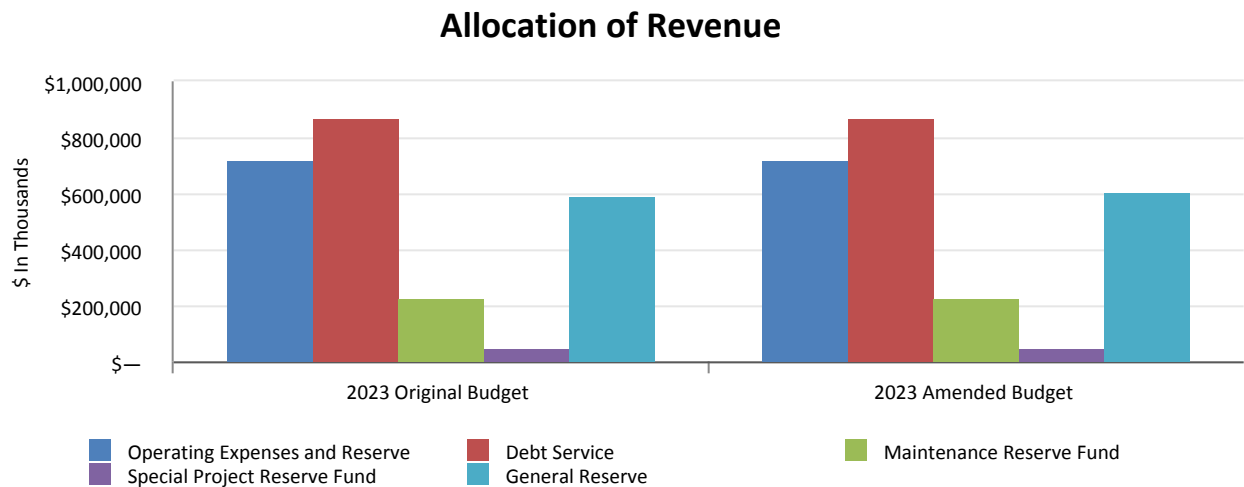


Figure 48: 2023 Allocation of Revenue Graph

Revenue

2023 Revenue Budget

Revenue				
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Turnpike Toll Revenue	\$ 1,638,700	1,638,700	—	—%
Parkway Toll Revenue	557,700	557,700	—	—%
Fees	120,000	120,000	—	—%
Concession Revenue	33,000	33,000	—	—%
Miscellaneous Revenue	16,900	16,900	—	—%
Total Operating Revenue	\$ 2,366,300	2,366,300	—	0.0%
Federal Subsidy for Build America Bonds	77,000	77,000	—	—%
Federal and State Reimbursements	—	—	—	—%
Interest Income	25,400	40,400	15,000	59.1%
Arts Center Revenues	—	—	—	—%
Total Non-Operating Revenue	\$ 102,400	117,400	15,000	14.6%
Total Revenue	\$ 2,468,700	2,483,700	15,000	0.6%

Figure 49: 2023 Revenue Budget

Key Assumptions:

- Amended interest income is increasing by \$15 million from the original 2023 budget due to higher than expected interest rates and a larger investment portfolio. Many of the investments for 2023 have already been purchased so yields are known.

Revenue Fund Balance				
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Beginning Balance	\$ 67,200	67,200	—	0.0%
Revenues	2,468,700	2,483,700	15,000	0.6%
Expenses	(713,700)	(718,900)	(5,200)	0.8%
Transfers to Funds	(1,750,800)	(1,760,100)	(9,300)	0.5%
Ending Balance	\$ 71,400	71,900	500	0.7%

Figure 50: 2023 Revenue Fund Balance

Operating Expenses

Total Operating Expenses — By Functional Area				
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Maintenance	\$ 262,747	266,923	4,177	1.6%
Engineering	31,474	31,474	—	—%
Total Maintenance of Infrastructure	\$ 294,220	298,397	4,177	1.4%
 				
Toll Collection	204,877	204,877	—	—%
Total Toll Collection	\$ 204,877	204,877	—	—%
 				
Operations	17,501	18,446	945	5.4%
State Police	108,457	108,457	—	—%
Total Traffic Control & State Police	\$ 125,957	126,903	945	0.8%
 				
