

**New Jersey Turnpike Authority
Financial Summary
For the Six Months Ended June 30, 2025**

	Actual YTD June	YTD Budget June	2025 Annual Budget
Total Revenue	\$ 1,331,442,000	\$ 1,295,299,000	\$ 2,673,400,000
Operating Expenses	349,587,000	381,107,000	783,906,000
Net Revenue	\$ 981,855,000	\$ 914,192,000	\$ 1,889,494,000
Debt Service Requirements - Net	465,838,000	465,389,000	936,600,000
Maintenance Reserve Fund	120,000,000	120,000,000	240,000,000
Special Reserve Fund	28,150,000	28,150,000	56,300,000
Debt Service Coverage	2.11	1.96	2.02
Total Requirements Coverage	1.60	1.49	1.53

The following un-audited results are for the six months ended June 30, 2025.¹ Based upon these results, revenues will be sufficient to satisfy the requirements of the Authority's Bond Resolution. For the twelve months ending December 31, 2025, the Authority is projected to have a debt service coverage ratio of 2.02 and a total requirements coverage ratio of 1.53.

The Authority's total revenue for the six months ended June 30, 2025, was \$1,331,442,000, which is \$36,143,000, or 2.8% above the 2025 year-to-date budget. Toll revenue was \$1,125,140,000, which is \$1,460,000, or 0.1%, below the 2025 year-to-date budget. Toll revenue was slightly under budget due to adverse weather conditions in the year. These included two State of Emergency days in January 2025 due to significant snowfall, as well as three additional snow days in February. The leap year also affected results, with February 2025 having 28 days compared to 29 in 2024. Gas prices are \$0.41/gallon lower in 2025 compared to the same period in 2024. When compared to May 2025, gas prices in June increased \$0.03 per gallon. Investment income was \$24,116,000, or 81.2%, above budget due to higher than budgeted interest rates. Fees were \$9,201,000, or 12.7% above the budget due to conservative budgeting in 2025. Miscellaneous revenue was \$2,217,000 or 23.6% above budget due to approximately \$2.8M in 2024 PNC variable rent from the Arts Center, which was offset by lower fiber lease revenue and fiber optics.

For the six months ended June 30, 2025, traffic on the New Jersey Turnpike decreased 0.4% and toll revenue increased 3.3% compared to the same period in 2024. The decrease in toll transactions is driven by a reduction in passenger traffic due to severe winter weather. However, commercial traffic remained strong, supported by solid volumes in March and April. Toll revenue increased primarily due to the 3% annual toll rate indexing which went into effect on January 1, 2025. The 2025 traffic and toll revenue budgets are based on the Authority's traffic engineering consultant's (CDM Smith) New Jersey Turnpike System 2024 Traffic and Toll Revenue Forecast Study dated August 6, 2024. CDM Smith projected a 0.3% increase in traffic and a 3.4% increase in revenue as compared to the prior year. The actual results for the six months ended June 30, 2025, were below CDM Smith's traffic projections and toll revenue projections. Through June 2025, the *E-ZPass* usage rate on the New Jersey Turnpike was 93.3%, an increase from 92.9% for the same period in 2024.

For the six months ended June 30, 2025, toll transactions on the Garden State Parkway decreased 1.0% and revenue increased 3.6% when compared to the same period in 2024. The decrease in toll transactions is attributed to severe winter weather. In contrast, toll revenue increased primarily due to the 3% annual toll rate indexing. CDM Smith projected a 0.3% increase in traffic and a 3.7% increase in revenue as compared to the prior year. The actual results for the six months ended June 30, 2025, did not meet CDM Smith's traffic projections nor the toll revenue projections. Through June 2025, the *E-ZPass* usage rate on the Garden State Parkway was 91.9%, an increase from 91.1% for the same period in 2024.

Operating expenses for the six months ended June 30, 2025, were approximately \$349,587,000, which is \$31,520,000 or 8.3% below the year-to-date budget. The Authority's operating expenses through June were below budget primarily due to lower salaries due to existing vacancies and pension expenses due to vacancies and prior period adjustments. To a lesser extent, lower electronic toll collection costs and state police expenses contributed to the favorable variance. This was partially offset by higher-than-budgeted health benefit costs. Workers' compensation expenses exceeded the budget due to more claims than anticipated, and Direct Access plans are overbudget due to increased utilization rates. Prescription plan costs are also elevated, driven by higher usage of name-brand medications. The Authority spent a total of \$25,006,000 on snow and severe weather costs in 2025, with \$19,772,000 spent from the operating expense budget and an additional \$5,234,000 spent from the General Reserve Fund.