Information Technology Services	28,780	28,780	—	—%
Total Technology	\$ 28,780	28,780	—	—%
 				
Executive Office	2,100	2,100	—	—%
Law & Insurance Services	15,400	15,400	—	—%
Purchasing & Materials Management	9,533	9,533	—	—%
Human Resources & Office Services	7,784	7,784	—	—%
Finance	17,011	17,011	—	—%
Community & Government Relations	1,769	1,769	—	—%
Internal Audit	6,312	6,312	—	—%
Total General & Administrative	\$ 59,910	59,910	—	—%
 				
Total Operating Expenses	\$ 713,744	718,866	5,122	0.7%

Figure 63: 2023 Total Operating Expenses by Functional Area

- Amended Operating Expenses are budgeted to increase by 0.7%, or \$5.1 million, from 2023's original budget. The two functional areas impacted by the amendment are as follows:
 - Maintenance of Infrastructure is budgeted to increase by \$4.2 million due to the addition of 34 positions. Maintenance authorized positions is increasing by 29 and contingent positions are increasing by five.
 - Traffic Control and State Police costs are budgeted to increase by \$945k due to the addition of six positions in the Operations department.

Operating Expenses by Functional Area

Condensed Operating Expenses by Functional Area				
(\$ In Thousands)	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Maintenance of Infrastructure	\$ 294,220	298,397	4,177	1.4%
Toll Collection	204,877	204,877	—	—%
Traffic Control & State Police	125,957	126,903	945	0.8%
Technology	28,780	28,780	—	—%
General & Administrative	59,910	59,910	—	—%
Total Operating Expenses	\$ 713,744	718,866	5,122	0.7%