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

**Financial Summary
For the Six Months Ended June 30, 2025**

All snow and severe weather costs are considered operating expenses and paid from the Revenue Fund, except for declared state of emergency events, which are charged to the General Reserve Fund. New Jersey had two declared state of emergency events in January 2025. When excluding snow/severe weather costs and its budget, operating expenses for the six months are 9.1% below budget for 2025.

Debt Service includes interest and principal payments on the Authority's outstanding bonds and is funded primarily through revenue and to a much lesser extent bond proceeds (capitalized interest). For the six months ended June 30, 2025, Debt Service totaled \$497,460,000, which was \$22,516,000 or 4.3% below the year-to-date budget as the 2025 Budget assumed a \$1.0 Billion bond issuance in January 2025, while the actual issuance was \$750 million in new debt along with several refundings and was completed in June. Total Debt Service through June included \$295,683,000 in interest payments and \$201,777,000 in principal payments. Net Debt Service (funded from revenue, net of capitalized interest) was \$465,838,000 for the six months and is slightly above budget due to increased interest from the bond refundings. While the Authority is paying more in the short term in interest, there are greater savings on future principal payments. The 2025 annual debt service budget includes approximately \$936,600,000 of debt service funded from revenue (net debt service), and the remaining \$109,600,000 of debt service funded from bond proceeds (capitalized interest), for a total debt service budget of \$1,046,200,000.

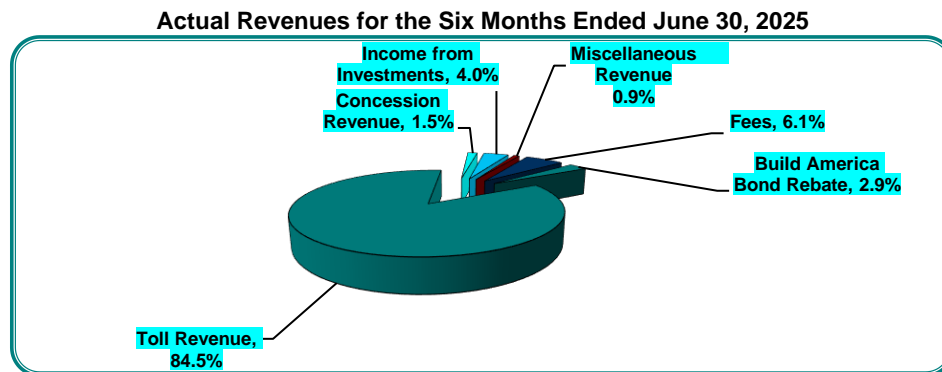
The General Reserve Fund includes all contractual payments subordinate to bondholders and expenditures for any other corporate purpose. The General Reserve Fund spending totaled \$314,789,000 for the six months ended June 30, 2025, which was \$26,327,000, or 7.7% below the year-to-date budget. Spending consisted primarily of \$240,000,000 for the 2021 State Public Transportation Projects Funding Agreement, \$11,000,000 for the Transportation Trust Fund, and \$10,000,000 for the 2023 State Transportation Agreement. Also included are \$35,534,000 in transfers to the Supplemental Capital program and Construction Fund.

The Capital Budget, which is funded by revenue, consists of the Maintenance Reserve Fund, Special Project Reserve Fund, and the Supplemental Capital Program. For the six months ended June 30, 2025, total expenditures were approximately \$112,727,000, which was 57.4% of the 2025 year-to-date spending budget. Expenditures included \$7,317,000 for TPK Bridge Repairs along Mileposts 92-122/NBHC (2024), \$6,988,000 for TPK Bridge Repairs along Mileposts 92-122/NBHC (2025), and \$5,965,000 for GSP Bridge Repairs along Mileposts 0-126 (2024). In addition to these expenditures, there are open commitments totaling approximately \$383,038,000.

The Construction Fund, which is funded from bond proceeds, consists of the 2025-2029 Capital Improvement Program, the 2019 Capital Improvement Program, and the 2008 \$7 Billion Capital Improvement Program. For the six months ended June 30, 2025, total expenditures were approximately \$217,376,000, which was 45.1% of the 2025 year-to-date spending budget. Total expenditures included \$26,328,000 for TPK Bridge Rehabilitation W 107 E107 84N&S, \$16,570,000 for TPK Bridges W 110 111 112, and 16,153,000 for TPK Deck Reconstruction along Mileposts 98.48 to 98.76. In addition to these expenditures, there are open commitments totaling approximately \$1,673,705,000.

**Comparison of Budgeted Revenues to Actual Revenues
For the Six Months Ended June 30, 2025**

	Budgeted	Unaudited Actual
<i>Toll Revenue</i>	\$ 1,126,600,000	\$ 1,125,140,000
<i>Concession Revenue</i>	18,499,000	20,563,000
<i>Income from Investments</i>	29,700,000	53,816,000
<i>Miscellaneous Revenue</i>	9,400,000	11,617,000
<i>Build America Bond Subsidy</i>	38,500,000	38,505,000
<i>Fees</i>	72,600,000	81,801,000
<i>Total Revenues</i>	\$ 1,295,299,000	\$1,331,442,000



For the six months ended June 30, 2025, total revenue was \$1,331,442,000, which was 2.8%, or \$36,143,000, above the 2025 Budget. Total revenue was above budget mainly due to investment income because of higher than budgeted interest rates.

Toll revenue for the period was \$1,125,140,000, which was 0.1%, or \$1,460,000 less than the 2025 Budget amount. Toll revenue was \$1,376,000, or 0.2% lower than the 2025 Budget amount on the New Jersey Turnpike, whereas on the Garden State Parkway, revenue remained flat compared to the 2025 Budget. Toll revenue decreased slightly due to adverse weather conditions.

Concession revenue consists of revenues generated through the sale of food, gasoline, and convenience store items at the service areas located along both roadways. Concession revenue totaled \$20,563,000, exceeding the 2025 Budget by \$2,064,000, or 11.2%, due to higher-than-expected sales across all categories. On the Turnpike, food sales increased 10.4%, fuel sales increased 9.2% and convenience store sales increased by 13.7% compared to last year. On the Garden State Parkway, food sales increased by 22.2%, fuel sales increased by 32.3%, and convenience store sales increased by 26.2% compared to the same period in 2024. The increase in food and convenience store sales on the Turnpike is primarily due to the re-opening of the John Fenwick and Clara Barton Service Areas, which were closed during the first half of 2024. Additionally, the increase is due to rebranding of food options. On the Parkway, increased food, fuel, and convenience store sales are attributed to several service area reopenings. The Jon Bon Jovi Service Area resumed food service in May 2024 and fuel service in November 2024. The James Gandolfini Service Area, closed throughout 2024, partially re-opened in January 2025 for food service, with its fuel station re-opening in March 2025 following renovations.

Investment earnings consist of income from invested operating revenues and reserve funds. Investment income was \$53,816,000, which was \$24,116,000, or 81.2% higher than the 2025 Budget. Income from investments was above budget due to higher than budgeted interest rates.

Miscellaneous revenue includes fees for cell tower rentals, towing, fiber optic leases, park and ride commissions, property rentals, the Arts Center, and other items. Revenue for the period totaled \$11,617,000, exceeding the 2025 Budget by \$2,217,000 or 23.6%. Miscellaneous revenue was above budget levels due to approximately \$2.8 million in 2024 variable rent received from the PNC Arts Center, partially offset by lower fiber lease and fiber optics revenue.

The Build America Bond Subsidy is a direct payment from the U.S. Treasury to the Authority equaling about 35% of the interest payable on the Series 2009F and the Series 2010A Bonds for Federal Fiscal Year 2025 which began in October 2024. The subsidy due was \$38,505,000, which is \$5,000 above the 2025 Budget due to rounding.

Fees consist of monthly membership fees, transponder sales, return check fees, administrative fees, interest on prepaid accounts, and monthly statement fees. Revenue of \$81,801,000 was above budget due primarily to an increase in administrative fees exceeding the conservative estimated increases that were budgeted.

New Jersey Turnpike Traffic & Revenue Comparison

For the Month of June 2025⁽¹⁾

	<u>Traffic</u>		
	June-25	June-24	% Change
Passenger Vehicles	19,720,000	19,797,000	-0.4%
Commercial Vehicles	3,051,000	2,983,000	2.3%
Overall	22,771,000	22,780,000	0.0%

	<u>Revenue</u>		
	June-25	June-24	% Change
Passenger Vehicles	\$ 102,137,000	\$ 101,898,000	0.2%
Commercial Vehicles	46,854,000	46,078,000	1.7%
Overall	\$ 148,991,000	\$ 147,976,000	0.7%

(1) Includes unaudited data for the month.