Figure 64: 2023 Condensed Operating Expenses by Functional Area

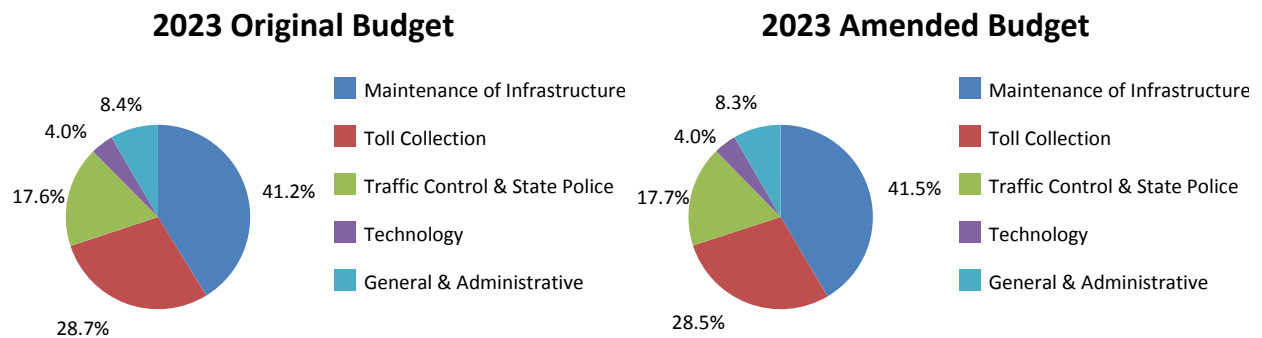


Figure 65: 2023 Condensed Operating Expenses by Functional Area Percentages

Revenue Fund Operating Expense by Functional Area

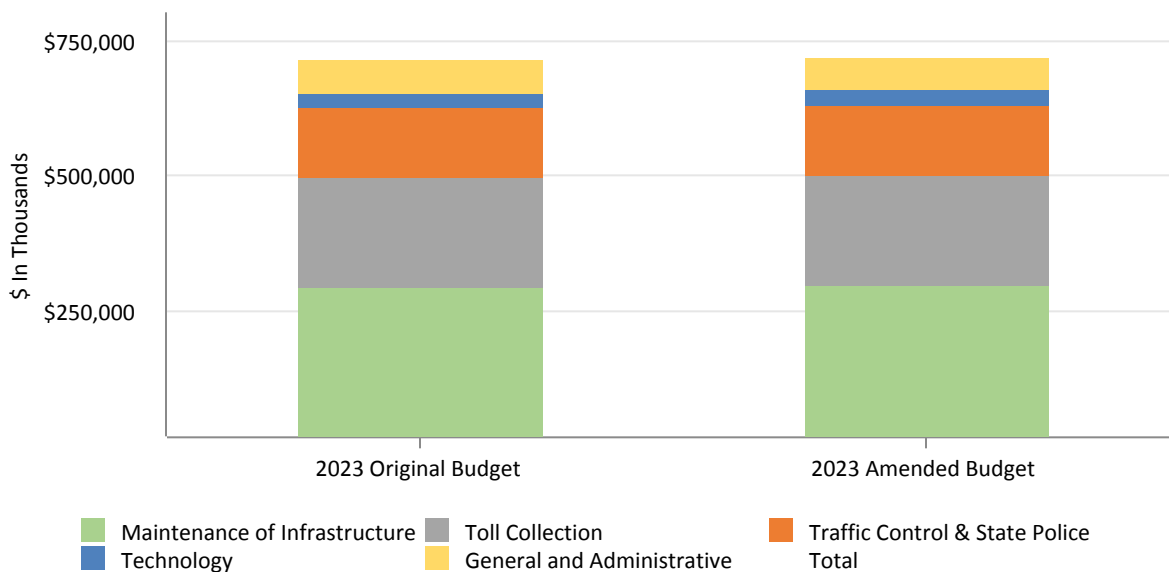


Figure 32: 2023 Revenue Fund Operating Expense by Functional Area

Operating Expenses by Type

Condensed Operating Expenses by Type				
(\$ In Thousands)	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Personnel Costs	\$ 337,681	342,803	5,122	1.5%
Materials & Supplies	57,869	57,869	—	—%
Services	262,237	262,237	—	—%
Maintenance & Fixed Costs	45,474	45,474	—	—%
Equipment	10,484	10,484	—	—%
Total Operating Expenses	\$ 713,744	718,866	5,122	0.7%

Figure 66: 2023 Condensed Operating Expenses by Type

The above chart shows that the increase in the 2023 amended budget is in Personnel Costs (Salaries, Pension and Health Benefits)

- Salaries are increasing by 1.5% from the 2023 original budget due to the additional 40 positions.
- Pension and taxes are increasing by 1.6% from the 2023 original budget due to the associated costs from the 40 additional positions.
- Health benefits are budgeted to increase 1.6% from the 2023 original budget from the 40 additional positions as health benefit costs are allocated based on a percentage of salary.