For the month of June 2025, traffic on the New Jersey Turnpike remained steady compared to the same period in 2024, while toll revenue increased by 0.7%. The increase in toll revenue compared to last year is primarily driven by an increase in commercial traffic and the 3% annual toll rate indexing which went into effect on January 1, 2025. Normalization of prior period activity led to the Turnpike to not fully realize the 3% when analyzing solely the month of June 2025. Additionally, June 2025 included one additional weekday compared to the prior year, which positively impacted revenue. The results are below CDM's projections of a 1.4% increase in traffic and a 3.4% increase in revenue.

For the Six Months Ended June 30, 2025⁽¹⁾

	<u>Traffic</u>		
	June-25	June-24	% Change
Passenger Vehicles	108,853,000	109,726,000	-0.8%
Commercial Vehicles	17,889,000	17,504,000	2.2%
Overall	126,742,000	127,230,000	-0.4%

	<u>Revenue</u>		
	June-25	June-24	% Change
Passenger Vehicles	\$ 555,891,000	\$ 543,221,000	2.3%
Commercial Vehicles	280,333,000	266,670,000	5.1%
YTD Toll Revenue	\$ 836,224,000	\$ 809,891,000	3.3%

(1) Includes unaudited data for the month.

For the six months ended June 30, 2025, traffic decreased 0.4% and toll revenue increased 3.3% when compared to the same period in 2024. The decrease in toll transactions is primarily due to severe winter weather. Toll revenue increased primarily due to the 3% annual toll rate indexing which went into effect on January 1, 2025. Electronic toll collection remains popular and overall usage rates continue to be strong. The results were below CDM Smith's traffic projections, which anticipated a 0.3% increase, and below CDM Smith's revenue projections, which anticipated a 3.4% increase. For the six months ended June 30, 2025, the *E-ZPass* usage rate for passenger cars was 92.6%, and 97.7% for commercial vehicles. This resulted in an overall *E-ZPass* usage rate of 93.3%. The *E-ZPass* usage rate remains one of the highest in the region reflecting acceptance among commuters and frequent travelers of the *E-ZPass* brand and the convenience provided to the users throughout the Northeast.

Garden State Parkway Traffic & Revenue Comparison

For the Month of June 2025⁽¹⁾

Traffic

	<u>June-25</u>	<u>June-24</u>	<u>% Change</u>
Passenger Vehicles	33,153,000	33,364,000	-0.6%
Commercial Vehicles	575,000	573,000	0.3%
Overall	<u>33,728,000</u>	<u>33,937,000</u>	<u>-0.6%</u>

Revenue

	<u>June-25</u>	<u>June-24</u>	<u>% Change</u>
Passenger Vehicles	\$ 51,907,000	\$ 51,033,000	1.7%
Commercial Vehicles	2,165,000	2,205,000	-1.8%
Overall	<u>\$ 54,072,000</u>	<u>\$ 53,238,000</u>	<u>1.6%</u>

(1) Includes unaudited data for the month.

For the month of June 2025, toll transactions on the Garden State Parkway decreased 0.6% and toll revenue increased by 1.6% when compared to June 2024. The increase in toll revenue is attributed to the 3% annual toll rate indexing which went into effect on January 1, 2025. Normalization of prior period activity led to Parkway to not fully realize the 3% when analyzing solely the month of June 2025. Additionally, June 2025 included one additional weekday compared to the prior year, which positively impacted revenue. The results were below CDM's projections of a 0.3% increase in traffic and a 2.6% increase in toll revenue for June 2025.

For the Six Months Ended June 30, 2025⁽¹⁾

Traffic

	<u>June-25</u>	<u>June-24</u>	<u>% Change</u>
Passenger Vehicles	175,845,000	177,697,000	-1.0%
Commercial Vehicles	3,074,000	3,067,000	0.2%
Overall	<u>178,919,000</u>	<u>180,764,000</u>	<u>-1.0%</u>

Revenue

	<u>June-25</u>	<u>June-24</u>	<u>% Change</u>
Passenger Vehicles	\$ 277,562,000	\$ 267,643,000	3.7%
Commercial Vehicles	11,353,000	11,155,000	1.8%
YTD Toll Revenue	<u>\$ 288,915,000</u>	<u>\$ 278,798,000</u>	<u>3.6%</u>

(1) Includes unaudited data for the month.

For the six months ended June 30, 2025, toll transactions on the Garden State Parkway decreased 1.0% and toll revenue increased 3.6% when compared to the same period in 2024. Toll transactions decreased primarily due to severe winter weather in the first two months of 2025. However, toll revenue increased due to the 3% annual toll rate indexing effective January 1, 2025. The results were below CDM Smith's traffic projections, which anticipated a 0.3% increase, and slightly below the revenue projections, which forecasted a 3.7% increase. *E-ZPass* remains popular on the Garden State Parkway as electronic toll collection continues to increase. For the six months ended June 30, 2025, the total *E-ZPass* usage rate was 91.9%. The *E-ZPass* usage rate for passenger cars was 91.8%, and 96.6% for commercial vehicles.

Operating Expenses
For the Six Months Ended June 30, 2025

	2025 Annual Budget	2025 YTD Budget	2025 YTD Actual
<u>Maintenance of roadway, buildings & equipment</u>			
Maintenance	\$ 275,568,000	\$ 138,624,000	\$ 128,886,000
Engineering	34,916,000	15,279,000	10,618,000
Total Maintenance	310,484,000	153,903,000	139,504,000
<u>Toll Collection</u>			
Toll Collection	226,246,000	108,093,000	95,806,000
<u>State Police & Traffic Control</u>			
State Police	122,106,000	59,215,000	56,680,000
Operations	22,153,000	11,380,000	10,212,000
Total State Police and Traffic Control	144,259,000	70,595,000	66,892,000
<u>Technology</u>			
Information Technology Services	33,322,000	15,539,000	20,657,000
<u>General & Administrative</u>			
Executive Office	2,217,000	1,102,000	892,000
Law	21,684,000	9,496,000	7,865,000
Purchasing & Materials Management	10,532,000	5,104,000	4,016,000
Human Resources & Office Services	9,108,000	4,500,000	3,556,000
Finance	17,216,000	8,421,000	7,021,000
Patron & Customer Services	1,924,000	942,000	710,000
Internal Audit	6,915,000	3,412,000	2,668,000
Total General and Administrative	69,596,000	32,977,000	26,728,000
TOTAL OPERATING	\$ 783,907,000	\$ 381,107,000	\$ 349,587,000

For the six months ended June 30, 2025, operating expenses were approximately \$349,587,000, which was 44.6% of the annual budget and 91.7% of the year-to-date budget. Operating expenses through June 2025 were under budget by \$31,520,000. This is primarily due to three under budget key drivers: salaries (\$8,489,000) due to existing vacancies, pension costs (\$10,044,000), and electronic toll collection costs (\$5,006,000). These under-budget expenses were partially offset by higher-than-budgeted health benefit costs of about \$5,655,000.