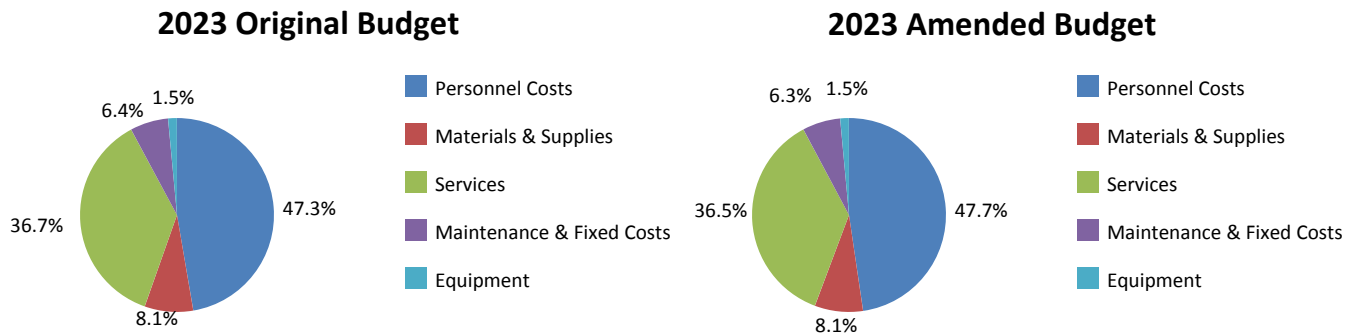


Figure 67: 2023 Condensed Operating Expenses by Type Percentages

2023 Operating Expenses Summary by Line Item

Total Operating Expenses by Line Item				
(\$ In Thousands)	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Salaries	\$ 183,555	186,306	2,751	1.5%
Allowances	1,407	1,407	—	—%
Pension & Taxes	42,872	43,541	669	1.6%
Employee Relations	36	36	—	—%
Health Benefits	108,015	109,717	1,701	1.6%
Tuition	351	351	—	—%
Training, Travel, & Seminars	1,445	1,445	—	—%
Total Personnel Costs	\$ 337,681	342,803	5,122	1.5%
Printing & Office Supplies	617	617	—	—%
Vehicle Supplies	7,537	7,537	—	—%
Medical Supplies	86	86	—	—%
Operating Supplies	1,995	1,995	—	—%
Toll Tickets	316	316	—	—%
Utilities	13,276	13,276	—	—%
Snow/Ice	10,173	10,173	—	—%
Software	7,426	7,426	—	—%
Other Materials	14,161	14,161	—	—%
Landscape	743	743	—	—%
Roadway	475	475	—	—%
Electronics	750	750	—	—%
Other Expenses	315	315	—	13.7%
Total Materials & Supplies	\$ 57,869	57,869	—	—%
Banking Services	41,555	41,555	—	—%
Insurance	18,314	18,314	—	—%
Facilities Services	4,978	4,978	—	—%
Legal Services	2,863	2,863	—	—%
Consulting Services	7,686	7,686	—	—%
Other Professional Services	78,939	78,939	—	—%
Environmental Services	5,566	5,566	—	—%
Other Services	1,099	1,099	—	—%
State Police Services	101,237	101,237	—	—%
Total Services	\$ 262,237	262,237	—	—%
Vehicle Maintenance	1,417	1,417	—	—%
Roadway Maintenance	33,012	33,012	—	—%
Building Maintenance	4,200	4,200	—	—%
Toll Booth Maintenance	76	76	—	—%
Equipment Maintenance	6,276	6,276	—	—%
Equipment Rental	388	388	—	—%
Taxes	106	106	—	—%
Total Maintenance & Fixed Costs	\$ 45,474	45,474	—	—%
Equipment	4,558	4,558	—	—%
ETC Transponders	5,926	5,926	—	—%
Total Equipment	\$ 10,484	10,484	—	—%
Total Operating Expenses by Line Item	\$ 713,744	718,866	5,122	0.7%

Figure 68: 2023 Total Operating Expenses by Line Item

Authorized Positions

Authorized Positions			
Departments/Divisions	2023 Original Budget	2023 Amended Budget	Δ from Original Budget
Maintenance Division	987	1,016	29
Traffic Division	88	94	6
Operations Department	1,075	1,110	35
Engineering	79	79	—
Toll Collection	542	542	—
State Police	28	28	—
Information Technology Services	152	152	—
Executive Office	10	10	—
Law & Insurance Services	20	20	—
Procurement & Materials Management	57	57	—
Human Resources & Office Services	42	42	—
Finance	80	80	—
Community & Government Relations	10	10	—
Internal Audit	30	30	—
Subtotal	2,125	2,160	35
Contingency	5	10	5
Total Authorized Positions	2,130	2,170	40

Figure 69: 2023 Authorized Positions

Overall, 2023 Authorized Positions are being amended to provide an additional 40 full-time positions.

- The Maintenance Division of the Operations Department increased by 29 positions, and the Traffic Division of the Operations Department increased by six.
- Contingent positions have been increased by five (for a new total of ten) to account for any staffing needs that may arise during the year.

Department & Division Operating Expenses

Maintenance Division

Maintenance Division Operating Expenses				
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Salaries	\$ 90,653	92,896	2,243	2.5%
Allowances	1,057	1,057	—	—%
Pension & Taxes	20,704	21,249	545	2.6%
Health Benefits	50,581	51,960	1,378	2.7%
Tuition	13	13	—	—%
Training, Travel, & Seminars	300	300	—	—%
Printing & Office Supplies	109	109	—	—%
Vehicle Supplies	7,487	7,487	—	—%
Operating Supplies	1,550	1,550	—	—%
Utilities	13,276	13,276	—	—%
Snow/Ice	10,173	10,173	—	—%
Software	60	60	—	—%
Other Materials	12,690	12,690	—	—%
Landscape	743	743	—	—%
Roadway	475	475	—	—%
Electronics	750	750	—	—%
Insurance	9,466	9,466	—	—%
Facilities Services	1,330	1,330	—	—%
Consulting Services	50	50	—	—%
Other Professional Services	100	100	—	—%
Environmental Services	1,500	1,500	—	—%
Other Services	177	177	—	—%
Vehicle Maintenance	872	872	—	—%
Roadway Maintenance	31,320	31,320	—	—%
Building Maintenance	4,100	4,100	—	—%
Equipment Maintenance	1,040	1,040	—	—%
Equipment Rental	145	145	—	—%
Equipment	1,823	1,823	—	—%
Other Expenses	215	215	—	—%
Total Operating Expenses	\$ 262,757	266,923	4,166	1.6%

Figure 71: 2023 Maintenance Division Operating Expenses

2023 Budget Highlights:

- Salaries are increasing \$2.2 million due to the additional positions from the amendment.
- Pension & Taxes and Health Benefits are increasing by \$545,000 and \$1.38 million respectively due to the additional positions from the amendment.

Maintenance Division Authorized Positions			
	2023 Original Budget	2023 Amended Budget	Δ from Original Budget
Assistant Foreman	28	29	1
Automotive Foreman	3	7	4
Crew Supervisor	41	43	2
General Foreman	6	7	1
Heavy Equipment Operator	25	26	1
Maintenance Person	232	240	8
Maintenance Person 1	218	226	8
Maintenance Person General	31	33	2
Mason	3	4	1
Roadway Foreman	16	17	1
All Other Positions	384	384	—
Total Authorized Positions	987	1,016	29

Figure 72: 2023 Maintenance Division Authorized Positions

The Maintenance department is increasing its authorized positions due to a need for additional shifts predominantly in the southern areas of the Turnpike and the Clark maintenance years. These shifts are focused around nights to provide additional staffing in increased traffic areas and in areas where construction is planned.

Operations

Operations Department Operating Expenses				
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Salaries	\$ 8,551	9,059	509	5.9%
Allowances	25	25	—	—%
Pension & Taxes	2,031	2,153	122	6.0%
Health Benefits	5,288	5,602	314	5.9%
Tuition	10	10	—	—%
Training, Travel, & Seminars	11	11	—	—%
Printing & Office Supplies	20	20	—	—%
Operating Supplies	5	5	—	—%
Other Materials	18	18	—	—%
Facilities Services	570	570	—	—%
Consulting Services	59	59	—	—%
Other Professional Services	700	700	—	—%
Environmental Services	50	50	—	—%
Other Services	120	120	—	—%
Vehicle Maintenance	25	25	—	—%
Roadway Maintenance	2	2	—	—%
Equipment Maintenance	4	4	—	—%
Equipment	14	14	—	—%
Total Operating Expenses	\$ 17,502	18,446	944	5.4%

Figure 80: 2023 Operations Department Operating Expenses

2023 Budget Highlights:

- Salaries are increasing approximately \$509,000 due to the added positions from the budget amendment
- Pension and Health Benefits are increasing by \$122,000 and \$314,000 respectively due to the additional positions from the amendment

Operations Department Authorized Positions			
	2023 Original Budget	2023 Amended Budget	Δ from Original Budget
Communications Dispatcher	22	23	1
Traffic Control Supervisor	11	16	5
All Other Positions	55	55	—
Total Authorized Positions	88	94	6

Figure 81: 2023 Operations Department Authorized Positions

The Operations Department is increasing its authorized positions to account for additional volume of both vehicle traffic and accidents.

General Reserve

Due to the increase in net revenue from the Amended 2023 Annual Budget changes, the transfer to the General Reserve Fund from the Revenue Fund has increased by \$9.3 million. This in turn will increase the budgeted available ending fund balance in the General Reserve Fund as shown below.