Debt Service

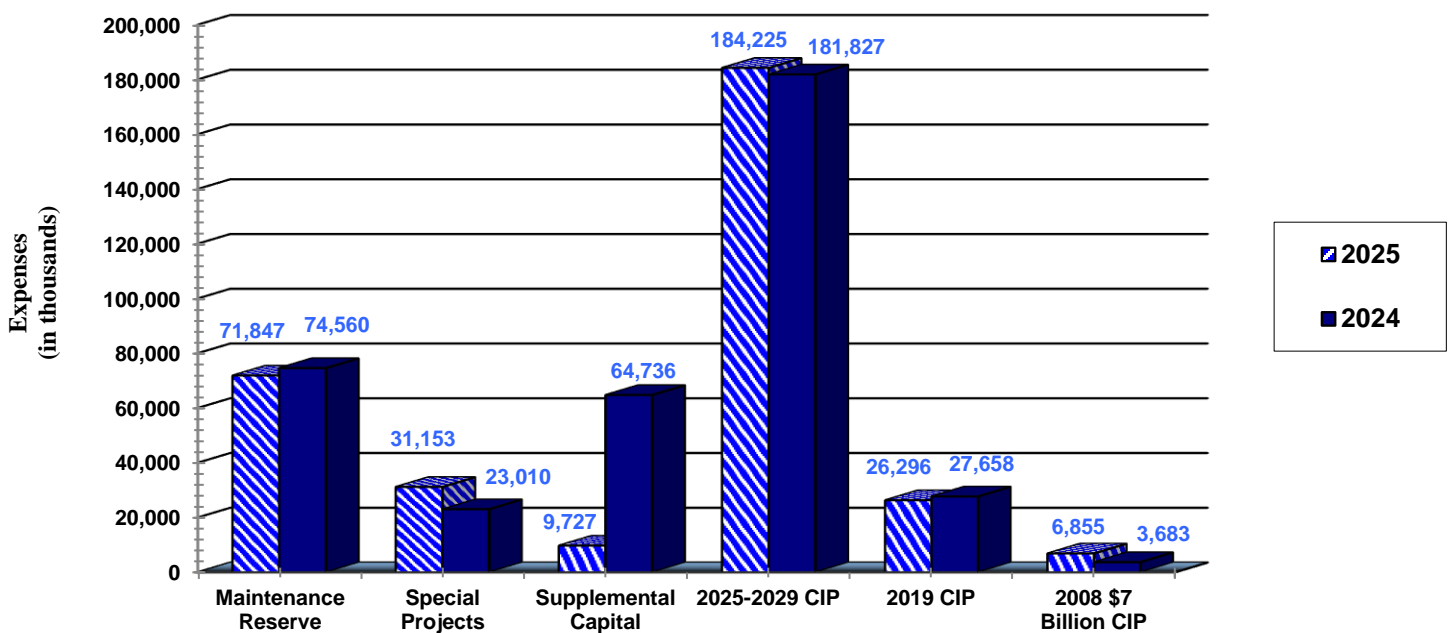
Debt Service includes interest and principal payments on the Authority's outstanding bonds. For the six months ended June 30, 2025, Debt Service totaled \$497,460,000 and included \$295,683,000 in interest payments and \$201,777,000 in principal payments. Gross Debt Service is currently \$22,516,000 or 4.3% below budget partly because the 2025 Budget assumed a \$1.0 Billion bond issuance in January 2025, while the actual issuance was \$750 million in new debt along with several refundings was completed in June. Net debt service (funded from revenue, net of capitalized interest) was \$465,838,000 for the six months and is slightly above budget due to increased interest from the bond refundings.

General Reserve Fund

The General Reserve Fund includes all contractual payments subordinate to bondholders and expenditures for any other corporate purpose. The General Reserve Fund spending totaled \$314,789,000 and consisted primarily of \$240,000,000 for the 2021 State Public Transportation Projects Funding Agreement, \$11,000,000 for the Transportation Trust Fund, and \$10,000,000 for the 2023 State Transportation Agreement. Also included are \$35,534,000 in transfers to the Supplemental Capital program and the Construction Fund. General Reserve spending was \$26,327,000, or 7.7% below budget.

Capital Spending Program Expenditures For the Six Months Ended June 30, 2025

	<u>2025</u>	<u>2024</u>
Maintenance Reserve	\$ 71,847,000	\$ 74,560,000
Special Project Reserve	31,153,000	23,010,000
Supplemental Capital	<u>9,727,000</u>	<u>64,736,000</u>
Capital Budget Total	112,727,000	162,306,000
2025-2029 Capital Improvement Program	184,225,000	181,827,000
2019 Capital Improvement Program	26,296,000	27,658,000
2008 \$7 Billion Capital Improvement Program	<u>6,855,000</u>	<u>3,683,000</u>
Construction Fund Total	217,376,000	213,168,000
Total Spending	<u>\$ 330,103,000</u>	<u>\$ 375,474,000</u>



The Capital Budget currently includes the Maintenance Reserve Fund, the Special Project Reserve Fund, and the Supplemental Capital Program. Current or accumulated revenues are used to support these funds. The Maintenance Reserve Fund covers the routine upkeep of the Authority's roadways with projects that are directly related to the Turnpike System. These projects consist of major resurfacing, structural repairs, major bridge repairs, and painting. The Special Project Reserve Fund covers non-routine maintenance of the roadways and facilities. These projects consist of, but are not limited to, improving the Authority's facilities, fleet, and technology platform. The Supplemental Capital Program generally covers roadway and facilities improvements, as well as major technology initiatives. For the six months ended June 30, 2025, total expenditures from the Capital Budget were approximately \$112,727,000, which was 57.4% of the year-to-date spending budget. Expenditures included \$7,317,000 for TPK Bridge Repairs along Mileposts 92-122/NBHC (2024), \$6,988,000 for TPK Bridge Repairs along Mileposts 92-122/NBHC (2025), and \$5,965,000 for GSP Bridge Repairs along Mileposts 0-126 (2024). In addition to these expenditures, there are open commitments totaling approximately \$383,038,000.

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