General Reserve Fund Balance				
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	\$ Δ from Original Budget	% Δ from Original Budget
Beginning Balance	\$ 653,143	653,143	—	—%
Transfer from Revenue Fund	596,000	605,300	9,300	1.4%
GRF Expenditures	(699,845)	(699,845)	—	—%
Transfer to Construction Fund - Net	(60,000)	(60,000)	—	—%
Available Ending Fund Balance	\$ 489,298	498,598	9,300	1.4%

Figure 122: 2023 General Reserve Fund Balance

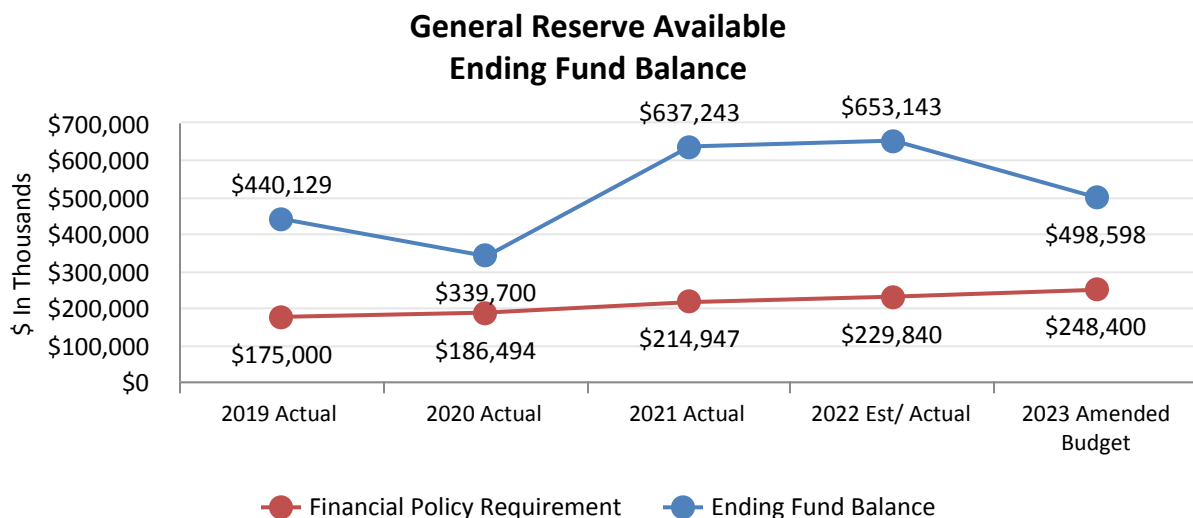


Figure 121: 2023 General Reserve Available Ending Balance Graph (2019-2023)

New Jersey Turnpike Authority 2022 Accomplishments and 2023 Goals

People

Selected Performance Measure: Amended authorized positions are increasing by 40.

Total Authorized Positions

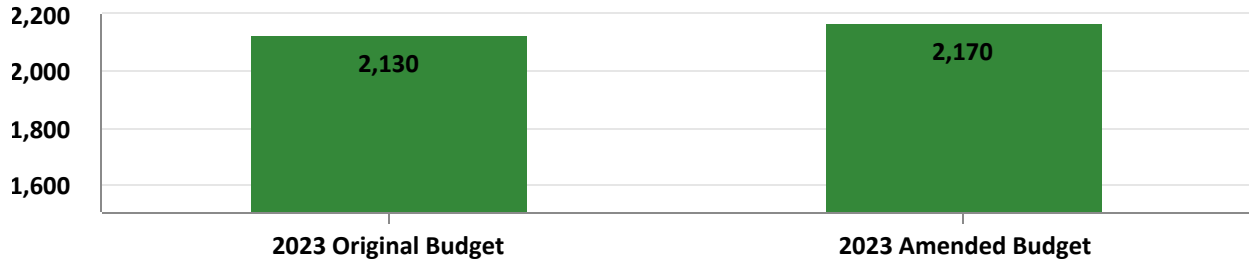


Figure 13: 2023 Total Authorized Positions Budgeted

Amended authorized full-time positions in 2023 are increasing by 40 compared to the 2023 original budget, and are 195 positions lower than in 2008.

Authorized positions since 2008 are shown below:

Authorized Full-Time Positions

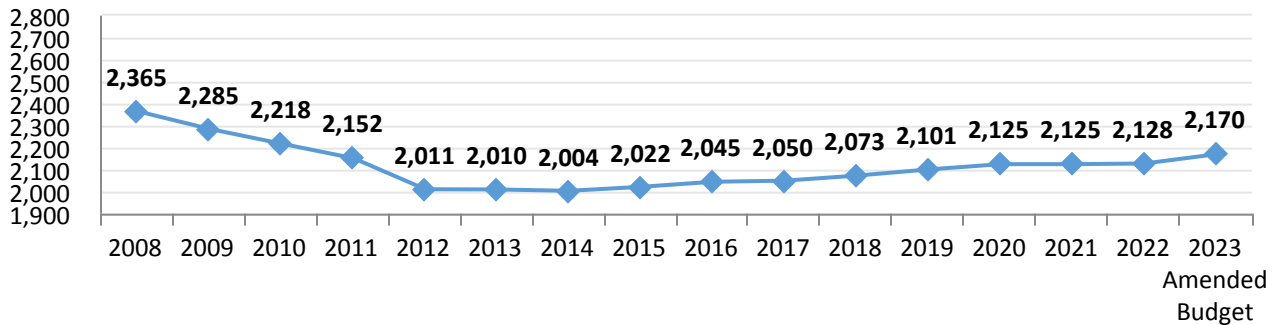


Figure 33: Authorized Positions (2008-2023)

Key Financial Metrics

Revenue Requirement

Debt Service Coverage to Financial Policy and Bond Resolution Ratio

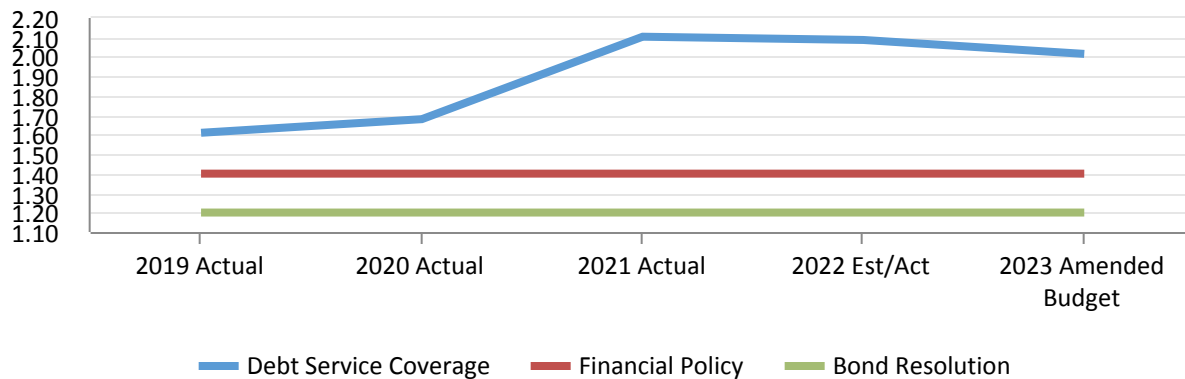


Figure 39: 2023 Debt Service Coverage Ratio Chart (2019-2023)

Total Requirements Coverage to Financial Policy and Bond Resolution Ratio

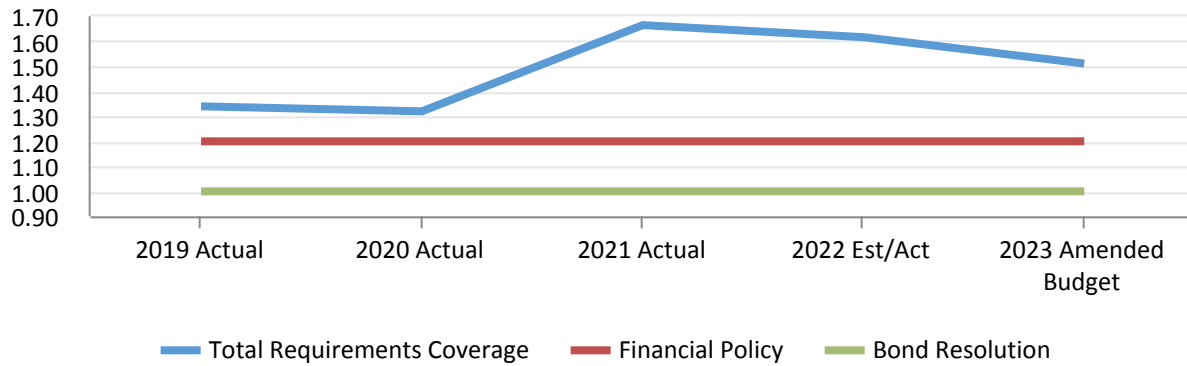


Figure 40: 2023 Total Requirements Coverage Ratio Chart (2019-2023)

Operating Margin Ratio

Operating Margin Ratio			
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	Budget Increase/ (Decrease)
Operating Revenue	\$ 2,366,300	2,366,300	—
Operating Expenses- Revenue Fund	(713,700)	(718,900)	(5,200)
Operating Income	\$ 1,652,600	1,647,400	(5,200)
Operating Margin Ratio	0.70	0.70	—

Figure 16: 2023 Operating Margin Ratio

Cost Recovery Ratio

Cost Recovery Ratio			
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	Budget Increase/ (Decrease)
Operating Revenue	\$ 2,366,300	2,366,300	—
Operating Expenses - Revenue Fund	(713,700)	(718,900)	(5,200)
Cost Recovery Ratio	3.32	3.29	(0.02)

Figure 18: 2023 Cost Recovery Ratio

Operating Cost/Lane Mile

Operating Cost Per Lane Mile			
<i>(\$ In Thousands)</i>	2023 Original Budget	2023 Amended Budget	Budget Increase/ (Decrease)
Operating Expenses — Revenue Fund	\$ 713,700	718,900	5,200
Lane Miles — Authority	4,478	4,478	—
Operating Cost Per Lane Mile — Authority	\$ 159	161	1.16

Figure 25: 2023 Operating Cost/Lane Mile

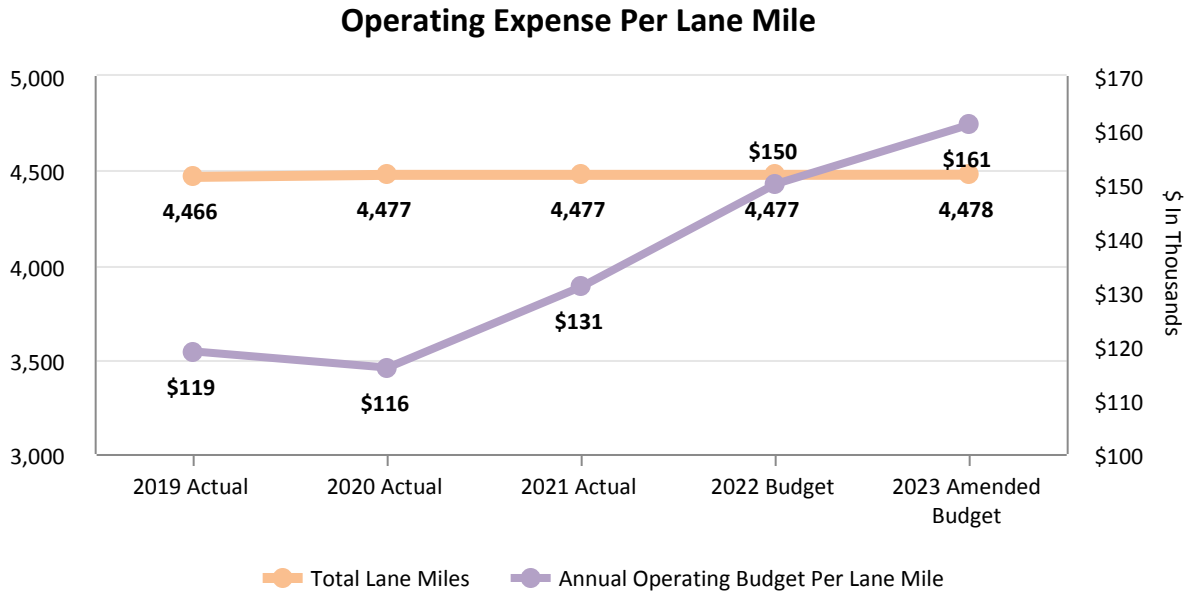


Figure 35: Total Lane Miles and Operating Expense Per Lane Mile (2019-2023)